

FY 2016-2017 Budget Background Information



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County Administrator

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Objectives

- Provide relevant information to the Board of Supervisors (BOS) and public regarding the FY17 County budget.
- Prepare the public so citizens are better prepared to offer input on the budget.
- Provide useful information to the BOS so Board Members are better prepared to act on the County budget.

Acknowledgements

Kim VanDerHyde, Finance Director

Rebecca Flippen, Deputy Clerk

Hollye Keesee, Admin Assistant

General Fund Expenditure Comparison

Where Budget Dollars Went in FY 14



Where Budget Dollars Went in FY 15



Gen. Admin
2.3%

Judicial
1.1%

Public Safety
11%

Public Works
1.0%

Health & Welfare
8.6%

Education
62.3%

Parks & Rec
1.2%

Community & Industrial
Development
3.9%

Debt Service
8.6%

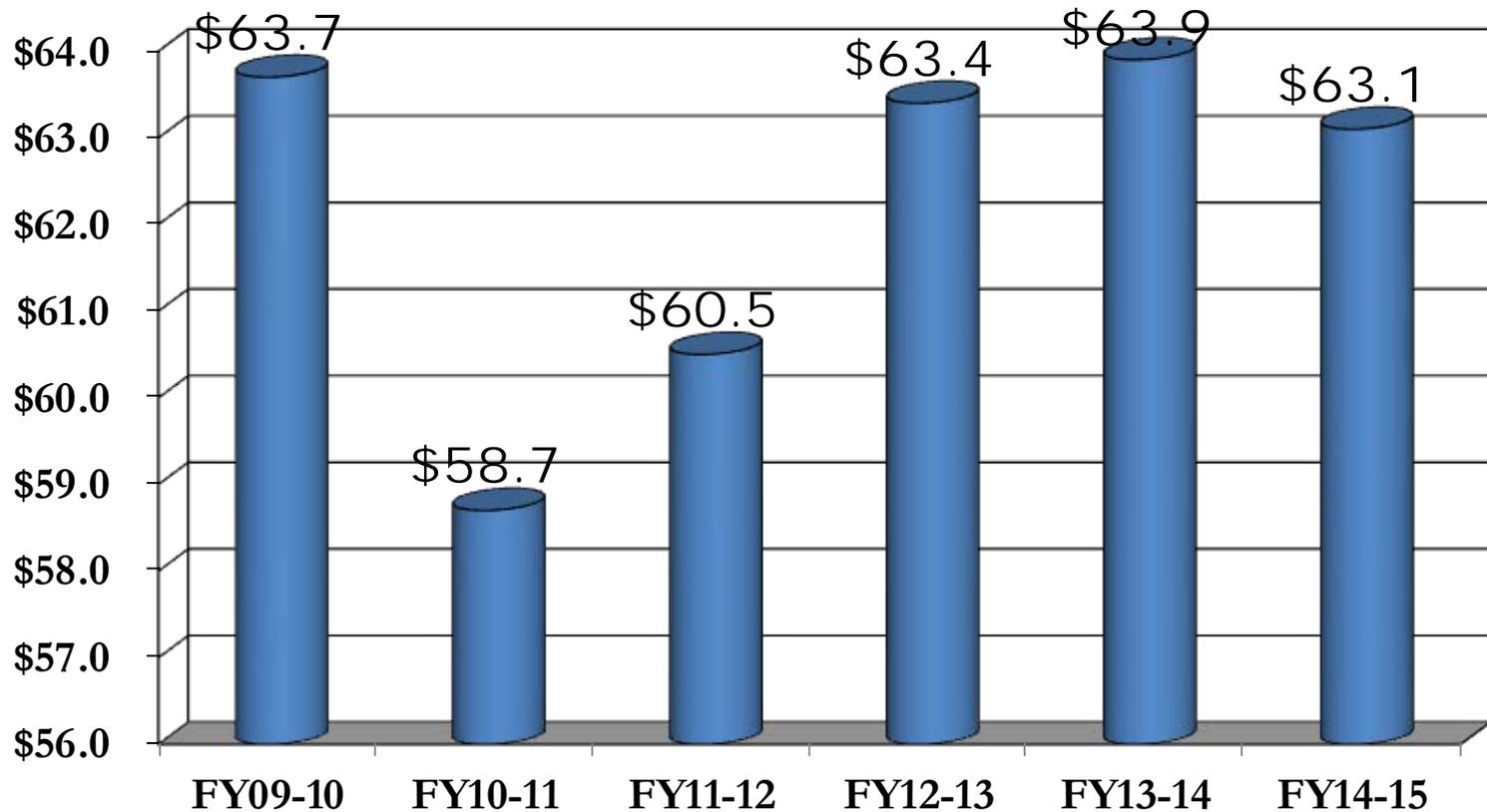
Important Fact

**Approximately 82% of the County's
General Fund Budget funds
Education, Public Safety, and Debt
Service.**

**This figure remained relatively stable
over the past two years.**

General Budget Information, Facts, and Trends at the Local Level

General Gov't Expenditure Trend



History of Local and State Funds for Education

| Fiscal Year | Local Funds* | State Funds |
|-------------|---------------------|---------------------|
| FY11 | \$14,089,803 | \$52,564,146 |
| FY12 | \$13,696,012 | \$52,718,797 |
| FY13 | \$14,790,922 | \$54,847,059 |
| FY14 | \$15,630,178 | \$56,327,444 |
| FY15 | \$16,482,595 | \$57,566,371 |
| FY16 | \$16,910,298 | \$57,695,619 |

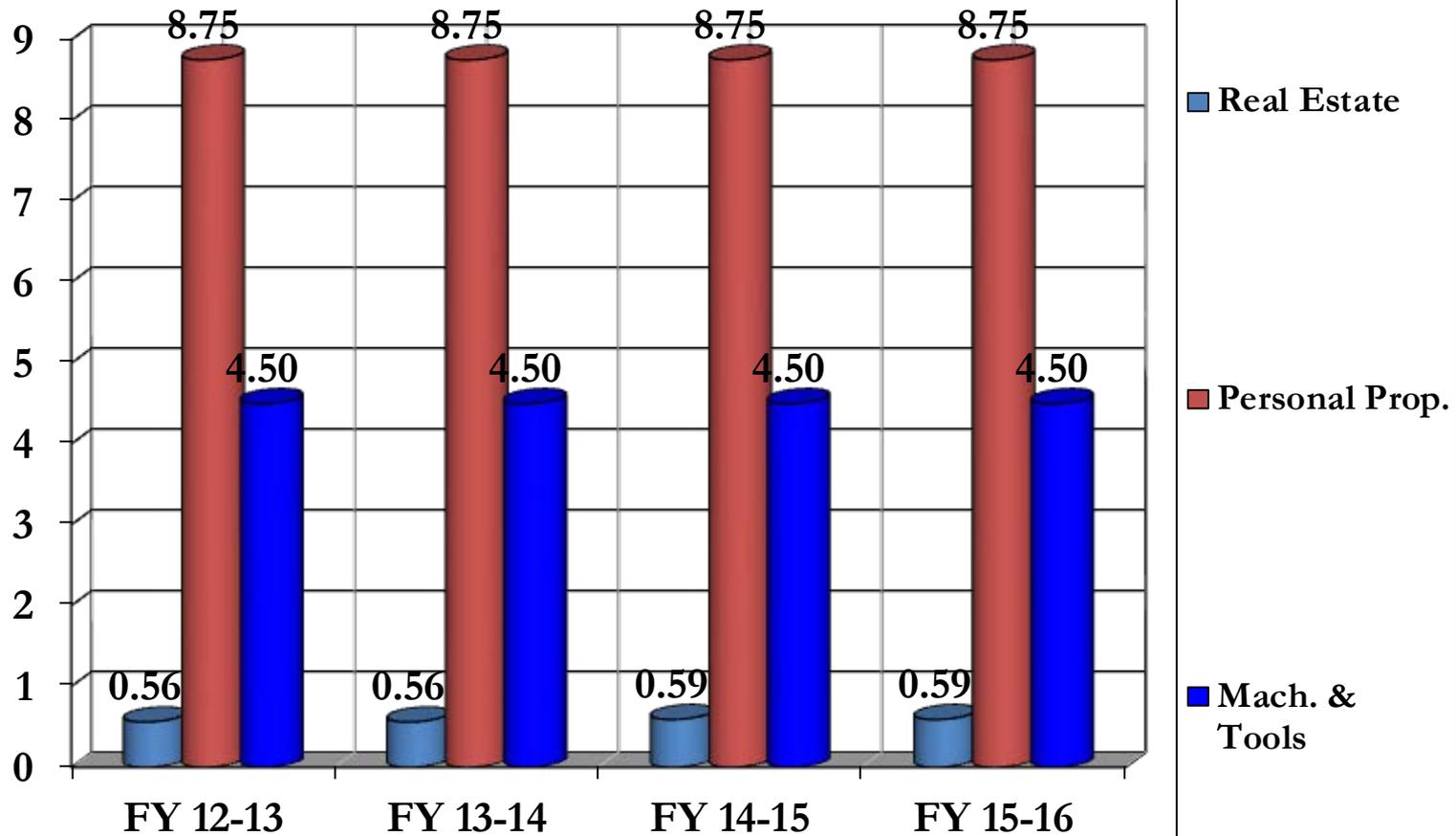
**As Approved during regular budget process*

