



CITY OF
CHARLOTTESVILLE

STAY SAFE



OPERATING & CAPITAL IMPROVEMENT
BUDGET
PROPOSED FOR THE FISCAL YEAR
2023/2024



STAY HEALTHY

STAY POSITIVE



March 6, 2023

City Manager Proposed Budget Presentation

FY 2024 Budget Development



The Details

- New Online Budget Book
 - www.Charlottesville.gov/budget
 - City has partnered with *OpenGov*, a software platform, to present the budget in a more visible and transparent format
 - Over 1,600 public agencies nationwide use OpenGov
 - Allows exploration of budget data down to the line-item level for each Department
 - Provides multi-year comparison of historical, audited financial data with the current and proposed budget
 - User-friendly, easy navigation
- Budget Explorer Tool
 - Designed “in-house” by Budget Office Staff
 - Provides Current Year Quarterly Reports



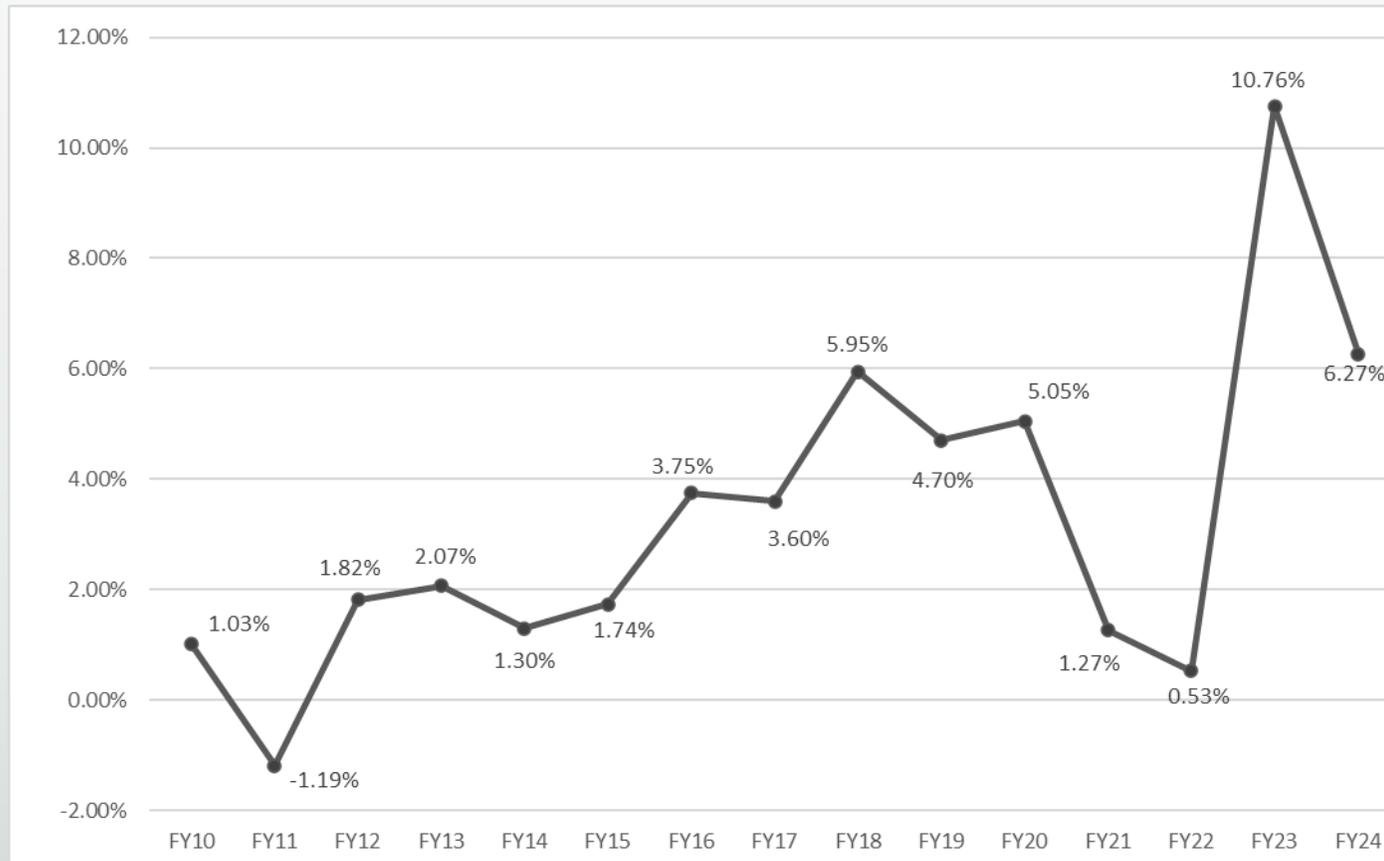


Major Budget Themes

- Strong Support for City Schools
- Furthers Council Priorities
- Invests in City Employees
- Preserves Quality Services
- Focuses on Organizational Improvements and Efficiencies
- Maintains all current tax rates



General Fund Budget Annual Change



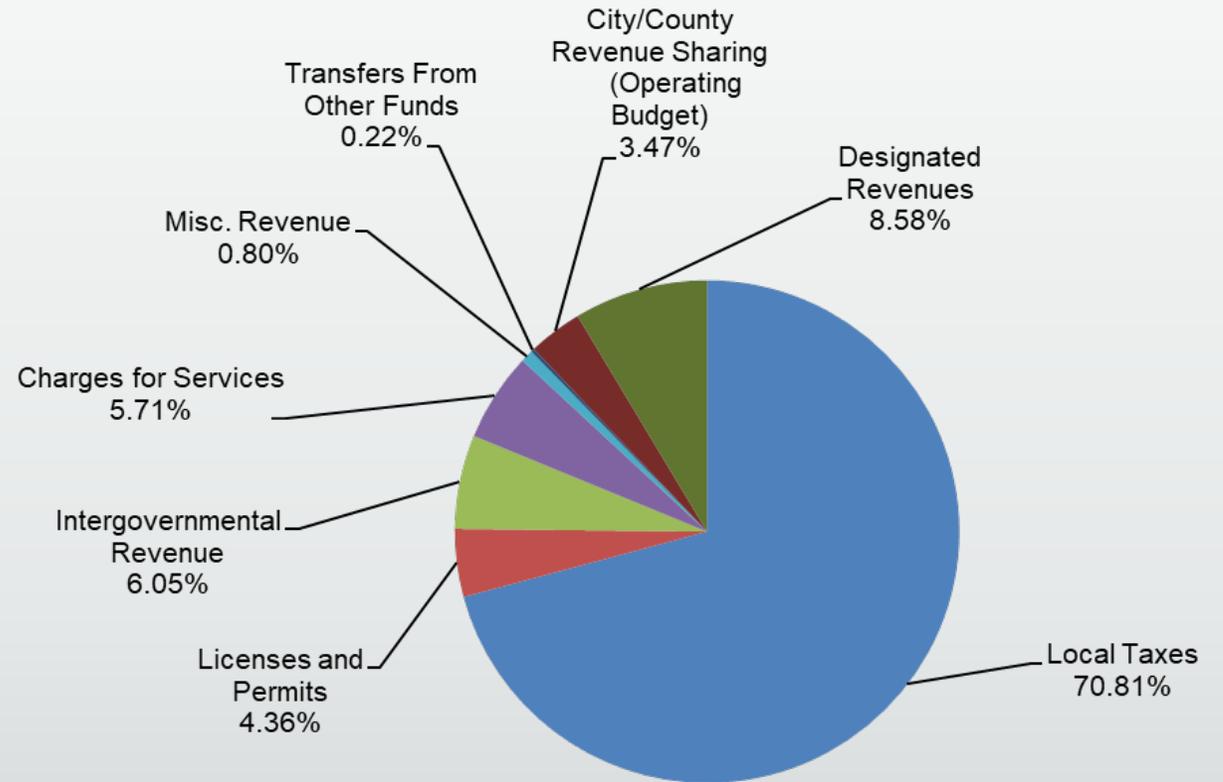
<u>Fiscal Year</u>	<u>General Fund Total Budget</u>	<u>\$ change</u>
FY09	140,992,521	6,329,721
FY10	142,443,480	1,450,959
FY11	140,751,728	(1,691,752)
FY12	143,306,538	2,554,810
FY13	146,269,910	2,963,372
FY14	148,167,862	1,897,952
FY15	150,742,327	2,574,465
FY16	156,391,435	5,649,108
FY17	162,017,737	5,626,302
FY18	171,657,127	9,639,390
FY19	179,725,535	8,068,408
FY20	188,800,371	9,074,836
FY21	191,195,873	2,395,502
FY22	192,212,843	1,016,970
FY23	212,889,291	20,676,448
FY24	226,239,155	13,349,864

