



CHARLOTTE

FY2008
YEAR END

**CORPORATE
PERFORMANCE
REPORT**

creating a safe and vibrant community

delivering quality public services

focusing on our customers



CHARLOTTE.

MAYOR

Patrick L. McCrory

MAYOR PRO TEM

Susan Burgess

CITY COUNCIL

Michael D. Barnes

Nancy G. Carter

Warren Cooksey

Andy T. Dulin

Anthony Foxx

Patsy B. Kinsey

John W. Lassiter

James E. Mitchell, Jr.

Edwin Peacock III

Warren Turner

City Manager

W. Curtis Walton, Jr.



Table of Contents

Introduction

Introduction to the Report.....	3
City Strategy (Vision, Mission, and Overview of Focus Areas)	5
Corporate Objectives	7

Executive Summary

Report Highlights.....	8
------------------------	---

Performance Highlights by Perspective

Serve the Customer.....	10
Run the Business	20
Manage Resources.....	24
Develop Employees.....	27

Page intentionally left blank.

Introduction

Purpose of Year End Corporate Performance Report

The Year End Corporate Performance Report provides the Mayor and City Council and staff with comprehensive executive level information to evaluate the progress of City programs and activities. Unless otherwise specified, all information is from the FY08 budget year (July 2007 - June 2008).

Each year, the City Council identifies community priorities. During the Council's annual retreat in February 2008, Council agreed on the goals and objectives for the strategic focus areas. The resulting **Focus Area Plans** established Council's official strategy for the 2008 fiscal year. Resources were assigned in the budget process to address the Focus Area priorities.

The Balanced Scorecard is the City's performance management system that:

- Translates strategy into tangible objectives and measures
- Communicates desired strategy to employees
- Ensures alignment of resources throughout the organization

Organization of Report

This report is organized by the City's four Balanced Scorecard perspectives: *Serve the Customer – Run the Business – Manage Resources – Develop Employees*. The perspectives provide a framework for evaluating performance that is focused on outcomes and results for the City's most important indicators. In addition, the report also provides checkpoints for planning, forecasting, and budgeting.

Perspectives (4)

Objectives (16)

Serve the Customer

Reduce Crime
Increase Perception of Safety
Strengthen Neighborhoods
Provide Transportation Choices
Safeguard the Environment
Promote Economic Opportunity

Run the Business

Develop Collaborative Solutions
Enhance Customer Service
Optimize Business Processes

Manage Resources

Maintain AAA Rating
Deliver Competitive Services
Expand Tax Base & Revenues
Invest in Infrastructure

Develop Employees

Achieve Positive Employee Climate
Recruit & Retain Skilled, Diverse Workforce
Promote Learning & Growth

The City of Charlotte is committed to using performance information to manage and address community needs, and this performance report denotes whether key objectives have been achieved or not. The following symbols indicate an objective target's status:

✓ = Target Achieved

✗ = Target Not Achieved

This report also communicates **accomplishments** (✓) and **challenges** (✗) related to organizational objectives. A copy of the report can be downloaded electronically at www.charmeck.org/cibudget.

Page intentionally left blank.

City Strategy

Vision

The City of Charlotte will be a model of excellence that puts citizens first. Skilled, motivated, and diverse employees will be known for providing quality and value in all areas of service. We will be a platform for vital economic activity that gives Charlotte a competitive edge in the marketplace. We will partner with citizens and businesses to make this a community of choice for living, working, and leisure activities.

Mission

The mission of the City of Charlotte is to ensure the delivery of quality public services and to promote the safety, health, and quality of life of its citizens. We will identify and respond to community needs and focus on the customer through:

- Using strategic business planning
- Creating and maintaining effective partnerships

Overview of the City of Charlotte's Focus Areas

Community Safety: *“Charlotte will be the safest large city in America through citizen and local government partnerships.”*

In 1994, the City Council adopted a Community Safety Plan. That plan has been expanded and combined with housing and neighborhood development initiatives and the implementation of community problem-oriented policing. Therefore, the City considers community safety from the perspective of the livability, stability, and economic vitality of a neighborhood—not just the lack or presence of criminal activity.

Housing and Neighborhood Development: *“Creating great neighborhoods in which to live, work, and play.”*

This is the City's comprehensive approach to meeting the economic development and quality of life issues in the neighborhoods and business districts. This includes efforts such as providing adequate code enforcement; developing strategies for affordable housing; and requiring neighborhoods and business districts to take an active role in problem identification and solution development.

Environment: *“Charlotte will become a national leader in environmental initiatives to preserve our natural resources while balancing growth with sound fiscal policy.”*

This initiative addresses safeguarding the environment, including protection of air and water quality, land preservation, and energy and resource conservation. As one of the fastest growing communities in the

nation, protection of our environment is a priority that includes adopting best practices and leading by example by delivering public services in a manner based on sound environmental practices.

Transportation: *“Charlotte will be the premier city in the country for integrating land use and transportation choices.”*

On-going growth of the City creates infrastructure challenges, but the integration of transportation and land use policies will give citizens choices on where to live, to work, to shop, and how to travel from one activity to another. This initiative addresses the need for adequate infrastructure—streets, sidewalks, transit, public spaces, and bike facilities provide the foundation for private sector land development, a robust local economy, and a higher quality of life for citizens.

Economic Development: *“Charlotte will be the most prosperous and livable city for all citizens through quality economic development.”*

This initiative aims to improve the quality of life for citizens through increased economic opportunity and choice for all citizens—that is, more choices for jobs, housing, shopping, and leisure activities. More choices result from sustainable growth of the economy, which must be supported by infrastructure, reliable public services, support of corridor revitalization, new and existing businesses, a skilled and competitive workforce, and destination venues for entertainment and leisure.



CITY STRATEGY

VISION

COMMUNITY OF CHOICE FOR LIVING, WORKING AND LEISURE



CITY COUNCIL FOCUS AREAS

Community Safety • Housing and Neighborhood Development
Environment • Transportation • Economic Development

COMPREHENSIVE CITIZEN SERVICE

CORPORATE OBJECTIVES

SERVE THE CUSTOMER

Reduce Crime

Increase Perception of Safety

Strengthen Neighborhoods

Provide Transportation Choices

Safeguard the Environment

Promote Economic Opportunity

RUN THE BUSINESS

Develop Collaborative Solutions

Enhance Customer Service

Optimize Business Processes

MANAGE RESOURCES

Maintain AAA Rating

Deliver Competitive Services

Expand Tax Base & Revenues

Invest in Infrastructure

DEVELOP EMPLOYEES

Achieve Positive Employee Climate

Recruit & Retain Skilled, Diverse Workforce

Promote Learning & Growth

Corporate Objectives

Serve the Customer - What is our mission and vision?

Reduce Crime	Decrease crime with community-oriented policing and other strategies that target crime categories or offenders.
Increase Perception of Safety	Improve perception of safety by enhancing police community problem-solving partnerships, improving neighborhood appearance, and addressing neighborhood decay and nuisances.
Strengthen Neighborhoods	Deliver planning, infrastructure, environmental safety, and capacity building investments to improve and sustain the quality of life in neighborhoods.
Provide Transportation Choices	Provide programs and services that expand travel choices and increase use of alternative modes of transportation.
Safeguard the Environment	Provide programs and services that protect the City's land, water, air, and open space resources.
Promote Economic Opportunity	Provide programs and services that enhance the quality of life and make Charlotte an attractive location for quality jobs and businesses.

Run the Business - At what processes must we excel to achieve the mission and vision?

Develop Collaborative Solutions	Elevate citizen service above key business unit customer service. Develop internal and external partnerships to solve problems and share control in leadership, planning, accountability, risk, and reward.
Enhance Customer Service	Improve service delivery to internal and external customers. Provide services that are courteous, accessible, responsive, and seamless.
Optimize Business Processes	Analyze key business processes to ensure alignment to organizational business strategies and priorities and apply shared technologies to improve service delivery, increase operational efficiencies, and control costs.

Manage Resources - How do we ensure value in achieving the mission and vision?

