

Annual Budget

City of Raleigh, North Carolina

Fiscal Year Beginning July 1, 2008

Recommended to the City Council by the City Manager May 20, 2008
Adopted by the City Council June 23, 2008

The City Council

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

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ORDINANCES AND RESOLUTIONS



City Of Raleigh

North Carolina

June 30, 2008

Mayor Charles C. Meeker
Mayor Pro Tem James P. West
Councilor Mary-Ann Baldwin
Councilor Thomas G. Crowder
Councilor Philip R. Isley
Councilor Rodger Koopman
Councilor Nancy McFarlane
Councilor Russ Stephenson

Dear Mayor and Councilors:

Presented in this document is the Adopted FY 2009 Annual Budget for the City of Raleigh, as approved by City Council on June 23, 2008. The combined capital and operating budget for the fiscal year beginning July 1, 2008, net of interfund transfers, totals \$644,755,290.

The budget message for the FY 2009 Proposed Operating Budget that immediately follows this letter was originally presented May 20, 2008, and does not reflect adjustments made by City Council prior to formal adoption of the budget. Listed below is a summary of changes made to the proposed budget during Council deliberations.

Revenue Adjustments

- The Council approved budget is supported through a tax rate of \$37.35 cents per \$100 of value.
- Increasing Facility Fee revenues by \$4,223,738 resulting from the Council adoption of increased facility fees. The increases for fees included in section 1-3 of the text change ordinance are effective July 4, 2008. The remaining sections of the ordinance were effective June 1, 2008.
- Reduction of \$763,636 car registration fee revenue because of uncertainty surrounding the ability of the city to secure state legislative support for a \$5 increase in these fees.
- A \$400 increase in the water nutrient reduction fee, to be used as a source of funding for the Upper Neuse Initiative and the Little River Wetlands Mitigation Project. The funding level for the Upper Neuse Initiative will increase by \$1,000,000 and the Little River project by \$560,500.
- Transfer \$750,000 from the equipment fund fund balance to support general fund operations.

Expenditure Adjustments

The City Council deferred two general public improvement projects (Downtown West Gateway and Parking Deck Retail) and the fourth year of the transit plan to assist in funding the expenditure increases outlined below:

- Funding for Local Economic Development Staff (\$170,590) in the Planning Department budget.
- Funding for the Police Educational Incentive Program (\$300,000).
- Increase in the arts per capita funding to \$4.50 (from \$4.00).

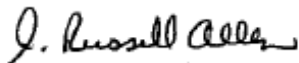
- Agency allocation adjustments noted below:
 - Carolina Ballet*: Appropriation of an additional \$100,000 for a total appropriation of \$250,000.
 - Raleigh Area Development Authority (RADA)*: Appropriation of \$50,000.
 - Latta House*: Appropriation of \$15,000 for an archaeological survey of site.
 - International Affairs Council*: Appropriation of \$10,000.
 - Center for Volunteer Caregiving*: Appropriation of \$13,500.
 - Interfaith Food Shuttle*: Appropriation of an additional \$62,500 for a total appropriation of \$100,000.
 - Tammy Lynn Center*: Appropriation of \$82,000 for a total appropriation of \$100,000.
 - Raleigh City Museum*: Appropriation of \$17,750 for a total appropriation of \$175,000.
 - Legal Aid of North Carolina*: Appropriation of \$45,000 for a total appropriation of \$50,000.
 - North Carolina Symphony*: Appropriation of an additional \$50,000 for a total appropriation of \$200,000.
 - Community Alternatives for Supportive Abodes (CASA)*: Appropriation of an additional \$75,000 for a total appropriation of \$89,000.
- The addition of Fair Housing staff (three positions) for one-half year and a Human Relations Program Manager position in the Community Services budget. Additional funding is included for RCAC in the amount of \$110,000.
- Funding for three additional staff at the new Lead Mine Road Park facility and one staff position to be shared between the Top Greene and Sgt. Courtney T. Johnson Community Centers in the Parks and Recreation Department.
- Funding in the Capital Improvement Program for the Person/Blount/New Bern Consultant and the South Park History Project.

Other Adjustments and Directives:

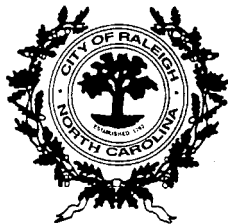
- The transportation bond proposed in 2008 will be deferred at least one year. Council will review the projects carefully, along with public transportation funding, before a new bond issue is held.
- Tiered water rates are to be implemented mid-year 2009.
- The study of inspections / plan approval / water and sewer capacity fees to be sent to the Budget and Economic Development (BED) Committee for further review.
- Raleigh Area Development Authority (RADA) and MLK Gardens to be sent to BED for further review.
- The City and NC Symphony have agreed to a 12-year contract extension.

City Administration is prepared to implement the policies and programs contained within the City Council's 2008-09 budget work plan for the City of Raleigh.

Respectfully submitted,



J. Russell Allen
City Manager



City Of Raleigh
North Carolina

May 20, 2008

Mayor Charles C. Meeker
Mayor Pro Tem James P. West
Councilor Mary-Ann Baldwin
Councilor Thomas G. Crowder
Councilor Philip R. Isley
Councilor Rodger Koopman
Councilor Nancy McFarlane
Councilor Russ Stephenson

Dear Mayor and Councilors:

In accordance with §159-11 of the North Carolina General Statutes, the *Proposed Budget* for the City of Raleigh for the fiscal year beginning July 1, 2008 and ending June 30, 2009 is hereby submitted.

Evidence of Raleigh's renaissance can be seen throughout the city as the community continues to attract new business and residents. Along with this new growth comes increased demand for enhanced municipal services, facilities, and amenities that support the quality of life we all have come to expect and enjoy. Raleigh is a great city because of the ongoing investment in its infrastructure and the 3,851 full-time employees who deliver high quality services 365 days of the year. The proposed budget for FY 2009 upholds that tradition of investment. This budget funds the continuation of the myriad new programs, services and capital projects supported by the City Council in the recent past (e.g., staffing to support sustainability efforts, graffiti removal program, expansion of our public transit services, new park and recreation facilities, fire stations, and landfill). All told, these programs represent an ongoing, annual cost in excess of \$20 million.

As presaged in last year's budget process, the FY 2009 budget cannot be supported solely from existing revenue streams, particularly in light of recent economic events. Recent downturns in the national economy, have moderated our sales tax revenue expectations, reduced our interest income projections, and tempered our inspection fee revenues. This represents approximately \$5 million below revenue projections. At the same time, the costs of fuel (up more than 40%), health insurance (up nearly 8%), Accessible Raleigh Transit (up approximately 20%), and the new transfer station and landfill operations along with a new state mandated disposal charge (up 45%) have continued to escalate beyond the rate of both inflation and the city's growth.

In addition to funding these significant fixed cost increases, the city must also meet the increasing needs for municipal service delivery placed upon it from new residential and commercial growth. Within the General Fund, city departments identified more than \$17.6 million in supplemental requests, including 228 new positions, necessary to support their basic organizational missions in FY 2009. Unfortunately, given current economic conditions, only a small portion of these needs can be addressed in this budget. However, the FY 2009 budget includes more than \$4.7 million of new investment for staff and equipment to meet the needs of our growing city. Of this, \$3.2 million is additional funding for public safety. Lastly, this budget provides funding for significant infrastructure investment through the city's Capital

Improvement Program, totaling \$1.5 billion, dedicated to a wide range of projects, including a \$226 million joint public safety center; \$223.5 million for remote operations facilities that will enable us to deliver services more efficiently and cost effectively; and \$88.6 million for parks and recreation facilities as approved by the 2007 Parks Bond Referendum, among others. In order to adequately support these funding needs, I am proposing the allocation of an additional 2.5 cent property tax to support operational needs and an additional 2.5 cent property tax to fund the large scale capital projects and parks bonds. After reassessment the tax rate will be reduced by 12%, from 43.5 cents to 38.17 cents, keeping the city's tax rate one of the lowest in the state.

I am pleased to report this budget maintains the high standards of fiscal planning, management, control and reserves expected from a AAA quality credit. This 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. Raleigh is only one of a very few local governments whose revenue bonds are rated at such a high level. There is good reason to believe that we will maintain the highest ratings into the foreseeable future as long as we continue to invest wisely in Raleigh's future.

Proposed Budget for Fiscal Year 2009

The net operating and capital budget for FY 2009 is \$642,831,746 which includes a General Fund total operating budget of \$387,214,860. The following provides an overview of the major components of the proposed budget for FY 2009.

Revenues

The significant revenue components affecting this FY 2009 budget are noted below:

- An increase in the property tax of 5 cents, of which 2.5 cents is dedicated to General Fund operations and 2.5 cents to capital projects through debt service. Based on the revaluation, a calculation of a revenue neutral tax was completed, as required by state statute. The revenue neutral tax rate is 33.17 cents. The current tax rate of 43.5 cents will be lowered to 38.17 cents;
- A retail water rate increase of 15 percent and a respective 15 percent increase in the city's sewer rate. This represents a \$4.86 per month increase for the average residential customer who uses 6,000 gallons of water. Through individual conversation efforts, it is possible that citizens may see relatively little change in their water bills despite the proposed rate increase. The water and sewer rate model, approved in FY 2005, predicted and programmed water and sewer rate increases over the next several fiscal years in order to maintain parity debt coverage and fund balance goals within the Public Utilities operating fund for implementing a sizeable capital program. Reduced consumption due to conservation also impacts on revenue;
- The continuation of the revenue indexing program across all development services, approved by Council during fiscal year 2007;
- An increase of 5% for sales tax revenue. Historically, sales tax revenue has increased, on average, 9% annually;
- An inspection fee revenue decrease from the FY 2009 projection of approximately 6%, or \$700,000;
- A decrease of approximately 37% in interest on investments due to the economic outlook; and
- A \$5 increase in the vehicle decal fee to support new public transportation services (pending legislation).

Expenditures

The FY 2009 budget funds continuation of current operations and provides additional funding and staffing for the most pressing needs (predominately operational) that have resulted from the city's growth, additional programs, expansion of facilities, and management of the capital improvement program. The primary changes in the budget are articulated below:

Major Cost Increases to Existing Operation

This section of the budget message describes the major differences between the FY 2008 budget and the proposed FY 2009 budget.

- *Staffing of major capital project facilities* – With the addition of major facilities in the City, additional staffing is needed. The new Convention Center and several new parks and recreation facilities will come online in the FY 2009 budget year requiring additional staff.
- *Worker's Compensation* – The budgetary increase attributed to worker's compensation based on an actuarial report totals nearly \$790,000 across all funds over the FY 2008 budget.
- *Health Insurance* – Health insurance costs are projected to increase nearly 8% next year. Employees with dependant care coverage will pay an additional 5% for health insurance premiums, effective October 1, 2008.
- *Employee Compensation* – Exclusive of new positions for FY 2009, the budget incorporates the following changes to employee compensation: 1) a 1.5% range adjustment, 2) a 5% increase to all minimum pay rates associated with the 2003 *Pay & Classification Study* recommendations; 3) implementation of the results from an annual review of 1/3 of the city's job classifications; and 4) continuation of the city's merit pay program. Additional changes can be found in the Authorized Personnel and Pay and Class Plan Changes section of the Proposed Budget Document.
- *Other Post Employment Benefits (OPEB)* – The city will be funding OPEB with this budget. An additional \$3.5 million is included to address the Governmental Accounting Standards Board (GASB) requirement.
- *Fuel Costs* – An increase of approximately 44%, or \$1.7 million, for fuel costs is included in the FY 2009 budget. It continues to be extremely difficult to budget for this resource due to the fluctuation in the market. Based on the continued increase in fuel costs, a 25% increase in the vehicle expense allowance for certain key staff is also included in the budget. Increases for expense allowance are proposed to be included in the budget every year using the IRS mileage rate as the index.
- *Transit* – The transit budget includes funding for four new efforts - the downtown circulator, the Wakefield circulator, the Wake Forest Express (in partnership with Wake Forest and Triangle Transit), and beginning the 4th year of the 5-year Capital Area Transit (CAT) improvement plan. To provide the proposed increases to service levels, including the aforementioned, the subsidy to the transit fund increased by approximately 20%.
- *Accessible Raleigh Transit (ART)* – Due to service expansions and customer demand, the city's subsidy for ART has increased by approximately \$700,000 or 16%.
- *Enterprise Resource Planning (ERP) System* – Work on the ERP project will increase significantly in FY 2009. As such, funding for the project increases as well and is included in the proposed budget at a cost of \$30 million.
- *Transfer Station/Landfill* – Operation of the new solid waste transfer station and disposal in the new South Wake landfill adds \$2.3 million to the budget. A portion of this funding will be rebated to the city by Wake County.

Major Additions to Budget

- *Attorney's Office* – Included in the budget are an environmental attorney to focus on drought, major water and wastewater projects, and other environmental issues and a paralegal position to assist in stormwater and other development review issues.
- *Development Services* – Funding for the start-up of a customer service center is included. The customer service center will serve as a single entry and exit point for all development review processes across five departments. Other than three new positions (one Customer Service Center Manager, two Development Service Project Managers), all other positions needed to staff the center currently exist.

- *Public Affairs/Raleigh Television Network (RTN)* – A Technical Production Assistant is added to the budget to assist with the increased demands of digital technology maintenance. Also, included is funding for camera equipment to improve the picture quality of the City of Raleigh video programs produced by staff.
- *Personnel Department* – Funding is included for a Senior Staff Analyst and an Administrative Support Specialist. The analyst position will complete a wide variety of tasks such as research, budgeting, policy interpretation, and supervision of employees. Both positions will provide administrative support to the Personnel Director and Deputy Director, as well as various divisions across the department. The Personnel Department will be significantly impacted by business process review for the Enterprise Resource Planning (ERP) system.
- *Administrative Services* – A Real Estate Specialist position is included to meet the growing demands of the city's utility departments – Public Utilities and Stormwater. These two departments will equally share in the cost of this position.
- *Finance Department* – Included in the budget are the following staffing additions:
 - *Accounting Technician (Accounting Division)* – Responsibilities for this position include a variety of complex tasks such as maintaining financial and budgetary records, resolving vendor concerns and financial management tasks.
 - *Staff Assistant, Business Process Analyst, and Strategic Planning Specialist (Utility Billing Division)* – These positions provide professional level analysis and support to department directors. The Strategic Planning Specialist will also coordinate and manage division projects and complex initiatives. All three positions are funded by the Public Utilities Department.
 - *Staff Support Specialist (Risk Management Fund)* – A temporary position in the previous budget year, transitioning this position to permanent status will provide continuity for division staff, customers and vendors.
- *Information Technology Department Additions* – The budget includes funding for VoIP (voice over internet protocol), two Network Operation Center (NOC) Analysts, a Business Analyst position, and an internship program. The addition of the two analysts will allow the Network Operating Center to operate 24/7 with a dedicated staff and will be paid for by a reduced reliance on contract employees.
- *Public Works Department* —the following changes are included for Public Works:
 - *Transportation Inspection Supervisor* – Currently, there is no official supervisor of the resurfacing inspection program. Among many other tasks, this position will handle the administration of both resurfacing and special street repair contracts and the supervision of seven inspectors.
 - *Senior Transportation Analyst* – This position will be responsible for all bicycle and pedestrian programs which includes the responsibility for planning and implementation of new facilities, coordination of education and outreach programs and contract administration.
 - *Conversion of a part-time Transportation Analyst to full-time position* – The full-time staff position will work with transportation engineers to provide traffic safety analyses in a timely manner.
 - *2 Traffic Signal Technicians* – These positions are necessary due to the additional maintenance responsibility of the upgraded signal system.
 - *Customer Service Representative (Accessible Raleigh Transit)* – This position will assist in handling the high call volume associated with the ART program. This position is upgraded from an existing part-time position.

- *Project Engineer (Transit Operations)* – It is anticipated that the Transit Program will undertake the new transit facility project, as well as, several construction projects in the coming months. This position is included to manage and oversee those projects.
- *Planning Department Addition* – Included in the budget is a GIS Senior Planner position to assist with the increasingly complex needs of the Planning staff in managing land use, growth and development. A zoning code update is included in the Capital Improvement Program.
- *Solid Waste Services* – A fully-automated vehicle, a yard waste vehicle, and a curbside recycling vehicle are added to increase the number of back-up equipment available, which will increase efficiency. Single stream recycling will also improve efficiency.
- *Police Department Additions* – The following staffing and programs are proposed for FY 2009:
 - *District Policing Personnel* – Twelve sworn positions are added due to the City's growth through annexations and population growth. These positions will be distributed where the need is greatest among the six district districts.
 - *Systems Analyst* – With the conversion to electronic information reporting and the continued 24/7 operation, an additional position will assist in keeping up with the technology demands of the department.
 - *Take Home Vehicle Program* – The wait period for eligible employees will be reduced from three years to two years.
 - *Lateral Entry Program* – Approved during FY 2008, this program allows the recruitment and hiring of seasoned professionals in order to be more competitive with surrounding communities and to be better able to retain academy graduates.
 - *Salary Compression Program* – In an effort to improve RPD recruitment and retention, the RPD has compressed the years of experience required for a Raleigh Police Officer to qualify for top pay. The revision in policy brings RPD more in line with similar sized organizations including the Charlotte Police Department and State Highway Patrol.
 - Funding is included to support a program that will hire back retired officers in a part-time capacity throughout the department, as needed.
 - *Competitive Pay* – Starting salaries will be increased by 5% with another 3% increase upon completion of the Police Academy.
- *Fire Department* – The following staffing and equipment additions are included for FY 2009:
 - *Ladder Company* – To address the need for adequate coverage across the City, 15 firefighters and equipment, including a ladder truck, is included. The addition of the ladder company will enhance the probability of the department maintaining its current ISO rating.
 - *Mobile Computing* – 19 computers will be located in battalion and division chief emergency response vehicles and will provide vital data while in route to an emergency, enhancing the safety of both firefighters and building occupants.
 - *Interactive Pump Simulator* – By adding this piece of equipment to the budget, the department will be better able to train firefighters to various conditions typically encountered during firefighting and it will save many gallons water.
 - *Fire Station 29* – Funding is provided in the Capital Improvement Program to build a new station in the northwest.
 - *Competitive Pay* – Starting salaries will be increased by 5% with another 3% increase upon completion of the Fire Academy.
- *Emergency Communications* – Included in the budget are the following positions:

- *Administrative Assistant* – This position will be utilized to combine statistical analyses, records, and other functions, enabling senior administrative staff to concentrate on duties directly related to their positions.
- *Six (6) Call Takers* – These positions will deal with increased volume of 9-1-1 calls that now average 1,400 per day, and will relieve workload on telecommunicators who handled a record number of incidents last year. The Call Takers are critical in utilizing the new Automatic Call Distribution system.
- *Two (2) System Administrators* – These positions are included to assist with the 24/7 maintenance and installation of public safety emergency communications systems, and to provide backup for critical Computer Aided Dispatch (CAD) configuration that is currently non-existent.
- *Parks and Recreation* – The following additions have been made to the Parks and Recreation Department budget:
 - *Highway Crew* – The Highway Division currently maintains 139 miles of right-of-way which is a 51% increase from 2004. Three positions including a Gardener, a Service Worker, and an Equipment Operator will assist in reducing the workload of current staff to a reasonable, safe and efficient level.
 - *Senior Staff Analyst* – Due to the growth of the Parks Division and the complexity and magnitude of the division operations, which includes budget and performance indicator monitoring, this position is added to the budget.
 - *Senior Accounts Receivable Specialist* – Based on the increased volume of customer contacts, accounts receivable payments and collections, this position is added to the Recreation Business Office.
 - *Staff Analyst (Training and Development)* – This position will ensure consistent and high-quality data management compliance with OSHA, state, city and division requirements for safety training tracking, safety inspections and workplace injuries.
 - *Rolling Stock* – Ten pieces of equipment including an electric utility vehicle for the Building Maintenance division and a molly trolley for the Recreation division as well as pick-up trucks for the Parks division.
 - *Position conversions, part-time to full-time* – Six positions including a Staff Support Specialist for the tennis program, a Gardener for Pullen Park, three Recreation Facilities and Program Supervisors, and a Staff Support Specialist for the aquatics program are included in the budget as conversions from part-time to full-time.

Capital Improvement Program

Highlights of the proposed Capital Improvement Program (CIP) which spans Fiscal Years 2008-09 to 2017-18 include the acceleration of the Stormwater program through the issuance of revenue bonds, the construction of fire stations and other public safety initiatives that support police and emergency communications operations, and an extensive number of water and wastewater investment projects in the Public Utilities Department.

A bond referendum for transportation projects will be sought in the fall of 2008 for future infrastructure investments. The Clarence E. Lightner Public Safety Center, development of the remote operations facilities concept and the 2007 Park Bonds are proposed to be funded through a multi-year debt model that includes an additional 2.5 cents on the property tax rate in FY 2009.

Additional details for projects proposed for funding in transportation, water and sewer infrastructure, parks, stormwater, housing, and general public improvements may be found by referring to the Proposed Capital Improvement Program document which accompanies the operating budget proposal.

Other Funds

The following funds are appropriated either through enterprises (fee collected) or through interfund transfers from other city departments.

Public Utilities

The FY 2009 budget represents the full merger implementation of all six water and sewer systems with Raleigh. The 24 new positions that are included in this budget support the continued growth that has occurred over the combined seven water and sewer service areas. The implementation of an aggressive capital improvement plan with projects spread across all service areas, along with the construction of the new Dempsey E. Benton Water Treatment Plant and acquisition of the Utility Field Operations Center site, is necessary to maintain the quality of service expected and to maintain a sound environmental stewardship approach to all department operations. A 15% water and waste water rate increase is incorporated into this budget to maintain the quality of service expected.

Convention Center Complex

The FY 2009 budget represents the initial budget for the grand opening of the new Convention Center. The Convention Center staff has already booked 260 events, scheduled 157 conventions and is currently under contract for 66 more conventions for the new center. Based on this early activity, it is estimated that the convention activity alone will generate 180,000 room nights. Besides the operating and maintenance costs to host and cater these conventions and events, the Convention Center budget includes 35 new positions. A General Fund subsidy in the amount of \$1.17 million and an additional \$1 million from the Interlocal Fund are included to balance the Convention Center budget.

Parking

The FY 2009 budget reflects the operation and maintenance cost of the city's parking facilities, including the opening of the underground Convention Center parking deck. Two new Maintenance Workers and lift equipment are included in the budget to maintain the new underground deck. New parking software will be purchased to efficiently manage every type of permit issuance including on-line sales and enforcement in "real time", special event parking, access and revenue control, and even collections and processing. The budget also supports a new branding program for all city-owned and operated parking facility signage to readily acquaint motorists to the city's parking program. This branded program will be tied to a specialized webpage on the city's website. The new webpage will provide helpful information on way-finding, places of interest, nearest parking facility to the desired destination, paying or appealing a citation on-line, and links to the Downtown Raleigh Alliance (DRA) website. Incremental increases in parking rates for on-street and off-street programs are proposed in order to maintain the self-sufficiency of the Parking Fund.

Transit

The FY 2009 budget represents new and enhanced transit services, including the new Downtown Circulator in the Central Business District, the Wake Forest Express and the Wakefield Circulator services, and Year 4 of the 5-Year Transit Plan (estimated to be implemented during the last quarter of FY 2009). The Downtown Circulator service is scheduled to start in close proximity to the opening of the new Raleigh Convention Center. The Seamless Service Initiative will continue with additional funding for the regional Transit Call Center.

Stormwater

The FY 2009 Stormwater Utility budget includes two new full-time staff to maintain the current level of service and to address the increased need for stormwater education. The new Stormwater Education Specialist is necessary due to additional emphasis being placed on stormwater education related to the renewal of the City's NPDES permit and by the Stormwater Management Advisory Commission. In addition, the number of customer requests has increased for presentations related to the stormwater utility and FEMA requirements for the City's floodplain program. The new Engineering Technician position will focus on customer service issues involving contracts, the Storm Drainage Assistance Program, and resolving stormwater utility billing complaints involving impervious surface measurements and determining appropriate billing rates.

Vehicle Fleet Services

The FY 2009 budget represents the increased cost of maintaining and repairing more than 2,000 vehicles and 2,316 other pieces of motorized equipment. The majority of the cost increases are due to fuel price and sublet repair service cost increases. Over the past 12 months the average cost of a gallon of gasoline has increased by 81 cents (35%) per gallon and the cost of diesel 92 cent (36%) per gallon. The

City continues to seek out ways to save fuel, such as by selecting fuel efficient vehicles, down sizing when possible, purchasing alternative fuel vehicles and keeping the City's equipment properly serviced.

The FY 2009 budget includes funding for an Electronic Motor Pool System that will reduce the number of vehicles needed to support the Municipal Building employees and reduce the number of vehicles in the city's fleet. The budget also includes funds to upgrade the current Fuel Management System (FuelMaster) in order to produce reliable data on fuel usage for more effective fleet management.

The Future

The FY 2009 budget supports continued growth and development, adapts to a slowing economy, provides a funding strategy for major capital projects, preserves the city's high service levels, emphasizes public safety needs, and maintains the city's credit strength and financial integrity. At the same time the budget keeps the costs for Raleigh citizens competitive with other jurisdictions across the state. Implementation of a property tax increase is never proposed without an extreme and exhaustive review of all possible options. In looking ahead, the city must continue to invest in its workforce, the quality of its service delivery, and its infrastructure and major capital needs to preserve the world-class community and the quality of life to which Raleigh citizens are accustomed. The local and national economies are dynamic and further changes in these economies can impact revenues realized as well as costs the city incurs to build and maintain its infrastructure and deliver quality municipal services. We will continue to monitor these impacts closely in preparation for the future.

The city administration and staff stands ready to assist as you review and discuss the budget proposals for both the upcoming and future fiscal years.

Respectfully submitted,



J. Russell Allen
City Manager

Introduction

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. 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. 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.

Budget Preparation & Process

The budget preparation process begins in October with a workshop on budget preparation and the 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 two fiscal years. 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 late-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 staff review and analyze the operating budget requests with each department.

Once the budget staff review is finalized, executive work budgets are prepared for the City Manager's review. From January to mid-April, the City Manager reviews the departmental requests. The City Manager then prepares a proposed capital improvement budget, an annual operating budget, and an annual budget policy statement for City Council consideration.

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 30th, 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 5-year Capital Improvement Plan, the final budget ordinance with balanced revenues and expenditures, and sets the tax rate for the next fiscal year.

The North Carolina Local Government Budget and Fiscal Control Act requires each local government to operate under an annual balanced budget ordinance.

Implementation

During the month of July, budget staff prepares and distributes the Adopted Budget document, which incorporates all of the changes approved by the City Council. During the month of 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 in the operating budget.

CIP Overview

The annual budget adopted each year by the City Council is comprised of two elements, an operating and a capital budget. This document incorporates both the operating and capital budgets for the upcoming fiscal year.

A separate capital improvement program (CIP) document is prepared each year which contains the expenditures and revenues planned for the upcoming ten-year period. The first year of the ten years covered by the CIP is the basis for the capital budget component of the annual budget.

The CIP is a ten-year plan for matching the city's needs for new public facilities with a funding plan sufficient to meet those needs. Implementation of the CIP is dependent upon the actual appropriation of funds through the adopted budget ordinance since no funds are actually appropriated through the CIP.

Projects which are 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. This excludes vehicles and heavy equipment, with the exception of additional equipment associated with construction of a new building. Examples of capital projects include such items as new roads, park land acquisition and development, and waste treatment plant improvements.

The ten-year capital improvement program is updated each year with projects being altered, added and deleted. To begin the review process, departments are provided with instructions in October on how to prepare their CIP requests. These requests are submitted to the City Manager's Office in December. The requests are then reviewed and adjusted as appropriate. The City Manager's proposals are then included in the recommended CIP which is presented to the City Council in May.

After all modifications are made by the City Council, the CIP is adopted by formal resolution and the adopted CIP document is prepared and distributed. The first year of the CIP then becomes the basis for the capital budget component of the annual budget for the upcoming fiscal year.

Amending the Budget

Throughout any fiscal year, adjustments to the original budget ordinance may become necessary to carry out planned programs and 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 is used to request an increase or decrease in a fund's revenue and expenditure appropriations. An amendment request form must be used which describes the purpose of the amendment, a justification for the increase or decrease, the revenue and expenditure accounts involved, and the amount of the change.

A budget transfer is used to request a change in line-item appropriations within a particular fund without changing the fund total. A request for transfer form must be used which explains the transfer, identifies the accounts involved, and specifies the amount of the transfer.

Each amendment and transfer request is reviewed and signed by the City's Finance Director or authorized representative. Department heads may approve transfers up to \$10,000. Transfer requests between \$10,000

and \$50,000 are approved by the City Manager. A list of these administratively approved transfers is provided to the City Council at each scheduled City Council meeting and is recorded in the minutes.

All budget amendments and transfers over \$50,000 which are approved by the City Manager are then submitted to the City Council for approval. The City Council also approves any request for transfer that is between funds or affects budgeted revenues.

Capital project contract change orders generally require budget amendments or transfers of funds. Such requests are initiated on contract change order forms or on special capital project budgetary action forms and must go through an administrative approval process very similar to that stated above.

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, Solid Waste Services, Parks and Recreation, Emergency Communications, and most of Public Works.

Details regarding department budgets are presented in the city's budget document. Department information includes accomplishments, budget highlights, and goals and objectives. Also included is the budget detail. An example of the budget detail is included with descriptions below to help readers gain a better understanding of how it is set up.

Budget Detail

All columns represent expenditures as adopted by Council.

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 TO 2008-09
EMPLOYEES	41	41	45	45	0
DIRECT EXPENDITURES BY DIVISION					
Administration	\$ 1,099,735	\$		\$ 4,363,593	18.2%
Current Planning Services	1,107,218			-	
Econ & Development Planning	1,021,247			-	
TOTAL	\$ 3,228,200	\$		\$ 4,363,593	18.2%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 2,274,580	\$ 2,317,908	\$ 2,545,258	\$ 2,680,873	5.3%
Employee Benefits	506,940			644,516	5.8%
Operating Expenditures	444,778			1,019,704	90.1%
Special Programs and Projects				18,500	
Capital Equipment - New	2,000			-	
TOTAL	\$ 3,228,200	\$		\$ 4,363,593	18.2%

***Account Types Include the Following:**

- Personal 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 (New)** – includes accounts used to purchase new capital equipment at a unit cost of \$5,000 or more.
- Capital Equipment (Replacement)** – includes accounts to replace capital equipment which has a unit cost of \$5,000 or more.
- Interfund Transfers** – includes accounts used for transferring funds from one fund to another.

Raleigh City Council 2007-2009

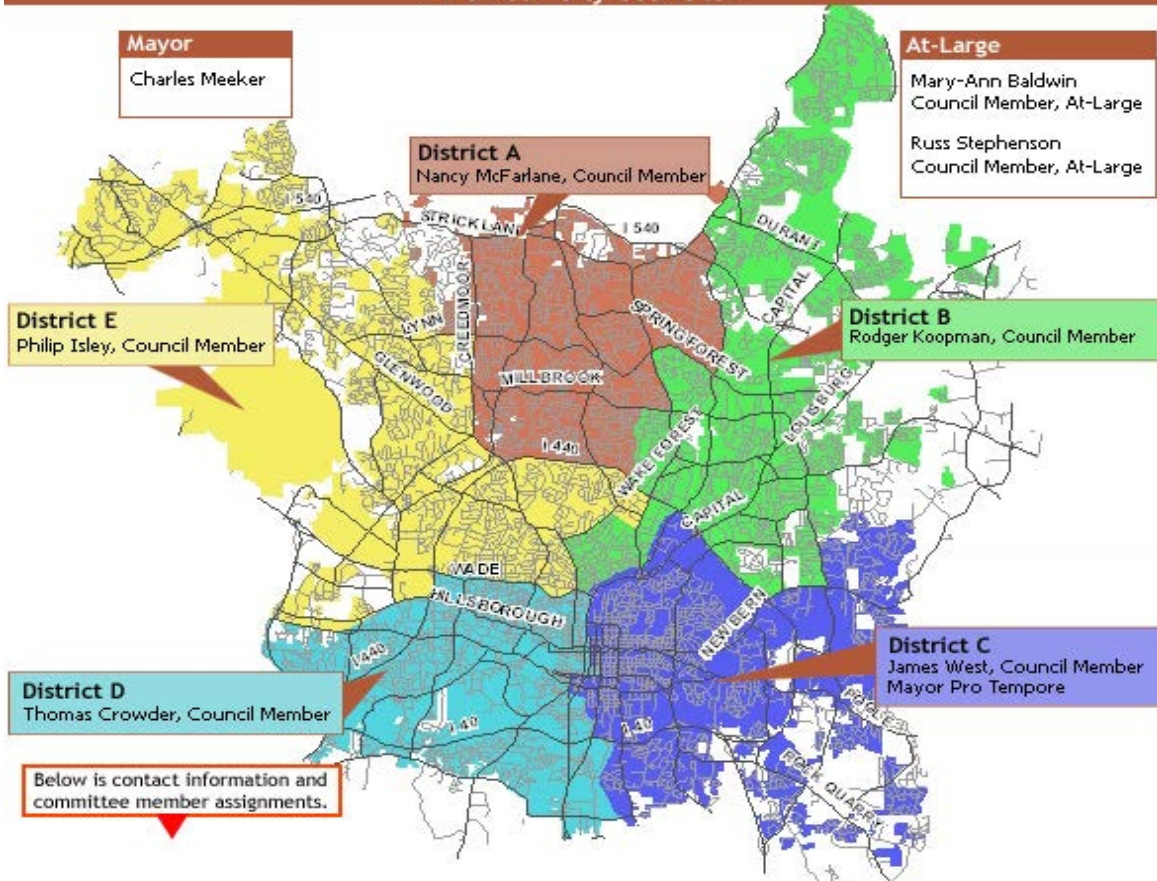


RALEIGH CITY COUNCIL 2007-09

Clockwise from bottom right:

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

Find Your City Councilor



Profile of City of Raleigh

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 139 square miles and has an estimated population of 374,320. 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 1.6 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.

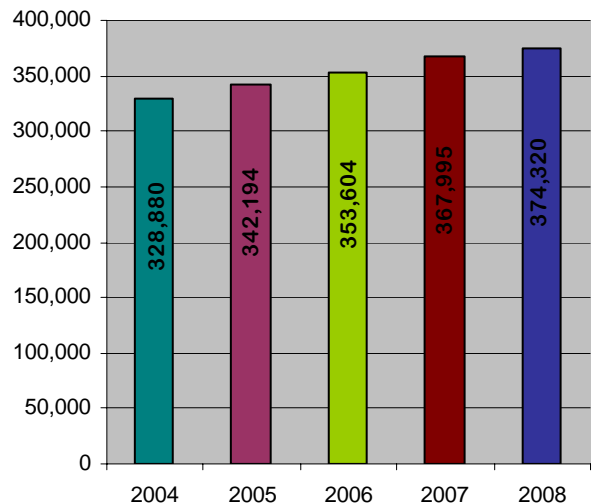
The city has utilized a council-manager form of government since 1947. The Mayor and two Council members are elected at-large, and the remaining five Council members are elected from five districts within the city. The Mayor and Council members serve two-year terms and all have an equal vote. The City 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. The City Council is required to hold a public hearing on the proposed budget and to adopt a final annual budget on or before July 1st. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police).

Five-Year Population Growth



City of Raleigh Statistics

Function	Fiscal Year				
	2003	2004	2005	2006	2007
Raleigh Property Tax Rate	0.385	0.385	0.395	0.395	0.435
Wake Co Property Tax Rate	0.564	0.604	0.604	0.604	0.634
Population	316,979	328,880	342,194	353,604	367,995
School Enrollment	107,448	112,158	117,986	120,381	124,474
Unemployment Rate	5.2	4	4.3	3.5	3.9
Public Safety					
Police stations	7	7	7	7	7
Fire stations	26	26	26	27	27
Highways and streets					
Streets (miles)	1,089	1,118	1,161	1,194	1,235
Streetlights	29,875	30,628	31,976	32,737	33,600
Signalized intersections	485	489	493	496	510
Leisure services					
Number of major parks	66	70	71	72	72
Parks acreage	7,979	8,010	8,101	8,672	8,818
Aquatic facilities	8	8	8	8	8
Community centers (staffed and unstaffed)	66	32	32	34	33
Water					
Water mains (miles)	1,356	1,380	1,415	2,050	2,050
Sewers					
Sanitary sewers (miles)	1,447	1,468	1,501	2,000	2,000

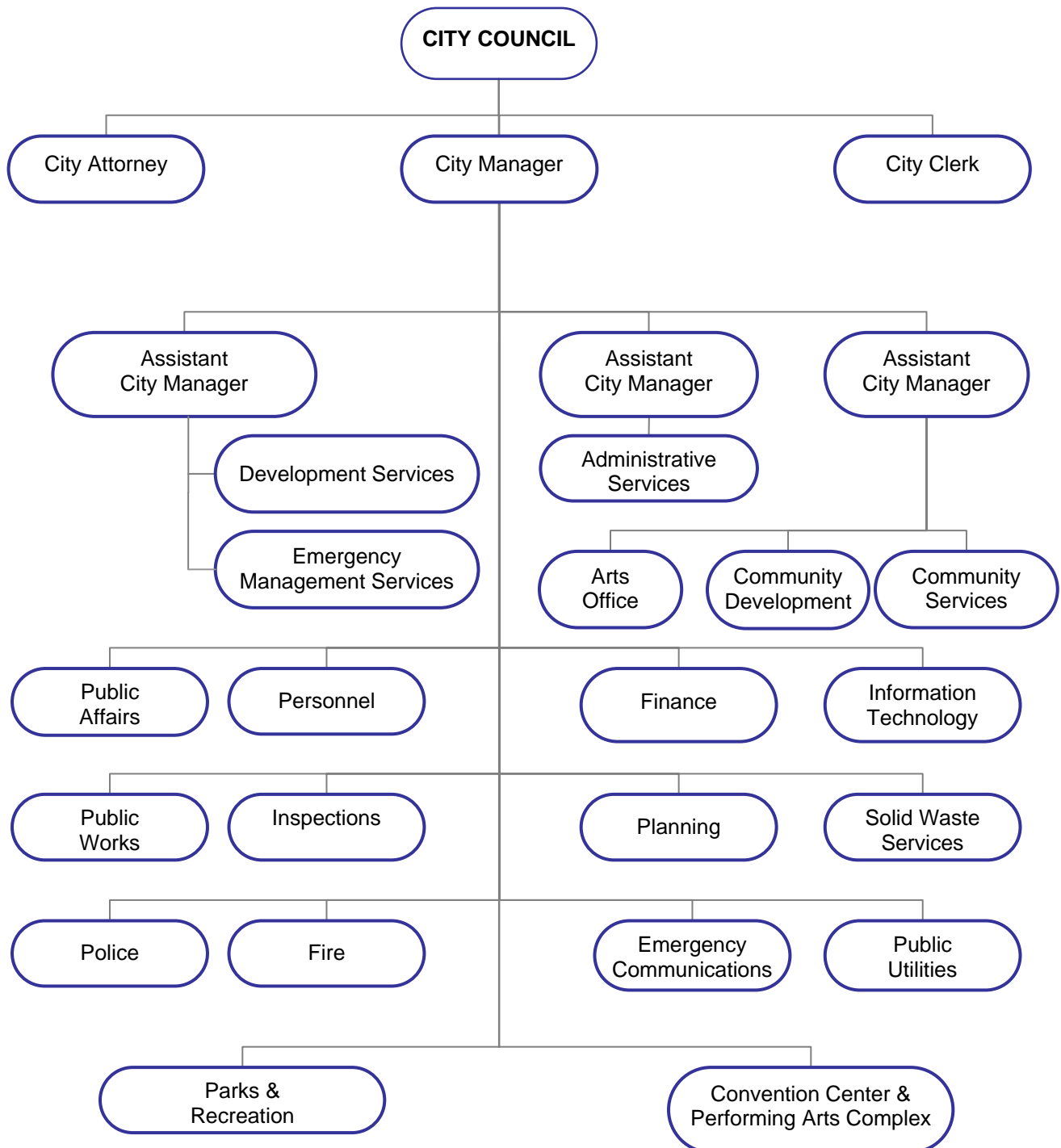
Note:

No capital asset indicators are available for the general government function.

Source:

CAFR for Fiscal Year ending June 30, 2007

City of Raleigh Organization Chart



Revenue and Expenditure Summary

	REVENUES			EXPENDITURES		
	Total Revenues	Less Approp Fr Other Fds	NET Revenues	Total Expenditures	Less Approp To Other Fds	NET Expenditures
OPERATING FUNDS						
100 General Fund	\$ 383,354,166	\$ 26,972,003	\$ 356,382,163	\$ 383,354,166	\$ 65,930,902	\$ 317,423,264
110 Economic Dev Fund	1,249,353	1,235,853	13,500	1,249,353	-	1,249,353
310 Public Utilities Fund	143,222,396	464,395	142,758,001	143,222,396	61,549,164	81,673,232
460 Stormwater Utility Fund	15,668,822	326,500	15,342,322	15,668,822	9,319,441	6,349,381
642 RCCC/PAC Operations	25,150,784	4,553,361	20,597,423	25,150,784	1,289,966	23,860,818
SUBTOTAL	\$ 568,645,521	\$ 33,552,112	\$ 535,093,409	\$ 568,645,521	\$ 138,089,473	\$ 430,556,048
CATEGORICAL PROGRAM FUNDS						
130 Revolving Fund	\$ 7,657,310	\$ -	\$ 7,657,310	\$ 7,657,310	\$ 853,130	\$ 6,804,180
410 Public Transit Fund	21,312,129	15,908,901	5,403,228	21,312,129	24,950	21,287,179
442 Parking Facilities Fund - Oper	11,390,003	21,000	11,369,003	11,390,003	6,951,603	4,438,400
711 Wireless 911 Tax Fund	1,442,816	-	1,442,816	1,442,816	1,442,816	-
Housing Development Funds	1,548,294	1,114,684	433,610	1,548,294	64,216	1,484,078
Community Develop Funds	5,888,362	-	-	5,888,362	290,000	5,598,362
SUBTOTAL	\$ 49,238,914	\$ 17,044,585	\$ 26,305,967	\$ 49,238,914	\$ 9,626,715	\$ 39,612,199
CAPITAL DEBT SERVICE FUNDS						
190 General Debt Service Fund	\$ 47,745,711	\$ 41,292,926	\$ 6,452,785	\$ 47,745,711	\$ -	\$ 47,745,711
315 Utility Debt Service Fund	49,763,856	29,551,167	20,212,689	49,763,856	-	49,763,856
444 Parking Debt Service Fund	7,778,610	5,920,000	1,858,610	7,778,610	-	7,778,610
644 RCC/PAC Debt Svc Fund	11,788,805	7,283,212	4,505,593	11,788,805	-	11,788,805
SUBTOTAL	\$ 117,076,982	\$ 84,047,305	\$ 33,029,677	\$ 117,076,982	\$ -	\$ 117,076,982
CAPITAL PROJECT FUNDS						
320 Water Capital Projects Fund	\$ 5,960,500	\$ 5,580,500	\$ 380,000	\$ 5,960,500	\$ -	\$ 5,960,500
325 Sewer Capital Projects Fund	8,000,000	7,380,000	620,000	8,000,000	-	8,000,000
446 Parking Facilities Fund - Proj	282,500	282,500	-	282,500	-	282,500
470 Stormwater Util Cap Proj Fd	4,674,700	4,674,700	-	4,674,700	-	4,674,700
501 Technology Fund	1,873,500	-	1,873,500	1,873,500	-	1,873,500
502 ERP Project Fund	6,980,000	6,800,000	180,000	6,980,000	-	6,980,000
505 Capital Projects - Misc	5,238,555	4,328,555	910,000	5,238,555	118,000.00	5,120,555
515 Sidewalk Fund	1,085,000	637,000	448,000	1,085,000	-	1,085,000
525 Street Improvement Fund	13,891,440	10,766,440	3,125,000	13,891,440	-	13,891,440
545 Street Facility Fees Fund	6,949,415	-	6,949,415	6,949,415	6,949,415.00	-
610 Park Acq -- Facility Fees Fd	4,402,920	-	4,402,920	4,402,920	4,402,920.00	-
625 Park Improvement Fund	4,006,015	3,746,015	260,000	4,006,015	-	4,006,015
646 Conv Cr/Mem Aud Project Fd	418,000	418,000	-	418,000	-	418,000
650 Walnut Creek Amph Fund	334,000	-	334,000	334,000	-	334,000
700 Powell Bill Fund	11,605,040	-	11,605,040	11,605,040	11,605,040.00	-
715 Convention Center Fin. Fund	14,375,000	-	14,375,000	14,375,000	10,666,149.00	3,708,851
720 Housing Bnd Reserve Fund	1,575,000	-	1,575,000	1,575,000	400,000.00	1,175,000
SUBTOTAL	\$ 91,651,585	\$ 44,613,710	\$ 47,037,875	\$ 91,651,585	\$ 34,141,524	\$ 57,510,061
Adjustment for Bond Transfers		\$ 2,600,000				
TOTAL ALL FUNDS	\$ 826,613,002	\$ 181,857,712	\$ 644,755,290	\$ 826,613,002	\$ 181,857,712	\$ 644,755,290

Total Budget Summary

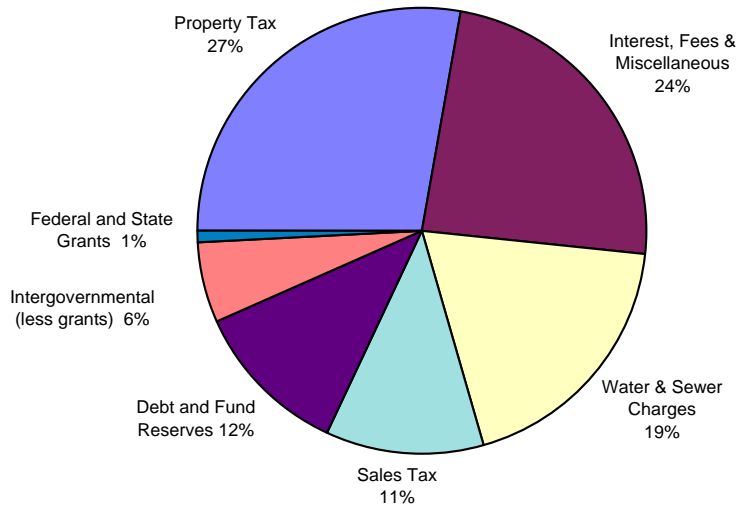
(net of interfund transfers)

	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
REVENUES				
Property Tax	\$ 144,455,320	\$ 151,549,595	\$ 178,535,380	17.8%
Interest, Fees & Miscellaneous	127,512,147	127,683,522	153,787,696	20.4%
Water & Sewer Charges	94,263,784	105,427,766	122,546,899	16.2%
Sales Tax	63,216,755	64,406,724	73,162,311	13.6%
Debt and Fund Balance Reserves	46,974,206	67,279,550	73,196,137	8.8%
Intergovernmental (less grants)	31,372,932	34,858,452	37,751,175	8.3%
Federal and State Grants	5,843,589	5,860,980	5,775,692	(1.5%)
	\$ 513,638,733	\$ 557,066,589	\$ 644,755,290	15.7%
EXPENDITURES				
Public Safety	\$ 125,388,239	\$ 134,568,867	\$ 145,272,576	8.0%
Capital Debt Service	76,684,840	81,240,770	117,076,982	44.1%
Public Utilities	63,758,828	75,477,308	81,673,232	8.2%
Leisure Services	63,373,451	63,865,956	72,671,366	13.8%
Capital Improvements	46,019,923	45,962,525	57,510,061	25.1%
Public Works & Public Transit	42,028,084	44,683,120	50,306,856	12.6%
Community Development Services	31,836,067	34,904,500	37,859,606	8.5%
General Gov't & External Agencies	24,784,740	29,524,171	28,920,793	(2.0%)
Solid Waste Services	19,293,040	22,717,205	26,310,431	15.8%
Information Technology	10,959,414	13,251,475	15,201,604	14.7%
Financial Management	9,512,107	10,870,692	11,951,783	9.9%
	\$ 513,638,733	\$ 557,066,589	\$ 644,755,290	15.7%

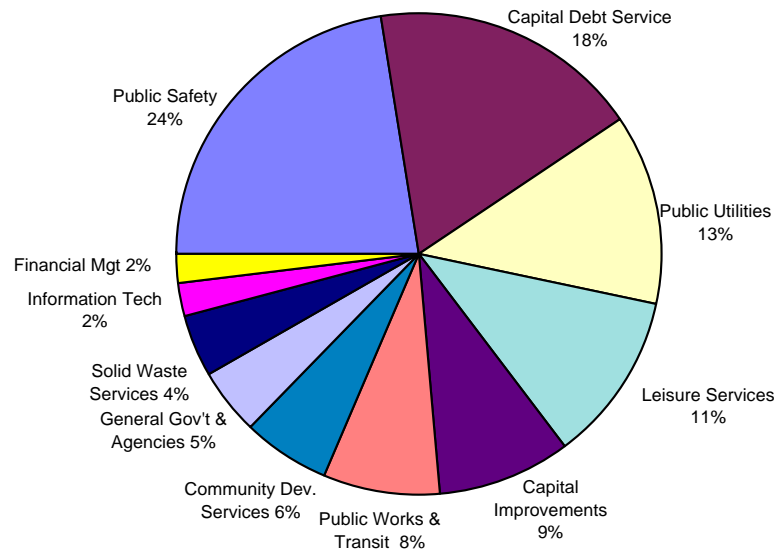
Total Budget Summary

(net of interfund transfers)

REVENUES



EXPENDITURES



General Fund Summary

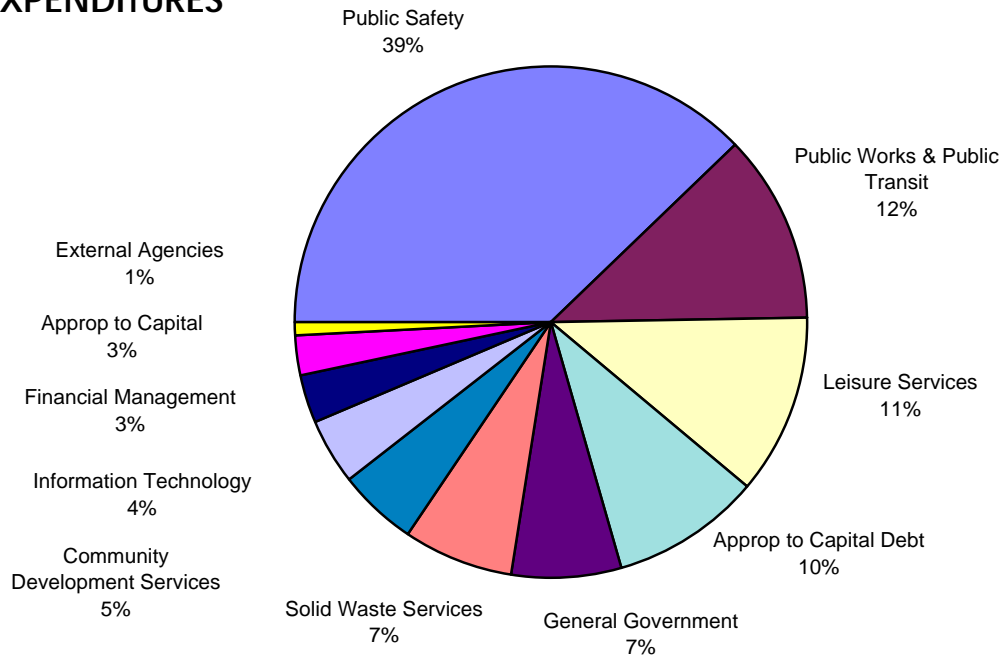
(including interfund transfers)

	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
REVENUES				
Property Tax	\$ 144,455,320	\$ 151,549,595	\$ 178,535,380	18%
Sales Tax	63,216,755	67,279,550	73,162,311	9%
Fees & Miscellaneous	22,117,179	30,143,454	32,510,504	8%
Transfers from Other Funds	19,932,187	25,202,315	28,091,490	11%
Intergovernmental	20,923,412	23,991,792	26,181,655	9%
Licenses	14,156,000	15,735,000	17,405,000	11%
Fund Balance	12,587,500	13,000,000	13,000,000	0%
Inspection Fees	10,600,000	10,990,415	10,746,626	(2%)
Interest on Investments	6,301,163	5,019,360	3,200,000	(36%)
Public Works Fees	1,498,000	760,600	521,200	(31%)
	\$ 315,787,516	\$ 343,672,081	\$ 383,354,166	12%
EXPENDITURES				
Public Safety	\$ 125,430,467	\$ 134,610,165	\$ 145,320,244	8%
Public Works & Public Transit	37,118,574	39,537,996	44,942,578	14%
Leisure Services	34,513,763	38,322,343	43,731,739	14%
Appropriation to Capital Debt	26,800,000	26,677,317	36,405,072	36%
General Government	23,108,107	27,100,000	26,549,319	(2%)
Solid Waste Services	19,309,585	22,801,850	26,327,891	15%
Community Development Services	18,291,889	18,996,395	19,854,716	5%
Information Technology	10,959,414	13,251,475	15,201,604	15%
Financial Management	9,512,107	10,870,692	11,951,783	10%
Appropriation to Capital Program	7,944,667	8,269,748	9,536,893	15%
External Agencies	2,798,943	3,234,100	3,532,327	9%
	\$ 315,787,516	\$ 343,672,081	\$ 383,354,166	12%

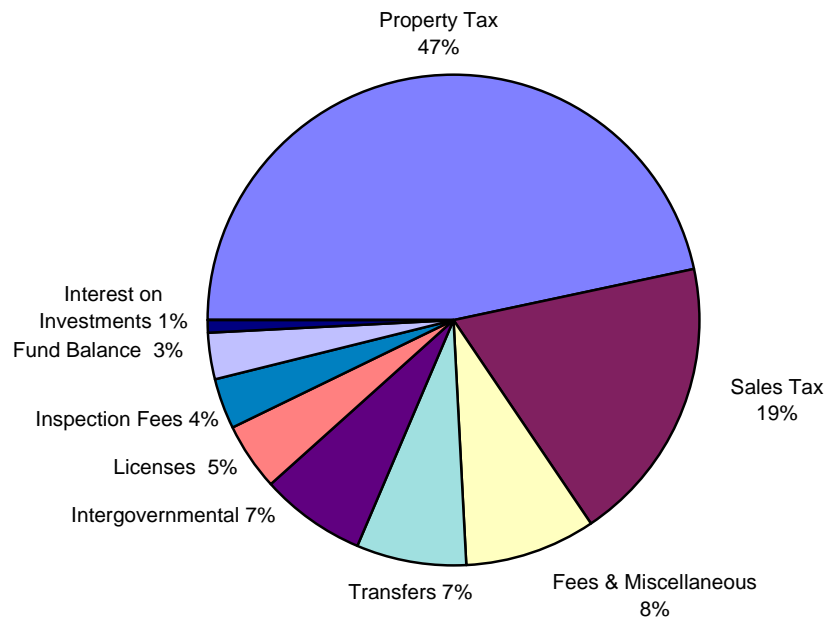
General Fund Summary

(including interfund transfers)

EXPENDITURES



REVENUES



Appropriations by Fund

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.

OPERATING FUNDS

These funds provide for all of the basic operations of the city government.

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, solid waste services, public works, development services, parks and recreation and other governmental service functions.

The **Economic Development Fund (110)** was established in FY 1994 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 and the Southeast Raleigh Assembly. This fund is supported by transfers from the General and Public Utilities Funds.

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 **Stormwater Utility Fund (460)** provides for stormwater operations and stormwater capital projects in the City of Raleigh. This fund is supported by revenue from a stormwater fee charged to residential and commercial residents of the City of Raleigh.

