



City of Harrisonburg

PROPOSED BUDGET

FOR THE FISCAL YEAR JULY 1, 2019 – JUNE 30, 2020



Proposed Budget Provides for:

- Public safety, Public education
- Joint service obligations with Rockingham County - social services, Sheriff, corrections, courts, Clerk of Court, Comm. Attorney, ECC
- General government administration
- Community development & planning
- Public transportation services (school buses and transit)
- Recreation and cultural facilities and programs
- Support for employees via pay increase and health insurance.

2019-2020 Budget Highlights

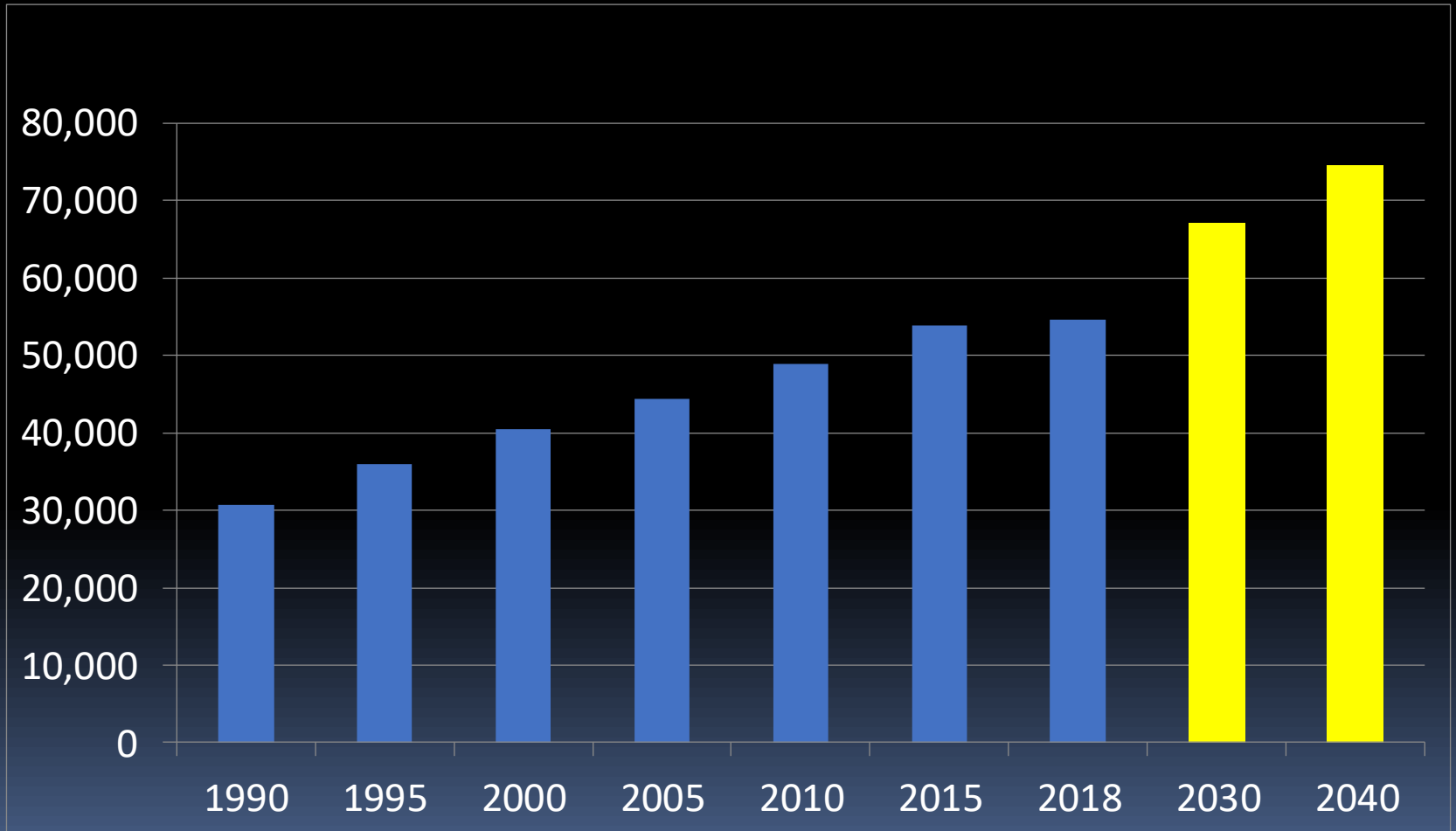
- \$0.01 Increase in Real Estate Tax Rate
- 3% Increase in Real Estate Tax Revenue from Growth in Assessments
- 3% Salary Increase for City Employees
- No Increase in Health Insurance Rates
- \$1.4 million Increase in transfer to School Board
- \$1.1 million Transfer from Health Insurance Fund
- \$1 million Transfer related to the Conference Center

