



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Tripp Lawrence, Assistant Director of Finance
DATE: April 21, 2022 (for April 26, 2022 City Council Meeting)
SUBJECT: Fiscal Year (FY) 2023 Operating and Capital Budget Resolution

ISSUE

The City Council is asked to approve the FY 2023 Operating and Capital budget.

RECOMMENDATION

Staff recommends approval of the attached resolution on first reading. Second reading is scheduled to take place on May 10, 2022.

DISCUSSION

This resolution is the main budget resolution for the City for FY 2023.

Public Hearing

A public hearing was held on the budget on April 19, 2022.

FY 2023 Operating and Capital Budget

The FY2023 revenue forecast anticipates continued gradual recovery from the COVID-19 pandemic, with revenue increases resulting from a combination of economic growth and several proposed tax and fee changes.

The attached budget is a responsible plan for FY 2023 that responds to increases in operating costs and advances several major capital projects, most notably the Wastewater Treatment Plant upgrade, a new middle school, and a new Fire Station. A 4% increase in pay is included for employees, as is increases related to Virginia Retirement System costs. The budget does include our allowance for a ½ year payment for new debt service related to capital projects. A real estate rate increase of \$.03 is built into the budget to help offset the rising costs.

City Council Action Related to Budget Discussions—Personal Property

The City Council, in response to rapidly increasing values for motor vehicles, lowered personal property tax rates to try and “normalize” personal property bills this spring.

Ordinance 22-05 dated April 5, 2022 established certain motor vehicles as a separate classification of tangible personal property and set the rate for this class of vehicles at \$2.95 for

every \$100 of assessed value for annual installments due and payable on or before May 15, 2022 and November 15, 2022. Ordinance 22-04, also adopted April 5, 2022, eliminated the annual motor vehicle license fee.

This reduction in the personal property rate in tandem with the elimination of the vehicle license tax will not impact the overall estimated revenue included in the FY 2023 budget. The \$525,000 budget in the Motor Vehicle Licenses revenue line was moved to the Personal Property Current Taxes lines.

General Fund

The General Fund budget of **\$114,954,755** is an increase of \$6,915,245, or 6.4% from the FY 2022 revised General Fund appropriation of \$108,282,970. The line item details associated with the General Fund for both revenues and expenditures are attached to this memorandum for review.

General Fund Expenditures

The major expenditure change from the FY 2023 City Manager's Recommended Budget is:

- \$4,000,000 in Transfer to School Capital from the \$6,000,000 Committed School Capital Projects balance at the end of FY 2021 for the construction of a new school (\$1,000,000 of the \$6,000,000 is earmarked in FY 2022 for the School's Interim Agreement with First Choice, LLC for the design of a potential new middle school in the Idlewild neighborhood).

General Fund Revenues

The FY 2023 revenue forecast reflects the expectation of economic recovery from the most severe impacts of the COVID-19 pandemic. It also includes the recommended General Fund revenue increase of 3 cents to the real estate tax rate, from \$0.83 to \$0.86 per \$100 in valuation. This change is estimated to raise \$1,350,000 in new revenue in the General Fund. Since FY 2017, two cents per \$100 valuation on the real estate tax rate has been assigned to the City's Stormwater Management Fund.

The revenue forecast also includes increases in Community Planning & Building Department Planning Services Division Fees and Building Services Fees. The FY 2023 Budget includes \$198,100 revenue in Planning Services Division Fees and \$640,000 in Building Service Fee revenues.

Staff recommends that the overall General Fund revenues, not including the use of fund balance, be forecast for \$107,527,755. As of April 18, 2022, the date of this memo, the state budget has not been finalized. The General Assembly is scheduled to reconvene April 27, 2022. Any changes that are not reflected in the FY 2023 Budget will be discussed in future work sessions with City Council.

Use of Fund Balance

The use of General Fund balance is **\$7,427,000**. Of that total, \$3,077,000 is the amount used from the fund balance committed for capital projects. An additional \$350,000 is a use of fund balance for the upcoming Real Estate Reassessment that will take place in calendar year 2024. Procurement as well as associated expenditures will begin in FY 2023. The remaining \$4,000,000 in Committed Schools Capital Fund Balance will be transferred to the City Schools as part of the funding plan for the potential new middle school.