The **Convention Center and Performing Arts Center Operations Fund (642 - formerly 125)** 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.

Operating Funds

	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
GENERAL FUND (100)	\$ 343,672,081	\$ 383,354,166	
<i>Less Appropriation to Other Funds</i>	(49,917,843)	(65,930,902)	
NET GENERAL FUND	\$ 293,754,238	\$ 317,423,264	8.1%
ECONOMIC DEV FUND (110)	\$ 1,021,500	\$ 1,249,353	
<i>Less Appropriation to Other Funds</i>	-	-	
NET ECONOMIC DEVELOPMENT FUND	\$ 1,021,500	\$ 1,249,353	22.3%
PUBLIC UTILITIES FUND (310)	\$ 128,373,042	\$ 143,222,396	
<i>Less Appropriation to Other Funds</i>	(52,895,734)	(61,549,164)	
NET PUBLIC UTILITIES FUND	\$ 75,477,308	\$ 81,673,232	8.2%
STORMWATER FUND (460)	15,501,984	15,668,822	
<i>Less Appropriation to Other Funds</i>	(10,329,845)	(9,319,441)	
NET STORMWATER FUND	\$ 5,172,139	\$ 6,349,381	22.8%
RCCC/PAC OPERATIONS FUND (642)	\$ 18,980,504	\$ 25,150,784	
<i>Less Appropriation to Other Funds</i>	(343,600)	(1,289,966)	
NET RCCC/PAC OPERATIONS FUND	\$ 18,636,904	\$ 23,860,818	28.0%
TOTAL OPERATING FUNDS	\$ 507,549,111	\$ 568,645,521	12.0%
<i>Less Appropriation to Other Funds</i>	(113,487,022)	(138,089,473)	
NET OPERATING FUNDS	\$ 394,062,089	\$ 430,556,048	9.3%

Categorical Program Funds

Each of these funds is set up to meet a specific purpose and function, but the services they provide are not mandated by law.

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.

Revenues supporting the **Hotel/Motel Tax Fund (140)** come from a 6% occupancy tax levied by Wake County. The city collects the tax for Wake County. The distribution of the tax proceeds to authorized parties is made by Wake County. The county distributes directly to the city compensation for the tax collection plus a \$680,000 Raleigh "holdback" amount annually. These funds are used to support visitor related facilities and economic development programs and activities, including associated off-street parking facilities. Beginning in the FY2009 budget this \$680,000 will flow directly into the General Fund, with the same allocation made to the General Debt Service Fund as in years past. This is an administrative change and has no budget impact.

The **Public Transit Fund (410)** is supported by user charges, federal grant contributions and the city's General Fund. Expenditures in this fund are for the costs associated with the operation of the Capital Area Transit System and for the city program for disabled residents, Accessible Raleigh Transportation (ART).

The **Parking Facilities Fund (442)** provides for the general operational and maintenance costs for the Municipal, Cabarrus, Progress Energy, and Moore Square parking decks. Cleaning and maintenance related costs for the Moore Square Transit Station and the Downtown Police Substation are also included. This fund is supported by parking deck user fees, parking violation revenue and interest income.

The **Wireless 911 Fund (711)** 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 **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.

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.

Categorical Program Funds

	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
REVOLVING FUND (130)	\$ 7,723,909	\$ 7,657,310	
<i>Less Appropriation to Other Funds</i>	(351,140)	(853,130)	
NET REVOLVING FUND	\$ 7,372,769	\$ 6,804,180	(7.7%)
HOTEL/MOTEL TAX FUND (140)	\$ 680,000	\$ -	
<i>Less Appropriation to Other Funds</i>	(680,000)	-	(100.0%)
NET HOTEL/MOTEL TAX FUND	\$ -	\$ -	
PUBLIC TRANSIT FUND (410)	\$ 18,085,921	\$ 21,312,129	
<i>Less Appropriation to Other Funds</i>	(128,335)	(24,950)	
NET PUBLIC TRANSIT FUND	\$ 17,957,586	\$ 21,287,179	18.5%
PARKING FACILITIES FUND - OPER (442)	\$ 9,550,745	\$ 11,390,003	
<i>Less Appropriation to Other Funds</i>	(5,972,913)	(6,951,603)	
NET PARKING FACILITIES FUND	\$ 3,577,832	\$ 4,438,400	24.1%
WIRELESS 911 TAX FUND (711)	\$ 239,666	\$ 1,442,816	
<i>Less Appropriation to Other Funds</i>	(239,666)	(1,442,816)	
NET WIRELESS 911 TAX FUND	\$ -	\$ -	
HOUSING DEVELOPMT FUNDS (735-736)	\$ 1,527,386	\$ 1,548,294	
<i>Less Appropriation to Other Funds</i>	(67,516)	(64,216)	
NET HOUSING DEVELOPMENT FUNDS	\$ 1,459,870	\$ 1,484,078	1.7%
COMMUNITY DEVELOP FUNDS (741-781)	\$ 5,676,348	\$ 5,888,362	
<i>Less Appropriation to Other Funds</i>	(243,200)	(290,000)	
NET COMMUNITY DEVELOPMENT FUNDS	\$ 5,433,148	\$ 5,598,362	3.0%
TOTAL CATEGORICAL PROG FUNDS	\$ 43,483,975	\$ 49,238,914	13.2%
<i>Less Appropriation to Other Funds</i>	(7,682,770)	(9,626,715)	
NET CATEGORICAL PROGRAM FUNDS	\$ 35,801,205	\$ 39,612,199	10.6%
TOTAL CITY OPERATIONS	\$ 551,033,086	\$ 617,884,435	12.1%
<i>Less Appropriation to Other Funds</i>	(121,169,792)	(147,716,188)	
NET CITY OPERATIONS	\$ 429,863,294	\$ 470,168,247	9.4%

Capital Debt Service Funds

This category is comprised of **General, New Convention Center, Public Utilities, and Parking 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:

November 2000	\$45,000,000	Street Improvements, \$16,000,000 Parks, and \$14,000,000 Housing General Obligation Bonds (voter approved)
November 2000	\$10,445,000	Parking Facility Certificates of Participation (Council approved)
January 2001	\$22,670,000	Water and Sewer Revenue Bonds (Council approved)
April 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)
December 2002	\$2,900,000	Public Improvement General Obligation Bonds (two-thirds authorization)
April 2003	\$16,000,000	Equipment Acquisition Fund Certificates of Participation (Council approved)
August 2003	\$47,250,000	Parks & Recreation General Obligation Bonds (voter approved)
February 2004	\$55,000,000	Downtown Improvement—Convention Center Phase 1 Certificates of Participation (Council approved)
April 2004	\$108,980,000	Water and Sewer Revenue Bonds (Council approved)
August 2004	\$23,530,000	Downtown Improvement—Fayetteville Street, Progress Energy Deck, & CTV Equipment Certificates of Participation (Council approved)
August 2004	\$10,140,000	Downtown Improvement—One Exchange Plaza Certificates of Participation (Council approved)
January 2005	\$28,515,000	Downtown Improvement—Hotel Underground Parking Deck Certificates of Participation (Council approved)
January 2005	\$188,425,000	Downtown Improvement—Convention Center Phase 1 Certificates of Participation (Council approved)
August 2005	\$10,600,000	Street Improvements General Obligation Bonds (two-thirds authorization)
October 2005	\$34,850,000	Capital Improvements Project – Equipment Acquisition Fund; Barwell Road/Brier Creek Park Sites; Utilities Operation Center Certificates of Participation (Council approved)
October 2005	\$60,000,000	Street Improvements and \$20,000,000 Housing General Obligation Bonds (voter approved)
September 2006	\$241,175,000	Water and Sewer Revenue Bonds (Council approved)

June 2007	\$39,634,215	Equipment Installment Financing (Council approved)
September 2007	\$28,930,000	Downtown Improvement COPS (Council approved)
October 2007	\$88,600,000	Parks and Recreation Bonds (voted approved)
December 2007	\$10,114,000	Land Installment Financing (Council approved)
June 2008	\$150,000,000	Water and Sewer Revenue Bonds (Council 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.

Capital Debt Service Funds

	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
GENERAL DEBT SERVICE FUND (190)	\$ 29,798,411	\$ 47,745,711	60.2%
UTILITY DEBT SERVICE FUND (315)	\$ 34,489,769	\$ 49,763,856	44.3%
PARKING DEBT SERVICE FUND (444)	\$ 6,629,736	\$ 7,778,610	17.3%
<u>CONVENTION CENTER DEBT SRV (644)</u>	<u>\$ 10,322,854</u>	<u>\$ 11,788,805</u>	<u>14.2%</u>
TOTAL CAPITAL DEBT SERVICE	\$ 81,240,770	\$ 117,076,982	44.1%

Capital Project Funds

The purpose of the capital project 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 capital project funds provide for street and sidewalk improvement projects, park improvement projects, stormwater, water and sewer system improvements, affordable housing projects, and various other general improvement projects which typically cost over \$25,000, have a useful life greater than ten years, and are approved by the City Council.

Funding for capital projects comes from several sources, including property and sales tax collections, Powell Bill revenues (a portion of the 1 $\frac{3}{4}$ ¢ per gallon state gasoline tax and a portion of the State Highway Trust Fund revenues), street assessments, and facility fees.

Capital Project Funds

	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
WATER CAPITAL PROJECTS FUND (320)	\$ 3,900,000	\$ 5,960,500	52.8%
SEWER CAPITAL PROJECTS FUND (325)	\$ 4,750,000	\$ 8,000,000	68.4%
PARKING FACILITIES FUND - PROJ (446)	\$ 2,007,000	\$ 282,500	(85.9%)
<i>Less Appropriation to Other Funds</i>	(1,342,000)	\$ -	
NET PARKING FACILITIES FUND (446)	\$ 665,000	\$ 282,500	(57.5%)
STORMWATER UTILITY CAP PROJ (470)	\$ 6,317,300	\$ 4,674,700	(26.0%)
TECHNOLOGY FUND (501)	\$ 2,000,000	\$ 1,873,500	(6.3%)
ERP PROJECT FUND (502)	-	\$ 6,980,000	
CAPITAL PROJECTS FUND (505)	\$ 4,935,391	\$ 5,238,555	6.1%
<i>Less Appropriation to Other Funds</i>	-	(118,000)	
NET CAPITAL PROJECTS FUND (505)	\$ 4,935,391	\$ 5,120,555	3.8%
SIDEWALK FUND (515)	\$ 1,033,800	\$ 1,085,000	5.0%
STREET IMPROVEMENT FUND (525)	\$ 12,210,991	\$ 13,891,440	13.8%
<i>Less Appropriation to Other Funds</i>	(2,256,451)	-	
NET STREET IMPROVEMENT FUND (525)	\$ 9,954,540	\$ 13,891,440	39.5%
STREET FACILITY FEES FUND (545)	\$ 4,146,680	\$ 6,949,415	67.6%
<i>Less Appropriation to Other Funds</i>	(4,146,680)	(6,949,415)	
NET STREET FACILITY FEES FUND (545)	\$ -	\$ -	-
PARK FACILITY FEES FUND (610)	\$ 2,614,648	\$ 4,402,920	68.4%
<i>Less Appropriation to Other Funds</i>	(2,614,648)	(4,402,920)	
NET PARK ACQ -- FACILITY FEES FUND (610)	\$ -	\$ -	-
PARK IMPROVEMENT FUND (625)	\$ 4,490,505	\$ 4,006,015	(10.8%)
CONV CTR & MEM AUD PROJECTS FD (646)	\$ 300,000	\$ 418,000	39.3%
WALNUT CREEK AMPH. CAPITAL FUND (650)	\$ 368,000	\$ 334,000	(9.2%)
POWELL BILL FUND (700)	\$ 9,799,660	\$ 11,605,040	18.4%
<i>Less Appropriation to Other Funds</i>	(9,799,660)	(11,605,040)	
NET POWELL BILL FUND (700)	\$ -	\$ -	-
CONVENTION CENTER FINANCING FUND (715)	\$ 10,400,632	\$ 14,375,000	38.2%
<i>Less Appropriation to Other Funds</i>	(4,352,643)	(10,666,149)	
NET CONVENTION CTR FINANCING FUND (715)	\$ 6,047,989	\$ 3,708,851	(38.7%)
HOUSING BND RSRV FUND (720)	\$ 1,600,000	\$ 1,575,000	(1.6%)
<i>Less Appropriation to Other Funds</i>	(400,000)	(400,000)	
NET HOUSING BOND FUND (720)	\$ 1,200,000	\$ 1,175,000	100.0%
TOTAL CAPITAL PROJECT FUNDS	\$ 70,874,607	\$ 91,651,585	29.3%
<i>Less Appropriation to Other Funds</i>	(24,912,082)	(34,141,524)	
NET CAPITAL PROJECT FUNDS	\$ 45,962,525	\$ 57,510,061	25.1%
TOTAL CAPITAL APPROP (incl debt service)	\$ 152,115,377	\$ 208,728,567	37.2%
<i>Less Appropriation to Other Funds</i>	(24,912,082)	(34,141,524)	
NET CAPITAL APPROPRIATIONS	\$ 127,203,295	\$ 174,587,043	37.3%
NET OPERATING & CAPITAL BUDGET	\$ 557,066,589	\$ 644,755,290	15.7%

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.

Bond Funds

	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
WATER REVENUE BOND FUND (348)	\$ 22,920,000	\$ 36,762,000	60.4%
SEWER REVENUE BOND FUND (349)	\$ 69,231,725	\$ 38,550,000	(44.3%)
STORMWATER UTIL BOND FUND (475)	\$ 24,220,000	\$ 20,215,000	(16.5%)
MISC. CAPITAL PROJECTS FUND (506)	\$ -	\$ 67,598,578	
STREET BOND FUND (531)	\$ 28,971,000	\$ 18,057,300	(37.7%)
PARK BOND FUND (636)	\$ 17,469,034	\$ 33,420,013	91.3%
HOUSING BOND FUND (724)	\$ 3,350,000	\$ 3,450,000	3.0%
TOTAL BOND FUNDS	\$ 166,161,759	\$ 218,052,891	31.2%

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 **Print Shop (210)** was established to provide a mechanism by which the city's print 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 printing and photocopy accounts and a subsidy from the General Fund.

The **Insurance 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 Fund (252)** 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 (260)** was established with adoption of the FY 2003 budget 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 BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
PRINT SHOP (210)	\$ 1,048,886	\$ 1,114,752	6.3%
<i>Less Appropriation to Other Funds</i>	(75,000)	(75,000)	
NET PRINT SHOP FUND	\$ 973,886	\$ 1,039,752	6.8%
INSURANCE FUND (230)	\$ 8,750,188	\$ 10,776,627	23.2%
<i>Less Appropriation to Other Funds</i>	-	-	
NET INSURANCE FUND	\$ 8,750,188	\$ 10,776,627	23.2%
HEALTH/DENTAL TRUST FUND (240)	\$ 38,940,997	\$ 24,732,700	(36.5%)
<i>Net Appropriation to OPEB Trust (925)</i>	(1,469,155)	-	
NET HEALTH/DENTAL TRUST FUND	\$ 37,471,842	\$ 24,732,700	(34.0%)
GOVERNMENTAL EQUIPMENT FUND (251)	\$ 22,443,597	\$ 25,574,250	13.9%
<i>Less Appropriation to Other Funds</i>	(2,000,000)	-	
NET GOVERNMENTAL EQUIPMENT FUND	\$ 20,443,597	\$ 25,574,250	25.1%
ENTERPRISE EQUIPMENT FUND (252)	\$ 6,761,359	\$ 5,789,694	(14.4%)
<i>Less Appropriation to Other Funds</i>	-	-	
NET ENTERPRISE EQUIPMENT FUND	\$ 6,761,359	\$ 5,789,694	(14.4%)
VEHICLE FLEET SERVICES (260)	\$ 13,341,364	\$ 15,760,588	18.1%
<i>Less Appropriation to Other Funds</i>	(313,037)	(313,037)	
NET VEHICLE FLEET SERVICES FUND	\$ 13,028,327	\$ 15,447,551	18.6%
TOTAL INTERNAL SERVICE FUNDS	\$ 91,286,391	\$ 83,748,611	(8.3%)
<i>Less Appropriation to Other Funds</i>	(2,388,037)	(388,037)	
NET INTERNAL SERVICE FUNDS	\$ 88,898,354	\$ 83,360,574	(6.2%)

General Fund

Appropriations by Division

	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	% CHANGE 2007-08 TO <u>2008-09</u>
General Government			
City Council	\$ 168,932	\$ 189,022	12%
City Clerk	494,403	550,792	11%
City Attorney	1,891,768	2,173,100	15%
Special Appropriations	21,253,337	20,527,353	(3%)
City Manager	1,502,531	1,546,562	3%
Development Services	1,010,792	1,275,619	26%
Public Affairs	934,390	1,017,869	9%
Raleigh TV Network	654,873	720,860	10%
Arts Office	227,431	275,989	21%
Subtotal, General Gov't	\$ 28,138,457	\$ 28,277,166	0%
Personnel	\$ 3,259,442	\$ 3,212,963	(1%)
Administrative Services	\$ 1,549,166	\$ 1,766,507	14%
Finance			
Administration	\$ 962,761	\$ 795,745	(17%)
Internal Audits	291,878	297,972	2%
Treasury	423,168	597,094	41%
Accounting	668,907	674,960	1%
Revenue	1,341,711	1,442,886	8%
Utility Billing	5,355,306	6,082,010	14%
Purchasing	519,257	551,237	6%
Financial Reporting and Planning	504,864	443,804	(12%)
Controller	185,028	406,467	120%
Payroll	617,812	659,608	7%
Subtotal, Finance	\$ 10,870,692	\$ 11,951,783	10%
Information Technology			
IT Administration	\$ 7,907,900	\$ 3,506,065	(56%)
IT Strategy and Planning	783,768	1,106,082	41%
Enterprise Infrastructure Management	-	4,386,957	
Enterprise Bus. Application Support	4,559,807	4,718,708	3%
Customer Relationship Management	-	1,483,792	
Subtotal, Info Services	\$ 13,251,475	\$ 15,201,604	15%
Public Works			
Public Works (formerly Cntrl Engin)	\$ 13,969,517	\$ 15,073,022	8%
Construction Management	1,038,882	1,654,479	59%
Street Maintenance	7,920,811	8,304,716	5%
Stormwater Maintenance	2,570,288	2,763,156	8%

General Fund

Appropriations by Division

Public Works Continued

Safelight		902,029		905,756	0%
CAMPO		337,682		332,548	(2%)
Subtotal, Public Works	\$	26,739,209	\$	29,033,677	9%

Planning	\$	4,424,117	\$	4,446,155	0%
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Inspections	\$	11,840,304	\$	12,145,422	3%
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Community Services	\$	1,975,590	\$	2,148,455	9%
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Police

Administration	\$	13,272,986		15,326,333	15%
Police Chief's Office		2,292,525		3,123,744	36%
Special Operations		10,469,868		9,551,355	(9%)
Field Operations		40,020,980		42,200,276	5%
Detective Operations		15,768,178		17,379,682	10%
Subtotal, Police	\$	81,824,537	\$	87,581,390	7%

Fire

Administration	\$	757,532	\$	1,353,723	79%
Fire Prevention		2,268,642		2,226,664	(2%)
Fire Operations		39,078,199		40,930,626	5%
Support Services		2,923,222		3,356,010	15%
Training		961,304		1,135,628	18%
Subtotal, Fire	\$	45,988,899	\$	49,002,651	7%

Emergency Communications	\$	6,796,729	\$	8,736,203	29%
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Solid Waste Services

Administration	\$	1,527,507	\$	3,177,364	108%
Recycling		5,189,701		5,506,203	6%
Residential Collection		11,116,978		16,235,390	46%
Transfer Station		3,216,788		-	(100%)
Yard Waste Center		1,750,876		1,408,934	(20%)
Subtotal, Solid Waste Serv.	\$	22,801,850	\$	26,327,891	15%

Parks & Recreation

Administration	\$	1,771,944	\$	2,656,541	50%
Parks		7,834,179		8,279,694	6%
Highway Maintenance		1,546,590		1,829,339	18%

General Fund

Appropriations by Division

Parks & Recreation Continued

6222	Cemeteries	283,352	310,995	10%
6223	Greenway	1,312,345	1,361,703	4%
6230	Recreation	9,665,387	10,707,449	11%
6231	Project Phoenix	32,136	26,596	(17%)
	P&R Schools Based Programs	1,712,675	1,687,520	(1%)
6270	Urban Trees	1,084,727	1,150,107	6%
6280	Design & Development	860,810	1,463,394	70%
6285	Park Facility Maintenance	4,908,835	5,571,196	13%
6290	Building Maintenance	3,073,912	3,390,883	10%
6301	Aquatics Administration	311,542	317,911	2%
6305	Durant Nature Park	771,927	714,444	(7%)
6306	Mordecai Historic Park	205,358	222,454	8%
6307	Lake Johnson Boat House	261,895	263,642	1%
6309	Lake Wheeler	309,192	306,536	(1%)
6312	Optimist Pool	309,869	355,362	15%
6313	Pullen Aquatics Center	688,433	601,662	(13%)
6314	Pullen Park	437,946	328,120	(25%)
6316	Shelley Lake	61,914	53,414	(14%)
6317	Year-round Pool #3	461,244	472,218	2%
6318	Seasonal Pools	416,131	490,135	18%
	Subtotal, Parks & Recreation	\$ 38,322,343	\$ 42,561,315	11%

General Fund Special Programs

	Arts Agencies	\$ 1,533,500	\$ 1,755,977	15%
	Human Service Agencies	724,000	714,500	(1%)
	Other Agency Appropriations	976,600	1,061,850	9%
	Public Transit & ART	12,798,787	15,908,901	24%
	Housing Appropriations	756,384	1,114,684	47%
	Technology/ERP Fund Appropriation	2,000,000	4,000,000	100%
	Capital Debt Service Appropriation	27,100,000	36,405,072	34%
	Subtotal, Special Programs	\$ 45,889,271	\$ 60,960,984	33%

TOTAL GENERAL FUND	\$ 343,672,081	\$ 383,354,166	12%
<i>Less Approp to Other Funds</i>	(49,917,843)	(65,930,902)	32%
NET GENERAL FUND	\$ 293,754,238	\$ 317,423,264	8%

General Fund

Appropriations by Type

	ADOPTED BUDGET <u>2007-08</u>	% OF <u>TOTAL</u>	ADOPTED BUDGET <u>2008-09</u>	% OF <u>TOTAL</u>	% Change 2007-08 TO <u>2008-09</u>
Salaries & Related Services *	\$ 203,111,316	59%	\$ 216,668,071	57%	7%
Operating Expenditures	84,779,142	25%	\$ 94,261,147	25%	11%
Capital Equipment **	2,085,409	1%	\$ 2,409,282	1%	16%
Appropriations to Other Operating Funds	15,401,235	4%	\$ 19,153,265	5%	24%
Appropriations to Capital Debt Service	27,100,000	8%	36,405,072	9%	34%
Appropriations to Capital Programs	7,715,494	2%	10,707,317	3%	39%
Appropriations to External Organizations	3,479,485	1%	3,750,012	1%	8%
TOTAL	<u>\$ 343,672,081</u>		<u>\$ 383,354,166</u>		<u>12%</u>

Public Utilities Fund

Appropriations By Division

	<u>ADOPTED BUDGET 2007-08</u>	<u>ADOPTED BUDGET 2008-09</u>	<u>% CHANGE 2007-08 TO 2008-09</u>
<i>Public Utilities</i>			
Administration	\$ 4,412,044	\$ 4,690,733	6.3%
Water Plant	16,606,442	18,872,569	13.6%
Waste Treatment Plant	15,518,363	16,181,184	4.3%
Reuse Operation	4,433,632	5,003,975	12.9%
Utilities Construction	6,522,738	7,199,931	10.4%
Utilities Sewer Collection	6,115,068	6,344,859	3.8%
Utilities Water Distribution	6,611,043	8,323,499	25.9%
Meter	6,096,083	6,458,602	5.9%
Warehouse	2,421,421	2,723,075	12.5%
Special Appropriations	39,636,208	37,872,802	(4.4%)
Capital Dept Service Appropriation	20,000,000	29,551,167	47.8%
Subtotal, Public Utilities Fund	\$ 128,373,042	\$ 143,222,396	11.6%
TOTAL PUBLIC UTILITIES	\$ 128,373,042	\$ 143,222,396	11.6%
<i>Less Approp to Other Funds</i>	(52,895,734)	(61,549,164)	16.4%
NET PUBLIC UTILITIES FUND	\$ 75,477,308	\$ 81,673,232	8.2%

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.

In recent years, 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 value. The fiscal year 2007-08 tax base is projected at \$34,979,997,000 which yields a legal debt capacity of \$2,798,399,760.

As a matter of internal policy, the city has maintained a debt position far below its legal limit. The city's gross debt obligation is projected to be \$1,194,395,605 on July 1, 2008 with approximately 35.1 % of that maturing within 10 years. From this amount, \$4,737,396 of water bonds is allowed as a deduction for calculating the statutory limit. Also, each year, the retirement of debt naturally creates more capacity (about \$15,000,000 per year).

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.

Additional debt activity anticipated for 2008-09 may include the issuance of portions of the Parks Bonds authorized by the 2003 and 2007 bond referendums and portions of the Street Improvement and Housing Bonds authorized by the 2005 referendum. The City is also reviewing the feasibility of issuing Stormwater Revenue Bonds in 2008-09.

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 AA+ by Moody's, AAA by Standard and Poor's and AAA by Fitch. Raleigh is only one of a very few whose revenue bonds are rated at such a high level. There is good reason to believe that such ratings will continue into the foreseeable future.

Fund Balance

The undesignated General Fund balance of the city was \$54,203,298 on June 30, 2007, which is 15.3% of the FY08 general fund budget. At this point in the fiscal year, the estimated undesignated General Fund balance as of June 30, 2008 is projected to be near the \$56 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 FY 2009 includes the appropriation of \$13 million of General Fund

undesignated fund balance expected from FY 2008 operations. Appropriations of this amount, which is consistent with prior years, should still allow the June 30, 2008 undesignated fund balance to be maintained at an approximate level of 14% of the FY 2009 budget.

The following chart reports the amount of appropriated fund balance and undesignated 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*	% of General Fund*	Actual Undesignated General Fund Balance	% of Subsequent Years General Fund Budget
2002-03	\$ 13,314,197	5%	\$ 34,860,657	13%
2003-04	\$ 13,425,000	5%	\$ 39,683,487	14%
2004-05	\$ 12,881,840	5%	\$ 41,543,152	14%
2005-06	\$ 13,096,750	5%	\$ 47,995,455	15%
2006-07	\$ 12,587,500	4%	\$ 54,203,298 **	15%
2007-08	\$ 13,000,000	4%	\$ 56,185,352 **	14%

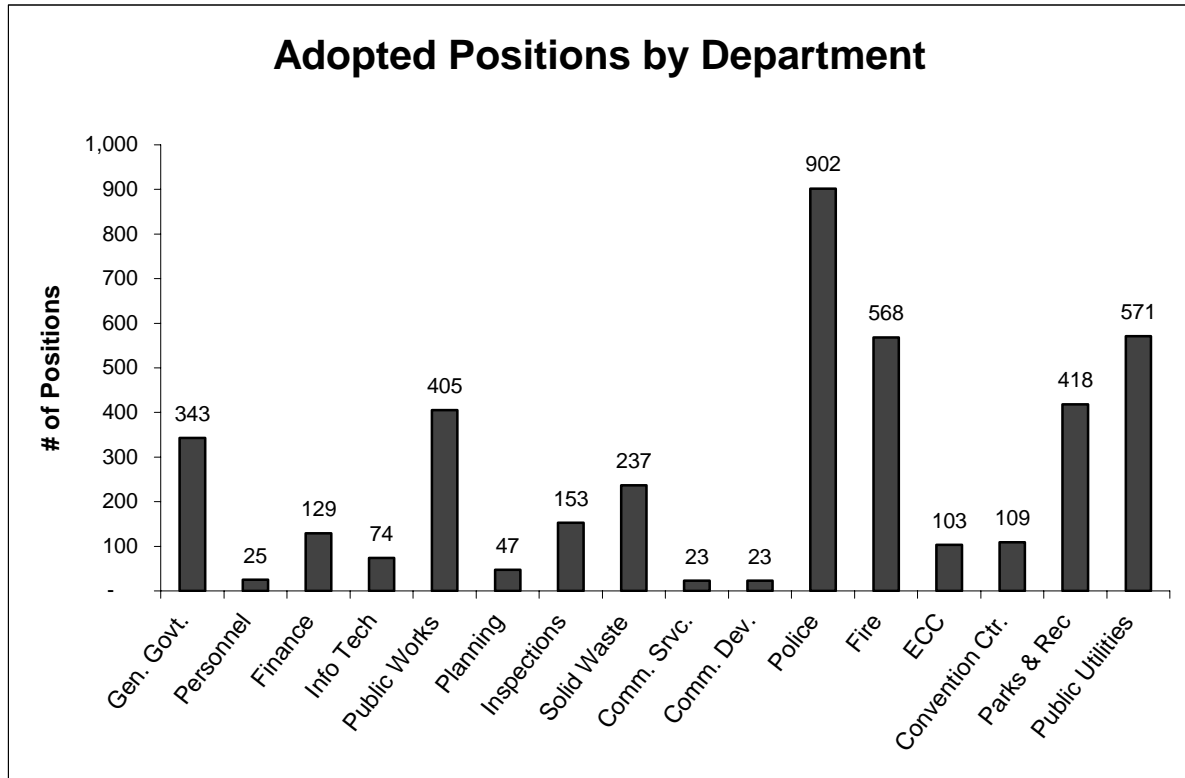
* Operating General Fund only — does not include debt service fund or other funds consolidated for financial statement purposes.

** Projected

Adopted Position Summary

	Authorized July 1, 2006		Authorized July 1, 2007		Adopted July 1, 2008	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
General Government						
City Council	8	-	8	-	8	-
City Clerk	5	-	5	-	5	-
City Attorney	16	-	16	-	18	-
City Manager	11	-	12	-	12	-
Administrative Services	17	-	17	-	19	-
Arts Office	2	-	3	-	3	-
Development Services	-	-	7	-	10	-
EPMO	1	-	-	-	-	-
Finance	113	4	118	4	124	5
Information Technology	63	-	69	-	74	-
Personnel	22	-	23	-	25	-
Public Affairs	16	2	17	2	18	3
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Infrastructure and Public Services						
Community Development	-	22	-	23	-	23
Community Services	16	3	16	3	20	3
Inspections	157	-	153	-	153	-
Planning	45	-	46	-	47	-
Public Works	244	132	252	139	261	144
Solid Waste Services	193	-	240	-	237	-
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Public Safety						
ECC	79	-	94	-	103	-
Fire	549	-	553	-	568	-
Police	868	1	888	1	901	1
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Leisure Services						
Convention Center	-	72	-	72	-	109
Parks & Recreation	366	-	392	-	418	-
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Public Utilities						
Public Utilities	-	494	-	547	-	571
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Total	2,791	730	2,929	791	3,024	859
Total All Funds	-	3,521	-	3,720	-	3,883
Net Annual Change	2,215	730	138	61	95	68

Adopted Position Summary



Adopted Position Count Changes

Department	Change	Position Title	Action
City Attorney	1	Environmental Attorney	FY09 New Position
	1	Paralegal	FY09 New Position
Development Services	2	Planner I	FY09 New Position
	1	Senior Planner	FY09 New Position
Public Affairs	1	RTN Production Specialist	FY09 New Position
	1	Administrative Assistant	FY09 New Position
Personnel	1	Senior Staff Analyst	FY09 New Position
	1	Administrative Support Specialist	FY09 New Position
Administrative Services	1	Sustainability Initiatives Manager	Mid-Year Council
	1	Real Estate Specialist	FY09 New Position
Finance	1	Accountant/Auditor I	From Parking
	1	Senior Staff Support Specialist	FY09 New Position
	1	Staff Assistant	FY09 New Position
	1	Business Process Analyst	FY09 New Position
	1	Strategic Planning Specialist	FY09 New Position
	1	Accounting Technician	FY09 New Position
	1	Senior Customer Service Representative	Mid-Year Council
Information Technology	2	Technical Support Analyst	Mid-Year Council
	1	Business Process Analyst	FY09 New Position
	2	Network Operations Analyst	FY09 New Position
Public Works	1	Transportation Analyst	FY09 New Position
	2	Traffic Signal Technician	FY09 New Position
	1	Senior Transportation Analyst	FY09 New Position
Transit	1	Customer Service Representative	FY09 New Position
	1	Project Engineer I	FY09 New Position
Streets	1	Transportation Inspector Supervisor	FY09 New Position
Parking	-1	Accountant/Auditor I	To Finance
	2	Maintenance Worker I	FY09 New Position
Stormwater	1	Stormwater Education Specialist	FY09 New Position
	1	Engineering Technician	FY09 New Position
Construction Management	1	Project Engineer I	Mid-Year Council
	2	Project Engineer II	Mid-Year Council
	1	Accountant/Auditor II	Mid-Year Council
Planning	1	Senior Planner	FY09 New Position
Police	1	Systems Analyst/Programmer	FY09 New Position
	10	Police Officer	FY09 New Position
	2	Police Detective I	FY09 New Position
Fire	9	Firefighter	FY09 New Position
	3	Fire Lieutenant	FY09 New Position
	3	Fire Captain	FY09 New Position
Emergency Communications	1	Administrative Assistant	FY09 New Position
	6	Calltaker I	FY09 New Position
	2	Systems Administrator	FY09 New Position
Solid Waste Services	-3	Scale Operator	FY09 Deletion
Community Services	1	Human Relations Program Manager	FY09 New Position
	1	Fair Housing Investigator	FY09 New Position
	1	Intake & Education Specialist	FY09 New Position
	1	Community Services Assistant	FY09 New Position

CITY OF RALEIGH

ADOPTED BUDGET 2008-09

Parks and Recreation	1	Energy Manager	Mid-Year Council
	1	Land Management Coordinator	Mid-Year Council
	1	Landscape Architect	Mid-Year Council
	2	Planner II	Mid-Year Council
	1	Planner I	Mid-Year Council
	1	GIS Technician	Mid-Year Council
	1	Administrative Support Specialist	Mid-Year Council
	1	Project Engineer	Mid-Year Council
	1	Gardener	FY09 New Position
	2	Staff Support Specialist	FY09 New Position
	4	Rec Facility & Program Supervisor I	FY09 New Position
	2	Rec Facility & Program Supervisor II	FY09 New Position
	1	Senior Accounts Receivable Specialist	FY09 New Position
	1	Staff Analyst	FY09 New Position
	1	Senior Staff Analyst	FY09 New Position
	1	Gardener	FY09 New Position
	1	Service Specialist	FY09 New Position
	1	Equipment Operator	FY09 New Position
	1	Project Engineer I	FY09 New Position
	1	Service Specialist	FY09 New Position
Public Utilities	1	Senior Plant Maintenance Mechanic	FY09 New Position
	1	Water/Wastewater Treatment Manager	FY09 New Position
	1	Plant Maintenance Supervisor	FY09 New Position
	1	Equipment Operator III	FY09 New Position
	1	Environmental Monitoring Technician	FY09 New Position
	1	Lead Equipment Mechanic	FY09 New Position
	1	Environmental Coordinator	FY09 New Position
	3	Service Specialist	FY09 New Position
	1	Equipment Operator II	FY09 New Position
	1	Assistant Sewer Monitoring Technician	FY09 New Position
	2	Utility Supervisor II	FY09 New Position
	2	Utility Supervisor I	FY09 New Position
	1	Senior Staff Support Specialist	FY09 New Position
	2	Staff Support Specialist	FY09 New Position
	1	Computer Systems Specialist	FY09 New Position
	3	Assistant Water & Sewer Supervisor	FY09 New Position
	1	Maintenance Mechanic I	FY09 New Position
Convention Center	2	Production Assistant	Mid-Year Council
	1	Accounting Technician	FY09 New Position
	1	Accountant/Auditor I	FY09 New Position
	1	Personnel Technician	FY09 New Position
	1	Staff Assistant	FY09 New Position
	1	RCCC Booking Coordinator	FY09 New Position
	2	Events Coordinator	FY09 New Position
	9	Security Guard	FY09 New Position
	6	Service Specialist	FY09 New Position
	4	Service Technician	FY09 New Position
	3	Maintenance Worker I	FY09 New Position
	3	Maintenance Mechanic I	FY09 New Position
	3	Security Guard	FY09 New Position

Staffing Changes FY08 through FY09	
Mid-Year Council Changes	19
Mid-Year Convert from PT	0
Adopted FY09 Additions	147
Adopted FY09 Deletions	-3
Net Total	163

Adopted FY 2009 Budget Staffing Changes	
	Additions General Fund 79
	Additions Public Utilities 24
B28	Additions Other Funds 44

Adopted Position Classification Changes

The FY 2009 Budget includes the following pay grade and/or title reclassifications as well as new position classifications. The following reclassifications are based on market data and an annual review of 1/3 of the city's job classifications.

NEW CLASSIFICATIONS

Position	Grade
Stormwater Monitoring Technician	26
Insurance Specialist	27
Senior Permit Specialist	30
Senior Stormwater Monitoring Technician	31
CADD Specialist	32
Senior Recreation Program Specialist	32
Senior Engineering Technician	33
Senior Graphic Designer	33
Senior Personnel Specialist	33
Training Coordinator	34
Revenue Systems Administrator	35
Insurance Analyst	35
Purchasing Administrator	36
Departmental Fiscal Manager	40

GROUP CHANGES

(Classifications with more than 1 employee in which ALL employees within the class are affected by the change)

Current		Adopted	
Position	Grade	Position	Grade
Custodial Worker	20	Service Technician	22
Automotive Services Technician *	22	Same	23
Courier *	21	Same	22
Service Worker	21	Service Specialist	23
Lead Custodial Worker	21	Senior Service Technician	23
Inventory Assistant	23	Same	25
Utility Billing Field Technician	25	Same	26
Recreation Instructor	25	Same	27
Lead Service Worker	26	Senior Service Specialist	26
Water Quality Technician	26	Same	27
Assist Recreation Program Specialist	27	Same	29
Payroll Technician	28	Same	29
Environmental Monitoring Technician (2)	30	Industrial Pre-Treatment Technician	30
Urban Forestry Inspector (2)	30	Same	31
Instrument Technician	32	Plant Instrumentation Technician	32
Park Operations Manager	32	Parks & Rec Operations Coordinator	32
Engineering Inspector Supervisor	33	Same	34
Lead Instrumentation Technician	33	Same	34
Senior Conservation Engineer	36	Same	37
Environmental Coordinator (2)	37	Same	38

* Not an upgrade. With the elimination of grades 20 and 21, the range for grade 21 becomes the range for grade 22 since the grade 22 range has been the same as the range for pay grade 23.

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)

Current		Adopted	
Position	Grade	Position	Grade
<i>City Manager</i>			
Business Process Analyst	32	Same	34
Senior Business Process Analyst	34	Same	36
<i>Public Affairs</i>			
Graphic Designer	32	RTN Production Specialist	32
Graphic Designer	32	Senior Graphic Designer	33
Print Services Coordinator	36	Print Services Manager	36
RTN Manager	36	RTN Production Services Manager	37
<i>Personnel</i>			
Personnel Specialist	31	Senior Personnel Specialist	33
Employee Relations & Recruitment Mgr	38	Same	40
<i>Administrative Services</i>			
Real Estate Specialist	35	Senior Real Estate Specialist	36
Real Estate Services Manager	37	Same	39
<i>Finance</i>			
Utility Billing Field Technician (13)	25	Same	26
UB Customer Service Specialist (11)	25	Customer Service Representative	26
UB Customer Service Specialist (2)	25	Sr. Customer Service Representative	27
Senior Staff Support Specialist (2)	25	Insurance Specialist	27
Utility Billing Field Technician	25	Sr. Customer Service Representative	27
Utility Billing Field Technician	25	Sr. UB Field Technician	27
Sr. UB Customer Service Specialist (6)	27	Sr. Customer Service Representative	27
Sr. Customer Service Representative	27	Customer Service Specialist	28
Senior Accounts Receivable Specialist	28	Same	29
Payroll Specialist	31	Same	32
UB Customer Service Supervisor	31	UB Customer Service Supervisor	32
Business Process Analyst	32	Training Coordinator	34
Business Process Analyst (2)	32	Same	34
Business Process Analyst	32	Revenue Systems Administrator	35
Risk Management Supervisor	34	Insurance Analyst	35
Buyer III	34	Purchasing Administrator	36
Operations Analyst	35	Same	36
Assistant Manager Utility Services	37	Assistant Utility Billing Services Manager	38
Assistant Revenue Manager	37	Same	38
Cash Manager	39	Investment & Cash Manager	39
Utility Services Manager	40	Utility Billing Services Manager	40

Current		Adopted	
Position	Grade	Position	Grade
<i>Information Technology</i>			
Transcriptionist Supervisor	25	Senior Staff Support Specialist	25
Telephone Systems Analyst	34	Senior Systems Administrator	37
<i>Public Works</i>			
Senior Survey Technician (2)	26	Stormwater Monitoring Technician	26
Automotive Parts Technician	26	Same	27
CADD Technician (2)	27	Senior CADD Technician	29
Survey Technician Crew Chief (2)	31	Sr. Stormwater Monitoring Technician	31
Engineering Technician (2)	32	CADD Specialist	32
Engineering Technician	32	GIS Specialist	33
Engineering Technician	32	Senior Engineering Technician	33
Engineering Technician Supervisor	33	Same	34
Survey Supervisor	36	Survey Manager	36
Motor Equipment Mechanic	MA	Lead Equipment Mechanic	31
<i>Inspections</i>			
Customer Service Representative (4)	26	Sr. Customer Service Representative	27
Permit Specialist (3)	29	Senior Permit Specialist	30
<i>Police</i>			
Police Records Specialist (10)	23	Same	24
Police Records Specialist (2)	23	Senior Police Records Specialist	25
Staff Support Specialist	23	Senior Staff Support Specialist	25
Senior Staff Support Specialist	25	Administrative Support Specialist	27
License Review Technician	27	Same	28
<i>Fire</i>			
Fire Services Assistant	27	Same	29
<i>Public Utilities</i>			
Staff Support Specialist	23	Senior Staff Support Specialist	25
UB Customer Service Specialist	25	Sr. Customer Service Representative	27
Engineering Inspector Supervisor	33	Same	34
Utility Support Superintendent	38	Same	39
PU Fiscal Manager	39	Departmental Fiscal Manager	40
Construction Superintendent	40	Same	41
Meter Superintendent	40	Same	41
Reuse Superintendent	40	Same	41
Sewer Collection Superintendent	40	Same	41
Water Distribution Superintendent	40	Same	41
Waste Water Treatment Superintendent	42	Same	43
Water Treatment Superintendent	42	Same	43
Motor Equipment Mechanic	MA	Heavy Equipment Mechanic	MA
<i>RCCC</i>			
Courier*	21	Same	22
RCCC Facilities Manager	39	Same	40

Current		Adopted	
Position	Grade	Position	Grade
<i>Parks & Recreation</i>			
Staff Support Specialist (3)	23	Senior Staff Support Specialist	25
Senior Staff Support Specialist	25	Administrative Support Specialist	27
Administrative Support Specialist	27	Administrative Assistant	31
Horticulture Specialist	29	Same	30
Recreation Program Specialist (5)	30	Same	31
Recreation Program Specialist (4)	30	Senior Recreation Program Specialist	32
Horticulturist	32	Same	33
Urban Forester	34	Same	35
Parks & Recreation Fiscal Administrator	38	Departmental Fiscal Manager	40

** Not an upgrade. With the elimination of grades 20 and 21, the range for grade 21 becomes the range for grade 22 since the grade 22 range has been the same as the range for pay grade 23.*

Adopted Pay Table Changes

The FY 2009 Budget includes the following changes to the city's pay tables:

General Pay Table

1. Eliminate grade 20 and 21 of the general pay schedule. The range for grade 21 becomes the range for grade 22 since the grade 22 range has been the same as the range for pay grade 23.
2. For grades 22 - 47: adjust the minimum rate by 5% and the maximum rate by 1.5%.
3. For grades 48 - 51: adjust the minimum and maximum rates by 1.5%.

Exceptional Pay Table

For pay ranges CA through CG; PA through PM; FA through FV; MA, TA, and TB: Increase the minimum rates by 5% and the maximum rates by 1.5%.

Temporary Classification Pay Table

Increase the minimum rates for temporary, classified positions by 9% annually over the next three years to align these temporary classifications with their permanent classification counterparts. This will improve internal equity and enhance recruitment. The increase only will affect employees whose current hourly rate is below the new minimum hourly rate. Because this change only applies to temporary, classified positions, the budgetary impact is minimal and has been incorporated into the budget.

Revenue Summary

	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	% CHG FY08 to FY09
OPERATING FUNDS				
100 General Fund	\$ 315,787,516	\$ 343,672,081	\$ 383,354,166	11.5%
110 Economic Development Fund	1,026,562	1,021,500	1,249,353	22.3%
120 Revenue & Special Facil Fund	-	-	-	0.0%
310 Public Utilities Fund	100,726,561	128,373,042	143,222,396	11.6%
460 Stormwater Utility Fund	12,537,796	15,501,984	15,668,822	1.1%
642 Convention Center Operations Fd	23,359,951	18,980,504	25,150,784	32.5%
SUBTOTAL	\$ 453,438,386	\$ 507,549,111	\$ 568,645,521	12.0%
CATEGORICAL PROGRAM FUNDS				
130 Revolving Fund	\$ 6,465,289	\$ 7,723,909	\$ 7,657,310	(0.9%)
140 Hotel/Motel Tax Fund	680,000	680,000	-	(100.0%)
410 Public Transit Fund	17,011,255	18,085,921	21,312,129	17.8%
442 Parking Facilities Fund - Operating	7,520,643	9,550,745	11,390,003	19.3%
711 Wireless 9-1-1- Tax Fund	-	239,666	1,442,816	502.0%
Housing Development Funds	1,446,892	1,527,386	1,548,294	1.4%
Community Development Funds	5,439,239	5,676,348	5,888,362	3.7%
SUBTOTAL	\$ 38,563,318	\$ 43,483,975	\$ 49,238,914	13.2%
CAPITAL DEBT SERVICE FUNDS				
190 General Debt Service Fund	\$ 30,480,998	\$ 29,798,411	\$ 47,745,711	60.2%
315 Utility Debt Service Fund	30,132,052	34,489,769	49,763,856	44.3%
444 Parking Debt Service Fund	5,737,706	6,629,736	7,778,610	17.3%
644 New Conv Center Debt Service Fd	10,334,084	10,322,854	11,788,805	14.2%
SUBTOTAL	\$ 76,684,840	\$ 81,240,770	\$ 117,076,982	44.1%
CAPITAL PROJECT FUNDS				
320 Water Capital Projects Fund	\$ 2,900,000	\$ 3,900,000	\$ 5,960,500	52.8%
325 Sewer Capital Projects Fund	3,175,000	4,750,000	8,000,000	68.4%
346 Water Revenue Bond Fund 2001	-	-	-	0.0%
446 Parking Facilities Fund - Projects	675,000	2,007,000	282,500	(85.9%)
470 Stormwater Utility Cap Proj Fund	6,852,000	6,317,300	4,674,700	(26.0%)
501 Technology Fund	2,100,000	2,000,000	1,873,500	(6.3%)
502 ERP Project Fund	-	-	6,980,000	0.0%
505 Capital Projects Fund	9,493,000	4,935,391	5,238,555	6.1%
515 Sidewalk Fund	859,800	1,033,800	1,085,000	5.0%
525 Street Improvement Fund	8,064,510	12,210,991	13,891,440	13.8%
545 Street Facility Fees Fund	3,060,000	4,146,680	6,949,415	67.6%
610 Park Acq -- Facility Fees Fund	2,002,000	2,614,648	4,402,920	68.4%
625 Park Improvement Fund	3,501,667	4,490,505	4,006,015	(10.8%)
646 Conv Ctr/Mem Aud Project Fund	200,000	300,000	418,000	39.3%
650 Walnut Creek Amph. Capital Fund	334,000	368,000	334,000	(9.2%)
655 Stormwater Projects Fund	1,400,000	-	-	0.0%
700 Powell Bill Fund	9,382,520	9,799,660	11,605,040	18.4%
715 Convention Center Financing Fund	9,502,752	10,400,632	14,375,000	38.2%
720 Housing Bond Fund 6/96	1,875,000	1,600,000	1,575,000	(1.6%)
816 Disaster Recovery Fund	-	-	-	0.0%
SUBTOTAL	\$ 65,377,249	\$ 70,874,607	\$ 91,651,585	29.3%
TOTAL ALL FUNDS	\$ 634,063,793	\$ 703,148,463	\$ 826,613,002	17.6%
LESS: Interfund Transfers	(120,425,060)	(146,081,874)	(181,857,712)	
NET OPERATING & CAPITAL BUDGET	513,638,733	557,066,589	644,755,290	15.7%

Revenue Estimates

The revenue estimates for the FY 08-09 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. OPERATING FUNDS

FUND 100 GENERAL FUND

A. Ad Valorem Taxes \$178,535,380

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 seven years along with projections for the current and following year in thousands of dollars.

(in thousands of dollars)

<u>FY</u>	<u>Gross Tax Value</u>	<u>Growth Rate</u>
01-02	26,772,410	4.5%
02-03	28,187,871	5.3%
03-04	29,380,152	4.2%
04-05	30,669,500	4.4%
05-06	32,216,124	5.0%
06-07	33,613,013	4.3%
07-08 (Projected)	34,979,997	4.1%
08-09 (Projected)	47,872,692	**36.9%

** Revaluation year

Projected tax base components for FY 08-09 compared with the projected final FY 07-08 amounts in thousands of dollars are as follows:

(in thousands of dollars)

	<u>Projected FY 07-08</u>	<u>Projected FY 08-09</u>	<u>Percent of Change</u>
Real	\$28,862,880	\$41,600,000	44.1%
Personal	5,511,299	5,624,468	2.1%
State Certified	605,817	648,224	7.0%
Totals	<u>\$34,979,997</u>	<u>\$47,872,692</u>	<u>36.9%</u>

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

1. Real Property Values: The FY 08-09 projected real property tax base of land, buildings and residences reflects a net growth factor of 44.1% based upon Wake County’s property revaluation, continuing growth and new annexations effective June 30, 2008.
2. Personal Property Values: This category includes business personal property and all re-licensed motor vehicles that are taxed under state law enacted in FY 93-94.
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 CP&L, Southern Bell, CSX Railroad, freight carriers, etc. The projected value for FY 08-09 is \$648,224,664.

Ad Valorem Tax Revenue - Current

The ad valorem tax revenue estimate represents a revenue neutral tax rate of \$.3317 applied to the projected net tax base of \$47,872,692,907 with a collection rate of 98% and adjusted for estimated rebates and normal growth. City Council approved a \$0.0418 cent tax increase above the revenue neutral rate bringing the total levy to \$175,653,513. The new tax rate for FY09 is \$0.3735 per \$100 of assessed property value. Of the \$0.0418 cent increase, \$0.025 cent is dedicated to operating support for the general fund and the remaining \$0.0168 cent is dedicated to debt service requirements for the Clarence E. Lightner Public Safety Center, the Remote Operations Facilities, the \$88.6 million Parks and Recreation Bond and the 2/3rds Bonds funding various projects, including City Plaza and Fire Station 29.

Municipal Service Districts – Ad Valorem Tax

The Municipal Service District, a separate tax district within the City was established in FY 02-03 to provide a higher service level for the downtown corridor district. The FY 08-09 revenue neutral tax rate is \$.0427 per \$100 of assessed property value. The estimated total revenue for the service district is \$631,867.

Ad Valorem Tax - Prior Years

The city receives back-taxes and penalties for collections on prior year levies. For FY 08-09, the anticipated total is \$2,250,000.

B. Intergovernmental Revenues \$26,181,655North Carolina Franchise Tax

This state collected revenue source combines: (1) the traditional franchise tax distributed to local governments on the basis on actual receipts of electric service within governmental jurisdictions; (2) an excise tax on piped natural gas, begun in FY 99-00; and (3) a sales tax on telecommunication services begun in 2001 that replaced the utility franchise tax on local telephone service. A 6% franchise tax is levied by the state with 3% being distributed. The excise tax rate is based on the volumes of natural gas received by end-users. The sales tax on telecommunication is distributed based on each municipality's past share of the old telephone franchise tax. The FY 08-09 revenue estimate of \$20,250,000 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 FY 95-96, real growth has remained very moderate. A budget projection of \$1,442,000 is estimated for FY 08-09.

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. Our estimate for FY 08-09 is \$1,200,000.

North Carolina Fire Reimbursement

The State reimburses a portion of the cost of providing fire protection to state-owned property. In FY 97-98, the legislature approved an increase from the previous \$296,320 to an annual total of \$1,146,382.

Payments in Lieu of Taxes

The city budgets payments in lieu of taxes from the Raleigh Housing Authority (\$201,823) and the Raleigh Entertainment and Sports Arena Complex (\$804,743). The total estimated for FY 08-09 is \$1,006,566

Other Intergovernmental Revenues

The city receives annual revenues from Wake County for the Hazmat, School Resource Officers, EMT, Interlocal Agreement Support and from the Federal Government for forfeitures. Those intergovernmental revenues for FY 08-09 are projected at \$1,136,707.

C. Sales Tax \$73,162,311

In 2007 the General Assembly adopted a Medicaid relief package for counties and established a “sales tax swap” to support the package. This legislation allows the state to take over a portion of the local option sales tax revenues, Article 44, beginning October 1, 2008 in two ¼ cent phases. Municipalities currently receive a share of the proceeds from the Article 44 sales tax and will be reimbursed from the state for the loss of those revenues. Analysis indicates municipalities should remain in a revenue neutral position as the lost revenues are replaced with proceeds from existing sales tax Articles 40 and 39. The hold harmless policy contained within this legislation has no expiration date and the method of revenue replacement includes a growth factor.

Local Option Sales Tax (1 cent: Article 39)

The Local Option Sales tax is distributed to each county on the basis of point of sale 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 FY 08-09 of \$34,551,303 is budgeted.

Supplemental Sales Tax (2 ½ cents: Articles 40 & 42))

The Wake County Commissioners authorized the assessment of the supplemental (half-cent) sales tax beginning July 1, 1984. A second half-cent was levied October, 1986. These two half-cent sales taxes are collected by the state and remitted to counties and cities on a statewide population basis, rather than point of sale. The different distribution basis accounts for the variance in the revenue estimates for the supplemental sales tax amount versus the one cent allocation. Our estimate for FY 08-09 is \$28,495,344. Article 40 sales tax will increase beginning October 1, 2008 when the first ¼ cent of Article 44 is taken over by the state.

The following is a chart reflecting amounts of local and supplemental sales tax received for the last seven years plus current projected.

<u>Fiscal Year</u>	<u>Amount Received</u>	<u>% of Change</u>
00-01	42,521,655	4.7%
01-02	40,363,564	-5.1%
02-03	38,333,336	-5.0%
03-04	44,882,608	10.6%
04-05	45,593,202	1.5%
05-06	50,027,581	9.7%
06-07	54,766,115	9.5%
07-08 (Projected)	56,045,736	2.3%
08-09 (Projected)*	63,046,647	12.5%

*The increase in 08-09 is attributed to the Medicaid Sales Tax Swap legislation affect on revenue distribution within the sales tax accounts, not a substantial increase in expected receipts.

Economic conditions, new rules on the situs of sales tax, and growing internet sales volumes will have an impact on amounts paid.

New Sales Tax in Lieu of Reimbursements (½ cent: Article 44))

The half-cent sales tax is collected by the state and remitted to counties and cities on both a statewide population and point of sale basis. The Medicaid Swap adopted by the General Assembly in 2007 eliminates ¼ cent of this sales tax beginning October 1, 2008. The second ¼ cent will be eliminated October 1, 2009. FY09 projections for this sales tax are reflective of this legislative change and the ¼ cent replacement revenue is included in the projection for Article 40 (Supplemental Sales Tax). Our estimate for FY 08-09 is \$10,115,664.

