



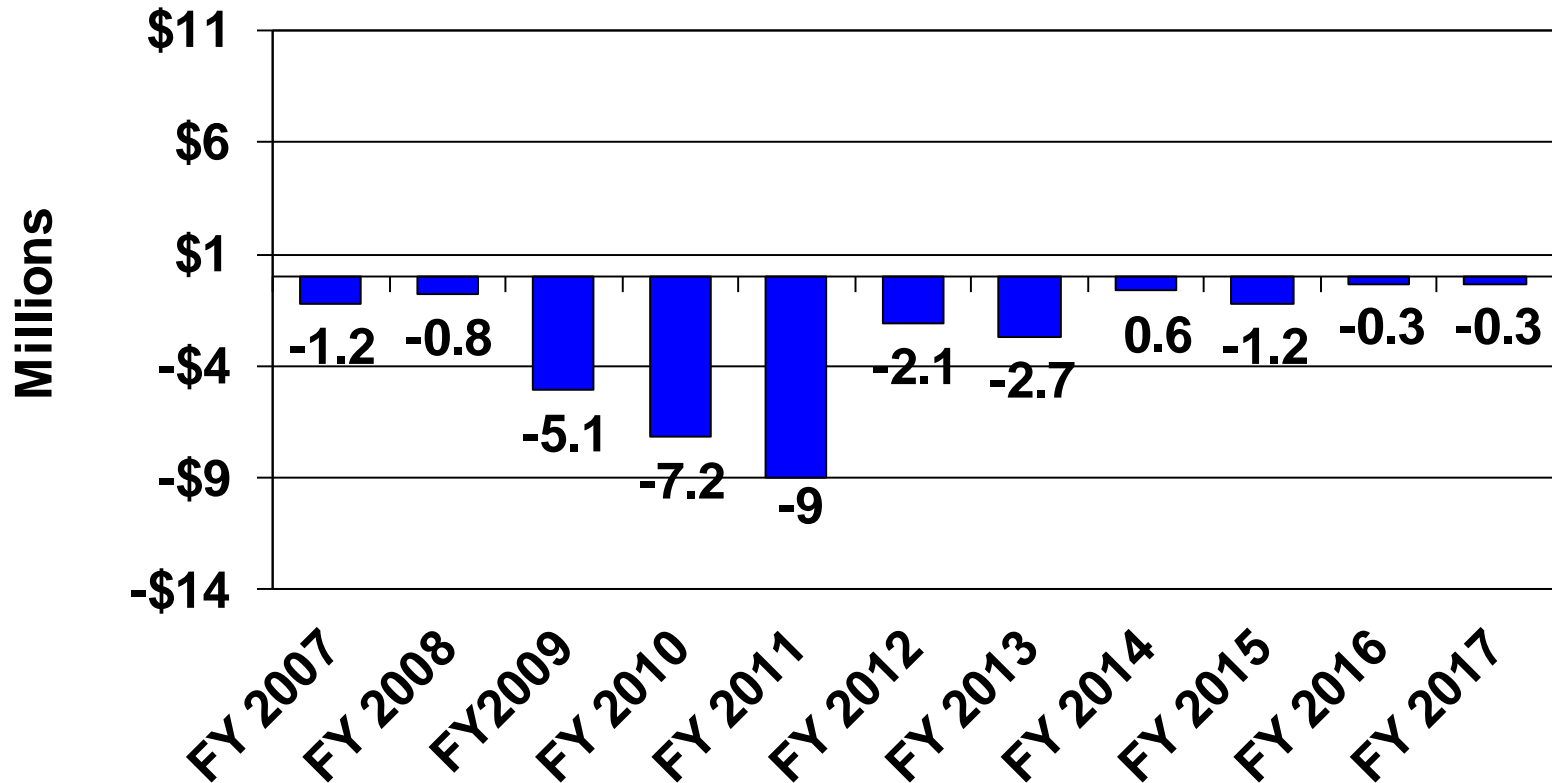
**CHANGE
YOUR
PERSPECTIVE**
Share the Road



Agenda

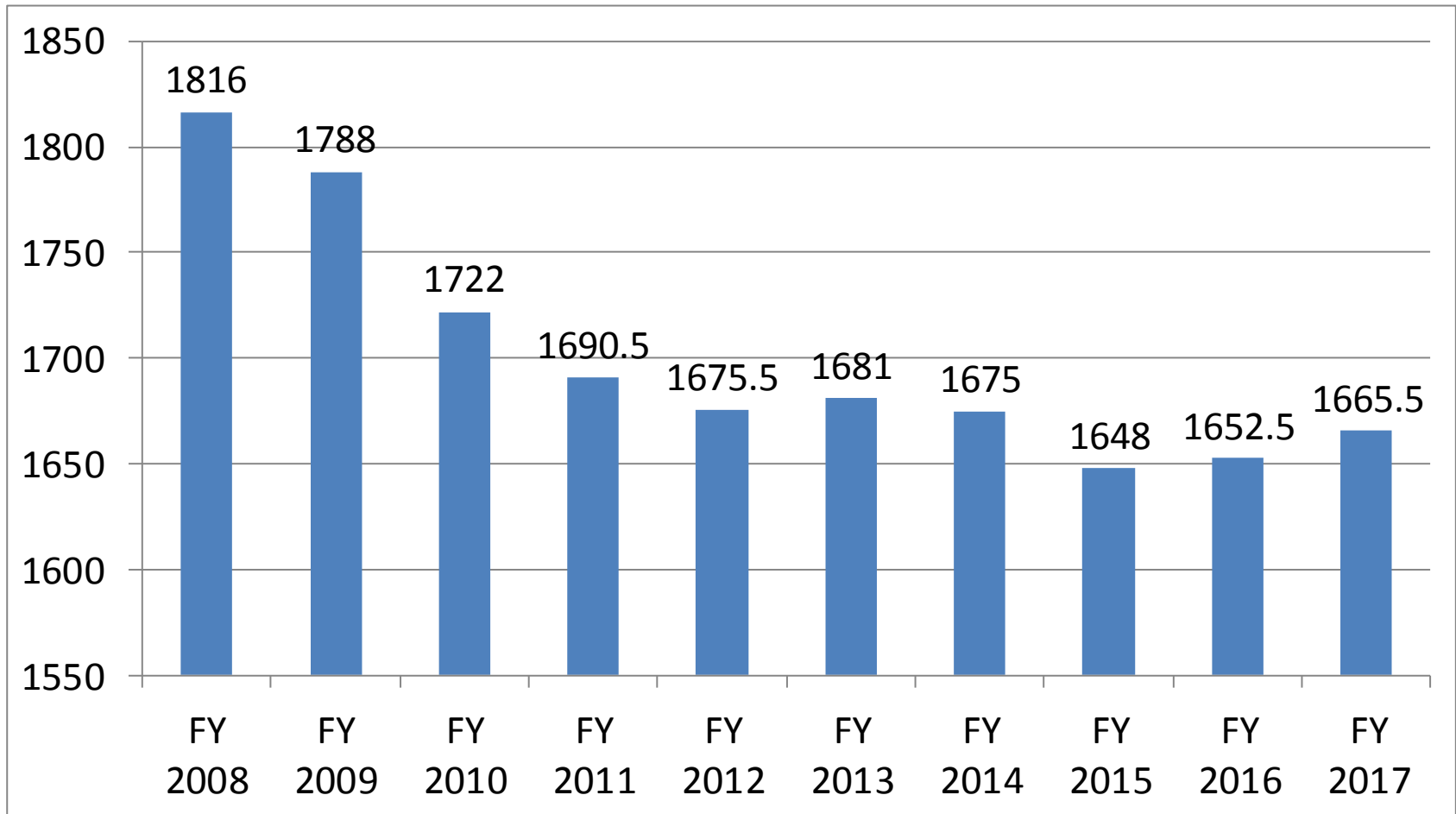
- Historical Reductions
- Projected Budget Comparison
- FY 2018 Development Update
 - Process
 - Price of Government
 - School Funding
 - Base Restorations and Supplementals
 - Items Not Funded
 - Balancing Options
 - 5 Year Operating Forecast
- Parking Fund
- GRTC

