



March 10, 2022

# BUDGET WORKSESSION #1

## OVERVIEW/REVENUES/EXPENDITURES

# Agenda

1. General Fund Revenues
2. General Fund Expenditures
3. Wrap Up and Staff Follow Up
4. Public Comment

# Budget Visualization

## New Tool for FY 2023

### Department Selection & Description

Select a Department

(All) ▾

Description

The City's financial management system is divided into a number of funds. A separate sum of money is set aside for each fund. Funds are established for special program groups which usually have specific revenue sources associated with their expenditures. The City's major funds, which are subject to appropriation by City Council, are:

1. General Fund (Operating)
2. Enterprise Funds (Utilities and Golf Funds)
3. Capital Improvement Program Fund
4. Internal Service Funds
5. Other Non-General Funds

The General Fund is usually referred to as the operating fund and is used to finance the day-to-day operations of the City. It is the largest part of the City's total financial operation. Revenues for this fund are obtained from taxes, licenses and permits, intergovernmental revenue, charges for services, fines, interest, and City/County Revenue Sharing funds. Within the General Fund, budgets are legally adopted at the departmental level. The City Manager is authorized to transfer the budget for personnel cost (salaries and fringe benefits), if necessary, between departments; however, any other revisions that alter the total expenditures of any department or agency must be approved by City Council with an appropriation. Unexpended appropriations lapse at the end of the fiscal year unless carried over by Council action.

The City's Proposed General Fund Budget is displayed in the tables to the right. Select a Department from the dropdown menu above to display the budget for the selected Department.

### FY23 Proposed General Fund Budget

Totals and Changes: FY22 Adopted - FY23 Proposed

Account Type	Account Category	FY22 Adopted	FY23 Proposed	\$ Change	% Change	% of Total FY23 City Budget
Revenues	Revenue	192,211,643	216,171,432	23,959,789	12.47%	100.00%
	<b>Total</b>	<b>192,211,643</b>	<b>216,171,432</b>	<b>23,959,789</b>	<b>12.47%</b>	<b>100.00%</b>
Expenses	Salary/ Benefit	64,628,370	70,711,235	6,082,865	9.41%	32.71%
	Other Expense	127,584,473	145,460,196	17,875,723	14.01%	67.29%
	<b>Total</b>	<b>192,212,843</b>	<b>216,171,432</b>	<b>23,958,589</b>	<b>12.46%</b>	<b>100.00%</b>

Line Items and Changes: FY22 Adopted - FY23 Proposed

Account Type	Account Category	Account Name	FY22 Adopted	FY23 Proposed	\$ Change	% Change
Revenues	Revenue	Real Estate Tax	80,277,442	88,562,993	8,285,551	10.32%
		Penalty/RE Tax	230,000	230,000	0	0.00%
		PP Tax	9,741,000	9,800,000	59,000	0.61%
		Interest/Del Tax PP	185,000	185,000	0	0.00%
		Veh Lic Fee	890,000	890,000	0	0.00%
		Public Serv Tax	1,542,930	1,589,086	46,156	2.99%
		Sales Tax	12,000,000	13,000,000	1,000,000	8.33%
		Util Tax	4,500,000	4,500,000	0	0.00%
		Meals Tax	12,840,000	15,364,974	2,524,974	19.66%
		Lodging Tax	5,000,000	6,500,000	1,500,000	30.00%
		Tax/Bnk Stk	1,200,000	1,200,000	0	0.00%
		Willis Tax	725,000	725,000	0	0.00%
		Rolling Stk Tax	18,040	18,040	0	0.00%
		Sh Term Rental Tax	60,000	60,000	0	0.00%
		Cig Tax	550,000	550,000	0	0.00%
		Business Lic	7,000,000	8,400,000	1,400,000	20.00%
		Dog Lic	6,000	4,000	-2,000	-33.33%
		Plumbing Perm	126,000	126,000	0	0.00%
		Erosion Cntrl Perm	29,500	29,500	0	0.00%

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Office of Budget and  
Performance Management

