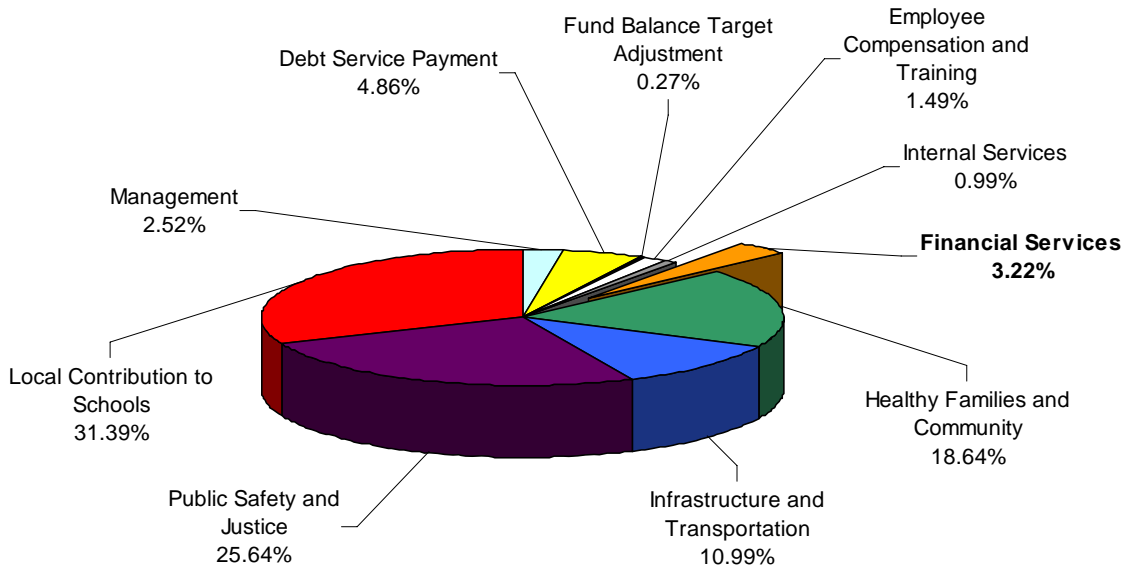


Financial Services Summary

	FY2005-2006 General Fund Actual	FY2006-2007 General Fund Budget	FY2007-2008 General Fund Budget	FY2005-2006 Other Funds Actual	FY2006-2007 Other Funds Budget	FY2007-2008 Other Funds Budget
FINANCIAL SERVICES						
Commissioner of the Revenue	\$806,533	\$870,321	\$957,857	\$0	\$0	\$0
Finance Department: Management/Real Estate	1,562,983	1,660,475	1,889,673	1,286,248	1,220,464	1,475,424
Assessment/Utility Billing Office	1,040,064	1,060,855	1,087,145	0	0	0
Treasurer						
FINANCIAL SERVICES SUBTOTAL	\$3,409,580	\$3,591,651	\$3,934,675	\$1,286,248	\$1,220,464	\$1,475,424
2007-08 General Fund Budget	\$3,934,675					
2006-07 General Fund Budget	\$3,591,651					
Increase/(Decrease)	\$343,024					
Percentage Change	9.55%					

Financial Services

As a percentage of operating budget



FINANCIAL SERVICES

ACCOMPLISHMENTS OF THE PAST YEAR

- ❖ The Treasurer for the City of Charlottesville was named the Treasurer of the Year by the Treasurer's Association of Virginia.
- ❖ The Treasurer's Office successfully completed the new combined billings – vehicle license fees now appear on the first half Personal Property Tax bills rather than a separate billing, saving the City money in printing and postage costs.
- ❖ 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 Commissioner of Revenue's Office commenced the administration of the new Charlottesville Affordable Housing Program, which distributed over \$185,000 in grants to qualified homeowners, in order to help with home ownership.
- ❖ The Real Estate Assessor's Office completed a successful reassessment cycle and accomplished CPC changes to the Treasurer's Office billing information.
- ❖ The Finance Department received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the FY 2005 Comprehensive Annual Financial Report (CAFR) for the 26th consecutive award year.
- ❖ The Finance Department helped to maintain the City of Charlottesville's AAA bond rating.
- ❖ The Utility Billing Office contributed to Phase III of SAP implementation, involving internet interfacing with the Utility billing system, allowing customers to access their accounts online in order to monitor their accounts financially and change certain information.

