



Stay Safe. Stay Healthy. Stay Positive.

CITY OF CHARLOTTESVILLE
OPERATING & CAPITAL IMPROVEMENT BUDGET
PROPOSED FOR FISCAL YEAR 2020/2021

- Revised and Abbreviated May 18, 2020 -



Prepared by the Office of Budget and Performance Management

www.charlottesville.gov/budget

budget@charlottesville.gov

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CITY OF CHARLOTTESVILLE

To be one community filled with opportunity

Office of the City Manager
P.O. Box 911 * Charlottesville, Virginia * 22902
Telephone: (434) 970-3101
www.charlottesville.org



May 18, 2020

Mayor and Members of City Council
City Hall
Charlottesville, VA 22902

Dear Honorable Mayor and City Council Members:

On Monday, March 2, 2020, I presented to you my proposed budget for fiscal year (FY) 2021. At that time, the projected revenues for FY21 was \$196,620,521. However, those projected revenues have drastically decreased since the declaration of local and state emergencies in response to Coronavirus 2019 (COVID-19). After reassessing and re-evaluating our potential revenue losses for this current fiscal year, it became quite evident that FY21 would also be impacted by COVID-19. This is primarily due to the closure, as well as the modification of services provided by businesses who have traditionally produced tax (sales, meals and lodging) revenues for our City. There will also be a significant loss in indirect revenues from not having students on campus and tourists who attend annual functions at the University of Virginia.

Over the years, the sales, meals and lodging revenue items have been a stable source of revenue for the City. The rapid onset of COVID-19 in March caused this upward growth pattern to shift downward. As a result of this new reality, the adopted FY20 budget was revised to show this change in revenue. For illustration purposes, the adopted FY20 budget forecasted that these three (3) line items were projected to produce \$30,979,753 in revenue. However, as the local economy began to diminish, this monetary figure was reduced to \$27,725,628 (\$3,254,125). Based upon this projected loss in revenue during the last quarter of FY20, the FY21 proposed budget will reflect a similar trend.

After many months of deliberation about our overall financials with both the Budget and Revenue Teams, I was extremely confident in our projected revenues for FY21. As we eagerly inched closer toward achieving our goal of adopting the budget for FY21, it became relatively clear that our revenue projections for the current FY were being negatively impacted by COVID-19. This resulted in a modification of our projected revenues for FY21. The proposed budget for FY21 had revenues for sales, meals and lodging taxes set at \$31,950,505. This was an increase of \$970,752 from the adopted FY20 (30,979,753) budget. The revised budget for FY21 reflects a loss in sales, meals and lodging tax revenue of \$2,320,960.

These revenue adjustments have played a vital role in our quest to develop a proposed and sustainable budget for FY21. The other areas of concern are property taxes, State revenues,

business/professional licenses, utility taxes and recreation income. There is an abundance of variables that can negatively or positively influence these budget line items. On the one hand, our local economy could start to show signs of recovery once restrictions are eased on businesses and the “Stay at Home” order is lifted. Conversely, the “Stay at Home” order, as well as the restriction on businesses could be extended and our local economy could sink even further. Due to these unknown factors, the Budget and Revenue Teams will closely monitor these funds for any fluctuations that may occur.

In order to stay within this monetary framework with our proposed tax rate of \$0.95 for Calendar Year (CY) 20, the proposed spending plan for FY21 will have to emulate FY20. The adopted FY20 expenditure budget was \$188,863,920, which is equivalent to the adopted revenues for FY20. Our first proposed budget submission for FY21 was \$196,620,521. However, as more information and data became available about the potential impact that COVID-19 could have on our global economy, these planned expenditures for FY21 had to be reduced. The revised expenditures for FY21 is \$191,195,873, which is \$5,424,648 less than our proposed expenditure amount of \$196,620,521.

There were several additions made to the expenditure budget during FY20, as well as certain additional FY21 expenditure increases that will need continued funding in FY21. These expenditure increases (Home to Hope \$350K; Police CRB \$150K; Food Equity Grant Match \$155K; Social Services \$300K; Transit \$542K; and CACVB \$108K) will have to be accounted for in FY21. There were also proposed expenditures (Contractual Services \$108K; Golf \$128K; Schools \$2,126,258; Outside Agencies (Vibrant Community Fund) \$200K; and Departmental Reductions from Original FY21 Budget \$2,736,056) in the original FY21 proposed budget that are being defunded in our revised budget for FY21. By removing funding that was added as mid-year adjustments in FY20, as well as removing the additional projected expenditures in our original FY21 proposed budget, allowed us to revert to a new starting base budget that kept expenses level with the adopted spending plan for FY20.

These revenue and expenditure adjustments in both fiscal years were key to balancing the proposed FY21 budget. However, as previously mentioned, these projected revenues and expenditures can still be adjusted upward or downward through the amendment process, which may be necessary due to COVID-19 and its unpredictable effect on the economy. In order to be prepared for these unforeseen financial matters in FY21, the proposed Capital Improvement Program (CIP) for non-bondable projects in FY21 were deferred for a year. By moving these non-bondable CIP projects to the next FY, the City was able to save \$6.1M. This will be in addition to another \$1.4M that was recaptured through our ongoing refinement of revenue sources and expenditures. These funds will be held in a reserve fund to address any revenue shortfalls or unexpected expenses that may occur in FY21.

Unfortunately, many of our projected revenues and expenditures that were presented in our originally proposed budget for FY21 were reduced as a result of COVID-19. These reductions resulted in revenue projections falling from \$196,620,521 to \$191,195,873. Although this is a difference of \$5,424,648 in projected revenues from what was proposed in March, there will not

be a tax rate increase to compensate for these lost revenues. The tax rate will remain constant at \$0.95 and our total budget, which is inclusive of all funds, will be \$346M.

Charlottesville City Schools

In my original proposed budget for FY21, the Charlottesville City Schools (CCS) was projected to receive a transfer of \$59.5M. This was an increase of \$2.1M or 3.71% more than FY20. However, due to COVID-19 and its projected impact on our forecasted revenues for the City, the contribution to CCS was decreased to \$57.4M. This was the same allocation that was provided to CCS in FY20.

As in the previous FY and despite our financial challenges due to COVID-19, the funding of our public school system will continue to be a top priority in FY2021. Every FY, the City allocates 40% of its new personal and property tax revenues to Charlottesville City Schools (CCS). Over the past two (2) FYs, CCS has received \$6.1M (FY19-\$2.7; FY20-\$3.4M) in new increased funding from the City. The City also transfers a significant amount of funding for Capital expenditures (Lump Sum-\$1.2M; Small CIP-\$300K; HVAC Replacement-\$750K; Reconfiguration-\$3M; and Priority Improvements-\$1.25M).

The City also continues to provide CCS with monetary support for unplanned operational costs that may arise throughout the FY. In FY2020, CCS requested funding from the City Council to hire six (6) gifted certification teachers for grades K-6. The cost to finance these new fulltime positions was \$468K. There were two (2) sources (Strategic Initiatives Fund-\$156K; City-Wide Reserve Fund-\$312K) used to fund this mid-year expenditure.

In its revised budget for FY21, the CCS requested \$1.3M in funding to address these positions and other expenditures. This would provide CCS with \$58.7M of its \$88.8M total budget for FY21. These additional funds will come from the City reserve fund and GF. This will reduce our reserve fund from \$7.9M to \$6.6M.

Capital Improvement Program

Prior to the onset of COVID-19, the original FY21 proposed Capital Improvement Program (CIP) had a projected expenditure budget of \$35.3M. This was an increase of \$403K from the adopted FY2020 CIP budget. The 1.14% increase in allocations was considerably less than it was from FY2019 to FY2020. However, during those two (2) previously mentioned fiscal years, there was a 51.27% increase in CIP expenditures. The aforesaid percentage represents a difference of \$11.9M.

The revised CIP budget for FY21 has projected revenues that total \$25,794,842. This is approximately \$9,508,836 (\$35,303,678) less than what was originally proposed for FY21. There is also a noticeable difference in our transfer from the GF to our CIP. The original proposed CIP budget had a GF transfer of \$7,367,841. This allocation was reduced to \$900K in the revised FY21 CIP budget. As a result of these budget reductions, the revised CIP budget for FY21 will only have funding for bondable and several non-bondable projects. By deferring these projects, the City was able to transfer \$6.1M into its reserve account. These funds will be used to account for any revenue shortfalls that may occur throughout the duration of this pandemic.

Balancing

There are many factors that must be taken into consideration when balancing a municipal budget and especially during this pandemic. This is primarily due to the vast number of financial requests that are received on an annual basis from City departments, as well as outside agencies. In most cases, these desired needs and wants far exceeds our projected FY revenues. As you can imagine, it takes a considerable amount of time to thoroughly review and evaluate each submission for funding. In order to conduct these affairs in a timely manner, a cross-section of professionals from various City departments meet on a weekly basis to discuss these budgetary matters. This model provides everyone with a fair and equitable chance to receive funding.

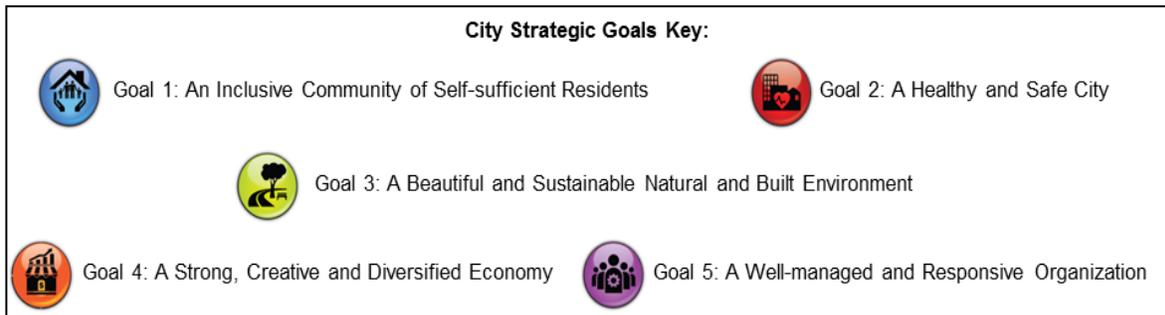
As you can remember, during the preliminary stages of developing our original proposed budget for FY2021, revenues were projected to be \$195,211,887 with \$202,730,862 in estimated expenditures. This difference resulted in a budget gap of \$7,518,975. At that time, there were some positive financial trends following these earlier forecasts that increased revenues by \$1,408,634 (\$196,620,521). However, there was still a deficit of \$6,110,341. As a result of this shortfall, the expenditure submissions from departments and other agencies were reduced in order to balance the original proposed FY21 budget.

Unfortunately, the onset of COVID-19 created a new set of issues that further impacted our ability to create an equilibrium between revenues and expenditures for FY21. The revised budget for FY21 has revenues and expenditures set at \$191.2M. This is \$5.4M less the original proposed revenue and expenditure budget of \$196.6M. This reduction in expenditures was caused by a projected loss in tax revenues from sales, meals and lodging. The only unknown variable at this time are real estate and personal property taxes. If there is a reduction in any of the abovementioned taxes, these shortfalls can be offset by our reserve fund for a short period of time. In advance of this possibly occurring, the budget and revenue teams have worked with due diligence to establish financial plans that will address such matters.

The following sections of this budget document will provide you with further insight into our revenue projections, operational/capital expenditures, strategic planning priority areas, budget priorities and funding for external/non-profit agencies.

Major Expenditure Priorities and Drivers

This budget preserves the standards we set for delivering high quality services while also taking into consideration the need to ensure long-term sustainability and the impacts of COVID-19. It is also important that we keep our commitment to alignment with the City's Strategic Plan. Throughout the document you will see the icons below to illustrate the alignment. Over the next year, Council will be reviewing the plan and making revisions and updates for future goals and budget alignment.



Below are some highlights of expenditures included in this budget that fall under the priorities of the Strategic Plan.



City Schools

Continues a strong commitment to the schools, providing \$468,000 in new operational funding as well as a \$3.4M investment in their capital program.



City Council Initiatives

Provides new funding of \$655K for new programs approved by Council in FY 20 to address issues of equity.



- Police Citizen Review Board - \$150K
- Food Equity Program - \$155K
- Home to Hope - \$350K



Compensation and Benefits

- Maintains level funding for employee compensation and benefits.
- Fully funds the City’s Actuarial Retirement Contribution for the Retirement Fund, at a cost of \$10.5 million in the General Fund.

I would like to thank the budget team and those who participated in our budget planning process for fiscal year 2021. These individuals have worked with due diligence over a number of months to prepare a balanced budget for your review and consideration. It is our belief that the proposed budget meets your goals and objectives for this upcoming fiscal year.

Sincerely,

Tarron J. Richardson, Ph.D.
City Manager

FY 2021 Operating Revenue Changes
(Adopted Budget FY 2020 to Proposed Budget FY 2021)

Local Taxes

Real Estate Tax	\$5,015,644
Transient Occupancy (Lodging) Tax	(253,032)
Sales and Use Tax	(495,669)
Personal Property Tax (Local Portion)	500,000
Meals Tax	(601,507)
Tax on Bank Stock	(100,000)
Utility Services Consumer Tax	97,512
Other Local Taxes	63,439
Public Service Corporation Tax	31,159
Cigarette Tax	(40,000)
Virginia Communications Sales and Use Tax	(200,000)

Licenses and Permits

Business, Professional, Occupational License Fee	(\$1,475,000)
Building and Other Permits	125,000
Fire Inspection Fees	(83,000)
Vehicle Licenses	(15,000)

Intergovernmental Revenue

Fire Department Operations - University of Virginia Agreement	\$23,588
DMV Select Office Commissions	3,626
Misc. Intergovernmental Revenue	(2,663)

Charges for Services

Emergency Medical Services (Ambulance) Revenue Recovery	\$200,000
PILOT: Utilities Funds	116,107
Reimbursable Overtime: Public Safety	66,579
Waste Disposal Fees	15,000
Internal City Services (IT fees from Non General Funds)	(26,575)
Parks and Recreation Revenue	(358,859)

Misc. Revenue

Interest Earned	(\$50,000)
Rent	19,956
Other Miscellaneous Revenue	\$250,000

Previous Fiscal Year Carryover Funds

City Council Strategic Initiative Funds	(\$44,000)
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Transfers from Other Funds

Human Services Fund	(\$772,579)
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City/County Revenue Sharing

Operating Budget Portion	\$6,458,029
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Net Operating Revenue Changes	\$8,467,755
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FY 2021 Designated Revenue Changes

(Adopted Budget FY 2020 to Proposed Budget FY 2021)

City/County Revenue Sharing: Transfer to Capital Improvement Program	(\$6,068,323)
----------------------------------------------------------------------	---------------

Transfer to Capital Improvement Program - Mall Vendor Fees	(31,250)
------------------------------------------------------------	----------

Meals Tax Revenue: Transfer to Debt Service	(36,229)
---------------------------------------------	----------

Net Designated Revenue Changes	(\$6,135,802)
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Total General Fund Revenue Changes	\$2,331,953
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FY 2021 Operating Expenditure Changes
(Operating Budget FY 2020 to Operating Budget FY 2021)

City Schools	\$ Change
City Contribution to Schools	468,000
City Council Initiatives	
Home to Hope Program	350,000
Food Equity Program	155,000
Police Citizen Review Board	150,000
City Department Service Enhancements and Efficiencies	
Rent and Tax Relief	(88,952)
School Pupil Transportation - Special Needs Transportation	155,000
Voter Registrar - increased operations due to 2020 Presidential Election	66,332
Contributions to Nonprofit and Outside Agencies (Major Changes)	
Albemarle-Charlottesville Regional Jail	(562,541)
Blue Ridge Regional Detention Center	(186,466)
Emergency Communications Center	7,398
Charlottesville - Albemarle Health Department	34,525
JAUNT	193,500
Jefferson Madison Regional Library	(16,223)
Charlottesville - Albemarle Convention and Visitor's Bureau	108,770
SPCA	15,259
Interagency Transfers	
Transfer to Golf Course	(128,000)
Transfer to Department of Social Services	300,000
Other Changes	
Other Decreases and Increases (Net)	30,156
Citywide Reserve	7,525,437
Participatory Budgeting	15,000
Marketing Assistance - City Restaurants	(124,440)
Net Operating Expenditure Changes	\$8,467,755

FY 2021 Designated Expenditure Changes
(Designated Budget FY 2020 to Designated Budget FY 2021)

	\$ Change
Transfer to Capital Improvement Program Fund	(6,099,573)
Transfer to Debt Service Fund (Meals Tax Portion)	(36,229)
Net Designated Expenditure Changes	(\$6,135,802)
Total General Fund Expenditure Changes	\$2,331,953

Acknowledgments

As with many of the programs of the City of Charlottesville, the development of the budget takes team effort. The Office of Budget and Performance Management, with the City Manager's Office, develops the budget with the assistance of many other individuals in the City government. This acknowledgment identifies a number of the key individuals who shared in the development of this budget. Many others who assisted are not individually identified. We thank all of you!

City Manager	Dr. Tarron J. Richardson
Deputy City Managers	Letitia Shelton, Paul Oberdorfer
Sr. Budget and Management Analysts	Ryan Davidson, Krisy Hammill
Charlottesville Area Transit	Garland Williams, Janice Woodson
City Manager's Office	Terry Bentley, Teresa Pollak
Circuit Court	Llezelle Dugger
City Attorney	John Blair, Barbara Ronan
City Sheriff	James Brown, Kara Thomas
Chief of Staff/Clerk of Council	Kyna Thomas
Commissioner of the Revenue	Todd Divers
Communications Office	Brian Wheeler, Joe Rice
Economic Development	Chris Engel
Finance Department	Chris Cullinan, Glen Pack, Jeffrey Davis, Gail Hassmer, Charles Philippin, Vernice Grooms
Fire Department	Andrew Baxter, Emily Pelliccia
General District Court	Mary Trimble
General Registrar	Melissa Morton
Human Resources	Michele Vineyard
Human Services	Kaki Dimock, Misty Graves
Information Technology	Sunny Hwang
Juvenile & Domestic Relations Court/ Court Services Unit	Martha Carroll, Jodie Shelley, Tammy Gallimore
Magistrate's Office	Avnel Coates
Neighborhood Development Services	Alex Ikefuna, Missy Creasy, Sharon Patterson
Social Services	Diane Kuknyo, Laura Morris
Parks and Recreation	Todd Brown, Vic Garber, Brian Ray, Rion Summers
Police Department	RaShall Brackney, Captain Joe Hatter, Megan Arevalo
Public Works	Paul Oberdorfer, Jonathan Dean, Scott Hendrix, Kristel Riddervold, Marty Silman, Harold Young, Mark Zavicar
Treasurer	Jason Vandever, Chad Thorne
Utilities	Lauren Hildebrand, Mary Kay Kotelec

Charlottesville City Council

Charlottesville voters, at large, elect a five-member Council to serve as the City's legislative and governing body. The members serve four-year terms, and they elect one Councilor to serve as Mayor and one as Vice Mayor for two years. Municipal elections are held in November in odd-numbered years. The terms of Council members are staggered so that three are elected in one year and two are elected two years later. The Mayor presides over meetings, calls special meetings, makes some appointments to advisory boards and serves as the ceremonial head of government. The Vice Mayor substitutes whenever the Mayor is unavailable. City Council appoints the City Manager, City Assessor, the Council Chief of Staff/Clerk of Council and members of major policing making Boards and Commissions.

Council makes policy in the areas of city planning and finances, human services, public safety and justice, public utilities, and transportation. It has specific powers to pass ordinances, levy taxes, collect revenues, adopt a budget, make appropriations, issue bonds, and provides payment of public debts.



Mayor Nikuyah Walker



Vice Mayor Sena Magill



Councilor Heather Hill



Councilor Michael Payne



Councilor Lloyd Snook

Introduction to the Budget

This **Fiscal Year 2020-2021** budget for the City of Charlottesville is presented in a user-friendly style that easily explains the City's fund structure and budget allocations. An introductory section is followed by sections detailing budget highlights, revenues and expenditures, expenditures for Management, Citywide (Non Departmental Activities, Debt Service, Fund Balance Target Adjustment, Employee Compensation and Training), Internal Services, Financial Services, Healthy Families and Community, Infrastructure and Transportation, Public Safety and Justice, School Operations, the Capital Improvement Program, and Other Non General Funds.

In addition to these broad categories, an index is provided for quick and easy reference. We hope this document is easy to read, interpret, and use in understanding the City's budget for Fiscal Year 2020-2021. Our goal is to provide a straightforward document that presents the citizens of Charlottesville with a clear explanation of how their tax dollars are helping to support a variety of quality services and programs important to our city.

Contact Information

City Council (All Members)

Nikuyah Walker, Mayor
Sena Magill, Vice Mayor
Heather Hill
Michael Payne
Lloyd Snook

council@charlottesville.gov

nwalker@charlottesville.gov

smagill@charlottesville.gov

hhill@charlottesville.gov

mpayne@charlottesville.gov

lsnook@charlottesville.gov

City Manager

Dr. Tarron J. Richardson
(434) 970-3101
cityman@charlottesville.gov

Deputy City Manager/COO

Letitia Shelton
(434) 970-3475
sheltonl@charlottesville.gov

Deputy City Manager, Manager of Operations

Paul Oberdorfer
(434) 970-3301
oberdorferp@charlottesville.gov

Chief of Staff/Clerk of Council

Kyna Thomas
(434) 970-3113
thomaskn@charlottesville.gov

Mailing Address

P.O. Box 911
Charlottesville, VA 22902

Website

www.charlottesville.gov/budget

The Purpose of Budgeting

Budgeting has several major purposes. First and foremost, budgeting is a formal way to convert the City's long-range plans and policies into services and programs for the citizens of the City of Charlottesville. The budget also details these services and programs in terms of costs. The City's budget informs the City Council and the public of the City government's plans for the coming fiscal year (July 1, 2020 - June 30, 2021), and provides the Council with the opportunity to review and decide the level of services to be provided to our citizens.

Budgeting also outlines the revenues (taxes, fees, and others) that are needed to support the City's services, including the rate of taxation to be adopted for the coming fiscal year. Finally, the budget adopted by City Council becomes a work plan of objectives to be accomplished over the coming year.

The City's Fund Structure

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.

Enterprise Funds consist of the operating and capital budgets of the Gas, Water, Stormwater and Wastewater programs in the City. Other enterprise funds include the Golf Course, Charlottesville Area Transit, and Parking Fund. These funds account for each of their respective operations as if they were each a separate, self-supporting business.

The **Capital Improvement Program Fund** is used to account for all financial resources that are needed in the acquisition or construction of capital assets. Revenues for this fund are obtained from bond issues, a transfer from the General Fund, a contribution from the City Schools for their small capital projects program, and contributions from Albemarle County for shared projects.

Internal Service Funds are governmental funds that consist of the operating and minor capital budgets of the Communication systems and Fleet Management. These funds primarily provide services and support to other City departments and are used to account for the goods and services provided by one department to other departments or agencies on a cost-reimbursement basis.

Other Non-General Funds include the following:

- **Equipment Replacement Fund** – The City's fleet consists of 661 vehicles and pieces of equipment, 493 of which are replaced using this fund. The other 168 are Utilities, Fire apparatus and Social Services vehicles replaced by other means.
- **Facilities Repair Fund** – Provides funding to preserve the City's investment in non-school facilities.
- **Retirement Fund** – This is a trust (fiduciary) fund supported by contributions paid by the City, based on actuarial calculations, that provides City employees with a pension to supplement social security benefits upon retirement.
- **Risk Management Fund** – Provides accounting for the City's risk management program.
- **Debt Service Fund** – Provides necessary funds to retire the City's general government outstanding bond indebtedness and related costs.
- **Health Care Fund** – The Health Care Fund is the funding source for the City's health related benefits provided to participants in the City's health care programs.

The Basis of Budgeting

The basis of budgeting for the City of Charlottesville is the same as the basis of accounting used in the governmental fund financial statements. All budgets are presented on the modified accrual basis of accounting, under which revenues and related assets are recorded when measurable and available to finance operations during the year, and expenditures, other than compensated absences and interest on debt, are recorded as the related fund liabilities are incurred. Revenues considered prone to accrual consist primarily of property taxes, certain grants, and sales and utility taxes. Any property taxes that are not due as of June 30th are recorded as deferred revenues. Budgets for City and School operations, Utilities and Debt Service are adopted on an annual basis. Budgets for the Capital Projects Fund and Other Funds are continuing appropriations beyond the fiscal year. It is the intention of the City Council that appropriations for capital projects continue until completion of the project.

Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The Budget Process

Capital Improvement Program (CIP) Development

For a detailed description of this process, see *pg. E-1*, Capital Improvement Program.

Operating Budget – Expenditure and Revenue Development

The City's operating budget process begins in the fall when departments prepare their budget requests. Around this time, the City Manager presents the City's long-term financial forecast, Budget Guidelines (*pg. A-8*), and Long-term Financial Policies (*pg. A-9*) to City Council. Based on the available forecasts, City Council formally amends and/or adopts the Budget Guidelines and Long-Term Financial Policies. Council also holds budget worksessions throughout the fall and early winter to provide further guidance to staff in budget preparation.

From late September to mid-January, departmental budget requests and agency budget requests are submitted to the Office of Budget and Performance Management and reviewed individually with each department by the **Budget Review Team (BRT)**. The BRT consists of the City Manager, Deputy City Managers, Finance Director, Human Resources Director, Information Technology Director, Purchasing Manager and both Sr. Budget and Management Analysts.

Estimated revenue forecasts are finalized by the **Revenue Team** simultaneous with the development of the expenditure budgets. The **Revenue Team** is made up of the City Manager, Deputy City Managers, City Treasurer, Commissioner of Revenue, Director of Economic Development, Finance Director and the Office of Budget and Performance Management.

