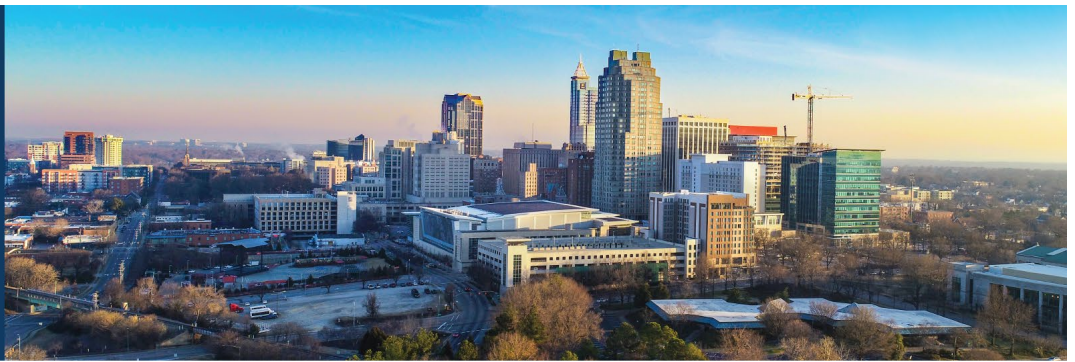


Manager's Update

raleighnc.gov



Issue 2022-21

May 27, 2022

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City Offices Closed in Observance of Memorial Day

City administrative offices will be **closed** on **Monday, May 30** in observance of the **Memorial Day** holiday.

Budget Work Sessions Scheduled for Mondays in June

As a reminder, Council will begin deliberating the City Manager's *Proposed Budget* for the Fiscal Year beginning July 1 in scheduled budget work sessions beginning next month on Mondays. The budget work session schedule is as follows:

City Council Budget Work Sessions

- June 6, 4:00 P.M.
- June 13, 4:00 P.M.
- June 27, 4:00 P.M. (if necessary)

Adoption of the Annual Operating Budget for FY 2022-23 and the Capital Improvement Program is required on or before July 1, 2022,

INFORMATION:

Financial Report - Quarter 3 FY2021-22

Staff Resource: Allison Bradsher, Finance, 996-3215, allison.bradsher@raleighnc.gov

Nick Sadler, Budget & Management Services, 996-4268, nicholas.sadler@raleighnc.gov

Included with the Update materials is the FY2021-22 Quarter 3 Financial Report developed to track financial metrics and the performance of key operating funds. The report summarizes financial information for City operations and provides an overview of federal funding received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA). The report was developed in conjunction with City departments to provide a transparent overview of financial performance.

Key highlights: There was overall improvement in the General Fund revenue and expense outlook. General Fund revenues are projected to exceed budget predominately associated with unprecedented sales tax revenues and year-end expense projections are lower than anticipated due to citywide vacancies. The General Fund year-end projections are indicating an anticipated increase to fund balance with revenues exceeding expenditures. Revenue associated with the Raleigh Convention Center have improved as operations resume and events and conferenced are hosted. The GoRaleigh transit system will continue to operate fare-free through FY22 with a direct CARES allocation continuing to support operations. Parking revenues continue to be impacted by the decline in downtown traffic and projections show a utilization of fund balance. Vehicle Fleet Services is impacted by supply shortages and the rising cost of fuel, parts, and labor. City Council authorized the reallocation of salary savings to cover the increased cost of fuel in May 2022. Staff will continue to monitor financial performance.

(Attachment)

Black Wallstreet Forward Pilot - Exploring the Past and Present of Black Entrepreneurship

Staff Resource: Heather McDougall, Strategy & Innovation, 996-3070, heather.mcdougall@raleighnc.gov

Building upon a commitment to support a thriving and inclusive innovation ecosystem, the City will be joining a new pilot program called Black Wallstreet Forward. Created by Forward Cities, the Truist Foundation, and Provident1898, the Black Wall Street Forward (BWSF) initiative is modeled on the pillars that made Durham's original Black Wall Street successful and also builds on the continuing legacy of the work that is stewarded by the many local leaders and initiatives - past and present.

The nine-month, transformative pilot program will engage five communities (Durham, Raleigh, Charlotte, Winston-Salem, and Fayetteville) throughout the state of North Carolina in a cohort-based learning journey to explore the past and present of Black Entrepreneurship in each community and to take collaborative action to build a better collective future.

Starting in July, the Office of Strategy and Innovation will host an *Ecosystem Builder-in-Residence* supported by a 12-person council of Black community leaders and allies working together to prioritize support for Black entrepreneurs. Beyond the council, the pilot will engage 1000+ plus additional community leaders, members, and entrepreneurs across the five communities, with the hope of impacting countless more over future generations.

Learn more about the program at forwardcities.org/bwsf.

(No attachment)

Weekly Digest of Special Events

Staff Resource: Sarah Heinsohn, Special Events Office, 996-2200, 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 April 19 City Council Meeting

Six Forks Road Improvements - ARPA Funding Update and Delivery Schedule (Council Member Buffkin)

Staff Resource: Sara Warren, Budget & Management Services, 996-3760, sara.warren@raleighnc.gov
Kenneth Ritchie, Engineering Services, 996-4112, kenneth.ritchie@raleighnc.gov

During the meeting Council requested information from staff pertaining to the City's ability to leverage American Rescue Plan Act (ARPA) funding to close the projected funding gap on the Six Forks Road Improvements project. The utilization of these funds would be used to offset the need to apply for federal grant funding through the Locally Administered Projects Program (LAPP) in order to expedite the delivery of this project.

ARPA Funding

Current unallocated ARPA funding is \$30.6M. Staff anticipates receiving up to \$12M in federal LAPP funding to be utilized towards the Six Forks Road Improvements project. If Council desired to expedite the Six Forks Road Improvements via utilization of \$12M in ARPA funding, \$18.6M would remain in ARPA funding to be used towards other City Council priorities.

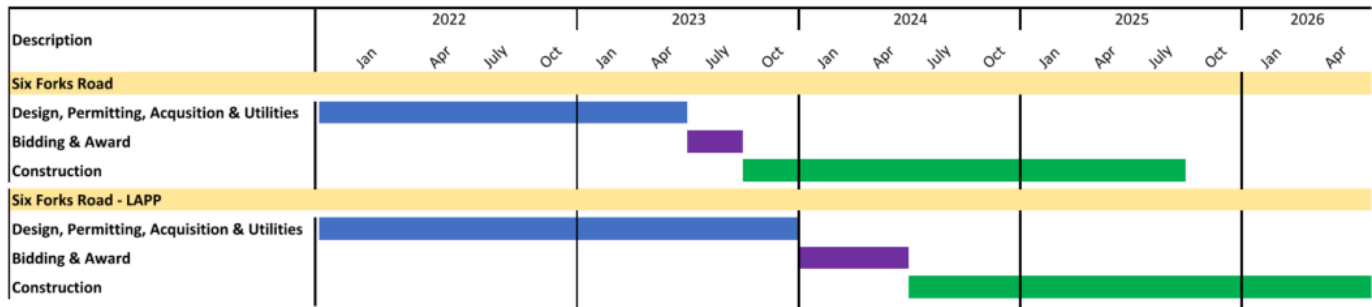
At the May 17 Council meeting, Council received information and recommendations on the use of the City's ARPA funds; however, at this time Council has not formally allocated additional ARPA funds.

Project Schedules

As staff conveyed during the Transportation Bond Update presentations to the City Council on February 21 and April 11, the recommended strategy to close the projected funding gap for the Six Forks Road Improvements project requires the City to apply for federal grant funding for Federal Fiscal Year (FFY) 2024 through LAPP. Use of this grant funding will result in starting construction of this project in Spring 2024. This is due to the timing of an authorization for construction that is required from North Carolina Department of Transportation as part of the LAPP program that cannot be requested any earlier than October 1, 2023 (the beginning of FFY2024). Time is required for bid advertisement, bid award, contract execution and pre-construction public engagement; these activities could not commence until authorization for construction is received from the City Council.

If additional funds were identified that offset the need to leverage federal grant funding through the LAPP program, the current schedule for this project would anticipate construction starting in Fall 2023, approximately six (6) months earlier than the LAPP funding timeline. Schedules for both delivery scenarios are provided below.

Project Schedules



(No attachment)

Follow Up to the May 17 City Council Meeting

Malone Court Encroachment Agreement

Staff Resource: Patrick Young, Planning and Development, 996-2704, patrick.young@raleighnc.gov

Daniel King, Transportation, 996-2408, daniel.king@raleighnc.gov

During the meeting, City Council authorized an encroachment agreement for City right-of-way on Malone Court be granted to the Villages of Fox Run Owner's Association (HOA). Council asked that staff work with the HOA to expedite filing of the agreement within five (5) days, as directed by Council. Thanks to the work of staff with the City Attorney's Office, the encroachment agreement was provided to the HOA on May 17, filed on May 19, and the agreement is now in effect.

