STAUNTON™
VIRGINIA

FY 2027

Budget in Brief

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

www.staunton.va.us/budget

budget@ci.staunton.va.us

Total Budget=$168,670,911

↑ 2.51% / +$4.1M over FY 2026

General Fund Budget=$83,470,150

↑ 4.59% / +$3.67M over FY 2026

Real Estate Tax Rate: Maintained at $.91 per $100 assessed value

The FY 2027 Budget achieves a careful balance: it advances City Council's top priorities, responds to community input, sustains the services Staunton residents count on, and preserves flexibility for the unexpected. Guided by the adopted 2026-2028 Staunton Plan, this budget is the first to align spending decisions directly with the city's new four strategic goal areas.

- **A focus on the Staunton Plan.** This year's budget is built around City Council's 2026-2028 Staunton Plan — the strategic roadmap that defines where the city is headed and how it will get there. See page 3 for how FY 2027 investments connect to each of the plan's four strategic goal areas.
- **A focus on education.** The budget fully funds Staunton City Schools with $1,461,942 in additional local funding — a 7.7% increase over FY 2026 and a total transfer of $20.4 million from the General Fund, representing 24.4% of the General Fund budget.
- **A focus on people.** All full and part-time employees receive a 3% cost of living adjustment effective July 1, 2026. The budget also funds the final phase of the Staunton Police Department Career Development Plan and implements the 1.85% VRS hazardous duty multiplier, providing enhanced retirement benefits for qualifying public safety employees.
- **A focus on economic opportunity.** Staunton is one of only 16 communities nationwide to receive the Economic Mobility and Opportunity Special Assistants Program grant, funding a new position dedicated to helping all residents climb the economic ladder. The budget also includes $50,000 for the redesigned Enterprise Zone incentives programs.
- **A focus on infrastructure and sustainability.** Utility fee increases fund critical five-year capital plans and address aging infrastructure that residents identified as a top priority. The budget also increases the cigarette tax from $.30 to $.40 per pack, with $15,000 set aside for environmental sustainability pilot programs. See page 6 for the utility rate story.
- **A focus on the future.** The budget continues setting aside three City Council priority reserves (Public Library, West End Revitalization, Uniontown Neighborhood Action Plan) and maintains the infrastructure reserve currently funding downtown creek tunnel repairs.

> **"Because the past year has proven that unpredictability is inevitable, our budgeting process must be agile."**
>
> City Manager
> Leslie Beauregard

The Staunton Plan: Budget Meets Strategy

In January 2026, City Council adopted the 2026-2028 Staunton Plan — the strategic framework that defines Staunton's priorities for the next two years and beyond. The plan is organized around four strategic goal areas and guided by five core values: Integrity, Inclusion & Equity, Excellence, Engagement, and Environmental Consciousness. The FY 2027 Budget is built in direct alignment with this plan.

An Economically Vibrant Community

Strengthening Staunton's economic vitality and well-being by supporting our residents and businessess, continuing to build upon the success of our downtown, while attracting new opportunities for improved industry and housing growth through responsible and well-planned development processes.

FY 2027 Investments

- Economic Mobility and Opportunity Special Assistant — one of only 16 grants awarded nationally ($250,000 over 2 ½ years)
- $50,000 for redesigned and expanded Enterprise Zone incentive programs
- New funding for Shenandoah Valley Small Business Development
- $10,000 one-time contribution for the renovation of the Shea House in Fairview Cemetery

A Resilient and Sustainable Community

Enhancing Staunton's livability and environmental stewardship by addressing aging infrastructure, city facility needs, and the protection of natural resources through prioritizing improvements focused on efficiency of services, managing costs, and sustainable practices to advance long-term community resilience.