Historical Reductions to Balance the Budget



\$30.5 million of reductions since FY 2007

Full-Time Positions



Projected Budget Comparison

FY 2017 Adopted Budget	\$281,092,000
FY 2018 Retirement Increase	834,875
FY 2018 Medical Increase	1,212,939
Other Anticipated Increases	<u>2,686,900</u>
Anticipated FY 2018 Expense Budget Level	285,826,714
FY 2018 Revenue Estimate	<u>280,635,000</u>
Required Reductions to Balance	(\$5,191,714)

Balancing Summary – March 6th

Priority	Reduced Base	Base Restoration	Supplemental Requests	Total
Economy	\$1,414,479	\$8,300	\$198,804	\$1,621,583
Education	1,834,475	36,700	126,295	1,997,470
RCPS	79,554,700	0	0	79,554,700
Good Government	17,615,087	441,930	628,369	18,685,386
Human Services	35,133,327	1,024,767	66,970	36,225,064
Infrastructure	21,724,294	384,983	965,342	23,074,619
Livability	15,277,650	434,634	374,866	16,087,150
Safety	66,052,582	1,905,746	926,114	68,884,442
Outside Agencies (base does not yet reflect any reductions)	8,544,732	0	549,098	9,093,830
Reserved Allocations	26,178,369	0	3,748,739	29,927,108
TOTALS:	\$273,329,695	\$4,237,060	\$7,584,597	\$285,151,352
Price of Government				\$278,700,000
Variance				(\$6,451,352)

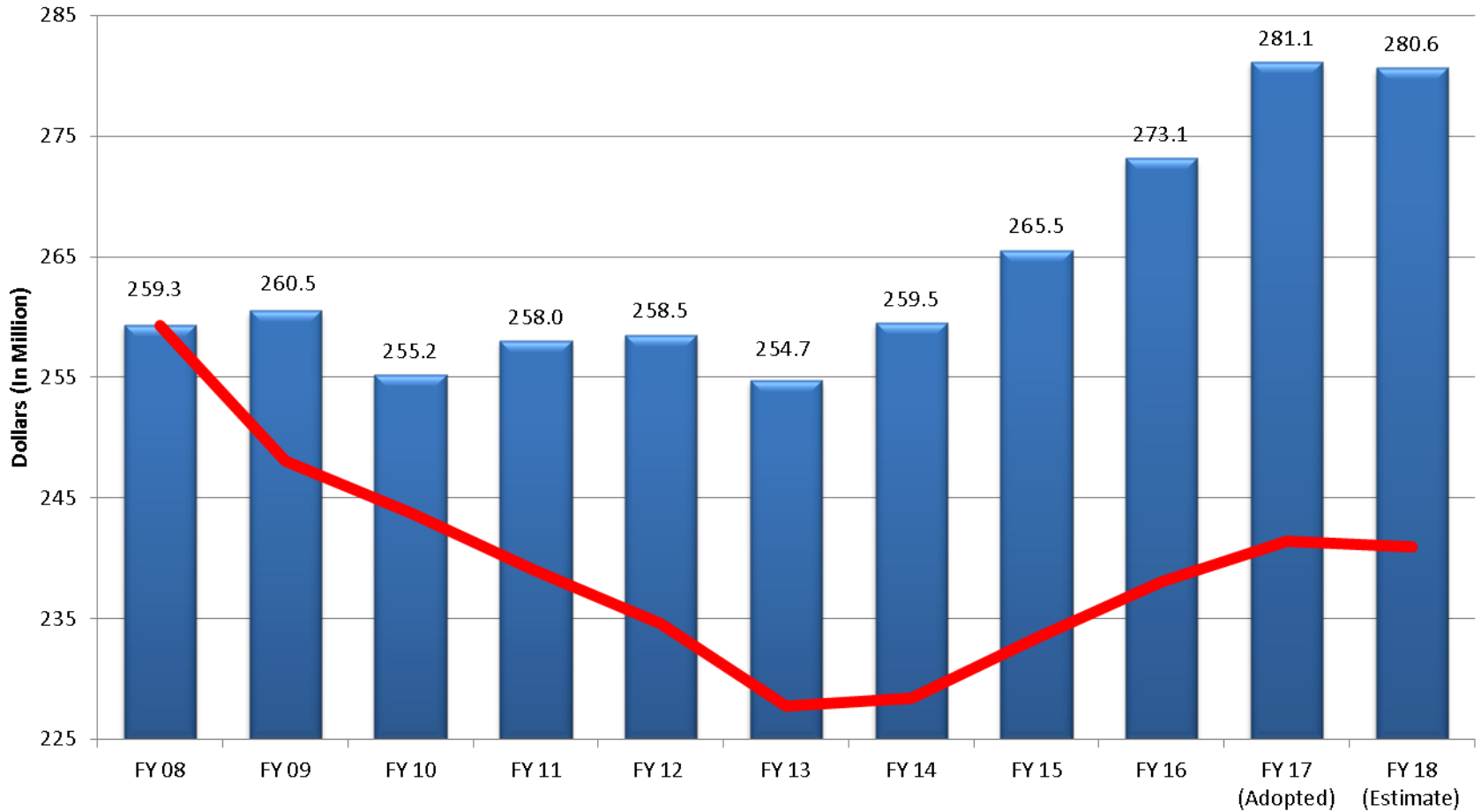
Budget Review Process

- DMB Staff
 - Offer review by object code
 - Verification of reduction viability
- Priority Team Reviews
 - Offer review and prioritization
 - Object code review
- Director Budget Workshop (9 hours)
 - Priority programs and services
 - Budget balancing input and support
- Budget Committee
 - Offer reviews, priority programs and services
 - Balancing

