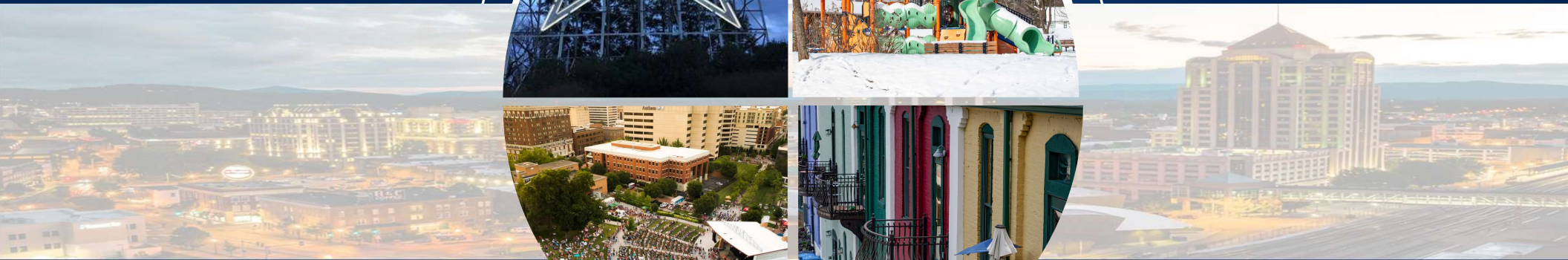
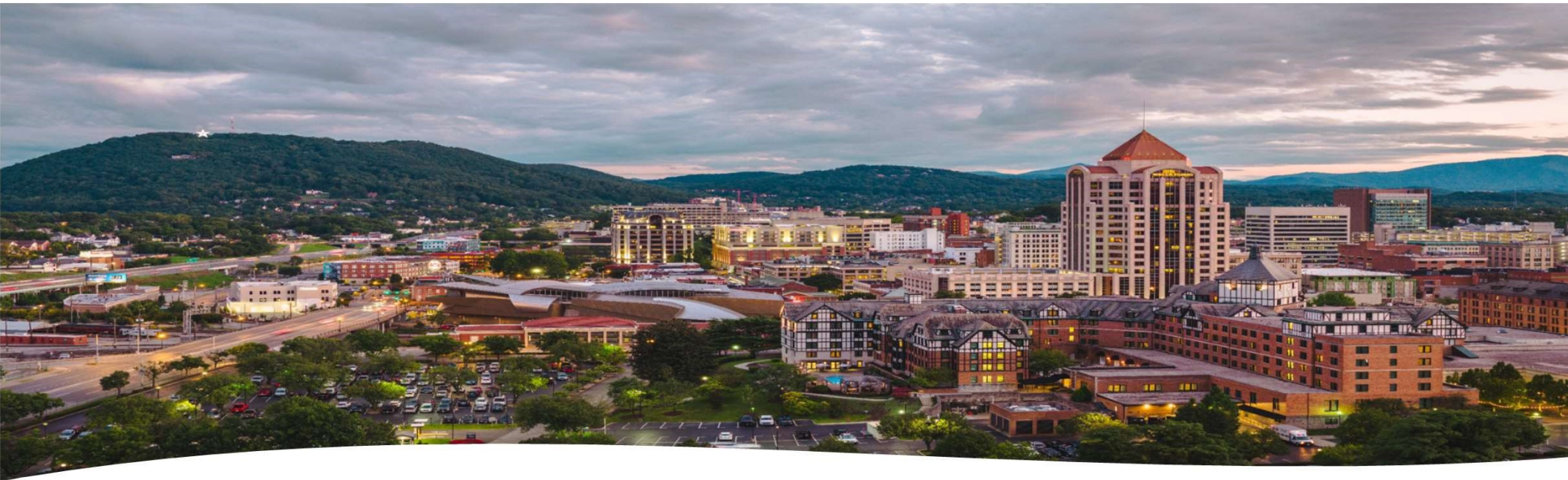


FY2025-2026
City of Roanoke, VA



CHALLENGES & CHOICES





AGENDA

- **FY 2025 Council Priorities**
- **Proposed FY 2026 Budget Overview**
- **FY 2026- 2030 Amended Capital Improvement Program**