GOALS AND OBJECTIVES FOR FY 2008

- ❖ 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 27th 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.
- ❖ Utility Billing will improve customer service by providing online notifications of customer invoices, reducing and replacing many paper invoices which will reduce both printing and postage costs for the City of Charlottesville.
- ❖ The Treasurer's Office will implement a new credit card processing system in order to enable more citizens to pay with credit and debit cards.
- ❖ 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 improved customer service.
- ❖ Automate the exoneration process in order to improve and streamline the workflow for the Personal Property Tax assessment process, which will result in reduced manpower costs to the City.

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 these services, the City receives reimbursement for a portion of the Commissioner of Revenue’s budget from the Commonwealth of Virginia.

Funding Summary	FY 05-06 Actual	FY 06-07 Budget	FY 07-08 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$709,834	\$730,384	\$769,897	\$39,513	5.41%
Other Expenditures	<u>96,699</u>	<u>139,937</u>	<u>187,960</u>	<u>48,023</u>	<u>34.32%</u>
General Fund Total	\$806,533	\$870,321	\$957,857	\$87,536	10.06%
General Fund FTEs	13.0	13.0	13.0	0.0	

Explanation of Changes: The increase in Salaries and Benefits includes increases in retirement costs and a 4% salary increase granted during FY 2007. The increase in Other Expenditures can be attributed to fixed costs, \$20,000 to replace old and outdated furniture, and increases in the cost and volume of advertising.

**Finance Department
Management
Real Estate Assessor
Utility Billing Office**

The **Administrative** office 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 Assessor's office is responsible for assessing 14,500 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, other City departments, etc. This office is also responsible for the Tax Abatement and Supplemental Assessment Programs.

The **Utility Billing Office** 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 which distributed nearly \$85,000 in fuel assistance in FY 2006.

Funding Summary	FY 05-06 Actual	FY 06-07 Budget	FY 07-08 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$1,981,072	\$2,104,242	\$2,383,776	\$279,534	13.28%
Other Expenditures	<u>868,159</u>	<u>776,697</u>	<u>981,321</u>	<u>204,624</u>	<u>26.35%</u>
Total	\$2,849,231	\$2,880,939	\$3,365,097	\$484,158	16.81%
General Fund Total	\$1,562,983	\$1,660,475	\$1,889,673	\$229,198	13.80%
Non General Fund Total	<u>1,286,248</u>	<u>1,220,464</u>	<u>1,475,424</u>	<u>254,960</u>	<u>20.89%</u>
Total	\$2,849,231	\$2,880,939	\$3,365,097	\$484,158	16.81%
General Fund FTEs	19.0	20.0	20.0	0.0	
Non General Fund FTEs	13.0	13.0	13.0	0.0	

Explanation of Changes: The increase in Salaries and Benefits represents increases in retirement costs and a 4% salary increase granted during FY 2007. In addition, Council approved two new positions in the Assessor's Office: a **Commercial Appraiser**, to better maintain the accuracy of commercial assessments, and a **Systems Analyst**, who will enable the City to further enhance and maintain its changing computer system capabilities. Finally, there is \$50,000 included in Salaries and Benefits for half of the **Customer Service Care Center Director**, who will guide the City towards implementation of centralized customer service. Other Expenditures reflect increases in fixed costs, additional travel and mileage reimbursements for the new appraiser, and additional training for the entire Assessor's Office staff. Other Expenditures in the Utility Billing Office budget include new funds to absorb credit card transaction fees, additional funds for the rate study contract, and other contractual services related to the utilities in general.

FY 08 Services	FY 08 Budget
Management	\$1,211,115
Real Estate Assessment	678,558
Utility Billing Office	<u>1,475,424</u>
Total	\$3,365,097

Treasurer

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 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, 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 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 City Schools and the Charlottesville Albemarle Technical Education Center. The Treasurer also acts as the custodian for the City Retirement Fund, including the management of the individual managers, payments for the Fund's expenses, and preparing monthly reports for the Retirement Commission.

Funding Summary	FY 05-06 Actual	FY 06-07 Budget	FY 07-08 Budget	Increase/ (Decrease)	% Change
Salaries and Benefits	\$737,179	\$761,945	\$795,773	\$33,828	4.44%
Other Expenditures	<u>302,885</u>	<u>298,910</u>	<u>291,372</u>	<u>(7,538)</u>	<u>-2.52%</u>
General Fund Total	\$1,040,064	\$1,060,855	\$1,087,145	\$26,290	2.48%
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 costs and a 4% salary increase granted during FY 2007. Within Other Expenditures, this budget includes \$13,340 to absorb credit card transaction fees for citizens who want to walk into City Hall and pay tickets, registration fees, permits, bus passes, and trash stickers and decals in person with a credit card, and additional funds for printing as part of the cost of printing all payroll checks and statements.

