FINANCE DEPARTMENT

Presented by Phillip M. Trayer

Finance Department Staff

1 - Director of Finance

2 - Assistant Director of Finance

1 – School Budget Director

1 – Finance Business Manager

5 – Accounting Technician II

2 – Accounting Technician I

Responsibilities

City and School Budget
Capital Planning
City and School Grant Administration
Debt Issuance and Credit Analysis
Certified Annual Financial Report (CAFR) Preparation
Accounts Payable
Payroll Preparation and Related Statutory Filings
Utility Billing
Health Insurance Accounting
Purchasing
Risk Management
Sale of Surplus Property
Cash Reconcilement

The Budget Process

How does the process start? The Budgeting process starts in the beginning of October with the CIP process followed by the Operating Budget. Each Department has an opportunity to evaluate their current operations and meet with the City Manager / Asst. City Manager and the Director of Finance to present Capital and Operational needs. Based on these meetings the City Manger's Office and the Director of Finance review projected revenue and balance expenditures in accordance with available resources.

How long does the process take? From beginning to end the budgeting process takes six to seven months to complete.

How is the budget adopted? After the public has been afforded an opportunity to weigh in on the Budget, and the School Board and City Council have met jointly, the City Manager presents to Council a recommended budget which incorporates Council's input. Council reviews and considers the Budget and votes to pass the Budget contingent upon recommended changes.

What is in the 2020 budget? The FY20 City General Fund Budget totals $59,275,000.

Tentative FY2021 Budget Schedule

CITY OF STAUNTON			CITY OF STAUNTON		
	City Budget Schedule	Time		City Budget Schedule	Time
Budget Call/ Notice	October 7, 2019		*City Budget Complete*	March 13, 2020	5:30 PM
Budget Submission from Departments	December 4, 2019		*Budget Presentation to City Council-Worksession*	March 26, 2020	5:30 PM
Budget Notice to Outside Agencies	December 13, 2019		*Introduction of Total Budget Ordinance for City and Schools*	March 26, 2020	7:30 PM
			Public Hearing- Reassessment Proposed Tax Rate Increase	March 26, 2020	7:30 PM
Governor's Budget Presentation	December 17, 2019		*Advertisement for Proposed Budget Ordinance - Public Hearing*	April 2, 2019	
Budget Submission Requests from Outside Agencies	January 7, 2020		*City Council Budget Work session*	April 2, 2020	5:30 PM
Budget Discussions with Departments	December 2019- February 2020		*Budget Worksession- School Board/ City Council-School Budget*	April 9, 2020	5:30 PM
City Manager Review	February 7-14, 2020		*Budget Public Hearing (all budget ordinances)*	April 9, 2020	7:30 PM
City Manager / School Superintendent /Finance Review	February 5, 2020		*City Council Budget Work session*	April 16, 2020	5:30 PM
City Council and School Board Joint Meeting	February 13, 2020	5:30 PM	*City Council Budget Worksession*	April 23, 2020	5:30 PM
Advertisement - Public Hearing- Reassessment Proposed Tax Rate Increase	February 27, 2020		*Adoption of City Budget*	April 23, 2020	7:30 PM

City of Staunton FY20 Budgeted General Fund Revenue Summary

CATEGORY	AMOUNT	
TOTAL LOCAL TAX REVENUES	$	46,336,303
TOTAL STATE / FEDERAL REVENUES	$	10,782,626
TOTAL LICENSURE AND FEES	$	2,156,071
FY20 Budgeted General Fund Revenues	$	59,275,000

FY20 Budgeted Local Revenue Summary

LOCAL TAX REVENUES	FY2020 BUDGET	DESCRIPTION
REAL ESTATE TAXES	$ 19,455,000	Assessment Values / 100 X $.95 + Past Due Collections
PERSONAL PROPERTY TAXES	$ 5,419,000	Personal Property = tax is levied on vehicles owned by individuals and business as well as tangible personal property tax. Staunton assesses $2.90 per $100 of assessed value.
RE - PUBLIC SERVICE TAX	$ 900,000	State Valuation of pipelines, utilities, railroads
RE - DOWNTOWN SERVICE TAX	$ 125,000	Additional levy of $.15 on properties in the Downtown Service area. Taxes goes towards SDDA (Staunton Downtown Development Assoc.) SDDA promotes and develops the downtown business district.
MACHINERY & TOOLS	$ 491,500	By law localities required to segregate machinery and tools used in trade. Tax cannot exceed the rate of tangible personal property but can be lower, ($1.24 per $100 of assessed value).
LOCAL SALES TAXES	$ 4,300,000	One percent local tax is collected by the state for every locality in the State of Virginia and is distributed back to the locality based upon the point of sale (Staunton).
BUSINESS LICENSE TAX	$ 2,200,000	Local tax also known as the Business, Professional and Occupational License Tax (BPOL) is a tax based upon gross receipts of the business.
MEALS TAX	$ 4,600,000	Tax of prepared meals legally cannot to exceed 8% - Staunton = 7%
LODGING TAX	$ 890,000	Also known as the transient occupancy tax, this tax is levied on the charge for hotel rooms. Staunton rates = 6.7%,
SUB TOTAL	$ 38,380,500	