General Fund Contingency

The General Fund Contingency in the recommended budget was \$500,000. As a balancing entry from the other changes in the budget, the General Fund contingency is now proposed to be \$500,650.

General Fund Attrition Savings

Over the past several years, the City budget has included an allowance for turnover and attrition savings in the General Fund of \$250,000 or more. The City utilizes a system where a negative number is created in the budget, which has the effect of reducing the total expenditures in the General Fund. Towards the end of the fiscal year, the staff transfers positive budget savings as they become available to the Attrition Savings line item until it reaches a zero balance.

The Attrition Savings line in the budget is \$400,000.

Personnel

New General Fund positions funded in the Budget include:

- Fire Department, Administrative Support Specialist IV
- IT, Network Support Specialist
- Police, Communications Officer and Administrative Support Specialist I – Records
- Transportation Department, Transportation Project Manager.

Overview of Other Main Operating Funds

City Grants Fund

The City Grants Fund is recommended for funding at **\$1,320,821**, which is a 21% increase from the original FY 2022 budget level of \$1,091,656. Several new programs included in the FY 2023 budget are:

- Plastic Bag Tax. An ordinance was adopted by City Council that become effective in January 2022 that established the plastic bag tax. The tax is collected, administered, and enforced by the Virginia Tax Commissioner, in the same manner that the Retail Sales and use Tax is administered. The budget for FY 2023 is \$100,000, which will be monitored closely throughout the year based on actual results.

- Opioid Settlement Funds. The City will be receiving “opioid funds” as approved settlement agreements with several pharmaceutical manufacturers and distributors get finalized. The City anticipates receiving \$236,675 in opioid settlement funds. The funds will not be expended unless the revenue is received.
- Crisis Intervention Response Team. Approved during FY 2022, a portion of the \$100,000 grant funds will also be carried over into FY 2023 to support the program. The team, known as the Crisis Intervention Response Team (“CIRT”), is a partnership between the City and the Rappahannock Area Community Services Board to respond to mental health crises with a goal to de-escalate situations and connect persons to resources that may help address current needs.

Other major programs funded through the City Grants Fund include various Police Department grants, the Farmers Market, the Victim Witness Program, and the Community Development Block Grant Program.

Stormwater Management Fund

The City’s Stormwater Management Fund is recommended for first reading funding at **\$936,326**. This is slightly higher than the FY 2022 Amended budget of \$906,046.

This fund was created in FY 2017 to assist with tracking activities related to the management of stormwater in the City. The revenue for this fund is calculated as \$0.02 per \$100 valuation on the real estate tax rate.

Water Operating Fund & Wastewater Operating Fund

The first reading for the Water Operating Fund is recommended for **\$6,286,724**, a 5.6% increase from the FY 2022 original funding level of \$5,954,034. The first reading for the Wastewater Operating Fund is **\$9,983,358**, a 15.8% increase from the FY 2022 original funding level of \$8,622,271.

This resolution contains the fee increase of 8% for water and 10% sewer effective July 1 that was proposed and publicly heard April 19, 2022.

The Budget includes the funding of a Utilities Project Manager and Wastewater Treatment Plant Operator.

Transit Operating Fund

The Transit Operating Fund is recommended on first reading for **\$9,377,236**. This is a decrease from the FY 2022 original funding level of \$9,526,015.

In February 2022, FRED began fare free service on all routes, made possible through grant funding from the Virginia Department of Rail and Public Transportation’s Transit Ridership Incentive

Program. This fare free service is anticipated to increase ridership. This grant spans a three year time frame and Fredericksburg Regional Transit will reassess the program annually.

The Budget includes funding for the following positions:

- Two Transit Operators
- Mechanic
- Safety Specialist.

Parking Fund

The Parking Fund is recommended for first reading funding at **\$765,569**, a 14.9% increase from the FY 2022 original budget of \$666,415. Utilization of the Sophia Street parking deck decreased in FY 2021 and began to rebound in FY 2022. Revenues have been adjusted from the FY 2022 budget to reflect the anticipated increase in revenues.

The Budget includes the funding of a Parking Garage Technician position.

Social Services Fund

The Social Services Fund is recommended for FY 2023 funding at **\$7,637,911**. This includes \$1,503,477 of local funding. The local funding is provided by a combination of the use of Social Services Fund Balance of \$263,520 and a transfer from the General Fund of \$1,194,680.

