

FY 2024

City Manager's Recommended Budget

City of Fredericksburg

April 18, 2023



City of Fredericksburg, VA
Recommended Budget
Fiscal Year 2024



Agenda

FY 2024 Recommended Budget

- Budget at a Glance
- Personal Property Update
- Proposed Propositions
- Upcoming Meeting Schedule

FY 2024 BUDGET AT A GLANCE - RECAP

- Recommended General Fund Budget \$120,552,445.
- A total of 5 full-time positions and 1 PT to FT conversion in the General Fund, 3 Social Services Fund positions, and 4 Transit Fund positions.
- Implementation of Classification/Compensation Study and Cost of Living Adjustment.
- Additional funding in the amount of \$250,000 over FY 2023 for the Fredericksburg City Public Schools.
- Real Estate Tax Rate increase from \$0.86 to \$0.88 per \$100, generating approximately \$912,000. An additional three pennies were advertised, which if approved would take the tax rate from \$0.86 to \$0.91.
- Hotel Lodging Tax increase from 6% to 8%, generating approximately \$560,000.
- Change in Parks and Recreation Fees and EMS Fees.
- Use of Regional Detention Facility Stabilization Reserve in the amount of \$682,288.
- Transfer to Capital Projects Fund in the amount of \$3,396,165.

Personal Property Update

- The current advertised rate is \$3.40 per \$100, alterations to the rate may be deemed appropriate once more information is received from the Commissioner of Revenue. The Commissioner of Revenue has submitted the second file to NADA which was actually received today but will need to be loaded into our system to analyze. There are additional assessments done in their office such as business equipment and other vehicle types that are still ongoing.
- A discussion will be scheduled for the worksession at the 4/25 meeting and staff will be requesting first and second read on the rate at the regular meeting that evening. The rate will be determined based off of the tax base of assessed vehicles.

PROPOSITIONS AND CITY STAFF RECOMMENDATIONS OF SOURCES

- Consider two or three additional pennies to potentially further advance public safety, and other salaries, while considering some budget offsets.

TWO PENNIES WILL ACCOMODATE THE COMPENSATION PLAN THAT WAS PRESENTED TO CITY COUNCIL ON 4/11/2023.

- Reinstate level funding from FY 2023 from \$60,000 to \$80,000 for Thurman Brisben Shelter.
- Increase funding for Sister Cities from \$2,000 to \$6,000.
- Increase funding for Micah for the Cold Weather Shelter in the amount of \$38,000.
- Add a Medic position to the Fire Department budget (\$97,168 full year or \$48,584 half year).



\$912,000 – Two Pennies RE
 (\$861,373) – Compensation and Outside
Agency Requests
 \$50,627 – Remaining Funds

Options:
 -Add to contingency
 -Reduce attrition savings
 -Funding of Medic position- ½ year

- Additional funding for the Schools budget request and the idea of the Schools giving the City the funding back if additional State funding is secured and approved. This amount is \$484,500 to fully fund their request.

RESERVE DOLLARS FROM THE GENERAL FUND UNASSIGNED FUND BALANCE TO SHOW THE SCHOOLS THE CITY COMMITMENT IF THE STATE DOESN'T APPROVE ANY ADDITIONAL FUNDING. THIS WILL ALLOW THE SCHOOLS TO WRITE AND SECURE PERSONNEL CONTRACTS AS THE STATE BUDGET WILL POSSIBLY NOT BE APPROVED UNTIL LATE JUNE. THIS USE OF FUND BALANCE WOULD BE REEVALUATED AND APPROPRIATED ONCE FINAL INFORMATION IS RECEIVED FROM THE STATE.

Upcoming Budget Meetings

<p>4/25/23</p>	<p>5:30 pm 7:30 pm</p>	<p>Work Session: FY 2024 Budget Discussion Regular Session – First Reading on the FY 2024 Budget</p>	<p>Budget Discussion</p>
<p>5/9/23</p>	<p>7:30 pm</p>	<p>Regular Session – Second Reading on the FY 2024 Budget</p>	

Thank you

Questions?



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