D. Licenses \$17,405,000Automobile License Tax

The state legislature has authorized an automobile license tax of \$25 per vehicle. This tax is expected to generate total collections of \$6,600,000 for FY 08-09.

Cablevision Franchise

Recent deregulation of the cable industry essentially ended the franchise fee and Public Educational Government (PEG) fee structure on December 31, 2006. These fees have now been replaced with a sales tax fee on cable and video services. Due to the uncertainty surrounding the new fee structure, we will need to be conservative with our revenue estimates and monitor this item closely. Our projection of the franchise fee is \$3,900,000 for FY 08-09.

Schedule B

The city charges a privilege license fee for various businesses that are conducting operations within the city limits. Currently, the maximum fee is twenty thousand dollars (\$20,000). Based on collection trends a combined total of \$6,900,000 is projected for FY 08-09.

Other Licenses

The city also collects taxi regulatory licenses. The estimated amount for FY 08-09 is \$5,000.

E. Interest on Investments \$3,200,000

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. However, current economic conditions have decreased interest earnings and future earnings are expected to be much lower than prior year activity. The City's Financial Advisor has recommended projecting interest earnings at a conservative rate of 3.0%. An amount of \$3,200,000 is estimated for FY 08-09.

F. Inspection Fees \$10,746,626

The activity in inspection fees goes through cycles that are connected to the economy, trends in general building levels and fee increases. Our projection for inspection fees is \$10,746,626 for FY 08-09.

G. Highway Maintenance Refunds \$1,295,000

The State of North Carolina reimburses the city for road maintenance work done on state-maintained streets. This work is done by the Street Maintenance and Parks Divisions. Levels of reimbursement are based upon state available money. The annual level of support for FY 08-09 is projected at \$1,295,000.

H. Solid Waste Revenues \$18,760,620Residential Solid Waste Fees

The current solid waste fee is \$7.70 per month. In addition, a monthly residential recycling fee of \$2.60 is charged for a combined monthly fee of \$10.30 per month. The estimate for FY08-09 is \$16,728,600.

Drop Off and Curb Side Recycling

The city has negotiated a new recycling contract to be effective July 1, 2006. This contract is structured differently than the previous contract and yields lower revenues, however, the offset is an anticipated reduction in labor costs due to longer route length. These revenues are also market sensitive based upon ongoing market prices for recyclable materials. The estimate for FY 08-09 based on current market prices is \$597,390.

Solid Waste Services Rebates from Wake County \$1,000,000

In FY09 the city begins receiving biannual rebate revenues paid by Wake County based upon the trash tonnage delivered to the North Wake County landfill. FY 08-09 revenues are estimated to be \$1,000,000.

Other Miscellaneous Solid Waste Accounts

Other solid waste revenue accounts are yard waste tip fees (\$273,180), yard waste sales (\$108,150), additional container fees (\$51,500), and miscellaneous fees (\$1,800).

I. Parks and Recreation Revenues \$3,872,500

The city collects various athletic fees, community center program fees, and other revenues in the General Fund. An estimated total of \$3,872,500 is projected for FY 08-09 based on historical trends.

J. Public Works Fees \$521,200

The city collects various fees for engineering inspections and permits. An estimated total of \$521,200 is projected for FY 08-09 for these revenues.

K. Penalty Revenues \$351,448

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 \$351,448 is projected for FY 08-09.

L. Miscellaneous Fees and Charges \$7,550,936

A variety of other revenues are shown within the miscellaneous fees and charges. These include ECC support from Wake County (\$2,732,399), proceeds from the safe light program (\$907,132), and miscellaneous income (\$900,000). The total estimated for all accounts for FY 08-09 is \$7,550,936.

M. Transfers from Other Funds \$7,637,066

Appropriations include annual transfers in from the Powell Bill Fund and indirect cost transfers from Print Services, Vehicle Fleet Services, and Community Block Grant Funds. A \$750,000 transfer from the Equipment Fund is also included in the total transfer budget.

N. General Fund Balance Appropriation \$13,000,000

The appropriation from Fund Balance for FY 08-09 is \$13,000,000. Such appropriations result from the expected budget variances from operating results for FY 07-08 and appropriation of other available reserves. This level is considered available for appropriation in FY 08-09 without adversely affecting the city's financial position, which is critical to the maintenance of the city's AAA/Aaa credit ratings.

O. Reimbursements from Utility Fund \$14,447,267

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 the Utility Billing Services program expenses in the Finance Department, 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 FY 08-09 is \$14,447,267.

P. Reimbursements from Stormwater Fund \$4,194,741

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 FY 08-09 is \$4,194,741

Total Fund 100 General Fund

\$383,354,166

FUND 110 ECONOMIC DEVELOPMENT FUND**A. Transfers & Other Revenues \$1,249,353**

Transfers from the General Fund and the Utility Operating Fund and appropriation of fund balance constitute the major funding sources for the Economic Development Fund.

Total Fund 110 Economic Development Fund \$1,249,353

FUND 310 UTILITY OPERATING FUND**A. Utility Sales \$122,546,899**

The primary revenues from sales of water and waste water service are projected using a growth rate of approximately 3% over FY 07-08 expected results, and a 15% water and waste water rate increase to provide adequate funding for ongoing operations and investments in capital assets. 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 FY 08-09 are projected at \$103,803,422. Another \$18,743,477 is projected from wholesale customers and for other utility services.

B. Other Revenues \$20,675,497

The city also projects other non-operating revenues such as interest income (\$2,150,000) and operating reserve (\$18,000,000). The total other revenues for FY 08-09 are estimated at \$525,497.

Total Fund 310 Utility Operating Fund \$143,222,396

FUND 460 STORMWATER OPERATING FUND**A. Fees \$13,552,575**

The city began collecting fees for stormwater services in the spring of 2004. The total revenues generated from the fees in FY 08-09 are estimated at \$13,552,575.

B. Other Revenues \$2,116,247

Miscellaneous revenues such as interest on investments and soil erosion control fees make up the other revenues for the Fund.

Total Fund 460 Stormwater Operating Fund \$15,668,822

FUND 642 CONVENTION CENTER OPERATIONS FUND**A. Convention Center Fees and Charges \$18,601,365**

A variety of fees and charges associated with the revenue generating facilities of the convention center program are used to recover a major portion of the expenses incurred by the various revenue producing operations. Such fees, estimated at \$18,601,365 for FY 08-09 include sources such as facility fees, staff services, and box office services.

B. Transfers from Other Funds \$4,553,361

Annual appropriations from the General Fund and Convention Center Financing Fund provide approximately 19% of the funding.

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

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

Total Fund 642 Convention Center Operations Fund \$25,150,784

TOTAL OPERATING FUNDS \$568,645,521

II. CATEGORICAL PROGRAM FUNDS

FUND 130 REVOLVING FUND

A. Fees, Sales & Other Misc. Revenues \$4,540,401

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 \$4,540,401 for FY 08-09. While most of the Revolving Fund activities are recreational in nature, others that receive self-supporting fees and sales include community television promotions and convention street plaza activities.

B. Appropriation of Prior Year Revenues \$3,116,909

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 FY 08-09 is \$3,116,909.

Total Fund 130 Revolving Fund \$7,657,310

FUND 410 PUBLIC TRANSIT FUND

A. Passenger Revenues \$3,018,228

Estimated fare box revenues (\$2,418,228) and passenger ART ticket purchases (\$600,000) constitute 14% of budgeted operating activities for the two programs in FY 08-09.

B. State Grant \$2,000,000

State grant funding (\$2,000,000) constitutes 10% of funded transit operating activities for FY 08-09.

C. Transfers from Other Funds \$15,908,901

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 \$385,000

Several revenue sources including advertising revenues (\$75,000), prior year revenues available for appropriation (\$300,000) and other miscellaneous receipts (\$10,000) provide supplemental funding for the transit operation in FY 08-09.

Total Fund 410 Public Transit Fund \$21,312,129

FUND 442 PARKING FACILITIES OPERATING FUND

A. Parking Fees \$7,641,219

Parking fees at city-owned parking facilities are estimated at 7,641,219 for FY 08-09. The amounts are based upon fee adjustments and terms of the combined parking management contract.

B. Other Revenues \$3,748,784

Other revenues of the parking facilities fund for FY 08-09 include parking violation penalties (\$2,415,764), appropriation of prior year revenues (\$1,203,320) and other miscellaneous sources (\$80,000).

Total Fund 442 Parking Facilities \$11,390,003

FUND 711 Wireless 9-1-1 Tax Fund

A. Wireless Fees \$1,442,816

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 will now receive all revenues and be responsible for associated phone line costs.

Total Fund 711 Wireless 9-1-1-Fund \$1,442,816

FUND 735 - 736 HOUSING DEVELOPMENT FUNDS

A. Transfers from Other Funds \$1,114,684

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

B. Other Revenues \$433,610

Other revenues include appropriation of prior year revenues, interest income and various program income generated in the housing program.

Total 735-736 Housing Development Funds \$1,548,294

FUND 741 - 781 COMMUNITY DEVELOPMENT FUNDS

A. Federal Grants \$3,700,692

Federal grants make up the majority of revenues for the Community Development programs. Funding includes the CDBG Block Grant (\$2,386,503) and HOME Grants (\$1,314,189).

B. State Grants \$75,000

The city will receive the NCHFA Job Training Grant (\$75,000).

C. Other Revenues \$2,112,670

Other Revenues in the Community Development Fund include program income (\$2,112,670).

Total 741-781 Community Development Funds \$5,888,362

TOTAL CATEGORICAL PROGRAM FUNDS \$49,238,914

III. CAPITAL DEBT SERVICE FUNDS

FUND 190 GENERAL DEBT SERVICE FUND

A. Transfers from Other Funds \$41,292,926

The major source of revenue for making the FY 08-09 annual debt service payments on obligations of the city is the General Fund (\$36,405,072). This transfer is inclusive of a \$0.0168 cent property tax dedication for major capital projects. Facility fee revenue transfers totaling \$4,223,738 provides support to this fund. Other funds having direct benefit from projects financed with general long-term resources also make annual contributions (\$664,116) to the debt service fund.

B. Other Revenues \$6,452,785

Other revenues used to fund the annual debt service program include rent from the Walnut Creek Amphitheater (\$1,000,000), appropriation of prior year revenues (\$5,342,285) and interest income (\$110,500).

Total Fund 190 General Debt Service Fund \$47,745,711

FUND 315 UTILITY DEBT SERVICE FUND**A. Transfers from Other Funds \$29,551,167**

The major revenue source for the utility debt service program for FY 08-09 is the annual transfer from the Utility Operating Fund (\$29,551,167).

B. Other Revenues \$20,212,689

Other revenues funding the utility debt service program include interest income (\$450,000), appropriation of fund reserves (\$18,685,400), and assessments and other miscellaneous receipts (\$1,077,289).

Total Fund 315 Utility Debt Service Fund \$49,763,856

FUND 444 PARKING DEBT SERVICE FUND**A. Transfers from Other Funds \$5,920,000**

The major revenue source for the parking debt service program for FY 08-09 is the annual transfer from the Parking Facilities Fund (\$5,920,000).

B. Other Revenues \$1,858,610

Other revenues funding the parking debt service program include appropriation of fund reserves (\$1,746,610) and interest income (\$112,000).

Total Fund 444 Parking Debt Service Fund \$7,778,610

FUND 644 CONVENTION CENTER DEBT SERVICE FUND**A. Other Revenues \$11,788,805**

This fund was established to segregate the debt service associated with the city's new Convention Center. Revenues to fund the debt service program include transfers from other funds (\$7,283,212) and appropriation of fund reserves (\$4,505,593).

Total Fund 644 Convention Center Debt Service Fund \$11,788,805

TOTAL CAPITAL DEBT SERVICE FUNDS \$117,076,982

IV. CAPITAL PROJECT FUNDS

Revenues within the Capital Project Funds include several annual sources (Powell Bill gasoline tax, street and open space facility fees, assessments, residual financing sources such as general obligation and revenue bond proceeds and capital reserves.) The following are summaries of the major sources of funding in the FY 08-09 Capital Projects program.

A. Powell Bill Allocation \$11,605,040

The Powell Bill revenue (\$10,502,520) is a distribution of the state gasoline tax (1.75 cents per gallon) based in part on local state system street mileage and in part on population. Prior year fund reserves totaling \$1,102,520 are also appropriated.

B. Facility Fees \$11,352,335

Estimated street facility fees (\$6,949,415) and open space facility fees (\$4,402,920) are revenue sources funding a variety of eligible street and parks/greenway projects in the applicable facility fee zones of the city.

Other resources budgeted in the capital projects funds include appropriations of prior year revenues, residual bond proceeds, interest earnings, assessment income and interfund transfers.

TOTAL CAPITAL PROJECT FUNDS \$91,651,585

TOTAL ALL FUNDS \$826,613,002

TOTAL ALL FUNDS (NET OF INTERFUND TRANSFERS) \$644,755,290

Tax Values, Rates and Collections

(In Thousands of Dollars)

Fiscal Year Ended <u>30-Jun</u>	Year of Assessed <u>Levy</u>	Appraised/ Values	% <u>Chg</u>	Tax <u>Rates</u>	Gross <u>Levy</u>	Gross Collected <u>Current</u>	% Collected <u>Current</u>	Collected Prior <u>Years</u>	Total <u>Collected</u>	% Total Collected to Current <u>Levy</u>
1997	1996	14,436,011	6.3%	0.5375	77,941	76,050	97.6%	803	76,853	98.6%
1998	1997	15,328,441	6.2%	0.5375	82,602	80,681	97.7%	1,715	82,396	99.8%
1999	1998	16,068,479	4.8%	0.5250	84,576	82,600	97.7%	1,752	84,352	99.7%
2000	1999	17,008,260	5.8%	0.5250	89,412	87,245	97.6%	1,927	89,172	99.7%
¹ 2001	2000	25,629,176	50.7%	0.3850	98,016	95,868	97.8%	1,937	97,805	99.8%
2002	2001	26,772,410	4.5%	0.3850	103,396	101,218	97.9%	1,915	103,133	99.7%
2003	2002	28,187,871	5.3%	0.3850	109,099	106,645	97.8%	2,255	108,900	99.8%
2004	2003	29,380,152	4.2%	0.3850	113,861	111,949	98.3%	1,798	113,747	99.9%
2005	2004	30,669,500	4.4%	0.3950	121,770	119,880	98.4%	1,801	121,681	99.9%
2006	2005	32,216,124	5.0%	0.3950	127,767	125,745	98.4%	1,843	127,588	99.9%
2007	2006	33,613,013	4.3%	0.4350	146,117	142,534	97.5%	1,480	144,014	98.6%
² 2008	2007	34,979,997	4.1%	0.4350	151,888	149,680	98.5%	1,774	151,454	99.7%
^{1,2} 2009	2008	47,872,692	36.9%	0.3735	178,805	-	98.0%	-	-	-

1 - Revaluation year

2 - Projected

City Council

The City Council is Raleigh's governing body, consisting of eight citizens elected to serve two-year terms. 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 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.

Included in the budget is an increase in expense allowance for personal vehicle use. This increase was implemented city-wide for certain key staff and was calculated based on the IRS mileage rate increase.

Additional information regarding City Council may be obtained by contacting J. Russell Allen, City Manager, at (919) 890-3070, or via email at russell.allen@ci.raleigh.nc.us.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	8	8	8	8	0
DIRECT EXPENDITURES	\$ 164,839	\$ 175,212	\$ 168,932	\$ 189,022	11.9%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 99,470	\$ 99,470	\$ 99,470	\$ 102,900	3.4%
Employee Benefits	7,609	6,747	6,747	8,041	19.2%
Operating Expenditures	57,760	61,995	62,715	66,249	5.6%
Special Programs and Projects	-	-	-	1,332	
Capital Equip - Replacement	-	7,000	-	10,500	
TOTAL	\$ 164,839	\$ 175,212	\$ 168,932	\$ 189,022	11.9%

City Clerk

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 city 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) 890-3040, or via email at gail.smith@ci.raleigh.nc.us.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	5	5	5	5	0
DIRECT EXPENDITURES	\$ 412,578	\$ 436,392	\$ 494,403	\$ 550,792	11.4%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 262,419	\$ 273,946	\$ 305,602	\$ 328,957	7.6%
Employee Benefits	56,264	63,493	72,901	74,951	2.8%
Operating Expenditures	93,895	91,953	115,900	134,007	15.6%
Special Programs and Projects	-	-	-	4,877	
Capital Equip - Replacement	-	7,000	-	8,000	
TOTAL	\$ 412,578	\$ 436,392	\$ 494,403	\$ 550,792	11.4%

City Attorney

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 city legal programs, represents and advocates the City's legal interests, prepares court documents, ordinances, legislation and other legal memoranda, and provides legal information to the public, the media, city staff and other governmental entities.

Included in the budget are an environmental attorney to focus on drought, major water and wastewater projects, and other environmental issues, and a paralegal position to assist in stormwater review and other development review issues.

Additional information regarding the City Attorney's Office may be obtained by contacting Thomas McCormick, City Attorney, at (919) 831-6560 or via email at tom.mccormick@ci.raleigh.nc.us.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	15	16	16	18	2
DIRECT EXPENDITURES	\$ 1,537,674	\$ 1,785,273	\$ 1,891,768	\$ 2,173,100	14.9%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 1,124,227	\$ 1,324,746	\$ 1,407,575	\$ 1,591,201	13.0%
Employee Benefits	222,177	275,652	294,303	336,442	14.3%
Operating Expenditures	187,220	183,375	189,890	221,825	16.8%
Special Programs and Projects	-	-	-	21,132	
Capital Equipment - New	-	-	-	2,500	
Capital Equip - Replacement	4,050	1,500	-	-	(100.0%)
TOTAL	\$ 1,537,674	\$ 1,785,273	\$ 1,891,768	\$ 2,173,100	14.9%

Highlighted Budget Changes (July 2008 – June 2009)

- An environmental attorney position was added to the budget in order to address environmental issues, drought, major water and wastewater projects, and other environmental matters identified by the Mayor and city Departments.
- A paralegal position was added to the budget in order to meet the office's growing need for attention to development issues and enforcement actions.

City Manager

The City Manager's Office is the administrative center of the City of Raleigh's organization. In addition to the coordination and oversight of 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 process for the city and directs the City's efforts to plan for the future. The City Manager's office is responsible for the activities of the [Arts Office](#), the Community Relations Administrator, the Emergency Management Coordinator and the Development Services Division which provides cross-departmental management for the City's land development approval and inspections services. Also, much of the city's interaction with federal and state agencies and other outside organizations is coordinated through the City Manager's office.

Additional information regarding the City Manager's office may be obtained by contacting J. Russell Allen, City Manager, at (919) 890-3070 or via email at russell.allen@ci.raleigh.nc.us.

Mission

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

FY 2007-2008 Accomplishments

- Hired a new Emergency Management Coordinator.
- Transferred the Enterprise Project Management Office to Information Technology Department.
- Worked with eCivis Inc. to establish city-wide grant search and grant writing training.

Environmental Initiatives

- Increase the number of environment-related gainsharing ideas city-wide by creating a new marketing strategy to remind employees of the gainsharing payouts.
- Continue to work to reduce fossil fuel consumption in the City's operations in accordance with the Environmental Advisory Board's recommendation.
- Continue to pursue energy-saving and maintenance-saving LED lighting projects through the LED City Initiative with Cree, Inc.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
City Manager	13	11	12	12	0
Development Services	0	0	7	10	3
EPMO	1	1	0	0	0
Arts Office	2	2	3	3	0
TOTAL	16	14	22	25	3

Budget Detail (cont.)

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
DIRECT EXPENDITURES BY DIVISION					
City Manager	\$ 1,367,599	\$ 1,275,113	\$ 1,502,531	\$ 1,546,562	2.9%
Development Services	-	-	1,010,792	1,275,619	26.2%
EPMO	259,647	297,770	-	-	
Arts Office	148,655	155,184	227,431	275,989	21.4%
TOTAL	\$ 1,775,901	\$ 1,728,067	\$ 2,740,754	\$ 3,098,170	13.0%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 1,101,406	\$ 1,059,260	\$ 1,687,626	\$ 1,940,573	15.0%
Employee Benefits	242,369	241,260	396,704	448,972	13.2%
Operating Expenditures	427,626	424,347	629,699	656,710	4.3%
Operating Expenditures	-	-	8,000	33,215	315.2%
Capital Equip - New	4,500	3,200	17,725	17,700	(0.1%)
Capital Equip - Replacement	-	-	1,000	1,000	0.0%
TOTAL	\$ 1,775,901	\$ 1,728,067	\$ 2,740,754	\$ 3,098,170	13.0%

Administrative Services

The Administrative Services Department coordinates the development of the city operating budget and capital improvement program, provides real estate services related to the acquisition of real property for city purposes, facilitates the development of minority- and women-owned business enterprises and coordinates the City's sustainability initiatives.

Additional information regarding the Administrative Services Department may be obtained by contacting Julian Prosser, Assistant City Manager, at (919) 890-3840 or via email at julian.prosser@ci.raleigh.nc.us.

Mission

The Department of Administrative Services provides assistance to other City of Raleigh departments for the delivery of quality services to the public and for the accomplishment of their missions more efficiently and effectively by providing financial management, real estate services, and the development of minority- and women-owned business enterprises (MWBE). The Real Estate Division strives to acquire the necessary real property rights needed for authorized city functions in such a manner that not only are the City's taxpayers well served, but the sellers feel that they have been treated fairly and courteously by their city.

Accomplishments (July 2007 – June 2008)

- Acquisition of property totaling 39.7 acres at 2401 North Raleigh Boulevard for location of the downtown remote facilities operations site.
- Acquisition of property at 12028 Falls of Neuse Road containing approximately 86 acres for use as a future community park, greenway, open space, roads and water line extension.
- Acquisition of 8.142 acres at 1715 Wendell Boulevard for location of the east Raleigh public utilities remote operations center.
- The Business Assistance Program held its 10th annual Minority- and Women-Owned Business Enterprise (MWBE) Expo.
- The City's Business Assistance Program Manager served on the North Carolina Statewide Uniform Certification Planning Committee and on the Wake Tech Business & Industry Advisory Board.
- The Budget Office served as staff support for a number of projects and committees over the course of the past year, including the Environmental Advisory Board, the Law and Public Safety Committee, the Benefits, Space Needs, Service Excellence and Gainsharing Committees, the Budget Advisory/Business Team Committee, and the Business Continuity and Telework projects.
- The Budget Office conducted a day-long multiple session workshop for departments in preparation of the budget process. Two of those sessions were videotaped and were made available to employees via video-streaming.
- The Budget Office continued the redesign of both the proposed and adopted budget documents.

Environmental Initiatives

- Ten members of the department telework either 1 or 2 days per week.
- The budget manual is no longer printed for departments but is available online for their use.
- The Business Assistance Program Manager is working with other entities (RBTC, Wake Community College & City of Durham) to develop training for green construction for minority- and women-owned construction companies.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	17	17	17	19	2
DIRECT EXPENDITURES	\$ 1,379,079	\$ 1,426,380	\$ 1,549,166	\$ 1,766,507	14.0%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 1,028,301	\$ 1,056,488	\$ 1,148,976	\$ 1,329,402	15.7%
Employee Benefits	218,776	242,137	269,585	301,686	11.9%
Operating Expenditures	132,002	127,755	130,605	118,213	(9.5%)
Special Programs and Projects	-	-	-	17,206	
TOTAL	\$ 1,379,079	\$ 1,426,380	\$ 1,549,166	\$ 1,766,507	14.0%

Highlighted Budget Changes (July 2008 – June 2009)

- Mid-year addition of a Sustainability Initiatives Manager to coordinate and manage the planning, development, implementation and evaluation of the city's environmental programs as they relate to responsible government and community sustainability.
- A Real Estate Specialist position is included to meet the growing demands of the City's utility departments – Public Utilities and Stormwater. These two departments will equally share in the cost of this position.

Goals and Objectives

Goal: To extend the community outreach component of the City of Raleigh MWBE Program (making the community aware of the City's MWBE Program/Loan Pool Program, Downtown Raleigh Loan Program and WCPSS construction opportunities).

Objective: Conduct one expo within the fiscal year. This is to be conducted as a joint effort with the Wake County Public School System and hopefully will include Wake County government.

Objective: To partner with the Raleigh Small Business & Technology Center in an effort to develop and execute a class on green construction.

Goal: Budget information will be made available to internal and external decision makers.

Objective: The final budget document will be prepared and made available to the public within 45 days of adoption.

Goal: To be more environmentally conscience in the printing of budget materials and documents.

Objective: The number of proposed and adopted budgets printed will be cut by one third.

Objective: Encourage web use, especially by internal customers.

Agency Appropriations

The Agency Appropriations budget funds external, non-profit agencies that provide artistic, cultural, and human service programs to Raleigh citizens. Arts agency funding requests are recommended to the Council by the Raleigh Arts Commission; human service agency funding requests are recommended by the Human Relations Commission; and other agency category requests are those that do not fit into either the arts agency or human service agency funding categories or are funded through council action during budget deliberations. Most agencies included in the "other" category are reviewed by the Assistant City Manager and the Budget Office. An annual subsidy to the Accessible Raleigh Transportation (ART) program, which provides transportation services to disabled city residents, is also included under interfund expenditures in this organization. A detailed listing of the funding granted for arts, human service, and other external agencies appears on the following pages.

The Agency Appropriations budget reflects the corresponding increase to the annual arts appropriation, which is based on a per capita funding of \$4.50. An increase in the appropriation to the Accessible Raleigh Transportation program is reflected in this organization.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 5,486,071	\$ 6,232,561	\$ 7,465,163	\$ 8,647,812	15.8%
DIRECT EXPENDITURES BY TYPE					
Arts Appropriations	\$ 1,228,330	\$ 1,318,179	\$ 1,533,500	\$ 1,755,977	14.5%
Human Services Appropriations	601,639	737,000	724,000	714,500	(1.3%)
Other Appropriations	636,950	737,764	976,600	1,061,850	8.7%
Interfund Expenditure	3,019,152	3,439,618	4,231,063	5,115,485	20.9%
TOTAL	\$ 5,486,071	\$ 6,232,561	\$ 7,465,163	\$ 8,647,812	15.8%

Budget Detail (continued)

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
ARTS APPROPRIATIONS					
Arts Access	\$ 9,000	\$ 9,000	\$ 6,900	\$ 6,900	0.0%
Arts Commission Programs	115,138	119,768	138,616	248,397	79.2%
Arts Together	40,000	40,000	36,550	60,000	64.2%
Artspace	95,000	100,000	95,000	86,250	(9.2%)
Artsposure	105,000	114,500	120,000	150,000	25.0%
Burning Coal Theatre	53,000	55,000	59,250	73,000	23.2%
Capital Opera Raleigh	-	23,000	25,700	24,066	(6.4%)
Carolina Ballet Theatre	172,000	250,000	250,000	250,000	0.0%
Classical Voice of North Carolina	6,500	6,500	8,970	9,680	7.9%
El Pueblo	6,500	6,500	-	20,000	-
Even Exchange (formerly RAINBOW)	11,000	11,000	11,000	11,375	3.4%
Greater Raleigh Community Music School	47,000	47,000	37,474	36,672	(2.1%)
International Focus	40,000	40,000	25,000	30,000	20.0%
N.C. Master Chorale	28,500	29,000	38,000	50,000	31.6%
North Carolina Theatre	26,500	36,500	51,250	88,750	73.2%
North Carolina Wind Orchestra	5,000	6,500	5,100	3,500	(31.4%)
Nuv Yug Cultural Organization	13,999	14,000	10,000	11,000	10.0%
Opera Company of North Carolina	50,000	65,000	85,000	138,250	62.6%
Philharmonic Association	-	-	-	8,000	-
Pinecone	49,693	52,500	50,000	96,000	92.0%
Raleigh Boy Choir	8,000	12,546	17,000	34,000	100.0%
Raleigh Chamber Music Guild	17,500	20,000	28,750	33,500	16.5%
Raleigh Civic Symphony & Chamber Orchestra	13,000	15,000	13,440	12,712	(5.4%)
Raleigh Civic Ventures	-	-	3,000	2,000	(33.3%)
Raleigh Ensemble Players	50,000	52,000	36,800	34,200	(7.1%)
Raleigh Little Theatre	68,000	82,615	77,100	84,750	9.9%
Raleigh Symphony Orchestra	27,000	29,000	38,000	30,600	(19.5%)
The Justice Theater Project	-	-	-	9,375	-
Theatre in the Park	32,000	34,250	36,600	38,000	3.8%
Visual Art Exchange	42,000	47,000	51,000	75,000	47.1%
Arts Funding Reserve	97,000	-	178,000	-	-
SUBTOTAL	\$ 1,228,330	\$ 1,318,179	\$ 1,533,500	\$ 1,755,977	14.5%

Budget Detail (continued)

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
HUMAN SERVICES APPROPRIATIONS					
AIDS Service Agency	\$ 10,940	\$ 10,940	\$ 10,940	\$ 11,000	0.5%
Avent West Community Development Corp	8,000	8,000	8,000	6,000	(25.0%)
Big Brothers Big Sisters	-	-	7,430	10,000	34.6%
CASA Agency	15,000	89,000	89,000	89,000	0.0%
Community Partnerships	-	-	2,213	2,500	13.0%
Filling in the Gaps (FIGS) of Wake County	8,000	8,000	8,590	8,600	0.1%
Glory to Glory Ministries	15,330	14,330	14,500	-	(100.0%)
Greater Triangle YWCA (formerly Hargett Street YWCA)	13,000	13,000	14,000	14,000	0.0%
Haven House	32,000	30,000	30,000	30,000	0.0%
Hilltop Home	5,000	5,000	5,000	-	(100.0%)
Hospice	28,166	25,000	25,000	25,000	0.0%
Interact	42,000	40,000	40,000	41,500	3.8%
Inter-Faith Food Shuttle	65,943	36,443	77,500	100,000	29.0%
JRuth	-	3,000	-	-	-
Martin Street Community Development Corp	4,428	2,460	-	-	-
Meals on Wheels	47,443	45,327	45,327	45,500	0.4%
Neighbor to Neighbor Ministries	-	3,000	3,000	-	(100.0%)
Pan Lutheran Ministries	15,000	14,000	14,000	15,200	8.6%
Playspace	15,000	15,000	25,000	-	(100.0%)
Prevent Blindness of North Carolina	10,000	8,000	8,000	5,000	(37.5%)
Raleigh Lions Clinic for the Blind	-	2,000	-	6,700	-
Resources for Seniors	40,000	37,000	37,000	37,000	0.0%
Safechild	17,446	15,000	15,000	18,000	20.0%
Step Up Ministry	7,000	7,000	10,000	10,000	0.0%
Tammy Lynn Center	61,000	78,000	80,000	100,000	25.0%
The Darius House, Inc.	20,000	19,000	18,000	15,000	(16.7%)
The Garner Road YMCA	17,000	16,000	30,000	-	(100.0%)
Triangle Family Services	5,000	5,000	5,000	10,000	100.0%
Triangle Radio Reading Service	1,000	1,000	1,500	1,500	0.0%
Urban Ministries of Wake County	45,000	130,000	40,000	40,000	0.0%
Wake Enterprises	7,500	7,500	8,000	8,000	0.0%
Wake Health Services	-	9,000	12,000	15,000	25.0%
Wake Interfaith Hospitality Network	21,443	20,000	20,000	20,000	0.0%
Wake Teen Medical Services	-	-	-	10,000	-
Women's Center of Wake County	24,000	20,000	20,000	20,000	0.0%
SUBTOTAL	\$ 601,639	\$ 737,000	\$ 724,000	\$ 714,500	(1.3%)

Budget Detail (continued)

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
OTHER APPROPRIATIONS					
Center for Volunteer Caregiving	\$ 12,500	\$ 12,500	\$ 13,000	13,500	3.8%
Downtown Housing Improvement Corporation	120,000	120,000	120,000	120,000	0.0%
Homeless Support Circles	-	100,000	100,000	100,000	0.0%
International Affairs Council	-	-	20,000	10,000	(50.0%)
Kids Voting	10,000	10,000	12,000	12,000	0.0%
Kyran Anderson Academy	12,500	-	12,500	12,500	0.0%
Latta House Archaeological Survey	-	-	-	15,000	-
Legal Aid of N.C. - Raleigh Office	35,000	50,000	50,000	50,000	0.0%
Mayor's Committee for Persons with Disabilities	9,000	9,000	9,000	9,000	0.0%
Men of Valor	-	-	3,000	-	(100.0%)
North Carolina Symphony	100,000	100,000	100,000	200,000	100.0%
Passage Home CDC, Inc.	93,100	92,014	105,000	100,000	-
Raleigh City Museum	100,000	130,250	157,250	175,000	11.3%
Raleigh Historic Districts Commission	51,500	51,500	51,500	51,500	0.0%
RDU Airport	12,500	12,500	12,500	12,500	0.0%
SouthLight-The Awareness Outreach Program	30,850	-	60,850	30,850	(49.3%)
The Healing Place	50,000	50,000	100,000	100,000	-
Triangle Lost Generation Task Force	-	-	50,000	50,000	0.0%
SUBTOTAL	\$ 636,950	\$ 737,764	\$ 976,600	\$ 1,061,850	8.7%
INTERFUND EXPENDITURES					
To Accessible Raleigh Transit	\$ 3,019,152	\$ 3,439,618	\$ 4,231,063	\$ 5,115,485	20.9%
TOTAL AGENCY APPROPRIATIONS	\$ 5,486,071	\$ 6,232,561	\$ 7,465,163	\$ 8,647,812	15.8%

Special Appropriations

The Special Appropriations budget funds expenses associated with the General Fund that are not charged to a department. Reclassifications identified in FY 2008 for implementation in FY 2009 have been included in department salary accounts.

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

Direct expenditures funds contracted services such as tax billing and collections, a contingency account in the amount of \$250,000, the Municipal Service District special tax districts expenditure, and insurance user charges. In addition, the City's reserve for vehicle maintenance and operations is included to support potential shortfalls in departmental accounts from fluctuating fuel costs.

Interfund expenditures subsidize the General Debt Service, Economic Development, Community Development, Transit, and Print Shop funds. All of these funds are operated as business-like enterprise funds, but require some transfer of funds to remain operational. Also included in Interfund Expenditures are the following appropriations: \$4 million to the ERP (Enterprise Resource Planning) Project Fund, \$4,298,555 to the capital program for General Public Improvements, \$1,238,338 to the Park Improvement Fund, and \$1,170,424 to the Convention Center Complex Operations Fund.

The risk management and health-related accounts funded in this section are aggregated at budget adoption to fund the Risk Management Internal Service Fund. As in the past, direct expenses of risk management will be paid from the Internal Service Fund. The substantial increases in this organization are due to the costs identified in the Risk Management Fund. A detailed account of this organization is included on the following pages.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 48,034,758	\$ 57,427,828	\$ 60,580,969	\$ 72,840,525	20.2%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 200,000	\$ 550,000	\$ -	\$ -	-
Employee Benefits	3,034,997	3,259,198	4,737,358	5,417,348	14.4%
Operating Expenditures	8,161,772	8,169,421	9,595,123	6,927,083	(27.8%)
Capital Equipment - New	150,000	-	-	-	-
Interfund Expenditure	36,487,989	45,449,209	46,248,488	60,496,094	30.8%
TOTAL	\$ 48,034,758	\$ 57,427,828	\$ 60,580,969	\$ 72,840,525	26.8%

Budget Detail (continued)

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
PERSONAL SERVICES					
Rsv - Supp Police Pay	\$ -	\$ 350,000	\$ -	\$ -	-
Reclassification	-	-	-	-	-
Salary Reserve	200,000	200,000	-	-	-
SUBTOTAL	\$ 200,000	\$ 550,000	\$ -	\$ -	-
EMPLOYEE BENEFITS					
OPEB - Post Employment Benefits	\$ -	\$ -	\$ 500,000	\$ 500,000	0%
Medicare Supplement	226,995	245,840	266,400	297,900	12%
Health Insurance	2,461,393	2,741,886	3,692,628	4,342,188	18%
Group Life Accidental Death & Disability	186,609	111,472	118,330	117,260	(1%)
Unemployment	160,000	160,000	160,000	160,000	0%
SUBTOTAL	\$ 3,034,997	\$ 3,259,198	\$ 4,737,358	\$ 5,417,348	14%
DIRECT EXPENDITURES					
City/Co Tax Billing & Collection	\$ 240,000	\$ 255,000	\$ 311,620	\$ 320,000	3%
City/Co Auto Tax Billing & Collection	62,000	62,000	-	-	-
Elections	177,800	-	125,000	-	(100%)
Remittances to County	20,000	20,000	20,000	20,000	0%
Penalty Payments to WCPSS	54,675	182,025	164,160	302,206	84%
Safety Shoes	87,100	92,391	95,162	98,018	3%
Postage	475,000	500,000	500,000	550,000	10%
Stormwater Utility Fees	70,800	30,000	20,000	10,000	(50%)
Reserve - Contingency	300,000	300,000	250,000	250,000	0%
Reserve - M&O	500,000	300,000	643,323	744,653	16%
Reserve - Electric Load Study	35,000	35,000	35,000	-	(100%)
Reserve - Municipal Service District	535,897	545,320	599,165	631,867	5%
City Records Mgmt	-	26,160	42,000	50,000	19%
To ISF - SIR Prop/Liab Claim	800,000	800,000	816,000	1,230,000	51%
To ISF - Excess Prop/Liab Premium	801,000	835,000	1,200,000	1,320,000	10%
To ISF - Fire & Police Add Comp	27,000	20,000	20,000	-	(100%)
To ISF - Misc Insurance Premium	234,500	248,700	292,550	287,050	(2%)
To ISF - Other Insurance Service	916,000	1,092,825	1,011,143	830,289	(18%)
To ISF - SIR Workers Comp	2,500,000	2,500,000	3,150,000	-	(100%)
Miscellaneous Allocations	-	25,000	-	-	-
Fringe Benefit Consultant	125,000	75,000	75,000	83,000	11%
MEAC Sponsorship	200,000	225,000	225,000	200,000	(11%)
SUBTOTAL	\$ 8,161,772	\$ 8,169,421	\$ 9,595,123	\$ 6,927,083	(28%)

Budget Detail (continued)

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
CAPITAL EQUIPMENT - NEW					
Office Renovations	\$ 150,000	\$ -	\$ -	\$ -	-
SUBTOTAL	\$ 150,000	\$ -	\$ -	\$ -	-
TRANSFERS OUT - BUDGETS GRANTS					
To 110 Economic Development Fund	\$ 751,500	\$ 946,562	\$ 941,500	\$ 1,160,853	23%
To 190 General Debt Service	19,800,000	26,800,000	27,100,000	36,405,072	34%
To 210 Print Shop	-	220,903	298,886	314,752	5%
To 410 Transit Operations	5,982,631	8,524,811	8,567,724	10,793,416	26%
To 444 Parking Debt Service	-	-	-	-	-
To 502 ERP Project Fund	-	-	-	4,000,000	-
To 505 Misc Capital Projects Fund	4,774,500	4,893,000	5,203,891	4,298,555	(17%)
To 625 Park Improvement Fund	1,148,000	1,051,667	1,065,857	1,238,338	16%
To 642 RCCC/PAC Operations Fund	1,000,208	175,748	314,246	1,170,424	272%
To 735 Housing Operations	571,566	702,628	441,394	748,393	70%
To 736 Housing Projects	259,584	133,890	314,990	366,291	16%
SUBTOTAL	\$ 36,487,989	\$ 45,449,209	\$ 46,248,488	\$ 60,496,094	31%
TOTAL	\$ 48,034,758	\$ 57,427,828	\$ 60,580,969	\$ 72,840,525	20%

Arts Commission Office

The Arts Commission provides grants, arts resources, and information to city staff, artists, arts groups, and the public. The office manages various indoor and outdoor public art initiatives, including the Miriam Block Municipal Building Art Exhibitions and Art-in-the-Park sculptures. The office additionally develops and disseminates arts publications, produces the annual Medal of Arts Awards Ceremony, and offers arts-related workshops and symposiums to area residents. Over the past year, the Arts Commission has committed to developing e-based communications outreach, in order to reduce environmental impact.

Additional information regarding the Arts Commission may be obtained by contacting June Guralnick, Executive Director, (919) 890-3610 or via email at june.guralnick@ci.raleigh.nc.us.

Mission

Serving as the official advisory body and advocate for the arts to the Raleigh City Council, the Commission's myriad activities foster, support, and promote the arts in the Capital City. Additionally, the Commission serves the City by recommending policies that proactively address the challenges and opportunities in the arts community.

Accomplishments (July 2007 – June 2008)

Public Art Committee

- Art-On-The-Move: Select original designs by Raleigh artists and install artwork on the sides of city buses in partnership with Capital Area Transit. Bus unveiling in conjunction with Visual Art Exchange Street Painting Festival.
- Public Art Policy: Review city's public art policy and make recommendations.
- Public Art Maintenance and Signage: Survey all city artwork for damage/repair needs. Create signage for the City's interior artbank collection.
- Miriam Preston Block Gallery MBE Exhibitions: Oversee six exhibitions primarily featuring local artists, with interdisciplinary events planned for opening receptions.
- National Arts Program: Participate in National Arts Program providing exhibition opportunity with prizes to city and county employees.
- Downtown Plaza Design: Participate in dialogue pertaining to integration of Jim Gallucci's design in downtown Fayetteville Street plaza towers/bollards.
- Artbank Collection: Purchase and place art for the City's Artbank Collection.
- Plan New Public Art Project for 2008-2009: Work with 30th Anniversary Committee and other community representatives to explore private-public partnerships for public art.

Public Relations Committee

- Arts Advocacy Campaign: Work with 30th Anniversary Committee and local arts groups to plan public campaign to promote the arts in Raleigh.
- Art-On-The-Move Public Outreach: Assist Public Art Committee and Capital Area Transit in publicizing art on the sides of city buses.
- Medal of Arts Ceremony: Plan and implement special 30th anniversary awards ceremony celebrating both the Commission's past medal winners and recognizing this year's winners.
- Miriam Preston Block Gallery MBE Receptions: Plan public receptions and other outreach for all municipal building art exhibitions.
- 30th Anniversary Committee: Work with community-based 30th Anniversary Committee to develop an Action Blueprint for Raleigh Arts.

- Public Education & Outreach: Facilitate public forums and town hall meeting on the arts, participate in City Show highlighting arts activities throughout Raleigh, partner with United Arts Council on workshops for arts organizations, and oversee rotating art information at Cameron Village library.
- Information Database: Build and update database comprised of individuals, businesses, and non-profit organizations to improve dissemination of arts-related information.
- CORAC Publications: Produce publications including postcards, posters catalogues, Medal of Arts program book, announcements and invitations, Artsbeat, arts calendar & other listings.

Grants Committee

- Distributed Grant Awards for FY 2008: Funds allocated by City Council through per capita distribution to the arts support cultural programs and projects presented by Raleigh-based non-profit organizations. The Arts Office manages the distribution of grant monies to organizations (FY 2008 grants funds to 27 organizations totaled \$1,201,384).
- Grant-Writing Public Workshop: Grant-writing workshop for potential grantees, including distribution of grant guidelines, application, grant updates, etc.
- Grants Application Review: Grants Panel Review of grants documents and procedures, presentation sessions with grantees, followed by allocation recommendations to Arts Commission Office (and then to City Council).
- Emerging Arts Groups/Artist Programs: Focus on development of guidelines that can aid developing arts groups and artists.

Executive Committee

- Per Capita Funding Increase: Advocacy for arts funding increase to \$5 per capita.
- By-laws Review: Establish subcommittee to make recommendations for revision of by-laws.
- Percent for Art Program Research: Research and make recommendation for a Percent for Art Program for Raleigh.

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 to 2008-09
EMPLOYEES	2	2	3	3	0
DIRECT EXPENDITURES	\$ 148,655	\$ 155,184	\$ 227,431	\$ 275,989	21.4%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 103,891	\$ 108,298	\$ 156,877	\$ 192,678	22.8%
Employee Benefits	22,800	23,539	36,507	42,979	17.7%
Operating Expenditures	21,964	23,347	31,322	33,786	7.9%
Special Programs and Projects	-	-	-	2,346	
Capital Equipment - New	-	-	2,725	4,200	54.1%
TOTAL	\$ 148,655	\$ 155,184	\$ 227,431	\$ 275,989	21.4%

Highlighted Budget Changes (July 2008 – June 2009)

- Minimally increased budget items in small equipment; also increased request in audio-visual equipment line as well as training/travel (due to increased staff).
- A new duplex printer is included in the budget.

Development Services

The Development Services Division provides an independent, overarching management structure to the development process from a more general and all-encompassing position. The division will resolve all interdepartmental conflicts and pursue solutions by amending procedures to promote efficient processes, and establish new procedures across departmental lines intended to improve the overall development process, while allowing technical expertise involved in the development process to remain connected to the department with jurisdiction over the subject matter.

Additional information regarding the Development Services Division may be obtained by contacting Hamid Dolikhani, AICP, Development Services Manager at (919) 516-2232 or via email at Hamid.Dolikhani@ci.raleigh.nc.us.

Mission

To increase and maintain a high level of service for the development process in the City of Raleigh through management, guidance and implementation of advanced technology. To become a proactive team in managing and improving the development process in the city through establishing collaborative relationships with the internal and the external stakeholders. To adopt new standards of excellence and seek out and implement best practices to ensure an effective, efficient and fair development process conducive to a vibrant, safe and economic land development.

Accomplishments (July 2007 – June 2008)

Implemented new governance procedures

- Development Services Manager, Assistant Manager and support staff positions filled.
- Established relationship with Core Team and departments.
- Established complaint tracking and documentation procedure.

Created the Development Services Guide

- Created a comprehensive development guide for the web that is printable.
- Created email distribution list for marketing purposes.
- Created a web site that describes the development process from project conception to occupancy.
- Created and identified process owners for all regulatory functions.

Implemented pre-application meetings

- Developed process guidelines – desired outcomes.

Simplified and streamlined processes

- Reduced content requirements for recorded maps.
- Simplified the preliminary plan approval letter.
- Improved administrative approval of minor encroachments.
- Redefined the role of Attorney's Office in development review.
- Established reciprocal plans review program between Raleigh and Mecklenburg County.
- Reduced review times for map recordation process by establishing multi-tracks.
- Reduced construction drawings turn-around times for minor projects through collaborative triage of incoming project plans.

Environmental Initiatives

- Implement substantial changes to the city's plan review operations through more face-to-face review options, more emphasis on new ways to do customer-friendly plan intake, front desk operations and plan tracking, and publication of better performance metrics.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	0	0	7	10	3
DIRECT EXPENDITURES	\$ -	\$ -	\$ 1,010,792	\$ 1,275,619	26.2%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ -	\$ -	\$ 509,972	\$ 687,000	34.7%
Employee Benefits	-	-	121,256	167,913	38.5%
Operating Expenditures	-	-	363,564	400,034	10.0%
Special Programs and Projects	-	-	-	7,672	
Capital Equipment - New	-	-	15,000	12,000	(20.0%)
Capital Equip - Replacement	-	-	1,000	1,000	0.0%
TOTAL	\$ -	\$ -	\$ 1,010,792	\$ 1,275,619	26.2%

Highlighted Budget Changes (July 2008 – June 2009)

- Funding for the start-up of a customer service center is included. The customer service center will serve as a single entry and exit point for all development review processes across five departments. Other than three new positions (one Customer Service Center Manager, two Development Service Project Managers), all other positions needed to staff the center currently exist.
- Development changes will be made within the development departments to improve operations, business continuity and efficiency, and provide stronger customer service and broader technical assistance.

Goals and Objectives

Goal: Establish new customer service ethic among staff

- Objective: Establish and implement a comprehensive customer service training program for regulatory personnel across five development review departments.
- Objective: Create a Knowledge Base/ Training Manual for all the development review processes.
- Objective: Create an online "Development Basic Training" course for current and incoming staff.

Goal: Establish communication protocols for internal and external customers

- Objective: Create new communication protocols and tools for different customer groups utilizing variety of communication channels including printed newsletters, e-grams, web-based publications and cable programming/equipment.
- Objective: Establish monthly business reports reflecting key indicators and trends in quantity and quality of development services.
- Objective: Sponsor annual "Development Fair" to include all development review departments.

Goal: Create and use performance measurement tools

- Objective: Establish and implement the “Build-Stat” program.
- Objective: Develop process for periodic reporting to Council / Manager / stakeholders.
- Objective: Establish collaboration tools for the development services projects including Knowledge Base and Customer Service Center/Complaint Tracking.

Goal: Implement the “best of the breed” technology tools to improve development review process

- Objective: Expand / replace automated procedures consistently throughout process.
- Objective: Implement automatic escalation of overdue tasks.
- Objective: Create interactive project status website open to all customers.
- Objective: Introduce electronic plans submittals for residential projects.
- Objective: Explore implementation of technologies available for web-based customer service tools including self-service customer appointment scheduling and staff workload balancing.
- Objective: Explore electronic plans routing and Building Information Modeling (BIM) concept.
- Objective: Support and expand the inter-local agreement with the Mecklenburg County to foster collaboration and implementation of “best of the breed technology tools”.

Goal: Re-engineer the development review process

- Objective: Formulate, establish and implement a centralized intake/gate-keeping operation to serve as an entry/exit point for all development review processes across five departments.
- Objective: Find and implement new ways to utilize “one-stop shop” concept across all processes.
- Objective: Analyze and implement customer service liaison concept (ombudsmen).
- Objective: Expand pre-application meetings program & explore possibilities of merger with express.
- Objective: Explore full-cost recovery models and conduct study to establish development review fee structures reflecting best practices and resources needed to support it.

Goal: Establish the external advisory network

- Objective: Establish an external stakeholder advisory board to solicit input from a broad spectrum of the development review customer base.
- Objective: Establish a collaboration strategy between the internal and external stakeholders.

Goal: Organize visits to other communities

- Objective: Visit jurisdictions known for their best practices in the development review arena and expose the development review staff to new ideas.
- Objective: Establish relationship with peers in the industry across the country and learn from their experiences.

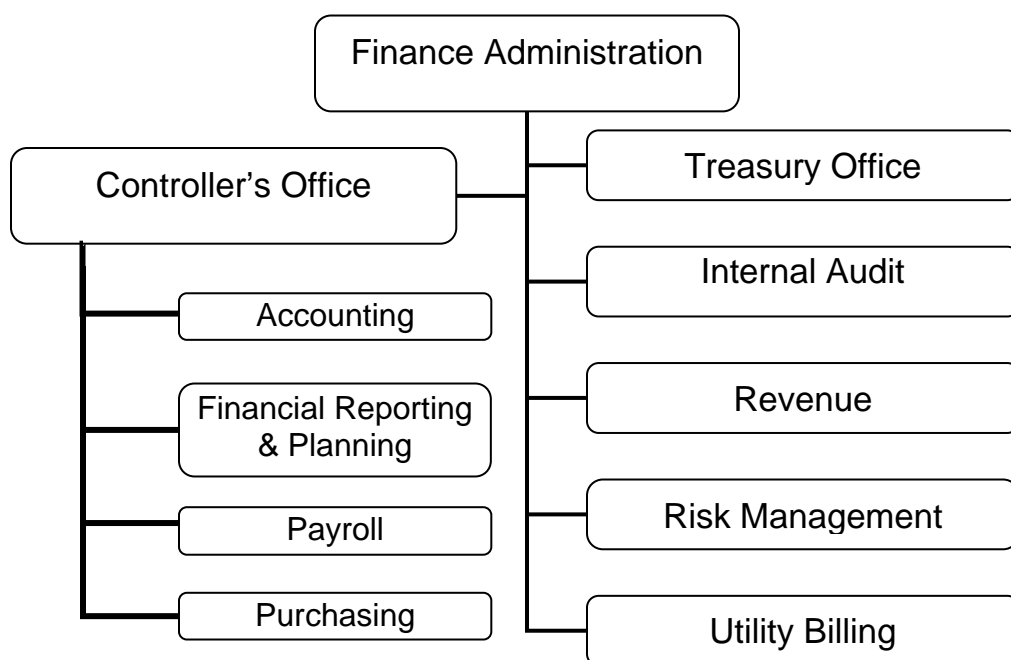
Finance

The Finance Department provides treasury functions, accounting, purchasing, payroll, revenue management, utility billing, internal audit, financial reporting and risk management services for city management, City Council, fellow city employees and departments as well as all of Raleigh's citizens and utility customers.

Additional information regarding the Finance Department may be obtained by contacting Perry E. James III, Chief Financial Officer, at (919) 890-3215 or via email at perry.james@ci.raleigh.nc.us.

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."



Accomplishments (July 2007 – June 2008)

- Maintained AAA general obligation bond rating from all three rating agencies, as well as Aa1 and AAA ratings on revenue bonds.
- Utilized an alternative debt facility fund for rolling stock/equipment, land acquisition and the Enterprise Resource Planning (ERP) software. This facility saved the City 1.0% or more on the short-term interest rate versus traditional debt options.
- Implemented a flat fee utility credit rate and reduced rate structure for credit card processing for an estimated savings of \$180,000 annually to be realized in Utility Billing and Inspections.
- Evaluated and refined bank services to provide improved banking efficiencies and reduced costs. Banking services will be re-evaluated in conjunction with the ERP system implementation, which may result in contract cost changes in upcoming fiscal years.

- Strategic and financial planning for the new ERP System and its impact to the Finance Department, as well as the entire organization. An investment in an ERP system will provide a highly integrated and scalable technology solution that can be used by all city departments and assist them in improving the services provided to customers. Significant budgetary impacts are anticipated for FY 2010 as this new technology is implemented.
- Increased Interactive Voice Response (IVR) phone lines and Bellsouth phone lines in Utility Billing to increase pathways for customer contact and improve customer service.
- Improved billing procedures and design for utility customers, related to proration, multiple metered billings and multi-family complex billing.
- Implemented a fraud hotline to assist in detecting and deterring possible fraudulent acts that might occur within the city. The implementation of the hotline was recommended by the City's external auditors and endorsed by Council.
- Continued work on the electronic time and attendance project, RTAP, with anticipated completion of project by April 2008.
- Suggested and implemented process improvement for the collection of Medicare supplement premiums for retirees by setting up premiums as a deduction from retirement checks rather than payments to the City.
- The Revenue Collector system upgrade to the iNovah version will be effective April 2008. This is a web-based version of the product that consolidates the Revenue Collector and cashiering databases, and adds many enhancements and improvements to payment processing.
- Replaced the temporary front desk receptionist with a professional security guard, increasing security within the municipal building and the first floor customer payment lobby.
- Completion of FY 2007 CAFR with an unqualified opinion from the independent auditors. Report submitted to Government Finance Officers Association (GFOA) for certificate of achievement consideration.
- Worked with Personnel, City Attorney and other key stakeholders on the development of risk management cost containment strategies.

Environmental Initiatives

- The Revenue Division's mail vehicle will be replaced with a hybrid SUV compact in FY 2009, in alignment with the citywide strategy to achieve a reduction in fossil fuel consumption.
- Utility Billing's GPS Fleet Management Solutions communicates the real-time location status of field technicians. This technology reduces trip distance by efficiently identifying the closest technician for new work orders, resulting in decreased fuel consumption.
- The installation of a Utility Billing area stand-alone HVAC system at Lake Woodard will allow for lower energy costs, because it will better manage the temperature in the work area. The new unit will create an effective dual-zoned type HVAC system similar to a residential home, thus reducing the burden on the existing building-wide unit.
- Require Utility Billing staff to rideshare when attending off-site meetings, such as those at the Municipal Building.
- Use and recommendation of "green" recycled products whenever possible for departmental purchase requests across the city.
- The Treasury Office will stay abreast of innovations in funding energy savings projects through research and discussion with rating agencies and other municipalities.
- Gain an understanding of the field of environmental auditing and its applicability to city operations.

