

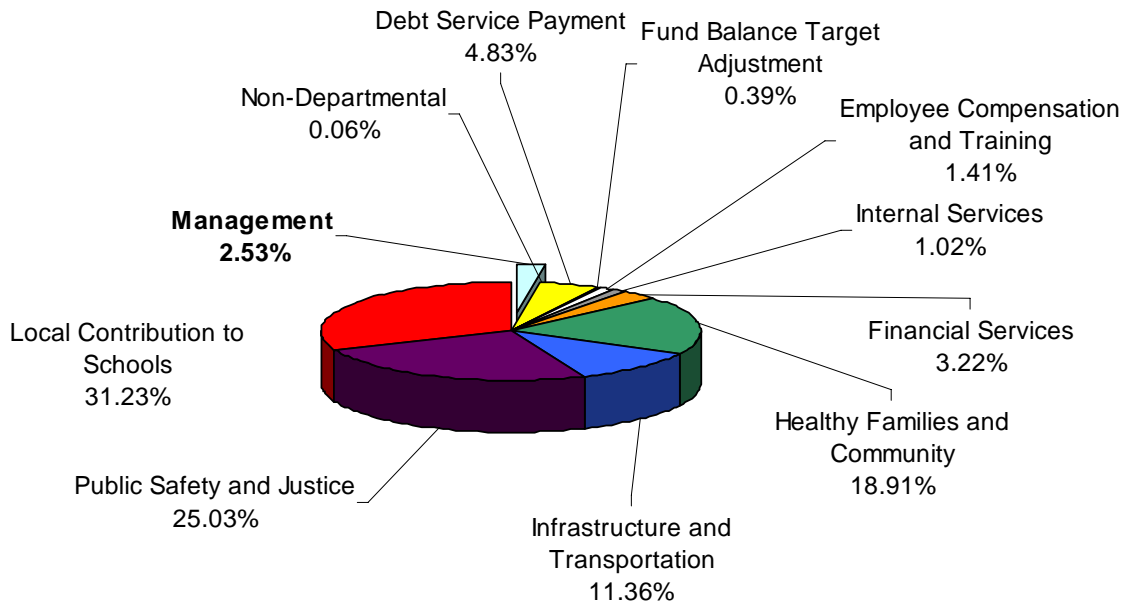
**Management Summary**

	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
<b>MANAGEMENT</b>						
Council Reserve	10,421	21,884	40,004	0	0	0
Mayor and City Council	186,332	226,691	251,858	0	0	0
City Manager's Office/Administration and Communications	1,066,902	1,120,055	1,153,676	0	0	0
City Manager's Office/ 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
<b>MANAGEMENT SUBTOTAL</b>	<b>\$2,725,651</b>	<b>\$3,077,641</b>	<b>\$3,227,844</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

2008-09 General Fund Budget	\$3,227,844
2007-08 General Fund Budget	\$3,077,641
Increase/(Decrease)	\$150,203
Percentage Change	4.88%

# Management

*As a percentage of operating budget*





**Council Reserve**

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A reserve of \$40,004 is set aside for City Council to fund various budget and agency requests that Council wishes to grant during the fiscal year.

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<b>Funding Summary</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Budget</b>	<b>FY 08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Council Reserve	<u>\$10,421</u>	<u>\$21,884</u>	<u>\$40,004</u>	<u>\$18,120</u>	<u>82.80%</u>
<b>General Fund Total</b>	<b>\$10,421</b>	<b>\$21,884</b>	<b>\$40,004</b>	<b>\$18,120</b>	<b>82.80%</b>

**Mayor and City Council**

City Council establishes policies for the City government, including neighborhood planning and services, education funding, human services, economic development, utilities, transportation, public safety, and other community and service issues. The Council is responsible for adopting the annual budget and passes laws to ensure the public's safety and welfare. The Council appoints members to over 30 boards and commissions, including governing boards for many community agencies. The Mayor (or the Vice-Mayor in the Mayor's absence) presides over and sets the agenda for meetings, calls special meetings, and serves as the ceremonial head of government. Regular Council meetings are held twice a month. Councilors participate in joint public hearings with the Planning Commission once a month, meet with the School Board once a month, and hold special meetings and work sessions as needed.

