Interim City Manager's Proposed Budget
FY 2022-2023
City Council Budget Work Session

April 7, 2022

Overall Proposed Budget

July 1, 2022—June 30, 2023

Total proposed budget is **$142,967,876** for all funds

- $11.79 million (or 9.0%) increase over FY2022

General Fund proposed budget is **$65,192,940**

- $3.4 million (or 5.6%) increase over FY2022

Path to Fully Fund City Schools

1. **Local Contribution to the Schools for FY2023 is fully funded with no cuts on either side - $624,113**
    - Adjustments by the schools - $259K
    - City to make up the difference with a negative contingency - $365K
2. Future revenue share formula based on actual revenues, not projected, and is heavily weighted by property tax revenues which are more stable (90%)
3. Support of school construction projects as outlined in the school capital budget – which includes the Shelburne Middle School projects and maintenance facility

FY2023 Proposed Budget

Column	A	B	C	C - A	% Var.	C - B	% Var.
CITY GOVERNMENTAL FUNDS	FY2020 BUDGET	FY2022 ADOPTED	FY2023 PROPOSED	FY2020 / FY2023 Variance		FY2022 / FY2023 Variance	
General Fund	$ 59,275,000	$ 61,753,974	$ 65,192,940	$ 5,917,940	10.0%	$ 3,438,966	5.6%
Debt Service Sinking Fund	4,844,415	5,683,314	5,386,569	542,154	11.2%	(296,745)	-5.2%
Blue Ridge Court Services Fund	1,056,660	1,229,541	1,292,856	236,196	22.4%	63,315	5.1%
City Capital Improvement Fund	841,050	981,050	0	(841,050)	-100.0%	(981,050)	100.0%
Total Governmental Funds	$ 66,017,125	$ 69,647,879	$ 71,872,365	$ 5,855,240	8.9%	$ 2,224,486	3.2%
CITY PROPRIETARY FUNDS							
Water Fund	$ 4,979,000	$ 11,615,097	$ 10,949,871	$ 5,970,871	119.9%	$ (665,226)	-5.7%
Sewer Fund	4,812,390	3,960,677	9,865,197	5,052,807	105.0%	5,904,520	149.1%
Environmental Fund	3,233,950	3,265,427	4,297,745	1,063,795	32.9%	1,032,318	31.6%
Stormwater Fund	1,586,250	1,658,244	1,913,001	326,751	20.6%	254,757	15.4%
Parking Fund	980,475	513,675	551,443	(429,032)	-43.8%	37,768	7.4%
Total Proprietary Funds	$ 15,592,065	$ 21,013,120	$ 27,577,257	$ 11,985,192	76.9%	$ 6,564,137	31.2%
Total City Budget	$ 81,609,190	$ 90,660,999	$ 99,449,622	$ 17,840,432	21.9%	$ 8,788,623	9.7%
STAUNTON SCHOOL BOARD							
Education Fund	$ 33,637,650	$ 35,253,498	$ 37,910,838	$ 4,273,188	12.7%	$ 2,657,340	7.5%
State Operated Programs	2,829,900	3,189,319	3,292,217	462,317	16.3%	102,898	3.2%
Cafeteria Fund	1,440,000	1,696,314	1,874,095	434,095	30.1%	177,781	10.5%
School Textbook Fund	300,000	276,735	341,104	41,104	13.7%	64,369	23.3%
School Capital Improvements Fu	100,000	100,000	100,000	0	0.0%	0	100.0%
Total Education Funds	$ 38,307,550	$ 40,515,866	$ 43,518,254	$ 5,210,704	13.6%	$ 3,002,388	7.4%
Grand Total All Funds	$ 119,916,740	$ 131,176,865	$ 142,967,876	$ 23,051,136	19.2%	$ 11,791,011	9.0%

FY2023 Proposed Budgeted Revenues

- **Revenues** - The overall revenue picture in FY2022 is positive in relation to the FY2022 budget, and is trending at roughly at 106% of budgeted revenues which is 1% above our historically target.
  - Budgeted revenues are based upon the assumption revenues will be fully recovered in FY2023.

- **Expenses** - On the expense side the City has had to absorb a tremendous amount of additional non controllable expenditures.