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 to 2008-09
EMPLOYEES					
Administration	11	8	4	4	0
Internal Audit	0	0	3	3	0
Treasury Manager	0	0	4	5	1
Accounting	10	10	10	10	0
Revenue	22	22	20	20	0
Utility Billing	50	52	57	60	3
Purchasing	6	6	7	7	0
Financial Reporting and Planning	7	5	5	4	(1)
Controller's Office	0	3	2	4	2
Payroll	7	7	7	7	0
Risk Management Fund	0	4	4	5	1
TOTAL	113	117	122	129	7
DIRECT EXPENDITURES BY DIVISION					
Administration	\$ 1,407,290	\$ 1,255,505	\$ 962,761	\$ 795,745	(17.3%)
Internal Audit	-	-	291,878	297,972	2.1%
Treasury Manager	-	-	423,168	597,094	41.1%
Accounting	603,670	653,047	668,907	674,960	0.9%
Revenue	1,298,696	1,389,316	1,341,711	1,468,886	9.5%
Utility Billing	3,875,823	4,352,097	5,355,306	6,114,010	14.2%
Purchasing	425,691	448,940	519,257	551,237	6.2%
Financial Reporting and Planning	679,597	507,430	504,864	443,804	(12.1%)
Controller's Office	-	316,146	185,028	406,467	119.7%
Payroll	629,870	589,626	617,812	659,608	6.8%
TOTAL-GENERAL FUND DIVISIONS	\$ 8,920,637	\$ 9,512,107	\$ 10,870,692	\$ 12,009,783	10.5%
Risk Management Fund	\$ 6,782,000	\$ 7,497,437	\$ 8,750,188	\$ 10,776,627	23.2%
TOTAL-FUNDS	\$ 6,782,000	\$ 7,497,437	\$ 8,750,188	\$ 10,776,627	23.2%
DIRECT EXPENDITURES BY TYPE - ALL DIVISIONS					
Personnel	\$ 4,887,995	\$ 5,126,687	\$ 5,475,877	\$ 6,196,487	13.2%
Employee Benefits	1,153,108	1,287,618	1,440,683	1,572,473	9.1%
Operating Expenditures	2,869,034	3,097,802	3,937,032	4,100,529	4.2%
Special Programs and Projects	-	-	-	82,294	
Capital Equipment - New	3,000	-	17,100	-	(100.0%)
Capital Equipment - Replacement	7,500	-	-	-	
TOTAL	\$ 8,920,637	\$ 9,512,107	\$ 10,870,692	\$ 11,951,783	9.9%

Highlighted Budget Changes (July 2008 – June 2009)

Utility Billing Division:

- The Utility Billing Division's overall budget was reduced due to the delay in the implementation of monthly billing to coincide with the completion of the Enterprise Resource Planning (ERP) System. The switch to monthly billing has been delayed until FY 2010 (estimated August 2009) when the ERP customer service system is due to be implemented. This transition in billing will require increases in funding for contractual services and postage, but will be mitigated by anticipated savings from new processes such as electronic billing, remote work order processing and web-enabled customer access.

- Annual contractual costs for the third party call center vendor, Sento Corporation, continue to rise. The Utility Billing Division is identifying opportunities to decrease costs with improved staff training and monitoring of call center processing minutes. As a result, training funding has been increased to achieve the goal of providing outstanding service to utilities customers within this rapidly growing division. Future web-access should moderate call center transactions, because customers will be able to access account information online.
- Technology solutions, such as efax and wireless internet cards are included in the FY 2009 budget to allow for flexible work conditions and increase productivity among the staff. ERP implementation in FY 2010 will create a need for new technologies in this division, such as a mobile solution for field staff and an upgrade in the IVR system to accommodate increased customer demand in the switch to monthly billing.
- The FY 2009 budget includes the addition of a Strategic Planning Specialist and a Business Process Analyst to identify and oversee implementation of system and personnel process improvements. *Note: Utility Billing had an authorized increase of one Sr. Customer Service Representative in FY 2007; however the position was not filled until the following fiscal year.*
- The FY 2009 budget includes the addition of a Staff Assistant position to manage 3rd party vendor contracts and ensure service level agreements are met.
- Services available to non-English speaking citizens will be improved by adding additional bilingual staff and an Interactive Utility Billing Voice Response System with multi-lingual capabilities.

Non-Utility Billing Divisions:

- The increase in the Treasury Office budget is attributed to the assumption of banking service fees, investment software maintenance costs and miscellaneous credit card/web portal fees, which were previously budgeted for by Finance Administration.
- The cost of the Capital Leadership Institute trainings have been incorporated into the individual Finance divisional budgets, increasing the overall training budget compared to prior years.
- The Internal Audit Division anticipates a slight increase in expenditures due to the division's relocation to the Professional Building, with its associated rental costs.
- Reorganizations among the Financial Reporting and Planning Division and the Controller's Office increased the salary and fringe benefits costs within the Controller's Office.
- Insurable property limits have increased significantly and will continue to increase with the anticipated opening of several multi-million dollar construction projects in the city.
- The FY 2009 budget includes the addition of an Accounting Technician in the Accounting Office in order to strengthen payment controls, assist in development of electronic payment processes and to provide improved customer service for internal and external customers. The budget also includes the transition of a temporary to full-time Staff Support Specialist position for the Risk Management Division.
- The FY 2009 budget includes the transfer of an Accountant/Auditor I position from the Parking Fund in order to manage the parking fund financial model.

Goals and Objectives

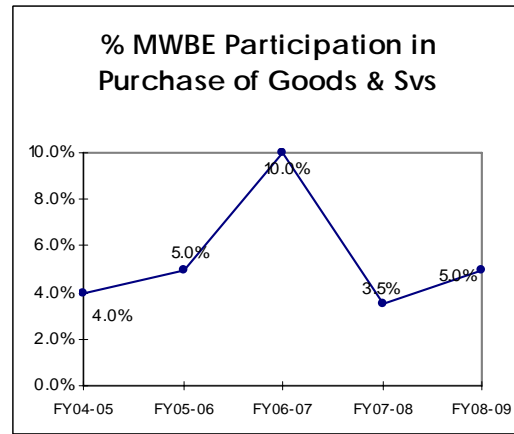
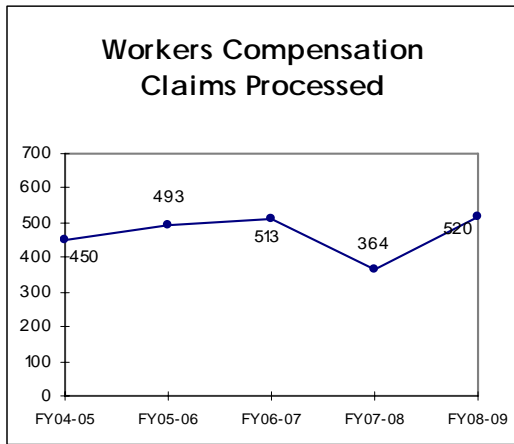
Goal: Reduce bad debt from unpaid final utility billed accounts.

Objective: Reduce bad debt for the utility operation to one percent or less of annual revenue by June 30, 2009. In FY 2007, bad debt was estimated at 2.3% (\$2,776,288) of total annual revenue of \$122,093,601.

Goal: Increase risk management process activities to prevent and mitigate loss exposures.

Objective: Further work with the Safety Office to increase the number of pre-loss activities, such as publications, seminars, and property inspections to increase awareness of workplace safety and potential hazards.

Performance Measures



Information Technology

The Information Technology (IT) Department provides technical solutions for citizens and city employees. The department continually seeks to transform itself into a more responsive unit that delivers the most cost-effective and innovative technical solutions to all its customers. The focus of the next year will be to stabilize business systems, to standardize solutions to capitalize on cost savings and to align with organizational needs. IT will continue to focus on filling service level gaps and improving technical competency in order to support emerging technologies.

The Administration program includes the CIO's office and manages the administrative, financial, procurement functions of the department, PC leasing program, and communications strategy.

Business Applications Support includes planning, development, implementation and maintenance of software systems. Web Services manages the city's intranet and internet. The GIS program is responsible for the city's geographic data, as well as the dissemination of GIS technology to other city programs, including Stormwater. Database Services designs and maintains the City's databases.

The Customer Support Center is responsible for desktop customer service to all city employees, deployment of PC equipment, enterprise technology training, and enterprise software licensing compliance.

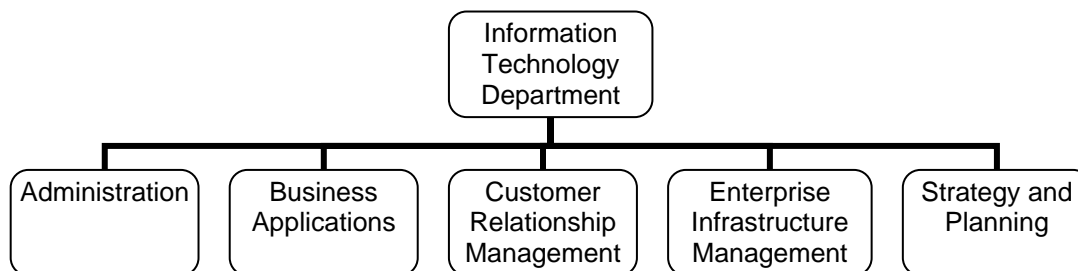
The Infrastructure Systems and Operations program manages the City's network infrastructure and connectivity.

The Strategy and Planning Division focuses on new and innovative/industry "best practices" technology, responsible for the IT Technical Strategy and Technical Reference Guide, and provides other planning and project support.

Additional information related to the Information Technology Department is available through the Chief Information Officer (CIO), Ms. Gail M. Roper, at (919) 890-3271 or via email at gail.roper@ci.raleigh.nc.us.

Mission

To successfully integrate people, process and technology by fostering partnerships and consistently deliver solutions that serve as the foundation of city operations.



Accomplishments (July 2007 – June 2008)

- The renovation of the technology showcase was completed in October 2007. The showcase contains a state of the art conference room which includes the foundation for an enterprise-wide Voice over Internet Protocol (VoIP) telephone system.
- The One Face Forward communications strategy was completed in October 2007. The goal of One Face Forward is to improve customer service by providing a single point of contact for all technology services and requests.

- A “one number to call” Customer Support Center (formerly called Help Desk) was established in November 2007 by upgrading software and adding phone functionality.
- A Network operations Center (NOC) was established in December 2007. The NOC is the primary work space engineers utilize to monitor, manage and troubleshoot problems on a network.
- A set of technologies to better manage data flow, integrity and synchronization, and a governance mechanism for enforcing data policies was completed in December 2007.
- 76% of IT staff completed Information Technology Infrastructure Library (ITIL) training. ITIL provides best practices for implementing IT improvements, which includes change management and customer service.
- A vendor to deploy city-wide the Voice over Internet Protocol (VoIP) telephone solution was selected in January 2008.
- A competency diagnostic was completed to identify the skill gap for the IT organization. A Strategic Progress Report was developed based on business driven requirements in January 2008.
- Continued assistance implementing the new Raleigh Time and Attendance Program (RTAP).

Environmental Initiatives

- IT began consolidating its servers. Based on a preliminary assessment, IT will be able to consolidate its servers by a factor of 7:1, saving significant costs on cooling, power, and data center space.
- Continue to research “green” technology options such as intelligent buildings solutions.

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 to 2008-09
EMPLOYEES					
IT Administration	7	27	32	10	(22)
IT Strategy & Planning	26	2	3	6	3
Enterprise Infrastructure Mgmt	0	0	0	16	16
Enterprise Business App Support	30	34	34	31	(3)
Customer Relationship Mgmt	0	0	0	11	11
TOTAL	63	63	69	74	5
DIRECT EXPENDITURES BY DIVISION					
IT Administration	\$ 1,446,803	\$ 6,174,725	\$ 7,907,900	\$ 3,506,065	(55.7%)
IT Strategy & Planning/Operations	5,259,408	226,011	783,768	1,106,082	41.1%
Enterprise Infrastructure Mgmt	-	-	-	4,386,957	
IT Applications	3,827,994	4,558,678	4,559,807	4,718,708	3.5%
IT Customer Relationship Mgmt	-	-	-	1,483,792	
TOTAL	\$ 10,534,205	\$ 10,959,414	\$ 13,251,475	\$ 15,201,604	14.7%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 3,752,375	\$ 4,042,524	\$ 4,619,014	\$ 5,122,333	10.9%
Employee Benefits	835,739	942,170	1,084,140	1,150,991	6.2%
Operating Expenditures	5,944,391	5,974,720	7,541,321	8,854,584	17.4%
Special Programs and Projects	-	-	-	69,696	
Capital Equipment - New	-	-	7,000	4,000	(42.9%)
Capital Equipment - Replacement	1,700	-	-	-	
TOTAL	\$ 10,534,205	\$ 10,959,414	\$ 13,251,475	\$ 15,201,604	14.7%

Highlighted Budget Changes (July 2008 – June 2009)

- Improved network service/connectivity between city facilities to promote high efficiency in the transmission of data communications.
- IT continues to identify and utilize tools to assess areas for improvement. Managers have completed employee training plans that identify training needed to improve skill-sets for each employee. Funding was moved from the Infrastructure program to the Administration program to cover subscriptions to the organizations that provide these tools being utilized by IT.
- In lieu of some professional services contracts, IT will utilize college interns to reduce labor costs. Interns will work on city website improvements.
- IT has implemented a Network Operations Center (NOC) in FY 2008, which will operate 24x7 in FY 2009. This will reduce overtime costs associated with on-call rotations and monthly weekend maintenance which helps to offset the cost of two new NOC Analyst positions.
- IT is stabilizing its Strategy and Planning Division (S&P) by reducing reliance on professional services and instead funding a new Business Analyst position.
- Two (2) Technical Support Analyst positions were added to the budget mid-year 2008 to replace two full-time contractors in the Customer Support Center.
- As a result of VoIP implementation, hard line phone costs are decreasing. The funding is being redirected back into VoIP telecommunication services costs.
- An increase in cellular/wireless voice lines occurred due to anticipated increases in equipment, rate plan, and overages.

Goals and Objectives

Goal: Provide innovative, high quality, cost effective citywide IT solutions.

Objective: Facilitate development of modular architecture to allow for affordable interoperability.

Objective: Ensure that system design is sufficiently flexible and robust to accommodate changing technology and business requirements.

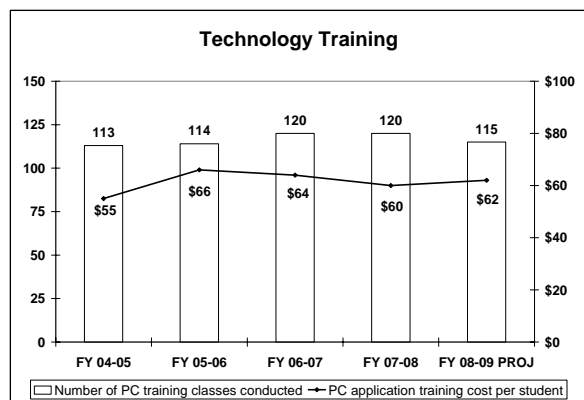
Objective: Facilitate integration with other systems and the use of commercial products in the initial design and in future enhancements.

Objective: Enable technology insertion as currently available commercial products mature and new commercial products become available in the future.

Objective: Allow for affordable support; promote systems that evolve and improve with time; and mitigate the risks associated with technology.

Objective: Allow continued access to technologies and products supported by supplies.

Performance Measures



Personnel Department

The Personnel Department is responsible for the development and administration of personnel policies and employee programs, including benefits, health and wellness, safety, employee relations, recruitment and selection, position classification and pay, training, and organizational development.

Additional information regarding the Personnel Department may be obtained by contacting Carolyn Simmons, Personnel Director, at (919) 890-3317 or via email at carolyn.simmons@ci.raleigh.nc.us.

Mission

The Personnel Department provides assistance to all City of Raleigh departments in the delivery of quality services to the public by supporting the human resource needs of the organization and the individual needs of employees in the context of their employment, and developing and administering organizational rules and regulations based on city, state, and federal laws and guidelines.

Accomplishments (July 2007 – June 2008)

- Continued expansion of health/wellness and safety programs to promote a healthier and safer lifestyle for employees, including wellness brochure and events calendar distributed to all employees highlighting wellness programs and events; outreach wellness programs for outlying work sites and for retirees; “Caught in the Act” safety awareness and reward program; flu shot program administered in-house by city nurses, resulting in significant increase in participants and a 50% reduction in costs.
- Executive co-sponsor with Finance and Information Technology Departments for citywide ERP project.
- Designed and delivered leadership and development training for senior managers, middle managers, and first line supervisors.
- Partnered with senior executives and the Service Excellence Committee for the creation of customer service goals and standards.
- Implementation of health appraisals for employees to continue emphasis on promoting healthy lifestyles.

Environmental Initiatives

- Routinely turn off lights in offices, conference room, and training rooms when not in use.
- Recycling efforts in office and at training events.
- Conservation of fuel by carpooling to meetings, conferences, etc.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	22	22	23	25	2
DIRECT EXPENDITURES BY PROGRAM					
Administration	\$ 564,301	\$ 591,683	\$ 609,377	\$ 586,446	(3.8%)
Recruitment and Selection	281,655	288,162	336,946	328,351	(2.6%)
Classification/Pay/Benefits	416,848	410,016	491,937	457,925	(6.9%)
Training/Career Develop	509,875	616,451	769,560	710,971	(7.6%)
Employee Health/Wellness	354,467	471,145	571,439	543,153	(4.9%)
Personnel Safety	312,567	330,733	352,160	359,049	2.0%
Tech and Spec Projects	116,742	121,342	128,023	127,495	(0.4%)
TOTAL	\$ 2,556,455	\$ 2,829,532	\$ 3,259,442	\$ 3,113,390	(4.5%)
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 1,309,502	\$ 1,422,991	\$ 1,591,965	\$ 1,705,310	7.1%
Employee Benefits	356,619	396,912	440,497	392,263	(10.9%)
Operating Expenditures	889,449	989,244	970,450	924,611	(4.7%)
Special Programs and Projects	-	-	253,150	188,524	(25.5%)
Capital Equipment - New	500	20,000	3,380	2,255	(33.3%)
Capital Equipment - Replace	385	385	-	-	
TOTAL	\$ 2,556,455	\$ 2,829,532	\$ 3,259,442	\$ 3,212,963	(1.4%)

Highlighted Budget Changes (July 2008 – June 2009)

- The FY 2009 budget includes funding for two full-time permanent positions, a Senior Staff Analyst and an Administrative Support Specialist, to address organizational and staffing needs.
- The budget includes funding to maintain and improve the current level of service in several areas, including the Employee Health Center, Employee Assistance and general clerical assistance.

Goals and Objectives

Goal: Provide services and programs to employees and support all city departments in a responsive, proactive, and timely manner.

Objective: Increase training and development programs for employees, co-workers, and management.

Objective: Provide an avenue for employees to resolve concerns related to workplace and personnel issues.

Objective: Increase safety awareness to minimize workplace accidents and injuries.

Objective: Increase the number of health education programs and clinics to promote healthy habits.

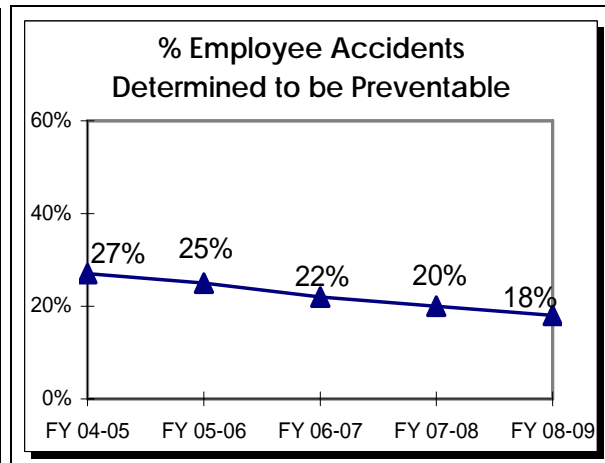
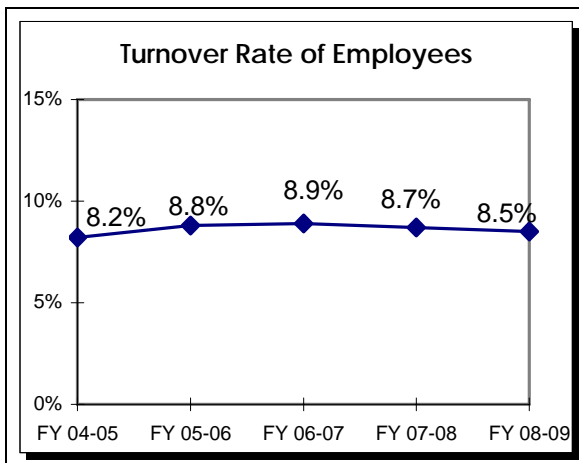
Goal: Ensure competitive salaries and internal equity for city positions to attract and retain quality employees.

Objective: Review each city job classification every 3 years.

Goal: Provide higher level of customer service to internal and external customers through increased use of technology.

Objective: Increase the electronic availability of paperwork and forms associated with program and service delivery.

Performance Measures



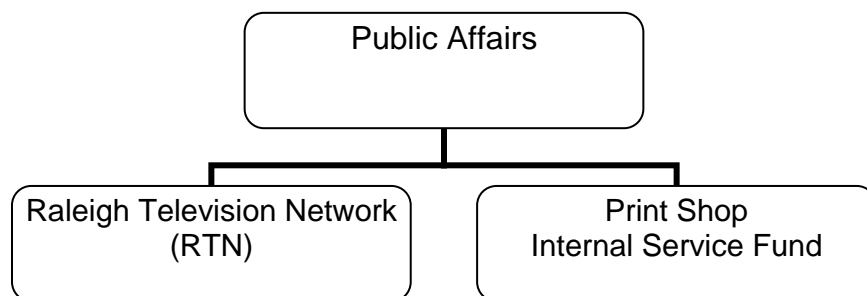
Public Affairs

The Public Affairs Department is responsible for developing and marketing information to the public and the media about city services, policies and procedures. The department manages the city's cable franchise operation that provides channels for public and government access. It also manages the City's cable franchise agreement and is the staff liaison to the Raleigh Telecommunications Commission. The Raleigh Television Network (RTN) is a state-of-the-art digital media center dedicated to serving the needs of Raleigh and Wake County. The Public Affairs Department also includes the city's Print Services Division, which is responsible for on-site printing for Raleigh City Government.

Additional information regarding the Public Affairs Department may be obtained by contacting Jayne Kirkpatrick, Director, at (919) 890-3100 or via email at jayne.kirkpatrick@ci.raleigh.nc.us.

Mission

The City of Raleigh Public Affairs Department develops and markets information about city services to improve Raleigh's quality of life and to increase understanding and trust in government.



Accomplishments (July 2007 – June 2008)

- Developed and implemented public education and awareness campaign regarding water conservation and the worst drought in Raleigh's history.
- Continued downtown and convention center awareness campaign promoting the revitalized center city and the upcoming opening of the new convention center.
- Developed and implemented successful parks bond campaign.
- Developed marketing strategy for "Art on the Move."
- Developed initiative to inform the public of the City's efforts in environmental sustainability.
- Supported the third year of Raleigh Hall of Fame with promotional programming, writing/editing, and designing the program. Raleigh Television Network (RTN) provided coverage of the awards presentation.
- Continued growth of weekly e-newsletter to citizens.
- Helped develop the City's first Environmental Awards Program.
- Produced several educational videos, plus 12 City shows, four Convention Center programs, and four "Under Construction" shows.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
Public Affairs	10	10	10	10	0
Raleigh Television Network (RTN)	6	6	7	8	1
TOTAL	16	16	17	18	1
DIRECT EXPENDITURES BY DIVISION					
Public Affairs	\$ 777,130	\$ 894,452	\$ 934,390	\$ 1,017,869	8.9%
Raleigh Television Network (RTN)	481,870	510,967	654,873	720,860	10.1%
TOTAL - DIVISIONS	\$ 1,259,000	\$ 1,405,419	\$ 1,589,263	\$ 1,738,729	9.4%
Print Services	\$ 947,975	\$ 1,021,359	\$ 1,048,886	\$ 1,114,752	6.3%
TOTAL - FUNDS	\$ 947,975	\$ 1,021,359	\$ 1,048,886	\$ 1,114,752	2.7%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 797,000	\$ 886,782	\$ 901,751	\$ 999,732	10.9%
Employee Benefits	172,843	194,019	222,892	247,933	11.2%
Operating Expenditures	267,157	300,618	361,430	365,486	1.1%
Special Programs and Projects	-	-	45,000	58,578	30.2%
Capital Equip - New	20,000	20,000	55,190	60,500	9.6%
Capital Equip - Replacement	2,000	4,000	3,000	6,500	116.7%
TOTAL	\$ 1,259,000	\$ 1,405,419	\$ 1,589,263	\$ 1,738,729	9.4%

Highlighted Budget Changes (July 2007 – June 2008)

- A Technical Production Assistant to assist with the increased demands of digital technology maintenance.
- Funding for camera equipment to improve the picture quality of the City of Raleigh video programs produced by staff.

Goals and Objectives

Goal: Further enhance website's content, timeliness and interactive capability.

Objective: Create dependable and timely news and information source for residents.

Goal: Further enhance RTN's city programming.

Objective: Make RTN11 a reliable source of in-depth information on City's services and initiatives.

Goal: Further evaluate costs and services provided by Print Services division to meet demand and ensure that high level expectations are met.

Objective: Examine services that are delivered and costs normally associated with division that may be more accurately borne by user departments.

Print Services Fund

Print Services is an Internal Service Fund established to account for the full costs associated with centralized city functions performed by employees and charged to user departments. Revenue to cover direct expenditures in this fund comes from the operating accounts of the departments that use the services offered through this fund. This fund provides centralized printing and photocopy services. The budget represents the full cost of operating an in-house, full-service print shop and all photocopy machines in the municipal complex. Public Affairs oversees the operation of Print Services.

Accomplishments (July 2007 – June 2008)

- Purchased print management software to better track work and recovery of costs.
- New processes in place to improve efficiency of ordering and delivery of product.
- All paper forms for Print Services converted to electronic forms by June 2008.
- Dedicated Print Services email address for receipt of orders.

Revenue Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
REVENUES BY TYPE					
Print/Copy Revenue	\$ 943,716	\$ 800,456	\$ 750,000	\$ 800,000	6.7%
FR 100 General Fund	-	220,903	298,886	314,752	5.3%
Copier Reimbursement - Other Funds	4,259	-	-	-	-
TOTAL	\$ 947,975	\$ 1,021,359	\$ 1,048,886	\$ 1,114,752	6.3%

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
Print Services	2	2	2	3	1
DIRECT EXPENDITURES	\$ 947,975	\$ 1,021,359	\$ 1,048,886	\$ 1,114,752	6.3%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 87,334	\$ 89,953	\$ 92,360	\$ 129,573	40.3%
Employee Benefits	19,671	21,756	22,892	33,391	45.9%
Operating Expenditures	764,970	834,150	858,134	874,893	2.0%
Special Programs and Projects	-	-	-	1,395	
Capital Equipment - New	1,000	500	500	500	0.0%
Interfund Transfers	75,000	75,000	75,000	75,000	0.0%
TOTAL	\$ 947,975	\$ 1,021,359	\$ 1,048,886	\$ 1,114,752	6.3%

Highlighted Budget Changes (July 2008 – June 2009)

- The demands on the Print Services division have grown to necessitate a position to assist with billing, vendor payment and customer service. An internal audit report recommends additional support to recover internal print services billing to internal customers and payment to outside vendors.

Goals and Objectives

Goal: Continue to evaluate costs and services provided by Print Services to meet demand and to ensure that high level expectations are met.

Objective: Examine services that are delivered and costs normally associated with divisions that may be more accurately borne by user departments.

Community Development

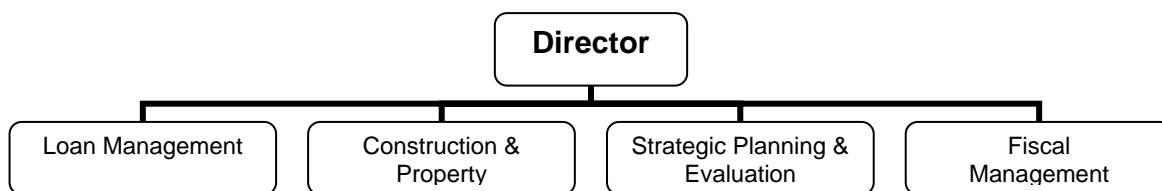
The Community Development Department is responsible for the administration of the City's housing programs funded with both local and federal funds. Housing activities include citywide first-time homeownership loans, affordable rental housing, rehabilitation of existing housing stock, housing initiatives for the homeless and neighborhood revitalization efforts in identified target areas.

Additional information regarding the Community Development Department may be obtained by contacting Michele Grant, Community Development Director, at (919) 857-4330 or via email at michele.grant@ci.raleigh.nc.us.

Mission

To improve the quality of life for Raleigh's citizens by increasing and improving the affordable housing stock, revitalizing older neighborhoods and supporting related human services.

Organizational Chart



Accomplishments (July 2007 – June 2008)

- Completed four substantial rehab projects by providing loans for major repairs totaling \$145,053 to primarily elderly homeowners residing in the redevelopment and low-income census tract areas. Staff has also processed and set up escrow accounts totaling nearly \$900,000 for rehab of 19 additional homes. Loan staff and Community Development's hired consultant, Firm Foundations, is currently processing an additional 25 applications for substantial rehab.
- Closed four limited repair projects by providing loans for emergency-type repairs totaling \$20,000 to homeowners residing throughout the city. Loan staff are currently processing an additional 12 loans totaling \$60,000.
- Closed 36 bond-funded second mortgage loans totaling \$732,200 provided to first-time homebuyers. An additional \$625,000 is projected to be spent for 31 more first-time homebuyers by end of FY 2008.
- Closed four bond- and one Home-funded Joint Venture Rental loans totaling \$2,261,700, making 157 units available to low-income renters. These funds were used to leverage over \$11,750,000 in private and other public funds.
- The second phase of the Cooke Street redevelopment plan is underway with the construction and anticipated sale of 17 affordable single family homes for low- to moderate-income first-time homebuyers. \$22,000 was used to install 460 linear feet of curb and gutter improvements in the 200 block of Cooke Street.

- Sale of the eight homes rehabbed by the city for low- to moderate-income first-time homeowners in the Martin-Haywood area was completed and revenues received have been used for further redevelopment in the College Park/Idlewild area with the proposed acquisition of 13 properties and associated redevelopment activities this fiscal year.
- Four scattered, stand-alone, infill vacant single family lots were sold for the construction of affordable homes for first-time homeowners. One house has been completed and sold and the remaining three are currently under construction and should be completed by early spring 2008.
- An estimated \$30,000 of Community Development Block Grant (CDBG) funds was used to install trees and 250 linear feet of sidewalk along the 200 block of Haywood St.
- Ten units of the city's affordable rental housing stock will be rehabilitated by the end of FY 2008.
- \$787,000 of CDBG funds have been invested to acquire ten of the planned acquisitions in targeted redevelopment areas. An additional 6 units will be acquired by year end.
- Over \$220,000 in Relocation Assistance have been provided to 15 tenants to improve their housing conditions.
- CDBG funds have been used to demolish nine of the dilapidated and/or substandard units budgeted in the current year at a cost of \$56,450.
- Utilizing over \$200,000 from the CDBG Community Enhancement/ Public Services program:
 - 5,455 households received over 29,000 bags of groceries from Urban Ministries' new food pantry located at 1390 Capital Blvd. The food quality and nutritional value was increased with a grant from the City for the purchase of a commercial refrigerator and freezer.
 - 18 individuals received extended job training and support through the Inter-Faith Food Shuttle's Culinary Jobs Skill Program. The City provided funds for stipends and food preparation supplies.
 - Building Together Ministries Women's Summer Camp Program provided 900 women with support for meal costs, motivational speakers and venue rental fees.
 - 109 low- to moderate-income potential homeowners began a home buyers' preparation and training course sponsored through DHIC; forty-two families became homeowners.

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 TO 2008-09
EMPLOYEES					
Housing Development - City	21	22	23	23	0
Community Development - Federal	0	0	0	0	0
TOTAL	21	22	23	23	0
DIRECT EXPENDITURES					
Housing Development - City	\$ 1,286,367	\$ 1,396,892	\$ 1,477,386	\$ 1,498,294	1.4%
Ending Homelessness - City	50,000	50,000	50,000	50,000	0.0%
Community Development - Federal	5,424,742	5,439,239	5,676,348	5,888,362	3.7%
TOTAL	\$ 6,761,109	\$ 6,886,131	\$ 7,203,734	\$ 7,436,656	3.2%

Highlighted Budget Changes (July 2008 – June 2009)

- Affordable rental housing revenues will again support New Horizon's debt service. These units will be demolished in January 2008. Sale of this property is expected to pay off the current loan and eliminate debt service. Funds for debt service are budgeted for six months in anticipation of the sale in FY 2009.
- HUD relocation regulations continue to impact available resources in the CDBG program. The increase in costs of relocation for existing tenants reduces the available funds for new projects. The department continues to explore options to reduce or curtail these costs while still meeting federal guidelines and regulations.
- Continued refurbishing and rehabilitation of citywide affordable rental housing is reflected in the City's budget request for FY 2009. Rental revenues will provide the funding for these projects and supplement other activities. Projected rental income reflects a 17% increase from FY 2008.
- Change in staffing, new staff members, change in job responsibilities, and increased and changing HUD regulations have prompted an increase in training requirements. Therefore, the FY 2009 training budget reflects an increase over the baseline request.
- Most recent indications are that the federal budget allocation will remain close to previous years. We have projected a decrease in federal funding of only 3% for both CDBG and HOME. The FY 2009 budget will reflect an increase from the baseline estimate based on these new projections.
- The NCHFA has indicated that funding levels may be reduced by \$1,000. This reduction is reflected in our baseline budget. To continue the focus on job training in construction, the City will provide the required matching funding levels with CDBG funds.
- The Community Development Department is projecting a small net increase in Fund 735 to maintain current levels of service delivery. We have examined staff capacity and the impact of the increased loan programs and federal requirements and have determined the need for temporary help rather than consultants to provide more flexibility as needs change. The FY 2009 budget will reflect this change by a reduction in the "other services" account and an increase in temporary salary. Staff capacity will continue to be impacted by the bond program and HUD reporting requirements, and the department will continue to look at the most efficient ways to best resolve this issue, including more cross-training of staff.
- Midyear changes which may impact the departmental budget include the possible sale of Stones warehouse and New Horizon. Pending discussions with the BOND attorney may result in the ability to fund loan servicing for BOND funded loans with revenues received from Bond loan repayments. The estimated costs of \$75,000 would be reflected in the CIP budget and would reduce the request from the General Fund.
- Several programs and processes have been redesigned to better meet citizen and agency needs and reporting requirements.
 - The department will continue to make funds available on an as-needed basis for the Continuum of Care program for applicants awarded funds from HUD SuperNOFA (Notice of Funding Availability) funding.
 - Following a HUD mandate for changes in performance measures reporting, the department has completed a performance measures manual which will incorporate both city and federal program measures, thus eliminating duplication of effort by staff.

Goals and Objectives

Goal: To develop viable urban communities within the Raleigh city limits by providing decent housing, suitable living conditions and expanded economic opportunities benefiting low- and moderate-income families and eliminating slum and blight.

- Objective: To acquire, demolish and/or rehabilitate 18 dilapidated units within the redevelopment areas and to relocate existing tenants to standard units with FY 2009 funds.
- Objective: To increase the tax base and encourage homeownership by providing 45 down payment assistance/second mortgage loans to first-time homebuyers citywide.
- Objective: To provide construction trade training to 30 low-income persons.
- Objective: To increase the affordable rental housing stock by a minimum of 75 units, providing low-interest gap financing to at least two private and/or nonprofit developers.
- Objective: To provide funds for homeownership counseling to 75 persons seeking to become homeowners.
- Objective: To improve the City of Raleigh's existing housing stock by providing loans to 35 homeowners for rehabilitation of their existing residences. At least 25 of these owner occupants will receive discounted forgivable loans using both Bond and HOME resources.
- Objective: To provide at least 15 loans to homeowners for limited repairs to their homes.
- Objective: To complete major capital improvements on each unit in the City's affordable rental housing stock by rehabilitating and/or upgrading at least 10-15 units per year.
- Objective: To enhance the city's role in the Ten Year Plan to End Homelessness by developing an RFQ to increase the expertise of the city's Representative Position from planning to implementation.

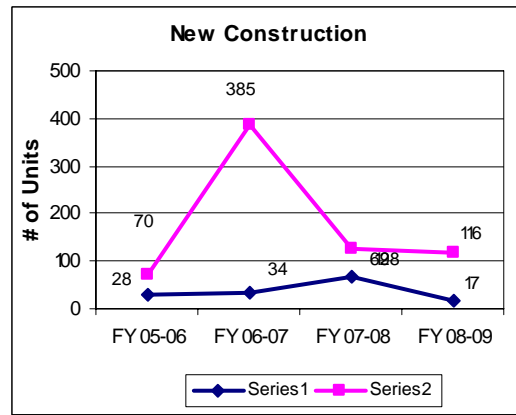
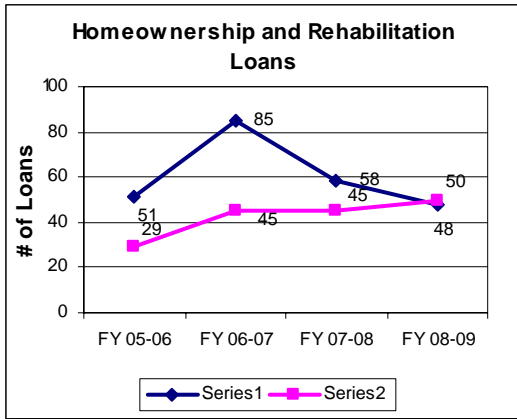
Goal: To improve the department's ability to retrieve, analyze and provide citizens with historical program data in ways that continuously improve equitable service delivery and program effectiveness, developing policy and proposals that will better serve low- and moderate-income citizens of Raleigh while remaining sensitive to historic preservation and existing community values and social networks.

- Objective: To increase the number of informational documents available to the public by 10%.
- Objective: To improve reporting by continuing to work with city's Information Technology and Finance Departments to design and implement a more automated management system to capture, track and integrate programmatic and financial data.
- Objective: To evaluate existing programs annually to ensure lending practices are sound and enable low- and moderate-income residents to access city housing resources for homeownership, rehabilitation, or affordable rental units.

Goal: To enhance the department's loan and redevelopment programs by continuing to develop new and innovative strategies that will better meet the needs of the citizens and developers to increase participation and use of the city's housing programs.

- Objective: To encourage more participation in the department's programs through increased marketing of city housing programs to target 25 persons per month; increase the number of flyer distributions by 20%; attend at least three workshops per year held by nonprofits and private mortgage lenders.

Performance Measures



Community Development – Federal Program

The Community Development Funds provide for the improvement of inner-city neighborhoods through the implementation of several redevelopment plans adopted by City Council. The expenditures in this section represent federally funded initiatives.

The primary source of funding is through the HOME Investment Partnership Program and Community Development Block Grant (CDBG) programs from the U.S. Department of Housing and Urban Development (HUD) and program income from CDBG projects (loan repayments and rental income). Projects funded in this budget include the rehabilitation loan program for rental and owner occupied units; emergency repair loans to the elderly and handicapped; and the Thompson Hunter and Garner Road redevelopment projects. The HOME program also provides affordable housing to low- and moderate-income residents.

The Job Training Grant from the North Carolina Finance Agency (NCHFA) focuses on job training, job creation, and business development/expansion in the construction and hospitality sectors of the local community.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
EMPLOYEES	-	-	-	-	-
DIRECT EXPENDITURES BY PROGRAM					
CDBG	\$ 3,599,435	\$ 3,749,099	\$ 3,799,834	\$ 3,743,263	(1.5%)
HOME Program	1,749,307	1,614,140	1,800,514	2,070,099	15.0%
Job Training Grant	76,000	76,000	76,000	75,000	(1.3%)
TOTAL	\$ 5,424,742	\$ 5,439,239	\$ 5,676,348	\$ 5,888,362	3.7%

Housing Development – City Program

The combined total budget of Housing Development includes a subsidy transfer from the General Fund in the amount of \$748,393 for the Community Development Department and \$50,000 for the Ending Homelessness Program. The majority of funds will be used to assist low- and moderate-income households in obtaining affordable housing. The expenditures represent locally funded initiatives.

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 TO 2008-09
EMPLOYEES	21	22	23	23	0
DIRECT EXPENDITURES BY PROGRAM					
Administration	\$ 521,566	\$ 652,628	\$ 691,195	\$ 698,393	1.0%
Ending Homelessness	50,000	50,000	50,000	50,000	0.0%
House/Rental Ins/Svc Fees	109,600	110,600	110,600	67,000	(39.4%)
Property Maintenance	48,500	49,000	49,000	47,500	(3.1%)
Homeowner Counseling	15,000	15,000	15,000	10,000	(33.3%)
Home Grant Match	326,777	314,198	396,875	462,685	16.6%
Citywide Rental Housing	150,000	152,000	152,000	150,000	(1.3%)
New Horizons	62,717	62,716	62,716	62,716	0.0%
Continuum of Care Match	52,207	40,750	-	-	
TOTAL	\$ 1,336,367	\$ 1,446,892	\$ 1,527,386	\$ 1,548,294	1.4%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 1,068,239	\$ 1,150,709	\$ 1,265,719	\$ 1,350,196	6.7%
Employee Benefits	240,819	287,381	324,743	328,869	1.3%
Operating Expenditures	221,791	220,763	193,730	196,564	1.5%
Contractual Services	50,000	50,000	50,000	50,000	0.0%
Grant Support Exp Reimb	(1,024,156)	(1,025,525)	(1,113,942)	(1,179,236)	5.9%
Capital Equipment - New	1,100	19,300	20,945	2,000	(90.5%)
Capital Equipment -Replace	16,000	-	-	-	
Housing Initiatives	699,857	681,548	723,475	737,185	1.9%
Interfund Expenditures	62,717	62,716	62,716	62,716	0.0%
TOTAL	\$ 1,336,367	\$ 1,446,892	\$ 1,527,386	\$ 1,548,294	1.4%

Community Services

The Community Services Department facilitates citizen participation and coordinates volunteer services programs.

Additional information regarding the Community Services Department may be obtained by contacting Hardy R. Watkins, Community Services Director, at (919) 831-6100 or via email at hardy.watkins@ci.raleigh.nc.us.

Mission

The Community Services Department provides innovative services and programs which enhance the quality of life for the people and communities of the City of Raleigh. The Department meets the needs of the city's diverse citizenry by serving as a primary referral resource for human services, coordinating and facilitating citizen involvement, and improving community relations.

Accomplishments (July 2007 – June 2008)

- Maintained existing programs at a high level of proficiency.
- Expanded "We Are Neighbors," an initiative designed to improve relationships in neighborhoods between residents to an additional three neighborhoods.
- Continued increase in Neighborhood Associations Registry initiative.
- Moved the Raleigh Neighborhood College to its new home at Peace College.
- Submitted a bid and secured the Neighborhoods USA Conference in Raleigh for May 2010.

Environmental Initiatives

- Formulated an employee committee to assess the impact of the Community Services Department on the environment.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
General Fund positions	16	16	16	20	0
Grant Funded positions	3	3	3	3	0
TOTAL	19	19	19	23	21.1%
DIRECT EXPENDITURES BY PROGRAM					
Comm Dev Svs Admin	\$ 263,171	\$ 271,286	\$ 304,248	\$ 357,394	17.5%
Operations - Neigh Services	792,431	806,946	840,784	953,244	13.4%
Volunteer/Human Services	353,697	357,153	380,973	251,168	(34.1%)
Youth Employment Program	385,641	439,668	392,050	394,859	0.7%
Neighborhood Improvement	-	26,913	26,913	26,913	0.0%
Beltline Beautification	30,622	30,622	30,622	30,622	0.0%
TOTAL	\$ 1,825,562	\$ 1,932,588	\$ 1,975,590	\$ 2,014,200	2.0%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 1,179,529	\$ 1,207,278	\$ 1,248,344	\$ 1,274,825	2.1%
Employee Benefits	204,827	223,465	238,749	260,826	9.2%
Operating Expenditures	441,206	501,845	156,553	180,044	15.0%
Special Programs and Projects	-	-	331,944	432,760	30.4%
TOTAL	\$ 1,825,562	\$ 1,932,588	\$ 1,975,590	\$ 2,148,455	8.8%

Highlighted Budget Changes (July 2008 – June 2009)

- The Community Services budget includes a Human Relations Program Manager to provide administrative and management support for the Human Relations Commission including operations, planning, research, development and implementation of programs.
- The budget also includes the start-up of the Fair Housing Enforcement Program in the second half of the fiscal year. The Fair Housing Enforcement Program will be staffed by three new positions, which include a Fair Housing Investigator, Intake & Education Specialist and Community Services Assistant.
- The budget includes \$110,000 for Citizens Advisory Councils (CAC) marketing plan implementation and neighborhood grant program.
- The budget allocates \$25,000 of \$100,000 to host Neighborhoods USA Conference (\$25,000 in FY09 and \$75,000 in FY10).

Goals and Objectives**Goal: Increase participation in Citizen Advisory Councils (CAC).**

Objective: To engage citizens in improving their quality of life.

Objective: To build relationships in neighborhoods to help organize associations.

Goal: Develop a Neighborhood Empowerment strategy.

Objective: To increase citizens' involvement through knowledge of their government and available resources.

Goal: Expand the "We Are Neighbors" program.

Objective: To organize neighborhoods and promote collaboration between neighbors.

Goal: Maintain existing programs at the highest proficiency level possible.

Objective: To maintain and expand customer service proficiency.

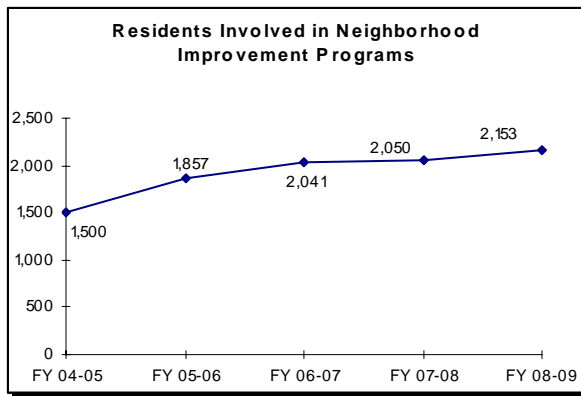
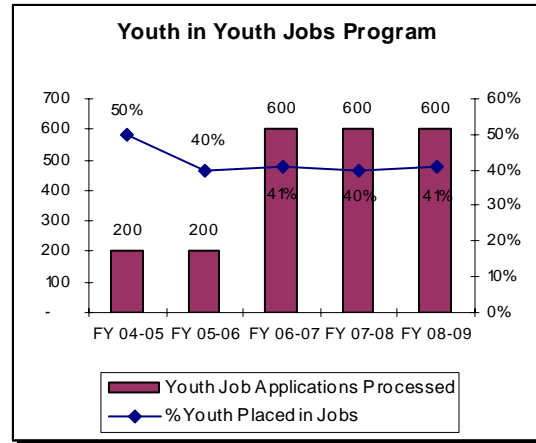
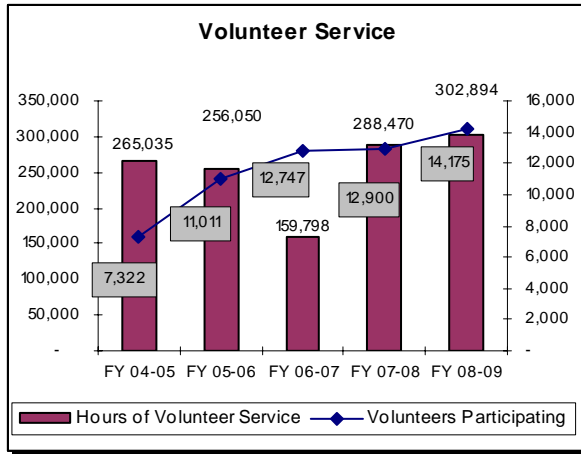
Goal: Revise and fully implement the Human Relations Program.

Objective: To initiate a comprehensive program responsive to citizens' needs.

Goal: Revise and fully implement Fair Housing Program.

Objective: To reinstitute enforcement of the Fair Housing Ordinance.

Performance Measures



Inspections

The Inspections Department is responsible for enforcing North Carolina building construction codes and the City's minimum housing code and public nuisance codes; reviewing construction plans for code compliance and issuing permits; and enforcing the City's tree preservation code, land use, and sign regulations.

Additional information regarding the Inspections Department may be obtained by contacting Larry Strickland, Inspections Director at (919) 516-2701 or via email at larry.strickland@ci.raleigh.nc.us.

Mission

To ensure the public's health, safety, and welfare through the enforcement of adopted codes; to promote the economic health of the City of Raleigh by enhancing business development and retention, assuring adequate housing and clean neighborhoods; and to provide exemplary service to our customers that exceeds their expectations of efficiency, effectiveness, and adaptability.

Accomplishments (July 2007 – June 2008)

- Issued 42,527 building permits (building, electrical, plumbing, and mechanical).
- Performed approximately 117,179 field inspections (building, electrical, plumbing, and mechanical).
- Issued 3,582 zoning permits and performed 8,976 site and sign inspections.
- Housing division performed 10,000 unfit-unsafe housing and public nuisance inspections and 22,500 zoning nuisance vehicle cases.
- Field Mobility improved the number of daily inspections by 15%, which also had a positive impact on meeting the next-day service goal for inspections.
- Productivity increased due to parking inspector vehicles at satellite locations, reducing fuel cost and increasing number of inspections performed per day.
- Customer service has improved due to increase use of multi-trade inspectors, combining multiple inspections into a single inspection.
- Addressed issues and concerns voiced by the City Manager, Council, clients, contractors and the recent Land Development Process Study conducted by Farragut Systems, Inc.
- Improved the permitting process by reducing residential plan review time.
- Worked closely with the Development Services Division and other departments to improve the overall review process.
- Indexed department fees to the CPI index. By establishing fees to a reliable index, the construction industry will be able to project construction costs related to permits and other fees.
- Created a multi-level compensation certification program for housing inspectors to improve services in a cost-effective manner and retain staff.
- Realigned duties and responsibilities of key personnel in the department and moved four positions out of Inspections to the new Development Services Division.
- Developed in-house training program for mandated continuing education and staff development.
- Created a one-stop permitting process for private use of public spaces.
- Created a round table group with the residential industry to provide feedback and open lines of communication to the industry.
- Revised and recommended changes to the North Carolina State Building Codes based on the Pine Knoll Townes fire protection study.

Environmental Initiatives

Currently:

- Parking vehicles at satellite locations to reduce fuel costs.
- Increasing use of multi-trade inspectors, reducing the number of trips to job sites.
- 7 natural gas operating vehicles.
- 7 employees participating in the Telework Program.

Goals:

- Add gas electric vehicles to our fleet.
- Increase participation in the Telework Program.
- Provide environmental information to designers to reduce energy usage.
- Expand the residential construction multi-trade inspections program by an increase in use of multi-trade inspectors.

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 to 2008-09
EMPLOYEES	154	157	153	153	0
DIRECT EXPENDITURES BY PROGRAM					
Administration	\$ 819,356	\$ 885,930	\$ 322,076	\$ 447,042	38.8%
Construction	4,551,842	4,573,831	4,856,392	4,969,189	2.3%
Housing/Environmental	1,868,284	1,922,808	1,972,940	2,059,974	4.4%
Permit Office	2,541,707	2,990,956	3,061,581	3,130,683	2.3%
Zoning	1,157,314	1,214,471	1,310,664	1,334,875	1.8%
Neighborhood Preservation	225,768	243,911	316,651	305,159	(3.6%)
TOTAL	\$ 11,164,271	\$ 11,831,907	\$ 11,840,304	\$ 12,246,922	3.4%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 7,703,153	\$ 7,986,180	\$ 7,852,823	\$ 8,086,318	3.0%
Employee Benefits	1,795,179	2,004,057	2,052,822	2,103,422	2.5%
Operating Expenditures	1,629,239	1,770,020	1,903,209	1,811,099	(4.8%)
Special Programs and Projects	-	-	-	118,533	
Capital Equipment - New	18,850	42,800	12,000	12,000	
Capital Equipment - Replacement	17,850	28,850	19,450	115,550	494.1%
TOTAL	\$ 11,164,271	\$ 11,831,907	\$ 11,840,304	\$ 12,246,922	3.4%

FY 2008-2009 Budget Highlights

- Web-based payment of re-inspection fees (18,000 transactions annually; on schedule to be rolled out mid-year).
- Investigation and design of web-based permitting for new single family construction.
- Continue process improvements as defined by the current Farragut study of "Development Review Process Improvement."

Goals and Objectives

Goal: Enhance Customer Service

Objective: Cross-train trades, field inspectors and plan reviewers; expand training of new hires.

Objective: Improve stand-alone permit processing time and improve mobile response time.

Objective: Increase communication among departments and provide incentives to improve customer service.

Objective: Provide mechanical and plumbing inspections for minimum housing properties.

Objective: Incorporate citizens' requests for inspections relating to code enforcement into the Housing/Zoning Inspections Mobility program in order to provide more efficient work and enhance citizen response.

Goal: To provide continuing educational opportunities for staff.

Objective: Develop an online Continuing Education Training Program for mandated Continuing Education Units (CEU).

Objective: To expand in-house training and educational opportunities.

Objective: Continue to support the executive leadership training program.

Goal: To develop "How-To" videos and brochures for homeowners.

Objective: Provide information to homeowners relative to the North Carolina applicable codes.

Objective: Reduce number of inspection rejections through homeowner education.

Goal: To build and enhance our technology capabilities.

Objective: Continue to work towards the implementation of electronic plan review.

Objective: Increase the capabilities of our web-based permitting and payment processes.

Goal: To develop public relations.

Objective: Design a logo for the Inspections Department.

Objective: Improve the public image of the department in order to promote health, safety and welfare.

Goal: To develop a Non-Residential Property Maintenance Code.

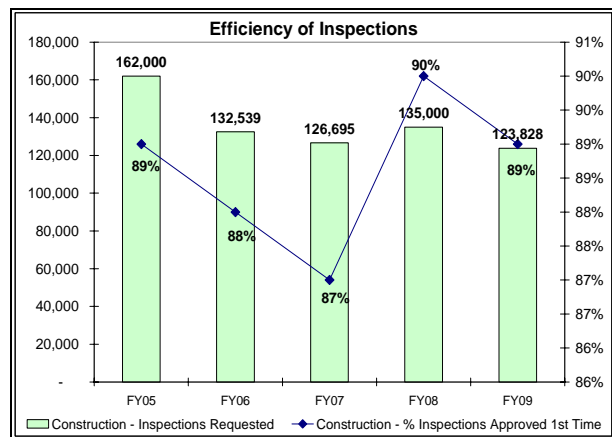
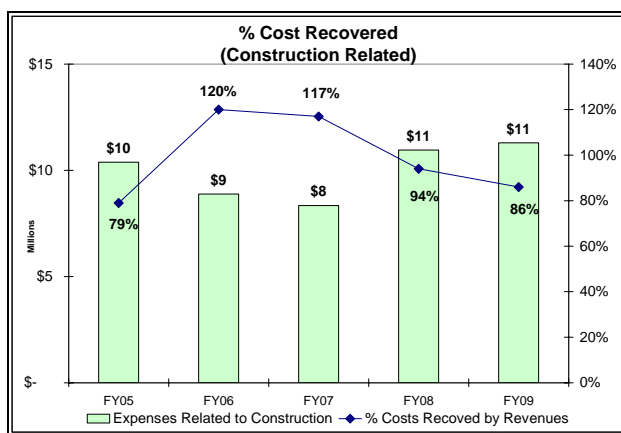
Objective: Develop minimum standard for occupancy and maintenance of commercial buildings.

