



FY 2017 Recommended Budget at a Glance

Budget Focus

- Maintain all fiscal policies and priority services (education, public safety, and transportation)
- Fund commitments (jail, juvenile center, regional agencies, existing debt service, Social Services/CSA)
- Funding to complete staffing of the new Fire/Rescue station in Lee's Hill (Co 11) and pick-up of expiring SAFER grant funds for 9 Firefighter/Medics
- Adding resources to supporting departments for continuation of mission-critical work

Budget Highlights

Schools –

- Increase of \$2.7 million in transfer to Schools – equal to the Schools' increase in debt service.

Public Safety –

- Addition of 3 Firefighter/Medic positions to complete the complement of staffing for Co. 11; and full-year funding for the 15 Co. 11 positions that were funded for only five months in FY 2016
- Continued funding for 9 Firefighter/Medic positions for which \$545K in expired SAFER grant funding
- Conversion of 10 Firefighters to Firefighter/Medics to gain added service capabilities.
- Addition of 2 DARE Officers for full year and 2 Patrol Deputies for half year.
- Funding of Sheriff's Office career ladder program for half year.
- Addition of 2 Child Protective Services workers

Resources for Supporting Departments –

- Addition of a Network Database Administrator position; funding of previously unfunded Application Development Manager position; and shift of Administrative Assistant from Capital Projects to IS
- Addition of 2 Senior Accountant positions to meet increased auditing, accounting, and reporting demands in Finance.

Transportation –

- VRE revenue allows suspension of transfer of decal and set-aside revenue for the seventh year.
- Intersection improvements and improvements to exits 118 and 126 included in the CIP

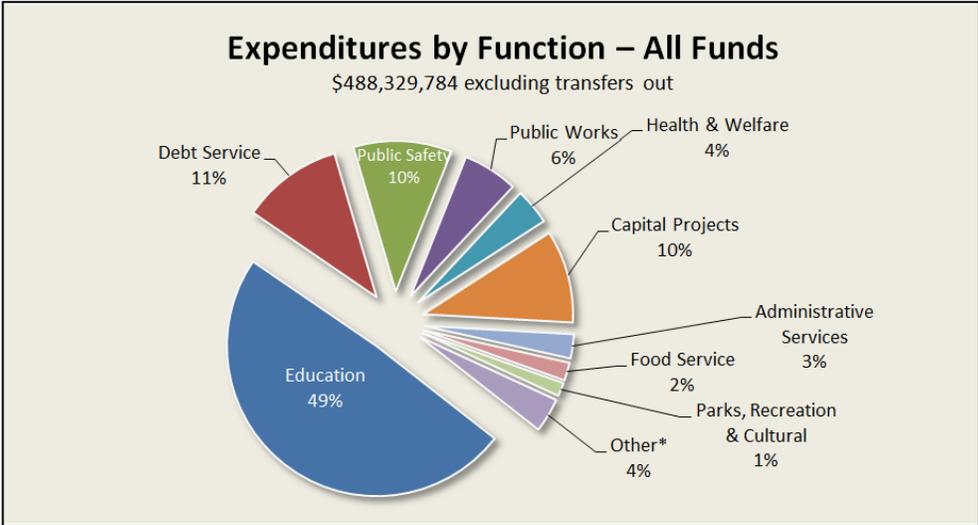
Tax Rates/Fees –

- Real Property tax rate recommended at \$0.86. This is \$0.03 above the equalized rate, with \$0.02 of the increased rate dedicated to Schools debt service and \$0.01 dedicated to General Fund debt service.
- Personal Property tax rate for automobiles, campers, motor homes, motorcycles, pickups, and trucks recommended at \$6.59; a decrease of \$0.14.
- Next 3-yr plan for water/sewer rate and fee increases to be presented during FY 2017 budget process.

