

Financial Services



Commissioner of the Revenue

Finance Department:
Administration
City Assessor
Utility Billing

Office of the City 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

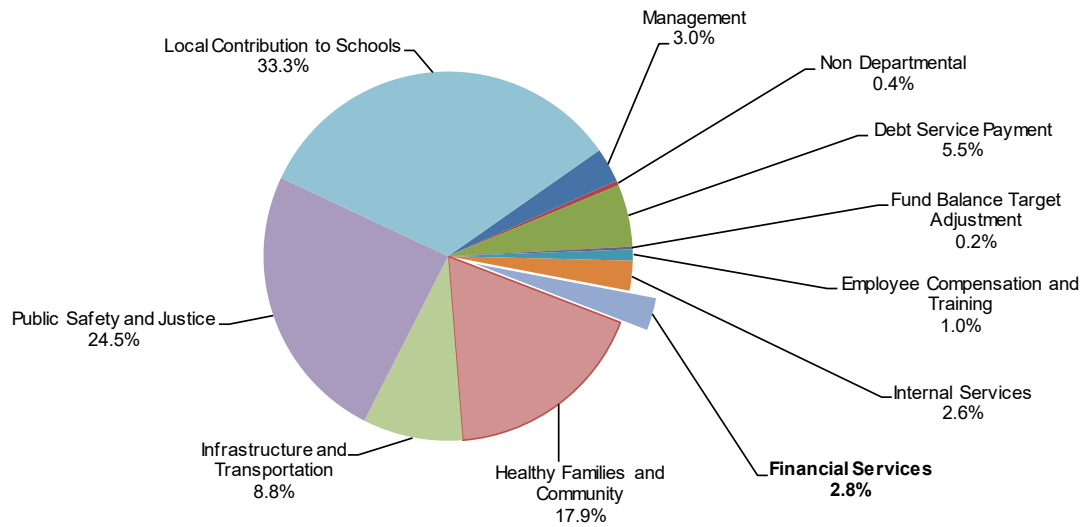