(No attachment)

Municipal Service Districts - Valuation and Parcels (Council Member Cox)

Staff Resource: Kirsten Larson, Budget & Management Services, 996-4276, kirsten.larson@raleighnc.gov

During the meeting and following a presentation by each of the municipal service district service providers requesting adjustments to the ad valorem tax rates, Council requested information regarding the number of properties and the assessed value in each municipal service district (MSD).

The table below contains the requested information:

MSD	Number of Properties	Assessed Value
Downtown	685	\$3.38B
Hillsborough Street	298	\$695.5M

(No attachment)

Traffic Signal - Eva Mae Drive and New Hope Road (Council Member Branch)

Staff Resource: Jed Niffenegger, Transportation, 996-4039, jed.niffenegger@raleighnc.gov

During the meeting Council requested that staff evaluate the intersection of Eva Mae Drive and New Hope Road for signalization due to resident concerns of exiting Eva Mae Drive onto New Hope Road.

The City has a municipal agreement with the North Carolina Department of Transportation (NCDOT) to maintain the State signal system. Part of that agreement is to provide signal warrant analysis. This intersection falls on the State highway system and must meet Federal guidelines adopted by both the City and NCDOT before a traffic signal can be considered. The guidelines look at traffic related data including traffic volume, delay, and reported crash history. In late 2021, staff received a request to install a signal at this intersection; at that time staff collected the traffic data, ran an analysis, and recommended signalization at this location to NCDOT. Below is an overhead image of the intersection:



The quickest and most appropriate way to get this intersection signalized is to coordinate with the NCDOT and request funding via the North Carolina Spot Safety program. This program selects potential projects on a statewide basis every three months (quarterly). City staff is currently working with NCDOT to prepare a

project submittal for the next available selection round, which will take place during the month of September. Site-specific details such as a sufficient amount of right-of-way, pedestrian accommodations, utility coordination, and fiber optic communication cable connections need to be further reviewed in order that an appropriate funding level can accompany the project submittal. Project selection is an objective process performed by the State; Raleigh has had past success with project applications and prior submissions of a similar nature have been selected for program funding.

Staff will provide City Council with an update following the September selection meeting, to include an installation timeframe should this intersection be selected for signalization via the Spot Safety program process.

(No attachment)

FY 2021-2022 FINANCIAL REPORT

Q3

May 13, 2022



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.

	Q1	Q2	Q3	PAGE
General Fund Revenues	ON TRACK	ON TRACK	ON TRACK	4
General Fund Expenses	ON TRACK	ON TRACK	ON TRACK	6
Convention Center	ON TRACK	ON TRACK	ON TRACK	9
Parking Operations	WATCH	WATCH	WATCH	11
Raleigh Water	ON TRACK	ON TRACK	ON TRACK	12
Solid Waste Operations	ON TRACK	ON TRACK	ON TRACK	13
Stormwater Operations	ON TRACK	ON TRACK	ON TRACK	14
Transit Operations	WATCH	WATCH	WATCH	15
Vehicle Fleet Services	WATCH	WATCH	WATCH	16
Grants	WATCH	WATCH	WATCH	17

Convention Center: The Convention Center moved to "On Track" due to improved revenues as operations resume and the RCC/PAC begins hosting events and conferences. Through Q3, expenses are currently outpacing revenue. Staff will continue to monitor hospitality and tourism industry trends.

Parking Operations: Parking revenues continue to be impacted by a decrease in downtown traffic during normal business hours. However, Parking revenues have begun to see an increase due to return to work policies and increased downtown activities as a result of lifting of COVID-19 restrictions.

Transit Operations: Bus fares continue to be suspended for FY2021-22. In addition, Transit has received unanticipated State funding for fixed route maintenance for FY2021-22.

Vehicle Fleet Services: Due to shortages in the supply chain and the rising costs of fuel, parts, and labor staff is monitoring the fund. In May 2022 City Council approved the reallocation of salary savings to cover the increased cost of fuel.

Grants: Due to an unprecedented amount of COVID stimulus grant funding, staff continues to monitor grant activities to ensure continued grant management and compliance.

INDICATOR KEY:

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

Executive Summary

The following summarizes highlights included in this report. Additional details can be found on subsequent pages.

Economic Factors

- As part of the \$1.9 trillion Federal Stimulus Plan, American Rescue Plan, Raleigh was allocated \$73.2M in direct Treasury funding.
- Raleigh's unemployment rate has increased slightly, moving from 2.6% in December 2021 to 2.9% in March 2022. The national unemployment in March 2022 was 3.6%.
- Per the CDC, Wake County COVID-19 Community Levels are low. Community Levels are determined by the higher of the new admissions and inpatient bed metrics based on the current level of new cases per 100,000 population. Wake County is under 10 new admissions per 100,000 population and less than 10% of staffed in-patient beds in use by COVID-19 patients.
- In March 2022, the United States annual inflation rate accelerated to 8.5%, the highest since December 1981. The City of Raleigh is seeing the impacts of inflation increases across the organization and within the Raleigh community.

General Fund

Overall General Fund highlights through Q3 include:

- FY2021-2022 real property collections are trending in line with management's expectations and collections have achieved 99.7% of the budget.
- Sales tax collections continue to experience unprecedented growth in FY2021-2022 and staff continues to monitor collections with further details provided within the packet.
- Fuel and vehicle maintenance costs have continued to increase above budget due to current market conditions. Departments plan to absorb costs through other departmental savings.
- FY2021-2022 Q3 General Fund expenses include a \$12M capital reserve appropriation from City Council for the Gipson Play Plaza at Dix Park.
- Due to increased revenues, continued expense management, and Citywide vacancies, the General Fund actuals to date continue to outperform the budget. Staff anticipates an increase to fund balance. Revenue and expense projections can be found throughout the report.

Enterprise Funds

Overall Enterprise Fund highlights include:

- Raleigh Water, Stormwater, and Solid Waste are performing within expectations with no major changes to report.
- Due to rising fuel costs Vehicle Fleet Services (VFS) is reallocating funds to cover increases. Additional information can be found on the VFS page.
- Transit will continue to suspend fares through the duration of FY22 and a direct CARES allocation continues to support operations.
- Parking revenues through Q3 continue to show slow improvement as compared to prior year. However, parking operations continue to experience revenue loss as compared to pre-pandemic levels associated with reduced downtown on-street parking and special event parking. Staff continue to monitor the operations closely.
- RCC Operations continue to successfully host events and programming and has demonstrated improvement in revenues. Expenses are also trending higher as a result of increased staffing and costs associated with hosting events and programming. Staff continue to monitor this fund and operations.

3

General Fund (Fund 100) Revenues – FY2021-2022 Quarter 3

Fiscal Year 2021-2022					Fiscal Year 2020-2021				
Revenue Categories:	Amended Budget	Q3 Actuals	% Budget Collected	Revenue Projection	Revenue Categories:	Amended Budget	Q3 Actuals	Q3 % Budget Collected	Year-End Actuals
Operating	\$522,015,048	\$438,747,824	84.0%	\$543,927,000	Operating	\$503,465,320	\$412,868,954	82.0%	\$524,333,828
Property Tax	\$273,041,010	\$272,241,034	99.7%	\$273,498,000	Property Tax	\$257,650,679	\$256,055,538	99.4%	\$257,399,060
Sales Tax	\$113,837,600	\$69,984,445	61.5%	\$129,000,000	Sales Tax	\$100,608,000	\$60,581,572	60.2%	\$123,181,562
Franchise Tax	\$28,300,000	\$14,321,268	50.6%	\$28,325,000	Franchise Tax	\$30,000,000	\$14,721,374	49.1%	\$28,598,556
Motor Vehicle Tax	\$16,965,000	\$11,818,579	69.7%	\$18,325,000	Motor Vehicle Tax	\$17,077,817	\$12,076,928	70.7%	\$18,222,782
Other Taxes	\$16,500,000	\$9,873,612	59.8%	\$16,026,000	Other Taxes	\$17,181,684	\$10,200,441	59.4%	\$16,479,040
Intergovernmental Fees	\$12,673,501	\$9,059,436	71.5%	\$13,592,000	Intergovernmental Fees	\$11,727,611	\$6,827,716	58.2%	\$11,854,744
Powell Bill	\$10,000,000	\$7,160,857	71.6%	\$7,161,000	Powell Bill	\$9,880,000	\$7,160,857	72.5%	\$7,160,857
Development Fees	\$15,475,840	\$16,131,637	104.2%	\$21,000,000	Development Fees	\$13,722,136	\$12,316,910	89.8%	\$17,264,438
PRCR User Fees	\$3,950,750	\$3,574,907	90.5%	\$4,500,000	PRCR User Fees	\$5,590,985	\$1,332,786	23.8%	\$2,489,431
Other Fees & Miscellaneous	\$28,971,347	\$22,007,672	76.0%	\$29,770,000	Other Fees & Miscellaneous	\$36,326,408	\$28,857,267	79.4%	\$36,576,717
Interest Income	\$2,300,000	\$2,574,379	111.9%	\$2,730,000	Interest Income	\$3,700,000	\$2,737,564	74.0%	\$5,106,642
Transfers	\$319,635	\$239,726	75.0%	\$320,000	Transfers	\$354,881	\$266,161	75.0%	\$354,881
Transfers from Other Funds	\$319,635	\$239,726	75.0%	\$320,000	Transfers from Other Funds	\$354,881	\$266,161	75.0%	\$354,881
Fund Balance & Special Reserves	\$42,637,751	\$0	0.0%	\$0	Fund Balance & Special Reserves	\$21,891,019	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$42,637,751	\$0	0.0%	\$0	Fund Balance & Special Reserves	\$21,891,019	\$0	0.0%	\$0
Total	\$564,972,434	\$438,987,551	77.7%	\$544,247,000	Total	\$525,711,220	\$413,135,115	78.6%	\$524,688,709