Goal: To develop incentives for the industry to use green building construction practices.

Objective: Educate the industry on recycling construction debris.

Objective: Reduce review costs for LEED compliant structures (LEED is a certification program for environmental friendly standards).

Performance Measures



Planning

The Planning Department provides planning advice and services to the City Council, Planning Commission, Historic Districts Commission and Appearance Commission, the City Manager and staff, and to the citizens.

Additional information regarding the Planning Department may be obtained by contacting Mitchell Silver, AICP, Planning Director at (919) 516-2625 or via email at mitchell.silver@ci.raleigh.nc.us.

Mission

To provide guidance for the growth, preservation and development of the City of Raleigh in order to maintain a high quality of life for all.

Accomplishments (July 2007 – July 2008)

- Conducted extensive research, data gathering and created baseline information to start the Comprehensive Plan Update process.
- Implemented the final phase of the new organizational structure to deliver services more efficiently, expedite development review more effectively, and develop staff skills and expertise.
- Worked with the Assistant City Manager and other development services-oriented departments to implement internal improvements and improve inter-departmental coordination. Internal improvements included creating a new map recording unit, supporting the new development services office, and improving the City's digitized zoning maps and administrative approval forms.
- Provided extensive technical assistance on projects including: City Center Plaza, Downtown Overlay District exemptions, citywide parking standards, infill standards, public safety center, Randleigh Farm, Tax Increment Financing, and Hillsborough Street.
- Conducted extensive research, data gathering and created baseline information to start the Comprehensive Plan Update process. Worked with other departments and developed a broad public outreach effort. Held public meetings and drafted the vision framework.
- Fostered a strong working relationship with the press to ensure accurate information is reported to the public. Developed a strong working relationship with regional agencies and neighboring municipalities.
- Continued support of the Economic Development Working Group started in 2005. The Planning Department continues to provide seamless communication and collaboration among the various economic development entities in the City (Downtown Raleigh Alliance, Chamber of Commerce, Planning Department and Assistant City Manager). Supported discussions regarding economic development policy, included self-financing bonds, and continued to assist the development community with feedback on development opportunities within the city.
- Processed 85 voluntary annexation petitions; 48 zoning cases; 20 text changes; 180 Certificates of Appropriateness; 25 façade grants; and 20 Comprehensive Plan amendments.
- Reviewed 10 PDD master plans; 160 subdivision/recombination plans; and 900 maps authorized for recording.
- Approved annexations resulted in \$7 million in increased tax revenues and fees.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	41	45	46	47	1
DIRECT EXPENDITURES BY DIVISION					
Administration	\$ 399,490	\$ 3,690,876	\$ 4,424,117	\$ 4,446,155	0.5%
Current Planning Services	1,377,838	-	-	-	
Econ & Development Planning	1,459,116	-	-	-	
TOTAL	\$ 3,236,444	\$ 3,690,876	\$ 4,424,117	\$ 4,446,155	0.5%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 2,317,908	\$ 2,545,258	\$ 2,723,617	\$ 2,930,436	7.6%
Employee Benefits	518,927	609,340	655,776	700,913	6.9%
Operating Expenditures	397,609	536,278	1,026,224	584,340	(43.1%)
Special Programs and Projects	-	-	18,500	230,466	1145.8%
Capital Equipment - New	2,000	-	-	-	
TOTAL	\$ 3,236,444	\$ 3,690,876	\$ 4,424,117	\$ 4,446,155	0.5%

Highlighted Budget Changes (July 2008 – 2009)

- GIS Senior Planner added in response to the growing programming and analytical responsibilities to manage land use, growth, and development in the city.
- Funding is included for new staff to support local economic development opportunities.
- Increase budget to print and implement the Comprehensive Plan.
- Changes will be made within the department to improve administration and operations, business continuity, increase staff productivity and efficiency, and provide stronger customer service and broader technical assistance.
- Increase in rental property budget for Urban Design Center relocation.
- Enhance computer equipment and graphics capability to improve communications.
- Increase in travel, training and registration broaden staff development and best practices research.

Goals and Objectives

Goal: Work with other departments to find ways to advance the management strategies to support a higher level of customer service; improve neighborhood quality; focus on capital projects; address environmental initiatives and focus on growth strategies.

Objective: Develop a departmental work program that takes the management strategies into consideration.

Objective: Identify inter-departmental work products, such as the Comprehensive Plan Process and Development Review Coordination to improve department collaboration.

Objective: Develop a sustainability policy as well as develop an environmental policy for the Comprehensive Plan update.

Objective: Provide staff support to the Randleigh Farm project.

Objective: Participate in planning efforts to adopt LEED standards for the City of Raleigh.

Goal: Increase department productivity.

- Objective: Reduce the amount of time staff reviews plans.
- Objective: Increase the number of plans, certificates of appropriateness, and subdivision/recombination plans reviewed annually.
- Objective: Increase staff productivity by 25% by tracking performance measures on a monthly basis.
- Objective: Strengthen business continuity by cross training staff to expand job skills and to back up other staff during high caseload periods and by maintaining institutional knowledge and expertise within the department.

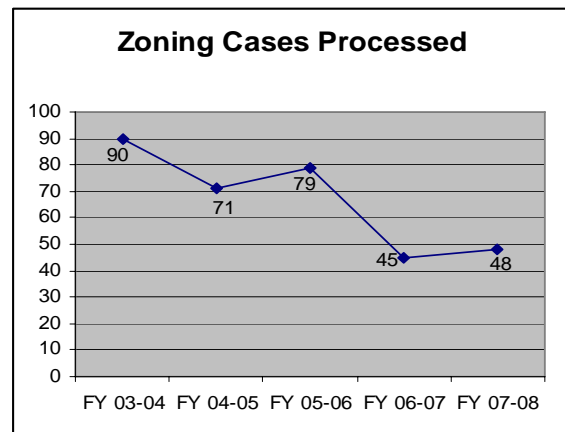
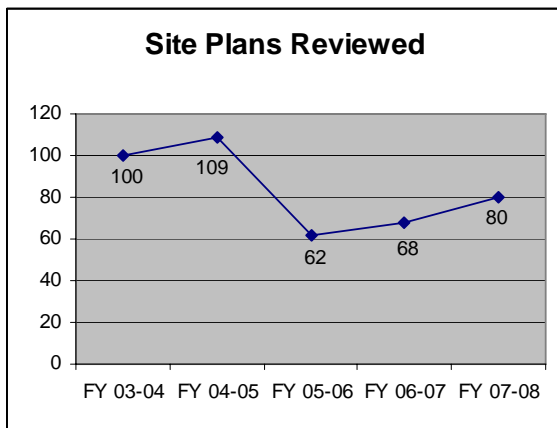
Goal: Develop a long range plan.

- Objective: Update the Comprehensive Plan to offer guidance for the future development, preservation and growth of the city.

Goal: Increase technical assistance to the development community and citizens.

- Objective: Conduct pre-application meetings to reduce the review time and improve quality and completeness of applications.
- Objective: Attend more CAC meetings to provide technical advice on complex site plans, master plans, zoning cases and text changes. Hold public information meetings to educate the public about planning and zoning matters.
- Objective: Develop handbooks and other tools to educate the public about planning, zoning and historic district requirements.
- Objective: Use the Comprehensive Plan Update process as way to educate the public about planning.

Performance Measures



Public Works

The Public Works Department strives to serve the best interests of the safety and welfare of the citizens and employees of the City of Raleigh.

The General Fund programs of Public Works provide the following services: 1) assuring effective implementation of all policies and programs and emergency management; 2) roadway design and construction; 3) surveying and CADD designs; 4) inspection services of construction within public rights of way for city funded projects and private development projects; 5) assessment for streets, sidewalks, water, and sewer construction projects; 6) traffic engineering and accident analysis; 7) management of the traffic signal program; 8) management of the traffic signs and marking program; 9) reviewing and approving all new development plans; 10) administering the street light program; 11) budgeting and programming of all capital transportation projects; 12) traffic calming program; 13) bicycle & pedestrian programs; 14) transportation planning; and 15) NCDOT project coordination.

Construction Management manages Capital Building and General Public Improvement Projects for Public Works and many other departments through the phases of conceptual planning and budgeting, site evaluation and acquisition, consultant evaluation and selection, project development/design, selection of construction delivery system, bidding, negotiating, awarding and administering contracts, and acceptance of projects by the city and administering warranty periods on new facilities and improvements. Projects include new construction, renovations, or improvements to city owned buildings/facilities. The range of projects have in the past included roof replacements, general government offices, parking decks, and a wide variety of buildings, site improvements, and other facilities for Public Works, Police, Fire, Solid Waste, Planning, Convention Center, and many other city departments.

Street Maintenance provides maintenance for 1,075 miles of city and state highway system streets and rights-of-way within the city limits. Services include patching and resurfacing of asphalt pavements, concrete repairs, storm drain and culvert repairs and inspections, street sweeping, snow and ice control, leaf collection, tree root damaged sidewalk repairs, and graffiti removal.

The intent of the Safelight program is to decrease the number of crashes caused by traffic signal violations and increase public awareness of safe driving. Any revenues in excess of program costs are to be distributed to Wake County Public Schools.

The Capital Area Metropolitan Planning Organization (CAMPO) expanded its planning boundary to include parts of Granville, Franklin, Johnston and Harnett counties, including the municipal governments therein. The Capital Area MPO serves as the coordinating agency between local governments, NCDOT, and FHWA. The MPO is responsible for carrying out an annual work program approved by the CAMPO standing committees, part of which must address updating the Metropolitan Transportation Improvement Program (a seven-year project programming schedule) and a long-range transportation plan (a minimum twenty-year forecast of projects and programs).

Vehicle Fleet Services provides equipment replacement, scheduled and unscheduled maintenance repairs on all equipment for safe operation in the most efficient and cost effective manner possible for all City of Raleigh departments.

The Transit Fund provides for the planning, administration, and funding of the Capital Area Transit (CAT) System and the Accessible Raleigh Transportation Program (ART) which is a service for Raleigh residents with disabilities.

The Parking Fund includes operational and maintenance costs related to the city parking decks and surface lots, management of on-street and off-street parking contracts, and the placement and removal of parking signage.

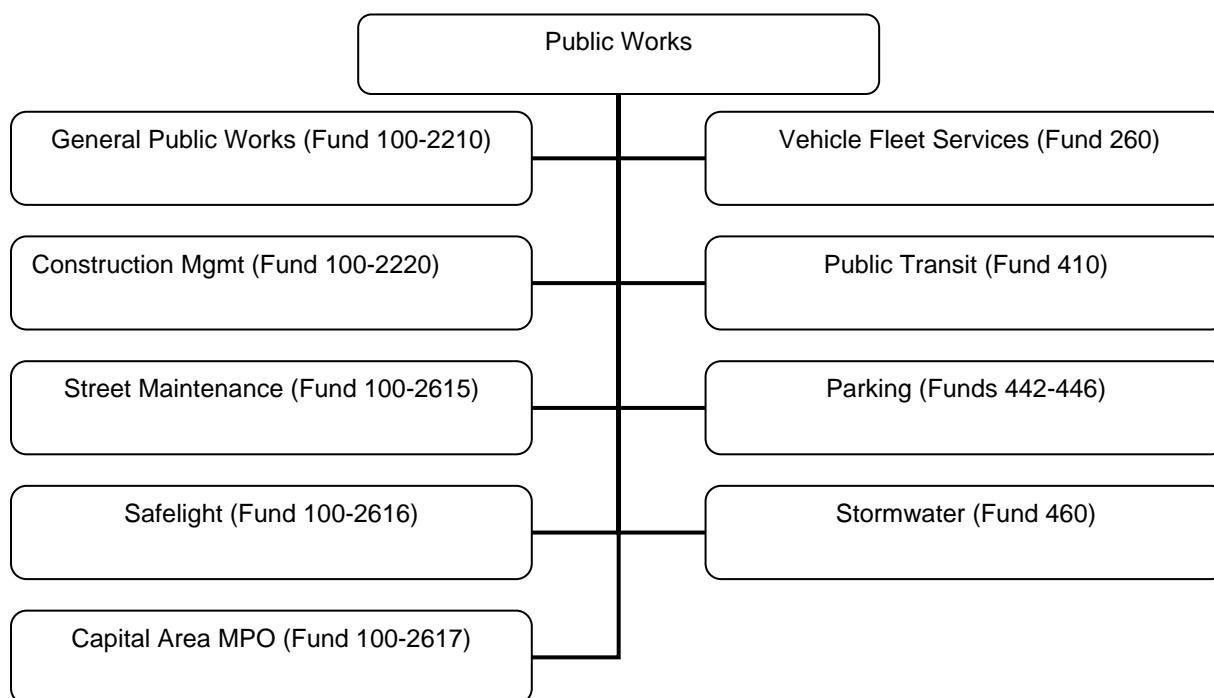
The Stormwater Utility Fund provides services for Raleigh's citizens including public storm drainage projects, assistance with private drainage concerns, water quality issues as mandated by state and federal agencies, as well as plan review and inspection functions related to sedimentation control, floodplain, and stormwater control facilities. These services are funded entirely by stormwater fees based on the total amount of impervious surface (e.g. buildings, driveways, sidewalks, parking lots, etc.) on properties in Raleigh.

Additional information regarding the Public Works Department may be obtained by contacting Carl R. Dawson, Jr., Public Works Director, at (919) 890-3030 or via email at carl.dawson@ci.raleigh.nc.us.

Mission

The Public Works Department administers the planning, design, and construction of transportation, pedestrian, mass transit, stormwater, parking, general government and city facilities while at the same time maintaining many of these facilities and the City's vehicle fleet.

The Public Works Department provides the services including roadway design and construction, engineering inspections, traffic engineering operation, traffic signs and markings, traffic signals, safelight, computerized signal system, transit, parking management, assessments, surveying, CADD services, regional transportation planning coordination, construction management of public improvements, street maintenance, vehicle fleet services, and stormwater management.



Accomplishments (July 2007 – June 2008)

- Managed completion of \$57.3 million building and site improvements for Public Works and seven other departments.
- Managed \$4.4 million consultant design services for Public Works and seven other departments.
- Completion of street, sidewalk and streetscape contracts involving 16 project locations at an estimated cost of \$8.735 million.
- Confirmed assessment rolls on nine (9) completed utility, street and sidewalk projects totaling \$750,000 in the first and second quarters of the fiscal year; projecting that assessments on an additional 11 completed projects will be confirmed prior to July 1, 2008.

- Completion of 90% of scanning and digital reproduction of departmental plan archives.
- Inspection and acceptance of 541,988 linear feet of public infrastructure.
- Completed signal timing on five (5) major radial thoroughfares.
- Update the City's Bicycle Plan by December 2008.

Environmental Initiatives

- Transportation Services is coordinating the City's efforts to provide LED-based street lighting for public streets. Pilot projects in the works include improvements to Hillsborough Street and installations around the new Convention Center.
- Construction Management is providing ongoing liaison to the Environmental Advisory Board and actively seeking energy efficient, sustainable and GREEN design training and education and to implement increased focus on energy efficient, sustainable and GREEN building design on all projects.
- Implementation of electronic archiving program to significantly reduce the number of paper copies of public and private project plans. In conjunction with receipt of electronic plans, promote the use of electronic plan reviews wherever possible to eliminate paper.
- Use of alternative-fuel vehicles to reduce carbon emissions.
- Participation in telework program to reduce carbon emissions from personal vehicles. When combined with other city staff participating in program, reduces traffic and associated delays, further minimizing carbon emissions. Program also reduces energy consumption and use of resources at city-owned facilities while staff works remotely.
- Pursuing opportunities to use alternative or recycled materials when they are economically feasible and safe to the public to reduce the use of natural materials and reduce waste. Examples include the use of streetscape and paving materials made from recycled products, along with non-potable/re-use water for irrigation and construction uses wherever feasible.
- Use of energy saving LED lighting products in traffic signal and street lighting installations.
- Installation of street trees and various landscape plantings on projects. Begin to focus more on use of drought-resistant species to reduce irrigation requirements, even when using non-potable/re-use water.

Budget Detail

	<u>ADOPTED BUDGET 2005-06</u>	<u>ADOPTED BUDGET 2006-07</u>	<u>ADOPTED BUDGET 2007-08</u>	<u>ADOPTED BUDGET 2008-09</u>	<u>CHANGE 2007-08 to 2008-09</u>
EMPLOYEES					
Public Works	109	110	107	111	4
Construction Management	6	11	11	15	4
Streets-Stormwater Maintenance	0	0	42	42	0
Street Maintenance	114	122	91	92	1
Safelight	1	1	1	1	0
Vehicle Fleet Services	60	61	62	62	0
Public Transit	5	7	8	10	2
Parking Facilities Fund	13	13	14	15	1
Stormwater Utility	37	40	44	46	2
TOTAL	345	365	380	394	14
GRANT POSITIONS					
Public Transit	3	4	4	4	0
CAMPO	6	7	7	7	0
TOTAL GRANT FUNDED POSITIONS	9	11	11	11	0
DIRECT EXPENDITURES BY DIVISION					
Public Works	\$ 12,808,199	\$ 13,630,735	\$ 13,969,517	\$ 15,262,022	9.3%
Construction Management	551,652	925,715	1,038,882	1,678,479	61.6%
Streets - Stormwater Maintenance	-	-	2,570,288	2,898,156	12.8%
Street Maintenance	7,866,114	9,331,060	7,920,811	9,204,216	16.2%
Safelight	817,847	961,457	902,029	905,756	0.4%
CAMPO	223,119	305,178	337,682	332,548	(1.5%)
TOTAL-GENERAL FUND DIVISIONS	\$ 22,266,931	\$ 25,154,145	\$ 26,739,209	\$ 30,281,177	13.2%
DIRECT EXPENDITURES BY DIVISION - OTHER FUNDS					
Vehicle Fleet Services	\$ 10,057,374	\$ 12,398,042	\$ 13,341,364	\$ 15,760,588	18.1%
Public Transit	13,862,171	17,011,255	18,085,921	21,312,129	17.8%
Parking Facilities Fund	6,716,318	7,520,643	9,550,745	11,390,003	19.3%
Stormwater Utility	11,133,766	12,537,896	15,501,984	15,668,822	1.1%
TOTAL- OTHER FUNDS	\$ 30,635,863	\$ 49,467,836	\$ 56,480,014	\$ 64,131,542	13.5%
DIRECT EXPENDITURES BY TYPE - GENERAL FUND DIVISIONS					
Personal Services	\$ 9,771,008	\$ 10,659,292	\$ 11,292,940	\$ 12,225,644	8.3%
Employee Benefits	2,410,660	2,847,806	3,136,272	3,354,427	7.0%
Operating Expenditures	9,747,774	11,377,523	11,710,178	12,661,775	8.1%
Special Programs and Projects	-	-	404,560	624,831	54.4%
Capital Equipment - New	64,600	171,754	131,584	153,000	16.3%
Capital Equipment - Replace	36,000	84,000	50,000	-	(100.0%)
Interfund Transfers	236,889	13,770	13,675	14,000	2.4%
TOTAL	\$ 21,929,442	\$ 25,154,145	\$ 26,739,209	\$ 29,033,677	8.6%

Highlighted Budget Changes (July 2008 – June 2009)

- The Street Maintenance Division's budget includes one Transportation Inspector Supervisor to handle the administration of both resurfacing contracts, special street repair contracts, supervise seven (7) inspectors, maintain street survey, perform field inspections, respond to citizen inquiries, review annexation requests, and prepare reports.
- The Transportation Services Division's budget includes one Senior Transportation Analyst to coordinate with the local Metropolitan Planning Organization (MPO) and other agencies on new bicycle and pedestrian projects.
- The Transportation Operations Division's budget includes the conversion of an existing 30 hours per week part-time position to full-time Transportation Analyst position. The permanent position will work with transportation engineers to provide traffic safety analyses in a timely manner.
- The Survey Services Division's budget includes two additional desktop computers for four survey crews.
- The Traffic Signals Division's budget includes two Traffic Signal Technicians to provide additional maintenance responsibility for the upgraded traffic signal system.

Goals and Objectives

Goal: Implement procedures and methodologies to more effectively and clearly communicate proposed project design information to government leaders, citizens and other customers.

Objective: Research and pursue implementation of available technologies and software that will improve visual presentations of public improvement project design information by June 30, 2009.

Goal: Provide increased travel efficiencies through improved traffic signalization.

Objective: Improve signal timing plans along major corridors.

Objective: Proceed with design of new generation of computerized traffic signal system.

Goal: Strive for confirming assessment rolls within six months of project completion.

Objective: Project to confirm assessment rolls on 15 completed utility projects and 24 roadway/sidewalk projects by June 30, 2009.

Goal: Continue design and construction work associated with 2000 and 2005 Road Bond programs.

Objective: Complete design and commence construction on the last of the 2000 bond projects, pending permitting approvals, while continuing design and beginning construction on some of the initially funded 2005 bond projects.

Goal: Continue with phased implementation of new technology into survey program to increase efficiency and overall work production, while expanding work opportunities.

Objective: Use GPS and robotic total station survey equipment to expedite field work and allow flexibility with smaller crew size.

Objective: Increase quality and speed of work to provide broader range of opportunities for utilizing department's survey capabilities within overall city organization.

Goal: Combine construction drawing reviews and decrease the review times.

Objective: Improve the efficiency of plan reviews and decrease the overall review time for public improvements associated with private development.

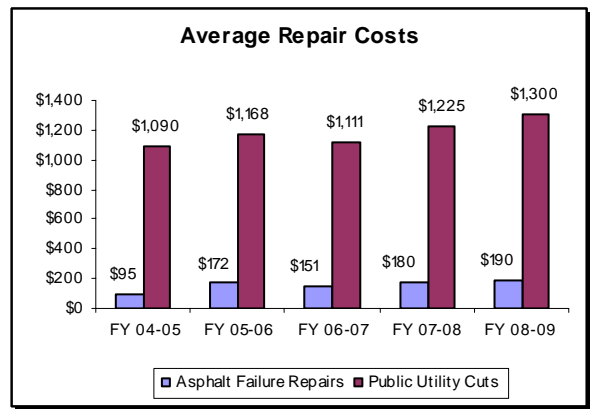
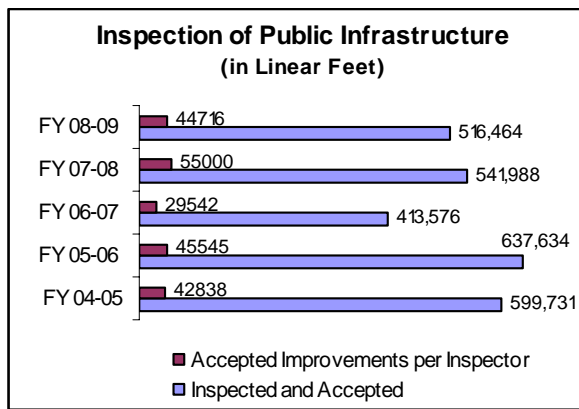
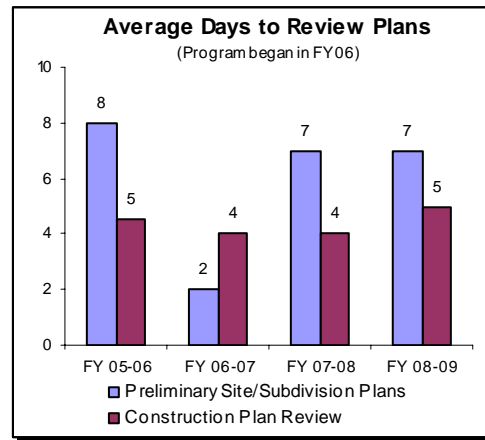
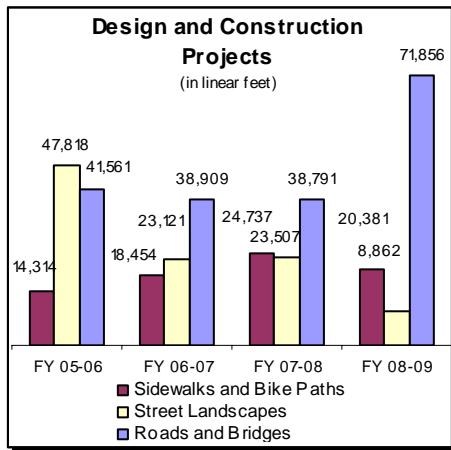
Goal: Respond to citizen requests for traffic calming and speed reduction measures.

- Objective: Decrease the response time to citizen requests for speed reduction program by implementing a process that allows city staff to respond to citizen requests for speed reduction within three weeks of receiving the petition.
- Objective: Increase the number of traffic calming projects to 3-6 projects annually as funding allows.

Goal: Manage municipal facility construction and renovation, as well as relocations within existing facilities and increase implementation of higher energy efficiency and sustainable, GREEN building design.

- Objective: Continue managing the planning, development and construction of all projects with particular focus on the Convention Center and Underground Parking Deck projects, in conjunction with the hotel and other adjacent projects by private development, staying on schedule and in budget to the extent possible barring unforeseen and unknown conditions. Complete these construction projects by October 2008.
- Objective: Continue managing the city departmental office moves at the municipal buildings to minimize disruption, stay on schedule and in budget to the extent possible barring unforeseen and unknowns. Complete the project by June 30, 2008.
- Objective: Increase sustainable design achievements for all projects where economically feasible.
- Objective: Use Green Building Council – LEED Program, and others such as Triangle J High Performance Guidelines to review and assess projects.

Performance Measures



Parking

The Parking Funds 442-446 are enterprise funds operated under the management of the Public Works Department. The Parking Division oversees operation and maintenance of six decks, seven surface lots, and the on-street, metered parking program.

Mission

The Parking Management Section administers the on-street and off-street parking contracts, is responsible for processing requests for the placement and removal of parking signage, and maintains city parking facilities.

Accomplishments (July 2007 – June 2008)

- Parking Task Force implemented September 2007 – June 2008.
- Parking Pay Station pilot program implemented November 2007 - May 2008.
- Fee structure changes implemented in October 2007 provided \$300,000 in additional revenue to improve long term sustainability of parking enterprise.

Environmental Initiatives

- Install the LED lighting fixtures at Municipal and Underground Parking Decks.
- Expand the installation of LED lighting fixtures at the other city parking decks.

Revenue Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
REVENUES BY DIVISION					
Non-Program Expenditures	\$ 220,000	\$ -	\$ 2,925,864	\$ 1,283,320	(56.1%)
Downtown Parking Maintenance	6,496,318	7,520,643	6,624,881	10,106,683	52.6%
TOTAL	\$ 6,716,318	\$ 7,520,643	\$ 9,550,745	\$ 11,390,003	19.3%
REVENUES BY TYPE					
Interest on Investments	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	0.0%
Approp from Prior Year	886,571	1,488,845	1,503,864	1,203,320	(20.0%)
FR 446 Parking Capital Fund	-	-	1,342,000	-	(100.0%)
Parking Violations	1,610,000	1,533,600	1,456,600	2,415,764	65.8%
Parking Deck Fees	3,982,387	4,272,052	5,017,346	7,061,154	40.7%
Handicap Parking Violations-WCPS	-	26,400	26,400	26,400	0.0%
FR410 for Moore Square Maintenance	157,360	119,746	124,535	21,000	(83.1%)
Valet Parking Permit Fees	-	-	-	500	-
Special Event Parking Permit Fees	-	-	-	1,800	-
Parking Fees: Blount/Highwoods Deck	-	-	-	580,065	-
TOTAL	\$6,716,318	\$7,520,643	\$9,550,745	\$11,390,003	19.3%

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	13	13	14	15	1
DIRECT EXPENDITURES BY DIVISION					
Non-Program Expenditures	\$ 220,000	\$ -	\$ 8,653	\$ -	(100.0%)
Downtown Parking Maintenance	6,496,318	7,520,643	9,542,092	11,390,003	19.4%
TOTAL	\$ 6,716,318	\$ 7,520,643	\$ 9,550,745	\$ 11,390,003	19.3%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 465,668	\$ 501,601	\$ 581,989	\$ 608,399	4.5%
Employee Benefits	119,632	130,924	160,488	167,059	4.1%
Operating Expenditures	2,389,578	2,513,375	2,835,355	3,652,775	28.8%
Special Programs and Projects	-	-	-	10,167	
Capital Equipment - Replacement	27,000	-	-	-	
Interfund Transfers	3,741,440	4,374,743	5,972,913	6,951,603	16.4%
TOTAL	\$ 6,743,318	\$ 7,520,643	\$ 9,550,745	\$ 11,390,003	19.3%

Highlighted Budget Changes (July 2008 – June 2009)

- The Parking Fund includes two new Maintenance Workers to maintain the new underground deck. Lift equipment will be purchased to maintain parking decks.
- The T2 "Flex" program (parking management software) will be purchased in order to efficiently manage every type of permit issuance including on-line sales and enforcement in "real time", special event parking, access and revenue control, and even collections and processing. Training on newer technology and parking management software will be provided to employees.
- A unique logo (or "brand") will be incorporated into all city-owned and operated parking facility signage to readily acquaint motorists to the City's parking program. This branded program will be tied to a specialized web page on the City's website. The new web page will provide much helpful information on way-finding assistance, places of interest, nearest parking facility to the desired destination, paying or appealing a citation on-line, and will have links to the Downtown Raleigh Alliance (DRA) website.

Goals and Objectives**Goal: Provide adequate off-street parking to encourage economic development.**

Objectives: Develop the management and maintenance programs for the Underground Parking Deck by June 2008. Implement in FY 2009.

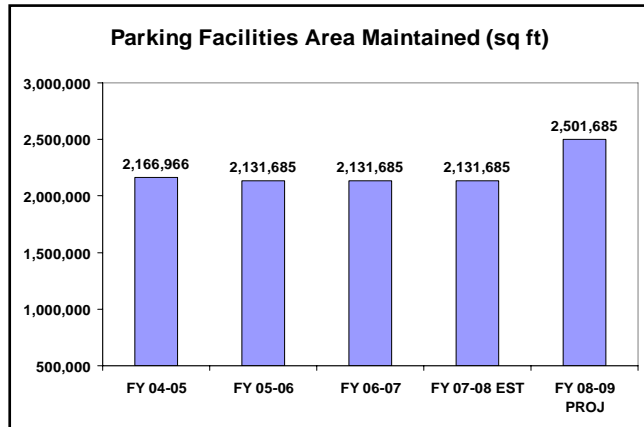
Objectives: Introduce recommendations to Council from the Downtown Parking Task Force by fall 2008 for improvements in the parking system and the development of a Downtown Parking Master Plan.

Goal: Enhance and regulate on-street parking to promote business growth by encouraging short-term parking for consumers and clients.

Objectives: Expand the on-street metering program into the downtown core by spring 2009.

Objectives: Expand the use of multi-space pay stations to replace existing single-space meters.

Performance Measures



Public Transit

Capital Area Transit (CAT), Raleigh's public transportation system, consists of 38 Routes and carries more than 13,000 riders daily. With a fleet of 80 revenue vehicles, CAT serves the major commercial, employment, and educational and medical centers within the City of Raleigh. CAT buses run seven days a week, between 4:30 a.m. and 12 a.m. in order to serve the needs of Raleigh citizens. CAT also provides connections to other transit systems that enable residents to travel across the Triangle.

Raleigh residents with disabilities who are unable to drive a car and/or use regular CAT services may apply for eligibility under the Accessible Raleigh Transportation (ART) program. The ART program provides subsidized curb-to-curb transportation service through 45 participating taxi companies within Raleigh's city limits (Tier I) and within a ¾ mile boundary of CAT fixed routes (Tier II). ART performs approximately 200,000 passenger trips per year.

Mission

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

Accomplishments (July 2007 – June 2008)

- Awarded a contract for site research, engineering, and design of up to 100 passenger amenities.
- Received 15 new heavy-duty, low floor 40' transit buses at \$5,044,876.
- Leased additional property adjacent to the transit operating and maintenance facility in order to meet bus expansion needs.
- Three BRT-style hybrid electric buses were procured for service in the Central Business District at \$1,725,000.

Environmental Initiatives

- Transit will utilize hybrid electric buses for service in the Downtown Central Business District.
- Transit requested fourteen (14) replacement low floor buses that are equipped with particulate traps and are compatible with B-20 bio-diesel fuel.
- It is anticipated that all future buses purchased by CAT will be B-20 bio-diesel compatible.
- Future passenger amenities will utilize recycled plastics or recycled materials when compatible.

Revenue Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
REVENUES BY DIVISION					
Accessible Raleigh Transit (ART)	\$ 3,426,660	\$ 3,946,058	\$ 4,774,969	\$ 5,715,485	19.7%
Public Transit Operations	10,435,511	13,065,197	13,310,952	15,596,644	17.2%
TOTAL	\$ 13,862,171	\$ 17,011,255	\$ 18,085,921	\$ 21,312,129	17.8%
REVENUES BY TYPE					
State Grants	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	0.0%
Farebox Revenue	2,047,580	2,130,086	2,358,228	2,418,228	2.5%
Passenger Revenues	407,508	506,440	543,906	600,000	10.3%
Advertising Revenue	40,000	45,000	75,000	75,000	0.0%
Misc. Revenue	65,300	65,300	10,000	10,000	0.0%
Appropriations from Prior Year	300,000	300,000	300,000	300,000	0.0%
FR 100 General Fund - CAT	5,982,631	8,524,811	8,567,724	10,793,416	26.0%
FR 100 for Assessible Ral. Transit (Af	3,019,152	3,439,618	4,231,063	5,115,485	20.9%
TOTAL	13,862,171	17,011,255	18,085,921	21,312,129	17.8%

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
Accessible Raleigh Transit (ART)	3	5	5	6	1
Public Transit Operations	2	2	3	4	1
Grant-funded positions	3	4	4	4	0
TOTAL	8	11	12	14	2

DIRECT EXPENDITURES BY DIVISION

Accessible Raleigh Transit (ART)	\$ 3,426,660	\$ 3,946,058	\$ 4,774,969	\$ 5,715,485	19.7%
Public Transit Operations	10,435,511	13,065,197	13,310,952	15,596,644	17.2%
TOTAL	\$ 13,862,171	\$ 17,011,255	\$ 18,085,921	\$ 21,312,129	17.8%

GENERAL FUND CONTRIBUTION

Accessible Raleigh Transit (ART)	\$ 3,019,152	\$ 3,439,618	\$ 4,231,063	\$ 5,115,485	20.9%
Public Transit Operations	5,982,631	8,524,811	8,567,724	10,793,416	26.0%
TOTAL	\$ 9,001,783	\$ 11,964,429	\$ 12,798,787	\$ 15,908,901	24.3%

DIRECT EXPENDITURES BY TYPE

Personal Services	\$ 226,998	\$ 265,748	\$ 346,005	\$ 434,331	25.5%
Employee Benefits	47,984	68,182	87,168	110,465	26.7%
Operating Expenditures	13,426,029	16,503,779	17,524,413	20,736,332	18.3%
Special Programs and Projects	-	50,000	-	6,051	
Interfund Transfers	161,160	123,546	128,335	24,950	(80.6%)
TOTAL	\$ 13,862,171	\$ 17,011,255	\$ 18,085,921	\$ 21,312,129	17.8%

Highlighted Budget Changes (July 2008 – June 2009)

- The Seamless Service Initiative will continue with additional funding for the regional Transit Call Center.
- Transit Operations' budget includes operating funds for the deployment of the Downtown Circulator to provide enhanced transit services in the Central Business District. This service is scheduled to start in close proximity to the opening of the new Raleigh Convention Center.
- In addition, operating and capital funds will be leveraged to start the Wake Forest Express Service and the Wakefield Circulator Service. These new services are outlined in the Mayor's Bus Expansion Plan.
- The ART Program budget includes one additional full-time Customer Service Representative to assist with increased call volumes and invoice preparation. This position will be upgraded from an existing part-time position.
- Transit Operations' budget includes one Project Engineer I to assist the transit program with the high number of facility and equipment related procurements that are programmed.

Goals and Objectives

Goal: To implement the Five-Year Transit Plan, as directed by the Raleigh Transit Authority by developing service alternatives and budgets that meet the requested outcomes of the plan.

Objective: Install benches and shelters in areas meeting current passenger boarding standards as defined by Raleigh Transit Authority policy.

Goal: To annually improve Accessible Raleigh Transportation's (ART) level of customer service and program efficiency.

Objective: Develop and award a request for proposals for para-transit service alternatives. Research current standard practices and conduct a peer group analysis.

Objective: Utilize recently installed phone technology to monitor and manage call volumes in the ART program.

Objective: Reduce the average cost per trip for ART's Tier II clients.

Objective: Secure one additional full time Customer Service Representative in order to assist with increased call volumes and invoice loads.

Goal: Develop and procure transit services and infrastructure that promote an increased environmental awareness.

Objective: Procure hybrid electric buses for appropriate transit applications.

Objective: Ensure all future bus expansion and replacement orders are alternative fuel (bio-diesel) compatible.

Objective: Research, design, and procure new facilities and infrastructure that utilize environmentally sound practices and materials (i.e. recycled materials, solar-powered passenger amenity lighting, green facilities).

Goal: Secure financial resources through creative financing in order to replace bus rolling stock and facilities that are well beyond their useful life.

Objective: Research and secure available options for Certificates of Participation by utilizing future Section 5307 formula allocations.

Objective: Secure a State Infrastructure Bank (SIB) loan if available in order to expedite bus replacements.

Objective: Work with local and federal local officials to secure dedicated funding for the replacement and expansion of bus rolling stock and an administrative / maintenance facility.

Stormwater Utility

The Stormwater Utility Division manages stormwater services provided to the citizens of Raleigh which includes the drainage assistance program, capital stormwater projects, the water quality program, review and inspection of private developments for conformance to stormwater, soil erosion, and floodplain requirements, the drainage system inventory, and citizen inquiries concerning these functions.

Additional information regarding the Stormwater Utility Division may be obtained by contacting Danny Bowden, Stormwater Program Manager, at (919) 890-3931 or via email at Danny.Bowden@ci.raleigh.nc.us.

Mission

The Stormwater Utility Division's focus is to partner with the citizens of Raleigh to effectively manage flood control, erosion control, and environmental protection in our water bodies, ultimately the Neuse River by using proactive management techniques to plan, identify, maintain, monitor, design, inspect, and construct drainage systems to alleviate structural flooding, and preserve water quality. Protecting our waterways provides for the future well being of the environment.

Accomplishments (July 2007 – June 2008)

- Completed or closed out 24 stormwater projects at a cost of \$862,000.
- More than 65 stormwater projects at an estimated cost of over \$51 million dollars are currently under design.
- Investigated more than 3,000 complaints/ inquiries concerning drainage, water quality, and utility billing.
- The number of accounts being billed for stormwater increased 5% to 109,510, with projected revenues of \$13.5 million dollars.
- Completed 10,180 inspections for floodplain, soil erosion, and stormwater facilities.
- Reviewed 1,450 plans for floodplain, soil erosion, and stormwater facilities. In addition, the average plan review time has dropped to 3 days per plan from 3.5 days per plan in FY 2006.
- The collection rate for the stormwater utility fees has increased to 97%, which is an increase of 3% over FY 2006.

Environmental Initiatives

- City Council approved an education program for Low Impact Development (LID) including a brochure, power point presentation, and the development of an educational water bill insert. A city staff working group was formed to study the hurdles to low impact development and report back to City Council.
- Partnering with the Parks and Recreation Department to install cisterns at Sanderford Road and Green Road parks to conserve water and provide education to the public on LID techniques.
- Thirteen stormwater projects under design to improve water quality to preserving existing lakes, creating wetlands and restoring streams with an estimated total cost of \$21,000,000.
- Receipt of grant funding up to \$1.4 million dollars from the Clean Water Management Trust Fund for the Fred Fletcher Park wetland project construction and the design of the Upper Longview Stream and Lake Restoration project.

Revenue Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
REVENUES BY TYPE					
Stormwater Fees from City Depts.	\$ 189,200	\$ 222,655	\$ 313,600	\$ 331,500	5.7%
Interest on Investments	126,481	315,141	411,977	300,000	(27.2%)
Erosion Control Fees	-	-	1,008,827	1,187,042	17.7%
Grading Review Fees	-	-	215,005	253,705	18.0%
Stormwater Utility Fees	10,818,085	12,000,000	13,552,575	13,552,575	0.0%
Soil Erosion Penalty	-	-	-	4,000	-
Illicit Discharge Fines	-	-	-	40,000	-
TOTAL	11,133,766	12,537,796	15,501,984	15,668,822	1.1%

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	37	40	44	46	2
DIRECT EXPENDITURES BY DIVISION					
Stormwater Administration	\$ 987,001	\$ 1,103,860	\$ 1,208,228	\$ 1,374,835	13.8%
Stormwater Services	330,852	415,924	530,262	497,395	(6.2%)
Water Quality - Stormwater	425,839	438,474	465,566	473,658	1.7%
Infrastructure Management	612,693	456,578	479,371	513,558	7.1%
Conservation Engineering	432,026	444,429	539,433	582,736	8.0%
Conservation Inspections	513,173	608,372	722,677	753,589	4.3%
Non-Program Expenditures	7,832,182	9,070,259	11,556,447	11,361,857	(1.7%)
TOTAL	\$ 11,133,766	\$ 12,537,896	\$ 15,501,984	\$ 15,557,628	0.4%

DIRECT EXPENDITURES BY TYPE

Personal Services	\$ 1,919,398	\$ 2,132,711	\$ 2,439,671	\$ 2,644,814	8.4%
Employee Benefits	450,814	537,752	689,234	727,607	5.6%
Operating Expenditures	860,689	970,456	870,020	929,541	6.8%
Special Programs and Projects	134,690	-	3,193,514	2,029,419	(36.5%)
Capital Equipment - New	47,125	18,000	-	17,000	
Capital Equipment - Replace	1,474,050	2,005,977	1,000	1,000	0.0%
Interfund Transfers	6,247,000	6,873,000	8,308,545	9,319,441	12.2%
TOTAL	\$ 11,133,766	\$ 12,537,896	\$ 15,501,984	\$ 15,668,822	1.1%

Highlighted Budget Changes (July 2007 – June 2008)

- The FY 2009 Stormwater Utility Division budget includes two new full-time staff to maintain the current level of service and to address the increased need for stormwater education. The new Stormwater Education Specialist is necessary due to additional emphasis being placed on stormwater education related to the renewal of the City's NPDES permit and by the Stormwater Management Advisory Commission. In addition, the number of customer requests has increased for presentations related to the stormwater utility and FEMA requirements for the City's floodplain program.

- The new Engineering Technician position will focus on customer service issues involving contracts, the Storm Drainage Assistance Program, and resolving stormwater utility billing complaints involving impervious surface measurements and determining appropriate billing rates. This position will assist with managing, notifying and keeping current the stormwater facility database that currently involves approximately 700 customers.

Goals and Objectives

Goal: Provide adequate capital programming to support the Stormwater Utility.

Objective: Develop a stormwater bond program for capital projects to be implemented in July 2008 and continue through 2011 per City Council directive.

Objective: Decrease the number of backlogged flooding and water quality projects in the Capital Improvement Program 25% by June 30, 2009.

Goal: Increase the Level of Service for the Stormwater Facility Maintenance Program per Council directive.

Objective: Work with the Street Maintenance Division to increase the level of service for the maintenance of storm drainage facilities in the street right-of-way. It is projected all drainage structures in city street right of way will be inspected over the next five years.

Objective: Work with the Stormwater Management Advisory Commission and City Council to address city policy concerning drainage system maintenance on private property. The outcome will be to determine the appropriate level of service for private property drainage system maintenance in Raleigh.

Objective: Accelerate the drainage system inventory by utilizing consultant assistance for data collection. This objective will assist us in meeting the Clean Water Act requirements and will assist in reaching the level of service goals for the stormwater facility maintenance program.

Goal: Provide customers with a consistently high level of service, while responding in a timely fashion.

Objective: Use technology, where appropriate, to improve customer service response times by 10% by June 30, 2009.

Objective: Obtain feedback from customers and stakeholders via a survey to ascertain where improvements may be in order.

Objective: Provide additional employee training within the Stormwater Utility Division to enhance service delivery.

Objective: Review public education efforts within the Stormwater Utility Division to ensure they are appropriate for service delivery by June 30, 2009.

Goal: Improve and begin longer term financial and performance planning for the Stormwater Utility Division.

Objective: Utilize financial model to project revenues and costs for a 5- to 10-year planning horizon by June 30, 2009.

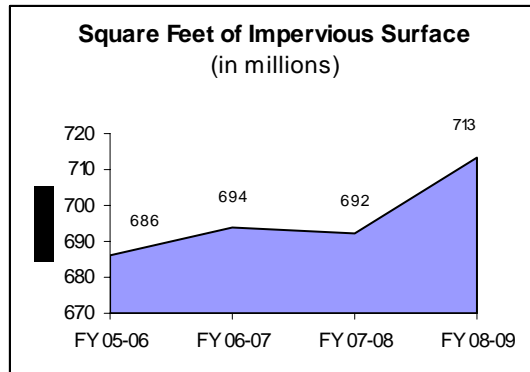
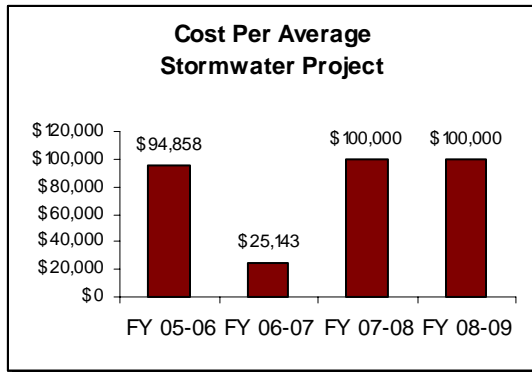
Goal: Protect and improve the water quality in our streams and rivers.

Objective: Increase grant funding 100% from state and federal sources by June 30, 2009.

Objective: Decrease time between inspections of construction sites where sediment loss is a concern from 14 days to 10 days by June 30, 2009.

Objective: Implement stream restoration, lake preservation, and other capital projects to improve water quality to meet NPDES permit requirements. Seventeen projects are to be completed by June 30, 2010.

Performance Measures



Vehicle Fleet Services

Vehicle Fleet Service (VFS) is a division of Public Works and provides maintenance, repair, and automotive service and support to all city vehicles and motorized equipment, with the exception of Fire Department apparatus.

Effective with the FY 2003 budget, the Vehicle Fleet Services budget was converted to an Internal Service Fund. This fund serves as an accounting entity to account for the full costs of the City's vehicle fleet service operations. Equipment service costs such as fuel, tires, repair parts, and preventive maintenance services are charged throughout the year to the respective motor fuels and vehicle maintenance and operation (M&O) accounts of the various operating divisions, according to actual use.

Mission

To provide equipment replacement, scheduled and unscheduled maintenance repairs on all equipment for safe operation in the most efficient and cost effective manner for all departments of the City of Raleigh.

Accomplishments (July 2007 – June 2008)

- During the first half of the year, VFS generated 6,834 work orders. This is about 500 more work orders than during the same period last year. Of these work orders, 48% were completed within the first 24 hours. The "equipment available" rate continues to be very creditable at 95.5% even with the addition of 233 new and used vehicles to the fleet.
- VFS received a grant to purchase a 1,000 gallon mobile fuel tanker, which gives VFS the ability to support the flex fuel vehicles in the city's fleet. VFS purchased an additional mobile fuel tanker with city funds that will allow the division to provide E85 (Ethanol) fuel at two locations within the city. Once these tankers are received they will enable the city to reduce the fossil fuel usage of these vehicles by 85%, which will assist in reaching the Council-adopted goal.
- An incentive program for VFS employees was initiated to promote workplace safety and reduce the number of injuries that were occurring. This was initiated to reward the employees for being safe and reducing lost staffing hours cost caused by accidents that could have been prevented. Once this program was started, there was a 25% reduction in the number of shop injuries.
- Over the past 12 months, VFS strengthened its efforts to replace equipment at the right time to prevent repeat maintenance failures that would cause production problems for the user, to reduce the amount of funds invested in old equipment and to get the top dollar for equipment when sold as surplus. During this time, \$314,604 was generated from the sale of surplus equipment for the general and enterprise funds.

Environmental Initiatives

- VFS received a state grant to purchase diesel oxidation catalyst mufflers to replace the current mufflers on 50 garbage vehicles that will reduce each vehicle's particulate matter release in the atmosphere by 15 to 30 percent. This will assist in meeting the requirements set to improve the air quality in Wake County.
- VFS is looking for ways to save fuel by selecting fuel efficient vehicles, downsizing when possible, purchasing alternative fuel vehicles, and keeping the City's equipment properly serviced.

Revenue Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 TO 2008-09
REVENUES BY TYPE					
Maintenance and Operation Revenue	\$ 10,057,374	\$ 12,398,042	\$ 13,341,364	\$ 15,760,588	18.1%
TOTAL	\$ 10,057,374	\$ 12,398,042	\$ 13,341,364	\$ 15,760,588	18.1%

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 to 2008-09
EMPLOYEES	60	61	62	62	0
DIRECT EXPENDITURES BY DIVISION					
VFS Maintenance and Repair	\$ 9,022,417	\$ 11,078,406	\$ 11,858,939	\$ 14,172,975	19.5%
VFS Administration	1,034,957	1,319,636	1,482,425	1,470,113	(0.8%)
TOTAL	\$ 10,057,374	\$ 12,398,042	\$ 13,341,364	\$ 15,643,088	17.3%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 2,301,461	\$ 2,339,402	\$ 2,429,582	\$ 2,560,003	5.4%
Employee Benefits	608,683	691,304	785,501	814,567	3.7%
Operating Expenditures	6,754,485	8,987,922	9,715,544	11,845,897	21.9%
Special Programs and Projects	-	-	-	45,184	
Capital Equipment - New	19,500	25,400	59,700	178,900	199.7%
Capital Equipment - Replace	27,000	60,000	38,000	3,000	(92.1%)
Interfund Transfers	346,245	294,014	313,037	313,037	0.0%
TOTAL	\$ 10,057,374	\$ 12,398,042	\$ 13,341,364	\$ 15,760,588	18.1%

Highlighted Budget Changes (July 2008 – June 2009)

- The fuel budget was increased to support higher fuel costs. Over the past 12 months the average cost of a gallon of gasoline has increased by 81 cents (35%) per gallon and the cost of diesel 92 cent (36%) per gallon. The City continues to seek out ways to save fuel.
- The VFS budget includes a 20% increase in sublet services to assist in maintaining equipment and repairing break downs to get the equipment back to the user as soon as possible due to inadequate facility space.
- The budget includes funding for an electronic motor pool system that will reduce the number of vehicles needed to support the Municipal Building employees and reduce the number of vehicle in the City’s fleet. This program will reduce the number of low use vehicles in our fleet by at least 8 to 10 vehicles. Reducing the fleet by two vehicles will cover the cost of this system.
- The budget also includes funds to upgrade the current fuel management system (FuelMaster). This upgrade will produce reliable data on fuel usage for more effective fleet management by electronically reading equipment information and thereby eliminating operator errors.
- VFS added a lubrication service to assist in maintaining the garbage vehicle fleet. This service lubricates the bodies of these vehicles each week to keep the constantly moving parts lubricated reducing break downs and prolonging the life of the City’s equipment.

Goals and Objectives

Goal: To continue to work towards improve air quality and maintaining equipment availability.

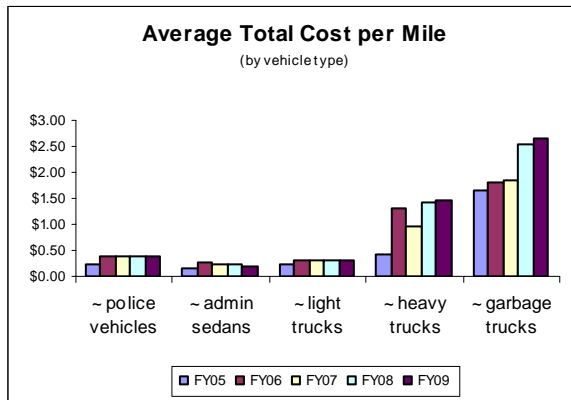
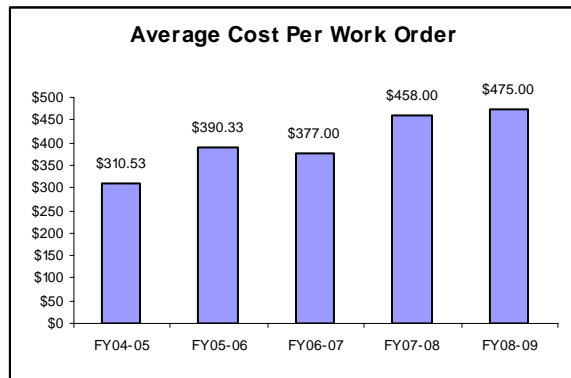
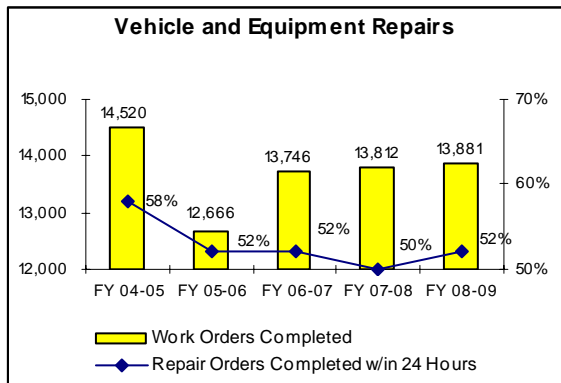
Objective: To improve equipment scheduled preventive maintenance services by 10%.

Objective: Add 20 new alternative fuel vehicles (CNG, ethanol, bio-diesel and hybrids) to the City's fleet.

Goal: Improve employee morale and attitudes.

Objective: By addressing employees' needs promptly and getting them the equipment needed to perform their missions.

Performance Measures



Solid Waste Services

The Solid Waste Services Department is responsible for promoting the general cleanliness and health of the City of Raleigh through established administrative policies and guidelines consistent with approved solid waste collection and disposal practices.

Additional information regarding the Solid Waste Services Department may be obtained by contacting Frederick Battle, Solid Waste Services Director, (919) 831-6073 or frederick.battle@ci.raleigh.nc.us.

Mission

To pursue a commitment to provide a safe, efficient, and effective solid waste collection and disposal system that protects the natural environment, the citizens of Raleigh and the employees of Raleigh and that preserves the quality of life of our citizens and their neighborhoods today and in the future.

Accomplishments (July 2007 – June 2008)

- Increased the tonnage of recycling materials collected by 11%.
- Provided employees with a skill-based training program to aid advancement through the attainment of additional education, skill and experience on a voluntary basis.
- Purchased a landfill methane gas extraction system, which has increased revenues from \$50,000 to \$230,000.
- Began the final phase of the solid waste transfer station that will meet both the City's and Wake County's disposal needs for the next twenty to twenty-five years. Worked with Wake County to convey operational responsibility to Wake County in order to more effectively and efficiently operate transfer station.
- Reduced workers' compensation cost by nearly two million dollars in the last two and half years. Currently there are no SWS employees on long-term workers' compensation.
- Increased departmental attendance rate to 92.5%; employee morale continues to improve as well. Employee newsletter keeps employees informed of events happening within SWS.
- Reduced the total number of complaints by 10% from prior year by using complaint tracking system to identify problem areas and to correct deficiencies in the field.
- Increased participation in the Central Business District recycling program by 30%.
- Converted recycling program to single stream (comingled) operation, which will improve operational efficiencies and reduce maintenance and operational costs.
- Increased multi-family recycling by 38 additional communities in the past year; added a new recycling drop-off center, bringing the total to seven.
- Sponsored the consignment sale of rain barrels to Raleigh residents in order to assist in water conservation efforts. Over 2,350 rain barrels were sold.
- Sponsored a shredding event for residents and small businesses to commemorate "America Recycles Day."
- Updated the SWS Raleigh Television Network video.