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# Revenue Detail

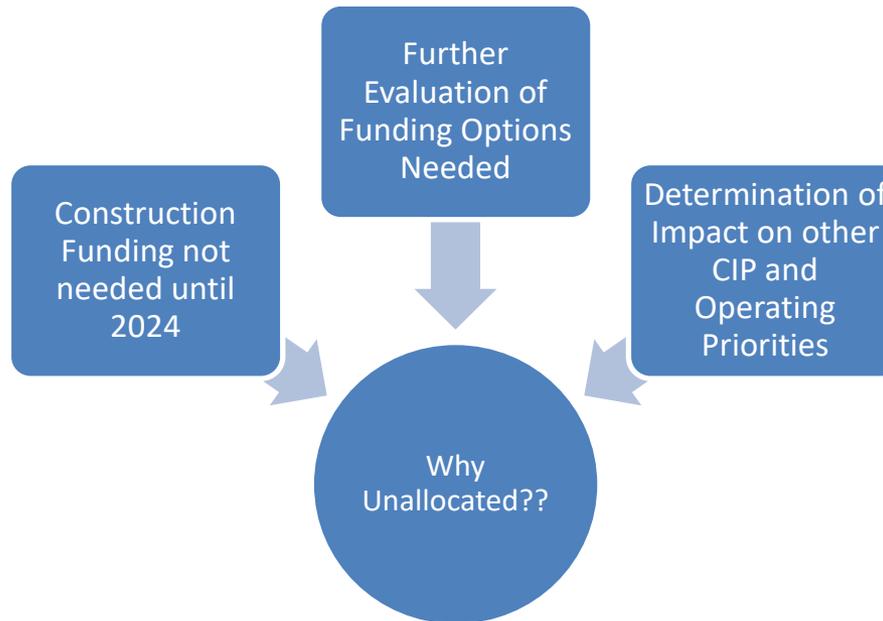
## Taxes

	<u>Actuals</u> <u>2020-2021</u>	<u>Adopted</u> <u>2021-2022</u>	<u>Revised</u> <u>2021-2022</u>	<u>Proposed</u> <u>2022-2023</u>	<u>\$ Change</u> <u>(from Adopted</u> <u>FY 22 to</u> <u>Proposed FY23)</u>	<u>% Change</u> <u>(from Adopted FY</u> <u>22 to Proposed</u> <u>FY23)</u>
<b>TAXES</b>						
Real Estate Taxes	\$79,174,758	\$80,277,442	\$83,722,339	\$97,770,160	\$17,492,718	21.79%
Personal Property Tax	\$9,695,752	\$9,741,000	\$9,741,000	\$10,000,000	\$259,000	2.66%
Public Service Corporation Tax	\$1,542,920	\$1,542,930	\$1,542,930	\$1,589,086	\$46,156	2.99%
Pen/Into on Delinquent Taxes	\$616,071	\$415,000	\$415,000	\$415,000	\$0	0.00%
Utility Taxes	\$4,477,998	\$4,500,000	\$4,500,000	\$4,500,000	\$0	0.00%
Virginia Communications Sales and Use Tax	\$2,357,526	\$2,400,000	\$2,200,000	\$2,200,000	(\$200,000)	-8.33%
Tax on Bank Stock	\$1,244,963	\$1,200,000	\$1,200,000	\$1,200,000	\$0	0.00%
Tax on Wills & Deeds	\$853,716	\$725,000	\$725,000	\$725,000	\$0	0.00%
Sales & Use Tax	\$12,202,161	\$12,000,000	\$13,000,000	\$13,000,000	\$1,000,000	8.33%
Rolling Stock Tax	\$16,995	\$18,040	\$18,040	\$18,040	\$0	0.00%
Transient Room Tax	\$3,792,490	\$5,000,000	\$6,500,000	\$6,500,000	\$1,500,000	30.00%
Meals Tax	\$9,238,538	\$10,700,000	\$12,824,870	\$12,800,000	\$2,100,000	19.63%
Short-Term Rental Tax	\$24,145	\$60,000	\$60,000	\$60,000	\$0	0.00%
Cigarette Tax	\$602,077	\$550,000	\$550,000	\$550,000	\$0	0.00%
Vehicle Daily Rental Tax	\$91,896	\$82,500	\$82,500	\$82,500	\$0	0.00%
<b>Taxes Subtotal</b>	<b>\$125,932,005</b>	<b>\$129,211,912</b>	<b>\$137,081,679</b>	<b>\$151,409,786</b>	<b>\$22,197,874</b>	<b>17.18%</b>