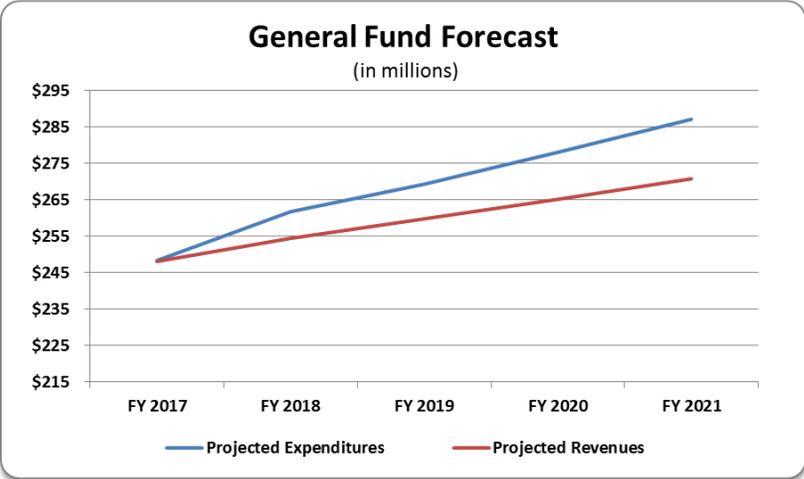
Staff –

- Additional 1% pay increase to help offset the additional 1% VRS contribution employees must pay. This is the fifth and final year of the transition.
- A 2% on-going merit-based pay increase
- Net of 13.7 FTEs are added for the FY 2017 Recommended Budget.

	FY 2016	FY 2017	Difference	
	Adopted	Recommended	\$	%
General Fund	\$117,772,697	\$120,282,959	\$2,510,262	2.1%
Economic Dev. Opportunities Fund	575,338	812,940	237,602	41.3%
Code Compliance Fund	3,609,108	4,005,479	396,371	11.0%
Transportation Fund	8,245,616	9,044,929	799,313	9.7%
School Operating	257,986,538	265,094,688	7,108,150	2.8%
School Food Service	9,271,699	9,515,526	243,827	2.6%
Utilities	<u>31,450,120</u>	<u>30,712,079</u>	<u>-738,041</u>	-2.3%
Sub-Total Operating Expenditures	\$428,911,116	\$439,468,600	\$10,557,484	2.5%
Capital Projects Fund	\$11,672,978	\$9,510,160	-\$2,162,818	-18.5%
School Capital Projects	18,629,525	27,611,024	8,981,499	48.2%
Utilities Capital Projects	<u>8,712,500</u>	<u>11,740,000</u>	<u>3,027,500</u>	34.7%
Sub-Total Capital Expenditures	\$39,015,003	\$48,861,184	\$9,846,181	25.2%
Total Budget	\$467,926,119	\$488,329,784	\$20,403,665	4.4%

