

Staunton City Council

FY2023 Budget Work Session

April 21, 2022

**FY
2023**

**PROPOSED
Operating &
Capital Budget**

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STAUNTON
VIRGINIA

FY2023 Proposed Budget

Column	A	B	C	C - A	% Var.	C - B	% Var.
	FY2020 BUDGET	FY2022 ADOPTED	FY2023 PROPOSED	FY2020 / FY2023 Variance		FY2022 / FY2023 Variance	
CITY GOVERNMENTAL FUNDS							
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	\$ 10,167,501	\$ 5,188,501	104.2%	\$ (1,447,596)	-12.5%
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	\$ 26,794,887	\$ 11,202,822	71.8%	\$ 5,781,767	27.5%
Total City Budget	\$ 81,609,190	\$ 90,660,999	\$ 98,667,252	\$ 17,058,062	20.9%	\$ 8,006,253	8.8%
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 Fund	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	\$ 142,185,506	\$ 22,268,766	18.6%	\$ 11,008,641	8.4%

FY2023 Proposed Budget

- Real Estate tax rate equals \$.92 per \$100 of assessed value.
- Downtown Service District tax rate remains unchanged at \$.15 per \$100 of assessed value.
- Personal Property tax rate remains unchanged at \$2.90 per \$100 of assessed value.
- Machinery and Tools tax rate remains unchanged at \$1.24 per \$100 of assessed value.

FY2023 Proposed Budget

- Water rates are proposed to remain unchanged.
- Sewer rates are proposed to remain unchanged.
- Stormwater fees are proposed to remain unchanged.
- Parking fees are proposed to remain unchanged.
- **Environmental fees are proposed to increase by 15%.**
Monthly residential rates are proposed to increase from \$20.88 to \$24.01.

FY2023 Proposed Budget - Modifications

The following modifications have been made to the FY2023 Proposed Budget since it's introduction on March 24, 2022:

- Education Transfer to the General Fund has been increased from \$14,700,000 to \$15,065,237, an increase of \$365,237.
- Animal Shelter funding has increased to \$152,240, an increase of \$12,545.
- Middle River Regional Jail's budgeted increase has been revised downwards from an increase of \$307,496 to an increase of \$273,139, a reduction of \$34,357.
- Social Services expenditures have decreased by \$33,966, offset by a reduction of revenue reimbursements.
- A negative contingency of \$309,459 has been incorporated to help provide additional funds to the City Schools.
- Water Fund allocations of \$782,370 have been adjusted in the Internal Transfer section of the budget as historical practice.

Aspects of FY2023 Budget Ordinance

FY2023 Budget Ordinance has multiple features incorporated into its text.

- 1) Section 1 – quantifies the amount of the entire FY2022 budget for City, Schools, and Proprietary Funds.
- 2) Section 2 – provides for a 75% appropriation of approved City budget amount and 100% of the Education Fund budget, less 25% of the general fund transfer to the education fund. Subsequent appropriations to brought before Council no later than February 2023.
- 3) Section 3 – establishes the tax rate at \$.92 per \$100 of assessed value.
- 4) Section 4- establishes the personal property and machinery and tools at \$2.90 and \$1.24 per \$100 of assessed value respectively

Aspects of FY2023 Budget Ordinance

- 5) Sections 5 & 6 – provides for service charges to be levied on certain tax exempt properties to include Mary Baldwin University and the Potomac Conference Center for Police and Fire protection.
 - Rate equals \$.19 per \$100 of assessed value and \$.48 per \$100 of assessed value for faculty and staff housing of an educational institution.
- 6) Section 9 – establishes the annual salary for City Council.
- 7) Section 10 – provides flexibility for the City Manager to reallocate fund appropriations between lines during the course of the year or withhold expenditures deemed to be in the best interests of the city. Council retains the right to disburse funds as they deem appropriate.
- 8) Sections 11 & 12 - Any ordinance in conflict with this action is repealed to only the extent that such conflict exists. Finally, any part of this ordinance found to be invalid by a competent authority does not invalidate the remaining aspects of this ordinance.

