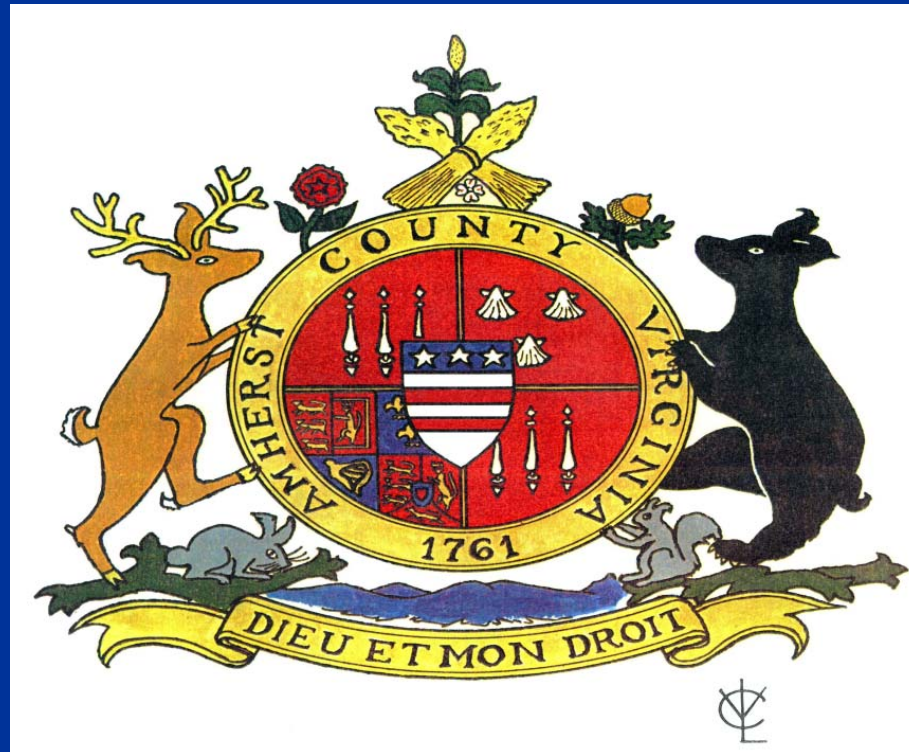


FY 2014-2015

Budget Public Hearing

April 8, 2014



Meeting Agenda

1. Call to Order 7:00 PM
2. Approval of Agenda
3. Remarks
 - a. County Administrator
 - b. School Superintendent
 - c. Board of Supervisors
 - d. Public Hearing Rules of Procedure
4. Public Hearing – Proposed Tax Rates FY15
5. Public Hearing – Proposed FY15 County Budget
6. Comments by Board Members/Next Steps
7. Adjourn

Board of Supervisors

- Each year, the County Administrator prepares and presents a budget to the Board of Supervisors.
 - This is a “proposed budget”.
- State law requires that the Board of Supervisors approve expenditures and set the tax rates sufficient to fund such expenditures.
- The BOS amends the budget at its discretion.

