



City Manager's FY 2026 Proposed Budget

April 3, 2025
City Council Work Session

Overall Proposed Budget

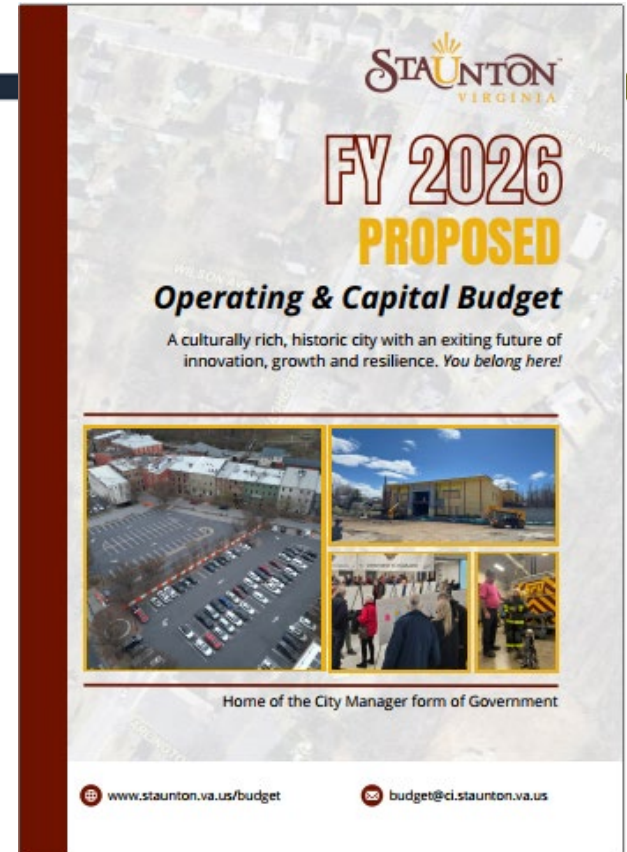
July 1, 2025—June 30, 2026

Total proposed budget is **\$164,037,707** for all funds

❖ \$15.4 million (or 10.4%) increase over FY 2025

General Fund proposed budget is **\$79,613,013**

❖ \$6.1 million (or 8.31%) increase over FY 2025



A horizontal bar composed of several colored segments: purple, olive green, blue-grey, grey, yellow, dark red, dark blue, tan, teal, and green.

❖ General Property Taxes

- Real estate tax revenue increase by \$4,469,075
- Personal property tax revenue increase by \$278,000

❖ Other Local Taxes

- No material changes in Sales and Transient Occupancy (Lodging) tax revenue
- Meals tax revenue increase by \$90,000
- Business license tax revenue increase by \$100,000

❖ State Funding

- Virginia Department of Transportation reimbursable funds increase by \$1.1 million
- State revenue increase of \$513,800 for Children's Services Act

❖ Recovered Cost

- Loss of Harrisonburg/Rockingham Jail Buy-in (\$665,000)

A thick red arrow pointing from the "State Funding" section towards the "Restricted for specific expenditures" box.

*Restricted for specific
expenditures*



Real Estate Tax Rate Increase Proposal

Proposed Real Estate Tax Rate $\$.91/\100 assessed value to provide most flexibility to address critical and essential infrastructure investments

FY 2018 2-cent rate increase for Staunton High School renovation

“Recent events have demonstrated that those additional funds are more critical than ever and can build a path to address ongoing city infrastructure maintenance needs, starting with work that is required in the tunnels that run underneath downtown.”

“Longer term, this is an opportunity for the city to consider and plan for more aggressive and proactive flood mitigation efforts as it relates to the creeks and tunnels that are underneath a core economic and business district.”

Where Is the New Money in the General Fund Going Exactly?



\$ 1,647,852

Staunton City Schools

- Per the school funding formula
- 9.55% increase



\$ 657,030

Capital Improvements Funding

- For Critical Infrastructure Repairs and Improvements



\$ 372,770

Juvenile & Domestic Relations District Courthouse

- New FY 2026 Expenditures
- \$275,985 Salaries and Benefits
- \$96,785 Operating Expenditures

Where Is the New Money in the General Fund Going Exactly?