The Clerk of Council serves as staff to the City Council, maintains official Council records, serves as a liaison between Council and the public, notifies citizens of Council action, and coordinates Council meetings and appointments to boards and commissions. The Clerk is involved in a variety of efforts to provide public information about City government to citizens and represents the City on certain boards and commissions.

<b>Funding Summary</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Budget</b>	<b>FY 08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Salaries and Benefits	\$138,979	\$140,221	\$172,636	\$32,415	23.12%
Other Expenditures	<u>47,353</u>	<u>86,470</u>	<u>79,222</u>	<u>(7,248)</u>	<u>-8.38%</u>
<b>General Fund Total</b>	<b>\$186,332</b>	<b>\$226,691</b>	<b>\$251,858</b>	<b>\$25,167</b>	<b>11.10%</b>
General Fund FTEs	1.0	1.0	1.0	<b>0.0</b>	

**Explanation of Changes:** The increase in Salaries and Benefits can be attributed to a salary increase Council approved to be effective July 1, 2008. The decrease in Other Expenditures is the result of removing a one time expenditure for new furniture and a filing system for the Clerk of Council's Office that was completed during FY 2008.

**Office of the City Manager/Administration and Communications**

The City Manager, appointed by the City Council, is the Chief Executive Officer for the City. This office is responsible for implementing the policies and directives of the City Council throughout the various City departments and agencies. The City Manager's Office is also charged with recommending, implementing, and monitoring policies and procedures that maintain the financial well-being of City government. This office directs, monitors, reviews, and evaluates a wide array of programs and services conducted on behalf of the City, is responsible for the development of the City's operating and capital budgets, and citywide communications through the Office of Communications.

The Office of Communications serves as a liaison between the City and our citizens by coordinating media, public and community relations, and by encouraging citizen involvement in their government through a variety of informational sources including, but not limited to, the region's media outlets, the City's monthly newsletter "City Notes", the City's website [www.charlottesville.org](http://www.charlottesville.org), print advertisements, public appearances, and public service announcements. This office also manages and operates Government Access Channel 10, Public Access Channel 13, and Educational Access Channel 14.

In the coming year, the City Manager's Office will place an emphasis on a new approach in citizen involvement and the quality delivery and efficiency of City services. The City Manager's Office will follow the 2025 Vision adopted by City Council by finding appropriate ways to implement and promote programs that follow City Council's clear directive.

<b>Funding Summary</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Budget</b>	<b>FY 08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Salaries and Benefits	\$836,738	\$915,936	\$945,613	\$29,677	3.24%
Other Expenditures	<u>230,164</u>	<u>204,119</u>	<u>208,063</u>	<u>3,944</u>	<u>1.93%</u>
<b>General Fund Total</b>	<b>\$1,066,902</b>	<b>\$1,120,055</b>	<b>\$1,153,676</b>	<b>\$33,621</b>	<b>3.00%</b>
General Fund FTEs	8.0	8.0	7.0	<b>(1.0)</b>	
Other Funded FTEs	1.0	1.0	1.0	<b>0.0</b>	

**Explanation of Changes:** The net increase in Salaries and Benefits can be attributed to a 4% salary increase and market rate adjustments granted in FY 2008 and the elimination of the salaries and benefits associated with the Director of Customer Care in the City Manager's Office, resulting in over \$70,000 in savings.

This section combines two departmental budgets that net the overall increase of 3.00%. The City Manager's Office budget is only increasing by \$4,297, or 0.52%, and the Office of Communications overall budget is increasing by 10.11%, or \$29,324. The increase for the Communications Department is primarily due to increased hours for a contractual employee to help with Channel 10 production and increased efforts in community engagement.