The City Manager's Proposed Budget, along with the School's Budget, is presented to City Council at the first Council meeting in March. The City is required to present a balanced budget where revenues (money that is received from taxes, fees, intergovernmental sources, etc.) equal expenditures. A series of City Council work sessions and public hearings are held during the months of March and April (**Budget Calendar, pg. A-7**). The City and School budget is formally adopted by City Council each year no later than April 15th.

Budget and Fund Appropriation

An annual operating budget is adopted for the General Fund. 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. Budgets for City and School operations, Utilities and Debt Service are adopted on an annual basis. Budgets for the Capital Projects Fund and Other Funds are continuing appropriations beyond the fiscal year. It is the intent of the City Council that appropriations for capital projects continue until completion of the project and that funds accumulated in the Debt Service Fund be dedicated to future debt service.

Legal Budgeting Requirements

City Code Sec. 11-1

The City Manager shall keep the Council fully advised of the City's financial condition and shall, on or before March fifteenth in each year, prepare and submit to the Council a tentative budget for the next fiscal year. Such budget shall be in conformity with the provisions of the Charter and of this Code and the general law, and shall contain estimates of the financial needs and resources of the City for such fiscal year and a program of activities which in the City Manager's judgment will best meet the needs of the City and its people, considering resources available.

City Code Sec. 11-2

The council shall cause to be prepared by the City Manager an annual budget containing all proposed expenditures and estimated revenues and borrowing for the ensuing year, and at least thirty (30) days thereafter shall order a city levy as provided for by state law and sections 14, 19 and 20 of the Charter. The Council shall adopt or approve the annual budget and shall make such city levy prior to April fifteenth in each year.



FY 2021 Budget Calendar Public Meetings

<u>Topic</u>	<u>Date</u>	<u>Time</u>	<u>Location</u>
Council Work Session <i>Infrastructure and Capital Improvement Program</i>	September 12, 2019	6:00 PM	City Space
Council Work Session <i>Capital Improvement Program</i>	November 13, 2019	6:00 PM	Carver Recreation Center
Planning Commission Work Session <i>FY 21-25 Capital Improvement Program</i>	November 26, 2019	5:00 PM	NDS Conference Room
Planning Commission Public Hearing <i>FY 21-25 Capital Improvement Program</i>	December 10, 2019	6:00 PM	City Council Chambers
City Council Retreat <i>To Include Budget Discussions</i>	January 23, 2020	1:00 PM	Jefferson School
Council Work Session <i>Budget Development</i>	February 6, 2020	5:00 PM	City Space
Proposed City and Adopted School Budgets Presented to Council	March 2, 2020	6:30 PM	Council Chambers
Council Work Session <i>FY 2021 Budget – Revenues and Expenses</i>	March 5, 2020	5:00 PM	City Space
Council Work Session <i>FY 2021 Budget – Outside and Non Profit Agencies</i>	March 12, 2020	5:00 PM	City Space
First Budget and Tax Rate Public Hearings	March 16, 2020	6:30 PM	Council Chambers
Council Meeting/Tax Levy Approval <i>Revised FY 2021 Budget Development</i>	April 20, 2020	6:00 PM	Virtual Meeting
Council Work Session <i>FY 2021 Revised Budget Discussion</i>	May 4, 2020	6:30 PM	Virtual Meeting
Community Budget Forum and Council Work Session <i>FY 2021 Revised Budget Discussion</i>	May 6, 2020	6:30 PM	Virtual Meeting
Second Budget Public Hearing/ Budget Approval First Reading	May 18, 2020	6:30 PM	Virtual Meeting
Budget Approval Second Reading	June 1, 2020	6:30 PM	Virtual Meeting

Budget Guidelines (As Adopted by City Council)

Each fall, Budget Office staff presents five-year revenue and expenditure forecasts (*pg. B-15*) and a draft set of Budget Guidelines for the upcoming fiscal year that Council will formally adopt. This assists the City Manager's Office and the Office of Budget and Performance Management in planning and preparing a balanced budget by establishing broad goals that guide decision making for the upcoming and future fiscal years.

1. Annually review major local tax rates.
2. Develop operational budgets within projected available revenues.
3. Focus on Council's Strategic Vision Areas and Strategic Plan Goals:

2025 Vision Areas

Economic Sustainability
 A Center for Lifelong Learning
 Quality Housing Opportunities for All
 Charlottesville Arts and Culture
 A Green City
 America's Healthiest City
 A Connected Community
 Community of Mutual Respect
 Smart, Citizen Focused Government

Strategic Plan Goals

1. An Inclusive Community of Self-Sufficient Residents
2. A Healthy and Safe City
3. A Beautiful & Sustainable Natural & Built Environment
4. A Strong, Creative and Diversified Economy
5. A Well-managed and Responsive Organization

4. Continue to incorporate the use of performance measures to assist in making decisions that support budget priorities related to the City's Strategic Plan, the goal being to use measures as a management and decision-making tool during the budget process.
5. Continue the strong commitment to education by allocating up to 40% of new City real estate and property tax revenue to schools.
6. Invest strategically in employees by providing adequate pay, benefits, training, technology resources, support, and appreciation.
7. Annually review the amount of the living wage being paid by the City to its employees and continue to require the payment of a living wage under City contracts subject to City Code sec. 22-9.
8. Fund no new programs or major expansion of existing programs without fully offsetting revenues or reductions in expenditures.
9. Balance reinvestment in the City's existing infrastructure and facilities and creation of new opportunities for investing in the future of the City.
10. Conduct the Agency Budget Review Team process, jointly with Albemarle County, to evaluate agency requests for program congruence with Council's strategic areas.
11. Transfer at least 3% of general fund expenditures to the Capital Improvement Fund (CIP). Initially, these funds will be held in a reserve fund to address any revenue shortfalls or unexpected expenses that may occur related to COVID-19.
12. Budget a reserve for Council Strategic Initiatives.
13. Budget a Fund Balance Target Adjustment pool of funds to help ensure that the City continues to meet the important financial policy of maintaining an unappropriated fund balance in the General Fund. (See Long Term Financial Policies, *pg. A-9*)

Long Term Financial Policies

The Long-Term Financial Policies are reviewed by City Council each year along with the Budget Guidelines. These policies support a financial planning process that assesses the long-term financial implications of operating and capital budgets, budget policies and guidelines and cash management and investment policies.

1. Maintain a minimum General Fund balance of at least 14% of General Fund budget.
*This policy, effective July 1, 2013, increases the minimum General Fund balance from 12% to 14% in order to provide the City with sufficient working capital and a margin of financial safety to address unforeseen, one-time expenditure emergencies or significant unforeseen declines in revenues in a specific fiscal year, for which there is no other current budgetary resource available, or other categories of fund balance available to satisfy the funding need. In the event of a drawdown, the reserve must be replenished to the 14% level within three years. More detail can be found on **pg. E-7**.*
2. Maintain a minimum Downturn Reserve Fund balance of no less than 3% of General Fund budget.
*Drawdown of this reserve can occur in the event that revenues decline by more than 1.5% of current fiscal year estimate and will be limited to less than half of the balance of the Downturn Reserve Fund. In the event of a drawdown, the reserve must be replenished to the 3% level within three years. More detail can be found on **pg. E-7**.*
3. Maintain sufficient working capital in the utility funds (Water, Wastewater, Gas, Stormwater).
4. Stabilize all non-general funds by ensuring they have a positive fund balance.
5. Debt service as a percentage of the general fund total expenditure budget has a ceiling of 10%, with a target of 9%. In calculating compliance with this ratio, the City will exclude debt serviced by dedicated revenues, i.e. self-supporting debt.
6. Transfer an amount equivalent to 1 percent of the meals tax rate to the Debt Service Fund to be used for debt service.

STRATEGIC PLAN FY 2018 – 2020 (Extended to 2021)

The most current Strategic Plan consists of these goals and objectives:

Goal 1: An Inclusive Community of Self-sufficient Residents



- 1.1 Prepare students for academic and vocational success
- 1.2 Prepare residents for the workforce
- 1.3 Increase affordable housing options
- 1.4 Enhance the financial health of residents
- 1.5 Intentionally address issues of race and equity

Goal 2: A Healthy and Safe City



- 2.1 Reduce adverse impact from sudden injury and illness and the effects of chronic disease
- 2.2 Meet the safety needs of victims and reduce the risk of re-occurrence/re-victimization
- 2.3 Improve community health and safety outcomes by connecting residents with effective resources
- 2.4 Reduce the occurrence of crime, traffic violations and accidents in the community

Goal 3: A Beautiful and Sustainable Natural and Built Environment



- 3.1 Engage in robust and context sensitive urban planning and implementation
- 3.2 Provide reliable and high quality infrastructure
- 3.3 Provide a variety of transportation and mobility options
- 3.4 Be responsible stewards of natural resources
- 3.5 Protect historic and cultural resources

Goal 4: A Strong, Creative and Diversified Economy



- 4.1 Develop a quality workforce
- 4.2 Attract and cultivate a variety of businesses
- 4.3 Grow and retain viable businesses
- 4.4 Promote tourism through effective marketing

Goal 5: A Well-managed and Responsive Organization



- 5.1 Integrate effective business practices and strong fiscal policies
- 5.2 Recruit and cultivate a high quality and diverse workforce
- 5.3 Provide responsive customer service
- 5.4 Foster effective community engagement

The Strategic plan was adopted in June 2017 and implemented as a 3-year plan for FY 2018 - 2020. In November 2019, three out of five council members were newly elected. With a majority of the Council not taking office until January 1, 2020, Council decided to delay the update and extend the use of the current plan through FY 2021.

This budget document illustrates the alignment between the allocation of resources and the strategic plan priorities, goals and objectives. This is done for both new funding initiatives and existing ones that are in place and ongoing. Throughout the document, icons indicate alignment between strategic plan goals and departments/programs.

Major Highlights of the Budget

General Fund Revenues

Revenue Increases

- **Real Estate Taxes**- This budget keeps the City's Real Estate Tax rate at 95 cents per \$100 of assessed value. The revenue increase for real estate, based on the current rate of 95 cents per 100 dollars assessed value, is \$5 million in new revenue over FY 20.
- **Personal Property Tax** revenue is projected to increase by \$200,000 due mainly to increased motor vehicle stock in the City and an overall increase in the value of vehicles.

Revenue Decreases

- **Business Licenses Taxes** revenue is decreasing by \$2,027,000, which represents a 25% decrease from the FY 21 original proposed figures, and 26% from the FY 20 revised budget projection.
- **Sales and Use Tax** is projected to decrease by \$495,669, or almost 4.13% from FY 20. Staff continues to keep an eye on this revenue trend and the effects of the COVID-19 pandemic, because while these revenues were showing continued improvement in actual collections, future projections are not anticipating the same level of growth.
- **Transient Occupancy (Lodging) Tax** revenue for FY 21 was expected to show continued strong performance and however due to COVID-19 it is projected to see a 3.87% or \$253,032 decrease from the FY 20 original budget projections.
- **Meals Tax** is decreasing by \$601,507. This tax was showing consistent growth since FY 11 until the onset of COVID-19. The Meals Tax rate was increased from 5% to 6% as part of the FY 20 Adopted Budget. The FY21 budget projections are showing a 4.83% decrease from the FY20 original budget projections.

Balancing the Budget

- COVID-19 presents some unusual challenges when trying to balance the FY 21 budget. While there are many projections as to what impact the pandemic will have on the City's budget, there are still many unknown factors at this time. In an effort to maintain the City's financial stability during this time, a decision was made to hold most expenditures level to FY 20 funding levels. There were a few necessary increases for things such as new programs which were funded mid-year in FY 20, the contribution to schools and several other contractual increases. Additionally, cash funded capital projects are being deferred and the General Fund contribution to the CIP will be held in a contingency account to help off-set any additional economic downturns.

General Fund Expenditure Highlights

Strategic Plan Priority Areas



Affordable Housing

- This budget includes \$2.4M in FY 21, and over \$31.2M in the five year capital program for several affordable housing initiatives, including redevelopment of public housing sites, housing rehabilitation, supplemental rental assistance and Friendship Court Phase I redevelopment.
- \$1.4M in funding is budgeted for the Charlottesville Housing Affordability Program (CHAP) that will provide the real estate tax grants any City resident who owns and occupies property in the City and whose household income is \$55,000 or less (and meets other eligibility requirements).
- In addition, the Tax and Rent Relief for Elderly and Disabled programs will receive \$431,512 in funding for FY 21.



Race and Equity

- \$155,000 is included for the second year of a grant match for the Food Equity program which received initial approval and funding from City Council in mid-year in FY 20.



Workforce Development and Economic Development

- The FY 21 Budget continues to invest in the various programs that support both of these priorities, including the Downtown Job Center, Growing Opportunities (GO) workforce development programs, the Home to Hope program, job fairs and community events, and work done by staff to promote Charlottesville as a premier location for business and collaborate with entrepreneurs and existing businesses seeking to grow here.



Safety and Security

- Civilian Review Board (CRB) – City Council seated the first CRB board in February 2020. This board will act as an oversight body for the Charlottesville Police Department and its members are appointed by City Council. The board will be composed of eight members: three (3) members will be residents of the City of Charlottesville who come from historically disadvantaged communities that have traditionally experienced disparate policing or who are residents of public housing; three (3) members will be residents of the City of Charlottesville who are not City of Charlottesville employees, candidates for public office, former members of the Charlottesville Police Department, immediate family members of a current Charlottesville Police Department employee, or current law enforcement agency employees; one (1) member who resides or works in the City and who represents an organization that seeks racial or social justice on behalf of historically disadvantaged communities; one (1), Non-voting member who has policing expertise or experience \$150,000 is funded in this budget towards personnel and operating expenses for this newly created office.



Other Budget Areas

Compensation and Benefits

- The living wage for FY 21 will remain at \$15.00 an hour.
- Because the City has experienced several favorable claims years, meaning actual claims have been lower than projected costs, the Healthcare Fund has a healthy reserve balance. For FY 21, there will be no increase to the City's contribution towards employee healthcare.
- Strong investment returns in the City's Pension fund help contribute to a lower actuarial required contribution rate for FY 21. The City's contribution for retirement costs for both the defined benefit and the defined contribution plan total \$16,720,637.

City Schools

- This budget continues a commitment to the City Schools, providing \$468,000 in new operating funding for FY 21.
- Through the City's Capital Improvement Program (CIP), this budget continues funding \$1.20 million a year in an unallocated fund that the schools can use for priority capital improvement initiatives of their choice, in addition to the over \$1.9 million for general capital improvement dollars and HVAC replacement funds a year.

General Fund Transfers to Debt Service and Capital Improvement Program (CIP)

- The General Fund contribution to the Debt Service Fund is \$8.6M to support the five-year CIP and to keep the City within its debt limit policies.

Service Enhancements and Efficiencies

- **Office of the General Registrar** will see an increase of \$66,332 to cover additional expenses related to voter law changes and the upcoming presidential election.

Outside and Nonprofit Agencies

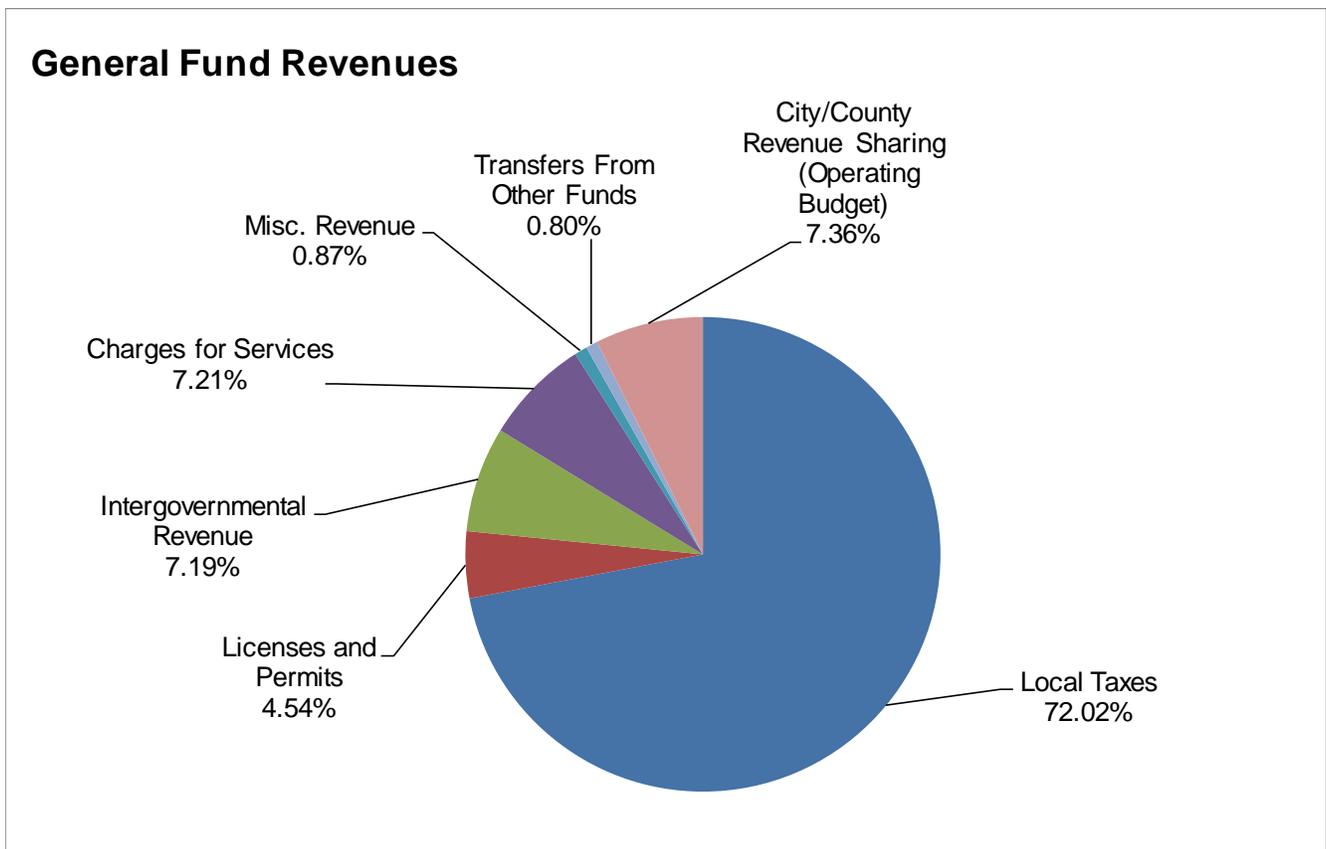
- The funding review process for all outside nonprofit human service focused agencies, formerly referred to as the Agency Budget Review Team Process (ABRT), underwent significant changes for the FY 21 review cycle. That new process, now known as the Vibrant Community Fund process, was the result of a year-long review led by City Council members, community members, and staff. The Vibrant Community Fund adopted 5 broad funding priority areas: Education and Youth; Jobs and Wages; Community and Public Safety; Affordable Housing; and Health. The process allowed for three ways of requesting City support: operational grants under \$25,000 (with an abbreviated application), operational grants over \$25,000, and capacity building grants of up to \$10,000. All funding was zero-based and not predicated on any previous allocations from the City. Applications were reviewed by a panel of local residents with lived experience and individuals with human service and/or grantmaking experience, using objective criteria.

The initial FY21 funding recommendations resulted in numerous shifts in both the number of agencies and programs to be funded, as well as the amounts of funding for those agencies recommended for funding through the Vibrant Community Fund. However the circumstances under which City Council considered the Vibrant Community Fund requests are substantially different – projected revenues and expenses are likely changed, the way non profits deliver service and communicate with each other has changed, the way we think about next year and the future has changed. The FY21 Proposed budget now contains 2 unallocated lump sums for outside non profit agencies - \$2.1M for Vibrant Community Fund agencies and \$154K for Arts and Culture agencies. City Council has requested additional information from the agencies and will make specific funding allocations once that information has been received and reviewed, however these decisions not come until after the FY21 budget has been adopted and likely will not occur until after the fiscal year has already begun.

- Of the agencies evaluated by the Office of Budget and Performance Management, major changes are summarized below:
 - JAUNT – increase of \$193,500
 - Jefferson Madison Regional Library – decrease of \$16,223
 - Albemarle/Charlottesville Regional Jail – decrease of \$562,541
 - Blue Ridge Juvenile Detention Center (BRJDC) – decrease of \$186,466
 - Emergency Communications Center – increase of \$7,398
 - Charlottesville-Albemarle Health Department – increase of \$27,025
 - Charlottesville-Albemarle Society for the Prevention of Cruelty to Animals (SPCA) – increase of \$15,259

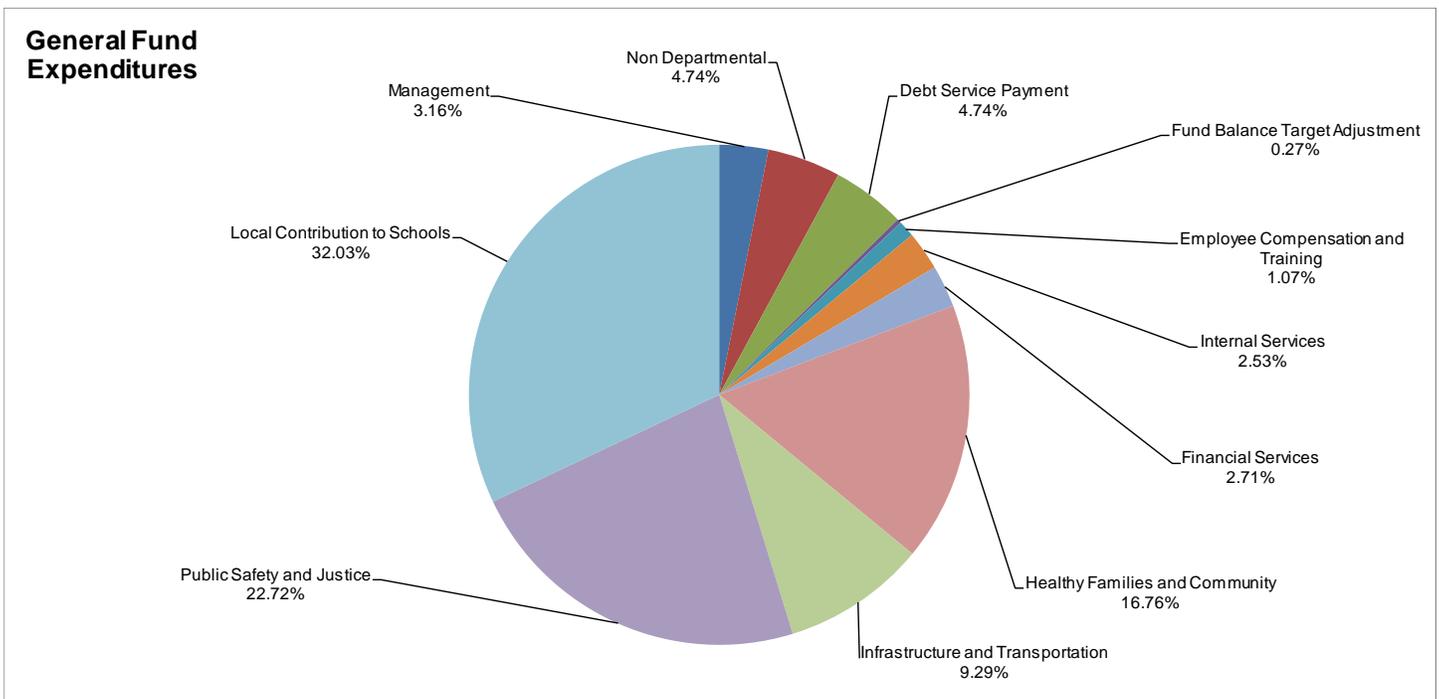
General Fund Revenue Summary

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget	Increase/ (Decrease)	% Change
General Fund Revenue						
Local Taxes	\$112,471,770	\$119,608,562	\$126,030,812	\$130,048,358	\$4,017,546	3.2%
Licenses and Permits	10,688,145	11,013,102	9,648,500	8,200,500	(1,448,000)	(15.0%)
Intergovernmental Revenue	12,431,502	12,949,648	12,959,869	12,984,420	24,551	0.2%
Charges for Services	10,409,438	13,059,056	13,011,843	13,024,095	12,252	0.1%
Misc. Revenue	1,694,803	1,660,357	1,344,000	1,563,956	219,956	16.4%
Carryover Funds	0	0	44,000	0	(44,000)	(100.0%)
Transfers From Other Funds	2,073,475	1,566,680	2,222,579	1,450,000	(772,579)	(34.8%)
City/County Revenue Sharing (Operating Budget)	10,290,321	9,921,594	6,831,284	13,289,313	6,458,029	94.5%
TOTAL OPERATING BUDGET	\$160,059,454	\$169,778,998	\$172,092,887	\$180,560,642	\$8,467,755	4.9%



General Fund Expenditure Summary

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget	Increase/ (Decrease)	% Change
General Fund Expenditures						
Management	\$5,202,745	\$5,938,083	\$5,243,871	\$5,703,015	\$459,144	8.8%
Non Departmental	1,200,074	1,177,328	847,855	8,553,852	\$7,705,997	908.9%
Debt Service Payment	7,968,000	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	854,482	1,686,116	1,677,747	1,926,887	\$249,140	14.8%
Internal Services	1,473,085	4,307,746	4,569,980	4,569,980	\$0	0.0%
Financial Services	4,823,396	4,900,650	4,889,008	4,889,008	\$0	0.0%
Healthy Families and Community	28,252,234	29,931,511	31,236,670	30,257,666	(\$979,004)	(3.1%)
Infrastructure and Transportation	13,856,781	15,124,325	15,096,861	16,765,722	\$1,668,861	11.1%
Public Safety and Justice	42,165,631	41,309,834	42,121,579	41,017,196	(\$1,104,383)	(2.6%)
Local Contribution to Schools	51,330,604	53,998,202	57,366,623	57,834,623	\$468,000	0.8%
TOTAL OPERATING BUDGET	\$157,127,033	\$166,934,583	\$172,092,887	\$180,560,642	\$8,467,755	5.0%



Explanation of FY 2021 Revenues

Services provided by the City of Charlottesville are funded by a variety of revenue sources: local, state, federal, and other intergovernmental revenue. When preparing revenue estimates for the budget, a team of staff reviewed prior year revenue activity, current year to date activity, and future factors that will affect the City's economic vitality. City staff uses a variety of revenue projection techniques in order to ensure the accuracy of the revenue projections.