Goal 4: A Strong, Creative and Diversified Economy

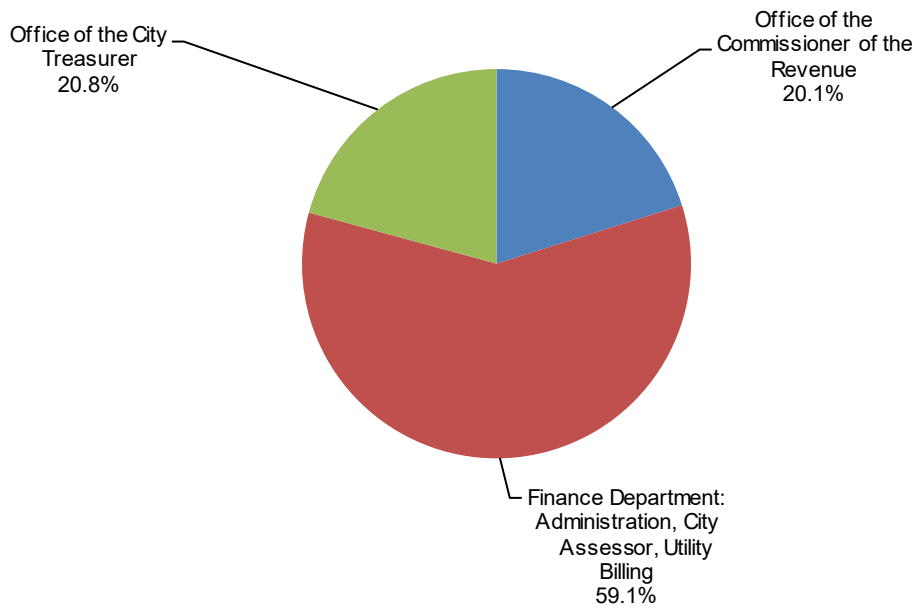


Goal 5: A Well-managed and Responsive Organization

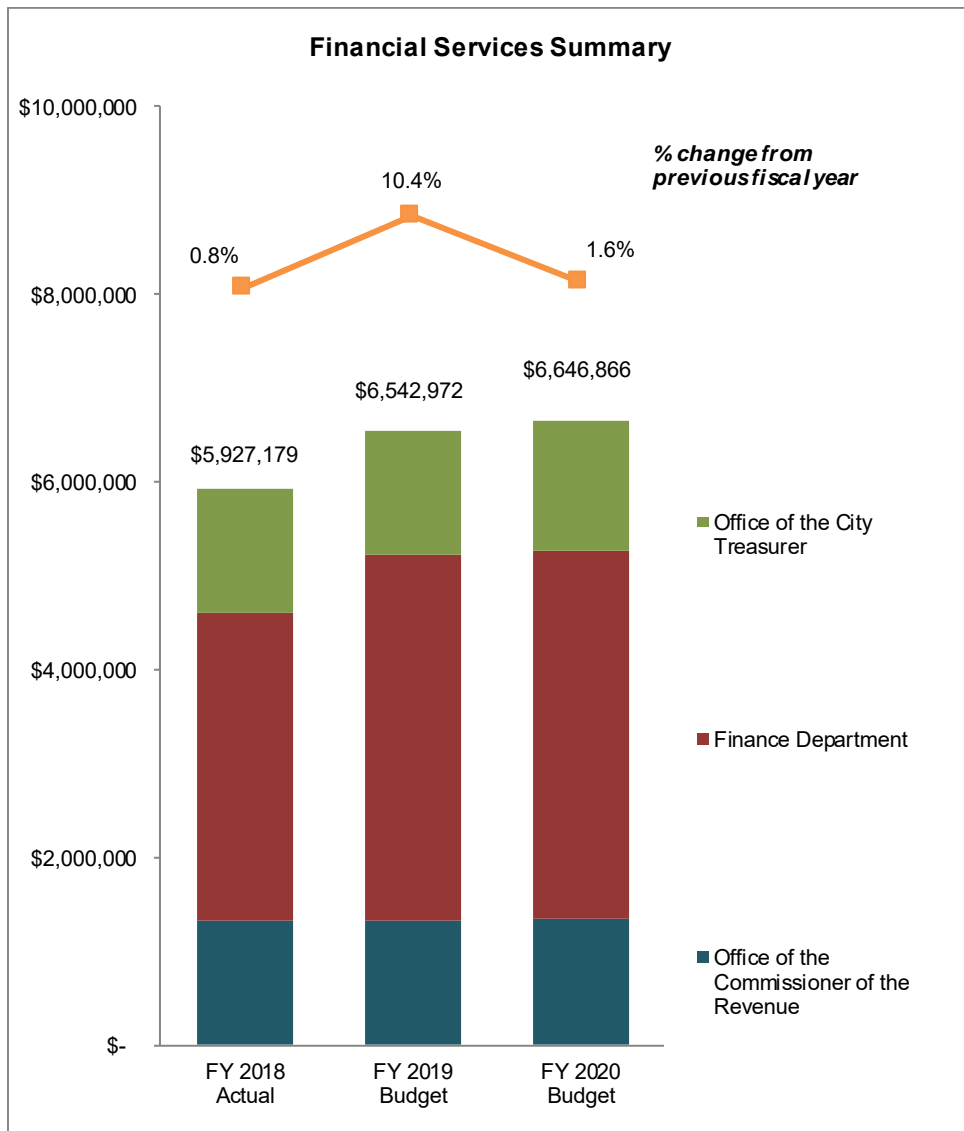
Financial Services
% of General Fund Operating Budget