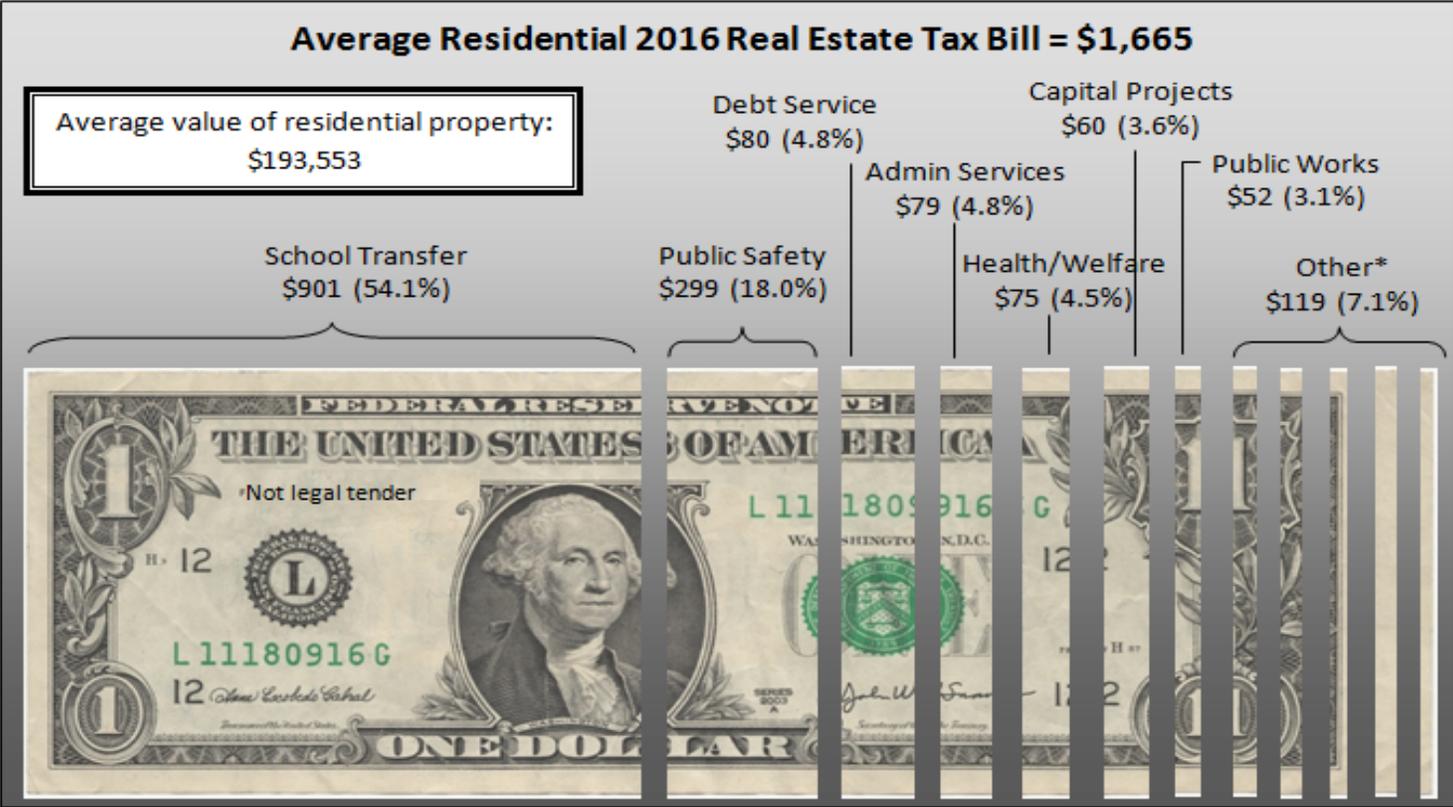


*"Other" includes Community Development, Executive Services, Judicial Administration, Transportation and Voter Services functions



Breakdown of General Fund Transfer to Schools

	2015 Adopted	2016 Adopted
• Required Local Effort	\$51,345,396	\$53,898,329
• Required Local Match for Opt. Programs	\$1,945,912	\$2,250,402
• Debt Service	\$23,216,302	\$25,922,930
• Additional Local Transfer	\$39,916,137	\$37,035,713
Total Local Transfer	\$116,432,747	\$119,107,374



The average residential 2016 real estate tax bill is calculated based on the mean value of residential property at the \$0.86 advertised rate.
 *"Other" includes Parks & Rec, Executive Services, Community Development, Judicial Administration and Voter Services

Tax Bills for Median Residential Property Owner			
Year	Median AV*	Rate	Bill
2014	\$157,600	\$0.86	\$1,355
2015	\$159,300	\$0.86	\$1,370
2016 - equalized rate	\$173,200	\$0.83	\$1,438
2016 - advertised rate	\$173,200	\$0.86	\$1,490

*Based on original land book values. Because this represents each year's median value, it cannot be assumed that a certain residential property valued at \$157,600 in 2014 is valued at \$173,200 in 2016. There is no correlation from year to year in terms of values or bill amounts. The 2016 median value of \$173,200 shown here is different than the \$193,553 shown as the average value on the dollar depiction on the previous page because the \$173,200 is the median value and the \$193,553 is the mean value.