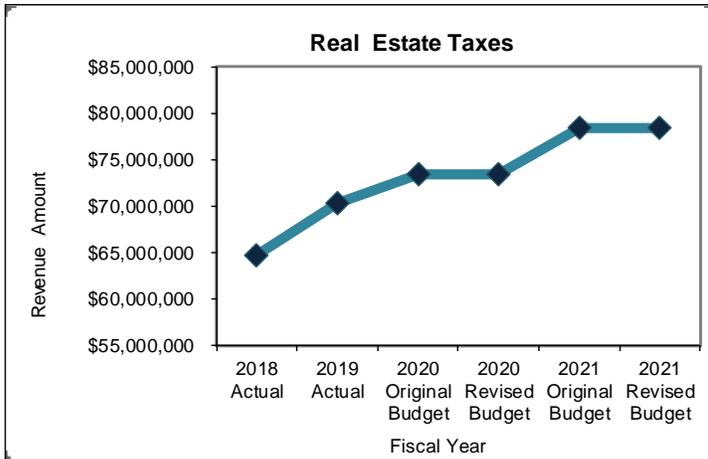
- Informed/Expert Judgment (e.g. the advice of a department head)
- Deterministic Techniques (e.g. formulaic revenues)
- Time Series Techniques (e.g. moving averages and predictive statistics)
- Estimates from the Commonwealth of Virginia (e.g. transfer payments)
- Long Term Forecasting (e.g. looking five years out at the start of the budget process in order to better plan for future revenue conditions and expenditure needs)

In practice, most revenue projections combine two or more of these techniques. Generally, the amount of revenue available to the City depends on current and future economic activity. Below is a listing of the major revenue sources for the City of Charlottesville, which collectively make up 88.5% of the total General Fund revenue collected by the City of Charlottesville.

Revenue Source	FY 2021 Projection	% of General Fund Total Revenues
Real Estate Taxes	\$78,353,270	41.0%
Meals Tax	14,295,064	7.5%
City/County Revenue Sharing	14,589,313	7.6%
Sales & Use Taxes	11,504,331	6.0%
Personal Property Taxes	9,800,000	5.1%
State Assistance	8,153,176	4.3%
Business & Professional Licenses	6,225,000	3.3%
Transient Occupancy Tax	6,282,721	3.3%
Payment in Lieu of Taxes: Utilities	6,091,667	3.2%
Utility Services Consumer Tax	5,024,112	2.6%
PPTRA	3,498,256	1.8%
Virginia Communications Sales & Use Tax	2,600,000	1.4%
Recreation Income	1,335,824	0.7%
Public Service Corporation Taxes	1,459,389	0.8%
TOTAL	\$169,212,123	88.5%

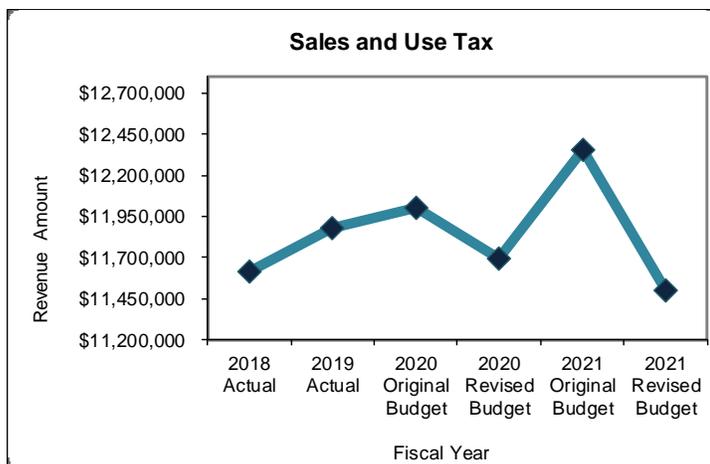
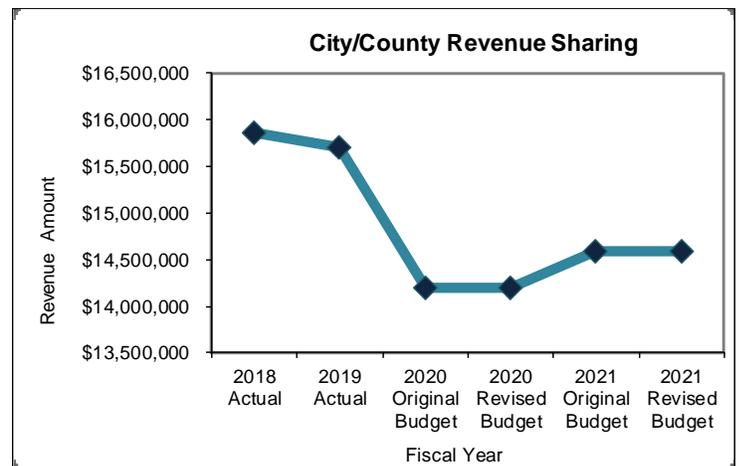
In the following section, a graph has been presented for several of the major revenues listed in the above chart. This provides a graphical representation of the trend data that was used when the revenue projections were made for FY 21. The data in the graphs represents the amount of actual revenue collected for FY 17 – FY 19, along with the originally budgeted amounts and revised revenue estimates for FY 20, all of which were important factors in projecting the revenues for FY 21. In addition, due to the substantial changes in revenue that were caused by the effects of the COVID-19 pandemic, the following section contains the revenue projections from the originally proposed FY 21 budget and the new revised revenue estimates for FY 21.

Major Local Revenue – Descriptions and Trend Data

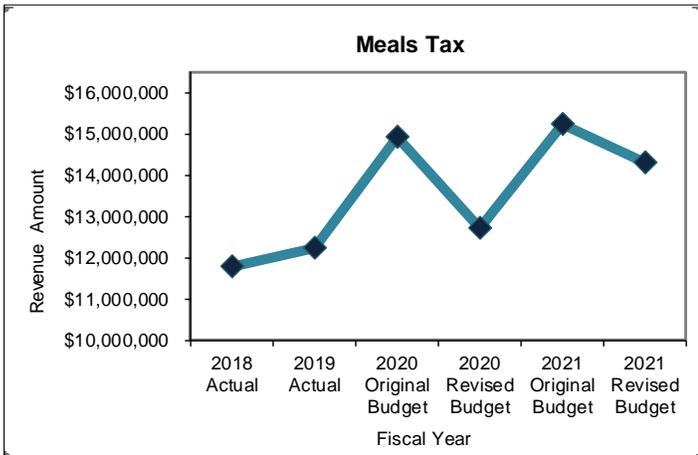


Real Estate Taxes are the largest source of revenue for the City. They are *ad valorem* taxes based on the assessed value of real property owned by businesses, individuals, and corporations. They are assessed at 100% valuation, with tax rates being applied per \$100 of assessed value. For FY20 the revised projections were reduced by approximately \$1.4M based on the potential for non-payment of bills in FY20. While there is some anticipated impact on the CY21 assessments, which will feed into the FY21 revenue amounts, at this time we are still projecting no change to the FY21 overall revenue estimates. Current estimates do account for some amount market changes and non-payment in FY21. **The proposed tax rate for FY 21 is \$.95 per \$100 of assessed value.**

City/County Revenue Sharing is based on an agreement between the City of Charlottesville and the County of Albemarle dated February 17, 1982. The agreement requires the County to contribute a portion of its real property tax base to the City in exchange for the City’s agreement to forgo annexation of any County property. The FY 21 transfer from the County is calculated in part from the CY 18 total assessed values for real property for the City and County. The majority of this revenue is dedicated to projects and operations that benefit City and County residents alike, including replacement of transit infrastructure and transportation improvements, enhancements to parks and recreation facilities and programs, public safety enhancements, and road and infrastructure maintenance.

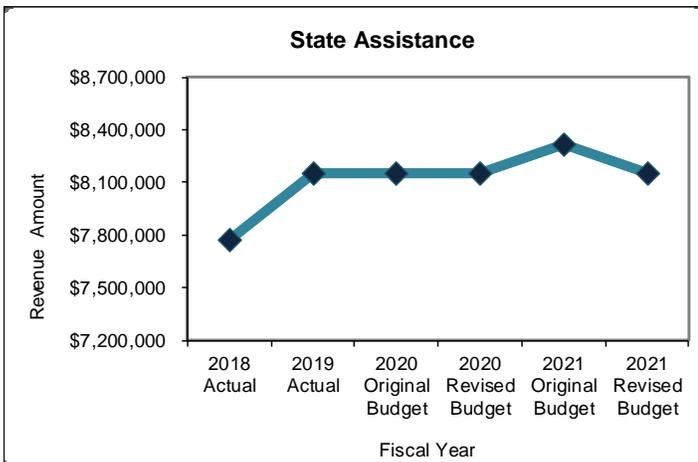
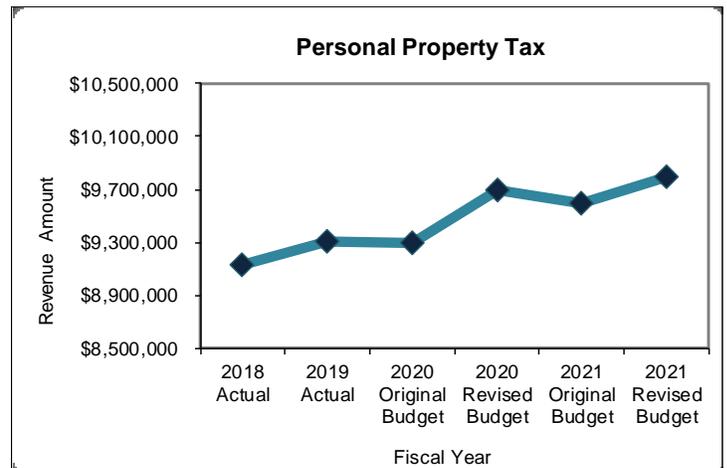


Sales and Use Taxes are revenues received by the City from 1-cent of the 5.3-cent State sales tax generated within the City. Growth in this revenue has been positive the past few years and due to continued strong performance FY 20 projections were initially revised to show a 2.5% increase from the original budget projections. With the onset of the COVID-19 pandemic those projections were revised downward to show a projected loss of 2.5%, which is a 5% reduction from the original revised projections. The collection projections for April 2020 we reduced by 25%, with an increase in collections of approximately 5% each month. This resulted in a decrease of approximately 7% from original FY21 projections. **The Sales Tax rate is 5.3% for general sales purchases and 2.5% for non-prepared foods (implemented July 1, 2005).**

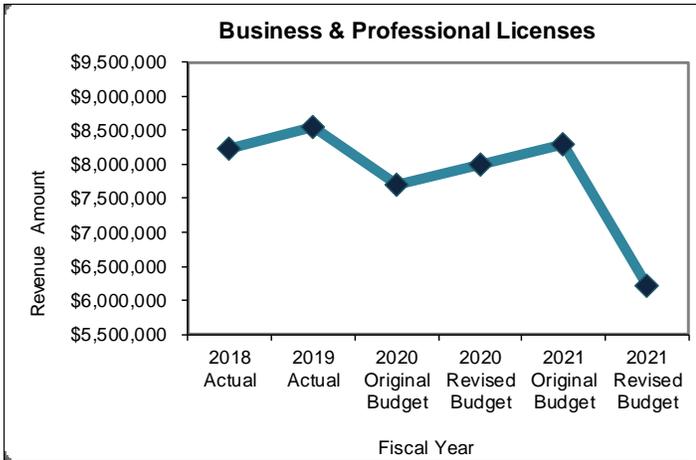


Meals Tax is assessed on the sales price of prepared food and beverages sold in the City. 1-cent of the tax rate is dedicated to the Debt Service Fund to pay off the future debt of bond issuances used to pay for capital projects. The remaining is dedicated to the General Fund. Between FY 11 and FY 19, this tax has shown consistent growth. The large increase in collections between FY19 and FY 20 is due to the rate being increased from 5% to 6%. Due to the COVID-19 pandemic, March collections came in approximately 30% below projections, projected April collections were reduced to 50% and May collections to 40% of original projections with a 5% - 10% increase monthly through Nov 2020. The FY21 revised budget projections are showing a 6.0% decrease from the FY 21 original budget projections. **The FY 21 proposed tax rate is 6%.**

Personal Property Taxes are levied on vehicles owned by individuals and businesses, as well as tangible property owned by businesses. The initial revised FY20 projections were approximately \$10M based on increased book values. With the potential for some non-payment, projections for FY20 were reduced to \$9.7M. We are anticipating some impact on business tangibles reported in CY2021, but business tangible and machinery and tools make up a fairly low proportion of all personal property revenue. FY 21 Personal Property Tax revenue is projected to increase by 2.1% from the FY 21 original proposed budget amount. This projected increase is due mainly to the increase in the overall value of vehicles registered in the City. **The tax rate for FY 21 is unchanged at \$4.20 per \$100 of assessed value.**

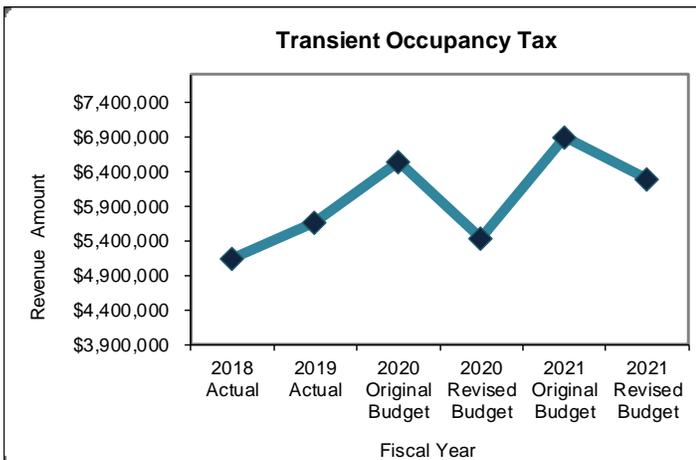
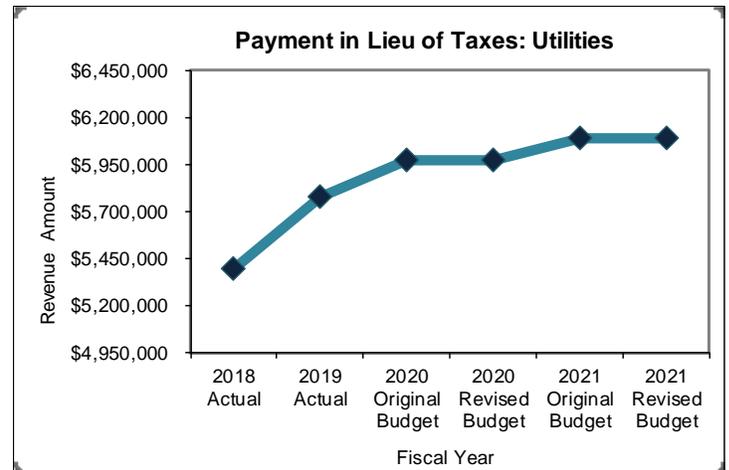


State Assistance consists of four major revenue items: **Constitutional Officer Reimbursement**, which is determined by the State Compensation Board on an annual basis for the elected official offices, including the Treasurer, Commissioner of Revenue, Sheriff, Clerk of the Circuit Court, and Commonwealth's Attorney; **State Highway Assistance** is highway maintenance funds received from the State based on a formula which includes road type, lane miles, and rate of payment per lane mile; **State Aid for Police Protection**, where the amount of revenue received by the localities is based upon a proportional formula that uses the adjusted crime rate index for the locality as its base. Due to the uncertainty with the State budget at this time we are projecting level funding in FY 21 as opposed to the increases that were included as part of original FY21 Proposed budget.

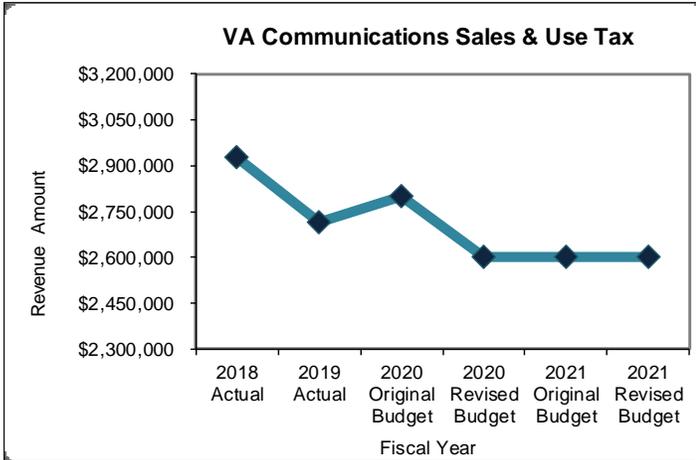


Licenses and Permits are a category of revenues collected from permits and privilege fees required by the City. The largest of these sources is the **Business and Professional Licenses**, which is a local license fees on the privilege of doing business within the City. These fees are based on the gross receipts of the business applying for the license. Business and Professional Licenses are estimated to bring in \$6.2 million in FY 21, which represents a 25% decrease from the FY 21 original proposed budgeted figure, and a 19% decrease from the FY20 original budget projection.

Payment in Lieu of Taxes: Utilities covers the property taxes and business licenses that city-owned water, wastewater, and gas operations would pay if they were private businesses. The payment in lieu of taxes for the utilities is calculated by a predetermined formula. In FY 21, this revenue item is estimated to generate approximately \$6.09 million in revenue, a 1.9% increase from the FY 20 original budgeted figure.

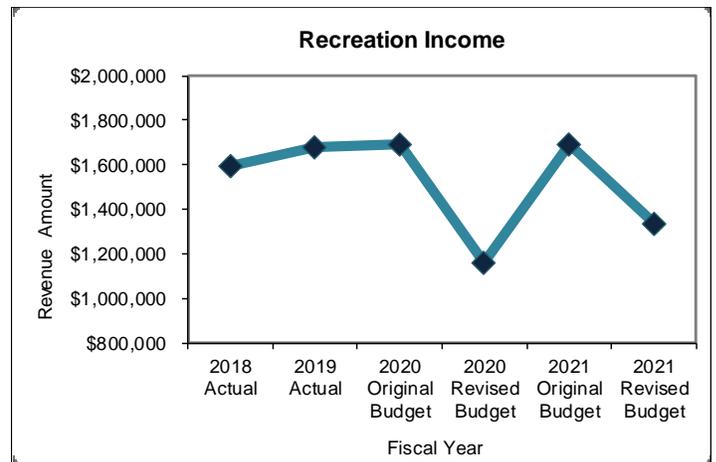


Transient Occupancy Tax, often called the lodging tax, consists of taxes assessed on the use of rooms in hotels, motels, and boarding houses. The projected revenue in the FY 20 Adopted budget saw an increase of over \$1.24 million (21.9%) from the prior fiscal year. This was due to the adopted tax rate increase from 7% to 8%; and the estimated room occupancy rates, and average daily room rates for the City were continuing to increase. Due to the effects of COVID-19, March collections came in approximately 25% below projections, and April collection projections have been reduced to 20%, and May collections to 30% of original projections with a 10% increase monthly through November 2020. These changes resulted in a \$1.8M reduction for the revised FY20 projections and a 6.7% decrease in the FY21 revised figure from what was originally proposed for FY21. **The FY 21 tax rate is 8%.**



Effective January 2007, the consumer tax on telephone service, the E-911 service tax, the tax on Cable service, and the Cable Franchise fee were rolled into one revenue stream called the **Virginia Communications Sales & Use Tax**. The tax is levied in the amount of 5% of the sales price of each communications service. This is a State administered local tax and the City is reimbursed on a monthly basis. This tax continues to see a steady decline over the past several years and is projected to decrease again by approximately 7.1%. The increase in cell phone usage and internet entertainment providers for television services as opposed to traditional land line phone service and cable television service can at least in part explain this steady decline.

Recreation Income is derived from a variety of sources, including access pass fees to recreation centers, summer pass fees to outdoor pools, daily admissions to indoor and outdoor recreational facilities, as well as multiple fee-based recreation programs held at a variety of facilities. Additional income is received from the rental of recreational facilities, picnic shelters, garden plots, etc. and participation fees for adult league sports such as volleyball and softball. Due to the closure of the majority of the City recreational facilities and the cancellation of many scheduled classes and programs, due to safety measures taken related to the COVID-19 pandemic, revised FY20 revenue projections have been reduced by 31.4% and revised FY21 revenue projections have been reduced by 21.1%



Tax and Fee Rates (Including Legal Caps)

	Proposed Fiscal Year 2020-2021	Proposed Fiscal Year 2020-2021
Real Estate Tax	\$0.95/\$100 Assessed Value	\$0.95/\$100 Assessed Value
	<i>58.1-3321 - no cap, but effective tax rate increases must be publicly advertised 30 days prior to hearing.</i>	
Personal Property Tax	\$4.20/\$100 Assessed Value	\$4.20/\$100 Assessed Value
	<i>No cap; 58.1-3008- authorizes different rates for different classes</i>	
	<i>58.1-3524- Beginning Tax Year 2006, PPTRA requires reduced rates on qualifying vehicles, applied to value < \$20,000</i>	
Machinery and Tools Tax	\$4.20/\$100 Assessed Value	\$4.20/\$100 Assessed Value
	<i>No cap; 58.1-3008- authorizes different rates for different classes</i>	
Mobile Home Tax	\$0.95/\$100 Assessed Value	\$0.95/\$100 Assessed Value
	<i>58.1-3522 - assess in line w/real estate tax; 58.1-3280 - assess @ fair market value</i>	
Sales Tax - General ⁽¹⁾	5.3%	5.3%
	<i>58.1-605 (B)- Cap: rate may not exceed 1% (included in the 5.3% cap)</i>	
Sales Tax - Food (Excludes prepared food) ⁽²⁾	2.5%	2.5%
	<i>58.1-611.1 - Cap: rate may not exceed 1% (included in the 2.5% cap)</i>	
Restaurant/Meals Tax	6.0%	6.0%
	<i>58.1-3840 (no cap for City)</i>	
Transient Occupancy (Lodging) Tax	8.0%	8.0%
	<i>58.1-3840 (no cap for City)</i>	
Cigarette Tax	\$.55 per pack	\$.55 per pack
	<i>58-1.3830 (no cap for City)</i>	
E-911 Fee ⁽³⁾	\$.75/phone line	\$.75/phone line
	<i>Collected by State as part of Communications Sales and Use tax</i>	
Cable Franchise Fee ⁽³⁾	5%	5%
	<i>Collected by State as part of Communications Sales and Use tax</i>	
	<i>15.2-2108.1:1: no new or renewed cable franchise entered after 1/1/2007 may include a franchise fee (see 2006 House Bill 568)</i>	
PEG Fee (Cable)	\$.35/month	\$.35/month
Utility Services Consumer Tax (Gas, Water, Electric)	10%	10%
	<i>Collected by State as part of Communications Sales and Use tax</i>	
Utility Services Consumer Tax (Telephone and Cable) ⁽³⁾	5%	5%
	<i>Collected by State as part of Communications Sales and Use tax</i>	
Refuse Collection		
	<i>15.2-928--No Cap</i>	
Trash Sticker Fee	12 Gallon - \$1.05 each 31 Gallon - \$2.10 each	12 Gallon - \$1.05 each 31 Gallon - \$2.10 each
Trash Decal Fees ⁽⁴⁾		
32 Gallon Can	\$94.50 Annually	\$94.50 Annually
50 Gallon Can	\$147.50 Annually	\$147.50 Annually
64 Gallon Can	\$189.00 Annually	\$189.00 Annually
96 Gallon Can	\$283.50 Annually	\$283.50 Annually
96 Gallon Can - Daily Collection	\$491.40 Quarterly	\$491.40 Quarterly
Large Item Pickup Fee	\$35 for first occurrence; \$50 for second occurrence; \$100 for third and subsequent occurrences	\$35 for first occurrence; \$50 for second occurrence; \$100 for third and subsequent occurrences
Motor Vehicle License Fee	Up to 4,000 lbs. - \$28.50 Over 4,000 lbs. - \$33.50 Motorcycles - \$8.50	
	<i>46.2-752(A) - Cap: may not exceed amount of</i>	
Courthouse Maintenance Fee	\$2.00 per court case	
	<i>17.1-281 - Cap: \$2.00</i>	
Courtroom Security Fee	\$10.00 per conviction	
	<i>53.1-120 - Cap: \$10.00</i>	

- (1) Of this 5.3% collected by the State, 1% is returned to the locality to support public education and .3% was be dedicated to transportation projects.
- (2) This second Sales Tax rate for non-prepared foods (i.e., grocery stores) was adopted by the State as of .
- (3) Starting in January 2007, these taxes are rolled into one revenue: the **Virginia Communications Sales** ; State in an effort to streamline communications taxes. The revenue is collected by the State and the City i still considered a local tax.
- (4) These rates are based on purchasing the decals after July 1st and prior to September 30th of each year. offers prorated rates based upon date of purchase.