FY 2018 Revenues down \$.5 Million from the Adopted Budget

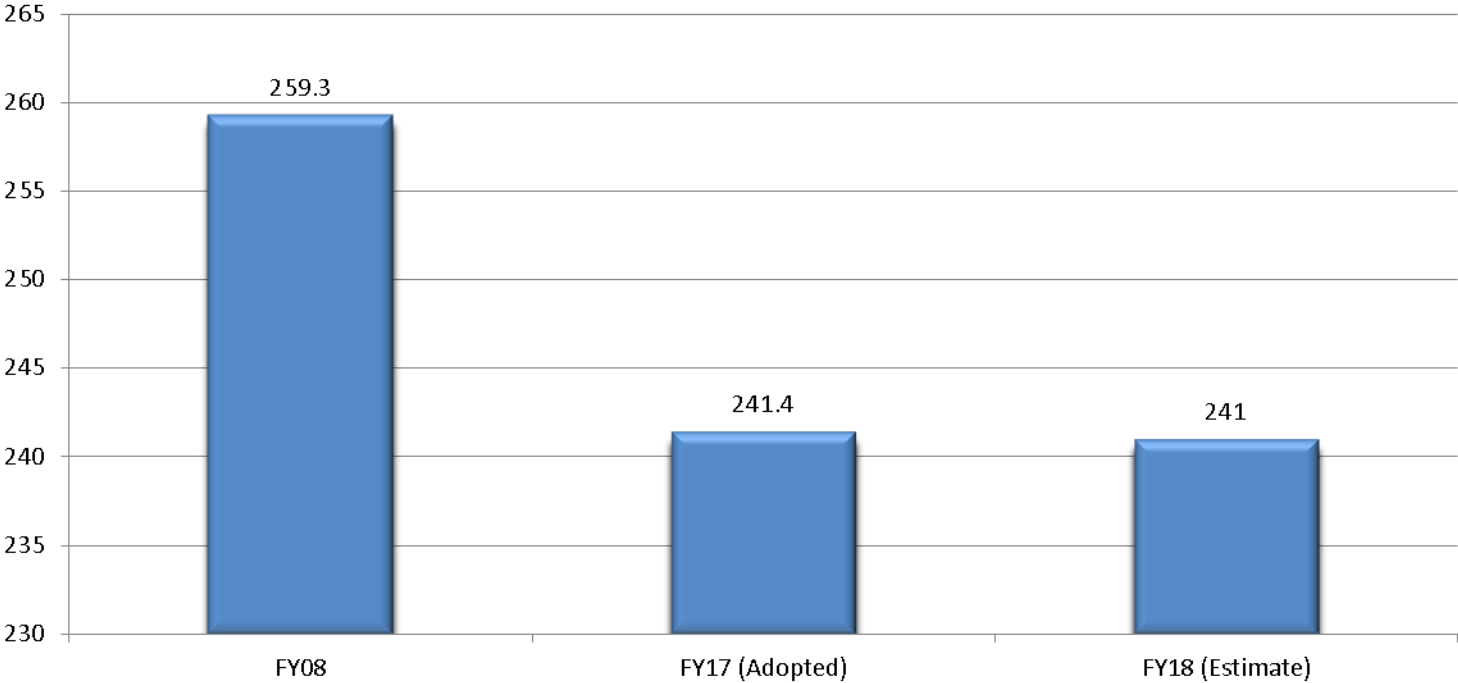
	<u>FY 17 Adopted</u>	<u>03/06/2017 Estimate</u>	<u>04/03/2017 Revised Estimate</u>	<u>\$ Growth/ (Decline) From Adopted</u>	<u>% Growth/ (Decline) Adopted</u>
Real Estate Tax	\$ 81,000,000	\$ 82,200,000	\$ 82,200,000	\$ 1,200,000	1.5%
Personal Property Tax	22,800,000	22,800,000	22,800,000	0	0.0%
Sales Tax	22,000,000	20,100,000	20,100,000	(1,900,000)	(8.6%)
Prepared Food and Beverage Tax	16,000,000	16,218,000	16,218,000	218,000	1.4%
Business License Tax	13,621,000	12,500,000	12,500,000	(1,121,000)	(8.2%)
Transient Occupancy Tax	4,600,000	4,150,000	4,300,000	(300,000)	(6.5%)
Other Local Taxes	35,913,000	35,864,000	35,864,000	(49,000)	(0.1%)
Permits, Fees and Licenses	1,147,000	911,000	911,000	(236,000)	(20.6%)
Fines and Forfeitures	1,284,000	1,027,000	1,027,000	(257,000)	(20.0%)
Revenue from Use of Money/Property	221,000	216,000	216,000	(5,000)	(2.3%)
Health and Welfare Funding from Commonwealth	29,999,000	28,874,000	30,659,000	660,000	2.2%
Other Funding from Federal and State	40,864,000	41,641,000	41,641,000	777,000	1.9%
Charges for Services	8,183,000	8,212,000	8,212,000	29,000	0.4%
Internal Services	2,832,000	3,348,000	3,348,000	516,000	18.2%
Other Revenues	628,000	639,000	639,000	11,000	1.8%
Total General Fund Revenues	\$ 281,092,000	\$ 278,700,000	\$ 280,635,000	\$ (457,000)	(0.2%)

