

# 2023 Proposed Budget Draft 3-22-2022



THE PLACE TO BE.  
CHRISTIANSBURG VA

# Proposed Budget for July 1, 2022 to June 30, 2023

Our Budget is comprised of 6 distinct funds:

## **Water and Sewer Enterprise**

All revenues, expenses and capital acquisitions are maintained within this fund and is not supported by any revenues from the general fund.

## **Storm Water Enterprise**

All revenues, expenses and capital acquisitions are maintained within this fund and is occasionally supported by the general fund for major capital improvements.

## **Special Revenue**

All revenues and expenditures are for a specified purpose as determined by the source of revenue. Some of these are funded by specific grants from the State and or Federal government.

# Proposed Budget for July 1, 2022 to June 30, 2023

## **Capital Projects**

These funds are used to account for capital projects that are not part of the enterprise funds such as streets, trails, sidewalks. Many of these projects are funded at least in part by state and federal grants with the general fund supporting any costs over and above any grant proceeds.

## **Cemetery Fund**

This fund is required by generally accepted accounting principles (GAAP) to be in a permanent fund because we are required to build a fund that when lots are no longer available for sale the proceeds from the fund can provide income for continuous care of the cemetery.

## **General Fund**

This is the primary fund of the government that collects revenues from all sources other than those belonging to another fund, all tax revenues, meals lodging etc. This is also the fund that houses all the activities and programs of the government. Administration, police, fire, rescue, recreation, aquatics, planning engineering etc.

# Proposed Budget for July 1, 2022 to June 30, 2023

- As Required by our Budget Policy we are presenting you with our proposed budget for fiscal year 2023.
- Economic outlook not as gloomy as prior years, except for the very high inflation rate. Meals lodging and sales tax are all trending upward and exceeding current year expectations.
  - Meals tax revenues are trending 15% above last year 13% over 2019 pre-covid numbers. We are projected a moderate 2% increase in meals tax for FY 23
  - Lodging tax revenues are trending 9% over 2019 pre covid numbers and we are projecting a moderate increase for FY 23 of 2%.
  - Sales tax is projected to run about 6% over last year. We are projecting a 1% increase for FY 2023

# Proposed Budget for July 1, 2022 to June 30, 2023

- This budget is proposed as what is needed to sustain operations and continue capital improvements throughout the Town in the upcoming year.

