

Acknowledgements

As with many of the programs of the City of Charlottesville, the development of the budget is a team effort. 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.

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Police	Chief Timothy Longo, David Shifflett
Public Works	Judith Mueller, Lauren Hildebrand, Mary Kay Kotelec, Steve Lawson, Jim McClung, Mike Mollica, Lance Stewart, Chad Thorne, Bill Watterson
Treasurer	Jennifer Brown

Introduction to the Budget

This **Fiscal Year 2008-2009** 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 adopted expenditures for Management, 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 2008-2009. Our goal is to provide a straightforward document that provides 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 World Class City.

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If you have questions or desire more information about the budget, please contact the City Manager's Office at (434) 970-3101 between 8:00 a.m. and 5:00 p.m., Monday through Friday or anytime via the City Manager's e-mail address shown above.

CHARLOTTESVILLE CITY COUNCIL VISION - 2025

Charlottesville: A Great Place to Live for All of Our Citizens

- A leader in innovation, environmental sustainability, and social and economic justice
- Flexible and progressive in anticipating and responding to the needs of our citizens
- Cultural and creative capital of Central Virginia

Economic Sustainability

Our community has an effective workforce development system that leverages the resources of the University of Virginia, Piedmont Virginia Community College, and our excellent schools to provide ongoing training and educational opportunities to our residents. We have a business-friendly environment in which employers provide well-paying, career-ladder jobs and residents have access to small business opportunities. The Downtown Mall, as the economic hub of the region, features arts and entertainment, shopping, dining, cultural events, and a vibrant City Market. The City has facilitated the development of significant infill commercial and mixed use sites within the City.

A Center for Lifelong Learning

In Charlottesville, the strength of our education is measured not by the achievements of our best students, but by the successes of all our students. Here, an affordable, quality education is cherished as a fundamental right, and the community, City schools, Piedmont Virginia Community College and the University of Virginia work together to create an environment in which all students and indeed all citizens have the opportunity to reach their full potential.

Quality Housing Opportunities for All

Our neighborhoods retain a core historic fabric while offering housing that is affordable and attainable for people of all income levels, life stages, and abilities. Our neighborhoods feature a variety of housing types, including higher density, pedestrian and transit-oriented housing at employment and cultural centers. We have revitalized public housing neighborhoods that include a mixture of income and housing types and enhanced community amenities. Our housing stock is connected with recreation facilities, parks, trails, and services.

C'ville Arts and Culture

Our community has world-class performing, visual, and literary arts reflective of the unique character, culture, and diversity of Charlottesville. Charlottesville cherishes and builds programming around the evolving research and interpretation of our historic heritage and resources. Through City partnerships and promotion of festivals, venues, and events, all have an opportunity to be a part of this thriving arts, cultural, and entertainment scene.

A Green City

Charlottesville citizens live in a community with a vibrant urban forest, tree-lined streets, and lush green neighborhoods. We have an extensive natural trail system, along with healthy rivers and streams. We have clean air and water, we emphasize recycling and reuse, and we minimize stormwater runoff. Our homes and buildings are sustainably designed and energy efficient.

America’s Healthiest City

All residents have access to high-quality health care services. We have a community-wide commitment to personal fitness and wellness, and all residents enjoy our outstanding recreational facilities, walking trails, and safe routes to schools. We have a strong support system in place for families and for the elderly and disabled. Our emergency response system is among the nation’s best.

A Connected Community

The City of Charlottesville is part of a comprehensive, regional transportation system that enables citizens of all ages and incomes to easily navigate our community. An efficient and convenient transit system supports mixed use development along our commercial corridors, while bike and pedestrian trail systems, sidewalks, and crosswalks enhance our residential neighborhoods. A regional network of connector roads helps to ensure that residential neighborhood streets remain safe and are not overburdened with cut-through traffic.

Smart, Citizen-Focused Government

The delivery of quality services is at the heart of Charlottesville’s social compact with its citizens. Charlottesville’s approach to customer service ensures that we have safe neighborhoods, strong schools, and a clean environment. We continually work to employ the optimal means of delivering services, and our decisions are informed at every stage by effective communication and active citizen involvement.

FY 2008-2009 Budget Calendar

August 6, 2007	FY 2009 – 2013 Capital Improvement Submission Packets Distributed
August 26, 2007	Outside Agency Applications Distributed
September 10, 2007	Capital Improvement Program Requests Dues
October 1, 2007	FY 2009 Budget Submission Packages and Instructions Distributed to City Departments
October 16, 2007	Agency Budgets Due to City and County
October 20, 2007	Capital Improvement Program Community Budget Forum
October 29, 2007	FY 2009 Budget Submissions Due from City Departments
November 19, 2007	Financial Forecast/Budget Guidelines Presented to City Council
November – December	FY 2009 – 2013 Capital Improvement Program Presented to Planning Commission
November – January.....	FY 2009 Revenue Projection Meetings
December – January.....	Agency Budget Review with County and City Staff
December – January.....	Finalize City Manager's FY 2009 Proposed Budget
March 3, 2008.....	Proposed City and School Operating and Capital Budget Formally Presented to City Council
March 6, 2008.....	Council Budget Work Session
March 13, 2008.....	Council Budget Work Session
March 15, 2008.....	Community Budget Forum
March 17, 2008.....	First Public Hearing on Proposed Budget
March 18, 2008.....	Council Budget Work Session
April 1, 2008.....	Council Budget Work Session
April 7, 2008.....	Second Public Hearing and First Reading of Budget
April 15, 2008.....	Second Reading and Council Adoption of 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, 2008 - June 30, 2009), 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 are:

1. General Fund (operating)
2. Enterprise Funds (Utilities and Golf Funds)
3. Capital Improvement Program Fund
4. 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 Albemarle County Revenue Sharing funds.

The **Enterprise Funds** consist of the operating and capital budgets of the Gas, Water and Wastewater programs in the City and the Golf Course 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.

Other Non General Funds include the following:

- **Equipment Replacement Fund** – Provides funding for a scheduled replacement program for 685 vehicles and pieces of equipment.
- **Facilities Repair Fund** – Provides funding to preserve the City's investment of over \$60 million in non-school facilities, which have annual maintenance requirements.
- **Retirement Fund** – This is a trust 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.
- **Communications System Fund** – Provides funds for the City's phone system and mailroom operations.

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 Processes

Capital Improvement Program (CIP)

The City's five-year capital improvement process begins in early fall of each year, when City departments are asked to submit their ranked requests for the five-year capital plan. CIP submissions are received by the Budget Office, which organizes and prepares the submissions for review. The CIP Staff Ranking Committee then meets several times to discuss and, if necessary, re-rank the requested projects based on various criteria adopted by the City Council and the Planning Commission. The CIP Staff Ranking Committee consists of staff members from Neighborhood Development Services, Public Works, Budget Office, Parks and Recreation, Public Safety, one member from a non-CIP requesting department, which for this year's process was the City Treasurer, and one member from the Planning Commission. The CIP is then forwarded to the Budget Development Committee, which reviews all projects and their criteria scoring, and develops a recommendation that is fiscally sound and reflects the overall priorities of the City and its needs. The CIP Budget Committee consists of the City Manager, COO/CFO, Finance Director, the Budget Director and one member of the Planning Commission. The final proposal from the Budget Development Committee then comes before the Planning Commission. Following Planning Commission consideration and approval, the revised five-year CIP are forwarded to the City Manager and then to City Council for inclusion in the annual budget.

Operating Budget

The City's operating budget process begins in the fall when departments prepare their budget requests and the City Manager presents the City's long-term financial forecast to City Council. Based upon this forecast, City Council formally adopts its budget guidelines (pg. 8) and assumptions for the upcoming fiscal year.

From late November to mid-December, departmental budget requests and agency budget requests are submitted to the City Manager's Office. In December and January, estimated revenue forecasts are prepared by a revenue team. Expenditure budgets are also finalized during this same time. The Manager's Proposed Budget, along with the School's Budget, is presented to City Council at the beginning of March. A series of City Council work sessions and public hearings are held during the months of March and April. The City and School budget is formally adopted by City Council each year by April 15th.

2025 Vision - Strategic Vision

In January 2006, City management and a team of staff began a process of developing the City's first comprehensive Strategic Plan. During a series of focus groups and meetings with a community driven Strategic Planning Steering Committee appointed by City Council, and the community at large, this group developed several strategic priority areas. Once these priority areas were refined and presented to City Council, Council developed them further at their Fall 2006 annual retreat. Over the course of several months, City Council shaped those priorities to reflect an overall **2025 Vision for the City** (see pages 2-3). While this proposed budget does reflect some of the priorities found in this **2025 Vision**, City departments will take these strategic priority areas and create strategic business plans that will align with the broader areas. In addition, performance measures will be developed that will measure success (or failure) of strategic initiatives. This budget continues the process of incorporating Council's Vision.

Budget Adoption

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.

