



**CITY OF WILLIAMSBURG**  
MEMORANDUM

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**TO: Mayor and City Council**  
**DATE: March 13, 2009**  
**SUBJECT: City Manager's Budget Message**

**INTRODUCTION**

Green money. Green earth. The color green happens to symbolize the two pillars holding up the Sustainable City: economic and environmental.

Both “greens” are essential to Williamsburg’s long term success:



- A strong and resilient local economy and local government finances.



- A healthy and beautiful natural and built environment.

This year both greens drive the budget as Williamsburg faces economic challenges not seen in over half a century – with the budget shrinking more than five percent; and as Williamsburg pursues a heightened awareness of environmental stewardship.

In fact, some budget issues align around both green dimensions: In refuse collection we can save dollars and reduce carbon emissions. In water policy we can achieve water

security by “the least environmentally damaging practicable alternative.”<sup>1</sup> In promoting the greenest of industries – tourism – we can increase the share of room tax dedicated to tourism promotion even with reduced room tax receipts. In expanding the Municipal Building we can collocate city services while saving energy and operating costs.

The city ended last fiscal year FY 08 with its best performance ever – revenues exceeding expenditures by \$3.3 million, \$29.0 million in reserve, and only \$11.1 million in total outstanding debt. Working from that strong financial position, and working from City Council’s new **Biennial Goals, Initiatives and Outcomes** strategic plan for the next two years (see second Tab), the city is ready to take on the formidable challenge of the future.

Looking now at the overall picture for the year ahead, the Proposed **General Fund Operating Budget** can be summarized by:

- Projected Revenues of **\$32,125,513**, down by **5.5%**.
- Planned Spending of **\$32,174,767**, down by **5.6%**.
- No Change in Tax Rates.
- Number of full time equivalent positions reduced from **202** to **187**.
- No pay increases.

In the **Utility Budget**, recommended is a **5%** Water and Sewer rate increase, from \$3.80 to **\$4.00** per one thousand gallons, beginning July 2009, per the Five Year Water and Sewer Rate Analysis. The rate increase is expected as part of the cost of participation in the long term water supply agreement with Newport News.

In the General Fund **Capital Improvement Program**, a total of **\$9,701,044** is projected in capital spending, not including debt service. This is a reduction of \$1.9 million from the projection for FY 10 in last year’s CIP. The largest project in FY 10 is the Municipal Building renovation, expansion and energy retrofit. The project is being designed and will be ready to bid in summer 2009.

The combined total of the four funds – General Operating Fund, Utility Fund, Sales Tax/Capital Fund, and, now shown as a separate fund, the Public Assistance Fund – amounts to **\$52,049,556**.

The proposed revenue estimates and spending plan, if executed exactly as projected in the proposed FY 2010 budget, would result in a General Fund balance on June 30, 2010 of **\$15,453,552**.

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<sup>1</sup> U.S. Army Corps of Engineers, Division Commander Brigadier General Stephen Rhoades, 2002.

To breakdown these numbers by operating city department, see the third tab on **Performance Metrics** which arrays year by year budget inputs (dollars and personnel) with output and outcome performance measures and targets.

With the above as an overview, the remainder of the Budget Message discusses a number of issues that are particularly helpful in understanding and reviewing the proposed budget, beginning with General Fund revenue projections.

## **REVENUE PROJECTIONS**

Next year (FY 2010) we forecast General Fund revenues of \$32,125,513, a 5.5% decrease from the current year (FY 2009) budget amount. Behind the Budget Guide tab is a detailed explanation of revenues, explaining the legal basis and ten year trends of all revenue sources. The following is a summary of significant revenue changes in next year's budget:

1. **Property Taxes.** Property tax projections are based on a total anticipated value of real estate of \$1.898 billion dollars, an increase from current land book values of 2.5%. Assuming no change in the tax rate of \$.54 per hundred dollars of assessed value, we estimate real property tax collections of \$10,100,000 next year. The chart below details the change anticipated in real estate values:

<b><u>\$ in Millions</u></b>	<b><u>FY 2009 Actual Values</u></b>	<b><u>FY 2010 Estimated Reassessment</u></b>	<b><u>Change due to Reassessment</u></b>	<b><u>FY 2010 Estimated New Construction</u></b>	<b><u>FY 2010 Totals</u></b>
<b>Residential</b>	<b>1,189.6</b>	<b>1,185.2</b>	<b>-0.4%</b>	<b>2.5</b>	<b>1,210.6</b>
<b>Commercial</b>	<b>661.7</b>	<b>666.7</b>	<b>0.8%</b>	<b>2.1</b>	<b>687.6</b>
<b>Totals</b>	<b>1,851.4</b>	<b>1,852.0</b>	<b>0%</b>	<b>4.6</b>	<b>1,898.2</b>

Williamsburg's real estate values continue to hold close to level unlike most of the nation, but assessments are always a lagging indicator of market conditions.