A new position, Benefits Program Supervisor, has been recommended in FY 2023. This position would manage those employees who have direct customer interface, grant positions, and volunteer/intern programs. The Benefits Program Supervisor would also serve as the Department's community liaison.

The amended FY 2022 budget for the Social Services Fund was \$7,104,796.

Children's Services Act Fund

The Children's Services Act Fund is recommended for FY 2023 for funding at **\$3,756,797**. This includes \$1,400,000 of local funding. The local funding is a combination of the use of the Children's Services Act Fund Balance of \$400,000 and \$1,000,000 in a transfer from the General Fund.

Multi-Purpose Stadium Fund

The Multi-Purpose Stadium Fund is included in the budget at **\$1,055,000**, which meets the City's funding commitment for the stadium of \$1,050,000 and includes a small amount in case there are fees or other costs associated with City events. The staff recommends the use of revenues derived from the stadium to meet this commitment.

American Rescue Plan Act

The resolution includes \$5,582,748 in appropriations for the American Rescue Plan Act funds from the federal government. The appropriation includes:

- \$3,000,000 for the Wastewater Treatment Plant
- \$255,000 for the Fire Department, vehicle replacement self-contained breathing apparatus (SCBA)
- \$896,110 for the Public Works Department, replacement roll-out carts, asphalt truck, mower, urban forestry, equipment
- \$80,000 for Water & Sewer, vehicle replacements
- \$192,000 for the Police Department, drones, uninterrupted power supply replacement
- \$218,000 for the IT Department, fiber project
- \$59,000 for the Parks, Recreation, and Events Department, water feature at pool, Dixon Park playground equipment
- \$16,000 for the Community Planning & Building Department
- \$65,000 for Public Facilities
- \$801,638 for miscellaneous future projects.

Next Steps

The attached resolution adopts and appropriates the budget. City Council can adjust the budget for second reading, and City Council is able to amend the budget at any time during the fiscal year as conditions warrant.

Council was presented with a full proposed Capital Improvements Plan and has held meetings addressing proposed projects in March and April of 2022. A separate resolution to adopt the CIP for the full planning period will be brought before the City Council for consideration in May.

FISCAL IMPACT

The attached resolution budgets a total General Fund of \$114,954,755. The budget resolution also includes the Capital Funds, Debt Service Funds, the City Grants Fund, the Social Services Fund, the Children's Services Act Fund, the Stormwater Management Fund, the Fredericksburg Opportunity Fund, the Baseball Stadium Fund plus a variety of other Special Revenue Funds. It also includes the City's Enterprise Funds (Water, Wastewater, Transit, and Parking) and its fiscal agency funds.

cc: Mark Whitley, Assistant City Manager

Attachments: Fiscal Year (FY) 2023 Operating and Capital Budget Resolution



MOTION:

April 26, 2022
Regular Meeting
Resolution 22-__

SECOND:

RE: **Budgeting and Appropriating Funds for Fiscal Year (FY) 2023 Beginning July 1, 2022 through June 30, 2023**

ACTION: **APPROVED: Ayes: 0; Nays: 0**

FIRST READ: _____

SECOND READ: _____

Section 1.

The City Manager has submitted to the City Council a proposed balanced FY 2023 budget necessary for the provision of City services.

A duly advertised public hearing was held on April 19, 2022.

The City Council has reviewed and made certain revisions to the budget.

Therefore, the City Council resolves that the annual GENERAL FUND budget for Fiscal Year 2023 shall be \$114,954,755. City Council further resolves that an appropriation of \$114,954,755 be made in the General Fund. The full budget amounts are shown as follows:

Function

Board of Real Estate Assessors	\$ 350,000
City Council	235,392
City Manager	1,029,706
Clerk of the Council	161,476
Clerk of the Circuit Court	908,498
Commissioner of the Revenue	1,195,642
Commonwealth's Attorney	1,620,175
Courts	242,997
Diversity, Equity, and Inclusion	135,643
Economic Development	1,177,559
Fire	9,928,857
Finance	1,015,437
Historic Resources	191,595
HR	699,188
Insurance	1,035,600
IT	2,681,333
J&DR Services	118,274