Inflation Adjusted Buying Power

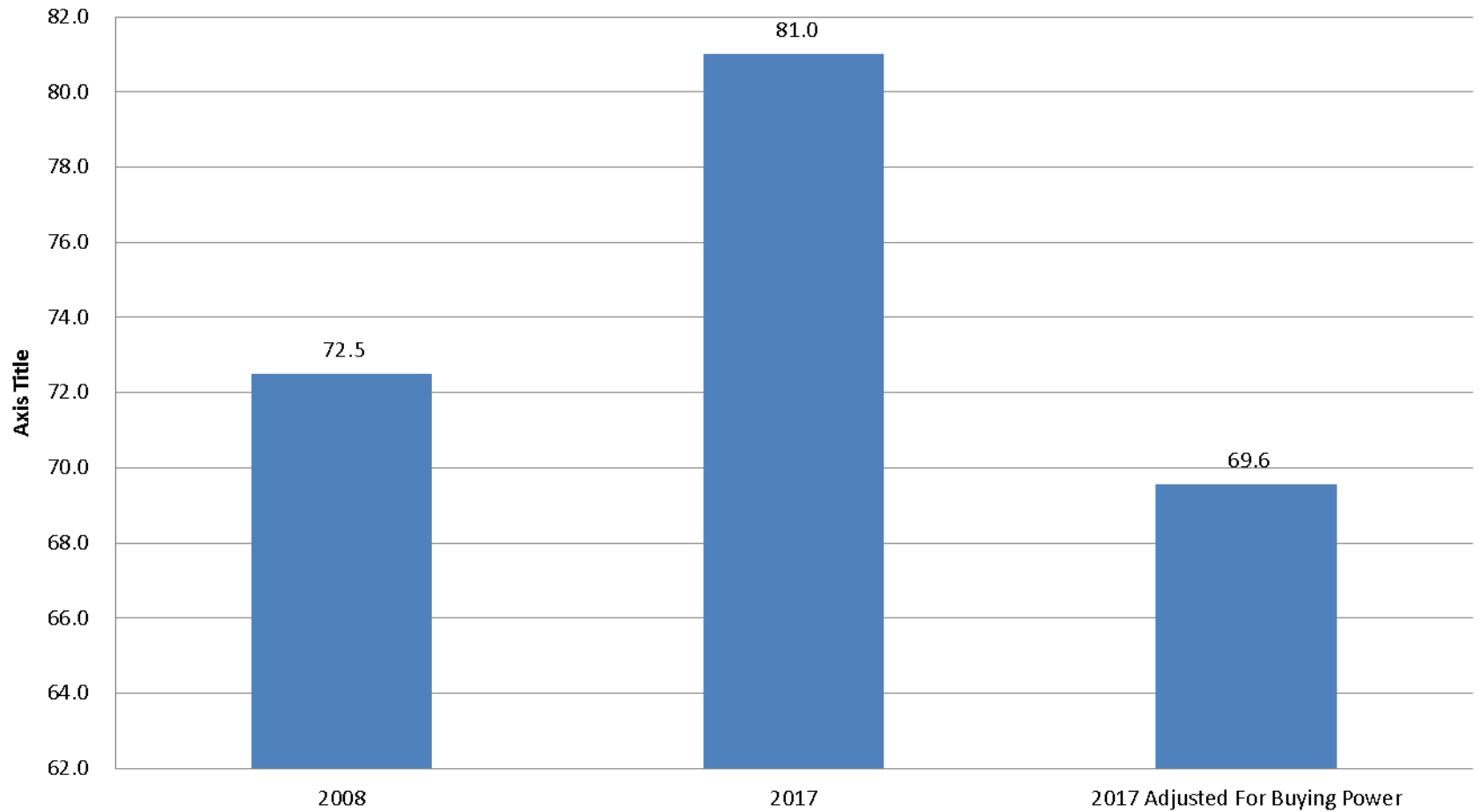


Total Revenue in Constant Dollars

\$ in millions



Real Estate Revenue



Real Estate Comparison

<p>Average Value of House</p> <p>In FY 2008</p> <p>\$139,983</p>	<p>Average Value of House</p> <p>In FY 2017</p> <p>\$124,482</p>
<p>Tax Paid on Average Value of House</p> <p>In FY 2008</p> <p>\$1,666</p>	<p>Tax Paid on Average Value of House</p> <p>In FY 2017</p> <p>\$1,519</p> <p>Tax Paid in FY 2017 in 2008 Dollars</p> <p>\$1,343</p>

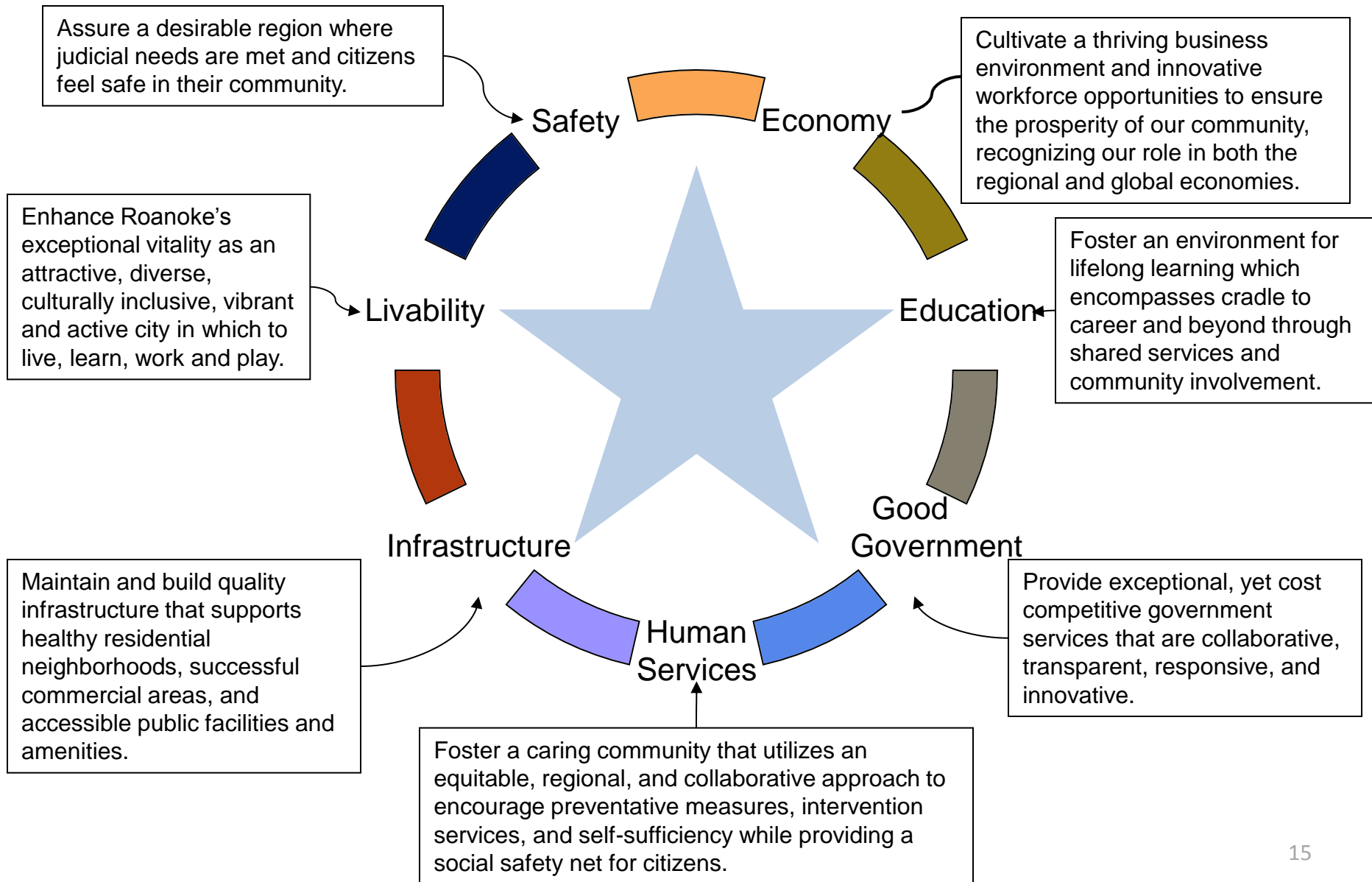
Revised School Funding

Category	Adopted Budget FY 2017	3/6/17 Revised Estimate FY 2018	4/3/17 Revised Estimate FY 2018	\$ Growth/ (Decline) Adopted Budget	Percent Difference
Local Tax Estimate	\$ 195,934,000	\$ 193,832,000	\$ 193,982,000	\$ (1,952,000)	(1.0%)
Personal Property Tax Relief Provided by Commonwealth	8,076,000	8,076,000	8,076,000	-	0.0%
Total Revenue Subject to Sharing with Schools	204,010,000	201,908,000	202,058,000	(1,952,000)	(1.0%)
<u>Deduct Dedicated Taxes:</u>					
Service District Taxes - Downtown and Williamson Road Districts	697,000	700,000	700,000	3,000	0.4%
Local Taxes Dedicated to Regional Tourism Marketing	1,725,000	1,556,250	1,612,500	(112,500)	(7.2%)
Local Taxes Dedicated to Ivy Market Performance Agreement	190,000	275,000	275,000	85,000	30.9%
Local Taxes Dedicated to Roanoke River Investments	170,000	250,000	250,000	80,000	32.0%
Local Taxes Dedicated to South Commonwealth Partners	221,000	240,000	240,000	19,000	7.9%
Total Deductions	3,003,000	3,021,250	3,077,500	74,500	2.5%
Adjusted Revenue Subject to Sharing with Schools	201,007,000	198,886,750	198,980,500	(2,026,500)	(1.0%)
Percentage Allocated to Schools	40.00%	40.00%	40.00%	40.00%	
Funding of Schools	\$ 80,402,800	\$ 79,554,700	\$ 79,592,200	\$ (810,600)	(1.0%)

