



# City of Harrisonburg, VA Proposed Budget

For the Fiscal Year  
July 1, 2015 to June 30, 2016

# General Fund Revenues

FUNCTION		BUDGETED AMT
Amount from fund balance	\$	748,372
General property taxes	\$	40,358,900
Other local taxes	\$	38,891,857
Permits, privilege fees and regulatory fees	\$	455,270
Fines and forfeitures	\$	565,000
Use of money and property	\$	175,000
Charges for services	\$	1,412,900
Miscellaneous	\$	5,330,500
Recovered costs	\$	969,197
State revenue	\$	9,686,301
Nonrevenue receipts	\$	35,000
Transfers	\$	1,846,800
<b>Total</b>	<b>\$</b>	<b>100,475,097</b>



# General Fund Expenditures

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FUNCTION		BUDGETED AMT
General Government Administration	\$	4,938,949
Public Safety	\$	21,581,970
Public Works	\$	10,129,657
Health and Welfare	\$	1,195,566
Parks, Recreation and Cultural	\$	5,197,181
Planning and Community Development	\$	1,934,144
Non-Departmental	\$	8,961,826
Debt Service	\$	13,276,266
Transfers	\$	33,259,538
<b>Total</b>	<b>\$</b>	<b>100,475,097</b>



# Where Your Local Tax Dollar Goes...

General Government Administration  
\$.05

Public Safety  
(Police, Fire,  
Inspections, Animal  
Control, etc.)  
\$.22

Transfers  
(School & Sanitation funds, etc.)  
\$.33

Health & Welfare  
(Health Dept., CSB, etc.)  
\$.01

Public Works  
\$.10

Debt Service  
\$.13

Planning & Community  
Development  
\$.02

Non-Departmental  
(Joint Services w/Rock. Co., CSA, community & civic groups, Airport, etc.)  
\$.09

Parks, Recreation & Cultural  
\$.05



# All Funds Expenditures

<b>FUNCTION</b>		<b>BUDGETED AMT</b>
General Fund	\$	100,475,097
School	\$	66,624,320
School Nutrition	\$	3,470,534
Emergency Communications Center	\$	4,853,378
Community Development Block Grant	\$	542,005
School Transportation	\$	3,101,793
General Capital Projects	\$	367,335
ECC Capital Projects	\$	1,496,744
Water Capital Projects	\$	815,000
Sewer Capital Projects	\$	425,000
Sanitation Capital Projects	\$	100,000
Stormwater Capital Projects	\$	806,000
Water	\$	8,616,533
Sewer	\$	11,840,777
Public Transportation	\$	8,299,632
Sanitation Fund	\$	6,436,795



# All Funds Expenditures (cont'd)

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<b>FUNCTION</b>		<b>BUDGETED AMT</b>
Business Loan Program	\$	50,000
Stormwater Fund	\$	1,788,100
Central Garage	\$	1,269,756
Central Stores	\$	162,894
<b>TOTAL</b>	\$	<b>221,541,693</b>

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# Revenue Highlights

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- ▶ Total revenue increase of just over \$6.6M for All Funds compared to FY 14 original budget.
- ▶ Some growth in revenue from commercial & retail (sales, meals, lodging, BPOL).
- ▶ Growth in Street and Highway Maintenance funding.
- ▶ Real estate revenue has essentially remained flat. About \$650K increase from new construction.



# Revenue Highlights

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- ▶ \$2.161M increase in state revenue for School Fund.
- ▶ \$1,788,100 in new stormwater fee revenue shown.
- ▶ \$205K in additional water revenues generated from a proposed rate increase of \$0.10 per 1000 gallons.
- ▶ \$518K in additional solid waste mgt fees generated from a proposed increase of \$3 per month.
- ▶ \$2.578M increase in Federal capital revenue for Transit.





## Expenditure Highlights

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- ▶ Middle River Regional Jail (MRRJ). The budget includes \$1,986,165 in new funding for the City's share of the buy-in, operational costs and existing debt service.
- ▶ ECC Radio Project. The City's share of the project is \$748,372.
- ▶ ECC Personnel Increases. Four communicator positions are proposed for the coming fiscal year. These are the first personnel additions since the City and County emergency communication centers were consolidated in 2007. The City's share of these positions is \$121,000.



## Expenditure Highlights (cont'd)

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- ▶ **Community Services Board.** Increase is due to higher costs in the following areas – a new “Access to Services” model, staff salary alignment to attract and retain qualified employees; and health insurance. “Access to Services” model and compensation increases will be phased in over a two-year period. Requires an increase of \$191,418 in City appropriation to CSB.
- ▶ **Social Services.** The proposed budget includes funding for four new foster care workers (all local funds) and a three-step, three year approach to increase salaries is being implemented to increase salaries. The City’s share of these increases is \$276,761.