# Impact of Real Estate Tax Rate Increase

- **Budget proposes \$.95 tax rate**
  - Advertised at \$1.05 per \$100 assessed value

*Additional Revenue =  
\$9,207,167  
Currently Unallocated*



# Impact of Personal Property Tax Rate Decrease

- **Budget assumes lower tax rate**
  - Projects modest budget increase of \$200k
  - Commissioner of Revenue to Propose Lower Rate

*No rate adjustment will result in dramatically increased personal property tax bills over last year*



Lower the tax rate.

- Problem - Under current law, the rate on most passenger vehicles cannot be lower than general class of personal property (think business tangibles, machinery & tools) – so if you lower it for those, you have to lower it for everything;
- Solution – HBI239 and SB771 – These create a new class of tangible personal property for rate purposes for passenger cars and trucks (and motorcycles).

# Revenue Detail

## Licenses and Permits

	<b>Actuals</b> <b><u>2020-2021</u></b>	<b>Adopted</b> <b><u>2021-2022</u></b>	<b>Revised</b> <b><u>2021-2022</u></b>	<b>Proposed</b> <b><u>2022-2023</u></b>	<b>\$ Change</b> <b>(from Adopted</b> <b><u>FY 22 to</u></b> <b><u>Proposed FY23)</u></b>	<b>% Change</b> <b>(from Adopted FY</b> <b><u>22 to Proposed</u></b> <b><u>FY23)</u></b>
<b>LICENSES AND PERMITS</b>						
Business & Professional Licenses	\$7,648,188	\$7,000,000	\$8,200,000	\$8,400,000	\$1,400,000	20.00%
Vehicle Licenses	\$877,590	\$890,000	\$890,000	\$890,000	\$0	0.00%
Dog Licenses	\$2,490	\$6,000	\$6,000	\$4,000	(\$2,000)	-33.33%
Electrical and Mechanical Permits	\$269,106	\$330,000	\$330,000	\$330,000	\$0	0.00%
Building and Plumbing Permits	\$540,922	\$550,000	\$550,000	\$550,000	\$0	0.00%
Temporary Parking Permits (NDS)	\$599,315	\$375,000	\$375,000	\$375,000	\$0	0.00%
Site Plans	\$59,375	\$75,000	\$75,000	\$75,000	\$0	0.00%
Other Permits	\$114,030	\$150,000	\$150,000	\$150,000	\$0	0.00%
<b>Licenses and Permits Subtotal</b>	<b>\$10,111,016</b>	<b>\$9,376,000</b>	<b>\$10,576,000</b>	<b>\$10,774,000</b>	<b>\$1,398,000</b>	<b>14.91%</b>

