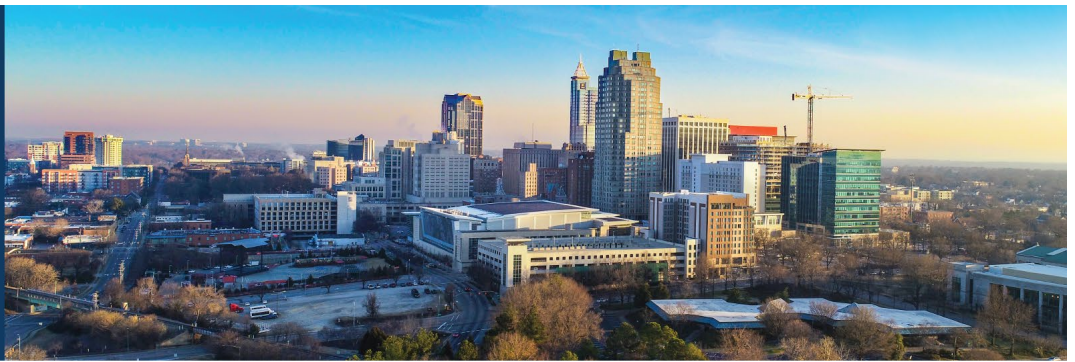


# Manager's Update

[raleighnc.gov](http://raleighnc.gov)



Issue 2021-47

December 17, 2021

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## INFORMATION:

### **Financial Report – Quarter 1 FY2021-22**

*Staff Resource: Mary Vigue, Budget and Management Services, 996-4270, [mary.vigue@raleighnc.gov](mailto:mary.vigue@raleighnc.gov)*

*Allison Bradsher, Finance, 996-3215, [allison.bradsher@raleighnc.gov](mailto:allison.bradsher@raleighnc.gov)*

The FY2021-22 Quarter 1 Financial Report, developed to track financial metrics and the performance of key operating funds, is included with the *Update* materials this week. In an effort to better summarize financial results for City operations, this report has been enhanced to provide additional detail and improved graphics. Overall, FY2021-22 Quarter 1 General Fund performance is within expectations. Staff continues to monitor key operating funds for potential revenue loss, including Parking, Convention and Performing Arts Complex, and Transit Operations.

The report also provides an overview of federal funding received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Consolidated Appropriations Act, and the American Rescue Plan Act. This report was developed in conjunction with City departments to provide an overview of financial performance.

*(Attachment)*

**Strategy to Accelerate Review Process for Affordable Housing Projects**

*Staff Resource: James Marapoti, Planning & Development, 996-4777, [james.marapoti@raleighnc.gov](mailto:james.marapoti@raleighnc.gov)*

Staff from the Housing & Neighborhoods and the Planning & Development departments have developed a unified coordination plan that will allow for reduced processing time and a coordinated effort for process improvement. These modifications will apply to affordable housing projects managed and funded by the City or Wake County only. The new joint process will increase the visibility and timing of expectations between the two departments in coordination with the design firm and developer. The new process will also ensure a more efficient review is conducted which will save money and time. Staff estimates the proposed accelerated review type will reduce the current review processes by 45 days. Staff plans to test the first pilot case with King's Ridge affordable housing project due to Planning & Development by December 20. Next steps for staff will be to coordinate with the design firm for King's Ridge to review the process and timing expectations in advance of their submittal. Modifications to the process after completing the pilot program will be reviewed by staff and adjustments made as needed.

*(No Attachment)*

**Utility Bill Payment System Enhancements**

*Staff Contacts: Gregory Jenkins II, Raleigh Water, 996-3475, [gregory.jenkins@raleighnc.gov](mailto:gregory.jenkins@raleighnc.gov)*

*Patrick Eudy, Finance, 996-3230, [patrick.eduy@raleighnc.gov](mailto:patrick.eduy@raleighnc.gov)*

The Finance, Information Technology, and Raleigh Water departments have been working collaboratively on the first enhancement of the utility bill payment system since it launched on March 20, 2021. The system, hosted by third party vendor Paymentus, provides utility customers with enhanced security and more payment options to make it easier to pay utility bills. When the system launched, customers gained the ability to pay through PayPal, Venmo, eCheck, as well as scheduling recurring credit card payments. Over 500,000 transactions have been processed through the system totaling approximately \$62 million since the system launched approximately nine months ago.

As part of the contract with Paymentus, new opportunities for utility bill payments include:

- Ability to make payments at Wal-Mart Bill Centers with real-time integration.
- Adding the payment method of Amazon Pay.

Raleigh Water Communications will be working with City Communications and Transportation to market all payment options on City buses as well as continuing to market through our more traditional avenues; newsletters, websites, etc. The system can be accessed by visiting the City website and clicking on the green tile labeled "Make Payments" or visiting [Raleighnc.gov/utilitypay](https://Raleighnc.gov/utilitypay).

In addition to the Raleigh Water enhancements, Finance has expanded the types of payments that can be accepted on the Paymentus platform by adding the following fee types:

- Fire inspection fees
- Police false alarm citations
- Regulatory license fees
- Special event registration and permit fees

With the addition of these fee types, citizens now have the convenient option of paying on the web using credit/debit, PayPal, and e-Check in addition to the existing mail-in and phone payment options.

(No attachment)

### **Holiday Curbside Pick-Up Zones**

*Staff Resource: Matthew Currier, Transportation, 996-4041, [matthew.currier@raleighnc.gov](mailto:matthew.currier@raleighnc.gov)*

Raleigh Parking has partnered with Downtown Raleigh Alliance (DRA) to create temporary holiday curbside pick-up zones. This past June, DRA released the results of their *Public Realm Study 2021*. One of the key focus areas was assessing the need for expanding curbside pick-up zones in downtown. After a robust public outreach process, there were recommendations to provide a temporary deployment of cones/signs for the holiday season and to consider painting these zones on the pavement with bright colors to facilitate shopping.

With DRA leading the way, these holiday zones were marketed primarily to retail businesses. An online form was created for anyone interested in the program and, to date, 22 businesses have signed up. Taking into consideration proximity to existing curbside zones and other requesting businesses, staff has coordinated the installation of 16 holiday curbside pick-up zones which will be in place until after the New Year.

In tandem with the new holiday themed signage, Raleigh Parking is piloting the use of paint to further call attention to this new type of curbside use and draw customers to these special spaces. Graphics of the zone signage and pavement paint may be found below; partnering with DRA assured this successful pilot and, depending on feedback, has the potential to become an annual event.



(No attachment)

### **Downtown Pedestrian Safety Project**

*Staff Resource: Todd Edwards, Transportation, 996-4088, [todd.edwards@raleighnc.gov](mailto:todd.edwards@raleighnc.gov)*

In January 2019 a pedestrian crash occurred at the McDowell/Lane Street intersection resulting in the death of a State employee. In the weeks following the crash, Governor Cooper directed North Carolina Department of Transportation (NCDOT) engineers to review pedestrian crash history in downtown Raleigh and to investigate options to improve pedestrian safety, specifically around the State government

complex. The NCDOT Traffic Safety Unit hired VHB, a private engineering firm, as the project lead and asked City Transportation staff to assist in what would be a multi-year project.

The project team worked with NCDOT and representatives from other State agencies to use a data-driven process to identify pedestrian safety problems. The team developed near-term engineering countermeasures for specific intersections and pedestrian crossings in the State government complex area. The process included estimating pedestrian crossing activity, describing risk for pedestrian crashes, conducting outreach to State employees and other stakeholders in the area, and analyzing the impacts and benefits of changing intersection operations.

In the summer of 2020, civil unrest resulted in internal dialog about equity and the overall limits of the original project. NCDOT agreed to expand the original subject area beyond the State government complex to include a much larger footprint in the downtown area (see map).

After the initial study was completed and summarized in a report in Summer 2020, the team continued to model how traffic operations and speeds responded to signal timing changes made in 2020 and 2021. At that point, NCDOT engineers started discussions with city staff on how to implement components of the plan to improve pedestrian safety. Although there was no dedicated funding, NCDOT engineers had anticipated obtaining funding through Federal sources available to them. Based on overall funding constraints, NCDOT decided it would be easier to obtain funding by breaking the project down into smaller components or deliverables. In July of this year \$318,000 dollars in federal funding was appropriated for what would be known as Phase 1 of the project. The majority of this appropriation (\$200,000) is allocated to engineering costs to redesign over 100 traffic signal plans to reflect a decrease in the speed limit from 35-mph to 25-mph and “no right turn on red” prohibitions. Additionally, several signal locations will have dual turning movements removed to reduce pedestrian-vehicle conflicts.

As of the time of this update, the second phase of the pedestrian safety effort is still underway. If State funding is available and obtained, improvements and changes will likely require City Council action in the form of a municipal agreement. While funding would be provided by the State via the Federal Highway Administration (FHWA), City staff would likely be asked to implement the construction work. The second phase is scoped to focus on pedestrian safety at midblock crossing locations and would include treatments like concrete curb islands or bump-outs at the numerous midblock crossings in the downtown area. These crossings would be upgraded with new high-visibility markings and signage where none exist today.

Below is a chart of the proposed improvements and status; included with the *Update* materials is a map of the project area.

| List of Improvements   | Completion Status                       |
|--|---|
| Implement Leading Pedestrian Signals (LPI's)   | 80% complete                            |
| Retime the downtown traffic signal grid to reduce the traffic speeds from 35mph to 25mph | Complete                                |
| Complete signal plans for 100+ intersections   | Anticipated completion Summer/Fall 2022 |
| Reduce and post the speed limit to 25 mph  | Anticipate completion Fall 2022         |
| Restrict right turns on red light indications for the majority of all intersections      | Anticipate completion Fall 2022         |
| Remove dual turning channelization where possible  | Anticipate completion Fall 2022         |

(Attachment)



**Greenway Master Plan Update**

*Staff Resource: Kris Nikfar, Raleigh Parks, 996-4786, [kris.nikfar@raleighnc.gov](mailto:kris.nikfar@raleighnc.gov)*

The Greenway Master Plan was first adopted by City Council in 1976 and included over 200 miles of watercourses in the plan. The plan was revised numerous times with the last update being completed in 1989. The 1989 Update created a system hierarchy which identified corridors, connectors, nodes, and loops within the system. The 1989 Update also emphasized recreation and inclusion of the greenway system in the parks and recreation offerings of the city. The plan now includes 240 miles of watercourses and other trail development corridors and continues to grow, not only as a recreational facility, but as means of commuting to and from communities, business centers and other regional destinations.

In early 2020, Parks staff began an effort to update the Greenway Master Plan. Since that time, an existing system analysis was completed, project recommendations were developed, three phases of public outreach have been conducted and a Final Draft of the Greenway Master Plan is now available for viewing on the [Greenway Master Plan project page](#).

With the final draft now complete, staff will review the plan with the Greenway Master Plan Steering Committee; the Greenway Committee; the Bicycle and Pedestrian Advisory Commission; and the Parks Recreation and Greenway Advisory Board, beginning in January of 2022. Following those advisory board reviews, staff will present the draft to the City Council in early 2022.

*(No attachment)*

**Weekly Digest of Special Events**

*Staff Resource: Sarah Heinsohn, Special Events Office, 996-2200, [sarah.heinsohn@raleighnc.gov](mailto:sarah.heinsohn@raleighnc.gov)*

Included with the *Update* materials is the special events digest for the upcoming week.

*(Attachment)*

## Council Member Follow Up Items

### Follow Up to the October 5 City Council Meeting

**Short-term Rental Housing as a Share of Total Housing Stock (Council Member Cox)**

*Staff Resource: Christopher Golden, Planning & Development, 996-6368, [christopher.golden@raleighnc.gov](mailto:christopher.golden@raleighnc.gov)*

During the meeting Council requested for staff to determine the level of impact of short-term rentals on the local housing stock in the City. Staff reached out to representatives at Airbnb and VBRO, the most utilized short-term rental services that operate in and around Raleigh, to determine an answer to the question.

Included with the *Update* materials is a staff memorandum with additional details. Of note, the data in the memo is disaggregated to the level that the respective rental service organizations could provide.

(Attachment)

## Follow Up to the December 7 City Council Meeting

### Disparity Study Update (Council Member Forte)

Staff Resource: Evan Raleigh, City Manager's Office, 996-3070, [evan.raleigh@raleighnc.gov](mailto:evan.raleigh@raleighnc.gov)

During the meeting Council requested that staff provide an update on the disparity study. Council may recall that during the July 6 Council meeting, staff recommended proceeding with contract negotiations with Miller3 Consulting, Inc. and requested authorization to execute a contract upon successful negotiation of contract terms. From August to November, staff worked through the process of contract development, review by the City Attorney's Office, and contract execution.

On December 10 staff met with Miller3 Consulting, Inc. for the MWBE Disparity Study Kickoff meeting. The meeting provided the opportunity for the consultants to introduce themselves and the disparity study project to key internal stakeholders. The meeting included staff from the Department of Equity and Inclusion, Procurement, Facilities/Maintenance/Capital Projects, Accounts Payable/Finance, IT, and the City Attorney's Office. In addition to providing an overview of the disparity study approach and methodology, Miller3 Consulting, Inc. addressed data requirements, roles and responsibilities and timelines.