Maintain AAA Rating	Pursue fiscal policy that will maintain the City's AAA credit rating.
Deliver Competitive Services	Ensure value and quality of services by being productive and efficient in service delivery. Maximize public resources through benchmarking, competition, privatization, and optimization.
Expand Tax Base & Revenues	Increase available revenues by expanding tax base through residential and business development. Seek funding partnerships and other revenue sources to lessen reliance upon property taxes.
Invest in Infrastructure	Support City priorities by optimizing existing infrastructure and creating new infrastructure, including streets, technology, equipment, and facilities. Ensure capital and land use investments are consistent with Smart Growth principles.

Develop Employees - How do we develop employees to respond to the mission and vision?

Achieve Positive Employee Climate	Strengthen work-life environment where employees are empowered, motivated, and productive.
Recruit & Retain Skilled, Diverse Workforce	Select and retain a qualified and diverse workforce to meet community needs.
Promote Learning & Growth	Maximize employee development through training opportunities. Create a learning environment where employees are encouraged to test ideas and explore new methods.

Executive Summary

Key highlights from the report include the recognition of **accomplishments** (✓) as well as the significant **challenges** (✗) faced by the City organized by the four Balanced Scorecard perspectives. Highlights include:

- ✗ **Crime Statistics** - The crime rate per 100,000 population increased by 3.1% (target: 5% reduction).
- ✓ The number of larcenies influenced much of this increase. An increase in the rate of robberies was the primary factor in a lower than normal decline in the violent crime rate. Crime categories experiencing decreases include homicide, rape, aggravated assault, burglary, and vehicle theft.
- ✓ **Police Services** - Citizen survey results from November 2007 revealed that 84% of respondents rated the Charlotte-Mecklenburg Police Department (CMPD) 7 or higher on overall impression (target: 7 or higher on 10 point scale); 82% rated CMPD at 7 or higher on courtesy and 84% on professionalism; and 82% reported feeling safe in their own neighborhoods.
- ✓ **Fire Response Time** - An effective firefighting force was on scene 87.22% of the time within seven minutes of being dispatched (target: 80%). Response time is defined by the arrival of three fire companies, or 12 firefighters, at an incident. Twelve firefighters is the minimum required to conduct an effective fire suppression operation.
- ✓ **Transit Services** - Exceeding ridership projections by 54%, FY08 was a milestone year for the City and County with the opening of North Carolina's first light rail operation on November 26, 2007.
- ✓ **Neighborhoods** - The neighborhood Quality of Life Report identified 90 stable, 63 transitioning, and 20 challenged neighborhoods. The Quality of Life Report details issues to address, maintain, and improve neighborhood vitality.
- ✓ **Bicycles** - The number of bicycle accidents per capita decreased 11% during FY08. This is a significant turnaround from the 15% increase that occurred in FY07.
- ✓ **City Cleanliness** - The "Keep America Beautiful" litter assessment rating was 1.63, exceeding Solid Waste Services' target of 2.0 (1.0 is highest rating, 4.0 is lowest rating) and improving upon last year's score of 1.85.
- ✓ **Water Protection** - City Council adopted the Post Construction Controls Ordinance on November 26, 2007. Post Construction Controls Ordinance is a comprehensive watershed management approach addressing both restorative actions as well as prevention of water quality and flooding problems. The ordinance is one of the most significant and comprehensive water protection measure enacted in Charlotte's history.
- ✓ **Tree Preservation** - The Cankerworm Campaign encouraged banding of trees. Also, Council approved the largest spraying effort in Charlotte's history attacking the cankerworm infestation from the air with more than 63,000 acres of urban Charlotte sprayed. The City tree canopy appears healthier. Results of the spraying will be better known when fall tree banding begins.
- ✓ **Economic Development** - Total building permit value in Center City, Business Corridor Revitalization Geography, and within 1/2 mile of transit stations along the South Corridor exceeded the FY07 actual of \$732 million with \$819 million for FY08 (target: \$350 million).
- ✓ **Environmental Policies** - City Council adopted the Environmental Chapter of the General Development Policies (GDP) in November 2007. The purpose of the Environmental GDP is to minimize negative environmental impacts that growth and development can have on the quality of our air, water, and land.

Executive Summary

RUN THE BUSINESS

- ✓ **Vehicle Miles Traveled** - Vehicle miles traveled (VMT) per capita decreased by 2.2% (target: reduce VMT). The rise of gasoline costs beyond \$4/gallon, the availability of transportation options (public transit, pedestrian walkways, bicycle lanes and trails, high-occupancy vehicle lanes, and ridesharing) and continued, enhanced integration of transportation and land use design are factors reducing VMT.
- ✓ **e-Business** - The percentage of Utility (water/wastewater and storm water) customers using e-Business as a means of making payments increased from 30.5% in FY07 to 34.8% in FY08 (target: 25%). Electronic payments provide cost avoidance of 50 cents per transaction for processing and provide customers an additional payment option.
- ✓ **e-Recruitment** - e-Recruitment, a 24 hours/day on-line job application system, simplified the application process, eliminated manual data entry of applicant demographics, and supports the “green” initiative by eliminating paper copies.

MANAGE RESOURCES

- ✓ **AAA Rating** - The City maintained its AAA bond rating for the 35th consecutive year. Within the City’s enterprise funds, Aviation and Storm Water received bond rating upgrades while Utilities and CATS maintained their bond ratings.
- ✓ **Benchmarking Performance** - The City of Charlotte compared favorably in the Institute of Government’s (IOG) Performance Measurement Project, which benchmarks City services against other North Carolina cities. The City exceeded its target of 75%. The 2007 IOG report shows that the City performed as well or better than the state-wide average in 36 of 46 (78.3%) effectiveness and efficiency measures for the following services: solid waste collection, fire response and prevention, street maintenance, fleet maintenance, human resources management, and water services.
- ✓ **Revenues** - Five I-277 parcels (associated with the NASCAR Hall of Fame financing) are being marketed for sale. Two parcels have been sold above their appraised value and three parcels continue to be marketed on a national basis.
- ✓ **Transportation Services** - The City successfully implemented the Utility Cut Pavement Degradation Fee, a fee charged to agencies open cutting Charlotte streets for utility installation and repair.

DEVELOP EMPLOYEES

- ✓ **Public Safety Recruitment and Retention** - The recruitment of minority police officers and firefighters continues to be a challenge, but both functions have experienced some encouraging improvement. Fire met the target of <1% turnover for minority firefighters with a turnover rate of 0.63%. Police did not meet their goal to increase the number of minority and female applicants. Police experienced an increase in Latino male applicants only (target: increase in three of seven applicant categories).
- ✓ **Diversity Training** - The Diversity Awareness Training Plan was implemented. This Plan is the first part of the City’s overall organizational development approach to establish consistency in understanding and managing diversity across all levels in the organization.
- ✓ **Leadership Training** - 331 City employees participated in the *Charlotte 2020...The Future is Now* leadership development conference. Attendees rated the conference 4.29 on a 1-5 point scale with 5 the highest possible score.

The City continues to strive to meet growing demands with limited resources. Maintaining service delivery standards and responding to the Council’s focus areas and strategic priorities is the key focus of the performance management process.

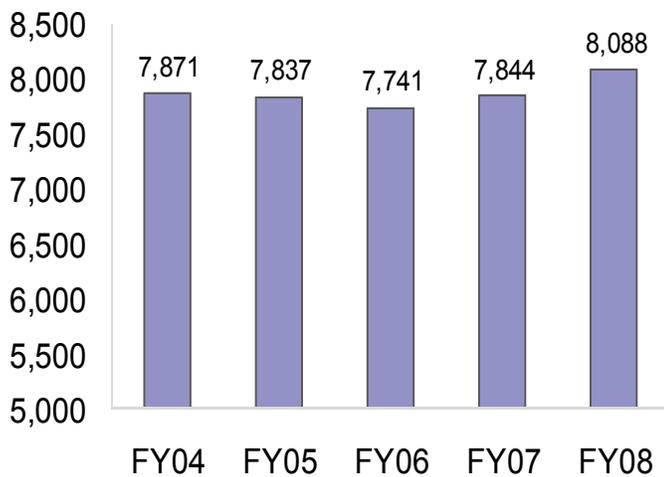
Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