Mandated Expense Pressures

ADDITIONAL UNCONTROLLABLE COSTS		
Description	**Amount**	**RE Tax Equivalent**
Middle River Regional Jail	$ 1,122,357	5.17
Economic Development Agreements	735,500	3.39
SAFER Firefighter Grant Funding	177,786	0.82
CSA/Department of Social Services	160,603	0.74
Animal Shelter	39,695	0.18
Juvenile Detention	136,895	0.63
Major Non Compensation Impacts	**$ 2,372,836**	**10.93**
VRS Rate Increase	532,786	2.46
Health Insurance FY2022 & FY2023 20% Increase	504,000	2.32
Commonwealth Attorney	170,448	0.79
Uncontrollable Comp Board & Benefit Increases	**$ 1,207,234**	**5.56**
Combined Costs	**$ 3,580,070**	**16.50**

Personnel Changes / Wages Adjustments

Personnel Costs				
3 % RAISE (3% Increase Effective October 1)	2022	$	414,702	1.91
Sheriff Department	2022	$	62,851	0.29
Clerk of Council	2022	$	49,469	0.23
2023 Fire Compensation Adjustment	2023	$	364,172	1.68
2023 Police Compensation Adjustment	2023	$	426,948	1.97
2023 Library, IT, Parks & Recreation and Golf	2023	$	131,244	0.60
5 % RAISE (Excluding 2023 Adjustments Above - October 1)	2023	$	494,179	2.28
Community Development / Housing Coordinator	2023	$	71,939	0.33
Park Maintenance	2023	$	41,745	0.19
Miscellaneous Adjustments		$	21,753	0.10
Additional Costs		**$**	**2,079,002**	**9.58**

FY2023 Proposed Budget

For the reasons stated above, the FY2023 Proposed Budget does incorporate $1,007,725 in fund balance and health insurance reserves to balance.

Fund Balance and Reserve Use in FY2023 Budget

Description		**FY2020**	**FY2023**	**Variance**
General Fund Revenues	$	59,275,000	$ 64,185,215	$ 4,910,215
General Fund Expenditures	$	59,275,000	$ 65,192,940	$ 5,917,940
Variance				**$ (1,007,725)**

FY2023 Proposed Budget Overview

Column	A	B	C	C - A	% Var.	C - B	% Var.
CITY GOVERNMENTAL FUNDS	FY2020 BUDGET	FY2022 ADOPTED	FY2023 PROPOSED	FY2020 / FY2023 Variance		FY2022 / FY2023 Variance	
General Fund	$ 59,275,000	$ 61,753,974	$ 65,192,940	$ 5,917,940	10.0%	$ 3,438,966	5.6%
Debt Service Sinking Fund	4,844,415	5,683,314	5,386,569	$ 542,154	11.2%	$ (296,745)	-5.2%
Blue Ridge Court Services Fund	1,056,660	1,229,541	1,292,856	$ 236,196	22.4%	$ 63,315	5.1%
City Capital Improvement Fund	841,050	981,050	0	$ (841,050)	-100.0%	$ (981,050)	100.0%
Total Governmental Funds	$ 66,017,125	$ 69,647,879	$ 71,872,365	$ 5,855,240	8.9%	$ 2,224,486	3.2%
CITY PROPRIETARY FUNDS							
Water Fund	$ 4,979,000	$ 11,615,097	$ 10,949,871	$ 5,970,871	119.9%	$ (665,226)	-5.7%
Sewer Fund	4,812,390	3,960,677	9,865,197	5,052,807	105.0%	$ 5,904,520	149.1%
Environmental Fund	3,233,950	3,265,427	4,297,745	1,063,795	32.9%	$ 1,032,318	31.6%
Stormwater Fund	1,586,250	1,658,244	1,913,001	326,751	20.6%	$ 254,757	15.4%
Parking Fund	980,475	513,675	551,443	(429,032)	-43.8%	$ 37,768	7.4%
Total Proprietary Funds	$ 15,592,065	$ 21,013,120	$ 27,577,257	$ 11,985,192	76.9%	$ 6,564,137	31.2%
Total City Budget	$ 81,609,190	$ 90,660,999	$ 99,449,622	$ 17,840,432	21.9%	$ 8,788,623	9.7%