Below is an outline of the consultant's work plan and timeline for completion of the various tasks associated with the study:



### City of Raleigh Disparity Study Work Plan

Based on Dec. 1, 2021 Start Date

| M <sup>3</sup> Consulting Task         | Completion Date |
|--|-----------------|
| Project Management                     | On-going        |
| Legal Analysis                         | 3/1/2022        |
| Procurement                            | 3/4/2022        |
| Data Assessment, Collection, Analysis  | 4/14/2022       |
| Relevant Market                        | 3/15/2022       |
| Availability                           | 5/14/2022       |
| Utilization                            | 6/13/2022       |
| Disparity and Statistical Significance | 7/4/2022        |
| Regression and Capacity                | 8/18/2022       |
| Anecdotal                              | 9/29/2022       |
| Marketplace                            | 7/19/2022       |
| Race Neutral                           | 4/30/2022       |
| Findings and Conclusions               | 9/14/2022       |
| Final Report                           | 11/15/2022      |
| Presentations                          | 12/2022         |

12/10/2021

(c) 2021 Miller3 Consulting, Inc.

(No attachment)

### **FY21 Strategic Plan Performance Report - Alternative Fuel Vehicles (Council Member Cox)**

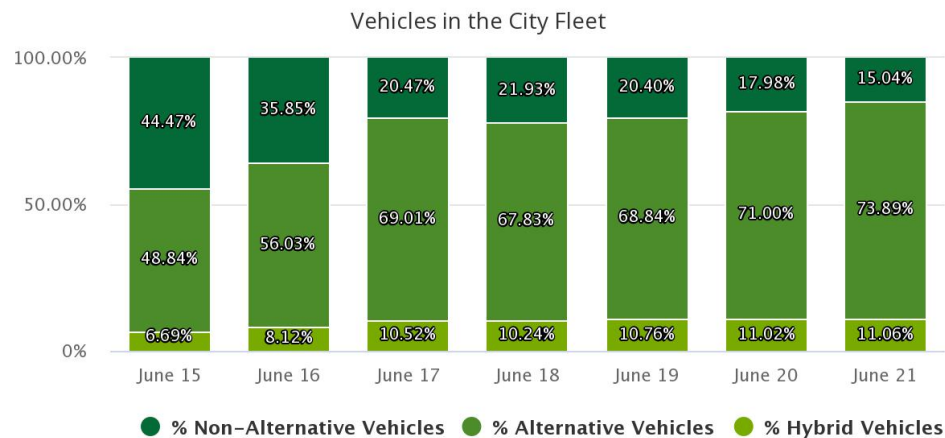
Staff Resource: Stephanie Olson, Budget & Management Services, 996-4300, [stephanie.olson@raleighnc.gov](mailto:stephanie.olson@raleighnc.gov)

Rick Longobart, Engineering Services, 996-5616, [rick.longobart@raleighnc.gov](mailto:rick.longobart@raleighnc.gov)

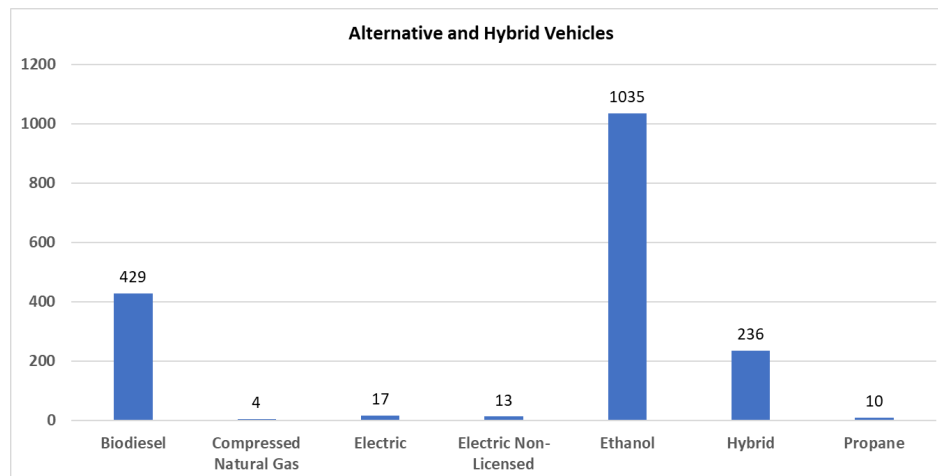
During the meeting staff provided an annual progress report on the adopted Strategic Plan, during which staff shared a chart showing the progress the City has made in transforming the vehicle fleet to alternative and hybrid vehicles (see *Chart 1*).

During discussion Council requested a further breakdown of vehicle types as well as alternative fuel use throughout the City fleet. The charts below show the percentage of alternative fuel vehicles by type and the consumption of alternative fuels.

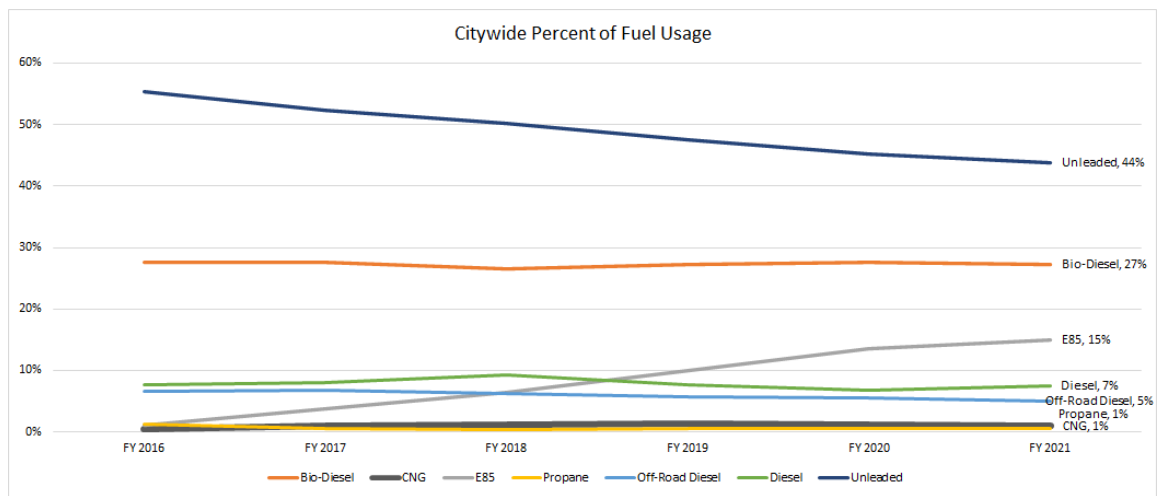
**Chart 1: Alternative, Hybrid, and Non-Alternative Vehicles in the City of Raleigh Fleet**



**Chart 2: Alternative Vehicles in the City of Raleigh Fleet – By Type**



\*The 13 non-licensed vehicles are not included in *Chart 1*

**Chart 3: Fuel Usage in the City of Raleigh Fleet**

(No attachment)

# FY 2021-2022 FINANCIAL REPORT

## Q1

December 17, 2021



### Status At-A-Glance

The following summarizes the status of the City's various funds, grants, and capital projects in Fiscal Year 2021-2022. Summaries are provided for areas performing under "Watch" or "Warning." Additional details can be found on subsequent pages.

|                        |          | PAGE |  |
|------------------------|----------|------|--|
| General Fund Revenues  | ON TRACK | 4    | <b>Convention Center:</b> Revenues are improving as operations resume and the RCC/PAC begins hosting events and conferences, though attendance is still below pre-pandemic levels. Staff will continue to monitor hospitality and tourism industry trends. |
| General Fund Expenses  | ON TRACK | 6    |  |
| Convention Center      | WATCH    | 9    | <b>Parking Operations:</b> Parking revenues continue to be impacted by a decrease in downtown traffic during normal business hours. Staff continue to monitor parking revenues received as businesses continue to delay return to work policies.           |
| Parking Operations     | WATCH    | 11   |  |
| Raleigh Water          | ON TRACK | 12   | <b>Transit Operations:</b> Bus fares continue to be suspended for FY2021-22. However, Transit continues to receive federal funds to offset lost revenue.   |
| Solid Waste Operations | ON TRACK | 13   |  |
| Stormwater Operations  | ON TRACK | 14   | <b>Grants:</b> Due to an unprecedented amount of grant funding, staff will continue to monitor grant activities to ensure continued grant management and compliance.   |
| Transit Operations     | WATCH    | 15   |  |
| Vehicle Fleet Services | ON TRACK | 16   |  |
| Grants                 | WATCH    | 17   |  |

#### INDICATOR KEY:

|          |  |
|----------|--|
| ON TRACK | Performing as expected                     |
| WATCH    | Staff closely monitoring                   |
| WARNING  | Identified concerns that require attention |



## General Fund Overview

The General Fund is the main operating fund for the City. It is supported through property tax, state shared revenues, sales tax, and other revenues. The General Fund provides funding for major operating activities including general government, infrastructure and public service, public safety, and leisure services.

### Revenues

General Fund revenues continue to improve due to citywide growth and the unprecedented federal stimulus. General Fund revenues primarily include property taxes, state shared revenues, sales taxes, licenses, permits, and user fees.

The FY2021-22 General Fund budget includes a 1.78 cent property tax increase (per \$100 of property value) associated with the voter approved 2020 affordable housing bond referendum (0.78 cents) and a property tax increase for parks capital maintenance (1.0 cent).

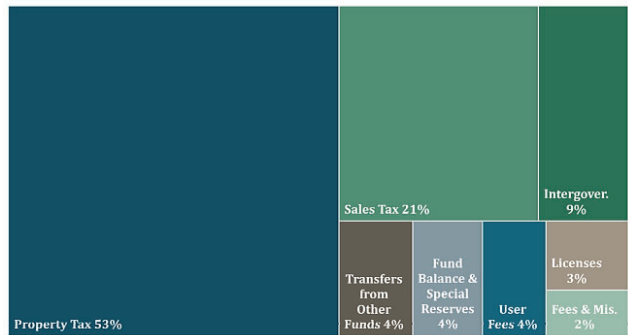
### Expenses

The major operating activities in the General Fund include police, fire, transportation services, general government, planning and development services, parks and recreation, and other governmental service functions.

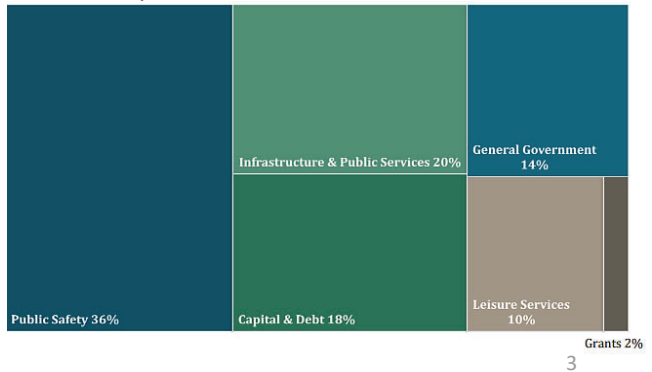
Strategic investments in the FY2021-22 budget include:

- Continued investment in the City's greatest asset, the employees, through annual merit increases.
- The City is absorbing estimated increases in medical costs and did not increase the monthly employee and retiree health and dental premiums effective with the new plan year 1/1/22.
- The LGERS Board of Trustees voted to increase employer contributions for retirement by 1.2% annually through FY2021-22 to ensure the pension system is sufficiently funded.
- A Citywide hiring freeze review process continues to meet the City's assumed 1% vacancy credit.
- An Office of Community Engagement and Office of Strategy and Innovation were established as City Council priorities.
- A Parks and Greenway Public Safety Unit and Fire enhancements were added to address identified needs through staffing studies.
- Additional General Fund strategic investments can be found on the City's website under 'Current City Budget' or located [here](#).