FY20 Budgeted Local Revenue Summary

LOCAL TAX REVENUES - CONTINUED	FY2020 BUDGET	DESCRIPTION
SUB TOTAL - PREVIOUS SLIDE	$ 38,380,500	
CIGARETTE TAX	$ 395,000	Flat tax fee ($.30) levied on each pack of cigarettes.
COMMUNICATIONS TAX	$ 1,250,000	Consumer tax on telephone and cable services. These taxes are in decline as cell phone and internet usage increases.
UTILITY TAXES	$ 1,165,000	A local tax in which localities are authorized to impose on gas, electric and water services. Not to exceed 20% of the first $15 of the monthly bill.
OTHER LOCAL TAXES	$ 707,000	Variety of taxes including probate on wills, bank stock, recording fees and short term rental taxes.
GRANTS/RECOVERED COSTS/MISC.	$ 1,533,559	Includes revenue from the Harrisonburg / Rockingham County for Regional Jail Buy in; School Reimbursement for Shared Services of HR, Accounting, and Shared Software; Insurance Recovery provision and Reimbursements.
STATE NONCATEGORICAL	$ 2,905,244	Includes Personal Property Tax Reduction Act, Law Enforcement HB599Funds, Public Facilities Fees Motor Vehicle Rental Tax.
TOTAL LOCAL TAXES/ RECOVERED COSTS	$ 46,336,303	

FY20 Budgeted Real Estate Tax Calculation

Real Estate Assessment by Category	2019 Number of Parcels	January 1, 2019 $.95 Tax Rate
Residential	8,931	$ 1,592,094,813
Commercial	612	317,026,186
Industrial	48	63,202,702
Land	1,617	52,286,554
Tax Exempt	377	424,108,879
Total Assessed Value	$ 11,585	$ 2,448,719,134
Total Taxable Value	$ 11,208	$ 2,024,610,255
One Cent Taxable Value		$ 202,461
Average Residential Assessed Value		$ 178,266.13
Average Residential Tax Bill		$ 1,693.53
DSD Tax Revenue @ $0.15/$100		$ 122,971
OTHER TAX EXEMPT PROPERTY:		
Land Use - Ag Forest Districts - 39 Parcells	$ 18,063,694	$ 171,605
Rehab Abatement Program - 76 Parcells	$ 9,655,750	$ 91,730
TOTAL TAX EXEMPT/ ABATED TAXES	$ 27,719,444	$ 263,335
TAX RATE JANUARY 1, 2019		$0.95/ $100

FY20 Budgeted Personal Property Tax Summary

PERSONAL PROPERTY TAX FY20 SUMMARY		
Total Budgeted Personal Property	$	6,702,200
Prior Year Recovery	$	225,000
Less: State Property Tax Relief	$	(1,652,200)
Personal Property Penalty/Interest	$	144,000
Total FY2020 Budget	$	5,419,000

FY20 Budgeted State and Federal Revenue

STATE / FEDERAL REVENUES		
STATE / FEDERAL REVENUES	**FY2020 BUDGET**	**DESCRIPTION**
SHARED EXPENSES	$ 1,297,130	State funding for Constitutional Officers Departments. Includes Commonwealth Attorney, Sheriff, Commisioner of the Revenue, Treasurer, Electoral Board & Registrar, Circuit Court Clerk.
STREET MAINTENANCE	$ 4,290,026	State Funding Towards Street Maintenance
SOCIAL SERVICES	$ 2,385,231	State and Federal Public Assistance - Social Services
COMPREHENSIVE SERVICES ACT	$ 2,185,793	The Children's Services Act (CSA) is now the name for a law enacted in 1993 that establishes a single state pool of funds to support services for eligible youth and their families. State funds, combined with local community funds, are managed by local interagency teams who plan and oversee services to youth. Local portion of the expense is roughly 30%.
OTHER GRANTS/FEES	$ 624,446	Miscellaneous State and Federal Grants , Taxes and Fees. Includes Victim Witness, E 911 Funding, Staffing for Adequate Fire & Emergency Response (SAFR) Grant, Recordation Fees, Fire Programs Funding.
TOTAL STATE / FEDERAL TAXES	$ 10,782,626	

