

**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 final 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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City Sheriff	Sheriff Cornelia Johnson, Kara Thomas
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Finance Department	Bernard Wray, Al Elias, Roosevelt Barbour, Judy, Barlow, Jim Halter, Krisy Hammill, Michael Heny, Richard Modie, Ann Murray, Beatrice Segal
Fire Department	Interim Chief Charles Werner, Britt Grimm
General District Court	Shirley Mayo
General Registrar	Sheri Iachetta
Human Resources	Galloway Beck
Information Technology	Rick Fore, Don Litton, Barbara Sites
Juvenile & Domestic Relations Court	Alice Waddy
Parks and Recreation	Mike Svetz, Brian Daly, Linda Daly, Rion Summers
Magistrate's Office	Cheryl Thompson
Neighborhood Development Services	Jim Tolbert, Sharon Patterson
Social Services	Robert Cox, III, Diane Kuknyo
Police	Chief Timothy Longo, David Shifflett
Public Works	Judith Mueller, Mary Kay Kotelec, Steve Lawson, Jim McClung, Mike Mollica, Jim Palmborg, Lance Stewart, Chad Thorne, Bill Watterson
Treasurer	Jennifer Brown

## Introduction to the Budget

This **Fiscal Year 2006-2007** budget for the City of Charlottesville continues a presentation style that is user-friendly and easily explains the City's fund structure and budget allocations. An Introductory section is followed by sections detailing proposed expenditures for Management, 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 2006-2007. 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 services and programs important to our World Class City.

## Contact Information

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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 via the e-mail address shown above.

## Charlottesville City Council Vision Statement

Mindful of our responsibility to future generations, Charlottesville will build a distinctive, world class, small city by...

- ◆ Promoting a climate of excellence in public and private life,
- ◆ Providing quality, responsive, efficient and innovative citizen services,
- ◆ Creating opportunities for community members and future generations to reach their full economic, social, and cultural potential,
  - ◆ Reaching across jurisdictional lines for regional progress,
- ◆ Sustaining our natural resources and enhancing the quality of our natural and built environment,
- ◆ Respecting the diversity of our population while building a unified community,
  - ◆ Recognizing the rights and responsibilities of its citizens, and
- ◆ Summoning the courage to embrace positive change for the common good.

Citizens have a critical role in shaping the public decisions that affect their lives. Our local government should be pro-active in mobilizing the diverse public and private resources needed to meet the priorities and challenges of the future.

## FY 2006-2007 Budget Calendar

August 24, 2005.....	FY 2007 – 2011 Capital Improvement Program Submission Instructions Distributed
September 23, 2005 .....	FY 2007 Outside Agency Applications Distributed
September 28, 2005 .....	Capital Improvement Program Requests Due
October 10, 2005 .....	FY 2007 Budget Submission Packages and Instructions Distributed to City Departments
November – December .....	FY 2007 – 2011 Capital Improvement Program Presented to Planning Commission
November – January.....	FY 2007 Revenue Projection Meetings
November 16, 2005 .....	Agency Budgets Due to City and County
November 21, 2005 .....	Financial Forecast/Budget Guidelines Presented to City Council
December 9, 2005 .....	FY 2007 Budget Submissions Due from City Departments
December 5, 2005 .....	Council formally adopts FY 2007 Budget Guidelines
December - January .....	Agency Budget Review with County and City Staff
January 26, 2006 .....	Council Budget Work Session
March 6, 2006 .....	Proposed City and School Operating and Capital Budget Formally Presented to City Council
March 9, 2006 .....	Council Budget Work Session
March 18, 2006 .....	Community Budget Forum
March 20, 2006 .....	First Public Hearing on Proposed Budget
March 23, 2006 .....	Council Budget Worksession
March 29, 2006 .....	Council Budget Worksession
April 3, 2006.....	First Reading and Second Public Hearing on Proposed Budget
April 11, 2006.....	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, 2006 - June 30, 2007), 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)
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. These funds account for the utility 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 facilities. Revenues for this fund are obtained from bond issues, a transfer from the General Fund, and PEG Fee revenue.

**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.

## The Basis of Budgeting

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 Process

### Capital Improvement Program (CIP)

The City's five-year capital improvement process begins in the fall of each year, when City departments are asked to submit their ranked requests for the five-year capital plan. Once they are submitted, the requested capital improvement projects are evaluated by the CIP Committee. This Committee consists of staff members from Neighborhood Development Services, Public Works, Parks and Recreation, City Manager's Office, Budgeting, and Finance. This committee determines how much money is available for the projects and makes funding recommendations for each individual project. Once a proposal is agreed upon by the Committee, it is brought to the City Manager who then makes recommendations and changes. In November and December, the proposed CIP is submitted to the Planning Commission for review and feedback. In early March the Capital Improvement Program is brought forward to City Council as part of the entire Proposed City Operating and School Budget. The Operating Budget, along with the CIP, must be adopted no later than April 15<sup>th</sup> by the City Council.

**Operating Budget**

The City's operating budget process begins in the fall when departments start to 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 adopts its budget priorities 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. The Manager's Proposed Budget, along with the School's Budget, is presented to City Council 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 Schools budget is formally adopted by City Council each year by April 15<sup>th</sup>.

**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

1. Propose no increase to the current real estate or personal property tax rates.
2. Develop operational budgets within projected available revenues.
3. Evaluate the efficiency and effectiveness of all activities.
4. Continue the strong commitment to education by allocating up to 40% of new City real estate and property tax revenue to schools.
5. Invest strategically in employees by providing adequate pay, benefits, training, technology resources, support, and appreciation.
6. 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." In addition, annually review the lowest starting salary of City employees, taking into consideration any increase in CPI since the previous year.
7. Maintain a General Fund balance of 12% of operating expenditures and 60 days working capital in the utility and golf funds.
8. Fund no new programs or major expansion of existing programs without fully offsetting revenues or reductions in expenditures.
9. Focus on Council's priorities:
  - Education
  - Economic Development and Employment
  - Transportation
  - Housing
  - Leadership in Regional Cooperation
  - Get Smart on Crime: Safety/Justice
  - Creating Community
  - Natural Environment
10. Budget priorities shall focus on balancing reinvestment in the City's existing infrastructure and facilities and creation of new opportunities for investing in the future of the City.
11. Maintain a debt service to operating fund expenditure ratio of 8% or less.
12. Transfer any excess funds from parking fines above the amount budgeted in the General Fund to the Capital Fund for future parking projects.
13. 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.
14. Transfer at least 3% of General Fund expenditures to the Capital Fund.
15. Budget a Council Reserve.
16. Do not replace lost state revenues with local revenues, unless a critical service is being impacted.
17. Transfer 1-cent of the meals tax revenue to the Debt Service Fund to be reserved for debt service for future bond issues, with a priority on issuing bonds for school related projects.
18. Stabilize all non-general funds by ensuring they have a positive fund balance.
19. Reduce the real estate tax rate to compensate for the new revenues generated by changing the valuation method on personal property. This is equivalent to a 2-cent reduction in the real estate tax rate.

