



CITY OF
CHARLOTTESVILLE

STAY SAFE



STAY HEALTHY



STAY POSITIVE

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



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



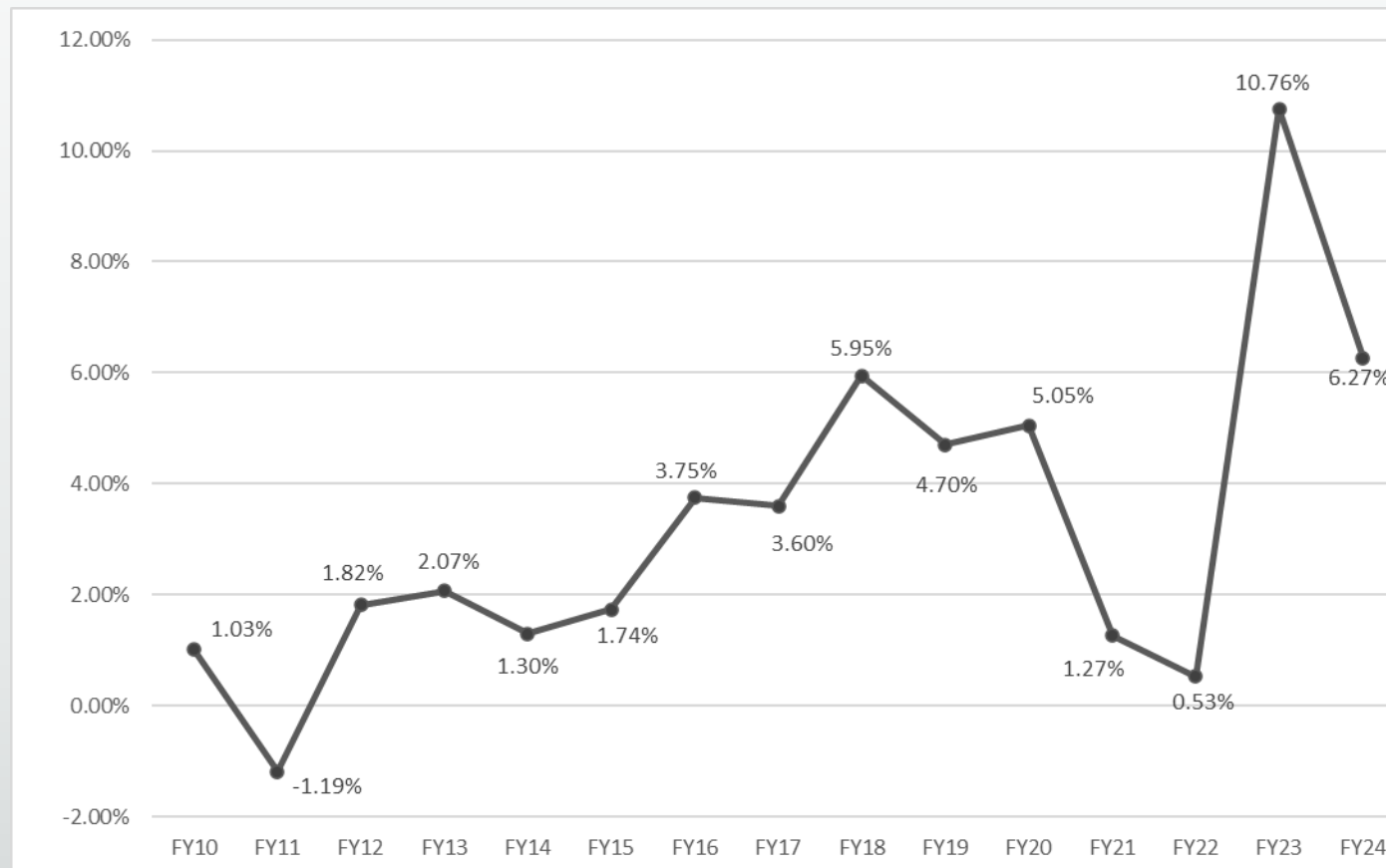


Major Budget Themes

- 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



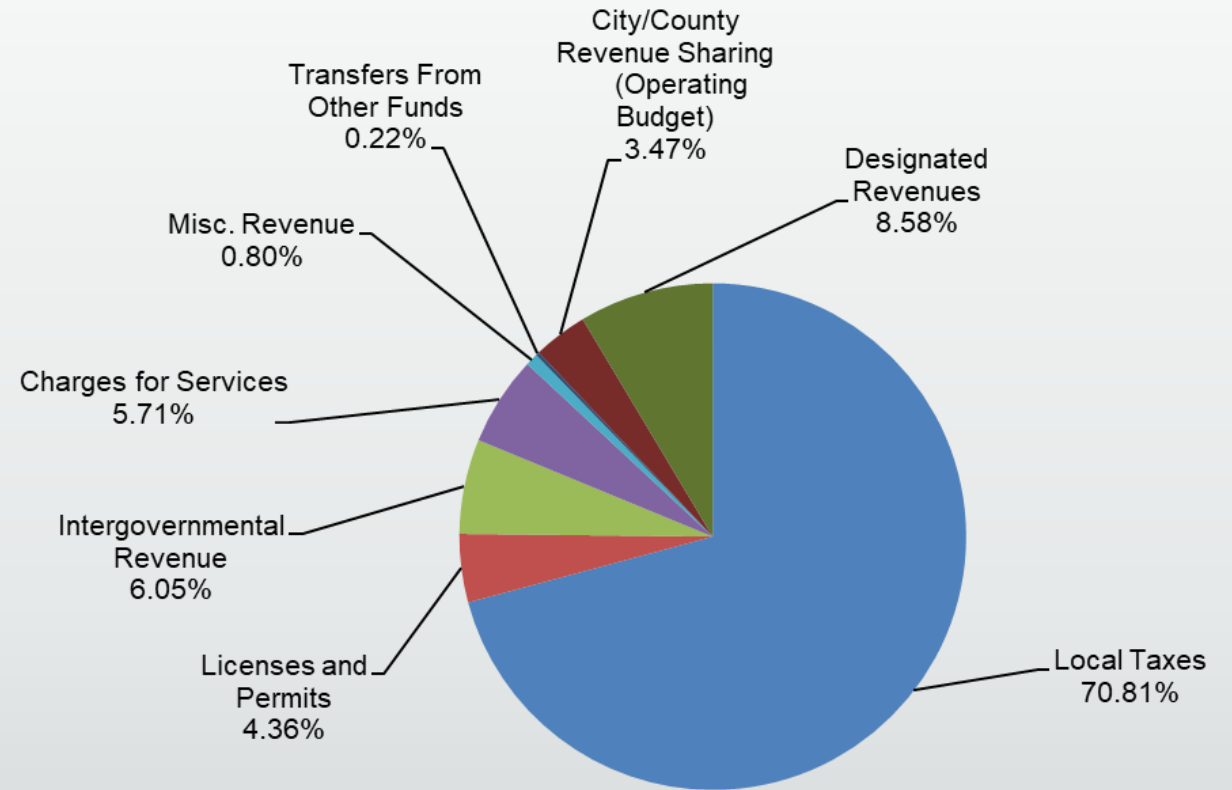
| Fiscal Year | General Fund Total Budget | \$ change |
|-------------|---------------------------|-------------|
