



BUDGET IN BRIEF

A Citizen's Guide to the Fiscal Year 2015 General Fund Budget



Winchester
finance *Virginia*

Introduction

The City's Funds

The accounts of the City are organized into funds. A fund is a group of related accounts used to control money that has been earmarked for specific activities or objectives. By keeping revenue in its appropriate funds, the City is able to obey laws that require certain money to be spent on specific uses. That means the City may not raise water bills to pay for police services, for example. Of the City's adopted budget, most of the big spending decisions occur within the City's general fund.

General Fund

The fund where the City has the most discretion is the General Fund. The two major sources of funding for the General Fund are general property taxes and other local taxes combined. These two sources make up 81.14% of the General Fund budget.

Capital Improvement Plan (CIP)

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include projects such as street construction, public buildings, traffic systems, park improvements, sewers, water infrastructure, etc. Capital projects tend to be costly, so the City issues bonds to help cover the cost. The City uses the cash received from bond sales to pay for capital projects, and repays investors over time at tax exempt interest rates determined by competitive bids received at the time the bonds were issued. This process is similar to a homeowner taking out a home improvement loan to complete a major home repair project.

Bond Ratings

The City's bonds receive Aa2 from Moody's and AAA from Standard & Poor's, which is the highest rate possible. The ratings represent the strength of the City's credit and thus the safety of investing in City bonds. The City's top bond ratings reflect the sound financial management of the City and allow the City to borrow money from investors at low interest rates.

Fiscal Year

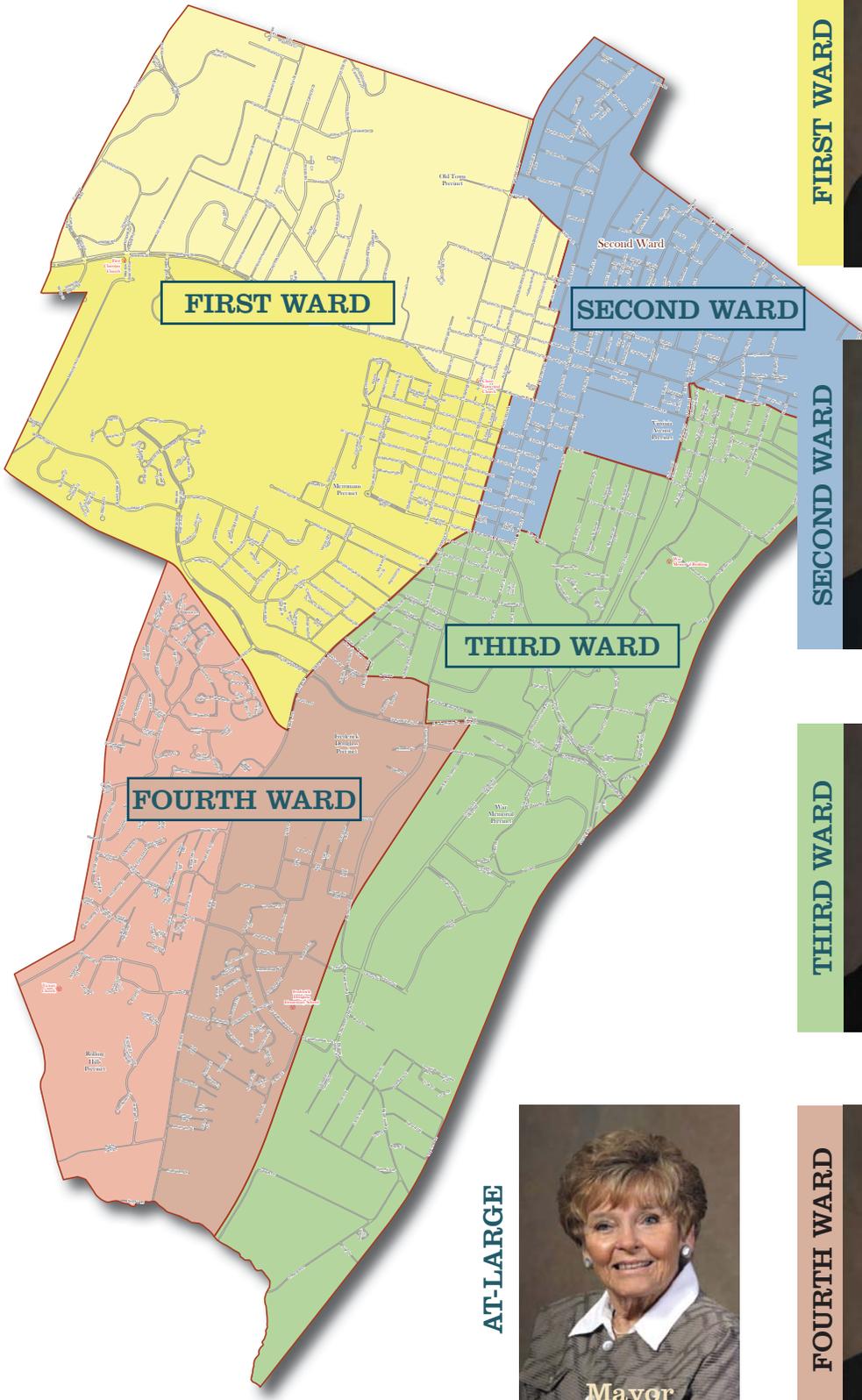
The City operates on a fiscal year (July 1 - June 30) instead of a calendar year (January - December).