Balancing Summary – April 3rd

	March 6 th
Reduced Base	\$273,289,275
Additional Reductions to Base	(\$482,348)
Base Restorations Funded	\$2,875,161
Supplementals Funded	<u>\$4,952,912</u>
April 3 rd Expenditure Total	\$280,635,000
Revenue Estimate	<u>\$280,635,000</u>
Priority items Not Funded	\$2,769,979

City of Roanoke Priorities



Base Restorations and Supplementals

	Restorations	Supplementals
Economy		Performance Agreements
Education		
Good Government	Legislative Liaison Senior Tax Compliance Administrator Real Estate Appraiser Employee Development	Registrar Operating Support Treasurer Postage Risk Management Insurance cost increase
Livability	Tipping fees for program Youth Sporting Events security Library Electricity	
Human Services	Travelers Aid Social Services -Family Services FTEs (10) -Administration FTEs (2) -Security Services -Cremation Services -CSA	HAT Grant Match increase Family Services Specialists (4) Resource Parent Training (1)

Base Restorations and Supplementals

	Restorations	Supplementals
Infrastructure	Street Paving	Street Paving Stormwater fees for City properties
Safety	Fire-EMS Peak Time Unit (1) Fire Training Captain Fire Inspections (partial) REMS Police Sworn Positions (8) Police Accreditation Sheriff Deputy Positions (8)	Fire Training Police VSTOP & VDVVF Grant Match Sheriff – medical contract increase
Outside Agencies		Blue Ridge Behavioral Healthcare (70% of requested amount) RCACP Roanoke Valley Broadband Authority Roanoke Valley Greenway Commission RVTV Roanoke Valley Transportation Planning Organization Service District Taxes Western Virginia Regional Industrial Facility Authority

Base Restorations and Supplementals

	Restorations	Supplementals
Outside Agencies (continued)		Roanoke Valley-Alleghany Regional Commission Virginia Municipal League
Reserved Allocations		Medical rate increase (Dec- June) Dental rate increase (Dec- June) Line of Duty Act Contingency 1.75% compensation increase BFO Contingency

Items
Not Funded

Safety

Base Reductions Not Restored		
	Juvenile Residential Detention	\$29,586
	Fire –	
	-1 Peak-Time Unit	129,180
	-Firefighter/EMT	44,404
	-Fire Inspections (part-time)	35,000
	Police –	
	-2 Sworn Positions	99,020
	-2 Crime Analysts	114,128
	Sheriff –	
	-2 Deputy Positions	88,514
	-5 Unfunded Deputy Positions	221,285
	E911 – 2 Telecommunicator Positions	85,887
	Signs and Pavement Markings	30,000

Safety(continued)

New Requests Not Funded		
	Fire – Uniforms, New Firefighter Positions (2)	\$108,108
	Sheriff – -Overtime	39,304
	-Career Enhancement (Phase II)	56,411
	E-911 – Assistant Manager of Operations	44,404
	E911 Systems Coordinator	41,483

Infrastructure

Base Reductions Not Restored		
	Alley Maintenance (12% decrease)	\$41,604
	Bridge Rehabilitation	21,445
	Sidewalk Maintenance/Repairs	20,000
	Capital Building Maintenance	186,063
New Requests Not Funded		
	Street Paving	366,000
	Fleet Maintenance	17,000

Livability

Base Reductions Not Restored		
	Community Sustainability Programming	\$6,235
	Waste Management for Physically & Topographically Challenged	104,118
	Code Enforcement – -Demolitions	10,050
	-Weeds, Trash, Graffiti Abatement, Other	35,850
	Planning and Urban Design Services Operational Costs	6,480
	Neighborhood Improvement Grants	4,894
	Parks – Porta Jons and Temp Wages	32,269
	Pools, Athletic Field Maintenance, Youth Development Programs	104,961
	Library – Books, materials, subscriptions	91,985

Livability (continued)

New Requests Not Funded		
	General Services- Weatherize Roanoke Program, other	\$18,800
	Solid Waste Management – Small Brush Piles, Tipping Fees, Recycling Education, Other	179,256
	Comprehensive Plan Update	10,900
	Parks Mowing	75,646
	Park Beautification	41,403
	Library Associate I to support expanded hours at Raleigh Court and Williamson Road branches	37,242

Good Government

Base Reductions Not Restored		
	Senior Accountant Position	\$71,921
	Lean/Six Sigma Coordinator Position	77,524
	Senior Collector Position	37,537
	Advertising, Administrative Supplies, Expendable Equipment, Marketing, Training & Development	36,215
	Bank Charges	19,416
	Employee Development	50,000
	Employee Safety Programs & Wearing Apparel	14,000
	Legislative Liaison Services	5,000
	Business Meals & Travel , Admin. Supplies, Food, Advertising, Records Management, Postage	17,489
	Health Fair	2,950

Good Government (continued)

New Requests Not Funded		
	Temporary Assistant - Electoral Board	\$14,129
	Revenue Analyst	61,553
	Tax Compliance Auditor	49,510
	Temporary Deputy Tax Clerks	1,346
	Cobblestone Contract Management System, CGI contract, Onboarding Solution	31,542
	Training & Development, Administrative Supplies, Expendable Equipment, Dues & Memberships, Overtime	12,463
	Employee Development	44,000
	Wells Fargo Healthcare Consulting	39,600
	Performance Management System	27,900

Human Services

Base Reductions Not Restored		
	DSS Administration – Administrative Staff (2), Operational Costs	\$121,485
	VIEW Purchased Services	100,000
	Emergency Relief	70,000
	Family Services Division – Adult Services Purchased Services	16,000
	Children Services Act	561,734
	VJCCCA – Counselor I (2)	81,805
	DSS – Child Care Quality Initiative	24,040
	DSS – Benefit Program Specialists (6)	276,359
New Requests Not Funded		
	Prevention Outstationed Worker	31,203

Education

Base Reductions Not Restored		
	Training & Development, Postage, Business Meals & Travel, Internal Printing	\$9,700
	Library - Youth Activities	5,000
	Youth Services Initiative	11,250
New Requests Not Funded		
	Library Services to Innovation Corridor and Local Businesses	57,295
	Youth Summer Employment Initiative	45,000

Economy

Base Reductions Not Restored		
	Marketing & Promotion, Training and Development, other	\$17,320
New Requests Not Funded		
	Shared Grant Writer	44,404

Reserved Allocations

Base Reductions Not Restored		
	Fleet Capital	\$285,000
	Technology Capital	250,000
New Requests Not Funded		
	Future Debt Service	250,000
	Risk Management Reserves	250,000
	¼% Compensation	242,500

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Revenue Estimate	<u>280,635,000</u>
Priority Items Not Funded	2,769,979