### General Fund Revenues



### General Fund Expenses



3

## General Fund (Fund 100) Revenues – FY2021-2022 Quarter 1

| Fiscal Year 2021-2022                      |                      |                     |                       |
|--|----------------------|---------------------|-----------------------|
| Revenue Categories:                        | Amended Budget       | Q1 Actuals          | % of Budget Collected |
| <b>Operating</b>                           | <b>\$522,008,646</b> | <b>\$60,433,934</b> | <b>11.6%</b>          |
| Property Tax                               | \$273,041,010        | \$37,847,045        | 13.9%                 |
| Sales Tax                                  | \$113,837,600        | \$0                 | 0.0%                  |
| Franchise Tax                              | \$28,300,000         | \$0                 | 0.0%                  |
| Motor Vehicle Tax                          | \$16,965,000         | \$3,232,992         | 19.1%                 |
| Other Taxes                                | \$16,500,000         | \$2,314,581         | 14.0%                 |
| Intergovernmental Fees                     | \$12,673,501         | \$3,187,670         | 25.2%                 |
| Powell Bill                                | \$10,000,000         | \$5,102,668         | 51.0%                 |
| Development Fees                           | \$15,475,840         | \$4,632,496         | 29.9%                 |
| PRCR User Fees                             | \$3,950,750          | \$1,657,795         | 42.0%                 |
| Other Fees & Miscellaneous                 | \$28,964,945         | \$2,236,489         | 7.7%                  |
| Interest Income                            | \$2,300,000          | \$222,198           | 9.7%                  |
| <b>Transfers</b>                           | <b>\$319,635</b>     | <b>\$0</b>          | <b>0.0%</b>           |
| Transfers from Other Funds                 | \$319,635            | \$0                 | 0.0%                  |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$30,394,949</b>  | <b>\$0</b>          | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$30,394,949         | \$0                 | 0.0%                  |
| <b>Total</b>                               | <b>\$552,723,230</b> | <b>\$60,433,934</b> | <b>10.9%</b>          |

| Fiscal Year 2020-2021                      |                      |                     |                          |                      |
|--|----------------------|---------------------|--------------------------|----------------------|
| Revenue Categories:                        | Amended Budget       | Q1 Actuals          | Q1 % of Budget Collected | Year-End Actuals     |
| <b>Operating</b>                           | <b>\$503,465,320</b> | <b>\$50,621,343</b> | <b>10.1%</b>             | <b>\$524,333,828</b> |
| Property Tax                               | \$257,650,679        | \$33,491,834        | 13.0%                    | \$257,399,060        |
| Sales Tax                                  | \$100,608,000        | \$0                 | 0.0%                     | \$123,181,562        |
| Franchise Tax                              | \$30,000,000         | \$0                 | 0.0%                     | \$28,598,556         |
| Motor Vehicle Tax                          | \$17,077,817         | \$3,526,330         | 20.6%                    | \$18,222,782         |
| Other Taxes                                | \$17,181,684         | \$2,322,666         | 13.5%                    | \$16,479,040         |
| Intergovernmental Fees                     | \$11,727,611         | \$1,950,549         | 16.6%                    | \$11,854,744         |
| Powell Bill                                | \$9,880,000          | \$3,580,429         | 36.2%                    | \$7,160,857          |
| Development Fees                           | \$13,722,136         | \$3,719,536         | 27.1%                    | \$17,264,438         |
| PRCR User Fees                             | \$5,590,985          | (\$35,880)*         | -0.6%                    | \$2,489,431          |
| Other Fees & Miscellaneous                 | \$36,326,408         | \$1,880,611         | 5.2%                     | \$36,576,717         |
| Interest Income                            | \$3,700,000          | \$185,270           | 5.0%                     | \$5,106,642          |
| <b>Transfers</b>                           | <b>\$354,881</b>     | <b>\$0</b>          | <b>0.0%</b>              | <b>\$354,881</b>     |
| Transfers from Other Funds                 | \$354,881            | \$0                 | 0.0%                     | \$354,881            |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$21,891,019</b>  | <b>\$0</b>          | <b>0.0%</b>              | <b>\$0</b>           |
| Fund Balance & Special Reserves            | \$21,891,019         | \$0                 | 0.0%                     | \$0                  |
| <b>Total</b>                               | <b>\$525,711,220</b> | <b>\$50,621,343</b> | <b>9.6%</b>              | <b>\$524,688,709</b> |

### Staff Analysis:

Overall, General Fund revenues are tracking ahead of Q1 FY2020-2021. The FY2021-2022 budget includes authorized increases to property taxes dedicated to housing and parks maintenance and the restoration of Powell Bill funding from the State, information on other year-over-year changes are outlined below.

Revenue meeting or exceeding budget year to date:

- FY2021-2022 real property collections are trending at budget; however, both business property and utility parcels were billed at amounts higher than budgeted.
- Powell Bill revenues are received in two installments and will exceed budget by \$0.2M.
- Parks user fees are up year-over-year as the relaxation of capacity restrictions and widely available vaccinations have facilitated a safe return to parks programming.
- Development user fees continue to remain strong with Q1 collections at almost 30% of the budget.

Key revenues below prior year to date:

- Motor vehicle revenues are currently tracking below prior year due to one-time catch-up revenue that was received in Q1 of FY2020-2021. Vehicle supply chain delays continue to drive up values on vehicles, and at this point, it is anticipated that vehicle tax revenues will meet FY2021-2022 budget.

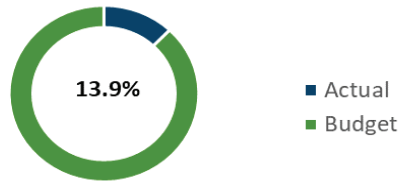
Other revenues:

- The first sales tax and franchise tax collections of FY2021-2022 will be received in October and figures will be included in the Q2 report.
- The report subsequently includes further highlights on property taxes, sales taxes, user fees and other key revenues.

\*Negative FY2020-21 Q1 actuals for PRCR user fees represent refunds processed on canceled and/or rescheduled Parks programming activities in the first quarter of FY2020-21.

## Property Tax

### Property Tax Collections thru 9/30



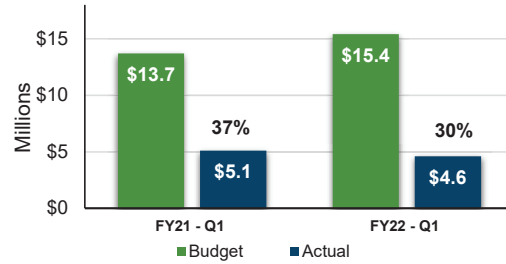
FY22 Budget \$272.1M

#### Staff Analysis:

- As previously highlighted, the FY2021-2022 property tax budget included a 1.78 cent property tax increase, supporting the voter approved housing referendum and a dedication for parks maintenance.
- Net assessed value is budgeted at \$72.5B. Business property and utility parcels were billed at amounts higher than budgeted.
- Property Tax collection rate is budgeted at 99.3%. A better idea of the actual collection rate will be better understood in December when collections start to increase.
- It is anticipated that delinquencies carried over from FY2019-2020 and FY2020-2021 billing years will fall back to prior historical levels. Staff will continue to monitor these activities.

## User Fees

### Development User Fees



#### Staff Analysis:

- Development user fee collections through Q1 are 4.6M or 30% of the budget, indicating continued strength in the development market.
- PRCR user fees are off to a strong Q1 start with \$1.6M collected, or 42% of the budget. The FY2021-2022 budget was intentionally set lower due to unknown duration of the pandemic on programming.

## Sales Tax

#### Staff Analysis:

- National retail sales data continues to show double-digit growth through September, which is a good indicator for Raleigh sales tax.
- According to Deloitte LLP, this holiday season is expected to produce an overall increase in spending, perhaps as high as 7% to 9%.
- The K-shaped recovery which had been cited by economists, continues to impact spending patterns, while the gap between the wealthiest American households and lower-income households continues to widen.
- One item to monitor is supply chain issues and well as the U.S. consumer sentiment, which fell in early October to the 2<sup>nd</sup> lowest level since 2011 with consumers citing growing concerns over inflation.

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## General Fund (Fund 100) Expenditures – FY2021-2022 Quarter 1

| Fiscal Year 2021-2022     |                      |                     |              |                      |
|---------------------------|----------------------|---------------------|--------------|----------------------|
| Expenditure Categories    | Amended Budget       | Q1 Actuals          | Q1 % Spend   | Projected Spend      |
| <b>Operating</b>          | <b>\$418,064,937</b> | <b>\$88,893,613</b> | <b>21.3%</b> | <b>\$388,834,591</b> |
| Personnel                 | \$212,681,720        | \$45,339,105        | 21.3%        | \$202,330,963        |
| Employee Benefits         | \$97,320,123         | \$22,064,594        | 22.7%        | \$91,863,659         |
| Operating Expenditures    | \$105,192,102        | \$21,009,224        | 20.0%        | \$92,002,005         |
| Operating Capital         | \$1,512,948          | \$79,366            | 5.2%         | \$1,487,948          |
| Interfund Expenditures    | \$1,358,044          | \$401,323           | 29.6%        | \$1,150,016          |
| <b>Transfers</b>          | <b>\$134,658,293</b> | <b>\$0</b>          | <b>0.0%</b>  | <b>\$134,858,293</b> |
| Transfer to Debt Service  | \$64,960,480         | \$0                 | 0.0%         | \$64,960,480         |
| Transfer to Capital Funds | \$33,777,643         | \$0                 | 0.0%         | \$33,777,643         |
| Transfer to Other Funds   | \$35,920,170         | \$0                 | 0.0%         | \$36,120,170         |
| <b>Total</b>              | <b>\$552,723,230</b> | <b>\$88,893,613</b> | <b>16.1%</b> | <b>\$523,692,884</b> |

| Fiscal Year 2021-2022                         |                      |                     |              |                      |
|---|----------------------|---------------------|--------------|----------------------|
| Department                                    | Amended Budget       | Q1 Actuals          | Q1 % Spend   | Projected Spend      |
| Police Dept                                   | \$117,808,720        | \$24,233,888        | 20.6%        | \$111,646,612        |
| Fire Dept                                     | \$71,814,493         | \$16,360,660        | 22.8%        | \$70,646,746         |
| Parks, Recreation and Cultural Resources Dept | \$55,861,083         | \$12,145,753        | 21.7%        | \$48,211,074         |
| Transportation Services Dept                  | \$32,087,477         | \$5,918,717         | 18.4%        | \$29,498,596         |
| Information Technology Dept                   | \$23,821,987         | \$6,073,104         | 25.5%        | \$22,688,463         |
| Engineering Services Dept                     | \$23,308,306         | \$4,310,394         | 18.5%        | \$19,969,841         |
| Planning and Development Services Dept        | \$20,839,897         | \$4,605,037         | 22.1%        | \$19,932,372         |
| Emergency Communications Dept                 | \$11,483,743         | \$2,335,460         | 20.3%        | \$10,515,465         |
| Finance Dept                                  | \$6,742,800          | \$1,623,387         | 24.1%        | \$6,596,154          |
| Housing & Neighborhood Dept                   | \$6,438,031          | \$1,481,634         | 23.0%        | \$5,758,988          |
| City Attorney Dept                            | \$4,634,959          | \$1,052,252         | 22.7%        | \$4,383,033          |
| Human Resources Dept                          | \$4,758,704          | \$1,040,510         | 21.9%        | \$4,707,295          |
| Communications Dept                           | \$3,398,397          | \$694,239           | 20.4%        | \$3,158,818          |
| City Manager Dept                             | \$5,594,348          | \$1,110,126         | 19.8%        | \$5,069,673          |
| Budget and Management Services Dept           | \$1,542,209          | \$345,792           | 22.4%        | \$1,535,003          |
| Equity and Inclusion Dept                     | \$1,439,143          | \$216,546           | 15.0%        | \$871,808            |
| City Clerk Dept                               | \$796,355            | \$138,503           | 17.4%        | \$586,552            |
| City Council Dept                             | \$444,709            | \$80,231            | 18.0%        | \$357,237            |
| Special Appropriations                        | \$159,907,870        | \$5,127,379         | 3.2%         | \$157,559,154        |
| <b>Total</b>                                  | <b>\$552,723,230</b> | <b>\$88,893,613</b> | <b>16.1%</b> | <b>\$523,692,884</b> |

| Fiscal Year 2020-2021     |                      |                     |              |                      |
|---------------------------|----------------------|---------------------|--------------|----------------------|
| Expenditure Categories    | Amended Budget       | Q1 Actuals          | Q1 % Spend   | Actuals              |
| <b>Operating</b>          | <b>\$403,955,934</b> | <b>\$88,760,318</b> | <b>22.0%</b> | <b>\$373,701,672</b> |
| Personnel                 | \$208,515,379        | \$45,928,442        | 22.0%        | \$199,014,702        |
| Employee Benefits         | \$91,805,368         | \$22,356,437        | 24.4%        | \$87,641,123         |
| Operating Expenditures    | \$101,126,516        | \$19,904,892        | 19.7%        | \$85,233,710         |
| Operating Capital         | \$1,146,927          | \$230,359           | 20.1%        | \$621,624            |
| Interfund Expenditures    | \$1,361,744          | \$340,188           | 25.0%        | \$1,190,512          |
| <b>Transfers</b>          | <b>\$121,755,286</b> | <b>\$0</b>          | <b>0.0%</b>  | <b>\$121,755,286</b> |
| Transfer to Debt Service  | \$68,132,799         | \$0                 | 0.0%         | \$68,132,799         |
| Transfer to Capital Funds | \$12,820,557         | \$0                 | 0.0%         | \$12,820,557         |
| Transfer to Other Funds   | \$40,801,930         | \$0                 | 0.0%         | \$40,801,930         |
| <b>Total</b>              | <b>\$525,711,220</b> | <b>\$88,760,318</b> | <b>16.9%</b> | <b>\$495,456,958</b> |