Budget in Brief

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City Council



FIRST WARD



Jeff Buettner
Elected 1998



Vice Mayor
Les Veach
Elected 2008

SECOND WARD



Evan Clark
Elected 2006



John Hill
Elected 2008

THIRD WARD



Corey Sullivan
Appointed 2014



Vice-President
Milt McInturff
Elected 2008

FOURTH WARD



President
John Willingham
Elected 2008



John Tagnesi
Elected 2010

AT-LARGE

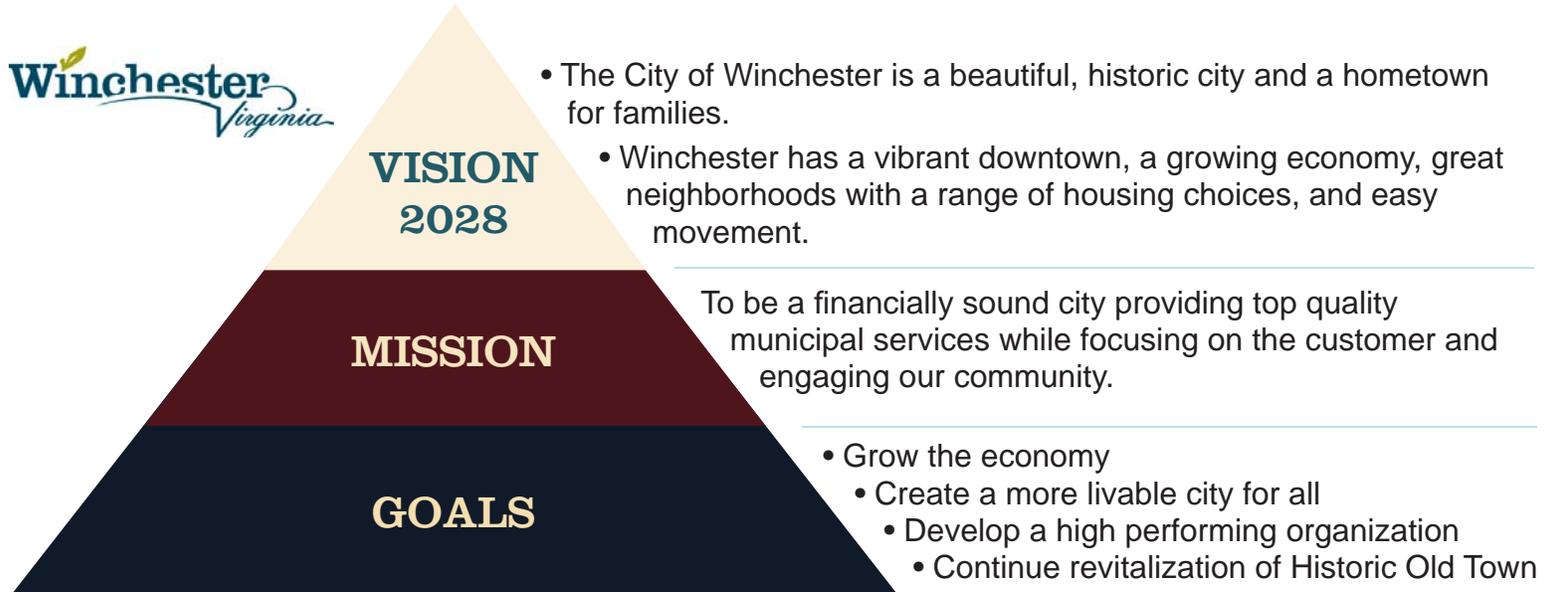


Mayor
Elizabeth Minor
Elected 1980
Elected Mayor 2004

City Council FY 2015 Goals

City Council's Goals

Annually, the City of Winchester engages in strategic planning to determine City-wide goals and strategic directions. In 2013, the Mayor and City Council articulated four goals to be accomplished in 2014-2015. These goals guide the elected officials during the budget process as they decide how to commit the City's resources.



Budget in Brief

Capital Improvement Projects (CIP):

1. Carried Forward from FY14 (Bond Proceeds)	
• John Kerr Elementary School	\$20,000,000
• Public Safety Communications Project	5,000,000
2. Carried Forward from FY14 (Fund Balance)	
• Park Athletic Field Improvements	185,000
• Green Circle Trail	200,000
3. FY15 Additional (Fund Balance)	
• National Avenue Gateway Project	700,000
• Hope Drive Extension	150,000
• Entryway Welcome Signs	50,000
• Traffic Synchronization	250,000
• Meadow Branch Extension	350,000
• Sidewalks (Master Plan)	550,000
• Paving (Master Plan)	400,000
• City Hall Brick Repairs	300,000