Legal Services	476,190
Nondepartmental	112,510
Planning	807,203
Building	934,161
Parks, Recreation & Events.....	3,229,087
Police	10,526,127
Police – E911	1,897,728
Public Facilities.....	3,101,504
Public Information	105,841
Public Works	7,938,229
Risk Management	120,154
Sheriff	3,012,079
Transportation Division.....	172,538
Treasurer.....	1,005,550
Voter Registrar	584,620
Schools	30,500,000
School Capital.....	4,000,000
Correction & Detention	4,828,979
Outside Agencies	2,829,341
Debt Service	9,751,212
Transfer to Capital	3,077,000
Transfer to Social Service.....	1,194,680
Transfer to Children's Services Act	1,000,000
Transfers - Others	772,000
OPEB Benefit Trust.....	150,000
Contingency	500,650
Attrition Savings	<u>(400,000)</u>
TOTAL	\$ 114,954,755

The City Council further resolves that the annual appropriation in the sum of \$53,878,002 for FY 2023 be made from the SCHOOL OPERATING FUND (Fund 2050) which monies are to be expended in accordance with law for purposes authorized and approved by the Fredericksburg City School Board.

The City Council further resolves that the annual appropriation in the sum of \$12,888,768 for FY 2023 be made from the SCHOOL GRANTS FUND (Fund 2110) which monies are to be expended in accordance with law for purposes authorized and approved by the Fredericksburg City School Board.

The City Council further resolves that the annual appropriation in the sum of \$7,637,911 for FY 2023 be made from the SOCIAL SERVICES FUND (Fund 0201) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the City of Fredericksburg Board of Social Services.

The City Council further resolves that the annual appropriation in the sum of \$3,756,797 for FY 2023 be made from the CHILDREN'S SERVICES ACT FUND (Fund 0204) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the City of Fredericksburg Community Policy Management Team.

The City Council further resolves that the annual appropriation in the sum of \$1,320,821 for FY 2023 be made from the CITY GRANTS FUND (Fund 0210) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$450,000 for FY 2023 be made from the ECONOMIC DEVELOPMENT AUTHORITY FUND (Fund 0215) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the City Economic Development Authority.

The City Council further resolves that the annual appropriation in the sum of \$95,000 for FY 2023 be made from the BLIGHT ABATEMENT FUND (Fund 0228) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$936,326 for FY 2023 be made from the STORMWATER MANAGEMENT FUND (Fund 0229) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$5,582,747 for FY 2023 be made from the COVID-19 RELIEF FUND (Fund 0230) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$4,739,433 for FY 2023 be made from the GENERAL OBLIGATION BOND FUND (Fund 0401) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$5,646,420 for FY 2023 be made from the EDUCATION BOND FUND (Fund 0403) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$6,286,724 for FY 2023 be made from the WATER ENTERPRISE FUND (Fund 0501) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$9,983,358 for FY 2023 be made from the WASTEWATER ENTERPRISE FUND (Fund 0502) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$9,377,236 for FY 2023 be made from the PUBLIC TRANSPORTATION FUND (Fund 0503) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$765,569 for FY 2023 be made from the PARKING FUND (Fund 0504) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$128,325 for FY 2023 be made from the RIPARIAN LAND STEWARDSHIP FUND (Fund 0801) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$5,000 for FY 2023 be made from the OPEB TRUST FUND (Fund 0805) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the annual appropriation in the sum of \$1,413,775 for FY 2023 be made from the RAPPAHANNOCK REGIONAL CRIMINAL JUSTICE ACADEMY FUND (Fund 0736) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the Rappahannock Regional Criminal Justice Academy Board.

The City Council further resolves that the annual appropriation in the sum of \$1,442,574 for FY 2023 be made from the RAPPAHANNOCK AREA OFFICE ON YOUTH FUND (Fund 0738) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the Rappahannock Area Office on Youth and Chaplin Group Home Commission.

The City Council further resolves that the annual appropriation in the sum of \$35,000 for FY 2023 be made from the SPECIAL WELFARE REVENUE FUND (Fund 0739) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the City of Fredericksburg Social Services Board.

The City Council further resolves that the annual appropriation in the sum of \$266,984 for FY 2023 be made from the COURT SERVICES UNIT FUND (Fund 0747) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the 15th District Juvenile and Domestic Relations Court Services Unit.

