

# Town Council Proposed Budget Presentation 2025 March 26, 2024



THE PLACE TO BE.  
**CHRISTIANSBURG** VA

# Proposed Budget- Fiscal Year 2024-2025

**Town's 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- Fiscal Year 2024-2025

## **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- Fiscal Year 2024-2025

- Town's Budget Policy requires the first draft be presented second meeting in March (3/26/2024).
- Overall, economic outlook relatively good
  - Meals tax is still trending upward and exceeding current year expectations. YOY trending up 7% Projecting 1% increase for 2025
  - Sales tax has been trending up about 4% so far this year, we are projecting 2% increase for 2025
  - Lodging taxes are not as strong as last year and are actually down slightly, holding this revenue stream flat for 2025

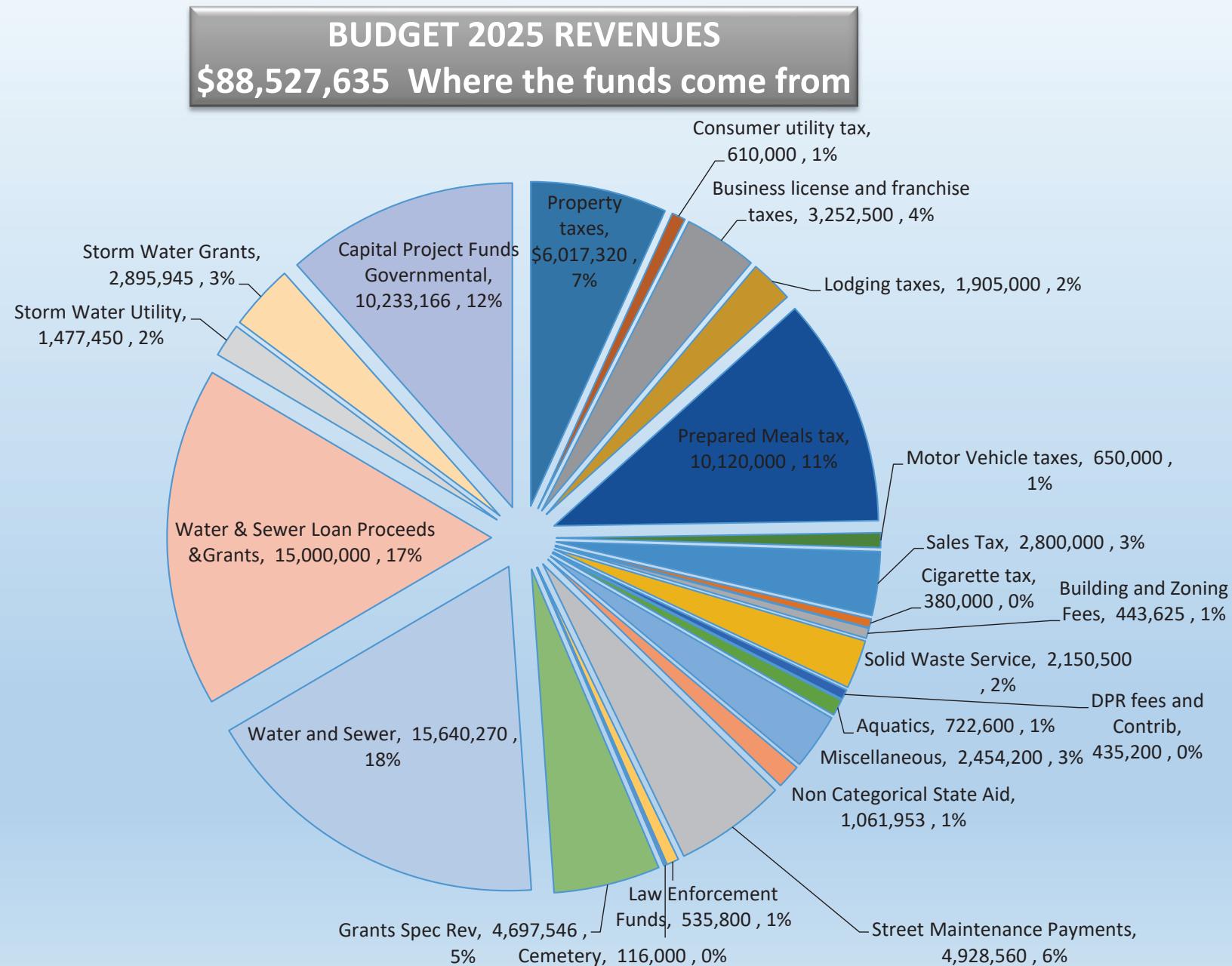
# Proposed Budget- Fiscal Year 2024-2025