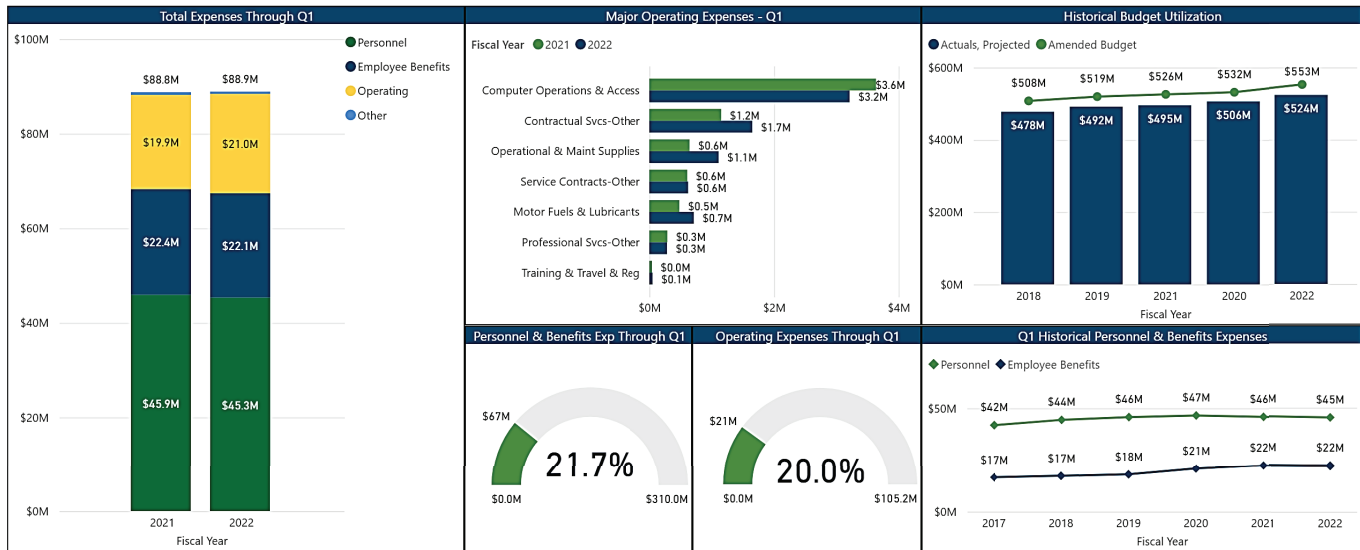
| Fiscal Year 2020-2021                         |                      |                     |              |                      |
|---|----------------------|---------------------|--------------|----------------------|
| Department                                    | Amended Budget       | Q1 Actuals          | Q1 % Spend   | Actuals              |
| Police Dept                                   | \$113,430,917        | \$25,684,046        | 22.6%        | \$109,165,345        |
| Fire Dept                                     | \$69,111,006         | \$15,403,231        | 22.3%        | \$66,463,411         |
| Parks, Recreation and Cultural Resources Dept | \$53,978,941         | \$11,372,831        | 21.1%        | \$47,271,990         |
| Transportation Services Dept                  | \$30,678,133         | \$6,228,418         | 20.3%        | \$28,113,789         |
| Information Technology Dept                   | \$23,391,950         | \$6,592,092         | 28.2%        | \$22,441,954         |
| Engineering Services Dept                     | \$22,018,830         | \$4,394,457         | 20.0%        | \$19,442,381         |
| Planning and Development Services Dept        | \$19,919,783         | \$4,371,515         | 21.9%        | \$19,027,044         |
| Emergency Communications Dept                 | \$11,125,015         | \$2,311,270         | 20.8%        | \$10,621,357         |
| Finance Dept                                  | \$6,545,709          | \$1,487,887         | 22.7%        | \$5,952,041          |
| Housing & Neighborhood Dept                   | \$5,711,382          | \$1,200,506         | 21.0%        | \$4,736,888          |
| City Attorney Dept                            | \$4,351,663          | \$955,401           | 22.0%        | \$4,115,049          |
| Human Resources Dept                          | \$4,906,799          | \$962,005           | 19.6%        | \$4,193,605          |
| Communications Dept                           | \$3,412,486          | \$766,289           | 22.5%        | \$3,048,379          |
| City Manager Dept                             | \$5,396,627          | \$1,159,405         | 21.5%        | \$5,017,469          |
| Budget and Management Services Dept           | \$1,693,976          | \$362,513           | 21.4%        | \$1,516,192          |
| Equity and Inclusion Dept                     | \$992,732            | \$66,798            | 6.7%         | \$850,131            |
| City Clerk Dept                               | \$707,930            | \$141,096           | 19.9%        | \$590,970            |
| City Council Dept                             | \$435,214            | \$60,503            | 13.9%        | \$297,386            |
| Special Appropriations                        | \$147,902,127        | \$5,240,057         | 3.5%         | \$142,591,577        |
| <b>Total</b>                                  | <b>\$525,711,220</b> | <b>\$88,760,318</b> | <b>16.9%</b> | <b>\$495,456,958</b> |

#### Staff Analysis:

Projected FY2021-2022 expenses are higher than FY2020-2021 actuals as programs begin to re-open and expand as the City increases service delivery following temporary changes in service due to the COVID-19 pandemic. The following expense pages detail key cost drivers and areas staff are monitoring in Fiscal Year 2021-2022.

## General Fund (Fund 100) – FY2021-2022 Quarter 1 Expense Overview

This page outlines key cost drivers within the General Fund. Personnel, benefits, and operating expenses are consistently the largest cost drivers.



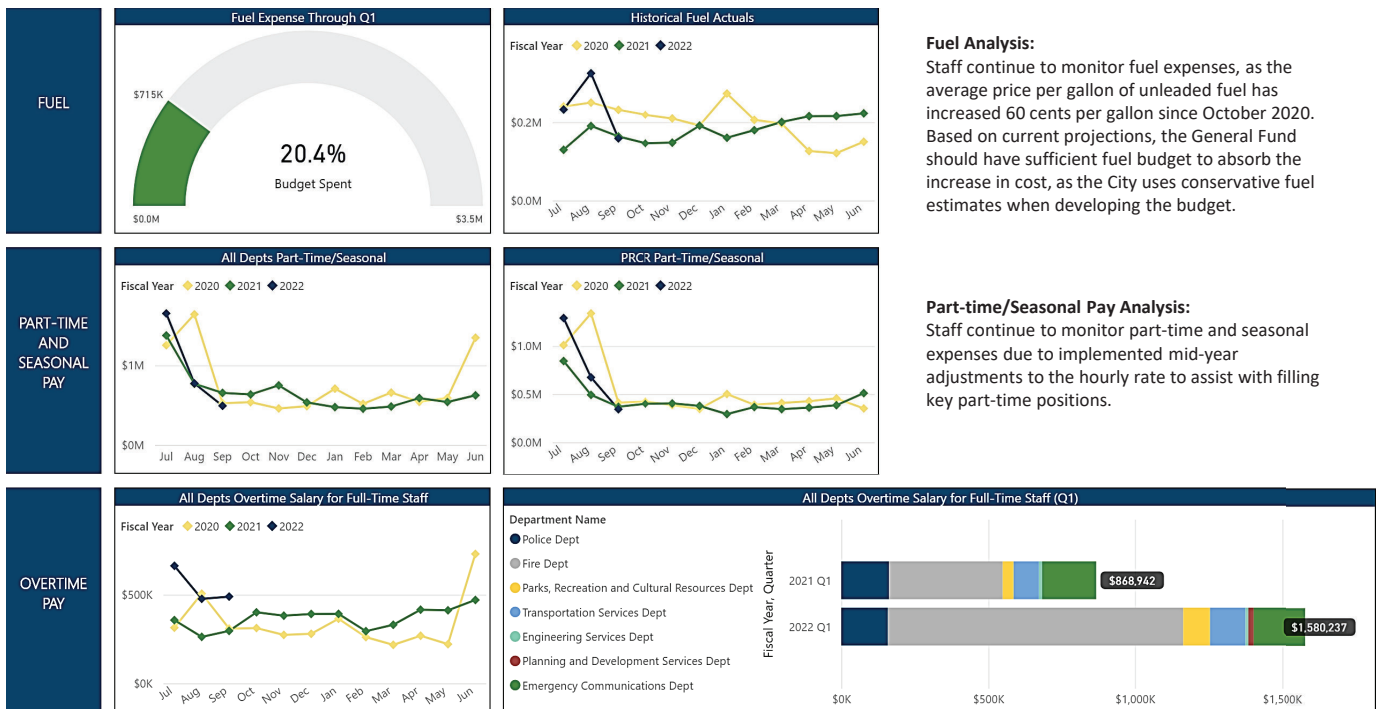
### Staff Analysis:

- General Fund expenses are performing as expected through Quarter 1 FY2021-2022.
- Personnel and employee benefits are slightly below prior year actuals, while operating expenses are slightly higher due to increased contractual services, operational & maintenance supplies, and fuel costs.
- Staff continue to monitor key operating accounts, which are illustrated in more detail on the following page.

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## General Fund (Fund 100) – FY2021-2022 Quarter 1 Expense Highlights

This page outlines specific General Fund expenses staff are monitoring during the FY2021-2022 Budget.



### Overtime Pay Analysis:

Staff continue to monitor overtime salary due to vacancies in key operating departments.

- In FY2021-2022 Q1, the Fire Department is spending more on overtime than prior years to maintain minimum service levels and staffing thresholds per shift. Fire is currently running a higher vacancy rate until the current Fire Academy class graduates. The FY2020-21 Q1 total may be slightly lower than normal due to the movement of Fire Q1 that was eligible for CARES Act reimbursement.

## Convention Center Operations (Fund 642) – FY2021-2022 Quarter 1

The Convention Center Operations Fund represents the Raleigh Convention Center, Duke Energy Center for the Performing Arts, and the Red Hat Amphitheater. This is also referred to as the Raleigh Convention and Performing Arts Complex (RCC/PAC).

| Fiscal Year 2021-2022                      |                     |                    |                       |
|--|---------------------|--------------------|-----------------------|
| Revenues                                   | Amended Budget      | FY22 Actuals (Q1)  | % of Budget Collected |
| <b>Operating</b>                           | <b>\$10,431,543</b> | <b>\$1,349,542</b> | <b>12.9%</b>          |
| RCC/PAC Revenue                            | \$6,573,133         | \$1,243,395        | 18.9%                 |
| Other Fees & Miscellaneous                 | \$3,846,441         | \$105,502          | 2.7%                  |
| Interest Income                            | \$11,969            | \$644              | 5.4%                  |
| <b>Transfers</b>                           | <b>\$9,595,526</b>  | <b>\$0</b>         | <b>0.0%</b>           |
| Transfers from Other Funds                 | \$9,595,526         | \$0                | 0.0%                  |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$7,472,444</b>  | <b>\$0</b>         | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$7,472,444         | \$0                | 0.0%                  |
| <b>Total</b>                               | <b>\$27,499,513</b> | <b>\$1,349,542</b> | <b>4.9%</b>           |

| Fiscal Year 2021-2022  |                     |                    |              |
|------------------------|---------------------|--------------------|--------------|
| Expenses               | Amended Budget      | FY22 Actuals (Q1)  | % Spend      |
| <b>Operating</b>       | <b>\$27,499,513</b> | <b>\$3,280,138</b> | <b>11.9%</b> |
| Personnel              | \$11,206,867        | \$1,175,490        | 10.5%        |
| Employee Benefits      | \$3,007,992         | \$591,620          | 19.7%        |
| Operating Expenditures | \$11,472,874        | \$1,459,108        | 12.7%        |
| Interfund Expenditures | \$1,811,780         | \$53,919           | 3.0%         |
| <b>Total</b>           | <b>\$27,499,513</b> | <b>\$3,280,138</b> | <b>11.9%</b> |



| Fiscal Year 2020-2021                      |                     |                   |                       |                    |
|--|---------------------|-------------------|-----------------------|--------------------|
| Revenues                                   | Amended Budget      | FY21 Actuals (Q1) | % of Budget Collected | FY21 Actuals       |
| <b>Operating</b>                           | <b>\$12,129,743</b> | <b>\$319,341</b>  | <b>2.6%</b>           | <b>\$2,773,670</b> |
| RCC/PAC Revenue                            | \$9,926,748         | \$34,413          | 0.3%                  | \$1,679,301        |
| Other Fees & Miscellaneous                 | \$2,185,990         | \$325,000         | 14.9%                 | \$1,065,387        |
| Interest Income                            | \$17,005            | (\$40,071)*       | -235.6%               | \$28,982           |
| <b>Transfers</b>                           | <b>\$7,198,849</b>  | <b>\$0</b>        | <b>0.0%</b>           | <b>\$7,198,849</b> |
| Transfers from Other Funds                 | \$7,198,849         | \$0               | 0.0%                  | \$7,198,849        |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$2,553,393</b>  | <b>\$0</b>        | <b>0.0%</b>           | <b>\$0</b>         |
| Fund Balance & Special Reserves            | \$2,553,393         | \$0               | 0.0%                  | \$0                |
| <b>Total</b>                               | <b>\$21,881,985</b> | <b>\$319,341</b>  | <b>1.5%</b>           | <b>\$9,972,519</b> |

| Fiscal Year 2020-2021  |                     |                    |              |                     |
|------------------------|---------------------|--------------------|--------------|---------------------|
| Expenses               | Amended Budget      | FY21 Actuals (Q1)  | % Spend      | FY21 Actuals        |
| <b>Operating</b>       | <b>\$21,881,985</b> | <b>\$2,935,067</b> | <b>13.4%</b> | <b>\$12,344,188</b> |
| Personnel              | \$8,859,593         | \$1,246,946        | 14.1%        | \$4,858,984         |
| Employee Benefits      | \$2,909,644         | \$640,215          | 22.0%        | \$2,275,193         |
| Operating Expenditures | \$8,378,626         | \$1,012,876        | 12.1%        | \$3,611,431         |
| Operating Capital      | \$4,000             | \$0                | 0.0%         | \$132               |
| Interfund Expenditures | \$1,730,122         | \$35,030           | 2.0%         | \$1,598,448         |
| <b>Total</b>           | <b>\$21,881,985</b> | <b>\$2,935,067</b> | <b>13.4%</b> | <b>\$12,344,188</b> |