## Major Expenditure Highlights of the Budget

### Reductions to the Budget

- Eliminates a total of **6 full time positions** in the General Fund, for total **net savings** of over **\$159,290**:
  - **City Managers Office** eliminates **one position** in the Communications Office, the Project/Communications Specialist, for a total net savings in salaries and benefits of **\$45,613**;
  - Eliminates five positions in the **Fire Department** as a result of transferring fire dispatch service to the Emergency Communications Center (ECC). This results in a reduction of approximately **\$355,042** in salaries and benefits, and five less positions in the Fire Department budget. Net savings to the City, after the ECC increase is taken into consideration for their additional five positions, is **\$113,677**.
- Reduces **Parks and Recreation** by **\$58,660** as a result of reducing hours and programming at pools and reduces the cemetery mowing contract by **\$35,000** by moving a portion of this service in-house.
- Reduces the **Police Department** budget by **\$100,000** in attrition savings, the equivalent of two entry level police officers. In addition, this budget captures attribution savings **citywide** in the amount of **\$300,000**. This budgeting method simply recognizes that vacancies will and do occur throughout the year and removes the savings that would accrue as a result of those vacant positions.
- Mandates City departments to identify and realize **\$154,455** in operational savings during the course of the fiscal year.
- Reduces departmental contributions to the **Computer Replacement Reserve** account by 20%, for savings of **\$21,625**, due to the decreasing cost of replacing desktop computers and extended warranties.
- Reduces the contribution from the General Fund to the **Capital Improvement Program** (3% of General Fund expenditures) by **\$525,000**, for a total proposed contribution of **\$3.3 million**.
- The City's contribution to employee **Life Insurance** is decreasing due to the rebidding of the City's existing contract, for savings totaling **\$85,576**;

### Additions to the Budget

- Provides the **Schools** with an additional **\$1,912,000**, for a total contribution of \$34,012,025, an increase of 5.96%;
- Includes funds for a **4% across the board salary increase** starting July 1<sup>st</sup> and a pool of funds for market rate salary adjustments, a total of **\$1.6 million** budgeted;
- Includes a **Council Reserve** budget of **\$25,000** for emergencies and contingencies that occur during the budget process and the fiscal year;

- Proposes funding a new pool of money, **\$420,000**, for the **Housing Affordability Tax Grant Program**, which is a new tax relief initiative that will target the needs of eligible low to moderate income homeowners. With this new program in place, the City's tax relief programs total over \$1.3 million in FY 2007, the total of which **equates to over 3-cents on the real estate tax rate**;
- Increases the local contribution to the **Comprehensive Services Act** by \$113,250, for a total budget of **\$1.9 million**. This is a State mandated program;
- Reflects a **9.8%** increase in the City's contribution for general government employee retirement benefits, and a **17.8%** increase for public safety employees, as required by the City's retirement actuary and accounting standards, (a total increase of **\$947,607**); and a **10%** increase in the City contribution for employee **health care** costs (an increase of **\$231,295**);
- Reflects health care restructuring that will result in long term savings to the City: 1) **Health Savings Account** to be offered to those employees enrolled in the Defined Contribution retirement plan (non-pension plan), which will allow the employee to create and contribute funds into an account for post retirement health care costs; and 2) **Health Reimbursement Account** will be offered to those employees in the high deductible health care plan, is City funded (built into the City's contribution), and funds can be used by the employee for qualified medical expenses.
- Reflects an increase in departmental charges for **fuel and vehicle maintenance** for a total General Fund impact of **\$270,226**;
- Reflects an increase in **utilities** (estimated 30%-40% increase in cost) for a total general fund impact of over **\$569,414**;
- Reflects increases in several **fixed costs**, including IT User fees, telephone charges, general insurance, workers compensation, warehouse charges, and HVAC fees, in the amount of **\$430,786**;
- Includes funds in **Public Works** for an afternoon Downtown Mall refuse pickup (**\$28,500**), which was piloted this past year and was seen as a service improvement of great value to the community.
- Funds temporary workers to expedite the collection of leaves during the fall/winter months (**\$35,000**);
- Budgets a **Technology Infrastructure Reserve** account, in the amount of **\$134,836** in the General Fund, the purpose of which is to "save" funds for current and future replacement of the backbone of the City's information technology structure, so that a future large budget increase is avoided, and a replacement schedule is developed before these servers extend their life;
- Budgets a **\$5.45 million** General Fund contribution for debt service payments, a increase of **\$50,000** over FY 2006; in addition, 25% of the **Meals Tax** revenue will contribute an additional **\$1.5 million** to the debt service fund, and **\$264,000** is dedicated to debt service from the County Fire Service Fees.

- Increases the contribution for the cleanup of the **Ivy Landfill** by **\$300,000**, for a total budget of **\$1,000,000**, a required mandate by the State Department of Environmental Quality;
- Funds **school bus replacement** schedule (increase of **\$239,602**), which is being fully funded by the City Schools;
- Funds the first debt service payment for replacement of a 17 year old **fire apparatus (\$250,000)**;
- Budgets for an additional position in **Neighborhood Development Services**, a **Zoning /Erosion and Soil Administrator**, which will be fully funded by a proposed increase in building fees and permit charges to developers. This position is necessary in order to keep up with the pace of development and free neighborhood planners to devote additional time to their neighborhoods. The total proposed cost for these positions, including an operational budget, is **\$73,201**. The revenue to be generated to support this position is estimated at **\$120,000**.
- Increases funding to the **Regional Jail**, the **Emergency Communications Center** and the **Blue Ridge Juvenile Detention Center** by **\$726,577**;
- Increases funding for the **Charlottesville Transit System** by **\$264,383**; and
- Increases funding to various **arts, educational and human services agencies** by **\$388,364**.

### **FY 2007-2011 Capital Improvement Program Highlights**

**The Adopted Capital Improvement Program (CIP)** for FY 2007 provides \$1,406,886 million for education, \$2 million for the Jefferson School, \$236,153 for economic development initiatives, \$504,565 for public safety, \$950,000 for facilities capital projects, \$3,689,102 for transportation and access, \$962,065 for Parks and Recreation, \$1,750,101 million for neighborhood improvement projects, \$302,679 for General Infrastructure and Other Commitments, and \$819,520 in the Contingency account, for a total **FY 2007 CIP** of **\$12.62 million**.

The major theme of the FY 2007 CIP is **maintaining the City's current infrastructure**, which can be evidenced by some of the major funding increases and new pools of dollars for the following projects:

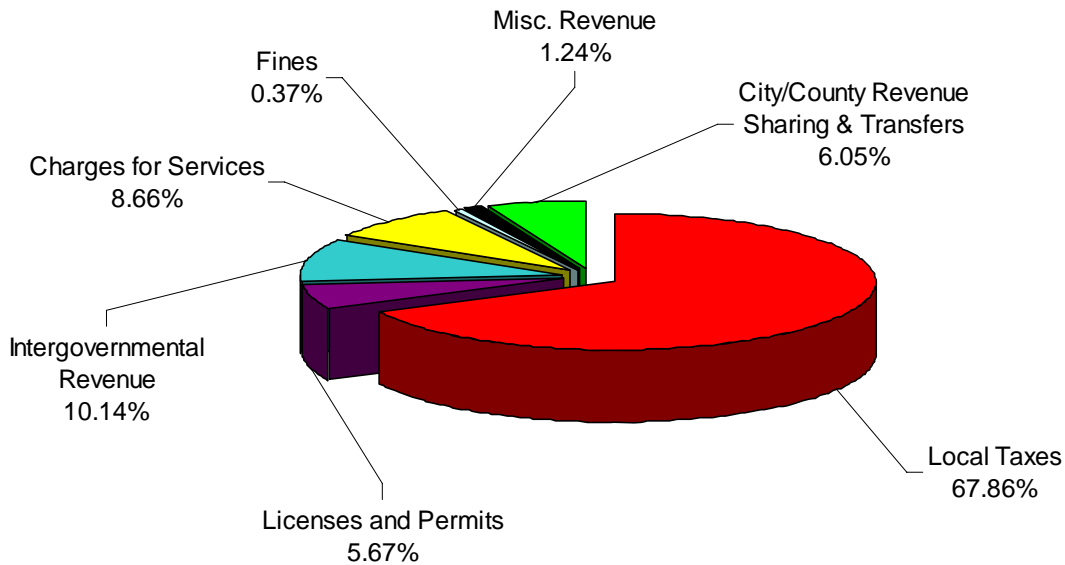
- Street paving and reconstruction - \$546,964
- New sidewalks and sidewalk repair – \$400,000
- Citywide and neighborhood drainage projects – \$275,000
- Downtown Mall major reconstruction - \$1.5 million
- City and School playground improvements - \$100,000
- City facilities capital projects - \$950,000
- Jefferson School -\$2,000,000 (Total dedicated funds, including FY 2007, to date are over \$6,000,000)