Budget Guidelines (As Adopted By City Council)

1. Maintain the current real estate and personal property tax rates.
2. Develop operational budgets within projected available revenues, with the increase to the General Fund budget targeted at 5%.
3. Focus on Council's Strategic Vision and Priorities:
 - 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
 - Smart, Citizen-Focused Government
4. Begin to incorporate the use of performance measures in making budget decisions that support budget priorities related to City Council's Strategic Vision and Priorities, 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 living wage ordinance "so that every City contract for the provision of non-professional services will require that the contractor pay each employee assigned to perform services a living wage equal to no less than the lowest starting salary for City employees."
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, and consider alternative methods of funding for these important strategic investments.
10. Conduct an agency review jointly with Albemarle County, the Commission on Children and Families, and the United Way to scrutinize agency requests for program congruence with Council's priority areas.
11. Transfer at least 3% of general fund operating expenditures to the Capital Improvement Fund (CIP), and increase the dollars dedicated to the Capital budget until a larger portion of the City/County Revenue Sharing funds is dedicated to the Capital Budget than the Operating Budget.
12. Budget a Council Reserve.
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 equal to 12% of the City's operating budget.

Long Term Financial Policies

1. Maintain a General Fund balance of 12% of operating expenditures.
2. Maintain sufficient working capital in the utilities (Water, Wastewater and Gas) and Golf funds.
3. Stabilize all non-general funds by ensuring they have a positive fund balance.
4. Transfer any excess funds from parking fines above the amount budgeted in the General Fund to the Capital Fund for future parking projects.
5. Maintain a debt service to general fund operating expenditure ratio of 8% or less.
6. Transfer 1-cent of the meals tax revenue to the Debt Service Fund to be reserved for debt service for future bond issues.

Major Expenditure Highlights of the Budget

- Fully funds the **City Schools'** request with an additional **\$1,440,922** for a total contribution of **\$39,781,531**, an increase of **3.76%** from FY08;
- Includes a **Council Reserve** budget of **\$40,004** for Council to use on contingencies and funding needs that occur during the fiscal year;
- **Employee Compensation and Training** pool includes the following: a **4% across the board salary increase** starting July 1st (**\$1.44 M**), a pool of funds for market rate salary adjustments as determined by a salary survey conducted (**\$350,000**), and continues to account for attrition savings that will occur during the year as vacancies occur and are not filled (**\$300,000 in savings**);
- Increases the local contribution to the **Comprehensive Services Act**, a State mandated program, by **\$139,912**, for a total budget of **\$2.4 million**;
- Reflects a decrease in the City's contribution for general government employee and public safety employees' retirement benefits, as required by the City's retirement actuary and accounting standards, due to strong fund performance (**savings of \$242,258**);
- Reflects a 2% increase to the City's contribution to health care, an increase of **\$87,003**;
- Includes increases in **fixed costs**, such as Information Technology User fees, general insurance, workers compensation, warehouse charges, HVAC fees, and vehicle maintenance and fuel charges, totaling **\$127,374**;
- Budgets a **\$6.05 million** General Fund contribution for debt service payments, which continues to include **\$350,000** dedicated to the replacement of fire apparatus. In addition, 25% of the **Meals Tax Revenue** is projected to contribute an additional **\$1.76 million** to the debt service fund, and **\$100,000** is dedicated to debt service from the **County Fire Service Fee Revenue** to pay off loans for previously purchased fire apparatus;
- Includes a contribution for environmental remediation of the **Ivy Landfill** of **\$1,500,000**, a required mandate by the State Department of Environmental Quality;
- Reflects a net decrease in funding to the **Regional Jail**, the **Emergency Communications Center** and the **Blue Ridge Juvenile Detention Center**, resulting in savings of **\$88,335**;
- Increases funding to various **arts, educational, human services agencies and civic organizations** by **\$267,077**;
- Reflects an increase in the **recycling and refuse collection contracts** in the amount of **\$79,315**;
- Includes a building maintenance budget for the new **Juvenile and Domestic Relations Court Building**, expected to be occupied by January 2009, in the amount of **\$102,642**, which is partly offset by revenues from Albemarle County and will cover their cost of occupying the building;

New Initiatives and Expanded Services

- Adds a new **Building Inspector** position in Neighborhood Development Services, at a total cost of **\$79,800**, to be offset by increases in building permitting fees. This additional Inspector will allow the department to provide consistent and uninterrupted inspections and plan review, provide much needed support in the areas of protecting public health and safety, as well as the City's mission to provide excellent customer service.
- Provides funding for expanded transit system service, at an additional **\$380,000**. This expanded service will add four new routes:
 - **New Route 3** – Service between Downtown and Belmont. This route will offer buses every 30 minutes Monday-Friday morning and afternoon and every 60 minutes at all other times Monday-Saturday. This is an increase in service compared to the current buses every 60 minutes. New Route 3 is budget neutral because it is a reallocation of funds being spent on current Route 3A and 6B.
 - **New Route 6** – Service between Downtown, Ridge Street, and UVA Hospital. Similar routing to night Route 22. This route will offer buses every 30 minutes Monday-Friday morning and afternoon and every 60 minutes at all other times Monday-Saturday. New Route 6 is budget neutral because it is a reallocation of funds being spent on the current Route 6A.
 - **New Route 8** – Service between Downtown, Kmart, and Seminole Square, including new service to Barracks Road Shopping Center. Buses will be available every 30 minutes Monday-Friday morning and afternoon and every 60 minutes at all other times Monday-Saturday. The New Route 8 replaces Route 6B and will cost an additional **\$380,000**.
 - **New Route 9** – Service between Downtown, 10th & Page, UVA, Rose Hill Drive, Greenleaf, and CHS. This route will offer buses every 60 minutes at all times Monday-Saturday. New Route 9 is budget neutral because it is a reallocation of funds being spent on the current Routes 3B and 6B.
- As a result of closing Smith Pool during the construction of the replacement facility, over **\$200,000** was saved out of the Aquatic Budget and has been reallocated within Parks and Recreation that expand current programs or provide new recreational programs for the community:
 - Recreation summer youth programs transportation, summer camp staff, supplies and training - **\$100,580**
 - After school/TRIP Program - **\$38,758**
 - Lewis and Clark Summer Explore Camp - **\$7,384**
 - Mobile Aerobic Group Cycle Program - **\$10,000**
 - Family Camp-In at Local Park - **\$2,550**
 - Expansion of Key Recreation and Carver Recreation Centers Hours - **\$4,056**
 - Youth Center Programs and Blue Ridge Commons - **\$2,704**
 - Increase offerings of Therapeutic Programs - **\$8,500**
- Increases the house value for the **Charlottesville Housing Affordability Tax Grant Program** to **\$365,000** and increases the grants provided depending on income limits (\$525 grant for eligible applicants making less than \$25,000 and \$375 for eligible applicants making \$25,000 to \$50,000).

- Continues for a third summer, and expands the **Summer Youth Internship Program** for **(\$63,242)**, providing 60 students, aged 14-18, with an opportunity to work and be exposed to different job settings with City departments, City schools and various non profit agencies.
- Provides funds for and develops, in partnership with the Health Department, a community wide health program, in the amount of **\$10,000**. This pilot Health and Wellness program will bring community agency members together in an effort to create synergy, cohesiveness, and action around City Council's vision of creating America's Healthiest City, by providing an opportunity to learn about and develop habits in moving towards healthy lifestyles.
- By partnering with other local public and private employers, this budget includes **\$5,000** to expand the City's diversity initiatives in the areas of human resources and personnel. The proposed funding will be used to increase the diversity of our applicant pools by reaching out to potential job applicants to communicate the attractiveness of Charlottesville as an ethnically, culturally and socially diverse community.

FY 2009 Capital Improvement Program Highlights

Revenue

- \$3,903,882 General Fund contribution
- \$900,000 General Fund contribution and an additional \$500,000 programmed from the FY 2007 fund balance surplus, for a total of \$1.4 million, dedicated to the Charlottesville Housing Fund
- \$5,000,000 programmed from the FY 2007 fund balance surplus dedicated to the Smith Pool project
- \$81,500 contribution from Albemarle County for a shared project (CATEC)
- \$200,000 contribution from the City schools for the small cap program, and
- \$18,737,000 in CY 2009 bonds

...for total FY 2009 Revenue of **\$29.32 million**

Expenditures

- \$1,942,566 million for City Schools capital projects
- \$1,522,417 for facilities capital projects
- \$3,500,000 for public safety
- \$4,838,289 for transportation and access
- \$9,010,500 for Parks and Recreation
- \$154,500 for Strategic Development Initiatives
- \$120,000 for neighborhood improvement projects
- \$275,000 for stormwater initiatives
- \$50,000 for technology infrastructure
- \$1,400,000 for the Charlottesville Housing Fund
- \$5,000,000 in reprogrammed expenditures for the Jefferson School, and
- \$1,509,110 in Contingency Funds