FY2023 Proposed Budget Summary Revenues

CITY OF STAUNTON
FY 2023 GENERAL FUND REVENUES

Column	A	B	C	C - A	% Var.	D - C	% Var.
Category	FY2020 ADOPTED	FY2022 ADOPTED	FY2023 PROPOSED	FY2020 / FY2023 Variance		FY2022 / FY2023 Variance	
General Property Taxes	$26,390,500	$ 27,585,063	$ 28,501,011	$ 2,110,511	8.0%	$ 915,948	3.3%
Other Local Taxes	15,507,000	15,150,500	17,233,830	1,726,830	11.1%	2,083,330	13.8%
Commonwealth of Virginia	12,404,363	12,815,367	13,218,468	814,105	6.6%	403,101	3.1%
Current Service Charges	1,822,366	1,855,902	1,896,693	74,327	4.1%	40,791	2.2%
Federal Revenue	1,283,507	1,363,629	1,580,640	297,133	23.2%	217,011	15.9%
Recovered Costs	1,146,264	1,190,235	1,177,000	30,736	2.7%	-13,235	-1.1%
Licenses and Permits	280,900	208,400	201,950	-78,950	-28.1%	-6,450	-3.1%
Fines and Forfeitures	165,500	232,000	237,500	72,000	43.5%	5,500	2.4%
Use of Money and Property	246,100	135,500	109,200	-136,900	-55.6%	-26,300	-19.4%
Miscellaneous	28,500	29,000	28,923	423	1.5%	-77	-0.3%
Fund Balance	-	1,188,378	1,007,725	1,007,725	#DIV/0!	-180,653	-15.2%
Total Revenues	$ 59,275,000	$ 61,753,974	$ 65,192,940	$ 5,917,940	10.0%	$ 3,438,966	5.6%

FY2023 Proposed Budget
General Property Taxes

Column	A	B	C	C - A	% Var.	C - B	% Var.
GENERAL PROPERTY TAXES	**FY2020 ADOPTED**	**FY2022 ADOPTED**	**FY2023 PROPOSED**	**FY2020 / FY2023 VARIANCE**		**FY2022 / FY2023 VARIANCE**	
Real Estate Taxes	$ 19,150,000	$ 20,167,363	$ 20,492,518	$ 1,342,518	7.0%	$ 325,155	1.6%
Real Estate-Public Service	900,000	905,000	940,000	40,000	4.4%	35,000	3.9%
Real Estate- Interest Assessed	175,000	150,000	150,000	(25,000)	-14.3%	0	0.0%
Real Estate Penalty	130,000	115,000	120,000	(10,000)	-7.7%	5,000	4.3%
Real Estate-Service District Tax	125,000	120,000	125,243	243	0.2%	5,243	4.4%
Personal Property Taxes	5,275,000	5,525,000	6,055,000	780,000	14.8%	530,000	9.6%
Personal Property-Public Service	4,000	2,700	2,800	(1,200)	-30.0%	100	3.7%
Personal Property Interest	55,000	65,000	85,000	30,000	54.5%	20,000	30.8%
Personal Property-Penalty	85,000	85,000	105,450	20,450	24.1%	20,450	24.1%
Machinery & Tools Tax	491,500	450,000	425,000	(66,500)	-13.5%	(25,000)	-5.6%
Total Property Taxes	**$ 26,390,500**	**$ 27,585,063**	**$ 28,501,011**	**$ 2,110,511**	**8.0%**	**$ 915,948**	**3.3%**

FY2023 Proposed Budget
Local Taxes

Column	A	B	C	C - A	% Var.	C - B	% Var.
OTHER LOCAL TAXES	**FY2020 ADOPTED**	**FY2022 ADOPTED**	**FY2023 PROPOSED**	**FY2020 / FY2023 VARIANCE**		**FY2022 / FY2023 VARIANCE**	
Business & Occupational Licenses	$ 2,200,000	$ 2,040,000	$ 2,250,000	$ 50,000	2.3%	$ 210,000	10.3%
Water Utility Tax	280,000	285,000	281,280	1,280	0.5%	(3,720)	-1.3%
Gas Utility Tax	300,000	298,000	298,000	(2,000)	-0.7%	0	0.0%
Electric Utility Tax	585,000	585,000	585,000	0	0.0%	0	0.0%
Local Sales Tax- One Percent	4,300,000	4,662,500	5,275,000	975,000	22.7%	612,500	13.1%
Bank Stock Tax	475,000	485,000	575,000	100,000	21.1%	90,000	18.6%
Recordation-Local	200,000	220,000	300,000	100,000	50.0%	80,000	36.4%
Cigarette Tax	395,000	385,000	385,000	(10,000)	-2.5%	0	0.0%
Transient Occupancy Tax	890,000	760,000	968,000	78,000	8.8%	208,000	27.4%
Meals Tax	4,600,000	4,300,000	5,358,050	758,050	16.5%	1,058,050	24.6%
Probate Tax	7,000	7,000	8,500	1,500	21.4%	1,500	21.4%
Short Term Rental Tax	25,000	23,000	25,000	0	0.0%	2,000	8.7%
Local Communications Tax	1,250,000	1,100,000	925,000	(325,000)	-26.0%	(175,000)	-15.9%
Total Other Taxes	**$ 15,507,000**	**$ 15,150,500**	**$ 17,233,830**	**$ 1,726,830**	**11.1%**	**$ 2,083,330**	**13.8%**