• War Memorial Building Brick Repairs	150,000
Total FY15 CIP Projects	\$28,285,000

Other Budget Highlights:

1. New Positions Added	
• Admin. Assistant I (Finance/HR)	
• Secretary (Commonwealth Attorney's Office)	
• Two Firefighters	
• Emergency Management Tech.	
• Maintenance Tech I (Parks & Recreation)	
2. Strategic Plan Items Funded	
• National Historic District Revisions	\$9,000
• Parks & Recreation Needs Assessment	35,000
• Enterprise Zone Incentives	100,000
• Succession Plan/Org. Study	80,000
• Leadership Training	13,000
• Class/Compensation Study	47,000

ALL FUNDS	FY14 Adopted Budget	FY15 Adopted Budget	FY15 Incr/(Decr)
General	\$80,000,000	\$82,067,000	\$2,067,000
Human Services	7,242,000	7,231,000	(11,000)
Highway Maintenance	4,570,000	5,326,000	756,000
Transit	1,640,000	1,275,000	(365,000)
EMS	970,000	1,018,000	48,000
Tourism	252,000	272,000	20,000
Law Library	50,000	50,000	0
Parking Authority	2,145,000	2,127,000	(18,000)
Capital Improvement	19,690,000	19,055,000	635,000
Utilities Operating	20,689,000	20,720,000	31,000
Utilities Capital Improvement	185,000	425,000	240,000
Employees Benefits	4,338,000	673,000	(3,665,000)
Equipment	1,450,000	1,460,000	10,000
Other Post Employment	477,000	459,000	(18,000)
NW Regional Jail Authority Capital	1,075,000	1,064,000	(11,000)
Frederick-Winchester Service Authority	4,258,000	4,379,000	121,000
Juvenile Detention	2,644,000	2,707,000	63,000
School	56,420,186	59,471,268	3,051,082
Total	\$208,095,186	\$209,779,268	1,684,082