	<b>FY 09 Budget</b>
<b><u>FY 09 Services</u></b>	
Administration	\$834,351
Communications	<u>319,325</u>
<b>Total</b>	<b>\$1,153,676</b>

**Office of the City Manager/Office of Economic Development**

The Office of Economic Development is the City’s primary vehicle for economic development services. Its mission is to serve as a catalyst for public and private initiatives that promote the long-term economic vitality of Charlottesville.

The Economic Development staff works to expand the tax base and to provide quality job opportunities for citizens through new business development, retention/expansion initiatives, and workforce training. The Office also coordinates and administers the functions of the Charlottesville Economic Development Authority (CEDA). The Authority issues revenue bonds and assists with front-end capital for projects.

<b>Funding Summary</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Budget</b>	<b>FY 08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Salaries and Benefits	\$425,238	\$452,060	\$492,933	\$40,873	9.04%
Other Expenditures	<u>76,876</u>	<u>90,793</u>	<u>94,833</u>	<u>4,040</u>	<u>4.45%</u>
<b>General Fund Total</b>	<b>\$502,114</b>	<b>\$542,853</b>	<b>\$587,766</b>	<b>\$44,913</b>	<b>8.27%</b>
General Fund FTEs	4.0	4.0	4.0	<b>0.0</b>	

**Explanation of Changes:** The increase in Salaries and Benefits is a result of fully realizing the 4% salary increase, market rate adjustments and promotions granted in FY 2008. The increase in Other Expenditures can be attributed to increases in fixed costs and annual equipment rental of a new copier in this office.

**City Attorney**

The City Attorney's Office is staffed with four attorneys and two paralegal positions. Formal and informal opinions, reports, ordinances, resolutions, and City contracts are drafted, reviewed, and negotiated by this office. Zoning, procurement, insurance, and Freedom of Information Act (FOIA) matters are handled by the office, and personnel issues (workers' compensation, terminations, and grievances) account for an increasing share of the workload. Social Services and other litigation continue to demand significant attorney time. The City Attorney's Office provides legal counsel to the City Council, Planning Commission, Airport Authority, Charlottesville Economic Development Authority, and Charlottesville Redevelopment and Housing Authority, their managers and employees.

<b>Funding Summary</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Budget</b>	<b>FY 08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Salaries and Benefits	\$471,939	\$585,309	\$618,114	\$32,805	5.60%
Other Expenditures	<u>66,423</u>	<u>95,553</u>	<u>64,377</u>	<u>(31,176)</u>	<u>-32.63%</u>
<b>General Fund Total</b>	<b>\$538,362</b>	<b>\$680,862</b>	<b>\$682,491</b>	<b>\$1,629</b>	<b>0.24%</b>
General Fund FTEs	6.0	6.0	6.0	<b>0.0</b>	

**Explanation of Changes:** The increase in Salaries and Benefits reflects the 4% salary increase granted in FY 2008, as well as increases in retirement costs. Other Expenditures are decreasing due to the elimination of one time expenditures for projects completed in FY 2008, \$10,000 for the replacement of furniture and \$18,000 for a high density file storage system, and a reduction in printing and duplicating costs.

**General Registrar**

The Charlottesville Office of General Registrar is responsible for matters pertaining to: voter registration and comprehensive list maintenance; certification of candidate declarations and campaign finance management; ballot development and administration of absentee voting; Officer of Election database management; maintenance and preparation of voting equipment and supplies; polling place management; public and media relations related to the electoral process; and effective implementation of legislative mandates and policy directives within the scope of operations.

In addition, this office administers primary and special elections, as called. Officer of Election appointments, polling place recommendations, and certifications of election results are conducted by the Charlottesville Electoral Board, for which this office provides all administrative support. In order to conduct the required functions of this office in full accordance with federal, state and local laws, it is imperative that all staff receive comprehensive initial training and participate in on-going continuous education efforts to stay abreast of often changing legal dictates and policy requirements. Numerous training opportunities are provided through the State Board of Elections, the statewide professional associations of General Registrars and Electoral Boards, voting equipment user groups and other professional organizations within the industry.