The City Council further resolves that the annual appropriation in the sum of \$1,746,150 for FY 2023 be made from the CELEBRATE VIRGINIA SOUTH COMMUNITY DEVELOPMENT AUTHORITY FUND (Fund 0753) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council and the Celebrate Virginia South Community Development Authority.

The City Council further resolves that the annual appropriation in the sum of \$1,055,000 for FY 2023 be made from the MULTI-PURPOSE STADIUM FUND (Fund 0217) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council.

The City Council further resolves that the City Manager is authorized to make line-item changes within budget program totals and such changes shall be reported to the City Council by way of periodic financial reports. The City Manager is also authorized to utilize up to \$250,000 of the General Fund Contingency during FY 2023 to amend the budget for additional salary or benefit expenditures throughout the General Fund, and shall report to the City Council after such action is taken.

The City Council further resolves that at the close of the fiscal year the City Manager is authorized to maintain appropriations for encumbrances and grants.

The City Council further resolves that the City Manager is authorized to increase budgets and appropriations for the following items of non-budgeted restricted revenue that may occur during FY 2023:

1. Insurance recoveries received for damages to City properties for which City funds have been expended to make repairs.
2. Defaulted builder and developer securities to be used for uncompleted projects.
3. Asset forfeiture funds.
4. Donations under \$10,000 given for a specific purpose.

The City Council further resolves that the appropriations made herein shall become available for expenditures July 1, 2022 and shall expire June 30, 2023.

Section 2. Operating Fund Revenues.

It is estimated that revenues and other sources will be available during the FY beginning on July 1, 2022 and ending on June 30, 2023 to meet the foregoing budget according to the following sources:

General Fund

Local Sources.....	\$ 99,060,105
Revenue from the Commonwealth	6,684,683
Revenue from the Federal Government	95,000
Transfers from Other Funds.....	1,687,967
Fund Balance (Committed Capital)	7,077,000
Fund Balance (Unassigned).....	350,000
Total.....	\$ 114,954,755

Social Services Fund – Operating

Local Sources.....	\$ 45,277
Revenue from the Commonwealth	2,402,297
Revenue from the Federal Government.....	3,732,137
Transfer from the General Fund	1,194,680
Fund Balance.....	263,520
Total.....	\$ 7,637,911

Children’s Services Act Fund

Revenue from the Commonwealth	\$ 2,320,183
Revenue from the Federal Government.....	36,614
Transfer from the General Fund	1,000,000
Fund Balance	400,000
Total	\$ 3,756,797

School Operating Fund

Local Sources	\$ 328,925
Revenue from the Commonwealth	22,049,077
Transfer from the General Fund	30,500,000
Fund Balance	1,000,000
Total	\$ 53,878,002

City Grants – Other Miscellaneous

Local Sources.....	\$ 257,000
Revenue from the Commonwealth	489,595
Revenue from the Federal Government.....	371,624
Transfer from the General Fund	200,000
Fund Balance.....	2,602
Total	\$ 1,320,821

School Grants Fund

School Grants Revenue.....	\$12,888,768
Total.....	\$ 12,888,768

Economic Development Authority Fund

Transfer from the General Fund	\$450,000
Total.....	\$ 450,000

Blight Abatement Fund

Local Sources.....	\$20,000
Fund Balance	75,000
Total	\$95,000

Storm Water Management Fund

Real Estate Property Tax	\$926,326
Local Sources.....	10,000
Total.....	\$936,326

Covid-19 Relief Fund

Revenue from the Federal Government	\$5,582,747
Total.....	\$5,582,747

Debt Service Funds

Transfer from the General Fund (General)	\$4,458,676
Transfer from the General Fund (Education)	5,292,536
VPSA Credit	200,000
R-Board Revenue	280,757
Fund Balance (Committed)	153,884
Total	\$10,385,853

Water Fund

Local Sources.....	\$ 5,171,724
Transfer from Covid-19 Fund	25,000
Fund Balance.....	1,090,000
Total	\$ 6,286,724

Wastewater Fund

Local Sources.....	\$ 8,210,309
Transfer from Covid-19 Fund	55,000
Fund Balance	1,718,049
Total	\$ 9,983,358