Financial Services Overview
General Fund & Other Funds



Financial Services Summary	FY2018 General Fund Actual	FY2019 General Fund Budget	FY2020 General Fund Budget	FY2018 Other Funds Actual	FY2019 Other Funds Budget	FY2020 Other Funds Budget
FINANCIAL SERVICES						
Office of the Commissioner of the Revenue	\$1,324,213	\$1,320,872	\$1,339,253	\$0	\$0	\$0
Finance Department: Administration, City Assessor, Utility Billing	2,173,164	2,193,980	2,178,139	1,103,783	1,714,859	1,748,763
Office of the City Treasurer	1,326,019	1,313,261	1,380,711	0	0	0
FINANCIAL SERVICES SUBTOTAL	\$4,823,396	\$4,828,113	\$4,898,103	\$1,103,783	\$1,714,859	\$1,748,763



Office of the Commissioner of the Revenue

*Strategic Plan
Alignment*

Commissioner of the Revenue

FY 20 Budget - \$1,339,253



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 the City's tax and rent relief and grant programs. Information on these programs can be found on page **H-20**.

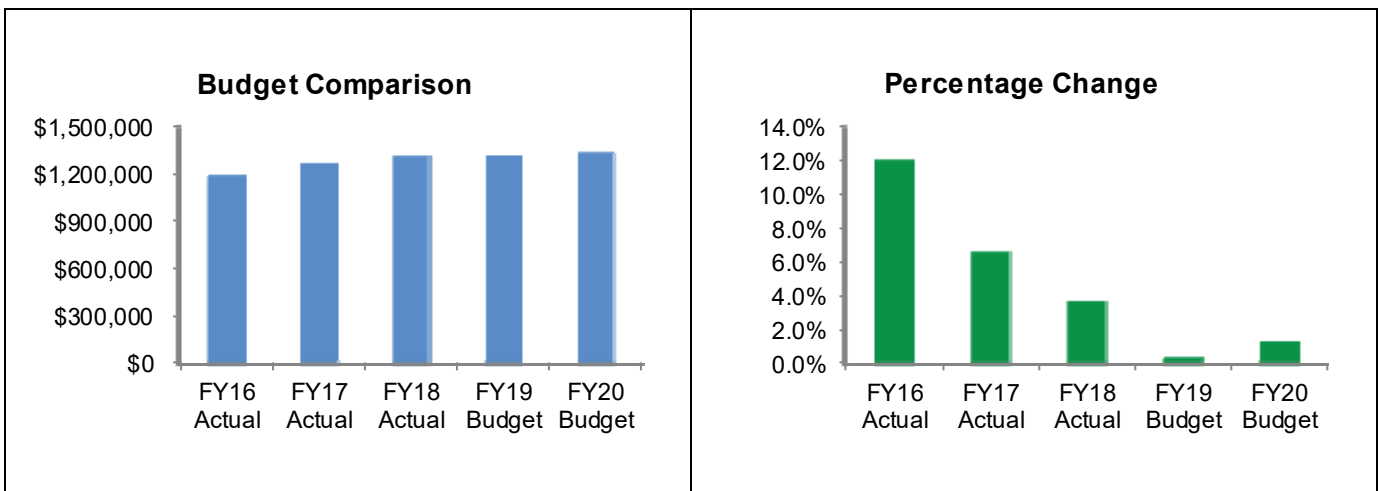
- **Real Estate Tax Relief for the Elderly and Disabled** - grants that reduce the amount of real estate taxes dues for homeowners who are age 65 years of age or older or permanently and totally disabled and whose income and assets fall below the threshold for the year.
- **Rental Relief for the Elderly 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.

Office of the Commissioner of the Revenue

Funding and Staffing Summary

Funding Summary	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$945,563	\$1,026,822	\$1,106,034	\$1,129,872	\$1,148,898	\$19,026	1.7%
Other Expenditures	244,188	241,890	218,179	191,000	190,355	(645)	-0.3%
General Fund Total	\$1,189,751	\$1,268,712	\$1,324,213	\$1,320,872	\$1,339,253	\$18,381	1.4%

Staffing Summary (Full Time Equivalents)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Increase/ (Decrease)
General Fund FTEs	13.0	13.0	14.0	14.0	14.0	0.0



Explanation of FY 20 Changes

Salaries and Benefits

- 3% salary increase given in FY 19.