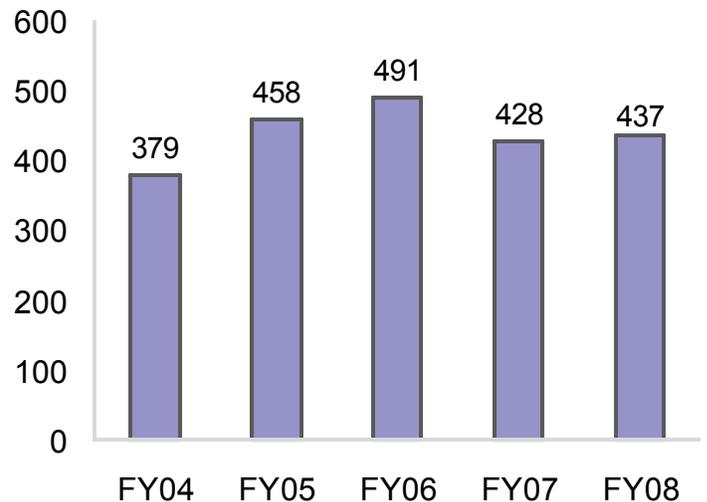
Performance Highlights

- ✘ The Uniform Crime Reporting (UCR) crime rate per 100,000 population increased by 3.1% (target: 5% reduction). Specifically, there was a 0.1% reduction in the violent crime rate and a 3.6% increase for property crime, driven primarily by a 9.4 increase in the larceny rate.
- ✘ A 2.1% increase in the rate of robberies per 100,000 population (target: 5% reduction) was the primary factor in a lower than normal decline in the violent crime rate of 0.1%.
- ✔ In an effort to gather more information about gangs and gang related crime, Charlotte-Mecklenburg Police Department continues to increase the total number of names in the GangNet database: FY06—1,466; FY07—1,865; and FY08—1,925. The database includes information on where individuals were encountered, why they are considered a gang member, criminal activity, and known associates.
- ✔ Working in collaboration, 54 police departments in the western part of North Carolina have been trained to implement regional intelligence capability on gangs through GangNet.

Total Crime Index per 100,000 Population



Robberies per 100,000 Population



Serve the Customer

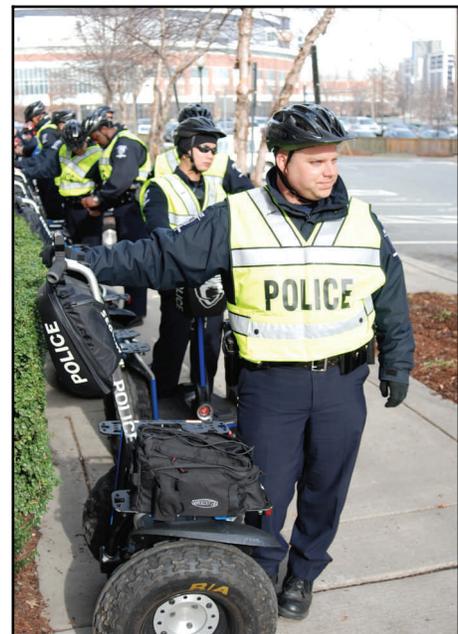
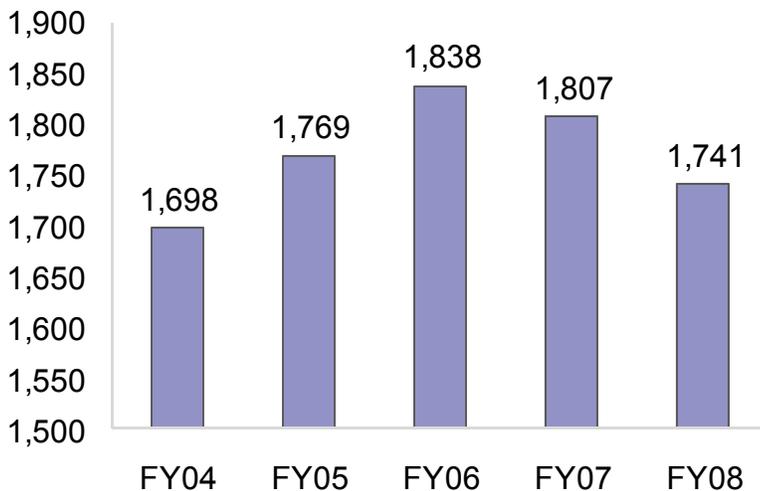
- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

Performance Highlights

- ✗ Although the burglary rate did not meet its target reduction of 5%, burglaries decreased 3.7% exceeding last year's decrease of 1.7%.
- ✓ The crime rates per 100,000 population declined in five categories: homicide, rape, aggravated assault, burglary, and vehicle theft .

Crime Rates Per 100,000 Population			
Offense	FY07 Rate	FY08 Rate	% Change from FY07
Homicide	11.9	10.4	-13.3%
Rape	42	37.5	-10.9%
Robbery	427.8	436.8	+2.1%
Aggravated Assault	514.6	510.9	-0.7%
Burglary	1,806.9	1,740.8	-3.7%
Larceny	4,108.3	4,493.2	+9.4%
Vehicle Theft	885.4	810.1	-8.5%
Arson	47.4	47.9	+1.2%

Burglaries per 100,000 Population



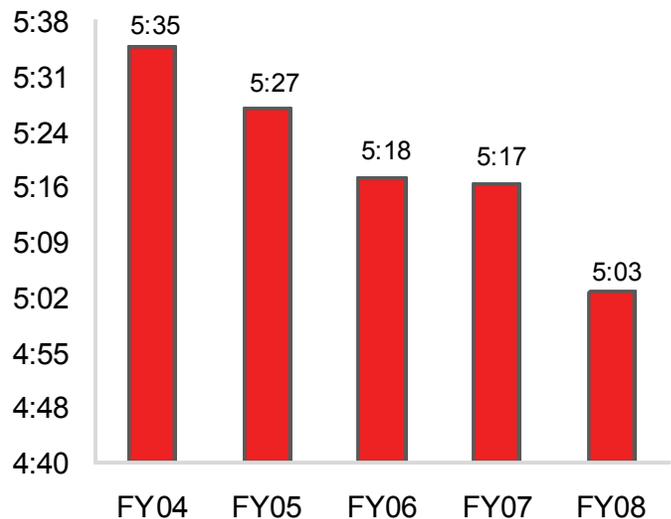
Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

Performance Highlights

- ✓ Citizen ratings on key questions from a police citizen survey (conducted in November 2007) revealed that 84% of respondents rated Charlotte-Mecklenburg Police Department (CMPD) at 7 or higher on a 10-point scale on their overall impression of CMPD; 82% reported feeling safe in their neighborhoods; and 82% rated CMPD at 7 or higher on courtesy and 84% on professionalism.
- ✓ The number of pedestrian accidents per capita decreased 2.03% in FY08 (target: annual decrease). This marks the second consecutive year pedestrian accidents have decreased.
- ✓ The number of bicycle accidents per capita decreased 11% during FY08 (target: annual decrease). This is a significant turnaround from the 15% increase that occurred in FY07.
- ✓ An effective firefighting force was on scene 87.22% of the time within seven minutes of being dispatched (target: 80%). Response time is defined by the arrival of three fire companies, or 12 firefighters, at an incident. Twelve firefighters is the minimum required to conduct an effective fire suppression operation.
- ✓ Despite an increase in the number of alarms, the Fire Department's average company response time improved from 5.17 minutes to 5.03 minutes. The 14-second reduction in average response time was achieved due to the reduction in both time at the stations between alarm and truck movement and time between call and dispatch.

