

FY
2017

Recommended Budget

Spotsylvania County



FY 2017 Budget Work Session
Tax Rate Advertisement
February 23, 2016

Recommended Budget

Budget Public Hearing -

- State Code (§15.2-2506) requires counties to:
 - Hold a public hearing prior to budget adoption
 - Advertise a brief synopsis of the budget, at least seven days prior to the public hearing

Spotsylvania FY 2017 Budget Public Hearing
April 5, 2016 @ 6:30pm
Courtland High School Auditorium



Recommended Budget

Tax Rate Public Hearing -

- When a county is considering an increase in the tax levy, State Code (§58.1-3007) requires counties to:
 - Advertise proposed increase at least seven days prior to increasing the levy
 - Provide an opportunity for the public to address the Board concerning the proposed tax rate increase

Spotsylvania FY 2017 Budget Public Hearing
April 5, 2016 @ 6:30pm
Courtland High School Auditorium



Recommended Budget

Real Estate Taxes -

- Assessment Office reassesses real property every two years to ensure all parcels are valued consistently at fair market value
- Overall assessed value ÷ \$100 x Tax Rate = RE revenue
 - Less relief/deferrals
 - Less uncollected taxes
- FY 2017 – July 1, 2016 through June 30, 2017
 - Includes two tax dates – Dec. 2016 & June 2017



Recommended Budget

Real Estate Taxes -

- 2016 real property AVs increased 6.4% over 2015
 - Increased 5.2% when new construction is backed out
- If tax levied at current rate (\$0.86) is 1% or more than the prior year's levy, counties must determine the lowered tax rate.
- Per State Code (§58.1-3321), the lowered tax rate is the rate necessary to get 101% of prior year's tax levy using new AV (without new construction)



Recommended Budget

Real Estate Taxes -

- Lowered (equalized rate) = \$0.8313
- If Board wishes to increase RE tax rate above the “lowered” rate, must advertise:
 - “lowered” rate
 - Advertised rate
 - 30 days in advance of public hearing
- Once tax rates advertised for 2016, the Board may adopt a rate lower than the advertised rate, but not higher than the advertised rate without re-advertising.



Recommended Budget

2015 Real Estate Tax Rates -

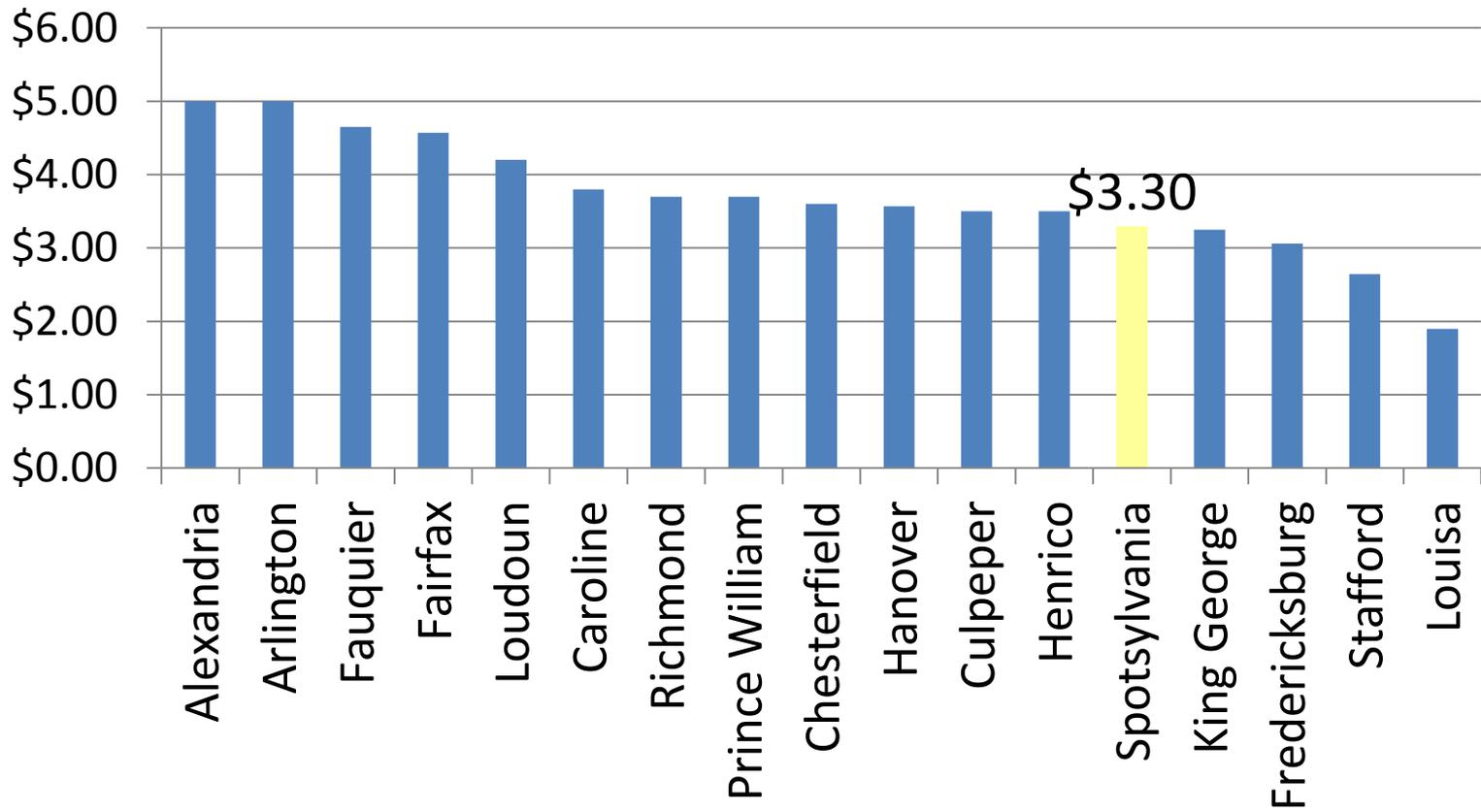
"The county's tax rate of 86 cents compares well to its peers in Virginia, providing financial flexibility."