Other Expenditures

- Decrease due to the reduction in Information Technology Infrastructure fees.
- Increase in risk management fixed costs.

Office of the Commissioner of the Revenue

Strategic Plan Performance Measures

Office of the Commissioner of Revenue

Goal 1: An Inclusive Community of Self-sufficient Residents

1.4 Enhance the financial health of residents

	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
# of recipients of tax and rent relief programs and housing affordability grant program					
Real estate tax relief	431	406	396	380	360
Rental relief	343	353	369	367	366
Housing Affordability Grant Program	832	825	774	708	646

\$ amount of rent and tax relief and affordability grants disbursed

Real estate tax relief	\$502,165	\$491,413	\$474,840	\$494,208	\$505,969
Rental relief	\$182,363	\$176,565	\$211,928	\$222,385	\$204,542
Housing Affordability Grant Program	\$364,950	\$364,575	\$340,650	\$311,250	\$485,500

Goal 5: A Well-managed and Responsive Organization

5.1 Integrate effective business practices and strong fiscal policies

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
\$(in millions) amount of revenue collected by the Commissioner of Revenue	\$49.67	\$51.05	\$54.96	\$58.74	\$59.72
% of personal property tax that is uncollected	3.3%	3.5%	3.4%	3.4%	2.7%
	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
% of personal property tax exonerations	8.2%	7.6%	7.0%	6.2%	5.7%



Finance Department Administration – City Assessor – Utility Billing Office

*Strategic Plan
Alignment*

Administration

FY 20 Budget - \$1,363,201



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

FY 20 Budget - \$814,938



The City Assessor's Office is responsible for assessing over 15,500 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 20 Budget - \$1,748,763



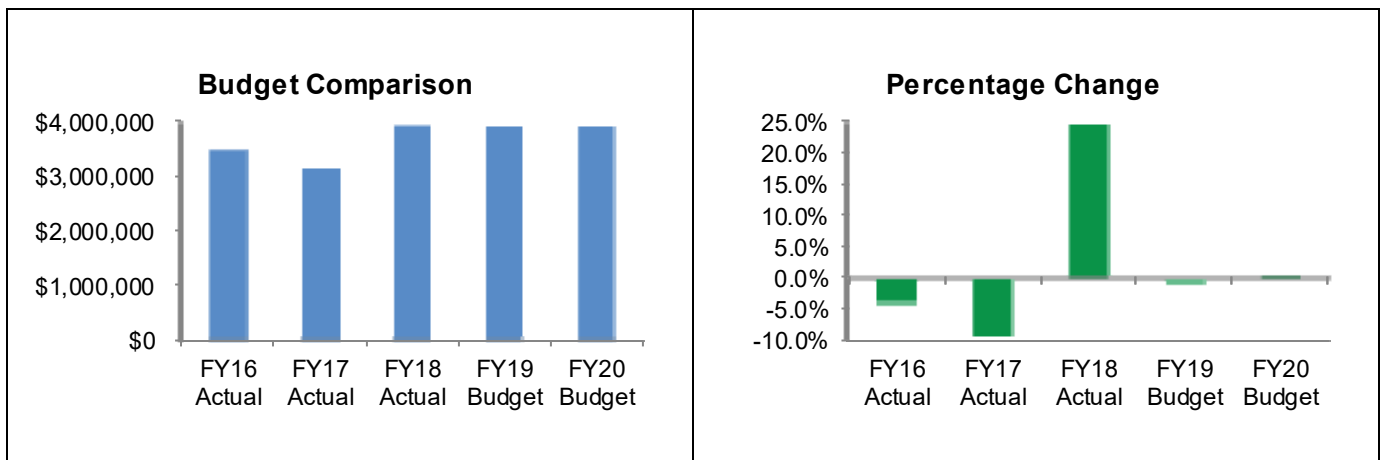
The Utility Billing Office (UBO) is responsible for maintaining and billing over \$44 million in utility accounts each year for gas, water and sewer service and sending over 24,000 invoices monthly. They also handle requests to stop and start services, answer customer inquiries concerning their accounts, 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 37,000 customer inquiries annually and proactively contacted over 800 customers concerning consumption issues.

