

FY23 Manager's Recommended Budget

Budget-in-Brief

Hon. Donnie R. Tuck, Mayor
Hon. Chris Bowman
Hon. Steven L. Brown
Hon. Michelle Ferebee

Hon. James A. Gray, Vice Mayor
Hon. Eleanor W. Brown
Hon. W. H. "Billy" Hobbs, Jr.
Mary B. Bunting, City Manager

Manager's Recommended Budget Highlights

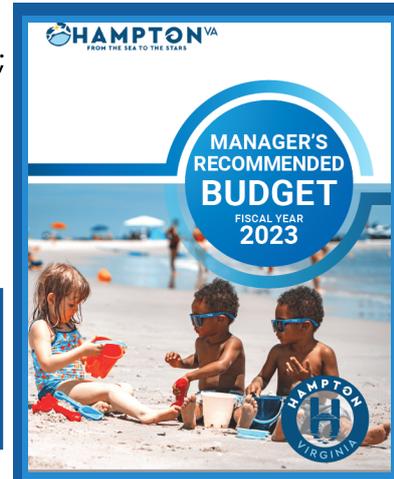
At the beginning of the Fiscal Year 2023 budget process, both City Council and I identified priorities for this year's budget. Two things – the reduction of real estate property tax rates and increasing employee compensation – rose to the top.

My team and I are very pleased that this budget includes a proposed **6-cent reduction** in the tax rate for real estate and prepare for the states ending the local portion of sales tax on groceries. Between the automobile tax reduction Council approved for June 5, 2022, and what is in the Manager's Recommended Budget, the tax relief will total **\$24.6 million**. The budget also includes:

- Meaningful wage increases ranging from **5% to 7%** to attract and retain talented staff;
- Additional measures to support Police and Fire/EMS;
- Targeted staffing increases;
- Funding that will improve the City's economy, infrastructure and quality of life; and
- Increased minimum wage of City staff to **\$13.00 per hour**.

The recommended FY23 budget totals **\$581,958,724**, which is a **9.7%** increase over FY22.

- City Operations total **\$313,843,659** and represent **54%** of the City budget.
- School Operations total **\$268,115,065** and represent **46%** of the City budget.



We are seeing signs of growth in nearly every part of our City and in every sector of development which affords us the opportunity to enhance Council's strategic priorities. A few examples are:

Economic Growth: Enhanced staffing and technology in Community Development to help small businesses and new investments move faster through the permitting process and training programs to help fill vacant positions in the department. The Aquaplex is also planned to open this summer which will support sports tourism. Past investments in this area are resulting in Langley Air Force Base expansion, the Huntington Ingalls Center of Excellence for Unmanned Systems, and other new projects.

Educated and Engaged Citizenry: Hampton's commitment to strong schools remains consistent with a total local contribution of **\$85.5 M** (an increase from FY22 of **\$5.3 M**). The required local contribution, according to State law, is **\$51.4 M**; the Schools' budget also includes a **5%** pay increase for employees; an increased minimum wage of **\$12.00 per hour**; and **\$2.1 M** in adjustments to teacher pay scales.

Good Government: Enhanced funding to maintain City infrastructure and replace vehicles; increased security of our information technology infrastructure; and, enhanced staff training.

Family Resilience and Economic Empowerment: The summer Youth Program has been expanded by 25 students; and, several other support services are being implemented as early intervention for at-risk youth.

Living with Water: Increased funding for dredging; flood prevention; and, a project manager to support the Home Elevation Program.

Placemaking: We are further defining the uniqueness of Hampton by opening two (2) new centers; undergoing a multi-million dollar improvement at Darling Stadium; and, enhancing our community center game and art rooms.

Safe and Clean: Eight (8) EMS personnel positions have been added to address the increase in medical service needs; also, we expanded our take home car program for eligible police officers to increase the public safety presence in our neighborhoods.