**STANDARD
& POOR'S**

Richmond City	\$1.2000
Prince William	1.1936
Loudoun	1.1350
Fairfax	1.1160
Alexandria	1.0430
Stafford	1.0190
Fauquier	0.9990
Arlington	0.9960
Chesterfield	0.9600
Henrico	0.8700
Spotsylvania	0.8600
Caroline	0.8300
Fredericksburg	0.8200
Hanover	0.8100
Culpeper	0.7300
King George	0.6100

Recommended Budget

Effective Personal Property Tax Rate



Recommended Budget

Budget Considerations -

- One penny on RE tax rate = \$1.3M
- One penny on PP tax rate = \$60,000
- We do know ...
 - Losing \$545K in SAFER grant funding; need to keep 9 FF/Medics
 - Full-year funding of partially funded FY 2016 Co. 11 staffing – cost of \$533K
 - Contributions to jail & juvenile center up \$766K
 - Retiree HI costs up \$158K based on add'l retirees
 - 5th year of VRS transition costs \$66K
 - Every 1% comp. adj. = ~\$545K to GF (2% rec. = \$1.1M)



Recommended Budget

Budget Considerations -

- We do know ...
 - Policy level increase of transfer to capital projects = \$895K
 - Transfer to EDO for previously approved incentives = \$290K
 - Need for additional PS initiatives (3 Co. 11 FF/M; 2 DARE officers; 2 ½-yr patrol officers; 2 CPS wrkers; fire inspector; Sheriff's career ladder program; convert 10 FF to FF/M) = \$555K
 - Staffing for critical support functions has not kept up with the added PS staffing since FY09. Adding small fraction of requests = \$363K (IS, DSS, & Finance – net of Asst. County Admin.)



Recommended Budget

Budget Considerations -

- We do know ...
 - Changes in personnel (turnover, changes in benefits, etc.) – savings of \$573K
 - VRS retirement rate decrease – savings of \$423K
 - Gaining budget capacity by shifting vehicle replacements to CPF - \$791K
- Issuing \$11.9M of 2014 referendum authority for Public Safety projects = \$1.3M net new d.s.
- Issuing \$27.6M of 2014 referendum authority for Schools projects = \$2.7M net new d.s.



Recommended Budget

Budget Considerations -

- We know ...
 - The Recommended Budget at a \$0.86 RE tax rate and a \$6.59 PP tax rate **does not include**:
 - \$4.2M in County department requests; and
 - \$10.0M in Schools requests beyond added d.s.
- We don't know ...
 - Actual impact of new NADA values
 - Impact on County and Schools' budgets of State budget decisions yet to be made



Recommended Budget

Tax Rate Advertisement -

Tax	2015 Rate	2016 Rec. Rate
Real Estate	\$0.86	\$0.86
PP – boats/boat trailers	\$6.25	\$6.25
PP – Other than boats/boat trailers (taxed at 50% value)	\$6.73	\$6.59
Aircraft	\$0.000001	\$0.000001
Business PP	\$5.95	\$5.95
Mobile Homes	\$0.86	\$0.86
Machinery & Tools	\$2.50	\$2.50
Heavy Duty Equip.	\$2.00	\$2.00

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Tax Rate Advertisement -

Tax	2015 Rate	2016 Rec. Rate
Massaponax SSD	\$0.12	\$0.15
Harrison Crossing SSD	\$0.25	\$0.39
Lee Hill East SSD	\$0.25	\$0.25
Lee Hill West SSD	\$0.75	\$0.45