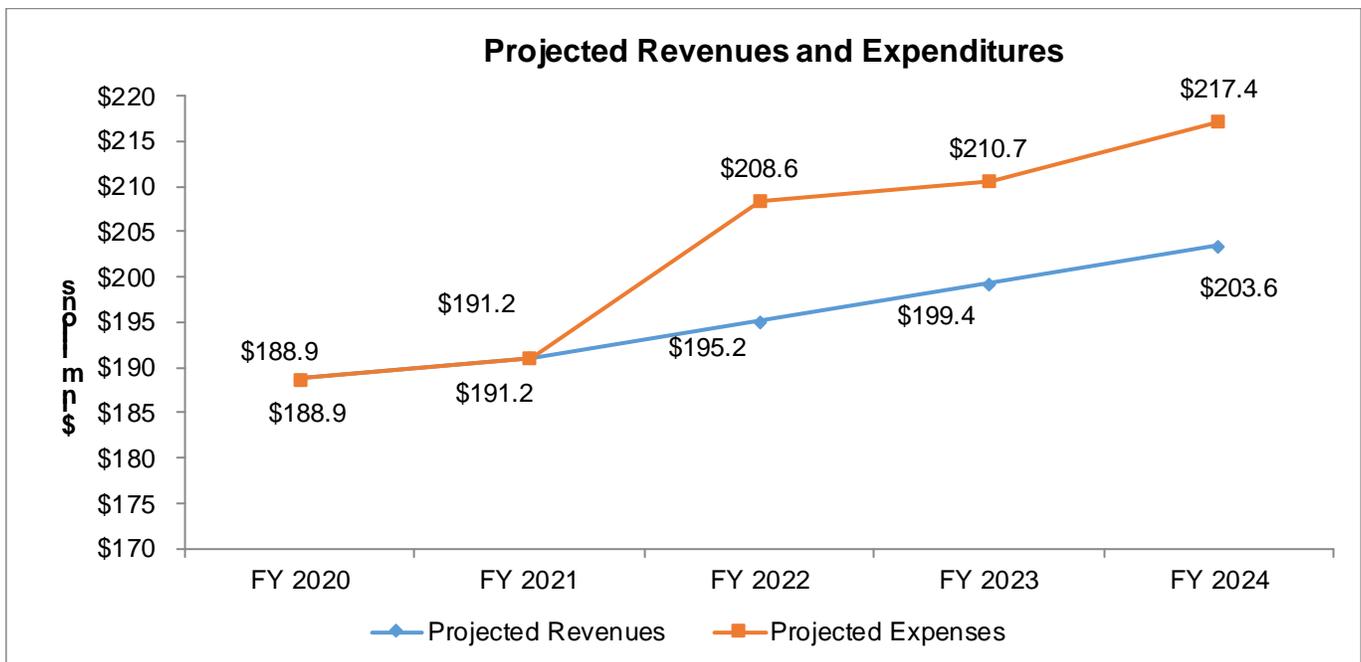
Long Term Revenue and Expenditure Planning and Forecasts

At the beginning of each budget process, City staff develops a five-year projection of revenues and expenditures. This is a planning document to help Council make more informed decisions in more than a single year timeframe and to consider the long-term outlook when making budget and policy decisions. Five-year operational forecasts for the City of Charlottesville typically show a gap in which projected expenditures exceed projected revenues. This gap is a result of assumptions that revenue policies stay unchanged or are continued on a trajectory known at the time of the forecast, and that operational costs reflect ongoing and continuing programs and services. Through careful policy analysis of tax and fee rates, financial policies, departmental cost cutting measures, and program changes or reductions, this projected gap is closed during each budget cycle to arrive at a balanced budget.

FY 21 is showing revenue and expenditure growth in the General Fund, largely due to real estate assessment increases, increased cash contribution to the Capital Projects fund for affordable housing, increased debt service costs and employee compensation. Real Estate Taxes are the largest revenue driver, contributing a \$5.0 million increase due to new construction and general assessment increases. Other major revenue sources are showing small changes and are expected to grow at modest rates over the next few years.

In future years, City Council will again need to carefully address revenue policies such as tax rates and debt limits, coupled with adjustments in capital spending. Operating departments will need to continue finding efficiencies and reduce departmental costs or find additional sources of revenue, with adjustments in fees for instance, in order to mitigate the forecasted gap each year.

The chart below illustrates projected revenues and expenditures from FY 20 to FY 24 in the General Fund.



Major Revenue Sources

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
	<u>Budget</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Real Estate Tax	\$ 73,337,625	\$ 78,353,270	\$ 80,703,868	\$ 83,124,984	\$ 85,618,734
% change	7.4%	6.8%	3.0%	3.0%	3.0%
City County Revenue Sharing	\$ 14,199,607	\$ 14,589,313	\$ 14,881,099	\$ 15,178,721	\$ 15,482,296
% change	-9.5%	2.7%	2.0%	2.0%	2.0%
Meals Tax	\$ 14,932,800	\$ 14,295,064	\$ 14,580,965	\$ 14,872,585	\$ 15,170,036
% change	26.1%	-4.3%	2.0%	2.0%	2.0%
Sales and Use Tax	\$ 12,000,000	\$ 12,120,000	\$ 12,241,200	\$ 12,363,612	\$ 12,487,248
% change	2.9%	1.0%	1.0%	1.0%	1.0%
Personal Property Tax	\$ 9,300,000	\$ 9,800,000	\$ 9,996,000	\$ 10,195,920	\$ 10,399,838
% change	7.8%	5.4%	2.0%	2.0%	2.0%
Business Licenses	\$ 7,700,000	\$ 6,225,000	\$ 6,349,500	\$ 6,476,490	\$ 6,606,020
% change	4.1%	-19.2%	2.0%	2.0%	2.0%
Transient Occupancy Tax	\$ 6,535,753	\$ 6,282,721	\$ 6,408,375	\$ 6,536,543	\$ 6,667,274
% change	28.2%	-3.9%	2.0%	2.0%	2.0%
Utility Tax	\$ 4,925,600	\$ 5,024,112	\$ 5,124,594	\$ 5,227,086	\$ 5,331,628
% change	4.8%	2.0%	2.0%	2.0%	2.0%
Other Revenues	\$ 45,932,535	\$ 44,506,393	\$ 44,951,457	\$ 45,400,971	\$ 45,854,981
% change	-1.1%	-3.1%	1.0%	1.0%	1.0%
Total Revenues	\$ 188,863,920	\$ 191,195,873	\$ 195,237,059	\$ 199,376,913	\$ 203,618,055
% change	5.1%	1.2%	2.1%	2.1%	2.1%

Major Expenditure Sources

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
	<u>Budget</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Local Contribution to Schools	\$ 57,366,623	\$ 57,834,623	\$ 58,853,262	\$ 59,901,677	\$ 60,980,744
% change	6.2%	0.8%	1.8%	1.8%	1.8%
Employee Salaries and Benefits*	\$ 57,689,078	\$ 58,752,382	\$ 61,102,477	\$ 63,241,064	\$ 65,138,296
% change	5.8%	1.8%	4.0%	3.5%	3.0%
Health Care +	\$ 5,793,379	\$ 6,169,949	\$ 6,540,146	\$ 6,899,854	\$ 7,244,847
% change	1.2%	6.5%	6.0%	5.5%	5.0%
Outside and Nonprofit Agency Funding	\$ 15,903,053	\$ 15,391,616	\$ 15,699,448	\$ 16,013,437	\$ 16,333,706
% change	2.0%	-3.2%	2.0%	2.0%	2.0%
Transfer to Debt Service	\$ 11,049,588	\$ 11,013,359	\$ 13,549,613	\$ 14,375,001	\$ 15,200,643
% change	1.1%	-0.3%	23.0%	6.1%	6.1%
Transfer to Capital Improvement Program	\$ 7,093,323	\$ 900,000	\$ 10,943,663	\$ 7,616,543	\$ 9,150,200
% change	32.0%	-87.3%	1116.0%	-30.4%	20.1%
Fund Balance Target Adjustment	\$ 481,905	\$ 481,905	\$ 600,000	\$ 800,000	\$ 800,000
% change	16.6%	0.0%	24.5%	33.3%	0.0%
Other Expenditures	\$ 33,486,971	\$ 40,652,039	\$ 41,261,820	\$ 41,880,747	\$ 42,508,958
% change	-14.1%	21.4%	1.5%	1.5%	1.5%
Total Expenditures	\$ 188,863,920	\$ 191,195,873	\$ 208,550,429	\$ 210,728,323	\$ 217,357,394
% change	5.1%	1.2%	9.1%	1.0%	3.1%

*Includes cost of living adjustments. Excludes health care costs.

FY 2021 - 2025 Revenue Projections

These revenue sources comprise approximately 76.5% of the General Fund budget in FY 21. Even though there has been consistent growth in these revenue sources in recent years, staff anticipates a slowdown in the rate of growth for several of these sources for future years:

Real Estate Tax: Real Estate assessments have increased in each of the last five assessment cycles, and the tax revenue is anticipated to increase approximately 6.8% for FY 21. While there is some anticipated impact of the COVID-19 Pandemic on the CY21 assessments, which will feed into the FY21 revenue amounts, at this time we are still projecting no change to the FY21 overall revenue estimates. Current estimates do account for some amount market changes and non-payment in FY21.

City/County Revenue Sharing: In FY 21 this will increase by approximately \$496,753 over FY 20, which is reflective of difference in the growth rate of City real estate assessments and County real estate assessments. Future projections show a slight decrease in FY 22 and then steady increases FY 23 – FY 25, due to the total value of assessments in the County increasing at a greater rate than those of the City, but with the number of variables in the formula those increases are not guaranteed.

Meals Tax: Staff is tracking the meals tax revenue by month and due to the COVID-19 pandemic, March 2020 collections came in approximately 30% below projections, projected April collections were reduced to 50% and May collections to 40% of original projections with a 5% - 10% increase monthly through Nov 2020. The FY21 revised budget projections are showing a 6.0% decrease from the FY 21 original budget projections.

Sales and Use Tax: Growth in this revenue has been positive the past few years and due to continued strong performance FY 20 projections were initially revised to show a 2.5% increase from the original budget projections. With the onset of the COVID-19 pandemic those projections were revised downward to show a projected loss of 2.5%, which is a 5% reduction from the original revised projections. The collection projections for April 2020 we reduced by 25%, with an increase in collections of approximately 5% each month. This resulted in a decrease of approximately 7% from original FY21 projections.

Personal Property Tax: The initial revised FY20 projections were approximately \$10M based on increased book values. With the potential for some non-payment, projections for FY20 were reduced to \$9.7M. We are anticipating some impact on business tangibles reported in CY2021, but business tangible and machinery and tools make up a fairly low proportion of all personal property revenue. FY 21 Personal Property Tax revenue is projected to increase by 2.1% from the FY 21 original proposed budget amount. This projected increase is due mainly to the increase in the overall value of vehicles registered in the City. Staff anticipates personal property tax revenue to continue to grow at approximately 2% a year for the next several fiscal years. While the state provides some relief to individual taxpayers through a block grant, the relief percentage received by each taxpayer will continue to decline as more vehicles are registered in the City over time.

Business License Tax: This tax can be volatile in nature and changes to gross receipts from a small number of taxpayers can significantly impact the amount of revenue collected. The COVID-19 pandemic resulted in FY21 estimates being reduced by 25% from previous estimates. Based upon this volatility future years show a 2% growth due to projected economic growth in the City.

Transient Occupancy Tax: The lodging tax revenue was continuing to show real growth as new hotels came online. Due to the effects of COVID-19, the revised FY21 projection showed a 6.7% decrease from the FY21 originally proposed figure. Growth in future years projects at 2% a year.

Utility Tax: The revenue source, which includes utility taxes collected from City's gas and water operations and consumer utility tax for electric services, is trending to increase at 2.0% per year in FY21 – FY 25. This is driven most notably by weather and therefore, mild weather means the City collects less revenue.

FY 2021 - FY 2025 Expenditure Projections

These expenditure categories comprise approximately 81% of the General Fund budget in FY 21:

Local Contribution to Schools: The Budget Guidelines state that the schools receive a target amount that equates to 40% of new real estate and personal property tax revenue. Due to COVID -19, the FY 21 Budget reflects level funding with the City's total FY 20 contribution.

Employee Salaries and Benefits: This is the total budget for employee salaries and benefits (which includes retirement, FICA, and life insurance). The figure also includes any cost of living increase provided, which is determined each budget year. In future years, this figure is expected to be higher than general cost of living increases due to continuing adjustments being made for compression, position reclassifications, and the addition of new positions.

Health Care: This is the total budget for the General Fund contribution to the City's Health Care Fund. Historically, this increase has been in the range of 9% - 15% we are gradually lowering the projection to more realistically reflect the cost burden to the City. If costs continue to rise in future years, sustainability strategies will be put in place to help reduce costs either by making plan changes or requiring a greater cost share with employees. The departmental healthcare budgets will remain flat but for FY 21.

Outside and Nonprofit Agency Funding: Includes all contributions to outside agencies in the categories of: Community events and festivals; Children, Youth and Family Oriented Programs; Education and the Arts; Housing Programs; Public Safety Agencies; Transportation; Organizational Memberships and Workforce Development Agencies. While funding for Vibrant Communities Fund agencies is somewhat discretionary, the City has several contracts in place with agencies such as the Regional Jail, Juvenile Detention Center, Emergency Communications Center, Jefferson Madison Regional Library. The funding costs for these contractual agencies generally increase over time, as costs of services increase and as we see shifts in the behavior and demographic of the area.

Transfer to Debt Service: These are funds required to pay off the City's long-term debt and is based on the 5-year Capital Improvement Program balanced with the City's debt service policy. The estimate for FY 21 reflects the required transfer from the General Fund to fund the capital budget and corresponding debt that the City currently plans to issue.

Transfer to Capital Improvement Program: This represents the five-year CIP. These contributions should keep the City in compliance with the Budget Guideline to transfer at least 3% of general fund expenditures to the Capital Improvement Program Fund. Due to COVID-19, this amount will be held in a reserve fund that can be used to offset further revenue losses if needed.

Fund Balance Target Adjustment: This pool of funds provides the City with a cushion at the end of a fiscal year to help us achieve the fund balance policy of 17%. The FY 21 budgeted figure is what would be required to ensure we meet the policy and is projected to increase in future years as the budget increases.



General Fund Revenues

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2020 - 2021 Budget	Increase/ (Decrease)	% Change
LOCAL TAXES					
Real Estate Taxes	\$70,267,343	\$73,337,626	\$78,353,270	\$5,015,644	6.8%
Personal Property Tax	9,310,203	9,300,000	9,800,000	500,000	5.4%
Public Service Corporation Tax	1,447,032	1,428,230	1,459,389	31,159	2.2%
Penalty/Interest on Delinquent Taxes	540,225	350,000	415,000	65,000	18.6%
Utility Services Consumer Tax	4,764,420	4,926,600	5,024,112	97,512	2.0%
Virginia Communications Sales and Use Tax	2,716,128	2,800,000	2,600,000	(200,000)	(7.1%)
Franchise Taxes (See <i>VA Communications Sales and Use Tax</i>)	3,500	0	0	0	N/A
Tax on Bank Stock	1,366,883	1,300,000	1,200,000	(100,000)	(7.7%)
Tax on Wills & Deeds	751,569	600,000	625,000	25,000	4.2%
Sales & Use Tax	11,876,599	12,000,000	11,504,331	(495,669)	(4.1%)
Rolling Stock Tax	36,940	18,380	19,319	939	5.1%
Transient Occupancy (Lodging) Tax	5,659,226	6,535,753	6,282,721	(253,032)	(3.9%)
Meals Tax	9,770,242	12,444,000	11,842,493	(601,507)	(4.8%)
Short-Term Rental Tax	56,557	60,000	60,000	0	0.0%
Cigarette Tax	671,562	615,000	575,000	(40,000)	(6.5%)
Recordation Tax Receipts	236,226	205,223	205,223	0	0.0%
Vehicle Daily Rental Tax	133,906	110,000	82,500	(27,500)	(25.0%)
Taxes Subtotal	\$119,608,562	\$126,030,812	\$130,048,358	\$4,017,546	3.2%
LICENSES AND PERMITS					
Business & Professional Licenses	\$8,540,881	\$7,700,000	\$6,225,000	(\$1,475,000)	(19.2%)
Vehicle Licenses	902,927	915,000	900,000	(15,000)	(1.6%)
Dog Licenses	9,024	10,000	10,000	0	0.0%
Electrical, Heating and Mechanical Permits	265,251	250,000	250,000	0	0.0%
Building and Plumbing Permits	726,066	400,000	450,000	50,000	12.5%
Temporary Parking Permits (NDS)	180,450	75,000	150,000	75,000	100.0%
Site Plans	76,812	75,000	75,000	0	0.0%
Mall Vending Permits	112,687	0	0	0	N/A
Fire Inspection Fees	0	83,000	0	(83,000)	(100.0%)
Other Permits	199,003	140,500	140,500	0	0.0%
Licenses and Permits Subtotal	\$11,013,102	\$9,648,500	\$8,200,500	(\$1,448,000)	(15.0%)
INTERGOVERNMENTAL REVENUE					
<i>Revenue from State Agencies</i>					
PPTRA Revenue (State Personal Property Tax)	\$3,498,256	\$3,498,256	\$3,498,256	\$0	0.0%
State Highway Assistance	4,206,501	4,291,324	4,291,324	0	0.0%
Reimbursement/Constitutional Offices	1,680,635	1,698,184	1,698,184	0	0.0%
State Aid for Police Protection	2,154,332	2,077,468	2,077,468	0	0.0%
Trailer Title	3,750	1,200	1,200	0	0.0%
DMV Select Office Commissions	4,392	31,374	35,000	3,626	11.6%
Other State Assistance: Misc Rev	106,131	50,000	50,000	0	0.0%
<i>Revenue from Other Intergovernmental Sources</i>					
School Resource Officers (City Schools)	301,231	301,231	301,231	0	0.0%
Regional Library Administrative Fee	109,952	117,144	117,144	0	0.0%
Crisis Intervention Team Revenue	97,668	100,168	105,910	5,742	5.7%
Fire Department Operations (Albemarle County)	194,465	195,000	195,000	0	0.0%
Juvenile & Domestic Relations Court Operations (Albemarle County)	56,160	56,695	63,760	7,065	12.5%
Juvenile & Domestic Relations Court Building Maint. (Albemarle County)	68,508	67,610	57,913	(9,697)	(14.3%)
Magistrate's Office (Albemarle County)	4,171	4,250	4,575	325	7.6%
Payments In Lieu Of Taxes (Housing Authority)	24,726	33,828	25,000	(8,828)	(26.1%)
Fire Department Ops (UVA)	320,687	329,412	353,000	23,588	7.2%
Service Charge (UVA)	76,538	46,000	46,000	0	0.0%
Property Maintenance (UVA)	41,544	60,725	63,455	2,730	4.5%
Intergovernmental Revenue Subtotal	\$12,949,648	\$12,959,869	\$12,984,420	\$24,551	0.2%
CHARGES FOR SERVICE					
Property Transfer Fees	\$1,185	\$1,000	\$1,000	\$0	0.0%
Zoning Appeal Fees	800	1,100	1,100	0	0.0%
Court Revenue (Circ/Genl Dist Cts)	467,292	500,000	500,000	0	0.0%
Circuit Court - Online Land Records Subscription Revenue	23,130	30,000	30,000	0	0.0%
Internal City Services	1,664,551	1,909,500	1,882,925	(26,575)	(1.4%)
Utility Cut Permits	289,762	185,000	185,000	0	0.0%
Recreation Income	1,678,084	1,694,683	1,335,824	(358,859)	(21.2%)
Reimbursable Overtime	285,751	265,000	331,579	66,579	25.1%
Payment in Lieu of Taxes: Utilities	5,776,201	5,975,560	6,091,667	116,107	1.9%
Indirect Cost Recovery	109,258	125,000	125,000	0	0.0%
Waste Disposal Fees	1,117,434	1,100,000	1,115,000	15,000	1.4%
Emergency Medical Services (Ambulance) Revenue Recovery	1,427,530	1,100,000	1,300,000	200,000	18.2%
Other Charges and Fees for Services	218,078	125,000	125,000	0	0.0%
Charges for Service Subtotal	\$13,059,056	\$13,011,843	\$13,024,095	\$12,252	0.1%

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2020-2021 Budget	Increase/ (Decrease)	% Change
MISCELLANEOUS REVENUE					
Interest Earned	\$882,355	\$756,000	\$706,000	(\$50,000)	(6.6%)
Rent	164,406	175,000	194,956	19,956	11.4%
Refund of Prior Years' Expenditures	273,202	50,000	50,000	0	0.0%
Other Miscellaneous Revenue	340,394	363,000	613,000	250,000	68.9%
Miscellaneous Revenue Subtotal	\$1,660,357	\$1,344,000	\$1,563,956	\$219,956	16.4%
CARRYOVER FUNDS (PREVIOUS FISCAL YEAR)					
Arts Coordination and Planning Savings	\$0	\$0	\$0	\$0	N/A
Council Strategic Initiatives Fund	0	44,000	0	(44,000)	(100.0%)
Carryover Funds Subtotal	\$0	\$44,000	\$0	(\$44,000)	(100.0%)
TRANSFERS FROM OTHER FUNDS					
Landfill Reserve Fund	\$0	\$250,000	\$250,000	\$0	0.0%
Human Services Fund	0	772,579	0	(772,579)	(100.0%)
Parking Enterprise Fund	1,500,000	1,200,000	1,200,000	0	0.0%
Other Transfers	66,680	0	0	0	N/A
Transfers from Other Funds Subtotal	\$1,566,680	\$2,222,579	\$1,450,000	(\$772,579)	(34.8%)
CITY/COUNTY REVENUE SHARING: OPERATING BUDGET	\$9,921,594	\$6,831,284	\$13,289,313	\$6,458,029	94.5%
OPERATING BUDGET TOTAL	\$169,778,998	\$172,092,887	\$180,560,642	\$8,467,755	4.9%
DESIGNATED REVENUE					
Contractual Services: Pupil Transportation	\$2,982,913	\$2,972,130	\$2,972,130	\$0	0.0%
Contractual Services: School Building Maintenance	3,677,052	3,816,780	3,816,780	0	0.0%
General Fund Transfer to Capital Improvement Program Fund	5,374,766	6,968,323	900,000	(6,068,323)	(87.1%)
Transfer to the Capital Improvement Program: Mall Vendor Fees	0	125,000	93,750	(31,250)	(25.0%)
General Fund Transfer to Facilities Repair Fund	400,000	400,000	400,000	0	0.0%
Meals Tax Revenue: Transfer to Debt Service Fund	2,442,564	2,488,800	2,452,571	(36,229)	(1.5%)
DESIGNATED REVENUE TOTAL	14,877,295	16,771,033	10,635,231	(\$6,135,802)	(36.6%)
TOTAL CITY BUDGET	\$184,656,293	\$188,863,920	\$191,195,873	\$2,331,953	1.2%

CITY SCHOOLS BUDGET					
	FY 2018-2019 Budget	FY 2019-2020 Budget*	FY 2020-2021 Budget	Increase/ (Decrease)	% Change
SCHOOL OPERATIONS (SCHOOL GENERAL FUND)					
Local Contribution	\$51,533,776	\$55,237,197	\$55,237,197	\$0	0.0%
State Funds	15,686,531	16,835,116	17,141,516	306,400	1.8%
Federal Funds	10,825	24,000	12,000	(12,000)	(50.0%)
Fund Balance	-	782,410	720,649	(61,761)	(7.9%)
Misc. Revenue	1,054,909	962,382	466,000	(496,382)	(51.6%)
TOTAL SCHOOL OPERATIONS BUDGET	\$68,286,041	\$73,841,105	\$73,577,362	(\$263,743)	(0.4%)

*FY 2019-2020 Revised Budget

Non General Funds Revenues

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2020-2021 Budget	Increase/ (Decrease)	% Change
GOLF COURSE FUND					
Sales and Concessions	\$61,280	\$52,500	\$70,500	\$18,000	34.3%
Greens Fees, Lessons, Etc.	467,369	519,000	583,200	64,200	12.4%
Cart Rentals	182,741	223,500	242,300	18,800	8.4%
Annual Memberships, Passes	72,698	60,000	75,000	15,000	25.0%
Misc. Revenue	20,516	6,940	18,940	12,000	172.9%
Transfer from General Fund	149,204	128,000	0	(128,000)	(100.0%)
GOLF COURSE FUND REVENUE TOTAL	\$953,808	\$989,940	\$989,940	\$0	0.0%
DEPARTMENT OF SOCIAL SERVICES FUND					
Intergovernmental Revenue	\$10,152,518	\$9,927,629	\$10,156,339	\$228,710	2.3%
Misc. Revenue	17,563	1,562,152	1,221,891	(340,261)	(21.8%)
Transfer from General Fund	3,236,250	3,302,777	3,602,777	300,000	9.1%
DEPARTMENT OF SOCIAL SERVICES FUND REVENUE	\$13,406,331	\$14,792,558	\$14,981,007	\$188,449	1.3%
HUMAN SERVICES FUND					
Intergovernmental Revenue	\$374,240	\$375,000	\$375,000	\$0	0.0%
Welfare Revenue	4,892,487	5,361,311	5,597,245	235,934	4.4%
Misc. Revenue	30,073	174,437	170,489	(3,948)	(2.3%)
Transfer from General Fund	1,074,536	662,030	641,280	(20,750)	(3.1%)
HUMAN SERVICES FUND REVENUE SUBTOTAL	\$6,371,336	\$6,572,778	\$6,784,014	\$211,236	3.2%
WATER (OPERATIONAL AND DEBT SERVICE FUNDS)					
Water Sales Revenue	\$11,382,814	\$12,304,490	\$12,304,490	\$0	0.0%
Water Connection Fees	307,450	0	0	0	N/A
Other Fees	145,869	200,000	200,000	0	0.0%
Misc. Revenue	177,349	0	0	0	N/A
Bond Proceeds	2,283,649	5,775,000	5,775,000	0	0.0%
Transfer from Other Funds	1,800,000	1,800,000	1,800,000	0	0.0%
WATER FUND REVENUE TOTAL	\$16,097,131	\$20,079,490	\$20,079,490	\$0	0.0%
WASTEWATER (OPERATIONAL AND DEBT SERVICE FUNDS)					
Wastewater Sales Revenue	\$14,670,707	\$15,426,758	\$15,426,758	\$0	0.0%
Other Fees	558,918	25,000	25,000	0	0.0%
Misc. Revenue	61,666	0	0	0	N/A
Bond Proceeds	3,042,193	2,000,000	2,000,000	0	0.0%
Transfer from Other Funds	3,000,000	3,000,000	3,000,000	0	0.0%
WASTEWATER REVENUE TOTAL	\$21,333,484	\$20,451,758	\$20,451,758	\$0	0.0%
GAS (OPERATIONAL AND DEBT SERVICE FUNDS)					
Gas Sales Revenue	\$26,962,660	\$25,033,599	\$25,033,599	\$0	0.0%
Other Fees	198,315	333,500	333,500	0	0.0%
Misc. Revenue	108,824	0	1,714,900	1,714,900	N/A
Transfer from Other Funds	355,204	300,000	300,000	0	0.0%
GAS REVENUE TOTAL	\$27,625,003	\$25,667,099	\$27,381,999	\$1,714,900	6.7%