The Office of the General Registrar has two full time employees located in the City Hall Annex and a part time employee at the Division of Motor Vehicles office on Pantops. Additionally, a number of assistant registrars, election officials and part time election workers are employed as required by the State Board of Elections.

<b>Funding Summary</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Budget</b>	<b>FY 08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Salaries and Benefits	\$197,844	\$241,858	\$252,565	\$10,707	4.43%
Other Expenditures	<u>108,938</u>	<u>126,263</u>	<u>123,627</u>	<u>(2,636)</u>	<u>-2.09%</u>
<b>General Fund Total</b>	<b>\$306,782</b>	<b>\$368,121</b>	<b>\$376,192</b>	<b>\$8,071</b>	<b>2.19%</b>
General Fund FTEs	2.5	2.5	2.5	<b>0.0</b>	

**Explanation of Changes:** The increase in Salaries and Benefits is a result of fully realizing the 4% salary increase granted in FY 2008, and a slight increase in overtime to expand the hours that the Election Office is open for absentee voting as mandated by the Federal Government. Increases in postage and phone service, along with decreases in Information Technology fees and equipment rental resulted in a net decrease of 2.09% in Other Expenditures.



**Organizational Memberships**

The **Virginia Municipal League** is an advocate for Virginia towns and cities. It represents the City's interests before the General Assembly and provides legal, technical, and management information.

The **Charlottesville Regional Chamber of Commerce** is the local organization that represents the business community on issues pertaining to relations between the public and businesses.

The **Thomas Jefferson Planning District Commission (TJPDC)** is the regional planning agency created by Charlottesville and the counties of Albemarle, Fluvanna, Louisa, Greene, and Nelson, under the Virginia Area Development Act, which provides planning and technical assistance to member governments through planning on a regional level.

The **Virginia Institute of Government**, established in 1994 by the Virginia General Assembly, provides programs that increase the training, technical services and information resources available to the Commonwealth's local governments.

The **Alliance for Innovation** is a non-profit organization who partners with the International City/County Management Association and the University of Arizona, with a membership base of 430 city, town and county governments from 28 states, which provides city and county governments with the tools and information to improve productivity, and save time and money.

The **Virginia First Cities Coalition** is a statewide coalition of 15 cities that provides lobbying services and fiscal analysis for its member cities.

The **Thomas Jefferson Regional Partnership for Economic Development** is a public/private organization committed to retaining business, expanding employment opportunities and "growing" the economy of the region in a manner consistent with local plans, policies, and needs.

The **Thomas Jefferson Soil and Water Conservation District** works in partnership with various local, state and federal agencies to provide comprehensive and efficient natural resource assistance.

**Streamwatch** collects data and assesses stream conditions to assist watershed management efforts in the Rivanna Basin. Their monitoring is designed to support a "whole watershed" approach.

The **International City/County Management Association Performance Measurement Consortium** helps local governments compare and improve the effectiveness and efficiency of public services through the collection, analysis and application of performance information. Over 160 local governments participate across the nation.

The **Central Virginia Small Business Development Center** provides management, marketing, planning, operational, and financial and other assistance to existing and pre-venture small and mid-sized businesses in the region.

<b>Funding Summary</b>	<b>FY06-07 Actual</b>	<b>FY07-08 Budget</b>	<b>FY08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Virginia Municipal League	\$12,142	\$12,596	\$13,447	\$851	6.76%
Chamber of Commerce	1,260	2,500	2,500	0	0.00%
Thomas Jefferson Planning District Commission	44,621	46,860	46,860	0	0.00%
TJPDC Workforce One Stop Center	15,771	0	0	0	N/A
Virginia Institute of Government	2,500	2,500	2,500	0	0.00%
Alliance for Innovation	2,500	2,500	2,500	0	0.00%
Virginia First Cities Coalition	17,194	17,819	18,000	181	1.02%
Thomas Jefferson Regional Partnership for Economic Dev.	12,500	12,500	12,500	0	0.00%
Thomas Jefferson Soil and Water Conservation District	1,000	1,000	10,000	9,000	900.00%
Streamwatch	0	0	10,000	10,000	100.00%
ICMA Performance Measurement Consortium	5,250	8,900	7,550	(1,350)	-15.17%
Central Virginia Small Business Development Center	0	10,000	10,000	0	0.00%
<b>General Fund Total Contributions</b>	<b>\$114,738</b>	<b>\$117,175</b>	<b>\$135,857</b>	<b>\$18,682</b>	<b>15.94%</b>



