FY 2026 ADOPTED

Operating & Capital Budget

A culturally rich, historic city with an exciting future of innovation, growth, and resilience. *You belong here!*

Home of the City Manager form of Government

www.staunton.va.us/budget

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TOTAL BUDGET=$164,535,789

GENERAL FUND BUDGET=$79,803,513

FUNDING PRIORITIES AND STRATEGIC INITIATIVES

The FY 2026 budget gives Council a path to support and fund important strategic initiatives and the infrastructure needs of the city. We are again in an era of uncertainty on many fronts, and the FY 2026 budget continues to provide a level of city services that Staunton residents are accustomed to receiving and reacts to the many fiscal unknowns the city is facing.

- **A focus on infrastructure.** Additional revenue from the increase in the real estate tax rate is earmarked for the immediate infrastructure repairs and maintenance of the creek tunnels that run under downtown streets, sidewalks, and surface parking lots. The additional funds also provide some flexibility to start to consider and plan for more aggressive and proactive flood mitigation efforts.
- **A focus on education.** Fully funds the Staunton City Schools with $1,647,852 in additional local funding, a 9.5% increase over FY 2025 and the highest ever.
- **A focus on people**. Implements Phase I of the Staunton Police Department Career Development Plan for Sworn Personnel, to retain current officers by increasing advancement opportunities, improving recognition for achievements, and increasing incentives for completing additional training.

  Also included is a 3% cost of living adjustment for full and part time employees, funds for structural payroll adjustments in various departments, and a required 1.5% bonuses for Constitutional Officers and their staff.
- **A focus on the future.** The budget continues to set aside three reserve funds that were established in the FY 2024 Adopted Budget, each equivalent to one cent of the 2023 real estate tax rate, for three City Council priorities: Uniontown Neighborhood Action Plan, West End Revitalization Strategy, and the Staunton Public Library's building and space needs.
- **A focus on new city facilities.** The budget includes funds for the operating budget and additional staffing for the new Juvenile & Domestic Relations District Court, which will be operational in late 2025. This includes new Sheriff Deputy and Custodial positions, as well as funds necessary to operate the court facility.
- **A focus on community resilience.** This budget fully funds the Valley Community Services Board and significantly increases funding for the Valley Children's Advocacy Center. It also increases the income and asset limit for real estate tax relief for the elderly and disabled, ensuring that more of our most vulnerable population can quality and receive assistance.

FY 2026
ADOPTED BUDGET

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

WHY INCREASE THE REAL ESTATE TAX RATE?

Recent events have demonstrated that those additional funds derived from the $.91/$100 Real Estate Tax Rate 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 a 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.

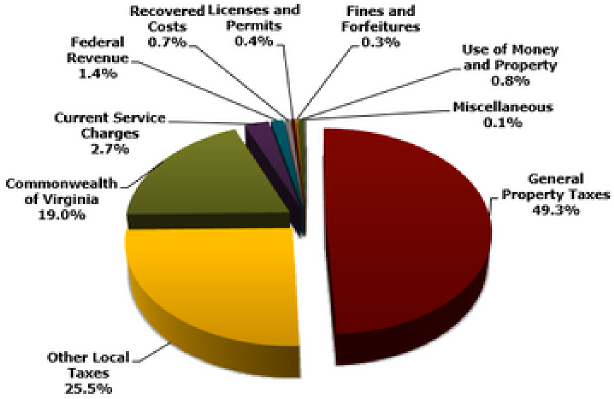
“More so now than ever, [we] must be adaptable and agile in the face of unpredictability”

City Manager
Leslie Beauregard

Education, 23.7 cents
Public Safety, 21.9 cents
Health & Welfare, 10.6 cents
Public Works, 10.5 cents
General Government, 9.7 cents
Parks, Recreation, Library & Cultural, 5.8 cents
Judicial Administration, 5 cents
School Debt, 3.9 cents
Community Development, 3.8 cents
City Debt, 3.2 cents
CIP Fund, 1.9 cents

GENERAL FUND REVENUES

City revenues are reviewed and developed by a team of staff, including the City Manager, Assistant City Manager, Chief Finance Officer, City Assessor, Commissioner of Revenue, and City Treasurer. The team reviews revenues line item by line item, making projections on historical and currently trending amounts. In addition, the team discusses potential adjustments due to more recent trends, future known changes, and highlighted possible uncertainties. All of these factors influence the projections in this adopted budget.



