FY 19 RECOMMENDED BUDGET OVERVIEW:

Total (All Funds) Summary:
The County’s Total (All Funds) Recommended Fiscal Year 2019 combined operating and capital budget totals $428,500,374. The Recommended Total Budget is balanced on a tax rate of 83.9 cents per $100 of assessed value. The Total budget is mostly comprised of three major funds: the General Fund Budget, the School Division Budget, and the Capital Budget. It also includes special revenue funds, the debt service fund, and other funds.

A Closer Look at the General Fund:
The General Fund Budget is where the majority of County revenues, including local tax revenues, are received and are allocated to support all operations of the County including local government, schools, and the capital program.

**General Fund Revenues:** The Recommended Budget is balanced on a tax rate of 83.9 cents per $100 of assessed value.

- The overall increase in General Fund revenues is $13.5 million, or 4.9%, when compared to the FY 18 Adopted General Fund Budget. This net change is due to the following:
  - Property tax revenues, which include taxes such as real estate and personal property, are anticipated to increase by $8.6 million or 4.8%. This is primarily due to a $7.5 million or 5.2% increase in real estate tax revenues;
  - Other local tax revenues, including sales and food and beverage taxes, are projected to increase $3.7 million or 6.8%.
  - State revenues are projected to increase by $0.2 million or 0.8%;
  - Federal revenues are projected to increase by $0.4 million or 6.2%;
  - Use of Fund Balance is projected to increase by $0.6 million or 33.7%.

**General Fund Expenditures:** The General Fund expenditures are increasing $13.5 million, or 4.9%. The spending priorities included in the Recommended General Fund budget are highlighted below according to the established FY 19 budget development goals:

**Sustaining a Quality Organization**

**Fund Obligations and Requirements**

- Increase transfer to School Division - $6.8 million;
- Increase ongoing transfer to Capital and Debt Service - $1.4 million;
- Provide $15.7 million to the City of Charlottesville for the Revenue Sharing Program, a decrease of $159,125.
Support Existing Workforce
- Market salary adjustment of 2% for employees and 0.7% pay-for-performance pool (general government portion) - $1.1 million;
- Increase in training-related funds across departments - $246,744;
- Continued funding for positions that were temporary in FY 18 or added during FY 18 – $531,882.

Maintaining Current Levels of Service to Community
- Address workload capacity in the Police Department, Office of the Sheriff, Finance Department, and Department of Social Services - $765,670;
- Provide additional rescue staffing in southern part of the County to maintain current response time standard - $419,975;
- Increased support for volunteer fire rescue station operating funding - $252,349.

Advancing Strategic Priorities

Economic Development
- Support for current and future economic development projects – additional $2.3 million in FY 18;
- Funding to support the Arts & Culture Initiative - $50,000 increase for a contingency reserve.

Capital Investment
- In addition to the annual transfer provided to the Capital Budget in accordance with the Allocation of Local Tax Revenue Formula guidelines, there is a recommended strategic investment of funding to the capital program of $7.7 million provided in FY 18 (from FY 17 end-of-year undesignated funds) and $444,077 in one-time funding in FY 19.

Urban Services
- Support for Small Area Plans, revitalization and urbanization projects, and transportation-related initiatives - $227,028;
- Increased median mowing, landscaping, and street sweeping - $178,670;
- Increased operating hours for Northside Library - $13,521.

Environmental Protection
- Supports local actions to reduce climate pollution, including funding for an Energy Program Coordinator and to develop a Climate Action Plan - $173,259;
- Partial-year operating impacts of Ivy Materials Utilization Center and the Ivy Recycling Convenience Center capital projects - $233,833.

At-Risk Four-Year-Olds
- Funding for a Bright Stars classroom at Woodbrook Elementary School - $201,105;
- Increased support for United Way Childcare Scholarship Program - $42,500.

Strategic Plan Support
- Project management and implementation, including support for Southwood Redevelopment project - $413,668;
- Board’s Strategic Priorities Reserve with funding set aside to support comprehensive neighborhood inventory, neighborhood studies, and other strategic priorities - $145,000.

Maximizing Transformation and Addressing Emerging Opportunities
- Increasing GIS licensing capacity - $24,000;
- Transformational Initiatives Reserve with funding set aside to support CIP process improvements, records management, Technology Needs Assessment implementation, and other technology solutions - $500,000;
- Innovation Fund expanded to $300,000;
- Increased emphasis on analytics with resources in the Finance Department, Office of Management and Budget, and Human Resources - $182,674;
- Savings in Healthcare & Children’s Services Act - $1.6 million.
A Closer Look at the School Budget:
This budget represents an increase in local dollars to support the School Division. The local transfer from the General Fund represents an increase of $6.8 million or 5.5%, from last year’s approved budget. The School Division’s debt service includes a decrease in expenses of $1.3 million from last year’s approved budget. In addition, each year, the General Government provides an estimated $2 million in in-kind support to the School Division. The School Board’s Requested Budget totals $188.5 million. Additional information on the School Board’s Budget is provided in a separate budget document published by the School Division.

A Closer Look at the CIP and the Capital Budget:
This Recommended Capital Improvement Plan (CIP) for FY 19 – FY 23 is greatly expanded. The version of the CIP included in this document serves as a starting point for our continued discussion. It includes a potential Bond Referendum that would obtain citizens’ input on a number of School Division and other quality-of-life capital projects. It also continues to focus on meeting mandates, maintaining existing infrastructure, and other projects that support necessary core services. The Five-Year CIP totals $333.7 million and is expected to require additional revenues beginning in FY 20.

The ongoing General Fund transfer to meet Debt Service obligations and equity funding for the first year of the Plan, or the Capital Budget, when combined, totals $26.4 million in FY 19, which is an increase of $1.4 million or 5.4% over last year’s transfer.

Projects in the CIP include:
- A comprehensive maintenance and replacement program for Schools and General Government.
- Continued planned investments such as the Court Facilities Addition/Renovation project, the Pilot Fundraising Parks Project, and the contribution to the Senior Center at Belvedere.
- New maintenance/replacement projects including Community Response Truck Replacement, Drainage Infrastructure Maintenance/Repair Program, Ivy Creek Natural Area Entrance Improvements, Moore’s Creek Trail and Trailhead Park Project, Fire Rescue Station Alerting System Replacement, and Volunteer Facilities Maintenance Program Pilot.
- Potential 2018 General Obligation Referendum-funded High School Capacity and Improvements project starting in FY 19.
- Potential 2018 General Obligation Referendum-funded quality of life projects in categories such as transportation, public safety, schools, and community facilities starting in FY 20.
- Funding for new projects including the design of the Evidence Processing and Specialty Vehicle Storage Facility, a Recycling Convenience Center in Ivy, and a $2.0 million contingency to support the advancing of strategic priority capital projects.
- Acquisition of Conservation Easements (ACE) program is funded with $500,000 each year of the CIP, with the exception of FY 19, as sufficient carry-forward funding is anticipated to be available.
- Provides $3.6 million for Transportation Leveraging Program (formerly the Transportation Revenue Sharing Program).
- Because of favorable FY 17 undesignated year-end funding two FY 19 requests, the Mobile Burn Building Training Center Maintenance/Replacement and the Public Safety Tactical Robot are recommended for funding in FY 18.