Fire Average Response Time (in minutes)



Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

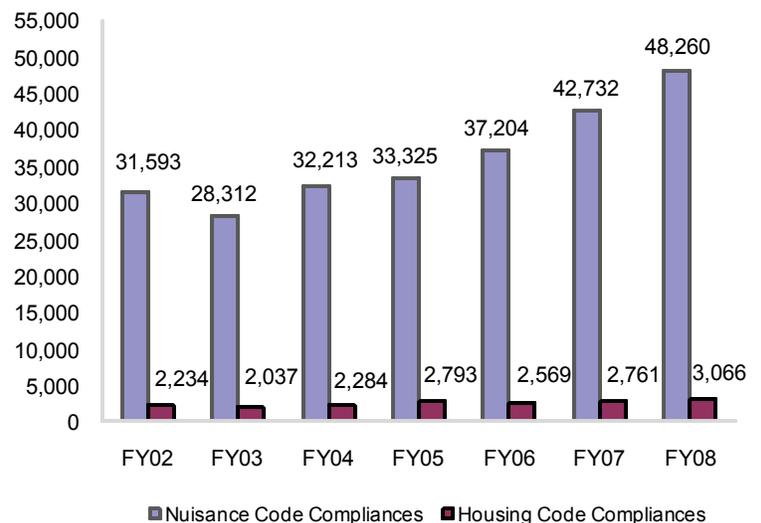
Performance Highlights

- ✘ Eleven of 13 patrol divisions experienced 5% reductions in collisions at one high accident location within their division (target: 13 of 13) ranging from 20 to 50%. The South Division experienced a 3.9% reduction and the Freedom Division had the same number of accidents as in the previous fiscal year.
- ✓ Charlotte Department of Transportation has successfully implemented WalkSafe Charlotte, a public safety campaign to support the installation of Pedestrian Beacons and generate public awareness of pedestrian safety (target: one campaign per year).
- ✓ Neighborhood Development experienced another outstanding year in code enforcement activities. The number of combined housing and nuisance inspections has increased steadily over the years. During FY08, 17,529 zoning inspections were conducted and 13,078 properties were brought into compliance (target: 8,000 compliances), representing 163% achievement of goal.
- ✓ 49,110 nuisance compliance inspections were conducted which brought 48,260 properties into code compliance (target: 40,000 compliances), representing 121% achievement of goal.
- ✓ Neighborhood Development conducted 3,565 housing inspections and brought 3,066 homes into code compliance (target: 2,600 compliances), representing 118% achievement of goal.

Housing Code and Nuisance Code Compliances



Neighborhood Development Code Enforcement Inspector inspecting a housing code violation.



Serve the Customer

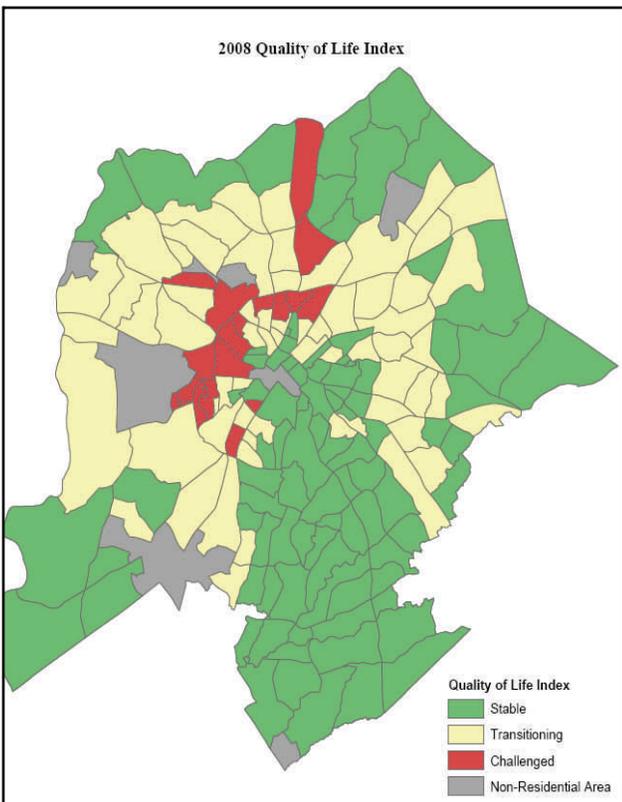
- * Reduce Crime
- * Increase Perception of Safety
- * **Strengthen Neighborhoods**
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

Performance Highlights

- ✓ 510 families and/or individuals received down payment assistance through the HouseCharlotte program (target: 300 families and/or individuals).
- ✓ The 2008 Neighborhood Quality of Life Report identified 20 challenged neighborhoods (target: ≤22). In 2006, there were 24 challenged neighborhoods.
- ✗ Neighborhood Development received an 89.4% customer satisfaction approval rating which was within 0.6% of achieving the annual survey target (target: 90%).
- ✓ A total of 1,204 housing units were constructed or rehabilitated by the City and its financial partners (target: 800).

2008 Quality of Life			
Neighborhood	2004	2006	2008
Stable	92	89	90
Transitioning	54	60	63
Challenged	27	24	20

- ✓ 92% (121 of 132) of rezoning decisions were consistent with Council-adopted community plans (target: 90%).
- ✓ Two area plans were developed by staff in partnership with community residents and stakeholders (target: two plans). The Northlake Area Plan and Brevard Street Plan were adopted during FY08.



Northlake Area Plan Meeting



Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

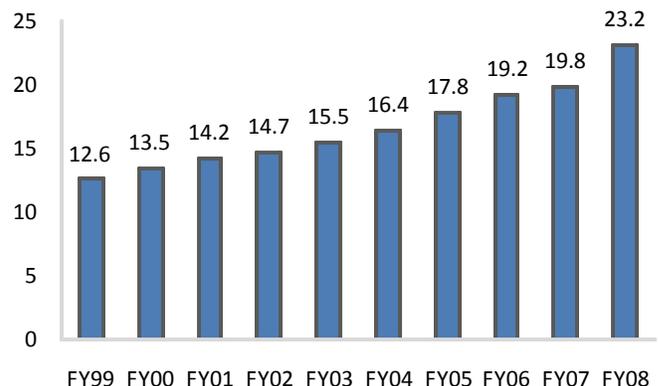
Performance Highlights

- ✓ Fiscal Year 2008 was a milestone year for the City, County and Charlotte Area Transit System (CATS) with the opening of North Carolina’s first light rail operation on November 26, 2007. With 15 stations, the 9.6 mile LYNX Blue Line runs from Seventh Street to I-485 South. Sixteen rail cars provide an average of 211 trips per weekday. Average weekday ridership of 14,000 riders exceeds the 9,100 projections by 54%. At peak service, the LYNX provides 7.5 minute weekday and 20 minute weekend service with a 97% on-time performance.
- ✓ The safety/security record for the LYNX has been impressive with zero preventable accidents and few incidents of crime. This achievement was recognized by USDOT, Federal Transit Administration Region IV’s Preeminent STAR Award for Outstanding Innovation in FY08. The award was presented to CATS for successful innovation and development of best practices within public transportation.
- ✓ CATS’ preventable vehicular accident rate per 100,000 miles for bus and paratransit vehicles was 0.40 (target: 0.56). Special Transportation Services had six preventable accidents and the Bus Operations Division had 55 for all of FY08.
- ✓ 9.7 miles of new bikeways were completed during FY08 (target: 10 miles).
- ✓ Charlotte Area Transit System (CATS) achieved a 17.4% increase (target: 5%) in system-wide usage to 23.2 million passengers while maintaining high customer satisfaction ratings overall. Ridership on CATS’ services increased for the tenth consecutive year, reflecting the success of the light rail and specialized bus services, such as the express and regional services.

CATS LYNX Blue Line Light Rail



CATS Ridership (in millions)



Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

Performance Highlights

- ✓ Charlotte Department of Transportation (CDOT) successfully completed or forecasted to be completed 92% (target: 90%) of all transportation bond road projects on schedule.
- ✗ The Street Condition Survey conducted in Spring 2008 produced a rating of 82 (target: 90). The previous survey produced a street condition rating of 86.6. Transportation continues to struggle to meet this target as the street condition rating trends downward. Several factors affect these results. Significant increases in the price of oil and oil-based products reduce the number of resurfaced street miles. The price of liquid asphalt mix used to resurface streets increased from \$350/ton in January 2008 to \$629/ton in July 2008. This 80% increase in material costs results in fewer resurfaced streets with available funds.
- ✗ 6.65 miles of sidewalk were completed in FY08 (target: 10 miles). Although the number of sidewalk miles completed did not meet the target, approximately 35 miles of sidewalk projects are in the design and real estate acquisition phase. CDOT projects meeting the target next year.
- ✓ Charlotte Douglas International Airport (Aviation) is implementing one of the most significant construction projects in the Airport's history, the fourth runway. Under construction and considerably under budget, the runway project consists of approximately 500 acres and 8.5 million yards of dirt. Aviation is one of 22 airports chosen to receive the FAA's newest runway lighting airfield technology. Simultaneously with the runway project is a major roadway project. Aviation is replacing displaced roads due to the runway project. Three sections of the new Wallace Neel Road have been opened (target: two portions of Wallace Neel Road by September 2007).