Priority Items Not Funded - \$2,769,979

Safety	Fire	
	-Peak Time Unit	\$129,180
	-Firefighter/EMT	44,404
	Fire inspections (part-time)	35,000
	Police	
	-2 sworn positions	99,020
	-2 crime analysts	114,128
	Sheriff	
	-2 Deputy Positions	88,514
	-Career Enhancement (Phase II)	56,411
	E911 – 2 Telecommunicator Positions	85,887
Infrastructure	Alley Maintenance (12% decrease)	41,604
	Sidewalk Maintenance/Repairs	20,000
	Capital Building Maintenance	186,063
	Street Paving	366,000
Livability	Waste Management for Physically & Topographically Challenged	104,118

Priority Items Not Funded - \$2,769,979 (continued)

Livability (continued)	Code Enforcement – Demolitions	\$10,050
	Library – books, materials, subscriptions	91,985
	Solid Waste Management – Small Brush Piles, Tipping Fees, Recycling Education, Other	179,256
	Parks Mowing	75,646
Good Government	Revenue Analyst	61,553
	Tax Compliance Auditor	49,510
	Performance Management System	27,900
Human Services	Emergency Relief	70,000
Education	Youth Services Initiative	11,250
	Youth Summer Employment Initiative	45,000
Reserved Allocations	Fleet Capital	285,000
	Technology Capital	250,000
	¼% Compensation	242,500

Balancing Options

- Additional expenditure decreases
- Reduce restorations and/or supplementals
- Revenue Enhancements
 - Water Utility Tax Increase
 - Solid Waste Fee implementation

Water Utility Tax

Residential

Current Rate – 12% up to \$15

Proposed Rate – 20% up to \$15

Current tax per average bill \$3.87

Proposed tax per average bill \$6.44

Increase per average bill \$2.57

Commercial and Industrial

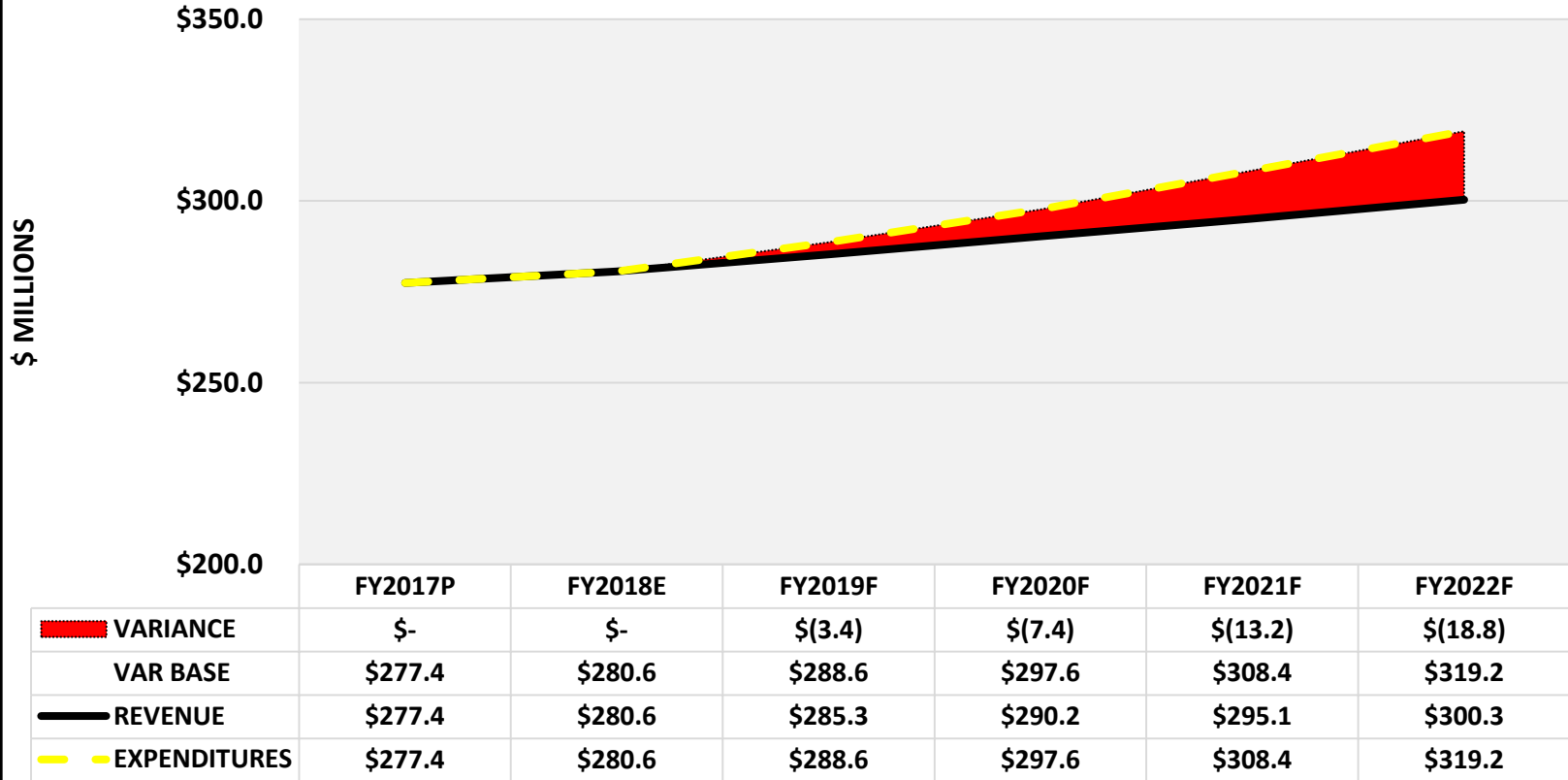
Current Rate – 12% on first \$20,000

Proposed Rate – 20% (cap to be determined)

Estimated increase in revenue - \$1,200,000

5 Year Forecast

REVENUES AND EXPENDITURES



Assumption	Percentage and Time Period
Operating Expenditure Growth	1.5% - 2% in FY 19-22
Salary Increases	2% in FY 19-22
Real Estate Tax Growth	1% - 2% in FY 19-22
Personal Property Tax Growth	2% in FY 19-22
Prepared Food and Beverage Tax Growth	1% in FY 19-22
All Other Revenue Growth	2% in FY 19-22

City of Roanoke Residential Solid Waste Management Services

- Weekly Trash Collection
 - Weekly Physically & Topographically Challenged Service
 - Weekly Curbside Recycling Collection
 - Weekly Brush/Bulk Collection
 - Bagged Leaf Collection
 - Collection Inspections
 - Collection Call Center
-
- FY 17 Residential Service cost: \$7.2 million
 - ~\$15/month per service unit
 - \$8/month per service unit generates ~\$3.3 million

Solid Waste Fee Comparison

Localities (Cities)	Collection Fee
Alexandria	Semiannual: 1 st half \$164; 2 nd half \$168.50
Bristol	\$3.00 per week
Buena Vista	\$17.00 per month
<u>Charlottesville</u> (implemented fee in 1992)	Decal: from \$94.50 to \$283.50 annually based on container sizes (32 gal, 50 gal, 64 gal, and 96 gal.)
Colonial Heights	\$26.50 per 2 month period
Covington	\$15.00 per month
<u>Danville</u> (fee in place since at least 1999)	\$16.50 per month
Emporia	\$20.50 per month
Franklin	\$39.74 per month
Fredericksburg	\$31.50 per month; \$25.20 for townhouses
Galax	\$8.00 per month
<u>Hampton</u> (implemented fee in 1992)	\$11.63/wk w/discount to \$5.88/wk if household recycles; for FY18, fees may increase to \$12.20 and \$6.10, respectively

