



HIGHLIGHTS OF THE MANAGER'S MESSAGE

At the beginning of the Fiscal Year 2024 budget process, both City Council and I prioritized needs for this year's budget. Two things — increasing employee compensation and the reduction of property tax rates — rose to the top.

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The proposed FY24 budget totals **\$611,451,337**. While the overall budget is increasing by **4%**:

- **City Operations** total **\$338,750,331** and represent **55%** of the City Budget.
- **School Operations** total **\$272,701,006** and represent **45%** of the City Budget

My team and I are very pleased that this budget includes a proposed **2-cent reduction** in the tax rate for real property.

The budget also includes:

- Meaningful wage increases of 5% to attract and retain talented staff;
- Implementation of a salary step plan for sworn Police, Fire/ EMS, and Sherriff's office personnel;
- Increased minimum wage of \$15 for City employees;
- Targeted staffing increases;
- Support efforts to reduce flooding; and,
- Funding that will improve the City's economy, infrastructure and quality of life.

As each year brings a new challenge to face, the City of Hampton has continued to move forward using our resources to the best of our ability. A few examples are:

- A reduction in Hampton's tax rate, along with last year's decrease, has made it lower than comparable cities in the area;
- The Personal Property Tax assessment ratio adjustment will bring \$2.4 million in relief for residents;
- A proposed increase in minimum wage for our employees will put Hampton two-and-a-half years ahead of the State mandate;
- Increased funding from the Literary Fund will provide renovations at 10 schools, which is expected to increase their service life by 25 years;
- Funding received from both the State and Federal governments have aided continuing efforts in reducing the impact of youth and young adult violence; and,
- We have welcomed several national food chains in the area, as well as new developments and revitalization of some of the empty retail spaces.

Strong revenue growth continues this year, making this the second budget in a row in which the tough choices were not about cutting services, but rather how much to reinvest in them while providing meaningful tax relief for citizens. Our COVID recovery has continued, and our tourism and economic development efforts have enhanced local revenues. The promises made to our workforce and our community that we would reinvest in them as the economy improved are realized with this recommended budget.

A full version of the Manager's Message can be viewed online in the FY24 Manager's Recommended Budget under the "Manager's Message" section. See the "Additional Information" section of this publication.



TAX AND FEE RATES

- **Real Estate Tax** decreases by **2 cents** from **\$1.18 per \$100 of assessed value** to **\$1.16 per \$100 of assessed value**.
- **Personal Property Tax** rate for all Personal Property Tax not otherwise specified, including cars, motorcycles, buses, etc., remains unchanged at **\$4.50 per \$100 of assessed value** with a reduced assessment (from **100% to 93% of value**) for the June 2023 and December 2023 billings.
- **Personal Property Tax** rate for (1) privately owned camping trailers, travel trailers and certain privately owned trailers used to transport horses and (2) motor homes used for recreational purposes only remains unchanged at **\$1.50 per \$100 of assessed value**.
- **Public Rights-of-Way Use Fee** increases from **\$1.01/Per Line/Per Month** to **\$1.26/Per Line/Per Month**. This rate is determined annually by the Virginia Department of Transportation per Code of Virginia §56-468.1.
- **Solid Waste User Fee** remains unchanged at **\$7.25 per week** for Recyclers and **\$13.00 per week** for Non-Recyclers. See Code of Virginia §5.2-928(A).
- **Sewer User Fee** increases from **\$1.81 per 100 cu. ft. of water consumption** to **\$1.92 per 100 cu. ft. of water consumption**. **Sewer Surcharge Fee** remains unchanged at **\$0.94 per 100 cu. ft. of water consumption**. See Code of Virginia §2-2122.
- **Stormwater User Fee** increases from **\$10.83 per ERU, per month** to **\$11.83 per ERU, per month** for Commercial; and increases from **\$10.83 per month** to **\$11.83 per month** for Residential to support enhanced ditch maintenance. See Code of Virginia §15.2-2114.



HAMPTON CITY SCHOOLS

- The City's commitment to strong Schools remains consistent with *continued* local funding above the level which is required by State law. The total School operating budget for FY24 is **\$272,701,006**, which is \$4.6 million over FY23.
- The total local contribution of **\$91,804,718 increased** from FY23 by **\$6,320,734**. The required local contribution, according to State law, is \$53,500,000. The City's contribution **in excess** of the State requirement is \$38,304,718.
- The City continues its support of the college and career academies ("Academies of Hampton").
- In the Capital Budget, we are adding a total of \$20 million above what was budgeted in FY23 for maintenance and technology investments to enhance maintenance of school buildings.
- The Schools' budget also includes a recommended **5%** pay increase, partially funded by the State, for all employees along with other market-based adjustments for select employee groups; a \$2.1 million step plan increase for experienced teachers; and an increase in supplement pay.



