

Financial Services



Commissioner of the Revenue

Finance Department:
Administration
City Assessor's Office
Utility Billing Office

Treasurer

City Strategic Goals Key:



Goal 1: An Inclusive Community of Self-sufficient Residents



Goal 2: A Healthy and Safe City



Goal 3: A Beautiful and Sustainable Natural and Built Environment

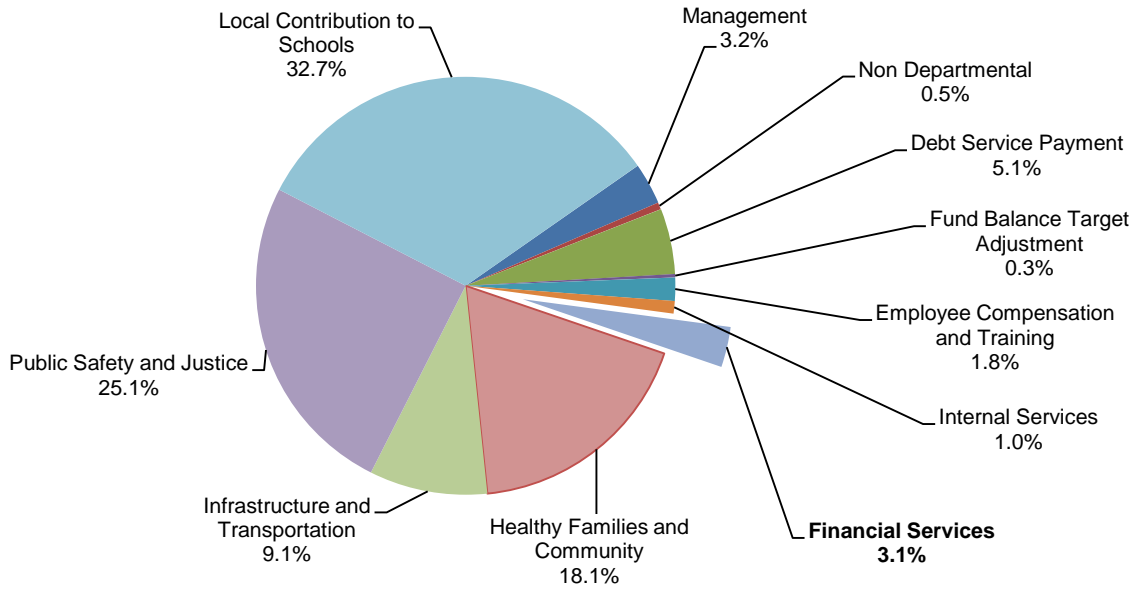


Goal 4: A Strong, Creative and Diversified Economy

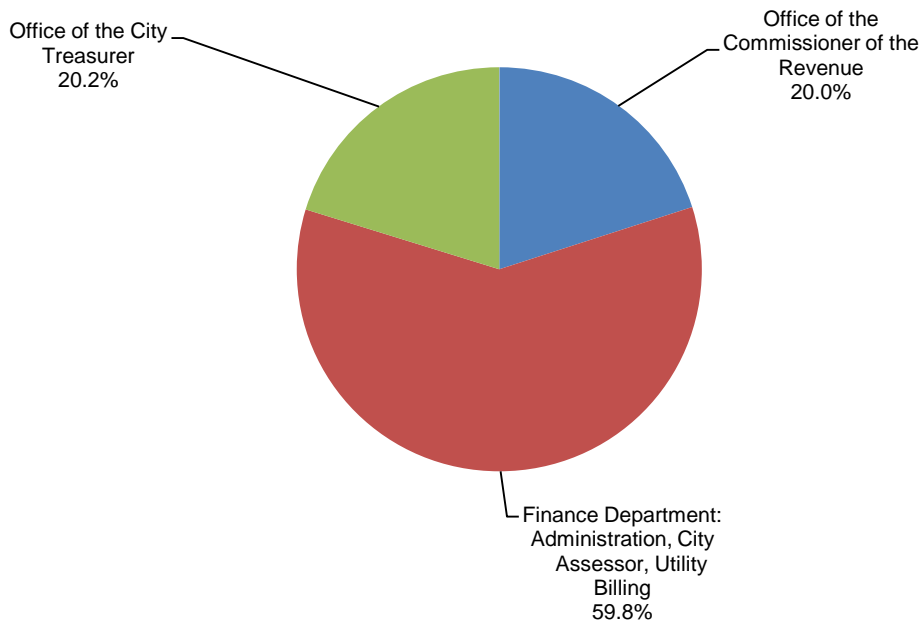


Goal 5: A Well-managed and Responsive Organization

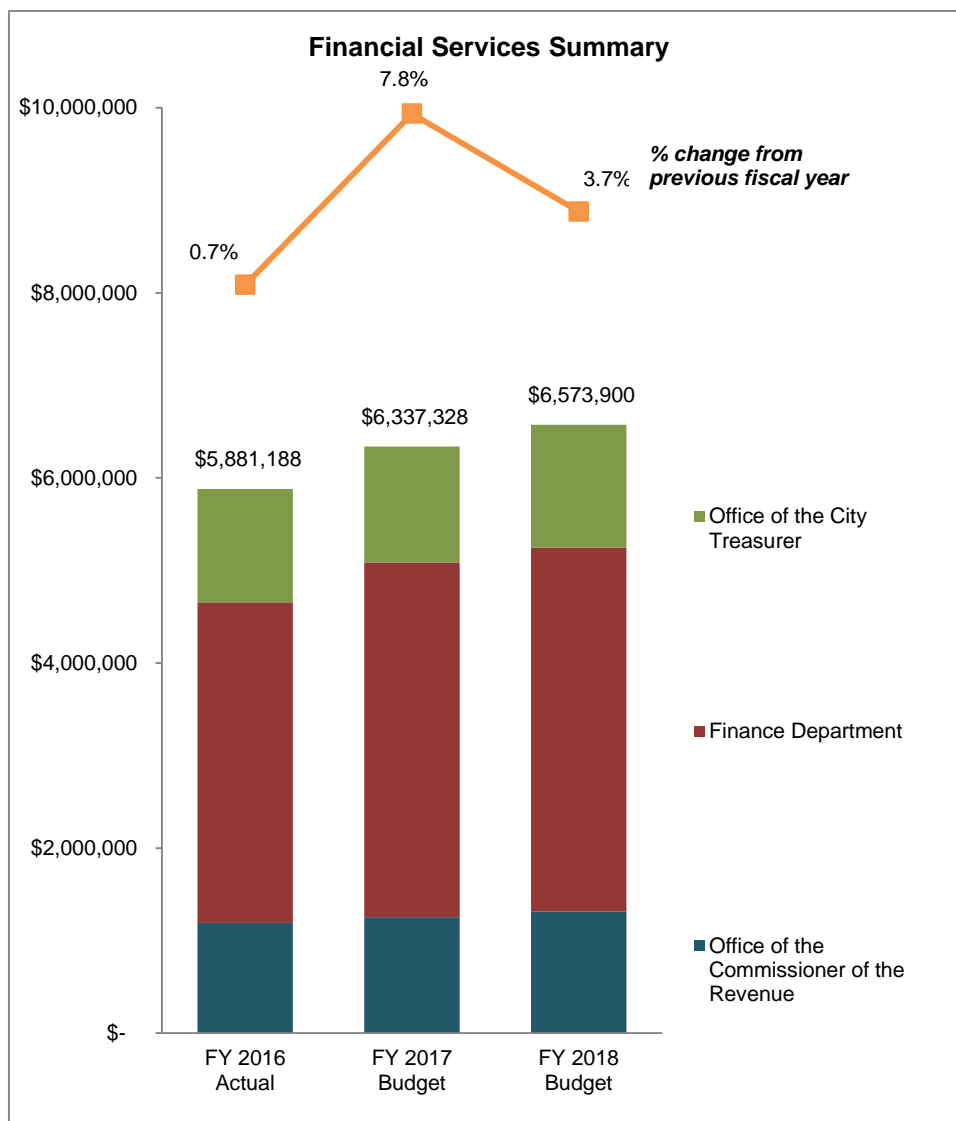
Financial Services
% of General Fund Operating Budget



Financial Services Overview
General Fund & Other Funds



Financial Services Summary	FY2016	FY2017	FY2018	FY2016	FY2017	FY2018
	General Fund Actual	General Fund Budget	General Fund Budget	Other Funds Actual	Other Funds Budget	Other Funds Budget
FINANCIAL SERVICES						
Office of the Commissioner of the Revenue	\$1,189,751	\$1,253,938	\$1,316,033	\$0	\$0	\$0
Finance Department: Administration, City Assessor, Utility Billing	1,938,055	2,180,411	2,254,818	1,526,829	1,652,580	1,674,113
Office of the City Treasurer	1,226,553	1,250,399	1,328,936	0	0	0
FINANCIAL SERVICES SUBTOTAL	\$4,354,359	\$4,684,748	\$4,899,787	\$1,526,829	\$1,652,580	\$1,674,113