\$ 1,117,397

Salaries and Benefits

- \$707,707- 3% cost of living increase for FT/PT employees
- \$147,572 – 1.5% bonus Const. Officers/staff, Structural Adjustments, Other
- \$201,676 - 10% increase in health insurance due to high claims
- \$60,442 – Unfreeze Traffic Position



\$ 305,830

Other Expenses

- \$76,000 Expand Real Estate Tax Relief
- \$16,500 Police K-9 Replacement
- \$39,760 New StauntonBusiness.com website
- \$173,570 Other City Dept. Increases
 - (\$64,500 of this amount is funded with offsetting revenues, including DMV fees, recreation trips, economic development agreements, state aid books)

\$ 39,760

www.StauntonBusiness.com

- Set up \$35,080 and Annual Maintenance \$4,680
- The 2019 Business Plan recommended implementation of a Strategic Marketing Plan
- A critical part of the plan, developed by Timmons Group and approved in 2021, is a refresh of the website
- Aligns with the recently launched www.StauntonCrossing.com
- Will serve as a user-friendly tool in marketing Staunton as a destination for business investment

Where Is the New Money in the General Fund Going Exactly?



\$981,964

**Outside Agency
& SAW
Partnerships**

- **\$714,763** Department of Social Services & CSA (local portion only) -  15%
 - \$433,776 State & Federal Grant Funded
 - \$280,987 Locally Funded Portion -  15%
- \$119,400 Animal Shelter -  68.0%
- \$136,773 Valley Community Services Board -  50%
- \$43,846 Middle River Regional Jail -  1.3%
- \$29,051 Office on Youth -  15.6%
- \$8,988 Health Department -  2.8%
- \$8,871 SDDA -  4.27%
- \$35,000 Valley Children's Advocacy Center -  233%
- \$1,700 Talking Book Center -  74%
- \$(81) *Shenandoah Valley Partnerships  .3%
- \$(1,503) *Central Shenandoah Planning District Commission  1.1%
- \$(109,844) *Juvenile Detention Center -  32.6%
- \$(5,000) Staunton Community Capital Fund -  25%

*These agencies are fully funded. Reductions based on their FY26 application.

\$ 1,026,786 -  52%

VDOT Reimbursable Funds

- Funded with state VDOT funds
- For qualified expenditures only
- Increase due to the state raising the reimbursement per lane mile over the last two years



Alignment with Current Staunton Plan

❖ Infrastructure

- Continues reserve for the Uniontown Neighborhood Action Plan
- New CIP reserve for City Infrastructure Repairs & Improvements
- Increases the Sidewalk reserve from \$100,000 to \$300,000 in the CIP
- Funds the Edgewood sidewalk shortfall from CIP funds

❖ Economic Development

- \$39,760 for StauntonBusiness.com website update
- Added a new CIP reserve for Affordable & Workforce Housing initiatives

❖ Responsive, Efficient Government

- Additional \$372,770 for J&DR District Courthouse operating expenditures
- Identified \$430,000 of budget reductions to fund required increases, including \$16,000 in additional telephone savings, bringing the total to \$40,000 savings over the last three budget cycles city wide
- Fully funds requested increases for the Valley Community Services Board, Department of Social Services, Children's Services Act, Valley Children's Advocacy Center, and the Central Shenandoah Health Department
- Supports increased expenditures for the new regional animal shelter

The Staunton Plan

OUR VALUES

Integrity - Inclusion & Equity - Excellence -
Engagement - Environmentally Conscious

Strategic Areas



Infrastructure

This strategic area focuses on the foundational and physical framework, utility systems, and transportation network that supports the City of Staunton.



Economic Development

This strategic area affirms City Council's commitment enhancing the economic well-being and quality of life for the City of Staunton through attracting new industries in target areas and supporting the expansion and retention of existing businesses. This area also addresses housing and quality of life needs required to attract and retain a qualified workforce.



Responsive, Efficient Government

This strategic area focuses on the ways in which the city provides services, attracts and grows its employees, and fulfills City Council's goals.



West End

This strategic area indicates City Council's commitment to providing resources to Staunton's West End, to promote this community as an upcoming and vibrant area that has diverse business opportunities and great potential for economic growth.



Built Environment

This strategic area focuses on the city facilities owned and maintained by the City, with an eye on not only what is needed in the current environment but in the future as city space needs evolve and change.

OUR VISION

A culturally rich, historic city with an exciting future of innovation, growth and resilience.

You belong here!