CITY COUNCIL PRIORITIES

City Council Priorities

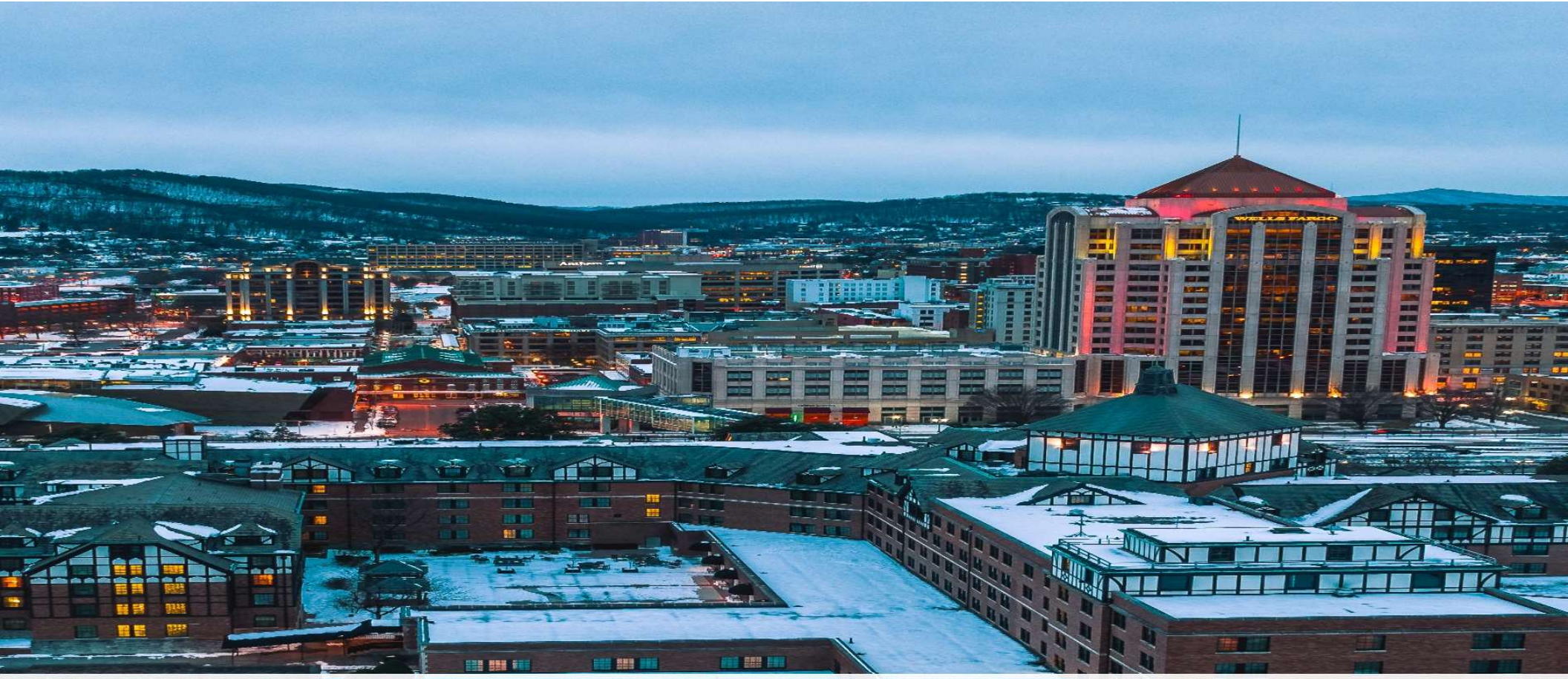
-
- Education
 - Public Safety
 - Human Services



City Council Priorities cont'd

-
- Infrastructure
 - Good Government
 - Livability
 - Economy





PROPOSED BUDGET OVERVIEW

BUDGET PRIORITIES AND INVESTMENTS

Challenges and Choices

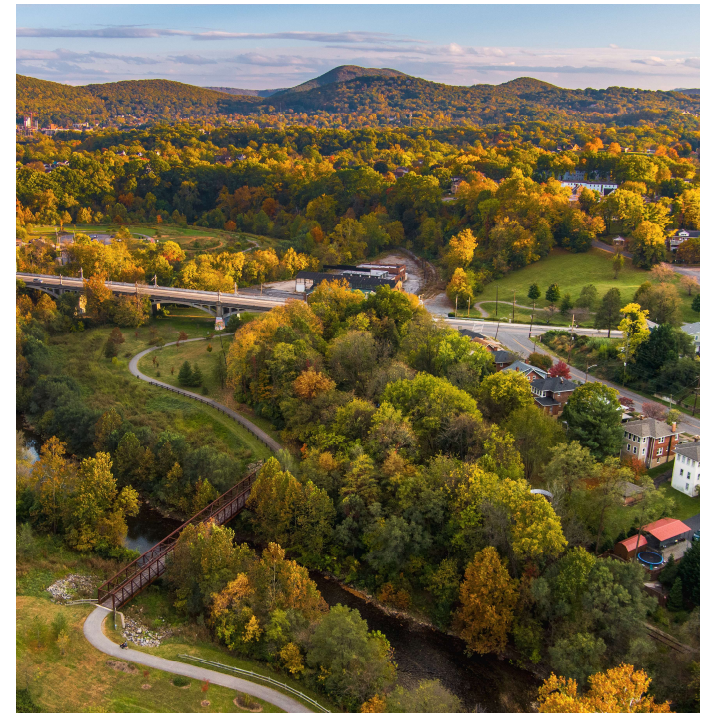
- Local, State, and Federal uncertainties