FY2023 Proposed Budget
Other Revenues

Column	A	B	C	C - A	% Var.	C - B	% Var.
OTHER REVENUES	FY2020 ADOPTED	FY2021 ADOPTED	FY2023 PROPOSED	FY2020 / FY2023 Variance		FY2022 / FY2023 Variance	
Licenses & Permits	$ 280,900	$ 208,400	$ 201,950	$ (78,950)	-28.1%	$ (6,450)	-3.1%
Fines & Forefeitures	$ 165,500	232,000	237,500	72,000	43.5%	5,500	2.4%
Use of Money	246,100	135,500	109,200	(136,900)	-55.6%	(26,300)	-19.4%
Current Service Charges	1,822,366	1,855,902	1,896,693	74,327	4.1%	40,791	2.2%
Miscellaneous Revenue	28,500	29,000	28,923	423	1.5%	(77)	-0.3%
Recovered Costs	1,146,264	1,190,235	1,177,000	30,736	2.7%	(13,235)	-1.1%
Commonwealth of Virginia	12,404,363	12,815,367	13,218,468	814,105	6.6%	403,101	3.1%
Federal Revenue	1,283,507	1,363,629	1,580,640	297,133	23.2%	217,011	15.9%
Transfers	-	1,188,378	1,007,725	1,007,725	#DIV/0!	(180,653)	-15.2%
Total Other Revenues	**$ 17,377,500**	**$ 19,018,411**	**$ 19,458,099**	**$ 2,080,599**	**12.0%**	**$ 439,688**	**2.3%**

FY2023 Proposed Budget Expense Overview

Column	A	B	C	C - A	% Var.	C - B	% Var.
CITY GOVERNMENTAL FUNDS	**FY2020 BUDGET**	**2022 ADOPTED**	**FY2023 PROPOSED**	**FY2020 / FY2023 Proposed Budget**		**FY2022 / FY2023 Proposed Budget**	
General Fund	$ 59,275,000	$ 61,753,974	$ 65,192,940	$ 5,917,940	10.0%	$ 3,438,966	5.6%
Debt Service Sinking Fund	4,844,415	5,683,314	5,386,569	$ 542,154	11.2%	$ (296,745)	-5.2%
Blue Ridge Court Services Fund	1,056,660	1,229,541	1,292,856	$ 236,196	22.4%	$ 63,315	5.1%
City Capital Improvement Fund	841,050	981,050	0	$ (841,050)	-100.0%	$ (981,050)	-100.0%
Total Governmental Funds	$ 66,017,125	$ 69,647,879	$ 71,872,365	$ 5,855,240	8.9%	$ 2,224,486	3.2%

FY2023 Proposed Budget
General Fund Personnel Costs

CITY PERSONNEL COST COMPARISON

Column	A	B	C	C - A	% Var.	C - B	% Var.
CATEGORY	FY2020 ADOPTED	FY2022 ADOPTED	FY2023 PROPOSED	FY2020 / FY2023 Proposed Budget		FY2022 / FY2023 Proposed Budget	
FULL-TIME WAGES	$ 13,421,390	$ 13,999,370	$ 14,975,887	$ 1,554,497	11.6%	$ 976,517	7.0%
RETIREMENT	1,883,622	2,188,280	2,600,621	716,999	38.1%	412,341	18.8%
PART-TIME WAGES	1,417,606	1,480,227	1,587,114	169,508	12.0%	106,887	7.2%
HEALTH INS	2,544,664	2,673,851	3,045,853	501,189	19.7%	372,002	13.9%
FICA	1,172,802	1,237,353	1,328,028	155,226	13.2%	90,675	7.3%
OVERTIME	599,025	669,518	730,552	131,527	22.0%	61,034	9.1%
WORKERS COMP/DISABILI	325,000	317,913	324,531	(469)	-0.1%	6,618	2.1%
LIFE INSURANCE	176,670	188,587	201,593	24,923	14.1%	13,006	6.9%
UNEMPLOYMENT PREMIUM	10,151	9,486	9,112	(1,039)	-10.2%	-374	-3.9%
LINE OF DUTY ACT	105,125	140,050	139,000	33,875	32.2%	-1,050	-0.7%
TOTAL	$ 21,656,055	$ 22,904,635	$ 24,942,291	$ 3,286,236	15.2%	$ 2,037,656	8.9%

FY2023 Proposed Budget Expense Overview by Function

Column	A	B	C	C - A	% Var.	C - B	% Var.

