



City of Harrisonburg

PROPOSED BUDGET

FOR THE FISCAL YEAR JULY 1, 2018 – JUNE 30, 2019



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.



2018-2019 Budget Highlights

- No Tax Rate or Unscheduled Fee Increases
- 3% Increase in Real Estate Tax Revenue from Increased Assessments
- Increase in the Contribution from HEC
- 2.5% Salary Increase for City Employees
- No Increase in Health Insurance Rates
- Slight Decrease in VRS Retirement Rates
- Increase in Worker's Compensation Premiums
- \$1 million increase in transfer to School Board

Tax & Fee Recommendations:

Tax Rate	Increase/Decrease	2017-18 Rate	Proposed 2018-19 Rate
Real Estate	\$0.00/\$100	\$0.85	\$0.85
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	\$15.55	\$17.00
	(increase for avg. user \$17.40/yr)		
Sewer*	\$.09/1000 gal	\$27.85	\$28.30
	(increase for avg. user \$5.40/yr)		

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

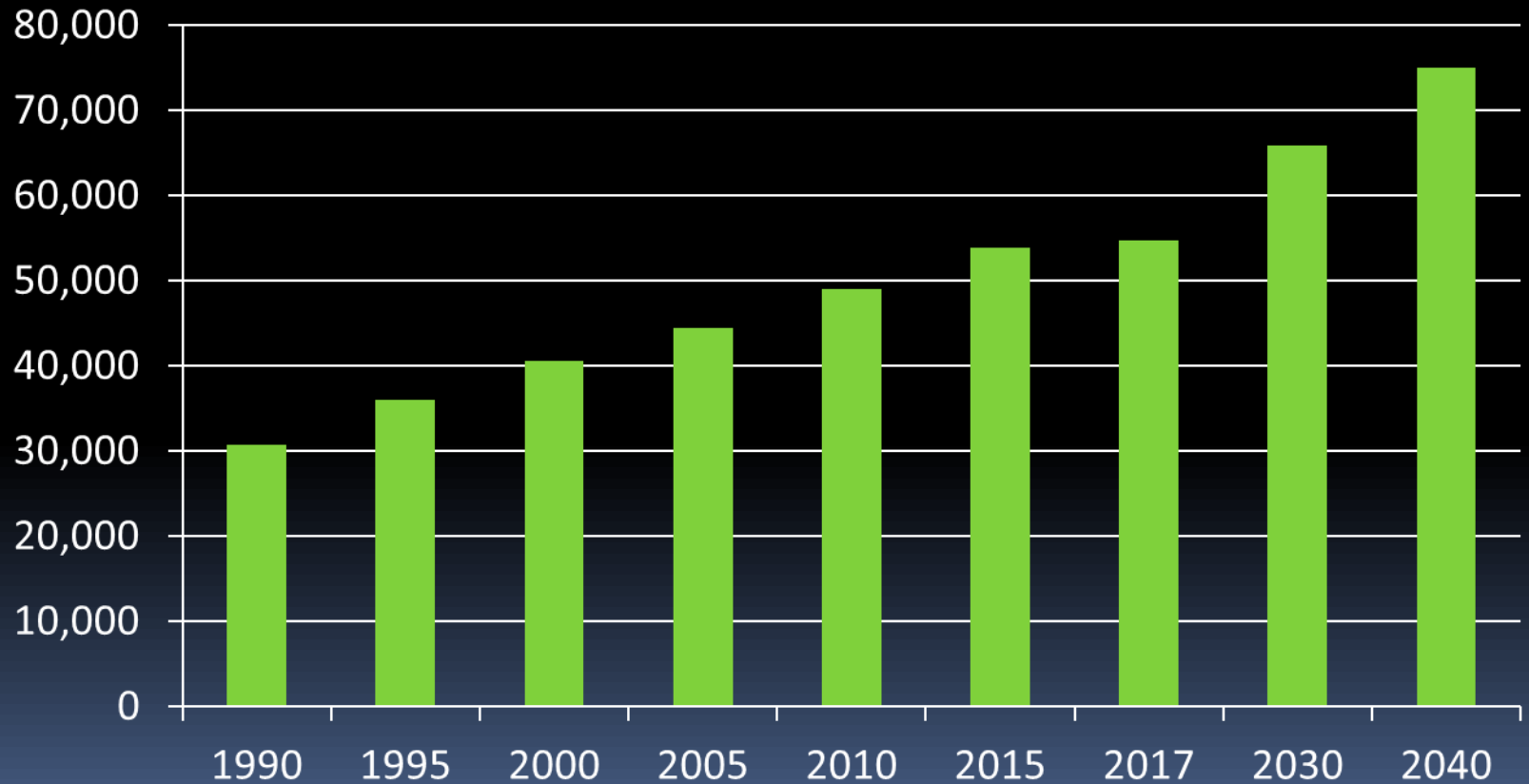
Population Estimates and Comparables

POPULATION		% increase since 2010	Real Estate	Personal Property
Harrisonburg	54,689	11.8%	\$0.85	\$3.50
Charlottesville	49,132	13.1%	\$0.95	\$4.20
Lynchburg	80,380	6.4%	\$1.11	\$3.80
Staunton	24,761	4.3%	\$0.97	\$2.90
Waynesboro	21,955	4.5%	\$0.93*	\$5.00
Winchester	28,005	6.9%	\$0.91	\$4.50
Rockingham County	80,666	4.5%	\$0.74	\$3.00
* Proposed for FY 2018-19				