Average Annual Change \$ 6,025,862



General Fund Revenue Summary

	FY 2024 Budget
General Fund Revenue	
Local Taxes	\$160,209,435
Licenses and Permits	9,869,000
Intergovernmental Revenue	13,676,204
Charges for Services	12,911,665
Misc. Revenue	1,801,254
Transfers From Other Funds	500,000
City/County Revenue Sharing (Operating Budget)	7,851,349
Designated Revenues	19,420,249
TOTAL GENERAL FUND BUDGET	\$226,239,155





General Fund Revenue Detail

	FY 2023		FY 2024	
	<u>Adopted Budget</u>		<u>Proposed</u>	<u>\$ Change</u>
<u>Local Taxes</u>				
Real Estate Tax	\$ 89,487,993	\$	99,403,417	\$ 9,915,424
Personal Property Tax	12,000,000		12,500,000	500,000
Public Service Tax	1,589,086		1,630,567	41,481
Utility Taxes	4,600,000		4,600,000	-
Virginia Communications Sales and Use Tax	2,125,000		2,125,000	-
Tax on Bank Stock	1,200,000		1,157,411	(42,589)
Tax on Wills & Deeds	725,000		725,000	-
Sales & Use Tax	13,900,000		14,400,000	500,000
Transient Room Tax	7,000,000		7,400,000	400,000
Meals Tax	14,075,026		15,000,000	924,974
Short-Term Rental	60,000		75,000	15,000
Vehicle Daily Rental Tax	82,500		170,000	87,500
Plastic Bag Tax	-		40,000	40,000
<u>Licenses and Permits</u>				
Business & Professional Licenses	\$ 8,700,000	\$	8,700,000	-
Vehicle Licenses	\$ 890,000	\$	-	(890,000)
Building and Related Permits	\$ 1,330,000	\$	949,000	(381,000)
Other Permits	\$ 150,000	\$	216,000	66,000



General Fund Revenue Detail *(continued)*

	FY 2023	FY 2024	
	<u>Adopted Budget</u>	<u>Proposed</u>	<u>\$ Change</u>
<u>Intergovernmental Revenue</u>			
State Highway Assistance	\$ 4,263,654	\$ 4,645,517	381,863
Reimbursement/Constitutional Offices	\$ 1,755,297	\$ 1,975,433	220,136
State Aid for Police Protection	\$ 2,238,352	\$ 2,460,982	222,630
Other Intergovernmental Revenue	\$ 1,187,175	\$ 1,096,017	(91,158)
City-County Revenue Sharing Agreement	\$ 15,545,227	\$ 15,715,740	170,513
<u>Charges for Service</u>			
Recreation Income	\$ 1,472,699	\$ 1,509,269	36,570
EMS Billing Revenue	\$ 900,000	\$ 765,000	(135,000)
Payment in Lieu of Taxes	\$ 6,268,888	\$ 6,746,568	477,680
Reimbursable Overtime	\$ 331,579	\$ 229,100	(102,479)
Other Charges for Services	\$ 1,802,811	\$ 1,668,880	(133,931)
<u>Transfers from Other Funds</u>			
Transfer from Parking Enterprise Fund	\$ 500,000	\$ -	(500,000)