Alignment with Current Staunton Plan

❖ West End

- Continues reserve for the West End Revitalization
- Adds a project to CIP for bus shelters in the West End

❖ Built Environment

- New CIP reserves for Fire Station #1 improvements and the relocation of the Police Department
- Continues reserve for Library improvements
- Continues Parks & Rec Public Use Facilities reserve to improve park facilities
- New J&DR Courthouse to finish construction fall of 2025
- New Gypsy Hill Park Pool House to begin construction at the closure of 2025 season
- Planned renovation of park bathrooms, Montgomery Hall Park Pool House, and the Pump House

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Sale of Staunton Crossing Parcels

- ❖ Two sales in FY2025 for \$1,174,250 in the EDA Fund
- ❖ EDA Due to General Fund \$12,750,000
- ❖ Sales will be transferred to the General Fund as Recovered Costs (revenue)
- ❖ Amount will appear in FY2025 Carry Over unless council appropriates through a Budget Amendment in FY2025





Potential Loss of Federal Funding

❖ Library

- \$4.3 million in Institute of Museum and Library Services funds for the State of Virginia are in jeopardy
- Could affect Library of Virginia funding which helps to support databases, language learning, homework help, and veteran's assistance
- Local impacts could also include loss of digital resources at Find It Virginia, the digitized history and archive collections, the summer reading platform, and the consultants and training offered
- FY2026 budget for state aid is \$237,049

❖ Central Shenandoah Health Department

- CDC pulling back \$11B in COVID funding
- Approximately 10% of local department staff funded with COVID funds
- COVID funds were also funding reporting of infectious disease outbreaks, respiratory virus testing and prevention efforts
- VDH lost federal funding for HIV and STI testing

Budgets are all about choices and making difficult decisions and are based on Council priorities, sound financial and management principles and experience

- ❖ \$430,000 in operating expenditures, across city departments, were reduced or realigned allowing a portion of new budget requests to be funded without having to identify additional funds
- ❖ FY 2026 CIP funding to be funded with projected FY 2025 carryover = \$3.6 million
- ❖ Many new department requests remain **unfunded**:
 - **\$1.5 million in new/upgraded positions and enhanced benefits**
 - **More than \$2.4 million in operational and equipment expenditures**
- ❖ \$146,250 in new outside agency requests remain unfunded
- ❖ Budgeted attrition (position vacancy) savings = \$300,000
- ❖ Budgets \$.9 million from Debt Service Sinking Fund balance to cover FY 2026 annual debt service

Unfunded Departmental Request

Judicial Administration – Unfunded requests \$568,338

- ❖ \$118,378 – Additional two full-time staff for new courthouse (offset by part-time position)
- ❖ \$30,033 – Clerk of Court requested a part-time position converted to full-time
- ❖ \$383,358 – Six additional vehicles for new staff members
- ❖ \$33,375 – Sheriff operating expenditures
- ❖ \$2,094 – Commonwealth Attorney operating expenditures
- ❖ \$1,100 – Clerk of Court operating expenditures



Public Safety – Unfunded requests \$1,129,900

- ❖ \$208,244 – Hazardous Duty Multiplier for Police & Fire
- ❖ \$383,552 – Police Department Career Development Plan
- ❖ \$452,782 – 6 New Positions for Fire Department
- ❖ \$20,700 – Operating increases for PD
- ❖ \$45,342 – Priority Dispatch for Fire and PD modules
- ❖ \$500 – Operating increases for E911
- ❖ \$5,000 – Operating increases for Fire
- ❖ \$13,780 – Operating increases for Inspection



Recreation, Parks, Library and Cultural – Unfunded Equipment

Requests \$340,131

- ❖ \$17,365 – Special Equipment for Parks
- ❖ \$85,000 – Replace Dump Truck for Horticulture
- ❖ \$53,306 – Replace Brush Chipper
- ❖ \$36,485 – Replace Stump Grinder
- ❖ \$55,000 – Replace Truck
- ❖ \$23,000 – New Infield Ball Cart
- ❖ \$5,075 – Ventrac Tough Cut Mower
- ❖ \$18,400 – Ventrac Snow Blade, Contour Deck, Power Broom
- ❖ \$29,500 – Replace Big Area Mower
- ❖ \$17,000 – Replace Book Drops



Recreation, Parks, Library and Cultural – Unfunded Operating Requests \$65,690

- ❖ \$28,800 – Parks & Rec Admin operating increases
- ❖ \$11,000 – Horticulture operating increases
- ❖ \$2,990 – Golf operating increases
- ❖ \$16,000 – Park Maintenance operating increases
- ❖ \$6,900 – Library operating increases