| FY09 | 140,992,521 | 6,329,721 |
| FY10 | 142,443,480 | 1,450,959 |
| FY11 | 140,751,728 | (1,691,752) |
| FY12 | 143,306,538 | 2,554,810 |
| FY13 | 146,269,910 | 2,963,372 |
| FY14 | 148,167,862 | 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) |



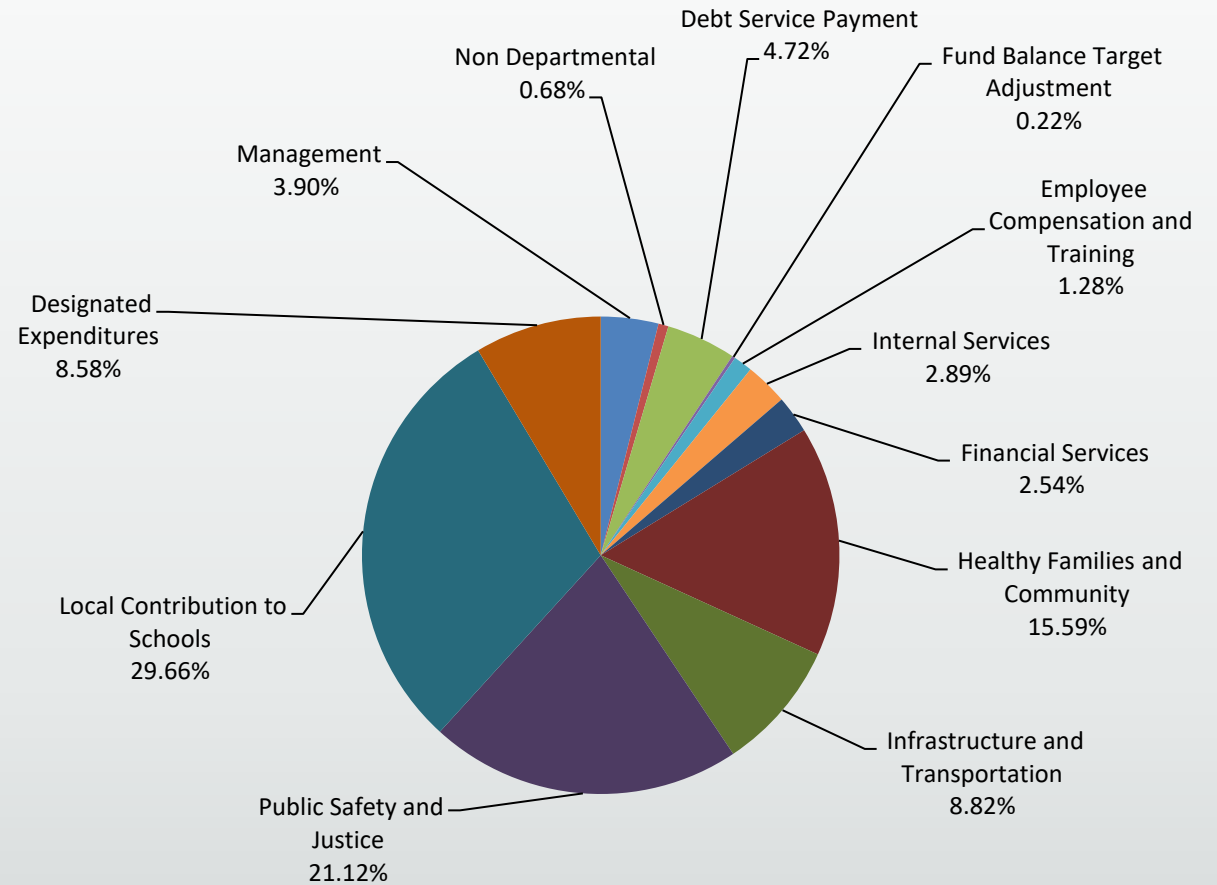
General Fund Revenue Detail *(continued)*

| | 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 |
| | | | |
| | Total Change | | <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