Focus on Stabilizing the Budget

- Align the budget with actual expenditures
- Multi-year, Multi-Prong Approach

Enhance Compensation

- Cost of Living Adjustment (Compensation)
- Public Safety Step Plan adjustment
- Living Wage



PRIORITIES AND INVESTMENTS CONT'D

- **Continue Targeted Investments**
 - Infrastructure
 - Parks and Recreation facilities/amenities
 - Public Safety facilities
 - Library facilities
 - Economic Development
 - Fleet replacement via the Capital Improvement Plan
- **Address Backlog in Capital Replacement**
 - HVAC/Mechanical Systems
 - Electrical Systems
 - Elevators
 - Roofs



PRIORITIES AND INVESTMENTS CONT'D

Budget Development Process

- No recommended changes to the Real Estate & Personal Property Taxes
- Increase revenue – including Meals Tax
- Decrease expenditures
- Reduce reliance on vacancy savings and Debt





BALANCED BUDGET

- **General Fund Balanced Budget**

- Totals \$403.7M
- Incremental Revenue Increase of \$24.6M
- Increase in EMS Transport Fee of 10%

FY2026 PROPOSED BUDGET

FY2026 General Fund Budget Proposal	
<u>Details</u>	<u>Balanced Budget</u>
FY2025 Revenue Base Budget	\$ 379,106,000
Incremental Revenue	24,583,000
FY2026 Proposed Base Budget - Revenues	403,689,000
FY 2025 Expenditure Base Budget	379,106,000
Proposed Compensation Package	9,656,610
Expenditures	14,926,390
FY2026 Proposed Base Budget - Expenditures	\$ 403,689,000

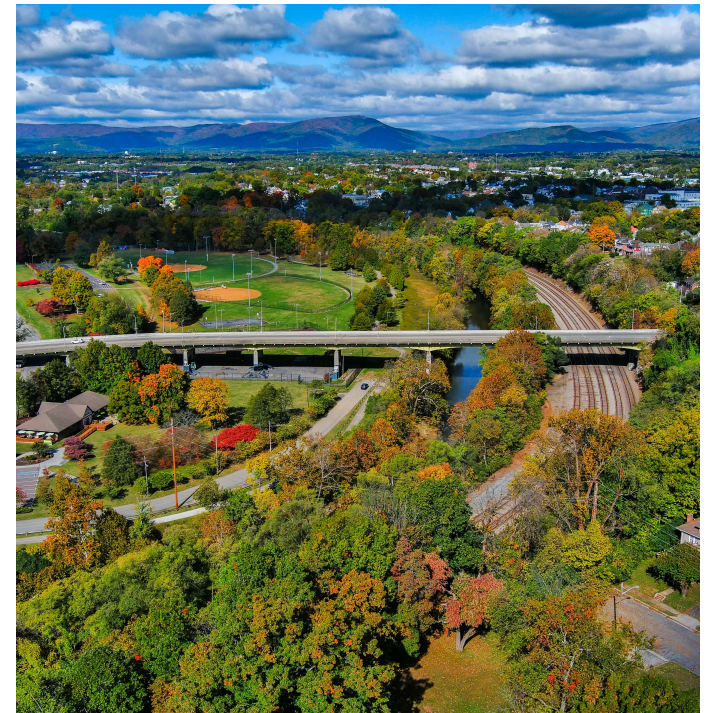


INCREMENTAL REVENUE

- **Total of Revenue by Major Categories – \$24.6M**
 - General Property Taxes – \$15.4M
 - Other Local Taxes – \$1.87M
 - Permits, Fees, Licenses – (\$.5M)
 - Fines & Forfeitures – \$8.9K
 - Revenue – Money & Property – \$1.55M
 - Intergovernmental (state/federal) – \$5.60M
 - Charges for Services – \$621K
 - Fire-EMS Medic Transport Fee Increase – 10%