Other property taxes include personal property (car tax) and business property. Taken together these categories are near level. The amount of car tax relief paid by the state is expected to be 58% next year.

All property taxes (real and tangible) taken together are expected to generate \$12,949,320, a 2.1% increase, making property taxes a relative bright spot in the city's revenue outlook.

2. **Other Local Taxes.** Other local sources of taxation include various consumer utility taxes and franchise fees, business licenses, transient lodging and prepared food or "room and meal" taxes. Taken together, other local taxes will generate \$13,658,600, a disappointing 11% decrease.

The estimate for room and meal tax collections is projected to total \$3,500,000 for room tax, a 15.7% decrease; and \$5,500,000 for meal tax, a 6.8% decrease, over last year's adopted budget. These estimates reflect declining sales coming off a strong FY 07 and FY 08 in the city's tourism economy. The room tax estimate does not include the \$2.00 destination marketing surcharge for additional tourism promotion, which is a separate line item in the budget of \$1.5 million.

Taken together, all local sources of taxation are expected to generate \$26,607,920, a 5.1% decrease from the current year budget.

3. **User Fees.** User fees include license and permit fees, including building permits, and various charges for service. Licenses and Permits are projected to decline 22.5% to \$182,280 due to the lack of construction activity.
4. **Fines and Forfeitures.** This category covers court fines – mostly for traffic violations, parking fines, and code violation fines. It is expected to decline 4.9% to \$232,000.
5. **Revenue From Use of Money and Property.** The interest earning estimates, down a huge 38.5%, (\$400,000 in the General Fund and \$50,000 in the Utility Fund) are based on assumed earnings of 1.5% on daily accounts and on longer-term accounts. The property rental estimate is \$483,900, a 13.7% decrease, covering the Community Building, Transportation Center, City Square, and the Prince George Parking Garage.
6. **Miscellaneous.** The largest revenue line in this category is the Emergency Medical Transport fees enacted four years ago. They are projected to return \$325,000 – all of which is earmarked for EMS service.
7. **Revenue From the Commonwealth.** Revenue from the state government in the amount of \$2,713,200, which includes support for constitutional officers and both categorical and non-categorical aid, are estimated to decrease by 3.6%. The estimate of Sales Tax for Education of \$680,000, based on State Department of Education calculations, is 10.8% less.

## **EXPENDITURE ISSUES**

Next year we have proposed General Fund operating expenditures of \$ 32,174,767, a decrease of 5.6% from the current year adopted budget. Broken down in four large categories:

	<b><u>FY 2009 Adopted Budget</u></b>	<b><u>FY 2010 Proposed Budget</u></b>	<b><u>Percent Increase/ (Decrease)</u></b>
<b>City Departments</b>	<b>\$ 18,716,709</b>	<b>\$17,381,026</b>	<b>(7.1%)</b>
<b>Constitutional Officers and Judicial</b>	<b>\$ 2,040,531</b>	<b>\$ 2,004,623</b>	<b>(1.8%)</b>
<b>Education and Library</b>	<b>\$ 7,926,345</b>	<b>\$7,924,345</b>	<b>0%</b>
<b>Outside Agencies and Health</b>	<b>\$ 5,128,213</b>	<b>\$4,864,773</b>	<b>(5.1%)</b>

As will be evident in the following pages, five items will produce most of the savings in FY 2010: personnel reductions, reduced street repaving, refuse collection alternative, information technology cutbacks, and reduced tourism promotion.

1. **Salary Ranges and Pay.** Due to declining revenue, no money is recommended for pay raises next year. Moreover, despite a 4.2% increase in the Consumer Price Index for calendar 2008, no general increase in city pay ranges are recommended either.
2. **Personnel Positions.** As explained in greater detail under departmental headings, the total number of full time equivalent positions in city departments decreases from 202 to 187. The reduction is being accomplished through transfer and reorganization, including the 13 positions transferred to York County as part of the E911 consolidation. Additionally, a number of positions remain funded in the budget, but are frozen indefinitely. Thus, counting the true permanent reduction due to E911 consolidation as 4 instead of 13, the total number of positions to be eliminated totals 6. Adding to that the number to be frozen is 6, for a total of 12.