- **Personal Property Tax**
  - Expected to remain relatively flat for next year
- **Real Estate Taxes**
  - Projected slight increase in revenues from increased property values and development occurring within Town
- **No proposed increases in water, sewer or garbage fees**
- **No other proposed fee increases for 2025**

# Proposed Budget- Fiscal Year 2024-2025

- 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 73,527,636
  - Water and Sewer Loan Proceeds 15,000,000
  - General fund assigned 6,764,835
  - General fund Unassigned 9,456,674
  - Special Revenue fund balances 139,320
  - Water & Sewer enterprise fund balances 3,895,312
  - Storm Water Enterprise fund balances 2,540,298
  - Total sources of funds 111,324,075

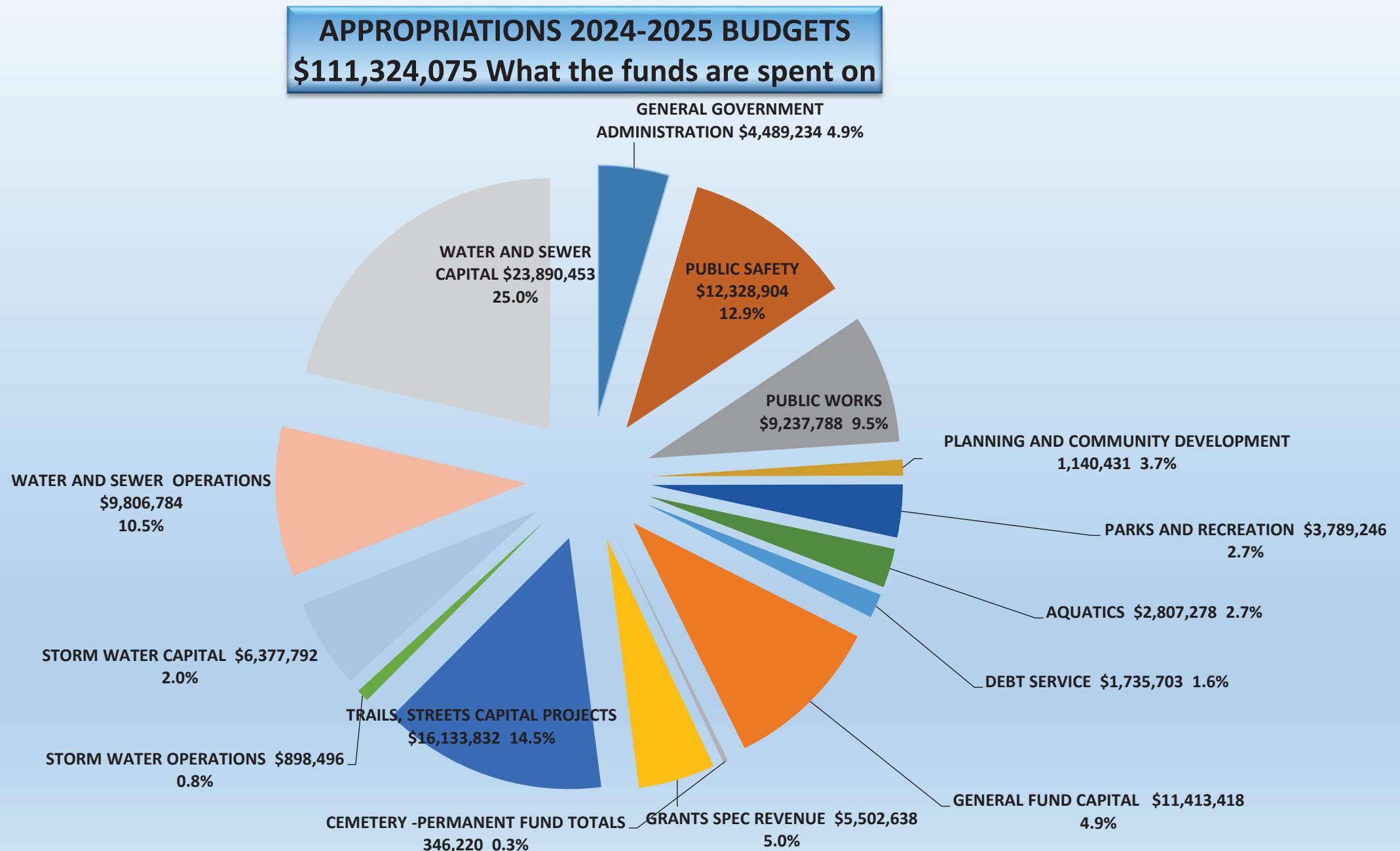
# Proposed Budget- Fiscal Year 2024-2025