...for total FY 2009 Expenditures of **\$29.32 million**

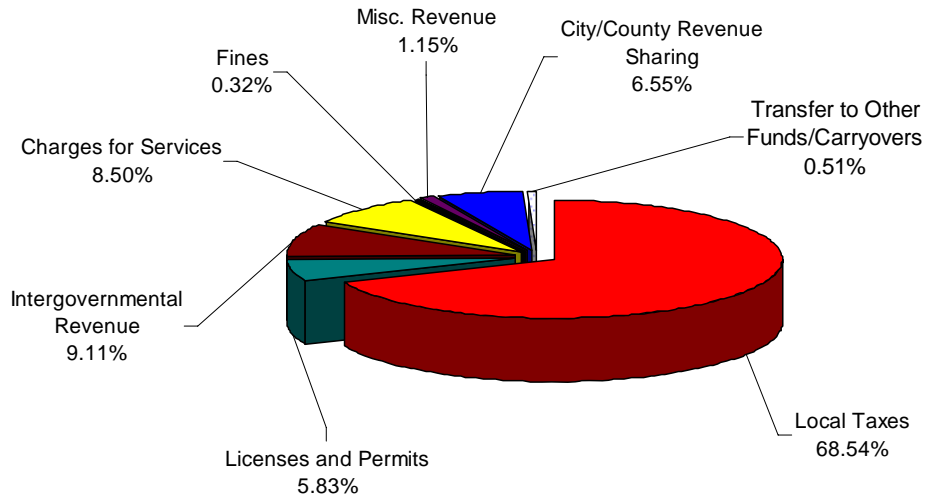
Capital Improvement Program New Initiatives

- **City Schools HVAC Replacement Plan - \$250,000** – Facilities Maintenance has developed a 20-year plan for the replacement of HVAC equipment within the City School buildings. Each piece of equipment has a predictable life cycle, beyond which failure becomes imminent. All aging equipment will be replaced with the most energy-efficient option available on the market. While this does not fully fund the request, this pool of funds will provide a starting point for future replacement of equipment.
- **West Main Streetscaping - \$350,000** - This initiative will allow the City to address design and construction of improvements to West Main Street by partnering with private developers. Over the next few years the City will have opportunities to partner with several development projects which will allow for continued streetscaping projects, similar to what the City has done in previous years in partnership with UVA. This project is being phased in accordance with potential coordination with private development efforts.
- **Smith Pool - \$5,000,000** – These funds will begin the process of replacing the existing Smith Recreation Center and Pool with a new facility on the Buford School campus. This project is being conducted in partnership with the Boys and Girls Club, leveraging design and construction resources to maximize the City's investment. The current facility no longer meets the needs of the community and needs to be replaced with a modern aquatic facility that includes both competitive and recreational aquatic spaces.
- **Parks and Recreation Facilities Improvements - \$500,000** – These funds are dedicated to the replacement of the existing building and restrooms at Forest Hills Park with a modern picnic shelter and new restrooms, and will allow for the renovation and replacement of playground equipment and athletic field amenities at Rives Park.
- **Citywide ADA Improvements – Sidewalks & Curbs - \$100,000** – The funding beginning in FY 2009 will provide handicapped accessibility at various locations throughout the City, allowing the City to meet federally required guidelines for handicapped access.
- **CHS Girls Softball Field Lighting - \$150,000** – This pool of funds will install athletic field lighting to meet both the City Lighting Ordinance and National foot-candle standards for girl's softball. The boy's baseball field is illuminated, while the girl's softball field is not. While there is a dedicated field for girls, it is not the same as what is provided for the boys by virtue of the absence of illumination.
- **Charlottesville Housing Fund (CHF) - \$1,400,000** - The FY 2009 funding is the second year of this program. The mission of this Fund, as adopted by City Council's Housing Advisory Committee in November 2006, is to meet the housing challenges facing our residents by dedicating, consolidating and expanding financial support for the preservation and production of affordable housing in our community.

General Fund Revenue Summary

	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2008-2009 Budget	Increase/ (Decrease)	% Change
General Fund Revenue					
Local Taxes	\$79,080,596	\$82,278,044	\$87,300,360	\$5,022,316	6.10%
Licenses and Permits	7,352,864	7,401,130	7,425,630	24,500	0.33%
Intergovernmental Revenue	11,590,271	11,714,482	11,604,740	(109,742)	-0.94%
Charges for Services	9,904,230	10,250,165	10,830,046	579,881	5.66%
Fines	483,859	405,000	405,000	0	0.00%
Misc. Revenue	1,778,356	1,463,054	1,462,504	(550)	-0.04%
City/County Revenue Sharing	6,369,816	7,959,142	7,695,118	(264,024)	-3.32%
Transfer to Other Funds/Carryovers	264,000	683,747	651,747	(32,000)	-4.68%
TOTAL OPERATING BUDGET	\$116,823,992	\$122,154,764	\$127,375,145	\$5,220,381	4.27%

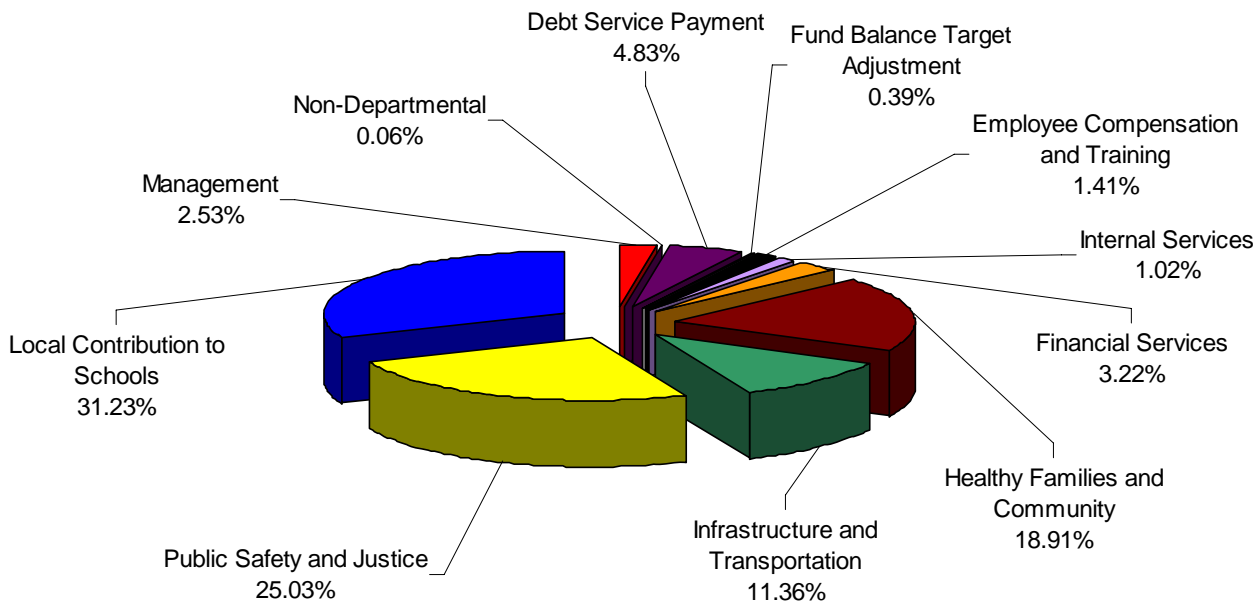
General Fund Revenues



General Fund Expenditure Summary

	FY2006-2007 Actual	FY2007-2008 Budget	FY2008-2009 Budget	Increase/ (Decrease)	% Change
General Fund Expenditures					
Management	\$2,725,651	\$3,077,641	\$3,227,844	\$150,203	4.88%
Non-Departmental	50,000	5,000	80,000	75,000	1500.00%
Debt Service Payment	6,024,381	5,932,000	6,150,000	218,000	3.67%
Fund Balance Target Adjustment	0	330,194	500,000	169,806	51.43%
Employee Compensation and Training	125,455	1,817,064	1,791,960	(25,104)	-1.38%
Internal Services	1,092,736	1,204,404	1,305,324	100,920	8.38%
Financial Services	3,697,235	3,934,675	4,095,991	161,316	4.10%
Healthy Families and Community	19,435,390	22,769,985	24,088,316	1,318,331	5.79%
Infrastructure and Transportation	10,590,438	13,423,256	14,466,193	1,042,937	7.77%
Public Safety and Justice	29,166,098	31,319,936	31,887,986	568,050	1.81%
Local Contribution to Schools	34,012,025	38,340,609	39,781,531	1,440,922	3.76%
TOTAL OPERATING BUDGET	\$106,919,409	\$122,154,764	\$127,375,145	\$5,220,381	4.27%

General Fund Expenditures



Explanation of 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 four different 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)

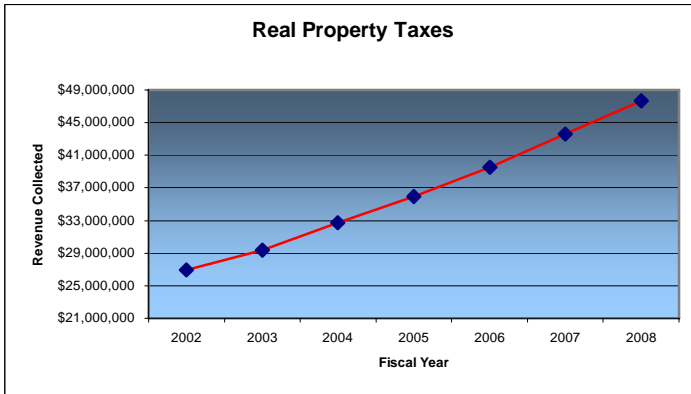
In practice, most revenue projections combine two or more of these techniques. Generally, the amount of revenue available to the City depends on current and future economic activity. Below is a listing of the major revenue sources for the City of Charlottesville, which make up 86.14% of the total General Fund revenues collected by the City of Charlottesville.