### General Fund Revenue Summary

	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2006-2007 Budget	Increase/ (Decrease)	% Change
<b>General Fund Revenue</b>					
Local Taxes	\$67,072,422	\$68,938,107	\$74,453,607	\$5,515,500	8.00%
Licenses and Permits	6,075,416	5,949,682	6,225,130	275,448	4.63%
Intergovernmental Revenue	10,803,451	10,865,179	11,128,434	263,255	2.42%
Charges for Services	9,495,697	8,908,426	9,505,946	597,520	6.71%
Fines	541,283	405,000	405,000	0	0.00%
Misc. Revenue	1,038,132	677,571	1,360,391	682,820	100.77%
City/County Revenue Sharing & Transfers	4,620,461	5,877,748	6,633,816	756,068	12.86%
<b>TOTAL OPERATING BUDGET</b>	<b>\$99,646,862</b>	<b>\$101,621,713</b>	<b>\$109,712,324</b>	<b>\$8,090,611</b>	<b>7.96%</b>

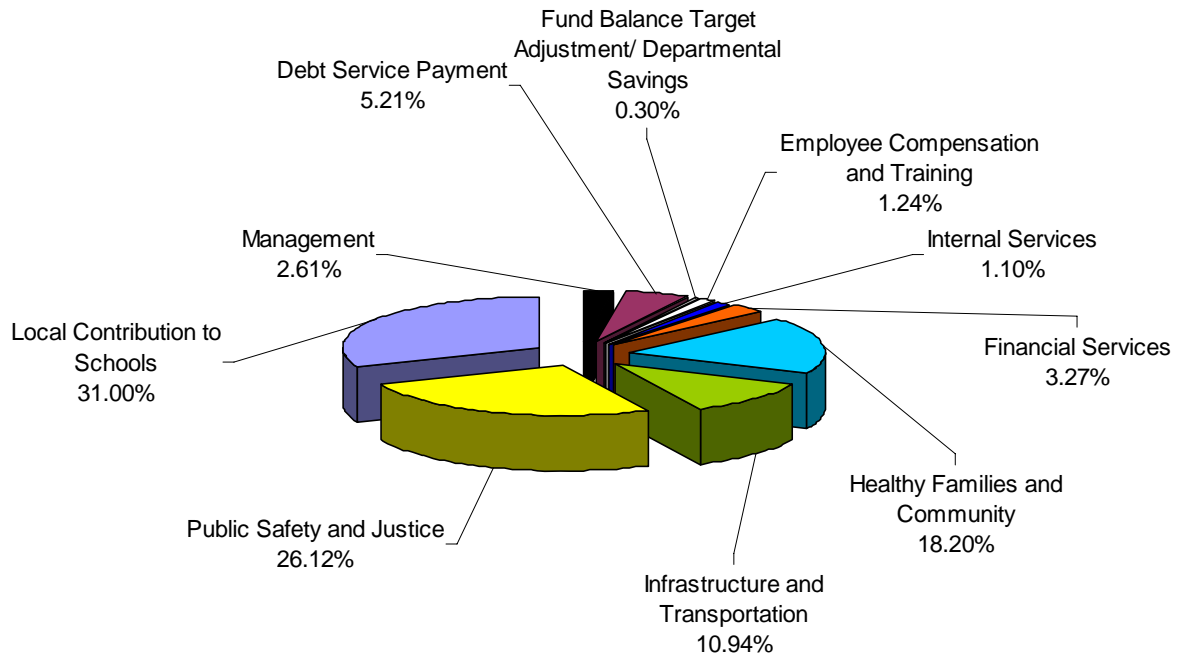
### General Fund Revenues



**General Fund Expenditure Summary**

	<b>FY2004-2005 Actual</b>	<b>FY2005-2006 Budget</b>	<b>FY2006-2007 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Management	\$2,655,315	\$2,727,899	\$2,864,790	\$136,891	5.02%
Debt Service Payment	5,350,000	5,775,000	5,714,000	(61,000)	-1.06%
Fund Balance Target Adjustment/ Departmental Savings	0	400,000	323,702	(76,298)	-19.07%
Employee Compensation and Training	155,635	1,564,225	1,364,980	(199,245)	-12.74%
Internal Services	1,006,317	1,158,717	1,206,785	48,068	4.15%
Financial Services	3,142,938	3,378,875	3,591,651	212,776	6.30%
Healthy Families and Community	16,501,896	17,952,419	19,968,390	2,015,971	11.23%
Infrastructure and Transportation	9,664,752	10,461,678	12,004,928	1,543,250	14.75%
Public Safety and Justice	24,471,077	26,099,903	28,661,073	2,561,170	9.81%
Local Contribution to Schools	30,641,168	32,100,025	34,012,025	1,912,000	5.96%
<b>TOTAL OPERATING BUDGET</b>	<b>\$93,589,098</b>	<b>\$101,618,741</b>	<b>\$109,712,324</b>	<b>\$8,093,583</b>	<b>7.96%</b>

**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 grant revenues. 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 insure 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)

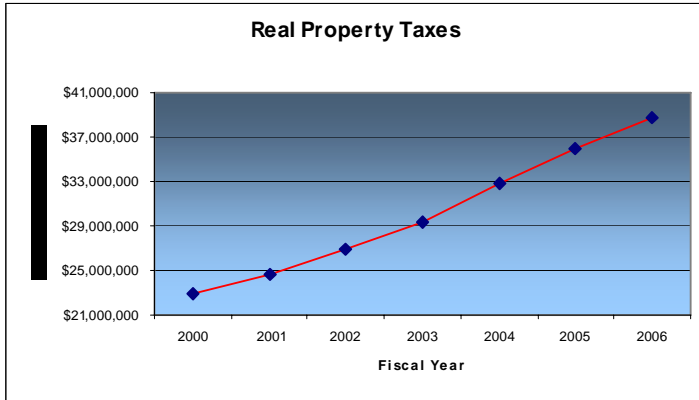
In practice, most revenue projections combine two or more of these techniques. Generally the amount of revenue available to the City depends on current and future economic activity. Below is a listing of the major revenue sources for the City of Charlottesville, which make up 85.69% of the total General Fund revenues collected by the City of Charlottesville.

<u>Revenue Source</u>	<u>FY 2007 Projection</u>	<u>% of General Fund Total Revenues</u>
Real Estate Taxes	\$ 42,540,000	35.41%
City/County Revenue Sharing	10,134,816	8.44%
Sales & Use Taxes	9,200,000	7.66%
Utility Tax	7,000,000	5.83%
Other State Assistance	6,630,560	5.52%
Meals Tax	6,200,000	5.16%
Personal Property Taxes	5,401,744	4.50%
Business & Professional Licenses	4,800,000	4.00%
Payment in Lieu of Taxes: Utilities	4,349,865	3.62%
PPTRA	3,498,256	2.91%
Transient Room Tax	2,000,000	1.66%
Public Service Corporation Taxes	1,200,000	1.00%
<b>TOTAL</b>	<b>\$ 96,324,681</b>	<b>85.69%</b>

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 2007. The data in the graphs represents the amount of actual revenue collected for Fiscal Years 2000 – 2005, and the appropriated amounts for Fiscal Year 2006, all of which were important factors in projecting the revenues for Fiscal Year 2007.

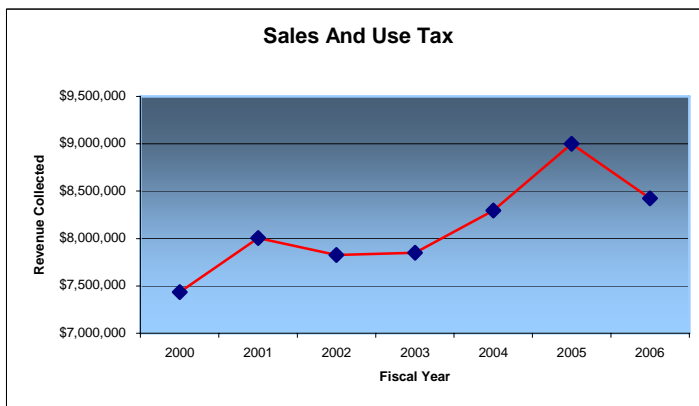
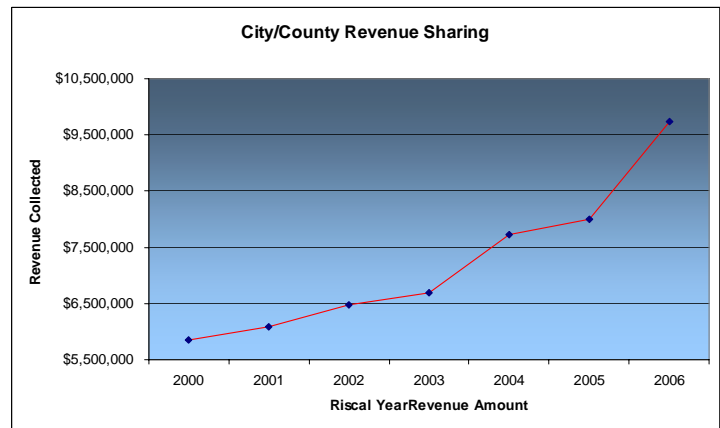


