

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	April 7, 2025
Action Required:	Hold Public Hearing on the Budget and Reading of the Ordinance and Annual Tax Levy
Presenter:	Krisy Hammill, Director of Budget
Staff Contacts:	Samuel Sanders, Jr., City Manager Krisy Hammill, Director of Budget
Title:	FY2026 Budget Public Hearing #2; Ordinance, Annual Appropriation; and Tax Levy

Background

Pursuant to Section 19 of the Charter of the City of Charlottesville, Virginia ("City"), and Virginia Code Title 15.2, Chapter 25, a Proposed Budget was prepared by the City Manager and presented to City Council for consideration. A Public Hearing was conducted by City Council on the City Manager's Proposed Budget on March 20, 2025, and a Public Hearing on the proposed tax rates to be adopted in support of the Adopted Budget was held on April 7, 2025. City Council is required to vote on these matters.

Discussion

Following the Public Hearings, City Council may deliberate and consider any additions, deletions, or modifications of the items presented within the City Manager's Proposed Budget, and consider the proposed annual tax rates. City Council must consider and vote upon three (3) items:

1. Ordinance approving the FY-2026 Budget and Annual Appropriation;
2. Ordinance Establishing the Annual Tax Levy for Tax Year 2025; and
3. Resolution Establishing the Personal Property Tax Relief Percentage for Tax Year 2025 (a separate Agenda Memo and Resolution provided by Commissioner Divers will be presented at the Special Meeting to be held on April 14, 2025).

Note the Budget Ordinance authorizes a total General Fund Budget of \$265,267,016, a difference of \$792,833 from the \$264,474,183 presented in the City Manager's Proposed Budget. This amount represents the estimated account balances below that are projected to remain unspent as of June 30, 2025, and will be authorized for expenditure during FY 2026:

Total FY 26 City Manager Proposed General Fund Expenditures		\$ 264,474,183
Historic Resources	26,059	
Sister City	25,200	
Citywide Reserve	300,000	
Council Strategic Initiatives	364,176	
Grand Illumination	4,670	
Councilor Discretionary Funds	5,000	
Minority Business Fund	13,709	
Job Fair	54,019	
Total General Fund Budget Authorized per the Ordinance		265,267,016

Alignment with City Council's Vision and Strategic Plan

This Budget aligns and details alignment with each of the outcome areas of the Council's Strategic Plan which are detailed in the Budget Document.

Community Engagement

Tonight's meeting continues a series of public engagement opportunities around the budget.

Budgetary Impact

This is the first of two (2) readings that adopt the Final budget for Fiscal Year 2026, and sets the real estate tax rate for 2025.

Recommendation

Approval and Appropriation (1st reading)

Alternatives

N/A

Attachments

None