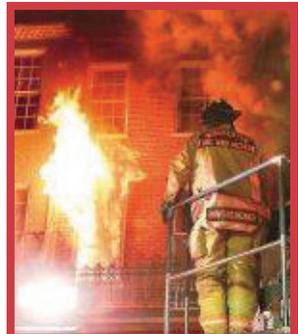


Winchester  
Virginia



FY2017

# BUDGET IN BRIEF



JULY 1, 2016-JUNE 30, 2017  
*Published July 2016*

A CITIZEN'S GUIDE TO THE  
CITY'S GENERAL FUND

# City of Winchester Budget Funds & Plans

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### **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 83.7% 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.

### **Information Technology Plan (ITP)**

The ITP is a five-year forecast of the City's information technology needs to maintain the efficiency of City services and the safety of staff.

### **Equipment Replacement Plan (ERP)**

City Council recognizes the importance of providing employees with the tools they need to do their jobs. To address this need, the ERP serves as a dedicated revenue source for future equipment funding.

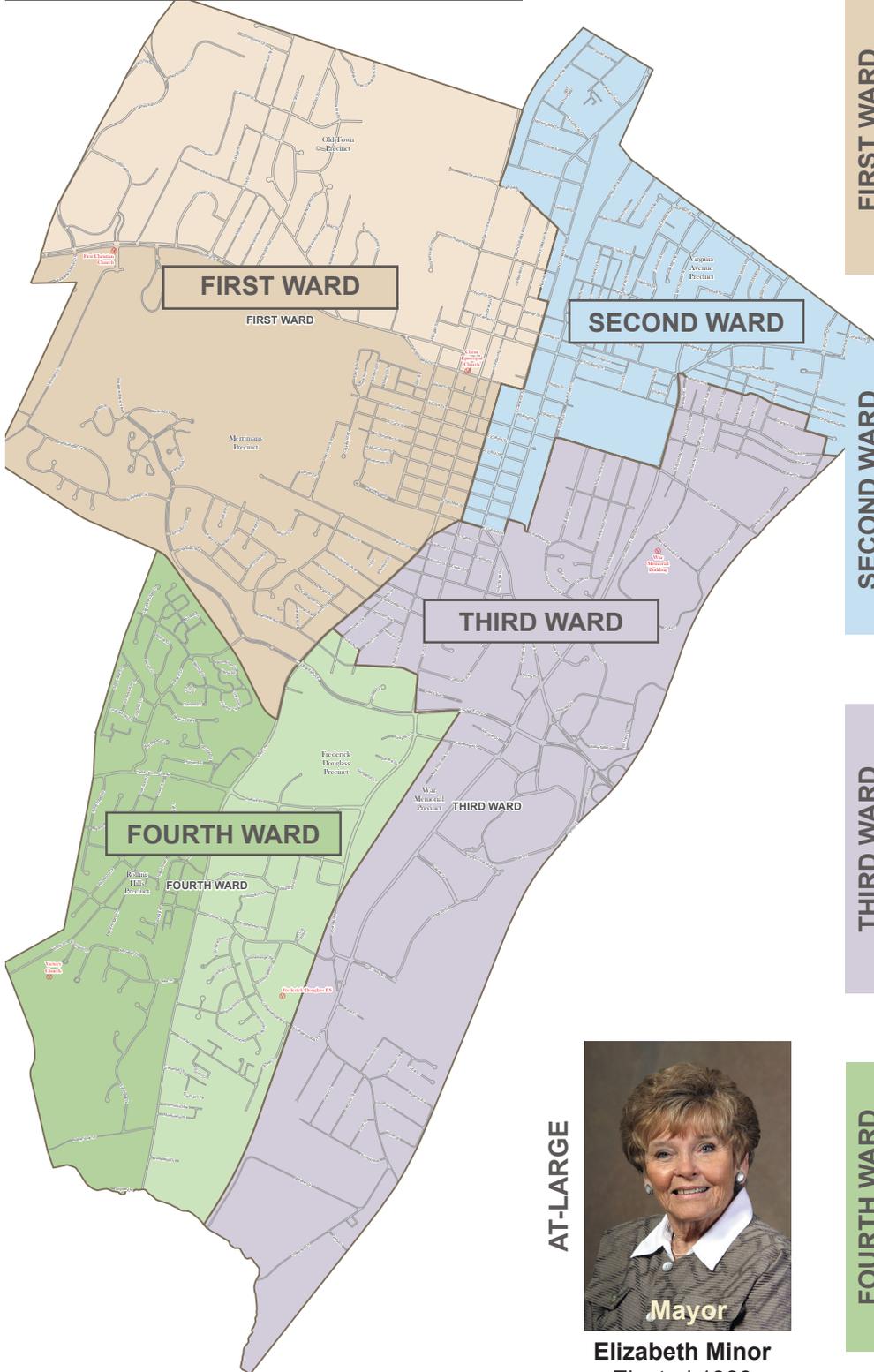
FYI

### **Fiscal Year**

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

# City of Winchester Common Council

## Ward Map



**Vice-President**

**Vice Mayor**

**Bill Wiley**  
Elected 2014

**Les Veach**  
Elected 2008



**Evan Clark**  
Elected 2006

**John Hill**  
Elected 2008



**Corey Sullivan**  
Elected 2014

**Milt McInturff**  
Elected 2008



**President**

**John Willingham**  
Elected 2008

**Kevin McKannan**  
Elected 2014

**AT-LARGE**



**Mayor**

**Elizabeth Minor**  
Elected 1980  
Elected Mayor 2004

The City of Winchester uses a robust strategic planning process to study and endorse broad issues of organizational direction, propose direct tasks that will be implemented in the City's pursuance of the four strategic plan goals.

**Mission:** To provide a safe, vibrant, sustainable community while striving to constantly improve the quality of life for our citizens and economic partners

**Vision:** To be a beautiful, vibrant city with a historic downtown, growing economy, great neighborhoods with a range of housing options and easy movement



**Encourage sustainable economic growth and partnerships through business and workforce development**



**Promote and accelerate revitalization of catalyst sites and other areas throughout the city**



**Enhance the quality of life for all Winchester residents**

**Improve City services and advance the strategic plan goals by promoting a culture of transparency, efficiency and innovation**



**GOAL 1 OBJECTIVES:**

- A.** Increase effectiveness of workforce development efforts by building on existing collaborative partnerships between the City and local organizations