Population Estimates and Comparables

POPULATION		% increase since 2010	Real Estate	Personal Property
Harrisonburg	54,606	11.6%	\$0.85	\$3.50
Charlottesville	49,281	13.5%	\$0.95	\$4.20
Lynchburg	81,339	7.6%	\$1.11	\$3.80
Staunton	24,972	5.2%	\$0.97	\$2.90
Waynesboro	22,285	6.1%	\$0.90	\$5.00
Winchester	28,282	7.9%	\$0.91	\$4.80
Rockingham County	81,422	6.7%	\$0.74	\$3.00

Harrisonburg Population

Weldon Cooper Center Annual Population Estimate with **Future Projections**



Tax & Fee Recommendations

Tax Rate	Increase/Decrease	2018-19 Rate	Proposed 2019-20 Rate
Real Estate	\$0.01/\$100	\$0.85	\$0.86
Personal Property (vehicles)	\$0.00/\$100	\$3.50	\$3.50
Personal Property (business)	\$0.00/\$100	\$2.12	\$2.12
Water*	\$0.29/1000 gal	\$16.50	\$17.95
	(increase for avg. user \$17.40/yr)		
Sewer*	\$0.09/1000 gal	\$28.30	\$28.75
	(increase for avg. user \$5.40/yr)		

* Based on avg. residential use of 5000 gallons/month.