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2020-2021 Budget	Increase/ (Decrease)	% Change
STORMWATER (OPERATIONAL AND DEBT SERVICE FUNDS)					
Stormwater Fee Revenue	\$1,936,711	\$1,944,572	\$1,944,572	\$0	0.0%
Misc. Revenue	80,020	0	0	0	N/A
Bond Proceeds	1,774,967	950,000	950,000	0	0.0%
Transfer from Other Funds	129,683	129,683	129,683	0	0.0%
STORMWATER REVENUE TOTAL	\$3,921,381	\$3,024,255	\$3,024,255	\$0	0.0%
TRANSIT FUND					
Intergovernmental Revenue (Transit Operations)	\$4,909,082	\$4,807,590	\$5,862,229	\$1,054,639	21.9%
Intergovernmental Revenue (Transit Bus Replacement)	669,978	0	0	0	N/A
Transfer from Capital Improvement Program (Local Match)	820,520	21,000	0	(21,000)	(100.0%)
Charges for Services	528,326	776,550	560,664	(215,886)	(27.8%)
Misc. Revenue	60,121	43,382	46,122	2,740	6.3%
Transfer from General Fund (Transit Operations)	2,437,365	2,513,651	2,513,651	0	0.0%
TRANSIT FUND REVENUE TOTAL	\$9,425,392	\$8,162,173	\$8,982,666	\$820,493	10.1%
FLEET MANAGEMENT FUND					
Charges for Services	\$746,996	\$1,108,444	\$1,108,444	\$0	0.0%
FLEET MANAGEMENT FUND REVENUE TOTAL	\$746,996	\$1,108,444	\$1,108,444	\$0	0.0%
INFORMATION TECHNOLOGY FUND					
Charges for Services - IT Operations	\$0	\$0	\$0	\$0	N/A
Charges for Services - GIS Operations	0	0	0	0	N/A
Infrastructure Replacement Pool	246,265	232,900	232,900	0	0.0%
IT Computer Replacement Pool	0	59,000	59,000	0	0.0%
Transfer from Gas Fund (City Link Operations)	1,000,000	1,000,000	1,000,000	0	0.0%
Transfer from Non General Funds (City Link Operations)	198,160	200,000	200,000	0	0.0%
INFORMATION TECHNOLOGY FUND REVENUE TOTAL	\$1,444,425	\$1,491,900	\$1,491,900	\$0	0.0%
WAREHOUSE FUND					
Charges for Services	\$173,673	\$166,389	\$166,389	\$0	0.0%
WAREHOUSE FUND REVENUE TOTAL	\$173,673	\$166,389	\$166,389	\$0	0.0%
CITY SCHOOLS BUDGET					
SCHOOL OPERATIONS (NON GENERAL FUNDS)					
Local Contribution	\$2,464,426	\$2,597,426	\$2,597,426	\$0	0.0%
State Revenue	3,787,377	4,022,697	3,873,409	(149,288)	(3.7%)
Federal Revenue	4,963,560	5,332,594	5,268,802	(63,792)	(1.2%)
Misc. Revenue	1,851,312	2,729,308	2,701,089	(28,219)	(1.0%)
SCHOOL OPERATIONS (NON GENERAL FUND) REVENUE TOTAL	\$13,066,675	\$14,682,025	\$14,440,726	(\$241,299)	(1.6%)

*FY 2019-2020 Revised Budget

Expenditures (All Funds)

	FY2018-2019 General Fund Actual	FY2019-2020 General Fund Budget	FY2020-2021 General Fund Budget	FY2018-2019 Other Funds Actual	FY2019-2020 Other Funds Budget	FY2020-2021 Other Funds Budget
MANAGEMENT						
Council Strategic Initiatives	\$574,748	\$0	\$0	\$0	\$0	\$0
GED Program						
Jefferson School Heritage Center	500,000	0	0	0	0	0
Residents on the Job (CRHA)	2,689	0	0	0	0	0
City Council/Clerk of Council	514,767	609,683	572,629	0	0	0
Office of the City Manager: Administration, Redevelopment Manager, Communications, Economic Development Home to Hope and Office of Equity and Inclusion	2,618,057	2,763,541	3,218,707	0	0	0
Office of the City Attorney	923,864	1,030,055	1,030,055	0	0	0
Office of the General Registrar	598,691	605,508	671,840	0	0	0
Organizational Memberships & Workforce Development Agencies	205,266	235,084	209,784	0	0	0
MANAGEMENT SUBTOTAL	\$5,938,083	\$5,243,871	\$5,703,015	\$0	\$0	\$0
NON-DEPARTMENTAL						
Non-Departmental Activities	\$1,177,328	\$847,855	\$8,553,852	\$0	\$0	\$0
NON-DEPARTMENTAL SUBTOTAL	\$1,177,328	\$847,855	\$8,553,852	\$0	\$0	\$0
DEBT SERVICE PAYMENT						
General Fund Contribution	\$8,210,788	\$8,210,788	\$8,210,788	\$0	\$0	\$0
General Fund Contribution - Fire Apparatus	350,000	350,000	350,000	0	0	0
DEBT SERVICE PAYMENT SUBTOTAL	\$8,560,788	\$8,560,788	\$8,560,788	\$0	\$0	\$0
FUND BALANCE TARGET ADJUSTMENT						
Fund Balance Target Adjustment	\$0	\$481,905	\$481,905	\$0	\$0	\$0
FUND BALANCE TARGET ADJUSTMENT SUBTOTAL	\$0	\$481,905	\$481,905	\$0	\$0	\$0
EMPLOYEE COMPENSATION AND TRAINING						
Compensation and Benefits (3% salary increase July 1, 2018)	\$0	\$2,123,527	\$2,123,527	\$0	\$0	\$0
Compensation and Benefits (4.83% Police mid-year FY 19)	\$0	\$518,410	\$518,410	0	0	0
Contribution to Retirement Fund	1,260,966	0	0	0	0	0
Citywide Attrition Savings	0	(1,000,000)	(1,000,000)	0	0	0
Living Wage Adjustments	0	95,000	0	0	0	0
Health Care Savings	0	(400,000)	0	0	0	0
Unemployment Compensation	36,635	50,000	50,000	0	0	0
Corporate Training Fund	166,019	55,860	0	0	0	0
Miscellaneous Expenses	222,496	234,950	234,950	0	0	0
EMPLOYEE COMPENSATION AND TRAINING SUBTOTAL	\$1,686,116	\$1,677,747	\$1,926,887	\$0	\$0	\$0
INTERNAL SERVICES						
Finance Department: Procurement, Risk Management, Warehouse	\$308,706	\$357,574	\$357,574	\$3,407,140	\$3,791,404	\$3,835,469
Human Resources Department	1,147,157	1,215,923	1,215,923	0	0	0
Information Technology Department	2,851,882	2,996,483	2,996,483	1,467,500	1,491,900	1,662,900
INTERNAL SERVICES SUBTOTAL	\$4,307,746	\$4,569,980	\$4,569,980	\$4,874,640	\$5,283,304	\$5,498,369
FINANCIAL SERVICES						
Office of the Commissioner of Revenue	\$1,377,595	\$1,344,901	\$1,344,901	\$0	\$0	\$0
Finance Department: Administration/City Assessor/ Utility Billing Office	2,211,791	2,187,410	2,187,410	1,714,859	1,748,763	1,800,362
Office of the City Treasurer	1,311,265	1,356,697	1,356,697	0	0	0
FINANCIAL SERVICES SUBTOTAL	\$4,900,650	\$4,889,008	\$4,889,008	\$1,714,859	\$1,748,763	\$1,800,362

	FY2018-2019 General Fund Actual	FY2019-2020 General Fund Budget	FY2020-2021 General Fund Budget	FY2018-2019 Other Funds Actual	FY2019-2020 Other Funds Budget	FY2020-2021 Other Funds Budget
HEALTHY FAMILIES AND COMMUNITY						
Charlottesville Albemarle Convention & Visitors Bureau	\$1,038,546	\$1,103,921	\$1,212,691	\$841,004	\$0	\$0
Children's Services Act	2,064,092	2,004,722	2,004,722	6,434,734	6,440,142	6,440,142
Community Events and Festivals	43,513	45,500	0	0	0	0
Contributions to Children, Youth, and Family Programs	3,795,237	3,782,316	4,461,476	0	0	0
Contributions to Education and the Arts	2,168,565	2,273,706	2,258,805	0	0	0
Department of Social Services	3,236,250	3,302,777	3,602,777	10,170,242	11,489,781	11,419,661
Housing Programs and Tax Relief	1,442,287	2,177,965	1,895,000	0	0	0
Department of Human Services	1,074,537	662,030	641,280	5,232,234	5,910,748	6,620,743
Neighborhood Development Services	3,793,937	3,981,475	2,406,657	0	0	0
Office of Human Rights	222,779	238,438	238,438	0	0	0
Parks and Recreation Department	10,902,564	11,535,820	11,535,820	0	0	0
Parks and Recreation Department: Meadowcreek Golf Course	149,204	128,000	0	814,072	861,940	992,647
HEALTHY FAMILIES AND COMMUNITY SUBTOTAL	\$29,931,511	\$31,236,670	\$30,257,666	\$23,492,286	\$24,702,611	\$25,473,193
INFRASTRUCTURE AND TRANSPORTATION						
Public Works Department: Administration, Facilities Development Facilities Maintenance, Environmental, Fleet Maintenance	\$3,040,089	\$3,333,152	\$3,307,949	\$1,624,812	\$1,770,394	\$1,881,107
Public Works Department: Public Service	7,764,780	7,699,142	9,199,706	0	0	0
Public Works Department: Stormwater Utility	0	0	0	1,876,434	2,913,611	2,902,462
Charlottesville Area Transit and JAUNT Paratransit Services	4,319,456	4,064,567	4,258,067	6,478,123	5,648,522	6,190,015
Public Utilities Department: Gas, Water, Wastewater	0	0	0	62,777,162	63,910,931	68,307,153
INFRASTRUCTURE AND TRANSPORTATION SUBTOTAL	\$15,124,325	\$15,096,861	\$16,765,722	\$72,756,531	\$74,243,458	\$79,280,737
PUBLIC SAFETY AND JUSTICE						
Office of the City Sheriff	\$1,238,761	\$1,275,198	\$1,275,198	\$0	\$0	\$0
Office of the Commonwealth Attorney	1,076,319	1,155,259	1,155,259	0	0	0
Contributions to Programs Supporting Public Safety and Justice	8,037,255	7,850,553	6,746,170	0	0	0
Courts and Other Support Services	1,266,459	1,283,219	1,283,219	0	0	0
Fire Department	12,632,393	12,539,795	12,539,795	0	0	0
Police Department	17,058,647	18,017,555	18,017,555	0	0	0
PUBLIC SAFETY AND JUSTICE SUBTOTAL	\$41,309,834	\$42,121,579	\$41,017,196	\$0	\$0	\$0
LOCAL CONTRIBUTION TO SCHOOLS						
Local Contribution to Schools	\$53,998,202	\$57,366,623	\$57,834,623	\$0	\$0	\$0
SCHOOLS SUBTOTAL	\$53,998,202	\$57,366,623	\$57,834,623	\$0	\$0	\$0
TOTAL CITY OPERATIONS	\$166,934,583	\$172,092,887	\$180,560,642	\$102,838,316	\$105,978,136	\$112,052,661
DESIGNATED EXPENDITURES						
Contractual Services: Pupil Transportation	\$2,562,200	\$2,972,130	\$2,972,130	\$0	\$0	\$0
Contractual Services: School Building Maintenance	3,889,380	3,816,780	3,816,780	0	0	0
Transfer to Capital Improvement Program Fund	8,734,280	6,968,323	900,000	0	0	0
Transfer to Capital Improvement Program Fund: Mall Vendor Fees	0	125,000	93,750	0	0	0
Transfer to Facilities Repair Fund	400,000	400,000	400,000	0	0	0
Transfer to Debt Service Fund (Meals Tax Portion)	2,442,560	2,488,800	2,452,571	0	0	0
Transfer to Miscellaneous Funds	0	0	0	0	0	0
DESIGNATED EXPENDITURES TOTAL	\$18,028,419	\$16,771,033	\$10,635,231	\$0	\$0	\$0
TOTAL CITY BUDGET	\$184,963,002	\$188,863,920	\$191,195,873	\$102,838,316	\$105,978,136	\$112,052,661
CITY SCHOOLS BUDGET						
	FY2018-2019 General Fund Actual	FY2019-2020 General Fund Budget	FY2020-2021 General Fund Budget	FY2018-2019 Other Funds Actual	FY2019-2020 Other Funds Budget	FY2020-2021 Other Funds Budget
SCHOOL OPERATIONS						
School Operations	\$73,841,105	\$73,841,105	\$73,577,362	\$13,066,675	\$14,682,025	\$14,440,726
TOTAL SCHOOL OPERATIONS BUDGET	\$73,841,105	\$73,841,105	\$73,577,362	\$13,066,675	\$14,682,025	\$14,440,726

*FY 2019-2020 Revised Budget

School Operations



Local Contribution to Schools

City Strategic Goals Key:



Goal 1: An Inclusive Community of Self-sufficient Residents



Goal 2: A Healthy and Safe City



Goal 3: A Beautiful and Sustainable Natural and Built Environment



Goal 4: A Strong, Creative and Diversified Economy



Goal 5: A Well-managed and Responsive Organization

Charlottesville City School Operations

Charlottesville City Schools provide high quality education for more than 4,500 racially, ethnically, and economically diverse students in PreK through twelfth grade. This includes six elementary schools, one upper elementary school, one middle school, and one high school under the direction of the Charlottesville School Board. Other options for high-school students in the City include Lugo-McGinness Academy, which serves students in a smaller and more therapeutic setting, and the Charlottesville-Albemarle Career and Technical Education Center (CATEC), which is operated jointly with Albemarle County Public Schools. Free preschool programs -- including locally-funded classes for three-year-olds -- serve young people who qualify because of economic or other challenges. Adult programs are also available through the schools’ partnership with PVCC at the Thomas Jefferson Adult and Career Education Center and CATEC. In addition, the City Schools operate the University of Virginia Medical Center’s Hospital Education Program. Charlottesville City Schools have won national and international attention in areas such as social-emotional learning, STEM, and fine arts. The schools are committed to making opportunities and school-wide supports easily available to all students.

Developed by the School Board, the budget is formally presented to City Council in March and is appropriated with the City’s budget in April.

Approximately **15.54%** of the City’s debt service payment from the general fund is for school projects. There is **\$3.4 million** in the FY 21 Capital Improvement Program dedicated to schools capital projects.

Charlottesville City School Operations Funding Summary

Funding Summary	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget*	FY 2021 Budget	Increase/ (Decrease)	% Change
Local Contribution	\$49,330,604	\$51,330,604	\$53,998,202	\$57,834,623	\$57,834,623	\$0	0.0%
State Funds	19,778,315	21,676,512	19,473,908	20,857,813	21,014,925	\$157,112	0.8%
Federal Funds	5,116,687	4,984,402	4,974,385	5,356,594	5,280,802	(\$75,792)	-1.4%
Fund Balance	0	267,851	0	782,410	720,649	(\$61,761)	-7.9%
Other	<u>3,416,911</u>	<u>3,386,245</u>	<u>2,906,221</u>	<u>3,691,690</u>	<u>3,167,089</u>	<u>(\$524,601)</u>	<u>-14.2%</u>
Total	\$77,642,517	\$81,645,614	\$81,352,716	\$88,523,130	\$88,018,088	(\$505,042)	-0.6%
Schools General Fund Total	\$63,010,487	\$66,560,985	\$68,286,041	\$73,841,105	\$75,355,891	\$1,514,786	2.1%
Schools Non General Fund Total	<u>14,632,030</u>	<u>15,084,629</u>	<u>13,066,675</u>	<u>14,682,025</u>	<u>12,662,197</u>	<u>(\$2,019,828)</u>	<u>-13.8%</u>
Total	\$77,642,517	\$81,645,614	\$81,352,716	\$88,523,130	\$88,018,088	(\$505,042)	-0.6%

*FY 2020 Revised Budget

The Charlottesville City School Board produces a separate comprehensive line item budget and budget document. For more detailed information on the Charlottesville City Schools FY 2020-2021 Budget please visit their website at: <http://charlottesvilleschools.org/home/about-ccs/budget/>.

Note: The revised budget for FY 2020 City contribution reflects a \$468,000 mid-year FY 2020 supplement appropriation for a gifted teacher program.

Capital Improvement Program Fund

Capital Improvement Program (CIP) Overview

The Capital Improvement Program (CIP) provides funding for streets, public buildings (both governmental and school facilities), land, and other capital assets. Capital improvement projects are projects, which generally have a life of 5 years, or more, cost more than \$50,000, and are non-operational in nature. City Council adopted budget guidelines and established a policy to allocate an amount no less than 3% of the General Fund budget for capital improvements.

The annual capital budget is part of the City's multi-year Capital Improvement Program, which is designed to coordinate the planning, financing, and construction of capital projects. Separate funding is adopted in the General Fund budget for the smaller maintenance projects, which are handled in the Facilities Repair Fund.

Many factors are taken into consideration during the development of the capital budget. For instance, the aging of public facilities and infrastructure, the need to accommodate a growing population, and enhancement of quality of life within the City. For these reasons, the City must respond to the capital needs of the community with investments aimed at improving, revitalizing, and maintaining the existing facilities and infrastructure of the City of Charlottesville.

CIP Process and Timeline

The City's CIP process is designed to coordinate and align capital projects with Council's strategic priorities while also balancing capital investments with available financial resources. The process attempts to also capture the true life cycle cost of the projects – including not only initial construction costs but also operational and replacement costs.

The City's 5-year capital improvement process officially begins in August of each year, when City departments receive the CIP submission request forms and start planning their requests for the upcoming five-year capital plan. The CIP request forms are received at the end of September by the Office of Budget and Performance Management, which organizes and prepares the submissions for review, and forwards the requests to the CIP **Budget Development Committee**. The **Budget Development Committee** consists of the City Manager, the two Deputy City Managers, the Finance Director and the Senior Budget and Management Analysts.

In an effort to increase outreach and engagement with neighborhoods during the CIP budgeting process, the City began soliciting CIP submissions requests from the various Neighborhood Associations located throughout the City of Charlottesville in FY 20. For FY 21, a modified and less complex CIP request packet was distributed to the neighborhood associations asking the neighborhoods to submit capital budget ideas as part of the FY 21-25 CIP process. These requests were received by the Office of Budget and Performance Management at the beginning of October and forwarded to the departments associated with the request for review and further refinement of the request. Projects that were not already funded or requested as part of another larger project, (i.e. New Sidewalks, Bicycle and Pedestrian Improvements, Neighborhood Transportation Improvements, etc.) were added to the FY 21 – 25 CIP submissions to be reviewed by the **Budget Development Committee**.

CIP Process and Timeline (cont.)

In September a work session was held to engage and discuss capital budgeting with the City Council. This helped to guide the deliberations of the Budget Development Committee in their review of the CIP submissions. The **Budget Development Committee** met throughout October and November to develop a recommendation that was then presented to the Planning Commission for feedback and approval at their November work session and December Public Hearing. After the public hearing, the Planning Commission puts forth its own set of recommendations and proposed changes for City Council to consider.

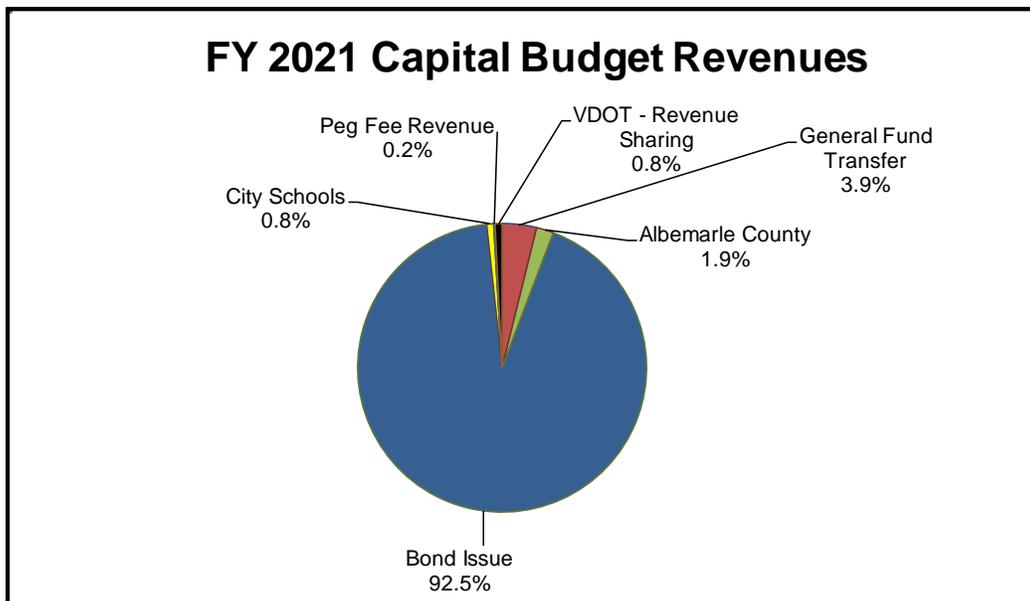
The revised five-year CIP, along with the proposed Planning Commission recommendations, are forwarded to the City Manager and City Council for inclusion in the annual budget. On March 16, 2020, a previous version of a Proposed CIP was formally presented to City Council as part of an overall Proposed City Operating and Capital Budget. The CIP budget now being presented represents revisions that attempt to more accurately reflect the City's CIP affordability based on the projected financial impacts of the COVID-19 pandemic.

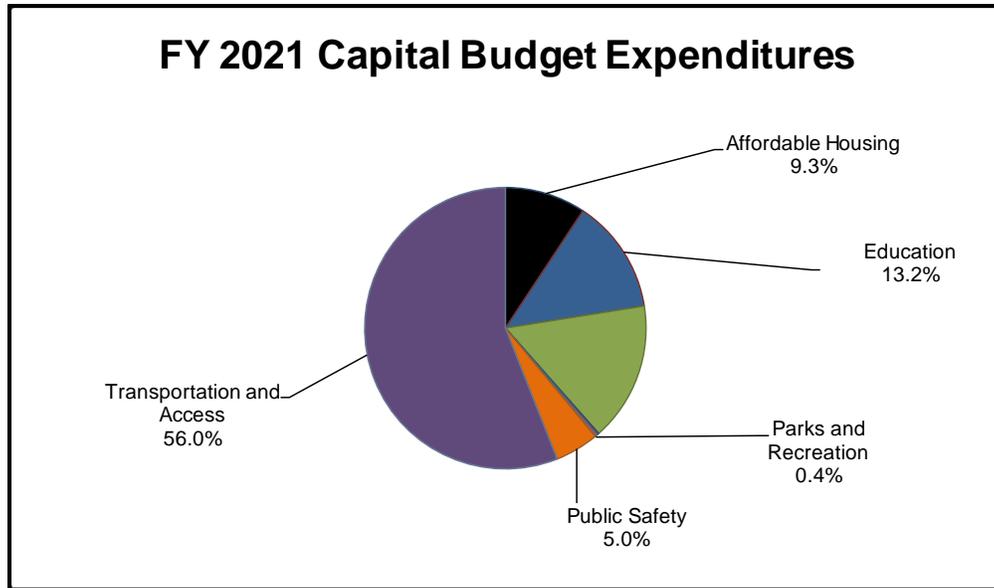
The CIP budget now being proposed includes bond funded projects or projects with revenue offsets. \$900,000 is allocated for Supplemental Rental Assistance to continue the previous commitment by City council for housing vouchers but all the remaining planned CIP cash funding will now be held in a contingency fund in the General Fund to be used, if needed, to offset further potential impacts related to the economic downturn caused by the pandemic.

FY 2021 Capital Improvement Program Revenues and Expenditures

The **FY 21-25** Capital Improvement Program recommends the use of approximately **\$84.19 million** in long-term debt to finance a portion of the **\$124.12 million** multi-year program. The balance will be funded through transfers of funds from the General Fund, PEG (public, education and governmental) programming fees, revenue sharing funds from Virginia Department of Transportation (VDOT), contributions from Albemarle County and the Charlottesville City Schools.