# NON DEPARTMENTAL ACTIVITIES





## Non-Departmental Activities

Non-Departmental Activities are multi-purpose appropriations that cannot be assigned to a specific City Department or they span across departmental functions.

Funds for **Sister City Committee** supports the City’s activities to enhance and develop relationships with its Sister Cities: Poggio a Caiano, Italy; Besancon, France; Long Beach, Washington and Plevin, Bulgaria.

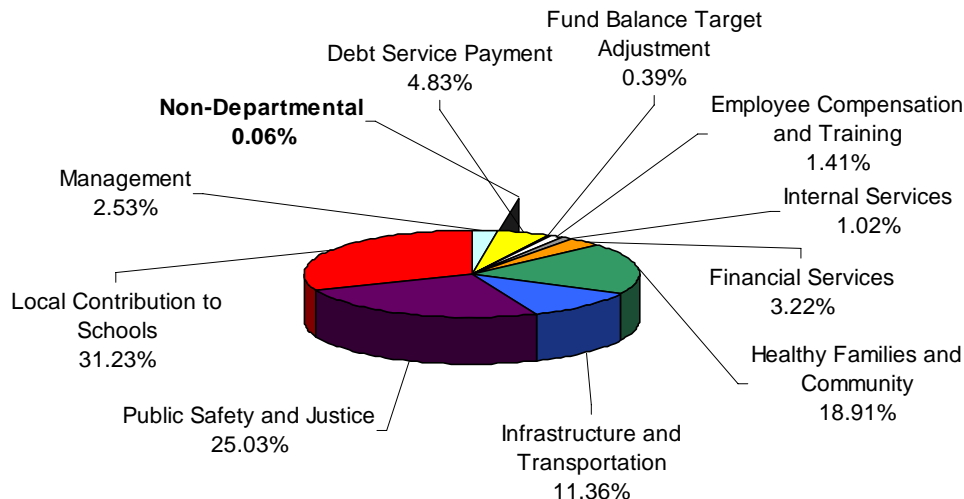
**Green City Initiatives**, previously budgeted in the FY 2008 Capital Improvement Program, now appears in the General Fund. These funds are primarily used to support the Citizens Committee on Environmental Sustainability (CCoES). Examples of funding usage include a public education campaign focused on energy efficiency, joining the Streamwatch partnership to gather and analyze stream health data for the City, and sponsoring an environmental conference.

**Weed and Seed Administration** formerly funded with Community Development Block Grant Funds is now funded through the General Fund. Charlottesville Weed and Seed Network is a federal, state and local grant strategy sponsored by the U.S. Attorney for the Western District of Virginia, designed to help to reduce illicit, open-air drug trafficking (weeding), through coordinated prevention, intervention and treatment opportunities, community policing, and neighborhood restoration (seeding). Initiatives that help strengthen families include educational programs for youth and adults through partnerships with adult and technical education centers, Buford Middle School, National College, and Piedmont Virginia Community College.