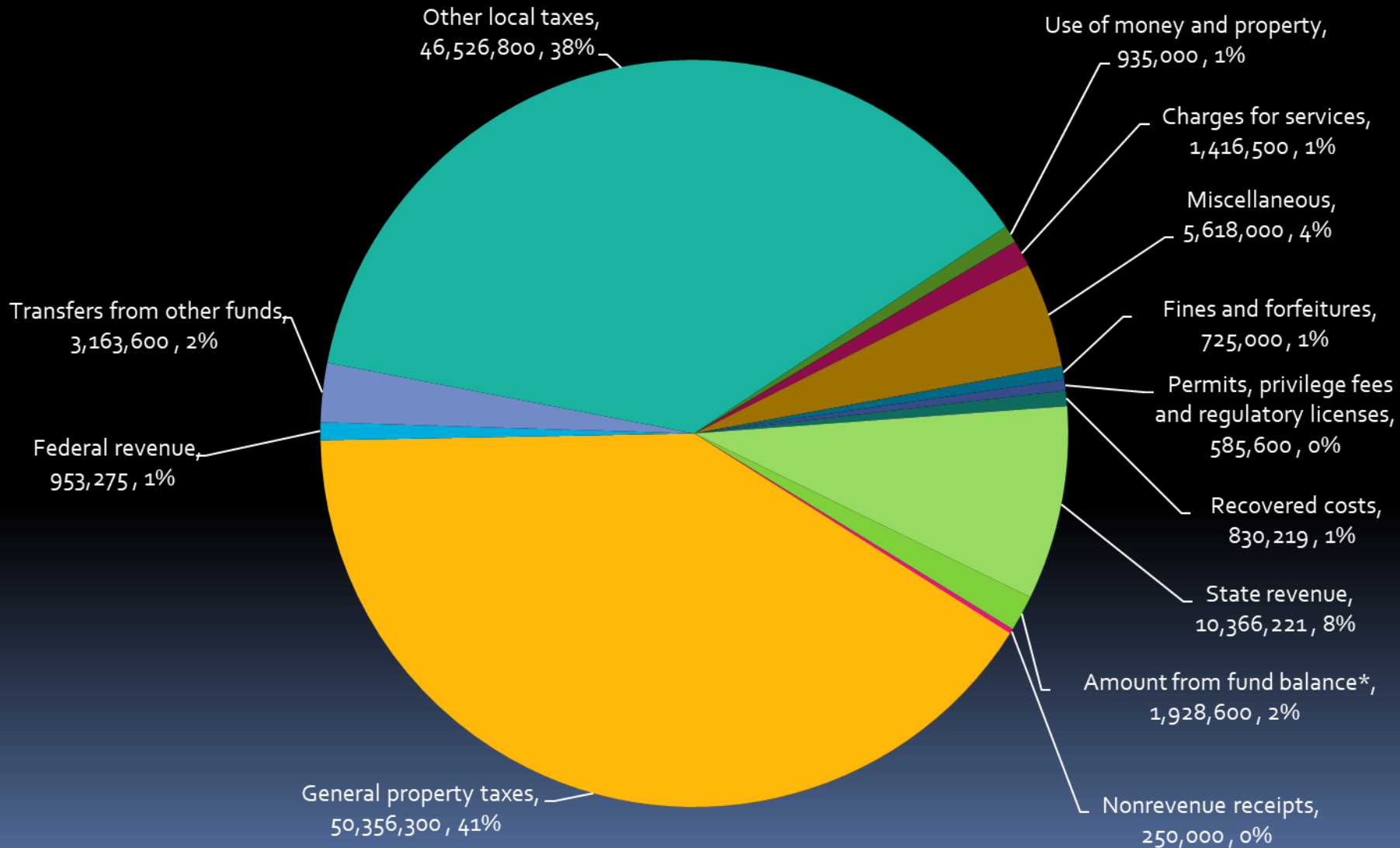
All Funds Expenditures

FUND		BUDGET	% of Budget
General Fund	\$	123,655,115	45.06%
School		83,538,256	30.44%
School Nutrition		4,426,503	1.61%
Emergency Communications Center (ECC)		6,238,782	2.27%
Community Development Block Grant		560,000	0.20%
School Transportation		4,213,405	1.54%
General Capital Projects		2,925,000	1.07%
ECC Capital Projects		550,000	0.20%
Water Capital Projects		3,357,725	1.22%
Sewer Capital Projects		1,186,848	0.43%
Stormwater Capital Projects		667,500	0.24%