Staff Analysis:

Overall, General Fund revenues are improved as compared to Q3 FY2020-2021. The FY2021-2022 budget included an authorized increase to property taxes dedicated to the voter approved housing bond and a dedicated penny supporting parks maintenance. Information on other year-over-year changes is outlined below. Revenue continues to trend in a positive direction and are expected to exceed budget by approximately \$22M primarily due to unprecedented sales tax growth.

Key revenues meeting or exceeding budget year to date:

- FY2021-2022 real property collection levels through March are trending above prior year.
- Sales tax collection growth has outpaced expectations and is driving the positive projected General Fund revenue variances.
- Motor vehicle revenues are currently tracking slightly below prior year due to one-time catch-up revenue received in Q1 of FY2020-2021. Average vehicle values continue to increase as vehicle demand remains greater than supply.
- Parks user fee collections continue to demonstrate an increase through Q3 as compared to prior year.
- Development user fees continue to remain strong and have surpassed budget, a reflection of the continued strong development activity.
- Franchise tax collections to date are 2.7% lower than the prior year. Staff continue to monitor this revenue stream as it is highly dependent on heating and cooling days.

Key revenues below prior year to date:

- The final installment of the Powell Bill was reduced by the General Assembly during the final State budget balancing in November 2021. The reduction holds Raleigh's Powell Bill flat to FY21 levels. This will result in a budget shortage of \$2.9M.
- The report subsequently includes further highlights on property taxes, sales taxes, and user fees.

4

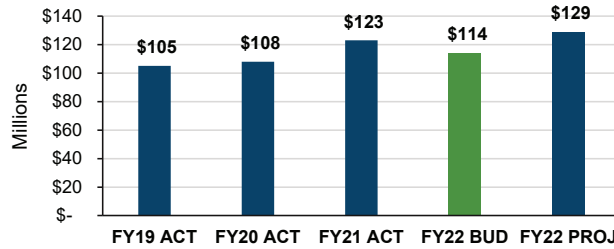
Property Tax

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.
- Property tax collection rates continue to improve, and delinquencies continue to fall. Property tax collections through 4/30 are tracking ahead of prior year with 100% of budget collected, revenues will exceed the budget by year-end.

Sales Tax

Sales Tax Outlook

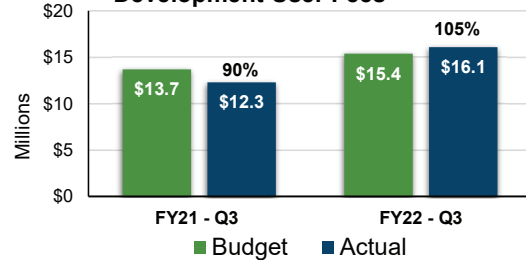


Staff Analysis:

- National retail sales data had double-digit growth through February but showed signs of slower growth in March.
- Collections to date are up \$9.4M or 16% from prior year.
- For the past year and a half, sales tax collections have consistently exceeded expectations in the face of the pandemic.
- Inflationary pressures, rising interest rates, and the phasing out of direct stimulus and unemployment payments cast some uncertainty on near term growth rates.
- Year-end sales tax projections are expected to exceed budget by approximately \$15M.

User Fees

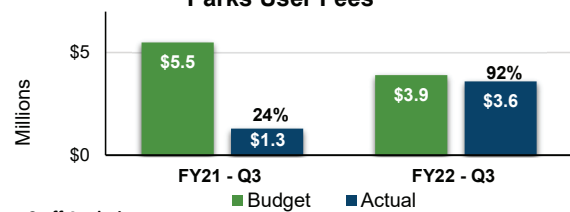
Development User Fees



Staff Analysis:

- Development user fee collections through Q3 have exceeded the FY22 budget. FY22 fee revenue continues to outperform prior year collections and management's expectations.

Parks User Fees



Staff Analysis:

- Parks user fees are estimated to exceed the budget as PRCR activity continues to return to more normal levels (\$3.6M collected to date).
- PRCR continues to evaluate staffing strategies to meet summer service demand, which could impact overall revenue generation if amenities cannot be staffed.

5

General Fund (Fund 100) Expenditures – FY2021-2022 Quarter 3

Fiscal Year 2021-2022				
Expenditure Categories	Amended Budget	Q3 Actuals	Q3 % Spend	Projected Spend
Operating	\$417,900,141	\$279,465,664	66.9%	\$386,058,551
Personnel	\$212,731,984	\$145,195,344	68.3%	\$199,632,640
Employee Benefits	\$97,333,859	\$70,132,270	72.1%	\$91,227,621
Operating Expenditures	\$104,851,592	\$62,338,861	59.5%	\$92,178,054
Operating Capital	\$1,598,162	\$722,028	45.2%	\$1,582,841
Interfund Expenditures	\$1,384,544	\$1,077,161	77.8%	\$1,437,395
Transfers	\$147,072,293	\$114,148,055	77.6%	\$147,072,293
Transfer to Debt Service	\$64,960,480	\$48,720,360	75.0%	\$64,960,480
Transfer to Capital Funds	\$46,191,643	\$37,397,858	81.0%	\$46,191,643
Transfer to Other Funds	\$35,920,170	\$28,029,837	78.0%	\$35,920,170
Total	\$564,972,434	\$393,613,719	69.7%	\$533,130,844

Fiscal Year 2021-2022				
Department	Amended Budget	Q3 Actuals	Q3 % Spend	Projected Spend
Police	\$117,882,924	\$81,723,969	69.3%	\$109,591,087
Fire	\$71,814,493	\$51,564,029	71.8%	\$69,622,300
Parks, Recreation and Cultural Resources	\$55,928,683	\$35,276,450	63.1%	\$48,752,583
Transportation Services	\$32,120,477	\$19,541,360	60.8%	\$30,086,923
Information Technology	\$23,821,987	\$15,497,213	65.1%	\$22,692,336
Engineering Services	\$23,308,306	\$14,312,765	61.4%	\$21,939,182
Planning and Development Services	\$20,839,897	\$14,115,721	67.7%	\$19,037,397
Emergency Communications	\$11,483,743	\$7,251,536	63.1%	\$9,745,837
Finance	\$6,742,800	\$4,770,352	70.7%	\$6,418,295
Housing & Neighborhood	\$6,442,832	\$4,049,154	62.8%	\$5,480,366
City Attorney	\$4,634,959	\$3,278,849	70.7%	\$4,463,515
Human Resources	\$4,758,704	\$3,265,896	68.6%	\$4,682,508
Communications	\$3,398,397	\$2,338,409	68.8%	\$3,241,215
City Manager	\$5,625,387	\$3,463,895	61.6%	\$4,820,711
Budget and Management Services	\$1,506,369	\$1,032,293	68.5%	\$1,397,098
Equity and Inclusion	\$1,472,493	\$690,689	46.9%	\$1,056,914
City Clerk	\$796,355	\$452,514	56.8%	\$631,240
City Council	\$444,709	\$228,865	51.5%	\$333,765
Special Appropriations	\$171,948,920	\$130,759,760	76.0%	\$169,137,572
Total	\$564,972,434	\$393,613,719	69.7%	\$533,130,844