TAX Tax and Fee Rates

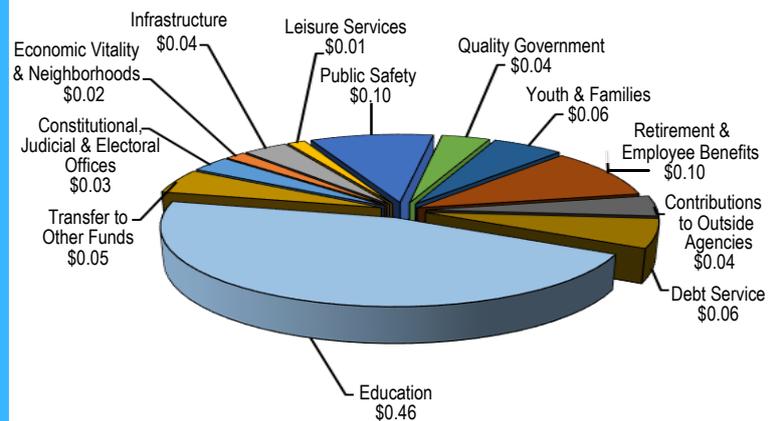
- **Real Estate Tax** rate DECREASES from **\$1.24 per \$100 of assessed value** to **\$1.18 per \$100 of assessed value**.
- **Personal Property Tax** rate for all Personal Property not Otherwise Specified, including cars, motorcycles, buses, etc., remains unchanged at **\$4.50 per \$100** of assessed value with a reduced assessment ratio (from **100%** to **75%** of assessed value **for Calendar Year 2022**).
- **Public Rights-of-Way Use Fee** decreases from **\$1.60 Per Line, Per Month** to **\$1.01 Per Line, Per Month**.
- **Solid Waste User Fee, Sewer User Fee, Sewer Surcharge Fee; and Stormwater User Fee** remain unchanged.

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Capital Budget

- **Economic Growth - \$2,715,584:** generating the resources necessary to support the services the community desires and produce quality jobs for our citizens. This category includes: home repair programs for neighborhoods; housing redevelopment funding to support redevelopment of small residential and commercial properties; acquisition and demolition of strategically located properties in the Housing Venture and Master Plan areas; Model Block Housing Program; and Phoebus Dumpster Enclosure.
- **Educated and Engaged Citizenry - \$10,477,736:** partnering with Hampton City Schools, Hampton University, Virginia Peninsula Community College and other formal and informal educational providers to keep, develop and attract a talented citizenry that will have a positive impact on their community and be able to succeed in the global economy. This category includes maintenance projects; the continuation of the 'One-to-One' Technology Initiative at various Hampton City Schools; and, site improvements at Virginia Peninsula Community College.
- **Good Government - \$21,494,385:** attracting, retaining, developing and rewarding high quality public servants who are committed to being stewards of community resources and trust, providing great customer service and demonstrating the highest level of ethical conduct. This category includes citywide street and traffic maintenance; maintenance projects at various public facilities and sites; re-engineering technology and investments; continued compliance with updating portions of the sanitary sewer system; financial system upgrades; and, reconstruction of Little Back River Road.
- **Living with Water - \$3,500,000:** addressing coastal resiliency, recurring flooding, waterways and environmental sustainability while enhancing our tax base and quality of life. This category includes construction of various stormwater management facilities to reduce flooding and treat stormwater runoff; drainage improvements throughout the City; outfall maintenance; stormwater infrastructure assessments and retrofitting of stormwater management facilities; dredging; and watershed studies.
- **Placemaking - \$5,784,000:** creating vibrant and authentic places that reflect and celebrate the unique culture, history and character of our community. This category includes: enhanced maintenance of public parks and other recreational facilities; citywide and downtown landscaping enhancements; neighborhood improvement and neighborhood infrastructure improvements; and pedestrian, sidewalk and crosswalk improvements throughout the City.
- **Safe and Clean Community - \$14,177,315:** ensuring that all Hampton citizens and businesses are safe, healthy and secure in their persons and property. This category includes: the acquisition and demolition of blighted property; commercial blight abatement; enhancing the take home car program, new 911 Center, public safety equipment replacement/upgrades such as personal protection equipment, various fire and rescue equipment and tools, police vehicles and cameras; jail maintenance; and, X-Ray Screening for City Jail.

How \$1 of General Fund Revenue is Spent



*Total may not add due to rounding.

Additional information regarding the [FY23 Manager's Recommended Budget](#) and/or the [Capital Improvement Plan](#) can be obtained by calling the City Manager's Office-Budget Division at (757) 727-6377 from 8:00 a.m. to 4:30 p.m., Monday through Friday. Additional copies of the FY23 Manager's Recommended Budget-In-Brief can be obtained at no cost. Copies can also be found at all branch libraries.

- Main Branch Library, 4207 Victoria Boulevard, (757) 727-1154
- Phoebus Branch Library, 1 South Mallory Street, (757) 727-1149
- Northampton Branch Library, 936 Big Bethel Road, (757) 825-4558
- Willow Oaks Branch Library, 227 Fox Hill Road, (757) 850-5114

Internet Access: The FY23 Manager's Recommended Budget and Budget-In-Brief may be viewed online at <http://www.hampton.gov/budget>.