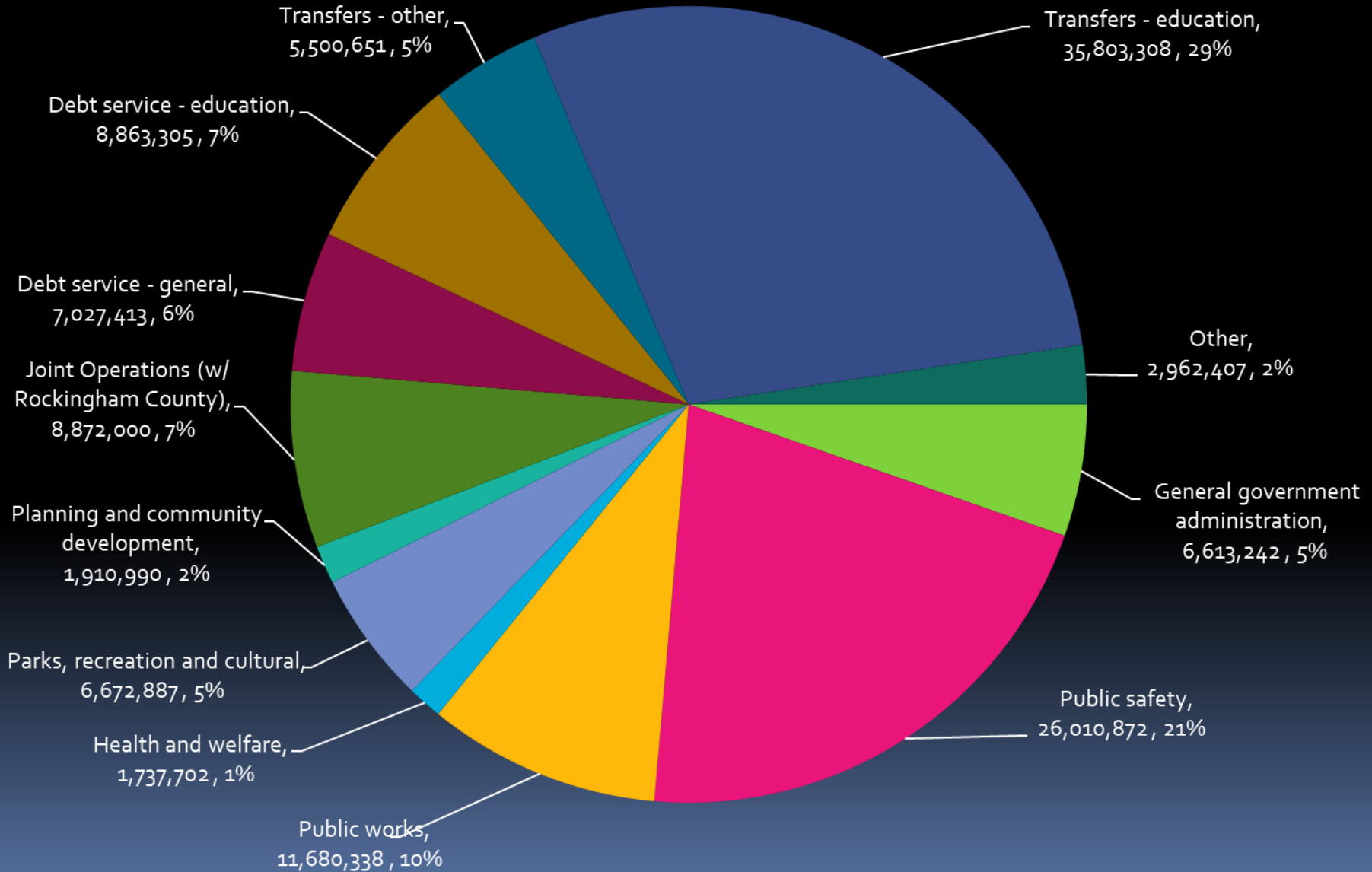
All Funds Expenditures (cont'd.)

FUND		BUDGET	% of Budget
Water		12,311,100	4.49%
Sewer		14,126,700	5.15%
Public Transportation		8,912,500	3.25%
Sanitation		4,449,375	1.62%
Business Loan Program		125,000	0.05%
Stormwater		1,412,300	0.51%
Central Garage		1,586,420	0.58%
Central Stores		178,806	0.07%
	Total	\$ 274,421,335	100.00%