UBO also administers the Gas Assistance Program, which assisted 141 customers in FY 2018 and received assistance from 338 private contributors to the program. UBO works with the State of Virginia fuel assistance program to ensure that approximately 188 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 2018, they processed 372 rebates and provided assistance to 311 customer accounts.

Finance Department Administration – City Assessor – Utility Billing Funding and Staffing Summary

Funding Summary	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$2,581,641	\$2,718,287	\$2,806,794	\$3,029,710	\$3,029,714	\$4	0.0%
Other Expenditures	883,242	435,597	470,153	879,129	897,188	18,059	2.1%
Total	\$3,464,883	\$3,153,884	\$3,276,947	\$3,908,839	\$3,926,902	\$18,063	0.5%
General Fund Total	\$1,938,055	\$2,080,118	\$2,173,164	\$2,193,980	\$2,178,139	(\$15,841)	-0.7%
Non General Fund Total	1,526,829	1,073,766	1,103,783	1,714,859	1,748,763	33,904	2.0%
Total	\$3,464,883	\$3,153,884	\$3,276,947	\$3,908,839	\$3,926,902	\$18,063	0.5%

Staffing Summary (Full Time Equivalents)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	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 FY 20 Changes

Salaries and Benefits

- Increase due to a 3% cost of living adjustments budgeted in FY 19 for the General Fund, and 4.17% cost of living adjustment budgeted in FY 20 for the Utility Billing Office, which is part of the Gas Fund. The FY 20 cost of living adjustments for the General Fund are budgeted separately in Employee Compensation and Training (**pg. E-8**).
- Reduction in salaries due to departmental turnover in all divisions and reorganization in Utility Billing.

Other Expenditures

- Decrease due to the reduction in Information Technology Infrastructure fees.
- Increase in risk management fixed costs
- Increase in contractual services costs for audit costs, increase education and training.
- Increase in the mail services contract, which is offset by a decrease in postage costs.

Finance Department
Administration – City Assessor – Utility Billing
Strategic Plan Performance Measures

Finance Department					
Goal 5: A Well-managed and Responsive Organization					
<i>5.1 Integrate effective business practices and strong fiscal policies</i>					
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Ratio of debt to General Fund expenditures (%)	6.89	6.27	6.25	6.54	6.36
Real estate assessment to sales ratio (%)	95.32%	94.63%	92.64%	90.00%	-
Real estate coefficient of dispersion (%)	14.46%	14.35%	12.93%	11.11%	-
Real estate assessment price related differential (%)	1.04%	1.02%	1.19%	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

**Strategic Plan
Alignment**



Treasurer

FY 20 Budget - \$1,380,711

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.