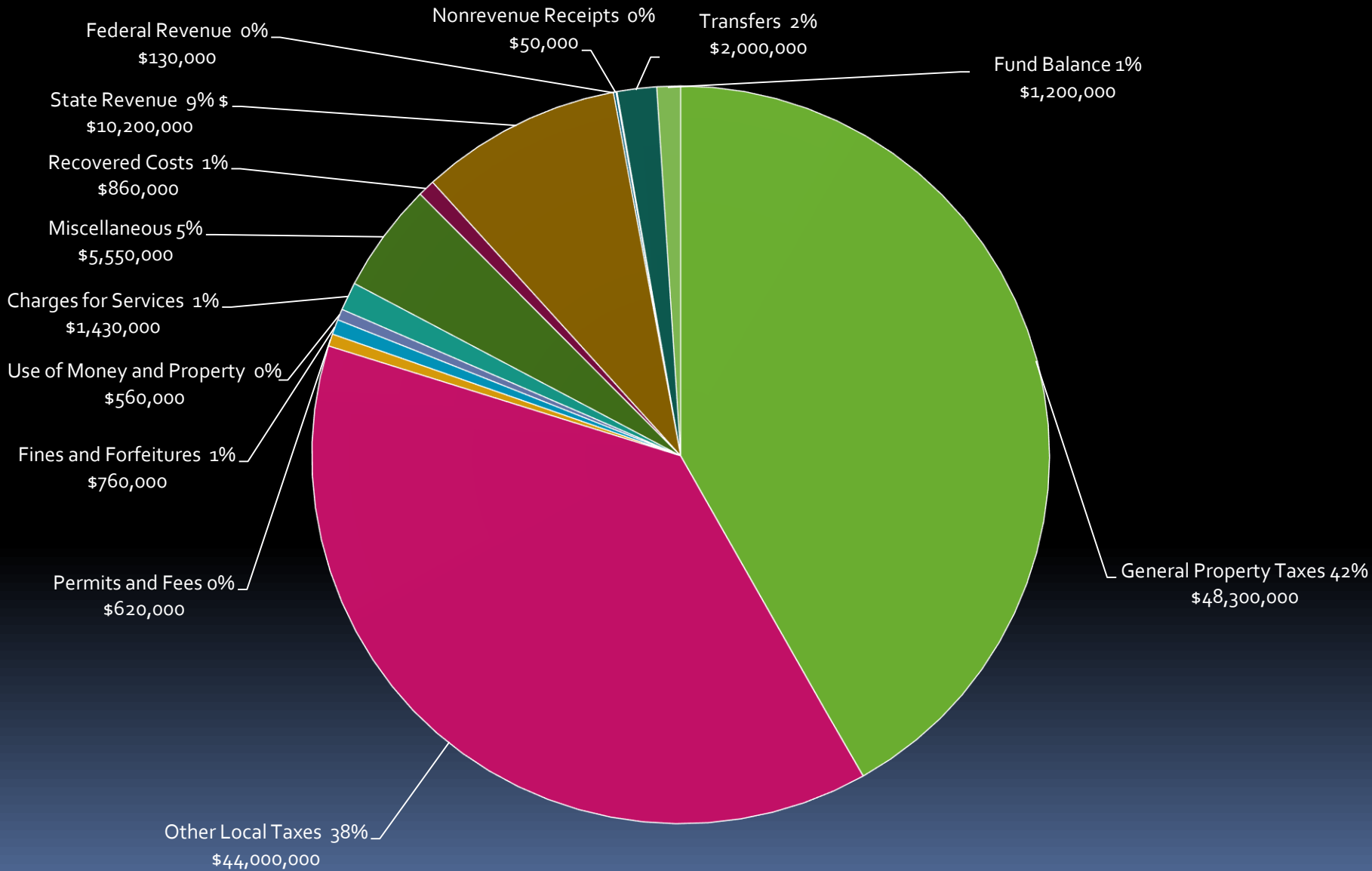
Harrisonburg Population

Weldon Cooper Center Annual Population Estimate with Future Projections

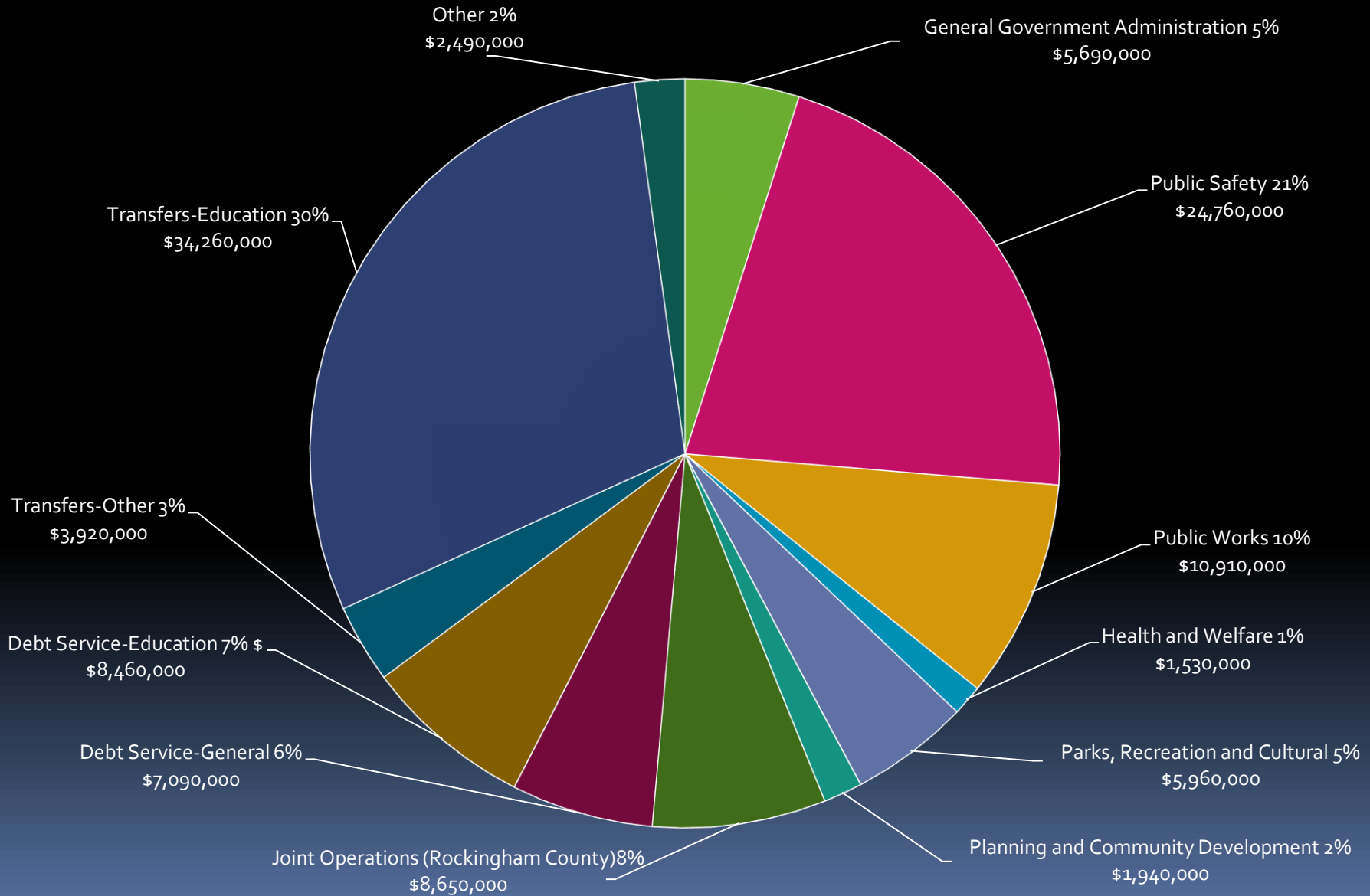
Population



General Fund Revenues



General Fund Expenditures



Year Over Year General Fund Revenues

FUNCTION	FY 2018 Adopted	FY 2019 Proposed	Increase (Decrease)	Percentage Change
General Property Taxes	46,564,600	48,299,400	1,734,800	3.73%
Other Local Taxes	43,567,139	43,967,400	400,261	0.92%
Permits and Fees	551,100	623,100	72,000	13.06%
Fines and Forfeitures	670,500	760,000	89,500	13.35%
Use of Money and Property	362,500	562,500	200,000	55.17%
Charges for Services	1,432,500	1,428,500	(4,000)	-0.28%
Miscellaneous	5,351,500	5,547,500	196,000	3.66%
Recovered Costs	861,269	861,744	475	0.06%