FY2023 Budget / Appropriation Requests As Proposed

Fund		FY2023 Proposed Budget	FY2023 Appropriation Request
General Fund	75%	\$ 65,192,940	\$ 48,894,705
Debt Service Fund	75%	5,386,569	\$ 4,039,927
Blue Ridge Court Services	75%	1,292,856	\$ 969,642
Water Fund	75%	10,167,501	\$ 7,625,626
Sewer Fund	75%	9,865,197	\$ 7,398,898
Parking Fund	75%	551,443	\$ 413,582
Stormwater Fund	75%	1,913,001	\$ 1,434,751
Environmental Fund	75%	4,297,745	\$ 3,223,309
Education Fund	100%	22,845,601	\$ 22,845,601
Education Fund - GF Transfer	75%	15,065,237	\$ 11,298,928
Cafeteria Fund	100%	1,874,095	\$ 1,874,095
Textbook Fund	100%	341,104	\$ 341,104
School CIP	100%	100,000	\$ 100,000
School State Operated Program	100%	3,292,217	\$ 3,292,217
Total		\$ 142,185,506	\$ 113,752,384

FY2023 – Budget Adoption

- At the present time, the total proposed **FY2023 Budget = \$142,185,506**
- The appropriation request will be at 75% of the approved City budget / 100% of Education Fund Budget less 25% of general fund transfer to education fund, or \$113,752,384
 - A 75% appropriation will allow funds for contractual obligations, which often are paid in full at the beginning of the year.
 - Other line items will be funded through the first seven months of the fiscal year.
- Staff will return to Council in January / February for additional appropriation recommendations
 - Assuming posted revenues are sufficient to meet budget requirements.

Recycling Options

Costs

Option	2023 Estimated Cost
Recycling Center	\$132K
Curbside collection (no plastic)	\$323K
Curbside collection (with Recycling Center)	\$434K
Curbside collection (with plastic)	\$385K*



* includes market rate transportation

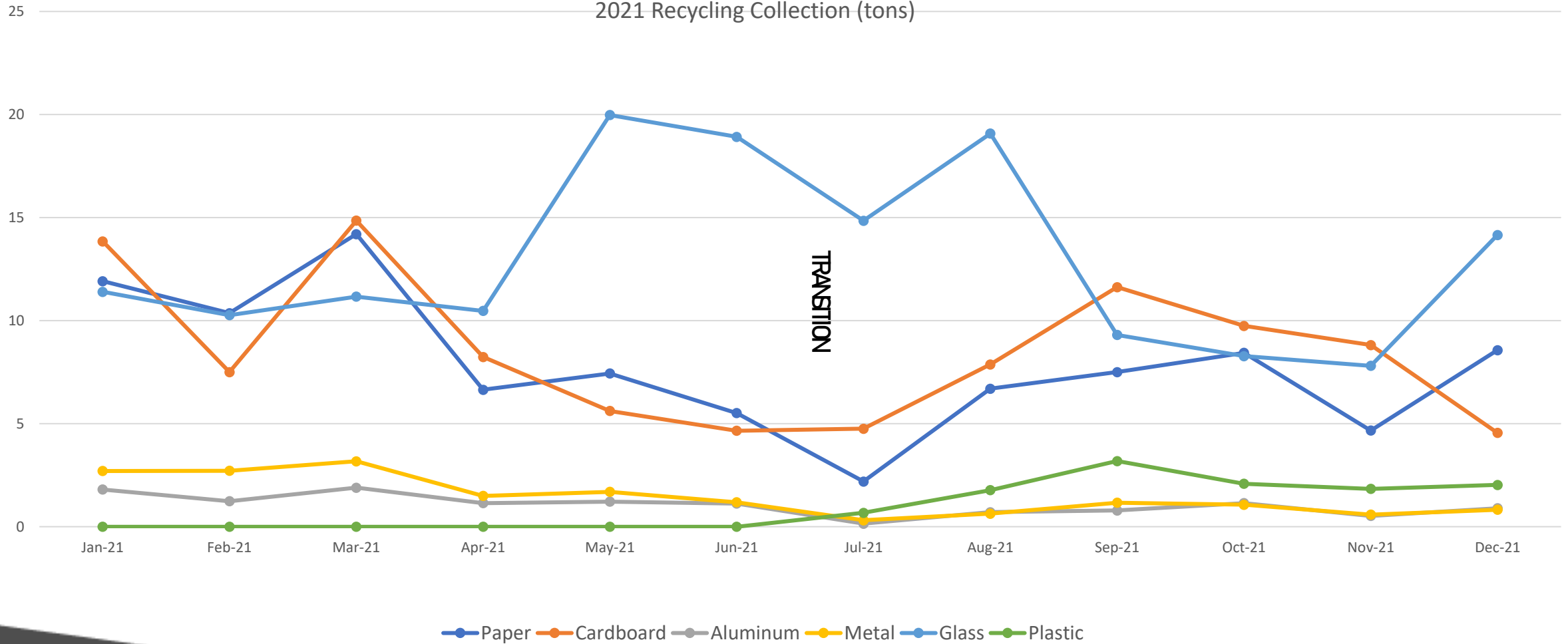
2021 Participation Metrics

	Curb (est.)	July	August	September	October	November	December
Participants	2181						
Visits		2209	2150	2221	2526	2788	2423