- B.** Increase effectiveness of business retention, attraction and expansion efforts
- C.** Support local businesses through destination branding and marketing to visitors



**GOAL 2 OBJECTIVES:**

- A.** Continue promoting redevelopment/development of previously identified catalyst sites
- B.** Identify additional targeted areas and promote redevelopment/development of areas not previously-identified as catalyst sites



**GOAL 3 OBJECTIVES:**

- A.** Increase cultural, recreational and tourism-related opportunities in Winchester
- B.** Develop and maintain Winchester's infrastructure
- C.** Promote and improve community safety



**GOAL 4 OBJECTIVES:**

- A.** Implement cost saving innovative internal strategies to improve efficiency
- B.** Increase government transparency and communication capabilities
- C.** Enhance service delivery to residents, economic partners and visitors



# Budget Overview

## Unfunded Mandate \$\$

Expenses caused by unfunded state or federal mandates:

- New courtroom additions (debt service) - \$240,000
- Lease for Commonwealth Attorney, Juvenile Probation (due to their removal from the JJC to make room for the three new state appointed judges) - \$262,000
- Additional Deputy Sheriffs (3) and new courtroom security for the three new courtrooms - \$103,280
- Additional custodians due to JJC renovations - \$48,200 [\$\$]
- Support for Constitutional Officers (staff) - \$143,332
- Stormwater Engineer position due to the Chesapeake Bay Initiative - \$82,653
- Stormwater Consulting - \$20,000
- Mapping System Survey - \$50,000 [\$\$]
- New voting machines - \$100,000 [\$\$]
- State-responsible inmates (the City usually houses 23 state inmates at a cost of \$76.39/day) - \$540,554 (state provides \$12/day for these inmates)
- Win-Fred Metropolitan Planning Organization - \$27,500
- Comprehensive Plan Update - \$15,000
- Burial assistance for those in need - \$20,000

## Capital Improvement Projects:

- Sidewalk improvements - \$500,000
- Valley Avenue drainage improvement & sidewalks - \$500,000
- Building renovations - \$4,500,000
- Hope Drive extension - \$1,000,000
- Parks & Recreation maintenance shop upgrade - \$725,000
- Joist Hite storm drainage improvements - \$125,000
- Fire Burn Building - \$250,000
- Wentworth sidewalks - \$15,000
- Green Circle Trail - \$200,000
- Entryway welcome signs/wayfinding signs- \$150,000

FYI

Unfunded mandates account for \$1.8M of the City's budget.