FY 2027 Investments

- Water, sewer, and refuse fee increases fund over $40 million in five-year utility capital needs
- $657,030 in continued creek tunnel and downtown street repairs (Byers, Johnson, and New Streets)
- Continues infrastructure reserve equivalent to $0.02 of the 2025 real estate tax rate
- $625,000 in Biking and Walking Infrastructure reserve in Capital Improvement Program
- Cigarette tax increase from $0.30 to $0.40 per pack; $15,000 dedicated to sustainability pilot programs
- $100,000 Environmental Sustainability CIP reserve

A Healthy Community

Enriching Staunton's quality of life by supporting and expanding recreational, cultural, and educational opportunities within our city.

FY 2027 Investments

- Pool seasons at Gypsy Hill Park and Montgomery Hall Park extended through Labor Day weekend ($12,292)
- $20.4 million transfer to Staunton City Schools
- $200,000 Parks and Recreation Public Use Facilities in Capital Improvement Program
- $150,000 Duck Pond Dredging in CIP
- $90,000 Parks and Recreation Master Plan in CIP
- Valley Community Services Board crisis stabilization unit reserve funded for fourth year
- Valley Children's Advocacy Center and Central Shenandoah Health District contributions maintained

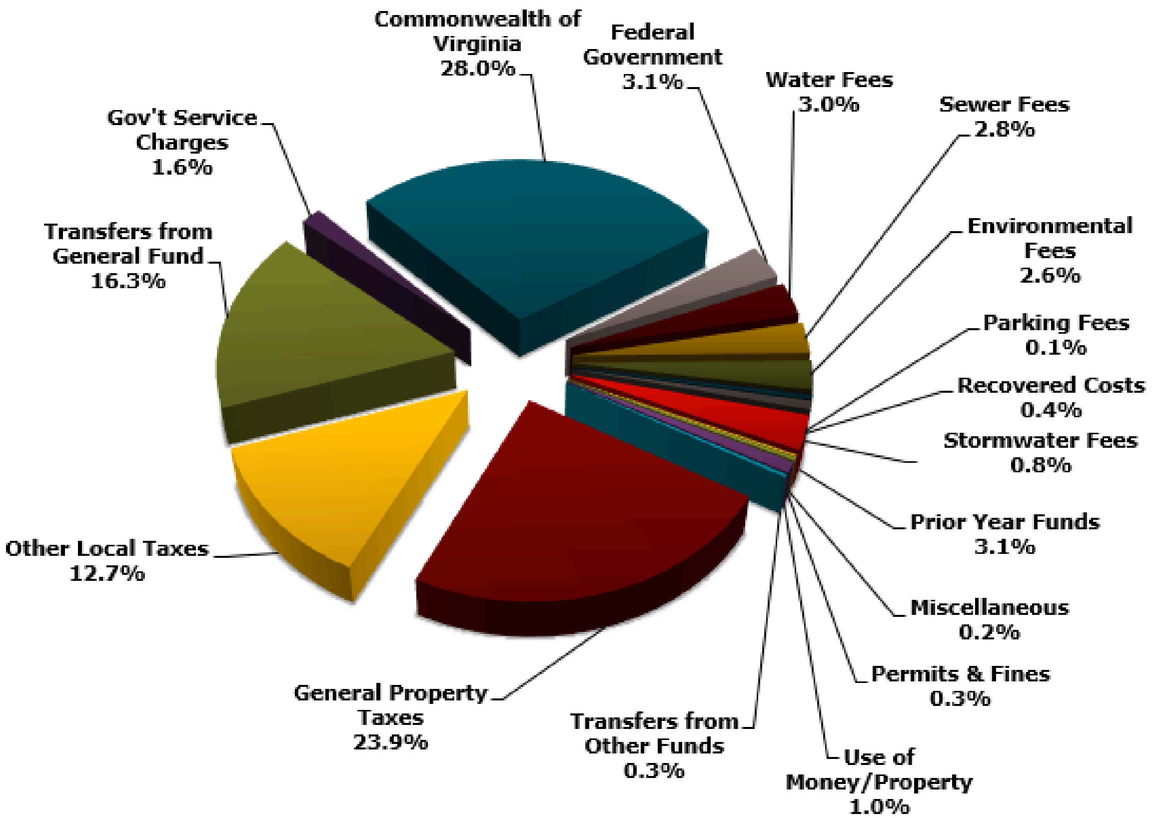
An Informed And Engaged Community

Ensuring Staunton's residents have timely, accurate, and meaningful information about city programs and services, with a focus on expanding communication platforms, enhancing digital services, improving emergency alerts, and fostering community engagement.