General Fund Revenue

Total General Fund Revenue: \$82,067,000

General Property Taxes	\$37,632,000	45.8%
Other Local Taxes	28,953,000	35.2%
Fees, Fines & Permits	424,400	0.5%
Charges for Services	1,348,000	1.6%
Interest & Misc. Revenue	2,059,500	2.5%
State Aid	5,920,100	7.2%
Federal Aid	358,000	0.4%
Transfers & Reserves	5,372,000	6.5%
Total	\$82,067,000	100.0%

General Property Taxes:

Real Estate	\$27,459,500
Personal Property	8,102,500
Machinery & Tools	2,070,000
Total	\$37,632,000

Other Local Taxes:

State Sales Tax	\$8,607,000
Utility	1,910,000
Business Licenses	5,909,000
Franchise	780,000
Decals	602,400
Cigarettes	812,600
Admissions	141,000
Meals	6,921,000
Motel	831,000
Short Term Rental	8,000
Communications Tax	2,200,000
Other	231,000
Total	\$28,953,000



General Fund Expenditures

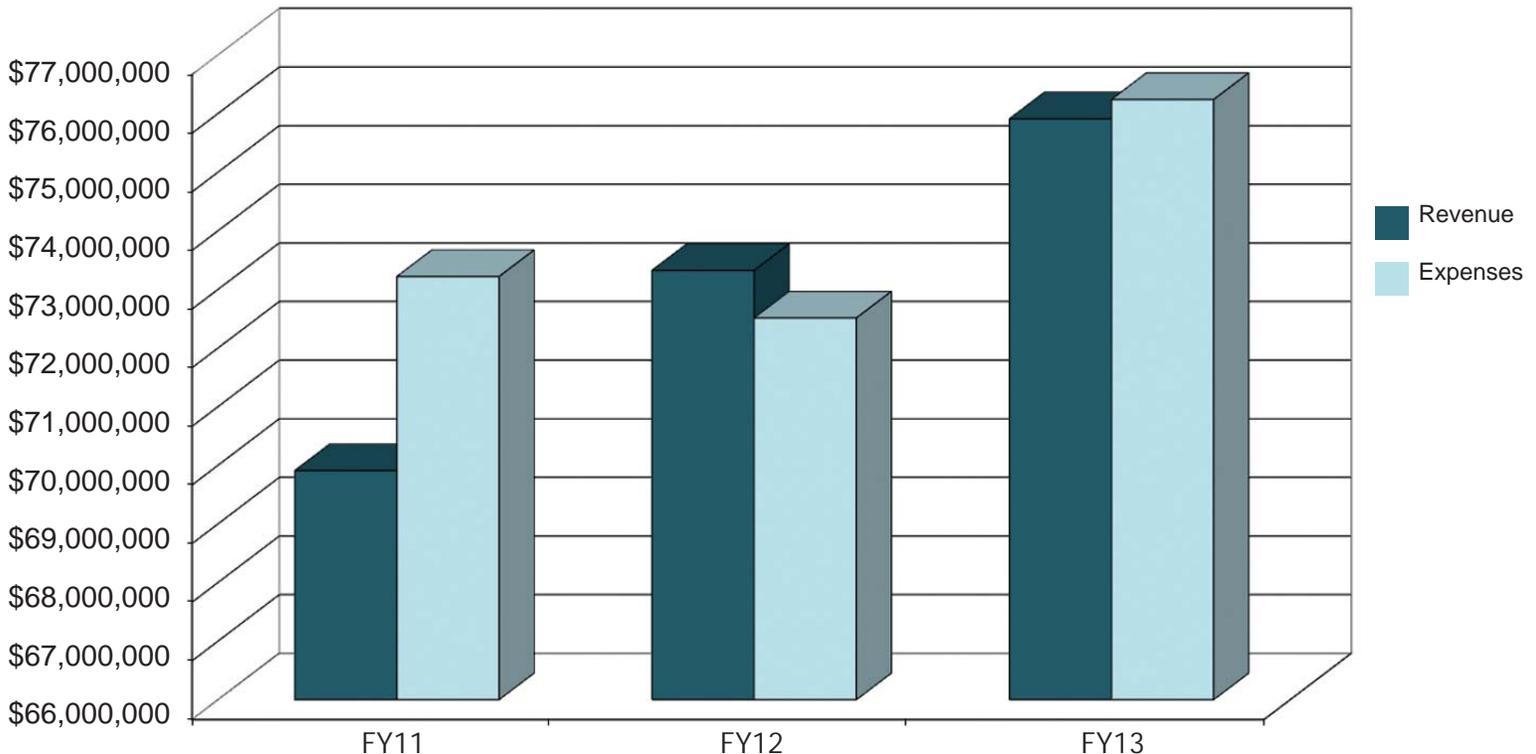
**Total General Fund Expenditures:
\$82,067,000**