Funding Summary	FY 06-07 Actual	FY 07-08 Budget	FY 08-09 Budget	Increase/ (Decrease)	% Change
Sister City Committee	\$0	\$5,000	\$5,000	\$0	0.00%
Green City Initiatives	0	0	50,000	50,000	100.00%
Weed and Seed Administration	0	0	25,000	25,000	100.00%
Citywide Reserve	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
<b>General Fund Total</b>	<b>\$50,000</b>	<b>\$5,000</b>	<b>\$80,000</b>	<b>\$75,000</b>	<b>1500.00%</b>

## Non-Departmental Activities

As a percentage of operating budget







# DEBT SERVICE





**Debt Service Payment**

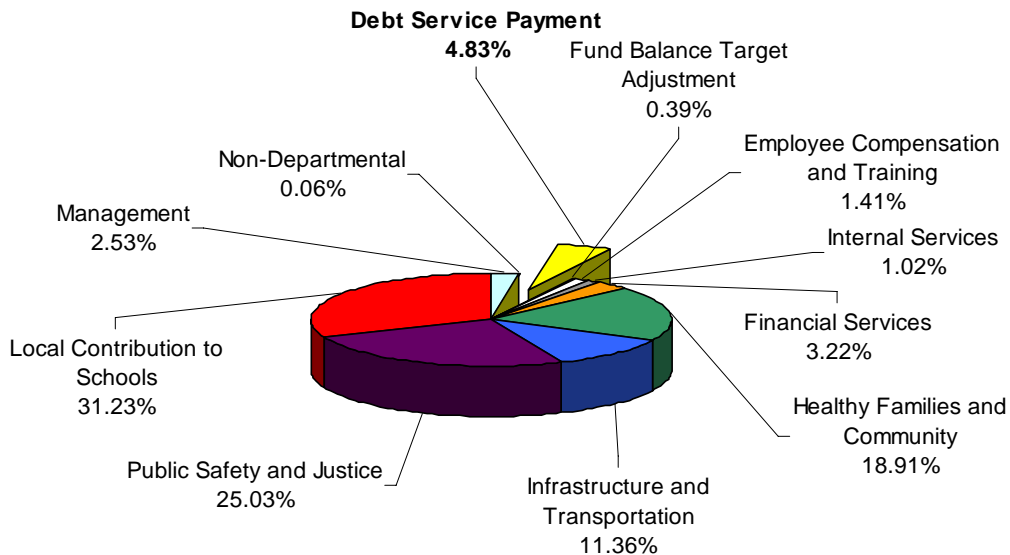
The General Fund contribution to the City’s annual debt service payments on general purpose, school, and literary bonds is shown in this part of the budget. The City has several major, long-term capital needs, such as School and City building maintenance, Downtown Mall infrastructure improvements, Fire Station construction, neighborhood improvements, transportation needs, and Parks and Recreation improvements. It is anticipated that in future years the amount of funds going to debt service will need to increase in order to finance the City’s increasing capital needs (see Capital Improvement Program Fund on page 90 and Debt Service Fund detail on page 97).

<b>Funding Summary</b>	<b>FY 06-07 Actual</b>	<b>FY 07-08 Budget</b>	<b>FY 08-09 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
General Fund Contribution	\$5,510,381	\$5,450,000	\$5,700,000	\$250,000	4.59%
General Fund Contribution - Fire Apparatus	250,000	350,000	350,000	0	0.00%
General Fund contribution - County					
Fire Service Fee	<u>264,000</u>	<u>132,000</u>	<u>100,000</u>	<u>(32,000)</u>	<u>-24.24%</u>
<b>General Fund Total</b>	<b>\$6,024,381</b>	<b>\$5,932,000</b>	<b>\$6,150,000</b>	<b>\$218,000</b>	<b>3.67%</b>

In addition to the funding shown above, there is \$1.75 million in Meals Tax revenue allocated to this fund which appears under the Designated Expenditures portion of the General Fund.