FY 2027 Investments

- $150,000 to transition the city to Microsoft Office Cloud 365
- $15,000 for an upgraded CAD-to-CAD system enabling real-time 911 information sharing between Staunton, Waynesboro, and Augusta County
- $50,000 for vote tabulation equipment upgrade per new state election certification requirements
- $30,000 to replace door access sensors on city facilities

General Fund Revenues



City revenues are reviewed and developed by a team of staff, including the City Manager, Deputy City Manager, Chief Finance Officer, City Assessor, Commissioner of Revenue, and City Treasurer. The team reviews revenues line item by line item, drawing on historical trends, current conditions, and potential future changes. All of these factors influence the projections in this adopted budget.

General Property Taxes

- Real Estate tax maintained at $0.91 per $1.00 of assessed value
- New construction projected to generate $359,617 in new revenue
- Median assessed residential property value (2026): $251,680
- Personal property tax rate remains at $2.90 per $100; budgeted to increase by $684,500 to reflect actual amounts billed
- Machinery and tools tax rate remains at $1.24 per $100

> **“The FY 2027 budget is a commitment to the core services and infrastructure that define our community’s quality of life”**
> Mayor
> Michele Edwards

Other Local Taxes

- Increase in Sales tax revenue: $300,478
- Increase in Business License tax revenue: $200,000
- Increase in Meals tax revenue: $250,000
- Increase in Transient Occupancy (lodging) tax revenue: $150,000
- Increased Cigarette tax from $0.30 to $0.40 per pack; generating an additional $90,000