### Major Local Revenue – Descriptions and Trend Data

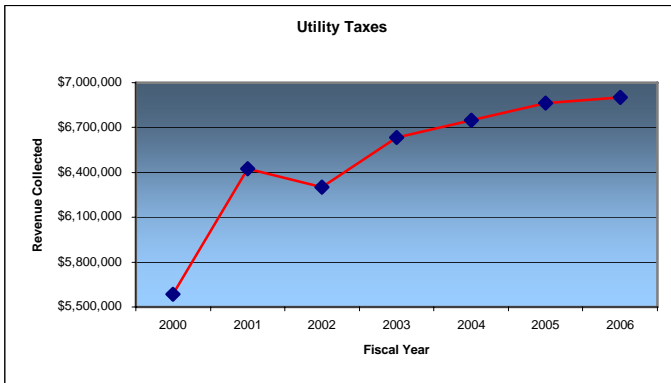


**Real Property Taxes** are the largest source of revenue for the City. They are *ad valorem* taxes based on the assessed value of real property owned by businesses, individuals, and corporations. They are assessed at 100% valuation, with tax rates being applied per \$100 of assessed value. **The adopted tax rate for FY 2007 is \$.99 per \$100 of assessed value, which is a 6-cent reduction from the FY 2006 tax rate.**

**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.

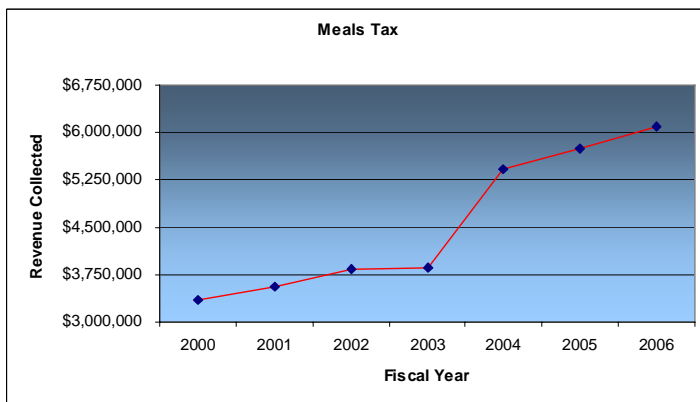
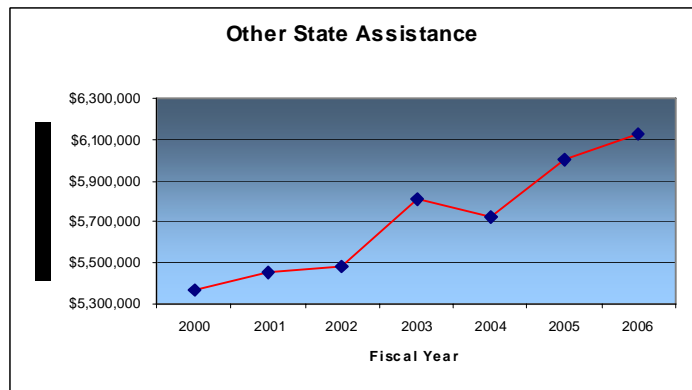


**Sales and Use Taxes** are revenues received by the City from 1 cent of the 5-cent State sales tax generated within the City. This revenue has been a very strong performer the past several years, resulting in the large increase projected for FY 2007 in the amount of \$775,000. **The current Sales Tax rate is 5%.**

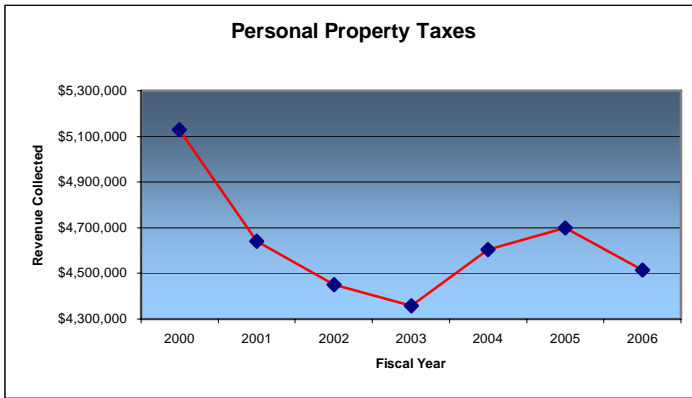


**Utility Taxes** are collected by utility companies and remitted to the City from residential, industrial, and commercial users of telephone and cable TV services. Utility taxes are subject to a variety of external forces - most notably the weather. **The current rate is 10%.**

**Other State Assistance** consists of three major revenue items, which are: **Constitutional Officer Reimbursement** that 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** which is highway maintenance funds received from the State 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. Combined, these revenue items total \$6.63 million in FY 2007.

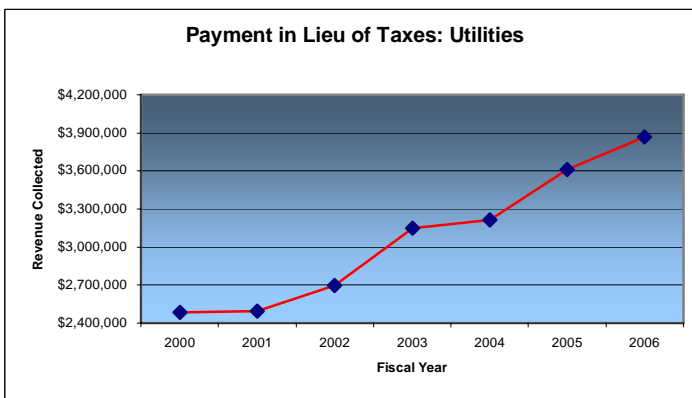
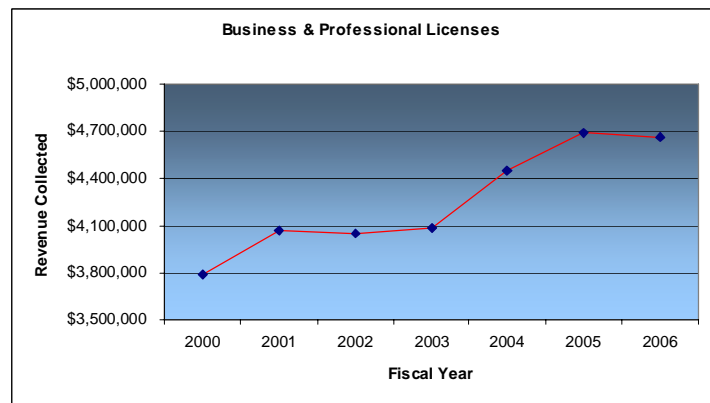


**Meals Tax** is assessed on the sales price of prepared food and beverages sold in the City. Twenty-five cents of each dollar collected is dedicated to the Debt Service Fund to pay off the future debt of bond issuances used to pay for capital projects. The remaining \$.75 of each dollar is dedicated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

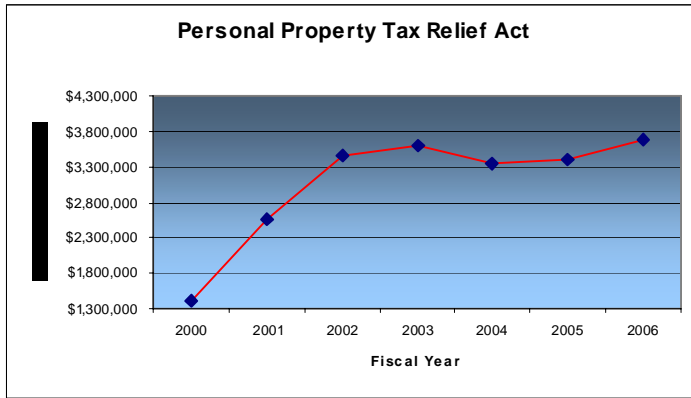


**Personal Property Taxes** are levied on vehicles owned by individuals and businesses, as well as tangible property owned by businesses. In the fall of 2005, City Council approved changing the valuation method of personal property from average loan to trade in value, resulting in an additional \$500,000 of revenue in FY 2007. In addition, assessments on personal property are expected to increase by 3% in FY 2007. **The proposed tax rate for FY 2007 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 \$4.8 million in FY 2007.