<u>Revenue Source</u>	<u>FY 2009 Projection</u>	<u>% of General Fund Total Revenues</u>
Real Estate Taxes	\$ 50,372,908	35.73%
City/County Revenue Sharing	13,633,950	9.67%
Sales & Use Taxes	10,500,000	7.45%
Other State Assistance	7,083,325	5.02%
Meals Tax	7,025,000	4.98%
Personal Property Taxes	6,700,000	4.75%
Business & Professional Licenses	5,800,000	4.11%
Payment in Lieu of Taxes: Utilities	4,868,644	3.45%
Utility Tax	4,662,810	3.31%
PPTRA	3,498,256	2.48%
Virginia Communications Sales & Use Tax	3,451,270	2.45%
Transient Room Tax	2,695,000	1.91%
Public Service Corporation Taxes	<u>1,154,780</u>	<u>0.82%</u>
TOTAL	\$ 121,445,943	86.14%

In the following section, a graph has been presented for each 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 Fiscal Year 2009. The data in the graphs represents the amount of actual revenue collected for Fiscal Years 2002 – 2007, and the appropriated amounts for Fiscal Year 2008, all of which were important factors in projecting the revenues for Fiscal Year 2009.

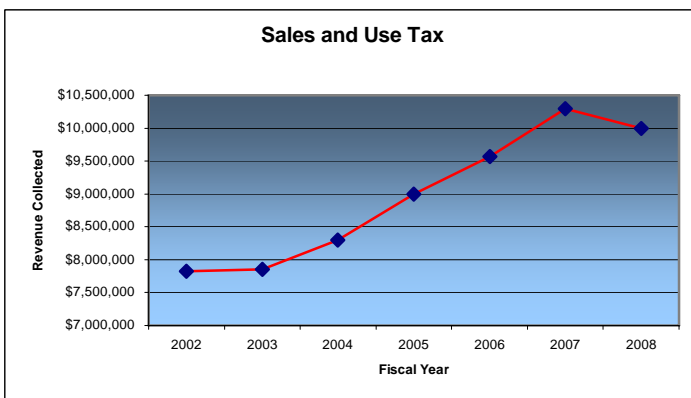
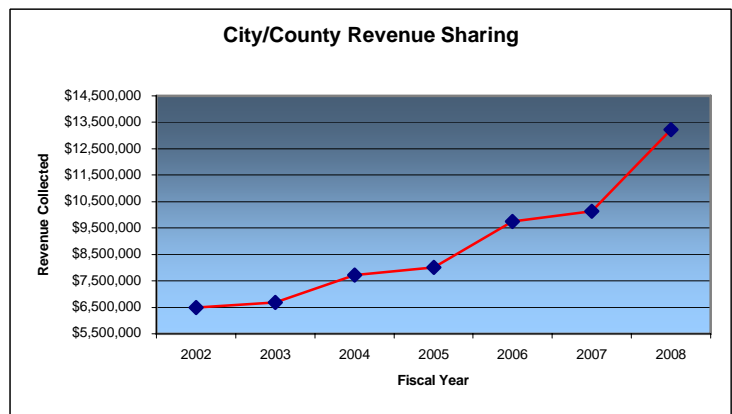
Beginning in January 2007, the E-911 Fee, Cable Franchise Fee, and Utility Taxes (Telephone and Cable) were rolled into one revenue stream called the Virginia Communications Sales and Use Tax. This is a State administered tax and the City is reimbursed on a monthly basis. This consolidation of taxes has resulted in inaccurate trend data for the Utility Tax and Virginia Communications Sales and Use Tax revenue items and, therefore, those trends are not included in the following graphs.

Major Local Revenue – Descriptions and Trend Data

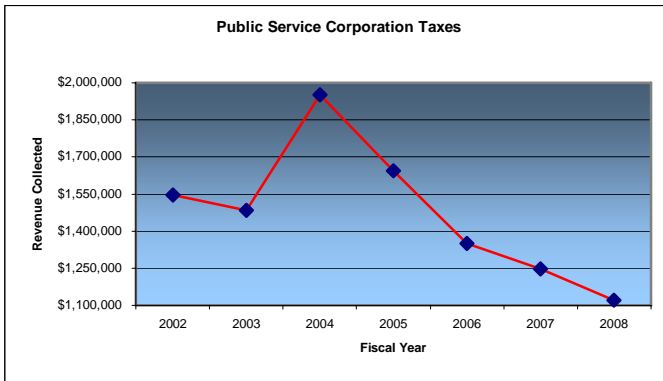


Real Property Taxes are the largest source of revenue for the City. They are *ad valorem* taxes based on the assessed value of real property owned by businesses, individuals, and corporations. They are assessed at 100% valuation, with tax rates being applied per \$100 of assessed value. **The adopted tax rate for FY 2009 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 amount from the County is equal to 1/10 of 1% of the County's total assessed property values in the preceding fiscal year.

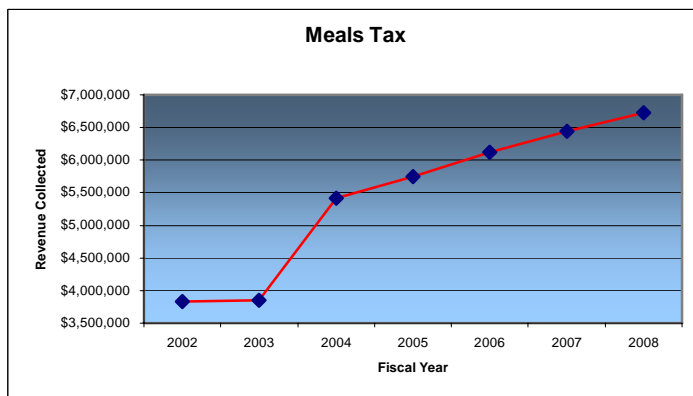
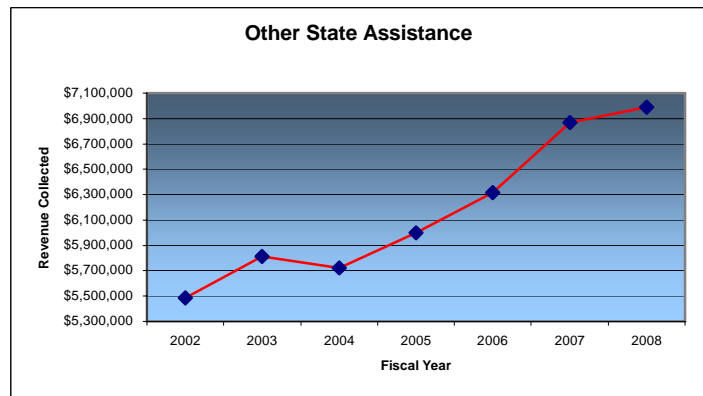


Sales and Use Taxes are revenues received by the City from 1 cent of the 5-cent State sales tax generated within the City. Historically this revenue has been a very strong performer, resulting in the large increases for prior fiscal years. However, due to economic trend data in FY 2009 this revenue only project for a 1.94% increase over FY 2008. **The current Sales Tax rate is 5% for general sales purchases and 2.5% for non-prepared foods (implemented July 1, 2005).**

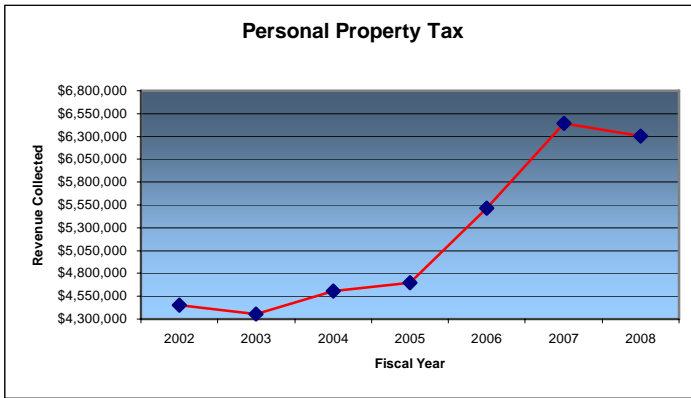


Public Service Corporation Taxes are levied on the real estate and tangible property owned by railroads, utilities, pipelines, and other businesses required to register with the State Corporation Commission. These revenues are expected to experience little to no growth due to adjustments made to the depreciation method for computer equipment, furniture and office equipment, and central office equipment, which then decreased the assessments over the prior year.