Fiscal Year 2020-2021				
Expenditure Categories	Amended Budget	Q3 Actuals	Q3 % Spend	Actuals
Operating	\$403,955,934	\$271,933,984	67.3%	\$373,701,672
Personnel	\$208,515,379	\$145,494,600	69.8%	\$199,014,702
Employee Benefits	\$91,805,368	\$63,940,922	69.6%	\$87,641,123
Operating Expenditures	\$101,126,516	\$61,151,241	60.5%	\$85,233,710
Operating Capital	\$1,146,927	\$468,055	40.8%	\$621,624
Interfund Expenditures	\$1,361,744	\$879,167	64.6%	\$1,190,512
Transfers	\$121,755,286	\$87,244,221	71.7%	\$121,755,286
Transfer to Debt Service	\$68,132,799	\$51,099,599	75.0%	\$68,132,799
Transfer to Capital Funds	\$12,820,557	\$8,914,253	69.5%	\$12,820,557
Transfer to Other Funds	\$40,801,930	\$27,230,369	66.7%	\$40,801,930
Total	\$525,711,220	\$359,178,205	68.3%	\$495,456,958

Fiscal Year 2020-2021				
Department	Amended Budget	Q3 Actuals	Q3 % Spend	Actuals
Police	\$113,430,917	\$78,514,693	69.2%	\$109,165,345
Fire	\$69,111,006	\$48,523,696	70.2%	\$66,463,411
Parks, Recreation and Cultural Resources	\$53,978,941	\$34,160,848	63.3%	\$47,271,990
Transportation Services	\$30,678,133	\$20,303,696	66.2%	\$28,113,789
Information Technology	\$23,391,950	\$16,255,895	69.5%	\$22,441,951
Engineering Services	\$22,018,830	\$13,930,336	63.3%	\$19,442,384
Planning and Development Services	\$19,919,783	\$13,950,081	70.0%	\$19,027,044
Emergency Communications	\$11,125,015	\$7,393,474	66.5%	\$10,621,357
Finance	\$6,545,709	\$4,415,236	67.5%	\$5,952,041
Housing & Neighborhood	\$5,711,382	\$3,401,350	59.6%	\$4,736,888
City Attorney	\$4,351,663	\$2,996,904	68.9%	\$4,115,049
Human Resources	\$4,906,799	\$3,039,456	61.9%	\$4,193,605
Communications	\$3,412,486	\$2,234,046	65.5%	\$3,048,379
City Manager	\$5,396,627	\$3,620,991	67.1%	\$5,017,469
Budget and Management Services	\$1,693,976	\$1,128,510	66.6%	\$1,516,192
Equity and Inclusion	\$992,732	\$600,894	60.5%	\$850,131
City Clerk	\$707,930	\$435,476	61.5%	\$590,970
City Council	\$435,214	\$188,758	43.4%	\$297,386
Special Appropriations	\$147,902,127	\$104,083,866	70.4%	\$142,591,577
Total	\$525,711,220	\$359,178,205	68.3%	\$495,456,958

Staff Analysis:

- Personnel expenses in FY2021-22 are lower than prior year. Decreased personnel expenses are due to unprecedented citywide vacancies.
- While personnel expenses are decreasing in FY2021-22 due to vacancies, employee benefits are increasing at a higher rate due to retirement and medical expense increases adopted with the FY2021-22 budget.
- Per City Council, FY2021-2022 Q3 General Fund expenses include a \$12M capital reserve appropriation for the Gipson Play Plaza at Dix Park.
- FY2021-2022 year-end projections includes the 2% Cost of Living Adjustment approved by City Council in April 2022.

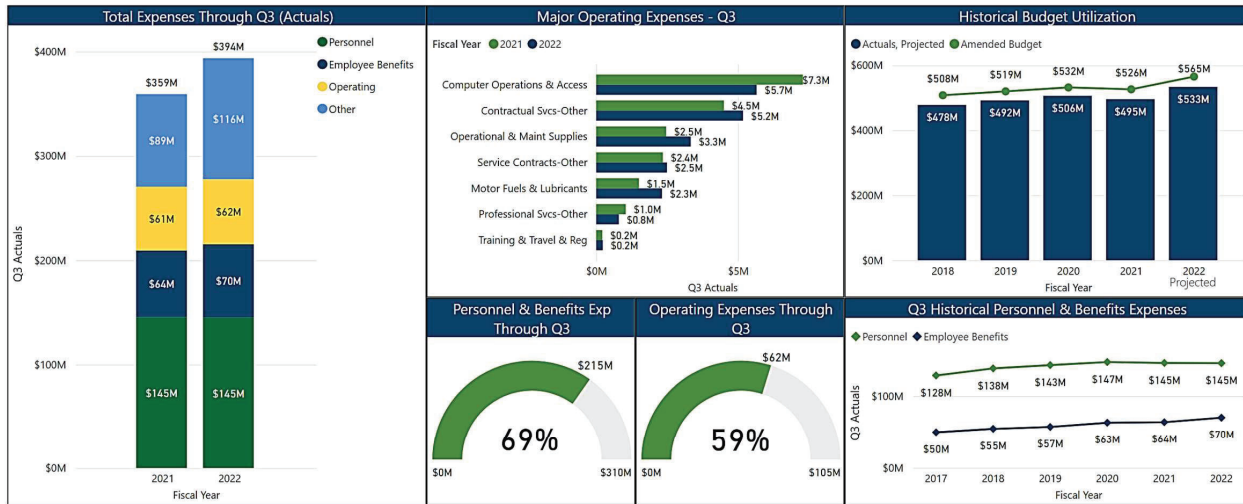
Manager's Update

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May 27, 2022

General Fund (Fund 100) – FY2021-2022 Quarter 3 Expense Overview

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



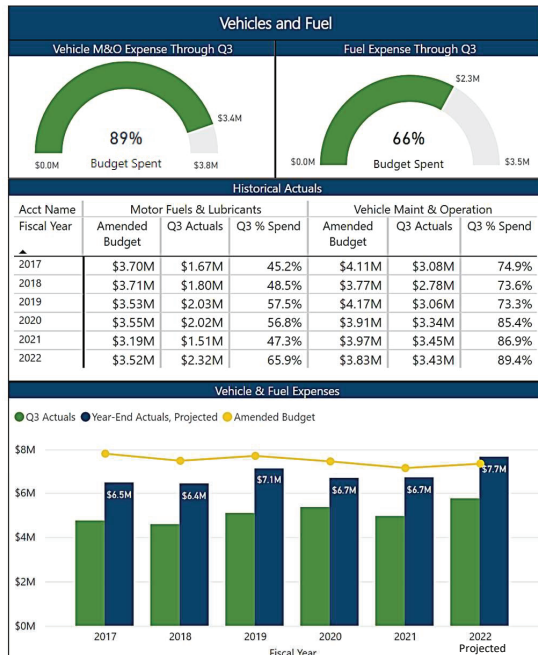
Staff Analysis:

- General Fund expenses are performing as expected through Q3 FY2021-2022.
- Other costs, including transfers, have increased compared to prior year due to the use of one-time capital funding and property tax allocations dedicated to PRCR and affordable housing.
- FY2021-2022 year-end projections are showing an anticipated increase to fund balance with revenues exceeding expenditures.
- Staff will 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 3 Expense Highlights

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



Vehicle and Fuel Analysis:

Staff continue to monitor fuel expenses, as the average price per gallon of unleaded fuel is now \$0.30 more than the prior fiscal year while diesel fuel is almost \$1.00 more than the prior fiscal year. In addition, rising costs for parts and labor are causing the need for departments to reallocate funds as the costs for vehicle maintenance is surpassing available budget. On May 3rd, City Council approved the transfer to cover increases related to fuel and maintenance.



Overtime Pay Analysis:

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

- In FY2021-2022 Q3, the Fire Department is spending more on overtime than prior years to maintain minimum service levels and staffing thresholds per shift.
- The Raleigh Police Department is also exceeding budget on overtime accounts due to vacancies.