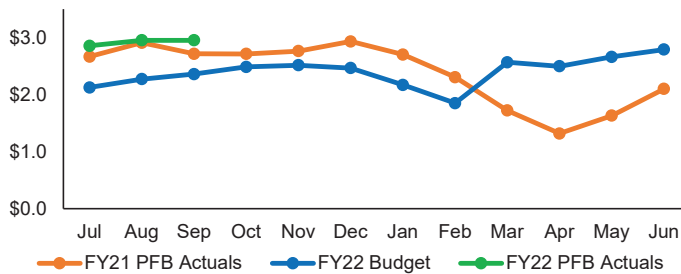
### Staff Analysis:

- Revenues in Q1 2021-22 are improving as operations resume and the RCC/PAC begins hosting events and conferences.
- As events resume, there is a natural increase in expenses in Q1 2021-22 compared to prior year. Q1 2020-21 expenses were impacted by the closure of facilities.
- Staff continue to closely monitor revenues, expenses, the hospitality sector, and the potential use of fund balance.
- \*Negative interest income reflects timing differences and market conditions surrounding interest rates in FY2020-21 Q1.

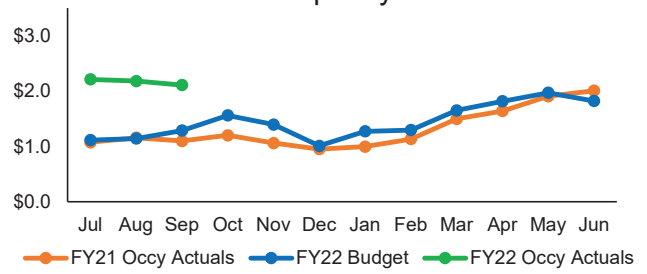
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## Interlocal – Occupancy and Food & Beverage Tax Revenues

### FY22 Prepared Food Revenue



### FY22 Occupancy Tax Revenue



Amounts in millions

### Staff Analysis:

- FY2021-22 Q1 Prepared food tax collections to date are slightly above FY2020-21 levels and are currently \$2.0M above budget.
- FY2021-22 Q1 Occupancy tax collections are trending well above prior year levels and are currently \$3.0M above budget.
- City staff continue to meet with the County, other local Wake jurisdictions and members of the hospitality industry to discuss trends and scheduled events for the remainder of the year.

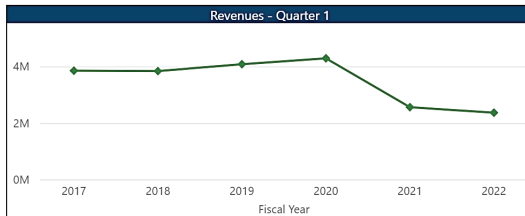


## Parking Operations (Fund 442) – FY2021-2022 Quarter 1

The Parking Operations fund supports Raleigh Parking, which operates on-street and off-street parking downtown and throughout the city.

| Fiscal Year 2021-2022                      |                     |                    |                       |
|--|---------------------|--------------------|-----------------------|
| Revenues                                   | Amended Budget      | FY22 Actuals (Q1)  | % of Budget Collected |
| <b>Operating</b>                           | <b>\$12,254,620</b> | <b>\$2,362,053</b> | <b>19.3%</b>          |
| Parking Fees                               | \$12,170,499        | \$2,237,172        | 18.4%                 |
| Other Fees & Miscellaneous                 | \$20,000            | \$124,065          | 620.3%                |
| Interest Income                            | \$64,121            | \$816              | 1.3%                  |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$4,000,000</b>  | <b>\$0</b>         | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$4,000,000         | \$0                | 0.0%                  |
| <b>Total</b>                               | <b>\$16,254,620</b> | <b>\$2,362,053</b> | <b>14.5%</b>          |

| Fiscal Year 2021-2022    |                     |                    |              |
|--------------------------|---------------------|--------------------|--------------|
| Expenses                 | Amended Budget      | FY22 Actuals (Q1)  | % Spend      |
| <b>Operating</b>         | <b>\$9,776,104</b>  | <b>\$1,480,758</b> | <b>15.1%</b> |
| Personnel                | \$1,970,365         | \$370,537          | 18.8%        |
| Employee Benefits        | \$919,087           | \$207,126          | 22.5%        |
| Operating Expenditures   | \$6,117,066         | \$898,026          | 14.7%        |
| Operating Capital        | \$1,500             | \$0                | 0.0%         |
| Interfund Expenditures   | \$768,086           | \$5,069            | 0.7%         |
| <b>Transfers</b>         | <b>\$6,478,516</b>  | <b>\$0</b>         | <b>0.0%</b>  |
| Transfer to Debt Service | \$6,098,516         | \$0                | 0.0%         |
| Transfer to Other Funds  | \$380,000           | \$0                | 0.0%         |
| <b>Total</b>             | <b>\$16,254,620</b> | <b>\$1,480,758</b> | <b>9.1%</b>  |



| Fiscal Year 2020-2021                      |                     |                    |                       |                     |
|--|---------------------|--------------------|-----------------------|---------------------|
| Revenues                                   | Amended Budget      | FY21 Actuals (Q1)  | % of Budget Collected | FY21 Actuals        |
| <b>Operating</b>                           | <b>\$16,655,999</b> | <b>\$2,555,569</b> | <b>15.3%</b>          | <b>\$10,750,823</b> |
| Parking Fees                               | \$16,612,999        | \$2,556,272        | 15.4%                 | \$10,694,425        |
| Other Fees & Miscellaneous                 | \$20,000            | \$5,426            | 27.1%                 | \$39,895            |
| Interest Income                            | \$23,000            | (\$6,128)*         | -26.6%                | \$16,503            |
| <b>Transfers</b>                           | <b>\$4,000,000</b>  | <b>\$0</b>         | <b>0.0%</b>           | <b>\$4,000,000</b>  |
| Transfers from Other Funds                 | \$4,000,000         | \$0                | 0.0%                  | \$4,000,000         |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$2,669,709</b>  | <b>\$0</b>         | <b>0.0%</b>           | <b>\$0</b>          |
| Fund Balance & Special Reserves            | \$2,669,709         | \$0                | 0.0%                  | \$0                 |
| <b>Total</b>                               | <b>\$23,325,708</b> | <b>\$2,555,569</b> | <b>11.0%</b>          | <b>\$14,750,823</b> |

| Fiscal Year 2020-2021     |                     |                    |             |                     |
|---------------------------|---------------------|--------------------|-------------|---------------------|
| Expenses                  | Amended Budget      | FY21 Actuals (Q1)  | % Spend     | FY21 Actuals        |
| <b>Operating</b>          | <b>\$16,672,953</b> | <b>\$1,536,956</b> | <b>9.2%</b> | <b>\$7,503,552</b>  |
| Personnel                 | \$6,050,250         | \$389,681          | 6.4%        | \$1,677,860         |
| Employee Benefits         | \$897,706           | \$199,931          | 22.3%       | \$785,685           |
| Operating Expenditures    | \$9,012,575         | \$943,400          | 10.5%       | \$4,350,595         |
| Operating Capital         | \$15,150            | \$0                | 0.0%        | \$854               |
| Interfund Expenditures    | \$697,272           | \$3,944            | 0.6%        | \$688,558           |
| <b>Transfers</b>          | <b>\$6,652,755</b>  | <b>\$0</b>         | <b>0.0%</b> | <b>\$6,652,755</b>  |
| Transfer to Debt Service  | \$6,272,755         | \$0                | 0.0%        | \$6,272,755         |
| Transfer to Capital Funds | \$0                 | \$0                | 0.0%        | \$0                 |
| Transfer to Other Funds   | \$380,000           | \$0                | 0.0%        | \$380,000           |
| <b>Total</b>              | <b>\$23,325,708</b> | <b>\$1,536,956</b> | <b>6.6%</b> | <b>\$14,156,307</b> |

### Staff Analysis:

- Parking revenues continue to be impacted by a decline in downtown traffic during business hours. Return to work policies and a slow rebound of downtown activities resulted in comparable revenue collections in FY2021-22 Q1.
- Parking staff continue to work closely with contracted customers to monitor revenues.
- Parking received a \$4M allocation of CARES Act funding from the General Fund in FY2020-21 to support revenue loss in the operating fund. Preliminary results estimate the fund could report a more favorable FY2021-22 loss ranging from \$1.1M to \$1.6M.
- Staff continue to closely monitor this fund to determine if revenue impacts may result in the fund ending in a net deficit.
- \*Negative interest income reflects timing differences and market conditions surrounding interest rates in FY2020-21 Q1

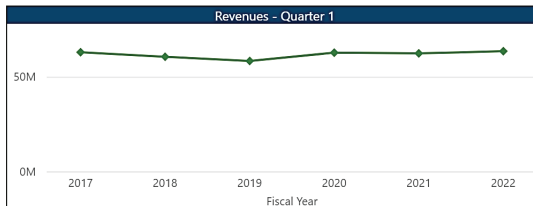
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## Raleigh Water (Fund 310) – FY2021-2022 Quarter 1

The Raleigh Water operating fund supports the regional utility that provides drinking water, sanitary sewer, and reuse water services to Raleigh and six neighboring towns: Garner, Knightdale, Rolesville, Wake Forest, Wendell, and Zebulon. In total, Raleigh Water serves more than 190,000 metered water and sewer customers and a service population of approximately 600,000 people.

| Fiscal Year 2021-2022                      |                      |                     |                       |
|--|----------------------|---------------------|-----------------------|
| Revenues                                   | Amended Budget       | FY22 Actuals (Q1)   | % of Budget Collected |
| <b>Operating</b>                           | <b>\$239,407,357</b> | <b>\$63,460,390</b> | <b>26.5%</b>          |
| Utility Sales                              | \$229,094,159        | \$61,462,910        | 26.8%                 |
| Other Fees & Miscellaneous                 | \$5,885,435          | \$1,110,213         | 18.9%                 |
| Interest Income                            | \$2,937,763          | \$223,953           | 7.6%                  |
| Inspection Fees                            | \$1,490,000          | \$663,313           | 44.5%                 |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$30,381,854</b>  | <b>\$0</b>          | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$30,381,854         | \$0                 | 0.0%                  |
| <b>Transfers</b>                           | <b>\$90,000</b>      | <b>\$0</b>          | <b>0.0%</b>           |
| Transfers from Other Funds                 | \$90,000             | \$0                 | 0.0%                  |
| <b>Total</b>                               | <b>\$269,879,211</b> | <b>\$63,460,390</b> | <b>23.5%</b>          |

| Fiscal Year 2021-2022     |                      |                     |              |
|---------------------------|----------------------|---------------------|--------------|
| Expenses                  | Amended Budget       | FY22 Actuals (Q1)   | % Spend      |
| <b>Operating</b>          | <b>\$140,969,211</b> | <b>\$24,110,043</b> | <b>17.1%</b> |
| Personnel                 | \$39,423,850         | \$8,437,515         | 21.4%        |
| Employee Benefits         | \$18,293,036         | \$4,330,272         | 23.7%        |
| Operating Expenditures    | \$70,162,379         | \$10,823,997        | 15.4%        |
| Operating Capital         | \$1,286,468          | \$169,300           | 13.2%        |
| Interfund Expenditures    | \$11,803,478         | \$348,959           | 3.0%         |
| <b>Transfers</b>          | <b>\$128,910,000</b> | <b>\$0</b>          | <b>0.0%</b>  |
| Transfer to Debt Service  | \$43,910,000         | \$0                 | 0.0%         |
| Transfer to Capital Funds | \$85,000,000         | \$0                 | 0.0%         |
| <b>Total</b>              | <b>\$269,879,211</b> | <b>\$24,110,043</b> | <b>8.9%</b>  |