Office of the Commissioner of the Revenue

Responsibly administer tax assessment and relief

Commissioner of the Revenue FY 18 Budget - \$1,316,033

Commissioner of the Revenue, an elected office, is responsible for the administration of several local taxes and three relief programs. The Commissioner's office also provides assistance in completing and filing Virginia income tax returns for all residents of the City. The City receives reimbursement from the Commonwealth of Virginia for a portion of the Commissioner of Revenue's budget.

The Office of the Commissioner of the Revenue is responsible for reviewing local sales tax registrations to ensure correct coding and correct allocation of the 1% of the 5.3% tax on sales in the City and administers the following local tax programs for the City of Charlottesville:

- Personal Property Tax
- Personal Property Tax Relief
- Business Personal Property Tax
- Business, Professional and Occupational License Tax
- Meals Tax
- Transient Occupancy Tax
- Consumer Utility Tax
- Consumption Tax
- Short-Term Rental Tax
- Vehicle License Fee
- Public Service Corporation Tax
- Bank Stock Tax

The Office of the Commissioner of the Revenue also administers three City of Charlottesville relief programs.

- **Real Estate Tax Relief for the Elderly and Disabled** - grants that reduce the amount of real estate taxes dues for homeowners who are age 65 years of age or older or permanently and totally disabled and whose income and assets fall below the threshold for the year.
- **Rental Relief for the Elderly and Disabled** - grants to qualified renters to offset their indirect share of real estate taxes on the rental property.
- **Housing Affordability Grant Program** - grants against real estate taxes for homeowners who qualify based on Federal Adjusted Gross Income and value of property.

Strategic Plan Alignment



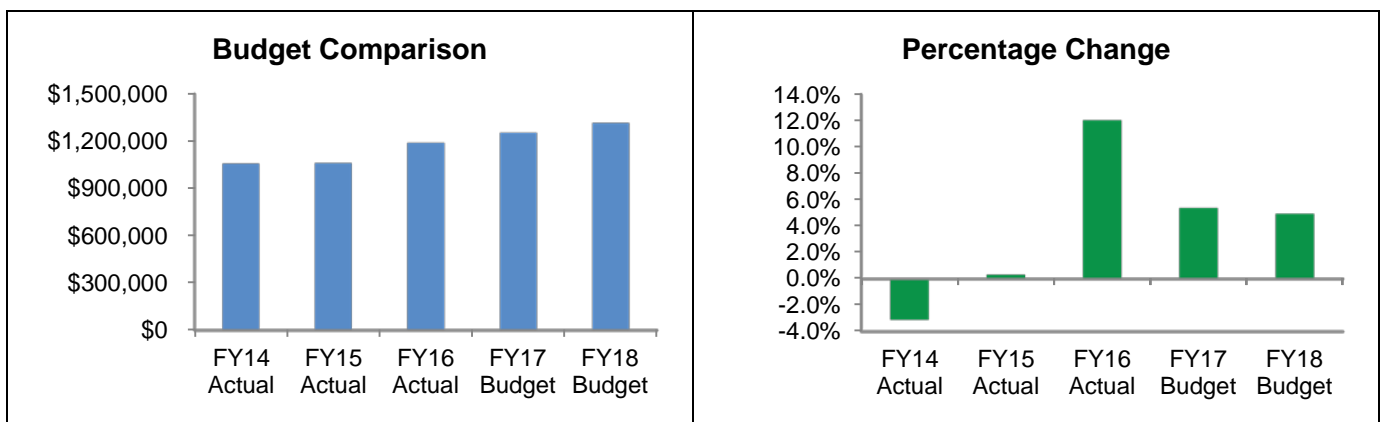
Office of the Commissioner of the Revenue

Funding and Staffing Summary

Funding Summary	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2018 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$885,987	\$875,683	\$945,563	\$1,018,015	\$1,074,816	\$56,801	5.6%
Other Expenditures	<u>172,345</u>	<u>186,079</u>	<u>244,188</u>	<u>235,923</u>	<u>241,217</u>	<u>5,294</u>	<u>2.2%</u>
General Fund Total	\$1,058,331	\$1,061,762	\$1,189,751	\$1,253,938	\$1,316,033	\$62,095	5.0%

Staffing Summary (Full Time Equivalents)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Increase/ (Decrease)
General Fund FTEs	13.0	13.0	13.0	13.0	13.0	0.0

Explanation of Changes: The net change in Salaries and Benefits reflects the 2% salary increase given in FY 17, an increase in health care costs, and an increase in retirement costs mainly as result of a change in the method used to fund Other Post-Employment Benefits (OPEB). In Other Expenditures, there were increases in the information technology and telephone fees, as well as a slight increase in service contracts.