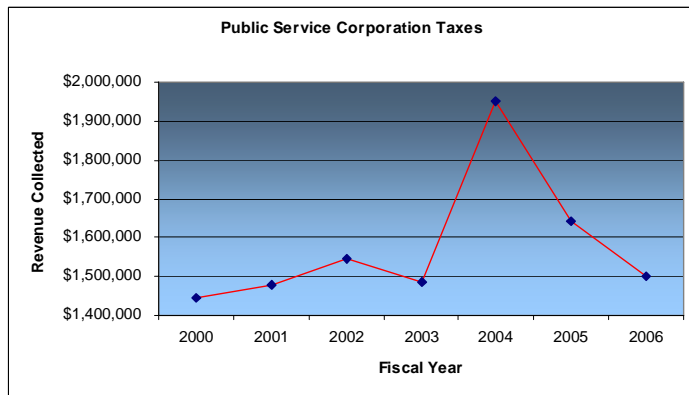
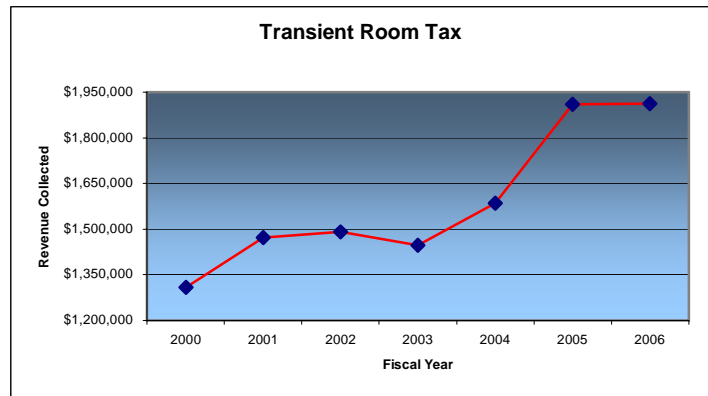


**Payment in Lieu of Taxes: Utilities** covers the property taxes and business licenses that water, sewer, and gas operations would pay if they were private businesses. The payment in lieu of taxes for the utilities is calculated by a predetermined formula. In FY 2007 this revenue item is estimated to bring in just over \$4.3 million.



**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. New 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 strong performance, with some months having a 90% occupancy rate. **The current tax rate is 6%.**



**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 decrease 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 prior year.



**Adopted Tax and Fee Rates**

	<b>Adopted Fiscal Year 2006-2007</b>	<b>Adopted Fiscal Year 2005-2006</b>
<b>Real Estate Tax</b>	<b>\$0.99/\$100 Assessed Value</b>	<b>\$1.05/\$100 Assessed Value</b>
<b>Personal Property Tax</b>	\$4.20/\$100 Assessed Value	\$4.20/\$100 Assessed Value
<b>Machinery and Tools Tax</b>	\$4.20/\$100 Assessed Value	\$4.20/\$100 Assessed Value
<b>Mobile Home Tax</b>	<b>\$0.99/\$100 Assessed Value</b>	<b>\$1.05/\$100 Assessed Value</b>
<b>Sales Tax (State rate)</b>	5.0%	5.0%
<b>Restaurant/Meals Tax</b>	4.0%	4.0%
<b>Lodging Tax</b>	6%	6%
<b>Cigarette Tax</b>	\$.25 per pack	\$.25 per pack
<b>E-911 Fee*</b>	<b>\$.75/phone line</b>	\$1.50/phone line
<b>Cable Franchise Fee</b>	5%	5%
<b>Utility Tax</b>	10%	10%
<b>PEG Fee (Cable)</b>	\$.35/month	\$.35/month
<b>Refuse Collection</b>		
<b>Trash Sticker Fee</b>	13 Gallon - \$1.05 each 32 Gallon - \$2.10 each	13 Gallon - \$1.05 each 32 Gallon - \$2.10 each
<b>Trash Decal Fee</b>	\$94.50 (purchased 7/1-9/30) \$68.25 (purchased from 10/1-12/31) \$46.25 (purchased 1/1-3/31) \$23.25 (purchased 4/1-6/30)	\$94.50 (purchased 7/1-9/30) \$68.25 (purchased from 10/1-12/31) \$46.25 (purchased 1/1-3/31) \$23.25 (purchased 4/1-6/30)
<b>Large Item Pickup Fee</b>	\$25.00 per occurrence	\$25.00 per occurrence
<b>Motor Vehicle License Fee</b>	Up to 4,000 lbs. - \$28.50 4,000 - 6,500 lbs. - \$33.50 Over 6,500 lbs. - \$33.50	Up to 4,000 lbs. - \$28.50 4,000 - 6,500 lbs. - \$33.50 Over 6,500 lbs. - \$33.50
<b>Courthouse Maintenance Fee</b>	Motorcycles - \$8.50 \$2.00 per court case	Motorcycles - \$8.50 \$2.00 per court case
<b>Courtroom Security Fee</b>	\$5.00 per conviction	\$5.00 per conviction

\* Starting in FY 2007, this is no longer a local tax, but rather one collected by the State in an effort to streamline telecommunications taxes and fees. The City should receive the same amount of revenue from the State that had been received when this was a local tax.

**General Fund Revenue Detailed**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2006-2007 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
<b>LOCAL TAXES</b>					
Real Estate Taxes	\$35,906,602	\$38,715,000	\$42,540,000	\$3,825,000	9.88%
Personal Property Tax	4,699,795	4,515,000	5,401,744	886,744	19.64%
Public Service Corporation Tax	1,644,018	1,500,000	1,200,000	(300,000)	-20.00%
Pen/Int on Delinquent Taxes	362,486	350,000	350,000	0	0.00%
Utility Taxes	6,863,039	6,901,388	7,000,000	98,612	1.43%
Franchise Taxes	403,127	378,000	378,000	0	0.00%
Tax on Bank Stock	489,668	400,000	400,000	0	0.00%
Tax on Wills & Deeds	507,188	360,000	450,000	90,000	25.00%
Sales & Use Tax	9,001,835	8,424,500	9,200,000	775,500	9.21%
Rolling Stock Tax	18,575	17,527	17,498	(29)	-0.17%
Transient Room Tax	1,909,540	1,912,935	2,000,000	87,065	4.55%
Meals Tax	4,309,424	4,567,500	4,650,000	82,500	1.81%
Short-Term Rental Tax	59,074	59,251	59,251	0	0.00%
Cigarette Tax	661,266	566,500	566,500	0	0.00%
Recordation Tax Receipts	135,844	140,414	140,414	0	0.00%
Vehicle Daily Rental Tax	100,941	130,092	100,200	(29,892)	-22.98%
<b>Taxes Subtotal</b>	<b>\$67,072,422</b>	<b>\$68,938,107</b>	<b>\$74,453,607</b>	<b>\$5,515,500</b>	<b>8.00%</b>
<b>LICENSES AND PERMITS</b>					
Business & Professional Licenses	\$4,695,807	\$4,665,662	\$4,800,000	\$134,338	2.88%
Vehicle Licenses	752,745	780,000	780,000	0	0.00%
Dog Licenses	4,661	5,500	4,500	(1,000)	-18.18%
Electrical, Heating and Mechanical Permits	148,914	133,900	140,000	6,100	4.56%
Building and Plumbing Permits	310,878	330,630	330,630	0	0.00%
Other Permits	162,411	33,990	170,000	136,010	400.15%
<b>Licenses and Permits Subtotal</b>	<b>\$6,075,416</b>	<b>\$5,949,682</b>	<b>\$6,225,130</b>	<b>\$275,448</b>	<b>4.63%</b>
<b>INTERGOVERNMENTAL REVENUE</b>					
PPTRA Revenue (State Personal Property Tax)	\$3,415,390	\$3,690,000	\$3,498,256	(191,744)	-5.20%
Community Development Block Grant (CDBG)	213,344	60,000	60,000	0	0.00%
Jefferson Area Drug Enforcement (JADE)	54,000	48,000	48,000	0	0.00%
Revenue from State Agencies					
State Highway Assistance	2,868,431	2,949,955	3,097,489	147,534	5.00%
Reimbursement/Constitutional Offices	1,156,014	1,096,278	1,151,092	54,814	5.00%
ABC Board	48,148	74,770	48,147	(26,623)	-35.61%
State Aid for Police Protection	1,973,704	2,080,284	2,381,979	301,695	14.50%
Trailer Title	1,920	2,000	2,000	0	0.00%
Other State Assistance: Misc Rev	157,740	40,000	40,000	0	0.00%
Revenue from Other Sources					
School Resource Officers	153,161	145,584	167,847	22,263	15.29%
School Communications Services	0	19,738	0	(19,738)	-100.00%
Regional Library Administrative Fee	95,546	104,000	108,644	4,644	4.47%
Fire Department Ops (Albemarle Co)	333,305	171,000	136,000	(35,000)	-20.47%
Fire Department Ops (UVa)	157,500	165,375	173,644	8,269	5.00%
Payments In Lieu Of Taxes - Housing Auth.	25,693	38,000	25,000	(13,000)	-34.21%
Juvenile & Domestic Relations Court	75,642	55,045	50,051	(4,994)	-9.07%
Reimbursement: Magistrate's Office	3,867	5,150	5,285	135	2.62%
UVA Service Charge	31,046	35,000	35,000	0	0.00%
UVA Trolley Assistance	39,000	45,000	50,000	5,000	11.11%
UVA Property Maintenance	0	40,000	50,000	10,000	25.00%
<b>Intergovernmental Revenue Subtotal</b>	<b>\$10,803,451</b>	<b>\$10,865,179</b>	<b>\$11,128,434</b>	<b>\$263,255</b>	<b>2.42%</b>