# Revenue Detail

## Intergovernmental Revenue

	<u>Actuals</u> <u>2020-2021</u>	<u>Adopted</u> <u>2021-2022</u>	<u>Revised</u> <u>2021-2022</u>	<u>Proposed</u> <u>2022-2023</u>	<u>\$ Change</u> <u>(from Adopted</u> <u>FY 22 to</u> <u>Proposed FY23)</u>	<u>% Change</u> <u>(from Adopted FY</u> <u>22 to Proposed</u> <u>FY23)</u>
<b>INTERGOVERNMENTAL REVENUE</b>						
PPTRA Revenue (State Personal Property Tax)	\$3,498,256	\$3,498,256	\$3,498,256	\$3,498,256	\$0	0.00%
<b>Revenue from State Agencies</b>						
State Highway Assistance	\$4,263,654	\$4,263,654	\$4,263,654	\$4,263,654	\$0	0.00%
Reimbursement/Constitutional Offices	\$1,780,441	\$1,833,737	\$1,833,737	\$1,755,297	(\$78,440)	-4.28%
State Aid for Police Protection	\$2,306,265	\$2,238,352	\$2,238,352	\$2,238,352	\$0	0.00%
Trailer Title	\$1,830	\$1,200	\$1,200	\$1,200	\$0	0.00%
DMV Select Office Commissions	\$39,242	\$35,000	\$35,000	\$35,000	\$0	0.00%
Other State and Federal Assistance: Misc. Rev	\$50,983	\$50,000	\$50,000	\$50,000	\$0	0.00%
<b>Other Intergovernmental Revenue</b>						
Regional Library Administrative Fee	\$117,144	\$117,144	\$117,144	\$123,407	\$6,263	5.35%
Crisis Intervention Team Revenue	\$96,443	\$105,910	\$105,910	\$105,910	\$0	0.00%
Fire Department Ops (Albemarle Co)	\$202,013	\$200,000	\$200,000	\$200,000	\$0	0.00%
Fire Department Ops (UVa)	\$315,463	\$353,000	\$353,000	\$353,000	\$0	0.00%
Payments In Lieu Of Taxes - Housing Auth.	\$46,118	\$25,000	\$25,000	\$25,000	\$0	0.00%
Juvenile & Domestic Relations Court Operations (Albemarle Co.)	\$63,760	\$60,944	\$60,944	\$26,126	(\$34,818)	-57.13%
Juvenile & Domestic Relations Court Building Maintenance/Utilities (Albemarle Co.)	\$57,913	\$66,825	\$66,825	\$119,186	\$52,361	78.36%
Magistrate's Office (Albemarle County)	\$4,643	\$4,575	\$4,575	\$5,225	\$650	14.21%
UVA Service Charge	\$74,027	\$74,476	\$74,476	\$73,578	(\$898)	-1.21%
UVA Property Maintenance Support	\$65,701	\$63,801	\$63,801	\$69,543	\$5,742	9.00%
<b>Intergovernmental Revenue Subtotal</b>	<b>\$13,285,127</b>	<b>\$12,991,874</b>	<b>\$12,991,874</b>	<b>\$12,942,734</b>	<b>(\$49,140)</b>	<b>-0.38%</b>

# Revenue Detail

## Intergovernmental Revenue (cont.)

	<u>Actuals</u> <u>2017-2018</u>	<u>Adopted</u> <u>2018-2019</u>	<u>Revised</u> <u>2018-2019</u>	<u>Proposed</u> <u>2019-2020</u>	<u>\$ Change</u> <u>(from</u> <u>Adopted FY</u> <u>19 Budget)</u>	<u>% Change</u> <u>(from</u> <u>Adopted FY</u> <u>19 Budget)</u>
<b>INTERGOVERNMENTAL REVENUE</b>						
<b>Other Intergovernmental Revenue</b>						
Regional Library Administrative Fee	\$104,300	\$109,952	\$109,952	\$117,144	\$7,192	6.54%
Crisis Intervention Team Revenue	\$0	\$97,668	\$97,668	\$100,168	\$2,500	2.56%
Fire Department Ops (Albemarle Co)	\$191,850	\$191,850	\$191,850	\$195,000	\$3,150	1.64%
Fire Department Ops (UVa)	\$305,416	\$320,687	\$320,687	\$329,412	\$8,725	2.72%
Payments In Lieu Of Taxes - Housing Auth.	\$33,841	\$33,828	\$33,828	\$33,828	\$0	0.00%
Juvenile & Domestic Relations Court Operations (Albemarle Co.)	\$56,156	\$56,160	\$56,160	\$56,695	\$535	0.95%
Juvenile & Domestic Relations Court Building Maintenance/Utilities (Albemarle Co.)	\$66,000	\$68,508	\$68,508	\$67,610	(\$898)	-1.31%
Magistrate's Office (Albemarle County)	\$4,105	\$4,150	\$4,150	\$4,250	\$100	2.41%
UVA Service Charge	\$60,104	\$46,000	\$46,000	\$46,000	\$0	0.00%
UVA Property Maintenance Support	\$52,123	\$58,956	\$44,217	\$60,725	\$1,769	3.00%
<b>Intergovernmental Revenue Subtotal</b>	<b>\$12,431,504</b>	<b>\$12,589,441</b>	<b>\$12,722,468</b>	<b>\$12,896,320</b>	<b>\$306,879</b>	<b>2.44%</b>