Public Works – Unfunded Operating Requests \$490,159

- ❖ \$187,586 – Unfreeze three (3) Streets positions
- ❖ \$68,545 – One additional full-time custodian for J&DR District Courthouse
- ❖ \$29,623 – One part-time staff for Building Maintenance
- ❖ \$28,000 – Replacement vehicle for Engineering
- ❖ \$60,000 – Replacement vehicle for Streets
- ❖ \$30,000 – Replacement vehicle for Building Maintenance
- ❖ \$86,405 – Operating increases for Engineering, Public Works Admin, Streets, Traffic Engineering, Traffic Signals, Building Maintenance, and Equipment Maintenance.



Unfunded Departmental Request

General Government – Unfunded Operating Requests \$43,545

- ❖ \$10,000 – Citizen's Guide
- ❖ \$33,045 – Operating increases from Assessor, City Council, City Manager, Human Resources, Registrar, and Risk Management

Community Development – Unfunded Operating Requests \$98,210

- ❖ \$63,950 – Tourism operating increases
- ❖ \$27,455 – Economic Development operating increases
- ❖ \$6,805 – Planning operating increases

Capital Improvements – Increase General Fund Transfer \$980,000



Unfunded Outside Agency Requests

Outside Agencies –
Unfunded Requests
\$167,375

OUTSIDE AGENCIES	FY 2026 REQUESTED	FY 2026 PROPOSED BUDGET	Unfunded
EXISTING O/S AGENCIES			
Shenandoah Community Capital Fund	25,000	15,000	10,000
Historic Staunton Foundation	45,000	40,000	5,000
Woodrow Wilson Presidential Library	10,000	5,000	5,000
Shenanarts	4,000	3,000	1,000
Virginia Cooperative Extension - 4-H	5,125	5,000	125
NEW REQUESTS FOR FUNDING			
New Directions	45,000	-	45,000
Arcadia	30,000	-	30,000
Waynesboro Area Refuge Ministry (WARM)	26,250	-	26,250
ARROW Project	25,000	-	25,000
Shenandoah Valley Small Business Develop	10,000	-	10,000
YMCA	10,000	-	10,000
Unfunded Outside Agency Requests			\$ 167,375

Funded from Future Budget Amendment, \$3,628,050:

- \$350,000 Fire truck replacement reserve
- \$30,000 Fire & Rescue breathing apparatus
- \$10,000 Fire & Rescue cardiac monitor
- \$200,000 Fire Station #1 improvements reserve
- \$375,000 CAD/RMS system replacement
- \$150,000 Police Department relocation reserve-Phase I
- \$150,000 Ineligible streets/parking lots
- \$175,000 Public Works equipment fund
- \$200,000 Public Works building fund
- \$100,000 Gypsy Hill Park power hookups
- \$150,000 Crossing Way Park & Ride lighting
- \$100,000 IT Equipment reserve
- \$100,000 Greenways project
- \$300,000 New sidewalks
- \$125,000 Bike and pedestrian project
- \$30,000 Housing reserve
- \$100,000 Parks & Rec equipment reserve
- \$60,000 Golf cart replacement reserve
- \$600,000 Parks & Rec Public Use Facilities
- \$112,000 Parks porch replacements
- \$41,050 Blue Ridge Community College capital share
- \$100,000 School building maintenance reserves
- \$50,000 School bus replacement reserve
- \$20,000 School parking lot paving reserve

A horizontal bar composed of several colored segments: purple, olive green, blue-grey, grey, yellow, maroon, dark blue, tan, teal, and dark green.

Funded from FY 2026 General Fund Budget Transfer, \$1,518,813

- \$287,261 Public Library reserve
- \$287,261 West End revitalization reserve
- \$287,261 Uniontown neighborhood action plan reserve
- \$657,030 Infrastructure repairs and improvements

Funded from CIP Reserves, \$816,347

- \$100,000 West End bus shelters
- \$716,347 Edgewood Rd Sidewalk (local portion only)

Funding from VDOT Highway Safety Improvement Program, \$1,789,484

- \$1,789,484 High visibility marked crosswalks

Funding from VDOT Smart Scale, \$3,633,653 (remaining funding from CIP reserves)