Other State Assistance consists of three major revenue items, which are: **Constitutional Officer Reimbursement**, which is determined by the State Compensation Board on an annual basis as funds 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, and are based on a formula approved by the General Assembly which includes road type, lane miles, and rate of pavement per lane mile; and, **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. The FY 2009 amount that the City will receive for Police Protection has been frozen at a reduced level resulting in a loss of almost \$124,000 in revenue.

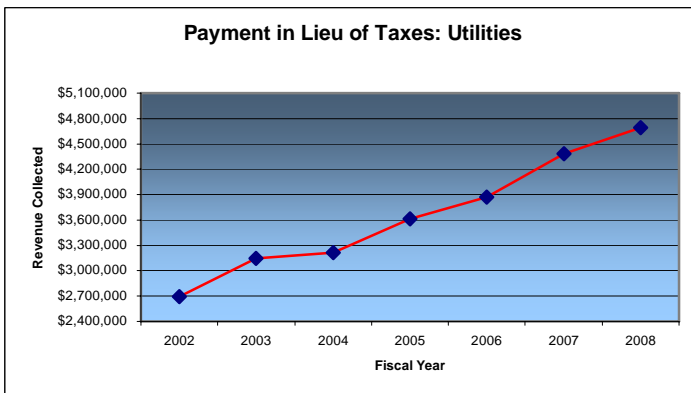
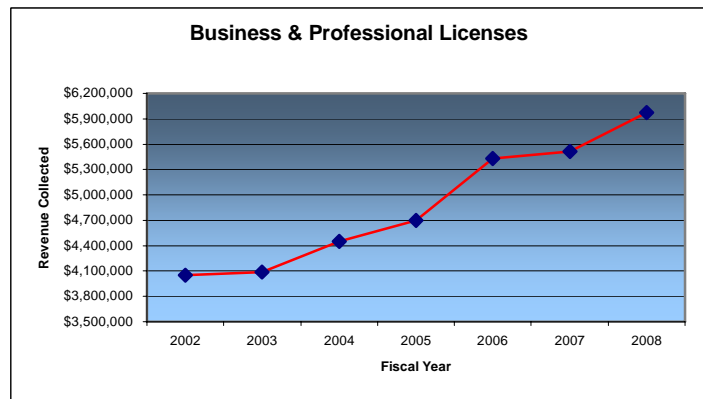


Meals Tax is assessed on the sales price of prepared food and beverages sold in the City. Twenty-five cents of each dollar collected is dedicated to the Debt Service Fund to pay off the future debt of bond issuances used to pay for capital projects. The remaining \$.75 of each dollar is dedicated to the General Fund. **The current rate is 4%.**

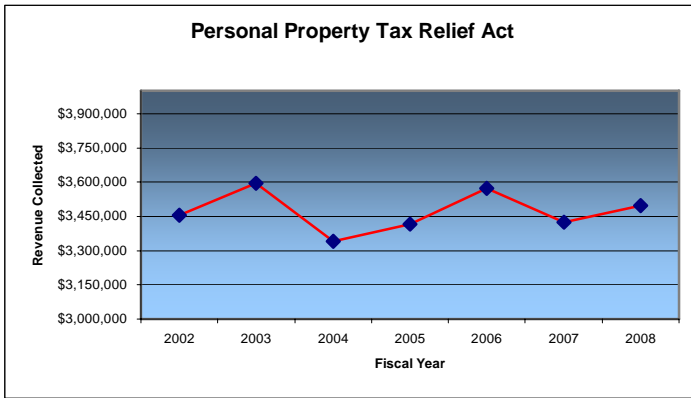


Personal Property Taxes are levied on vehicles owned by individuals and businesses, as well as tangible property owned by businesses. In the fall of 2005, City Council approved changing the valuation method of personal property from average loan value to trade in value, resulting in an additional \$500,000 of revenue in FY 2007. **The adopted tax rate for FY 2009 is \$4.20 per \$100 of assessed value.**

Licenses and Permits are revenues collected from permits and privilege fees required by the City. The largest of these sources is the **Business and Professional Licenses**, which is estimated to bring in over \$5.8 M in FY 2009.

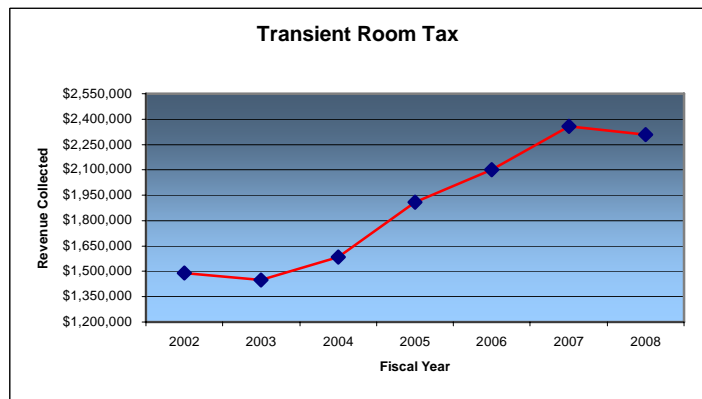


Payment in Lieu of Taxes: Utilities covers the property taxes and business licenses that city-owned water, sewer, and gas operations would pay if they were private businesses. The payment in lieu of taxes for the utilities is calculated by a predetermined formula. In FY 2009 this revenue item is estimated to generate approximately \$4.9 million in revenue.



PPTRA is the State reimbursement to the localities for those vehicles that qualify for reduced personal property tax rates under the Personal Property Tax Relief Act. Recent legislation, SB 5005, establishes what amounts to a fixed, annual block grant to localities, the proceeds of which must be used to provide relief to the owners of qualifying vehicles. The State's obligation is capped and made certain and localities are provided greater flexibility in determining how relief is to be distributed.

Transient Room Tax, often called the lodging tax, consists of taxes assessed on the use of rooms in hotels, motels, and boarding houses. This revenue has also seen a strong performance in recent years, with some months showing a 90% occupancy rate. **The adopted tax rate is 6%.**



Adopted Tax and Fee Rates

	Adopted Fiscal Year 2008-2009	Adopted Fiscal Year 2007-2008
Real Estate Tax	\$0.95/\$100 Assessed Value	\$0.95/\$100 Assessed Value
Personal Property Tax	\$4.20/\$100 Assessed Value	\$4.20/\$100 Assessed Value
Machinery and Tools Tax	\$4.20/\$100 Assessed Value	\$4.20/\$100 Assessed Value
Mobile Home Tax	\$0.95/\$100 Assessed Value	\$0.95/\$100 Assessed Value
Sales Tax - General ⁽¹⁾	5.0%	5.0%
Sales Tax - Food (Excludes prepared food) ⁽²⁾	2.5%	2.5%
Restaurant/Meals Tax	4.0%	4.0%
Lodging Tax	6%	6%
Cigarette Tax	\$.35 per pack	\$.35 per pack
E-911 Fee ⁽³⁾	\$.75/phone line	\$.75/phone line
Cable Franchise Fee ⁽³⁾	5%	5%
PEG Fee (Cable)	\$.35/month	\$.35/month
Utility Taxes (Gas, Water, Wastewater, Electric)	10%	10%
Utility Taxes (Telephone and Cable) ⁽³⁾	5%	5%
Refuse Collection		
Trash Sticker Fee	13 Gallon - \$1.05 each 32 Gallon - \$2.10 each	13 Gallon - \$1.05 each 32 Gallon - \$2.10 each
Trash Decal Fees ⁽⁴⁾		
32 Gallon Can	\$94.50 Annually	\$94.50 Annually
45 Gallon Can ⁽⁵⁾	\$125.00 Annually	Not Offered
64 Gallon Can ⁽⁵⁾	\$189.00 Annually	Not Offered
96 Gallon Can	\$283.50 Annually	\$283.50 Annually
Large Item Pickup Fee	\$25.00 per occurrence	\$25.00 per occurrence
Motor Vehicle License Fee	Up to 4,000 lbs. - \$28.50 4,000 - 6,500 lbs. - \$33.50 Over 6,500 lbs. - \$33.50 Motorcycles - \$8.50	Up to 4,000 lbs. - \$28.50 4,000 - 6,500 lbs. - \$33.50 Over 6,500 lbs. - \$33.50 Motorcycles - \$8.50
Courthouse Maintenance Fee	\$2.00 per court case	\$2.00 per court case
Courtroom Security Fee	\$10.00 per conviction	\$10.00 per conviction

(1) Of this 5% collected by the State, 1% is returned to the locality to support public education.

(2) This second Sales Tax rate for non-prepared foods (i.e., grocery stores) was adopted by the State as of July 1, 2005.

(3) Starting in January 2007, these taxes are rolled into one revenue stream called the **Virginia Communications Sales and Use Tax**. The tax rates are set by the State in an effort to streamline communications taxes. The revenue is also collected by the State and the City is reimbursed on a monthly basis. It is 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. If purchased after September 30th the City offers prorated rates based upon date of purchase.