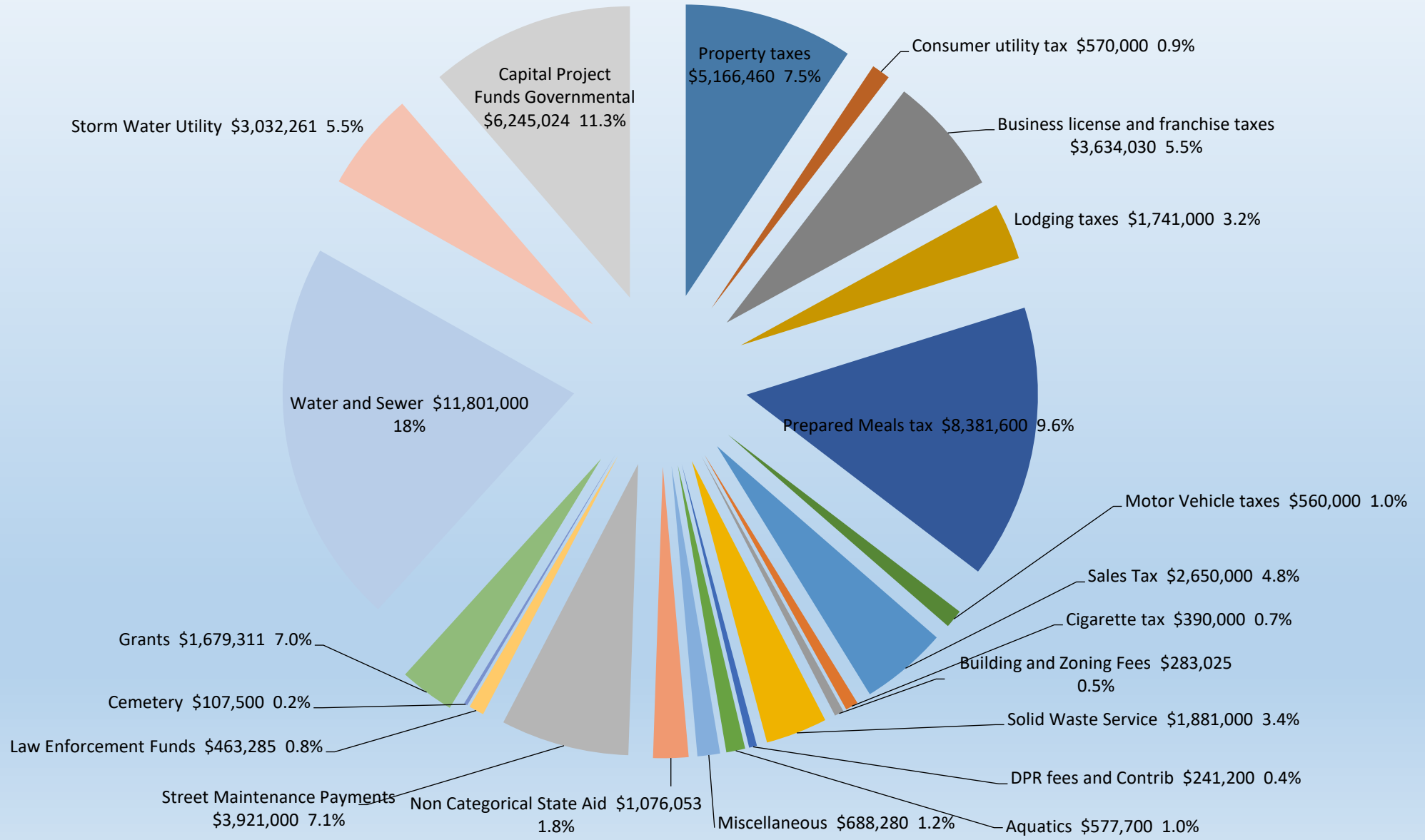
- Sources of Funds:

• Revenues all Funds	55,089,728
• General fund assigned	600,000
• General fund Unassigned	9,798,756
• Special Revenue fund balances	2,792,667
• Water & Sewer enterprise fund balances	4,657,776
• Storm Water Enterprise fund balances	<u>1,217,944</u>
• Total sources of funds	74,156,871