CITY OF STAUNTON
FY 2023 GENERAL FUND EXPENDITURES

FUNCTION	FY2020 ADOPTED	FY2022 ADOPTED	FY2023 PROPOPSED	FY2020 / FY2023 Proposed Budget		FY2022 / FY2023 Proposed Budget	
TOTAL GENERAL GOV'T ADMIN	$ 6,381,791	$ 6,338,649	$ 7,058,816	$ 677,025	10.6%	$ 720,167	11.4%
TOTAL JUDICIAL ADMINISTRATION	2,050,032	2,574,028	$ 2,734,688	684,656	33.4%	160,660	6.2%
TOTAL PUBLIC SAFETY	12,087,308	13,331,493	$ 14,950,796	2,863,488	23.7%	1,619,303	12.1%
TOTAL PUBLIC WORKS	6,288,654	6,258,460	$ 6,385,690	97,036	1.5%	127,230	2.0%
TOTAL HEALTH AND WELFARE	7,088,026	7,682,954	$ 7,946,604	858,578	12.1%	263,650	3.4%
TOTAL EDUCATIONAL AGENCIES	8,000	9,000	$ 9,000	1,000	12.5%	0	0.0%
TOTAL PARKS, RECR, LIBRARY	3,897,262	3,860,920	$ 4,160,736	263,474	6.8%	299,816	7.8%
TOTAL COMMUNITY DEVELOPMENT	1,938,462	2,246,755	$ 2,802,195	863,733	44.6%	555,440	24.7%
TOTAL TRANSFERS	19,535,465	19,451,715	$ 19,144,415	(391,050)	-2.0%	(307,300)	-1.6%
Total	$ 59,275,000	$ 61,753,974	$ 65,192,940	$ 5,917,940	10.0%	$ 3,438,966	5.6%

FY2023 Proposed Budget
Expense Overview Proprietary Funds

CITY OF STAUNTON
FY 2023 PROPRIETARY FUND EXPENDITURES

Column	A	B	C	C - A	% Var.	C - B	% Var.
CITY PROPRIETARY FUNDS	FY2020 BUDGET	FY2022 ADOPTED	FY2023 PROPOSED	FY2020 / FY2023 Proposed Budget		FY2022 / FY2023 Proposed Budget	
Water Fund	$ 4,979,000	$ 11,615,097	$ 10,949,871	$ 6,636,097	133.3%	$ (665,226)	-5.7%
Sewer Fund	4,812,390	3,960,677	9,865,197	(851,713)	-17.7%	5,904,520	149.1%
Environmental Fund	3,233,950	3,265,427	4,297,745	31,477	1.0%	1,032,318	31.6%
Stormwater Fund	1,586,250	1,658,244	1,913,001	71,994	4.5%	254,757	15.4%
Parking Fund	980,475	513,675	551,443	(466,800)	-47.6%	37,768	7.4%
Total Proprietary Funds	$ 15,592,065	$ 21,013,120	$ 27,577,257	$ 5,421,055	34.8%	$ 6,564,137	31.2%

FY2023 Proposed Budget Environmental Fund

- Total FY2023 Environmental Fund expenditures equal $4.3 million or $1M more than the FY2022 budget. **This variance is the result of additional Augusta County Regional Landfill costs, ($551K), and increased positions to adequately staff the local portion of the environmental fund ($448K).**
- Raising the rates will increase environmental fund collections by $387,749 and will allow scheduled CIP projects to be funded and the continuation of current service.

Current Rates	FY2023 Proposed Rates (15% Increase)
Per Month: $20.88	Per Month: $24.01
	Monthly Increase: $3.13
	Bi-monthly Increase: $6.26
	Annual Increase: $37.56

Future rate increases will be heavily dependent on the magnitude of CIP requirements.

FY2023 Environmental Fund Rate Increase Options

- The FY2023 rate increase could be forestalled by one year, however, the enterprise fund balance would be nearly exhausted and the general fund could potentially be required to support the fund by the end of the fiscal year.
- To delay the increase will mean subsequent year rates will be disproportionately impacted in order to compensate for the deferred expenses.
  - FY2024 rates, already projected to increase by 15% is projected to be a 20% increase.
  - FY2025 rates, already projected to increase by 5% is projected to be a 10% increase.
  - FY2026 rates, already projected to increase by 0% is projected to be a 5% increase.