(5) Starting July 1, 2008, the City of Charlottesville will offer 45 gallon and 64 gallon annual trash decals.

General Fund Revenue Detailed

	FY 2006-2007	FY 2007-2008	FY 2008-2009	Increase/ (Decrease)	% Change
	Actual	Budget	Budget		
LOCAL TAXES					
Real Estate Taxes	\$43,610,928	\$47,655,000	\$50,372,908	\$2,717,908	5.70%
Personal Property Tax	6,446,955	6,301,000	6,700,000	399,000	6.33%
Public Service Corporation Tax	1,246,613	1,119,900	1,154,780	34,880	3.11%
Penalty/Interest on Delinquent Taxes	375,260	350,000	350,000	0	0.00%
Utility Taxes (City Utilities and Electric)	7,440,974	4,863,822	4,662,810	(201,012)	-4.13%
Virginia Communications Sales and Use Tax	0	2,261,440	3,451,270	1,189,830	52.61%
Franchise Taxes (See <i>VA Communications Sales and Use Tax</i>)	238,552	0	0	0	0.00%
Tax on Bank Stock	569,324	500,000	540,000	40,000	8.00%
Tax on Wills & Deeds	718,396	550,000	550,000	0	0.00%
Sales & Use Tax	10,298,470	10,300,000	10,500,000	200,000	1.94%
Rolling Stock Tax	17,653	16,694	16,000	(694)	-4.16%
Transient Room Tax	2,356,436	2,310,000	2,695,000	385,000	16.67%
Meals Tax	4,831,141	5,045,500	5,268,750	223,250	4.42%
Short-Term Rental Tax	64,309	55,340	64,000	8,660	15.65%
Cigarette Tax	579,317	695,000	695,000	0	0.00%
Recordation Tax Receipts	161,826	154,148	154,842	694	0.45%
Vehicle Daily Rental Tax	124,442	100,200	125,000	24,800	24.75%
Taxes Subtotal	\$79,080,596	\$82,278,044	\$87,300,360	\$5,022,316	6.10%
LICENSES AND PERMITS					
Business & Professional Licenses	\$5,514,900	\$5,976,000	\$5,800,000	(\$176,000)	-2.95%
Vehicle Licenses	831,844	780,000	880,000	100,000	12.82%
Dog Licenses	5,154	4,500	5,000	500	11.11%
Electrical, Heating and Mechanical Permits	173,103	140,000	150,000	10,000	7.14%
Building and Plumbing Permits	396,736	330,630	390,630	60,000	18.15%
Other Permits	431,127	170,000	200,000	30,000	17.65%
Licenses and Permits Subtotal	\$7,352,864	\$7,401,130	\$7,425,630	\$24,500	0.33%
INTERGOVERNMENTAL REVENUE					
Revenue from Federal Agencies					
Federal Assistance (CDBG Admin., etc.)	\$0	\$60,000	\$0	(\$60,000)	-100.00%
Revenue from State Agencies					
PPTRA Revenue (State Personal Property Tax)	3,425,887	3,498,256	3,498,256	0	0.00%
State Highway Assistance	3,063,093	3,190,414	3,190,414	0	0.00%
Reimbursement/Constitutional Offices	1,424,537	1,282,658	1,500,000	217,342	16.94%
ABC Board*	48,148	48,147	0	(48,147)	-100.00%
State Aid for Police Protection	2,381,980	2,516,843	2,392,911	(123,932)	-4.92%
Trailer Title	4,869	2,500	2,500	0	0.00%
Other State Assistance: Misc Rev	39,766	40,000	40,000	0	0.00%
Revenue from Other Intergovernmental Sources					
Jefferson Area Drug Enforcement (JADE)	54,000	48,000	54,000	6,000	12.50%
School Resource Officers (City Schools)	197,561	230,663	236,046	5,383	2.33%
Regional Library Administrative Fee	107,837	103,556	106,000	2,444	2.36%
Fire Department Ops (Albemarle County)	391,609	268,000	100,000	(168,000)	-62.69%
Juvenile & Domestic Relations Court Operations (Albemarle County)	50,051	54,111	56,659	2,548	4.71%
Juvenile & Domestic Relations Court Building Maint. (Albemarle County)	0	0	55,985		
Magistrate's Office (Albemarle County)	5,285	5,450	4,800	(650)	-11.93%
Commission on Children and Families (Albemarle County)	86,366	83,558	85,727	2,169	2.60%
Payments In Lieu Of Taxes (Housing Authority)	17,024	15,000	15,000	0	0.00%
Fire Department Ops (UVA)	173,644	182,326	191,442	9,116	5.00%
Service Charge (UVA)	18,614	35,000	25,000	(10,000)	-28.57%
Trolley Assistance (UVA)	50,000	0	0	0	0.00%
Property Maintenance (UVA)	50,000	50,000	50,000	0	0.00%
Intergovernmental Revenue Subtotal	\$11,590,271	\$11,714,482	\$11,604,740	(\$109,742)	-0.94%

* As adopted in the State's 2008 – 2010 Biennial Budget, revenues collected for ABC purchases will no longer be distributed to cities and counties.

	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2008-2009 Budget	Increase/ (Decrease)	% Change
CHARGES FOR SERVICE					
Property Transfer Fees	\$1,341	\$1,100	\$1,100	\$0	0.00%
City Sheriff's Fees	5,308	6,200	6,200	0	0.00%
Zoning Appeal Fees	1,550	750	750	0	0.00%
Court Revenue (Circ/Genl Dist Cts)	598,309	800,000	800,000	0	0.00%
Parking Meter Receipts	97,935	100,000	100,000	0	0.00%
Parking Garage Revenue	1,182,497	800,000	1,250,000	450,000	56.25%
Internal City Services	918,531	936,912	911,477	(25,435)	-2.71%
Utility Cut Permits	179,108	150,000	150,000	0	0.00%
Recreation Income	596,011	657,000	757,500	100,500	15.30%
E-911 Service Charge (See <i>VA Communications Sales & Use Tax</i>)	242,584	0	0	0	0.00%
Cemetery Income	36,095	0	0	0	0.00%
Reimbursable Overtime	197,518	215,000	215,000	0	0.00%
Parking Permit Fees	70,930	50,000	55,000	5,000	10.00%
Payment in Lieu of Taxes: Utilities	4,366,888	4,693,828	4,868,644	174,816	3.72%
Indirect Cost Recovery	245,233	200,000	200,000	0	0.00%
Waste Disposal Fees	1,051,184	1,125,000	1,000,000	(125,000)	-11.11%
EMS/Ambulance Service	0	414,375	414,375	0	0.00%
Other Charges and Fees for Services	113,208	100,000	100,000	0	0.00%
Charges for Service Subtotal	\$9,904,230	\$10,250,165	\$10,830,046	\$579,881	5.66%
FINES					
Parking Fines	\$483,859	\$405,000	\$405,000	\$0	0.00%
Fines Subtotal	\$483,859	\$405,000	\$405,000	\$0	0.00%
MISCELLANEOUS REVENUE					
Interest Earned	\$1,055,643	\$700,000	\$700,000	\$0	0.00%
Rent	212,310	276,759	220,152	(56,607)	-20.45%
Hedgerow Property Revenue (Parking and Rent)	164,610	171,295	177,352	6,057	3.54%
Refund of Prior Years' Expenditures	29,332	30,000	30,000	0	0.00%
Parking Garage Maintenance	50,000	0	50,000	50,000	100.00%
Other Miscellaneous Revenue	266,461	285,000	285,000	0	0.00%
Miscellaneous Revenue Subtotal	\$1,778,356	\$1,463,054	\$1,462,504	(\$550)	-0.04%
COUNTY FIRE SERVICE FEES TRANSFERED TO DEBT SERVICE FUND	\$264,000	\$132,000	\$100,000	(\$32,000)	-24.24%
FY 2006 FUND BALANCE SURPLUS (EMS/AMBULANCE SERVICE)	\$0	\$551,747	\$0	(\$551,747)	-100.00%
FY 2008 CARRYOVER (EMS/AMBULANCE SERVICE)	\$0	\$0	\$551,747	\$551,747	100.00%
CITY/COUNTY REVENUE SHARING: OPERATING BUDGET	\$6,369,816	\$7,959,142	\$7,695,118	(\$264,024)	-3.32%
OPERATING BUDGET TOTAL	\$116,823,992	\$122,154,764	\$127,375,145	\$5,220,381	4.27%
DESIGNATED REVENUE					
Contractual Services: Pupil Transportation	\$2,630,687	\$2,423,951	\$2,539,087	\$115,136	4.75%
Contractual Services: School Building Maintenance	2,985,851	3,148,921	3,383,207	234,286	7.44%
City/County Revenue Sharing: Transfer to Capital Improvement Program Fund	3,315,000	3,665,259	3,903,882	238,623	6.51%
City/County Revenue Sharing: Transfer to Capital Improvement Program Fund (Charlottesville Housing Fund)	0	250,000	900,000	650,000	260.00%
City/County Revenue Sharing: Transfer to Facilities Repair Fund	450,000	500,000	550,000	50,000	10.00%
City/County Revenue Sharing: Transfer to Equipment Replacement Fund	0	838,000	584,950	(253,050)	-30.20%
Meals Tax Revenue: Transfer to Debt Service Fund	1,610,380	1,681,905	1,756,250	74,345	4.42%
DESIGNATED REVENUE TOTAL	10,991,918	12,508,036	13,617,376	\$1,109,340	8.87%
TOTAL CITY BUDGET	\$127,815,910	\$134,662,800	\$140,992,521	\$6,329,721	4.70%
CITY SCHOOLS BUDGET					
	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2008-2009 Budget	Increase/ (Decrease)	% Change
SCHOOL OPERATIONS (SCHOOL GENERAL FUND)					
Local Contribution	\$34,012,025	\$38,340,609	\$39,781,531	\$1,440,922	3.76%
State Funds	16,446,943	16,188,724	16,986,955	798,231	4.93%
Federal Funds	144,879	159,020	159,020	0	0.00%
Misc. Revenue	1,118,219	1,221,115	1,134,170	(86,945)	-7.12%
TOTAL SCHOOL OPERATIONS BUDGET	\$51,722,066	\$55,909,468	\$58,061,676	\$2,152,208	3.85%