The Capital Improvement Program for **FY 21** contains bondable projects totaling **\$24.56 million**, along with non-bondable projects totaling **\$1.23 million**, for a total capital improvement program budget equaling **\$25.79 million**.





Capital Improvement Program Alignment to the Strategic Plan

City Council has identified five priority areas: **Affordable Housing, Race and Equity, Workforce Development, Economic Development, and Safety, Security and Preparedness.** The expenditures that fall under these priorities are listed first.

Strategic Plan Priority Areas



Affordable Housing

In the FY 21 Capital Improvement Program \$2.40 million is allocated for Affordable Housing projects.

Charlottesville Housing and Redevelopment is to receive \$1,500,000 in the FY 21 CIP for the future redevelopment of the City’s public housing sites.

\$900,000 is allocated for **Supplemental Rental Assistance** to continue the previous commitment by City council for housing vouchers.



Safety, Security and Preparedness

\$300,000 is allocated in FY 21 to fund half of the cost new **General District Court.** The remaining needed funds are currently programmed in FY 22 CIP. This is for the construction of a new court as part of an agreement the City has with Albemarle County.

\$995,500 is allocated to replace **Fire apparatus**

Other Strategic Plan Areas



Prepare students for academic and vocational success

Continues a strong commitment to the schools, providing \$3.4 million in capital funding for school facility improvements, including \$1.25 million for **Charlottesville City Schools Priority Improvement projects.**



Engage in robust and context sensitive urban planning and implementation

\$4.0 million is allocated in FY 21, to fund a significant urban design and streetscape improvement project for **West Main Street Corridor Improvements** that could include changes to the street profile, green infrastructure, trees and street furniture.

As part of the FY 21 CIP, **Small Area Plans** will receive \$100,000. The Comprehensive Plan Update identified several specific areas of the city where planning and design issues or investment opportunities may warrant additional study through the development of specific small area plans in the coming years.



Provide reliable and high quality infrastructure

SIA Immediate Implementation will receive \$200,000 in the FY 21 CIP. This funding is intended to facilitate completion of projects outlined in the Strategic Investment Area Plan. The FY 21 CIP allocates \$1.4 million in funding to go towards **Undergrounding Utilities**. \$5 million is allocated to fund the remaining local dollars needed to match the State matching funds for the replacement of the **Belmont Bridge**.



Provide a variety of transportation and mobility options

\$100,000 is allocated for **New Sidewalks** and \$500,000 for **Sidewalk Repair**

Description of Capital Projects

Bondable Projects

Education

In FY 21, \$1.2 million is included for various City School capital improvements including projects relating to health/safety, facility asset preservation, code compliance (building & fire codes, and ADA), scheduled/periodic maintenance and quality of space/functionality. Some of the items proposed to be covered by this appropriation include: CCS Modular Classrooms, Buford Envelope Restoration, Johnson Pedestrian lighting, School Security. \$750,000 is also provided for the schools HVAC replacement plan, as well as funding of \$1.25 million for City Schools priority improvement projects.

Facilities Capital Projects

Facilities Capital Projects is allocated \$4.12 million for improvements and repairs to various City facilities. These include: CATEC roof replacement \$500,000 and \$2.25 million for Smith Recreation Center Indoor Air Quality Improvements. This funding also provides for the City facility HVAC replacement plan and the City/School Solar PV program projects.

Public Safety and Justice

In FY 21 \$300,000 is allocated for the construction of a new General District Court and \$995,500 is allocated for Fire apparatus replacement.

Transportation and Access

For FY 21, a total of \$14.45 million is allocated to Transportation and Access projects which include: \$100,000 for the design and construction of new sidewalks; \$500,000 for sidewalk repair (including ADA ramp upgrades on streets scheduled to be paved); \$4,000,000 for the West Main Improvements project; \$200,000 SIA Immediate Implementation; \$100,000 Small Area Plan; \$2,000,000 for a new parking structure, \$240,000 for ADA Pedestrian Signal upgrades;\$50,000 for Blight Remediation, \$200,000 for Traffic Signal Infrastructure Replacement, \$50,000 for Historic Resources, \$1,430,000 to go towards the undergrounding of utilities; \$150,000 for State Revenue Sharing match; and \$225,101 for minor bridge repairs; \$200,000 for ADA improvements to sidewalks and curbs throughout the City and \$5,000,000 as part of the local match for the Belmont Bridge replacement..

Affordable Housing

\$1.5 million is allocated in FY 21 and an additional \$10.5 million is projected in FY 22 - 25 for a total of \$12 million over the 5 year CIP for the redevelopment of the City's Public Housing sites.

Non-Bondable Projects

Education

\$200,000 is allocated for the Charlottesville City Schools small capital improvement program, and is offset through a contribution from the schools specifically for this program.

Parks and Recreation

The Parks and Recreation Department is allocated \$93,750 for Downtown Mall infrastructure repairs this funding is provided by the café permit fees paid by downtown vendors.

Technology Infrastructure

The Communications Technology Account/Public Access Television project is allocated \$40,000 in order to allow the City to continue upgrading and improving its cable network services and programming to the citizens of Charlottesville. This item is offset 100% by PEG Fees paid to the City through the Comcast franchise agreement.

Affordable Housing

Non Bondable housing projects are allocated \$900,000 for supplemental rental assistance vouchers.

**Proposed Capital Improvement Program
FY 2021-2025**

	<u>Proposed FY21</u>	<u>Projected FY22</u>	<u>Projected FY23</u>	<u>Projected FY24</u>	<u>Projected FY25</u>	<u>5 Year Total</u>
Revenues						
Transfer from General Fund	900,000	10,943,663	7,616,543	9,150,200	8,292,570	36,902,976
Transfer from General Fund - Mall Vendor Fees	93,750	95,000	95,000	95,000	95,000	473,750
Contribution from Albemarle County (CATEC)	500,000	90,000	62,500	0	0	652,500
Contribution from Schools (Small Cap Program)	200,000	200,000		200,000	200,000	1,000,000
PEG Fee Revenue	40,000	40,000	40,000	40,000	40,000	200,000
VDOT - Rev Share Hydraulic	150,000	0	0	0	0	150,000
VDOT - Rev Share East High Signalization	50,000	500,000	0	0	0	550,000
CY 2021 Bond Issue	23,861,092	0	0	0	0	23,861,092
CY 2022 Bond Issue		30,533,296	0	0	0	30,533,296
CY 2023 Bond Issue		0	9,587,755	0	0	9,587,755
CY 2024 Bond Issue		0	0	13,096,486	0	13,096,486
CY 2025 Bond Issue		0	0	0	7,110,575	7,110,575
TOTAL AVAILABLE REVENUES	\$25,794,842	\$42,401,959	\$17,601,798	\$22,581,686	\$15,738,145	\$124,118,430
Expenditures						
BONDABLE PROJECTS						
EDUCATION						
<u>Project</u>	<u>REVISED FY21</u>	<u>Projected FY22</u>	<u>Projected FY23</u>	<u>Projected FY24</u>	<u>Projected FY25</u>	<u>5 Year Total</u>
Lump Sum to Schools (City Contribution)	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
City Schools HVAC Replacement	750,000	750,000	750,000	750,000	750,000	3,750,000
City Schools Reconfiguration Design and Planning	0	0	0	0	0	6,250,000
City Schools Priority Improvement Projects	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	7,570,000
Charlottesville High School Roof Replacement	0	120,000	1,200,000	0	0	1,320,000
SUBTOTAL	\$3,200,000	\$3,320,000	\$4,400,000	\$3,200,000	\$3,200,000	\$17,320,000
FACILITIES CAPITAL PROJECTS						
<u>Project</u>	<u>REVISED FY21</u>	<u>Projected FY22</u>	<u>Projected FY23</u>	<u>Projected FY24</u>	<u>Projected FY25</u>	<u>5 Year Total</u>
Lump Sum to Facilities Capital Projects	1,545,491	1,045,491	1,045,491	1,045,492	1,045,491	5,727,456
City Facility HVAC Replacement	250,000	250,000	250,000	250,000	250,000	1,250,000
City and Schools Solar PV Program	75,000	75,000	75,000	75,000	75,000	375,000
Smith Recreation Indoor Air Quality Corrections	2,250,000	0	0	0	0	2,250,000
SUBTOTAL	4,120,491	\$1,370,491	\$1,370,491	\$1,370,492	\$1,370,491	\$9,602,456
PUBLIC SAFETY AND JUSTICE						
<u>Project</u>	<u>REVISED FY21</u>	<u>Projected FY22</u>	<u>Projected FY23</u>	<u>Projected FY24</u>	<u>Projected FY25</u>	<u>5 Year Total</u>
General District Court	300,000	6,062,028	0	0	0	6,362,028
Replacement Fire Apparatus	995,500	0	0	1,152,415	0	2,147,915
Replacement EMS Apparatus	0	377,553	0	0	0	377,553
SUBTOTAL	\$1,295,500	\$6,439,581	\$0	\$1,152,415	\$0	\$8,887,496
TRANSPORTATION AND ACCESS						
<u>Project</u>	<u>REVISED FY21</u>	<u>Projected FY22</u>	<u>Projected FY23</u>	<u>Projected FY24</u>	<u>Projected FY25</u>	<u>5 Year Total</u>
Undergrounding Utilities	1,430,000	0	0	0	0	1,430,000
New Sidewalks	100,000	100,000	100,000	100,000	100,000	500,000
Sidewalk Repair	500,000	500,000	500,000	500,000	500,000	2,500,000
West Main Improvements	4,000,000	4,000,000	0	0	0	8,000,000
SIA Immediate Implementation	200,000	200,000	200,000	200,000	200,000	1,000,000
Small Area Plans	100,000	100,000	100,000	100,000	100,000	500,000
Street Milling and Paving	0	1,000,000	2,000,000	2,000,000	2,000,000	7,000,000
Parking Structure	2,000,000	8,000,000	0	0	0	10,000,000
ADA Pedestrian Signal Upgrades	240,000	240,000	240,000	240,000	240,000	1,200,000
Minor Bridge Repairs	225,101	231,854	238,810	245,974	253,353	1,195,092
Citywide ADA Improvements - Sidewalks and Curbs	200,000	200,000	200,000	200,000	200,000	1,000,000
Traffic Signal Infrastructure Replacement	200,000	228,000	757,120	787,405	818,901	2,791,426
Historic Resources	50,000	0	0	0	0	50,000
Blight Remediation	50,000	0	0	0	0	50,000
Hydraulic/250 Intersection Turn Lane - VDOT Rev Share	150,000	0	0	0	0	150,000
East High Street Signalization - VDOT Rev Share	0	1,000,000	0	0	0	1,000,000
Belmont Bridge - Local Match	5,000,000	2,500,000	0	0	0	7,500,000
SUBTOTAL	\$14,445,101	\$18,299,854	\$4,335,930	\$4,373,379	\$4,412,254	\$45,866,518
PARKS AND RECREATION						
<u>Project</u>	<u>REVISED FY21</u>	<u>Projected FY22</u>	<u>Projected FY23</u>	<u>Projected FY24</u>	<u>Projected FY25</u>	<u>5 Year Total</u>
City/County Joint Parks - Darden Towle	0	193,370	0	0	0	193,370
SUBTOTAL	\$0	\$193,370	\$0	\$0	\$0	\$193,370
AFFORDABLE HOUSING						
<u>Project</u>	<u>REVISED FY21</u>	<u>Projected FY22</u>	<u>Projected FY23</u>	<u>Projected FY24</u>	<u>Projected FY25</u>	<u>5 Year Total</u>
Public Housing Redevelopment - (CRHA)	1,500,000	1,500,000	3,000,000	3,000,000	3,000,000	12,000,000
SUBTOTAL	\$1,500,000	\$1,500,000	\$3,000,000	\$3,000,000	\$3,000,000	\$12,000,000
TOTAL BONDABLE PROJECTS	\$24,561,092	\$31,123,296	\$13,106,421	\$13,096,286	\$11,982,745	\$93,869,840

NONBONDABLE PROJECTS

	REVISED	Projected	Projected	Projected	Projected	5 Year
Project	FY21	FY22	FY23	FY24	FY25	Total
EDUCATION						
School Small Capital Improvements Program	200,000	200,000	200,000	200,000	200,000	1,000,000
SUBTOTAL	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
ECONOMIC DEVELOPMENT						
Economic Development Strategic Initiatives	0	150,000	150,000	150,000	150,000	600,000
SUBTOTAL	\$0	\$150,000	\$150,000	\$150,000	\$150,000	\$600,000
PUBLIC SAFETY AND JUSTICE						
Police Mobile Data Terminals	0	405,344	202,667	0	0	608,011
Police Portable Radio Replacement	0	75,000	75,000	75,000	75,000	300,000
Fire Portable Radio Replacement	0	75,000	75,000	75,000	75,000	300,000
Sheriff Portable Radio Replacement	0	40,000	40,000	40,000	40,000	160,000
SUBTOTAL	\$0	\$595,344	\$392,667	\$190,000	\$190,000	\$1,368,011
TRANSPORTATION & ACCESS						
State Bridge and Highway Inspections	0	40,000	60,000	80,000	100,000	280,000
CAT Transit Bus Replacement Match	0	134,000	139,510	114,400	114,400	502,310
Intelligent Transportation System	0	180,786	450,000	100,000	100,000	830,786
City Wide Traffic Engineering Improvements	0	150,000	150,000	150,000	150,000	600,000
Neighborhood Transportation Improvements	0	50,000	50,000	50,000	50,000	200,000
Bicycle Infrastructure	0	150,000	150,000	150,000	150,000	600,000
Right of Way Appurtenance	0	129,000	129,000	129,000	129,000	516,000
Traffic Sign Retro Reflective Compliance	0	122,762	63,222	0	0	185,984
ADA Ramp Corrections	0	134,930	138,978	0	0	273,908
SUBTOTAL	\$0	\$1,091,478	\$1,330,710	\$773,400	\$793,400	\$3,988,988
PARKS & RECREATION						
Parks and Recreation Lump Sum Account	0	200,000	200,000	200,000	200,000	800,000
Parks and Schools Playground Renovations	0	112,000	112,000	112,000	112,000	448,000
Urban Tree Planting	0	75,000	75,000	75,000	75,000	300,000
Parkland and Trails Acquisition and Development	0	250,000	125,000	125,000	125,000	625,000
Refurbish Parks Restrooms	0	50,000	0	0	0	50,000
Downtown Mall Infrastructure Repairs	93,750	95,000	95,000	95,000	95,000	473,750
SUBTOTAL	\$93,750	\$782,000	\$607,000	\$607,000	\$607,000	\$2,696,750
TECHNOLOGY INFRASTRUCTURE						
Communications Technology Account/Public Access	40,000	40,000	40,000	40,000	40,000	200,000
City Wide IT Strategic Infrastructure	0	250,000	250,000	250,000	250,000	1,000,000
SUBTOTAL	\$40,000	\$290,000	\$290,000	\$290,000	\$290,000	\$1,200,000
AFFORDABLE HOUSING						
Supplemental Rental Assistance	900,000	900,000	900,000	900,000	900,000	4,500,000
Housing Rehabilitation	0	500,000	500,000	500,000	500,000	2,000,000
Friendship Court Infrastructure Improvements	0	2,000,000	0	2,500,000	0	4,500,000
Friendship Court Redevelopment - Phase 1	0	394,841	0	0	0	394,841
Friendship Court Redevelopment - Phase 2	0	3,250,000	0	0	0	3,250,000
Friendship Court Redevelopment - Phase 3	0	0	0	3,250,000	0	3,250,000
SUBTOTAL	\$900,000	\$7,844,841	\$1,400,000	\$7,150,000	\$1,400,000	\$18,694,841
OTHER GOVERNMENTAL PROJECTS						
Home Energy Conservation Grant Program	0	125,000	125,000	125,000	125,000	500,000
Citywide Fee Study	0	200,000	0	0	0	200,000
SUBTOTAL	\$0	\$325,000	\$125,000	\$125,000	\$125,000	\$700,000
TOTAL NONBONDABLE PROJECTS	\$1,233,750	\$11,278,663	\$4,495,377	\$9,485,400	\$3,755,400	\$30,248,590
TOTAL PROJECT EXPENDITURES	\$25,794,842	\$42,401,959	\$17,601,798	\$22,581,686	\$15,738,145	\$124,118,430

Other Non General Funds



Communications System Fund

Debt Service Fund

Equipment Replacement Fund

Facilities Repair Fund

Health Care Fund

Parking Enterprise Fund

Retirement Fund

Risk Management Fund

Communications System Fund

The Communications System Fund provides the necessary funding for the operation of the City of Charlottesville’s citywide phone system and the City’s mailroom operations throughout the fiscal year. The citywide phone system is managed by the Department of Information Technology and funded through user fees. This portion of the Communications System Fund includes base rates for phones, long distance, maintenance contracts, and any software upgrades related to the phone system.

Mailroom operations are also included in the Communications System Fund. Mailroom expenses include the cost of postage and maintenance contracts for postage meter machines. This portion of the Communications System Fund is funded by the departments through fees for usage of the postage machines.

<u>Fund Detail</u>	<u>FY 18 - 19</u> <u>Actual</u>	<u>FY 19-20</u> <u>Budget</u>	<u>FY 20-21</u> <u>Budget</u>
Beginning Fund Balance	\$175,783	\$171,673	\$178,917
<u>Revenues</u>			
Phone Fees	187,068	203,331	203,331
Postage Revenue	68,183	77,500	77,500
Total Revenues	\$255,251	\$280,831	\$280,831
<u>Expenditures</u>			
Salaries	76,004	77,708	77,708
Telephone Services	107,724	87,517	87,517
Service Contracts	7,052	48,362	48,362
Postage Expenditures	66,420	60,000	60,000
Other Expenditures	2,160	-	-
Total Expenditures	\$259,360	\$273,587	\$273,587
Net Gain/(Loss)	(4,110)	7,244	7,244
Ending Fund Balance	\$171,673	\$178,917	\$186,161

Debt Service Fund

The City's Debt Service Fund provides the funds necessary to retire the City's general government outstanding bonded indebtedness. General obligation bonds are used to pay the cost of various public improvements.

The City's current level of bonded indebtedness (at June 30, 2019) is indicated by four key financial indicators: net bonded debt of \$74,940,659, a ratio of debt to assessed value of 0.98%, net bonded debt per capita of \$1,519, and a ratio of Debt Service to total General Fund expenditures of 5.66%. All of these indicators of the City's debt position are very positive and consequently the City has received the highest bond rating (AAA) from the two major rating agencies, Moody's and Standard & Poor's. Both Moody's and Standard & Poor's confirmed this AAA bond rating in May 2019. The City's legal debt limit, as authorized by the Code of Virginia, is 10% of the total assessed value of real estate subject to local taxation. In 2019, the legal debt limit was \$764,789,300. The City's current general obligation indebtedness is \$136,905,038, which includes debt being repaid by the City's utility funds. The City also has a financial policy of Debt service as a percentage of the general fund total expenditure budget has a ceiling of 10%, with a target of 9% (pg. A-9).

<u>Fund Detail</u>	FY18-19 <u>Actual</u>	FY19-20 <u>Budget*</u>	FY20-21 <u>Budget</u>		
Beginning Fund Balance	\$11,905,368	\$12,830,074	\$13,255,402		
Revenues					
General Fund Transfer	\$8,560,784	\$8,560,788	\$8,560,788		
Meals Tax Revenue	2,442,564	2,488,800	2,452,571		
Interest	147,680	-			
2010 BABs Rebate	148,845	147,677	136,647		
Refunding Proceeds					
Total Revenues	\$11,299,873	\$11,197,265	\$11,150,006		
Expenditures					
Bonds-	<u>Total</u>	<u>Total</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
Series - 2009	885,733	133,907	127,764	122,850	4,914
Series - 2010	802,461	781,846	760,732	499,150	261,582
Series - 2011	554,800	544,350	529,150	380,000	149,150
Series - 2012	2,757,083	2,678,813	3,105,307	2,692,900	412,407
Series - 2013	417,200	406,000	394,800	280,000	114,800
Series - 2014	757,078	729,570	447,969	330,000	117,969
Series - 2015	1,924,832	2,593,471	1,998,547	1,322,518	676,028
Series - 2016	737,468	720,239	701,096	382,860	318,236
Series - 2017	959,119	933,919	905,919	560,000	345,919
Series - 2018	386,112	415,676	399,050	230,000	169,050
Series - 2019	-	784,146	846,750	480,000	366,750
Subtotal	\$ 10,181,885.91	\$10,721,937	\$10,217,083	7,280,278	2,936,805
Administrative Costs - 2021001000	193,281	50,000			
Subtotal	\$193,281	\$50,000	\$0		
Total Expenditures	\$ 10,375,166.70	\$10,771,937	\$10,217,083		
Net Gain/(Loss)	924,706	425,328	932,923		
Ending Fund Balance	\$12,830,074	\$13,255,402	\$14,188,325		

* Revised FY 2020 Budget

Equipment Replacement Fund

The City’s fleet consists of 661 vehicles and pieces of equipment, 493 of which are replaced using this fund. The other 168 are Utilities, Fire apparatus and Social Services vehicles replaced by other means. The Equipment Replacement Fund is targeted at reducing the operating costs of the City’s fleet through preventive maintenance programs, selection of fuel efficient and alternatively fueled vehicles, and a scheduled replacement program. It has three major objectives:

1. To objectively evaluate equipment purchases from an economic perspective (maintenance and operating costs versus capitalization of new vehicles).
2. To stabilize the fluctuations in the annual budget due to equipment and vehicle purchases.
3. To function as a major component in the City’s comprehensive fleet management program. This program includes an annual evaluation of the replacement needs of the City’s fleet by the Fleet Advisory Committee and the annual budgeting of the funds necessary to accomplish this replacement.

<u>Fund Detail</u>	<u>FY 18-19</u> <u>Actual</u>	<u>FY 19-20</u> <u>Budget*</u>	<u>FY 20-21</u> <u>Budget</u>
Beginning Fund Balance	\$ 2,103,574	\$ 1,456,554	\$ 1,456,554
<u>Revenues</u>			
Transfer from General Fund	1,371,786	1,332,586	1,332,586
Other Revenue and Sales	55,935	-	-
Total Revenues	\$ 1,427,721	\$ 1,332,586	\$ 1,332,586
<u>Expenditures</u>			
Vehicle/Equipment Replacement	2,074,741	1,332,586	1,332,586
Total Expenditures	\$ 2,074,741	\$ 1,332,586	\$ 1,332,586
Net Gain/(Loss)	(647,020)	-	-
Ending Fund Balance	\$ 1,456,554	\$ 1,456,554	\$ 1,456,554

*Revised 2020 Budget

Note: All of the vehicles and pieces of equipment that are to be recommended for replacement during FY 21 have been determined to be beyond their useful life in accordance with the City of Charlottesville and national replacement standards. These funds will be transferred from the General Fund into the Equipment Replacement Fund and are reflected in the revenues shown above. Small vehicles (priced under \$50,000) scheduled to be replaced include pickup trucks and sedans. Large vehicles and equipment, \$50,000 and over, scheduled to be replaced include several dump trucks.

Facilities Repair Fund

The Facilities Repair Fund, an internal service fund, provides funding to preserve the City's investment of numerous non-school facilities which have annual maintenance requirements. A schedule of non-routine preventive maintenance/repair and minor facility rehabilitation maintains an acceptable level of facility condition, and reduces the need for future, more expensive repair or replacement. This annual funding is based upon information obtained from facility assessments and analyses of the estimated useful life of facility components. The repair of the taxpayers' investment in the City's facilities remains the best defense against the enormous cost of total construction/renovation of the City's very valuable public facilities.

<u>Fund Detail</u>	<u>FY 18-19</u> <u>Actual</u>	<u>FY 19-20</u> <u>Budget*</u>	<u>FY 20-21</u> <u>Budget</u>
Beginning Fund Balance	\$ 839,160	\$ 861,188	\$ 217,445
<u>Revenues</u>			
Transfer from General Fund	400,000	400,000	400,000
Other Revenue	54,633	-	-
Total Revenues	\$ 454,633	\$ 400,000	\$ 400,000
<u>Expenditures</u>			
City Facilities/Buildings	432,605	1,043,743	200,000
Total Expenditures	\$ 432,605	\$1,043,743	\$ 200,000
Net Gain/(Loss)	22,028	(643,743)	200,000
Ending Fund Balance	\$ 861,188	\$ 217,445	\$ 417,445

*Revised 2020 Budget

Note: Several projects are planned for City facilities including concrete and exterior building repairs, electrical work, masonry, safety, ADA improvements, and other interior and exterior finish replacement projects. While only a portion of the funds are actually budgeted to be spent in FY 21, the remaining funds are used to address unplanned or unexpected repair issues as they arise during the year.

The Health Department Building repairs are no longer part of the Facilities Repair Fund. Instead a separate building fund was created and those funds are no longer part of the City budget.

Health Care Fund

The Health Care Fund is the funding source for the City's health-related benefits provided to participants in the City's health care programs. The City self-insures its medical and dental insurance plans, meaning that the City is responsible for paying all claims and expenses generated by the program's participants. Each year an actuarial analysis is conducted to determine the expected revenue requirements for the next fiscal year. The analysis evaluates prior year claims, participation levels, and any proposed plan design changes, to determine the required level of funding to cover claims costs. The Fund also pays for the associated Wellness Initiatives, which are an integral part of the City's medical cost containment strategy.