REAL ESTATE TAXES

- The adopted budget increases the tax rate from $.89 to $.91 per $100 of assessed value. This will generate $657,030 in additional revenue.

OTHER LOCAL TAXES

- Increase in personal property taxes, $278,000
- Increase in sales taxes, $25,000
- Increase in business license tax revenue, $150,000
- Increase in meals taxes, $90,000
- Decrease in transient occupancy (lodging) tax revenue, $25,000

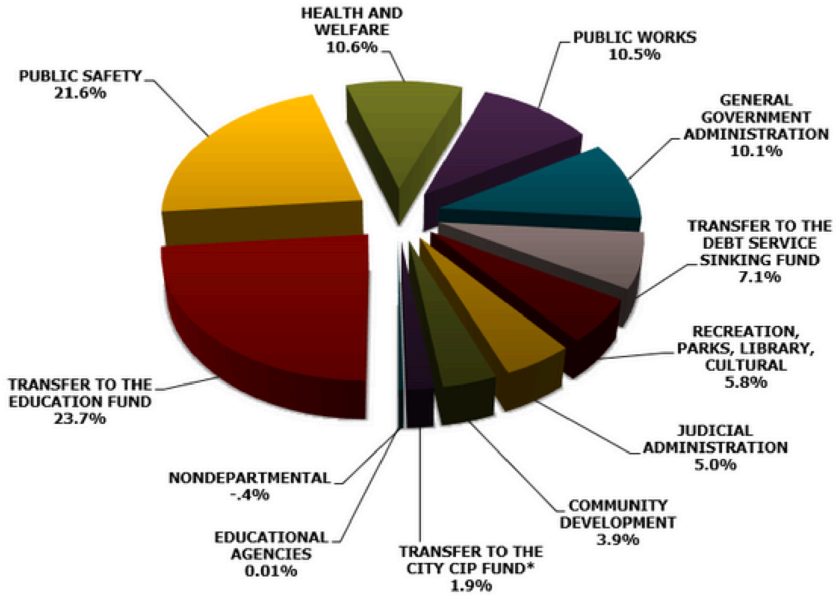
STATE FUNDING

- Projected increase of $1,747,915, totaling $15.2M. Largest categories of state aid are personal property tax relief, health and welfare, revenue for Constitutional Officers, street and highway maintenance, and the Children's Services Act (CSA).
- The state share of the CSA increase is $513,800, which partially offsets the $700,000 increase in CSA expenditures.

FEDERAL FUNDING FOR CITY SERVICES & PROGRAMS

- Federal revenue for city services and programs, not including City Schools, accounts for $1.14M, and represents 1.4% of the General Fund budget. This is expected to decrease by $33,811, attributable to a decrease in funding for health and welfare programs. Also not included are the total funds the city receives as a HUD Entitlement Community or grants that the city applies for during the fiscal year that are appropriated once awarded.

GENERAL FUND EXPENDITURES (BY FUNCTIONAL AREA)



Education remains one of the city's highest priorities and its largest single expenditure. The transfer to the Education Fund from the General Fund, totaling $18.9 million, accounts for 23.7% of the General Fund budget and constitutes an increase of $1,647,852 (9.5% increase) over FY 2025.

Public Safety operations are increasing 5.6% or $925,306. This category includes Police, Fire, the E-911 center, Middle River Regional Jail, Shenandoah Valley Juvenile Center, Office on Youth, building inspections, animal control, and the Shenandoah Valley Animal Services Center.