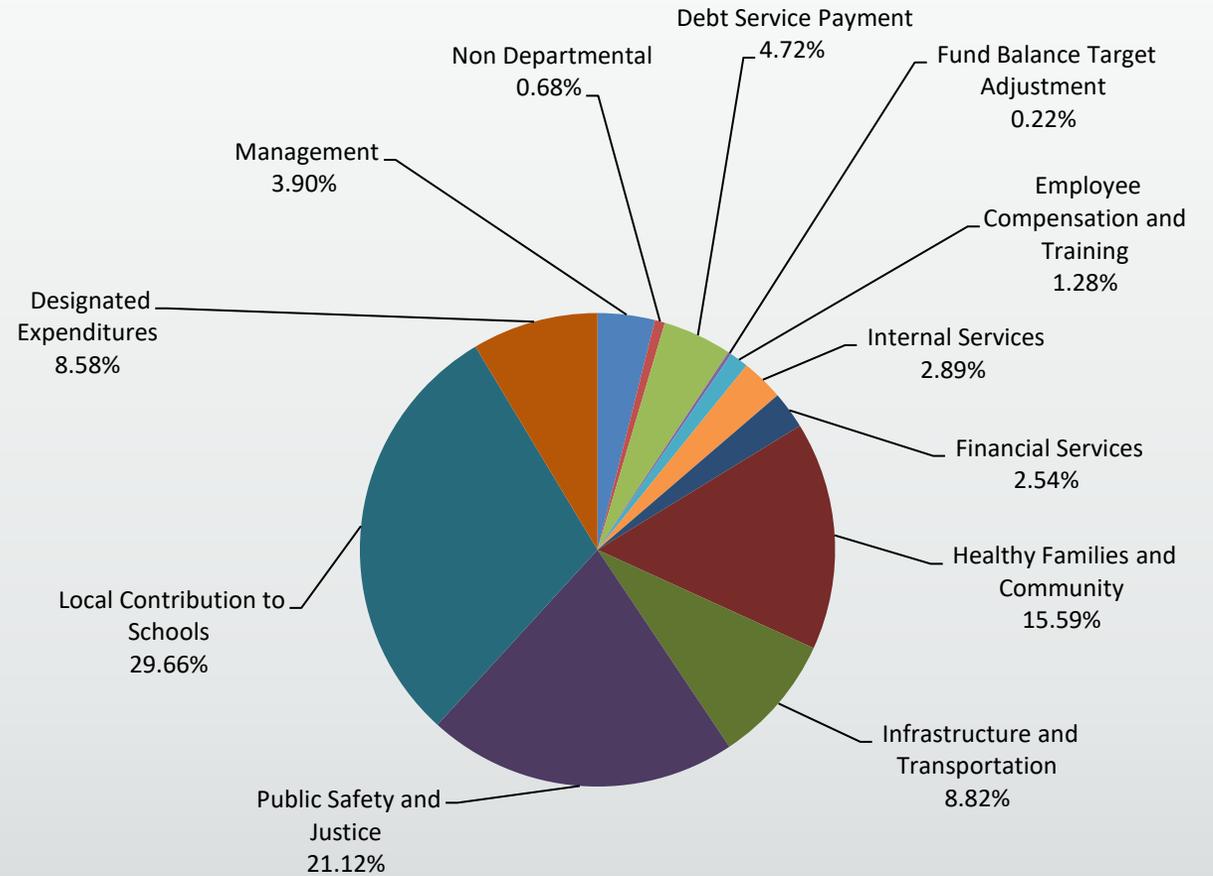
General Fund Revenue Detail *(continued)*

	FY 2023	FY 2024	
	<u>Adopted Budget</u>	<u>Proposed</u>	<u>\$ Change</u>
<u>Miscellaneous Revenues</u>			
Interest Income	\$ 580,000	\$ 1,050,000	470,000
Rent	\$ 175,000	\$ 225,000	50,000
<u>Designated Revenues</u>			
Meals Tax Designated for the Debt Service Fund	\$ 2,564,974	\$ 2,727,272	162,298
School Contracted Services	\$ 7,806,634	\$ 8,750,586	943,952
			<u>\$ 13,349,864</u>
	% Change		6.27%



General Fund Expenditure Summary

	FY 2024 Budget
General Fund Expenditures	
Management	\$ 8,817,106
Non-Departmental	1,537,928
Debt Service Payment	10,671,584
Fund Balance Target Adjustment	500,000
Employee Compensation and Training	2,900,281
Internal Services	6,534,114
Financial Services	5,746,912
Healthy Families and Community	35,274,864
Infrastructure and Transportation	19,952,343
Public Safety and Justice	47,791,640
Local Contribution to Schools	67,092,134
Designated Expenditures	19,420,249
TOTAL GENERAL FUND BUDGET	\$ 226,239,155





Funding for City Schools

- School Board's Operating Request is fully funded at **\$67.1** million
 - a \$4.2 million increase over FY 23
- **\$76.8** million CIP funding programmed in FY 24 for the following:
 - \$1.25 million for priority capital improvement initiatives as chosen by CCS
 - Over \$1.9 million for general capital improvement dollars and HVAC replacement funds
 - \$541k in pre-construction funds needed for CHS roof replacement
 - \$72.8 million remaining funds needed for the Buford School reconfiguration project
 - \$200,000 for the small capital program