# Revenue Detail

## Charges for Service

	<b>Actuals</b> <b>2020-2021</b>	<b>Adopted</b> <b>2021-2022</b>	<b>Revised</b> <b>2021-2022</b>	<b>Proposed</b> <b>2022-2023</b>	<b>\$ Change</b> <b>(from Adopted</b> <b>FY 22 to</b> <b>Proposed FY23)</b>	<b>% Change</b> <b>(from Adopted FY</b> <b>22 to Proposed</b> <b>FY23)</b>
<b>CHARGES FOR SERVICE</b>						
Property Transfer Fees	\$1,146	\$1,000	\$1,000	\$1,000	\$0	0.00%
Zoning Appeal Fees	\$600	\$1,100	\$1,100	\$1,100	\$0	0.00%
Court Revenue (Circuit/General District Courts)	\$302,160	\$400,000	\$400,000	\$400,000	\$0	0.00%
Circuit Court Subscription Revenue	\$19,469	\$30,000	\$30,000	\$30,000	\$0	0.00%
Internal City Services	\$1,855,079	\$1,855,079	\$0	\$1,802,811	(\$52,268)	-2.82%
Utility Cut Permits	\$173,120	\$185,000	\$185,000	\$185,000	\$0	0.00%
Recreation Income	\$296,580	\$1,665,859	\$1,472,699	\$1,472,699	(\$193,160)	-11.60%
Reimbursable Overtime/Public Safety	\$54,207	\$331,579	\$331,579	\$331,579	\$0	0.00%
Payment in Lieu of Taxes: Utilities	\$5,776,201	\$6,137,858	\$6,137,858	\$6,268,888	\$131,030	2.13%
Indirect Cost Recovery	\$198,064	\$125,000	\$125,000	\$125,000	\$0	0.00%
Waste Disposal Fees	\$1,140,161	\$1,115,000	\$1,115,000	\$1,115,000	\$0	0.00%
Fire Department - EMS Revenue	\$1,413,043	\$1,000,000	\$1,000,000	\$900,000	(\$100,000)	-10.00%
Other Charges for Services	\$208,129	\$149,000	\$149,000	\$135,748	(\$13,252)	-8.89%
<b>Charges for Service Subtotal</b>	<b>\$11,437,960</b>	<b>\$12,996,475</b>	<b>\$10,948,236</b>	<b>\$12,768,825</b>	<b>(\$227,650)</b>	<b>-1.75%</b>

# Revenue Detail

## Miscellaneous Revenue

	<u>Actuals</u> <u>2020-2021</u>	<u>Adopted</u> <u>2021-2022</u>	<u>Revised</u> <u>2021-2022</u>	<u>Proposed</u> <u>2022-2023</u>	<u>\$ Change</u> <u>(from Adopted</u> <u>FY 22 to</u> <u>Proposed FY23)</u>	<u>% Change</u> <u>(from Adopted FY</u> <u>22 to Proposed</u> <u>FY23)</u>
<b>MISCELLANEOUS REVENUE</b>						
Interest Earned	\$726,503	\$580,000	\$580,000	\$580,000	\$0	0.00%
Rent	\$225,184	\$175,000	\$175,000	\$175,000	\$0	0.00%
Refund of Prior Years' Expenditures	\$144,249	\$50,000	\$50,000	\$50,000	\$0	0.00%
Other Miscellaneous Revenue	\$298,897	\$463,000	\$463,000	\$476,252	\$13,252	2.86%
Gain/Loss - Investments	(\$332,945)	\$0	\$0	\$0	\$0	
<b>Miscellaneous Revenue Subtotal</b>	<b>\$1,061,888</b>	<b>\$1,268,000</b>	<b>\$1,268,000</b>	<b>\$1,281,252</b>	<b>\$13,252</b>	<b>1.05%</b>