FY20 Budgeted Local Revenue

OTHER LOCAL REVENUES	FY2020 BUDGET	DESCRIPTION
OTHER LOCAL REVENUES - (FINES, INTEREST INCOME, MISCELLANEOUS)	$ 280,100	Includes Circuit Court Fines, Animal Control Fines, Courthouse Maintenance Fees, Interest Revenue, Rental Income, Surplus Sales, Donations and Miscellaneous Income.
PERMITS & LICENSES	$ 242,000	Various Permits and Fees
CHARGES FOR SERVICES	$ 1,633,971	Allocated cost reimbursements from Water, Sewer, Parking, Stormwater, and Environmental funds.
TOTAL LOCAL REVENUES	$ 2,156,071	

FY20 Budgeted Expenditure Summary

EXPENSE CATEGORY	FY2020 BUDGET	DESCRIPTION
GENERAL GOV'T ADMIN	$ 6,381,791	Includes: City Council, Clerk of Council, City Manager, City Attorney, Commissioner of Revenue, Assessor & Equalization Board, Treasurer, Finance, IT, Risk MGMT, HR, Communications MGR, Registrar.
JUDICIAL ADMIN	$ 2,050,032	Circuit Court, General District Court, Juvenile & Domestic Court, Clerk of Circuit Court, Sheriff, Victim Witness, Magistrates, Commonwealth Attorney
PUBLIC SAFETY	$ 12,087,308	Police, E-911 Communication, Fire & Rescue, Juvenile Detention Home, Regional Jail, Youth Commission, Building Inspection, Animal Control, Medical Examiner.
PUBLIC WORKS	$ 6,288,654	Facilities Administration, Traffic Engineering, Highways , Streets, and Sidewalks, City Engineering, Traffic Signals, General Properties Maintenance, Equipment Maintenance.
HEALTH & WELFARE	$ 7,088,026	Health Department, Valley Community Services, Social Services, Children Services Act, Tax Relief for Elderly & Veterans, Community Welfare Assistance
EDUCATION	$ 13,858,000	Community College ($8,000) and Staunton City Schools
PARKS / RECREATION	$ 3,897,262	Parks & Recreation, Community Recreation Assistance, Community Cultural Contributions, Library, Park Maintenance, Horticulture, and Golf.
COMMUNITY DEVELOPMENT	$ 1,938,462	Planning and Community Development, Economic Development, Tourism Development, Planning District Commission, Trolley Operation, Staunton Welcome Center, Historic Foundation, Tourism Board
TRANSFERS TO DEBT FUND	$ 4,844,415	City Transfer to cover Debt Service expense budget.
TRANSFERS TO CIP FUND	$ 841,050	City Transfer to cover CIP expense budget.
TOTAL EXPENSES	$ 59,275,000	

FY20 Budgeted Expenditure Funding

FY 2020 BUDGET	GENERAL TAX REVENUES	OTHER REVENUES/FEES	STATE & FEDERAL REVENUES	TOTAL REVENUES
TRANSFER TO EDUCATION	13,760,400	$ 89,600	$ -	$ 13,850,000
PUBLIC SAFETY	10,821,858	910,664	354,786	12,087,308
HEALTH & WELFARE	2,517,002	-	4,571,024	7,088,026
PUBLIC WORKS	1,973,628	25,000	4,290,026	6,288,654
GEN GOV'T ADMIN	5,813,556	288,390	279,845	6,381,791
PARKS, RECREATION, LIBRARY	3,187,202	550,400	159,660	3,897,262
DEBT FUND	4,844,415	-	-	4,844,415
JUDICIAL ADMIN	645,230	277,517	1,127,285	2,050,032
COMMUNITY DEVELOPMENT	1,923,962	14,500	-	1,938,462
TRANSFER TO CIP FUND	841,050	-	-	841,050
EDUCATION AGENCIES	8,000	-	-	8,000
TOTALS	$ 46,336,303	$ 2,156,071	$ 10,782,626	$ 59,275,000