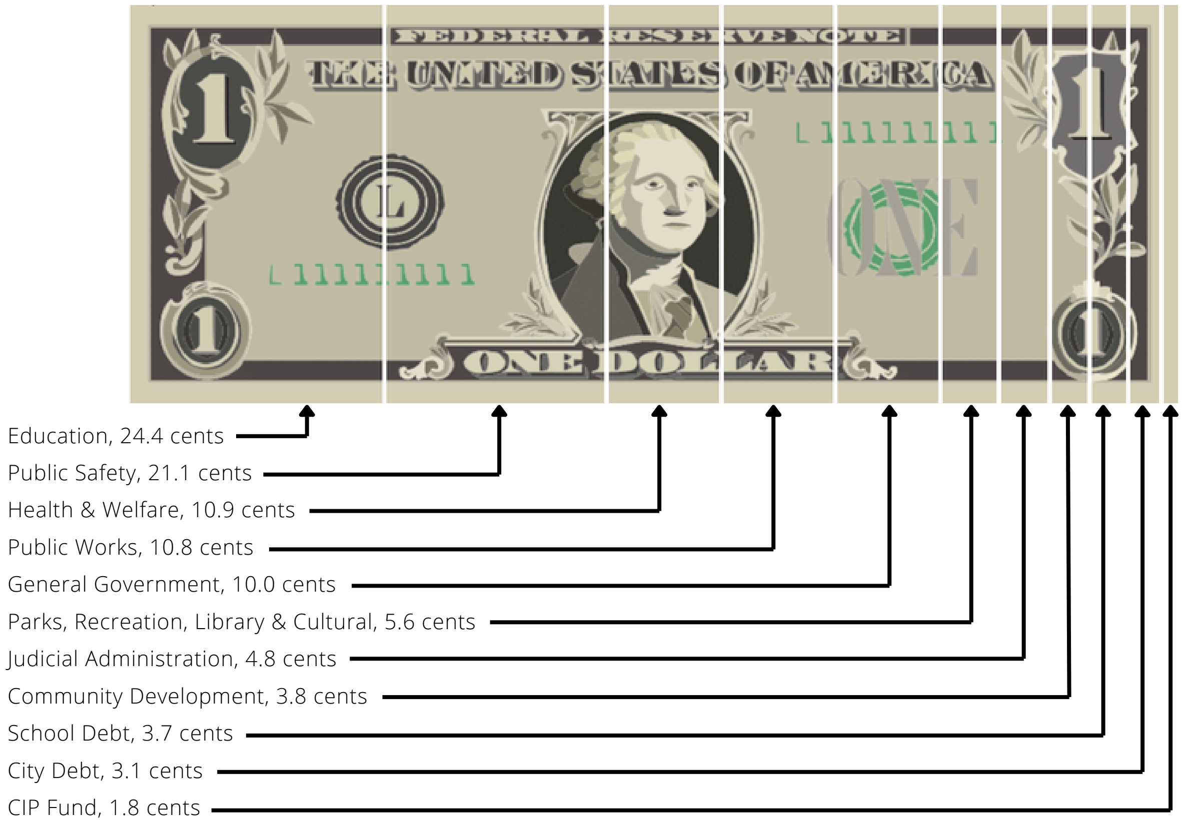
State Funding

- 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.
- Projected increase of $841,082, totaling $16 million.
- The state share of the CSA increase is $273,600, which partially offsets the $400,000 increase in CSA expenditures.

Federal Funding for City Services & Programs

- Federal revenue for city services and programs, not including City Schools, accounts for $1.16M, 1.4% of the General Fund budget.
- Expected to increase by $20,000, attributable to an increase in health and welfare program funding.

General Fund Expenditures (By Functional Area)



Education | +7.7% | +$1,461,942 Education remains one of the city's highest priorities and largest single expenditure. The $20.4 million transfer to the Education Fund represents an increase of $1,461,942 over FY 2026. The Staunton School Board adopted a total school budget of $55,197,582, a 6.8% increase over FY 2026.

Public Safety | +0.7% | +$126,577 Increases reflect the 3% COLA, the final phase of the Police Department Career Development Plan (~$242,000), and implementation of the 1.85% VRS hazardous duty multiplier for qualifying public safety employees. Offsetting these increases: the city's contribution to Middle River Regional Jail decreases by $391,684, as Staunton's cost share drops from 24.29% to 23.00% and the jail returns surplus funds to localities ($750,000 annually for seven years).

Health and Welfare | +8.0% | +$677,736 The largest driver is a $400,000 increase in Children's Services Act funding — of which $273,600 is covered by state revenue — reflecting growing complexity of services for children and families.

Public Works | +6.9% | +$575,220 The majority, $436,178, is driven by increased VDOT street and highway maintenance reimbursement, which may only be spent on those purposes.

General Government Administration | +6.2% | +$500,280 Includes $150,000 for the city's transition to Microsoft Office Cloud 365, $50,000 for vote tabulation equipment upgrades, and $30,000 for door sensor replacements. Operational savings from permanently eliminating the Clerk of Council position (~$58,000) and reassigning a former paralegal role to the City Manager's Office were achieved without adding new positions or funding.

Recreation, Parks, and Library | +2.1% | +$97,633 Includes 3% COLA and funding to extend the pool season.

Judicial Administration | +1.9% | +$76,222 Reflects COLA, VRS hazardous duty multiplier, and the elimination of the former joint J&DR court payment to Augusta County (~$60,000).

Community Development | +4.9% | +$151,027, Includes $30,000 in additional Enterprise Zone incentives and $44,000 for contracted mowing at Staunton Crossing. The Tourism Department's marketing budget increases in proportion to projected lodging tax growth.

Utility Rates: Investing In Staunton's Infrastructure

Staunton is an older city, and the cost of maintaining and replacing aging infrastructure continues to grow. The city's most recent Community Survey found a 9% decline in resident satisfaction with overall infrastructure quality, and a 9% increase in the number of residents who want infrastructure to be a top priority. City Council responded by placing infrastructure at the center of the 2026-2028 Staunton Plan. The FY 2027 budget delivers on that commitment through targeted utility fee increases that helf fund the five-year capital plans for water, sewer, and refuse — and protect residents from steeper costs down the road.