Resurfaced Street



Wallace Neel Road



Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * **Safeguard the Environment**
- * Promote Economic Opportunity

Performance Highlights

- ✗ The 5% reduction in CATS' bus idling (29.34%) was not achieved. Idling was recorded at 35.15%. CATS anticipates improved idling statistics for the first quarter of FY09 due in part to moderate weather not requiring advance start up of buses.
- ✓ City Council adopted the Post Construction Controls Ordinance (PCCO) on November 26, 2007. The ordinance, which applies to development and redevelopment, requires the use of structural storm water controls, stream buffers, and open space to reduce storm water pollution and flooding. PCCO is one of the most significant and comprehensive water protection measure enacted in Charlotte's history.
- ✓ Charlotte Douglas International Airport met its goal of procuring two alternative fuel/electric/hybrid shuttle buses for the further operational analysis by January 2008. For the airport's parking operation, two hybrid shuttle buses were purchased in October and placed into service in January.
- ✓ The "Keep America Beautiful" litter assessment rating was 1.63, exceeding Solid Waste Services' target of 2.0 (1.0 is highest rating, 4.0 is lowest rating) and improving upon last year's score of 1.85.
- ✓ Solid Waste Services completed a pilot recycling event during the Blues, Brews, and BBQ Festival in Uptown Charlotte, meeting their target. Landfill tonnage was reduced by 17.6% through this recycling initiative. Staff plans to expand this program.
- ✓ During FY08, the Cankerworm Campaign expanded on two fronts. In the fall, Engineering and Property Management and Corporate Communications launched a strong public relations effort to encourage banding of trees. Then, Council approved the largest spraying effort in Charlotte's history attacking the cankerworm infestation from the air with more than 63,000 acres of urban Charlotte sprayed during the spring. Perfect weather conditions led to spraying being completed two days ahead of schedule and under budget. The City tree canopy appears healthier. Results of the spraying will be better known when fall tree banding begins.

Hybrid Shuttle Bus at Airport



Aerial Spray of Cankerworms



Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * **Safeguard the Environment**
- * Promote Economic Opportunity

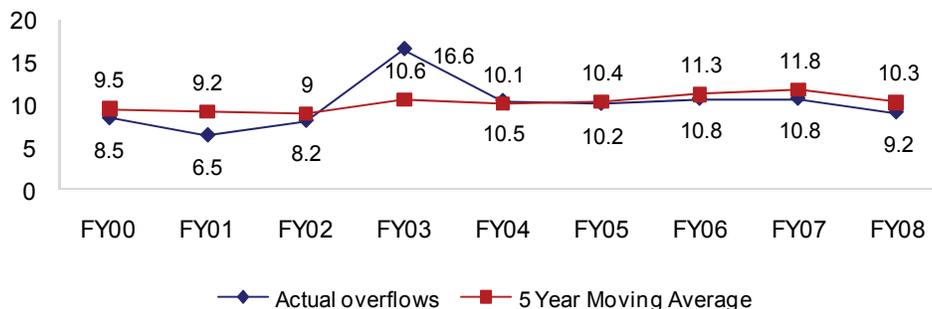
Performance Highlights

- ✓ Business Support Services Information Technology Division (IT) instituted VMotion, an advanced server virtualization program that allows for greatly increased hardware utilization. Employing this and related “green” efforts, IT has met increasing needs for computing power without procuring additional servers and achieved an estimated \$500,000 in cost avoidance for additional power and cooling.
- ✓ Charlotte-Mecklenburg Utilities received Centralina Council of Governments’ Region of Excellence Award in Environmental Planning and Conservation and two Green Awards from the *Charlotte Business Journal* for efforts to safeguard the environment.
- ✗ A UNC-Charlotte survey rated 20% of Charlotte-Mecklenburg Utilities’ environmental stewardship efforts as “above average” or “very well” (target: 28%). It is possible that the mandatory conservation restrictions and heightened media coverage surrounding the restrictions influenced respondents’ ratings.
- ✓ City Council adopted the Environmental Chapter of the General Development Policies (GDP). The purpose of the Environmental GDP is to minimize negative environmental impacts that growth and development can have on the quality of our air, water, and land.
- ✓ Charlotte-Mecklenburg Utilities achieved their target of less than 10 sewer overflows per 100 miles of pipe for the first time in six years. Utilities experienced 9.2 sewer spills per 100 miles of pipe. The volume of overflows decreased by 70%. Several factors contribute to the decrease in overflows and in volume of overflows: increased sewer line cleaning, pipe rehabilitation, capital investments, and tree root control program.



Tree Root Control Program: manhole being treated

Number of Sewer Overflows per 100 Miles



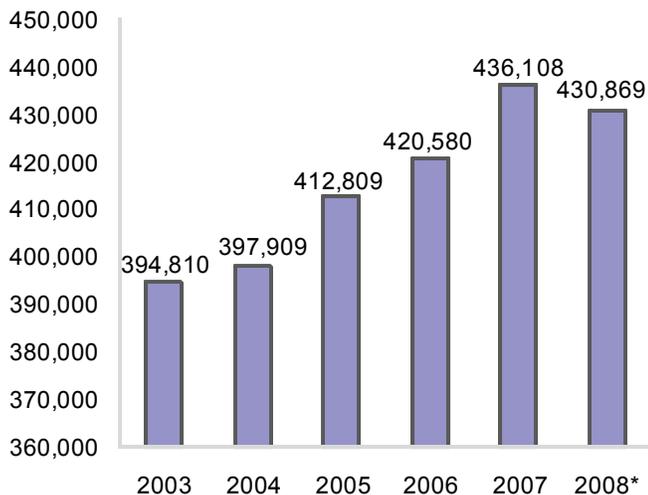
Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * **Promote Economic Opportunity**

Performance Highlights

- ✓ City Council adopted 12 initiatives for improving the City's Land Development functions including creation of a one-stop center for permitting activities, reducing the time required to review plans, applying technology to increase efficiency, and implementation of other customer focused enhancements.
- ✗ Amount of private investment leveraged through the Economic Development Office's Business Corridor Assistance Programs is estimated at \$1.96 million (target: \$2 million). Creating a significant economic impact, public/private/non-profit partnerships realized \$695 million for projects being assisted by the City.
- ✓ Economic Development staff visited 199 local businesses as part of the Business Retention and Small Business Outreach Program (target: 175). The effort helps connect businesses to City services and establish baseline business climate data.
- ✓ The Small Business Development Program achieved 12.1% of City informal contracting dollars awarded to Small Business Enterprises (target: 10%).
- ✓ Total building permit value in Center City, Business Corridor Revitalization Geography, and within 1/2 mile of transit stations along the South Corridor exceeded the FY07 actual of \$732 million with \$819 million for FY08 (target: \$350 million). This trend is a result of large Center City projects, such as NASCAR Hall of Fame, The Vue, BOA Towers, The Ritz Carlton and Wachovia, and also reflects activity in the Business Corridor Geography, such as Bryant Park and Radiator Specialty.