Solid Waste Fee Comparison

Localities (Cities)	Collection Fee
Harrisonburg	\$25.00 per month
Hopewell	\$20.65 per month
Lynchburg (fee in place since 1993)	Annual decal: \$40 for 32 gallon cart; \$80 for 64 gallon cart
Manassas	\$25.03 per month for detached home; \$26.34 for townhouse/mobile home
Manassas Park	\$14.63 per month
Martinsville (fee has been in place for at least 20 yrs)	\$18.50 per month
Newport News (fee has been in place for at least 20 yrs)	\$5.64 per week for 60 gallon container; \$7.05 per week for 90 gallon container
Norfolk	\$27.28 per month
Norton	\$12 per month
Petersburg	\$12 per month
Poquoson	Varies
Portsmouth (fee in place since	\$33.36 per month

Solid Waste Fee Comparison

Localities (Cities)	Collection Fee
Radford	\$17 per month
<u>Richmond</u> (fee has been in place for at least 10 yrs)	Currently \$20 per month but Mayor is recommending increase to \$22.50 per month as part of FY18 budget proposal
Salem (fee has been in place for at least 20 yrs; current fee in place since FY15)	\$7.00 per month
<u>Staunton</u> (fee has been in place for at least 20 yrs)	\$15.00 per month
Suffolk	\$17.50 per month
Virginia Beach	\$21.36 per month
Waynesboro	\$14.50 per month
<u>Winchester</u> (implemented fee in June 2014)	\$5.00 per month

Solid Waste Fee Comparison

Localities (Counties)	Collection Fee
Amherst	\$4.50 per month
Arlington	\$232.60 per year
Bland	\$36 per quarter
Chesterfield	\$2 per bag or 32 gallon can
Fairfax	\$28.75 per month
Giles	\$13.75 per month
Grayson	\$3.00 per week
Henrico	\$15.00 per month
Pulaski	\$13.00 per month
York	\$18.50 per can

Solid Waste Fee Comparison

Localities (Towns)	Collection Fee
Abingdon	\$10.00 per month
Amherst	\$5.75 per month
Appalachia	\$10.00 per month
Big Stone Gap	\$10.00 per month
Blacksburg	\$22.20 per cart
Blackstone	\$10.00 per month
Bluefield	\$11.40 per month
Boydton	\$10.00 in town; \$15.00 out of town per month
Bridgewater	\$15.48 per month
Broadway	\$15.48 per month
Buchanan	\$13.00 per month
Cape Charles	\$12.57 per month

Solid Waste Fee Comparison

Localities (Towns)	Collection Fee
Cedar Bluff	\$10.00 per month
Chase City	\$8.00 per month
Chatham	\$12.00 per month
Cheriton	\$18.00 per month
Chilhowie	\$11.00 inside corp. limits; \$13.00 outside per month
Christiansburg	\$17.00 per month
Clarksville	\$18.00 bi-monthly
Clintwood	\$7.00 per month
Courtland	\$3.00 per month
Crewe	\$15.00 per month
Culpeper	\$2.00 per month
Dayton	\$17.45 per month

Solid Waste Fee Comparison

Localities (Towns)	Collection Fee
Dublin	\$10.00 per month
Edinburg	\$9.50 per month
Farmville	\$10.00 per month
Front Royal	\$12.00 for 32 gallon can; \$13.75 for 96 gallon can
Gate City	\$10.00 per month
Glade Spring	\$7.00 per month
Gretna	\$12.44 bi-monthly
Grundy	\$8.00 per month
Honaker	\$10.00 per month
Kenbridge	\$14.85 per month
La Crosse	\$12.00 per month
Lawrenceville	\$10.00 per month

Solid Waste Fee Comparison

Localities (Towns)	Collection Fee
Lebanon	\$7.10 per month
Luray	\$8.75 per container per month
Marion	\$13.00 per month
Montross	\$12.50 per month
New Market	\$9.00 per month
Onancock	\$24.00 annually
Orange	\$2.00 per month
Pennington Gap	\$4.50 per month
Pound	\$10.00 per month
Rocky Mount	\$4.98 per month
Rural Retreat	\$2.00 per month
Saint Paul	\$8.50 per month

Solid Waste Fee Comparison

Localities (Towns)	Collection Fee
Saltville	\$13.00 per month
South Hill	\$14.00 per month
Stanley	\$12.50 - \$14.50 per month
Strasburg	\$8.39 per month
Tappahannock	\$5.00 per month
Tazewell	\$13.00 per month
Timberville	\$24.00 bi-monthly
Victoria	\$10.00 per month
Wakefield	\$6.00 per month
Waverly	\$6.00 per month
West Point	\$20.00 per month
Wise	\$12.00 per month
Woodstock	\$8.00 per month
Wytheville	\$50.00 annual decal; \$1 per 13 gallon bag; \$2 per 32 gallon bag