Collection

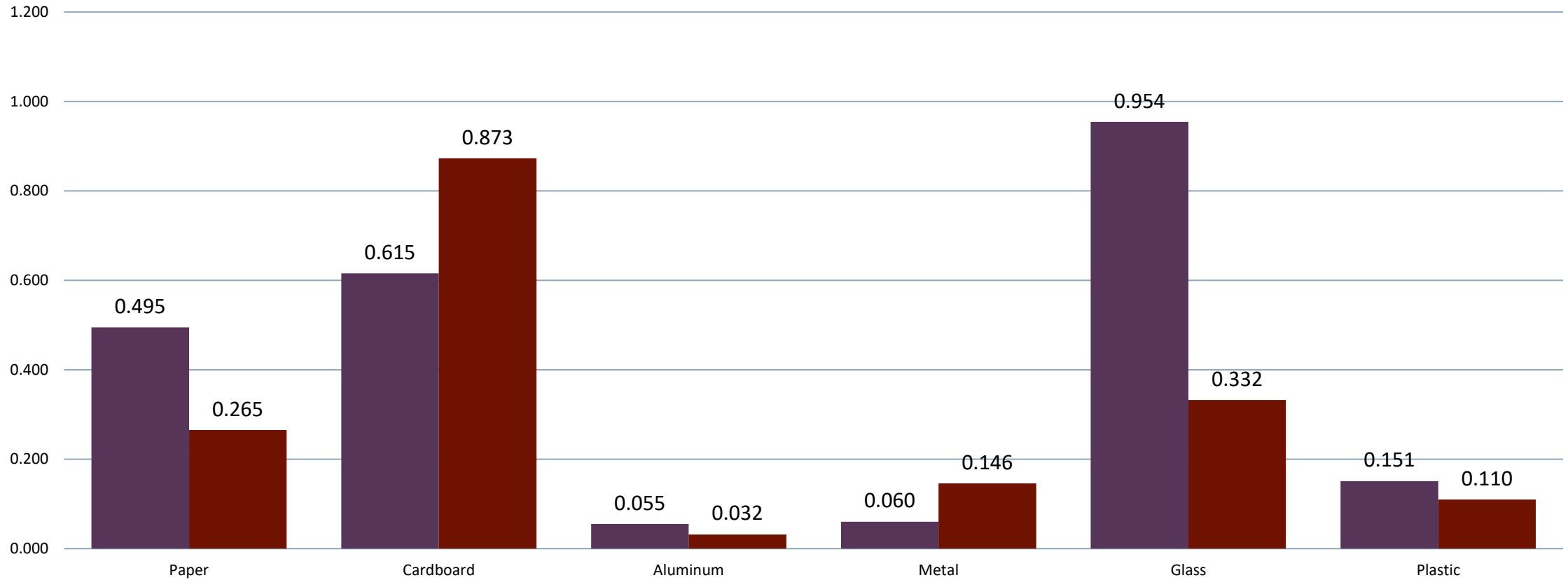
2021 Recycling Collection (tons)



Local Comparison

2021 Average Monthly Recycling Turn-in (lbs per capita)

■ Staunton ■ Harrisonburg



Costs/Efficiencies

Labor costs

- Additional labor required almost daily from other Public Works divisions
- Additional part-time position created
- Improved refuse staffing

Non-Labor Costs

- Revenue continues to cover the cost of contract materials handling (dumpsters).
- Expanding dumpster use to further reduce labor burden, and improve customer service.

Outreach Options

Extended Hours

- Easiest option
- Already funded, but requires staffing

Mobile Turn-In Locations

- No additional equipment required
- May require additional labor

Assistance Program

- Need to set criteria
- May require additional labor

Opt-In Program

- Need to set criteria
- May require additional labor