

CHARLOTTESVILLE CITY COUNCIL

Budget Work Session

March 10, 2022 at 6:00 PM

Virtual/electronic meeting via Zoom

Call to Order/Roll Call

The Charlottesville City Council met in an electronic meeting on Thursday, March 10, 2022, in accordance with a local ordinance amended and re-enacted on March 7, 2022, to ensure continuity of government and prevent the spread of disease during the coronavirus State of Emergency. Mayor Lloyd Snook called the meeting to order at 6:02 p.m. with all councilors present: Mayor Lloyd Snook, Vice Mayor Juandiego Wade, and Councilors Sena Magill, Michael Payne and Brian Pinkston.

Interim City Manager Michael C. Rogers began the budget discussion, noting a 12.46% balanced budget increase over the prior year.

Krisy Hammill, Senior Budget and Management Analyst, reviewed the meeting agenda, and shared information about the Budget Visualization tool on the City website at www.charlottesville.gov/budget for General Fund line items.

Ms. Hammill and Commissioner of the Revenue Todd Divers answered Council questions about revenues from city-owned properties, AirBnBs and homestay fees, and various other taxes.

Major expenditure drivers include:

- Generally, all departments increased at least 8%, with 2% COLA (Cost of Living Adjustment) as of July 1, 2021, and 6% mid-year COLA given in January 2022
- Increased fixed costs in fuel, Information Technology replacements, and risk management costs
- Tax and rent relief programs
- Funding for City Schools
- Funding for City Schools Capital Improvement Projects
- Employee compensation
- Debt service and Capital Improvement Fund
- Department additions - seven new full-time-equivalent positions

Council discussed staff vacancies. Councilor Magill indicated interest in filling a position for Measurements and Solutions and Mayor Snook emphasized the need to hire staff to help get through the backlog of Council-approved projects.

Ms. Hammill advised that the March 17 budget work session will address outside and non-profit agencies. The FY 2023 Vibrant Community Funding Report was made available on the City website.

Council decision points were discussed.

Mr. Pinkston requested various tax increase scenarios. For the record he recommended Option 2 of the school renovation options presented by VMDO consultants and he recommended right sizing the Buford Middle School project, at a lower cost.

Council discussion ensued about debt capacity, property taxing authority, increasing costs, Council's original intent for school reconfiguration funds, the need to consider multiple budget cycles, and operational capacity.

Ms. Hammill mentioned the 7-day tax advertising deadline for the tax public hearing and Ms. Robertson shared legal advertisement guidelines. Council agreed to advertise a 0.5% meals tax increase for further discussion during budget work sessions.

Council discussed the Council Strategic Initiatives Fund and designating funds for a City Manager Initiatives fund.

Ms. Hammill clarified the need for the April 7 work session and summarized action steps.

The remainder of the Budget Calendar is as follows:

- March 17: Work session, 6:00pm, Outside and Non-Profit Agencies
- March 21: Public Hearings, 6:30pm, Tax Rates and Proposed Budget
- March 23: Community Budget Forum, 6:00pm
- March 31: Work session, 6:00pm, Capital Improvements Program
- April 4: Public Hearings, 6:30pm
- April 7: Work session, 6:00pm -Remaining budget issues and wrap up
- April 12: Budget Approval by City Council, 5:30pm

The meeting adjourned at 8:26 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council