General Fund Revenues



General Fund Expenditures



Year Over Year General Fund Revenues

FUNCTION	FY 2019 Adopted	FY 2020 Proposed	Increase (Decrease)	Percentage Change
General Property Taxes	48,348,000	50,356,300	2,008,300	4.15%
Other Local Taxes	44,068,800	46,526,800	2,458,000	5.58%
Permits and Fees	623,100	585,600	(37,500)	-6.02%
Fines and Forfeitures	760,000	725,000	(35,000)	-4.61%
Use of Money and Property	562,500	935,000	372,500	66.22%
Charges for Services	1,428,500	1,416,500	(12,000)	-0.84%
Miscellaneous	5,547,500	5,618,000	70,500	1.27%
Recovered Costs	861,744	830,219	(31,525)	-3.66%
State Revenue	10,202,191	10,366,221	164,030	1.61%
Federal Revenue	130,800	953,275	822,475	628.80%
Nonrevenue Receipts	50,000	250,000	200,000	400.00%
Transfers	2,036,700	3,163,600	1,126,900	55.33%
Fund Balance	1,206,683	1,928,600	721,917	59.83%
Total	115,826,518	123,655,115	7,828,597	6.76%

Year Over Year General Fund Expenditures

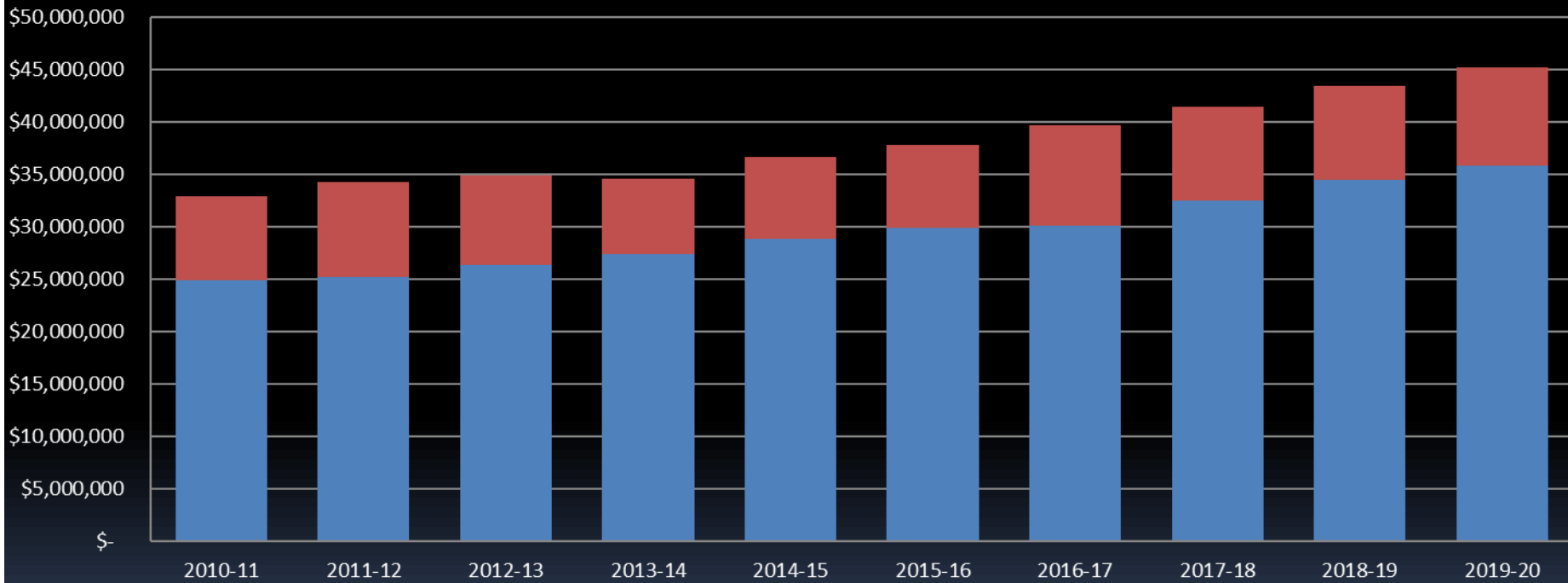
FUNCTION	FY 2019 Adopted	FY 2020 Proposed	Increase (Decrease)	Percentage Change
General Government Administration	5,778,243	6,613,242	834,999	14.45%
Public Safety	25,434,525	26,010,872	576,347	2.27%
Public Works	11,011,849	11,680,338	668,489	6.07%
Health and Welfare	1,533,796	1,737,702	203,906	13.29%
Parks, Recreation and Cultural	6,571,333	6,672,887	101,554	1.55%
Community Development	1,963,035	1,910,990	(52,045)	-2.65%
Joint Operations (County)	8,649,898	8,872,000	222,102	2.57%
Debt Service-General	7,093,041	7,027,413	(65,628)	-0.93%
Debt Service-Education	8,455,778	8,863,305	407,527	4.82%
Transfers-Other	3,916,745	5,500,651	1,583,906	40.44%
Transfers-Education	34,419,222	35,803,308	1,384,086	4.02%
Other	999,053	2,962,407	1,963,354	196.52%
Total	115,826,518	123,655,115	7,828,597	6.76%