General Government Administration	\$ 5,625,545	6.9%
Judicial Administration	3,179,600	3.9%
Public Safety	19,073,296	23.2%
Public Works	7,672,500	9.3%
Health & Welfare	3,179,065	3.9%
Education	27,820,518	33.9%
Parks, Recreation, Cultural	3,276,654	4.0%
Community Development	1,890,372	2.3%
Debt Service-City	2,232,650	2.7%
Debt Service-Schools	8,116,800	9.9%
Total	\$82,067,000	100.0%

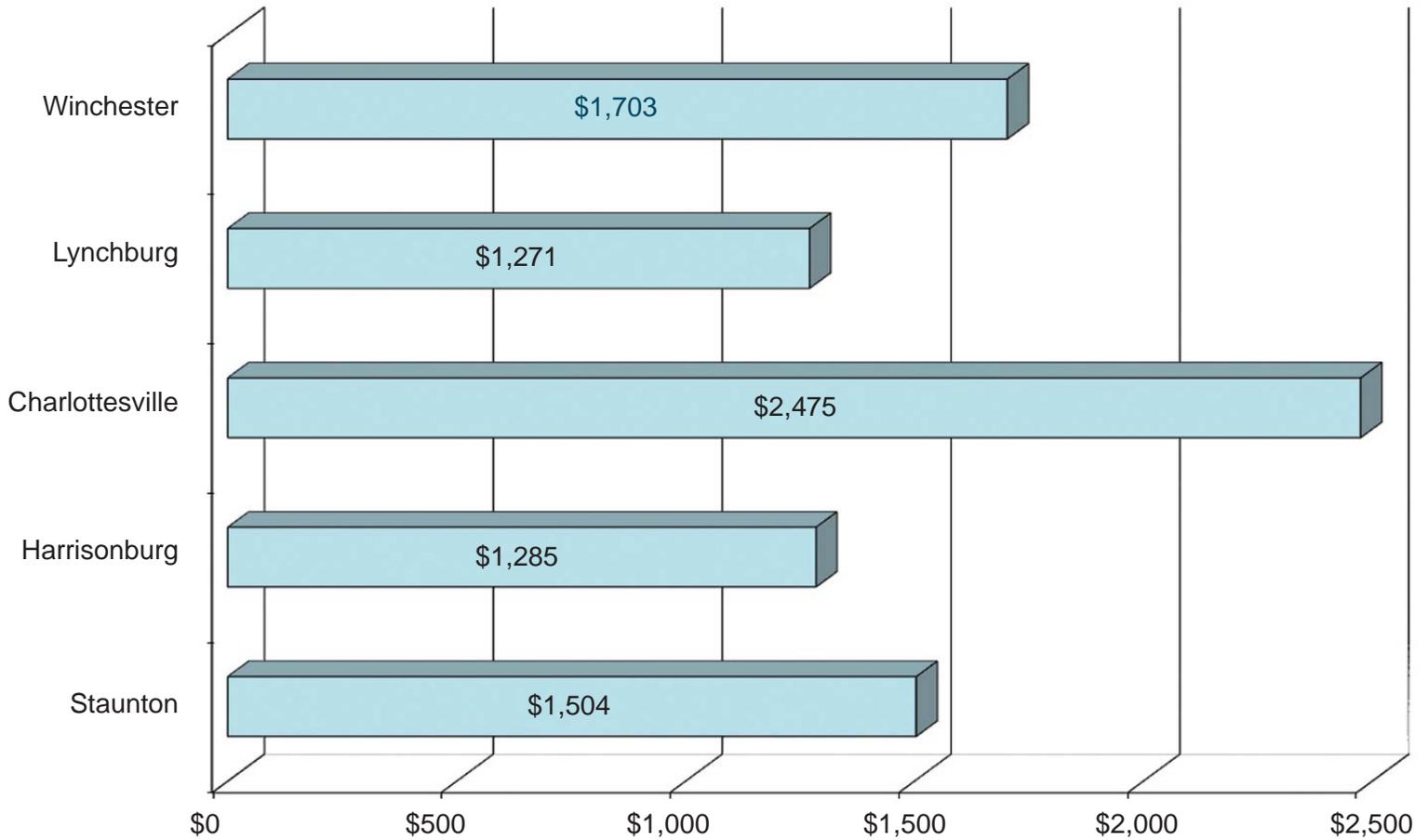
**General Fund
Balance**

FY 2008	\$26,842,432
FY 2009	20,577,901
FY 2010	17,267,157
FY 2011	20,986,321
FY 2012	22,339,898
FY 2013	22,190,771
Projected FY 2014	\$20,745,771

Revenue/Expenditure Summary



Average Property Tax Bills



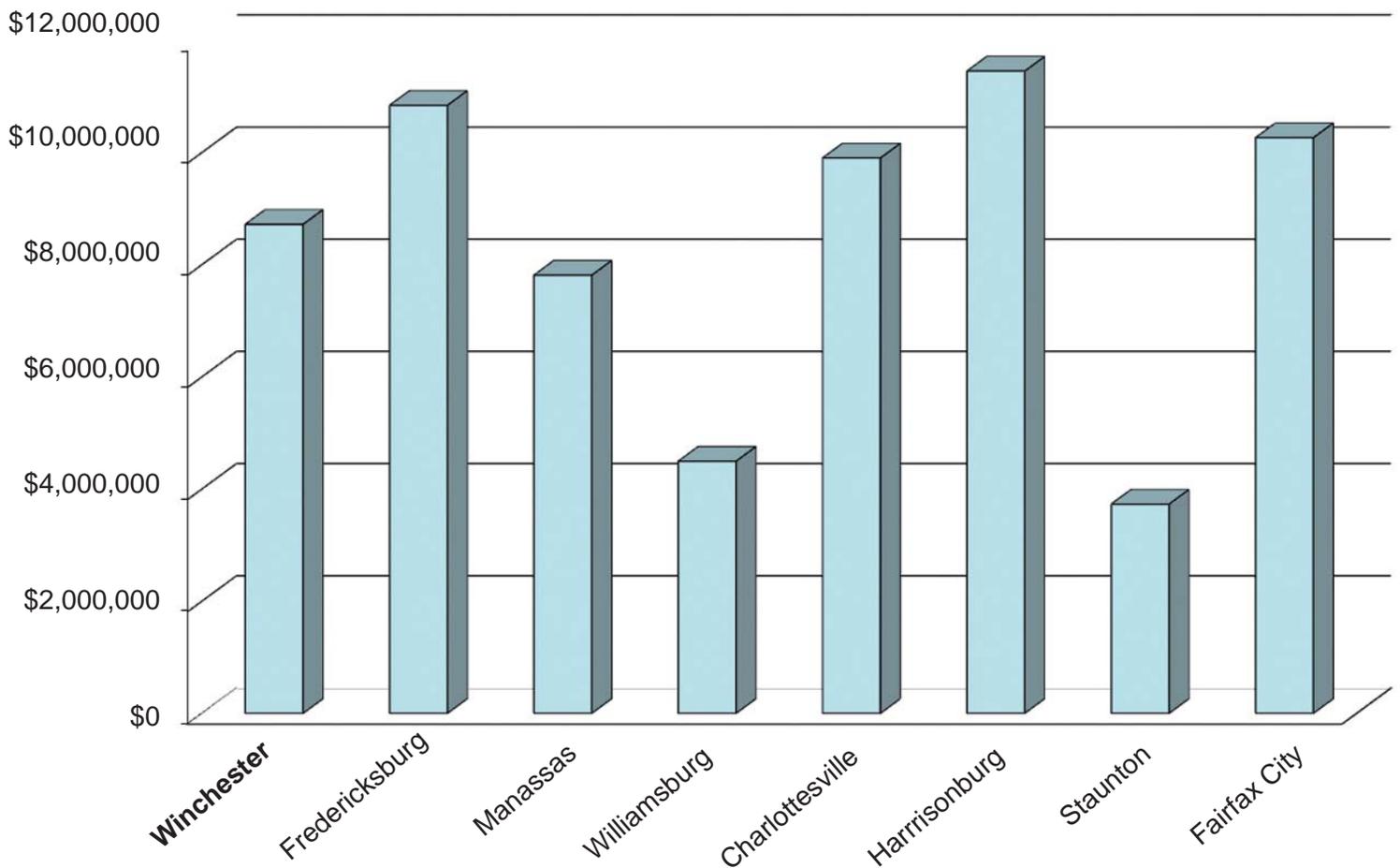
46%
Percentage of
general fund
revenue from
property tax

