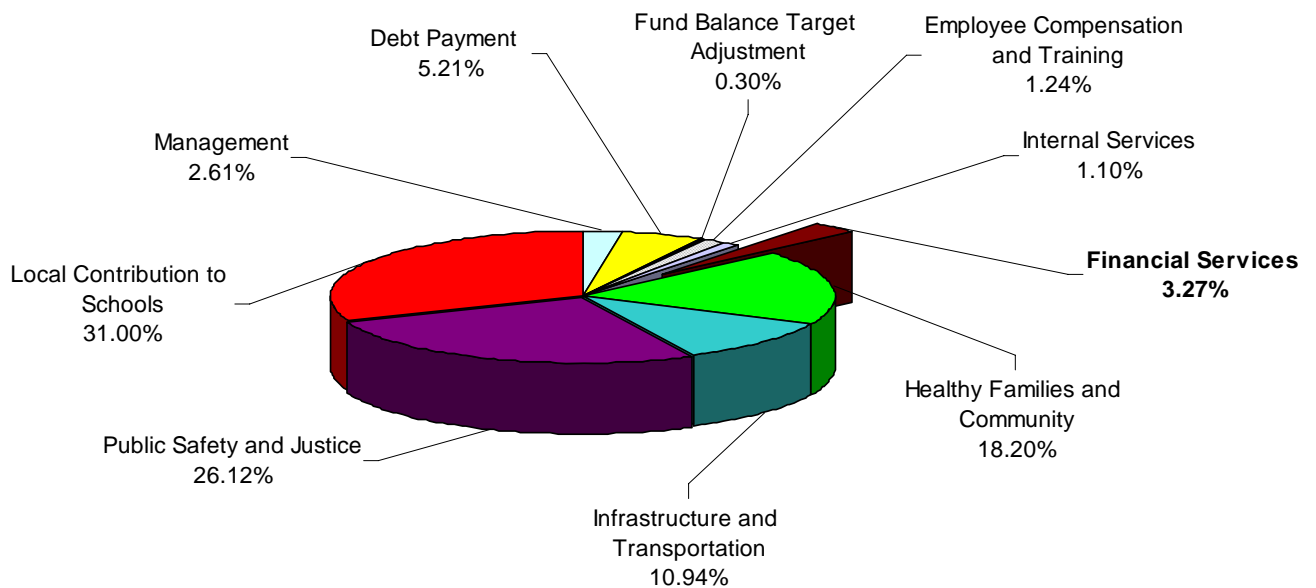


Financial Services Summary

	FY2004-2005 General Fund Actual	FY2005-2006 General Fund Budget	FY2006-2007 General Fund Budget	FY2004-2005 Other Funds Actual	FY2005-2006 Other Funds Budget	FY2006-2007 Other Funds Budget
FINANCIAL SERVICES						
Commissioner of the Revenue	\$778,673	\$836,405	\$870,321	\$0	\$0	\$0
Finance Department: Management/Real Estate						
Assessment/Gas and Water Collections	1,476,733	1,547,884	1,660,475	1,371,489	1,260,741	1,220,464
Treasurer	887,532	994,586	1,060,855	0	0	0
FINANCIAL SERVICES SUBTOTAL	\$3,142,938	\$3,378,875	\$3,591,651	\$1,371,489	\$1,260,741	\$1,220,464
2006-07 General Fund Budget	\$3,591,651					
2005-06 General Fund Budget	\$3,378,875					
Increase/(Decrease)	\$212,776					
Percentage Change	6.30%					

Financial Services

As a percentage of operating budget



FINANCIAL SERVICES

ACCOMPLISHMENTS OF THE PAST YEAR

- ❖ The Utility Billing Office produced on schedule and mailed over 250,000 utility bills utilizing the new City Link system in 2005-2006.
- ❖ The Treasurer's Office revamped the entire cashiering system for the City (CenCash) creating a payment hub for City Link. All monetary transactions for the City entering into City Link are interfaced from CenCash.
- ❖ The Commissioner of Revenue's Office used Schedule C's from the Virginia Income Tax process, and utilized data to audit existing licensed businesses and discover un-licensed businesses, thereby increasing tax revenue.
- ❖ The Real Estate Assessor's Office assumed the responsibility of processing ownership transfers for real properties in the real estate portion of Integrity.
- ❖ The Real Estate Assessor's Office completed a successful reassessment cycle and added the assessment of leasehold properties.
- ❖ The Finance Department received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY 2005 CAFR for the 27th consecutive award year.
- ❖ The Finance Department helped to maintain the City of Charlottesville's AAA bond rating.