Non General Funds Revenue Detailed

	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2009 Budget	Increase/ (Decrease)	% Change
GOLF COURSE FUND					
Sales and Concessions	\$93,950	\$129,500	\$150,000	\$20,500	15.83%
Greens Fees, Lessons, Etc.	591,611	826,990	803,497	(23,493)	-2.84%
Cart Rentals	258,369	315,000	315,000	0	0.00%
Annual Memberships	106,953	92,500	149,734	57,234	61.87%
First Tee Fees	48,757	0	104,000	104,000	100.00%
Misc. Revenue	0	20,000	16,636	(3,364)	-16.82%
GOLF COURSE FUND REVENUE TOTAL	\$1,099,640	\$1,383,990	\$1,538,867	\$154,877	11.19%
DEPARTMENT OF SOCIAL SERVICES FUND					
Intergovernmental Revenue	\$9,839,792	\$10,763,408	\$10,901,529	\$138,121	1.28%
Transfer from General Fund	2,540,274	3,255,236	3,577,677	322,441	9.91%
DEPARTMENT OF SOCIAL SERVICES FUND REVENUE SUBTOTAL	\$12,380,066	\$14,018,644	\$14,479,206	\$460,562	3.29%
COMMUNITY ATTENTION FUND					
Intergovernmental Revenue	\$209,541	\$598,850	\$597,834	(\$1,016)	-0.17%
Welfare Revenue	2,013,793	1,560,123	1,669,005	108,882	6.98%
Misc. Revenue	19,666	0	0	0	0.00%
Transfer from General Fund	171,541	171,192	216,632	45,440	26.54%
COMMUNITY ATTENTION FUND REVENUE SUBTOTAL	\$2,414,541	\$2,330,165	\$2,483,471	\$153,306	6.58%
WATER (OPERATIONAL AND DEBT SERVICE FUNDS)					
Water Sales Revenue	\$7,952,480	\$8,349,689	\$8,634,227	\$284,538	3.41%
Water Connection Fees	134,072	129,000	135,000	6,000	4.65%
Other Fees	51,554	65,000	65,000	0	0.00%
Bond Proceeds	0	1,500,000	3,244,000	1,744,000	116.27%
Transfer from Other Funds	1,002,940	875,000	860,000	(15,000)	-1.71%
WATER FUND REVENUE TOTAL	\$9,141,046	\$10,918,689	\$12,938,227	\$2,019,538	18.50%
WASTEWATER (OPERATIONAL AND DEBT SERVICE FUNDS)					
Wastewater Sales Revenue	\$6,826,076	\$7,325,046	\$7,670,838	\$345,792	4.72%
Wastewater Connection Fees	520	20,000	20,000	0	0.00%
Wastewater Charge	80,667	56,000	65,000	9,000	16.07%
Other Fees	21,796	0	0	0	0.00%
Bond Proceeds	0	1,500,000	5,331,000	3,831,000	255.40%
Transfer from Other Funds	616,689	430,000	430,000	0	0.00%
WASTEWATER REVENUE TOTAL	\$7,545,748	\$9,331,046	\$13,516,838	\$4,185,792	44.86%
GAS (OPERATIONAL AND DEBT SERVICE FUNDS)					
Gas Sales Revenue	\$37,674,535	\$34,586,285	\$35,526,106	\$939,821	2.72%
Other Fees	288,503	325,000	325,000	0	0.00%
Miscellaneous Revenue	38,427	0	0	0	0.00%
Transfer from Other Funds	940,000	940,000	1,150,000	210,000	22.34%
GAS REVENUE TOTAL	\$38,941,465	\$35,851,285	\$37,001,106	\$1,149,821	3.21%

	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2007-2009 Budget	Increase/ (Decrease)	% Change
TRANSIT FUND					
Intergovernmental Revenue (Transit Operations)	\$2,783,262	\$2,835,544	\$3,427,874	\$592,330	20.89%
Intergovernmental Revenue (Transit Bus Replacement)	641,972	1,555,738	327,580	(1,228,158)	-78.94%
Transfer from Capital Improvement Program (Local Match)	8,450	230,637	62,397	(168,240)	-72.95%
Charges for Services	656,659	671,762	713,464	41,702	6.21%
Transfer from General Fund	1,176,447	1,594,126	1,965,371	371,245	23.29%
Misc. Revenue	66,409	52,908	52,908	0	0.00%
TRANSIT FUND REVENUE TOTAL	\$5,333,199	\$6,940,715	\$6,549,594	(\$391,121)	-5.64%
FLEET MANAGEMENT FUND					
Charges for Services	\$2,042,954	\$1,014,705	\$1,065,512	\$50,807	5.01%
FLEET MANAGEMENT FUND REVENUE TOTAL	\$2,042,954	\$1,014,705	\$1,065,512	\$50,807	5.01%
HVAC FUND					
Charges for Services	\$354,612	\$360,892	\$431,547	\$70,655	19.58%
HVAC FUND REVENUE TOTAL	\$354,612	\$360,892	\$431,547	\$70,655	19.58%
INFORMATION TECHNOLOGY FUND					
Charges for Services - IT Operations	\$1,769,713	\$1,915,640	\$2,024,311	\$108,671	5.67%
Charges for Services - GIS Operations	0	37,391	37,391	0	0.00%
Computer Replacement Pool	126,117	157,092	157,092	0	0.00%
Infrastructure Replacement Pool	186,094	188,104	198,732	10,628	5.65%
Transfer from Gas Fund (City Link Operations)	1,200,000	1,250,000	1,300,000	50,000	4.00%
Transfer from Non General Funds (City Link Operations)	200,000	200,000	200,000	0	0.00%
Other Misc. Revenue (City Link Infrastructure)	4,582,505	0	0	0	0.00%
INFORMATION TECHNOLOGY FUND REVENUE TOTAL	\$8,064,429	\$3,748,227	\$3,917,526	\$169,299	4.52%
WAREHOUSE FUND					
Charges for Services	\$269,586	\$141,531	\$145,480	\$3,949	2.79%
WAREHOUSE FUND REVENUE TOTAL	\$269,586	\$141,531	\$145,480	\$3,949	2.79%
C'VILLE/ALBEMARLE VISITORS CENTER FUND					
Intergovernmental Revenue	\$424,796	\$476,181	\$545,720	\$69,539	14.60%
Charges for Services	70,791	83,000	65,100	(17,900)	-21.57%
Transfer from General Fund	477,385	525,021	589,109	64,088	12.21%
Misc. Revenue	120	2,000	0	(2,000)	-100.00%
VISITOR'S CENTER FUND REVENUE TOTAL	\$973,092	\$1,086,202	\$1,199,929	\$113,727	10.47%
CITY SCHOOLS BUDGET					
	FY 2006-2007 Actual	FY 2007-2008 Budget	FY 2008-2009 Budget	Increase/ (Decrease)	% Change
SCHOOL OPERATIONS (NON GENERAL FUNDS)					
State Revenue	\$3,477,909	\$3,843,514	\$4,236,253	\$392,739	10.22%
Federal Revenue	5,264,321	5,610,375	5,731,628	121,253	2.16%
Misc. Revenue	1,686,262	1,492,678	1,495,045	2,367	0.16%
SCHOOL OPERATIONS (NON GENERAL FUND) REVENUE TOTAL	\$10,428,492	\$10,946,567	\$11,462,926	\$516,359	4.72%