State Revenue	10,071,541	10,202,191	130,650	1.30%
Federal Revenue	214,100	130,800	(83,300)	-38.91%
Nonrevenue Receipts	50,000	50,000	0	0.00%
Transfers	1,983,050	2,036,700	53,650	2.71%
Fund Balance	0	1,200,000	1,200,000	
Total	111,679,799	115,669,835	3,990,036	3.57%

Year Over Year General Fund Expenditures

FUNCTION	FY 2018 Adopted	FY 2019 Proposed	Increase (Decrease)	Percentage Change
General Government Administration	5,648,111	5,693,239	45,128	0.80%
Public Safety	24,069,872	24,762,849	692,977	2.88%
Public Works	10,879,162	10,908,165	29,003	0.27%
Health and Welfare	1,412,488	1,533,796	121,308	8.59%
Parks, Recreation and Cultural	5,651,568	5,958,176	306,608	5.43%
Community Development	1,933,109	1,944,197	11,088	0.57%
Joint Operations (County)	8,561,816	8,649,898	88,082	1.03%
Debt Service-General	6,610,112	7,093,041	482,929	7.31%
Debt Service-Education	8,480,210	8,455,778	-24,432	-0.29%
Transfers-Other	3,350,703	3,916,745	566,042	16.89%
Transfers-Education	33,262,539	34,262,539	1,000,000	3.01%
Other	1,820,109	2,491,412	671,303	36.88%
Total	111,679,799	115,669,835	3,990,036	3.57%

All Funds Expenditures

FUND		BUDGET	% of budget
General Fund	\$	115,670,000	44.59%
School		79,600,000	30.69%
School Nutrition		4,428,000	1.71%
Emergency Communications Center (ECC)		5,614,000	2.16%
Community Development Block Grant		506,000	0.20%
School Transportation		4,177,000	1.61%
General Capital Projects		1,423,000	0.55%
Water Capital Projects		2,835,000	1.09%
Sewer Capital Projects		1,336,000	0.52%
Sanitation Capital Projects		74,000	0.03%
Stormwater Capital Projects		1,079,000	0.42%

All Funds Expenditures (cont'd.)