# Revenue Detail

## Carryovers, Transfers, City/County Revenue Sharing

	<u>Actuals</u> <u>2020-2021</u>	<u>Adopted</u> <u>2021-2022</u>	<u>Revised</u> <u>2021-2022</u>	<u>Proposed</u> <u>2022-2023</u>	<u>\$ Change</u> <u>(from Adopted</u> <u>FY 22 to</u> <u>Proposed FY23)</u>	<u>% Change</u> <u>(from Adopted FY</u> <u>22 to Proposed</u> <u>FY23)</u>
<b>TRANSFERS FROM OTHER FUNDS</b>						
Risk Management Fund	\$0	\$250,000	\$250,000	\$0	(\$250,000)	-100.00%
Landfill Reserve Fund	\$500,000	\$500,000	\$500,000	\$500,000	\$0	0.00%
Health Care Fund	\$0	\$250,000	\$250,000	\$0	(\$250,000)	-100.00%
Human Services Fund	\$0	\$0	\$0	\$0	\$0	#DIV/0!
Transfer from CIP	\$0	\$0	\$0	\$0	\$0	#DIV/0!
Parking Enterprise Fund	\$400,000	\$750,000	\$750,000	\$500,000	(\$250,000)	-33.33%
<b>Transfers from Other Funds Subtotal</b>	<b>\$900,000</b>	<b>\$1,750,000</b>	<b>\$1,750,000</b>	<b>\$1,000,000</b>	<b>(\$750,000)</b>	<b>-42.86%</b>
<b>CITY/COUNTY REVENUE SHARING</b>	<b>\$13,289,313</b>	<b>\$8,330,993</b>	<b>\$8,330,993</b>	<b>\$8,607,287</b>	<b>\$276,294</b>	<b>3.32%</b>
<b>OPERATING BUDGET TOTAL</b>	<b>\$176,017,308</b>	<b>\$175,925,254</b>	<b>\$182,946,782</b>	<b>\$198,783,884</b>	<b>\$22,858,630</b>	<b>12.99%</b>

# Revenue Detail

## Designated Revenue

	<b>Actuals</b> <b>2020-2021</b>	<b>Adopted</b> <b>2021-2022</b>	<b>Revised</b> <b>2021-2022</b>	<b>Proposed</b> <b>2022-2023</b>	<b>\$ Change</b> <b>(from Adopted</b> <b>FY 22 to</b> <b>Proposed FY23)</b>	<b>% Change</b> <b>(from Adopted FY</b> <b>22 to Proposed</b> <b>FY23)</b>
<b>DESIGNATED REVENUE</b>						
Contractual Services- School Building Maintenance	\$3,816,780	\$4,043,184	\$4,043,184	\$4,239,961	\$196,777	4.87%
Contractual Services - Pupil Transportation	\$2,805,299	\$2,945,564	\$2,945,564	\$3,566,673	\$621,109	21.09%
City-County Revenue Sharing - Transfer to CIP	\$900,000	\$6,880,841	\$6,880,841	\$6,737,940	(\$142,901)	-2.08%
Transfer to CIP - Mail Vendor Fees	\$38,120	\$78,000	\$78,000	\$78,000	\$0	0.00%
City-County Revenue Sharing - Transfer to Facilities Repair Fund	\$400,000	\$200,000	\$200,000	\$200,000	\$0	0.00%
Meals Tax Revenue Designated for Debt Service Fund (\$.01 of the \$.06 collected)	\$1,793,605	\$2,140,000	\$2,564,974	\$2,564,974	\$424,974	19.86%
<b>DESIGNATED REVENUE TOTAL</b>	<b>\$9,753,804</b>	<b>\$16,287,589</b>	<b>\$16,712,563</b>	<b>\$17,387,548</b>	<b>\$1,099,959</b>	<b>6.75%</b>
<b>GRAND TOTAL - GENERAL FUND OPERATING AND DESIGNATED REVENUE</b>	<b>\$185,771,112</b>	<b>\$192,212,843</b>	<b>\$199,659,345</b>	<b>\$216,171,432</b>	<b>\$23,958,589</b>	<b>12.46%</b>