| Fiscal Year 2020-2021                      |                      |                     |                       |                      |
|--|----------------------|---------------------|-----------------------|----------------------|
| Revenues                                   | Amended Budget       | FY21 Actuals (Q1)   | % of Budget Collected | FY21 Actuals         |
| <b>Operating</b>                           | <b>\$227,893,851</b> | <b>\$62,321,772</b> | <b>27.3%</b>          | <b>\$235,127,869</b> |
| Utility Sales                              | \$218,256,207        | \$59,141,542        | 27.1%                 | \$220,236,604        |
| Other Fees & Miscellaneous                 | \$5,934,877          | \$1,818,962         | 30.6%                 | \$5,627,643          |
| Interest Income                            | \$3,297,767          | \$719,165           | 21.8%                 | \$6,393,470          |
| Inspection Fees                            | \$405,000            | \$642,103           | 158.5%                | \$2,870,153          |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$27,812,286</b>  | <b>\$0</b>          | <b>0.0%</b>           | <b>\$0</b>           |
| Fund Balance & Special Reserves            | \$27,812,286         | \$0                 | 0.0%                  | \$0                  |
| <b>Transfers</b>                           | <b>\$90,000</b>      | <b>\$0</b>          | <b>0.0%</b>           | <b>\$90,000</b>      |
| Transfers from Other Funds                 | \$90,000             | \$0                 | 0.0%                  | \$90,000             |
| <b>Total</b>                               | <b>\$255,796,137</b> | <b>\$62,321,772</b> | <b>24.4%</b>          | <b>\$235,217,869</b> |

| Fiscal Year 2020-2021     |                      |                     |              |                      |
|---------------------------|----------------------|---------------------|--------------|----------------------|
| Expenses                  | Amended Budget       | FY21 Actuals (Q1)   | % Spend      | FY21 Actuals         |
| <b>Operating</b>          | <b>\$137,276,137</b> | <b>\$24,804,575</b> | <b>18.1%</b> | <b>\$114,476,642</b> |
| Personnel                 | \$38,251,618         | \$8,376,741         | 21.9%        | \$36,659,936         |
| Employee Benefits         | \$17,227,769         | \$4,132,316         | 24.0%        | \$16,247,898         |
| Operating Expenditures    | \$69,256,649         | \$11,784,689        | 17.0%        | \$49,820,132         |
| Operating Capital         | \$1,139,468          | \$54,822            | 4.8%         | \$498,302            |
| Interfund Expenditures    | \$11,400,632         | \$456,008           | 4.0%         | \$11,250,375         |
| <b>Transfers</b>          | <b>\$118,520,000</b> | <b>\$0</b>          | <b>0.0%</b>  | <b>\$118,520,000</b> |
| Transfer to Debt Service  | \$33,375,000         | \$0                 | 0.0%         | \$33,375,000         |
| Transfer to Capital Funds | \$85,000,000         | \$0                 | 0.0%         | \$85,000,000         |
| Transfer to Other Funds   | \$145,000            | \$0                 | 0.0%         | \$145,000            |
| <b>Total</b>              | <b>\$255,796,137</b> | <b>\$24,804,575</b> | <b>9.7%</b>  | <b>\$232,996,642</b> |

### Staff Analysis:

- Utility sales increased by approximately \$2.0M compared to the prior year resulting from a 1.5% increase in the monthly base and volumetric water and sewer charges, with no changes to the infrastructure or watershed charges.
- Due to increased development in the Raleigh community, inspection fees are continuing to perform above budget but are comparable to FY2020-21 Q1 results.
- The fund is performing within expectations.

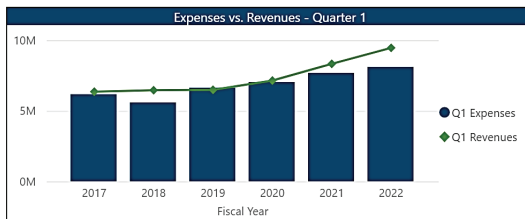


### Solid Waste (Fund 360) – FY2021-2022 Quarter 1

The Solid Waste operations fund supports safe and efficient residential curbside garbage, recycling, yard waste, special/bulky, and e-waste collection, as well as disposal services across the City, including specialized services in the Central Business District and during City-sponsored special events.

| Fiscal Year 2021-2022                      |                     |                    |                       |
|--|---------------------|--------------------|-----------------------|
| Revenues                                   | Amended Budget      | FY22 Actuals (Q1)  | % of Budget Collected |
| <b>Operating</b>                           | <b>\$35,775,062</b> | <b>\$9,454,098</b> | <b>26.4%</b>          |
| Residential Solid Waste Fees               | \$33,679,862        | \$8,654,414        | 25.7%                 |
| Yardwaste Revenue                          | \$650,000           | \$205,345          | 31.6%                 |
| Other Fees & Miscellaneous                 | \$1,445,200         | \$594,339          | 41.1%                 |
| <b>Transfers</b>                           | <b>\$7,730,000</b>  | <b>\$0</b>         | <b>0.0%</b>           |
| Transfers from Other Funds                 | \$7,730,000         | \$0                | 0.0%                  |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$5,581,772</b>  | <b>\$0</b>         | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$5,581,772         | \$0                | 0.0%                  |
| <b>Total</b>                               | <b>\$49,086,834</b> | <b>\$9,454,098</b> | <b>19.3%</b>          |

| Fiscal Year 2021-2022    |                     |                    |              |
|--------------------------|---------------------|--------------------|--------------|
| Expenses                 | Amended Budget      | FY22 Actuals (Q1)  | % Spend      |
| <b>Operating</b>         | <b>\$47,866,420</b> | <b>\$8,108,986</b> | <b>16.9%</b> |
| Personnel                | \$10,477,249        | \$2,120,383        | 20.2%        |
| Employee Benefits        | \$5,161,196         | \$1,144,589        | 22.2%        |
| Operating Expenditures   | \$26,164,205        | \$4,294,467        | 16.4%        |
| Operating Capital        | \$621,744           | \$197,381          | 31.7%        |
| Interfund Expenditures   | \$5,442,026         | \$352,167          | 6.5%         |
| <b>Transfers</b>         | <b>\$1,220,414</b>  | <b>\$0</b>         | <b>0.0%</b>  |
| Transfer to Debt Service | \$1,130,414         | \$0                | 0.0%         |
| Transfer to Other Funds  | \$90,000            | \$0                | 0.0%         |
| <b>Total</b>             | <b>\$49,086,834</b> | <b>\$8,108,986</b> | <b>16.5%</b> |



| Fiscal Year 2020-2021                      |                     |                    |                       |                     |
|--|---------------------|--------------------|-----------------------|---------------------|
| Revenues                                   | Amended Budget      | FY21 Actuals (Q1)  | % of Budget Collected | FY21 Actuals        |
| <b>Operating</b>                           | <b>\$34,191,044</b> | <b>\$8,322,090</b> | <b>24.3%</b>          | <b>\$35,290,174</b> |
| Residential Solid Waste Fees               | \$31,389,141        | \$8,101,666        | 25.8%                 | \$32,497,021        |
| Yardwaste Revenue                          | \$625,000           | \$157,328          | 25.2%                 | \$824,159           |
| Other Fees & Miscellaneous                 | \$2,176,903         | \$112,607          | 5.2%                  | \$2,049,341         |
| Interest Income                            | \$0                 | (\$49,511)         |                       | (\$80,347)          |
| <b>Transfers</b>                           | <b>\$7,875,000</b>  | <b>\$0</b>         | <b>0.0%</b>           | <b>\$7,875,000</b>  |
| Transfers from Other Funds                 | \$7,875,000         | \$0                | 0.0%                  | \$7,875,000         |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$2,647,070</b>  | <b>\$0</b>         | <b>0.0%</b>           | <b>\$0</b>          |
| Fund Balance & Special Reserves            | \$2,647,070         | \$0                | 0.0%                  | \$0                 |
| <b>Total</b>                               | <b>\$44,713,114</b> | <b>\$8,322,090</b> | <b>18.6%</b>          | <b>\$43,165,174</b> |

| Fiscal Year 2020-2021    |                     |                    |              |                     |
|--------------------------|---------------------|--------------------|--------------|---------------------|
| Expenses                 | Amended Budget      | FY21 Actuals (Q1)  | % Spend      | FY21 Actuals        |
| <b>Operating</b>         | <b>\$42,618,380</b> | <b>\$7,682,433</b> | <b>18.0%</b> | <b>\$36,637,507</b> |
| Personnel                | \$10,450,708        | \$2,109,360        | 20.2%        | \$9,250,976         |
| Employee Benefits        | \$4,925,897         | \$1,088,353        | 22.1%        | \$4,287,577         |
| Operating Expenditures   | \$21,451,350        | \$4,012,689        | 18.7%        | \$17,629,418        |
| Operating Capital        | \$578,457           | \$112,470          | 19.4%        | \$400,037           |
| Interfund Expenditures   | \$5,211,968         | \$359,560          | 6.9%         | \$5,069,599         |
| <b>Transfers</b>         | <b>\$2,094,734</b>  | <b>\$0</b>         | <b>0.0%</b>  | <b>\$2,094,734</b>  |
| Transfer to Debt Service | \$1,805,734         | \$0                | 0.0%         | \$1,805,734         |
| Transfer to Other Funds  | \$289,000           | \$0                | 0.0%         | \$289,000           |
| <b>Total</b>             | <b>\$44,713,114</b> | <b>\$7,682,433</b> | <b>17.2%</b> | <b>\$38,732,341</b> |

#### Staff Analysis:

- Solid Waste revenues are performing within expectations as the Fiscal Year 2021-22 budget included a \$1.00 increase to the monthly Solid Waste Collection fee, moving the monthly customer fee from \$14.45 to \$15.45. Yardwaste Center revenues are also exceeding Fiscal Year 2020-21 collections as staff continue to focus on bulk sales of processed materials.
- FY2021-22 Q1 operating expenses are in alignment with FY2020-21 expenses.
- Q1 Salary expenses slightly exceeded Fiscal Year 2020-21 actuals due to departmental focus on hiring and retaining staff in mission critical positions.

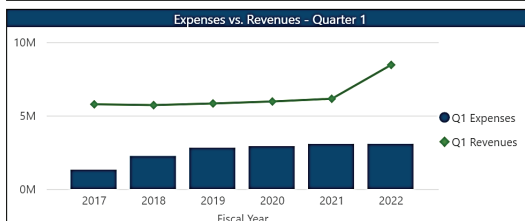
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### Stormwater Operations (Fund 460) – FY2021-2022 Quarter 1

The Stormwater Operations fund supports the City's Stormwater Utility, including drainage and water quality assistance programs, major capital improvement projects, public drainage system operation and maintenance.

| Fiscal Year 2021-2022                      |                     |                    |                       |
|--|---------------------|--------------------|-----------------------|
| Revenues                                   | Amended Budget      | FY22 Actuals (Q1)  | % of Budget Collected |
| <b>Operating</b>                           | <b>\$32,442,313</b> | <b>\$8,446,661</b> | <b>26.0%</b>          |
| Stormwater Fees                            | \$31,684,703        | \$8,413,248        | 26.6%                 |
| Other Fees & Miscellaneous                 | \$573,426           | \$22,500           | 3.9%                  |
| Interest Income                            | \$184,184           | \$10,913           | 5.9%                  |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$332,739</b>    | <b>\$0</b>         | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$332,739           | \$0                | 0.0%                  |
| <b>Total</b>                               | <b>\$32,775,052</b> | <b>\$8,446,661</b> | <b>25.8%</b>          |

| Fiscal Year 2021-2022     |                     |                    |              |
|---------------------------|---------------------|--------------------|--------------|
| Expenses                  | Amended Budget      | FY22 Actuals (Q1)  | % Spend      |
| <b>Operating</b>          | <b>\$22,045,384</b> | <b>\$3,078,469</b> | <b>14.0%</b> |
| Personnel                 | \$8,020,860         | \$1,469,776        | 18.3%        |
| Employee Benefits         | \$3,542,243         | \$760,101          | 21.5%        |
| Operating Expenditures    | \$6,733,906         | \$657,044          | 9.8%         |
| Operating Capital         | \$103,518           | \$0                | 0.0%         |
| Interfund Expenditures    | \$3,644,857         | \$191,549          | 5.3%         |
| <b>Transfers</b>          | <b>\$10,729,668</b> | <b>\$0</b>         | <b>0.0%</b>  |
| Transfer to Capital Funds | \$10,493,000        | \$0                | 0.0%         |
| Transfer to Other Funds   | \$236,668           | \$0                | 0.0%         |
| <b>Total</b>              | <b>\$32,775,052</b> | <b>\$3,078,469</b> | <b>9.4%</b>  |