City Sales Tax Collection Comparison

In Virginia, all consumers are charged 5.3% (as of July 1, 2014) and the City receives 1% back from purchases in the City of Winchester.

Winchester	\$ 8,718,682	Charlottesville	\$ 9,901,299
Fredericksburg	10,840,598	Harrisonburg	11,450,969
Manassas	7,811,499	Staunton	3,729,202
Williamsburg	4,494,328	Fairfax City	10,263,955

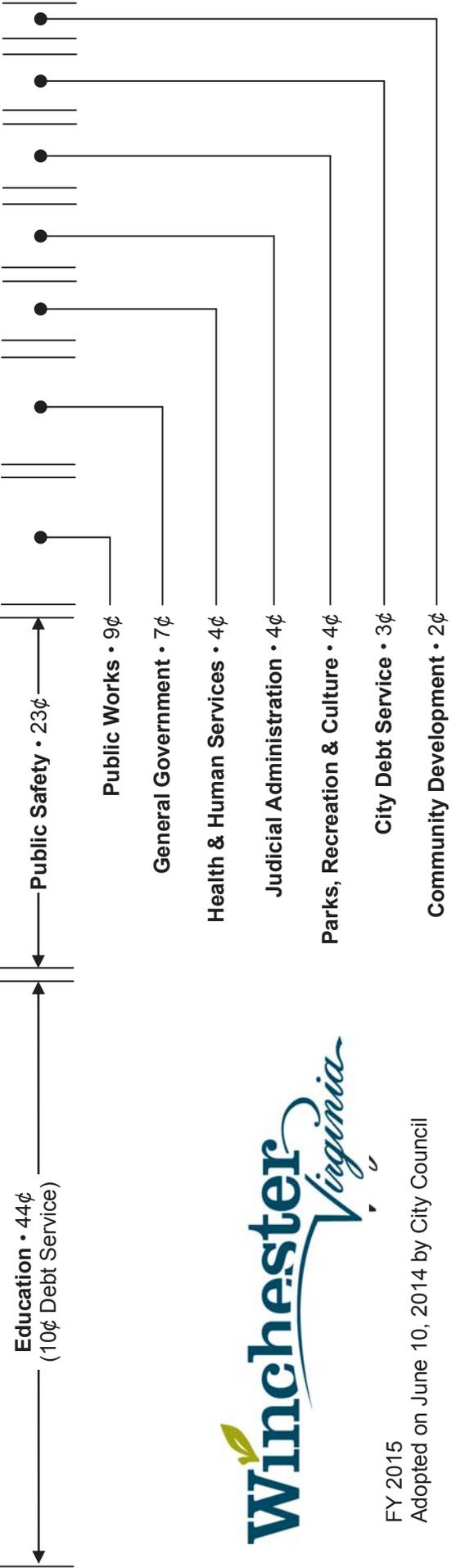
Figures correct as of 6/30/13



10.5%

Percentage of general fund revenue provided by sales tax

Your Tax Dollar at Work

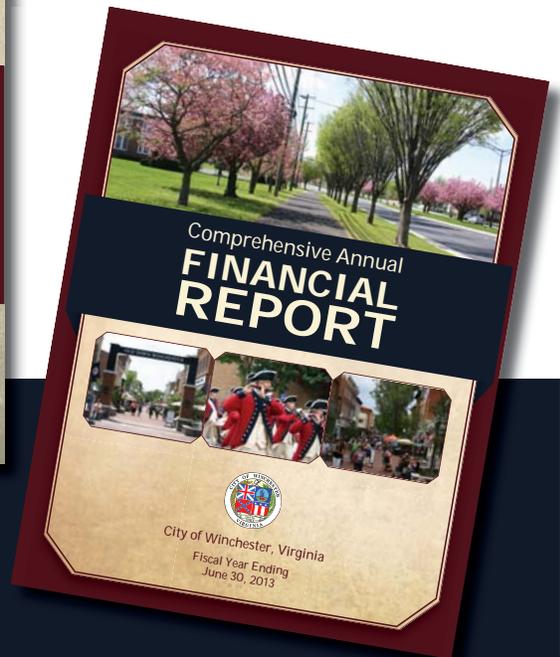
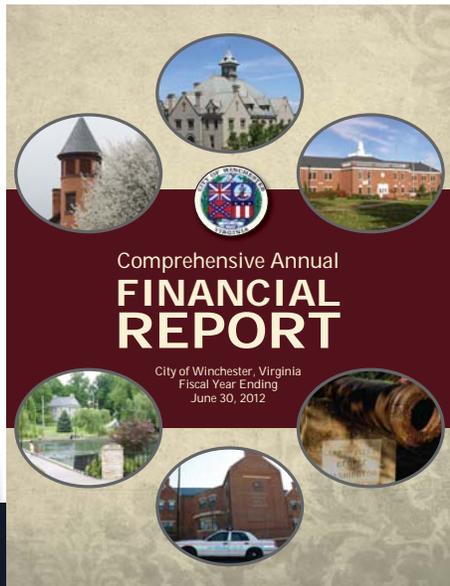
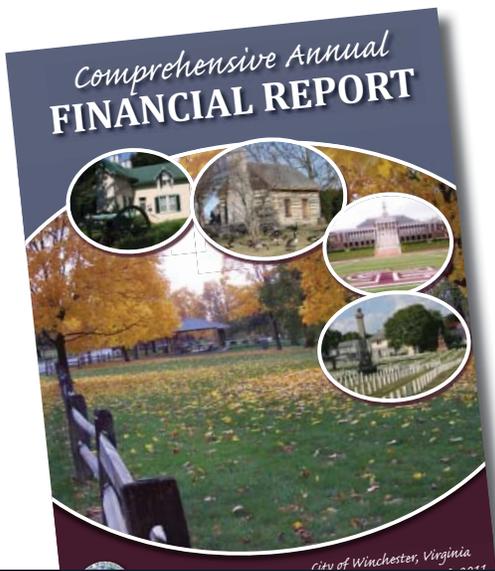


FY 2015
Adopted on June 10, 2014 by City Council

Budget Calendar

- October** Budget discussions begin with the City manager's directional meeting to Department heads for the upcoming fiscal year.
- November** Contribution request packages are distributed to outside agencies
- December** Deadline for agencies to submit contribution requests
- February** Finance department submits budget to City Manager for review
City Manager reviews budgets with Department Directors
- March** City Manager reviews budget items with City Council
- April** City Manager submits the proposed budget along with his budget message to City Council
- May** Advertisement submitted to newspaper for final budget hearing
- June** Council Adopts budget and Capital Improvement (CIP) plan
- July** Budget and CIP printed and distributed





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