[\$\$] = New FY17 Expenses

ALL FUNDS	FY16 Adopted Budget	FY17 Adopted Budget	FY17 Incr/(Decr)
General	\$83,115,000	\$84,200,000	\$1,085,000
Human Services	7,329,000	7,300,000	(29,000)
Highway Maintenance	4,028,000	4,051,000	23,000
Transit	1,442,000	1,015,000	(427,000)
EMS	1,074,000	1,067,000	(7,000)
Tourism	280,000	340,000	60,000
Law Library	50,000	50,000	-
Parking Authority	1,256,000	1,232,000	(24,000)
Capital Improvement	15,000,000	15,640,000	640,000
Utilities Operating	21,504,000	21,735,000	231,000
Utilities Capital Improvement	5,500,000	6,250,000	750,000
Employees Benefits	1,138,000	1,138,000	-
Equipment	1,515,000	1,500,000	(15,000)
Other Post Employment	480,000	480,000	-
NW Regional Jail Authority Capital	1,219,000	1,221,000	2,000
Frederick-Winchester Service Authority	4,444,000	4,633,000	189,000
Juvenile Detention	2,786,000	2,790,000	4,000
School	70,475,993	65,384,882	(5,091,111)
<b>Total</b>	<b>\$222,635,993</b>	<b>\$220,026,882</b>	<b>(\$2,609,111)</b>

# General Fund

## Total Revenues

	<u>FY16</u>	<u>FY17</u>	<u>% of Budget</u>
General Property Taxes	\$39,617,000	\$38,581,800	47.0%
Other Local Taxes	29,503,000	30,907,000	36.7%
Fees, Fines & Permits	412,400	499,900	0.6%
Charges for Services	1,463,000	1,470,800	1.8%
Interest & Misc. Revenue	1,924,000	2,003,000	2.4%
State Aid	6,076,200	6,021,000	7.2%
Federal Aid	775,400	631,000	0.8%
Transfers & Reserves	3,344,000	3,085,400	3.7%
<b>TOTAL</b>	<b>\$83,115,000</b>	<b>\$84,200,000</b>	<b>100.0%</b>

### Other Local Taxes:

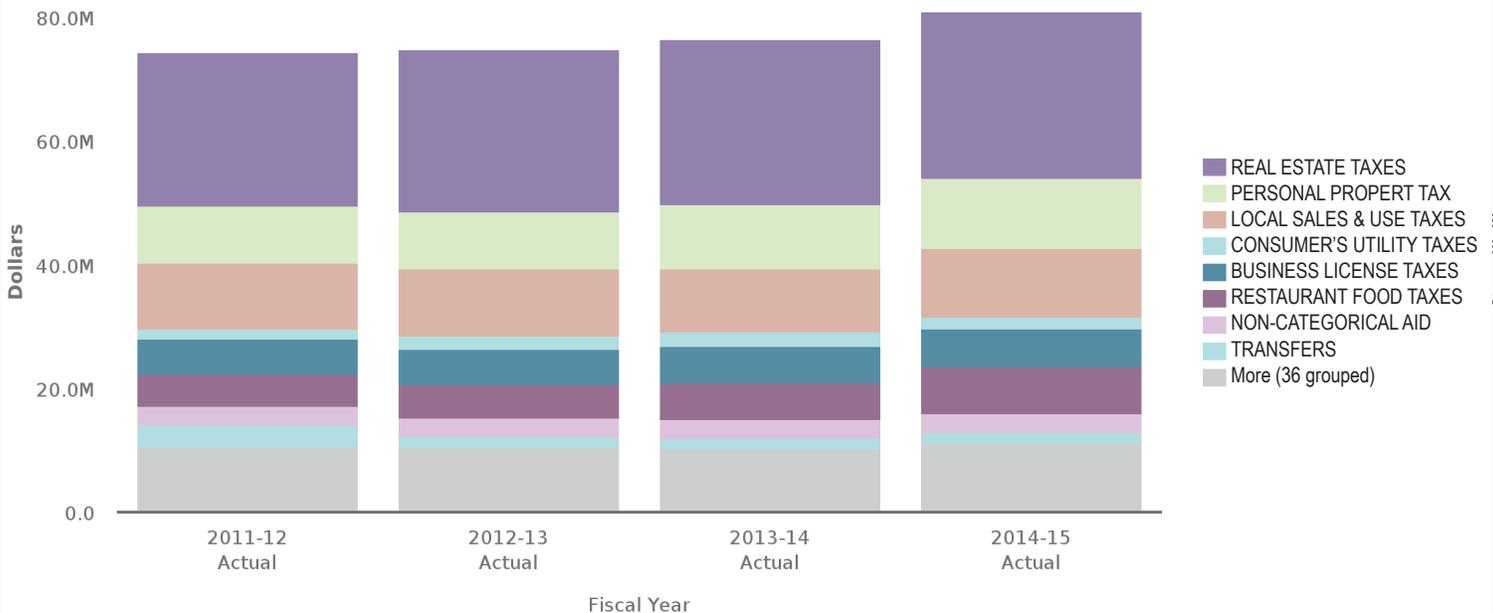
State Sales Tax	\$9,100,000
Utility	2,060,000
Business Licenses	6,259,000
Franchise	960,000
Decals	615,000
Cigarettes	640,000
Admissions	141,000
Meals	7,721,000
Motel	951,000
Short Term Rental	4,000
Communications Tax	2,150,000
Other	306,000
<b>Total</b>	<b>\$30,907,000</b>