Comparison of Prior and Current Assessments			
Property Type	2015 AV*	Preliminary 2016 AV**	% Change
Residential	\$10,524,034,300	\$11,311,787,000	7.5%
Commercial	<u>\$2,571,369,800</u>	<u>\$2,608,603,000</u>	1.4%
Total	\$13,095,404,100	\$13,920,390,000	6.3%

AV = assessed value

* Based on original land book values

** Based on preliminary book values as of 3/15/16

Tax Rates			
Taxes	2015 Adopted	2016 Advertised	2016 Equalized
Real Estate	\$0.86	\$0.86	\$0.8313 ²
Personal Property – automobiles, campers, motor homes, motorcycles, pickups and trucks	\$6.73	\$6.59	\$6.91 ³
Personal Property – boats and boat trailers	\$6.25	\$6.25	NC
Aircraft	\$0.000001	\$0.000001	NC
Business Furniture & Fixtures	\$5.95	\$5.95	NC
Machinery & Tools	\$2.50	\$2.50	NC
Heavy Duty Equipment	\$2.00	\$2.00	NC
Mobile Homes ¹	\$0.86	\$0.86	NC
Lee Hill East Service District	\$0.25	\$0.25	NC
Lee Hill West Service District	\$0.75	\$0.45	NC
Massaponax Service District	\$0.12	\$0.15	NC
Harrison Crossing Service District	\$0.25	\$0.39	NC

NC = not calculated

¹ Per State Code, the Mobile Homes rate must match rate for Real Estate.

² State Code specifies the calculation of the equalized rate to be the rate necessary to yield 101% of the prior year's levy excluding new construction occurring during the previous year.

³ State Codes neither requires calculation of nor specifies the calculation for an equalized personal property tax rate. When staff equalizes against the application of NADA, \$6.91 is the resulting equalized rate. New/newer vehicles are not excluded from the calculation.

How do Spotsylvania’s 2016 advertised real estate and personal property tax rate compare to other localities in the area?

Because we do not have the recommended 2016 rates for all other localities at this time, the tables below show the 2015 personal property and real estate tax rates for neighboring localities and the rates advertised for Spotsylvania for 2016. Spotsylvania has sixth lowest real estate tax rate and the fourth lowest effective personal property tax rate in the.

Real Estate Tax Rates CY 2015	
Locality	Tax Rate
King George	\$0.6100
Culpeper	\$0.7300
Hanover	\$0.8100
Fredericksburg	\$0.8200
Caroline	\$0.8300
Spotsylvania*	\$0.8600
Henrico	\$0.8700
Chesterfield	\$0.9600
Arlington	\$0.9960
Fauquier	\$0.9990
Stafford	\$1.0190
Alexandria	\$1.0430
Fairfax	\$1.1160
Loudoun	\$1.1350
Prince William	\$1.1936
Richmond City	\$1.2000

Personal Property Tax Rates CY 2015			
Locality	Tax Rate	Assessment Ratio	Effective Rate
Stafford	\$6.61	40%	\$2.644
Fredericksburg	\$3.40	90%	\$3.060
King George	\$3.25	100%	\$3.250
Spotsylvania*	\$6.59	50%	\$3.295
Culpeper	\$3.50	100%	\$3.500
Henrico	\$3.50	100%	\$3.500
Hanover	\$3.57	100%	\$3.570
Chesterfield	\$3.60	100%	\$3.600
Richmond City	\$3.70	100%	\$3.700
Prince William	\$3.70	100%	\$3.700
Caroline	\$3.80	100%	\$3.800
Loudoun	\$4.20	100%	\$4.200
Fairfax	\$4.57	100%	\$4.570
Fauquier	\$4.65	100%	\$4.650
Alexandria	\$5.00	100%	\$5.000
Arlington	\$5.00	100%	\$5.000

*Reflects the rate advertised for 2016