3. **Health Coverage**. The city's health plan is largely self-insured. Anthem is paid a set amount to administer the plan, but the city keeps savings when actual costs fall below the "premium," and pays more when costs exceed the premium. That liability, however, is capped at 125% of premiums through excess insurance. Savings to date have created a reserve, currently \$595,356, to fund losses should losses exceed the amount budgeted in any given year. Therefore, we budget for the expected loss only. Based on experience so far this year, we have included a 5% increase in funds budgeted for health insurance and the dental reimbursement program over the current year budget in the total amount of \$1,265,000.
4. **Virginia Retirement System**. VRS sets the contribution rate for the city based on biennial actuarial studies. Our rate beginning July 1, 2009 is proposed to be 15.49%. Based on our projected payroll next year, we expect to pay \$1,462,596 to fund employee VRS retirements, nearly the same as the current budget.
5. **Administration**. Six office budgets now make up the central administration group: City Council, Clerk of Council/City Manager, Economic Development, City Attorney and Human Resources. The total of these budgets is \$1,389,796, a 1.9% decrease. In a change from prior years, Human Resources has been broken out as a separate budget, and the Communications Specialist and Clerk of Council have been united in a single budget supporting City Council and City Manager.
6. **Non-Department**. This budget in the amount of \$475,000 includes several important expenditure items not assigned to an office or department, including "aid to the Commonwealth" (\$60,000) and contingency funds both general (\$300,000) and for economic development (\$50,000).
7. **Joint Courthouse and Judicial Functions**. The Joint Courthouse Agreement, dated December 1996, between the city and James City County, governs cost sharing not only for taking care of the new courthouse, but for judicial functions related to the Courthouse, including: Circuit Court, General District Court, Juvenile and Domestic Relations Court, Clerk of the Circuit Court, Commonwealth Attorney, and City/County Sheriff. The Courthouse Agreement provides that the city and county will determine population based on the annually updated Hampton Roads Data Book published by the Hampton Roads Planning District Commission. The estimate of city cost is \$400,000, same as prior year.

8. **Police and E911 Service.** The Police Department proposed budget is \$4,097,082, down from the current year by 4.4%. The cost savings come from the recent decision to consolidate E911 Emergency Communications with York County. Additionally, one police position has been frozen, and another will be frozen upon an upcoming retirement. We hope to fill these positions with “COPS” funding in the federal stimulus package.



9. **Parking Garage.** Based on experience in the first four years of operation, we have set the Prince George Parking Garage operating budget at \$122,924. This expense is covered by \$200,000 in projected parking garage revenues. Revenues in excess of operating costs will help pay debt service on the structure. (The balance owed on the Parking Garage as of January 2009 was \$5,319,464.)
10. **Fire.** The Fire Department proposed budget is \$3,244,147, down from the current year by 2.9%. Over the past three years, five new firefighter/EMT positions have been added. These firefighters have helped the fire department maintain adequate on duty staffing given the constant pressure of time away for leave and training. The five positions were also a “downpayment” in staffing which will be required to open a future satellite fire station (nine positions total) on Ironbound Road adjacent to High Street. Given current and prospective constraints, the additional positions are not affordable and the Ironbound project needs to remain on hold.
11. **Code Compliance.** Due to planned personnel reassignment and reductions in light of the level of building activity, this budget has been reduced 26.5% to \$394,117. The five person professional staff will be reduced to four recognizing the decrease in workload due to economic conditions.
12. **Regional Jail and Youth Detention.** Funding for the city’s share of the Virginia Peninsula Regional Jail is expected to be \$1,078,305, near level with the current budget. The city share of jail costs is based on the average usage rate over the past five years. Each member jurisdiction (Williamsburg, James City, York and Poquoson) pays for their share of the inmate population based on the location where the offense occurred and the arresting authority. We expect to pay 19% of local jail costs this coming year. Other detention related expenditures include: the Middle Peninsula Juvenile Detention Commission at \$80,000, which is projected to decrease by 33%; and Colonial Group Home Commission (Crossroads Home) at \$82,642, which is proposed to increase by 8.4%. Both are based on amount of usage by city children.