### General Property Taxes:

Real Estate	\$27,879,000
Personal Property	9,572,800
Machinery & Tools	1,950,000
<b>Total</b>	<b>\$39,581,800</b>

## General Fund Revenues by Category

Chart provided by the City's online budget transparency tool, OpenGov.



# General Fund

## Total Expenditures

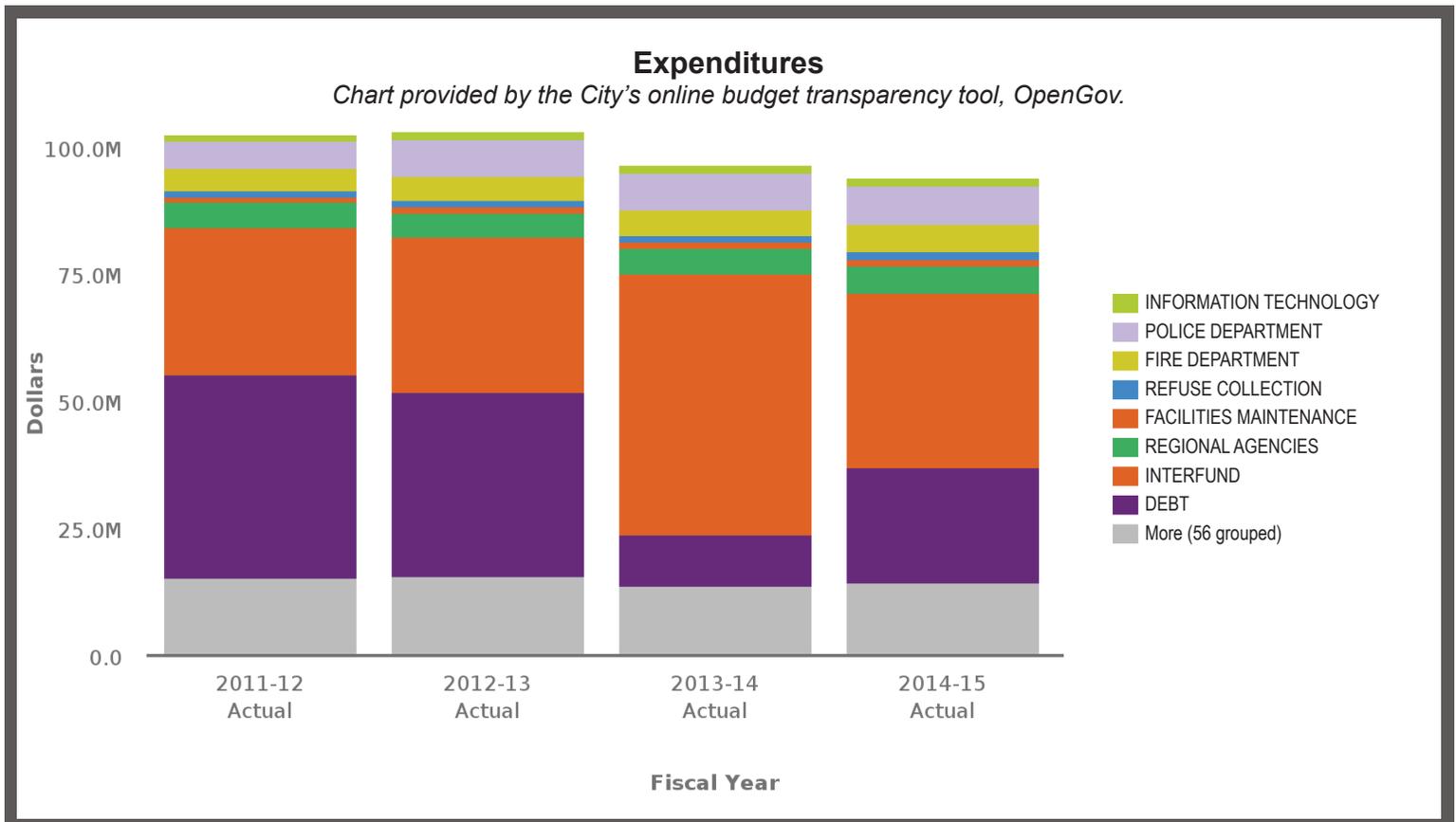
	<u>FY16</u>	<u>FY17</u>	<u>% of Budget</u>
General Government Administration	\$ 6,084,899	\$ 5,933,195	7.1%
Judicial Administration	3,537,600	3,543,700	4.2%
Public Safety	20,710,980	21,255,090	25.2%
Public Works	5,234,400	4,924,100	5.9%
Health & Welfare	3,711,053	3,082,541	3.7%
Education	28,725,590	29,294,292	34.8%
Parks, Recreation, Cultural	3,289,570	3,469,820	4.1%
Community Development	1,896,108	1,933,162	2.3%
Debt Service-City	2,287,700	2,960,000	3.5%
Debt Service-Schools	7,637,100	7,804,100	9.3%
<b>Total</b>	<b>\$83,115,000</b>	<b>\$84,200,000</b>	<b>100.0%</b>