Office of the Commissioner of the Revenue

Strategic Plan Performance Measures

Visit www.charlottesville.org/measuresup for a complete department scorecard.

Office of the Commissioner of Revenue					
Goal 1: An Inclusive Community of Self-sufficient Residents					
<i>1.4 Enhance the financial health of residents</i>					
	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
# of recipients of tax and rent relief programs and housing affordability grant program					
Real estate tax relief	480	464	431	406	396
Rental relief	248	302	343	353	369
Housing Affordability Grant Program	960	901	832	825	774
\$ amount of rent and tax relief and affordability grants disbursed					
Real estate tax relief	\$596,938	\$561,468	\$502,165	\$491,413	\$474,840
Rental relief	\$159,261	\$194,994	\$182,363	\$176,565	\$211,928
Housing Affordability Grant Program	\$418,800	\$398,775	\$364,950	\$364,575	\$340,650
Goal 5: A Well-managed and Responsive Organization					
<i>5.1 Integrate effective business practices and strong fiscal policies</i>					
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
\$(in millions) amount of revenue collected by the Commissioner of Revenue					
	\$46.90	\$48.62	\$49.67	\$51.05	\$54.96
% of personal property tax that is uncollected					
	2.5%	3.1%	3.3%	3.5%	3.4%
% of personal property tax abatements (as compared to total personal property)					
	7.6%	7.8%	8.0%	7.1%	5.5%



Finance Department Administration – City Assessor – Utility Billing Office

Provide leadership and support of the City's activities through accurate and timely financial information

Administration FY 18 Budget - \$1,409,487

The administrative office of the Finance Department provides comprehensive financial management, accounting, and reporting services; pays all City employees and City bills; provides debt management services; and prepares a number of specialized technical reports including the annual utility rate study, official statements and prospectuses for bond issues, administers the City's credit card programs, the City's annual financial reports, the State mandated comparative cost report transmittal forms, and a variety of grant reports.

City Assessor's Office FY 18 Budget - \$845,331

The City Assessor's Office is responsible for assessing over 15,300 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, and other City departments. This office is also responsible for the Tax Abatement and Supplemental Assessment Programs.

Utility Billing Office FY 18 Budget - \$1,674,113

The Utility Billing Office (UBO) is responsible for maintaining and billing over \$53 million in utility accounts each year for gas, water and sewer service and sending over 24,000 invoices monthly. They also handle requests to stop and start services, answer customer inquiries concerning their accounts, create and monitor payment arrangements, disconnect and reconnect delinquent customers, and handle all billing maintenance entries necessary to send accurate and timely bills. The office handles over 38,500 customer inquiries annually and proactively contacted over 1,000 customers concerning consumption issues.

UBO also administers the Gas Assistance Program, which distributed \$67,638 in assistance to 252 customers in FY 2016 and received over \$18,450 from 431 private contributors to the program. UBO works with the State of Virginia fuel assistance program to ensure that approximately 229 customers receive assistance. In FY 2012, UBO began to manage water and wastewater assistance programs, providing financial support to those who qualify and have difficulty with their water and wastewater bills. In addition, UBO administers the rebate programs for toilets, water heaters, thermostats, and rain barrels. In FY 2016, they processed 364 rebates at a cost of over \$32,150 and \$27,359 in assistance to 312 customer accounts.