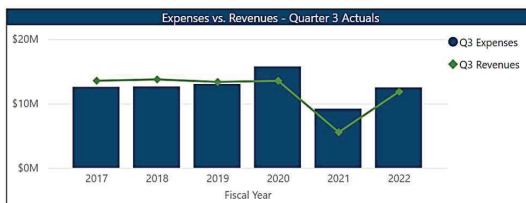
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Convention Center Operations (Fund 642) – FY2021-2022 Quarter 3

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	Q3 Actuals	% of Budget Collected
Operating	\$10,731,543	\$7,490,545	69.8%
RCC/PAC Revenue	\$6,773,133	\$6,364,627	94.0%
Other Fees & Miscellaneous	\$3,946,441	\$1,115,516	28.3%
Interest Income	\$11,969	\$10,402	86.9%
Transfers	\$11,488,614	\$4,357,014	37.9%
Transfers from Other Funds	\$11,488,614	\$4,357,014	37.9%
Fund Balance & Special Reserves	\$7,472,444	\$0	0.0%
Fund Balance & Special Reserves	\$7,472,444	\$0	0.0%
Total	\$29,692,601	\$11,847,559	39.9%

Fiscal Year 2021-2022			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$29,692,601	\$12,503,191	42.1%
Personnel	\$11,006,867	\$4,489,058	40.8%
Employee Benefits	\$3,007,992	\$1,907,961	63.4%
Operating Expenditures	\$13,865,962	\$4,794,249	34.6%
Interfund Expenditures	\$1,811,780	\$1,311,923	72.4%
Total	\$29,692,601	\$12,503,191	42.1%



Fiscal Year 2020-2021				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY21 Actuals
Operating	\$12,129,743	\$1,100,001	9.1%	\$2,773,670
RCC/PAC Revenue	\$9,926,748	\$233,399	2.4%	\$1,679,301
Other Fees & Miscellaneous	\$2,185,990	\$920,759	42.1%	\$1,065,387
Interest Income	\$17,005	(\$54,157)	-318.5%	\$28,982
Transfers	\$7,198,849	\$4,441,743	61.7%	\$7,198,849
Transfers from Other Funds	\$7,198,849	\$4,441,743	61.7%	\$7,198,849
Fund Balance & Special Reserves	\$2,553,393	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$2,553,393	\$0	0.0%	\$0
Total	\$21,881,985	\$5,541,744	25.3%	\$9,972,519

Fiscal Year 2020-2021				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY21 Actuals
Operating	\$21,881,985	\$9,184,541	42.0%	\$12,344,188
Personnel	\$8,859,593	\$3,556,624	40.1%	\$4,858,984
Employee Benefits	\$2,909,644	\$1,753,600	60.3%	\$2,275,193
Operating Expenditures	\$8,378,626	\$2,673,724	31.9%	\$3,611,431
Operating Capital	\$4,000	\$105	2.6%	\$132
Interfund Expenditures	\$1,730,122	\$1,200,487	69.4%	\$1,598,448
Total	\$21,881,985	\$9,184,541	42.0%	\$12,344,188

Staff Analysis:

- Revenues in Q3 FY2021-2022 are showing significant improvement with \$6.4M increased revenues over the prior year. Facilities have reopened for in-person events and programming.
- Expenses continue to trend up in Q3 year-over-year. As more events and productions occur, increases in expenses associated with hosting events are expected.
- Staff continue to closely monitor revenues, expenses, and the overall the hospitality sector.

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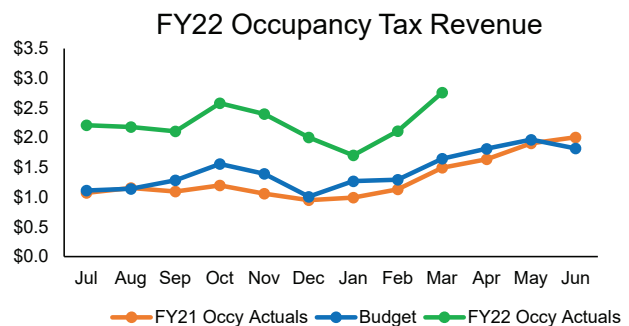
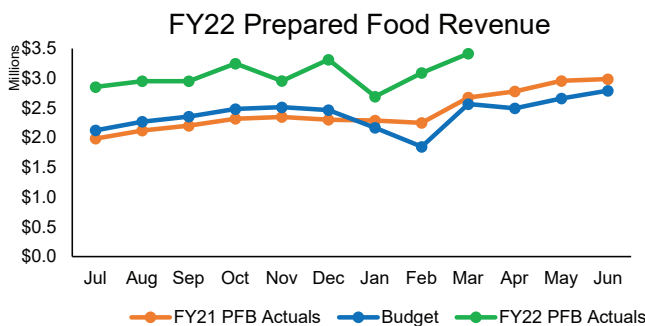
Convention Center FY22 Proforma

Revenue	Expense	Gain/(Loss)	Beg Fund Balance	Ending Fund Balance
\$21.0M - \$22.0M	\$18.0M	\$3.0M - \$4.0M	\$14.3M	\$17.3M - 18.3M

Staff Analysis:

- FY2021-2022 revenues from operations are slowly returning but are still ~25% below pre-pandemic levels.
- FY2021-2022 estimated results are modeled to include \$4.4M in grant funded stimulus for entertainment venues that experienced significant revenue losses including facility closures during the height of the pandemic.
- Staff are closely monitoring revenues and expenditures to manage venue demand changes such as the overall attendance of held events as a result of the pandemic.
- The majority of RCC facility events are from organizations and companies within the state of North Carolina, indicating a stronger likelihood the events will occur as scheduled.

Interlocal – Occupancy and Food & Beverage Tax Revenues



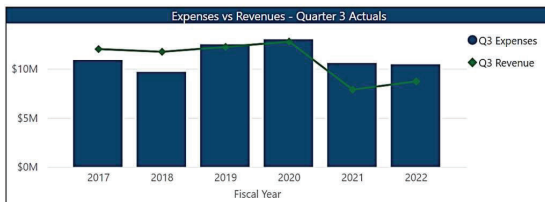
- Wake County Hospitality taxes continue to remain strong and are anticipated to exceed budget.
- FY22 Prepared food tax collections to date are 34% above FY21 levels and are currently \$6.7M above YTD budget.
- FY22 Occupancy tax collections are trending well above prior year levels and are currently \$8.3M above YTD budget.

Parking Operations (Fund 442) – FY2021-2022 Quarter 3

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	Q3 Actuals	% of Budget Collected
Operating	\$12,439,620	\$8,709,497	70.0%
Parking Fees	\$12,170,499	\$8,476,581	69.6%
Other Fees & Miscellaneous	\$205,000	\$219,741	107.2%
Interest Income	\$64,121	\$13,175	20.5%
Fund Balance & Special Reserves	\$4,000,000	\$0	0.0%
Fund Balance & Special Reserves	\$4,000,000	\$0	0.0%
Total	\$16,439,620	\$8,709,497	53.0%

Fiscal Year 2021-2022			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$9,776,104	\$5,592,694	57.2%
Personnel	\$1,970,365	\$1,202,564	61.0%
Employee Benefits	\$919,087	\$620,525	67.5%
Operating Expenditures	\$6,117,066	\$3,197,426	52.3%
Operating Capital	\$1,500	\$0	0.0%
Interfund Expenditures	\$768,086	\$572,178	74.5%
Transfers	\$6,663,516	\$4,858,887	72.9%
Transfer to Debt Service	\$6,098,516	\$4,573,887	75.0%
Transfer to Capital Funds	\$185,000	\$0	0.0%
Transfer to Other Funds	\$380,000	\$285,000	75.0%
Total	\$16,439,620	\$10,451,581	63.6%



FY22 Proforma – Parking Operations				
Revenue	Expense	Gain/(Loss)	Beg Fund Balance	Ending Fund Balance
\$12.0M-\$13.0M	\$14.0M	\$(1.0M)-\$(2.0M)	\$4.7M	\$2.7M – \$3.7M

Fiscal Year 2020-2021				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY21 Actuals
Operating	\$16,655,999	\$7,872,311	47.3%	\$10,750,823
Parking Fees	\$16,612,999	\$7,834,648	47.2%	\$10,694,425
Other Fees & Miscellaneous	\$20,000	\$33,837	169.2%	\$39,895
Interest Income	\$23,000	\$3,825	16.6%	\$16,503
Transfers	\$4,000,000	\$0	0.0%	\$4,000,000
Transfers from Other Funds	\$4,000,000	\$0	0.0%	\$4,000,000
Fund Balance & Special Reserves	\$2,669,709	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$2,669,709	\$0	0.0%	\$0
Total	\$23,325,708	\$7,872,311	33.7%	\$14,750,823

Fiscal Year 2020-2021				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY21 Actuals
Operating	\$16,672,953	\$5,597,448	33.6%	\$7,503,552
Personnel	\$6,050,250	\$1,219,491	20.2%	\$1,677,860
Employee Benefits	\$897,706	\$591,048	65.8%	\$785,685
Operating Expenditures	\$9,012,575	\$3,269,920	36.3%	\$4,350,595
Operating Capital	\$15,150	\$854	5.6%	\$854
Interfund Expenditures	\$697,272	\$516,135	74.0%	\$688,558
Transfers	\$6,652,755	\$4,989,566	75.0%	\$6,652,755
Transfer to Debt Service	\$6,272,755	\$4,704,566	75.0%	\$6,272,755
Transfer to Capital Funds	\$0	\$0	0.0%	\$0
Transfer to Other Funds	\$380,000	\$285,000	75.0%	\$380,000
Total	\$23,325,708	\$10,587,014	45.4%	\$14,156,307

Staff Analysis:

- Though Parking revenues continue to be impacted by a decline in downtown traffic during business hours, lifting of COVID restrictions and increased patronage to downtown activities such as concerts, bars and restaurants shows improved revenue performance in FY2021-2022 Q3 compared to the previous year.
- Parking has filled positions regulating on-street parking and the issuance of citations and violations has resulted in an increase in other fee revenue compared to prior year. This has also resulted in a slight increase in personnel costs compared to the previous year.
- The FY2021-2022 budget includes \$4.0M in fund balance appropriation, representing a one-time transfer from the General Fund.
- The year-end proforma projections show that parking will utilize fund balance in the current year.