FY20 Budgeted Exclusions

FY 2020 GENERAL FUND BUDGET

REVENUES	$	59,675,000		
EXPENDITURES	$	(61,940,052)		
DEFICIT	$	(2,265,052)		

EXPENDITURE CUTS

WAGES AND BENEFITS

CLERK OF CIRCUIT COURT	$	(18,301)	11022160-51007	NEW PART-TIME CLERK POSITION REQUESTED
COMMONWEALTH ATTORNEY	$	(84,628)	11044210-51007	NEW ASSISTANT ATTORNEY REQUESTED
SHERIFF	$	(110,340)	11022170-51007	CUT (2) NEW POSITIONS REQUESTED
SHERIFF	$	(16,148)	11022170-51007	CUT REQUESTED SALARY SUPPLEMENTS
SHERIFF	$	(7,536)	11022170-51007	CUT OVERTIME REQUEST
FIRE DEPARTMENT	$	(40,000)	11033210-515**	CUT FIRE DEPARTMENT OVERTIME AND PART-TIME INCREASE
HEALTH INSURANCE ADJUSTMENTS	$	(103,851)	11033110-52005	REVISE HEALTH INSURANCE COSTS FOR VARIOUS DEPARTMENTS
DISABILITY INSURANCE	$	(76,723)	11011520-52035	SHORT TERM DISABILITY PROGRAM FOR INELIGIBLE EMPLOYEES
	$	(457,527)	TOTAL PERSONNEL CUTS	

FY20 Budgeted Exclusions

OPERATIONS AND CAPITAL				
CLERK OF COUNCIL	$	(5,000)	11011120-53001	REDUCE ADVERTISING COSTS BASED ON ACTUALS
HUMAN RESOURCES	$	(9,650)	11011220-55486	CUT SCANNER, MONITOR, CAMERA AND ID BADGE MACHINE - PURCHASE FY2019
COMMUNICATIONS MANAGER	$	(1,000)	11011240-53010	CUT PROFESSIONAL SERVICES
FINANCE	$	(5,000)	11011310-55481	RENTAL OF SOFTWARE
REGISTRAR	$	(5,000)	11011410-58306	LAPTOPS FOR ELECTIONS -PURCHASE FROM FY2019
INFORMATION TECHNOLOGY	$	(75,000)	11011510-53010	RADIO REPLACEMENT CONSULTANT- USE CIP FUND RADIO PROJECT SURPLUS +UNDESIGNATED
RISK MANAGEMENT	$	(25,000)	11011520-52005	REDUCE OPEB PAYMENT BASED ON ACTUARIALLY DETERMINED CONTRIBUTION REPORT
SHERIFF	$	(2,000)	11022170-55005	TRAINING & TRAVEL
SHERIFF	$	(600)	11022170-55405	OFFICE SUPPLIES
SHERIFF	$	(15,000)	11022170-55479	COURTROOM SECURITY- MOVED TO WEARING APPAREL AND DOG EXPENSES
SHERIFF	$	(2,000)	11022170-55481	GAS & OIL
SHERIFF	$	(30,000)	11022170-58316	CUT VEHICLE
POLICE	$	(10,000)	11033110-55407	CUT K-9 DOG- PURCHASE FROM ASSET FORFEITURE FUNDS
POLICE	$	(5,000)	11033110-55415	CUT MATERIALS & SUPPLIES INCREASE
POLICE	$	(90,075)	11033310-58316	CUT 2 VEHICLES
JAIL	$	(400,000)	11033320-53030	CUT $100,000 AND USE JAIL RESERVE OF $175,086
BUILDING INSPECTIONS	$	(1,700)	11033410-55486	CUT TABLET- PURCHASE IN FY2019 FROM BUDGET SAVINGS