- \$3,633,653 Edgewood Rd sidewalk¹

Golf Carts

- ❖ Purchased 40 carts for \$198,200 in 2021.
- ❖ Sold 18 carts for (\$44,178)
- ❖ **Net Cost = \$154,022**
- ❖ **Golf carts pay for themselves through cart rental fees, not property taxes**
- ❖ The city's general fund had to front the initial purchase costs, but the carts have already paid for themselves!
- ❖ Average increase in Golf Cart Rentals only:
 - Pay Back Period = 2 years, 1 month
- ❖ Average increase in all Golf Revenues:
 - Pay Back Period = 1 year

	Three Years Prior to Purchase FY19-FY21 Average	Three Years After the Purchase FY22-FY24 Average	Average Annual Increase in Golf Revenues
Golf Cart Rentals	\$ 69,175	\$ 143,447	\$ 74,272
Golf Green Fees	\$ 7,756	\$ 35,268	\$ 27,512
Golf Membership Fees	\$ 56,827	\$ 106,908	\$ 50,081
Total Golf Revenues	\$ 133,758	\$ 285,623	\$ 151,865

Average annual
increase in Golf
Revenues

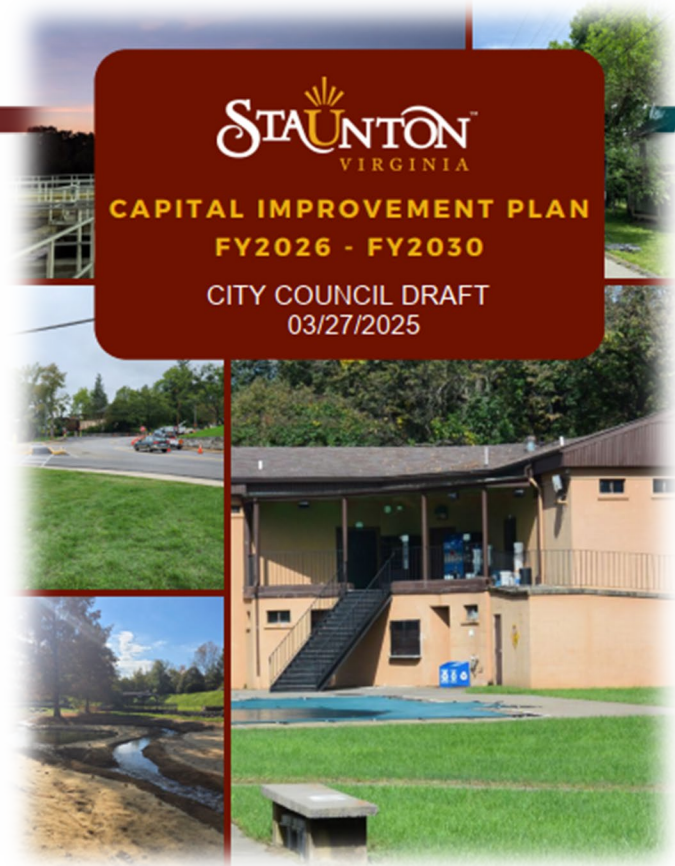
- ❖ Current fleet is 52 carts, optimal fleet is 60 carts.
- ❖ PGA Guidelines suggest golf carts should last 7-10 years, due to very steep terrain our carts generally last 6-7 years.
- ❖ Estimated cost is \$6,000 per cart.
- ❖ Reserve would only be funded if carry over funds were available
- ❖ Used carts are auctioned off on GovDeals.com. Carts auctioned in 2021/2022 brought an average of \$2,454 each. Funds return to the General Fund as surplus sales, not to golf directly.

- ❖ **Five-Year Plan**
 - **FY2026** – Replace 10 of the oldest carts, 15 years old.
 - **FY2027** – Replace the remaining 2 oldest carts, 16 years old. Add 8 carts to the fleet.
 - **FY2028*** – Replace 10 of the carts purchased in 2021, 6 years old at this point.
 - **FY2029*** – Replace 10 of the carts purchased in 2021, 7 years old at this point.
 - **FY2030*** – Replace 10 of the carts purchased in 2021, 8 years old at this point.