Health and Welfare operations are increasing by 13.1%, or $974,896. The increase is made up of $186,200 local tax dollars to fund the Children Services Act, $8,988 to the Central Shenandoah Health District, $136,773 for the Valley Community Services Board's future crisis receiving center/crisis stabilization unit, $50,000 to the Valley Children's Advocacy Center (a $35,000 increase), and $76,000 for real estate tax relief for the elderly and permanently disabled.

Public Works and Engineering operations are increasing by 21.4%, or $$1,478,369. The majority of this increase, $1,026,786, is driven by increased street and highway maintenance revenue from the Virginia Department of Transportation. Those revenues may only be spent on street and highway maintenance and related expenditures. Along with the 3% cost of living increase, a position opening on the traffic engineering team and $166,952 in building maintenance expenditures related to the opening of the new J&DR District Court, including one full-time custodian, one part-time custodian, utilities, and cleaning supplies.

General Government Administration increased 1.7%, or $137,448. A portion of the increase is the cost of living adjustment and the bonus for Constitutional Officers and their staff.

Recreation, Parks, and Library operations are increasing by 1.7% or $77,940. Included is a 3% cost of living adjustment for full and part-time employees, and a 1.8% increase in operating expenditures for Parks & Recreation and the Library.

Judicial Administration operations are increasing 11.5%, or $407,476. This category includes Circuit Court, General District Court, Magistrate, J&DR District Court, City Sheriff, Victim Witness, and Commonwealth's Attorney. Some of this increase is attributable to the 3% cost of living adjustment for eligible full and part-time employees, and a required 1.5% bonus for Constitutional Officers and their staff.

Community Development, which includes the departments of Community Development, Economic Development, and Tourism, is increasing by $10,612, or 0.3%. Included is a 3% cost of living adjustment for full and part-time employees.

CAPITAL IMPROVEMENT PLAN
& OTHER PROJECTS ON THE HORIZON

The city plans for major improvements in infrastructure and other capital projects with a comprehensive five year Capital Improvement Plan (CIP). The plan includes projects for public safety, public works, community development, and recreation. The CIP also includes water, sewer, stormwater, parking, and education fund projects.

CHURCHVILLE AVENUE BIKE LANES

A road diet will reconfigure parts of Churchville Ave. to add bike lanes and sharrows and will be added to portions of Englewood Drive and Shutterlee Mill Road.

COLE AVENUE STREAM CHANNEL RESTORATION

This project was completed in spring 2025. The project restores the channel's stability, improves water quality, decreases nutrient and sediment pollution, relocates and replaces exposed sanitary sewer lines, and helps reduce the risk of flooding downstream. It will also account for approximately 25% of the total nitrogen and 35% of the total phosphorus reduction requirements mandated by the Chesapeake Bay Act.

GARDNER SPRING PUMP STATION

The city was awarded $5.93M by the Virginia Department of Health Office of Drinking Water to apply to the Gardner Springs Pump Station Upgrade project. The project is currently under construction and is scheduled for completion in summer 2025.

FLOOD MITIGATION

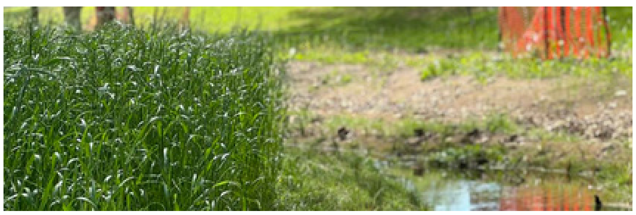
As part of the city's larger flood mitigation efforts, all of the city's stream and rain gauges were updated this past year and they now send their data to the National Weather Service.

GYPSY HILL PARK POOL HOUSE

Thompson & Litton prepared a preliminary architectural report in November 2023. Their initial evaluation indicated many structural issues with the current building and wheelchair accessible ramp. The original structure was built in the 1950's. Due to the number of issues with the original building it was ultimately determined that the best option was to replace the structure. Wiley|Wilson was hired in September 2024 to design the new GHP Pool House.