EXPENDITURES

- Base Pay & Associated Benefit Changes- \$5.1M
- Compensation Increase – \$4.6M
- Social Services Reimbursable Programs – \$8.16M
- Technology & Other Contractual Increases – \$4.23M
- Overtime Wages – \$2.03M
- Sheriff's Medical Contract – \$2.46M
- Temporary Wages – \$212K
- External Agencies – \$464K
- Other Miscellaneous – \$901K
- Base Budget Reduction – (\$3.54M)





ROANOKE CITY PUBLIC SCHOOLS

- **RCPS – Level Funding FY2025 – \$106.9M.**
- With the financial assistance of the City, RCPS has consistently improved its performance compared to the prior establishment of the formal policy.
- Fund balance has grown - General Fund Unassigned is \$22.8M. Projected to increase to \$26.1M at end of FY 2025.
- Additional \$5M in Assigned General Fund Balance for transition costs associated with the end of pandemic relief funds.
- Capital Fund Assigned Balance of \$26.2M.
- General Fund Unassigned Fund Balance provides flexibility to cover operational costs as a bridge.

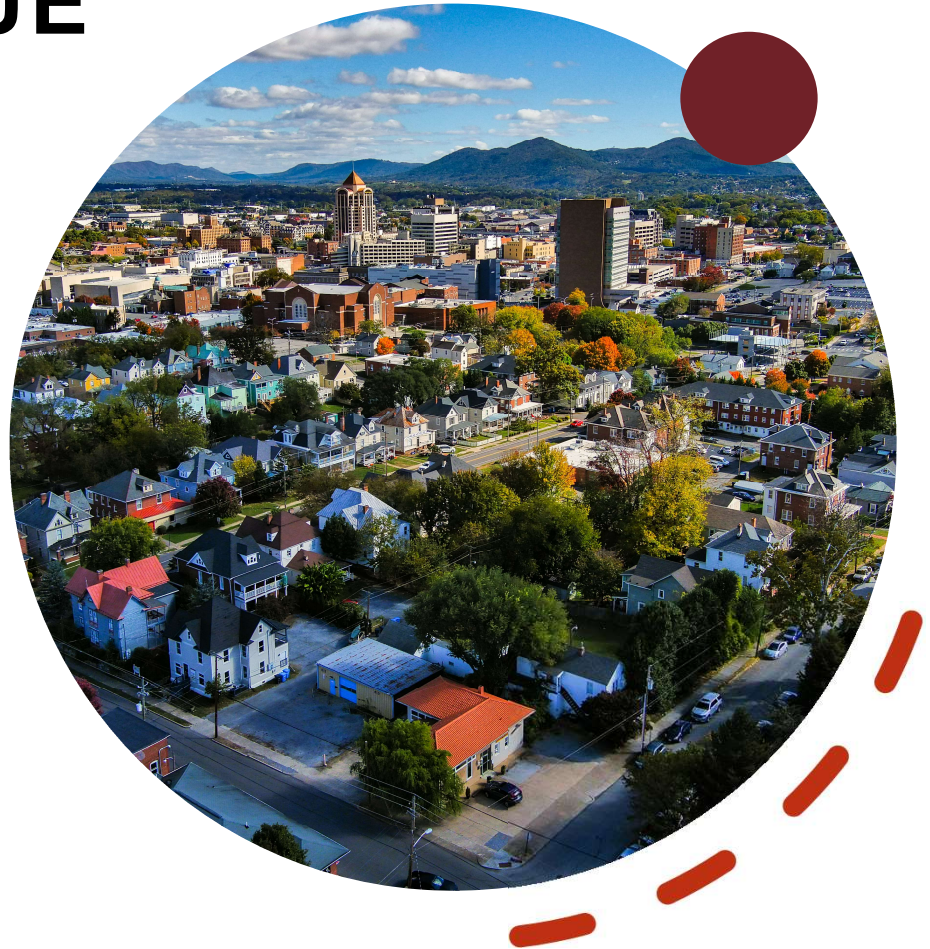
UNFUNDED PRIORITIES

- Social Services Additional Request - \$1.4M
- Technology & Other Contractual Increases - \$166K
- Overtime Increase - \$1.6M
- Temporary Wage Increase - \$1.5M



MEALS TAX REVENUE PROPOSAL

- Proposed Meals Tax Increase
0.5% = \$2.02M
- Funding Recommendations:
 - Technology & Other Contractual
Increases – \$167K
 - Overtime – \$1M
 - Temporary Wages – \$855K



