

FY 2010-2011 Recommended Budget



April 19, 2010

Guiding Principles

- Maintain core services
- Avoid reductions that increase future liability
- Avoid tax increases to balance budget
- Focus first on administrative and overhead expenses
- Maintain local funding of education
 - No reduction based on contraction in local tax revenue and revenue sharing practice

FY 2010-2011 Budget

- **Recommended budget is balanced**
- **Budget Totals - \$253,461,000**
 - **Decrease of \$3,581,000 or 1.4%**
 - **Includes 2% increase in prepared food and beverage tax and adjustment in a few rates and fees.**

General Fund Revenue Summary

	FY10 Adopted Budget	FY11 Recommended Budget	(Decrease)	Percent (Decrease)
Local Revenue	\$187,697,000	\$182,650,000	(\$5,047,000)	(2.7%)
Food & Beverage Rate Impact	-	\$4,383,000	\$4,383,000	2.3%
State Revenue	\$69,345,000	\$66,428,000	(\$2,917,000)	(4.2%)
Total Revenue	\$257,042,000	\$253,461,000	(\$3,581,000)	(1.4%)

In FY 2011, the Prepared Food & Beverage tax rate change from 5 to 7%. Without the rate increase, Total Revenues would decrease by \$7,964,000 or (2.8%).

Projected Revenue Growth (Decline)

FY 2011 Recommended Revenue Estimates Compared to FY10 Adopted Estimates

Category	FY10 Adopted Budget	FY11 Recommended Budget	Increase/ (Decrease)	% Increase/ (Decrease)
Real Estate Tax	\$78,587,000	\$79,602,000	\$1,015,000	1.3%
Personal Property Tax	17,217,000	17,084,000	(133,000)	(0.8%)
Cigarette Tax	2,739,000	2,394,000	(345,000)	(12.6%)
Sales Tax	21,356,000	17,995,000	(3,361,000)	(15.7%)
Prepared Food Tax	11,850,000	15,341,000	3,491,000	29.5%
Telecommunications Tax	7,500,000	7,295,000	(205,000)	(2.7%)
Interest and Rental Revenue	597,000	173,000	(424,000)	(71.0%)
Intergovernmental	69,345,000	66,428,000	(2,917,000)	(4.2%)
Charges for Services	10,492,000	10,100,000	(392,000)	(3.7%)
Other Revenues	37,359,000	37,008,000	(351,000)	(0.9%)
Total	\$257,042,000	\$253,461,000	(\$3,581,000)	(1.4%)

Projected State Revenue Decline FY 2011 Recommended Revenue Estimates Compared to FY10 Adopted Estimates

Category	FY10 Adopted Budget	FY11 Recommended Budget	Decrease	% Decrease
Noncategorical Aid	\$8,266,000	\$7,858,000	(\$408,000)	(4.9%)
Shared Expenses (Constitutional Offices)	9,341,000	8,565,000	(776,000)	(8.3%)
Other Categorical Aid	21,113,000	19,483,000	(1,630,000)	(7.7%)
Welfare & Other	30,625,000	30,522,000	(103,000)	(0.3%)
Total Intergovernmental	\$69,345,000	\$66,428,000	(\$2,917,000)	(4.2%)

Recommended Fee Adjustments

Fee	Current	Proposed
Jail Prisoner Care Fee	\$1.00 Per Day	\$3.00 Per Day
Parking Ticket Basic Fine	\$15	\$20
Parking Ticket Boot Removal Fee	\$0	\$25
Building Inspections – Elevator Certification	\$25 Semi- Annually	\$45 Annually
Building Inspections – Cross Connections	\$50 first time and \$35 renewal	\$45 Annually
Building Inspections – Water/Sewer Affidavits	\$50	\$45

Recommended Fee Adjustments

Fee	Current	Proposed
<u>Amusement Devices</u>		
Kiddie Ride	\$15	\$25
Major Ride	\$25	\$35
Spectacular Ride	\$45	\$55
Coaster (exceeding 30 feet)	---	\$150
Fireworks Permit	\$45 Per Show	\$250 Per Show
Fireworks Retail Sales Permit	\$0	\$250
Assess \$2 Court Cost Fee for Filed Civil Actions (For Courthouse Maintenance	\$0	\$2