Water

Rate: $4.06 → $4.28 per HCF — **5.42% INCREASE**

Why the Increase? There have been only six rate increases in the past 15 years, while capital needs have far outpaced revenue. The five-year water infrastructure plan totals over $22 million — not including the North River Pipeline (estimated at over $41 million) or development of a new raw water source (estimated at nearly $8 million). The Water Fund's healthy current balance keeps this year's increase modest, but future increases will be needed to fund these projects.

Sewer

Rate: $5.60 → $6.00 per HCF — **7.14% INCREASE**

Why the Increase? This rate held steady for 12 years before 2024. The budget of the Middle River Wastewater Treatment Plant — which the city shares with regional partners — has increased 106% since FY 2013. The five-year sewer capital plan includes over $13.5 million in needs, not counting future construction phases for the Lewis Creek Sewer upgrade or Locust Avenue Sewer installation. Even with this increase, the city must use fund balance to cover FY 2027 projects.

Refuse

Rate: $24.01 → $27.50 per month — **14.54% INCREASE**

Why the Increase? Staunton will need $5 million to cover its share of the five-year Augusta Regional Landfill capital plan, which includes relocating the scale house, replacing major equipment, and opening a new landfill cell (nearly $2 million for Staunton's share alone). The city's refuse modernization program — launched in March 2025 — is already making a difference: landfill usage decreased by 1,201 tons (0.51% in 2025, saving $35,000 in FY 2027 costs. Residents can help control future costs by recycling and reducing overall waste.

Annual Impact on the Average Staunton Household

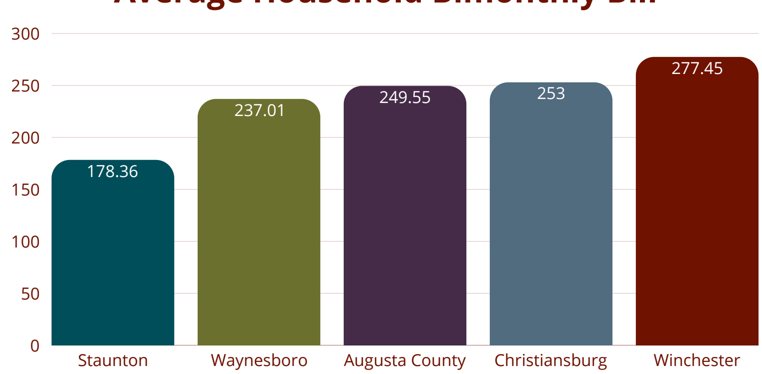
Water: $15.84

Sewer: $28.80

Refuse: $41.88

TOTAL: **$86.52**

Average Household Bimonthly Bill



Capital Improvement Plan

The FY 2027 Capital Improvement Plan totals $8,478,277, funded across five sources.

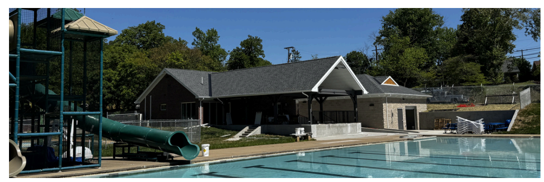
Future Budget Amendment - $3,736,050
Reserves for fire, police, public works, IT, biking and walking infrastructure ($625,000), Parks & Recreation Public Use Facilities, Spring House Renovation, Duck Pond Dredging, and school needs.

General Fund Budget Transfer - $1,518,813
Continues the Public Library, West End Revitalization, and Uniontown Neighborhood Action Plan reserves ($287,261 each), plus $657,030 for creek tunnel and downtown street repairs.

CIP Reserves - $760,674
West Johnson Street retaining wall ($349,000), J&DR Courthouse site reuse plan ($250,000), and Garden Center upgrades ($100,000).

FY 2026 Budget Amendment - $600,000
Richmond Avenue/Greenville Avenue intersection improvements.