FY2023 Environmental Fund CIP Summary

FY2023 Environmental Fund Capital Plan Summary					
Regional Landfill CIP Summary					
Project	**2022**	**2023**	**2024**	**2025**	**2026**
WETLAND STREAM MITIGATION	10,000	10,000	10,000	10,000	
COMPACTOR	-				800,000
TRACK LOADER				580,000	
TARP SYSTEM				60,000	
30 TON HAUL TRUCK			550,000		
PHASE 5 CONSTRUCTION ENGINEERING	150,000				
PHASE 5 CONSTRUCTION		4,000,000		-	-
TRACK HOE	279,250				
SITE IMPROVEMENTS	50,000	50,000	50,000		50,000
DOZIER	416,436				
RELOCATE SCALES			150,000	1,500,000	
TRUCK			30,000		
MINI EXCAVATOR			150,000		
POSI SHELL APPLICATOR	71,610				
TOTAL	**977,296**	**4,060,000**	**940,000**	**2,150,000**	**850,000**
Staunton Share 20.18%	**199,466**	**819,308**	**189,692**	**433,870**	**171,530**
Landfill Closure Costs	**58,712**	**58,712**	**58,712**	**58,712**	**58,712**
Local CIP					
Heavy Equipment	$ 211,146	$ 250,000	$ 180,000	$ 265,000	$ 195,000
Total CIP	**$ 469,324**	**$ 1,128,020**	**$ 428,404**	**$ 757,582**	**$ 425,242**

Expenditure Details—Personnel

- Effective October 1, 2022 – **5% cost of living increase** for all full and part time city employees; **2.5% increase** for department heads
- **Health Insurance** – unprecedented increase of 22% overall; **increase of 5% for employee paid premiums**
- **New full time positions** proposed:
  - 1 Housing Planner/Grants Coordinator
  - 1 Parks and Recreation position

Strategic Area: *Responsive, Efficient Government*
Action: *Employees reflecting the community they serve*

Expenditure Details—Personnel

- **Fire and Rescue Compensation Package** (effective July 1, 2022) - $364,172 increase
  - 2% plus 5% COLA = 7%
  - Starting pay increases from $37,889 to $40,000
  - Certification compensation
- **Police Dept. Compensation Package** (effective July 1, 2022) – $426,948 increase
  - 5% COLA + varied increases to address compression
  - Starting pay to increase from $40,000 to $44,100
- **Salary adjustments** for Library, IT, Parks & Recreation and Golf – $131,244 increase
  - Varied increases to address compression
  - Increase city's minimum wages & align across the organization

Expenditure Details—Functional Areas

<u>Public Safety</u> – Increase of $1.62M

Major drivers include:

- Compensation for Police and Fire & Rescue ($941K increase)
- Health care and retirement costs
- SAW Regional Range
- Regional CIT Coordinator
- Shenandoah Valley Animal Services Center ($39,195 increase)

Expenditure Details—Functional Areas

<u>Health and Welfare</u> – Increase of $263,650

Major drivers include:

- Increases to city's share (25.83% of total cost) for Shenandoah Valley Social Services administrative expenses and child welfare assistance
- Increases to city's share of the Central Shenandoah Health District and Valley Community Services Board

Expenditure Details—Functional Areas

Community Development – Increase of $555,440

Major drivers include:

- October 1, 2022 salary increases, health care and retirement costs
- Additional $70,651 to reflect the 1% tax for tourism agreement
- Additional $356,845 for economic development agreements

New position – Housing Planner/Grants Coordinator
(funded 100% by HUD Grant funds)

To lead the efforts of meeting the city's housing goals through development of housing policies, management of grant applications, promotion of affordable housing planning, and full coordination and administration of the city's HUD/CDBG Entitlement Program

Expenditure Details—Functional Areas

General Government – Increase of $720,167

Major drivers include:

- October 1, 2022 salary increases, pay equity adjustments in targeted areas, health care and retirement costs
- No negative contingency, $293,758, that was factored as part of the FY2022 Adopted Budget
- Additional voting software and equipment for the Registrar

Equity Work, Communications and Engagement

- Equity and Diversity Commission - $20,000 to continue work after VRSA Grant expires
- POLCO platform for community wide survey, employee survey and other engagement - $25,000
- New technology solution for targeted messages delivered via email and SMS – increase subscribers, segment audiences and schedule campaigns to maximize community engagement - $10,000
- Dedicated funds for Citizen University and special events/engagement opportunities as determined

Expenditure Details—Functional Areas

Public Works – Increase of $127,230

Major drivers include:

- October 1, 2022 salary increases, health care and retirement cost and full year of salary increases granted in FY2022 public works staff