Recommended Fee Adjustments

Fee	Current	Proposed
<u>Engineering Map Production</u>		
26x36 Black and White Copy	\$3	\$6
24x36 Color (New)	\$0	\$60
<u>Library Fines (Regional)</u>		
Adult Materials	\$.10 per day/\$5 max	\$.20 per day/\$5 max
Adult Paperbacks	\$.10 per day/\$5 max	\$.20 per day/\$5 max
Children and Young Adults	\$.05 per day/\$5 max	\$.20 per day/\$5 max
J-YA Paperbacks	\$.05 per day/\$5 max	\$.20 per day/\$5 max
Library Community Room Rental (Gainsboro and Jackson Park Branch Libraries)	\$0	\$50 per hour – City Resident \$100 per hour – Non- City Resident

Additional Funding to Schools

Formula Based Funding	\$60,844,418
Maintain Base Funding	\$2,003,043
Funding Toward \$2.5 Million Commitment	\$1,000,000
Meals Tax – 2% Increase	\$4,383,000
Sub-Total	\$68,230,461
Crossing Guards*	\$135,000
Total	\$68,365,461

\$135,000 will be reallocated from the Police Department to Schools for Crossing Guards

Budget Savings - \$1.7 Million

- Achieved savings of \$1.7 million due to
 - **Change in pay base due to retirements and turnover**
 - **Reduction in health insurance costs**
 - **Economic Development performance agreements**

Other Required Costs - \$1.3 Million

- **Funding of \$1.3 million provided to address cost increases**
 - **Utilities (Electric and Water/Sewer)**
 - **Full-Year Cost of City Share – Health Department Civic Mall Rent**
 - **Maintenance of Vehicles**
 - **Technology Maintenance**
 - **Retirement Contribution Rate - City and Virginia Retirement System**

Reductions To Balance Budget - \$9 million

Program Reductions include:

- **Street Paving**
 - **Based on reduction in State funding**
- **Collect Bulk/Brush On Alternating Weeks**
 - **Bulk One Week and Brush Next Week**
- **Frequency of Street Cleaning**
- **Operating Hours Law Library**
 - **Full Day On Monday**
 - **Half-Day Tuesday-Friday**
- **Close Virginia Room One Day A Week**
- **Close Raleigh Court Branch One Night A Week**
- **Close Main Library Branch On Sunday**
- **Library Collection Materials, Programs, Technology Replacement**

Reductions to Balance Budget

- **Washington Park and Fallon Park Pool Operating Hours**
 - **Each Facility Open Three Days A Week**
- **Parks and Recreation Programs**
- **Closure of Crisis Intervention Center**
 - **Reduction in State Funding**
 - **Providing local match funding at \$350,000 above State required level**
- **Citizen Magazine and Municipal Calendar**
- **Support of Outside Agencies**
- **Civic Center Subsidy**

Reductions to Balance Budget

General reductions include:

- **Equipment replacement and capital maintenance funding**
 - **Fleet Replacement**
 - **Technology**
 - **Capital Building Maintenance**

- **Debt Service**

- **Administrative Overhead**
 - **Training and Development, Supplies, Publications/Subscriptions, and Expendable Equipment**