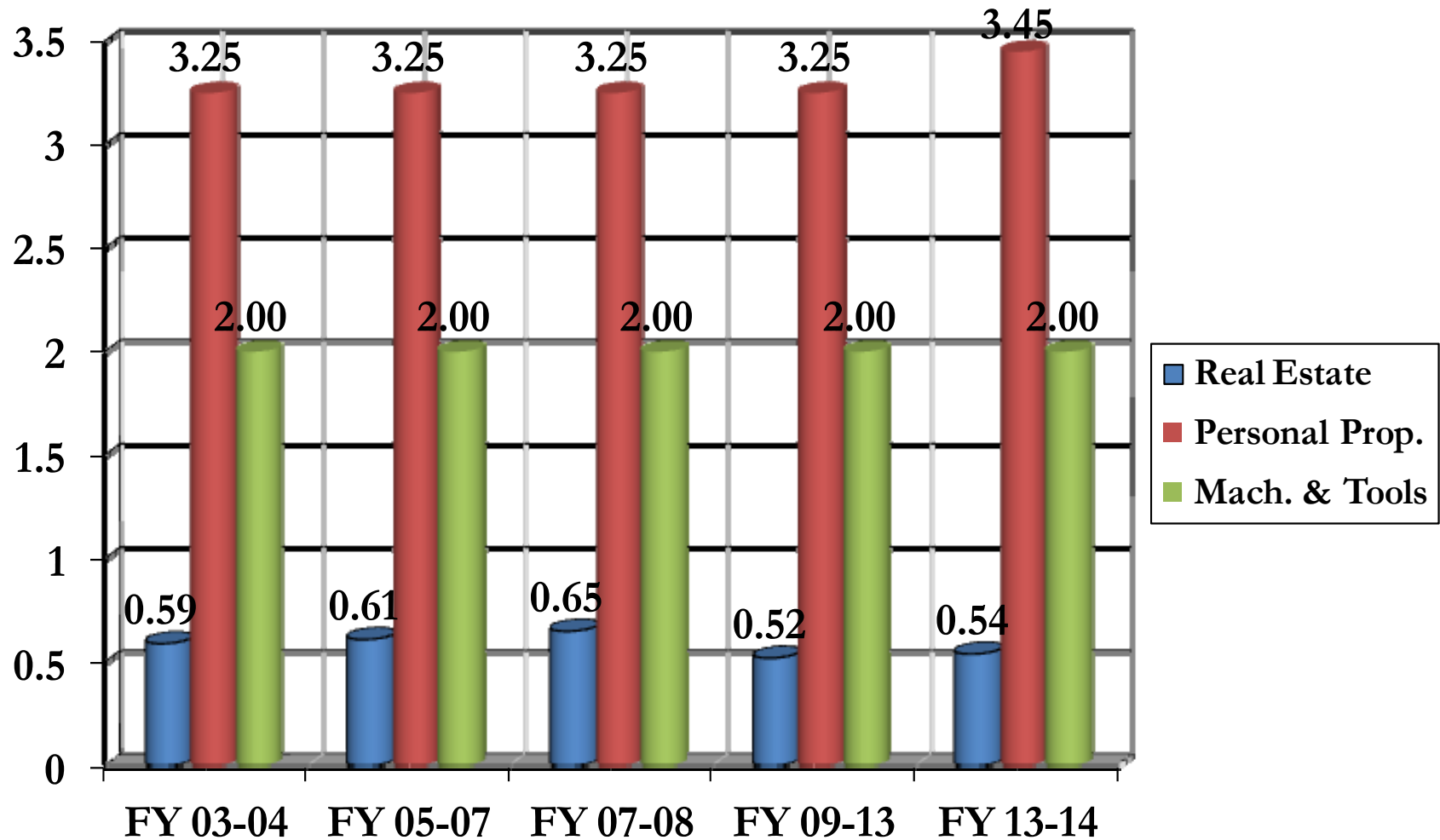
FY15 Budget Calendar

- November 4, 2013 – CIP Instruction Distributed
- December 16, 2013 – CIP Requests Due
- December 2013 – Budget Instructions Distributed and Outside Agency Applications Distributed
- January 6, 2014 – Outside Agency Applications Due
- January 22, 2014 – Department Budgets Due
- February 2014 – Department Budgets Reviewed
- February 19, 2014 – BOS & School Board Budget Work Session
- March 8, 2014 – 2014 General Assembly Adjourned without Budget
- March 12, 2014 – Budget Presented to Board of Supervisors
- March 2014 – Tax Increase Advertised; Budget Advertised
- **April 8, 2014 - Budget Public Hearing, Special Meeting 7:00 PM**
- **April 28-30, 2014 – Budget Adopted and Appropriated, Tax Rates Set**

Information / Facts

- Nearly 65% of the County's General Fund goes towards the local share of Education, Public Safety, and Judicial Administration.
- FY13-14, Amherst County increased the following tax rates
 - Real Estate from .52 to .54
 - Personal Property from 3.25 to 3.45
- County's revenue growth is minimal at this time
- General property reassessment has lowered the taxable property values (\$432,897)

Tax Rate Trend by Category



Starting Point – Revenue vs. Expenditures

- Scenario #1: Level Funding to Schools

(\$2,157,543)