Total Employment within Mecklenburg County



Source: Employment Security Commission

* Through May 2008



Radiator Specialty

Run the Business

* **Develop Collaborative Solutions**

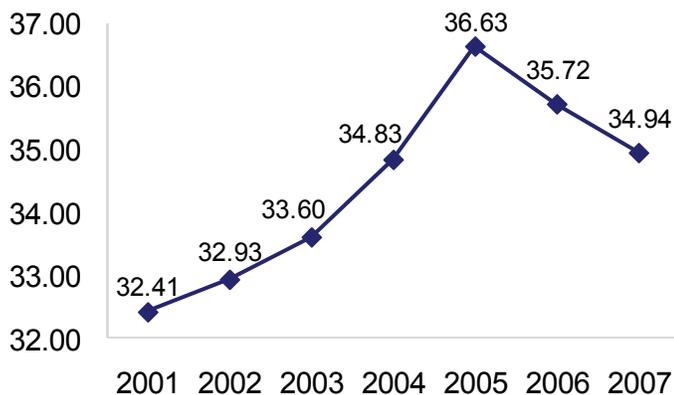
* **Optimize Business Processes**

* **Enhance Customer Service**

Performance Highlights

- ✓ To implement regional communication strategies addressing homeland security needs, the Charlotte-Mecklenburg Police Department (CMPD) successfully conducted two full training exercises on radio interoperability systems during FY08 (target: two exercises).
- ✓ Initiated by Planning’s staff during FY08, twenty-two Transit Oriented Development rezonings were approved at five South Corridor LYNX Blue Line station areas. This level of activity demonstrates the success of the light rail project and the strong partnership between the public and private sectors.
- ✓ CMPD achieved the target to establish the regional Fusion Center Development Team and complete the business plan (target: complete by June 2008). The regional fusion center will collect and analyze crime data from police agencies in this region.
- ✓ Solid Waste Services’ Call and Send Program successfully acquired partnerships in 25% of 12 targeted neighborhoods to increase bulky item collection scheduling and correspondingly reduced code enforcement violations due to unscheduled bulky waste in neighborhoods (target: three neighborhoods).
- ✓ Vehicle miles traveled (VMT) per capita decreased by 2.2% (target: reduce VMT below previous year). Several factors influence the reduction in VMT: the rise of gasoline costs beyond \$4/gallon, the availability of transportation options (public transit, pedestrian walkways, bicycle lanes and trails, high-occupancy vehicle lanes, and ridesharing) and continued, enhanced integration of transportation and land use design.
- ✓ 100% of Charlotte Department of Transportation and NC Department of Transportation road designs were consistent with the Transportation Action Plan and the Urban Street Design Guidelines.
- ✓ City of Charlotte and Mecklenburg County fleet maintenance services were consolidated under Business Support Services’ Equipment Management Division. This merger will bring increased efficiencies to the services provided and provide both organizations a lower per vehicle maintenance cost projected at \$2 per hour less.

Vehicle Miles Traveled / Capita



Fleet Maintenance Services

Run the Business

* Develop Collaborative Solutions

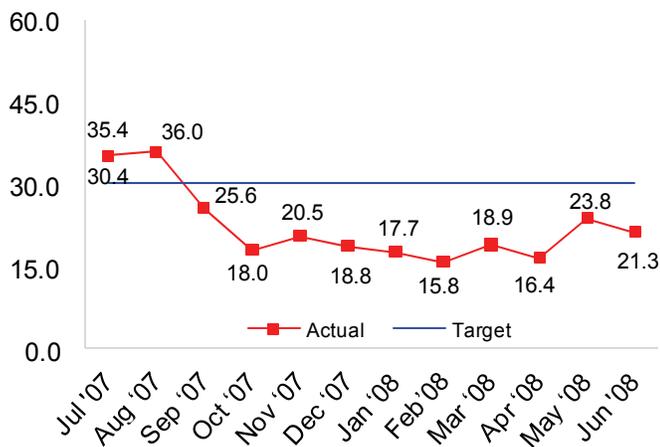
* Optimize Business Processes

* Enhance Customer Service

Performance Highlights

- ✓ Planning reduced the City’s requirement for time it takes a customer to get a subdivision plan reviewed from 30 days to 20 days. 91% of housing subdivision plans were reviewed within 20 days (target: 90%). City ordinance allows 30 days to review subdivision plans.
- ✓ Solid Waste Services averaged 22.4 missed collection calls per day in the three zones collected by City crews (target: ≤30.4). Factors attributing to the success of this measure included more experienced crews, the addition of new routes, and adjustment of existing routes to improve efficiency.
- ✓ With continued high levels of development activity and population growth, the Planning Department has achieved an overall satisfaction rating of 4.36 from its customers on a 1-5 point scale with 5 the highest possible score (target: 4.0).
- ✓ CharMeck 311 engaged a third party to conduct Caller Satisfaction Surveys to measure the level of satisfaction of 311 callers. CharMeck 311 achieved an 8.6 Customer Satisfaction Assessment score reported on a 10 point scale (1 being lowest rating, 10 being highest rating), exceeding the industry standard and target of ≥8.5 overall caller satisfaction rate. Significant business process changes, effective response of partnering business units, and increased resources allowed for substantial improvement within CharMeck 311 and helped 311 meet or exceed service level targets.

Average Number of Missed Solid Waste Collection Calls Per Day



Run the Business

* Develop Collaborative Solutions

* Optimize Business Processes

* **Enhance Customer Service**

Performance Highlights

- ✓ Business Support Services' IT Support Desk achieved an overall work activities satisfaction rating of 4.7 from its customers on a 1-5 point scale with 5 the highest possible score (target: ≥ 4.6 out of 5).
- ✗ The City's Fire Investigations Division cleared 31% of arson cases in FY08 (target: 34%). Reasons for not achieving the measure were increased caseload and complexity of investigations.
- ✓ Call volume was reduced by 5.15% at Utilities' Billing Call Center (target: reduce 5%). As a result of continued collaboration, the number of calls transferred from CharMeck 311 to Utilities has decreased. Also, being appropriately staffed enabled a proactive and responsive action to meet customers' needs.
- ✓ 100% of 943 requests for emergency repair work associated with missing stop and yield signs and traffic signal malfunctions were resolved by the Charlotte Department of Transportation within one hour during routine work hours and within two hours on nights and weekends (target: 90%).
- ✓ Police 911 staff answered 88.35% of calls within 30 seconds or less (target: 85%). The abandonment rate was 7.8% (target: <10%). Last year, 99.98% of 911 calls were answered in ≤ 30 seconds, and the call abandonment rate was 6%. FY08 staff shortages attributed to the lower answer rate and the higher abandonment rate.
- ✓ Human Resources surveyed 1,000 randomly selected employees on their experience with HR customer service. HR earned a rating of 4.38 on a 1-5 point scale with 5 the highest possible score (target: 4.0).
- ✓ Even with tremendous growth in ridership, 97% of CATS customer complaints were responded to within two days and resolved within five days (target: 95%). CATS also improved basic passenger facilities by installing 55 bus shelters, benches and waiting pads (target: total of 50).
- ✓ 100% of Council Agendas were posted to the internet prior to deadline (target: 100%). This effort provides citizens with information on Council business items four days prior to the Business Meeting.



Run the Business

* Develop Collaborative Solutions

* Optimize Business Processes

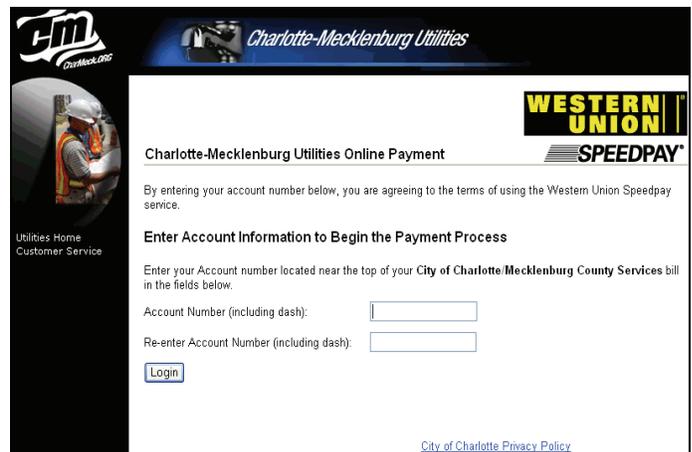
* Enhance Customer Service

Performance Highlights

- ✓ The Office of the Chief Information Officer (OCIO) was created to better position the City to meet its corporate technology needs and challenges and achieve comprehensive citizen service. Through enhanced central coordination, the OCIO is charged with aligning business and technology strategies, enhancing technology planning, streamlining service delivery, increasing efficiency and coordination, and reducing costs of technology investments.
- ✓ Network Technology Services and the City's Fire Department completed the deployment of a wireless network connectivity solution to support City operations technical and security requirements. This solution consists of 44 wireless hotspots supporting all authorized City departments.
- ✓ Human Resources and BSS-IT implemented eRecruitment, a 24 hours/day on-line job applications system, which simplified the application process, eliminated manual data entry of applicant demographics (required for Equal Employment Opportunity Commission reporting), and supports the "green" initiative by eliminating paper copies.
- ✗ Due to drought and mandatory water restrictions, the Water Master Plan was put on hold (target: complete by December 31, 2007). Work has resumed. The new target is October 2008. The Water Master Plan will project water system infrastructure needs for the next 20 years based on population and water use projections.
- ✗ Considerable progress continues in the evaluation of work and asset management, citizen relationship management, and procurement processes across all City business units. The Work and Asset Management (WAM) Project was not complete (target: June 30, 2008). The WAM program will benefit customers by providing greater transparency and timeliness in handling service requests, follow-through, and service delivery, and will assist in better planning for capital improvements.
- ✓ The percentage of Utility (water/wastewater and storm water) customers using e-Business as a means of making payments increased from 30.5% in FY07 to 34.8% in FY08 (target: 25%). Electronic payments provide cost avoidance of 50 cents per transaction for processing and provide customers an additional payment option.