# Proposed Budget for July 1, 2022 to June 30, 2023

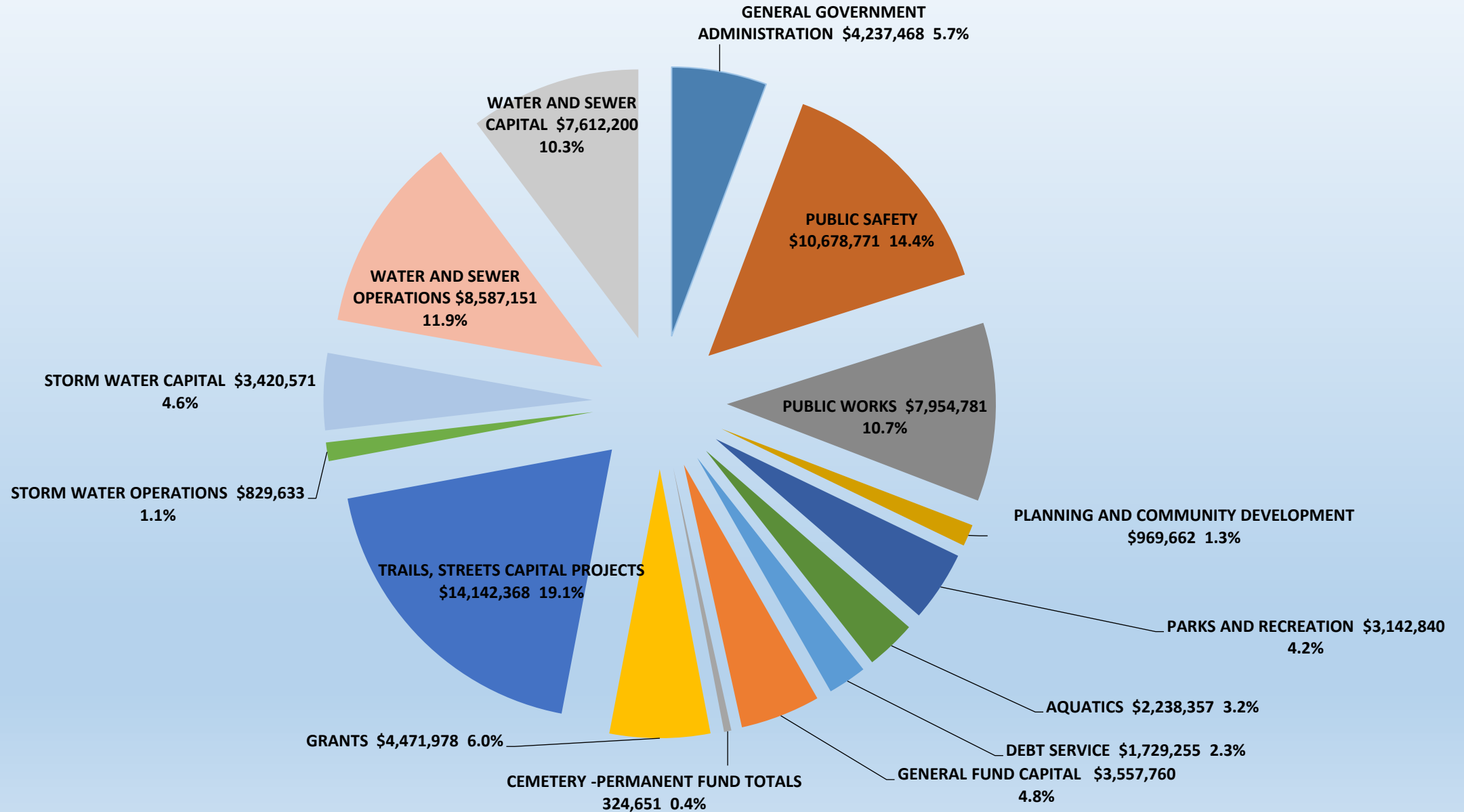
# BUDGET 2023 REVENUES

## \$55,089,728 Where the funds come from



# APPROPRIATIONS 2022-2023 BUDGETS

## \$74,156,871 What the funds are spent on





# Proposed Budget Fiscal Year 2022-2023 Budget

- Includes a Proposed water rate increase for 2023 that was deferred from 2022
  - The 2022 scheduled rate change is from \$9.00 monthly for the first 1,000 gallons to \$10.00 per month. There is no change in fees for use over 1,000 which is currently \$11 per 1,000 gallons. There are no other scheduled increases.
  - The water authority intends to continue to raise their rates at 2% per year. Our cost per 1000 gallons from the water authority is increased to \$4.05 for this budget.
- There are no other proposed fee increases.
- We have made adjustments to operating budgets for increased costs of materials and fuel.
- At this point all funds except the cemetery have operating revenues in excess of expenditures to use toward capital expenditures.

# Proposed Budget Fiscal Year 2022-2023 Budget

- The proposed budget includes the continued construction of the Regional Park and related costs and debt service.
- 4 new full-time positions:
  - 4 fulltime EMS providers funded through revenue recovery
- The proposed budget also includes a 2% merit pool for employees to be implemented in November 2022.
- 5% Cost of Living Adjustment (COLA) and targeted increases after the COLA to bring all our employees to a wage that is competitive to our adjoining local governments.
- Part time wages increases to reflect a minimum of \$15 per hour.