Fund Details	FY 18-19 Actual	FY 19-20 Budget*	FY 20-21 Budget
Beginning Fund Balance	\$ 5,802,215	\$ 8,069,445	\$ 8,119,163
Revenues			
Department contributions (including JMRL)	8,988,525	9,200,000	9,112,000
Employee/Retiree contributions	4,271,079	3,972,000	4,279,000
Retirement fund contribution	3,917,080	4,149,365	3,972,000
Employee and retiree payments for Physical Fitness Clubs	217,123	230,000	225,000
Flexible Spending and HRA Account Forfeitures	105,466	15,000	15,000
Refund of Prior Year Expenditures	26	-	-
Total Revenues	\$ 17,499,298	\$ 17,566,365	\$ 17,603,000
Expenditures			
Medical Expenses			
Self-insurance medical claims and administrative costs	11,781,411	13,844,328	14,595,000
Insurance premiums - Medicare Supplement	1,915,680	1,900,000	1,950,000
Affordable Care Act contributions and excise tax	3,968	5,000	5,000
HMO - Health reimbursement account	113,832	190,000	190,000
Dental claims and administrative costs	751,356	810,000	800,000
Total Medical and Dental expenses	\$ 14,566,247	\$ 16,749,328	\$ 17,540,000
Other Expenses			
Temporary Staffing	20,050	25,000	25,000
City payments for Fitness Program	354,952	410,000	375,000
Employee Assistance Program	14,816	25,000	15,000
Health care consultants	47,136	60,000	60,000
Wellness Initiatives	21,906	20,000	15,000
Flu Shots	7,000	10,000	7,500
Medical insurance opt-out payment	24,930	30,000	26,000
Flexible spending payment & COBRA administration	27,750	30,000	30,000
Human resource staff	110,922	120,000	125,000
City Link Recurring Cost	35,780	36,740	37,500
Telephone charges	579	579	579
Total Other Expenditures	\$ 665,822	\$ 767,319	\$ 716,579
Total Expenditures	\$ 15,232,069	\$ 17,516,647	\$ 18,256,579
Net Gain/(Loss)	2,267,230	49,718	(653,579)
Ending Fund Balance	\$ 8,069,445	\$ 8,119,163	\$ 7,465,584

* Revised FY 2020 Budget

Note: Lower than expected claim costs over the last few years have contributed to a healthy fund balance reserve. The FY 21 budget reflects an intentional fund balance adjustment.

Parking Enterprise Fund

In FY 17 City Council approved the creation of a parking function and allocated initial startup funding for the effort. FY 21 represents the fourth full fiscal year of this budget which covers the costs associated with City-owned parking facilities.

Parking related revenues that were originally budgeted in the General Fund are recorded as part of the Parking Fund and a portion of those revenues are transferred back to the General Fund, with a goal of eventually eliminating the transfer to the General Fund and becoming a stand-alone enterprise fund.

Fund Details	FY 18-19 Actual	FY 19-20 Budget *	FY 20-21 Budget
Beginning Fund Balance	\$ 1,147,321	\$ 1,660,562	\$ 2,817,062
Revenues			
General Parking Revenues			
Parking Permits	39,491	45,000	45,000
Parking Meters	50,591	53,000	-
Parking Fines	363,084	420,000	420,000
Market Street Parking Garage	1,241,189	1,195,500	1,195,500
Market Street Parking Leasing	239,556	235,000	235,000
701 E. Market Street	71,225	83,000	83,000
411 E. High Street	12,570	10,000	10,000
801-805 East Market Street	106,377	130,000	130,000
West 2nd St Lot			
Water Street Parking Garage	1,847,711	2,642,155	2,642,155
Total revenues	\$ 3,971,794	\$ 4,813,655	\$ 4,760,655
Expenditures			
Parking Administration			
Salaries and Benefits	101,162	104,839	107,704
Other Expenses	45,274	11,859	13,036
Market Street Parking Garage	662,081	675,000	566,767
Market Street Parking Leasing	28,677	25,000	25,000
701 E. Market Street	-	-	-
411 E. High Street	-	-	-
801-805 East Market Street	-	15,000	15,500
West 2nd Street Lot			32,791
Water Street Parking Garage	1,121,358	1,625,457	1,623,882
Transfers			
Transfer to General Fund	1,500,000	1,200,000	1,200,000
Transfer to Parking Fund for Capital Res			100,000
Total expenditures	\$ 3,458,553	\$ 3,657,155	\$ 3,684,680
Net Gain/(Loss)	513,241	1,156,500	1,075,975
Ending Fund Balance	\$ 1,660,562	\$ 2,817,062	\$ 3,893,037

*Revised FY2020 Budget

Retirement Fund

The Charlottesville Supplemental Retirement Fund, and the Post-Retirement Benefits Fund, together constitute the Pension Plan, which is designed to provide City employees with a valuable pension to supplement social security benefits upon retirement. Regular employees may enroll in the plan but are not vested until they have completed five years of service. The City also offers new employees a choice to opt into a Defined Contribution plan rather than the City’s Defined Benefit Pension Plan. The Pension Plan is a trust (fiduciary) fund supported by contributions paid by the City and plan members. Employee contributions are categorized as follows:

- Beginning July 1, 2018, employees hired before July 1, 2012 (Plan 1 Employees) are required to contribute 2% of their salary. Previously, these employees were required to contribute 1% of their salary.
- Employees hired between July 1, 2012 and July 1, 2017, (Plan 2 Employees) are required to contribute 3% of their salary.
- Employees hired after July 1, 2017 (Plan 3 Employees) are required to contribute 5% of their salary.

The City's rate of contribution into the fund for FY 21 is 29.65% for general government and 47.84% for public safety employees' salaries.

The Charlottesville Pension Plan is administered by a commission as specified by the City Code. Representatives include a City Councilor, City employees and retirees, and citizen representatives.

Fund Details	FY 18-19 Actuals	FY 19-20 Budget*	FY 20-21 Budget
Beginning Fund Balance	\$ 150,748,262	\$ 162,468,131	\$ 171,002,103
Revenues			
Investment Income	2,549,629	2,250,000	2,625,000
Net (decrease) increase in fair value of investments	10,500,146	9,000,000	10,260,000
Contributions from City	15,248,812	14,913,783	14,819,299
Member Contributions	2,437,394	2,500,000	2,500,000
Contribution for Senior Management OPEB benefits	383,430	296,979	280,454
Total Revenues	\$ 31,119,410	\$ 28,960,762	\$ 30,484,753
Expenditures			
Retirement distributions	12,666,079	13,426,380	14,087,327
Refund of employee contributions	114,366	120,000	175,000
Life Insurance claims paid to benefit retirees	247,900	200,000	250,000
Human Resource shared expenses	119,582	121,042	139,582
Legal Fees	10,892	20,568	20,823
Investment Advisory Fees	762,775	900,000	900,000
Actuarial Study and Services	46,417	53,000	54,060
Health care costs (Employer and Retirees)	5,254,728	5,400,000	5,400,000
Disability insurance cost (LTD)	97,516	110,000	110,000
Life insurance cost	28,519	30,000	30,000
Employer FICA for life insurance tax benefit	6,679	3,000	3,000
City Link Recurring Costs	37,800	37,800	37,800
Miscellaneous	6,289	5,000	6,500
Total Expenditures	\$ 19,399,542	\$ 20,426,790	\$ 21,214,092
	1		
Net Gain/(Loss)	11,719,869	8,533,972	9,270,661
Ending Fund Balance	\$ 162,468,131	\$ 171,002,103	\$ 180,272,764

* Revised FY 2020 Budget

Risk Management Fund

The City maintains a Risk Management Fund, an internal service fund, to account for all insurance revenues and expenditures, workers compensation claims payments and administrative costs. Premium costs are allocated to the various operating funds and accounts and are distributed within each department/division budget under the "Insurance" and "Workers Compensation" line items. The Risk Management Fund has the following objectives:

1. Protect the City of Charlottesville, to the extent possible, by eliminating or reducing conditions that could result in financial loss.
2. Preserve the City’s assets and public service capabilities from loss, destruction, or depletion.
3. Minimize the total long-term cost to the City of all activities related to the identification, prevention, and control of accidental losses and their consequences.
4. Maintain procedures to identify, analyze, and predict exposures to financial loss, and employ proven risk management techniques to minimize and provide funding for losses.
5. Maintain a comprehensive risk financing program to review liability and risk transfer opportunities and determine the feasibility of self-insurance in lieu of the purchase of traditional insurance coverage.

Fund Detail	FY 18-19 Actual	FY 19-20 Budget*	FY 20-21 Budget
Beginning Fund Balance	\$ 3,619,391	\$ 3,845,447	\$ 2,469,420
Revenues			
Charges for services	2,441,869	2,507,902	2,507,902
Interest Income	109,342	55,000	55,000
Insurance Recovery	48,204	48,204	48,204
Total Revenues	\$ 2,599,415	\$ 2,611,106	\$ 2,611,106
Expenditures			
Insurance premium cost	1,095,922	1,266,173	1,507,226
Workers compensation claim payments and changes in reserves	749,007	1,700,000	1,450,000
Administrative costs	528,430	670,960	670,960
Total Expenditures	\$ 2,373,358	\$ 3,637,133	\$ 3,628,186
Transfer to General Fund	-	350,000	-
Net Gain/(Loss)	226,056	(1,376,027)	(1,017,080)
ENDING FUND BALANCE	\$ 3,845,447	\$ 2,469,420	\$ 1,452,340

City Code Section 11-127 requires the Risk Management Fund maintain a fund balance of \$250,000.



Supplemental Information



General Fund Revenue Detail

General Fund Expenditure Detail

FY 2020 and FY 2021 Revised General Fund Revenue Estimates

	Adopted 2019-2020	Revised 2019-2020	Year to Date Actuals (as of 4/ 14-2020)	\$ Change (from Adopted FY 20 Budget to Revised FY20)	% Change (from Adopted FY 20 Budget to Revised FY20)	Proposed 2020-2021	Revised 2020-2021	\$ Change (from Proposed FY 21 Budget to Revised FY21)	% Change (from Proposed FY 21 Budget to Revised FY21)	Notes
TAXES										
Real Estate Taxes	\$73,337,626	\$73,337,626	\$36,283,201	\$0	0.00%	\$78,353,270	\$78,353,270	\$0	0.00%	FY21 Based on actual assessments for CY 2020 and a 3% projected increase in assessments in CY 21.
Personal Property Tax	\$9,300,000	\$9,700,000	\$5,337,233	\$400,000	4.30%	\$9,600,000	\$9,800,000	\$200,000	2.08%	Per Commissioner of Revenue/Treasurer - see tab labeled Assumptions as of 4-15-20.
Public Service Corporation Tax Pen/Into on Delinquent Taxes	\$1,428,230 \$350,000	\$1,459,389 \$381,000	\$1,457,867 \$381,713	\$31,159 \$31,000	2.18% 8.86%	\$1,459,389 \$415,000	\$1,459,389 \$415,000	\$0	0.00% 0.00%	Per Commissioner of Rev and Treasurer Per City Treasurer - FY20 matches amount collected through 4-15-2020
Utility Taxes	\$4,926,600	\$4,600,000	\$3,663,861	(\$326,600)	-6.63%	\$5,024,112	\$5,024,112	\$0	0.00%	FY21 Per Long Term Forecast projections and actuals trends. This revenue represents only the utility taxes collected from the City's gas and water operations and consumer utility tax for electric service.
Virginia Communications Sales and Use Tax	\$2,800,000	\$2,600,000	\$1,988,892	(\$200,000)	-7.14%	\$2,600,000	\$2,600,000	\$0	0.00%	This includes consumer tax for telephones and cable, and cable franchise taxes. Showing a continual downward trend since about 2013 due to increased cell phone usage and decreased land lines as well as increased internet subscription services for entertainment and decreased usage of traditional cable services.
Franchise Taxes	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A	Franchise Taxes revenue now part of the Virginia Communications Sales and Use Tax.
Tax on Bank Stock	\$1,300,000	\$1,100,000	\$0	(\$200,000)	-15.38%	\$1,400,000	\$1,200,000	(\$200,000)	-14.29%	Per Commissioner of Revenue.
Tax on Wills & Deeds	\$600,000	\$655,000	\$655,472	\$55,000	9.17%	\$600,000	\$625,000	\$25,000	4.17%	
Sales & Use Tax	\$12,000,000	\$11,698,855	\$9,356,650	(\$301,145)	-2.51%	\$12,357,625	\$11,504,331	(\$853,294)	-6.90%	Per Commissioner of Revenue/Treasurer - see tab labeled Assumptions as of 4-15-20.
Rolling Stock Tax	\$18,380	\$19,319	\$19,319	\$939	5.11%	\$19,319	\$19,319	\$0	0.00%	Virginia Department of Planning and Budget
Transient Room Tax	\$6,535,753	\$5,425,762	\$4,722,943	(\$1,108,991)	-16.97%	\$6,900,000	\$6,282,721	(\$617,279)	-8.95%	Per Commissioner of Revenue, FY20 projection includes additional revenue from a 1% rate increase - see tab labeled Assumptions as of 4-15-20.
Meals Tax	\$12,444,000	\$10,600,011	\$8,882,236	(\$1,843,989)	-14.82%	\$12,692,880	\$11,842,493	(\$850,387)	-6.70%	Per Commissioner of Revenue/Treasurer - see tab labeled Assumptions as of 4-15-20.
Short-Term Rental Tax	\$60,000	\$60,000	\$49,724	\$0	0.00%	\$60,000	\$60,000	\$0	0.00%	Per Treasurer/Commissioner of Revenue
Cigarette Tax	\$615,000	\$575,000	\$526,544	(\$40,000)	-6.50%	\$575,000	\$575,000	\$0	0.00%	Per City Treasurer
Recordation Tax Receipts	\$205,223	\$205,223	\$146,404	\$0	0.00%	\$205,223	\$205,223	\$0	0.00%	Virginia Department of Planning and Budget
Vehicle Daily Rental Tax	\$110,000	\$92,000	\$86,812	(\$18,000)	-16.36%	\$110,000	\$82,500	(\$27,500)	-25.00%	
Taxes Subtotal	\$126,030,812	\$122,510,185	\$73,558,871	(\$3,520,627)	-2.79%	\$132,371,818	\$130,048,358	(\$2,323,460)	-1.76%	
LICENSES AND PERMITS										
Business & Professional Licenses	\$7,700,000	\$8,000,000	\$7,836,623	\$300,000	3.90%	\$8,300,000	\$6,225,000	(\$2,075,000)	-25.00%	Per Commissioner of Revenue - see tab labeled Assumptions as of 4-15-20.
Vehicle Licenses	\$915,000	\$900,000	\$199,944	(\$15,000)	-1.64%	\$900,000	\$900,000	\$0	0.00%	Per City Treasurer/Commissioner of Revenue
Dog Licenses	\$10,000	\$10,000	\$6,503	\$0	0.00%	\$10,000	\$10,000	\$0	0.00%	Per City Treasurer
Electrical and Mechanical Permits	\$250,000	\$250,000	\$248,244	\$0	0.00%	\$250,000	\$250,000	\$0	0.00%	Per Neighborhood Development Services
Building and Plumbing Permits	\$400,000	\$460,000	\$460,808	\$60,000	15.00%	\$450,000	\$450,000	\$0	0.00%	Per Neighborhood Development Services
Temporary Parking Permits (NDS)	\$75,000	\$380,000	\$383,468	\$305,000	406.67%	\$150,000	\$150,000	\$0	0.00%	Per Neighborhood Development Services
Site Plans	\$75,000	\$100,000	\$96,630	\$25,000	33.33%	\$75,000	\$75,000	\$0	0.00%	Per Neighborhood Development Services
Mail Vending Permits	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A	In FY20 revenue to be transferred to the CIP fund for DT Mail Infrastructure Repairs - See Designated Revenues

FY 2020 and FY 2021 Revised General Fund Revenue Estimates

	Adopted 2019-2020	Revised 2019-2020	Year to Date Actuals (as of 4/14-2020)	\$ Change (from Adopted FY 20 Budget to Revised FY20)	% Change (from Adopted FY 20 Budget to Revised FY20)	Proposed 2020-2021	Revised 2020-2021	\$ Change (from Proposed FY 21 Budget to Revised FY21)	% Change (from Proposed FY 21 Budget to Revised FY21)	Notes
Fire Inspection Fees	\$83,000	\$0	\$0	(\$83,000)	-100.00%	\$0	\$0	\$0	N/A	New permit fee to be charged by CFD - still working through implementation actual collection may be delayed.
Other Permits	\$140,500	\$140,500	\$110,531	\$0	0.00%	\$140,500	\$140,500	\$0	0.00%	Per Neighborhood Development Services
Licenses and Permits Subtotal	\$9,648,500	\$10,240,500	\$9,342,750	\$592,000	6.14%	\$10,275,500	\$8,200,500	(\$2,075,000)	-20.19%	
INTERGOVERNMENTAL REVENUE										
PPTRA Revenue (State Personal Property Tax)	\$3,498,256	\$3,498,256	\$3,498,256	\$0	0.00%	\$3,498,256	\$3,498,256	\$0	0.00%	This is a block grant and the City will receive the same amount of funds each year.
Revenue from State Agencies										
State Highway Assistance	\$4,291,324	\$4,291,324	\$3,150,114	\$0	0.00%	\$4,291,324	\$4,291,324	\$0	0.00%	FY20 based on prior fiscal years trends of a 2.5% to 3% increase each year based on prior year actuals. Holding all State Revenue level in FY21.
Reimbursement/Constitutional Offices	\$1,698,184	\$1,698,184	\$1,261,347	\$0	0.00%	\$1,698,184	\$1,698,184	\$0	0.00%	Based on FY 20 approved budget amounts, holding all State Revenue level in FY21.
State Aid for Police Protection	\$2,077,468	\$2,077,468	\$1,678,764	\$0	0.00%	\$2,238,352	\$2,077,468	(\$160,884)	-7.19%	Holding all State Revenue level in FY21. Original proposed budget for FY21 was based on past years actuals Per Department of Planning and Budget
Trailer Title	\$1,200	\$1,200	\$1,545	\$0	0.00%	\$1,200	\$1,200	\$0	0.00%	
DMV Select Office Commissions	\$31,374	\$34,000	\$23,265	\$2,626	8.37%	\$35,000	\$35,000	\$0	0.00%	Revenue from the State for opening DMV Select office in Treasurer's Office.
Other State and Federal Assistance: Misc. Rev	\$50,000	\$50,000	\$7,906	\$0	0.00%	\$50,000	\$50,000	\$0	0.00%	
Revenue from City Schools										
School Resource Officers	\$301,231	\$301,231	\$301,231	\$0	0.00%	\$326,427	\$301,231	(\$25,196)	-7.72%	Reduced FY21 back to FY20 amounts to match new propose expenditures budget.
Other Intergovernmental Revenue										
Regional Library Administrative Fee	\$117,144	\$117,144	\$0	\$0	0.00%	\$117,144	\$117,144	\$0	0.00%	Based on 2% of Library's total operating budget after subtracting the fees the City charges for information technology support
Crisis Intervention Team Revenue	\$100,168	\$100,168	\$1,663	\$0	0.00%	\$105,910	\$105,910	\$0	0.00%	CIT expenses.
Fire Department Ops (Albemarle Co)	\$195,000	\$195,000	\$0	\$0	0.00%	\$195,000	\$195,000	\$0	0.00%	Per Contract with Albemarle County
Fire Department Ops (UVA)	\$329,412	\$329,412	\$336,721	\$0	0.00%	\$353,000	\$353,000	\$0	0.00%	Same increase as Fire Department budget plus any COLA increase to be given during FY 2020 per current agreement - increase capped at 5%.
Payments In Lieu Of Taxes - Housing Auth.	\$33,828	\$25,000	\$0	(\$8,828)	-26.10%	\$25,000	\$25,000	\$0	0.00%	Adjusted to better reflect actuals from previous years
Juvenile & Domestic Relations Court Operations (Albemarle Co)	\$56,695	\$56,695	\$0	\$0	0.00%	\$63,760	\$63,760	\$0	0.00%	Cost sharing - 50/50 City and County - this represents the County share.
Juvenile & Domestic Relations Court Building Maintenance/Utiliti	\$67,610	\$67,610	\$0	\$0	0.00%	\$57,913	\$57,913	\$0	0.00%	55% County, 45% City - this represents the County's share.
Magistrate's Office (Albemarle County)	\$4,250	\$4,250	\$4,171	\$0	0.00%	\$4,575	\$4,575	\$0	0.00%	Cost sharing - 50/50 City and County - this represents the County share.
UVA Service Charge	\$46,000	\$46,000	\$39,640	\$0	0.00%	\$46,000	\$46,000	\$0	0.00%	Per Assessor's Office - will input completed assessment amounts into formula and may adjust FY20.
UVA Property Maintenance Support	\$60,725	\$60,725	\$48,223	\$0	0.00%	\$63,455	\$63,455	\$0	0.00%	Cost of Housing Inspector position per NDS agreement with UVA. FY19 reduced due to position being vacant for a portion of the year.
Intergovernmental Revenue Subtotal	\$12,959,869	\$12,953,667	\$10,352,846	(\$6,202)	-0.05%	\$13,170,500	\$12,984,420	(\$186,080)	-1.41%	
CHARGES FOR SERVICE										
Property Transfer Fees	\$1,000	\$1,000	\$834	\$0	0.00%	\$1,000	\$1,000	\$0	0.00%	
Zoning Appeal Fees	\$1,100	\$1,100	\$700	\$0	0.00%	\$1,100	\$1,100	\$0	0.00%	
Court Revenue (Circuit/General District Courts)	\$500,000	\$500,000	\$306,866	\$0	0.00%	\$500,000	\$500,000	\$0	0.00%	
Circuit Court Subscription Revenue	\$30,000	\$30,000	\$17,015	\$0	0.00%	\$30,000	\$30,000	\$0	0.00%	Per Clerk of Courts
Internal City Services	\$1,909,500	\$1,909,500	\$1,301,883	\$0	0.00%	\$1,882,925	\$1,882,925	\$0	0.00%	
Utility Cut Permits	\$185,000	\$185,000	\$110,978	\$0	0.00%	\$185,000	\$185,000	\$0	0.00%	

FY 2020 and FY 2021 Revised General Fund Revenue Estimates

	Adopted 2019-2020	Revised 2019-2020	Year to Date Actuals (as of 4/ 14-2020)	\$ Change (from Adopted FY 20 Budget to Revised FY20)	% Change (from Adopted FY 20 Budget to Revised FY20)	Proposed 2020-2021	Revised 2020-2021	\$ Change (from Proposed FY 21 Budget to Revised FY21)	% Change (from Proposed FY 21 Budget to Revised FY21)	Notes
Recreation Income	\$1,694,683	\$1,162,000	\$1,101,604	(\$532,683)	-31.43%	\$1,694,683	\$1,335,824	(\$358,859)	-21.18%	See lab labeled Assumptions as of 4-15-20
Reimbursable Overtime/Public Safety	\$265,000	\$451,000	\$451,247	\$186,000	70.19%	\$331,579	\$331,579	\$0	0.00%	Revenue based on projected billings from Police and Sheriff.
Payment in Lieu of Taxes: Utilities	\$5,975,560	\$5,975,560	\$5,776,201	\$0	0.00%	\$6,091,667	\$6,091,667	\$0	0.00%	Per Finance Department
Indirect Cost Recovery	\$125,000	\$125,000	\$5,968	\$0	0.00%	\$125,000	\$125,000	\$0	0.00%	
Waste Disposal Fees	\$1,100,000	\$1,025,000	\$728,391	(\$75,000)	-6.82%	\$1,115,000	\$1,115,000	\$0	0.00%	FY21 adjusted to reflect prior year actuals of \$1.17M in FY19 and current year trend prior to pandemic.
Fire Department - EMS Revenue	\$1,100,000	\$1,300,000	\$1,189,185	\$200,000	18.18%	\$1,300,000	\$1,300,000	\$0	0.00%	EMS Revenue recovery program FY20 projection increased based on higher than projected FY19 actuals.
Other Charges for Services	\$125,000	\$125,000	\$135,621	\$0	0.00%	\$125,000	\$125,000	\$0	0.00%	
Charges for Service Subtotal	\$13,011,843	\$12,790,160	\$11,126,493	(\$221,683)	-1.70%	\$13,382,954	\$13,024,095	(\$358,859)	-2.68%	
MISCELLANEOUS REVENUE										
Interest Earned	\$756,000	\$867,585	\$1,115,592	\$111,585	14.76%	\$756,000	\$706,000	(\$50,000)	-6.61%	Per City Treasurer - Current actuals for FY20 reflect the entire interest collection for all City funds. At the end of the fiscal year approximately 28-40% of the interest is allocated to other funds based on their monthly balances (mainly Utilities and Risk Management).
Rent	\$175,000	\$175,000	\$128,665	\$0	0.00%	\$194,956	\$194,956	\$0	0.00%	FY21 increase due to CCMC rent reimbursement.
Refund of Prior Years' Expenditures	\$50,000	\$165,114	\$165,114	\$115,114	230.23%	\$50,000	\$50,000	\$0	0.00%	
Other Miscellaneous Revenue	\$363,000	\$363,000	\$210,549	\$0	0.00%	\$613,000	\$613,000	\$0	0.00%	FY21 contains \$250K in expected one time revenue.
Gain/Loss - Investments	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A	
Miscellaneous Revenue Subtotal	\$1,344,000	\$1,570,699	\$1,619,920	\$226,699	16.87%	\$1,613,956	\$1,563,956	(\$50,000)	-3.10%	
PREVIOUS FISCAL YEAR CARRYOVER FUNDS										
Council Strategic Initiatives	\$44,000	\$44,000	\$0	\$0	0.00%	\$0	\$0	\$0	N/A	FY20 is the remaining funds for Diversion Programs - for OAR Therapeutic Docket
Carryover Funds Subtotal	\$44,000	\$44,000	\$0	\$0	0.00%	\$0	\$0	\$0	N/A	
TRANSFERS FROM OTHER FUNDS										
Landfill Reserve Fund	\$250,000	\$250,000	\$0	\$0	0.00%	\$250,000	\$250,000	\$0	0.00%	
Human Services Fund	\$772,579	\$1,044,991	\$272,412	\$272,412	35.26%	\$0	\$0	\$0	N/A	One time transfer of Human Services fund balance of \$772,579 in FY20, and \$272K for Home 2 Hope Transfer.
Transfer from CIP	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A	
Parking Enterprise Fund	\$1,200,000	\$1,200,000	\$0	\$0	0.00%	\$1,100,000	\$1,200,000	\$100,000	9.09%	
Transfers from Other Funds Subtotal	\$2,222,579	\$2,494,991	\$272,412	\$272,412	12.26%	\$1,350,000	\$1,450,000	\$100,000	7.41%	
CITY/COUNTY REVENUE SHARING	\$6,831,284	\$6,831,284	\$6,831,284	\$0	0.00%	\$6,821,472	\$13,289,313	\$6,467,841	94.82%	Per City/County Revenue sharing letter - remaining City/County Revenue Sharing funds shown in Designated Revenue section.
OPERATING BUDGET TOTAL	\$172,092,887	\$169,435,486	\$113,104,576	(\$2,657,401)	-1.54%	\$178,986,200	\$180,560,642	\$1,574,442	0.88%	