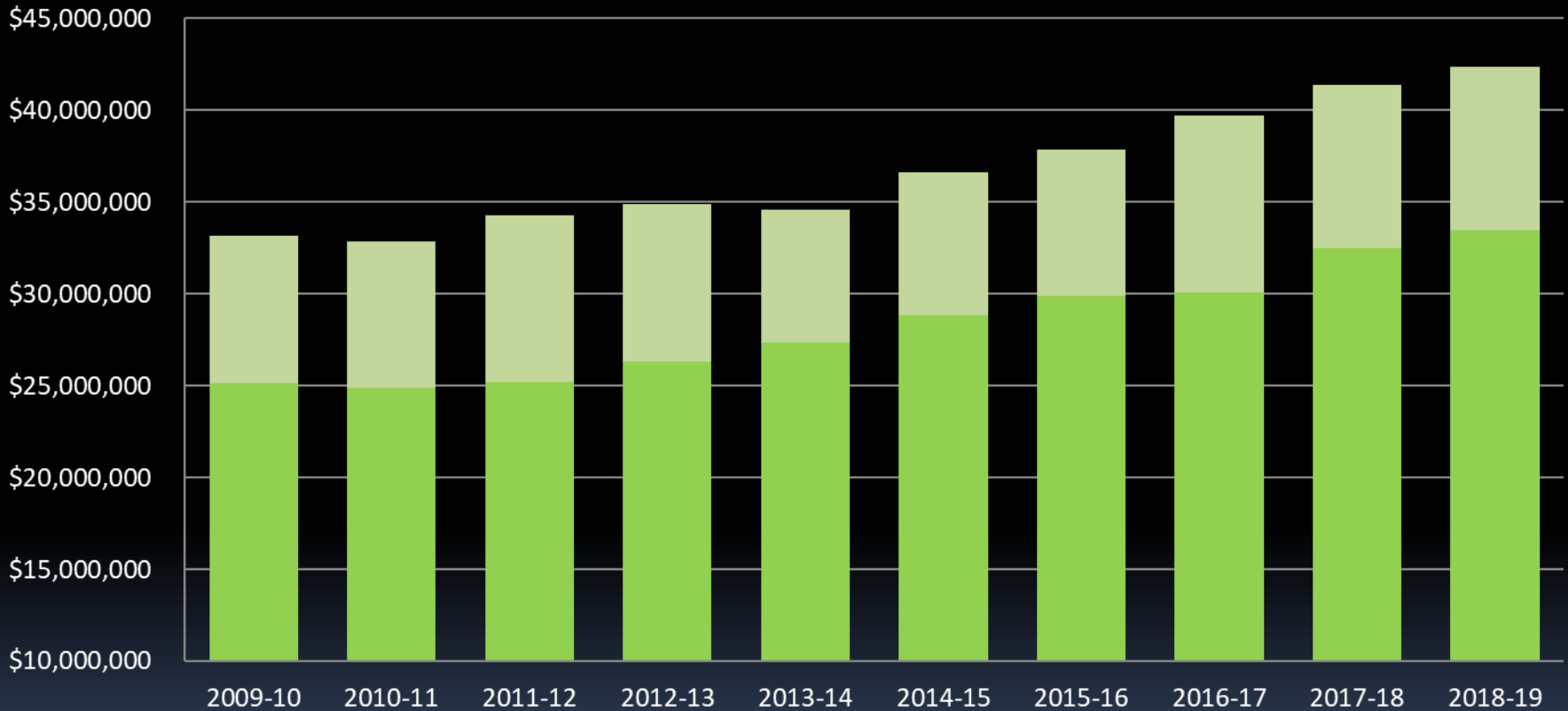
FUND		BUDGET	% of Budget
Water	\$	11,576,000	4.46%
Sewer		13,389,000	5.16%
Public Transportation		8,686,000	3.35%
Sanitation		5,586,000	2.15%
Business Loan Program		125,000	0.05%
Stormwater		1,594,000	0.61%
Central Garage		1,526,000	0.59%
Central Stores		182,000	0.07%
Total	\$	259,406,000	

FY 18-19 Primary Items of Impact

- \$1,000,000 Increase in Transfer to School Board
 - (This is 36% of new General Fund revenue while the Schools currently represent approximately 30% of the City's General Fund budget.)
- \$619,000 2.5% Salary Increase
- \$488,000 Increase in Debt Service for Mobile Radio Purchase
- \$125,000 Increase in Contribution to CSB for New Facility Construction
- \$159,000 Full Year Budgeted for 5 Police Positions added in FY 2018
- \$107,000 Assistant to the City Manager Position
- \$525,000 Funding Provided for City-County Jail HVAC Project
- \$200,000 Funding Provided for A&E for Fire Station 4 Renovations
- \$148,000 Matching Funding Provided for VDOT Funded Projects
- \$1,200,000 Fund Balance (South Main Street and Port Republic Road Improvements, Fire Engine and Conference Center EDA Grant)

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 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%
FY 12-13	\$13,011,599	\$27,546,286	\$14,534,687	111.71%

*Source: Virginia Department of Education, "Required Local Effort & Required Local Match"

Cost Drivers Beyond FY 18-19

- New High School (Land acquisition in FY19, Architecture/Engineering)
- Completion of Eastern Raw Water Line
- Renovations to Fire Station 4 / 5th Station?
- Renovations to Municipal Building
- Vehicle and Equipment replacement needs.
- Stone Spring/Erickson Phase 4, Chicago Ave/Mt. Clinton Pike; others.
- Elizabeth and Water Street deck replacement
- Completion of Smithland / Ramblewood Parks
- Completion of both the Northend Greenway and Bluestone Trail.
- Downtown Streetscape improvements
- Risk Manager Position
- Etc.



Schedule for Budget Consideration

- May 8, 2018
 - Budget Public Hearing
- May 22, 2018
 - Real Estate Tax Rate Public Hearing
 - Final Adoption
- May 31, 2018
 - Charter Required Date for Budget Adoption.



QUESTIONS?