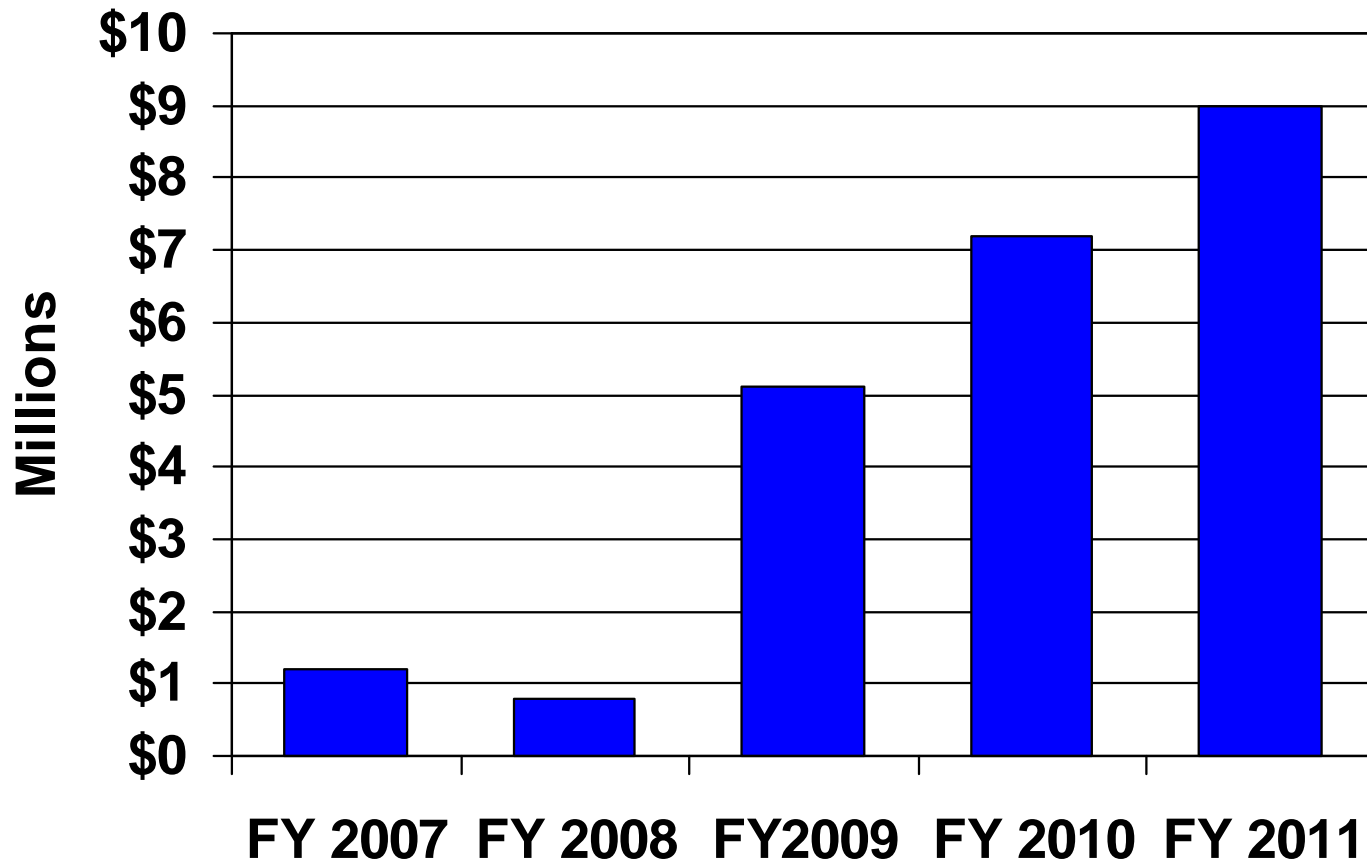
- **Suspend Employee Leadership Training**

- **Eliminate/Unfund 51 Positions**

Continued Budget Uncertainty -\$1.4 million

- **To prepare for future budget uncertainty, included \$1.4 million for:**
 - **Budget Stabilization Reserve - \$250,000**
 - **State Reduction Contingency - \$902,000**
 - Provides protection in the event of additional in year reductions
 - **Budget Contingency - \$272,460**

Reductions To Balance Budget



***Eliminated 188 positions since FY 2007
Includes proposed FY 2011***

Budget Calendar

- **Budget Public Hearing**
 - **May 3, 2010 (Revised Date)**
 - **6:00 p.m. Council Chamber**

- **Budget Study**
 - **May 6 and May 7 (If needed)**

- **Budget Adoption**
 - **May 10, 2010**
 - **2:00 p.m. (Council Chamber)**

FY 2010-2011 Recommended Budget



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