Environmental Initiatives (July 2008 – June 2009)

- In collaboration with the Information Technology Department, SWS will purchase routing software and work order management system to optimize routes. This will reduce the number of trucks needed daily to perform task, reduce the number of miles driven daily, and cut fossil fuel consumption and carbon emissions.
- All SWS refuse and recycling trucks use bio-diesel fuel. The purchase of smaller 10 cubic-yard garbage trucks to perform certain tasks is resulting in more efficient fuel consumption efforts.
- SWS employees are required to turn off all lights in rooms when SWS facilities are not being used.
- The capture and sale of methane gas from the Wilders Grove Landfill to Ajinomoto USA Inc. for use as boiler fuel reduces the City's greenhouse gas (GHG) emissions.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
Administration	14	14	16	16	0
Recycling	71	65	78	79	1
Residential Collection	108	108	137	136	(1)
Transfer Station	0	0	3	0	(3)
Yard Waste Center	6	6	6	6	0
TOTAL	199	193	240	237	(3)

DIRECT EXPENDITURES BY DIVISION

Administration	\$ 1,060,319	\$ 1,249,732	\$ 1,527,507	\$ 3,177,364	108.0%
Recycling	4,540,452	4,626,245	5,189,701	6,262,203	20.7%
Residential Collection	11,361,976	11,899,341	11,116,978	18,925,390	70.2%
Transfer Station	-	-	3,216,788	-	
Yard Waste Center	1,418,259	1,534,267	1,750,876	1,713,934	(2.1%)
TOTAL	\$ 18,381,006	\$ 19,309,585	\$ 22,801,850	\$ 30,078,891	31.9%

DIRECT EXPENDITURES BY TYPE

Personal Services	\$ 7,206,678	\$ 7,940,625	\$ 8,639,314	\$ 9,060,517	4.9%
Employee Benefits	1,711,292	2,048,196	2,477,750	2,532,349	2.2%
Operating Expenditures	9,158,616	8,881,869	10,824,216	12,630,864	16.7%
Special Programs and Projects	-	-	300,000	1,618,201	439.4%
Capital Equipment - New	287,600	421,850	475,425	468,500	(1.5%)
Capital Equipment - Replace	500	500	500	3,751,000	750100.0%
Interfund Transfers	16,320	16,545	84,645	17,460	(79.4%)
TOTAL	\$ 18,381,006	\$ 19,309,585	\$ 22,801,850	\$ 30,078,891	31.9%

Highlighted Budget Changes (July 2008 – June 2009)

- On average, the City of Raleigh is growing at a rate of 2.9% each year. The projected number of residential households serviced each week for FY 2009 is 110,310. This budget addresses those growing needs through an increase in equipment and changes in existing methods of service delivery as well as improves the efficiency of solid waste services through the purchase of additional equipment and vehicles.
- The conveyance of the solid waste transfer station operations to Wake County has seen a reduction in personnel budgeted and equipment needed to maintain that operation.

- An increase in landfill charges in the amount of \$2,483,412 from FY 8008 is a result of the increased tonnage estimates due to city growth as well as a State-mandated surcharge for disposal of \$2 per ton and a higher cost associated with the operations of the transfer station.
- The city receives biannual rebate revenues paid by Wake County based upon the trash tonnage delivered to the North Wake County landfill. FY 2009 revenues are estimated to be \$1,000,000.

Service Improvement Items:

- Continued funding for the SWS private call center in order to assure our customers access to a live call-taker every time they call.
- Inclusion of a tandem dump truck at the yard waste processing facility to move material in a timely fashion and remain in compliance with state safety regulations.
- Include \$15,000,000 in remote operations funding of the Capital Improvement Program to construct a Solid Waste Services Operations Facility.

Goals and Objectives:

Goal: To provide residential refuse collection.

Objective: Collect residential refuse from approximately 110,310 service points in FY 2009.

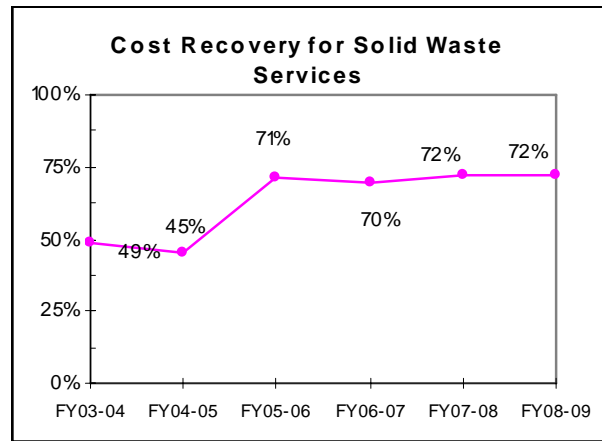
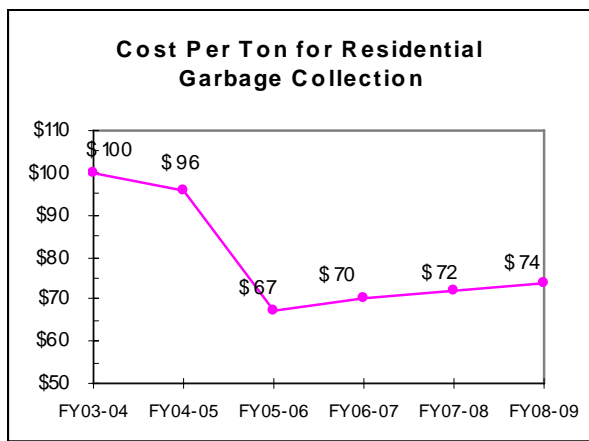
Goal: To provide residential and drop-off recycling collection.

Objective: Collect residential recycling from approximately 110,310 service points in FY 2009 on the scheduled collection day.

Goal: To provide a processing facility for residential yard waste, a recyclable refuse that is banned from landfills.

Objective: Recycle approximately 40,000 tons of residential yard waste.

Performance Measures



Emergency Communications

Emergency Communications is responsible for receiving 911 calls for assistance and dispatching the proper emergency responders for the City of Raleigh and the majority of Wake County.

Additional information for Emergency Communications may be obtained by contacting Barry Furey, Communications Director, at (919) 890-3530 or via email at barry.furey@ci.raleigh.nc.us

Mission

The Raleigh-Wake Emergency Communications Center exists as the primary means of citizen access to public safety services through the 9-1-1 emergency number, and provides technical, planning, and direct support services for mission critical tasks related this process.

Accomplishments (July 2007 – June 2008)

- Successfully integrated the Communications and Electronics Maintenance Shop into the Emergency Communications Department.
- Received accreditation from the National Academies of Emergency Dispatch, becoming an Accredited Center of Excellence for Emergency Medical Dispatch.
- Became the first 9-1-1 center in North Carolina to achieve CALEA (Commission on Accreditation for Law Enforcement Agencies).
- Utilized newly created 800 MHz Technician position to expedite conversion of Raleigh Police Department from UHF to 800 MHz radios.
- Began rollout of In-Vehicle Navigation system for first responders, and expanded Automatic Vehicle Location coverage. Installed encrypted security on all portable computer devices, and moved towards virtualization of computer resources. Established web-based access of reporting tools for user agencies. Converted release of public information from analog to digital format.
- Conducted two training academies for twenty-seven (27) students, including newly-approved telecommunicator positions.
- Upgraded electrical and security systems at Barwell Road backup facility.
- Successfully renegotiated AT&T 9-1-1 contract providing for upgraded equipment at a reduced cost.

Environmental Initiatives

- Increased encouragement of citizens to utilize telephone reporting officers instead of dispatching an officer to non-emergency calls, thereby saving fuel.
- Utilized internal intranet system to reduce the number of paper files required.
- During FY 2009, we'll strive to improve services delivered by communications and electronics maintenance shop to reduce travel time for vehicles requiring radio and radar repairs.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES	78	79	94	103	9
DIRECT EXPENDITURES BY PROGRAM					
City Only Cost	\$ 306,843	\$ 294,117	\$ 775,464	\$ 824,794	6.4%
Shared Cost	4,749,809	5,091,526	5,329,808	5,609,659	5.3%
County Only Cost	146,970	147,549	257,337	333,265	29.5%
Shared Cost - Barwell Rd	101,996	128,367	143,074	84,527	(40.9%)
Barwell Rd Backup Center	60,306	60,737	63,522	65,049	2.4%
Wireless Eligible ECC	261,864	238,723	227,524	1,412,816	521.0%
TOTAL	\$ 5,627,788	\$ 5,961,019	\$ 6,796,729	\$ 8,330,110	22.6%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 3,644,066	\$ 3,892,203	\$ 4,362,979	\$ 5,084,409	16.5%
Employee Benefits	839,385	931,710	1,125,667	1,292,898	14.9%
Operating Expenditures	1,135,201	1,127,833	1,187,511	2,216,347	86.6%
Special Programs and Projects	-	-	71,149	133,126	87.1%
Capital Equipment - New	-	-	40,000	-	(100.0%)
Capital Equipment -Replace	7,610	7,610	7,610	7,610	0.0%
Interfund Expenditure	1,526	1,663	1,813	1,813	0.0%
TOTAL	\$ 5,627,788	\$ 5,961,019	\$ 6,796,729	\$ 8,736,203	28.5%

Highlighted Budget Changes (July 2008 – June 2009)

- This budget includes six (6) Call Taker positions to deal with increased volumes of 9-1-1 calls that now average 1,400 per day, and to relieve workload on telecommunicators who handled a record number of incidents last year. These Call Takers will be critical in utilizing the Automatic Call Distribution system planned for acquisition later this year.
- This budget includes one (1) Administrative Assistant position to combine statistical analysis, records, and other functions, enabling senior administrative staff to concentrate on duties directly related to their positions.
- This budget includes two (2) System Administrator positions to assist with 24x7 maintenance and installation of public safety emergency communications systems and to provide backup for critical Computer Aided Dispatch (CAD) configuration that is currently non-existent.

Goals and Objectives

Goal: To meet and exceed service level expectations of the public and user agencies.

Objective: Improve recruitment and retention to reduce voluntary turnover by 10%.

Objective: Obtain additional positions in order to provide sufficient staffing to consistently deliver service based upon established benchmarks, such as answering 90% of all 9-1-1 calls within three rings.

Goal: To maintain accredited status as awarded by the National Academy of Emergency Dispatch (NAED) and Commission on Accreditation for Law Enforcement Agencies (CALEA) accredited agency.

Objective: Continue to review nationally accepted standards, and to enact and document internal policies and practices that conform to such standards, thereby maintaining our current accreditations.

Objective: Maintain no less than an aggregate average of 95% compliance on all measurable Emergency Medical Dispatch categories.

Objective: Convert 100% of existing CALEA Standards to comply with the next edition.

Goal: To improve communications with all user agencies, and to improve the call throughput process within the 9-1-1 Center.

Objective: Incorporate new technology and procedures to improve service.

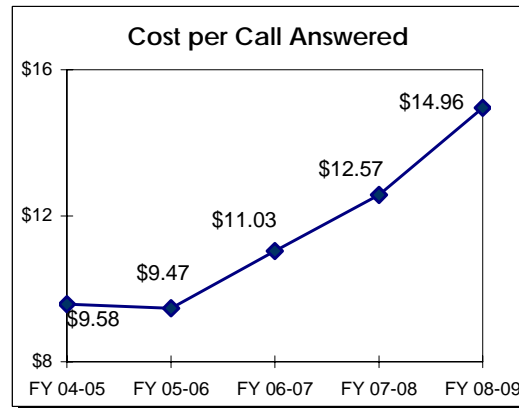
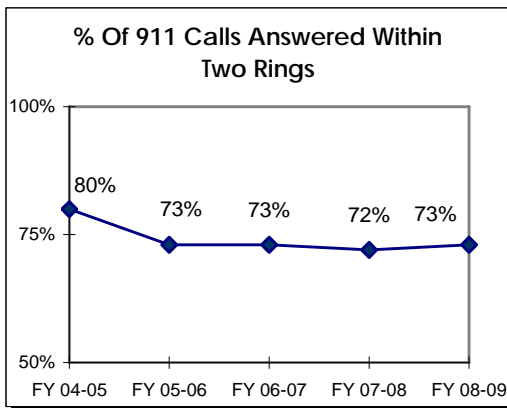
Objective: Meet on a regular basis with all user agencies, and to explore new ways of citizen outreach and partnership.

Objective: Reduce the number of user generated complaints by 25%.

Goal: To assure that the future needs of the ECC and the community are met through the Clarence E. Lightner Public Safety Center.

Objective: Participate actively in the planning and design processes of the Clarence E. Lightner Public Safety Center in order to assure that the appropriate technology and space requirements are included in a sustainable and environmentally friendly facility that will address the anticipated needs of this community for the next 20 years.

Performance Indicators



Fire

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

Fire Administration provides administrative services necessary to conduct the day-to-day operations of the Fire Department.

Fire Prevention is the enforcement, educational and informational arm of the Raleigh Fire Department. The division performs site inspections, enforces all fire prevention codes, and coordinates pre-fire planning for all major facilities located within the city. It is also responsible for conducting fire investigations to determine origin and cause of fires.

The Fire Operations division responds to fire calls, provides hazardous materials response service on behalf of the entire county, performs rescues, and provides emergency medical services. The emergency medical service is a supplement to the Wake County Emergency Medical Service (EMS) and is often referred to as the First Responder program. Under this program, a Fire Department unit is dispatched to any life-threatening emergency and begins administering care upon arrival. The Operations division also provides search and rescue services and participates in a regional Urban Search and Rescue team.

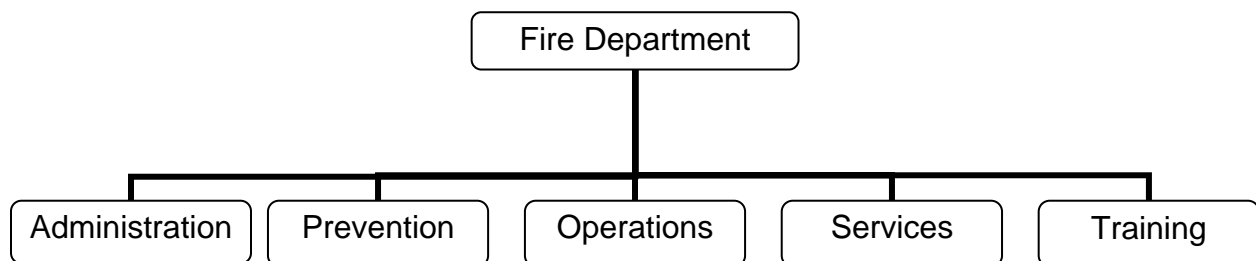
Fire Support Services provides necessary supplies, equipment, repair, replacement services, and all uniforms, turnout gear, and specialty gear used by firefighters. The cost of operations, maintenance, and repair services for 29 Fire Department facilities is included in this division. Also included in this division's responsibilities are the repair and maintenance of all Fire Department vehicles, equipment, gear, and fire apparatus. Funding is included for vehicle operating expenses such as fuel, lubricants, tires, and repair parts.

The Fire Training division provides specialty training for all fire fighters including confined space rescue and structural collapse, hazmat, and emergency medical response. It is responsible for the pre-hire recruiting process and training academies for recruits. In addition, the staff performs fit testing of masks, service testing of all pumping apparatus, driver operator training and driver operator competency for First Class and Lieutenant promotional process. The staff also manages the city's Urban Search and Rescue (USAR) program and the hazmat Regional Response Team (RRT).

Additional information regarding the Fire Department may be obtained by contacting John McGrath, Fire Chief, at (919) 919-831-6115 or via email at john.mcgrath@ci.raleigh.nc.us.

Mission

To contribute within appropriate authority to the maintenance and improvement of the quality of life in the City of Raleigh through fire prevention, fire suppression, rescue, emergency medical, and special services to all who live, visit, work or invest here.



Accomplishments (July 2007 – June 2008)

- Continued implementation of the 800 MHz radio system, which will enhance Fire Department responders' ability to communicate with other responding agencies within the county and region.
- Performed CPR on 238 citizens and resuscitated 84 people in 2007, which is a save rate of 35% and is seven times higher than the national average of 5%. Of these 84 people, 21 survived and were able to return to their homes. Additionally, in 2007, fire department personnel delivered 26 babies in the field.
- Implemented an on-call mechanic program so apparatus can be repaired 24x7.
- Put a fleet maintenance vehicle in service to provide on-site apparatus service at fire stations. This enables apparatus to remain in its territory and saves the fuel that would have been consumed if the apparatus had to be driven to the services facility on New Bern Avenue.
- Fully equipped 6 reserve fire engines and 3 ladder trucks so that they can quickly be put into service if there is a serious weather event that requires additional fire companies and if first line fire apparatus needs to have maintenance/repairs.
- Researched turnout gear design/construction and negotiated a 3-year purchase option which will alleviate cost increases over the upcoming years.
- Continued to expand the use of 'free' software available on the internet to enhance departmental operations including VMWare, which allows us to run several virtual servers on one physical server thus reducing power usage (for server and cooling).
- Upgraded servers and records system software to enhance customer service.
- Hired 24 new firefighters and trained them in fire and medical emergency response during a 26-week academy.
- Continued the regional Urban Search and Rescue (USAR) partnership with Cary, Durham, and Chapel Hill. Employees of each city serve on this team, which is capable of providing search and rescue services following any natural or man-made disaster. Raleigh Fire Department hosted a two-week USAR structural collapse school at the facility built by department personnel using donated materials and volunteer labor.
- Expanded the Urban Search and Rescue program to include swift water rescue. Received state grant funding to facilitate training in this area.
- Implemented the Candidate Physical Ability Test (CPAT) which is a validated method of evaluating the physical abilities of applicants for firefighter positions. The equipment used in this testing was obtained through prior year grant funding.
- Implemented an annual physical fitness testing process for departmental personnel.
- Responded to and mitigated a 1,000 gallon anhydrous ammonia leak in Siler City. This service was provided by Raleigh Fire Department personnel serving on the Hazmat Regional Response Team which is funded through a contract with the State of NC.
- Continued training of departmental personnel through the City's Capital Leadership Institute training program to enhance their performance as employees and managers.
- Installed mobile data terminals in 5 chief officer vehicles. This equipment will allow access to data on buildings including previous building inspections, building layout, any hazardous materials storage, etc.

Environmental Initiatives

- New fire station construction now includes capturing storm water runoff on our property to prevent contaminants in public waterways.
- New construction design will consider possibilities of green roof design and solar lighting and energy options.
- Consideration is being given to retrofitting existing structures with solar energy collection systems.
- Retrofitting of existing structures, and design of all new structures, with oil/water separator systems to trap storm water runoff and water runoff from apparatus cleaning.
- Energy efficient appliances and utility systems are being included in all new construction.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
Fire Administration	5	7	7	7	0
Fire Prevention	13	21	25	25	0
Fire Operations	490	505	505	520	15
Fire Support Services	8	9	9	9	0
Fire Training	7	7	7	7	0
TOTAL	523	549	553	568	15

DIRECT EXPENDITURES BY DIVISION

Fire Administration	\$ 528,073	\$ 672,912	\$ 757,532	\$ 1,353,723	78.7%
Fire Prevention	1,306,904	1,875,144	2,268,642	2,226,664	(1.9%)
Fire Operations	33,880,602	36,616,188	39,078,199	42,255,626	8.1%
Fire Support Services	2,143,434	2,622,804	2,923,222	3,356,010	14.8%
Fire Training	860,167	946,400	961,304	1,220,628	27.0%
TOTAL	\$ 38,719,180	\$ 42,733,448	\$ 45,988,899	\$ 50,412,651	9.6%

DIRECT EXPENDITURES BY TYPE

Personal Services	\$ 26,856,400	\$ 29,074,202	\$ 31,166,766	\$ 32,689,606	4.9%
Employee Benefits	6,568,796	7,592,612	8,353,438	8,700,084	4.1%
Operating Expenditures	5,104,784	5,904,619	6,069,123	6,712,482	10.6%
Special Programs and Projects	85,000	85,000	178,737	658,974	268.7%
Capital Equip - New	124,300	95,800	170,500	1,529,800	797.2%
Capital Equip - Replacement	33,000	34,800	20,000	85,000	325.0%
Interfund Expenditure	31,900	31,415	30,335	36,705	21.0%
TOTAL	\$ 38,719,180	\$ 42,733,448	\$ 45,988,899	\$ 50,412,651	9.6%

Highlighted Budget Changes (July 2008 – June 2009)

- A new ladder company with 15 firefighter positions has been added to the budget to increase coverage and improve emergency response times.
- Funding for an interactive pump simulator is included, which allows for the training of firefighters under different scenarios without the use of water for an estimated water savings of 7 million gallons in an average training course.
- Additional funding added to purchase additional mobile data terminals for front line apparatus.
- Replace an engine that has incurred high repair costs and has excessive mileage (96,000) for first line apparatus.

- Funds are included to continue the capital leadership training program for departmental personnel.
- Additional funding included in support of the firefighter promotional process. Vendor costs have risen so it was necessary to increase the budget for this activity. However, the department is moving towards a two-year promotional list, which will lessen the frequency that this process occurs.
- The uniform budget is increased to pay for the higher cost of turnout gear and to allow the department to catch up on some uniform replacements and purchases that have had to be deferred over the past couple of years.
- Budget to purchase furnishings for remodeled administration/prevention offices has been included in the administration budget request.
- Funding is requested to pay for facility and grounds maintenance at the Keeter Training Center.

Goals and Objectives

Goal: To improve ladder company service in the City.

Objective: Enhance the Fire Department's ability to respond quickly to emergencies requiring ladder company service by adding an 8th ladder company and personnel.

Goal: To enhance the fire and emergency medical response to the northwestern portion of the City.

Objective: Construct and staff Fire Station 29.

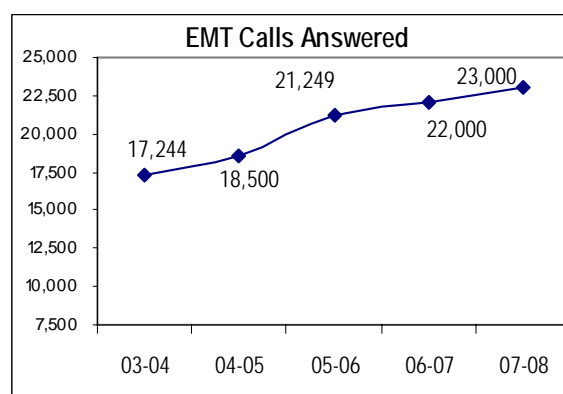
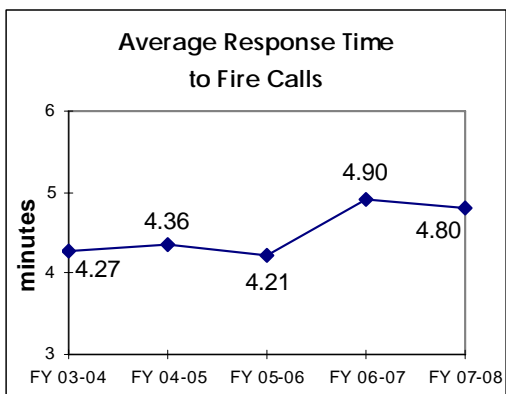
Goal: To use technology to enhance customer service during fires and other emergencies.

Objective: Provide real time building and inspection data to Fire Department personnel through the use of mobile data terminals and wireless connectivity in fire apparatus.

Goal: To provide professional development opportunities for RFD personnel.

Objective: Continue to provide capital leadership training classes.

Performance Measures



Police

The Police Department works in partnership with the community to identify and address conditions that give rise to crime. The department employs an approach to policing that emphasizes the importance of maintaining a full range of enforcement priorities, including quality-of-life issues and violations that breed more serious crime. At the same time, under the District Policing System, officers are becoming more involved with and more closely linked to the citizens they serve and protect. Through the dedicated service of officers and civilians, district policing, innovative programs, effective technology use, and an enhanced relationship between citizens and the police, the department is reducing crime in Raleigh and making it an even better place to live, work, visit, and do business.

The Chief's Office supervises and coordinates the department operations. The Internal Affairs office, the Police Attorney, the Public Information Officer and the Crime Intelligence Unit are included in the Chief's Office.

The Administrative Services Division provides support to the Department's field units, including computer and technology services, records maintenance, research and planning, training, evidence management, vehicle service and equipment distribution. The Division is also responsible for personnel recruitment and accreditation.

The Special Operations Division performs specialized police enforcement services for the department. Units within the division include animal control, K-9, selective enforcement, traffic, domestic violence, drug enforcement, and community relations. The Division is also responsible for front desk operations at Police Headquarters and taxi inspections.

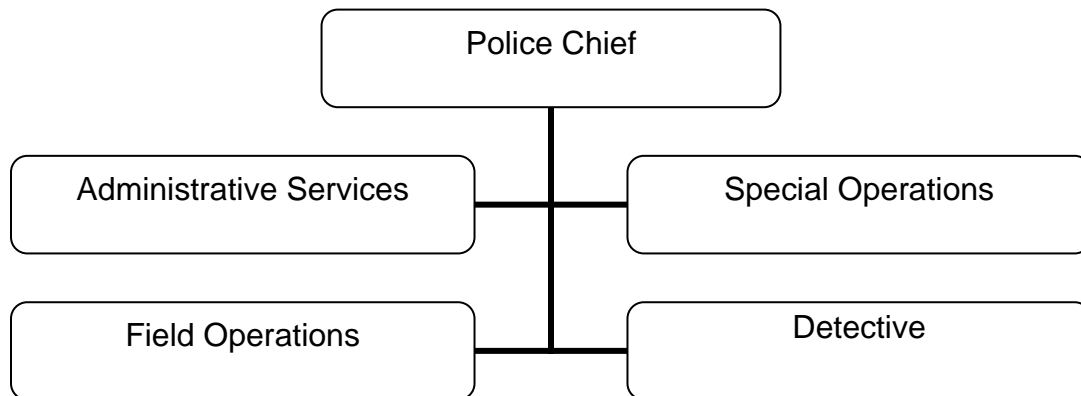
The Field Operations Division patrols all areas in the Raleigh city limits and responds to 9-1-1 calls for service. The Division also provides school safety, crime prevention, crime analysis, and other services.

The Detective Division conducts follow-up investigations, makes arrests, and helps prosecute offenders. The General Investigations program includes general investigative units, as well as the vice and narcotics, fraud and forgery, robbery, gang intervention and suppression, and major crimes task force units.

Additional information regarding the Police Department may be obtained by contacting Harry Dolan, Police Chief, at (919) 890-3385 or via email at harry.dolan@ci.raleigh.nc.us.

Mission

Working with the community, the Raleigh Police Department exists to preserve life, peace, and property through conscientious attention to our lawful duties.



Accomplishments (July 2007 - June 2008)

- Officially transitioned from a UHF to an 800 MHz radio system on December 17, 2007. This required both adding infrastructure to Wake County's 800 MHz system and purchasing new handheld and in-car radios. With the new system, police officers are now able to communicate with other Wake County emergency service providers and no longer experience crowded radio channels, interference from other users, and coverage gaps. In FY 2008, 420 handheld radios and 400 in-car radios were purchased.
- Completed its first drug market initiative, the CHOICE Project. The initiative focused on eliminating street-level drug dealing and the violence associated with it by combining law enforcement techniques and community involvement to encourage non-violent offenders to turn around their lives and support them in this transition. The program resulted in a 3% decrease in drug-related crimes and a 38% reduction in violent crime in the pilot area.
- Relocated the COMPSTAT Unit due to the sale of the 301 Hillsborough Street building. This relocation included the construction of a large meeting room and the reinstallation of the Unit's audio-visual equipment. This meeting room continues to serve as an essential location for department strategy meetings and trainings.
- Added evidence lockers to all district stations across this City. This program allows officers to turn in crime scene evidence at their assigned district, whereas previously evidence was collected only in the downtown Headquarters building. By spending less time on travel, the officers are able to spend more time on patrol.

Environmental Initiatives

- Purchased six (6) hybrid vehicles for use by command staff and administrative personnel in FY 2007.
- Purchased thirty-six (36) E-85 flex-fuel Impalas for detectives and administrative staff in FY 2007.
- All Blue & White (37) and plain (8) Crown Vics for FY 2008 will be E-85 flex-fuel vehicles.
- Six (6) hybrid vehicles are being purchased in FY 2008 for use by detectives.
- Purchased three (3) Segways for patrol use in the downtown area.
- Assigned two (2) squads of bicycle officers in various areas of the city and five (5) officers to walking beats.
- Downsized detective, administrative, and animal control vehicles.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
Administrative Services	76	73	72	73	1
Chief's Office	19	18	22	25	3
Special Operations	102	106	100	96	(4)
Field Operations	495	501	514	521	7
Detective Division	159	170	180	186	6
Grant Funded Employees	0	1	1	1	0
TOTAL	851	869	889	902	13

DIRECT EXPENDITURES BY DIVISION

Administrative Services	\$ 10,588,722	\$ 11,168,738	\$ 13,353,058	\$ 15,596,333	16.8%
Chief's Office	1,756,406	1,978,459	2,292,525	3,123,744	36.3%
Special Operations	9,251,751	10,015,816	9,882,686	9,772,855	(1.1%)
Field Operations	34,497,133	37,810,715	39,872,555	43,224,276	8.4%
Detective Division	13,116,122	15,762,272	16,423,713	17,513,182	6.6%
TOTAL	\$ 69,210,134	\$ 76,736,000	\$ 81,824,537	\$ 89,230,390	9.1%

DIRECT EXPENDITURES BY TYPE

Personal Services	\$ 44,308,716	\$ 47,109,563	\$ 49,274,467	\$ 51,998,253	5.5%
Employee Benefits	13,029,942	14,733,913	15,753,289	16,174,101	2.7%
Operating Expenditures	11,048,651	13,787,274	15,761,111	16,633,499	5.5%
Special Programs and Projects	1,349,000	1,349,000	54,100	1,529,367	2726.9%
Capital Equip - New	528,425	743,600	495,420	1,537,020	210.2%
Capital Equipment - Replacement	283,000	352,500	477,000	1,349,000	182.8%
Interfund Expenditure	11,400	9,150	9,150	9,150	0.0%
TOTAL	\$ 69,210,134	\$ 76,736,000	\$ 81,824,537	\$ 89,230,390	9.1%

Highlighted Budget Changes (July 2008-June 2009)

- Twelve (12) sworn positions are added due to the City's annexations and population growth. These positions will be distributed where the need is greatest among the six district stations.
- A systems analyst position is added to assist in responding to the 24x7 technology needs of a modern police department.
- Funding is included to enhance the police education incentive program by increasing the annual incentive amounts awarded to officers with a Bachelors or Associates degree.
- The wait period for eligibility in the Take-Home Vehicle Program is reduced to 2 years from 3.
- In an effort to improve recruitment and retention, the department has compressed the years of experience required for a police officer to qualify for top pay via the Salary Compression Program. The revision in policy brings RPD more in line with similarly sized organizations.
- Funding is included to support a program that will hire back retired officers in a part-time capacity throughout the department.
- Starting salaries will be increased by 5% with another 3% increase for officers upon completion of the Police Academy.
- The Lateral Entry Program (approved mid-year FY 2008 to address staffing issues) is funded in this budget and allows for the recruitment and hiring of seasoned professionals.
- Increases in the operations and maintenance supplies reflect sharp increases in the cost of training ammunition.

- Funding has been added to support rising costs of license fees for additional computer applications and AVL, P2P, E-Crash, and E-Citation maintenance.
- Increases in the uniforms and equipment accounts due to inflationary and personnel increases.
- Increases in the property rental account are due to increases in leases related to the horse barn facility, ATEB facility on Atlantic Avenue and TICAM.
- Capital equipment accounts funded inflationary increases and planned replacement programs.
- Training costs have increased due to staffing growth, planned additional in-service training opportunities for both sworn and civilian personnel, and establishment of a training institute.
- Implementation of the 800 MHz communications system is underway with equipment purchases and installation in our vehicle fleet and service costs from Wake County.

Goals and Objectives:

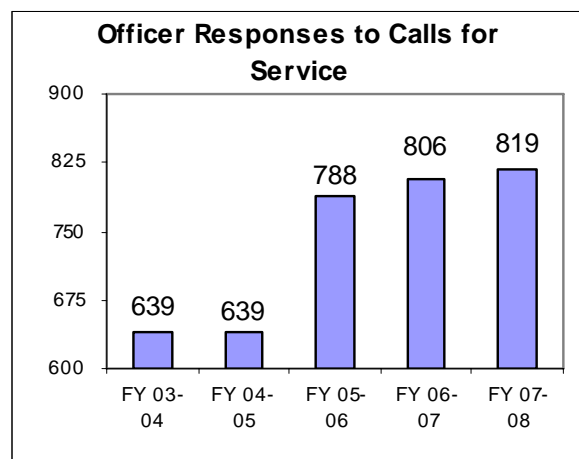
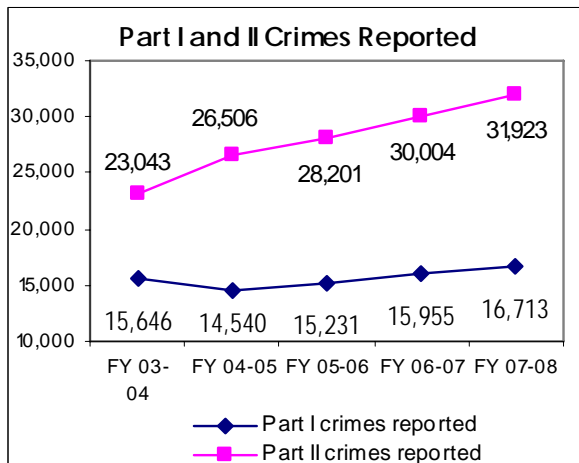
Goal: To maintain and enhance police services given geographic, population and crime changes.

- Objective: Add police officers and detectives to maintain the current level of patrol and investigative services.
- Objective: Ensure the uniform delivery of police patrol services and field investigations, provide coordinated responses to major events, and provide unity of command in police patrol by establishing a permanent Watch Commander Unit.
- Objective: Manage the growing demand for police response to humane calls and continue heightened enforcement of humane laws.
- Objective: Reduce the trade and sale of drugs in Raleigh’s entertainment venues.

Goal: To provide adequate support and resources to the growing department.

- Objective: Implement a disaster recovery plan to ensure that investigative data is not lost during outages and that data is available in real time at all times.
- Objective: Maintain a high level of vehicles in service.
- Objective: Use civilian resources in jobs that do not require sworn authority, allowing officers to be reassigned to patrol duties.

Performance Measures



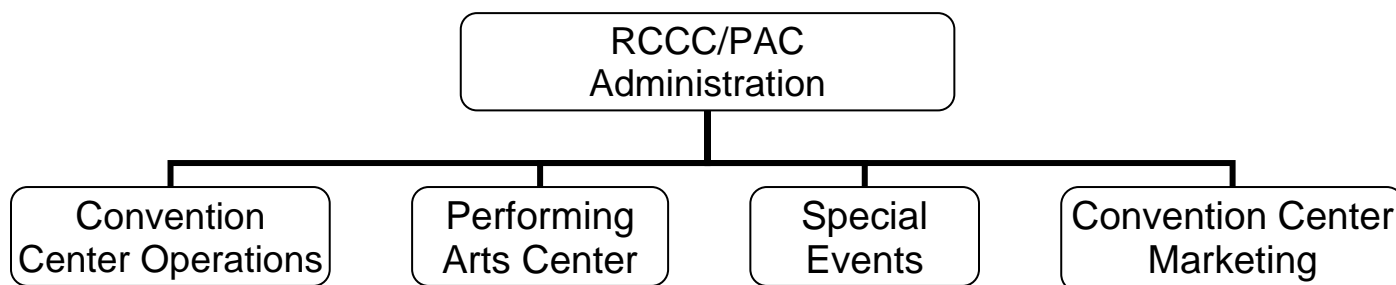
Convention Center Complex

The Convention Center Complex Department operates the Convention Center, the Progress Energy Center for the Performing Arts, and a Special Events Division providing space for conventions, meetings, banquets, trade shows, and other general assembly events; provides performance space for concerts, plays, and other entertainment activities; sponsors and presents Broadway Series South touring theater productions; provides performance space for the North Carolina Symphony and the North Carolina Theatre; and produces and/or manages a variety of outdoor entertainment activities in the downtown area. This department is operated as an enterprise fund.

Additional information regarding the Convention Center Complex may be obtained by contacting Roger Krupa, Convention Center Director at (919) 831-6011 or via email at roger.krupa@raleighconvention.com.

Mission

To provide citizens and visitors high quality general assembly spaces and related customer services. These assemblies include wide varieties of functions and events that enhance the social, economic, and cultural environment of the Greater Raleigh area.



Accomplishments (July 2007 – June 2008)

- Hosted over 700 performances in the Performing Arts Center.
- Produced 7 Downtown Raleigh Live Concerts.
- Produced the 2nd Raleigh Wide Open celebration on Fayetteville Street.
- Produced the 3rd Annual Ray Price Capital City Bike Fest.
- Produced the Downtown Raleigh Criterium.
- Produced 8 Movies in the Market at Moore Square.
- Produced Artspace's Fayetteville Street Painting Festival.
- Managed offsite production of Boat Show and Antique Show.
- Managed \$350,000 in capital improvements at Walnut Creek Amphitheatre.
- Booked 260 events at the new Convention Center.
- Scheduled 157 conventions for the new Convention Center.
- Scheduled 66 conventions representing 180,000 room nights.
- Provided over 2,000 hours of customer service training for our Convention Center employees.
- Developed a training partnership with Wake Technical Community College.

- Implemented new business software for the department.
- Created the customer facilities guide for the new Convention Center.
- Created a safety policies manual that includes an Emergency Response Plan.
- Continued to plan Convention Center Grand Opening.

Environmental Initiatives

Convention Center Green Facts:

- Participated in all LEED Certification planning and training which will culminate in the commissioning of a Green Convention Center.
- Reduction in landscape irrigation by 50%.
- Increased use of water reducing plumbing fixtures by 20%.
- Highly efficient HVAC System cut energy by 20%.
- Reduction in Ozone Depletion Equipment.
- Use of Permanent Building Management System for monitoring HVAC Systems.
- Use of Indoor Air Quality Management Plan during and after construction.
- Use of low VOC's emitting finish materials – carpet, paint, adhesives, sealants, etc.
- Education in Green building practices.
- Participation in Green Cleaning Program.
- Participation in Waste Recycling Program including aluminum, glass, plastics, and cardboard.
- Using energy efficient T-8 lamps in Administration and Support Areas.
- Using metal Halide fixtures in Exhibit Hall, Lobbies, etc.
- Accent lights in main entry, all exit signs, outside area, and street lighting are LED lighting.
- Occupancy sensors in restrooms to reduce lighting energy.
- Light dimming systems are used in Exhibit Hall, Ballroom, and Meeting Rooms, which allows us to use presets thereby reducing energy use.
- Energy efficient exterior wall and roofing systems with heat transfer coefficients exceeding ASHRAE Energy Standards.
- Subterranean placement of Exhibit Hall reduces exposure to the elements, thereby reducing summer heat gains and winter heat losses.
- Air handling units are supplied with variable frequency drives allowing them to use less fan energy when space-cooling needs are low by operating fans at reduced speeds.
- Gas fired hot water boilers heating efficiencies exceed minimum efficiency requirements of ASHRAE Energy Standard.
- Use of VFD for cooling towers.
- Condenser water temperatures reset.

Performing Arts Center Green Facts:

- Last renovation incorporated Green principals such as day lighting, HVAC controls, fixture and bulb selection, low E glass.

- Performing Arts Center participating in Green Cleaning Program.
- Performing Arts Center participating in Waste Recycling Program aluminum, plastics, glass, and cardboard.
- Replacement of fixtures and bulbs with more energy efficient florescent and LED wherever possible in Performing Arts Center.
- Training Performing Arts Center staff to operate building using green principles when possible.
- Upcoming roof replacement of the Performing Arts Center will utilize LEED principles during design and construction.
- Upcoming replacement of Performing Arts Center carpet will be done using Green principles.

Convention Center Energy Efficient Strategies:

- Energy efficient exterior wall and roof systems with heat transfer coefficients exceeding ASHRAE Energy Standards. Reduces energy required to heat and cool the building due to thermal energy gains and losses.
- Exterior glazing with low solar transmission and heat transfer coefficients.
- Subterranean placement of the Exhibit Hall reduces the exposure to the elements, thereby reducing summer heat energy gains and winter heat energy losses.
- Lighting controls interlocked with the Building Management System (BMS) reduce lighting energy when spaces such as Exhibit Hall, Meeting Rooms, and Ballroom are not in use.
- Lighting dimming systems are used in the Exhibit Hall, Meeting Rooms, and Ballroom. Dimming systems reduce the lighting levels to preset outputs thereby reducing overall lighting energy consumption.
- Occupancy sensors used in all restrooms to reduce lighting energy while spaces are not occupied.
- Energy efficient T-8 lamps used in Administrative and Support areas throughout the building, reducing the lighting energy required per lumen of light output.
- Metal halide lighting systems used in front of house and open areas such as Exhibit Hall, Lobby/Entrance, and Concourse areas. Metal halide is a very efficient light source for large open areas.
- Accent lights in main entry and all exit signs are LED.
- Air handling systems with 100% outside air economizer operation provisions to permit "free cooling" when outside air conditions are suitable. This will allow the building air handling units to operate without cooling from the building chilled water system, thus saving pumping and refrigeration energy.
- Variable air volume supply air systems for areas with diverse utilization: air handling units are equipped with variable frequency drives, which allows air handling units to use less fan energy when space-cooling needs are low by operating the fan motors at reduced speeds.
- Demand control building ventilation: this BMS design feature controls the volume of outside air introduced for building ventilation based on the carbon dioxide levels inside the space. This allows the HVAC system to operate with the percentage of outside air as low as possible, reducing the ventilation air heating and cooling energy requirements, while maintaining acceptable indoor air quality.
- Large chilled water design temperature difference (delta T): the chilled water system is designed to operate with a (16° F) chilled water temperature difference between the chilled water supply temperature and the chilled water return temperature. Normal design chilled water temperature

differences are in the 10-12° F range. Systems with a large chilled water temperature difference allow the designer to reduce the pumping energy required while still meeting the cooling requirements of the building.

- The computer based Building Management System (BMS) allows for energy-optimized operation of the mechanical systems. Programs include: chiller optimization, economizer optimization, demand limiting, optimized start-stop of all equipment and actual occupancy planned programs, VAV controls, pump and fan speed controls, and supply air temperatures reset.
- Demand control ventilation for the Loading Dock. This BMS design features controls the volume of air exhausted from the building loading dock based on carbon monoxide, and nitrous oxide levels in the space thus allowing for the lowest usage of fan energy possible while maintaining safe air quality levels in the Loading Dock.
- Forced draft fire-tube hot water boilers provide heating hot water to the building. Gas fired hot water boilers heating efficiencies exceed the minimum efficiency requirements dictated by the ASHRAE Energy Standard.
- Variable frequency drives for cooling tower. This design feature allows cooling tower fans to slow down and speed up in order to maintain ideal condenser water temperature for the building chillers. This feature not only reduces fan energy at part load conditions, but it also allows the building chillers to operate more efficiently.
- Condenser water temperature reset. The condenser supply water to the building chillers is reset to the lowest temperature that the chiller manufacturer will allow. Reducing the condenser water temperature allows the building chillers to more easily reject heat and the chillers operating efficiency improves.
- Variable frequency drive for building base load chiller. A nominal 400-ton centrifugal chiller is the base load machine in the central cooling plant. This chiller is equipped with a variable frequency drive to allow the compressor to more efficiently track the building cooling load. Significant cooling energy savings are realized, especially during intermittent building cooling load conditions.
- Building energy usage computer models generated to date, using the energy savings features noted above, indicate estimated annual energy usage of approximately 98,680 Btu/sf-yr and annual energy cost savings of approximately 28% better than the ASHRAE Energy Standard. With energy performance ratings such as this, the Raleigh Convention Center is expected to be one of the leaders in energy efficiency as compared to other public facilities in North Carolina and across the United States.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
EMPLOYEES					
Administration	14	14	15	18	3
Civic & Convention Center	7	6	6	47	41
Performing Arts Center	46	48	47	40	(7)
Special Events	1	1	1	0	(1)
Convention Center Marketing	3	3	3	4	1
TOTAL	71	72	72	109	37
DIRECT EXPENDITURES BY DIVISION					
Non Departmental	\$ 200,000	\$ 400,000	\$ 300,000	\$ 300,000	0.0%
Administration	1,748,873	1,896,706	2,019,234	3,091,747	53.1%
Civic & Convention Center	1,058,873	170,950	318,893	5,784,019	1713.8%
Performing Arts Center	13,712,093	18,531,268	13,970,426	14,030,075	0.4%
Special Events	891,636	1,405,069	1,394,782	915,837	(34.3%)
Convention Center Marketing	1,219,847	955,958	977,169	1,029,106	5.3%
TOTAL	\$ 18,831,322	\$ 23,359,951	\$ 18,980,504	\$ 25,150,784	32.5%
NET - TRANSFER FROM GENERAL FUND	\$ 3,880,932	\$ 175,748	\$ 314,246	\$ 1,170,424	272.5%
DIRECT EXPENDITURES BY TYPE					
Personnel	\$ 3,961,637	\$ 4,804,742	\$ 4,642,493	\$ 6,578,949	41.7%
Employee Benefits	721,117	868,482	877,187	1,545,963	76.2%
Operating Expenditures	14,062,468	17,430,627	2,908,927	5,010,562	72.2%
Special Programs and Projects	-	-	10,185,797	10,602,844	4.1%
Capital Expenditures - New	32,500	22,500	22,500	122,500	444.4%
Interfund Transfers	53,600	233,600	343,600	1,289,966	275.4%
TOTAL	\$ 18,831,322	\$ 23,359,951	\$ 18,980,504	\$ 25,150,784	32.5%

Highlighted Budget Changes (July 2008 – June 2009)

- Fund the opening and operation of the new Convention Center, which was previously projected to begin in the third quarter of FY 2008 and is now budgeted for FY 2009.
- Remodel the office complex at the Performing Arts Center.
- Address personnel needs as it grows more proficient in forecasting demand for the new Convention Center. This budget includes thirty-five (35) new positions for the entire complex. Reassignment of current staff is also included in the budget; however, it is a budget-neutral factor.

Goals and Objectives

Goal: Adequately program the new Convention Center facility.

- Objective: Market and sell the grand opening program for the new center by September 2008.
- Objective: Book 20 or more additional conventions for the new Convention Center facility by June 30, 2009.
- Objective: Maximize revenue of the new Convention Center facility by producing an FY 2009 public show calendar of at least 15 shows.

- Objective: Continue to market and publicize the local use of the new facility for meetings, banquets, and various social functions.
- Objective: Create \$6 million in food and beverage revenue.
- Objective: Meet or exceed the number of hotel room nights (72,900), events (282) and attendance figures (279,400) projected for the center's first full year of operation by HVS International in their Raleigh Convention Center Business Plan.

Goal: Ensure the efficient design and effective operation of the new Convention Center.

- Objective: Continue to work with Construction Management toward successful budget management and completion of the new Convention Center project by the fall of 2008.
- Objective: Continue Customer Service Training Program for all Convention Center employees; the program is to be developed and contracted in partnership with Wake Technical Community College.
- Objective: Sell two sponsorships of one million dollars each for the new Convention Center facility by June 30, 2009.

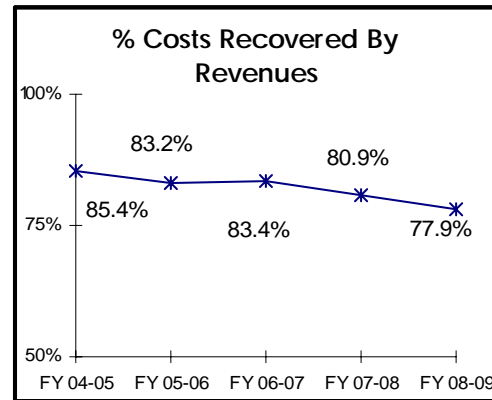
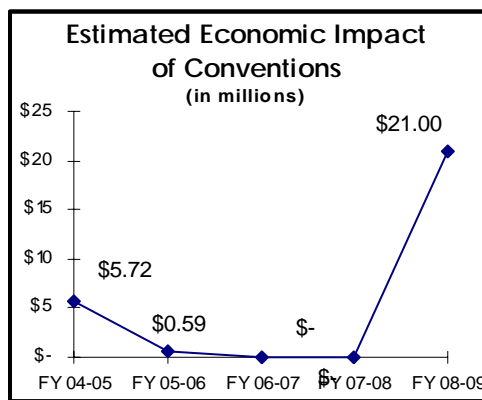
Goal: Provide for a new outdoor venue for downtown entertainment events.

- Objective: Conceptualize and design new outdoor festival plaza facilities.
- Objective: Develop a program for the proposed Boutique Amphitheatre to start in FY 2010.
- Objective: Sell a name and title sponsorship for the proposed Boutique Amphitheatre.

Goal: Showcase the Progress Energy Center for the Performing Arts as the destination and premier facility for the performing arts in the Triangle.

- Objective: Aggressively pursue available stage productions for inclusion in Broadway Series South's annual season and special presentation series.

Performance Indicators



Parks and Recreation

The Parks and Recreation Department is responsible for providing a broad range of recreation programs and leisure services that are responsive to the needs of all Raleigh citizens by acquiring, developing, managing and maintaining facilities and properties located throughout the City's inter-connected system of parks, greenways and public open spaces. The department administers beautification programs, maintains trees and shrubs in parks and along street rights-of-way, operates and maintains city cemeteries, maintains the physical plant operations of the downtown municipal complex and provides city-wide emergency response to weather related events.

Administration - Provides centralized administrative, financial and business support services to all external and internal customers, including 70,000 family accounts registered in departmental programs and activities, 415 full-time employees and more than 2,000 part-time, temporary or seasonal parks and recreation employees. Coordinates budget preparation, manages and oversees all departmental fiscal affairs, monitors cash handling, conducts audits, daily deposit reconciliation, billing and payment processing, administers financial assistance program, payroll coordination and processing, contract preparation, routing and oversight, grant administration, technology program expansion, emergency incident planning and coordination for the department, safety monitoring and compliance, staff training and development, and marketing services.

Design Development - This division is responsible for park and greenway planning, public input process, management of the parks layer in GIS mapping, preparation of the department's capital program and design and construction of capital projects.

Parks - Maintains 5,226 acres of parkland through a district system comprised of six maintenance districts. Maintains Fayetteville Street landscaping and several other properties in the central business district, Pullen Park, the Raleigh Rose Garden, Walnut Creek Softball Complex, Buffalo Road Athletic Park, 86 athletic fields and coordination of volunteer activities. Division construction crews also provide assistance in completion of capital projects.

Cemetery - Operates Mt. Hope Cemetery, including sale of grave sites, burial preparation, coordination with funeral homes and families and perpetual maintenance. Also maintains the historic city cemetery, O'Rourke Cemetery and eight other cemeteries located on park properties.

Greenway - Maintains 56 miles of trails and 3,273 acres of greenway property as part of the Capital Area Greenway System. Including, litter and debris removal, mowing and pruning, bridge and boardwalk inspection/repair, signage and site furniture maintenance, trail surface repair/replacement and construction of new trails. Paving crews assist in repair of asphalt parking lots and driveways on city park properties.

Highway - Maintains approximately 139 linear miles of public right-of-way, primarily major thoroughfares assigned to the city for landscape maintenance through an agreement with NCDOT. This includes 3.17 miles of Beltline planter boxes on I-440. Maintenance includes work zone traffic control, litter and debris removal, mowing maintenance, weed control in plant beds, tree rings, concrete medians, guardrails, and sidewalks, pruning, mulching, tree and shrub replacement and assisting Raleigh DOT with abatement of visual obstructions.

Urban Forestry - Maintains trees located on public rights-of-way and other city property. Oversee line clearance, pruning and planting of city street trees, and in-house tree pruning and removal to ensure tree health and public safety on over 2,460 frontage miles of public right-of-way and 8,500 acres of park and greenway property. The division also coordinates the planting of new trees through the Neighbor Woods Program, Trees Across Raleigh and other volunteer efforts, as well as contractual replacement of trees within the Central Business District and along major thoroughfares.

Recreation - Comprehensive, full-service recreation programs are conducted in 23 staffed community centers, two art centers, five seasonal swimming pools, three year-round pools (the third pool is Millbrook, which was converted to a year-round facility), three lake facilities, Pullen Park, Durant Nature Park and numerous other unique sites located throughout the city, including two historic carousels. Recreation Division manages 112 public tennis courts and 86 athletic fields city-wide. Major programs and special events are offered year-round for youth, teens, adults, senior citizens and for individuals with physical and mental impairments in areas including athletics, arts, adventure, aquatics, nature, tennis, summer camps and after-school activities.

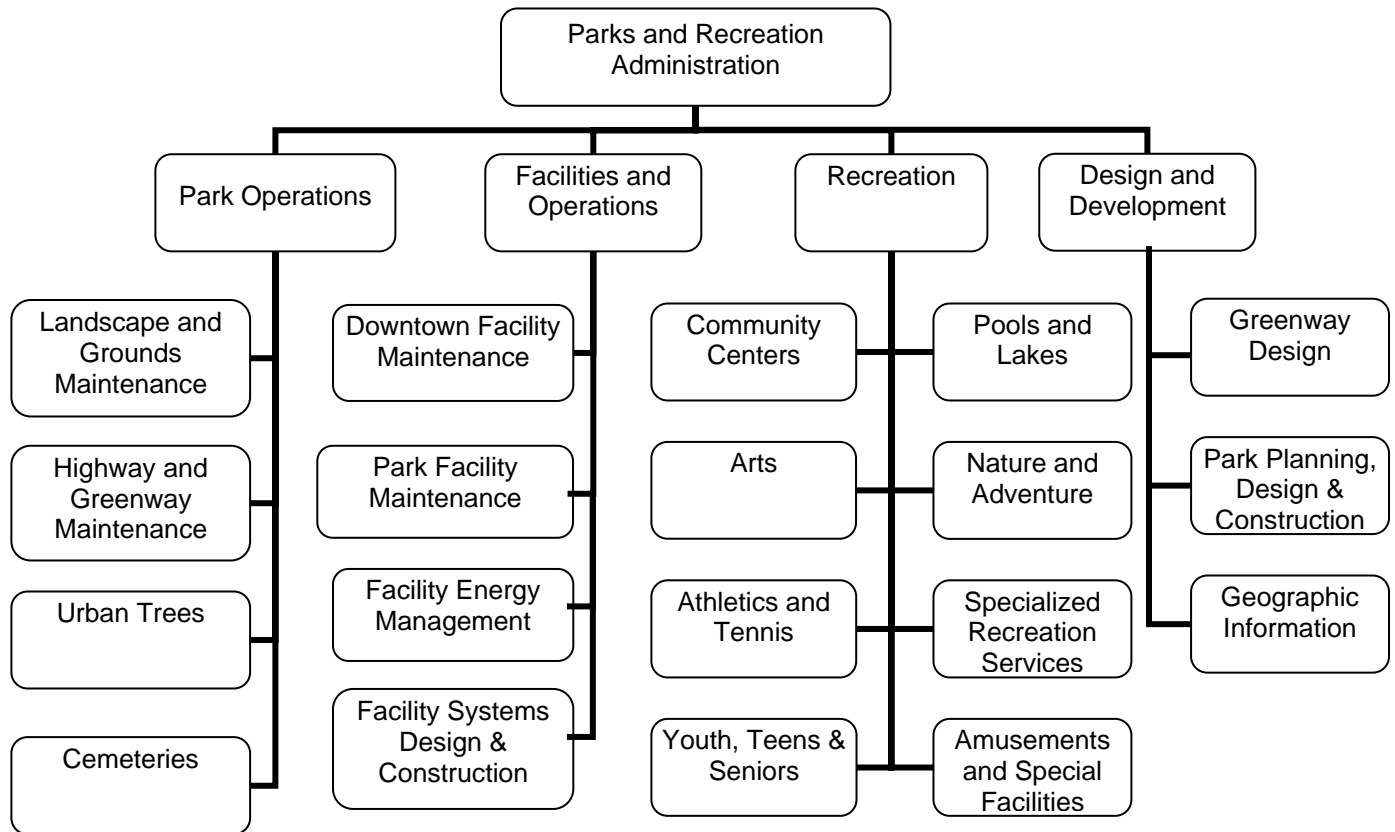
Building Maintenance Park Facility - Provides general repair and maintenance services, preventative maintenance, HVAC, plumbing, and electrical maintenance, facility inspection and compliance, inventory review, inclement weather response, winterization and de-winterization, and service contract management. Maintain approximately 520,700 square feet of community and neighborhood centers, 3,600,000 square feet of irrigation systems, 69,000 square feet of 2 year round and 6 seasonal aquatic facilities, 59,000 square feet of comfort stations, and 496,000 square feet of special facilities. Maintain 79 playgrounds throughout Raleigh in compliance with Consumer Product Safety Commission (CPSC) guidelines.