# Fiscal Year 2022-23 Budget

## MAJOR CAPITAL PROJECTS:

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- Several of these projects have been under design for awhile and are now reaching construction stage.
- Tower Road signal engineering and design and construction in 2018-2022
- Arbor Drive Signal engineering and design and construction 2018-2022
- Annual paving and primary extension paving and street reconstruction
- Roanoke Street Sidewalks
- Truman Wilson/Regional Park Development
- Hickok Street Improvements
- Industrial Park storm water improvements
- Buffalo Tank Replacement
- Arrowhead and Cambria Basin
- Pedestrian improvements on North and South Franklin
- Trail lighting
- Replacement of HVAC units at Aquatic center
- Roanoke Street water line replacement
- Upgrade water & sewer pump stations
- Design and engineering of upgrades to the WWTP
- College street drainage study and design

# Fiscal Year 2022-23 Budget – Community Support

	2023	2022
Boy Scouts of America	2,500	5,000
Boys and Girls Club	10,000	10,000
Children's Trust NRVCAC	7,000	7,000
Christiansburg Institute	10,000	10,000
Christiansburg Library/Montgomery Regional Library	15,000	15,000
Good Samaritan Hospice	5,000	5,000
Literacy Volunteers	1,738	1,655
Montgomery county Christmas Store	5,000	5,000
Montgomery County Emergency Assistance Program	3,000	3,500
Montgomery County Art & Museum	18,000	18,000
NRV Area on Aging	5,049	4,719
New River Community Action/Family Shelter	3,500	3,500
New River Community Action/To Our House	2,100	2,100
New River Community Action/Intervention	9,312	8,869
NRV Cares Children's Advocacy	5,000	5,000
Community Center Old Hill	11,450	-
Salvation Army	10,000	10,000
ACCE Program	50,000	50,000
Wonder Universe	25,000	20,000
United Way of Montgomery Radford a& Floyd Salvation Army	-	10,000
YMCA at VT	10,000	-
TOTALS	208,649	194,343

# Proposed Fiscal Year 2022-2023 Budget – Assigned

<b>Rescue Truck Reserve</b>		<b>50,000</b>
<b>Recreational Reserve</b>		<b>250,000</b>
<b>Street Maintenance</b>		<b>50,000</b>
<b>Public Works Complex</b>		<b>70,000</b>
<b>Aquatics Maintenance</b>		<b>500,000</b>
<b>Retaining Wall Reserve</b>		<b>180,000</b>
<b>Software Reserve</b>		<b>200,000</b>
<b>Treatment plant reserve</b>		<b>200,000</b>
<b>Emergency Services Bldg</b>		<b>100,000</b>
<b>TOTAL</b>		<b>1,600,000</b>

# Proposed Fiscal Year 2022-23 Budget

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- Use of assigned reserves in the proposed draft are \$600,000 and use of general fund unassigned reserves for capital and capital projects and support of cemetery is \$9,798,756
- Projected Unassigned Fund Balance of \$17,166,933 (41.98%). This is within our adopted Fund Balance policy (a minimum of 30% of operating expenses with a target of 35-40%).
- A total budget of \$74,156,871 (\$42,539,360) operating and \$31,617,511 capital).

# Proposed Fiscal Year 2022-23 Budget

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- The Budget Document is presented a bit differently this year as we are preparing the budget document in the new software as the financial phase of the project will go live in July.
- The biggest change you will notice is that we have separated more clearly each of the different fund types into separate exhibits and they are presented more as a list than individual pages for each program.
- Reference to the table of contents will help you navigate the document more easily.
- If you need additional assistance with navigating it please let me know.

# Budget 2022-2023

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## Next steps:

Hold budget work sessions with Council as needed

Hold public hearing on the water rate increases

Hold public hearing on the budget

Consider comments from the public hearings, make adjustments to budget as deemed appropriate.

Final budget approval