## End of Year Reserves

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
FY 2014	22,241,458
FY 2015	22,082,376
<b>Projected FY 2016</b>	<b>\$20,578,378</b>

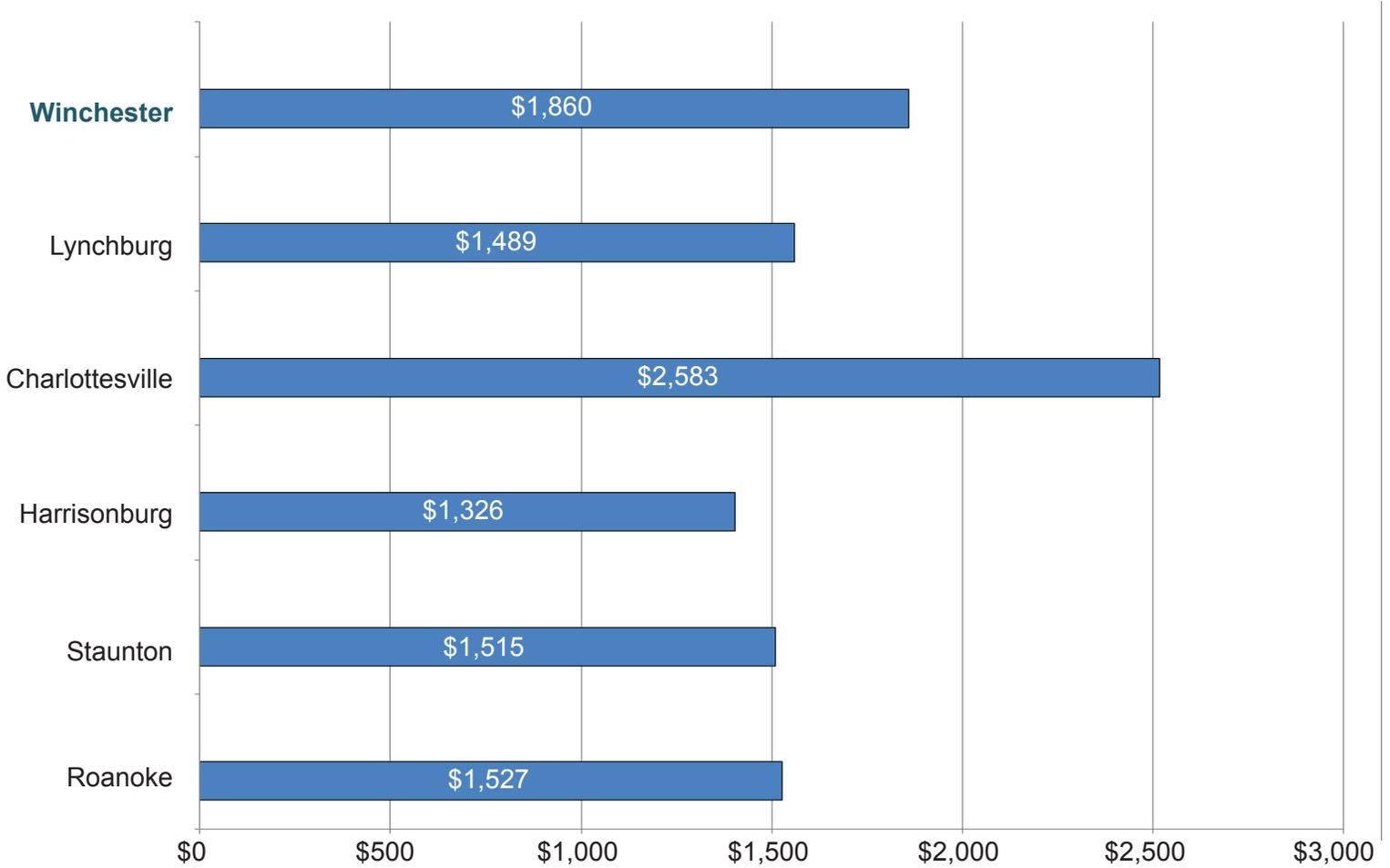
FYI

Reserves are the City's "rainy day fund" for unexpected expenses and emergencies.