13. **Public Works.** Public Works divisional budgets totaling \$3,619,151 (Engineering, Streets, Refuse Collection, Landscape, Cemetery, Mosquito Control, Facilities Maintenance) is 13.3% below the current year amount. A Streets position will remain frozen. The budget reduction is due primarily to two major recommendations: The first is a \$300,000 reduction in street resurfacing. Should transportation related stimulus money be forthcoming, we can reinstate this cut.



The second is a \$200,000 reduction in the refuse collection account in anticipation of a change in service methodology for the next five year collection contract. The new contract is scheduled to be effective July 2009.

14. **Information Technology.** A 28% reduction to \$340,000 will be possible by scaling back on the personal computer replacement cycle and on maintenance contracts.
15. **Public Assistance (Human Services).** The contracted position of At-Risk Counselor has been taken out of this budget, and anticipated Comprehensive Service Act funding has been reduced, to achieve a 6.5% budget reduction. It may be possible to use stimulus funds to hire summer workers to keep our Youth Achievement Program at full strength.

16. **Parks and Recreation.** The Parks and Recreation budgets total \$1,291,083, a 9.5% reduction, which we hope to achieve primarily through planned personnel realignment.
17. **Planning.** A reduction of 10.4% in this department is made possible primarily by the personnel transfer associated with Clerk of Council reorganization, and a reduction in outside professional services.



## **OUTSIDE AGENCY ISSUES**

Nearly one-half of the city's General Fund budget goes to agencies and activities not under City Council's direct operational control. Funding relationships are often complex, and vary in degrees of funding discretion possible from year to year. The "Notes on Funding Relationship," contained under the Budget Guide tab, help explain the city's role in providing financial support to these agencies and activities.



Background documentation from outside agencies is provided in the Appendix of the Proposed Budget, or provided under separate cover, as in the case of the School and the Library budgets.

A number of issues concerning outside agency funding requests for the coming year need to be highlighted:

1. **Health Services**. The four agencies named below provide health services to city residents, workers and visitors. The total recommended funding for FY 10 is \$460,777, a decrease of 6.7% over the current year.

The Peninsula Health District budget request to the city is \$112,138, a 17.4% decrease from the current year.

The Human Services Advisory Board has recommended Olde Towne Medical Center (Williamsburg Area Medical Assistance Corporation or WAMAC) receive funding of \$83,430, a 10% decrease from the current year; and that the Comprehensive Health Investment Program (CHIP) receive level funding of \$19,349.

Finally, the Colonial Services Board, the agency through which the city provides mental health and retardation services to its residents, requests level funding in city contribution of \$245,860, based on the multi-jurisdictional funding formula.

2. **Schools**. Based on the School Board's budget at this point in time, and State funding based on General Assembly action, and flow through of federal stimulus dollars, we can expect a city contribution to the operational budget in the amount of \$7,024,315, level with the current year. The final amount will be determined by formula as set forth in the current five-year city/county Joint School Agreement, effective since July 1, 2007, and the final amount of State and Federal stimulus support.

As a result of current and past school agreements, the city's proportional share of funding for the schools over the past decade has declined, even when funding in absolute dollars increases, and that trend will continue next year. City children numbering 780 now account for 7.45% of the children enrolled in the system. Under the Joint School Agreement, in FY 10 the city pays a share equal to its enrollment times a factor of 1.15. So, the city continues to pay a premium to participate in the joint system. Based on the current enrollment split, the city's contribution is projected at 8.57% and the county's 91.43%, of local funding for the schools.

3. **Library.** The Williamsburg Regional Library is funded under the revised library agreement with James City County, effective July 1, 2006. That agreement calls for funding of operational costs based on the proportion of circulation by residency. Based on the library's figures, the city/county circulation ratio for fiscal year 2008 was 15.28% city, and 84.72% county. The Library's proposed budget of \$6,365,337 is a slight decrease, which would result in a small decrease in city contribution. The agreement, however, provides that neither the city or county will reduce funding, so the city's contribution will remain level at \$884,955.



4. **Human Service Agencies.** The city's Human Services Advisory Board, as requested by City Council, has evaluated Human Services Agency requests for funding, and made its recommendations to City Council. Their analysis and recommendations are in the Appendix to the Proposed Budget. The proposal is a 12.6% decrease from the current year in the total amount of \$101,328. The proposed budget follows the Human Services Board's recommendations in all respects.

5. **Community and Economic Development Agencies.** The city has supported tourism advertising and promotion through Colonial Williamsburg and the Greater Williamsburg Chamber and Tourism Alliance.