Expenditures Detailed

	FY2006-2007 General Fund Actual	FY2007-2008 General Fund Budget	FY2008-2009 General Fund Budget	FY2006-2007 Other Funds Actual	FY2007-2008 Other Funds Budget	FY2008-2009 Other Funds Budget
MANAGEMENT						
Council Reserve	\$10,421	\$21,884	\$40,004	\$0	\$0	\$0
Mayor and City Council	186,332	226,691	251,858	0	0	0
Office of the City Manager/Administration and Communications	1,066,902	1,120,055	1,153,676	0	0	0
Office of the City Manager/ Office of Economic Development	502,114	542,853	587,766	0	0	0
City Attorney	538,362	680,862	682,491	0	0	0
General Registrar	306,782	368,121	376,192	0	0	0
Organizational Memberships	114,738	117,175	135,857	0	0	0
MANAGEMENT SUBTOTAL	\$2,725,651	\$3,077,641	\$3,227,844	\$0	\$0	\$0
NON-DEPARTMENTAL						
Non-Departmental Activities	\$50,000	\$5,000	\$80,000	\$0	\$0	\$0
NON-DEPARTMENTAL SUBTOTAL	\$50,000	\$5,000	\$80,000	0	0	\$0
DEBT SERVICE PAYMENT						
General Fund Contribution	\$5,510,381	\$5,450,000	\$5,700,000	\$0	\$0	\$0
General Fund Contribution - Fire Apparatus	250,000	350,000	350,000	0	0	0
County Fire Service Fee Contribution	264,000	132,000	100,000	0	0	0
DEBT SERVICE PAYMENT SUBTOTAL	\$6,024,381	\$5,932,000	\$6,150,000	\$0	\$0	\$0
FUND BALANCE TARGET ADJUSTMENT						
Fund Balance Target Adjustment	\$0	\$330,194	\$500,000	\$0	\$0	\$0
FUND BALANCE TARGET ADJUSTMENT	\$0	\$330,194	\$500,000	\$0	\$0	\$0
EMPLOYEE COMPENSATION AND TRAINING						
Compensation - 4% Salary Increase and Associated Benefits	\$0	\$1,320,754	\$1,446,960	\$0	\$0	\$0
City Wide Attrition Savings	0	(300,000)	(300,000)	0	0	0
City Wide Market Rate Adjustments	0	250,000	350,000	0	0	0
Police Department Adjustments	0	145,000	0	0	0	0
Fire Department Adjustments	0	125,000	0	0	0	0
Unemployment Compensation	11,680	60,000	60,000	0	0	0
Corporate Training Fund	14,714	35,000	35,000	0	0	0
Miscellaneous Expenses	99,061	181,310	200,000	0	0	0
EMPLOYEE COMPENSATION AND TRAINING SUBTOTAL	\$125,455	\$1,817,064	\$1,791,960	\$0	\$0	\$0
INTERNAL SERVICES						
Business Services	\$239,800	\$0	\$0	\$0	\$0	\$0
Finance Department: Purchasing/Risk Management/Warehouse	75,653	238,076	271,183	2,185,267	2,313,585	2,474,864
Human Resources	777,283	966,328	1,034,141	0	0	0
Information Technology	0	0	0	3,928,513	3,748,227	3,917,526
INTERNAL SERVICES SUBTOTAL	\$1,092,736	\$1,204,404	\$1,305,324	\$6,113,780	\$6,061,812	\$6,392,390
FINANCIAL SERVICES						
Commissioner of the Revenue	\$925,542	\$957,857	\$1,021,431	\$0	\$0	\$0
Finance Department: Administrative/Real Estate Assessment/ Utility Billing Office	1,683,596	1,889,673	1,939,820	1,215,787	1,475,424	1,494,719
Treasurer	1,088,097	1,087,145	1,134,740	0	0	0
FINANCIAL SERVICES SUBTOTAL	\$3,697,235	\$3,934,675	\$4,095,991	\$1,215,787	\$1,475,424	\$1,494,719

	FY2006-2007 General Fund Actual	FY2007-2008 General Fund Budget	FY2008-2009 General Fund Budget	FY2006-2007 Other Funds Actual	FY2007-2008 Other Funds Budget	FY2008-2009 Other Funds Budget
HEALTHY FAMILIES & COMMUNITY						
Charlottesville Albemarle Convention & Visitors Bureau	\$477,385	\$525,021	\$589,109	\$557,871	\$561,181	\$610,820
Comprehensive Services Act	2,095,818	2,260,146	2,400,058	5,950,010	6,105,426	6,782,951
Community Attention	171,541	171,192	216,632	2,022,623	2,158,973	2,266,839
Community Events and Festivals	80,496	61,900	101,700	0	0	0
Contributions to Children, Youth and Family Programs	2,837,021	3,243,942	3,364,543	286,662	0	0
Contributions to Education and the Arts	1,471,184	1,534,018	1,603,440	0	0	0
Department of Social Services	2,540,274	3,255,236	3,577,677	9,839,792	10,763,408	10,901,529
Housing Programs and Tax Relief	1,118,934	1,689,091	1,565,960	0	0	0
Neighborhood Development Services	2,396,806	2,729,571	2,898,102	0	0	0
Parks and Recreation	6,245,931	7,299,868	7,771,095	1,203,874	1,383,990	1,538,867
HEALTHY FAMILIES & COMMUNITY SUBTOTAL	\$19,435,390	\$22,769,985	\$24,088,316	\$19,860,832	\$20,972,978	\$22,101,006
INFRASTRUCTURE AND TRANSPORTATION						
Public Works: Administration, Facilities Management & Maintenance, HVAC Services	\$2,058,970	\$2,274,460	\$2,563,155	\$321,387	\$341,938	\$393,233
Public Works: Public Service	6,663,755	8,779,077	9,145,848	2,117,175	1,014,705	1,065,512
Public Works: Transit/JAUNT	1,867,713	2,369,719	2,757,190	4,132,830	5,346,589	4,584,223
Public Works: Utilities	0	0	0	48,584,139	55,089,513	61,773,038
INFRASTRUCTURE AND TRANSPORTATION SUBTOTAL	\$10,590,438	\$13,423,256	\$14,466,193	\$55,155,531	\$61,792,745	\$67,816,006
PUBLIC SAFETY AND JUSTICE						
City Sheriff	\$920,211	\$950,772	\$983,708	\$0	\$0	\$0
Commonwealth's Attorney	696,628	892,785	954,057	0	0	0
Contributions to Programs Supporting Public Safety & Justice	5,852,586	6,734,809	6,660,601	0	0	0
Courts and Other Support Services	926,838	989,236	995,648	0	0	0
Fire Department: Operations and EMS	8,145,597	9,050,488	9,196,297	0	0	0
Police Department	12,624,238	12,701,846	13,097,675	0	0	0
PUBLIC SAFETY SUBTOTAL	\$29,166,098	\$31,319,936	\$31,887,986	\$0	\$0	\$0
LOCAL CONTRIBUTION TO SCHOOLS						
Local Contribution to Schools	\$34,012,025	\$38,340,609	\$39,781,531	\$0	\$0	\$0
SCHOOLS SUBTOTAL	\$34,012,025	\$38,340,609	\$39,781,531	\$0	\$0	\$0
TOTAL CITY OPERATIONS	\$106,919,409	\$122,154,764	\$127,375,145	\$82,345,930	\$90,302,959	\$97,804,121
DESIGNATED EXPENDITURES						
Contractual Services: Pupil Transportation	\$2,325,812	\$2,423,951	\$2,539,087	\$0	\$0	\$0
Contractual Services: School Building Maintenance	2,967,269	3,148,921	3,383,207	0	0	0
Transfer to Capital Improvements Program Fund	11,804,867	3,665,259	3,903,882	0	0	0
Transfer to Capital Improvements Program Fund (Charlottesville Housing Fund)	0	250,000	900,000	0	0	0
Transfer to Facilities Repair Fund	450,000	500,000	550,000	0	0	0
Transfer to Debt Service Fund (1% of Meals Tax Revenue)	1,550,000	1,681,905	1,756,250	0	0	0
Transfer to Equipment Replacement Fund	0	838,000	584,950	0	0	0
Transfer to Misc. Funds	124,728	0	0	0	0	0
DESIGNATED EXPENDITURES TOTAL	\$19,222,676	\$12,508,036	\$13,617,376	\$0	\$0	\$0
TOTAL CITY BUDGET	\$126,142,085	\$134,662,800	\$140,992,521	\$82,345,930	\$90,302,959	\$97,804,121
CITY SCHOOLS BUDGET						
	FY2006-2007 General Fund Actual	FY2007-2008 General Fund Budget	FY2008-2009 General Fund Budget	FY2006-2007 Other Funds Actual	FY2007-2008 Other Funds Budget	FY2008-2009 Other Funds Budget
SCHOOL OPERATIONS						
School Operations	\$51,722,066	\$55,909,468	\$58,061,676	\$10,428,492	\$10,946,567	\$11,462,926
TOTAL SCHOOL OPERATIONS BUDGET	\$51,722,066	\$55,909,468	\$58,061,676	\$10,428,492	\$10,946,567	\$11,462,926