# Property Tax Bills

## Average Comparison



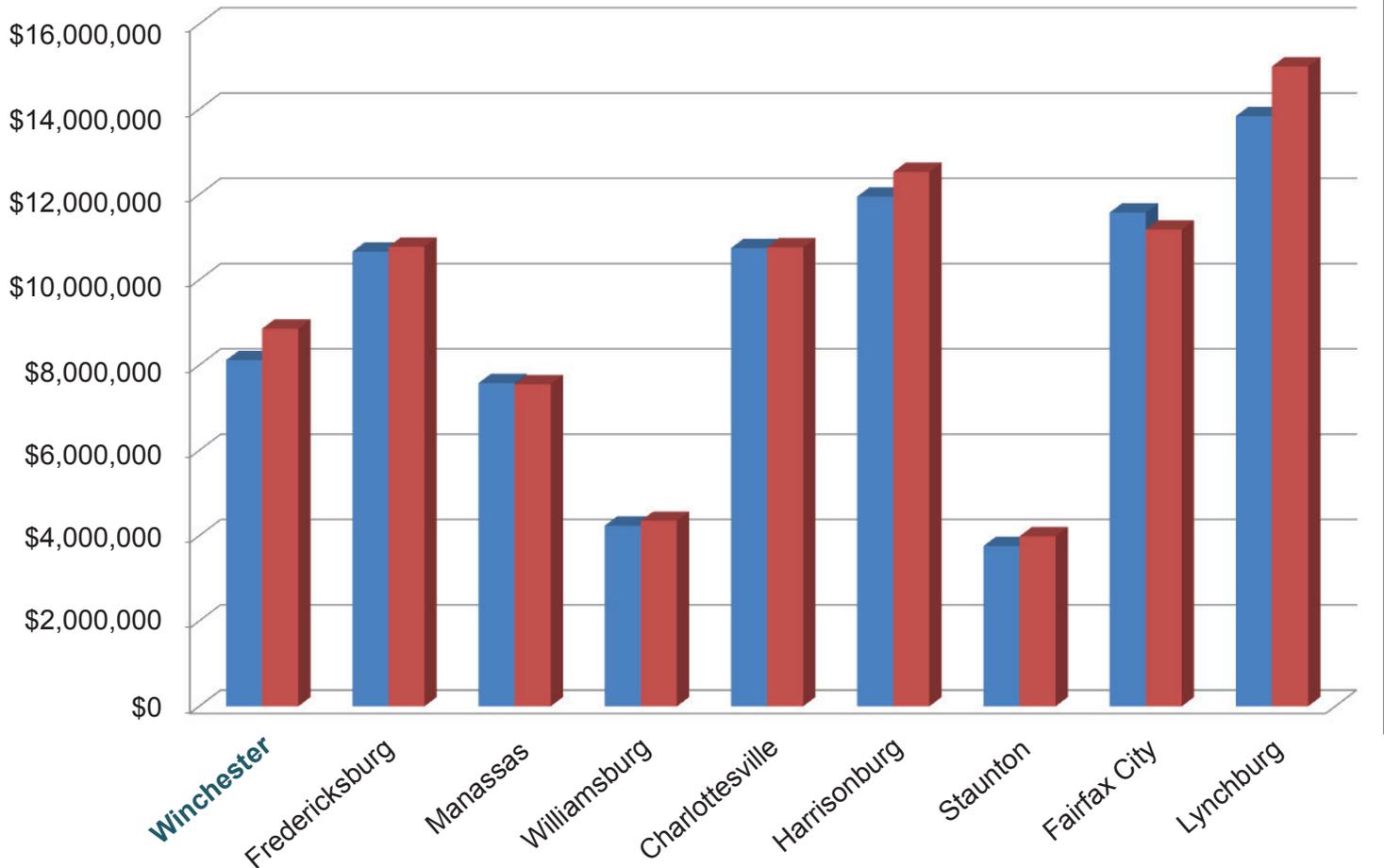
**47.0%**  
Percentage of  
general fund revenue  
from property tax

# Sales Tax Collection

## Comparison

In Virginia, all consumers are charged 5.3% and the City receives 1% back from purchases in the city of Winchester.