# Expenditure Drivers

## Big Picture

- **Generally, ALL departments increased at least 8%**  
2% COLA as of July 1, 2021, 6% mid-year COLA given in January 2022
- **Increased Fixed Costs**

Fuel, IT Replacements, Risk Management Costs

	FY 2020 Actual	FY 2021 Actual	FY 2022 Budget	FY 2023 Budget	Increase/ (Decrease)	% Change
<b>General Fund Expenditures</b>						
Management	\$5,752,247	\$5,605,793	\$5,972,227	\$7,076,564	\$1,104,337	15.6%
Non Departmental	1,393,496	1,303,164	1,358,456	10,650,769	\$9,292,313	87.2%
Debt Service Payment	8,560,788	8,560,788	8,560,788	8,560,788	\$0	0.0%
Fund Balance Target Adjustment	0	0	481,905	481,905	\$0	0.0%
Employee Compensation and Training	2,090,970	1,530,535	844,950	1,142,762	\$297,812	26.1%
Internal Services	4,006,165	3,833,239	4,861,402	5,808,084	\$946,682	16.3%
Financial Services	4,912,453	4,900,992	5,006,207	5,242,611	\$236,404	4.5%
Healthy Families and Community	29,716,675	25,286,974	30,695,399	33,372,100	\$2,676,701	8.0%
Infrastructure and Transportation	13,463,280	15,673,503	16,859,269	17,867,012	\$1,007,743	5.6%
Public Safety and Justice	41,695,466	39,724,986	42,575,028	45,655,325	\$3,080,297	6.7%
Local Contribution to Schools	57,834,623	58,709,623	58,709,623	62,925,964	\$4,216,341	6.7%
<b>TOTAL OPERATING BUDGET</b>	<b>\$169,426,163</b>	<b>\$165,129,597</b>	<b>\$175,925,254</b>	<b>\$198,783,884</b>	<b>\$22,858,630</b>	<b>11.5%</b>

# Expenditure Drivers

## Tax and Rent Relief Programs

- **\$1,000,000** in new funding for tax grant and relief program enhancements
  - All tax relief programs merged into one program
  - Income threshold increases from \$55k to \$60k
  - No Changes to Rent Relief for the Elderly and Disabled Programs

INCOME	RELIEF %
\$55,001-\$60,000	40%
\$45,001-\$55,000	60%
\$35,001-\$45,000	80%
\$0-\$35,000	100%

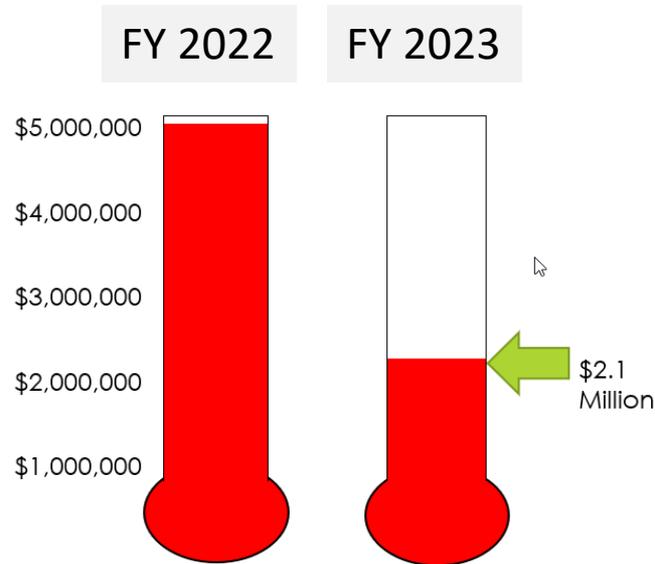
*\$500,000 in additional funds will be needed for tax relief programs if \$0.10 tax increase is imposed*

# Expenditure Drivers

## Funding for City Schools

Total Operating Contribution to Schools \$62.9M in FY 23

- Increase of \$4.2M or 7.2% increase over FY 22
- School Board Operating Budget reduces use of one-time funds from \$4.5M in FY 22 to \$2.1M in FY 23