Changes to Centralized Recycling Center

- Ground level collection
- Hours
- Location

Back to Curbside Recycling

Curbside Recycle Cost

Description			**Amount**
Employees	4 @ $39,606	$	158,424.00
OT		$	7,000.00
Benefits		$	72,413.00
Fuel		$	70,000.00
Repairs		$	15,000.00
Reduction in Container @ Park		$	(21,000.00)
Total Incremental Cost		**$**	**301,837.00**
Less Current Operational Costs		$	(132,089.00)
Add Container Reduction from Above		$	21,000.00
Net Cost W/the Elimination of Centralized Collection		**$**	**190,748.00**

FY2023 Budget for central recycling ops

These are new funds that would need to be identified with higher fees - approx. an additional 10%

Expenditure Details—Functional Areas

Recreation, Parks, Library – Increase of $299,816

Major drivers include:

- October 1, 2022 salary increases, health care and retirement costs
- Other targeted salary adjustments to address compression and increase minimum wages
- Additional part time help at the golf course
- One new agency – Virginia Cooperative Extension of Augusta County/4-H Program
    - Funds half their ask at $2,673 to expand current programming for city youth

New position – Parks Maintenance Position

This position will perform general maintenance and care of our parks and recreational areas. This is in response to a need that was previously filled by a heavy usage of inmate labor. Once that stopped as a result of the health pandemic, the city found itself unable to keep up with the needs in our parks and recreational areas.

FY 2023 Capital Improvement Plan

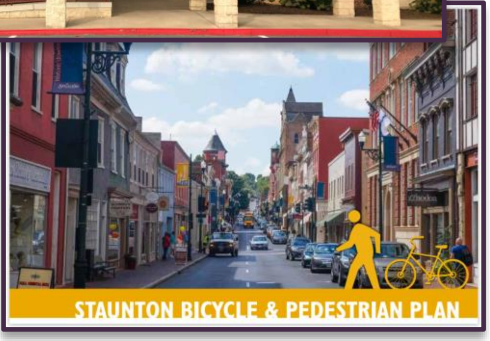
$13.52M

Funded from FY2022 Budget Amendment $3,370,000

- $125,000 Bike and pedestrian projects*
- $100,000 Greenways projects*
- $160,000 NG 911 handling equipment
- $2,500,000 School warehouse/Middle school expansion
- $350,000 Undesignated CIP
- $135,000 City Hall basement/Police Department HVAC

Funded from Virginia Department of Transportation $8,781,224

- $8,781,224 Staunton Crossing road extension



** Alignment with Staunton Plan*

Capital Improvement Plan

$13.52M

Funded from FY2023 Budget, $1,371,050 ***(see note below)***

- $400,000 Fire truck replacement reserve
- $ 40,000 Fire-Rescue Department breathing apparatus and cardiac monitors
- $200,000 New sidewalk projects and matching funds for VDOT grants*
- $100,000 Replacement project from concrete sidewalks to brick*
- $100,000 Public Works equipment fund
- $100,000 Public Works building fund
- $ 41,050 Annual Share of Blue Ridge Community College Capital Building Fund
- $100,000 School CIP reserves
- $150,000 Ineligible streets/City parking lots
- $140,000 Adaptive traffic control*

** Alignment with Staunton Plan*

Due to the demands of the FY2023 Budget, the General Fund transfer for CIP reserves has been eliminated. Funding consideration of these reserves will occur during the year fund balance review.

Budget Balancing

Budgets are all about choices and making difficult decisions and are based on Council priorities, sound financial and management principles and experience

- Elimination of FY2023 CIP funding - $1.3M
- Reduce transfer to debt service fund - $400,000
- New department requests that remain unfunded
  - $398,695 in new positions
  - More than $900,000 in operational expenses
- Use of fund balance and health reserves = $1.007M

Budget Balancing
Unfunded New Requests

FY 2023 GENERAL FUND BUDGET

REVENUES @ .92 Tax Rate	$	64,113,276
HEALTH INSURANCE RESERVES	$	400,000
GENERAL FUND BALANCE	$	607,725
HUD GRANT	$	71,939
NET REVENUES	$	65,192,940
EXPENDITURES	$	(68,480,548)
DEFICIT	$	(3,287,608)