VDOT Funding (HSIP & Smart Scale) - $1,862,740
High visibility marked crosswalks ($1,789,484 - Highway Safety Improvement Program) and Edgewood Road Sidewalk design ($73,256 - Smart Scale)



FY 2026: A Year of Progress

New J&DR Courthouse
The new Juvenile & Domestic Relations (J&DR) District Courthouse opened on time and under budget in November 2025, anchoring the West End revitalization.

Gardner Springs Pump Station
Replacement pump station complete, supported by nearly $6 million in state grant funding.

Bicycle & Pedestrian Improvements
7.72 miles of new bicycle facilities added — third most of any Virginia locality in a single fiscal year.

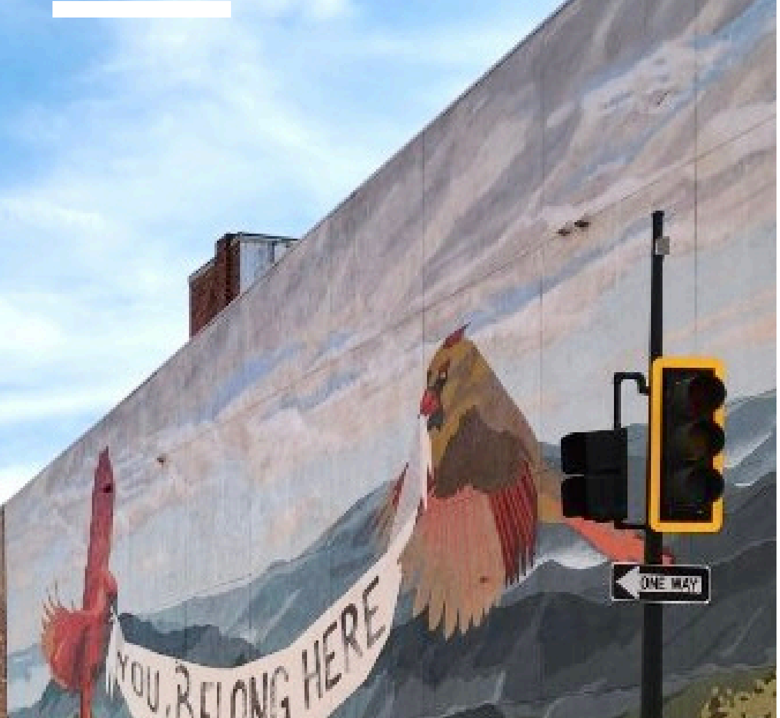
Enterprise Zone Incentives
Five redesigned Enterprise Zone incentive programs launched on January 1, 2026, with a more accessible structure and the boundary expanded to include the West End.

New Animal Shelter Building
The Staunton Augusta Waynesboro Animal Shelter opened in Verona, growing from 5,000 to 39,000 square feet.

Staunton Crossing Water Tower
The Staunton Crossing water tower was raised in November 2025, marking near-completion of the Virginia Business Ready Site Program grant-funded utility infrastructure.

New Gypsy Hill Park Pool House
The brand new Gypsy Hill Park Pool House opened just in time for the summer pool season in May 2026.

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



You Belong Here

Staunton, VA

With a population of 26,801, 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.

Staunton continues to earn national recognition as a destination worth celebrating. Recent highlights include being named one of the "Top Places to Live in Virginia" by World Atlas; listed among the "Best Places to Live 2025" by U.S. News; and spotlighted by Travel + Leisure as home to "world-class music, incredible culinary scenes, and unmatched outdoor recreation."

City Council

Michele D. Edwards, Mayor
Brad D. Arrowood, Vice Mayor
Adam F. Campbell
Jeff L. Overholtzer
Corrie R. Park
Blake N. Shepherd
Alice L. Woods
citycouncil@ci.staunton.va.us | 540.332.3812

City leadership

Leslie Beauregard, City Manager
Amanda DiMeo, Deputy City Manager
Jessie Moyers, Chief Finance Officer

citymanager@ci.staunton.va.us | 540.332.3812