Building Maintenance Municipal Complex - Provides general repair and maintenance services, preventative maintenance, facility analysis and management, and facility scheduling for over 1,000,000 square feet of downtown and outlying city facilities including the Municipal Building and Police Station, Police Training Center, Dillon Building, One Exchange Plaza, Barwell Road – ECC Back up, Fayetteville Street, Street Maintenance, Vehicle Fleet Services, Heavy Equipment Facility, Solid Waste Services, Yard Waste Facility, Atlantic Avenue, Chavis Community Center, Halifax Community Center, John P. Top Greene, and Mordecai. Also maintain 79 playgrounds throughout Raleigh per Consumer Product Safety Commission (CPSC) guidelines. Personnel provide emergency response and manage tenant relations, contract management, lease management, facility audits, generator oversight and management, Capital Improvement and General Public Improvement projects, FOB and key management, and utility management and monitoring of over 250 electric and natural gas accounts, and over 450 water/sewer and impervious accounts throughout the Parks and Recreation Department.

Additional information regarding the Parks and Recreation Department may be obtained by contacting Diane Sauer, Interim Parks and Recreation Director, at (919) 890-3285 or via email at diane.sauer@ci.raleigh.nc.us.

Mission

The mission of the Raleigh Parks and Recreation Department is to actively encourage, provide, promote and protect quality leisure, recreational and cultural opportunities, facilities and environments that are essential for the enhancement of the lives of our citizens.



Accomplishments (July 2007 – June 2008)

- Hosted eleven North Carolina High School Amateur Athletic Championships with an estimated economic impact of \$4.0 million.
- Expanded city-wide programming to serve 2,920 children registered in programs before school, after school and during track out periods, to meet an expressed need to provide quality leisure and educational opportunities for children, youth and teens enrolled in year-round schools.
- Increased English as a Second Language (ESL) program opportunities with the City Council authorization of dedicated program area.
- Senior Adult Program recognized for best practices by Aging in Place, an initiative of Partners for Livable Communities and the National Association of Area Agencies on Aging. The department program was cited for being among programs nationwide that best demonstrates efforts to improve the livability of their communities.
- Successfully secured bid to host Senior Softball USA Eastern National Tournament at Walnut Creek Softball Complex. The three year agreement will generate an estimated \$500,000 per year in economic impact for the community.
- Parks and Recreation Department, in partnership with the Crabtree Rotary, held its first annual Holiday Express event at Pullen Park. An estimated 8,000 children of all ages gathered each evening to see Pullen Park turned into a winter wonderland.
- Selected as host city and agency for the 2010 North Carolina Recreation and Park Association Annual Conference to be held in Raleigh's new Convention Center.

- Community involvement in park improvement projects continues to increase through volunteer and partnership opportunities initiated under the Adopt-a-Park Program and the Park and Greenway Improvement Program. Awarded \$60,000 in funding and provided staff support for facility renovation and landscape improvement projects that were completed by volunteers at 51 different locations throughout the city. Established 26 Adopt-a-Park agreements with volunteers and worked with an additional 2,100 citizen volunteers providing service hours valued at \$110,000.
- Continued to partner with the Arts Commission on public art in parks with the installation of sculptures at Chavis Park and Fletcher Park.
- Updated fee structure and service enhancements initiated at Mt. Hope Cemetery.
- Expanded maintenance services on Fayetteville Street and in the Central Business District to cover additional operational hours of businesses and downtown special events.
- Completed improvements to Mordecai Mini-Park including new playground areas, picnic structures, fencing, paved walkways, water fountain and signage.
- Began pilot project to test a new automated work order and asset management software program for assessment of application for eventual city-wide implementation.
- Completion of sustainable energy plan benchmarking Building Maintenance efforts to create a program focused on implementing energy initiatives at select city and parks and recreation facilities.
- Implementation of first phase of CityWorks program allowing Building Maintenance, Recreation, and Parks Division to expand maintenance services to customers throughout Park facilities and the Downtown area.
- Building Maintenance, in conjunction with Design Development, successfully converted Millbrook Pool from a seasonal facility to a year-round facility.
- Installed Knox Box systems throughout parks and downtown facilities.

Environmental Initiatives

- Eliminate Unnecessary Travel
 - Reduce the number and frequency of off-site meetings.
 - Utilize conference calls in lieu of face to face meetings when and where possible.
 - Carpool to meetings.
 - Supervisors plan work and routes to eliminate unnecessary trips.
 - Utilize multiple dispatch locations.
 - Bulk order and warehouse inventory.
 - Mail delivery from parks and recreation division offices to the municipal building limited to once daily.
- Use of Gas/Diesel Equipment
 - Supervisors ride with crew whenever possible.
 - Consolidate staff into as few vehicles as possible.
 - Vehicles turned off and locked when not occupied. Vehicles engines may be left on as necessary to operate emergency flashers, arrow boards and other required warning devices.
- Recreation Programming
 - Senior Clubs are encouraged to schedule speakers, entertainment or other activities in the place of local outings and trips using departmental provided vehicles.
 - Summer camp programs limit the number of field trips offered during each session.

- Adopt and enforce land-use policies that reduce sprawl, preserve open space, and create compact, walkable urban communities.
 - Preservation of greenways and other natural open areas.
- Promote transportation options such as bicycle trails, commute trip reduction programs, incentives for car pooling and public transit.
 - Maintenance and publicity of greenway trails as an alternate transportation option.
 - Use park gators (electric golf-cart-style transportation) in place of trucks.
- Make energy efficiency a priority through building code improvements, retrofitting city facilities with energy efficient lighting and urging employees to conserve energy and save money.
 - Fixture conversion from metal halide and high pressure sodium to a T5 or T8 fixture.
 - Conversion of can lights from flood lights or incandescent to compact fluorescent lights.
 - Fixtures that have not been upgraded are matched with energy efficiency bulbs.
 - Motion sensors have been installed in major facilities in bathrooms and break rooms in Downtown commercial facilities and will be expanded to other community center facilities.
 - Motion sensors in conference rooms and hallways will require dimming controls.
 - Expand Direct Digital Controls (DDC) in downtown facilities and convert from pneumatic to DDC in the One Exchange Plaza facility.
 - Add DDC during renovations and life cycle replacements.
 - Incorporate turning lighting off into the Downtown janitorial contract.
 - Turn off lights in unoccupied rooms when possible.
- Increase the average fuel efficiency of municipal fleet vehicles; reduce the number of vehicles; launch and employee education program including anti-idling message; convert diesel vehicles to bio-diesel.
 - Right-size and evaluate vehicle fuel type for replacement/new vehicles during budget process.
 - Research alternative fuel options.
- Increase recycling rates in city operations and in the community.
 - Partner with Solid Waste Services in establishing public recycling locations in city parks.
 - Vegetative debris generated from operation recycled at city yardwaste facility and reused in the form of compost and mulch.
 - Logs from trees are sold to milling operations to be recycled; funding generated to plant more trees under the NeighborWoods Program.
 - Encourage employees to recycle by placing collection bins in city facilities.
- Maintain healthy urban forests; promote tree planting to increase shading and to absorb CO2.
 - Urban Forestry staff actively engages in maintaining tree health along public rights-of-way, in city parks and open spaces and along riparian greenways.
 - 5,000 trees planted in residential areas under the Neighborwoods Program.
 - 7,000 trees planted in parks/public rights-of-way through partnership with Trees Across Raleigh.
 - Volunteer groups utilized to plant additional trees in city parks, greenways and open spaces.
 - 120 trees replaced throughout downtown and on public rights-of-way annually.
- Installed motion activated sensors in the restrooms of the Raleigh Municipal Building to reduce energy cost and consumption.
- One Exchange Plaza recycle recognition award as one of the first facilities to recycle in the Downtown District.
- Retrofitted existing lighting fixtures with incandescent fixtures in the Raleigh Municipal Building with increased efficiency lighting.
- Installed LED lighting in the plaza area of One Exchange Plaza in conjunction with the Mint Restaurant project.

- Allocated funding to begin installation of lavatory aerators, low flow and no flow urinals, reduced flow shower heads, and flush valve kits in facilities throughout the parks and downtown.
- Installed LED lighting in the Jamaica Drive greenway tunnel with lighting donated by vendor.
- Installed climate control telemetry system in the Police Training Center for increased energy efficiency and cost reduction.
- Converted traditional irrigation beltline system into drip irrigation system for improved water efficiency.
- Conduct division wide conference calls daily to reduce fuel consumption. Conference calls are used by management for scheduling and work order analysis purposes.
- Fuel Conservation: A number of fuel conservation strategies need to be fully examined and assessed prior to implementation. Some strategies will have a fiscal impact relative to purchasing alternative vehicles and equipment, landscaping areas that have been traditionally mowed, etc. Public education related to reduced mowing frequency or naturalization of some locations will be required. Fuel conservation strategies also include the development of remote operation centers in strategic locations in order to reduce travel time to worksites.
- Water Conservation: Additional funding may be required to purchase drought tolerant plants and trees to replace those lost due to prolonged drought conditions and to renovate existing landscapes with high water requirements. Conversion of existing irrigation systems to drip systems or “certified irrigation system” will also require funding, along with expanded mulching of trees and landscapes with commercially available, quality mulch product.
- Extension of the grey water system by Public Utilities and renovation of irrigation systems to accept this product is also anticipated.

Budget Detail

	ADOPTED BUDGET 2005-06	ADOPTED BUDGET 2006-07	ADOPTED BUDGET 2007-08	ADOPTED BUDGET 2008-09	CHANGE 2007-08 to 2008-09
EMPLOYEES					
Administration	13	17	18	21	3
Parks	113	110	113	115	2
Highway Maintenance	26	27	26	29	3
Cemeteries	4	4	4	4	0
Greenway	17	19	23	23	0
Recreation	88	93	95	100	5
School Based Programs			11	10	(1)
Urban Trees	13	13	13	13	0
Design & Development	9	10	11	19	8
Park Facility Maintenance	28	30	32	32	0
Building Maintenance	19	21	20	23	3
Aquatics Administration	2	2	2	3	1
Durant Nature Park	5	6	8	8	0
Mordecai Historic Park	1	1	2	2	0
Lake Johnson Boat House	2	2	2	2	0
Lake Wheeler	2	2	2	2	0
Optimist Pool	2	2	2	3	1
Pullen Aquatics Center	3	3	3	4	1
Pullen Park	2	2	2	2	0
Millbrook Exchange Pool	0	2	2	3	1
Grant Positions (Spec Pop)	6	0	0	0	0
TOTAL	355	366	391	418	27

Budget Detail (cont.)

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 to <u>2008-09</u>
DIRECT EXPENDITURES BY DIVISION					
Administration	\$ 1,168,961	\$ 1,462,856	\$ 1,771,944	\$ 2,656,541	49.9%
Parks	7,876,952	8,758,669	7,834,179	8,748,694	11.7%
Highway Maintenance	1,348,610	1,458,102	1,546,590	2,049,339	32.5%
Cemeteries	178,695	252,877	283,352	328,995	16.1%
Greenway	931,596	1,077,288	1,312,345	1,504,703	14.7%
Recreation	8,425,413	9,080,625	9,665,387	11,080,449	14.6%
Project Phoenix	85,285	85,285	32,136	26,596	(17.2%)
School Based Programs	-	-	1,712,675	1,687,520	(1.5%)
Urban Trees	935,123	1,020,762	1,084,727	1,206,942	11.3%
Design & Development	633,088	765,110	860,810	1,463,394	70.0%
Park Facility Maintenance	2,252,812	2,914,177	4,908,835	5,648,196	15.1%
Building Maintenance	3,577,247	3,968,553	3,073,912	3,413,108	11.0%
Aquatics Administration	283,858	291,112	311,542	317,911	2.0%
Durant Nature Park	472,868	567,961	771,927	714,444	(7.4%)
Mordecai Historic Park	167,715	191,823	205,358	222,454	8.3%
Lake Johnson Boat House	225,401	236,264	261,895	263,642	0.7%
Lake Wheeler	268,514	288,656	309,192	306,536	(0.9%)
Optimist Pool	462,512	501,737	309,869	355,362	14.7%
Pullen Aquatics Center	541,585	585,576	688,433	601,662	(12.6%)
Pullen Park	419,366	415,421	437,946	328,120	(25.1%)
Shelley Lake	59,939	60,085	61,914	53,414	(13.7%)
Millbrook Exchange Pool	-	47,345	461,244	472,218	2.4%
Seasonal Pools	432,424	483,479	416,131	490,135	17.8%
TOTAL	\$ 30,747,964	\$ 34,513,763	\$ 38,322,343	\$ 43,940,375	14.7%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 17,486,784	\$ 19,411,452	\$ 21,631,486	\$ 23,569,150	9.0%
Employee Benefits	3,542,712	4,296,072	4,921,151	5,361,898	9.0%
Operating Expenditures	9,282,426	10,360,391	10,846,436	12,039,377	11.0%
Special Programs and Projects	-	-	375,685	816,596	117.4%
Capital Equipment - New	4,800	5,100	28,525	417,182	1362.5%
Capital Equipment - Replace	72,300	35,700	53,000	1,161,225	2091.0%
Interfund Expenditure	358,942	405,048	466,060	574,947	23.4%
TOTAL	\$ 30,747,964	\$ 34,513,763	\$ 38,322,343	\$ 43,940,375	14.7%

Highlighted Budget Changes (July 2008 – June 2009)

- A structural assessment of existing bridges, boardwalks and similar structures located throughout the parks system will be conducted over a five year period to assess a total of 218 structures.
- Increases in utility and operating accounts to accommodate rate increases; additional hours of operation at community and aquatic centers; new facilities (city and leased); and to accommodate the impact of new programs.
- Optimist Pool and Pullen Park are scheduled for major capital improvements during FY 2008 and FY 2009. These improvements will impact patron use as well as revenues and expenditures. Three full-time Recreation Program Supervisors are included in the FY 2009 budget to provide a higher level of safety and service to its patrons.
- The FY 2009 budget includes a Senior Staff Analyst to support the Parks Division and a Staff Support Specialist for the Aquatics Administration program in Recreation Division.
- The FY 2009 budget includes one Gardener, one Equipment Operator I and one Service Worker and associated equipment to support expanded highway maintenance.

- The budget reflects full-year funding of ten additional mid-year positions authorized during FY 2008.
- The budget reflects the conversion of several part-time salaried positions to full-time positions, to improve customer service and increase efficiency and productivity. Several of these positions include staff support specialists in both the tennis and aquatics programs, and three program supervisors in the pool division.
- This budget reflects the addition of a Project Engineer in Design and Development to provide oversight to the numerous projects being undertaken as a result of the 2007 bond referendum.
- This budget also provides for the replacement of several vehicles, such as an electric utility vehicle for Building Maintenance to be utilized around the downtown complex for maintenance duties, the Molley Trolley, which is used extensively for weddings and other special events throughout the year, and a 15-20 passenger mini-bus that is used to assist the Recreation Department's Adventure Program.
- The FY 2009 budget includes one Gardener for Pullen Park, known for its extensive annual beds & manicured landscape. This position will provide a high level of horticultural management to meet the standards of expectations of all visitors.
- To support the increased growth of the tennis program, a full-time office assistant has been included in this budget, to provide more effective and consistent customer service.
- Funding was included in the FY 2009 budget to support the leasing, up-fitting and staffing of non-traditional neighborhood park areas within Area #39 (bordered by Creedmoor, Lead Mine, Strickland and Lynn Roads) as identified in the Comprehensive Plan.
- This budget also provides for the staffing of a full-time recreation facilities and program supervisor that will be responsible for the operations of both the Top Greene and the Sgt. Courtney T. Johnson Community Centers.

Goals and Objectives

Goal: To plan and implement the city's largest parks capital program and to manage, operate and maintain a rapidly growing set of facilities, programs and parkland.

- Objective: Realign the staff and create a more manageable organizational structure in order to continue to successfully satisfy the growing customer demand for park and recreation services.
- Objective: Identify and pursue additional resource opportunities through grants and gifts that contribute significantly to land acquisition, protection and program development efforts.
- Objective: Create new opportunities for citizens to enjoy recreational programs and outdoor amenities within their own neighborhood.

Goal: Provide recreation and open space opportunities to serve all residents.

- Objective: Evaluate and prioritize potential park sites to maximize park acquisition.
- Objective: Provide facilities and programs that serve a broad cross section of the city's residents.
- Objective: Complete park master plans and system integration plans as required by Resolution 2003 735 for park development projects.
- Objective: Complete CIP projects authorized and funded in prior year and current year budgets.

Goal: Capitalize on the value of park and recreation facilities, parks, and programs to improve the overall aesthetic character of the city and as a means of promoting livability.

Objective: Effectively maintain facilities and systems through preventative maintenance, performance standards, facility management and responsiveness to internal and external service requests.

Objective: Provide diverse programs, well-balanced and well-maintained parks.

Objective: Implement a recreation program development model to ensure balanced program opportunities to serve all ages throughout the city.

Goal: Optimize the appreciation, use and stewardship of Raleigh's historic, cultural and natural resource heritage.

Objective: Maintain parks and greenways using nationally-accepted sustainable design principles and best management practices.

Objective: Rehabilitation of the city cemetery.

Objective: Coordinate strategies with other city departments and NCDOT to upgrade existing landscape plantings for improved maintenance and appearance while conserving water.

Goal: Provide the opportunity for community involvement and volunteerism

Objective: Increase marketing efforts to secure adoption of 56 miles of greenway trails by volunteer groups.

Goal: Encourage inter- and intra-governmental collaboration.

Objective: Pursue additional opportunities to coordinate and cooperate with Wake County, the Wake County Public School System, neighboring municipalities, the State of North Carolina and federal agencies (e.g. US Army Corps of Engineers and Federal Highway Administration) in the acquisition, development and use of parks and recreational facilities.

Objective: Work with other departments to develop programs in targeted areas of the city where gang activity, substance abuse and crime issues need to be addressed.

Objective: Implement an inter-departmental maintenance management plan for Fayetteville Street.

Objective: Conduct regular inspections of all park facilities to identify and implement preventative measures to ensure compliance with federal and state regulations for the protection and safety of all staff and citizen users of our park facilities.

Goal: Increase customer service through business and technology initiatives

Objective: Establish and staff a year-round Recreation Business Office with convenient public access to meet customer demand for alternative payment options when registering for multiple programs, including year-round and special seasonal registration periods.

Objective: Provide technology support and training to enable department staff to expand their knowledge and use of registration and facility reservation software modules and to implement point-of-sale module to improve customer service at aquatic facilities, tennis center, art centers and parks with concession operations.

Objective: Expand implementation, GIS support and training for 50 additional staff on use of work order and asset management system throughout the Parks and Recreation Department.

Objective: Increase department's capacity to offer financial assistance to need-based families and to improve revenue collection among all customers who participate in programs offered throughout the year.

Objective: Increase and optimize network access and use of computers by supervisory and part-time staff where need is justified.

Goal: Capture all utility costs associated within facilities and systems.

Objective: Create a strategic energy plan to include emphasis on energy consumption within city facilities and make recommendations for efficient energy use and cost savings.

Revolving Fund

The Revolving Fund consists of self-sustaining programs, primarily found in Parks and Recreation. Types of programs include classes, workshops and camps held at various 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 from recreational activities is returned to the General Fund to support the overall Parks and Recreation 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. Types of programs include classes offered by the Raleigh Television Network, the Inspections training program and transportation pole banners. Other departments with programs in this fund receive contributions that are used to purchase community watch signs and to support special police programs.

Budget Detail

	ADOPTED BUDGET	ADOPTED BUDGET	ADOPTED BUDGET	ADOPTED BUDGET	CHANGE 2007-08 to
	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2008-09</u>
DIRECT EXPENDITURES					
Transfers to Fd 100, 625	75,000	75,000	100,000	647,527	547.5%
Arts Commission	77,298	6,000	6,000	6,000	0.0%
Artspace Building	257,000	257,000	257,000	-	(100.0%)
RTN Promotions	55,663	28,992	25,000	25,000	0.0%
RTN Equipment	853,720	221,760	201,400	201,400	0.0%
Raleigh Historic District Loan Fund	191,000	191,000	191,000	191,000	0.0%
Appearance Commission	3,000	3,000	3,000	3,000	0.0%
Trans - Pole Banners	2,000	4,000	4,000	4,000	0.0%
Inspections Training Prog	25,000	25,000	25,000	25,000	0.0%
Inspections At Your Service	-	-	-	20,001	
Citizen Involvement	12,000	12,000	12,000	12,000	0.0%
Community Watch Signs	3,500	3,500	3,500	3,500	0.0%
Police Donations	4,000	4,000	4,000	4,000	0.0%
Fire-Reg Resp Team #4	-	67,000	67,000	67,000	0.0%
Adventure Camps	42,205	65,000	85,540	102,450	19.8%
Biltmore Hills Center	36,894	37,850	42,750	47,820	11.9%
Borden Building	40,586	39,600	40,585	40,100	(1.2%)
Camp Friendly	114,319	95,100	116,375	121,900	4.7%
Carolina Pines Center	48,074	48,475	48,185	54,885	13.9%
Charlotte Hilton Green Park	969	-	-	-	
Chavis Youth Program	71,754	85,750	86,670	147,115	69.7%
Community Center Equipment	165,000	150,000	130,000	155,000	19.2%
Fall Youth Baseball	22,185	23,200	42,750	38,244	(10.5%)
Fletcher Award Program	1,500	4,000	7,565	7,500	(0.9%)
General Recreation	131,639	135,000	150,650	133,050	(11.7%)
Golden Years	97,884	150,775	150,790	158,150	4.9%
Green Road Center	123,755	127,630	149,010	156,460	5.0%
Halifax Center	18,874	23,050	22,390	23,650	5.6%
Hemerocallis Garden	2,691	6,459	8,612	8,612	0.0%
Jaycee Center	208,775	251,425	240,175	248,160	3.3%
Lions Park	38,345	37,930	39,205	47,685	21.6%
Method Center	44,615	44,550	44,555	44,385	(0.4%)
Millbrook Center	138,722	140,375	158,330	207,510	31.1%
SUBTOTAL	2,907,967	2,364,421	\$ 2,463,037	\$ 2,952,104	19.9%

(Continues on next page)

Budget Detail (cont'd)

DIRECT EXPENDITURES (Continued)	ADOPTED	ADOPTED	ADOPTED	ADOPTED	CHANGE
	BUDGET	BUDGET	BUDGET	BUDGET	2007-08 to
	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2008-09</u>
Nature Camp	40,913	48,950	40,030	\$ 53,700	34.1%
Optimist Center	57,790	78,575	97,965	90,410	(7.7%)
Parks & Recreation Automation	392,855	420,812	473,140	550,150	16.3%
Parks & Recreation Marketing	256,521	265,750	298,670	367,305	23.0%
Parks & Rec Sports Consortium	40,000	40,000	40,000	40,000	0.0%
Participant Insurance	11,400	11,400	11,400	6,500	(43.0%)
Pullen Arts & Crafts	208,220	212,119	226,420	225,275	(0.5%)
Pullen Community Center	73,682	79,550	98,120	93,650	(4.6%)
Raleigh Youth Council	8,250	8,250	11,005	11,255	2.3%
Youth Team Uniforms	121,000	138,000	154,000	160,000	3.9%
Ralph Campbell Center	4,730	4,100	4,100	5,650	37.8%
Roberts Park	39,565	42,070	44,420	45,460	2.3%
Run for the Oaks	15,040	12,050	16,020	23,600	47.3%
Sertoma Arts Center	212,870	216,735	218,950	219,680	0.3%
After School	252,432	356,650	1,000,000	-	(100.0%)
Computer Labs	153,273	153,300	142,500	106,200	(25.5%)
Tarboro Road Center	21,230	34,690	47,890	58,210	21.5%
Teen Camps	72,230	84,400	89,910	117,550	30.7%
Tennis	299,136	371,170	433,005	523,295	20.9%
Tucker Mansion	30,256	29,260	31,760	54,375	71.2%
Visual/Hearing Impaired	39,757	49,275	46,325	54,825	18.3%
Walnut Terrace	6,730	7,675	8,485	10,565	24.5%
Worthdale Center	33,530	33,215	33,145	39,385	18.8%
Aquatic Instruction Programs	298,817	359,000	380,960	373,280	(2.0%)
Police Summer Basketball	10,146	9,975	10,045	10,075	0.3%
Laurel Hills Center	321,564	329,725	364,675	371,785	1.9%
Lake Lynn Center	189,426	203,675	239,565	243,920	1.8%
Lake Johnson Center & Cabin	61,230	62,075	61,340	81,640	33.1%
Camp Ranoca	203,680	222,000	255,080	276,900	8.6%
Lake Wheeler	31,636	31,650	41,490	22,475	(45.8%)
Anderson Point	14,930	13,950	18,730	29,975	60.0%
Third Party Events	12,922	12,922	12,922	6,899	(46.6%)
Neighborhood Street Trees	45,000	65,000	85,000	50,000	(41.2%)
Peach Road Comm Center	8,959	9,700	12,895	13,425	4.1%
Barwell Rd. Community Center	-	20,750	74,750	121,285	62.3%
Briar Creek Community Center	-	20,750	82,010	136,285	66.2%
Mordecai Park	-	41,700	54,150	100,225	85.1%
Middle School Programs	-	-	-	9,997	
TOTAL	\$ 6,497,687	\$ 6,465,289	\$ 7,723,909	\$ 7,657,310	(0.9%)

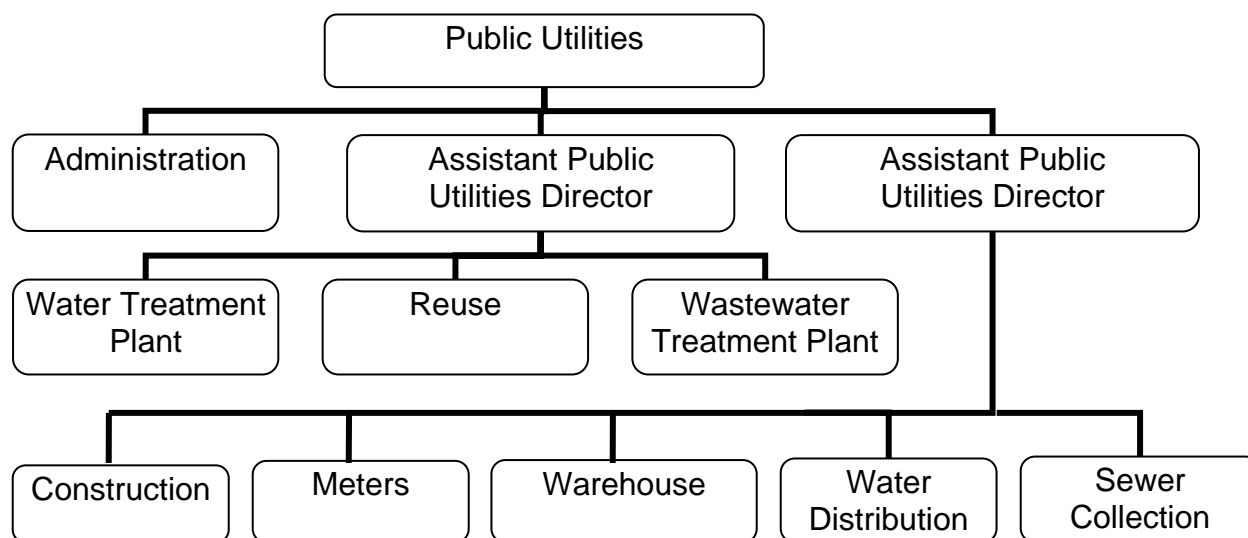
Public Utilities Department

The Public Utilities Department provides for the treatment and distribution of the city's drinking water supply, as well as, the collection and treatment of wastewater in Raleigh, Garner, Rolesville, Wake Forest, Knightdale, Wendell and Zebulon. Raleigh sells water, wastewater treatment, or both services to several municipalities, including the towns of Apex, Fuquay-Varina, Middlesex, and Clayton, as well as Johnston County. The budget for all departmental operations is a self-supporting enterprise, fully funded by revenues received from the users of the water and wastewater services.

Additional information regarding the Public Utilities Department may be obtained by contacting Dale Crisp, Public Utilities Director, at (919) 857-4540 or via email at dale.crisp@ci.raleigh.nc.us.

Mission

The goal of the Public Utilities Department is to provide the best water and wastewater services for our customers while protecting the environment and maintaining public health at a fair and reasonable cost.



Accomplishments (July 2007 – June 2008)

- Achieved 100% compliance in 2007 with the Safe Drinking Water Act (SDWA) requirements at E.M. Johnson Water Treatment Plant (EMJWTP) and G.G. Hill Water Treatment Plant (GGHWTP).
- Achieved 100% permit compliance in National Pollutant Discharge Elimination System (NPDES) at Neuse River Wastewater Treatment Plant (NRWWTP), Smith Creek Wastewater Treatment Plant (SCWWTP), Little Creek Wastewater Treatment Plant (LCWWTP) and Wrenn Road Wastewater Treatment Plant (WRWWTP).
- Started renovation of Utility Field Operations Center (UFOC) and North Raleigh UFOC.
- Completed the Biosolids Environmental Management System (EMS) Verification Audit.
- Continued Automated Meter Reading (AMR) program installation to convert meters throughout entire service area.
- Acquired Utility Field Operations Center site in East Raleigh (ERUFOC).

Environmental Initiatives

- Utilization of low sulfur diesel (LSD) fuel for plant and river generator operations significantly decreased the emission of particulate by-products and smog forming nitrogen oxides. Plans are underway to switch to Ultra Low Sulfur Diesel (ULSD), which can reduce emissions by 90%.
- Initiation of the expansion of the Zebulon service area reclaimed water distribution system and the design of the Southeast Raleigh reclaimed water distribution project thereby providing an environmentally responsible alternative to the utilization of potable water for non-potable uses.
- Utilization of the Neuse River Wastewater Treatment Plant (NRWWTP) Environmental Management System (EMS), a management tool used to develop, implement and monitor environmentally sustainable practices. EMS assists the NRWWTP to be efficient, responsive and protective of the environment.
- Participation in the Upper Neuse River Basin Association, an organization whose mission is to preserve the water quality of the Upper Neuse River Basin through innovative and cost-effective pollution reduction strategies. This association is also a forum for municipalities, counties and local soil and water conservation districts to cooperate on water quality protection and water resource management within the 770 square mile watershed.
- Continuation of an annual three-day festival, WaterFest, for school children kindergarten through eighth grades. This festival is held in conjunction with the National Drinking Water Week and is a fun-filled, hands-on event focusing on environmental education and including a focus on water conservation.
- Participation in the Triangle Area Source Water Monitoring Program (TASWMP), a collaborative local government program working to examine long-term trends in source water quality. Phase VI will include new laboratory techniques for quantifying mercury contamination in local drinking water supply reservoirs.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
EMPLOYEES					
Administration	27	35	40	39	(1)
Water Plant	65	78	80	82	2
Waste Treatment Plant	67	71	82	83	1
Reuse Operations	25	23	25	28	3
Utilities Construction	50	63	65	70	5
Sewer Collection Maintenance	67	67	69	69	0
Water Distribution Maintenance	64	79	99	106	7
Meters	64	68	75	79	4
Warehouse	9	10	12	15	3
TOTAL	438	494	547	571	24
DIRECT EXPENDITURES BY DIVISION					
Administration	\$ 3,134,625	\$ 3,760,047	\$ 4,412,044	\$ 4,690,733	6.3%
Water Plant	14,774,044	15,420,875	16,606,442	18,872,569	13.6%
Waste Treatment Plant	12,283,007	12,815,263	15,518,363	16,181,184	4.3%
Reuse Operations	3,712,997	4,058,323	4,433,632	5,003,975	12.9%
Utilities Construction	4,671,374	6,088,921	6,522,738	7,199,931	10.4%
Sewer Collection Maintenance	5,358,818	5,811,403	6,115,068	6,344,859	3.8%
Water Distribution Maintenance	4,743,534	5,521,500	6,611,043	8,323,499	25.9%
Meters	4,199,755	5,002,629	6,096,083	6,458,602	5.9%
Warehouse	1,214,049	1,469,513	2,421,421	2,723,075	12.5%
Subtotal, Utilities Operations	\$ 54,092,203	\$ 59,948,474	\$ 68,736,834	\$ 75,798,427	10.3%
Special Appropriations	\$ 39,390,150	\$ 40,778,087	\$ 59,636,208	\$ 67,423,969	13.1%
TOTAL	\$ 93,482,353	\$ 100,726,561	\$ 128,373,042	\$ 143,222,396	11.6%
DIRECT EXPENDITURES BY TYPE					
Personal Services	\$ 17,529,742	\$ 20,456,748	\$ 23,321,111	\$ 25,449,774	9.1%
Employee Benefits	4,617,207	5,793,625	7,337,903	7,882,126	7.4%
Operating Expenditures	38,454,389	36,590,875	38,043,294	41,770,375	9.8%
Special Programs and Projects	-	-	5,566,820	4,818,937	(13.4%)
Capital Equip - New	450,295	891,380	1,186,180	1,752,020	47.7%
Capital Equip - Replacement	77,000	26,200	22,000	-	(100.0%)
Interfund Transfers	32,353,720	36,967,733	52,895,734	61,549,164	16.4%
TOTAL	\$ 93,482,353	\$ 100,726,561	\$ 128,373,042	\$ 143,222,396	11.6%

Highlighted Budget Changes (July 2008 – June 2009)

- Acquisition of Utility Field Operations Center site in South Raleigh (SRUFOC).
- Implementation of an aggressive Public Utilities capital improvement program.
- Continue construction of the new Dempsey E. Benton Water Treatment Plant (DEBWTP).
- Complete Automatic Meter Reading program installation in all service areas.
- Expand EMS Verification Audit to include remote wastewater facilities.
- Primary revenues from sales of water and waste water service are projected using a 15% water and waste water rate increase necessary to maintain the quality of service expected and to invest in projects to maintain a sound environmental stewardship approach to operations.
- This budget includes 24 new positions to support the continued growth that has occurred over the combined seven water and sewer service areas.

- This budget increases the Nutrient Reduction Fee from \$100 to \$500 per water connection.

Goals and Objectives

Goal: To maintain current level of service in all operating areas.

Objective: Implement recommendations of the CDM December 2007 Sewer System Capacity Study and the Hazen and Sawyer June 2007 Water Quality Study and Master Plan Update.

Objective: Incorporate emerging technology to improve efficiency and effectiveness.

Objective: Encourage and promote staff participation in certification programs.

Goal: To accommodate projected 3% customer growth.

Objective: Prioritize capital improvement projects in order to ensure customer needs are being met as efficiently as possible.

Objective: Develop a new water supply in the Little River Basin to meet projected growth.

Goal: To continue 100% compliance record with SDWA and NPDES permits at all plants.

Objective: Implement capital projects to increase treatment capacities and provide performance improvements.

Objective: Facilitate staff compliance with continuing education requirements to maintain a highly trained operations staff.

Goal: To return to monthly billing schedule throughout all service areas once Automated Meter Reading (AMR) sufficiently complete.

Objective: Prioritize AMR equipment purchases and train current staff on new AMR processes and equipment.

Objective: Complete installation of all AMRs.

Objective: Upgrade Utility Billing software to accommodate monthly billing.

Goal: To cease operations at G.G. Hill Water Treatment Plant and Wrenn Road Wastewater Treatment Plant by providing water and sewer treatment from other treatment plants.

Objective: Complete Falls of Neuse water line to enable Public Utilities to adequately supply water to the town of Wake Forest.

Objective: Expand treatment capacity and operations at NR, SC, and LC WWTPs.

Goal: To prepare for start-up of D.E. Benton Water Treatment Plant (DEBWTP).

Objective: Complete construction of the DEBWTP on or ahead of schedule.

Objective: Begin the gradual staffing of the DEBWTP and develop an action plan to ensure adequate staffing by plant opening.

Goal: To develop South Raleigh UFOC for service delivery.

Objective: Find a centrally-located site in the South Raleigh service area.

Objective: Renovate or construct a facility to meet operational needs of South Raleigh customer base.

Goal: To promote Water Conservation philosophy to customer base.

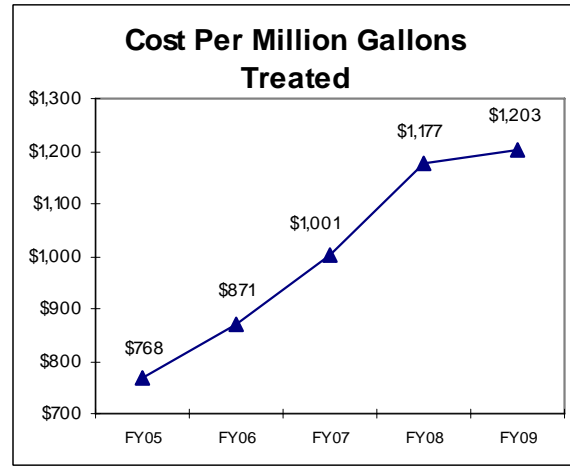
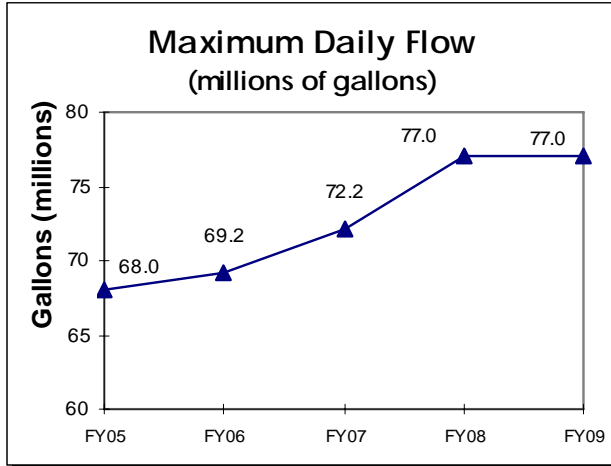
Objective: To educate and promote water conservation literacy to customer base.

Objective: To continue and expand Water Fest event.

Goal: To increase utilization of reuse water throughout service area.

Objective: To complete construction of Phase I of Black and Veatch February 2007 Reuse Water System Master Plan.

Performance Indicators



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 Certificate of Participation for the construction of a new convention center facility in downtown Raleigh.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 10,566,000	\$ 10,334,084	\$ 10,322,854	\$ 11,788,805	14.2%
DEBT SERVICE BY PURPOSE					
Certificates of Participation	\$ 10,326,000	\$ 9,837,830	\$ 9,837,830	\$ 11,306,051	14.9%
Other Expenses	240,000	496,254	485,024	482,754	(0.5%)
TOTAL	\$ 10,566,000	\$ 10,334,084	\$ 10,322,854	\$ 11,788,805	14.2%

Economic Development Fund

The Economic Development Fund provides support for economic development activities that benefit the city. Sources of revenue for this fund are primarily transfers from other operating funds, including a subsidy of \$1,160,853 from the General Fund and an annual contribution of \$75,000 from the Public Utilities Fund.

Included for FY 2009 is funding for several continuation and expansion programs such as \$197,500 for economic development initiatives conducted on behalf of the city by the Greater Raleigh Chamber of Commerce, \$50,000 for Raleigh Area Development Authority (RADA), and \$82,500 for the city's membership in the Triangle J Council of Governments and support of an air quality study. In addition, there are appropriations of \$1,500 to the Capital City Band Expo and \$1,500 to the Wakefield Band Expo, which entitle the city to be named as a Corporate Sponsor of these events.

The FY 2009 budget includes an appropriation in the amount of \$230,000 to projects and initiatives identified by the Southeast Raleigh Assembly. The Assembly was created by Council for the purpose of initiating planning processes, programs, and economic development projects designed to improve the economic well-being of the Southeast Raleigh community. Also included is an appropriation of \$150,000 to the Southeast Raleigh Virtual Business Incubator (VBI).

The continuation of certain funding in the Economic Development Fund is indicative of the city's continued support for economic development support for downtown initiatives including: \$155,000 to the Downtown Raleigh Alliance; \$100,000 for programming and planning of downtown events; \$15,000 for the business facade program; \$24,000 in reserve for economic development projects; and a modest amount of funding to provide public access wireless internet service in the 300 block of Fayetteville Street Mall.

New funding is provided for the first of a three-year economic incentive payment to Optimal Technologies of \$108,333 and the second of three annual \$150,000 payments to Gale Force for a Council negotiated economic incentive to attract a religious conference for a three year period.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 840,000	\$ 1,026,562	\$ 1,021,500	\$ 1,249,353	22.3%

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. State statutes require full funding for debt service obligations in the budget. In the front section of this document, there is an explanation of the City's long-term debt policies.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 24,214,488	\$ 30,480,998	\$ 29,798,411	\$ 47,745,711	60.2%
DEBT SERVICE BY PURPOSE					
G.O. Public Improvement	\$ 13,527,343	\$ 16,906,902	\$ 16,935,258	\$ 22,877,959	35.1%
G.O. Refunding	7,675,126	8,779,238	8,348,996	6,356,738	-23.9%
Certificates of Participation	1,611,719	2,699,694	4,009,474	5,035,283	25.6%
Other Installment Finance Agreement:	985,300	1,680,164	69,683	1,288,921	1749.7%
Other Expenses	415,000	415,000	435,000	458,000	5.3%
Biannual Budget Reserve				11,728,810	
TOTAL	\$ 24,214,488	\$ 30,480,998	\$ 29,798,411	\$ 47,745,711	60.2%

Hotel/Motel Tax Fund

Wake County levies a 6% occupancy tax on the rental of hotel and motel rooms in Wake County. Wake County and the City of Raleigh established a procedure for collecting and remitting the 6% tax in accordance with their authorizing legislation and interlocal agreement. Previously, the City was responsible for collecting the tax and remitting the proceeds to the county for distribution to all eligible parties. Because of this, the City was able to retain 3% of the gross tax proceeds (typically \$270,000) as reimbursement for tax collection and administration.

Beginning in July 2005, the county assumed responsibility of collecting the tax. The County remits tax proceeds to the City in the amount of \$680,000 annually. This represents the Raleigh “hold back” amount. The legislation indicates that these funds can be used to support visitor related facilities, programs and activities, and off-street parking facilities. Beginning in the FY2008-09 budget this \$680,000 will flow directly into the General Fund, with the same allocation made to the General Debt Service Fund as in years past. This is an administrative change and has no budget impact.

The remaining portions of the tax proceeds not distributed by the County, in accordance with legislation and interlocal agreement, will be retained by the County and deposited into a Projects Reserve Fund. Over the next several years, these funds may be used for a variety of projects outlined in the interlocal agreement.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 680,000	\$ 680,000	\$ 680,000	\$ -	(-100%)

Parking Debt Service Fund

The Parking Debt Service Fund provides for the payment of principal, interest, and other expenses related to existing debt associated with parking decks and other parking projects. In the front section of this document, there is an explanation of the City's long-term debt policies.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 5,317,003	\$ 5,737,706	\$ 6,629,736	\$ 7,778,610	17.3%
DEBT SERVICE BY PURPOSE					
G.O. Public Improvement	\$ 681,450	\$ 662,650	\$ 643,850	\$ 725,050	12.6%
G.O. Refunding	442,250	423,750	315,250	186,250	-40.9%
Certificates of Participation	3,883,512	4,341,515	5,360,845	6,530,758	21.8%
Other Installment Finance Agreement:	109,791	109,791	109,791	-	-100.0%
Other Expenses	200,000	200,000	200,000	336,552	68.3%
TOTAL	\$ 5,317,003	\$ 5,737,706	\$ 6,629,736	\$ 7,778,610	17.3%

Risk Management Fund

The Risk Management program provides risk management services to protect the City's interest with respect to the city's property and professional liability, 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.

The FY 2009 budget implements a technical change to the allocation of workers compensation costs within the city. Previously, workers compensation costs were budgeted in a single special appropriations account in the General Fund and in Public Utilities. Now, these costs will be allocated within individual departments based upon staffing levels and actuarial workers compensation claims cost projections.

Additional information regarding the Risk Management program may be obtained by contacting Perry E. James III, Chief Financial Officer, at (919) 890-3215 or via email at perry.james@ci.raleigh.nc.us.

Budget Detail

	<u>ADOPTED BUDGET 2005-06</u>	<u>ADOPTED BUDGET 2006-07</u>	<u>ADOPTED BUDGET 2007-08</u>	<u>ADOPTED BUDGET 2008-09</u>	<u>CHANGE 2007-08 TO 2008-09</u>
EMPLOYEES	0	4	4	5	1
DIRECT EXPENDITURES					
Risk Mgt - General Fund	\$ 5,282,000	\$ 5,497,437	\$ 6,490,188	\$ 9,268,290	42.8%
Risk Mgt - Public Utilities	1,500,000	2,000,000	2,260,000	1,508,337	(33.3%)
TOTAL	\$ 6,782,000	\$ 7,497,437	\$ 8,750,188	\$ 10,776,627	23.2%

Utilities 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. In the front section of this document, there is an explanation of the City's long-term debt policies.

Budget Detail

	ADOPTED BUDGET <u>2005-06</u>	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>	CHANGE 2007-08 TO <u>2008-09</u>
DIRECT EXPENDITURES	\$ 19,839,999	\$ 30,132,052	\$ 34,489,769	\$ 49,763,856	44.3%
DEBT SERVICE BY PURPOSE					
G.O. Water & Sewer Improvement	\$ 1,575,291	\$ -	\$ -	\$ -	-
G.O. Refunding	3,224,056	3,938,250	3,326,248	2,538,956	-23.7%
Revenue Bond Water & Sewer Improvement	9,020,420	19,674,371	19,337,126	25,662,448	32.7%
Revenue Bond Refunding	2,010,165	1,668,277	5,870,060	5,875,235	0.1%
Other Installment Finance Agreements	3,900,067	4,741,154	5,846,335	10,026,050	71.5%
Other Expenses	110,000	110,000	110,000	110,000	0.0%
Biannual Budget Reserve	-	-	-	5,551,167	0.0%
TOTAL	\$ 19,839,999	\$ 30,132,052	\$ 34,489,769	\$ 49,763,856	44.3%

Capital Summary

The Capital Budget includes appropriations for major public facility improvements that are authorized and budgeted in a number of capital funds. Certain funds reported below, such as the Powell Bill and Facility Fee, are established as special revenue funds and serve to receive and disburse revenues to other capital or operating funds. Bond funds are also reported; however, only the annual debt service costs associated with bond issuance are reported in the *Total Budget* and the *Summary Budget* sections of the budget document.

Fund totals reported are based on project funding requirements as outlined in the first year of the annual Capital Improvement Program. Details regarding specific projects funded within the capital budget are found in the FY 2009 through 2018 Capital Improvement Program document. Descriptions for each major capital fund follow in the budget detail.

Budget Detail

	ADOPTED BUDGET <u>2006-07</u>	ADOPTED BUDGET <u>2007-08</u>	ADOPTED BUDGET <u>2008-09</u>
DIRECT EXPENDITURES			
Water Capital Projects Fund	\$ 2,900,000	\$ 3,900,000	\$ 5,960,500
Sewer Capital Projects Fund	3,175,000	4,750,000	8,000,000
Parking Facilities Fund-Projects	675,000	2,007,000	282,500
Stormwater Utility Capital	6,852,000	6,317,300	4,674,700
Technology Capital Fund - Projects	2,100,000	2,000,000	1,873,500
ERP Project Fund			6,980,000
Capital Projects Fund - Miscellaneous	9,493,000	4,935,391	5,238,555
Sidewalk Fund	859,800	1,033,800	1,085,000
Street Improvement Fund	8,064,510	12,210,991	13,891,440
Street Facility Fees Fund	3,060,000	4,146,680	6,949,415
Park Acquisition -- Facility Fees Fund	2,002,000	2,614,648	4,402,920
Park Improvement Fund	3,501,667	4,490,505	4,006,015
Convention & Performing Arts Center Fund	200,000	300,000	418,000
Walnut Creek Amphitheater Capital Fund	334,000	368,000	334,000
Stormwater Projects Fund	1,400,000		
Powell Bill Fund	9,382,520	9,799,660	11,605,040
Convention Center Financing Fund	9,502,752	10,400,632	14,375,000
Housing Bond Fund 6/96	1,875,000	1,600,000	1,575,000
Sub-Total Non-Bond Funds	\$ 65,377,249	\$ 70,874,607	\$ 91,651,585
BOND FUND SUMMARY			
Water Revenue Bond	\$ 62,975,000	\$ 22,920,000	\$ 36,762,000
Sewer Revenue Bond	63,599,000	69,231,725	38,550,000
Stormwater Utility Bond		24,220,000	20,215,000
Miscellaneous Capital Projects Bond Fund	18,635,000		67,598,578
Street Bond Fund	11,574,000	28,971,000	18,057,300
Parks Bond	5,251,000	17,469,034	33,420,013
Housing Bond	2,825,000	3,350,000	3,450,000
Sub-Total Bond Funds	\$ 164,859,000	\$ 166,161,759	\$ 218,052,891

Water Capital Projects Fund

Revenues for this capital fund come primarily from the Public Utilities operating fund and interest income. Projects included are related to the maintenance of existing water delivery infrastructure, extension of water transmission lines, and projects located in the Garner service delivery area.

Sewer Capital Projects Fund

The major revenue source for this is also primarily from the Public Utilities operating fund. Included for funding in the sewer fund are projects for the replacement of sewer mains and for sewer construction in areas due for annexation.

Water Revenue Bond

Revenues for this capital fund come primarily from the issuance of revenue bonds. Projects included in this fund are related to the maintenance of water delivery infrastructure and various projects for maintenance and improvements on the water treatment plants.

Sewer Revenue Bond

Revenues for this capital fund come primarily from the issuance of revenue bonds. Projects included in this fund are related to the maintenance of wastewater infrastructure and various projects for maintenance and improvements on wastewater treatment plants.

Parking Facilities Fund-Projects

Funding is included for the initiation of a parking deck maintenance program as well as funding for the retail or commercial renovation required to allow for enterprise activities in specific, city-owned parking facilities.

Stormwater Utility Fund - Projects

This fund will provide for stormwater maintenance projects, basin studies, and Neuse River Basin Environmental Program projects. The major source of funding for these projects is stormwater utility fees.

Stormwater Utility Bond

Revenues for this capital fund come primarily from the issuance of revenue bonds. Projects included in this fund are related to the maintenance, restoration/preservation, renovation and construction of culverts, spillways, streams, and lakes.

Technology Capital Projects

This fund will provide for both remedial and new projects to upgrade and modernize the city technology infrastructure. These efforts will enhance customer service and allow for greater productivity and efficiency via system upgrades or the implementation of new technology applications.

ERP Project Fund

This fund will provide for the design, testing and implementation of the city's enterprise resource planning project.

Miscellaneous Projects Fund

This is the major fund for the placement of general facility maintenance projects. The major funding source for this fund in FY 2008-09 is the local option sales tax. Fire station construction and improvements, streetscape projects and downtown wayfinding, as well as various general facility maintenance and improvement projects are included.

Miscellaneous Capital Projects Bond

This is the major fund for placement of general facility maintenance projects. The major funding sources are 2/3rds GO bond proceeds and Certificates of Participation.

Sidewalk Fund

Revenue to the Sidewalk Fund includes sidewalk assessments, fees paid in lieu, and facility fees. Projects include various sidewalk repairs and improvements as well as thoroughfare streetlight installations.

Street Improvement Fund

Recommendations for projects within this fund include paving, resurfacing and design costs for various streets and the city's contribution to the traffic system upgrade.

Street Bond Fund

The revenues for this capital fund come primarily from the issuance of bond proceeds (interest and reserves) authorized by the 2005 Street Bond referendum.

Street Facility Fees Fund

Facility fees are revenue sources funding a variety of eligible street projects in the applicable facility fee zones of the city. Revenue accrued to this fund is expended within other capital funds.

Park Acquisition - Facility Fees Fund

Facility fees are revenue sources funding a variety of eligible park and greenway projects in the applicable facility fee zones of the city. Revenue accrued to this fund is expended within other capital funds.

Park Improvement Fund

The revenues for this capital fund come primarily from the issuance of bond proceeds (interest and reserves) authorized by the 2003 and 2007 Parks Bond referendums.

Convention Center and Memorial Auditorium Fund

Interlocal Agreement proceeds provide the primary revenue resource for this fund. Reserve funding for capital maintenance and improvement projects for these facilities is placed in this fund.

Walnut Creek Amphitheater Capital Fund

Revenue received by the city from the operating agreement of the amphitheater will serve to fund capital maintenance and improvements to this facility.

Powell Bill Fund

The Powell Bill Fund receives revenues from the State Gasoline Tax and Highway Trust Fund, which must be used for street maintenance, construction, snow removal, and other related uses on local city streets that are not part of the state highway system. Funds are used to support the General Fund for Powell Bill eligible costs and are a major source of funding for street maintenance and construction within other capital projects.

Convention Center Financing & Special Revenue Fund

Proceeds from the Hotel Occupancy and Prepared Food and Beverage taxes are accrued to this fund. Expenditures include appropriations made to the New Convention Center debt service fund and the Convention Center operating fund and capital maintenance funds.

Housing Bond

The revenues for this capital fund come primarily from the issuance of bond proceeds (interest and reserves) authorized by the 2005 Affordable Housing Bond referendum.