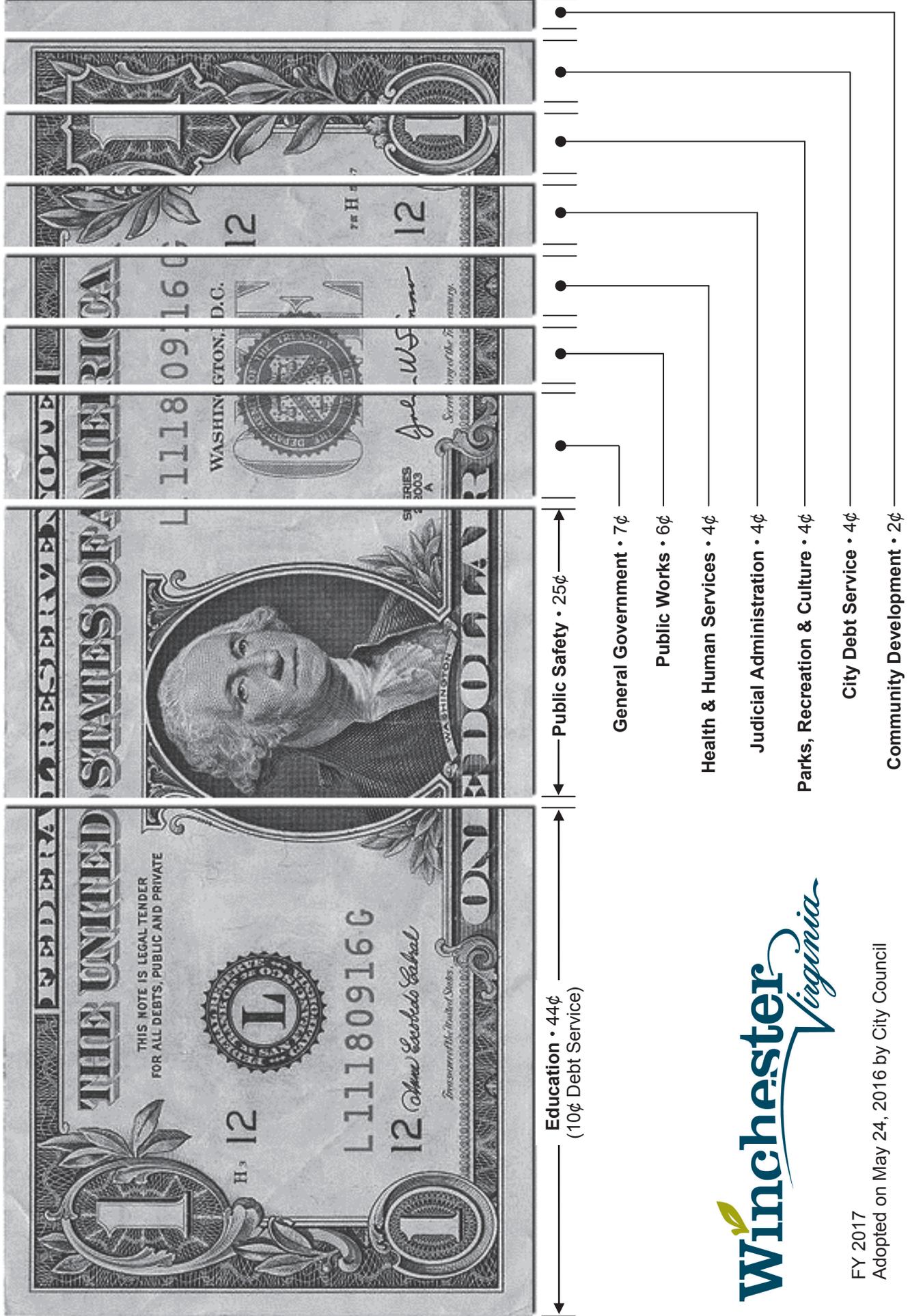
	<u>FY2014</u>	<u>FY2015</u>		<u>FY2014</u>	<u>FY2015</u>
<b>Winchester</b>	<b>\$ 8,119,431</b>	<b>\$8,859,376</b>	Harrisonburg	\$11,956,912	12,532,757
Fredericksburg	10,663,183	10,780,677	Staunton	3,760,505	3,988,839
Manassas	7,581,829	7,555,344	Fairfax City	11,580,673	11,181,816
Williamsburg	4,239,957	4,352,604	Lynchburg	13,842,292	15,006,326
Charlottesville	10,747,757	10,767,263			