Strategic Plan Alignment



Finance Department Administration – City Assessor – Utility Billing

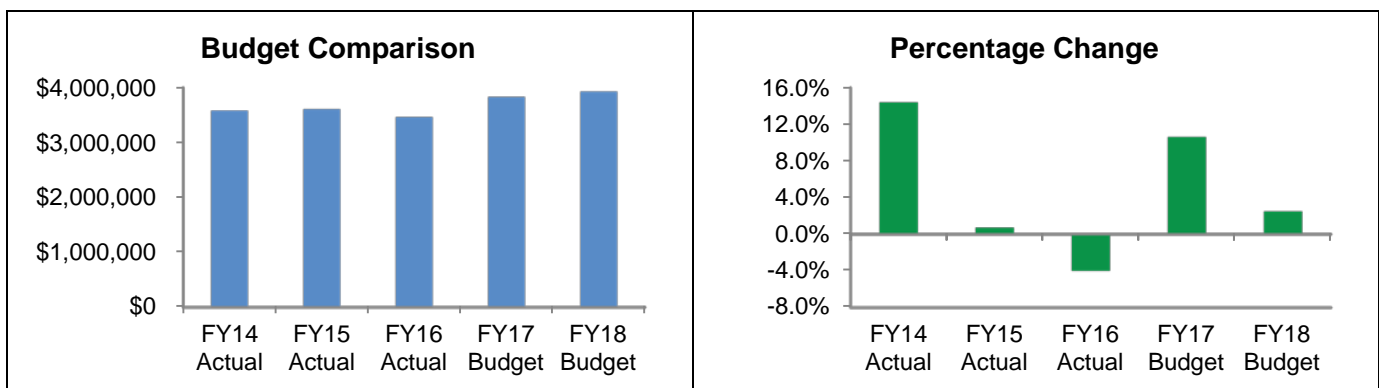
Funding and Staffing Summary

Funding Summary	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Increase/ (Decrease)	% Change
	Actual	Actual	Actual	Budget	Budget		
Salaries and Benefits	\$2,716,188	\$2,731,447	\$2,581,641	\$2,871,390	\$2,981,482	\$110,092	3.8%
Other Expenditures	<u>866,645</u>	<u>877,895</u>	<u>883,242</u>	<u>961,601</u>	<u>947,449</u>	<u>(14,152)</u>	<u>-1.5%</u>
Total	\$3,582,833	\$3,609,342	\$3,464,883	\$3,832,991	\$3,928,931	\$95,940	2.5%
General Fund Total	\$2,143,212	\$2,095,561	\$1,938,055	\$2,180,411	\$2,254,818	\$74,407	3.4%
Non General Fund Total	1,439,621	1,513,781	1,526,829	1,652,580	1,674,113	21,533	1.3%
Total	\$3,582,833	\$3,609,342	\$3,464,883	\$3,832,991	\$3,928,931	\$95,940	2.5%

Staffing Summary (Full Time Equivalents)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Increase/ (Decrease)
General Fund FTEs	20.0	20.0	20.0	20.0	20.0	0.0
Non General Fund FTEs	14.0	14.0	14.0	14.0	14.0	0.0

Explanation of Changes: The change in Salaries and Benefits reflects a 2% salary increase, an increase in health care costs and an increase in the retirement costs due to a change in the method used to fund Other Post-Employment Benefits (OPEB) costs. A portion of the increase reflects a 2% salary increase budgeted within the Utility Billing Office (UBO) for FY 18, which is part of the Gas Utility Fund.

In Other Expenditures, Finance Administration anticipates increases in postage and professional services, which were offset by reductions in the areas of information technology fees, office supplies, and telephone service costs. Also reflected are an increase in UBO for postage, telephone and contractual services, a decrease in data processing fees, a decrease in advertising and a decrease in freight costs.



Finance Department Administration – City Assessor – Utility Billing

Strategic Plan Performance Measures

Visit www.charlottesville.org/measuresup for a complete department scorecard.

Finance Department					
Goal 5: A Well-managed and Responsive Organization					
<i>5.1 Integrate effective business practices and strong fiscal policies</i>					
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Ratio of debt to General Fund expenditures (%)	7.21	6.52	6.89	6.27	6.25
Real estate assessment to sales ratio (%)	100.04%	95.97%	95.32%		
Real estate coefficient of dispersion (%)	13.64%	13.12%	14.46%		
Real estate assessment price related differential (%)	1.02%	1.01%	1.04%		
City received favorable "unqualified" opinion from external auditors	Yes	Yes	Yes	Yes	Yes
City received Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes	Yes	



Office of the City Treasurer

Promote the financial health of the City through professional collection, processing, and investment of revenue

Treasurer FY 18 Budget - \$1,328,936

The Treasurer's Office serves Charlottesville citizens by collecting, investing, and ensuring the safekeeping of all City revenues. The office is the citizen's first point of contact 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, real estate, and state income taxes, vehicle license fees, business licenses, meals tax, trash decals, dog licenses, and all other revenues collected by the City. 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 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 City Schools and the Charlottesville Albemarle Technical Education Center (CATEC). The Treasurer acts as the custodian for the City Retirement Fund, oversees funds managers, makes payments for the Fund's expenses, and provides monthly reports to the Retirement Commission. The City receives reimbursement for a portion of the Treasurer's budget from the Commonwealth of Virginia's Compensation Board.