FY20 Budgeted Exclusions

OPERATIONS AND CAPITAL - CONTINUED

PUBLIC WORKS STREETS	$	(100,000)	11044130-53225	REDUCE PAVING EXPENDITURE
PUBLIC WORKS STREETS	$	(286,000)	11044130-58326	FRONT END LOADER AND 5 TON DUMP- USE CIP EQUIPMENT RESERVE
PUBLIC WORKS STREETS	$	(40,000)	11044130-58321	CUT TRUCK W/SNOW PLOW
PUBLIC WORKS BUILDING MAINTENANCE	$	(50,000)	11044210-53165	FIRE DEPT ROOF REPAIRS -USE CIP RESERVE
PUBLIC WORKS BUILDING MAINTENANCE	$	(50,000)	11044210-53165	LIBRARY REPLACE FIRE ALARM SYSTEM - USE CIP RESERVE
PUBLIC WORKS BUILDING MAINTENANCE	$	(8,000)	11044210-53165	CUT CITY HALL INTERIOR BUILDING SIGNAGE
SOCIAL SERVICES	$	(20,000)	11055310-55599	CUT ADMINISTRATIVE EXPENSES
VALLEY PROGRAM FOR AGING	$	(6,000)	11055350-55641	LEVEL FUND @ $20,000
VALLEY CHILDREN'S ADVOCACY	$	(5,000)	11055350-55649	REQUEST = $10,000. FUND $5,000, $3,000 INCREASE
VALLEY ASSOCIATES INDEPENDENT LIVING	$	(2,000)	11055350-55649	CUT REQUEST
GOLF	$	(50,000)	11077130-58321	GOLF CARTS
PARK MAINTENANCE	$	(20,000)	11077210-53165	LEVEL FUND at $188,500
PARK MAINTENANCE	$	(91,000)	11077210-58326	CUT EQUIPMENT
PARK MAINTENANCE	$	(105,000)	11077210-58399	CUT CAPITAL REQUESTS
LIBRARY	$	(2,500)	11077510-55405	CUT DOOR ACCESS BADGE SYSTEM - PURCHASE IN FY2019
WOODROW WILSON PRES LIBRARY	$	(15,000)	11077410-55620	LEVEL FUND @ $5,000

FY20 Budgeted Exclusions

OPERATIONS AND CAPITAL - CONTINUED			
PLANNING	$ (4,500)	11088110-53010	ARTS GRANT MATCH - BUDGET IS IN 11077410
PLANNING	$ (28,000)	11088110-58316	VEHICLE
PLANNING	$ (10,000)	11088110-53010	BIKE/PEDESTRIAN ROUTE DESIGN
ECONOMIC DEVELOPMENT	$ (30,000)	11088150-53010	CUT STAUNTON CROSSING PHASE III ENGINEERING SERVICES- USE CIP ECON DEV RESERVE
ECONOMIC DEVELOPMENT	$ (20,000)	11088150-53020	CUT REQUESTED INCREASE IN ENTERPRISE ZONE INCENTIVES
STAUNTON WELCOME CENTER	$ (2,500)	11088210-55405	OFFICE SUPPLIES
TOURISM	$ (30,000)	11088210-55669	SALES AND MARKETING
TRANSFER TO DEBT SERVICE FUND	$ (50,000)	11099600-59312	CUT- USE DEBT RESERVE FOR BALANCE OF STN CRX DEBT PAYMENT
TRANSFER TO DEBT SERVICE FUND	$ (100,000)	11099600-59312	CUT FIRE / POLICE CIP PROJECT- $100,000 DEBT RESERVE
TOTAL CUTS	$ (2,265,052)		

Unfunded CIP Projects

CIP - Operating	$ (15,069,000)
Storm Water	$ (19,959,916)
Water Fund	$ (42,045,000)
Sewer Fund	$ (3,885,000)
Total Unfunded CIP	$ (80,958,916)

Other Funds

OPERATIONS AND CAPITAL - CONTINUED				
PLANNING	$	(4,500)	11088110-53010	ARTS GRANT MATCH - BUDGET IS IN 11077410
PLANNING	$	(28,000)	11088110-58316	VEHICLE
PLANNING	$	(10,000)	11088110-53010	BIKE/PEDESTRIAN ROUTE DESIGN
ECONOMIC DEVELOPMENT	$	(30,000)	11088150-53010	CUT STAUNTON CROSSING PHASE III ENGINEERING SERVICES- USE CIP ECON DEV RESERVE
ECONOMIC DEVELOPMENT	$	(20,000)	11088150-53020	CUT REQUESTED INCREASE IN ENTERPRISE ZONE INCENTIVES
STAUNTON WELCOME CENTER	$	(2,500)	11088210-55405	OFFICE SUPPLIES
TOURISM	$	(30,000)	11088210-55669	SALES AND MARKETING
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Total Unfunded CIP	$	(80,958,916)

Thank You

540-332-3822

www.ci.staunton.va.us

P.O. Box 58, Staunton, 24402

trayerpm@ci.staunton.va.us