Funding for Affordable Housing

\$11.7M Allocated in FY 24

- Charlottesville Homeowner Assistance Program - \$1.3M
- Tax and Rent Relief for Elderly and Disabled - \$1.3M
- Stormwater Fee Assistance - \$20k
- Addition of 2 FTEs - \$151k
 - **Housing Analyst** - will perform tracking and compliance analysis of the city's housing investments and support the evaluation and implementation of specific affordable housing efforts aimed at implementing the Affordable Housing Plan, to include: land banking, inclusionary zoning, policy analysis
 - **Homelessness Coordinator** - to help coordinate and advance efforts related to homelessness
- CIP Investment
 - Public Housing Redevelopment - \$3M
 - Charlottesville Affordable Housing Program (CAHF) - \$1.5M
 - Supplemental Rental Assistance Program (CSRAP) - \$900k
 - PHA – MACAA and Park Street Projects - \$3.0M
- CDBG/Home Fund Allocation - \$500k



Funding for Climate Action

- 2 New FTEs – Climate Action Specialists and Environmental Sustainability Outreach Coordinator - \$150k
- CIP Investment \$1M
 - To support projects and initiatives focused internal to the city that leads to operating improvements that enhances performance while also contributing positively to GHG emission reductions.
 - To provide funds that can be used as local match funds to leverage grant dollars to advance climate action work.



Funding for Outside and Non-Profit Agencies

- \$18.4M Allocated for FY 24
 - Governmental/Contractual - \$13.6M
 - Includes Jails, ECC, Library, SPCA, Region Ten
 - Vibrant Community Funding - \$2.2M
 - Pathways - \$500k
 - \$415k increase in FY 24 – previously funded \$84,516



Funding for Compensation and Benefits

- Over \$3.6 million in employee investment for salary adjustments:
 - 6.0% COLA for all employees effective July 1, 2023
 - 3.0% COLA for retirees
 - 2% funded in the City's budgeted Annual Retirement Contribution
 - 1% or \$1.4M to be funded by year-end surplus
- No changes in health care premiums for employees
 - \$437k increase in the City's Contribution for Employee Healthcare
- Collective Bargaining and Class/Compensation Study



Funding for Safety and Security

- Fire - \$1.4M increase overall
 - 6 additional Firefighter/EMTs to maintain adequate staffing service delivery
 - 3 Battalion Chief FTEs previously funded by ARP
 - 1/3 of the 15 SAFER firefighter FTEs positions
- Police - \$288k increase overall
 - 5 Police Officer FTEs unfunded
 - Right-sizing the Vehicle Replacement Budget
- Office of Emergency Management - \$389k increase



Funding for New Positions and Service Enhancements

- **City Hall Ambassador** - 1 FTE added as part of the City's safety initiatives, this position will assist with greeting visitors to City Hall, helping connect City Hall visitors to the correct services, schedule appointments, and assist with after hour visitor access for meetings.
- **Sr. Human Resources Analyst** – 1FTE enhance the City's overall employee and labor relations processes and help promote effective contract administration and fostering of healthy labor relations with our unions
- **REDI Coordinator** – 1 FTE to help advance initiatives relating to race, equity, diversity and inclusion
- **ADA Specialist** - 1 FTE will provide technical work expertise by inspecting street maintenance and construction work performed by private contractors for specification compliance with Federal, State, and local accessibility requirements.
- **Grants Analyst** – 1 FTE added to Community Solutions to research and write grants aimed at directly supporting priorities identified by council and city manager; supporting the research and tracking of grant opportunities; performing compliance audits of awarded grants



Capital Improvement Program and Debt

\$186.4M 5-Year Plan - \$98.9M in FY 24

- Affordable Housing = \$8.4 million
- Climate Action Initiatives - \$1 million
- Schools Capital Improvements = \$76.8 million
- Transportation and Access = \$7.2 million
- Parks and Recreation = \$2.0 million
- Facilities Capital Projects = \$1.9 million
- Public Safety and Justice = \$1.3 million
- General Government = \$290,000



Important Budget Dates

Work Sessions

March 9

March 16

March 30

April 6

Public Hearings

March 20

(Tax Rate)

March 22

(Budget)

Community Budget Forum

March 22

Budget Adoption

April 11



Questions and Discussion

www.Charlottesville.gov/budget