This year Colonial Williamsburg Foundation has requested \$1,410,000, level with existing funding. The Greater Williamsburg Chamber and Tourism Alliance has also requested level funding of \$940,000 (which includes \$100,000 for Chamber operations). Due to sharp declines in room and meal tax dollars and the inability to make up all the difference from other sources, I recommend that the city decrease its total support for CWF and the Alliance by 6.4%. I further recommend that the city maintain its traditional 60/40 split between CWF and the Alliance resulting in \$1,320,000 for CWF, and \$880,000 for the Alliance. The city's goal should be to do all it reasonably can to promote visitation to Williamsburg in the most effective way we know.

The proposed budget also includes an estimated \$1,500,000 of pass through funding from the \$2.00 room surcharge to the Williamsburg Area Destination Marketing Committee's campaign. This brings the total city tax dollars for tourism promotion to \$3,700,000.

Five years ago in FY 04 the city received \$3.99 million in room tax receipts, and funded CWF/Alliance \$2.16 million (54% of room tax used for CWF/Alliance contribution). Next year we project room taxes to generate \$3.50 million, and CWF/Alliance funding of \$2.20 million (63% of room tax used for the CWF/Alliance

contribution). The point is that the city has significantly expanded its contribution to tourism promotion as a percent of room taxes.

In addition to tourism promotion, the city support is recommended for a number of other agencies that make important economic development and community development contributions to Williamsburg:

Williamsburg Redevelopment & Housing Authority	\$35,000
Hampton Roads Planning District Commission	\$10,884
Peninsula Council for Workforce Development	\$ 5,947
Hampton Roads Economic Development Alliance	\$11,812
Thomas Nelson Community College:	
Hampton Campus	\$ 6,200
Williamsburg Campus/Discovery Ctr Lease rental	\$ 2,700
Hampton Workforce Development Center	\$10,500
Colonial Soil and Water District	\$ 2,655
Hampton Roads Partnership	\$ 5,050
Hampton Roads Film Office	\$ 5,000
Williamsburg Land Conservancy	\$ 9,500
Heritage Humane Society	\$15,200
Williamsburg Farmers' Market	\$ 3,800
Historic Triangle Collaborative	\$ 7,000
Military and Federal Facilities Alliance	<u>\$ 6,645</u>
 Total including CWF, GWCTA, and WADMC	 \$3,837,893

No funding is recommended for Jamestown/Yorktown Foundation or APVA-Historic Jamestowne which requested \$10,000 and \$15,000, respectively. Neither is funding recommended next year for the Crossroads Partnership.

6. **Cultural.** The Williamsburg Arts Commission has again performed the task of receiving, evaluating, and recommending funding for the arts. Their report is copied in the Appendix to the Proposed Budget. They recommend local arts funding of \$130,780, a decrease of 9.3%. Of this amount, the city contribution would be \$63,390. This assumes a state arts commission challenge grant of \$10,000, and county funding of \$63,390.

City sponsorship for the sixth annual "Festival Williamsburg" is provided again in the amount of \$50,000, and an allowance of \$10,000 to partially fund the Virginia Symphony Lake Matoaka Concert at the beginning of fall term.



7. **Transportation.** The Williamsburg Area Transit Authority, which operates Williamsburg Area Transport, has requested level funding based on the Cooperative Agreement between the partners. Our estimate of the FY 10 cost to the city will not exceed \$265,000, level with the current year.



Under Transportation are two continuing regional partnerships to promote alternatives to highway travel. Continued support for Virginian's for High Speed Rail in the amount of \$4,750 is recommended, and \$4,245 to provide funds for the Williamsburg EDA to participate in business development underwriting for Newport News/Williamsburg International Airport.

## **CAPITAL IMPROVEMENT PROGRAM**

Revenue to fund the CIP comes from 1% Sales Tax Receipts, grants, and funds reserved for capital improvements. This year there is a possibility of some federal stimulus funds, but not a certainty. CIP items are explicitly linked to City Council's Goals, Initiatives and Outcomes for the Biennium."

Due to a estimated decline in Sales Tax Receipts of 19.5%, the CIP has been trimmed down mainly by deferring projects.