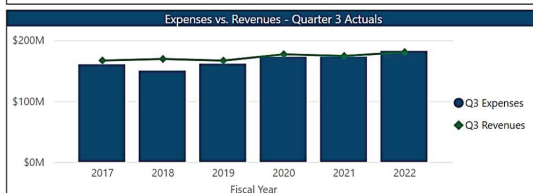
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Raleigh Water (Fund 310) – FY2021-2022 Quarter 3

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	Q3 Actuals	% of Budget Collected
Operating	\$239,407,357	\$173,499,937	72.5%
Utility Sales	\$229,094,159	\$167,608,295	73.2%
Other Fees & Miscellaneous	\$5,885,435	\$3,902,329	66.3%
Interest Income	\$2,937,763	\$0	0.0%
Inspection Fees	\$1,490,000	\$1,989,313	133.5%
Fund Balance & Special Reserves	\$30,381,854	\$0	0.0%
Fund Balance & Special Reserves	\$30,381,854	\$0	0.0%
Transfers	\$90,000	\$67,500	75.0%
Transfers from Other Funds	\$90,000	\$67,500	75.0%
Total	\$269,879,211	\$173,567,437	64.3%

Fiscal Year 2021-2022			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$140,969,211	\$85,969,183	61.0%
Personnel	\$39,423,850	\$27,615,399	70.0%
Employee Benefits	\$18,293,036	\$12,879,497	70.4%
Operating Expenditures	\$68,504,551	\$36,324,951	53.0%
Operating Capital	\$1,354,296	\$483,825	35.7%
Interfund Expenditures	\$13,393,478	\$8,665,511	64.7%
Transfers	\$128,910,000	\$96,682,500	75.0%
Transfer to Debt Service	\$43,910,000	\$32,932,500	75.0%
Transfer to Capital Funds	\$85,000,000	\$63,750,000	75.0%
Total	\$269,879,211	\$182,651,683	67.7%



Fiscal Year 2020-2021				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY21 Actuals
Operating	\$227,893,851	\$174,186,116	76.4%	\$235,127,869
Utility Sales	\$218,256,207	\$164,574,267	75.4%	\$220,236,604
Other Fees & Miscellaneous	\$5,934,877	\$4,025,363	67.8%	\$5,627,643
Interest Income	\$3,297,767	\$3,879,407	117.6%	\$6,393,470
Inspection Fees	\$405,000	\$1,707,079	421.5%	\$2,870,153
Fund Balance & Special Reserves	\$27,812,286	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$27,812,286	\$0	0.0%	\$0
Transfers	\$90,000	\$0	0.0%	\$90,000
Transfers from Other Funds	\$90,000	\$0	0.0%	\$90,000
Total	\$255,796,137	\$174,186,116	68.1%	\$235,217,869

Fiscal Year 2020-2021				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY21 Actuals
Operating	\$137,276,137	\$84,167,338	61.3%	\$114,476,642
Personnel	\$38,251,618	\$26,835,523	70.2%	\$36,659,936
Employee Benefits	\$17,227,769	\$12,291,076	71.3%	\$16,247,898
Operating Expenditures	\$69,256,649	\$36,201,491	52.3%	\$49,820,132
Operating Capital	\$1,139,468	\$369,896	32.5%	\$498,302
Interfund Expenditures	\$11,400,632	\$8,469,353	74.3%	\$11,250,375
Transfers	\$118,520,000	\$88,926,250	75.0%	\$118,520,000
Transfer to Debt Service	\$33,375,000	\$25,031,250	75.0%	\$33,375,000
Transfer to Capital Funds	\$85,000,000	\$63,750,000	75.0%	\$85,000,000
Transfer to Other Funds	\$145,000	\$145,000	100.0%	\$145,000
Total	\$255,796,137	\$173,093,588	67.7%	\$232,996,642

Staff Analysis:

- Utility sales increased by approximately \$6.2M 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 fee revenues have exceeded budget and are outperforming prior year actuals by approximately \$0.2M.
- Programs have been developed to connect individuals with available emergency rental and utility assistance relief funding. Staff continue to monitor impacts associated with late fees and delinquent utility accounts.
- The fund is performing within expectations.

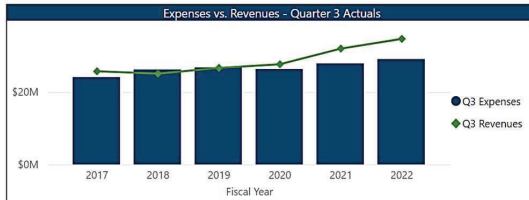
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Solid Waste (Fund 360) – FY2021-2022 Quarter 3

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	Q3 Actuals	% of Budget Collected
Operating	\$35,775,062	\$28,837,583	80.6%
Residential Solid Waste Fees	\$33,679,862	\$25,899,128	76.9%
Yardwaste Revenue	\$650,000	\$601,447	92.5%
Other Fees & Miscellaneous	\$1,445,200	\$2,337,007	161.7%
Transfers	\$7,730,000	\$5,797,500	75.0%
Transfers from Other Funds	\$7,730,000	\$5,797,500	75.0%
Fund Balance & Special Reserves	\$5,581,772	\$0	0.0%
Fund Balance & Special Reserves	\$5,581,772	\$0	0.0%
Total	\$49,086,834	\$34,635,083	70.6%

Fiscal Year 2021-2022			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$47,834,192	\$28,148,157	58.8%
Personnel	\$10,477,249	\$7,045,320	67.2%
Employee Benefits	\$5,161,196	\$3,453,631	66.9%
Operating Expenditures	\$26,106,598	\$13,350,063	51.1%
Operating Capital	\$621,744	\$397,276	63.9%
Interfund Expenditures	\$5,467,405	\$3,901,868	71.4%
Transfers	\$1,252,642	\$915,311	73.1%
Transfer to Debt Service	\$1,130,414	\$847,811	75.0%
Transfer to Other Funds	\$122,228	\$67,500	55.2%
Total	\$49,086,834	\$29,063,467	59.2%



Fiscal Year 2020-2021				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY21 Actuals
Operating	\$34,191,044	\$26,004,378	76.1%	\$35,290,174
Residential Solid Waste Fees	\$31,389,141	\$24,471,950	78.0%	\$32,497,021
Yardwaste Revenue	\$625,000	\$495,550	79.3%	\$824,159
Other Fees & Miscellaneous	\$2,176,903	\$1,117,225	51.3%	\$2,049,341
Interest Income	\$0	\$(80,347)		\$(80,347)
Transfers	\$7,875,000	\$5,942,500	75.5%	\$7,875,000
Transfers from Other Funds	\$7,875,000	\$5,942,500	75.5%	\$7,875,000
Fund Balance & Special Reserves	\$2,647,070	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$2,647,070	\$0	0.0%	\$0
Total	\$44,713,114	\$31,946,878	71.4%	\$43,165,174

Fiscal Year 2020-2021				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY21 Actuals
Operating	\$42,618,380	\$26,338,021	61.8%	\$36,637,607
Personnel	\$10,450,708	\$6,802,240	65.1%	\$9,250,976
Employee Benefits	\$4,925,897	\$3,234,312	65.7%	\$4,287,577
Operating Expenditures	\$21,451,350	\$12,284,111	57.3%	\$17,629,418
Operating Capital	\$578,457	\$301,039	52.0%	\$400,037
Interfund Expenditures	\$5,211,968	\$3,716,320	71.3%	\$5,069,599
Transfers	\$2,094,734	\$1,553,301	74.2%	\$2,094,734
Transfer to Debt Service	\$1,805,734	\$1,354,301	75.0%	\$1,805,734
Transfer to Other Funds	\$289,000	\$199,000	68.9%	\$289,000
Total	\$44,713,114	\$27,891,322	62.4%	\$38,732,341

Staff Analysis:

- Solid Waste revenues are continuing to perform within expectations due to a \$1.00 increase to the monthly Solid Waste Collection fee, increasing the customer fee from \$14.45 to \$15.45. Yardwaste Center revenues are also exceeding 2020-21 collections as staff continue to focus on bulk sales of processed materials.
- Operating expenses are slightly higher than the prior year due to increased costs associated with vehicle repair and maintenance and fuel costs due to market increases.
- Due to current market conditions, Solid Waste Services is able to collect revenue through the Sonoco contract which will reduce recycling expenditures while also increasing revenue.