	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2006-2007 Budget	Increase/ (Decrease)	% Change
<b>CHARGES FOR SERVICE</b>					
Property Transfer Fees	\$1,314	\$1,100	\$1,100	\$0	0.00%
City Sheriff's Fees	6,224	6,200	6,200	0	0.00%
Zoning Appeal Fees	940	500	750	250	50.00%
Court Revenue (Circ/Genl Dist Cts)	860,269	650,000	750,000	100,000	15.38%
Parking Meter Receipts	97,948	80,000	80,000	0	0.00%
Parking Garage Revenue	776,210	500,000	500,000	0	0.00%
Shared Service Costs (restricted revs.)	511,085	862,031	918,531	56,500	6.55%
Utility Cut Permits	158,840	150,000	150,000	0	0.00%
Recreation Income	636,913	458,032	540,000	81,968	17.90%
E-911 Service Charge	417,889	360,000	349,000	(11,000)	-3.06%
Cemetery Income	3,880	5,000	3,500	(1,500)	-30.00%
Reimbursable Police Overtime	69,669	107,000	107,000	0	0.00%
Parking Permit Fees	68,099	36,000	50,000	14,000	38.89%
Payment in Lieu of Taxes: Utilities	3,577,940	3,867,563	4,349,865	482,302	12.47%
Indirect Cost Recovery	211,589	200,000	200,000	0	0.00%
Waste Disposal Fees	1,923,154	1,525,000	1,400,000	(125,000)	-8.20%
Other Charges for Services (Fees)	173,734	100,000	100,000	0	0.00%
<b>Charges for Service Subtotal</b>	<b>\$9,495,697</b>	<b>\$8,908,426</b>	<b>\$9,505,946</b>	<b>\$597,520</b>	<b>6.71%</b>
<b>FINES</b>					
Parking Fines	\$541,283	\$405,000	\$405,000	\$0	0.00%
<b>Fines Subtotal</b>	<b>\$541,283</b>	<b>\$405,000</b>	<b>\$405,000</b>	<b>\$0</b>	<b>0.00%</b>
<b>MISCELLANEOUS REVENUE</b>					
Interest Earned	\$434,225	\$200,000	\$600,000	\$400,000	200.00%
Rent	277,187	282,210	460,876	178,666	63.31%
Refund of Prior Years' Expenditures	16,936	30,000	30,000	0	0.00%
Other Miscellaneous Revenue	309,784	165,361	269,515	104,154	62.99%
<b>Miscellaneous Revenue Subtotal</b>	<b>\$1,038,132</b>	<b>\$677,571</b>	<b>\$1,360,391</b>	<b>\$682,820</b>	<b>100.77%</b>
<b>TRANSFER TO DEBT SERVICE (COUNTY FIRE SERVICE FEES)</b>	<b>\$250,000</b>	<b>\$375,000</b>	<b>\$264,000</b>	<b>(\$111,000)</b>	<b>-29.60%</b>
<b>CITY/COUNTY REVENUE SHARING: OPERATING BUDGET</b>	<b>\$4,370,461</b>	<b>\$5,502,748</b>	<b>\$6,369,816</b>	<b>\$867,068</b>	<b>15.76%</b>
<b>OPERATING BUDGET TOTAL</b>	<b>\$99,646,862</b>	<b>\$101,621,713</b>	<b>\$109,712,324</b>	<b>\$8,090,611</b>	<b>7.96%</b>
<b>DESIGNATED REVENUE</b>					
City/School Contracts: School Pupil Transportation	\$1,672,357	\$1,717,557	\$2,132,031	\$414,474	24.13%
City/School Contracts: School Building Maintenance	2,631,819	2,646,002	2,985,851	339,849	12.84%
City/County Revenue Sharing: Transfer to Capital Improvement Fund	3,634,000	3,840,000	3,315,000	(525,000)	-13.67%
City/County Revenue Sharing: Transfer to Facilities Repair Fund	0	400,000	450,000	50,000	12.50%
Transfer to Debt Service Fund: Meals Tax Revenue	1,436,475	1,522,500	1,550,000	27,500	1.81%
<b>DESIGNATED REVENUE TOTAL</b>	<b>9,374,651</b>	<b>10,126,059</b>	<b>10,432,882</b>	<b>\$306,823</b>	<b>3.03%</b>
<b>TOTAL CITY BUDGET</b>	<b>\$109,021,513</b>	<b>\$111,747,772</b>	<b>\$120,145,206</b>	<b>\$8,397,434</b>	<b>7.51%</b>
<b>CITY SCHOOLS BUDGET</b>					
	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2006-2007 Budget	Increase/ (Decrease)	% Change
<b>SCHOOL OPERATIONS (SCHOOL GENERAL FUND)</b>					
Local Contribution	\$30,641,168	\$32,100,025	\$34,012,025	\$1,912,000	5.96%
State Funds	14,906,309	15,727,735	16,406,488	678,753	4.32%
Federal Funds	49,774	59,020	59,020	0	0.00%
Misc. Revenue	1,081,729	1,253,444	1,247,805	(5,639)	-0.45%
<b>TOTAL SCHOOL OPERATIONS BUDGET</b>	<b>\$46,678,980</b>	<b>\$49,140,224</b>	<b>\$51,725,338</b>	<b>\$2,585,114</b>	<b>5.26%</b>