Applying for a position online with eRecruitment



Manage Resources

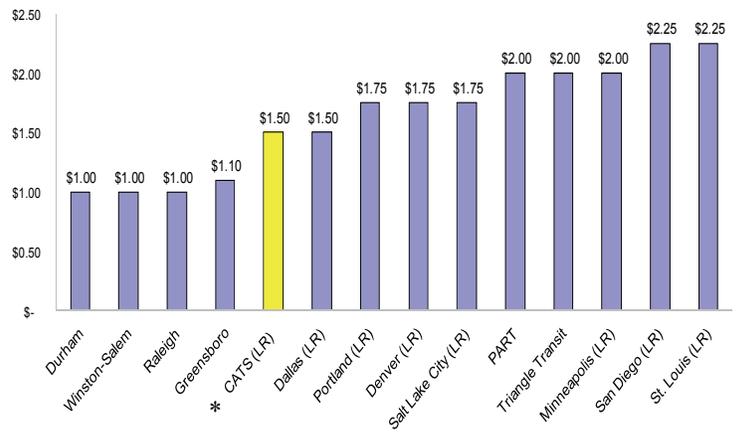
- * **Maintain AAA Rating**
- * **Expand Tax Base & Revenues**
- * **Deliver Competitive Services**
- * **Invest in Infrastructure**

Performance Highlights

- ✓ Utilities earned the Gold Award for Competitiveness Achievement from the Association of Metropolitan Water Agencies for competition, optimization and benchmarking activities.
- ✓ The City maintained its AAA rating for general obligation debt for the 35th consecutive year.
- ✓ Charlotte Department of Transportation successfully implemented the Utility Cut Pavement Degradation Fee, a fee charged to utility companies, agencies, developers, or contractors open cutting Charlotte streets for utility installation and repair. Money collected from the fee will supplement the City's street maintenance and resurfacing programs.
- ✓ Storm Water Services maintained its revenue bond rating of Aa2 from Moody's and improved its Standard & Poor's rating to AAA.
- ✗ Solid Waste Services (SWS) landfill ticket submission rate was 98.8% (target: ≥99.4%). The addition of landfill tickets from the Neighborhood Services program negatively impacted the submission rate. SWS is working on a plan to resolve this issue.
- ✓ Aviation's bond ratings were increased by all three bond rating agencies. Standard & Poor's rating increased to A; Fitch's rating rose to A+; and Moody's raised the Airport's bond rating to A1.
- ✗ Street Maintenance responded to 48% of emergency pothole requests (potential safety or property damage) within three hours (target: three hours) and 76% of the repairs were completed within 24 hours (target: 97%). 79% of non-emergency pothole requests were responded to within five days (target: 95%) and 97% were repaired within 10 days (target: 95%).
- ✓ Utilities maintained its AAA ratings from Standard & Poor's and Fitch's and Aa1 from Moody's.
- ✓ Transit maintained its ratings of Aa2 by Moody's, AA+ by Standard & Poor's, and AA by Fitch's.



Transit Fares of Comparable Cities



* Represents CATS October 6, 2008 fare increase

Manage Resources

- * Maintain AAA Rating
- * Expand Tax Base & Revenues
- * Deliver Competitive Services
- * Invest in Infrastructure

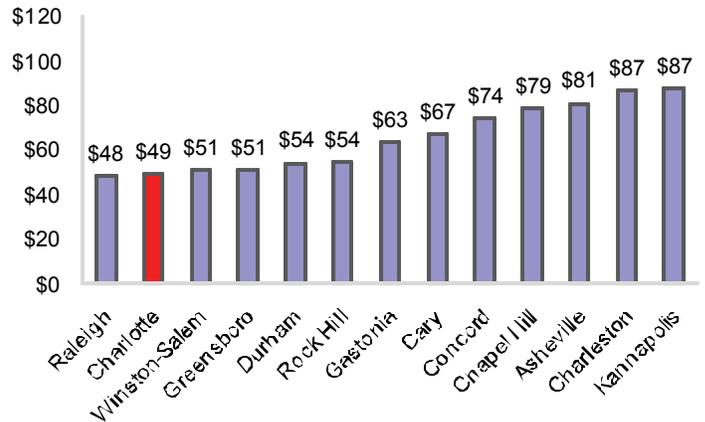
Performance Highlights

- ✓ The ratio of private-sector housing funds leveraged with City funds was 1:7 (target: 1:4). The City’s HouseCharlotte Down Payment Assistance and Housing Development Housing Trust Fund programs (\$11,640,415) are leveraged with the private-sector financial institutions (\$84,812,560).
- ✓ Finance participated in the North Carolina Debt Setoff program, which allows the City to collect past due debt owed to the City from an individual’s state income tax refund. Collections from the debt setoff program with the State increased 29.4% over FY07. Collections increased from \$314,605 in FY07 to \$407,118 in FY08.
- ✓ Engineering & Property Management surpassed its goal of having 80% of transportation projects meet all major milestones. Of 120 projects, 103 (86%) met milestone goals and 114 out of the 120 (95%) were within budget (target: 80%).
- ✓ City of Charlotte staff worked with internal and external partners to grow Charlotte’s hospitality industry tax revenues 9%, or an additional \$4.5 million from FY07 (target: 7%).
- ✓ Five I-277 parcels (associated with the NASCAR Hall of Fame financing) are being marketed for sale. Two parcels have been sold above their appraised value and three parcels continue to be marketed on a national basis.
- ✓ Maintained designation as “Tree City USA”. This designation requires a community forestry program supported by an annual budget of at least \$2 per capita.
- ✓ Charlotte-Mecklenburg Government Center’s operation cost is \$6.38 per square foot (target: <\$6.55 per square foot based on the Building Owners & Managers Association past three-year average), which is below the industry’s standard.
- ✓ Charlotte-Mecklenburg Utilities maintains some of the lowest water and wastewater rates in the region.

NASCAR Hall of Fame



Regional Water & Sewer Rates



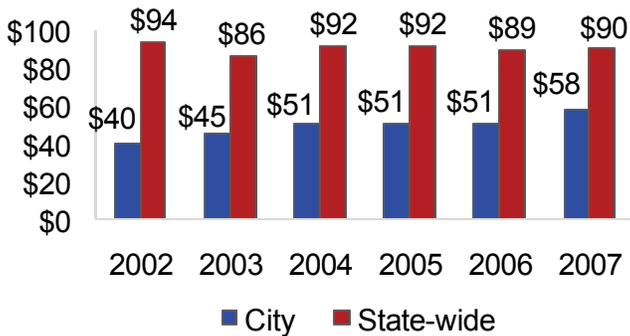
Manage Resources

- * Maintain AAA Rating
- * Expand Tax Base & Revenues
- * Deliver Competitive Services
- * Invest in Infrastructure

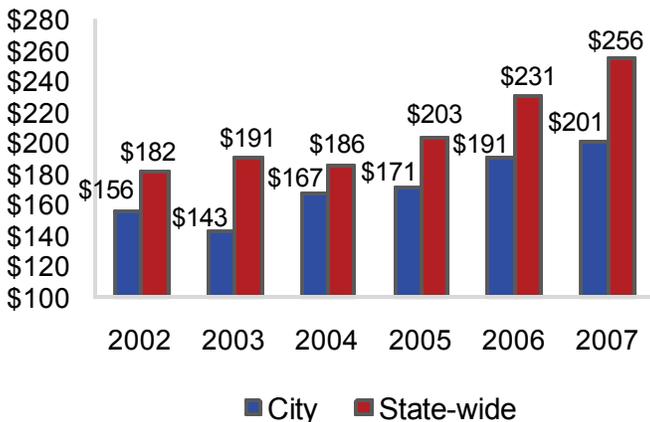
Performance Highlights

- ✓ Solid Waste Services (SWS) maintains a cost/ton collected for refuse and recyclables that is less than the state-wide average, as reported by the Institute of Government Performance Measurement Project. The reporting for this project runs on a one-year delay. In FY07, the state-wide average cost per ton collected for refuse was \$90, compared to SWS's cost of \$58. For recyclables, the state-wide average was \$256, compared to SWS's cost of \$201.
- ✓ The City performed as well or better than the state-wide average in the 2007 Benchmarking Report published by the Institute of Government in 36 of 46 (78.3%) effectiveness and efficiency measures for services including solid waste collection, fire response and prevention, street maintenance, human resources management, fleet maintenance, and water services (target: 75%).
- ✓ Properly functioning equipment is critical to the delivery of services to citizens. The City's Equipment Management Division achieved an average daily equipment availability rate of 97.1% (target: 95%).
- ✓ The Fire Department continues to be awarded Homeland Security grants for Charlotte (SHSGP) and the entire region (UASI), which includes York, Lancaster, Gaston, Lincoln, Catawba, Iredell, Cabarrus, Stanly, and Union counties (FY08 UASI: \$4.97M; FY08 SHSGP: \$170K).
- ✓ Aviation's overall food/beverage/retail sales increased 14% per passenger over the prior year (target: ≥ 3%).