**Debt Service Payment**

*As a percentage of operating budget*





# FUND BALANCE TARGET ADJUSTMENT





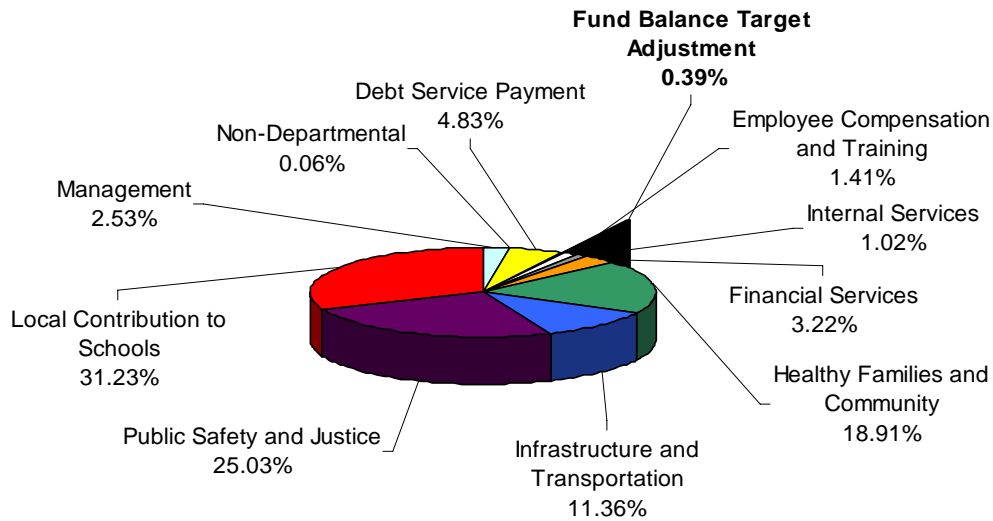
### Fund Balance Target Adjustment

One of the key factors in retaining the City's AAA bond rating is the City's 12% fund balance policy. This policy states that the City will maintain an unappropriated fund balance in the General Fund equal to 12% of the City's operating budget. As the operating budget grows over time, this target fund balance must be adjusted. This account, created in FY 2005, is adjusted each year to help ensure that the City continues to meet this important financial policy.

Funding Summary	FY 06-07 Actual	FY 07-08 Budget	FY 08-09 Budget	Increase/ (Decrease)	% Change
Fund Balance Target Adjustment	\$0	\$330,194	\$500,000	\$169,806	51.43%
<b>General Fund Total</b>	<b>\$0</b>	<b>\$330,194</b>	<b>\$500,000</b>	<b>\$169,806</b>	<b>51.43%</b>

### Fund Balance Target Adjustment

*As a percentage of operating budget*





# EMPLOYEE COMPENSATION AND TRAINING







### Employee Compensation and Training

This pool provides funds for a 4% across-the-board salary increase starting July 1<sup>st</sup>, and \$350,000 for market rate salary adjustments, which will bring the salaries of identified positions more in line with current market standards and help with the retention and recruitment of top quality employees. The City has also budgeted \$300,000 in savings to be realized in the form of citywide attrition, which simply demonstrates up front the savings associated with keeping vacancies open for a period of time.

A pool of funds has been set aside for Public Safety. In the Police Department, \$25,000 will be used to help retain officers beyond the critical 3-7 year tenure range when most turnover tends to occur. The Fire Department will use \$25,000 to enhance career development.

Funding Summary	FY 06-07 Actual	FY 07-08 Budget	FY 08-09 Budget	Increase/ (Decrease)	% Change
Compensation - 4% Salary Increase	\$0	\$1,320,754	\$1,396,960	\$76,206	5.77%
Citywide Attrition Savings	0	(300,000)	(300,000)	0	0.00%
Citywide Market Rate Adjustments	0	250,000	350,000	100,000	40.00%
Police Department Adjustments	0	145,000	25,000	(120,000)	-82.76%
Fire Department Adjustments	0	125,000	25,000	(100,000)	-80.00%
Unemployment Compensation	11,680	60,000	60,000	0	0.00%
Corporate Training Fund	14,714	35,000	35,000	0	0.00%
Miscellaneous Expenses	<u>99,061</u>	<u>181,310</u>	<u>200,000</u>	<u>18,690</u>	<u>10.31%</u>
<b>General Fund Total</b>	<b>\$125,455</b>	<b>\$1,817,064</b>	<b>\$1,791,960</b>	<b>(\$25,104)</b>	<b>-1.38%</b>

### Employee Compensation and Training

As a percentage of operating budget