**Non General Funds Revenue Detailed**

	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2006-2007 Budget	Increase/ (Decrease)	% Change
<b>GOLF COURSE FUND</b>					
Sales and Concessions	\$68,174	\$109,000	\$110,808	\$1,808	1.66%
Greens Fees, Lessons, Etc.	522,728	598,955	670,997	72,042	12.03%
Cart Rentals	225,347	270,000	296,984	26,984	9.99%
Annual Memberships	69,270	90,000	90,039	39	0.04%
Misc. Revenue	111,155	2,369	2,369	0	0.00%
<b>GOLF COURSE FUND REVENUE TOTAL</b>	<b>\$996,674</b>	<b>\$1,070,324</b>	<b>\$1,171,197</b>	<b>\$100,873</b>	<b>9.42%</b>
<b>DEPARTMENT OF SOCIAL SERVICES FUND</b>					
Intergovernmental Revenue	\$9,861,376	\$10,655,476	\$10,475,688	(\$179,788)	-1.69%
Transfer from General Fund	2,124,695	2,634,686	2,970,468	335,782	12.74%
<b>DEPARTMENT OF SOCIAL SERVICES FUND REVENUE SUBTOTAL</b>	<b>\$11,986,071</b>	<b>\$13,290,162</b>	<b>\$13,446,156</b>	<b>\$155,994</b>	<b>1.17%</b>
<b>COMMUNITY ATTENTION FUND</b>					
Intergovernmental Revenue	\$1,970,924	\$2,040,849	\$2,119,690	\$78,841	3.86%
Misc. Revenue	34,058	0	0	0	N/A
Transfer from General Fund	93,626	93,346	127,339	33,993	36.42%
<b>COMMUNITY ATTENTION FUND REVENUE SUBTOTAL</b>	<b>\$2,098,608</b>	<b>\$2,134,195</b>	<b>\$2,247,029</b>	<b>\$112,834</b>	<b>5.29%</b>
<b>COMMISSION ON CHILDREN &amp; FAMILY (CCF)</b>					
Intergovernmental Revenue	\$564,006	\$591,548	\$620,301	\$28,753	4.86%
Misc. Revenue	2,306	0	0	0	N/A
Transfer from Other Funds	249,934	256,679	272,474	15,795	6.15%
Transfer from Comprehensive Services Act Pool	0	0	13,250	13,250	N/A
<b>CCF FUNDS REVENUE TOTAL</b>	<b>\$816,246</b>	<b>\$848,227</b>	<b>\$906,025</b>	<b>\$57,798</b>	<b>6.81%</b>
<b>WATER (OPERATIONS AND DEBT SERVICE FUNDS)</b>					
Water Sales Revenue	\$7,184,287	\$7,425,513	\$7,892,613	\$467,100	6.29%
Water Connection Fees	0	117,000	129,000	12,000	10.26%
Other Fees	10,735	25,000	65,000	40,000	160.00%
Bond Proceeds	0	1,500,000	1,500,000	0	100.00%
Transfer from Other Funds	908,885	875,000	875,000	0	0.00%
<b>WATER FUND REVENUE TOTAL</b>	<b>\$8,103,907</b>	<b>\$9,942,513</b>	<b>\$10,461,613</b>	<b>\$519,100</b>	<b>5.22%</b>
<b>WASTEWATER (OPERATIONS AND DEBT SERVICE FUNDS)</b>					
Wastewater Sales Revenue	\$6,196,613	\$6,142,386	\$6,407,429	\$265,043	4.31%
Wastewater Connection Fees	115,371	62,000	75,000	13,000	20.97%
Wastewater Charge	0	48,000	48,000	0	0.00%
Other Fees	3,905	12,000	12,000	0	0.00%
Debt Proceeds	0	1,500,000	1,500,000	0	100.00%
Transfer from Other Funds	485,795	430,000	430,000	0	0.00%
<b>WASTEWATER REVENUE TOTAL</b>	<b>\$6,801,684</b>	<b>\$8,194,386</b>	<b>\$8,472,429</b>	<b>\$278,043</b>	<b>3.39%</b>
<b>GAS (OPERATIONS AND DEBT SERVICE FUNDS)</b>					
Gas Sales Revenue	\$31,647,507	\$31,050,942	\$34,058,259	\$3,007,317	9.69%
Other Fees	47,651	200,000	175,000	(25,000)	-12.50%
Transfer from Other Funds	1,290,873	940,000	940,000	0	0.00%
<b>GAS REVENUE TOTAL</b>	<b>\$32,986,031</b>	<b>\$32,190,942</b>	<b>\$35,173,259</b>	<b>\$2,982,317</b>	<b>9.26%</b>

	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2006-2007 Budget	Increase/ (Decrease)	% Change
<b>TRANSIT FUND</b>					
Intergovernmental Revenue (Transit Operations)	\$2,064,649	\$2,402,363	\$2,660,837	\$258,474	10.76%
Intergovernmental Revenue (Transit Bus Replacement)	0	0	2,546,483	2,546,483	100.00%
Transfer from Capital Improvement Program (Local Match)	0	0	383,203	383,203	100.00%
Charges for Services	932,945	579,199	622,599	43,400	7.49%
Transfer from General Fund	944,085	1,122,570	1,386,953	264,383	23.55%
Misc. Revenue	489,896	0	123,596	123,596	100.00%
<b>TRANSIT FUND REVENUE TOTAL</b>	<b>\$4,431,575</b>	<b>\$4,104,132</b>	<b>\$7,723,671</b>	<b>\$3,619,539</b>	<b>88.19%</b>
<b>FLEET MANAGEMENT FUND</b>					
Charges for Services	\$2,030,355	\$2,015,068	\$2,627,020	\$611,952	30.37%
<b>FLEET MANAGEMENT FUND REVENUE TOTAL</b>	<b>\$2,030,355</b>	<b>\$2,015,068</b>	<b>\$2,627,020</b>	<b>\$611,952</b>	<b>30.37%</b>
<b>HVAC FUND</b>					
Charges for Services	\$219,929	\$234,986	\$315,538	\$80,552	34.28%
<b>HVAC FUND REVENUE TOTAL</b>	<b>\$219,929</b>	<b>\$234,986</b>	<b>\$315,538</b>	<b>\$80,552</b>	<b>34.28%</b>
<b>INFORMATION TECHNOLOGY FUND</b>					
Charges for Services	\$1,565,866	\$1,872,159	\$2,106,801	\$234,642	12.53%
Transfer from Gas Fund (City Link Operations)	0	0	1,200,000	1,200,000	100.00%
Transfer from Other Funds (City Link Operations)	0	0	200,000	200,000	100.00%
<b>INFORMATION TECHNOLOGY FUND REVENUE TOTAL</b>	<b>\$1,565,866</b>	<b>\$1,872,159</b>	<b>\$3,506,801</b>	<b>\$1,634,642</b>	<b>87.31%</b>
<b>WAREHOUSE FUND</b>					
Charges for Services	\$624,743	\$301,878	\$263,039	(\$38,839)	-12.87%
<b>WAREHOUSE FUND REVENUE TOTAL</b>	<b>\$624,743</b>	<b>\$301,878</b>	<b>\$263,039</b>	<b>(\$38,839)</b>	<b>-12.87%</b>
<b>C'VILLE/ALBEMARLE VISITOR'S CENTER FUND</b>					
Intergovernmental Revenue	\$392,408	\$387,138	\$424,796	\$37,658	9.73%
Charges for Services	53,858	0	86,500	86,500	100.00%
Transfer from General Fund	434,176	475,592	477,385	1,793	0.38%
Misc. Revenue	1,926	82,931	6,000	(76,931)	-92.77%
<b>VISITOR'S CENTER FUND REVENUE TOTAL</b>	<b>\$882,368</b>	<b>\$945,661</b>	<b>\$994,681</b>	<b>\$49,020</b>	<b>5.18%</b>
<b>CITY SCHOOLS BUDGET</b>					
	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2006-2007 Budget	Increase/ (Decrease)	% Change
<b>SCHOOL OPERATIONS (NON GENERAL FUNDS)</b>					
State Revenue	\$2,927,216	\$2,954,315	\$3,432,296	\$477,981	16.18%
Federal Revenue	4,768,154	4,256,917	5,079,813	822,896	19.33%
Misc. Revenue	1,362,257	1,356,028	1,371,628	15,600	1.15%
<b>SCHOOL OPERATIONS REVENUE TOTAL</b>	<b>\$9,057,627</b>	<b>\$8,567,260</b>	<b>\$9,883,737</b>	<b>\$1,316,477</b>	<b>15.37%</b>