| Fiscal Year 2020-2021                      |                     |                    |                       |                     |
|--|---------------------|--------------------|-----------------------|---------------------|
| Revenues                                   | Amended Budget      | FY21 Actuals (Q1)  | % of Budget Collected | FY21 Actuals        |
| <b>Operating</b>                           | <b>\$25,660,711</b> | <b>\$6,142,956</b> | <b>23.9%</b>          | <b>\$26,184,296</b> |
| Stormwater Fees                            | \$24,787,285        | \$6,109,897        | 24.6%                 | \$25,718,436        |
| Other Fees & Miscellaneous                 | \$573,426           | \$1,000            | 0.2%                  | \$60,262            |
| Interest Income                            | \$300,000           | \$32,059           | 10.7%                 | \$405,398           |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$643,526</b>    | <b>\$0</b>         | <b>0.0%</b>           | <b>\$0</b>          |
| Fund Balance & Special Reserves            | \$643,526           | \$0                | 0.0%                  | \$0                 |
| <b>Total</b>                               | <b>\$26,304,237</b> | <b>\$6,142,956</b> | <b>23.4%</b>          | <b>\$26,184,296</b> |

| Fiscal Year 2020-2021     |                     |                    |              |                     |
|---------------------------|---------------------|--------------------|--------------|---------------------|
| Expenses                  | Amended Budget      | FY21 Actuals (Q1)  | % Spend      | FY21 Actuals        |
| <b>Operating</b>          | <b>\$19,574,323</b> | <b>\$3,075,819</b> | <b>15.7%</b> | <b>\$15,770,834</b> |
| Personnel                 | \$7,173,452         | \$1,488,095        | 20.7%        | \$6,277,581         |
| Employee Benefits         | \$3,206,998         | \$732,610          | 22.8%        | \$2,814,375         |
| Operating Expenditures    | \$5,663,454         | \$660,907          | 11.7%        | \$3,396,550         |
| Operating Capital         | \$101,738           | \$0                | 0.0%         | \$101,738           |
| Interfund Expenditures    | \$3,428,681         | \$194,207          | 5.7%         | \$3,180,590         |
| <b>Transfers</b>          | <b>\$6,729,914</b>  | <b>\$0</b>         | <b>0.0%</b>  | <b>\$6,729,914</b>  |
| Transfer to Capital Funds | \$6,500,000         | \$0                | 0.0%         | \$6,500,000         |
| Transfer to Other Funds   | \$229,914           | \$0                | 0.0%         | \$229,914           |
| <b>Total</b>              | <b>\$26,304,237</b> | <b>\$3,075,819</b> | <b>11.7%</b> | <b>\$22,500,748</b> |

#### Staff Analysis:

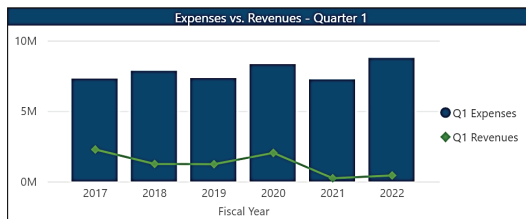
- FY2021-22 Stormwater Fee revenues are exceeding prior year revenues associated with the approved FY2021-22 rate increase of \$1.50 per month per Single-Family Equivalent Unit (SFEU).
- As part of the fee increase, Stormwater received additional FTEs as part of the FY2021-22 process, which they have slowly filled in alignment with the City's unfreeze process. These cost increases have not yet been realized as part of Q1 results.
- The fund is performing within expectations.

## Transit (Fund 410) – FY2021-2022 Quarter 1

This fund supports the operation of GoRaleigh, the City's public transportation system, and the City's program for residents with disabilities called GoRaleigh Access.

| Fiscal Year 2021-2022                      |                     |                   |                       |
|--|---------------------|-------------------|-----------------------|
| Revenues                                   | Amended Budget      | FY22 Actuals (Q1) | % of Budget Collected |
| <b>Operating</b>                           | <b>\$23,065,331</b> | <b>\$423,970</b>  | <b>1.8%</b>           |
| Transit Revenues                           | \$1,560,057         | \$375,554         | 24.1%                 |
| Intergovernmental                          | \$13,929,274        | \$0               | 0.0%                  |
| Grants & Matching Funds                    | \$7,371,000         | \$0               | 0.0%                  |
| Other Fees & Miscellaneous                 | \$205,000           | \$48,416          | 23.6%                 |
| <b>Transfers</b>                           | <b>\$16,913,671</b> | <b>\$0</b>        | <b>0.0%</b>           |
| Transfers from Other Funds                 | \$16,913,671        | \$0               | 0.0%                  |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$1,218,904</b>  | <b>\$0</b>        | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$1,218,904         | \$0               | 0.0%                  |
| <b>Total</b>                               | <b>\$41,197,906</b> | <b>\$423,970</b>  | <b>1.0%</b>           |

| Fiscal Year 2021-2022   |                     |                    |              |
|-------------------------|---------------------|--------------------|--------------|
| Expenses                | Amended Budget      | FY22 Actuals (Q1)  | % Spend      |
| <b>Operating</b>        | <b>\$40,819,168</b> | <b>\$8,769,171</b> | <b>21.5%</b> |
| Personnel               | \$1,324,166         | \$267,371          | 20.2%        |
| Employee Benefits       | \$579,526           | \$147,226          | 25.4%        |
| Operating Expenditures  | \$38,100,949        | \$8,328,855        | 21.9%        |
| Interfund Expenditures  | \$814,527           | \$25,718           | 3.2%         |
| <b>Transfers</b>        | <b>\$378,738</b>    | <b>\$0</b>         | <b>0.0%</b>  |
| Transfer to Other Funds | \$378,738           | \$0                | 0.0%         |
| <b>Total</b>            | <b>\$41,197,906</b> | <b>\$8,769,171</b> | <b>21.3%</b> |



| Fiscal Year 2020-2021                      |                     |                   |                       |                     |
|--|---------------------|-------------------|-----------------------|---------------------|
| Revenues                                   | Amended Budget      | FY21 Actuals (Q1) | % of Budget Collected | FY21 Actuals        |
| <b>Operating</b>                           | <b>\$31,691,086</b> | <b>\$227,964</b>  | <b>0.7%</b>           | <b>\$16,194,334</b> |
| Transit Revenues                           | \$4,970,685         | \$153,624         | 3.1%                  | \$1,507,801         |
| Intergovernmental                          | \$13,883,779        | \$0               | 0.0%                  | \$9,678,758         |
| Grants & Matching Funds                    | \$12,431,622        | \$0               | 0.0%                  | \$4,699,471         |
| Other Fees & Miscellaneous                 | \$405,000           | \$74,340          | 18.4%                 | \$308,304           |
| <b>Transfers</b>                           | <b>\$16,746,667</b> | <b>\$0</b>        | <b>0.0%</b>           | <b>\$16,746,667</b> |
| Transfers from Other Funds                 | \$16,746,667        | \$0               | 0.0%                  | \$16,746,667        |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$792,744</b>    | <b>\$0</b>        | <b>0.0%</b>           | <b>\$0</b>          |
| Fund Balance & Special Reserves            | \$792,744           | \$0               | 0.0%                  | \$0                 |
| <b>Total</b>                               | <b>\$49,230,497</b> | <b>\$227,964</b>  | <b>0.5%</b>           | <b>\$32,941,001</b> |

| Fiscal Year 2020-2021     |                     |                    |              |                     |
|---------------------------|---------------------|--------------------|--------------|---------------------|
| Expenses                  | Amended Budget      | FY21 Actuals (Q1)  | % Spend      | FY21 Actuals        |
| <b>Operating</b>          | <b>\$47,873,947</b> | <b>\$7,244,847</b> | <b>15.1%</b> | <b>\$31,617,254</b> |
| Personnel                 | \$1,364,133         | \$261,591          | 19.2%        | \$1,202,049         |
| Employee Benefits         | \$575,348           | \$130,266          | 22.6%        | \$545,393           |
| Operating Expenditures    | \$45,123,910        | \$6,827,028        | 15.1%        | \$29,068,130        |
| Interfund Expenditures    | \$810,556           | \$25,961           | 3.2%         | \$801,682           |
| <b>Transfers</b>          | <b>\$1,356,550</b>  | <b>\$0</b>         | <b>0.0%</b>  | <b>\$1,356,550</b>  |
| Transfer to Capital Funds | \$1,356,550         | \$0                | 0.0%         | \$1,356,550         |
| <b>Total</b>              | <b>\$49,230,497</b> | <b>\$7,244,847</b> | <b>14.7%</b> | <b>\$32,973,804</b> |

### Staff Analysis:

- Transit fares continue to be suspended as a strategy to reduce the financial burden on community members and to mitigate the spread of COVID-19. Due to the loss of fares, Transit may experience a net deficit for FY2021-22, resulting in the use of federal funding.
- In addition to a loss in farebox revenue, Transit does not anticipate receiving State Maintenance Assistance funding for FY2021-22.
- Staff will continue to monitor this fund as revenues change.

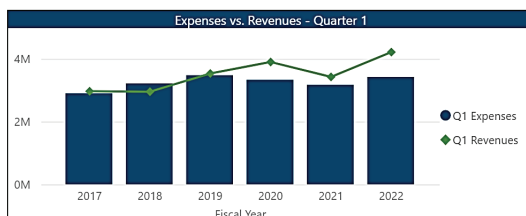
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## Vehicle Fleet Services (Fund 260) – FY2021-2022 Quarter 1

The Vehicle Fleet Service Fund is an internal service fund that tracks the City's fleet program, including associated equipment, salaries, maintenance, and operations needed for fleet preservation.

| Fiscal Year 2021-2022                      |                     |                    |                       |
|--|---------------------|--------------------|-----------------------|
| Revenues                                   | Amended Budget      | FY22 Actuals (Q1)  | % of Budget Collected |
| <b>Operating</b>                           | <b>\$17,936,032</b> | <b>\$4,214,904</b> | <b>23.5%</b>          |
| Other Fees & Miscellaneous                 | \$17,936,032        | \$4,214,904        | 23.5%                 |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$2,045</b>      | <b>\$0</b>         | <b>0.0%</b>           |
| Fund Balance & Special Reserves            | \$2,045             | \$0                | 0.0%                  |
| <b>Total</b>                               | <b>\$17,938,077</b> | <b>\$4,214,904</b> | <b>23.5%</b>          |

| Fiscal Year 2021-2022  |                     |                    |              |
|------------------------|---------------------|--------------------|--------------|
| Expenses               | Amended Budget      | FY22 Actuals (Q1)  | % Spend      |
| <b>Operating</b>       | <b>\$17,938,077</b> | <b>\$3,424,665</b> | <b>19.1%</b> |
| Personnel              | \$4,337,639         | \$849,773          | 19.6%        |
| Employee Benefits      | \$2,181,262         | \$483,531          | 22.2%        |
| Operating Expenditures | \$11,224,176        | \$2,058,874        | 18.3%        |
| Operating Capital      | \$180,500           | \$29,474           | 16.3%        |
| Interfund Expenditures | \$14,500            | \$3,012            | 20.8%        |
| <b>Total</b>           | <b>\$17,938,077</b> | <b>\$3,424,665</b> | <b>19.1%</b> |



| Fiscal Year 2020-2021                      |                     |                    |                       |                     |
|--|---------------------|--------------------|-----------------------|---------------------|
| Revenues                                   | Amended Budget      | FY21 Actuals (Q1)  | % of Budget Collected | FY21 Actuals        |
| <b>Operating</b>                           | <b>\$17,041,790</b> | <b>\$3,424,517</b> | <b>20.1%</b>          | <b>\$14,165,707</b> |
| Other Fees & Miscellaneous                 | \$17,041,790        | \$3,424,517        | 20.1%                 | \$14,165,707        |
| <b>Fund Balance &amp; Special Reserves</b> | <b>\$1,273,291</b>  | <b>\$0</b>         | <b>0.0%</b>           | <b>\$0</b>          |
| Fund Balance & Special Reserves            | \$1,273,291         | \$0                | 0.0%                  | \$0                 |
| <b>Total</b>                               | <b>\$18,315,081</b> | <b>\$3,424,517</b> | <b>18.7%</b>          | <b>\$14,165,707</b> |

| Fiscal Year 2020-2021  |                     |                    |              |                     |
|------------------------|---------------------|--------------------|--------------|---------------------|
| Expenses               | Amended Budget      | FY21 Actuals (Q1)  | % Spend      | FY21 Actuals        |
| <b>Operating</b>       | <b>\$18,315,081</b> | <b>\$3,173,497</b> | <b>17.3%</b> | <b>\$13,833,263</b> |
| Personnel              | \$4,219,178         | \$868,171          | 20.6%        | \$3,628,402         |
| Employee Benefits      | \$2,049,646         | \$472,421          | 23.0%        | \$1,825,339         |
| Operating Expenditures | \$11,830,731        | \$1,820,692        | 15.4%        | \$8,313,816         |
| Operating Capital      | \$201,026           | \$9,741            | 4.8%         | \$55,331            |
| Interfund Expenditures | \$14,500            | \$2,472            | 17.1%        | \$10,376            |
| <b>Total</b>           | <b>\$18,315,081</b> | <b>\$3,173,497</b> | <b>17.3%</b> | <b>\$13,833,263</b> |

### Staff Analysis:

- The fund is performing within expectations due to continued monitoring and slow and steady rate increases over the past three years.
- Current revenues and expenditures are higher than Q1 FY2020-21 due to increased sublet expenses. Due to continued staff shortages in the heavy equipment division, work is being contracted out through sublet for repair. This is causing higher than normal expenditures within the sublet unit. These expenditures are offset by the sublet mark-up revenue.