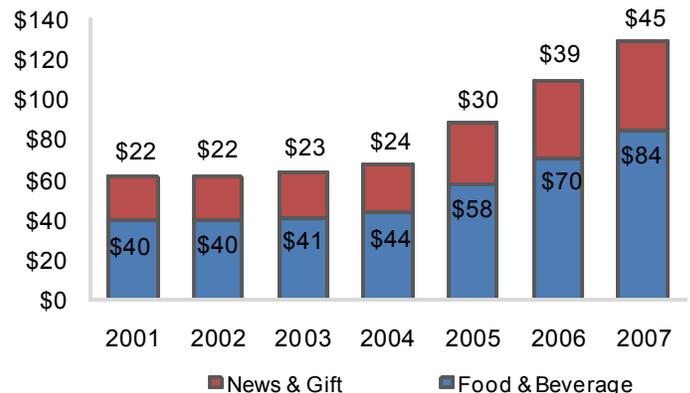
Refuse Cost per Ton



Recyclable Cost per Ton



Airport Concession Sales per Passenger (in millions)



Develop Employees

* Achieve Positive Employee Climate

* Promote Learning & Growth

* Recruit and Retain Skilled, Diverse Workforce

Performance Highlights

✓ The voluntary turnover rate for public safety employees was 2.3% (target: ≤ 3%). The voluntary turnover rate for all other employees was 7.9% (target: ≤ 8%). The rates are for calendar year 2007. Although the voluntary turnover rate is below the target, there are business units with turnover challenges. Business units with voluntary turnover rates of 8% or higher include:

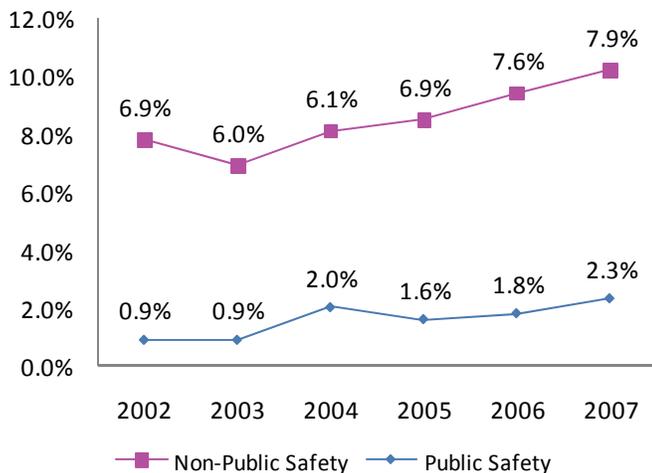
	<u>Turnover Rate</u>
CharMeck 311 Call Center	19.3%
Solid Waste Services	12.5%
Transit	10.1%
Attorney	8.7%

✓ A Fire Battalion Chief continues to serve as a Recruitment Coordinator to support the effort of hiring qualified candidates. Fire met the target of <1% turnover for African American and minority firefighters with a turnover rate of 0.63%. The percentage of minority firefighters in the Operations Division is 16.7%. Fire's workforce continues to be challenged to mirror the community they serve.

✗ Police did not meet their goal to increase the number of minority and female applicants in three of seven categories in 2007 as compared to 2006 (* denotes increase). This may be attributed to fewer military applicants serving longer deployments.

Police Applicants	2006	2007
White female	54	37
African-American male	155	125
African-American female	31	27
Latino male*	67	73
Latino female	15	6
Asian male	18	14
Asian female	1	0

Voluntary Employee Turnover



Develop Employees

* Achieve Positive Employee Climate

* Promote Learning & Growth

* **Recruit and Retain Skilled, Diverse Workforce**

Performance Highlights

- ✓ 100% of all firefighters, engineers, and captains (required to have Emergency Medical Technician (EMT) certification) received 24 hours of annual, in-service EMT training (target: 98%).
- ✓ Charlotte Department of Transportation experienced only 17 preventable vehicle accidents (target: <30) due to ongoing safety awareness and driver training efforts.
- ✓ All Police employees who drive City vehicles completed defensive driving training. There were 8.54 preventable collisions per million miles driven (target: not to exceed 9.5).
- ✓ Human Resources successfully delivered an intensive two-week internal organizational focus on leadership development conference—*Charlotte 2020...The Future is Now*. 331 employees participated. Attendees rated the conference 4.29 on a 1-5 point scale with 5 the highest possible score. This success indicates a solid delivery method for the future, enabling staff to design development ideas for broader application.

Human Resources successfully implemented The Diversity Awareness Training Plan which was designed for phased implementation. This Plan is the first part of the City’s overall organizational development approach to establish consistency in understanding and managing diversity across all levels in the organization. Phase I targeted Executive and Upper-levels of Key Business Unit leadership. Phase II targeted Mid-level Managers. Initial work is underway for Phase III diversity training for the next level of managers and supervisors.

<u>Number Completed Training</u>	<u>Evaluation Rate</u>
----------------------------------	------------------------

Phase I: 244 Leaders	3.45
----------------------	------

Phase II: 342 Managers	3.51
------------------------	------

(1-4 point scale: 1 is lowest rating, 4 is highest rating)



Index

	<u>Page</u>		<u>Page</u>
Aviation	16, 17, 24, 26	Tax Base & Revenues	9, 25, 26
Balanced Scorecard	3, 6, 7	Technology	23
Business Support Services	18, 20, 22, 23, 26	Transportation	8, 9, 12, 13, 15, 16, 19, 20, 22, 24, 28
Charlotte Area Transit		Utilities (water & sewer)	8, 9, 18, 22, 23, 24, 25
System (CATS)	8, 15, 17, 19, 20, 22, 24, 27		
CharMeck 311	21, 22, 27		
Collaborative Solutions	10, 20		
Corporate Communications	17		
Credit Ratings	9, 24		
Crime	8, 10, 11		
Customer Service	21, 22, 23		
Delivery of Competitive Services	24, 25, 26		
Economic Development	8, 19, 25		
Employees	9, 22, 27, 28		
Engineering & Property Management	8, 9, 17, 19, 25		
Environment	8, 17, 18		
Equipment Management	20, 26		
Finance	9, 24, 25		
Fire	8, 9, 12, 22, 23, 26, 27, 28		
Focus Areas	5, 6		
Community Safety	5		
Housing & Neighborhood Development	5		
Environment	5		
Transportation	5		
Economic Development	5		
Housing	13, 14, 25		
Infrastructure	24, 25		
Learning and Growth	28		
Neighborhood Development	8, 13, 14, 25		
North Carolina Local Government Performance			
Measurement Project	9, 26		
Office of Chief Information Officer	23		
Planning	8, 14, 18, 19, 20, 21		
Public Safety	8, 9, 12, 13, 22, 27, 28		
Recruitment and Retention	9, 27, 28		
Small Business Development	8, 19		
Solid Waste Services	8, 17, 20, 21, 24, 26, 27		
Storm Water	8, 17, 24		
Strategy	5, 6		

Page intentionally left blank.

Report Produced by
City of Charlotte
Budget and Evaluation Office
600 East Fourth Street
Charlotte, NC 28202
704-336-2306
www.charmeck.org/cibudget
September 2008