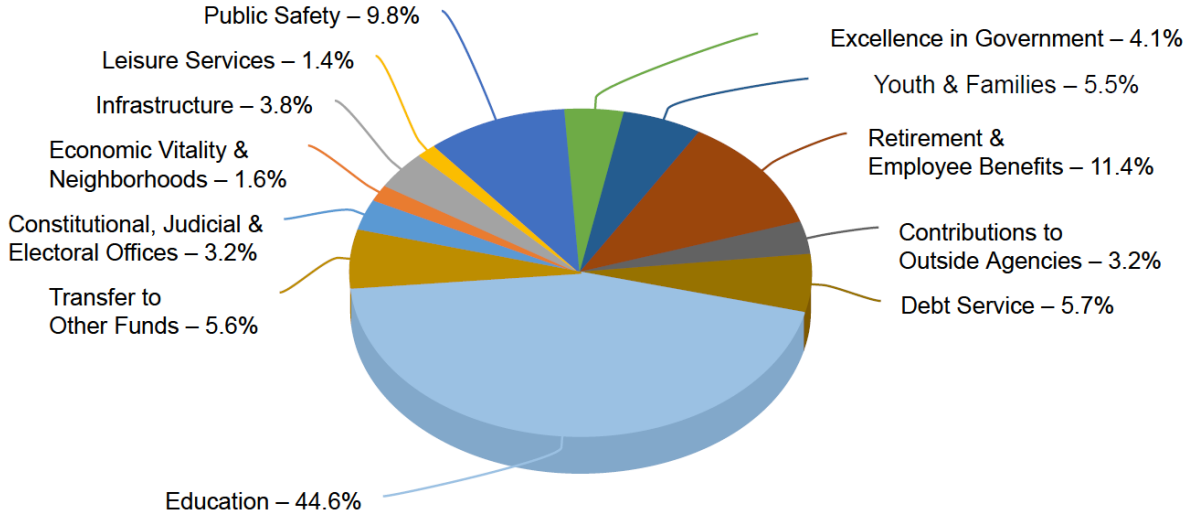
CAPITAL BUDGET

- **Economic Growth ~ \$2,652,584:** *generating the resources necessary to support the services the community desires and produce quality jobs for our citizens.* This project 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 Master Plan areas; Model Block Housing Program; and the connection of Grant Street to Armistead Avenue.
- **Educated Citizenry ~ \$28,002,349:** *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 project category includes routine school capital maintenance and technology advancements; enhanced maintenance projects at Hampton City Schools; site improvements at Virginia Peninsula Community College; and replacement of school flashing/warning signs.
- **Excellence in Government ~ \$30,870,222:** *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 project category includes city-wide street and traffic maintenance; maintenance projects at various public facilities and sites; Community Development office expansion; relocation of Human Services – Social Services, as well as an upgrade to the department’s financial software; downtown bulkhead repairs; continued compliance with updating portions of the sanitary sewer system; reconstruction of various roads; replacement of non-reflective and not easily visible pavement markings; road construction in the Little Back River Road and Armistead Avenue areas; and contingency.
- **Family Resilience and Economic Empowerment ~ \$500,000:** *addressing poverty in ways that support families and individuals.* This project category includes a partnership with Riverside Psychiatric Emergency Department to provide enhanced access to behavioral health professionals.
- **Living with Water ~ \$6,500,000:** *addressing coastal resiliency, recurring flooding, waterways and environmental sustainability while enhancing our tax base and quality of life.* This project category includes maintenance, retrofitting, and improvements of stormwater management facilities to reduce flooding and treat stormwater runoff; dredging and drainage improvements throughout the City; outfall maintenance; and watershed studies.
- **Placemaking ~ \$5,372,679:** *creating vibrant and authentic places that reflect and celebrate the unique culture, history and character of our community.* This project category includes: enhanced maintenance of public parks and other recreational facilities; citywide and downtown landscaping enhancements; funding for public art projects; neighborhood improvements; and pedestrian, sidewalk and crosswalk improvements in the Hampton Roads Center Parkway area, Power Plant, Old Buckroe, Howmet Drive, and Mercury Boulevard in the Seldendale/King Street area.
- **Safe and Clean Community ~ \$4,011,600:** *ensuring that all Hampton citizens and businesses are safe, healthy and secure in their persons and property.* This project category includes: the acquisition and demolition of blighted property; commercial blight abatement; public safety equipment replacement/upgrades such as personal protection equipment, various fire and rescue equipment and tools, police vehicles and cameras; upgrades to Court and jail security and information systems; and vehicles for new Code Inspector positions added.

A complete schedule of capital improvement projects can be viewed online in the FY24 Manager’s Recommended Budget under the “Capital Budget” section. See the “Additional Information” section of this publication.



HOW \$1 OF REVENUE IS SPENT



Numbers may not total due to rounding.



ADDITIONAL INFORMATION

Additional information regarding the FY24 Manager's Recommended Budget 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 FY24 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
- Northampton Branch Library, 936 Big Bethel Road, (757) 825-4558
- Phoebus Branch Library, 1 South Mallory Street, (757) 727-1149
- Willow Oaks Branch Library, 227 Fox Hill Road, (757) 850-5114

Internet Access: The FY24 Manager's Recommended Budget and Budget-In-Brief may be viewed online at <http://www.hampton.gov/budget>.