FY 2020 and FY 2021 Revised General Fund Revenue Estimates

	Adopted 2019-2020	Revised 2019-2020	Year to Date Actuals (as of 4/14-2020)	\$ Change (from Adopted FY 20 Budget to Revised FY20)	% Change (from Adopted FY 20 Budget to Revised FY20)	Proposed 2020-2021	Revised 2020-2021	\$ Change (from Proposed FY 21 Budget to Revised FY21)	% Change (from Proposed FY 21 Budget to Revised FY21)	Notes
DESIGNATED REVENUE										
Contractual Services- School Building Maintenance	\$3,816,780	\$3,816,780	\$3,816,780	\$0	0.00%	\$3,872,768	\$3,816,780	(\$55,988)	-1.45%	Matches the FY20 expenditures - can adjust during amendments phase if necessary.
Contractual Services - Pupil Transportation	\$2,972,130	\$2,972,130	\$2,948,564	\$0	0.00%	\$3,330,136	\$2,972,130	(\$358,006)	-10.75%	Matches the FY20 expenditures - can adjust during amendments phase if necessary. Of this \$166K is revenue realized from outside sources other than the schools contracts, such as charter rentals, extra field trips, etc.
General Fund Transfer to CIP	\$6,968,323	\$6,968,323	\$6,968,323	\$0	0.00%	\$7,367,841	\$900,000	(\$6,467,841)	-87.78%	Prior to FY20 revenue was shown in the Licenses and Permit section. In FY20 revenue to be transferred to the CIP fund for DT Mall Infrastructure Repairs.
Transfer to CIP - Mall Vendor Fees	\$125,000	\$60,000	\$55,628	(\$65,000)	-52.00%	\$125,000	\$93,750	(\$31,250)	-25.00%	
Transfer to Facilities Repair Fund	\$400,000	\$400,000	\$400,000	\$0	0.00%	\$400,000	\$400,000	\$0	0.00%	
Meals Tax Revenue Designated for Debt Service Fund (\$0.01 of the \$0.06 collected)	\$2,488,800	\$2,118,875	\$1,776,447	(\$369,925)	-14.86%	\$2,538,576	\$2,452,571	(\$86,005)	-3.39%	Per Commissioner of Revenue/Treasurer - see tab labeled Assumptions as of 4-15-20.
DESIGNATED REVENUE TOTAL	\$16,771,033	\$16,336,108	\$15,965,742	(\$434,925)	-2.59%	\$17,634,321	\$10,635,231	(\$6,999,090)	-39.69%	
GRAND TOTAL - GENERAL FUND OPERATING AND DESIGNATED REVENUE	\$188,863,920	\$185,771,594	\$129,070,318	(\$3,092,326)	-1.64%	\$196,620,521	\$191,195,873	(\$5,424,648)	-2.76%	

Further explanation of the group's methods and assumptions are below, but here is the summary as of 4-15-2020:

FY 2020 – It is estimated that the total FY20 revenues will be approximately **\$3.09 million below** the originally budgeted figures.

FY 2021 – It is estimated that the revised revenue estimates are approximately **\$5.42 million below** what was presented in the FY21 Proposed Budget.

Revenue Assumptions

Real Estate – based on the potential of non-payment of bills in FY20, that amount was reduced back to the original FY20 budget which will result in a reduction of approximately \$1.4M from the projections on 3-19-20. At this time we are still projecting no change to the FY21 estimates.

Personal Property – Were projecting closer to \$10M in FY20 based on book values, but are now anticipating some non-payment. However the increased book values and the potential non-payment projections will still result in a projected collection of \$9.7M. We are anticipating some impact on business tangibles reported in CY2021, but business tangible and machinery and tools make up a fairly low proportion of all personal property revenue. This would not be reported/collected until January 2021, which is approximately 10 months off, so any changes at this point would be purely speculative, but as with

Utility Tax - Based on current collections are projecting total FY20 collection of \$326K less than budget, which is approximately \$175K less than assumptions from March 19, 2020.

Sales – reduced April collections to approximately 75% of original projections and May to 70% of original projections with between 5% to 10% increase monthly through Nov 2020.

Meals – March collections came in approximately 30% below projections (\$250K reduction from March 19 assumptions), reduced April collections to 50% and May collections to 40% of original projections with a 10% increase monthly through Nov 2020

Lodging - March collections came in approximately 25% below projections (\$50K reduction from March 19 assumptions), reduced April collections to 20% and May collections to 30% of original projections with a 10% increase monthly through Nov 2020

BPOL - Based upon to date collections are assuming \$8.0M in FY20 - which is \$300K above the FY20 Adopted amount, but \$300K less than the previous revised projections. Are assuming a 25% reduction in FY21 from the figures in the original FY21 Proposed Budget.

Parks and Rec. – assume full facility closures for the next 8-10 weeks and some amount of reduced utilization after that point.

State Revenues - FY21 projections hold all revenue directly from the State at level from FY20.

Schools Contractual Services - Reduced FY21 amounts back to the FY20 levels which will match the FY20 expenditure appropriation that is proposed to be used for the FY21 budget.

**FY 2021 Budget Development
General Fund Expenditures**

	<u>FY 19 Adopted</u>	<u>FY 19 Actuals</u>	<u>FY 20 Adopted</u>	<u>FY 21 Proposed</u>	<u>\$ Change</u>	<u>% Change</u>
Management						
City Council Strategic Initiatives	-	574,748	-	-	-	
Jefferson School Heritage Center	500,000	500,000	-	-	-	
Residents on the Job (CRHA)	106,400	2,689	-	-	-	
City Council/Clerk of Council	574,520	514,767	609,683	572,629	(37,054)	-6.08%
CMO/Administration	1,278,232	1,162,489	1,270,728	1,270,728	-	0.00%
CMO/Redevelopment Manager	155,602	158,585	160,589	265,755	105,166	65.49%
Communications	446,939	592,740	552,602	552,602	-	0.00%
Economic Development	586,445	542,456	609,716	609,716	-	0.00%
Economic Dev/Downtown Job Center	187,839	161,788	169,906	169,906	-	0.00%
Economic Dev/Home to Hope	-	-	-	350,000	350,000	
City Attorney	1,021,509	923,864	1,030,055	1,030,055	-	0.00%
General Registrar	560,232	598,691	605,508	671,840	66,332	10.95%
					-	
Organizational Membership/Workforce Development						
Alliance for Innovation	2,550	2,550	2,550	2,550	-	0.00%
Center for Nonprofit Excellence	600	600	600	600	-	0.00%
Central VA Partnership for Econ. Dev.	24,535	24,535	24,566	24,640	74	0.30%
Central VA Small Bus. Dev. Center	12,000	12,000	19,200	19,200	-	0.00%
Chamber of Commerce	1,605	1,605	2,000	2,000	-	0.00%
Community Investment Collaborative	26,265	26,265	26,265	-	(26,265)	-100.00%
National League of Cities	5,000	7,740	5,000	5,000	-	0.00%
PDC Workforce Network	7,361	7,361	7,591	7,971	380	5.01%
Rivanna Conservation Alliance	11,000	11,000	11,000	11,000	-	0.00%
Thomas Jefferson PDC	61,229	61,229	86,323	86,454	131	0.15%
TJ Soil & Water Conservation District	12,669	12,669	12,669	13,049	380	3.00%
Virginia First Cities Coalition	18,000	17,870	18,000	18,000	-	0.00%
Virginia Institute of Government	2,500	2,500	2,500	2,500	-	0.00%
Virginia Municipal League	16,820	17,342	16,820	16,820	-	0.00%
Non-Departmental						
Citizen Engagement Opportunities	15,000	9,646	15,000	15,000	-	0.00%
Dialogue on Race	-	185	-	-	-	
Innovation Fund	20,000	19,803	20,000	20,000	-	0.00%
Ivy Landfill	-	271,189	210,000	210,000	-	0.00%
Participatory Budgeting	100,000	-	-	15,000	15,000	
Food Equity	-	-	-	155,000	155,000	
Citizen Review Board (CRB)	-	-	-	150,000	150,000	
Strategic Energy Initiatives	-	59,700	-	-	-	
Marketing Assistance - City Restaurants	-	-	124,440	-	(124,440)	-100.00%
Citywide Reserve/ Performance Agreements	400,000	564,127	250,000	250,000	-	0.00%
Citywide Reserve - Economic Downturn	-	-	-	7,525,437	7,525,437	
Sister City Committee	15,000	18,179	15,000	-	(15,000)	-100.00%
Strategic Planning: P3 Initiative	105,000	112,779	105,000	105,000	-	0.00%
VJCCCA (Local Match)	108,415	108,415	108,415	108,415	-	0.00%
Transfer to ST Grant Fund	-	13,306	-	-	-	
Debt Service						
Debt Service Payment - GF Transfer	8,210,788	8,210,788	8,210,788	8,210,788	-	0.00%
Debt Service Payment - GF Transfer for Fire Apparatus	350,000	350,000	350,000	350,000	-	0.00%
Fund Balance						
Fund Balance Target Adjustment	413,148	-	481,905	481,905	-	0.00%
Employee Compensation and Training						
COLA - FY20	1,400,000	-	2,641,937	2,641,937	-	0.00%

	FY 19 Adopted	FY 19 Actuals	FY 20 Adopted	FY 21 Proposed	\$ Change	% Change
Living Wage Adjustments	274,884	-	95,000	-	(95,000)	-100.00%
Health Care Cost Savings	-	-	(400,000)	-	400,000	-100.00%
Miscellaneous	250,000	222,496	234,950	234,950	-	0.00%
Contribution to Retirement Fund	-	1,260,966	-	-	-	
City Wide Attrition Savings	(750,000)	-	(1,000,000)	(1,000,000)	-	0.00%
Unemployment Compensation	50,000	36,635	50,000	50,000	-	0.00%
Corporate Training Fund	-	166,019	55,860	-	(55,860)	-100.00%
Internal Services						
Human Resources	1,210,180	1,147,157	1,215,923	1,215,923	-	0.00%
Finance/Purchasing	345,052	308,706	357,574	357,574	-	0.00%
Information Technology	2,881,027	2,851,882	2,996,483	2,996,483	-	0.00%
Financial Services						
Commissioner of Revenue	1,320,872	1,377,595	1,344,901	1,344,901	-	0.00%
Finance/Financial Management	1,370,911	1,389,656	1,372,472	1,372,472	-	0.00%
Finance/Real Estate Assessor	823,069	822,135	814,938	814,938	-	0.00%
Treasurer	1,313,261	1,311,265	1,356,697	1,356,697	-	0.00%
Healthy Families and Community						
Transfer to CACVB	1,038,546	1,038,546	1,103,921	1,212,691	108,770	9.85%
Transfer to Social Services	3,302,777	3,236,250	3,302,777	3,602,777	300,000	9.08%
Transfer to Human Services Fund	662,030	1,074,537	662,030	641,280	(20,750)	-3.13%
Transfer to CSA	1,804,722	2,064,092	2,004,722	2,004,722	-	0.00%
Transfer to Golf Course	149,204	149,204	128,000	-	(128,000)	-100.00%
					-	
Recreation/Administration	989,796	993,763	1,042,559	1,042,559	-	0.00%
Recreation/Athletics	264,487	250,687	275,498	275,498	-	0.00%
Recreation/Aquatics Administration	758,917	748,990	827,746	827,746	-	0.00%
Recreation/Smith Pool	841,152	801,558	879,951	879,951	-	0.00%
Recreation/Onesty	250,831	218,264	253,517	253,517	-	0.00%
Recreation/Washington Park	177,353	223,078	210,620	210,620	-	0.00%
Recreation/Swim Team	76,370	63,229	69,823	69,823	-	0.00%
Recreation/Crow Pool	95,043	113,375	93,340	93,340	-	0.00%
Recreation/Aquatics Programs	-	81	-	-	-	
Recreation/Therapeutic Programs	369,455	401,886	393,986	393,986	-	0.00%
Recreation/Centers Administration	138,262	157,569	150,445	150,445	-	0.00%
Recreation/Key Center	208,442	196,937	207,457	207,457	-	0.00%
Recreation/Crow Center	76,708	62,164	71,645	71,645	-	0.00%
Recreation/Housing Centers	128,180	167,103	136,520	136,520	-	0.00%
Recreation/Tonsler	60,376	60,225	63,561	63,561	-	0.00%
Recreation/Carver	1,313,367	1,186,448	1,436,187	1,436,187	-	0.00%
Recreation/Skatepark	159,079	99,494	176,879	176,879	-	0.00%
Recreation/Special Programs	-	21,945	-	-	-	
Parks/Maintenance	4,146,798	4,158,041	4,280,050	4,280,050	-	0.00%
Parks/Cemetery Maintenance	-	20,725	-	-	-	
Recreation/Youth Programs	640,719	637,156	726,138	726,138	-	0.00%
Recreation/City Market	185,870	211,693	152,345	152,345	-	0.00%
Parks/City County Park Operations	87,553	108,153	87,553	87,553	-	0.00%
					-	
CMO/Office of Human Rights	249,976	222,779	238,438	238,438	-	0.00%
Neighborhood Development Services	3,847,635	3,793,937	3,981,475	2,406,657	(1,574,818)	-39.55%
Unallocated Agency Funding						
Unallocated Arts and Culture Funding	-	-	-	154,446	154,446	
Unallocated Vibrant Community Funds	-	-	-	2,104,683	2,104,683	
Children, Youth, Family Services						
Big Brothers/Big Sisters	20,000	20,000	20,000	-	(20,000)	-100.00%
Boys and Girls Club	57,358	57,358	57,358	-	(57,358)	-100.00%
BridgeLine	28,706	28,706	28,706	-	(28,706)	-100.00%
Charlottesville Abundant Life Ministries	28,634	28,634	28,634	-	(28,634)	-100.00%
Charlottesville - Albemarle Health Dept	561,344	626,344	578,183	612,708	34,525	5.97%

	FY 19 Adopted	FY 19 Actuals	FY 20 Adopted	FY 21 Proposed	\$ Change	% Change
Charlottesville Free Clinic	114,940	114,940	114,940	-	(114,940)	-100.00%
City Schoolyard Garden	19,200	19,200	19,200	-	(19,200)	-100.00%
Computers 4 Kids	19,443	19,443	19,443	-	(19,443)	-100.00%
Emergency Assistance Program Support	84,516	84,516	84,516	-	(84,516)	-100.00%
Foothills	43,405	43,405	43,405	-	(43,405)	-100.00%
Georgia's Healing House	25,000	25,000	25,000	-	(25,000)	-100.00%
Home Visiting Collaborative	405,716	405,716	405,716	-	(405,716)	-100.00%
JABA	319,192	319,192	319,192	319,192	-	0.00%
Local Food Hub	22,750	22,750	22,750	-	(22,750)	-100.00%
MACAA	91,170	64,920	91,170	-	(91,170)	-100.00%
PHAR	45,550	45,550	45,550	-	(45,550)	-100.00%
Piedmont Family YMCA	40,000	40,000	40,000	-	(40,000)	-100.00%
On Our Own	24,560	24,560	24,560	-	(24,560)	-100.00%
Ready Kids (CYFS)	82,607	82,607	82,607	-	(82,607)	-100.00%
Region Ten	959,365	959,365	959,365	959,365	-	0.00%
Region Ten - Healthy Transitions	42,500	42,500	42,500	42,500	-	0.00%
Region Ten - Women's Treatment Center	75,000	75,000	75,000	75,000	-	0.00%
Region Ten - Supportive Housing Center	83,227	83,227	83,227	83,227	-	0.00%
Region Ten - Mental Health & Wellness Coalition	20,000	20,000	20,000	20,000	-	0.00%
SARA	23,113	23,113	23,113	-	(23,113)	-100.00%
SHE	116,812	116,812	116,812	-	(116,812)	-100.00%
Sin Barreras	11,000	11,000	13,400	-	(13,400)	-100.00%
TJACH	118,015	118,015	118,015	-	(118,015)	-100.00%
United Way - Child Care Scholarships	192,504	192,504	192,504	192,504	-	0.00%
United Way - Self Sufficiency	10,582	10,582	10,582	-	(10,582)	-100.00%
VA Extension Program	49,961	48,636	55,226	52,297	(2,929)	-5.30%
Women's Initiative	21,642	21,642	21,642	-	(21,642)	-100.00%
					-	
Community Arts/Festivals					-	
Art in Place (City Contract)	27,500	-	-	-	-	
City In-Kind Support to Area Festivals/Events	10,000	11,813	10,000	-	(10,000)	-100.00%
Festival of Cultures	3,750	3,750	3,750	-	(3,750)	-100.00%
Virginia Festival of the Book	16,550	16,550	16,550	-	(16,550)	-100.00%
Virginia Film Festival	15,200	11,400	15,200	-	(15,200)	-100.00%
					-	
Education and Arts					-	
Arts Coordination and Planning	50,000	-	-	-	-	
Charlottesville Opera	2,432	2,432	2,432	-	(2,432)	-100.00%
CCCA	41,502	41,502	44,103	47,970	3,867	8.77%
Historic Preservation Task Force	5,000	-	5,000	5,000	-	0.00%
Jefferson Madison Regional Library	1,941,399	1,941,399	2,031,260	2,015,037	(16,223)	-0.80%
Jefferson School Heritage Center/Foundation	30,000	30,000	30,000	-	(30,000)	-100.00%
Lighthouse Studio	38,321	38,321	38,321	-	(38,321)	-100.00%
Literacy Volunteers	40,930	40,930	40,930	-	(40,930)	-100.00%
McGuffey Art Center	23,613	16,341	24,035	24,035	-	0.00%
New City Arts	18,000	18,000	18,000	-	(18,000)	-100.00%
The Paramount Theatre	20,470	20,470	20,470	-	(20,470)	-100.00%
PVCC	11,126	11,126	11,111	12,317	1,206	10.85%
Virginia Discovery Museum	5,794	5,794	5,794	-	(5,794)	-100.00%
WNRN	2,250	2,250	2,250	-	(2,250)	-100.00%
					-	
Housing Agencies / Rent & Tax Relief					-	
AHIP	99,050	99,050	99,050	-	(99,050)	-100.00%
PHA	94,963	94,963	94,963	-	(94,963)	-100.00%
Rent and Tax Relief	1,322,500	1,248,274	1,983,952	1,895,000	(88,952)	-4.48%
					-	
Infrastructure and Transportation					-	
Public Works/Administration	402,026	559,587	468,018	468,018	-	0.00%
Public Works/Facilities Development	697,967	555,313	762,372	737,169	(25,203)	-3.31%
					-	
Public Works/Custodian	456,865	493,801	567,783	567,783	-	0.00%
Public Works/PW Maintenance	775,053	703,531	738,273	738,273	-	0.00%
Public Works/Hedgerow	52,010	45,272	49,820	49,820	-	0.00%

	FY 19 Adopted	FY 19 Actuals	FY 20 Adopted	FY 21 Proposed	\$ Change	% Change
Public Works/JDR Courthouse	124,560	79,790	122,927	122,927	-	0.00%
Public Works/COC HVAC/Electrical Operations	581,417	602,794	623,959	623,959	-	0.00%
					-	
Public Works/Public Service Admin.	405,792	482,378	629,611	629,611	-	0.00%
Public Works/Streets and Sidewalks	3,229,451	3,154,557	3,405,432	3,261,470	(143,962)	-4.23%
Public Works/Snow Removal	215,753	245,342	151,578	151,578	-	0.00%
Public Works/Stormwater	338,681	320,456	-	-	-	
Public Works/Refuse Collection/Dom.	1,487,207	1,657,438	1,615,782	1,615,782	-	0.00%
Public Works/Refuse Colle./Large Item	184,600	98,380	183,375	183,375	-	0.00%
Public Works/Street Sweeping	189,060	190,191	198,606	198,606	-	0.00%
Public Works/ Traffic Eng.	760,872	902,946	818,134	818,134	-	0.00%
Public Works/Street lighting	665,794	713,092	696,624	696,624	-	0.00%
Public Works/Engineering	-	-	-	1,644,526	1,644,526	
					-	
Transfer to Charlottesville Area Transit	2,437,365	2,942,409	2,513,651	2,513,651	-	0.00%
					-	
Transportation Agencies						
JAUNT	1,377,047	1,377,047	1,550,916	1,744,416	193,500	12.48%
Public Safety and Justice						
Police/Administration	2,148,047	5,750,058	2,612,319	2,612,319	-	0.00%
Police/Field Operations	7,680,440	6,129,155	7,844,207	7,844,207	-	0.00%
Police/Investigations	2,795,107	2,071,172	2,890,711	2,890,711	-	0.00%
Police/Support Services	4,136,793	2,996,474	4,561,791	4,561,791	-	0.00%
Police/JADE	-	28,875	-	-	-	
Police/CIT	106,449	82,913	108,527	108,527	-	0.00%
					-	
Fire/Administration	771,870	812,449	769,162	769,162	-	0.00%
Fire/Operations	9,188,083	9,519,823	9,663,367	9,663,367	-	0.00%
Fire/Community Risk Reduction	526,885	519,449	509,220	509,220	-	0.00%
Fire/Resources	359,083	283,564	251,586	251,586	-	0.00%
Fire/Training, Health & Safety	423,356	433,626	284,822	284,822	-	0.00%
Fire/Planning	263,295	162,549	142,264	142,264	-	0.00%
Fire/EMS	858,661	886,972	897,132	897,132	-	0.00%
Fire/Volunteer Fire Company	22,242	9,912	22,242	22,242	-	0.00%
Fire/Four for Life	-	4,050	-	-	-	
					-	
Circuit Court/Clerk	744,191	786,639	749,452	749,452	-	0.00%
Circuit Court/Judges	85,506	91,227	88,864	88,864	-	0.00%
City Sheriff	1,290,426	1,238,761	1,275,198	1,275,198	-	0.00%
Commonwealth Attorney	1,197,559	1,076,319	1,155,259	1,155,259	-	0.00%
General District Court	21,208	24,273	21,143	21,143	-	0.00%
J&DR Clerk/Administration	340,227	346,251	398,980	398,980	-	0.00%
J&DR - Court Services Unit	9,820	9,726	16,280	16,280	-	0.00%
Magistrate's Office	8,300	8,343	8,500	8,500	-	0.00%
					-	
Public Safety Agencies						
Albemarle Charlottesville Regional Jail	5,030,787	4,952,622	4,879,087	4,316,546	(562,541)	-11.53%
Blue Ridge Juvenile Detention	892,045	871,266	763,336	576,870	(186,466)	-24.43%
Emergency Communications Center	1,585,328	1,573,094	1,503,429	1,510,827	7,398	0.49%
Legal Aid Society	70,630	70,630	70,630	-	(70,630)	-100.00%
OAR	242,403	242,403	297,403	-	(297,403)	-100.00%
Piedmont CASA	10,000	10,000	10,000	-	(10,000)	-100.00%
Public Defender's Office	53,261	53,201	59,512	59,512	-	0.00%
SPCA	264,039	264,039	267,156	282,415	15,259	5.71%
Schools						
Contribution to Schools	53,998,202	53,998,202	57,366,623	57,834,623	468,000	0.82%
Deisgnated Expenditures						
Contractual Services/School Building Maint.	3,677,052	3,889,380	3,816,780	3,816,780	-	0.00%
Contractual Services/Pupil Transit	2,956,210	2,562,200	2,972,130	2,972,130	-	0.00%
Transfer to Capital Projects	5,374,766	8,734,280	6,968,323	900,000	(6,068,323)	-87.08%

	<u>FY 19</u> <u>Adopted</u>	<u>FY 19</u> <u>Actuals</u>	<u>FY 20</u> <u>Adopted</u>	<u>FY 21</u> <u>Proposed</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Transfer to CIP - Mall Vendor Fees	-	-	125,000	93,750	(31,250)	-25.00%
City-County Revenue Sharing - Transfer to Facilities Repair Fund	400,000	400,000	400,000	400,000	-	0.00%
Transfer to Debt Service - Meals Tax Revenue	2,363,475	2,442,560	2,488,800	2,452,571	(36,229)	-1.46%
Total City Operational Budget	164,954,032	166,934,583	172,092,887	180,560,642	8,467,755	4.92%
Total Designated Expenditures	14,771,503	18,028,419	16,771,033	10,635,231	(6,135,802)	-36.59%
Total General Fund Budget	179,725,535	184,963,002	188,863,920	191,195,873	2,331,953	1.23%
Balancing the Budget						
Revenues	179,725,535	185,400,096	188,863,920	191,195,873	2,331,953	1.23%
Expenditures	179,725,535	184,963,003	188,863,920	191,195,873	2,331,953	1.23%
Budget Surplus/(Gap)	-	437,093	(0)	-		