Public Transportation Fund

Local Sources	\$ 557,682
Revenue from the Commonwealth	766,675
Revenue from the Federal Government.....	7,345,811
Fund Balance	707,068
Total	\$ 9,377,236

Parking Fund

Local Sources.....	\$ 607,569
Fund Balance	158,000
Total	\$ 765,569

Multi-Purpose Stadium Fund

Local Sources..... \$ 1,055,000
Total **\$ 1,055,000**

Rappahannock Regional Criminal Justice Academy Fund

Academy Revenue \$ 1,363,775
Fund Balance 50,000
Total **\$ 1,413,775**

Rappahannock Area Office on Youth and Chaplin Group Home Fund

Office on Youth Revenues..... \$ 1,337,067
Fund Balance \$ 105,507
Total **\$ 1,442,574**

Special Welfare Fund

Local Sources..... \$ 25,000
Fund Balance 10,000
Total **\$ 35,000**

Court Services Unit Fund

CSU Revenues \$ 266,984
Total **\$ 266,984**

Celebrate Virginia South CDA Fund

CDA Assessments \$1,746,150
Total **\$1,746,150**

Riparian Lands Fund

Local Sources..... \$ 52,971
Transfer from the General Fund 72,000
Fund Balance 3,354
Total **\$ 128,325**

OPEB Trust Fund

Fund Balance \$ 5,000
Total **\$ 5,000**

Section 3. FY 2023 Capital Budget

The City Manager has submitted to the City Council a FY 2023 capital budget for the City's various capital funds.

The City Council resolves that the annual appropriation in the sum of \$56,130,000 for FY 2023 be made from the SCHOOL CAPITAL FUND (Fund 3010) which monies are to be expended in accordance with law for purposes authorized and approved by the Fredericksburg City School Board.

The City Council further resolves that the annual appropriation in the sum of \$12,225,464 for FY 2023 be made from the PUBLIC WORKS CAPITAL FUND (Fund 0302) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council. The budgeted projects are as follows:

<u>Rolling Stock</u>	
Asphalt Truck	\$ 225,000
<u>Stormwater Management</u>	
Canal Improvements.....	48,000
Culvert Replacements.....	150,000
Pond D Improvements	2,600,000
Stream Restoration	4,600,000
Dam Repair.....	1,252,464
<u>Other Public Works Projects</u>	
Wheeled Refuse Cart Phase 1	300,000
Riverfront Park Stage & Bathroom	1,500,000
<u>Transportation</u>	
Annual Asphalt & Concrete Repair Program	750,000
Downtown Traffic Engineering	200,000
Fall Hill/Washington Avenue	600,000
Total Public Works Capital Fund.....	\$12,225,464

The City Council further resolves that the annual appropriation in the sum of \$6,030,000 for FY 2023 be made from the WATER SYSTEM IMPROVEMENT FUND (Fund 0303) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council. The budgeted projects are as follows:

Sewer & Water Master Plan	\$ 200,000
Water Meter Replacement.....	5,255,000
Internal System Improvements	400,000
Pressure Release Valve Replacement / Rehab	95,000
Spotsylvania Shared Water Projects	80,000
Total Water System Improvement Fund.....	\$6,030,000

The City Council further resolves that the annual appropriation in the sum of \$107,245,000 for FY 2023 be made from the WASTEWATER SYSTEM IMPROVEMENT FUND (Fund 0304) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council. The budgeted projects are as follows:

Sewer & Water Master Plan	\$ 200,000
WWTP Upgrade & Consolidation.....	101,020,000
Route 2 & 17 Pump Station Improvements.....	30,000
WWTP Capital Maintenance.....	260,000
Sewer Systems Improvements.....	4,435,000
Spotsylvania Shared Wastewater Projects	1,300,000
Total Wastewater System Improvement Fund	\$107,245,000

The City Council further resolves that the annual appropriation in the sum of \$3,035,350 for FY 2023 be made from the PUBLIC FACILITIES CAPITAL FUND (Fund 0305) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council. The budgeted projects are as follows:

Information Technology

Cybersecurity	\$ 82,500
ERP – Additional Modules.....	54,850
Fiber Network Expansion	268,000
IT Disaster Plan Implementation	150,000
Technology Replacements	325,000