**Expenditures Detailed**

	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
<b>MANAGEMENT</b>						
Council Reserve	\$0	\$14,627	\$25,000	\$0	\$0	\$0
Mayor and City Council	186,375	178,445	181,845	0	0	0
Office of the City Manager/Administration and Communications	1,033,789	1,112,180	1,107,958	0	0	0
Office of the City Manager/ Office of Economic Development	478,700	503,143	506,828	0	0	0
City Attorney	519,011	587,962	618,734	0	0	0
General Registrar	349,523	240,698	304,797	0	0	0
Organizational Memberships	87,917	90,844	119,628	0	0	0
<b>MANAGEMENT SUBTOTAL</b>	<b>\$2,655,315</b>	<b>\$2,727,899</b>	<b>\$2,864,790</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>DEBT SERVICE PAYMENT</b>						
General Fund Contribution	\$5,100,000	\$5,400,000	\$5,450,000	\$0	\$0	\$0
County Fire Service Fee Contribution	250,000	375,000	264,000	0	0	0
<b>DEBT SERVICE PAYMENT SUBTOTAL</b>	<b>\$5,350,000</b>	<b>\$5,775,000</b>	<b>\$5,714,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCE TARGET ADJUSTMENT/DEPARTMENTAL SAVINGS</b>						
Fund Balance Target Adjustment	\$0	\$400,000	\$478,157	\$0	\$0	\$0
City Wide Departmental Savings	0	0	(154,455)	0	0	0
<b>FUND BALANCE TARGET ADJUSTMENT/ DEPARTMENTAL SAVINGS SUBTOTAL</b>	<b>\$0</b>	<b>\$400,000</b>	<b>\$323,702</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EMPLOYEE COMPENSATION AND TRAINING</b>						
Compensation - 4% Salary Increase and Associated Benefits	\$67,288	\$1,402,225	\$1,590,980	\$0	\$0	\$0
City Wide Attrition Savings	0	0	(300,000)	0	0	0
Public Safety Reserve - Social Security Supplement	0	49,000	0	0	0	0
Public Safety Reserve - Disability	0	51,000	0	0	0	0
Unemployment Compensation	41,146	28,000	40,000	0	0	0
Corporate Training Fund	47,201	34,000	34,000	0	0	0
<b>EMPLOYEE COMPENSATION AND TRAINING SUBTOTAL</b>	<b>\$155,635</b>	<b>\$1,564,225</b>	<b>\$1,364,980</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>INTERNAL SERVICES</b>						
Business Services	\$239,847	\$239,800	\$239,800	\$0	\$0	\$0
Finance Department: Purchasing/Risk Management/Warehouse	84,374	84,943	74,344	2,527,123	2,070,029	2,370,526
Human Resources	682,096	833,974	892,641	0	0	0
Information Technology	0	0	0	1,587,535	1,872,159	3,506,801
<b>INTERNAL SERVICES SUBTOTAL</b>	<b>\$1,006,317</b>	<b>\$1,158,717</b>	<b>\$1,206,785</b>	<b>\$4,114,658</b>	<b>\$3,942,188</b>	<b>\$5,877,327</b>
<b>FINANCIAL SERVICES</b>						
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
<b>FINANCIAL SERVICES SUBTOTAL</b>	<b>\$3,142,938</b>	<b>\$3,378,875</b>	<b>\$3,591,651</b>	<b>\$1,371,489</b>	<b>\$1,260,741</b>	<b>\$1,220,464</b>
<b>HEALTHY FAMILIES &amp; COMMUNITY</b>						
Charlottesville/Albemarle Convention and Visitors Bureau	\$434,177	\$475,592	\$477,385	\$437,865	\$470,069	\$517,296
Comprehensive Services Act	1,728,941	1,831,161	1,944,411	4,718,172	2,750,000	6,365,167
Community Attention	93,626	93,346	127,339	1,730,170	2,040,849	2,119,690
Community Events and Festivals	58,084	62,646	67,900	0	0	0
Contributions to Children, Youth and Family Programs	2,646,734	2,690,348	2,788,827	563,296	591,548	633,551
Contributions to Education and the Arts	1,240,921	1,352,776	1,485,367	0	0	0
Department of Social Services	2,124,695	2,634,686	2,970,468	9,861,376	10,655,476	10,475,688
Housing Programs and Tax Relief	799,704	1,109,740	1,577,438	0	0	0
Neighborhood Development Services	1,980,662	2,107,009	2,422,349	0	0	0
Parks and Recreation	5,394,352	5,595,115	6,106,906	1,046,534	1,070,324	1,171,197
<b>HEALTHY FAMILIES &amp; COMMUNITY SUBTOTAL</b>	<b>\$16,501,896</b>	<b>\$17,952,419</b>	<b>\$19,968,390</b>	<b>\$18,357,413</b>	<b>\$17,578,266</b>	<b>\$21,282,589</b>

	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
<b>INFRASTRUCTURE AND TRANSPORTATION</b>						
Public Works: Administration, Facilities Management & Maintenance	\$1,778,033	\$1,795,051	\$2,168,403	\$242,351	\$234,986	\$315,538
Public Works: Public Service	6,416,946	6,976,291	7,789,728	2,134,188	2,015,068	2,627,020
Public Works: Transit/JAUNT	1,469,773	1,690,336	2,046,797	3,487,489	2,981,562	6,336,718
Public Works: Utilities	0	0	0	44,855,263	49,154,678	52,782,157
<b>INFRASTRUCTURE AND TRANSPORTATION SUBTOTAL</b>	<b>\$9,664,752</b>	<b>\$10,461,678</b>	<b>\$12,004,928</b>	<b>\$50,719,291</b>	<b>\$54,386,294</b>	<b>\$62,061,433</b>
<b>PUBLIC SAFETY AND JUSTICE</b>						
City Sheriff	\$745,791	\$827,982	\$905,284	\$0	\$0	\$0
Commonwealth's Attorney	653,508	682,879	745,944	0	0	0
Contributions to Programs Supporting Public Safety & Justice	5,048,402	5,791,867	6,534,127	0	0	0
Courts and Other Support Services	937,645	876,660	950,194	0	0	0
Fire Department	6,725,308	7,038,989	7,741,471	0	0	0
Police Department	10,360,423	10,881,526	11,784,053	0	0	0
<b>PUBLIC SAFETY SUBTOTAL</b>	<b>\$24,471,077</b>	<b>\$26,099,903</b>	<b>\$28,661,073</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>LOCAL CONTRIBUTION TO SCHOOLS</b>						
Local Contribution to Schools	\$30,641,168	\$32,100,025	\$34,012,025	\$0	\$0	\$0
<b>SCHOOLS SUBTOTAL</b>	<b>\$30,641,168</b>	<b>\$32,100,025</b>	<b>\$34,012,025</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL CITY OPERATIONS</b>	<b>\$93,589,098</b>	<b>\$101,618,741</b>	<b>\$109,712,324</b>	<b>\$74,562,851</b>	<b>\$77,167,489</b>	<b>\$90,441,813</b>
<b>DESIGNATED EXPENDITURES</b>						
City/School Contracts: School Pupil Transportation	\$1,840,844	\$1,719,324	\$2,132,031	\$0	\$0	\$0
City/School Contracts: School Building Maintenance	2,764,022	2,647,207	2,985,851	0	0	0
Transfer to Capital Improvements Fund	4,626,162	3,840,000	3,315,000	0	0	0
Transfer to Facilities Repair Fund	0	400,000	450,000	0	0	0
Transfer to Debt Service Fund - 1% of Meals Tax	1,436,547	1,522,500	1,550,000	0	0	0
Transfer to Misc. Funds	1,058,465	0	0	0	0	0
<b>DESIGNATED EXPENDITURES TOTAL</b>	<b>\$11,726,040</b>	<b>\$10,129,031</b>	<b>\$10,432,882</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL CITY BUDGET</b>	<b>\$105,315,138</b>	<b>\$111,747,772</b>	<b>\$120,145,206</b>	<b>\$74,562,851</b>	<b>\$77,167,489</b>	<b>\$90,441,813</b>
<b>CITY SCHOOLS BUDGET</b>						
	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
<b>SCHOOL OPERATIONS</b>						
School Operations	\$46,678,980	\$49,140,224	\$51,725,338	\$9,057,627	\$8,567,260	\$9,883,737
<b>TOTAL SCHOOL OPERATIONS BUDGET</b>	<b>\$46,678,980</b>	<b>\$49,140,224</b>	<b>\$51,725,338</b>	<b>\$9,057,627</b>	<b>\$8,567,260</b>	<b>\$9,883,737</b>