### COVID Stimulus Funding Grant Report

This report provides an overview of federal funding received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Consolidated Appropriations Act and the American Rescue Plan Act (ARPA). All funding was directly allocated to the City of Raleigh.

| Title of Grant  | Grant Purpose   | Department                       | Grant Award  | Total Amount Expended | Total Encumbered | Balance Remaining | Grant Expiration |
|---|---|----------------------------------|--------------|-----------------------|------------------|-------------------|------------------|
| Shuttered Venue Operators Grant - Performing Arts Center                          | Economic aid to hard-hit small businesses, non-profits and venues.  | Convention Center Complex        | \$2,621,501  | -                     | -                | \$2,621,501       | 12/31/2021       |
| Shuttered Venue Operators Grant - Red Hat Amphitheater                            | Economic aid to hard-hit small businesses, non-profits and venues.  | Convention Center Complex        | \$1,164,673  | -                     | -                | \$1,164,673       | 12/31/2021       |
| Coronavirus Emergency Supplemental Funding Program                                | To present, prepare for, and respond to the coronavirus (COVID-19).   | Police                           | \$399,140    | \$128,418             | \$105,593        | \$165,129         | 1/31/2022        |
| CDBG-CV CARES Act - Supplemental #1   | Rental and mortgage assistance for households impacted by COVID-19.   | Housing & Neighborhoods          | \$1,878,051  | \$917,837             | \$960,214        | -                 | 9/11/2022        |
| CDBG-2021 CARES Act - Supplemental #2   | Rental and mortgage assistance for households impacted by COVID-19 and emergency shelter expansion/renovation.  | Housing & Neighborhoods          | \$2,672,436  | -                     | -                | \$2,672,436       | 9/11/2022        |
| ESG-CV CARES Act - Supplemental #1  | Emergency shelter, homelessness prevention, Homeless Management Information System (HMIS), and rapid re-housing.  | Housing & Neighborhoods          | \$950,338    | \$608,895             | \$341,105        | \$338             | 9/30/2022        |
| ESG-2021 CARES Act - Supplemental #2  | Emergency shelter, homelessness prevention, HMIS, rapid re-housing, and street outreach.  | Housing & Neighborhoods          | \$3,503,113  | -                     | -                | \$3,503,113       | 9/30/2022        |
| American Rescue Plan Act (ARPA) - Coronavirus Local Fiscal Recovery Funds (CLFRF) | To improve community health readiness, address negative economic impacts caused by the COVID-19 pandemic, including small businesses support, aid the communities and populations hardest hit by the crisis, alleviate systemic challenges that face our community, and invest in water, sewer, and broadband infrastructure. | Budget & Mgmt Services / Finance | \$73,292,365 | \$7,948,606           | \$99,945         | \$65,243,814      | 12/31/2024       |
| Emergency Rental Assistance 1 (COVID-19 Relief)                                   | Emergency rental and utility assistance, including arrears, for households impacted by COVID-19.  | Housing & Neighborhoods          | \$14,298,567 | \$8,329,336           | \$5,969,231      | -                 | 9/30/2025        |
| Emergency Rental Assistance 2 (COVID-19 Relief)                                   | Emergency rental and utility assistance, including arrears, for households impacted by COVID-19.  | Housing & Neighborhoods          | \$11,313,787 | -                     | -                | \$11,313,787      | 9/30/2025        |
| CARES Act 2020 - Transit 5307   | Supports capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19.   | Transportation                   | \$28,715,156 | \$4,699,471           | \$4,612,252      | \$19,403,433      | 3/30/2025        |

Note: This table is listed in order of grant expiration date.

#### Staff Analysis:

- The Shuttered Venue Operators Grant (SVOG) funding for Performing Arts Center and Red Hat Amphitheater has been received. City staff are working to provide required proof of past expenditures (3/30/20-current) as required by the grantor. The City may also receive SVOG supplemental funding which would extend the original grant expiration date of 12/31/21.
- Contracts for funding awarded to local non-profits through CDBG-CV #1 and ESG-CV #1 were set to expire on 12/31/21 but are being extended.
- The City of Raleigh has allocated \$30.6M of the total \$73.2M ARPA funding. The City has a remaining balance of \$42.6M to prioritize in alignment of City Council priorities.
- ARPA Human Services and Special Events Notice of Funding Availability (NOFA) were issued in September 2021.
- Through the HouseWake! COVID-19 Financial Assistance Program, a partnership between Telamon, the City of Raleigh and Wake County, the total projected ERA expenditures as of September 28, 2021 is approximately \$17.3 million which includes the amount already expended and an estimate of future expenditures if clients receive the maximum rental assistance benefit.
- Transit CARES Act funding is projected to cover FY22 operating expenditures due to the loss of farebox revenue. Encumbered amounts include the Wake County subrecipient portion and a construction contract for the GoRaleigh park and ride project on Poole Road.



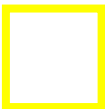


Downtown Raleigh Pedestrian Safety Project

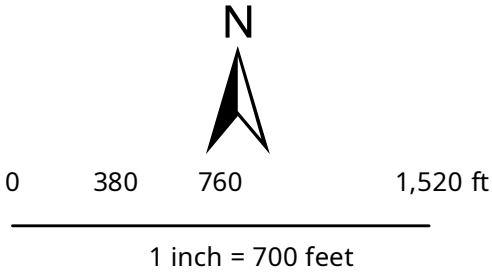
- NCDOT MAINTAINED TRAFFIC SIGNAL**
  - 1) Signal Plan Revision (LPI, 25 mph speed limit, channelization)
  - 2) Update crosswalk markings to hi-visibility markings (as needed)

- CITY MAINTAINED TRAFFIC SIGNAL**
  - 1) Signal Plan Revision (LPI, 25 mph speed limit, channelization)
  - 2) Update crosswalk markings to hi-visibility markings (as needed)

- CHANNELIZATION CHANGE**
  - Dual left or right turns re-stripped to single turn lane



- LIMITS OF PROPOSED PROJECT:**
  - 1) Proposed 25 mph speed limit (excluding Martin Luther King Jr Blvd and Capital Blvd)
  - 2) Proposed "Right Turn on Red" restrictions at all signalized intersections
  - 3) Proposed LPI at all signalized intersections



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## Weekly Events Digest

Friday, December 17 – Thursday, December 23

City of Raleigh Office of Emergency Management and Special Events  
[specialevents@raleighnc.gov](mailto:specialevents@raleighnc.gov) | 919-996-2200 | [raleighnc.gov/special-events-office](http://raleighnc.gov/special-events-office)

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### Permitted Special Events

#### Nights of Lights

Dorothea Dix Park

Friday, December 17 through Friday, December 24

Event Time: 6:00pm - 10:00pm

Associated Road Closures: Dix Park is open to visitors during the day, dawn until dusk. All park entrances close by 5:45pm during all WRAL Nights of Lights event dates.

#### Illuminate Art Walk

Downtown Raleigh

Friday, December 17 through Friday, January 7

Event Times: 5:00pm - Midnight

Associated Road Closures: No roads will be closed for the installations. Market Plaza will be used from 8:00am on 11-29-21 until 5:00pm on 1-15-22. The off-street, east-side portion of City Plaza will be used from 9:00am on 12-1-21 until 11:00pm on 1-6-22.

### Other Upcoming Events

#### Flashlight Candy Cane Hunt

Friday, December 17

Powell Drive Park

#### Ugly Sweater & Karaoke Night

Friday, December 17

Chavis Park

#### The Nutcracker – Carolina Ballet

Friday, December 17 – Friday, December 24

Memorial Auditorium

#### The Rink presented by UNC Health

Friday, December 17 – Saturday, January 1

Red Hat Amphitheater

#### Magic of Lights

Friday, December 17 – Sunday, January 2

Coastal Credit Union Music Park at Walnut Creek

#### Hurricanes vs. Kings

Saturday, December 18

PNC Arena

#### International Ballet Company's Nutcracker

Saturday, December 18

Fletcher Opera Theater

#### Taylor Tomlinson

Saturday, December 18

Meymandi Concert Hall



### **2021 Christmas Bird Count**

Saturday, December 18  
Walnut Creek Wetland Park

### **Hurricanes vs. Predators**

Sunday, December 19  
PNC Arena

## **Public Resources**

**Pilot Text Alert Program**: Sometimes spontaneous events happen downtown and in other areas that could affect local businesses. If you'd like to receive notifications when those events happen, including unpermitted ones, sign up for text alerts.

**Event Feedback Form**: Tell us what you think about Raleigh events! We welcome citizen and participant feedback and encourage you to provide comments or concerns about any events regulated by the Office of Emergency Management and Special Events. We will use this helpful information in future planning.

**Road Closure and Road Race Map**: A resource providing current information on street closures in Raleigh.

**Online Events Calendar**: View all currently scheduled events that impact City streets, public plazas, and Dorothea Dix Park.

# Council Member Follow Up

|            |   |
|------------|---|
| To         | Marchell Adams-David, City Manager  |
| Thru       | Patrick O. Young, AICP, Director  |
| From       | Christopher Golden, Planning Supervisor   |
| Department | Planning and Development  |
| Date       | December 16, 2021   |
| Subject    | Council Follow-up: Short-term Rental Housing as a Share of Total Housing Stock in the City of Raleigh |

At the October 5, 2021 Council Meeting, Council Member David Cox requested that Planning Staff determine the level of impact of short-term rentals on the local housing stock in the City of Raleigh. Planning staff reached out to representatives at Airbnb and VBRO, the most utilized short-term rental services that operate in and around Raleigh, to determine an answer to Council Member Cox's question.

### **Statistical Information**

Airbnb and VBRO both represent active operators doing business within the Raleigh city limits as well as within areas of the Extra-Territorial Jurisdiction (ETJ). The lodging types marketed by each service, occur in a wide range of short-term rental product types ranging from entire homes, accessory dwelling units or individual bedrooms inside owner occupied homes.

Each company provided the following information pertaining to residential units being marketed through each service as a short-term local rental:

#### **Airbnb**

- 600 individual hosts operating in the City of Raleigh/Raleigh ETJ combined, during the months of April 2021 and November 2021.
- The data provided does not distinguish between private room rental, accessory dwelling unit rental and entire private residence rental.
- This data does not represent the frequency in which units are rented and as a result may represent an overestimate of the actual number of rental product types available at any given time because being listed as a host doesn't indicate that a rental product type is in continuous operation.
- While the total number of long-term vs. short-term rentals are not available, the Airbnb website indicates that most users, stay for approximately 4 days.

#### **VBRO**

- 240 individual hosts operating in the city limits as of November 2021.
- 125 individual hosts operating in unincorporated Wake County/Raleigh ETJ as of November 2021.

- The data provided does not distinguish between private room rental, accessory dwelling unit rental and entire private residence rental.
- This data does not represent the frequency in which units are rented and as a result may represent an overestimate of the actual number of rental product types available at any given time because being listed as a host doesn't indicate that a rental product type is in continuous operation.
- The average stay data for VBRO was not available but it could be assumed that if the data were available it would yield similar results to Airbnb, indicating short-term rentals as the predominant norm.

### Important Considerations

The total number of individual hosts operating in the City of Raleigh/Raleigh ETJ who utilize either VBRO or Airbnb is 965 individual hosts. In looking at this data It is important to note the following:

- The numbers of individual hosts indicated in this document are cumulative and do not represent a snapshot of host operators at any single time.
- It is possible and not uncommon for a host operator to list their properties on both Airbnb and VBRO therefore units may have been double counted.
- Due to the factors listed above, the true number of individual host operators at any given time is likely much lower than the cumulative total indicated, however that specific information is not available/has not been provided.

### Conclusion

According to the figures in the latest addition of the Raleigh Data Book, the following is true of local housing stock.

- Total number of housing units in the City of Raleigh: 209,792
- Total number of occupied housing units in the City of Raleigh: 198,941
- Total Number of vacant housing units in Raleigh: 20,851
- Total residential vacancy rate in Raleigh: 9.9%

While it is difficult to compare the data provided by Airbnb and VBRO as a simple “apples to apples” calculation to determine the exact impact of such short-term rentals on the local housing stock, by focusing on maximums, the greatest possible impact could be calculated.

By assuming that each host operator equals one unit of housing, that the 965 individual units were in short-term rental status through Airbnb and/or VBRO for an entire year, that all units were inside City Limits and that the units indicated were not double counted, **based on the numbers provided by Airbnb and VBRO, the total number of host operator units in Raleigh would account for approximately 0.46% of the total housing stock in the City of Raleigh.**