# 10.58%

Percentage of general fund revenue provided by sales tax

# Your Tax Dollar at Work



FY 2017  
Adopted on May 24, 2016 by City Council

# Budget Calendar

## Annual Schedule

- October** Budget discussions begin internally
- 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
- May** Council Adopts budget and Capital Improvement Plan (CIP)
- July** Budget and CIP printed and distributed



# Financial Reporting Recognition

## Distinguished Budget Presentation Award

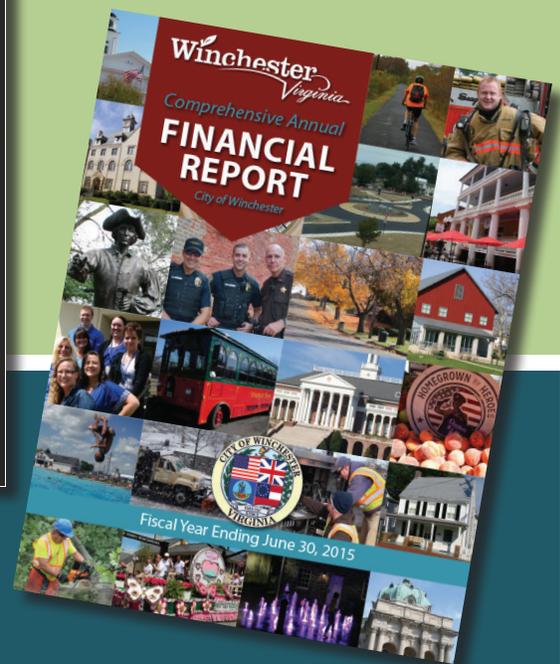
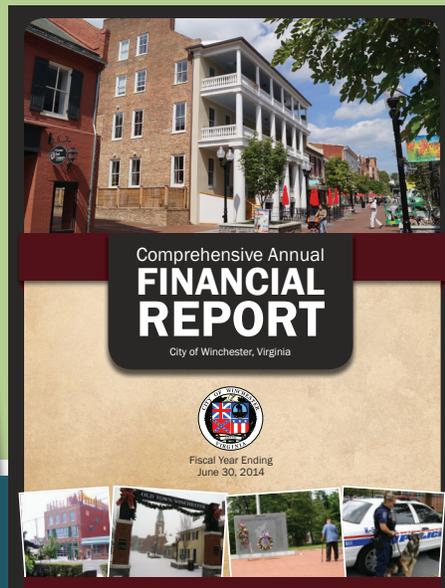
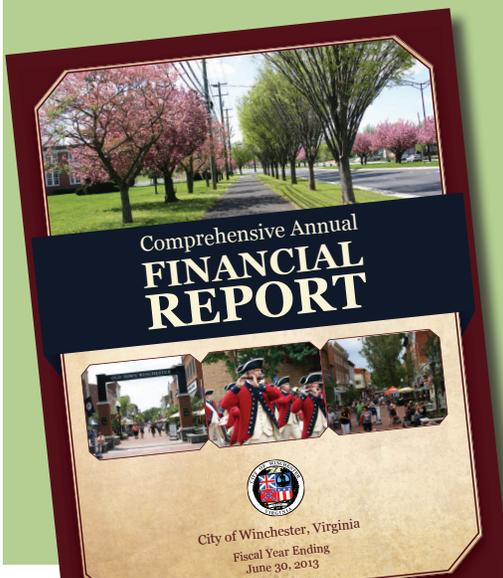
For the third consecutive year, the City of Winchester received this award from the Government Finance Officers Association of the United States and Canada for its FY16 budget document. This award represents a significant achievement by the City and is the highest form of recognition in government budgeting.

## Certificate of Achievement in Financial Reporting

For the 24th consecutive year, the City has received this award from the Government Finance Officers Association of the United States and Canada for its comprehensive annual financial report (CAFR). This certificate is the highest form of recognition in the area of governmental accounting and financial reporting.

## AAA Bond Rating

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.



## Contact Us

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