# Proposed Budget- Fiscal Year 2024-2025

• Uses of Funds:	
• General Fund Operations	36,116,096
• General Fund Capital	11,413,418
• Cemetery Operations & Capital	306,220
• Capital Projects	16,133,832
• Special Revenue Operations & Capital	5,502,638
• Water & Sewer Operations	10,750,700
• Water & Sewer Capital	23,784,833
• Storm Water Operations	898,496
• Storm Water Capital	<u>6,377,792</u>
• Total Uses	111,324,075

# Proposed Budget- Fiscal Year 2024-2025



# Proposed Budget- Fiscal Year 2024-2025

- The difference between revenues and expenditures is primarily the reappropriation of funds from projects not completed in prior years and use of assigned and unassigned fund balances.
- Operating expense increases are primarily from salary and wages, added personnel, increased cost of materials and services. The increases are reasonable in light of inflationary trend post covid.
- Operating revenues are also up due to inflation.

# Proposed Budget- Fiscal Year 2024-2025

## New positions in FY 2024-2025 Budget:

- Four new positions included in this budget based on our work session of 3-4-2024
  - Fire department, 1 fulltime fire fighter
  - Rescue 2 EMS positions
  - Police Department 1 New officer

## COLA -Merit

- Town of Christiansburg proposed:
  - 3% COLA - \$498,000 annually (\$332,000 budget amount)
  - 2% Merit - \$373,500 annually (\$249,000 budget amount)

# Proposed Budget- Fiscal Year 2024-2025

## Capital General Fund

- HVAC system at Aquatic center
- Recreation Center renovations
- 2 new solid waste trucks committed last year
- Fire station Design, footprint
  - Full list of capital items starts on page 37 of the budget document

# Proposed Budget- Fiscal Year 2024-2025

## Capital Projects

- Reduced some of the capital projects going into next year since we have committed to a number of very large projects over the next couple years from general fund resources.
- The Franklin Bridge Deck resurfacing is still included
- The Aquatic center HVAC air quality improvement

# Proposed Budget- Fiscal Year 2024-2025

## Capital Projects: Water and Sewer Fund

- Several ongoing and new large capital projects in the water and sewer fund. We reduced a few of these based on revenue and fund balance availability to fund.
- The low-interest loan through VRA for projects that need to be done to upgrade the plant and reduce future possible DEQ violations will need approval to proceed this evening. We held the public hearing on March 12, 2024.

# Proposed Budget- Fiscal Year 2024-2025

## Capital Projects: Water and Sewer Fund

- Buffalo Tank
- East End Waterline
- Silver Lake Interceptor
- Arrowhead Sewer Shed
- Pump station upgrades
- Waste Treatment Plan upgrades

# Proposed Budget- Fiscal Year 2024-2025

## Capital Projects: Storm Water Fund

- Hickock Street improvements
- Industrial Park Storm Water Management
- The College Street Drainage project
- College Street Phase 2
- Blue Leaf Channel Stabilization Project

# Community Support Applications

All community support items are in this draft. I have only received three surveys back.

<b>Community Support</b>		
<b>Description</b>		<b>Amount</b>
Boy Scouts of America		\$5,000.00
Boys and Girls Club		\$10,000.00
Literacy Volunteers		\$2,103.00
Montgomery county Christmas Store		\$5,000.00
Montgomery County Emergency Assistance Program		\$5,000.00
Montgomery County Art & Museum Requested \$10,000		\$10,000.00
New River Community Action/Family Shelter		\$5,000.00
New River Community Action/To Our House		\$5,000.00
New River Community Action/Intervention		\$10,000.00
NRV Cares Children's Advocacy		\$5,000.00
Community Center Old Hill		\$10,000.00
Salvation Army		\$10,000.00
Community Group		\$500.00
		<b>\$82,603.00</b>
<b>Community and Economic Development</b>		
Tourism 85% Of 1%		\$179,445.00
Economic Dev Comm		\$5,250.00
Vt Airport		\$60,000.00
Nrv Pdc & Mpo		\$39,120.00
Nrv Airport Comm		\$23,611.00
SBA Development Center		\$7,000.00
NRV Passenger Rail		\$8,500.00
Montgomery/Floyd Library		\$15,000.00
Nrv Area on Aging		\$9,500.00
ACCE Program		\$50,000.00
		<b>\$397,426.00</b>

# Proposed Budget- Fiscal Year 2024-2025

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## Next steps:

- Work Sessions with Council as requested
- Hold public hearing on the budget May 14 or 28
- Consider comments from the public hearings and make adjustments to budget as deemed appropriate
- Final budget approval must be approved by June 30, 2024

# Proposed Budget- Fiscal Year 2024-2025

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## QUESTIONS AND DISCUSSION