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

Be it ordained by City Council of the City of Raleigh, North Carolina:

Section 1. That the following amounts are hereby appropriated for the operation of the City Government and its activities for the fiscal year beginning July 1, 2008, and ending June 30, 2009, according to the following schedules:

GENERAL FUND

Revenues:

Property Taxes	\$ 178,535,380
Intergovernmental Revenues	26,181,655
Licenses, Fees and Other Revenues	61,183,330
From 1-Cent Sales Tax Revenues	73,162,311
From Fund Balance	13,000,000
From Interfund Revenue Reimbursement	20,454,424
From Other Funds	7,637,066
Interest Income	3,200,000

General Fund Revenue Total **\$ 383,354,166**

Expenditures:

General Government Administration	\$ 7,749,813
Special Appropriations and Interfund Transfers	72,840,525
Agency Appropriations	8,647,812
Personnel	3,212,963
Administrative Services	1,766,507
Finance	11,951,783
Information Technology	15,201,604
Public Works	29,033,677
Planning	4,446,155
Inspections	12,145,422
Community Services	2,148,455
Police	87,581,390
Fire	49,002,651
Emergency Communications	8,736,203
Solid Waste Services	26,327,891
Parks & Recreation	42,561,315

General Fund Expenditure Total **\$ 383,354,166**

ECONOMIC DEVELOPMENT FUND

Revenues:

From General Fund	\$ 1,160,853
From Interest Income	13,500
From Public Utilities Fund	75,000

Economic Development Fund Revenue Total **\$ 1,249,353**

Economic Development Fund Expenditure Total **\$ 1,249,353**

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

REVOLVING FUND

Revenues:

From Fees, Contributions and Reserves	\$	7,009,783	
From Fund Balance		647,527	
Revolving Fund Revenue Total	\$		7,657,310
Revolving Fund Expenditure Total	\$		7,657,310

GENERAL DEBT SERVICE FUND

Revenues:

Amphitheater Rent	\$	1,000,000	
From General Fund		36,405,072	
From Housing Development Fund		62,716	
From Street Facility Fee Fund		2,228,495	
From Park Acquisition Facility Fee Fund		1,995,243	
From Revolving Fund		201,400	
From Housing Bond Fund		400,000	
From Fund Balance		5,342,285	
Interest Income		110,500	
General Debt Service Fund Revenue Total	\$		47,745,711
General Debt Service Fund Expenditure Total	\$		47,745,711

PUBLIC UTILITY FUND

Revenues:

User Fees	\$	122,068,954	
Other Revenues		525,497	
Interest Income		2,150,000	
From Fund Balance		18,000,000	
From Other Funds		477,945	
Public Utility Fund Revenue Total	\$		143,222,396

Expenditures:

Administration	\$	4,690,733	
Water Plant		18,872,569	
Waste Treatment Plant		16,181,184	
Reuse, Constr., Sewer Coll. and Water Distr.		26,872,264	
Meter, Warehouse and Special Appropriations		76,605,646	
Public Utility Fund Expenditure Total	\$		143,222,396

UTILITY DEBT SERVICE FUND

Revenues:

From Public Utility Fund	\$	29,551,167	
Special Assessments		650,000	
Miscellaneous Fees and User Charges		427,289	
From Fund Balance		18,685,400	
Interest Income		450,000	
Utility Debt Service Fund Revenue Total	\$		49,763,856
Utility Debt Service Fund Expenditure Total	\$		49,763,856

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

PUBLIC TRANSIT FUND

Revenues:

State of North Carolina	\$	2,000,000
From General Fund		10,793,416
Accessible Raleigh Transportation Revenue		5,115,485
Farebox Fees and Passenger Revenues		3,018,228
From Fund Balance		300,000
Other Income		85,000

Public Transit Fund Revenue Total \$ **21,312,129**

Expenditures:

Transit Operations	\$	15,596,644
Accessible Raleigh Transportation		5,715,485

Public Transit Fund Expenditure Total \$ **21,312,129**

PARKING FACILITIES FUND - OPERATING

Revenues:

Parking Fees and Other Charges	\$	10,085,683
From Fund Balance		1,203,320
From Transit Operations		21,000
Interest Income		80,000

Parking Facilities Fund Revenue Total \$ **11,390,003**

Parking Facilities Fund Expenditure Total \$ **11,390,003**

PARKING DEBT SERVICE FUND

Revenues:

Interest Income	\$	112,000
From Fund Balance		1,746,610
From Parking Operations		5,920,000

Parking Debt Service Fund Revenue Total \$ **7,778,610**

Parking Debt Service Fund Expenditure Total \$ **7,778,610**

STORMWATER UTILITY FUND

Revenues:

From Interest Income	\$	300,000
Stormwater Utility Fees		15,368,822

Stormwater Utility Fund Revenue Total \$ **15,668,822**

Stormwater Utility Fund Expenditure Total \$ **15,668,822**

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

RCCC/PAC Operations Fund

Revenues:

Intergovernmental	\$	1,000,000	
Interest Income		158,000	
From General Fund		1,170,424	
From Conv Ctr Financing Fund		3,382,937	
Program Income & Fees		18,601,365	
Other Income		838,058	

RCCC & PAC Operations Revenue Total \$ **25,150,784**

RCCC & PAC Operations Fund Expenditure Total \$ **25,150,784**

NEW CONVENTION CENTER DEBT SERVICE FUND

Revenues:

From Fund Balance	\$	4,505,593	
From Conv Ctr Financing Fund		7,283,212	

Convention Center Debt Service Fund Revenue Total \$ **11,788,805**

Convention Center Debt Service Fund Expenditure Total \$ **11,788,805**

WIRELESS 911 TAX FUND

Revenues:

Raleigh/Wake Wireless 911	\$	1,442,816	
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Wireless 911 Tax Fund Revenue Total \$ **1,442,816**

Wireless 911 Tax Fund Expenditure Total \$ **1,442,816**

HOUSING DEVELOPMENT - OPERATING FUND

Revenues:

From General Fund	\$	748,393	
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Housing Development-Operating Fund Revenue Total \$ **748,393**

Housing Development-Operating Fund Expenditure Total \$ **748,393**

HOUSING DEVELOPMENT-PROJECTS FUND

Revenues:

Interest on Investments	\$	70,000	
Proceeds from Sale		3,000	
From General Fund		366,291	
Rental Income		312,240	
Proceeds from Bonds		48,370	

Housing Development-Projects Fund Revenue Total \$ **799,901**

Housing Development-Projects Fund Expenditure Total \$ **799,901**

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Revenues:

From Federal Grants	\$	2,386,503
Proceeds from Bonds		654,510
Program Income & Fees		640,000
Rental Income		62,250

Community Development Block Grant Fund Revenue Total \$ **3,743,263**

Community Development Block Grant Fund Expenditure Total \$ **3,743,263**

HOME GRANT FUND

Revenues:

From Federal Grants	\$	1,314,189
Proceeds from Bonds		712,170
Rental Income		43,740

Home Grant Fund Revenue Total \$ **2,070,099**

Home Grant Fund Expenditure Total \$ **2,070,099**

NCHFA/JOB TRAINING GRANT FUND

Revenues:

From State Grants	\$	75,000
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NCHFA/JOB Training Grant Fund Revenue Total \$ **75,000**

NCHFA/JOB Training Grant Fund Expenditure Total \$ **75,000**

Section 2. That all appropriations included in the following Capital Project and other multi-year project funds be approved for the financing life of each project, which may extend beyond one fiscal year.

WATER CAPITAL PROJECTS FUND

Revenues:

From Public Utilities Fund	\$	5,580,500
From Fund Balance		130,000
Interest Income		250,000

Water Capital Projects Fund Revenue Total \$ **5,960,500**

Water Capital Projects Fund Expenditure Total \$ **5,960,500**

SEWER CAPITAL PROJECTS FUND

Revenues:

From Public Utilities Fund	\$	7,380,000
From Fund Balance		370,000
Interest Income		250,000

Sewer Capital Projects Fund Revenue Total \$ **8,000,000**

Sewer Capital Projects Fund Expenditure Total \$ **8,000,000**

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

PARKING FACILITIES FUND - PROJECTS

Revenues:

From Parking Operations	\$	282,500	
Parking Facilities Fund Projects Revenue Total			\$ 282,500
Parking Facilities Fund Projects Expenditure Total			\$ 282,500

STORMWATER UTILITY CAPITAL PROJECTS FUND

Revenues:

From Stormwater Utility Fund	\$	4,674,700	
Stormwater Utility Capital Projects Fund Revenue Total			\$ 4,674,700
Stormwater Utility Capital Projects Fund Expenditure Total			\$ 4,674,700

TECHNOLOGY CAPITAL PROJECTS FUND

Revenues:

From General Fund	\$	-	
From Fund Balance		1,873,500	
Technology Capital Projects Fund Revenue Total			\$ 1,873,500
Technology Capital Projects Fund Expenditure Total			\$ 1,873,500

ENTERPRISE RESOURCE PLANNING PROJECT FUND

Revenues:

Interest Income	\$	180,000	
From General Fund		4,000,000	
From Public Utilities Fund		1,900,000	
From Parking Operations		450,000	
From Stormwater Services Fund		450,000	
Technology Capital Projects Fund Revenue Total			\$ 6,980,000
Technology Capital Projects Fund Expenditure Total			\$ 6,980,000

CAPITAL PROJECTS - MISCELLANEOUS

Revenues:

From General Fund	\$	4,298,555	
From Wireless 911 Tax Fund		30,000	
Proceeds from Sale		200,000	
Interest Income		410,000	
From Fund Balance		300,000	
Capital Projects - Misc. Fund Revenue Total			\$ 5,238,555
Capital Projects - Misc. Fund Expenditure Total			\$ 5,238,555

SIDEWALK FUND

Revenues:

Assessments	\$	193,000	
From Fund Balance		150,000	
Interest on Investments		105,000	
From Street Facility Fee Fund		637,000	
Sidewalk Fund Revenue Total			\$ 1,085,000
Sidewalk Fund Expenditure Total			\$ 1,085,000

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

STREET IMPROVEMENT FUND

Revenues:

Assessments	\$	825,000
From Bond Proceeds		900,000
From Street Facilities Fee Fund		4,083,920
From Fund Balance		650,000
From Powell Bill Fund		6,682,520
Interest on Investments		750,000

Street Improvement Fund Revenue Total \$ **13,891,440**

Street Improvement Fund Expenditure Total \$ **13,891,440**

STREET FACILITY FEES FUND

Revenues:

From Street Facility Fees	\$	6,425,415
From Fund Balance		450,000
Interest Income		74,000

Street Facility Fees Fund Revenue Total \$ **6,949,415**

Street Facility Fees Fund Expenditure Total \$ **6,949,415**

PARK ACQUISITION - FACILITY FEES FUND

Revenues:

From Park Acquisition Facility Fees	\$	4,330,920
Interest Income		72,000

Facility Fee Fund Revenue Total \$ **4,402,920**

Facility Fee Fund Expenditure Total \$ **4,402,920**

PARK IMPROVEMENT FUND

Revenues:

From Revolving Fund	\$	100,000
From Park Acquisition Facility Fee Fund		2,407,677
From General Fund		1,238,338
From Fund Balance		20,000
Interest Income		240,000

Park Improvement Fund Revenue Total \$ **4,006,015**

Park Improvement Fund Expenditure Total \$ **4,006,015**

RCCC & PAC PROJECTS FUND

Revenues:

From Convention Center Financing Fund	\$	418,000
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RCCC & PAC Projects Fund Revenue Total \$ **418,000**

RCCC & PAC Projects Fund Expenditure Total \$ **418,000**

WALNUT CREEK CAPITAL IMPROVEMENT FUND

Revenues:

Amphitheater Rent	\$	334,000
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Walnut Creek Capital Improvement Fund Revenue Total \$ **334,000**

Walnut Creek Capital Improvement Fund Expenditure Total \$ **334,000**

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

POWELL BILL FUND

Revenues:

Powell Bill Allocation	\$	10,502,520	
From Fund Balance		1,102,520	

Powell Bill Fund Revenue Total **\$ 11,605,040**

Powell Bill Fund Expenditure Total **\$ 11,605,040**

CONVENTION CENTER FINANCING FUND

Revenues:

Occupancy/Food Tax	\$	13,488,000	
Interest Income		887,000	

Convention Center Financing Fund Revenue Total **\$ 14,375,000**

Convention Center Financing Fund Expenditure Total **\$ 14,375,000**

HOUSING BOND FUND 6/96

Revenues:

Program Income	\$	75,000	
From Fund Balance		1,500,000	

Housing Bond Fund Revenue Total **\$ 1,575,000**

Housing Bond Fund Expenditure Total **\$ 1,575,000**

Section 3. That there is hereby levied the following rates of tax on each one-hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 1, 2008, for the purpose of raising the revenue from current year's property tax to finance the foregoing appropriations:

GENERAL FUND

Total rate per \$100 of valuation of taxable property: **\$ 0.3735**

Such rates of tax are based on an estimated total assessed valuation of property for purposes of taxation of \$47,872,692,907, and an estimated rate of collection of ninety-eight percent (98%).

Section 4. That there is hereby levied the following special district rate of tax on each one hundred dollars (\$100.00) valuation of taxable property as listed within the tax district as of January 1, 2008, for the purpose of raising the current year's property tax to finance the foregoing appropriation:

Municipal Service District as Established in Resolution No. (2008-591).

Total rate per \$100 of valuation of taxable property: **\$ 0.0427**

Budget Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-418)

Section 5. That appropriations equal to the amounts of outstanding purchase orders in annually budgeted accounts at June 30th be reappropriated in order to properly account for the payments against the fiscal year in which they were paid.

Section 6. That effective July 1, 2008, the Pay & Classification Plan is amended to incorporate all personnel actions such as reclassifications and pay modifications recommended by the Personnel department and approved by the City Manager, including pay and salary, compensation for vehicles, clothing and other related items. Funding for the Plan and compensation items is included in the various departments as appropriate.

Section 7. That water and sewer rates are hereby authorized as set forth in Ordinance No. 2008-420 establishing a schedule of rates, charges and rents for water and sewer services.

Section 8. That copies of this ordinance shall be furnished to the City Clerk and to the Finance Director to be kept on file by them for their direction in the disbursement of City funds.

Section 9. The development fees are hereby authorized as set forth in Ordinance No. 2008-422. The fee changes will take effect on July 4, 2008.

Section 10. This ordinance shall become effective on July 1, 2008.

Adopted: June 23, 2008

Effective: July 1, 2008

Distribution:

City Council

City Manager

City Attorney

Assistant City Managers

Budget Staff

Finance

Budget Ordinance for Bond Projects FY 2008-09

Ordinance No. (2008-419)

Be it ordained by City Council of the City of Raleigh, North Carolina:

Section 1. That the following amounts are hereby appropriated for bond projects from previously unobligated bond funding for the fiscal year beginning July 1, 2008 and ending June 30, 2009 in accordance with the City Capital Improvement Program.

Section 2. Authorized project expenditures represent appropriations necessary for the completion of projects and therefore do not require reappropriation in any subsequent fiscal year.

WATER REVENUE BOND FUND 2004

Revenues:

Bond Proceeds	\$ 27,462,000	
Interest Income	2,000,000	
From Fund Balance	6,000,000	
From Fund 310	1,300,000	
Water Revenue Bond Fund 2004 Revenue Total		\$ 36,762,000

Expenditures:

EM Johnson Pilot Plant	\$ 2,000,000	
Water Booster Pump Station Rehabilitation	855,000	
EM Johnson Bulk Storage Tank Replacement	100,000	
Water Tank Rehabilitation	1,000,000	
VA Security Improvements	500,000	
EM Johnson Facility Rehabilitation	750,000	
Property Acquisitions	200,000	
EM Johnson Clearwell Rehabilitation	250,000	
D.E. Benton Water Transmission Main	8,200,000	
Falls Lake RWPS Improvements	4,000,000	
Little River Reservoir Impact	350,000	
Telemetry Upgrades	2,000,000	
EM Johnson Warehouse Expansion	1,000,000	
EM Johnson Permanganate Facility	1,350,000	
Little River Reservoir Reimbursement	500,000	
Lake Johnson Dam Upgrade	1,800,000	
Wendell Water Main Rehabilitation	500,000	
Wendell Water Transmission	1,062,000	
Zebulon Water Transmission	1,500,000	
Upper Neuse Initiative/Water Quality	500,000	
Oak Forest Water Main	2,900,000	
Emergency Water Interconnections	1,000,000	
Little River Reservoir Wetland Mitigation	2,500,000	
PRV Installation	140,000	
Creech Road Transmission	164,000	
Wilmington Road Transmission	556,000	
PRV Installation Capital Blvd	100,000	
PSV and Check Valve Installation	125,000	
Martin Pond Road	860,000	
Water Revenue Bond Fund 2004 Expenditure Total		\$ 36,762,000

Budget Ordinance for Bond Projects FY 2008-09

Ordinance No. (2008-419)

SEWER REVENUE BOND 2004

Revenues:

Bond Proceeds	\$	33,250,000
Income Interest		1,500,000
From Fund Balance		2,500,000
From Fund 310		1,300,000

Sewer Revenue Bond 2004 Revenue Total **\$ 38,550,000**

Expenditures:

Neuse River WWTP (NRWWTP) System Expansion	\$	17,000,000
Neuse River WWTP (NRWWTP) Land Purchase		200,000
Cemetery Branch Sewer Main		1,000,000
Lower Crabtree Interceptor		800,000
Lower Crabtree sewer Main		1,000,000
Glenwood Ave Force Main Replacement		500,000
Neuse River WWTP Expansion		4,000,000
House Creek Sewer Rehabilitation		1,000,000
Randleigh Ctr Sewer Extension		1,000,000
Zebulon SCADA Improvements		250,000
Zebulon Interceptor Improvements		1,500,000
Crabtree Pump Station		3,500,000
Wastewater Storage Tank		1,500,000
Crabtree Interceptor Siphon		800,000
East Neuse Regional Pump Station		1,000,000
Neuse River WWTP Centrifuge		3,500,000

Sewer Revenue Bond 2004 Expenditure Total **\$ 38,550,000**

Stormwater Utility Revenue Bond Fund

Revenues:

Bond Proceeds	\$	20,215,000
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Stormwater Utility Revenue Bond Revenue Total **\$ 20,215,000**

Expenditures:

Upper Longview Restoration	\$	1,500,000
Swift Drive Culvert		3,125,000
Northshore Lake Project		3,000,000
Brockton Drive Lake Project		3,000,000
Brentwood Today Lake Project		3,000,000
Crabtree Creek Stream Restoration		2,000,000
Greystone Lake		2,000,000
Jones/Sewell Drainage		790,000
Lake Johnson Spillway		1,800,000

Stormwater Utility Revenue Bond Expenditure Total **\$ 20,215,000**

MISCELLANEOUS CAPITAL PROJECTS BOND FUND

Revenues:

Bond Proceeds (2/3rd)	\$	10,230,000
Certificates of Participation Proceeds		57,368,578

Misc. Capital Projects Bond Revenue Total **\$ 67,598,578**

Budget Ordinance for Bond Projects FY 2008-09

Ordinance No. (2008-419)

Expenditures:

Fire Station, Northwest Raleigh	3,980,000
Remote Operations Center, Downtown	15,525,951
CEL Public Safety Center	20,800,000
Sustainability Projects	1,500,000
Remote Operations Center, Mt. Herman	1,300,000
Remote Operations Center, Northeast	5,000,000
Marsh Creek Maintenance Facility	2,032,535
Remote Operations Center, Wilder's Grove	12,710,092
Cooling Towers and Chiller, OEP	330,000
Elevator Control, AUB	420,000
Downtown Amphitheater	1,500,000
City Plaza	2,500,000

Misc. Capital Projects Bond Expenditure Total **\$ 67,598,578**

STREET BOND FUND

Revenues:

Bond Proceeds	\$ 15,832,300
From Fund Balance	1,500,000
Interest Income	725,000

Street Bond Fund Revenue Total **\$ 18,057,300**

Expenditures:

Neighborhood Traffic Calming	600,000
Hillsborough Roundabout	1,184,300
Falls of Neuse Realign and Widening	6,500,000
Rock Quarry Rd Widening, Part B	3,206,000
Leesville Road Widening	1,149,000
Mitchell Mill Road Widening	1,406,000
Buck Jones Road Widening	1,801,000
Wade Avenue Improvements	111,000
Public/Private Partnerships	2,000,000
East Visioning/South Park Area	100,000

Street Bond Fund Expenditure Total **\$ 18,057,300**

PARK BOND FUND

Revenues:

Bond Proceeds	\$ 32,335,013
Interest Income	660,000
From Fund Balance	425,000

Park Bond Fund Revenue Total **\$ 33,420,013**

Expenditures:

Aquatics Center	\$ 750,000
Park Site Acquisition	70,000
Playground Improvements	878,222
Walnut Creek Softball Complex	250,000
Greenway Acquisitions	150,000
Carolina Pines Community Center	100,000
Forest Ridge Park	5,860,936

Budget Ordinance for Bond Projects FY 2008-09

Ordinance No. (2008-419)

(Park Bond Fund Expenditures Continued)

Building Improvements	\$ 1,750,000	
Honeycutt Greenway	2,300,000	
Outdoor Security Lighting	239,825	
Signage-Parks and Greenways	300,000	
Crabtree Creek Greenway	2,827,502	
Timberlake Neighborhood Park	2,062,756	
Senior Center	700,000	
Optimist Community Center Expansion	665,772	
NE Raleigh Community Center	850,000	
Millbrook Pool Enclosure	225,000	
Unsatisfied Neighborhood Parks	390,000	
Crabtree Creek Extension	600,000	
Halifax Center Improvements	350,000	
Jaycee Center Expansion	150,000	
Neuse River Greenway	4,500,000	
Walnut Creek Greenway	300,000	
Land Acquisition	5,000,000	
Wilkerson Nature Preserve	150,000	
NE Raleigh Active Recreation	1,000,000	
Unsatisfied Park Search Area	1,000,000	
Park Bond Fund Expenditure Total		\$ 33,420,013

HOUSING BOND FUND 2005

Revenues:

Bond Proceeds	\$ 3,450,000	
Housing Bond Fund 2005 Revenue Total		\$ 3,450,000

Expenditures:

Neighborhood Revitalization	\$ 500,000	
Homelessness Plan -Support	400,000	
Homeowner Repair Program	675,000	
Joint Venture Rental	1,500,000	
Housing Units Purchase	375,000	
Housing Bond Fund 2005 Expenditure Total		\$ 3,450,000

Adopted: June 23, 2008

Effective: July 1, 2008

Distribution:

City Council

City Manager

City Attorney

Assistant City Managers

Budget Staff

Finance

Ordinance Adopting the Rates, Charges and Rents for Water and Sewer Utility Service

Ordinance No. (2008-420), City Of Raleigh, Fiscal Years 2008-09

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RALEIGH

Section 1. That the following is the official schedule of rates, charges, and rents for water and sewer utility service, effective July 1, 2008. (Reference Section 2-3001, Raleigh City Code.)

I. Retail Service

A. Water

1. Bi-Monthly Service Charges

Meter Size (Inches)	Bi-Monthly Charges Inside City Limits	Bi-Monthly Charges Outside City Limits
5/8	\$7.77	\$12.81
3/4	8.74	14.73
1	10.66	18.57
1-1/2	15.47	28.21
2	21.30	39.87
3	36.75	70.77
4	54.17	105.59
6	98.14	193.56
8	160.41	318.08
10	228.03	453.34

2. Consumption Charges

Consumption (CCF/Month)	Unit Rate Per CCF	
	Inside City Limits	Outside City Limits
All Consumption	\$1.96	\$3.91

B. Sewer

	Bi-Monthly Charges Inside City Limits	Bi-Monthly Charges Outside City Limits
1. Billing Charge	\$6.24/Bill	\$9.75/Bill
2. Consumption Charges		
Water Consumption	Unit Rate Per CCF of Water	
(CCF/Month)	Inside City Limits	Outside City Limits
All Usage	\$1.82	\$3.63
3. Rates (including billing charges) for residential units without metered water (per dwelling unit)		
Inside City Limits	\$17.80/Mo. for services inclusive of Admin. costs.	
Outside City Limits	\$35.60/Mo. for services inclusive of Admin. costs.	

II. Contract Service

A. Water

1. Operations and Maintenance Charges	
a. Applicable to all water used	\$1.3407/CCF
b. Surcharge applicable to water used from high level pumping system	\$0.0291/CCF
2. Capital Charges – General Facilities	
a. Applicable to all water used	\$0.7017/CCF
b. Surcharge applicable to water used from high level pumping system	\$0.0186/CCF
3. Capital Charges – Production Facilities applicable capacity reserved by contractual agreement, as of July 1, 1980	\$6,784/MGD/Month
4. Capital Charges – Production Facilities applicable capacity reserved by contractual agreement, as of July 1, 1984	\$22,779/MGD/Month

B. Sewer

1. Operations and Maintenance Charges

a. Treatment

- (1) Applicable to all flow, with no allowance for BOD or SS
\$0.1275/CCF of sewage
- (2) Applicable to all BOD5 \$0.6475/Lb of BOD
- (3) Applicable to all SS \$0.1701/Lb of SS
- (4) Applicable to all TN \$0.7213/Lb of TN

b. Transportation

- (1) Applicable to all flow \$0.0586/CCF of sewage

2. Capital Charges

a. Treatment

(1) Applicable to capacity reserved by contractual agreement within plant facility capacity as of 1980.

Peak reserve flow \$50.00/MGD/Month

Average reserve flow \$793.60/MGD/Month

b. Transportation

Applicable to capacity reserved by contractual agreement within Neuse River Outfall facility capacity as of 1980.

\$78.95/MGD/Mile/Month

Applicable to capacity reserved by contractual agreement within Walnut Creek Outfall, from Sunnybrook Road to Neuse River Outfall facility capacity as of 1980.

\$50.00/MGD/Mile/Month

Applicable to capacity reserved by contractual agreement within Crabtree Creek Outfall, from Old Crabtree Creek Pump Station, to Neuse River Outfall facility capacity as of 1980.

\$65.00/MGD/Mile/Month

III. Advanced deposits are no longer required for utility system on initial connection.

Adopted: June 23, 2008

Effective: July 1, 2008

Distribution: City Council
 City Manager
 City Attorney
 All Departments
 Finance
 Internal Audits
 Budget Staff

Internal Service Fund Ordinance for FY 2008-09

Ordinance No. (2008-421)

Be it ordained by City Council of the City of Raleigh, North Carolina:

Section 1. These financial plans are hereby established in accordance with G.S. 159-13.1 for the purpose of accounting for the City of Raleigh Internal Service Funds.

Section 2. The City Manager, or his designee, is hereby authorized to carry out this financial plan as approved.

Section 3. The following revenue and expenditure accounts are hereby established:

Internal Service Fund - Print Shop

Revenues:

Print/Copy Revenue	\$	800,000
From General Fund		314,752

Print Shop Revenue Total **\$ 1,114,752**

Expenditures:

Personal Services and Employee Benefits	\$	162,964
Operating Expenditures		876,288
Capital Equipment		500
General Fund Indirect Costs and Reimbursements		75,000

Print Shop Expenditure Total **\$ 1,114,752**

Internal Service Fund - Risk Management

Revenues:

User Charges-Risk Mgmt./Workers Compensation	\$	7,100,000
User Charges-Risk Mgmt./Other Insurance		3,667,339
Miscellaneous Revenues		9,288

Risk Management Revenue Total **\$ 10,776,627**

Expenditures:

Personal Services and Employee Benefits	\$	313,402
Operating Expenditures		26,175
Professional Consulting Services		500,000
Self Insurance Reserve Prop./Liability Claims		1,230,000
Excess Prop./Liability Premium		1,320,000
Excess Worker's Compensation-Prem.		182,000
Public Officials Bond Premium		2,000
Misc. Fine Art Premium		13,000
Misc. Deductible Reserve		84,000
Money & Security Theft Premium		6,050
Self Insurance Reserve Workers Compensation-Claims		7,100,000

Risk Management Expenditure Total **\$ 10,776,627**

Internal Service Fund Ordinance for FY 2008-09

Ordinance No. (2008-421)

Internal Service Fund - Health/Dental Trust

Revenues:

City Contribution-All Funds: Health Trust	\$	16,720,753
Employees Contribution-Health Trust		4,809,634
Interest-Dental Trust		30,000
Interest-Health Trust		135,355
City Contribution-All Funds: Dental Trust		1,500,000
Employees Contribution-Dental Trust		415,000
From Fund Balance		1,121,958

Health/Dental Trust Revenue Total **\$ 24,732,700**

Expenditures:

BCBS Claims-Health Trust	\$	20,950,000
Administrative Charges-Health Trust		1,231,000
Stop Loss Fees-Health Trust		853,000
Fiduciary Fees-Health Trust		33,000
BCBS Claims-Dental Trust		1,493,000
Administrative Charges-Dental Trust		170,000
Fiduciary Fees-Dental Trust		2,700

Health/Dental Trust Expenditure Total **\$ 24,732,700**

Internal Service Fund - Other Post Employment Benefits Trust

Revenues:

City Contribution Health-All Funds	\$	10,254,239
Retiree Contribution Health		812,000
City Contribution Group Life-All Funds		129,282
City Contribution Medicare Supplement-All Funds		331,800
Retiree Contribution Medicare Supplement		172,000

Other Post Employment Trust Revenue Total **\$ 11,699,321**

Expenditures:

Reserve For OPEB Prior Liability	\$	3,502,239
BCBS Claims - Health		7,100,000
Administrative Charges - Health		274,000
Stop Loss Fees - Health		190,000
Retiree Group Life Premium		129,282
Medicare Supplement Premium		503,800

Other Post Employment Trust Expenditure Total **\$ 11,699,321**

Internal Service Fund Ordinance for FY 2008-09

Ordinance No. (2008-421)

Internal Service Fund - Equipment Fund

Revenues:

Bond Proceeds	\$	16,629,385
Interest on Investments		180,000
From Fund Balance		750,000
Equipment Use Charges		13,804,559

Equipment Fund Revenue Total **\$ 31,363,944**

Expenditures:

Taxes and Fees	\$	160,000
Equipment Reserve		7,883,814
Debt Service Payments		10,614,975
Transfer to General Fund		750,000
Equipment Purchases		11,955,155

Equipment Fund Expenditure Total **\$ 31,363,944**

Internal Service Fund - Vehicle Fleet Services

Revenues:

Maintenance and Operation	\$	15,760,588
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Vehicle Fleet Services Revenue Total **\$ 15,760,588**

Expenditures:

Personnel	\$	3,374,570
Operating Expenditures		11,909,631
Capital Equipment		181,900
General Fund Indirect Costs		294,487

Vehicle Fleet Expenditure Total **\$ 15,760,588**

Section 4. Copies of these financial plans shall be furnished to the City Clerk and to the Chief Finance Officer to be kept on file by them for their direction in the disbursement of City funds.

Adopted: June 23, 2008

Effective: July 1, 2008

Distribution:

City Council

City Manager

City Attorney

Assistant City Managers

Budget Staff

Finance

Development Fees Ordinance for Fiscal Year 2008-09

Ordinance No. (2008-422)

Be it ordained by City Council of the City of Raleigh, North Carolina:

Section 1. That the following development-related fees are hereby adjusted as per Council directive TC 1-07. The fee changes will be effective July 4, 2008 according to the following schedules:

REVENUE INDEXING FEE SCHEDULE. (Fees as identified to be indexed in TC 1-07) UPDATED 6/9/08

Code Reference	Fee Name	Fee Sub-title/description	Current Fee (as of 1-1-08)	Index Used to Annually Adjust Fee (Name)	FY09	
					Index % FY09 *	Adjusted Fee for FY09; Effective 7-4-08
		CPI Consumer Price Index - All Urban Consumers		January 2007 to December 2007	2.80%	
10-2171	Certificate of Appropriateness (COA)					
		Minor Work - Administrative	\$ 25	CPI	2.80%	\$ 26
		Major Work - Public Meeting	\$ 125	CPI	2.80%	\$ 129
		Major Work - New Building Construction / Additions greater than 25% of the building square footage	\$ 250	CPI	2.80%	\$ 257
		Demolition of Contributing Historic Resource	\$ 500	CPI	2.80%	\$ 514
		Post-approval Re-review of Conditions of Approval	\$ 75	CPI	2.80%	\$ 77
10-2171	Historic Landmark Designation		\$ 250	CPI	2.80%	\$ 257
10-2171	Preliminary Site Plans per set of submitted plans					
		Site plans on less than 2 acres	\$ 250	CPI	2.80%	\$ 257
		Site plans between 2 and 4 acres	\$ 750	CPI	2.80%	\$ 771
		Site plans greater than 4 acres	\$ 1,500	CPI	2.80%	\$ 1,542
		Re-review fee (initial application fee includes 2 reviews)	<i>same fee structure as above</i>	CPI	2.80%	<i>same fee structure as above</i>
		Group housing developments	\$ 750	CPI	2.80%	\$ 771
10-2171	Post-approval name change petition		\$ 50	CPI	2.80%	\$ 51
10-2171	Sunset extension letter		\$ 50	CPI	2.80%	\$ 51
10-2171	Planned Development District Master Plan per submittal					
		Master Plan Review	\$ 2,500	CPI	2.80%	\$ 2,570
		Post-approval revisions allowed by the master plan	\$ 1,250	CPI	2.80%	\$ 1,285
		Post-approval name change petition	\$ 50	CPI	2.80%	\$ 51
10-2171	Zoning					
		Conditional use case	\$ 1,000	CPI	2.80%	\$ 1,028
		General use case	\$ 500	CPI	2.80%	\$ 514
		Planned Development District Master Plan	\$ 2,500	CPI	2.80%	\$ 2,570
		Text change Code amendment	\$ 250	CPI	2.80%	\$ 257
		Waiver petition	\$ 150	CPI	2.80%	\$ 154
		Zoning verification letter	\$ 25	CPI	2.80%	\$ 26
10-2171	Comprehensive Plan Amendment		\$ 500	CPI	2.80%	\$ 514
10-3081	Comprehensive Plan Amendment		\$ 500	CPI	2.80%	\$ 514
10-3081	Preliminary Subdivision Plans per set of submitted plans					
		Subdivision plans on less than 2 acres	\$ 250	CPI	2.80%	\$ 257
		Subdivision plans between 2 and 4 acres	\$ 750	CPI	2.80%	\$ 771
		Subdivision plans greater than 4 acres	\$ 1,500	CPI	2.80%	\$ 1,542

CITY OF RALEIGH

ADOPTED BUDGET 2008-09

Code Reference	Fee Name	Fee Sub-title/description	Current Fee (as of 1-1-08)	Index Used to Annually Adjust Fee (Name)	Index % FY09 *	Adjusted Fee for FY09; Effective 7-4-08
10-3081	Preliminary Subdivision Plans per set of submitted plans (continued)	Re-review fee (initial application fee includes 2 reviews)	<i>same fee structure as above</i>	CPI	2.80%	<i>same fee structure as above</i>
		Group housing developments	\$ 750	CPI	2.80%	\$ 771
		Infill subdivision for 3 or few lots	\$ 250	CPI	2.80%	\$ 257
		Infill subdivision for 4 or more	\$ 500	CPI	2.80%	\$ 514
10-3081	Post-approval name change petition		\$ 50	CPI	2.80%	\$ 51
10-3081	Sunset extension letter		\$ 50	CPI	2.80%	\$ 51
10-3081	Construction plan review	Per submitted construction plan set	\$ 150	CPI	2.80%	\$ 154
		Per linear foot - installed public/private street	\$ 0.10	CPI	2.80%	\$ 0.10
10-3081	Engineering Field Inspections (per linear foot)					
		Public street	\$ 1	CPI	2.80%	\$ 1.03
		Public Water main	\$ 1	CPI	2.80%	\$ 1.03
		Public sewer main	\$ 1	CPI	2.80%	\$ 1.03
10-3081	Construction Mylars (per mylar set)		\$ 150	CPI	2.80%	\$ 154
10-3081	Plat recordation per set of submitted plats					
		Boundary survey plat	\$ 100	CPI	2.80%	\$ 103
		Exempt subdivision plat	\$ 200	CPI	2.80%	\$ 206
		Final subdivision plat - \$206 plus plus \$10 per lot	\$ 200	CPI	2.80%	\$ 206
		Recombination plat or other recorded instrument	\$ 200	CPI	2.80%	\$ 206
		Right of way or easement plat	\$ 100	CPI	2.80%	\$ 103
10-3081	Street Right-of-Way Closure		\$ 250	CPI	2.80%	\$ 257
10-3081	Street Name Change		\$ 250	CPI	2.80%	\$ 257
10-6039 (c)	Extra Inspection	The fees shown below in subsections 10-6039 (d) through (e) entitle the permittee to the appropriate number of inspections for the work performed. For each inspection in excess of these, there shall be a charge of sixty-two dollars (\$62.00).	\$ 60	CPI	2.80%	\$ 62
10-6039 (d)	Specific Fees enumerated	The total amount of specific fees due for any (1) permit shall not be less than seventy-two dollars (\$72).				
		Demolition of a building or structure.	\$ 70	CPI	2.80%	\$ 72
		Conditional Service Fee	\$ 70	CPI	2.80%	\$ 72
		Temporary certificate of occupancy	\$ 70	CPI	2.80%	\$ 72
		Fire pump installation	\$ 550	CPI	2.80%	\$ 565
		Flood permit w/o studies	\$ 165	CPI	2.80%	\$ 170
		Flood study	\$ 1,000	CPI	2.80%	\$ 1,028
		Home occupation permit.	\$ 70	CPI	2.80%	\$ 72
		Land Disturbing Permit Fees	\$ 240	CPI	2.80%	\$ 247
		Land Disturbing Plan Review Fees	\$ 120	CPI	2.80%	\$ 123
		Manufactured homes, per trade	\$ 70	CPI	2.80%	\$ 72
		Moving or relocation of a building	\$ 70	CPI	2.80%	\$ 72
		Occupancy posting or reporting	\$ 110	CPI	2.80%	\$ 113
		Signs: Electrical, Permanent, Special Event	\$ 70	CPI	2.80%	\$ 72
		Site Plan approval	\$ 275	CPI	2.80%	\$ 283
		Standpipe Installations - Initial \$308 plus \$103 for each additional standpipe	\$ 300	CPI	2.80%	\$ 308
		State mandated license renewals inspections per trade	\$ 70	CPI	2.80%	\$ 72
		Stormwater Control Permit - Per disturbed acre (\$170 minimum charge)	\$ 165	CPI	2.80%	\$ 170

CITY OF RALEIGH

ADOPTED BUDGET 2008-09

Code Reference	Fee Name	Fee Sub-title/description	Current Fee (as of 1-1-08)	Index Used to Annually Adjust Fee (Name)	Index % FY09 *	Adjusted Fee for FY09; Effective 7-4-08		
10-6039 (d)	Specific Fees (continued)	Temporary board (electrical)	\$ 70	CPI	2.80%	\$ 72		
		Temporary trailer per trade	\$ 70	CPI	2.80%	\$ 72		
		Tree Conservation:	\$ -		2.80%	\$ -		
		Tree Removal	\$ 100	CPI	2.80%	\$ 103		
		Tree Pruning	\$ 100	CPI	2.80%	\$ 103		
		Other Tree Disturbing Activity	\$ 100	CPI	2.80%	\$ 103		
		Tree Conservation Area - <.2 acres	\$ 200	CPI	2.80%	\$ 206		
		Tree Conservation Area - >.2 acres (max \$5,140)	\$ 850	CPI	2.80%	\$ 874		
		Tree Conservation Area maximum	\$ 5,000	CPI	2.80%	\$ 5,140		
		Tree Buffer Protection - <.2 acres	\$ 200	CPI	2.80%	\$ 206		
		Tree Buffer Area - >.2 acres, per acre of tree disturbed area (max \$2,570)	\$ 42.50	CPI	2.80%	\$ 44		
		Tree Buffer Area maximum	\$ 2,500	CPI	2.80%	\$ 2,570		
		Watercourse buffer permit	\$ 150	CPI	2.80%	\$ 154		
		Watershed permit	\$ 150	CPI	2.80%	\$ 154		
		10-6039 (e)	Zoning	Zoning permit fee (accessory structure, fence, dish antenna, parking lot, landscaping, swimming pool, and other)	\$ 70	CPI	2.80%	\$ 72
		10-6039 (f)	New Construction	Fees per square foot *** (see note below for computation)			2.80%	
				Building				
Residential-SFD	\$ 0.138			CPI	2.80%	\$ 0.142		
Residential	\$ 0.131			CPI	2.80%	\$ 0.135		
Storage	\$ 0.060			CPI	2.80%	\$ 0.062		
Assembly	\$ 0.128			CPI	2.80%	\$ 0.132		
Institutional	\$ 0.215			CPI	2.80%	\$ 0.221		
Business	\$ 0.120			CPI	2.80%	\$ 0.123		
Mercantile	\$ 0.094			CPI	2.80%	\$ 0.097		
Hazardous	\$ 0.071			CPI	2.80%	\$ 0.073		
Factory/Industrial	\$ 0.071			CPI	2.80%	\$ 0.073		
Educational	\$ 0.145			CPI	2.80%	\$ 0.149		
Electrical								
Residential-SFD	\$ 0.078			CPI	2.80%	\$ 0.081		
Residential	\$ 0.072			CPI	2.80%	\$ 0.074		
Storage	\$ 0.046			CPI	2.80%	\$ 0.048		
Assembly	\$ 0.068			CPI	2.80%	\$ 0.070		
Institutional	\$ 0.117			CPI	2.80%	\$ 0.120		
Business	\$ 0.082			CPI	2.80%	\$ 0.084		
Mercantile	\$ 0.058			CPI	2.80%	\$ 0.059		
Hazardous	\$ 0.039			CPI	2.80%	\$ 0.040		
Factory/Industrial	\$ 0.039			CPI	2.80%	\$ 0.040		
Educational	\$ 0.082			CPI	2.80%	\$ 0.084		
Plumbing								
Residential-SFD	\$ 0.078			CPI	2.80%	\$ 0.081		
Residential	\$ 0.072			CPI	2.80%	\$ 0.074		
Storage	\$ 0.036			CPI	2.80%	\$ 0.037		
Assembly	\$ 0.058			CPI	2.80%	\$ 0.059		
Institutional	\$ 0.117			CPI	2.80%	\$ 0.120		
Business	\$ 0.058			CPI	2.80%	\$ 0.059		
Mercantile	\$ 0.046			CPI	2.80%	\$ 0.048		
Hazardous	\$ 0.039			CPI	2.80%	\$ 0.040		
Factory/Industrial	\$ 0.039			CPI	2.80%	\$ 0.040		
Educational	\$ 0.058	CPI	2.80%	\$ 0.059				
Heat								
Residential-SFD	\$ 0.028	CPI	2.80%	\$ 0.029				

CITY OF RALEIGH

ADOPTED BUDGET 2008-09

Code Reference	Fee Name	Fee Sub-title/description	Current Fee (as of 1-1-08)	Index Used to Annually Adjust Fee (Name)	Index % FY09 *	Adjusted Fee for FY09; Effective 7-4-08
10-6039 (f)	New Construction	Residential	\$ 0.026	CPI	2.80%	\$ 0.027
	(continued)	Storage	\$ 0.030	CPI	2.80%	\$ 0.031
		Assembly	\$ 0.030	CPI	2.80%	\$ 0.031
		Institutional	\$ 0.060	CPI	2.80%	\$ 0.062
		Business	\$ 0.039	CPI	2.80%	\$ 0.040
		Mercantile	\$ 0.026	CPI	2.80%	\$ 0.027
		Hazardous	\$ 0.026	CPI	2.80%	\$ 0.027
		Factory/Industrial	\$ 0.026	CPI	2.80%	\$ 0.027
		Educational	\$ 0.039	CPI	2.80%	\$ 0.040
		A/C				
		Residential-SFD	\$ 0.028	CPI	2.80%	\$ 0.029
		Residential	\$ 0.026	CPI	2.80%	\$ 0.027
		Storage	\$ 0.030	CPI	2.80%	\$ 0.031
		Assembly	\$ 0.030	CPI	2.80%	\$ 0.031
		Institutional	\$ 0.061	CPI	2.80%	\$ 0.063
		Business	\$ 0.039	CPI	2.80%	\$ 0.040
		Mercantile	\$ 0.026	CPI	2.80%	\$ 0.027
		Hazardous	\$ 0.026	CPI	2.80%	\$ 0.027
		Factory/Industrial	\$ 0.026	CPI	2.80%	\$ 0.027
		Educational	\$ 0.039	CPI	2.80%	\$ 0.040
		Refrigeration				
		Residential-SFD	\$ 0.058	CPI	2.80%	\$ 0.060
		Residential	\$ 0.058	CPI	2.80%	\$ 0.060
		Storage	\$ 0.058	CPI	2.80%	\$ 0.060
		Assembly	\$ 0.058	CPI	2.80%	\$ 0.060
		Institutional	\$ 0.058	CPI	2.80%	\$ 0.060
		Business	\$ 0.058	CPI	2.80%	\$ 0.060
		Mercantile	\$ 0.058	CPI	2.80%	\$ 0.060
		Hazardous	\$ 0.058	CPI	2.80%	\$ 0.060
		Factory/Industrial	\$ 0.058	CPI	2.80%	\$ 0.060
		Educational	\$ 0.058	CPI	2.80%	\$ 0.060
10-6039 (h)	Commercial plan review fees	Projects between 4,000 - 15,000 sq ft	\$ 155	CPI	2.80%	\$ 159
		15,001 - 40,000 sq ft	\$ 516	CPI	2.80%	\$ 531
		40,001 - +	\$ 1,239	CPI	2.80%	\$ 1,273
		Multi family 8 and above	\$ 774	CPI	2.80%	\$ 796
10-6039 (i) - 10-6039 (m)	Refer to New Construction Fee schedule	Shell and/or foundation		CPI	2.80%	
		Additions to existing structures				
		Alterations, repairs, and interior completions				
		Change of occupancy within existing building				
		Accessory building				

CITY OF RALEIGH

ADOPTED BUDGET 2008-09

Code Reference	Fee Name	Fee Sub-title/description	Current Fee (as of 1-1-08)	Index Used to Annually Adjust Fee (Name)	Index % FY09 *	Adjusted Fee for FY09; Effective 7-4-08
10-6039 (n)	Minimum Fee	Minimum fee - No fee determined with reference to the construction fee schedule shall be less than seventy-two (\$72)	\$ 70	CPI	2.80%	\$ 72
10-6039 (p)	Voiding permit		\$ 103	CPI	2.80%	\$ 106
10-6039 (r)	Re-review fees	Single-Family is one-half of permit fee for the total project	--	CPI	2.80%	--
		Commercial: \$106 per trade, per hour, min <u>\$822</u> (New buildings)	\$ 103	CPI	2.80%	\$ 106
		Minimum commercial re-review fee	\$ 800	CPI	2.80%	\$ 822
		Other than new buildings its \$80 per trade per hour, min <u>\$514</u>	\$ 77	CPI	2.80%	\$ 80
		Minimum other new bldgs re-review fee	\$ 500	CPI	2.80%	\$ 514
10-7002 (d)	Sidewalk and driveway permits					
		Permit fee	\$ 70	CPI	2.80%	\$ 72
		Re-inspection fee	\$ 60	CPI	2.80%	\$ 62
		Sidewalk fee - cents per linear foot	\$ 0.20	CPI	2.80%	\$ 0.21

Note:

* For planning purposes a 10-year historical average of the Consumer Price Index (CPI) for All Urban Consumers was used. As the actual annual index percentage is published in late January of each year, fees will be adjusted.

*** Permit fees for building, electrical, plumbing and mechanical permits shall be based on the following computations, rounded off to the nearest dollar.

A = Total gross building floor area of construction
 B = Fee per square foot (from table below)

Fee Computation	Ax B = Permit Fee
0 – 5,000 sq. ft.	(Ax Bx .75) + (1,250xB) = Permit Fee
5,001 – 15,000 sq ft	(Ax Bx .50) + (5,000xB) = Permit Fee
15,001+ sq ft	

Adopted: June 23, 2008
 Effective: July 4, 2008
 Distribution: City Council
 City Manager
 City Attorney
 All Departments
 Finance Administration (2)
 Accounting (2)
 Internal Audits (2)
 Assistant City Manager – Operations
 Assistant City Manager – Budget and Administration
 Budget Staff (4)
 Accountant Auditor II (Utilities)
 Industrial Pretreatment Coordinator
 Utilities Service Manager

Ordinance Repealing Ordinance No. 2008 – 375 and Amending the City of Raleigh Code of Ordinances, Part 8, Utilities, Article C, Use of Sanitary Sewer System, Establishing Nutrient Reduction Water and Sewer Use Fees

Ordinance No. (2008-427), City Of Raleigh, Fiscal Years 2008-09

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RALEIGH, NORTH CAROLINA

Section 1. Ordinance No. 2008-375 adopted by the City Council of the City of Raleigh on April 15, 2008 and effective July 1, 2008 is hereby repealed in its entirety.

Section 2. Section 8-2123, **USER CHARGES**, of the City of Raleigh Code of Ordinances is hereby deleted in its entirety and replaced with the following:

- (a) A user charge *shall* be levied on all users including, but not limited to, persons, firms, corporations or governmental entities that *discharge*, cause or permit the *discharge* of sewage into the POTW or that connect to the City's water distribution system.
- (b) A nutrient reduction water and sewer user fee, as established below, *shall* be collected at the time of approval of connection to the City's water distribution system and/or sewer collection system. This one-time fee *shall* be collected, in addition to any other water and sewer system user charges and fees required by City ordinances and resolutions. This fee *shall* be collected by the City Inspections Department at the time of issuance of a utility connection permit for water and/or sewer.

Residential

Individual water service all sizes	\$ 500/dwelling unit
Group housing on single water service	\$ 500/dwelling unit
Individual sewer service size up to 4-inch service	\$ 377/dwelling unit
Group housing on single service	\$ 251/dwelling unit

Non-Residential

All water service sizes	\$ 500/connection
0 to 4-inch sewer service	\$ 377/connection
6-inch sewer service	\$ 878/connection
8-inch or greater	\$ 2,073/connection

Section 3. The above fees shall become effective July 1, 2008.

Section 4. All laws and clauses of laws in conflict herewith are hereby repealed to the extent of said conflict.

Section 5. If this ordinance or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given separate effect and to the end the provisions of this ordinance are declared to be severable.

ADOPTED: July 1, 2008
EFFECTIVE: July 1, 2008

DISTRIBUTION: Department Heads
Budget Staff

Resolution Directing Certain Changes to Employee Post-Retirement Benefits

Resolution No. (2008-590), City Of Raleigh, Fiscal Year 2008-09

WHEREAS, the City desires to provide benefits to employees that promote the hiring and retention of capable, diligent, and honest career employees; and

WHEREAS, G.S. §160A-163 describes the means by which the City may elect to provide retirement benefits to employees; and

WHEREAS, from time to time the Council may desire to change the manner and method by which employee benefits are provided; and

WHEREAS, the GASB 45 Standard known as "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions" requires the City to report, on an actuarial basis, the status of funding efforts sufficient to pay for post-retirement benefits of employees.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RALEIGH:

Section 1. Employees hired on or after July 1, 2008, who retire with 15 years of service, will be eligible to have 50% of their medical plan premium cost covered by the City. With 25 years service, retirees will receive full coverage paid by the City. At intervals between 15 years and 25 years, there will be a 5% per year additive to the 15 year 50% amount. This changes the current policy providing 100% premium cost coverage for employees who retire with 15 years of creditable service.

Section 2. Employees hired on or after July 1, 2008 from another North Carolina Local Government or from the State of North Carolina, who have over five years service with that entity, will be allowed to use five years of that service in determining City of Raleigh eligibility for retiree medical plan cost determination. This is an additional benefit not currently provided.

Adopted: June 23, 2008

Effective: July 1, 2008

Distribution: City Manager
City Council
City Attorney
Department Heads
Budget Staff

Operating Budget for Municipal Service District

Resolution No. (2008-591), City Of Raleigh, Fiscal Year 2008-09

WHEREAS, Article 23 of Chapter 160A of the North Carolina General Statutes, entitled "The Municipal Service District Act of 1973", authorizes the City Council of any city within North Carolina to define one or more service districts for the purposes enumerated in that Act and pursuant to the procedure therein prescribed; and

WHEREAS, the City Council of the City of Raleigh, North Carolina has established the Municipal Service District as defined in Resolution 2008-591 for the purpose of pursuing a downtown revitalization project,

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Raleigh that the following budget for the Municipal Service District for Fiscal Year 2008-09 is hereby approved:

<u>REVENUE</u>	<u>AMOUNT</u>
Municipal Service District	\$631,867
<u>EXPENDITURES</u>	<u>AMOUNT</u>
Municipal Service District	\$631,867

Adopted: June 23, 2008
 Effective: July 1, 2008
 Distribution: City Council
 City Manager
 City Attorney
 Chief Finance Officer
 Accounting
 Audits
 Budget Staff
 Downtown Raleigh Alliance

Operating Budget for the Greater Raleigh Convention and Visitors Bureau

Resolution No. (2008-592), City Of Raleigh, Fiscal Year 2008-09

WHEREAS, the General Assembly of North Carolina adopted House Bill 703, entitled “An Act to Authorize Wake County to Levy a Room Occupancy Tax and a Prepared Food and Beverage Tax”, during the 1991 Session; and,

WHEREAS, said Act requires certain distribution of a portion of the proceeds from these taxes to the Greater Raleigh Convention and Visitors Bureau; and,

WHEREAS, said Act further requires the Greater Raleigh Convention and Visitors Bureau to submit an annual budget to the Raleigh City Manager and Wake County Manager for processing and approval through the regular budget procedures of the city and the county; and,

WHEREAS, the Greater Raleigh Convention and Visitors Bureau has submitted a proposed budget for Fiscal Year 2008-09 to the Raleigh City Manager and Wake County Manager,

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Raleigh that the following budget for the Greater Raleigh Convention and Visitors Bureau for Fiscal Year 2008-09 is hereby approved:

<u>REVENUE</u>	<u>AMOUNT</u>
Room Occupancy	\$3,026,000
Prepared Food and Beverage Tax	675,000
Reserves	125,000
Convention Center Marketing	150,000
Dividends and Interest	<u>31,500</u>
TOTAL REVENUES	\$4,007,500

<u>EXPENDITURES</u>	<u>AMOUNT</u>
Greater Raleigh Convention and Visitors Bureau	\$4,007,500*

* The fifth of five annual \$25,000 County loan payments is included in the expenditure budget for repayment of \$125,000 no-interest loan.

- Adopted: June 23, 2008
- Effective: July 1, 2008
- Distribution: City Council
- City Manager
- City Attorney
- Chief Finance Officer
- Accounting
- Audits
- Budget Staff
- Greater Raleigh Convention and Visitors Bureau
- Wake County Manager

Resolution Adopting the Capital Improvement Program

Resolution No. (2008-593), City Of Raleigh, Fiscal Years 2008-09 Through 2017-2018

WHEREAS, a Proposed Capital Improvement Program for Fiscal Years 2008-09 through 2017-18 was presented to the City Council on May 20, 2008; and

WHEREAS, the Proposed Capital Improvement Program described major capital projects, funding schedules, and a capital financing plan recommended by the City Administration; and

WHEREAS, the Capital Improvement Program provides a comprehensive framework for accomplishing needed public improvements;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RALEIGH:

Section 1. That the document titled "*Proposed Capital Improvement Program, 2008-09 through 2017-18*" is hereby amended as follows:

Parking Deck Assessment and Repair – \$126,500. This project has been reduced by \$39,777 in FY09 of the Transportation Program, Page 7, Item 4.

Upper Neuse Initiative and Water Quality - \$1,500,000. This project has been increased by \$1mil in FY09 of the Public Utilities Program, Page 22, Item 20.

Little River Reservoir Wetland Mitigation Property Acquisition - \$3,060,500. This project has been increased by \$560,500 in FY09 of the Public Utilities Program, Page 23, Item 47.

Parking Deck Retail – \$500,000. This project has been reduced by \$750,000 in FY09 of the General Public Improvement Program, Page 91, Item 5.

Downtown West Gateway – \$1,250,000. This project has been reduced by \$500,000 in FY09 of the General Public Improvement Program, Page 91, Item 9.

Person/Blount/New Bern Consultant – \$50,000. This project has been added to Phase I of the General Public Improvement Program for FY09, Page 91.

South Park History Project – \$50,000. This project has been added to Phase I of the General Public Improvement Program for FY09, Page 91.

Remote Operations Facilities – \$53,230,256. This project has been added to Phase II of the General Public Improvement Program, Page 100.

Section 2. That the document titled "*Proposed Capital Improvement Program, 2008-09 through 2017-18*" is adopted as a policy to guide capital budgeting, financial planning, project schedules, and other activities related to the accomplishment of capital projects.

Section 3. That the adopted Capital Improvement Program supersedes all previously adopted Capital Improvement Programs.

Section 4. Authorized project expenditures for 2008-09 represent appropriations necessary for the completion of projects and therefore do not require re-appropriation in any subsequent fiscal year.

Section 5. That the adopted Capital Improvement Program may be amended by the City Council with budgetary actions or other actions related to the authorization of specific projects and by the adoption of future Capital Improvement Programs.

Adopted: June 23, 2008

Effective: July 1, 2008

Distribution: City Manager
 City Council
 City Attorney
 Department Heads
 Budget Staff