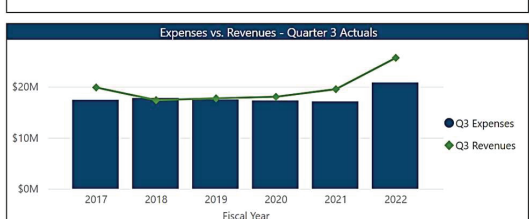
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Stormwater Operations (Fund 460) – FY2021-2022 Quarter 3

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	Q3 Actuals	% of Budget Collected
Operating	\$32,442,313	\$25,631,048	79.0%
Stormwater Fees	\$31,684,703	\$25,429,655	80.3%
Other Fees & Miscellaneous	\$573,426	\$25,262	4.4%
Interest Income	\$184,184	\$176,132	95.6%
Fund Balance & Special Reserves	\$332,739	\$0	0.0%
Fund Balance & Special Reserves	\$332,739	\$0	0.0%
Total	\$32,775,052	\$25,631,048	78.2%

Fiscal Year 2021-2022			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$22,045,384	\$12,748,762	57.8%
Personnel	\$8,020,860	\$5,087,307	63.4%
Employee Benefits	\$3,542,243	\$2,338,413	66.0%
Operating Expenditures	\$6,733,906	\$2,780,894	41.3%
Operating Capital	\$103,518	\$1,685	1.6%
Interfund Expenditures	\$3,644,857	\$2,540,463	69.7%
Transfers	\$10,729,668	\$8,047,251	75.0%
Transfer to Capital Funds	\$10,493,000	\$7,869,750	75.0%
Transfer to Other Funds	\$236,668	\$177,501	75.0%
Total	\$32,775,052	\$20,796,013	63.5%



Fiscal Year 2020-2021				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY21 Actuals
Operating	\$25,660,711	\$19,495,173	76.0%	\$26,184,296
Stormwater Fees	\$24,787,285	\$19,206,301	77.5%	\$25,718,436
Other Fees & Miscellaneous	\$573,426	\$52,762	9.2%	\$60,262
Interest Income	\$300,000	\$236,110	78.7%	\$405,598
Fund Balance & Special Reserves	\$643,526	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$643,526	\$0	0.0%	\$0
Total	\$26,304,237	\$19,495,173	74.1%	\$26,184,296

Fiscal Year 2020-2021				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY21 Actuals
Operating	\$19,574,323	\$11,568,985	59.1%	\$15,770,834
Personnel	\$7,173,452	\$4,646,732	64.8%	\$6,277,581
Employee Benefits	\$3,206,998	\$2,142,661	66.8%	\$2,814,375
Operating Expenditures	\$5,663,454	\$2,443,285	43.1%	\$3,396,550
Operating Capital	\$101,738	\$0	0.0%	\$101,738
Interfund Expenditures	\$3,428,681	\$2,336,307	68.1%	\$3,180,590
Transfers	\$6,729,914	\$5,547,436	82.4%	\$6,729,914
Transfer to Capital Funds	\$6,500,000	\$5,375,000	82.7%	\$6,500,000
Transfer to Other Funds	\$229,914	\$172,436	75.0%	\$229,914
Total	\$26,304,237	\$17,116,421	65.1%	\$22,500,748

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).
- Stormwater personnel costs are increased year-over-year associated with positions received as part of the FY2021-22 adopted budget. In addition, these positions include incremental operating costs related to software licenses and vehicles which have impacted operating costs.
- The fund is performing within expectations.

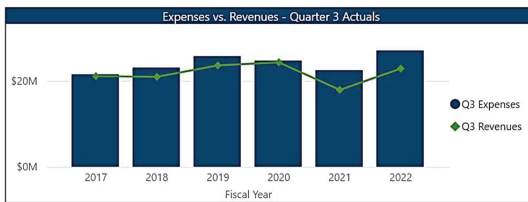
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Transit Operations (Fund 410) – FY2021-2022 Quarter 3

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	Q3 Actuals	% of Budget Collected
Operating	\$22,066,276	\$10,154,072	46.0%
Transit Revenues	\$1,560,057	\$1,415,475	90.7%
Intergovernmental	\$12,930,219	\$5,506,133	42.6%
Grants & Matching Funds	\$7,371,000	\$3,041,187	41.3%
Other Fees & Miscellaneous	\$205,000	\$191,277	93.3%
Transfers	\$16,913,671	\$12,685,253	75.0%
Transfers from Other Funds	\$16,913,671	\$12,685,253	75.0%
Fund Balance & Special Reserves	\$1,218,904	\$0	0.0%
Fund Balance & Special Reserves	\$1,218,904	\$0	0.0%
Total	\$40,198,851	\$22,839,325	56.8%

Fiscal Year 2021-2022			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$39,820,113	\$26,700,032	67.1%
Personnel	\$1,324,166	\$877,750	66.3%
Employee Benefits	\$579,526	\$440,810	76.1%
Operating Expenditures	\$37,101,894	\$24,754,965	66.7%
Interfund Expenditures	\$814,527	\$626,507	76.9%
Transfers	\$378,738	\$378,738	100.0%
Transfer to Other Funds	\$378,738	\$378,738	100.0%
Total	\$40,198,851	\$27,078,770	67.4%



Fiscal Year 2020-2021				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY21 Actuals
Operating	\$31,691,086	\$5,338,807	16.8%	\$16,194,334
Transit Revenues	\$4,970,685	\$1,045,107	21.0%	\$1,507,801
Intergovernmental	\$13,883,779	\$4,120,621	29.7%	\$9,678,758
Grants & Matching Funds	\$12,431,622	\$0	0.0%	\$4,699,471
Other Fees & Miscellaneous	\$405,000	\$173,079	42.7%	\$308,304
Transfers	\$16,746,667	\$12,560,000	75.0%	\$16,746,667
Transfers from Other Funds	\$16,746,667	\$12,560,000	75.0%	\$16,746,667
Fund Balance & Special Reserves	\$792,744	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$792,744	\$0	0.0%	\$0
Total	\$49,230,497	\$17,898,807	36.4%	\$32,941,001

Fiscal Year 2020-2021				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY21 Actuals
Operating	\$47,873,947	\$22,499,653	47.0%	\$31,617,254
Personnel	\$1,364,133	\$875,063	64.1%	\$1,202,049
Employee Benefits	\$575,348	\$410,302	71.3%	\$545,393
Operating Expenditures	\$45,123,910	\$20,613,128	45.7%	\$29,068,130
Interfund Expenditures	\$810,556	\$601,160	74.2%	\$801,682
Transfers	\$1,356,550	\$0	0.0%	\$1,356,550
Transfer to Capital Funds	\$1,356,550	\$0	0.0%	\$1,356,550
Total	\$49,230,497	\$22,499,653	45.7%	\$32,973,804

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.
- Transit received \$3.04M in State Maintenance Funding that was not anticipated in FY2021-2022 due to the State's uncertain revenue forecast. Due to this increase, Transit anticipates a future Council action to realign CARES revenue.
- Council action was taken in March to reduce Wake Transit Fund Revenue by \$1M due to changes in the Wake Transit Plan.
- Staff will continue to monitor this fund.