# Expenditure Drivers

## Funding for City Schools CIP

\$7.1 million provided in FY 2023 CIP

- Includes \$2.5M for School Reconfiguration Project
- Additional \$72.5 million is programmed for School Reconfiguration in FY 24

### How the School Board can Support Reconfiguration

CCS Grant Funded HVAC CIP Projects	808,685
ARP/ESSER Grant Fund Other CIP Projects	6,755,000
<b>POTENTIAL LOCAL CIP DOLLARS for RECONFIGURATION</b>	<b>7,563,685</b>

*Revenue Enhancements will be needed to help fund the additional debt*

# Expenditure Drivers

## Employee Compensation

- Over \$5.2 million in employee investment for salary adjustments:
  - 3.0% COLA for active employees
  - Full year on mid FY 22 salary increase – 6.0%
- 2% Retiree COLA
- No change in health care premiums for employees
- Continues Gym Subsidy Program

# Expenditure Drivers

## Debt Service and Capital Improvement Fund

- General Fund transfer to the Debt Service fund is \$11.1 million
- General Fund Transfer to the CIP is \$6.7 million

*Decision on School Reconfiguration project will have significant impacts on these transfers in the future*

# Expenditure Drivers

## Department Additions

### Addition of 7 New FTEs

- City Attorney -FOIA Coordinator
- PW Engineering -New FTE -Administrative Assistant
- PW Facilities Development -New FTE -Facilities Development Manager
- NDS -New FTE -Support Services Manager
- NDS -New FTE -Transportation Planner
- NDS -New FTE -Building Inspector
- Human Resources -New FTE -Labor Relations Analyst

# Outside and Nonprofit Agencies

Work Session next Thursday, March 17<sup>th</sup>

- Vibrant Community Funding
  - FY 2023 Report now available online [www.Charlottesville.gov/budget](http://www.Charlottesville.gov/budget)
  - \$2,497,787 to VCF Allocation of FY 2023
  - \$90,000 of unallocated funds can be used for capacity building and technical assistance for organizations new to the VCF process. Additional funds may be awarded based on the outcome of any application changes.
- Other Contractual/Regional Agencies
  - \$12,943,426 total allocation
  - Includes Albemarle Charlottesville Regional Jail, Blue Ridge Juvenile Detention Center, ECC, Jaunt, Blue Ridge Health Department, Region Ten, Jefferson Madison Regional Library
  - \$133,215 increase overall from FY 22 funding allocation

# Council Decision Points

- **Tax Rate Increases**
  - Real Estate Tax \$.95/100AV vs \$1.05/100AV
  - Personal Property Tax Rate – TBD
  - Other Tax Rate Adjustments?
- **School Reconfiguration Project**
  - Funding Amount
  - Financing Options
  - Next Steps
- **Council Strategic Initiatives**
  - Additional Funding Allocation?

# Wrap-up and Staff Follow-up

# Budget Calendar

## **March 10: Worksession, 6:00pm, Revenues and Expenditures**

- Public invited. Opportunity for Council discussion with staff. Public comment at end.

## **March 17: Worksession, 6:00pm, Outside and Non-Profit Agencies**

- Public invited. Opportunity for Council discussion with staff. Public comment at end.

## **March 21: Public Hearings, 6:30pm, Tax Rates and Proposed Budget**

- Smaller presentation with opportunity for public feedback and Council discussion

## **March 23: Community Budget Forum, 6:00pm**

- Opportunity for public to speak one on one with City Council and staff after short presentation by the Interim City Manager.

# Budget Calendar

## **March 31: Worksession, 6:00pm, Capital Improvements Program**

- Public invited. Opportunity for Council discussion with staff. Public comment at end.

## **April 4: Public Hearings, 6:30pm**

- Smaller presentation with opportunity for Public feedback and Council discussion

## **TENTATIVE – April 7: Worksession, 6pm - Remaining budget issues and wrap up**

- Public invited. Opportunity for Council discussion with staff. Public comment at end.

## **April 12: Budget Approval by City Council, 5:30pm**