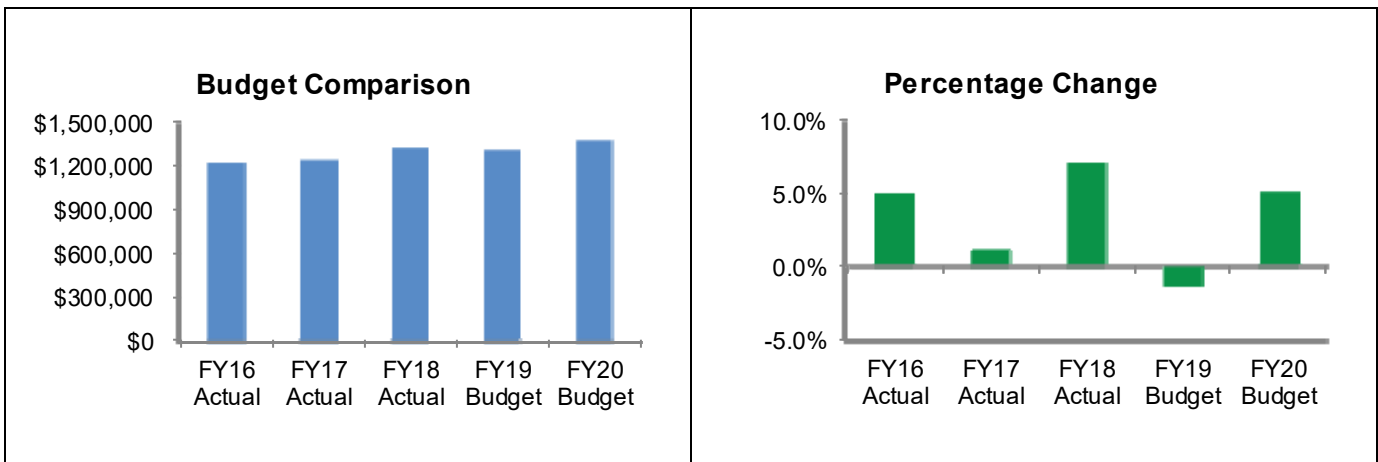
The Treasurer's Office is responsible for the administration and court process of parking tickets and the zone permit parking system, including the upkeep and maintenance of its computer systems. The Treasurer invests all City reserve operational funds, bond funds, and school funds to obtain the highest 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 fund 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.

Office of the City Treasurer

Funding and Staffing Summary

Funding Summary	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$862,267	\$883,381	\$978,264	\$997,875	\$1,055,576	\$57,701	5.8%
Other Expenditures	364,285	357,172	347,755	315,386	325,135	9,749	3.1%
General Fund Total	\$1,226,553	\$1,240,553	\$1,326,019	\$1,313,261	\$1,380,711	\$67,450	5.1%

Staffing Summary (Full Time Equivalents)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Increase/ (Decrease)
General Fund FTEs	13.0	13.0	13.5	13.5	14.0	0.5



Explanation of FY 20 Changes

Salaries and Benefits

- 3% salary increase granted during FY 19.
- Increase in hours for the Part Time Customer Service Representative to help cover the work of additional transactions expected due to the City partnering with the Virginia Department of Motor Vehicles to provide a DMV Select location at City Hall. This additional expense is offset by revenues collected from this program.

Other Expenditures

- Decrease due to the reduction in Information Technology Infrastructure fees.
- Increase in risk management fixed costs
- Increase in costs associated with passport issuance operations.
- Increase in printing and duplicating costs for additional final billing notices and increases in quantity of zone parking decals, trash stickers, and trash decals.

Office of the City Treasurer

Strategic Plan Performance Measures

Office of the City Treasurer

Goal 5: A Well-managed and Responsive Organization

5.1 Integrate effective business practices and strong fiscal policies

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
% of City investments in compliance with investment policy	100%	100%	100%	100%	100%
Real estate and personal property collection rate	98.9%	98.6%	98.7%	98.6%	98.5%
Parking ticket collection rate*	117%	117%	110%	111%	110%

	Mar-17	Jun-17	Sep-17	Dec-17	Dec-18
% of transactions accurately processed	99.95%	99.54%	99.69%	99.75%	99.81%
# of days to reconcile City bank account	1	1	1	1	1

5.2 Recruit and cultivate a high quality and diverse workforce

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
# of Treasurer’s office employees holding statewide certification	10	9	9	10	10

5.3 Provide responsive customer service

	Mar-17	Jun-17	Sep-17	Dec-17	Dec-18
% of incoming phone calls answered within 30 seconds	84.88%	92.06%	89.85%	87.73%	93.25%

*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.