UNFUNDED REQUESTS

WAGES AND BENEFITS

RISK MANAGEMENT	$	(100,000)	11011520-52005	OPEB PAYMENT FROM HEALTH RESERVE
FIRE DEPARTMENT	$	(91,559)	11033210-51006	REQUESTED DEPUTY FIRE MARSHAL
FIRE DEPARTMENT	$	(91,559)	11033210-51006	REQUESTED EMERGENCY COORDINATOR
COMMUNITY DEVELOPMENT HOUSING COORD.	$	(100,227)	11088110-51006	REQUESTED STAFFING ADDITION
DEPARTMENT HEAD COLA ADJUSTMENT	$	(48,606)	MULTIPLE	ADJUST DEPARTMENT COLA BY 2.5% at 10.01.22
GENERAL COLA ADJUSTMENT (W/O POL. / FIRE)	$	(163,502)	11011520-52035	ADJUST PAYROLL INCREASE TO 5% @ 10.01.22
	$	(595,453)	TOTAL PERSONNEL CUTS	

Budget Balancing
Unfunded New Requests

*** OPERATIONS AND CAPITAL**

INFORMATION TECHNOLOGY	$	(31,000)	11011510-58316	VEHICLE
POLICE	$	(62,500)	11033110-55486	1 PATROL PC
POLICE	$	(62,500)	11033110-55486	1 PATROL PC
POLICE	$	(62,500)	11033110-55486	1 PATROL PC
INSPECTIONS	$	(26,000)	11033410-58316	UNFUND REQUESTED VEHICLE REPLACEMENT
STREETS	$	(50,000)	11044130-58321	REQUESTED REPLACEMENT TRUCK
STREETS	$	(200,000)	11044130-58326	TRACTOR AND LONG ARM
HORTICULTURE	$	(30,000)	11077120-55455	WHARF TREE REPLACEMENT
OUSIDE AGENCIES - GOLF	$	(2,500)	11077130-53010	FIRST TEE REDUCTION
GOLF	$	(5,000)	11077130-53040	TREE CARE
GOLF	$	(50,000)	11077130-58341	KUBOTA TRACTOR
GOLF	$	(8,900)	11077130-58341	MJ840 CONTOUR MOWER

Budget Balancing
Unfunded New Requests

PARK MAINTENANCE	$	(28,000)	11077210-58321	VEN TRAC MOWER
PARK MAINTENANCE	$	(17,500)	11077210-58321	BOOM MOWER
PARK MAINTENANCE	$	(4,700)	11077210-58321	ROUGH CUT MOWER
PARK MAINTENANCE	$	(9,000)	11077210-58321	SOCCER FIELD CONVERSION
PARK MAINTENANCE	$	(6,500)	11077210-58321	ROBOT VACUUM
PARK MAINTENANCE	$	(22,000)	11077210-58321	PICKLE BALL COURT
PARK MAINTENANCE	$	(6,000)	11077210-58321	SNOW PLOW
PARK MAINTENANCE	$	(3,000)	11077210-58321	AREATION PUMP
PARK MAINTENANCE	$	(9,000)	11077210-58321	SOCCER BLEACHERS
PARK MAINTENANCE	$	(6,500)	11077210-58321	YAMAHA UTILITY CARTS
PLANNING	$	(100,000)	11088110-53010	WEST END PLANNING
PLANNING	$	(31,000)	11088110-58316	VEHICLE

Budget Balancing
Unfunded New Requests

PLANNING	$	(100,000)	11088110-53010	WEST END PLANNING
PLANNING	$	(31,000)	11088110-58316	VEHICLE
ECONOMIC DEVELOPMEMT	$	(76,000)	11088150-53010	STAUNTON CROSSING MARKETING PLAN
OUTSIDE AGENCIES	$	(11,006)	MULTIPLE	REDUCED TO CURRENT CONTRIBUTION LEVELS
DEBT SINKING FUND CONTRIBUTIONS	$	(400,000)	11099600-59312	TRANSFER TO DEBT FUND
CIP RESERVE CONTRIBUTIONS	$	(1,371,050)	11099600-59339	ELIMINATE CIP RESERVE PROVISION
TOTAL CUTS	$	(3,287,608)		
TOTAL EXPENDITURES	$	65,192,940		

Will try to replenish CIP reserve with FY2022 year end

For one time departmental requests, plan will be to revisit with City Council when we discuss use of ARPA funds

Questions and Comments

How to Participate

FY2023 Budget at www.ci.staunton.va.us/budget

Contact City Council at CityCouncil@ci.staunton.va.us

or 540.332.3810

Public Meetings/Work Sessions

April 14 (joint with school board), 21 and 28 (budget adoption)

Public Hearings

April 14 – Proposed Budget & Environmental Fund Fee Changes

www.ci.staunton.va.us/budget

CityCouncil@ci.staunton.va.us