Parks, Recreation & Events

Bankside Trail.....	150,000
Memorial Park Improvements.....	90,000
Park Plan Development	90,000

Community Planning & Building

Planning Area Updates.....	100,000
Comprehensive Plan Update	150,000
Downman House.....	150,000

Public Facilities

Energy Retrofit Initiatives	200,000
Executive Plaza Visitor’s Center	1,000,000
PD UPS Replacement	150,000
Public Safety IT System Replacement.....	75,000
Total Public Facilities Capital Fund	\$3,035,350

The City Council further resolves that the annual appropriation in the sum of \$14,726,186 for FY 2023 be made from the PUBLIC SAFETY CAPITAL FUND (Fund 0306) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council. The budgeted projects are as follows:

Ambulance, Dive Vehicle & Fire Apparatus.....	\$ 100,000
Animal Shelter Renovation	95,000
New Fire Station	14,000,000

Public Safety Body Cameras, Tasers, & Interview Room	174,435
Public Safety Radio Replacements.....	156,751
SCBA Replacement.....	200,000
Total Public Safety Capital Fund	\$14,726,186

The City Council further resolves that the annual appropriation in the sum of \$150,000 for FY 2023 be made from the COURT FACILITIES CAPITAL FUND (Fund 0315) which monies are to be expended in accordance with law for purposes authorized and approved by the City Council. The budgeted projects are as follows:

Renwick Improvements	\$ 150,000
Total Court Facilities Capital Fund	\$ 150,000

The City Council further resolves that the appropriations made herein shall become available for expenditures July 1, 2022 and shall expire June 30, 2023.

Section 4. Capital Fund Revenues

It is estimated that revenues and other sources will be available during the FY beginning on July 1, 2022 and ending on June 30, 2023 to meet the foregoing budget according to the following sources:

Public Education Capital Fund (Fund 3010)

General Fund Transfer	\$ 4,000,000
Debt Issuance.....	\$ 50,500,000
Proffer	\$ 500,000
Fund Balance (Capital Fund)	1,130,000
Total Public Education Capital Fund	\$ 56,130,000

Public Works Capital Fund (Fund 0302)

Local Sources.....	\$ 650,000
Revenue from the Commonwealth (Grants)	3,881,162
Revenue from the Commonwealth (VDOT).....	0
Revenue from the Federal Government.....	1,200,000
Transfer from the General Fund	1,183,464
Transfer from the Stormwater Management Fund	180,176
Transfer from the Covid-19 Fund	525,000
Debt Issuance.....	4,305,662
Fund Balance (Committed Capital)	300,000
Total Public Works Capital Fund	\$ 12,225,464

Water System Improvement Fund (Fund 0303)

Transfer from the Operating Fund.....	\$ 775,000
Debt Issuance.....	5,255,000
Total Water Capital Improvement Fund	\$ 6,030,000

Wastewater System Improvement Fund (Fund 0304)

Local Sources (Recovered Cost WWTP Expansion).....	\$ 5,000,000
Revenue from the Commonwealth (Grants)	19,000,000
Revenue from the Commonwealth (DEQ WQIF).....	34,970,000
Transfer from the Covid-19 Fund	3,000,000
Transfer from the Operating Fund.....	1,000,000
Debt Issuance.....	44,275,000
Total Wastewater System Improvement Fund	\$ 107,245,000

Public Facilities Capital Fund (Fund 0305)

Local Sources (Recovered Cost Public Facilities Capital)	\$ 1,000,000
Revenue from the Commonwealth (Grants)	150,000
Transfer from the General Fund	1,367,350
Transfer from the Covid-19 Fund.....	368,000
Fund Balance (Committed Capital).....	150,000
Total Public Safety Capital Improvement Fund	\$ 3,035,350

Public Safety Capital Fund (Fund 0306)

Transfer from the General Fund	\$ 526,186
Transfer from the Covid-19 Fund	200,000
Debt Issuance.....	14,000,000
Total Public Safety Capital Improvement Fund	\$ 14,726,186

Court Facilities Capital Fund (Fund 0315)

Fund Balance (Committed Capital).....	\$ 150,000
Total Public Safety Capital Improvement Fund	\$ 150,000

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 22-__, adopted at a meeting of the City Council held April 26, 2022, at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council