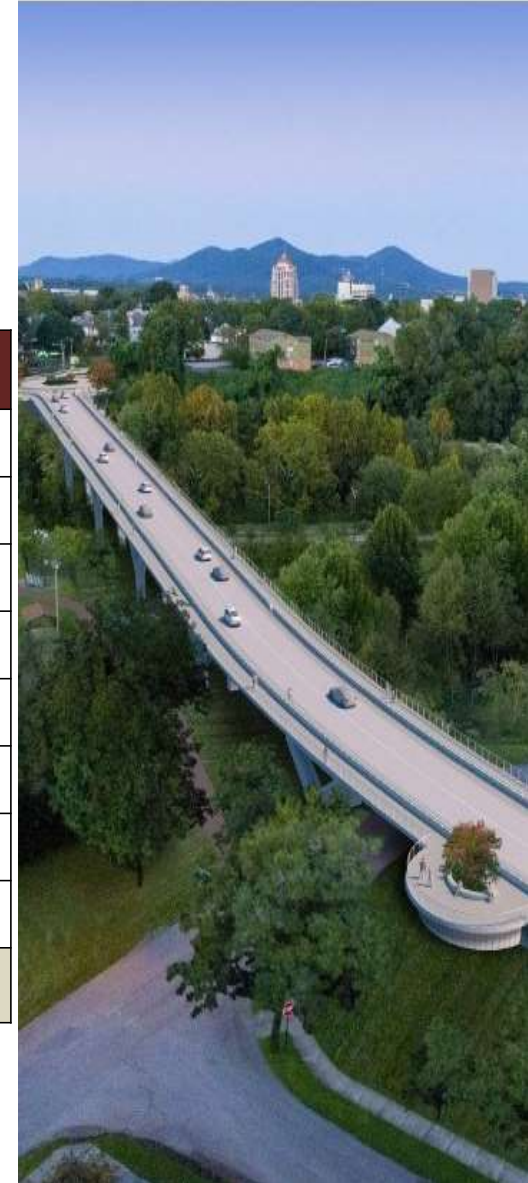


FY 2026–2030 CAPITAL IMPROVEMENT PROGRAM



CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECT SUMMARY BY CATEGORY

Project Category	FY 2026	FY 2027-2030
Schools	\$ 5,000,000	\$ 20,000,000
Buildings	15,133,000	22,661,000
Bridges	16,550,000	16,249,000
Streets and Sidewalks	9,539,000	36,906,000
Parks & Recreation	750,000	28,550,000
Fleet Capital & Equipment Replacement	4,384,000	16,174,000
Capital Maintenance & Replacement	2,500,000	22,000,000
Technology Improvements	1,125,000	3,980,000
Total General Fund Projects	\$ 54,981,000	\$ 166,520,000



CAPITAL IMPROVEMENT PROGRAM (CIP) FY 2026 NEW PROJECTS



- Roanoke Centre for Industry & Technology Tract 8 - \$2.5M
- E-911 Center - \$797.5K
- Fire Drill Tower - \$720K
- Adult Detention Center (Maintenance) - \$250K
- Global HR System - \$200K
- Technology Center - \$1.5M

New projects to be funded by reallocation of funding from:

- HVAC/Structural
- Roof Replacement
- Fleet Replacement
- 1% of Debt Issuance – Climate Action
- Internet Ring Expansion

Backlog of HVAC/Mechanical, Electrical, Elevator, and Roof projects funded via a Proposed Meals Tax increase of 1%



CAPITAL IMPROVEMENT PROGRAM (CIP) FY 2026-2030 FUNDING SOURCES

FY 2026 Recommended Projects:

- Debt - \$30.3M
- Cash - \$8.3M
- Grants - \$14.9M
- Project Contingency - \$1.5M

FY 2027- 2030 Recommended Projects:

- Debt - \$109.2M
- Cash - \$45.1M
- Grants - \$12.2M

CAPITAL IMPROVEMENT PROGRAM (CIP) ENTERPRISE FUNDS FY 2026-2030 FUNDING SOURCES

Stormwater Fund:

FY 2026

- Debt - \$3M
- Cash - \$500K

FY 2027-2030

- Debt - \$12M
- Cash - \$2.75M

Berglund Center Fund:

FY 2026

- Debt - \$1.5M

FY 2027-2030

- Debt - \$6M

Parking Fund:

FY 2026

- Cash - \$450K

FY 2027-2030

- Cash - \$900K

BUDGET TIMELINE



FY 2026
PROPOSED
BUDGET



Thank you