FY 19-20 Primary Items of Impact

- \$1,384,000 Increase in Transfer to School Board
- \$816,000 3% Salary Increase
- \$425,000 Increase in Debt Service for new High School Property
- \$1,000,000 Transfer related to the Conference Center
- \$348,000 Increase in Contributions to Middle River Regional Jail
- \$125,000 Increase in Contribution to CSB for New Facility Construction
- \$906,000 VDOT Grant funded projects
- \$1,928,600 Fund Balance (Fire Station 4 Renovation, Kids Castle Renovation, MLK Bridge Repairs, City-wide Phone Replacement Program, Public Works Equipment)
- \$1,131,400 Transfer from Health Insurance Fund
- \$276,000 6 New Positions (PD-Tech Support Spec. and Police Resource Spec., FD-Training/Health and Safety Position and City Risk Manager. Shared Positions with the County: ECC Operations Manager and Criminal Justice Position.

History of School Appropriations

■ HCPS Allocation ■ Add'd Funding From City



City Council Support of Education

	Required Local Effort (RLE)*	Actual Local Expenditures	Difference	
FY 17-18	\$15,635,132	\$33,668,811	\$18,033,679	115.34%
FY 16-17	\$15,112,784	\$29,433,803	\$14,321,019	94.76%
FY 15-16	\$14,488,045	\$29,825,653	\$15,337,608	105.86%
FY 14-15	\$13,774,962	\$29,013,953	\$15,238,991	110.63%
FY 13-14	\$13,908,880	\$28,131,371	\$14,222,491	102.25%

*Source: State Supt. Memos; "Final and Projected Payments"

Community Contributions

Options for Council's Consideration:

1. Fund all organizations that received funding in FY19 at the same level and do not add any additional organizations in this budget.
2. Fund all organizations that received \$5,000 or more in last budget year at a 5% reduction. Redirect the savings from the 5% reduction to fund new applicants.
3. Allow the City Manager to reallocate funding to organizations providing services related to the City Vision priority areas identified by City Council

All options include:

- New minimum qualifications for FY21
- Begin requirement for organizations to roll-off for one year before reapplying after receiving 5 consecutive years of funding

Cost Drivers Beyond FY 19-20

- New High School (Architecture/Engineering/Construction)
- Completion of Eastern Raw Water Line
- Fire Station 5
- Renovations to Municipal Building
- Vehicle and Equipment replacement needs
- Chicago Ave/Mt. Clinton Pike
- Elizabeth and Water Street deck replacement
- Completion of Smithland / Ramblewood Parks
- Completion of both the Northend Greenway and Bluestone Trail.
- Downtown Streetscape improvements
- Environmental Action Plan Implementation
- Downtown Master Plan and Parking Study
- Etc.



Schedule for Budget Consideration

- April 23, 2019
 - Budget Public Hearing
- May 14, 2019
 - Real Estate Tax Rate Public Hearing
 - Final Adoption
- May 31, 2019
 - Charter Required Date for Budget Adoption.



QUESTIONS?