

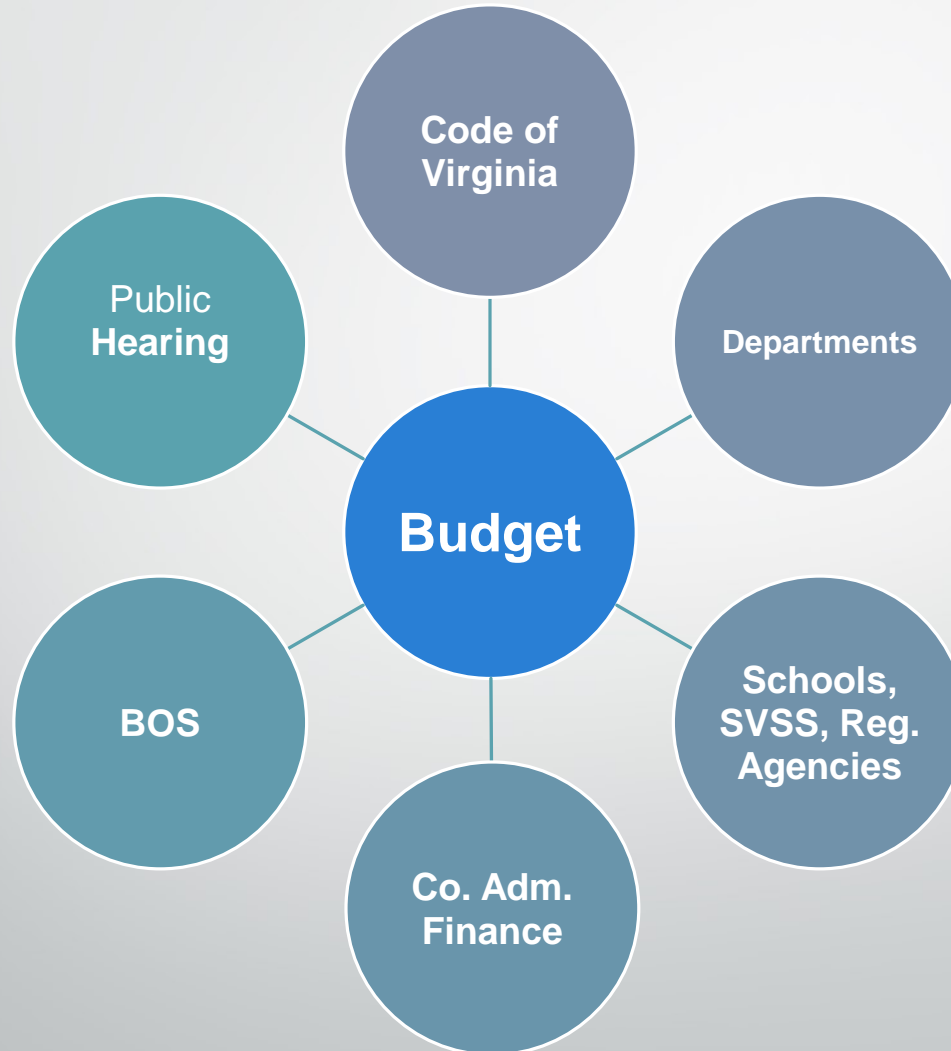
# Augusta County Budget Public Hearing

April 22, 2020

# Virginia Code is our guide.....

- Sets the fiscal year for localities
- Sets deadline for presentation of budget to Board of Supervisors
- Sets public hearing notice requirements
- Sets minimum period before budget approval
- Sets deadline for State agencies to provide information to localities after General Assembly session

# Budget process is a cooperative effort



# School Funding

## School Funding Increase:

Formula Funding FY20	\$ 44,197,758
Funding School Capital-Buses	1,080,000
Total Funding FY20	<u>45,277,758</u>
FY20 Formula Funding	44,197,758
Formula Funding-Growth FY21	1,346,575
Total Formula Funding FY21	<u>45,544,333</u>
plus Recurring CIP School Transfer-Buses	1,080,000
Total School Funding FY21	<u>46,624,333</u>

# Proposed Tax Rates-2020

Rate per \$100/assessed value

As advertised

	<u>2019</u>	<u>2020</u>
Real Estate	\$0.63	\$0.63
Personal Property:		
Vehicles	\$2.50	\$2.50
Other <sup>(1)</sup>	\$2.00	\$2.00
Other <sup>(2)</sup>	\$2.50	\$2.50

(1) Business, large trucks and trailers, machinery & tools

(2) Campers, boats, boat trailers, horse trailers, airplanes and trailers.