Transfer to CIP – Increase of \$657,030

- ❖ Revenue associated with **2 additional cents** on the real estate rate will be used for critical city infrastructure needs
- ❖ Immediate focus on creek tunnels that run under the city



Underground Stormwater/Creek Tunnels

- ❖ Engineering firm Wiley | Wilson performing tunnel survey and structural evaluation
- ❖ Evaluation indicates issues with structural integrity
- ❖ Wiley | Wilson continues to explore options for repairs
- ❖ Immediate needs balanced with longer term planning/improvements/flood mitigation

Costs are unknown at this time



Gypsy Hill Park Pool House

- Municipal pools offer many benefits to citizens: affordable space for recreation, affordable location for celebrations and family parties, adult lap swim, exercise, jobs for teens, and learning important water safety skills
- Fosters social interaction and community engagement

GHP Pool Annual Stats

Season Swims – 18,000
Summer Camp Swims – 2,400
Lap Swims – 500
Pool Rentals - 400

Why Replace and Not Just Fix?

A horizontal decorative bar composed of several colored rectangular segments in shades of purple, olive green, blue, grey, yellow, maroon, dark blue, tan, teal, and dark green.

❖ Structural Integrity & Safety

- Steel joists have corrosion
- Immediate recommended supports were put in place to allow the pool to operate safely in the near term

❖ Exterior Deterioration

- Degradation of exterior walls

❖ Lack of Accessibility

- Failing ramp retaining wall
- Current fixtures don't meet building code

❖ Overall Functionality

- Showers and bathroom facilities on upper level

Gypsy Hill Park Pool House



Figure 4 Deterioration of metal deck

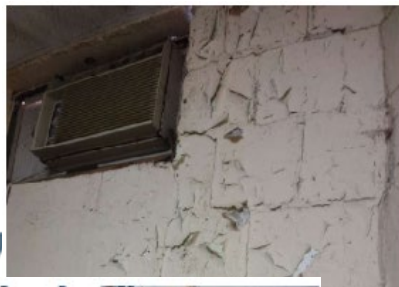


Figure 8 Staff stair landing

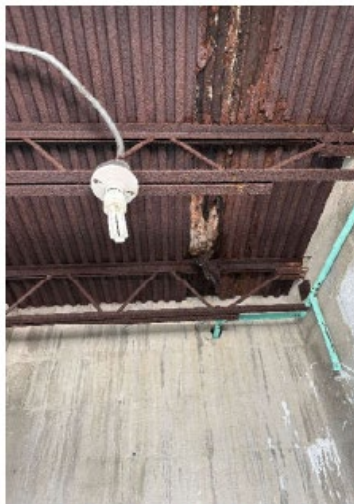


Figure 9 Severely corroded Steel Floor Deck



Figure 10 Delaminated Open-Web Steel Joist



Figure 6 Ramp to shower is not accessible (lip is too tall)

Gypsy Hill Park Pool House



Figure 15 Deteriorated Concrete Slab Edge



Figure 13 Delaminated, Rusty Steel Tread and Risers of Exterior Stairs to Pool Area



Figure 17 Displaced CMU blocks



Figure 12 Rusty, Delaminated Horizontal Joint Reinfor

Gypsy Hill Park Pool House

Gypsy Hill Park Pool House

- ❖ Currently under design by Wiley|Wilson
- ❖ New features include:
 - Individual unisex bathrooms provide security and privacy for kids and families
 - Covered concession area
 - Outdoor shower
- ❖ Construction budget \$2.5 million, an increase of \$200k after value engineering over the last few months
- ❖ **67% of construction** is being funded with **interest earned** on our CIP and ARPA funds!



Edgewood Rd. Sidewalk Project

- ❖ Original estimate & Smart Scale amount = \$1,098,071
- ❖ Revised VDOT estimate = \$4.0 -\$4.7 million
- ❖ Two Smart Scale projects on Augusta St. have been cancelled, funding redirected to Edgewood Rd.
- ❖ The **\$400,000-\$1,000,000** shortfall will be funded from the city's Sidewalk and Bike & Ped CIP reserves.





Preparation for April 10th Work Session

Feedback/Questions from City Council

FY 2026 Budget at www.ci.staunton.va.us/budget

Hardcopies of the budget can be viewed in the City Manager's Office and the Library

Contact City Council at CityCouncil@ci.staunton.va.us or 540.332.3810

Budget Work Sessions

April 10 (joint with City Schools), and 24

Public Hearings

April 10 – Overall Budget Ordinance

Scheduled Budget Adoption

April 24



www.ci.staunton.va.us/budget



CityCouncil@ci.staunton.va.us