## Expenditure Highlights (cont'd)

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- ▶ Salary adjustments (from FY 14-15). While no salary increase is proposed for FY 15-16, Council implemented the 2nd phase of the 2014 salary study this past January. A full year cost of this increase required adding \$600,000 to the proposed budget.
- ▶ Debt service. The addition of debt service for the ABM project, Ramblewood Project and the City Hall resulted in a net increase of \$414,357 for debt service payments.
- ▶ Police Department. Five new positions requested for a “Community Action Team”. This budget proposes a January 1, 2016 start-up at a cost of \$190,000.



## Expenditure Highlights (cont'd)

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- ▶ School Board Request. The request includes funding for a 2% salary increase, health insurance cost increases and seven new positions. The request for new funding totals of \$1,166,000.
  - ▶ Shared Services (Jail, Courts, etc.). New costs in the amount of \$597,000. Of that amount, \$260,000 is for one-time capital expenses, and \$337,000 going to a new Day Reporting program and Jail Data Analyst position, pay and health insurance increases for shared constitutional office employees, a new pre-trial services position, and two new positions with the Sheriff's Office (a deputy and an investigator position).
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## Recommendations for Balanced Budget:

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Tax Rate	Increase	2014-15 Rate	Proposed Rate
Real Estate Tax Rate	\$0.06/\$100	\$0.69	\$0.75
Water fee	\$0.10 per thousand gallons	\$13.38*	\$13.88*
Solid Waste Mgt. Fee	\$3 per month	\$25/mo.	\$28/mo.
* Based on avg residential use of 5000 gallons/ month			



# Comparable Localities

City	Population	Real Estate	Personal Property
Lynchburg	77,874	\$1.11	\$3.80
Charlottesville	47,783	\$0.95	\$4.20
Winchester	27,200	\$0.95	\$4.50
Staunton	24,647	\$0.95	\$2.75
Waynesboro	21,661	\$0.80	\$5.00
Rockingham Co.	78,953	\$0.68*	\$2.90*
<b>Harrisonburg</b>	<b>52,612</b>	<b>\$0.75*</b>	<b>\$3.50</b>
Median for Independent Cities:		\$1.04	\$4.00
Ranking of 38 VA Cities	12th	33rd	

\*Proposed rate for FY 15-16

Source: Weldon Cooper Center for Public Service & Comparative Report for Local Government

## Water & Sewer Rates (residential)

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Based on 5000 gallons / month usage:

City	Water	Sewer
Winchester	\$ 39.40	\$ 50.80
Charlottesville	\$ 33.54	\$ 40.18
Waynesboro	\$ 29.58	\$ 50.05
Lynchburg	\$ 18.76	\$ 40.62
Rockingham Co.	\$ 15.67	\$ 25.45
<b>Harrisonburg</b>	<b>\$ 13.88</b>	<b>\$ 27.33</b>
DA Avg. Benchmark*	\$ 30.98	\$ 39.88

\*Source: Draper Aden, 25th Annual Virginia Water and Wastewater Rate Report 2013

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# Budget Emphasis on meeting Core Service Needs:

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- ▶ **Education**
- ▶ **Public Safety**
- ▶ **Human Services**
- ▶ **Water**
- ▶ **Solid Waste Management**





# Projects Underway, Nearing Construction Phase, or in Design Phase:

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- ▶ Reservoir Street Widening
  - ▶ Smithland Park Soccer Fields
  - ▶ Ramblewood Park and Landfill Remediation
  - ▶ New City Hall
  - ▶ Carleton Street Roundabout
  - ▶ Park View Water Tank
  - ▶ Chicago Avenue/Mt. Clinton Pike Widening
  - ▶ Stone Spring Erickson Phase 4 (pending)
  - ▶ North End Greenway Phase 1 (design pending)
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## Additional Projects Pending:

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- ▶ New Elementary School & Pre-K Facility – anticipated to be in the \$35M range with projected impact of \$2M/yr in debt service and \$1.0 – 1.5M/yr in operating costs
  - ▶ Completion of Eastern Water Line – est. cost of \$20M
  - ▶ Police Records Management/Crime Analysis System – est. cost of \$980K
  - ▶ Replacement of Pleasant Valley Road Bridge – est. cost of \$1.5M
  - ▶ Construction of Solid Waste Transfer Station/Conversion of Recycling Facility – est. cost of \$1 - 2M.
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## Additional Projects Pending: (cont'd)

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- ▶ Completion of Bluestone and NEG bike trails (beyond Phase 1) – estimated at \$2 -3M
- ▶ Completion of Ramblewood Park restoration – estimated at \$2.8M
- ▶ Renovations to existing Municipal Bldg – est. of \$2-3M



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▶ **END**