# Revenue

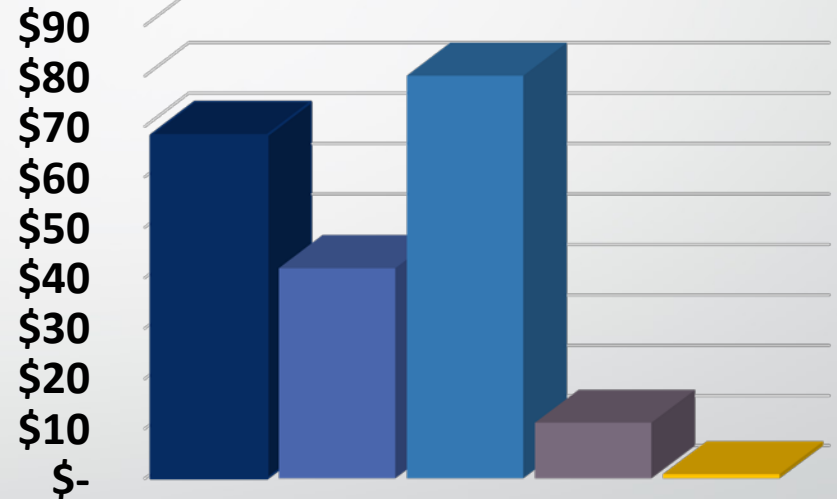
Total Revenue

\$202,177,315

Property Taxes	\$68,238,500
Local Revenue	\$41,878,649
State Revenue	\$80,038,528
Federal Rev.	\$11,175,452
Other <sup>(1)</sup>	\$ 846,186