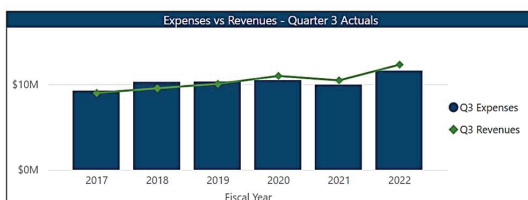
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Vehicle Fleet Services (Fund 260) – FY2021-2022 Quarter 3

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	Q3 Actuals	% of Budget Collected
Operating	\$17,936,032	\$12,286,219	68.5%
Other Fees & Miscellaneous	\$17,936,032	\$12,286,219	68.5%
Fund Balance & Special Reserves	\$2,045	\$0	0.0%
Fund Balance & Special Reserves	\$2,045	\$0	0.0%
Total	\$17,938,077	\$12,286,219	68.5%

Fiscal Year 2021-2022			
Expenses	Amended Budget	Q3 Actuals	% Spend
Operating	\$17,938,077	\$11,581,354	64.6%
Personnel	\$4,337,639	\$2,692,979	62.1%
Employee Benefits	\$2,181,262	\$1,407,329	64.5%
Operating Expenditures	\$11,323,424	\$7,436,369	65.7%
Operating Capital	\$80,752	\$35,705	44.2%
Interfund Expenditures	\$15,000	\$8,971	59.8%
Total	\$17,938,077	\$11,581,354	64.6%



Fiscal Year 2020-2021				
Revenues	Amended Budget	Q3 Actuals	% of Budget Collected	FY21 Actuals
Operating	\$17,041,790	\$10,441,989	61.3%	\$14,165,707
Other Fees & Miscellaneous	\$17,041,790	\$10,441,989	61.3%	\$14,165,707
Fund Balance & Special Reserves	\$1,273,291	\$0	0.0%	\$0
Fund Balance & Special Reserves	\$1,273,291	\$0	0.0%	\$0
Total	\$18,315,081	\$10,441,989	57.0%	\$14,165,707

Fiscal Year 2020-2021				
Expenses	Amended Budget	Q3 Actuals	% Spend	FY21 Actuals
Operating	\$18,315,081	\$9,956,802	54.4%	\$13,833,263
Personnel	\$4,219,178	\$2,690,065	63.8%	\$3,628,402
Employee Benefits	\$2,049,646	\$1,385,758	67.6%	\$1,825,339
Operating Expenditures	\$11,830,731	\$5,821,735	49.2%	\$8,313,816
Operating Capital	\$201,026	\$51,516	25.6%	\$55,331
Interfund Expenditures	\$14,500	\$7,728	53.3%	\$10,376
Total	\$18,315,081	\$9,956,802	54.4%	\$13,833,263

Staff Analysis:

- With recent global economy impacts, fuel prices have greatly impacted operating expenditures for the fund. On May 3, 2022, City Council approved the reallocation of salary savings to cover the increased cost of fuel.
- Revenues and expenditures are higher than Q3 FY2020-21 due to increased sublet expenses. Due to continued staff shortages in the heavy equipment division, repair work is being contracted out through sublet. These expenditures are offset by the sublet mark-up revenue.
- Staff continue to monitor this fund.

16

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	\$3,932,252	-	-	\$3,932,252	6/30/2022
Shuttered Venue Operators Grant - Red Hat Amphitheater	Economic aid to hard-hit small businesses, non-profits and venues.	Convention Center Complex	\$1,747,010	-	-	\$1,747,010	6/30/2022
Coronavirus Emergency Supplemental Funding Program	To present, prepare for, and respond to the coronavirus (COVID-19).	Police	\$399,140	\$283,334	\$21,121	\$94,685	1/31/2023
ESG-CV1 CARES Act	Emergency shelter, homelessness prevention, Homeless Management Information System (HMIS), and rapid re-housing.	Housing & Neighborhoods	\$950,338	\$858,658	\$91,680	-	9/30/2023 12/31/2023
ESG-CV2 CARES Act	Emergency shelter, homelessness prevention, HMIS, rapid re-housing, and street outreach.	Housing & Neighborhoods	\$3,503,113	\$963,027	\$2,410,286	\$129,800	9/30/2023 12/31/2023
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	\$8,010,714	\$4,675,203	\$60,606,448	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	\$14,298,567	-	-	9/30/2025
Emergency Rental Assistance 2 (COVID-ARPA)	Emergency rental and utility assistance, including arrears, for households impacted by COVID-19.	Housing & Neighborhoods	\$11,313,787	\$3,000,000	\$8,313,787	-	9/30/2025
CDBG-CV1 CARES Act	Rental and mortgage assistance for households impacted by COVID-19.	Housing & Neighborhoods	\$1,878,051	\$1,640,190	\$237,760	\$101	5/25/2026
CDBG-CV3 CARES Act	Rental and mortgage assistance for households impacted by COVID-19 and emergency shelter expansion/renovation.	Housing & Neighborhoods	\$2,672,436	-	\$1,554,048	\$1,118,388	5/25/2026
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	\$4,902,629	\$4,466,757	\$19,345,770	N/A
HOME - ARPA	Funding may be used for housing assistance activities that benefit individuals and families from qualifying populations.	Housing & Neighborhoods	\$5,248,796	-	-	-	9/30/2030

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

Staff Analysis:

- Shuttered Venue Operators Grant (SVOG) funding covers past expenditures (3/30/20-current). Staff is awaiting approval of the final expense budget form by the SBA (Small Business Administration). Following SBA approval, the SVOG closeout process with an assigned SBA Grant Manager Specialist begins. Upon closeout, the "total amount expended" field will be updated.
- HUD (Housing & Urban Development) formally announced an ESG-CV deadline to 9/30/2023 for Emergency Shelter, Street Outreach, Rapid Rehousing, and Homelessness Prevention funds. In addition, HUD extended the deadline for HMIS and Administration to 12/31/2023. Staff continues to monitor ESG-CV1 and ESG-CV2 contracts with non-profits to ensure timely expenditures.
- The City will receive its second tranche of ARPA funding in late May 2022.
- Through the HouseWake! Program (ERA funding), Telamon has approved 4,948 applications for rental and utility assistance, which includes both city and county applicants. Telamon staff received 2,867 incomplete applications and are working with these applicants to complete their applications. Telamon staff expects to approve 63% of the incomplete applications and spend all remaining ERA2 funds from the City.
- All agencies awarded CDBG-CV1 and CDBG-CV3 funds under the public services category (primarily emergency rental and mortgage assistance) are under contract. Staff is in the process of creating contracts for the three agencies who were awarded CDBG-CV3 funds under the public facilities category (emergency shelter and public facilities improvements).
- 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, a construction contract for the GoRaleigh park and ride project on Poole Road, and funding for Transit planning studies.

17

Weekly Events Digest

Friday, May 27 – Thursday, June 2

City of Raleigh Office of Emergency Management and Special Events
specialevents@raleighnc.gov | 919-996-2200 | raleighnc.gov/special-events-office

Permitted Special Events

Black on the Block

Hargett Street

Friday, May 27

Event Time: 7:00pm - 10:00pm

Associated Road Closures: Hargett Street between Salisbury Street and Fayetteville Street will be closed from 6:00pm until 11:59pm.

Race to Bridge the Gap

Newton Road & E. Fork Mine Creek Trail

Saturday, May 28

Event Time: 8:00am - 11:00am

Associated Road Closures: Roads will be closed and the greenway will be used from 8:50am until 10:30am to facilitate the route. Note that all cross-streets will be detoured and see below for turn-by-turn details:

Start in private parking lot at 400 Newton Road; Left onto Newton Road; Right onto the E. Fork Mine Creek Trail; Left onto Clear Brook Drive; Left onto Mourning Dove Road; Right onto Apple Orchard Way; Left onto Old Deer Trail; Right onto E. Fork Mine Creek Trail; Left onto Newton Road to finish

NC Sugar Rush

City Plaza

Sunday, May 29

Event Time: 1:00pm - 5:00pm

Associated Road Closures: Fayetteville Street between Davie Street and the south end of City Plaza will be closed from 10:00am until 6:00pm. Note that the 500 block of Fayetteville Street will remain accessible for local traffic.

Yam Jam

City Plaza

Wednesday, June 1

Event Time: 10:00am - 3:00pm

Associated Road Closures: Fayetteville Street between Davie Street and the south end of City Plaza will be closed from 7:00am until 4:00pm. Note that the 400 and 500 blocks of Fayetteville Street will remain accessible for local traffic.

Other Events This Weekend

Wilders Grove Sustainable Facility Tour

Friday, May 27

Wilders Grove Solid Waste Services Facility

Alyssa Edwards – Life, Love & Lashes Tour

Friday, May 27

Fletcher Opera Theater

Animazement

Friday, May 27 – Sunday, May 29

Raleigh Convention Center

[Explore Dix Park: Birdwatching](#)

Saturday, May 28

Dorothea Dix Park, Flowers Cottage

[Explore Dix Park: Guided Walking Tour](#)

Saturday, May 28

Dorothea Dix Park, Chapel

[Moore Square Market](#)

Sunday, May 29

Moore Square

[Cary Ballet Company Presents Spring Works](#)

Sunday, May 29

Fletcher Opera Theater

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.