Strategic Plan Alignment



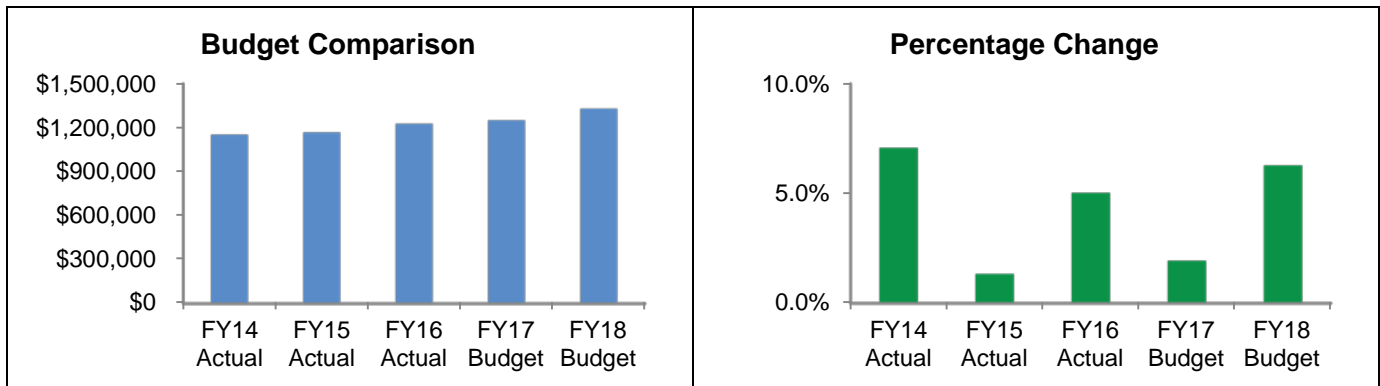
Office of the City Treasurer

Funding and Staffing Summary

Funding Summary	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Increase/ (Decrease)	% Change
	Actual	Actual	Actual	Budget	Budget		
Salaries and Benefits	\$845,014	\$861,464	\$862,267	\$897,972	\$961,145	\$63,173	7.0%
Other Expenditures	<u>307,341</u>	<u>306,336</u>	<u>364,285</u>	<u>352,427</u>	<u>367,791</u>	<u>15,364</u>	<u>4.4%</u>
General Fund Total	\$1,152,354	\$1,167,800	\$1,226,553	\$1,250,399	\$1,328,936	\$78,537	6.3%

Staffing Summary (Full Time Equivalents)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Increase/ (Decrease)
General Fund FTEs	13.0	13.0	13.0	13.0	13.5	0.5

Explanation of Changes: The change in Salaries and Benefits reflects the 2% salary increase granted during FY 17, an increase in health care costs, an increase in retirement costs, and the addition of a part-time Customer Service Representative. Retirement costs are also increasing due to a change in the method used to fund Other Post-Employment Benefits (OPEB) costs. The increase in Other Expenditures is due to increased contractual software maintenance costs related to the tax management system.



Office of the City Treasurer

Strategic Plan Performance Measures

Visit www.charlottesville.org/measuresup for a complete department scorecard.

Office of the City Treasurer					
Goal 5: A Well-managed and Responsive Organization					
<i>5.1 Integrate effective business practices and strong fiscal policies</i>					
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
% of City investments in compliance with investment policy	100%	100%	100%	100%	100%
Real estate and personal property collection rate	99.0%	98.9%	98.9%	98.6%	98.7%
Parking ticket collection rate*	136%	127%	117%	117%	110%
	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
% of transactions accurately processed	99.20%	99.70%	99.77%	99.36%	99.95%
# of days to reconcile City bank account	1	1	1	1	1
<i>5.2 Recruit and cultivate a high quality and diverse workforce</i>					
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
# of Treasurer's office employees holding statewide certification	11	10	10	9	9
<i>5.3 Provide responsive customer service</i>					
	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
% of incoming phone calls answered within 30 seconds	89.56%	88.35%	91.37%	79.35%	84.88%

**The City Treasurer's Office is charged with the collection of parking tickets issued in the City. The goal is to collect 110% of the face value of tickets issued. This is because they account for some of the tickets doubling before they are collected, resulting in a collection rate over 100% of the face ticket value.*