<sup>(1)</sup> non-revenue receipts

Millions

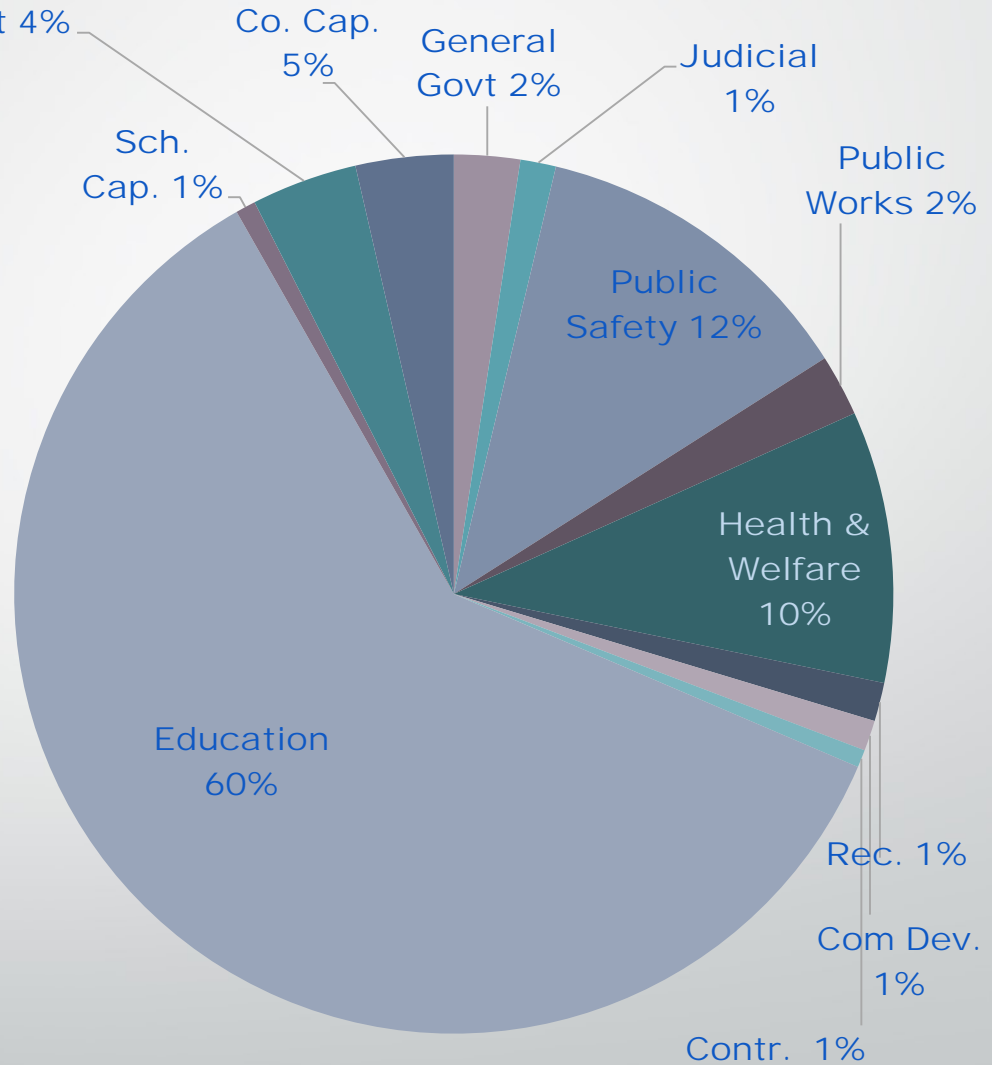


■ Property Taxes ■ Local ■ State ■ Federal ■ Other

# Expenditures

Total Expenditures  
\$204,378,752

General Govt	\$ 4,957,761
Judicial	\$ 2,675,124
Public Safety	\$ 25,044,305
Public Works	\$ 4,634,556
Health & Welfare	\$ 20,421,062
Recreation	\$ 2,897,124
Community Dev.	\$ 2,293,133
Contributions	\$ 1,328,250
Education	\$123,313,948
School Capital Improv.	\$ 1,503,488
Debt Service	\$ 7,956,961
Capital Improvements	\$ 7,353,040



# COVID-19 and the Budget



**Developing a budget this size takes months of preparation and hard work, Advertised revenue estimates were completed prior to the COVID-19 crisis.**

**The following slides note what revenues are expected to be impacted due to the crisis, and reductions to offset the shortfall.**



# Potential Revenue Losses FY20

Type of Tax	Projected loss %	Projected loss \$
Sales	10% June only	60,000
Meals	50% x 3 months	350,000
Lodging	50% x 3 months	100,000
Business License (due 3/1/20)	N/A	N/A
Interest Income	70%-Change in rate mid-March	175,000
Real Estate	1% decrease in collections	250,000
Penalty on Taxes	Penalty 0% from 6/5- 6/30	50,000
Interest on Taxes	Rate reduced from 10% to 5%-6/5 to 6/30	16,500
	<b>Total</b>	<b>1,001,500</b>

# Proposed reductions FY20

- Eliminate capital transfer of \$442,000 in the Revised FY20 budget.
- Reduce FY20 operating expenses by \$559,500, to include a hiring freeze, utilizing savings related to part time positions and non-personnel expenditure reductions.

# Potential Revenue Losses FY21

Type of Tax	Projected % loss	Projected \$ loss
Real Property	1%	460,560
Personal Property	5%	650,550
Sales	10%	640,000
Business License	25%	950,000
Lodging	25%	155,750
Meals	25%	637,500
All other	5%	1,699,387
	<b>Total</b>	<b>5,193,747</b>

# Proposed Reductions FY21

- Eliminate proposed pay increase
- Continue hiring freeze on all open positions, unless approved by County Administration
- Eliminate all proposed new positions and re-classes in the recommended FY21 budget
- Reduce operating budgets of all departments by 5-10%
- Reallocate one-time capital funding, previously allocated to the Courthouse
- Reduce regional contribution funding
- Analysis of potential adjustments in services

# Revised Schedule

- Public Hearing- 4/22/20
- Approve Budget and Adopt Tax Rate- 5/13/20



# Public Hearings

1. Proposed Tax Rates 2020
2. Proposed FY2020 Revised and FY2021 Budgets