- Scenario #2: Additional funds to balance the School Budget as discussed on February 19, 2014 in amount of \$2,065,117

(\$4,222,660)

Adjustments to Balance

- Scenario #1: (\$2,157,543)
- Add in additional funds for Schools \$300,000
- County Administrator Adjustments (\$892,357)
- Initial efforts focused on taking half of remaining shortage from FB and other half from revenue increases; however
 - FB \$953,362 Revenue Increases \$611,824

School Funding

- FY14 Local Appropriation \$15,853,979
- Included in the proposed FY15 budget
 - Local appropriation \$16,153,979
 - Maintains current funding (as increased in FY14) and adds additional \$300,000 in local funds.
 - No Capital funding in proposed budget.

Proposed Changes In Tax Rates

Real Estate Tax	Personal Property Tax	
Current Rate .54	Current Rate 3.45	
Proposed Rate .56	Proposed Rate 3.55	
Proposed Increase .02	Proposed Increase .10	
Current Average RE Tax Rate .55	Current Average PP Tax Rate 3.59	
Revenue Generated by Increase \$460,634	Revenue Generated by Increase \$151,190	Total Revenue Generated by Increases <u>\$611,824</u>

Proposed tax rates were determined in order to provide the necessary revenue to balance the budget.

RE & PP Tax Rate Comparison

Locality	Real Estate	Personal Property	Combined Rates
<u>Amherst County</u> <u>Now</u>	<u>.54</u>	<u>3.45</u>	<u>3.99</u>
Average (Without Amherst County)	.55	3.59	4.14
Appomattox County	.58	4.60	5.18
Bedford County	.50	2.35	2.85
Campbell County	.53	4.45	4.98
Nelson County	.60	2.95	3.55
<u>Amherst County</u> <u>After Proposed</u> <u>Increases</u>	<u>.56</u>	<u>3.55</u>	<u>4.11</u>

The Gain in Local Tax Revenue

Real Estate Tax Incremental Increases	Amount Generated (based on total assessed value)
.01	\$230,317
.02	\$460,634
.03	\$690,951
.04	\$921,268
.05	\$1,151,585
.10	\$2,303,170
.15	\$3,454,755
.20	\$4,606,340
.25	\$5,757,925

The Gain in Local Tax Revenue

Personal Property Tax Incremental Increases	Amount Generated (based on total assessed value)
.01	\$15,119
.05	\$75,595
.10	\$151,190
.20	\$302,380
.25	\$377,975

Why Was a Higher Tax Rate Advertised?

- The County Administrator's proposed budget recommends tax increases as follows:
 - .02 Real Estate and .10 Personal Property, AND
- The request from the School Board for local funds is \$1.5M more than is included in the proposed budget, AND.
- Although the County Administrator made almost \$900,000 in department reductions, it takes more than another \$900,000 from the fund balance to balance the budget, AND.
- Were there other priorities not included in the proposed budget?

Why Was a Higher Tax Rate Advertised?

- The BOS voted to advertise changes in tax rates as follows:
 - .14 Real Estate
 - .54 to .68 per \$100 assessed value
 - .70 Personal Property
 - \$3.45 to \$4.15 per \$100 assessed value
- No other changes to current rates.

County Administrator's Proposed Budget Summary

- Only vital capital projects recommended for funding
- Local appropriation for Education increased by \$300,000
- Only increase in personnel recommended is for part-time Human Resources Director
- No employee raises
- Tax Rate increases
 - .02 Real Estate and .10 Personal Property
 - \$611,824 in additional revenue generated
- \$953,362 Fund Balance used to balance budget

Public Hearing Rules of Procedure

1. Chairman will call names in order from sign up sheet.
2. When your name is called, stand up, and a microphone will be brought to you.
3. Clearly state your name and address for the record.
4. Limit your remarks to 3 minutes or less.
5. Time cannot be donated to another speaker.
6. Timer turns red when your time is up.
7. The Public Hearing is for your comments and is not designed to be a question & answer period. Submit your questions to the Clerk.
8. No personal attacks.
9. No profane language.
10. Chairman has the right to maintain order.
11. Your comments are encouraged and appreciated!

End of April - Budget Adoption and Tax Rates Set