Here are some of the highlights from this year's update of the Five Year Capital Improvement Program:

- Ironbound Road Widening planning money, mostly VDOT Urban Funds, is budgeted for FY 10, but project construction will not likely occur in the five year window.
- Underground Wiring will accompany the reconstructed portions of Ironbound Road near Richmond Road. The next major city financed, stand alone underground project is on Page Street is now slated for FY 11. Funds are budgeted in FY 10 for the Underground Wiring Assessment Program should the Berkeley Lane project proceed.
- Traffic Signal improvements are planned in FY 10 (deferred from FY 09) for Richmond Road/Waltz Farm Drive, with Second Street/Parkway Drive in FY 11, and York Street/Quarterpath Road projected in FY 12 – all most covered by VDOT Urban Funds and developer contributions.
- Corridor Enhancements are planned as part of the Regional Corridor Program for York Street (Route 60); and upgrading of guardrails will continue in out years.
- Sidewalk Upgrades with VDOT Revenue Sharing assistance are planned for various locations including along Route 199 east of Jamestown Road, and Nassau Street tour bus loading area.
- No park improvement next year, but the next phase of Quarterpath Park lighting improvements are planned in FY 11.
- E911 Consolidation funding in FY 10 will save previously identified spending as the city and York County join forces.
- The Ironbound Fire Station remains in the plan for FY 12 and 13, but it is subject to reevaluation based on both capital and operating cost.
- The Municipal Building Renovation and Expansion Project is by far the largest project in the CIP at a total cost of over \$7 million, including the design cost which is well underway.
- The Library plan improvement to the heating and cooling system in FY 10 and FY 12.
- W/JCC Schools capital needs receive city funding per the joint school agreement with James City County.

The Planning Commission's review of the draft CIP, used in developing the final recommendation, is provided under the Capital Improvements tab.

## **UTILITY FUND OVERVIEW**

The Utility Fund projects \$5,767,625 in operating revenues and a 9.1% increase in operating expense. A 5% water rate increase, \$3.80 to \$4.00 per 1000 gallons, is recommended.

A Rate Analysis for the Utility Fund is provided under the Appendix tab in the Proposed Budget. The analysis shows a future with rate increases, and a future with no rate increases. The Rate Analysis is updated annually as part of the budget process.

On March 12, 2009 City Council authorized execution of the Project Development Agreement for Long Term Water Supply between Williamsburg and Newport News. Water from Newport News is essential to Williamsburg water security in the future, as it has been in several past droughts. The proposed budget accounts for the cost of the agreement with Newport News.

Additionally, the cost of the Sanitary Sewer Overflow Consent Order will be borne by the Utility Fund. Unlike nearly all other area jurisdictions, the city still does not charge separately for sewage collection and pumping, but rather bears this cost using water revenue. City rates for water and sewer combined will continue to be low in the region, as shown in Exhibit 3 of the Rate Analysis.

## **STIMULUS SUMMARY**

Finally, in this year's message I am including a snapshot of federal stimulus dollars, not counting school funding, which may be coming our way:

1. **Hampton Roads MPO:** Stimulus Funding of \$41,041,796 is available, and the City share of \$325,44 will be used for repaving City streets at various locations. Williamsburg Area Transport will receive \$350,000 for a GPS tracking system for its buses.
2. **Public Housing:** All Public Housing Authorities in Virginia could get an amount equal to their 2008 HUD approved allocation for capital Improvements, primarily maintenance issues, and funding is expected within 45 days. Over \$500,000 of projects for WRHA have been identified, stimulus funds possible are at least \$225,000.
3. **Workforce Development:** A portion of the stimulus funding coming through the Department of Labor to the states and then to the local service delivery areas (Peninsula Council for Workforce Development) may provide funds for summer youth programming

and other year-round incentives to prepare area youth for the local workforce. This could potentially be used for staffing for Human Services and Recreation Programs.

4. **Water/Stormwater:** \$1 million in stimulus funding may be available over the next two years and would be used for meeting the federal mandate for SSOs (sanitary sewer overflows).

5. **Municipal Building:** Municipal Building Energy Retrofit and Expansion has been listed on the State website, although funding is uncertain. The cost of upgrading from “basic” to “green” energy profile for the \$7.3 million project is \$957,000.

### **NEXT STEPS**

The budget process now moves from the staff level, formation phase, to the Council and public level, adoption phase.

The Budget Work Sessions, principally to look at outside agencies, are scheduled for Monday, March 16 and Tuesday, March 17. The school budget will be reviewed at the Monday, April 6, City Council work session. The formal budget hearing will be advertised for the April 9 City Council meeting. Adoption is scheduled for the May 14 Council meeting.

Williamsburg celebrates its 310<sup>th</sup> birthday this May. By continuing to take care of both greens – the economic one and the environmental one – Williamsburg will be here for generations to come, evermore safe, beautiful and livable.



Jackson C. Tuttle  
City Manager



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