GOALS AND OBJECTIVES FOR FY 2007

- ❖ Maintain the City's AAA Bond rating and receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY 2006 CAFR for the 28th consecutive award year.
- ❖ Assess 100% of real property in a fair and equitable manner and meet new challenges of adding new housing subdivisions to the tax base.
- ❖ Successfully update the Real Estate database and keep the video images of City buildings updated/current.
- ❖ The Treasurer's Office will plan and begin the implementation of the new vehicle license Fee, which is a conversion of the old vehicle decal system into a format more in line to other localities throughout the State, and is more convenient for City residents.
- ❖ Improve security and internal controls via business process changes among department divisions through the continued implementation and usage of City Link.
- ❖ Further develop the customer service component of City Link for greater citizen responsiveness.
- ❖ Continue to improve the two tax systems within the Commissioner of Revenue's Office, Business Tax System (BTS) and Enhanced Government Tax Software (EGTS), adding greater reliability and increased customer service.
- ❖ Successfully implement the newly adopted Charlottesville Housing Affordability Program, a tax grant program for low to moderate income homeowners.

Commissioner of the Revenue

The Commissioner of the Revenue is responsible for the fair, accurate and legal assessment of tangible personal property, and for administering ordinances relating to Personal Property Tax Relief, Public Service Corporation Tax, Bank Stock Tax, Vehicle Daily Rental, Business, Professional and Occupational Licenses, Meals Tax, Transient Lodging Tax, Consumer Utility Tax, Consumption Tax and Short-term Daily Rental Tax. This office is authorized to facilitate dealer compliance with state sales tax laws by assisting with the completion of reports and accepting reports/payments of sales taxes collected. The Commissioner of the Revenue and staff assist those who require help with filing required Virginia Income Tax Returns, assist with refund requests for taxes paid in error for local or state taxes, and assist applicants with affidavits necessary for Real Estate Tax Relief and Rental Relief for the Elderly and Disabled programs. For such reasons, the City receives a portion of the Commissioner of Revenue’s budget from the Commonwealth of Virginia.

Realizing that the first priority of this office is the public trust of the citizens of this city, the Commissioner of the Revenue and his employees strive to be fair and accurate in its administration of local tax laws. As a result, the City will receive only the revenue to which it is legally entitled. Furthermore, the assessment process is enhanced as a result of the close working relationship this office has with the City Treasurer’s Office and its staff.

The Commissioner of the Revenue is committed to the importance of technology, teams, education and to using volunteer workforce to increase its productivity. In addition, the Commissioner of the Revenue is committed to successful implementation of new technology, such as the Enterprise GIS and the digital document storage project.

Funding Summary	FY 04-05 Actual	FY 05-06 Budget	FY 06-07 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$679,173	\$720,441	\$730,384	\$9,943	1.38%
Other Expenditures	<u>99,500</u>	<u>115,964</u>	<u>139,937</u>	<u>23,973</u>	<u>20.67%</u>
General Fund Total	\$778,673	\$836,405	\$870,321	\$33,916	4.05%
General Fund FTEs	13.0	13.0	13.0	0.0	

Explanation of Changes: The increase in Salaries and Benefits includes increases in retirement and health care costs and a 4% salary increase during FY 2006. The increase in Other Expenses can be attributed to fixed costs, such as HVAC fees, IT User fees, risk insurance, and a new contribution into the Technology Infrastructure Replacement pool; and there is a decrease in the contribution to the Computer Replacement pool. Also included in this budget is an additional \$13,400 for this office’s share of the PPTRA software maintenance. The remainder of this cost has been budgeted in the City Treasurer’s budget.

**Finance Department
Management
Real Estate Assessor
Gas and Water Collections**

The **Management** portion of Finance provides comprehensive financial management, accounting, and reporting services; pays all City employees and City bills; provides debt management services; is responsible for implementation of the Living Wage Ordinance; prepares a number of specialized technical reports including the annual utility rate study, official statements and prospectuses for bond issues, the City's annual reports, the state mandated comparative cost report transmittal forms, and a variety of grant reports.

Real Estate Assessment is responsible for assessing 14,258 parcels in the City annually; maintains assessments for tax purposes at fair market value; and provides various services to homeowners, prospective homebuyers/sellers, Realtors, title researchers, Attorneys, land surveyors, etc.