Council Discussion
Regarding
FY 2018
Balancing

Parking Fund

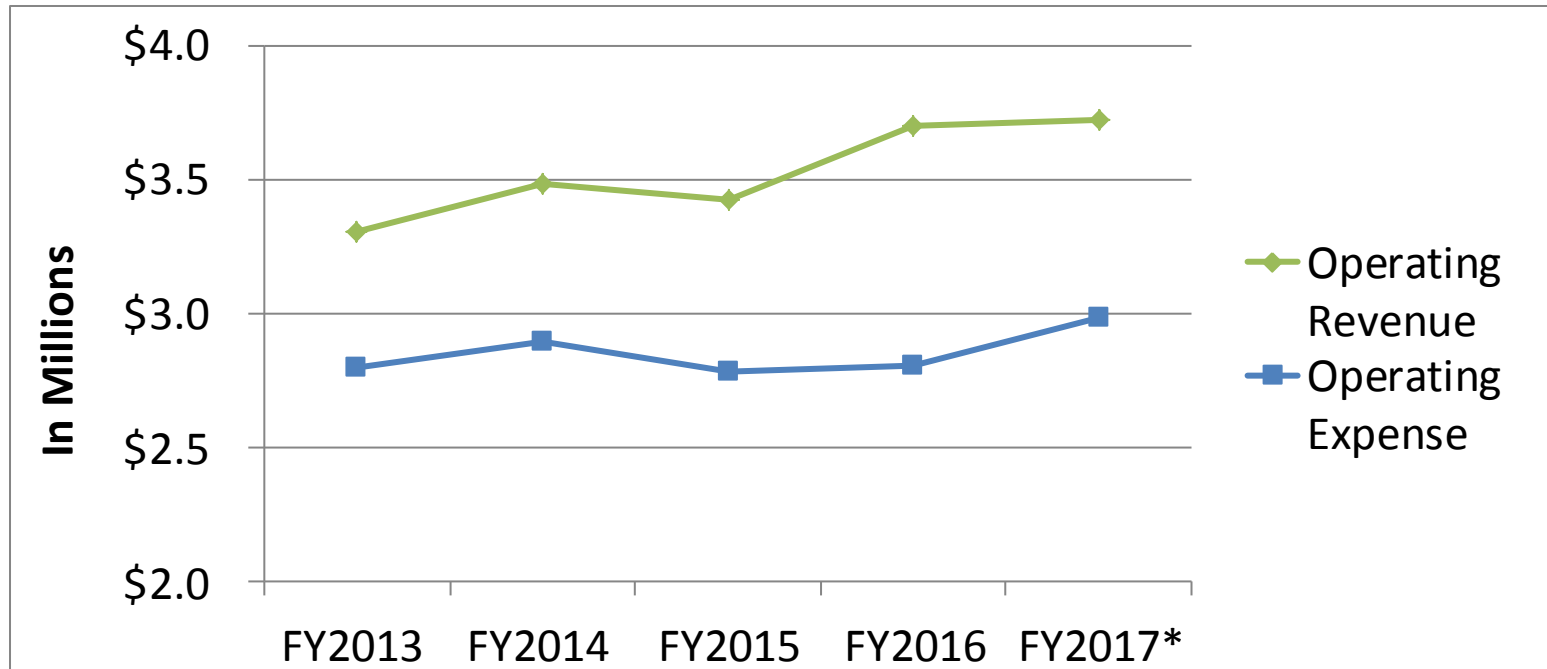
FY 2018

Budget

Parking Fund

Revenues versus Operating Expenses

FY2013 – FY2016 based on audited financial statements.



FY2017* based on data through March.

Parking Fund

Capital Maintenance

- Projects

- Elevator Modernizations- Church Avenue Garage (2 of 3)*
- Elevator Upgrades and Repairs- Market and Center in the Square Garages
- Parking Services - Vehicle Replacement*
- Garage Security Camera Installations
- Access/Revenue Equipment Replacements- Center in the Square and Church Avenue Garages
- FY17/FY18 Scheduled Garage Preventative Maintenance Repairs (i.e. joint and roof replacements, sealants and drive lane repairs)
- Multi Year System –wide LED Lighting Upgrades

Parking Fund Revenue Enhancement

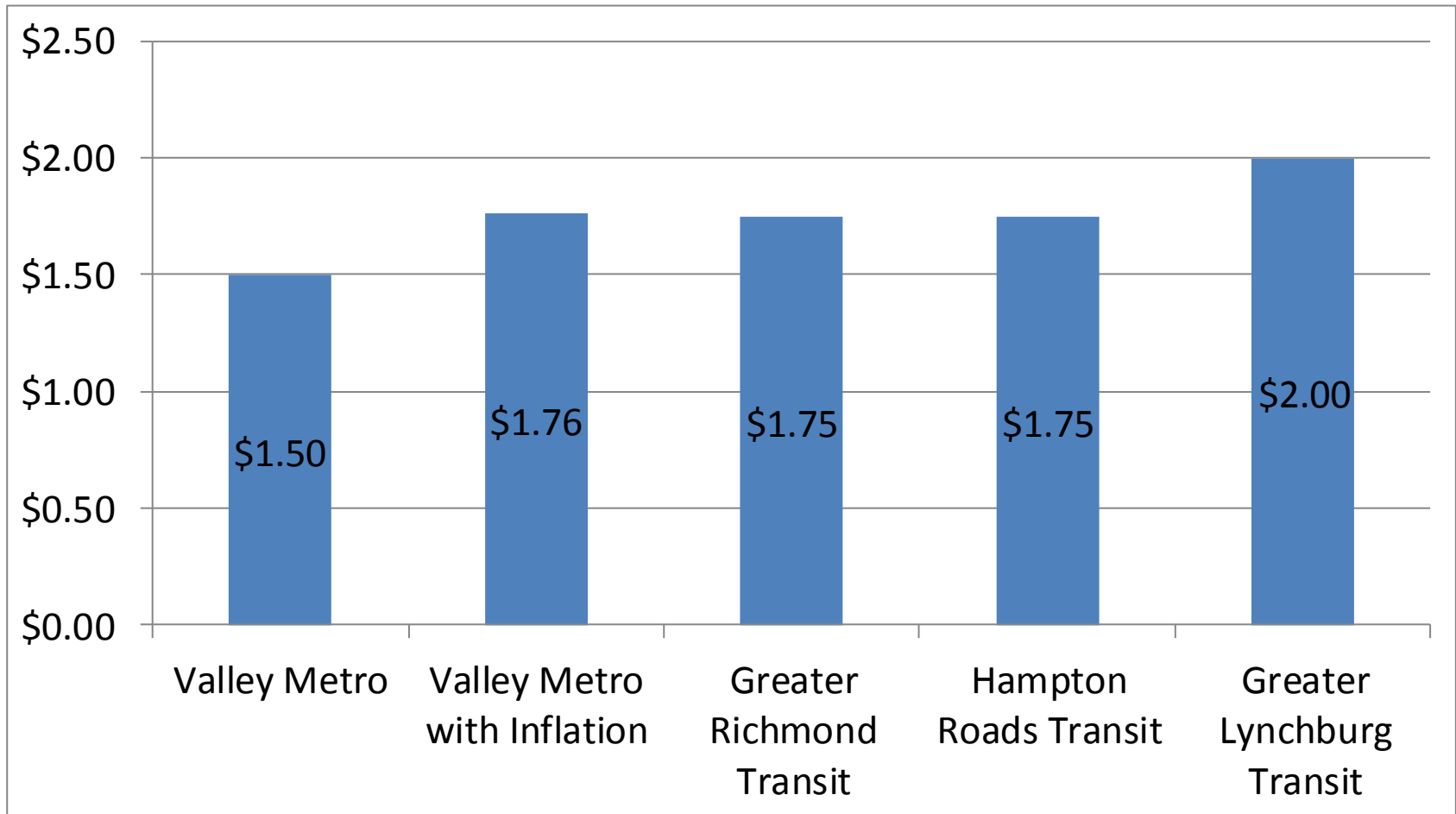
- Recommendations

- Residential monthly rate \$20/month to \$25/month
- Monthly rate at Campbell Garage \$40/month to \$45/month
- Monthly rate at Gainsboro Garage \$45/month to \$50/month
- Event Parking Fee at Elmwood Park Garage \$3
- Early Bird Daily Rate Special at Campbell Garage - \$3 to \$4
- Off Street Parking fines aligned to match On Street
- Monthly Parking Late Payment Fee from \$5 to \$10

GRTC Current Fare

- Current Fare - \$1.25
- Last fare increase in 2007
- Over last 10 Years
 - Operating expense increased 24%
 - Operating revenue offset decreased 2.4%
 - Federal & State percentage of match contribution decreased 4%
 - Local subsidy burden increased from 22% to 25%

GRTC Fare Comparison



GRTC Fare Recommendation

- \$0.25 fare increase from \$1.50 to \$1.75
 - Increases annual fare box revenue approximately 19%
 - Reduces subsidy burden by 15% or \$323,600 for Fiscal Year 2018