

**WAYNESBORO, VIRGINIA
CITY COUNCIL BUDGET WORK SESSION
AND CITY MANAGER’S RECOMMENDED BUDGET PRESENTATION
MINUTES**



Council for the City of Waynesboro, Virginia held a Budget Work Session and received the City Manager’s Recommended Fiscal Year 2024 Budget on Monday, April 3, 2023 at 6:09 p.m. in the Council Chambers of the Charles T. Yancey Municipal Building, 503 West Main Street, Waynesboro, Virginia.

PRESENT: Council Members: Lana Williams, Mayor
Jim Wood, Vice Mayor
Bruce Allen, Council member
Terry Short, Jr., Council member
Kenny Lee, Council member

City Staff: Michael Hamp, City Manager
Todd Wood, Assistant City Manager-Operations
Michael Wilhelm, Assistant City Manager-Public Safety
Cameron McCormick, Assistant City Manager-Finance
Julia Bortle, Clerk of the Council

ABSENT: None

CITY MANAGER’S BUDGET PRESENTATION FOR FISCAL YEAR 2024

This year’s General Fund recommended budget balances at \$61.9 million and with a real property tax rate of \$.79. The General Fund increases by \$4.7 million or 8.3% over the current budget. It preserves the current level of service and programs and includes a limited number of expenditure increases, notably:

- \$520,000 to provide for a portion of debt service for Nature’s Crossing Technology Center
- 5% average compensation increase for employees
- 7% increase for health insurance premiums for employees fully covered by the city
- \$1.4 million increase for Waynesboro schools per the funding agreement
- \$125,000 to outsource the city enterprise software

Council’s stated priorities for the fiscal year 2024 budget include:

- Affordability but maintain current service level
- Nature’s Crossing Technology Park
- Restore or unfreeze Police positions
- Additional funding for Voter Registrar’s Office

The budget, based on the recommended real estate tax of \$.79, addresses only one Council priority, Nature’s Crossing, but does afford tax relief from the increase in tax liability due to the assessment.

The proposed budget does not provide for the additional implementation of the compensation study. It attempts to address inflation at a fraction of the actual price increases experienced. Increases in the utility funds address the inflationary forces and provide wage increases for employees.

The City Manager made a presentation regarding his recommended budget (attached to the official transcript of these minutes), noting:

- General Fund – Retreat Priorities
- Noteworthy Expenditure Changes
- Noteworthy Revenue Changes
- Use of Fund Balance and Supplemental Cuts
- Potential Decision Points/Changes
- Capital Investment Plan
- Enterprise Fund Overview
- Next Steps and Feedback

The Assistant City Manager-Finance reviewed revenues and expenditures and the items that drive the changes, notably compensation and benefits, school funding formula, CIP increase for Nature’s Crossing Technology Park and street maintenance. Revenue changes include real estate tax revenue, sales and meals tax, personal property, and VDOT urban maintenance.

Potential uses of the fund balance and supplemental requests not funded were reviewed. The City Manager noted that there are no plans to reduce current services. The budget, however, does not insulate the city from potential impact due to external factors.

Proposed Enterprise fund rates were explained, including water, sewer, stormwater utility fee, and refuse collection.

The Assistant City Manager-Finance then reviewed the Capital Investment Plan and the City Manager reviewed the Enterprise Fund proposed rate increases.

The next steps to the budget preparation process were reviewed, and the meeting concluded at 7:08 p.m.

Julia Bortle, MMC, Clerk of Council

Lana Williams, Mayor