The **Gas and Water Collections** is responsible for maintaining, billing and collecting over \$40 million in utility payments each year for gas, water and sewer service. They also handle requests to stop and start services, answer customer inquiries concerning their accounts and handle all billing maintenance entries necessary to send accurate and timely bills. The office handles over 50,000 customer inquiries annually and administers the Gas Assistance Program.

Funding Summary	FY 04-05 Actual	FY 05-06 Budget	FY 06-07 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$2,065,972	\$2,041,655	\$2,104,242	\$62,587	3.07%
Other Expenditures	<u>782,250</u>	<u>766,970</u>	<u>776,697</u>	<u>9,727</u>	<u>1.27%</u>
Total	\$2,848,222	\$2,808,625	\$2,880,939	\$72,314	2.57%
General Fund Total	\$1,476,733	\$1,547,884	\$1,660,475	\$112,591	7.27%
Non General Fund Total	<u>1,371,489</u>	<u>1,260,741</u>	<u>1,220,464</u>	<u>(40,277)</u>	<u>-3.19%</u>
Total	\$2,848,222	\$2,808,625	\$2,880,939	\$72,314	2.57%
General Fund FTEs	19.5	19.0	19.5	0.5	
Non General Fund FTEs	16.0	13.0	13.0	0.0	

Explanation of Changes: The increase in Salaries and Benefits represents increases in retirement and health insurance costs and a 4% salary increase during FY 2006. The additional .5 FTE is a payroll clerk that is being split between Finance and Human Resources. In addition, these budgets reflect increases in fixed costs, such as IT User fees, HVAC fees, risk insurance and include contributions to the Technology Infrastructure Replacement pool. The Finance Administration budget includes an additional \$80,000 for additional costs related to the annual audit. The decrease in Gas and Water Collections (Non General Fund) can be attributed the elimination of funds previously required for the maintenance of HP 3000, and reorganization of staff that generated some savings.

	FY 07 Budget
FY 07 Services	
Management	\$1,193,778
Real Estate Assessment	466,697
Gas and Water Collections	<u>1,220,464</u>
Total	\$2,880,939

Treasurer

The Treasurer's Office serves Charlottesville citizens by collecting, investing and ensuring the safekeeping of all City revenues. The office is a major contact for citizens and serves as the first point of reference for many City services requested of other departments, and as the collection point for all fees and taxes generated by or within the City, including utility bills, personal property taxes, real estate taxes, state income taxes, parking tickets, zone, business licenses, meals tax, trash decals, dog licenses, etc. The office is responsible for preparing and mailing personal property and real estate bills semi-annually, for collecting all tax payments and for aggressively pursuing collection of delinquent revenues.

The Treasurer's Office is responsible for the administration and court process of parking tickets and the zone permit parking system, including the upkeep and maintenance of its applicable computer systems. The Treasurer invests all City reserve operational funds, bond funds and school funds to obtain the highest yield with minimal risk. The Treasurer's office ensures the safekeeping of City revenues by balancing all cash received on a daily basis and reconciling all bank accounts on a monthly basis. The Treasurer also serves as the fiscal agent for the Charlottesville Albemarle Vocational Technical Center, and as the custodian for the City Retirement Fund, including the responsibility for issuing retirement pension checks monthly, payments for the Fund's expenses and preparing monthly reports for the Retirement Commission.

Funding Summary	FY 04-05 Actual	FY 05-06 Budget	FY 06-07 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$665,977	\$713,863	\$761,945	\$48,082	6.74%
Other Expenditures	<u>221,555</u>	<u>280,723</u>	<u>298,910</u>	<u>18,187</u>	<u>6.48%</u>
General Fund Total	\$887,532	\$994,586	\$1,060,855	\$66,269	6.66%
General Fund FTEs	13.0	13.0	13.0	0.0	

Explanation of Changes: The increase in Salaries and Benefits can be attributed to increases in retirement and health care costs, and a 4% salary increase granted during FY 2066. Within Other Expenses, this budget contains \$13,400 for this office's share of the PPTRA software maintenance contract; the remainder of these funds is shown in the Commissioner of Revenue's budget. In addition, there are funds included to cover additional bank charges from the Easy Pay program and there is a reduction in postage due to City Council's approval to eliminate the vehicle decals, resulting in fewer mailings (savings of \$15,000). Finally, this budget includes a contribution to the Technology Infrastructure Replacement pool and reflects a slight decrease in the Computer Replacement pool contribution.

