FY 2023-2024 Budget
City Council Budget Work Session #2

April 13, 2023

Overall Proposed Budget

July 1, 2023—June 30, 2024

General Fund proposed budget is **$69,264,351**

- $4.1 million (or 6.2%) increase over FY2023
- Proposed Real Estate Tax Rate $.89
- One Cent on Real Estate Tax Rate = $287,261

Important Reminders

- The Proposed FY2024 Budget does not include funding for:
  – Final JDR Court relocation costs or the entire related debt service for the budgeted new debt issuance
  – FY2024 Capital Improvement Plan (CIP) - $1,286,050
  – New Equipment Requests - $718,502
  – New Personnel Requests, with the exception of the proposed Director of Community Development - $532,690
  – Development of Five Year Comprehensive Plan - $100,000
  – Entire budgeted debt service - $570,374
- The Proposed FY2024 Budget includes $300,000 in attrition savings.

Possible Changes to Proposed Revenues

- **Possible changes to City Manager's Proposed Budget**
  - Increase Meals Tax Revenue $200,000
  - Increase Sales Tax Revenue $124,500
  - Increase Lodging Tax Revenue $100,000
  - Increase Business License Revenue $150,000
- **Pros**
  - Allows council to reduce the real estate rate by **2 cents**.
- **Cons**
  - More aggressive approach that raises revenues for these lines higher than any actual fiscal year total recorded to date.
  - Allows for less flexibility to respond to economic downturns.
  - Reduces the potential carry over amount for FY2024.

Possible Changes to Proposed Expenditures

- One Time Expenditures (funding proposed with FY23 carry over, if available)
  - Wharf Tree Replacements $30,000
  - E911 EMD Software $65,000
  - Entrance Corridor Overlay $45,000
  - Staunton Crossing Marketing Plan $41,500
- Total $181,500
- Equates to 2/3 of a penny on the real estate rate.

Changes to Proposed Expenditures

- Budget Reductions
  - CSPDC $8,709 (reduction in their proposed budget)
  - Enterprise Zone Incentives $20,000
  - Organization Wide Operational Reductions $79,000
- Total $107,709
- Equates to 1/3 of a penny on the real estate rate.

Possible Changes to 2023 Proposed Real Estate Tax Rate

- 2.00 cents - Revenue Increases
- 0.63 cent – One Time Expenditures
- 0.37 cent – Budget Reductions

- Total Real Estate Tax Reductions $.03 cents, to $.86/$100 Assessed Value.

Other Considerations

- **Provide funding for Part-Time Permit Technician to support Building Services, Planning/Zoning Services, and Environmental Services.**
  - This part-time position would partially restore a full-time position that was eliminated in 2010 due to the economic downturn.
  - Would allow the department to provide more timely, efficient, and responsive service to the public.
  - This position would help with office coverage issues for lunches and vacations, and allow for succession planning.
- Total cost is approximately $22,607 and includes part-time wages and FICA taxes.
- This position would potentially be funded with further reductions in operating expenditures.

Looking Forward

- The city has some important requirements coming at us in the next few years. We will want to keep these in mind as we move through the FY2024 budget process.
  - The Harrisonburg/Rockingham jail buy in ends in FY2025, which results in annual revenue loss of $670,964
  - Final JDR Court relocation costs and related debt service
  - JDR Court Operating Cost to start in FY2025 and fully operational in FY2026
  - MS4 (Municipal Separate Storm Sewer System) Program requirements
  - West End Revitalization
  - Uniontown Infrastructure Improvements
  - Greenways and Pedestrian Infrastructure
  - Public Safety and Other General Government Space Needs
  - Future Capital Needs for Schools

Questions and Comments

How to Participate

FY2024 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 20 and 27 (budget adoption)

www.ci.staunton.va.us/budget

CityCouncil@ci.staunton.va.us