GYPSY HILL PARK STREAM RESTORATION

The project is nearly complete and looking great. The project has restored the eroded stream banks of Peyton's Creek (Gum Spring Branch) and will help prevent future erosion, help to mitigate flooding within GHP, and improve the overall aquatic habitat of the stream. It will account for approximately 10% of the total load reduction requirements the city must achieve by 2028, as mandated by the Chesapeake Bay Act. The city was awarded the Helen and Tayloe Murphy Conservation Leadership in Government Award by the Garden Club of Virginia for the project.

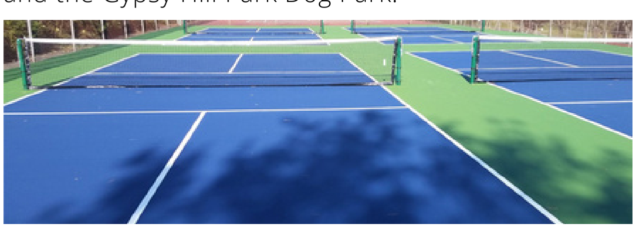


J&DR DISTRICT COURT FACILITIES

Construction of the City of Staunton's new Juvenile and Domestic Relations District Court located in the West End. The project is now 63% complete, with major milestones including finished underground site utilities, roofing, windows, and substantial progress on interior systems like HVAC, sprinklers, and electrical. Dominion Energy and Columbia Gas have obtained easements and after installation of services, sidewalks and base layer paving are set to begin, with substantial completion still projected for November 1, 2025.

PARKS & RECREATION

Renovations to the tennis courts at Montgomery Hall Park were completed in partnership with city schools. Lighting projects were also completed for the practice athletic field in Montgomery Hall Park, and the Gypsy Hill Park Dog Park.



PEDESTRIAN CROSSWALKS

Install new high visibility marked crosswalks with highly reflective materials and pedestrian signal heads with pedestrian countdown signals, install flashing yellow arrows, pedestrian signal heads with countdown signals, and unsignalized intersection improvements.

REGIONAL ANIMAL SHELTER

The regional animal shelter, which is a partnership between City of Staunton, Augusta County, and City of Waynesboro, is moving from its current location in Lyndhurst to a new, larger shelter in Verona. The old Verona elementary school in Augusta County is being renovated as the new shared animal shelter. The regional shelter will increase in size from 5,000 to 39,000 square feet. The planned opening of the new facility is scheduled for summer 2025.

REGIONAL LANDFILL

The City of Staunton's contribution to the regional landfill is a significant fiscal and environmental stress on the city and our region, and those stresses continue to grow at a tremendous rate. Of note is that the city will need $5M in funding to cover Staunton's share of the five-year capital plan for the Augusta Regional Landfill. Controlling the amount of garbage placed in the regional landfill will help the city in controlling future costs. Proper waste management helps stretch these long-term expenses while maintaining current service fees.

WEST BEVERLEY STREET IMPROVEMENTS

Comprehensive transportation project creating safer, more accessible streets and multimodal transportation options along West Beverley and other key corridors in the city.

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

You Belong Here

STAUNTON, VA

With a population of 25,904, the City of Staunton has a vibrant economy, building for the future, with a strong connection to the past.

Staunton has five historic districts and more than 50 individual buildings listed on the National Register of Historic Places and the Virginia Landmarks Registry. The Beverley, Wharf, Newtown, Gospel Hill, and Stuart Addition historic districts capture much of the lifestyle and the distinctive architecture of the city's colorful past.

Some of Staunton's recent accolades include Staunton being named "The Shenandoah Valley's Best Kept Secret" by Garden & Gun Magazine; Beverley Street was named "One of the Best Main Streets You Need to Visit ASAP" by Country Living Magazine; and Staunton is "One of the Best Small Towns to Retire" by World Atlas.

CITY COUNCIL

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