School Budget

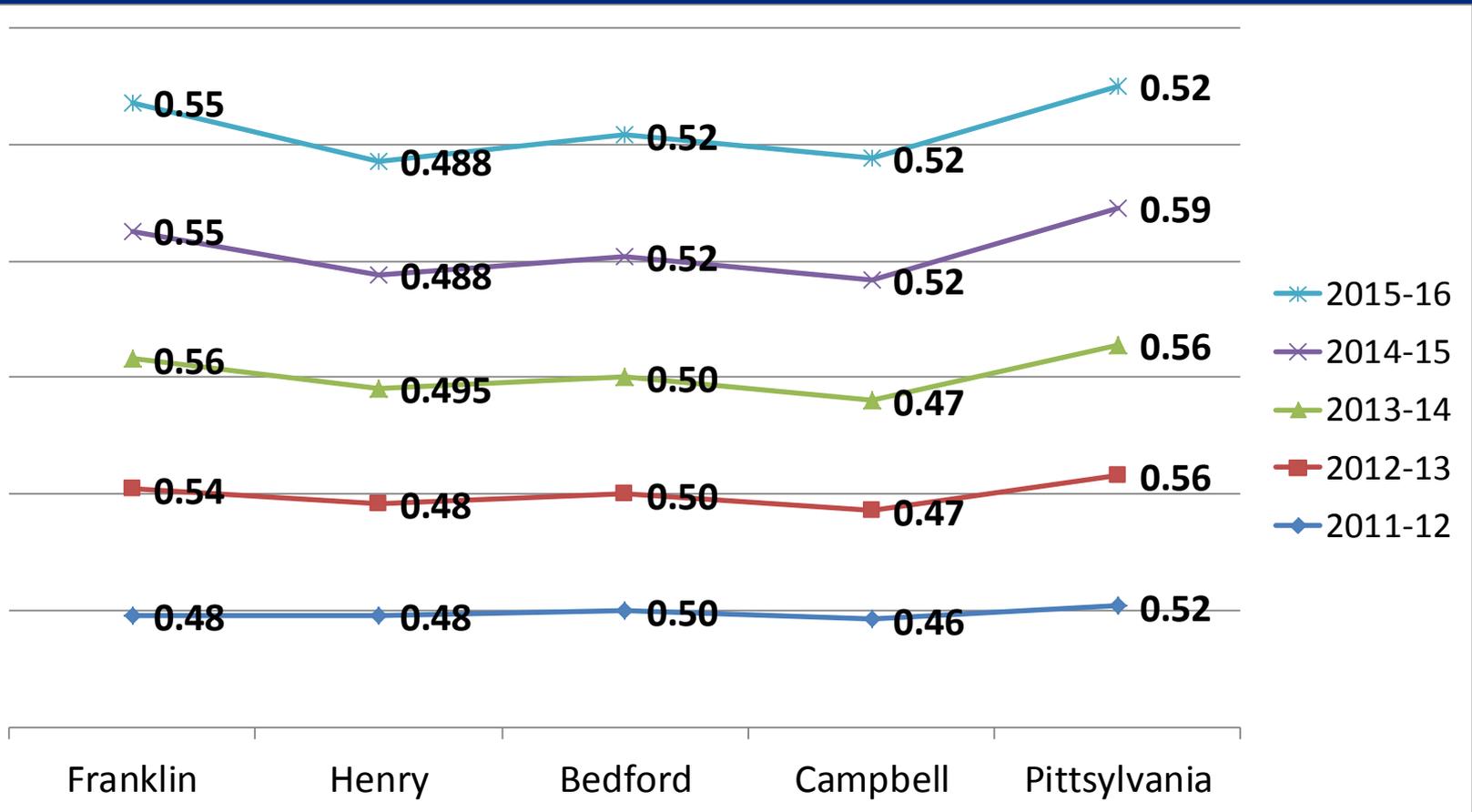
The School Board continues to develop the FY17 School Budget.

Local Tax Rate Comparison

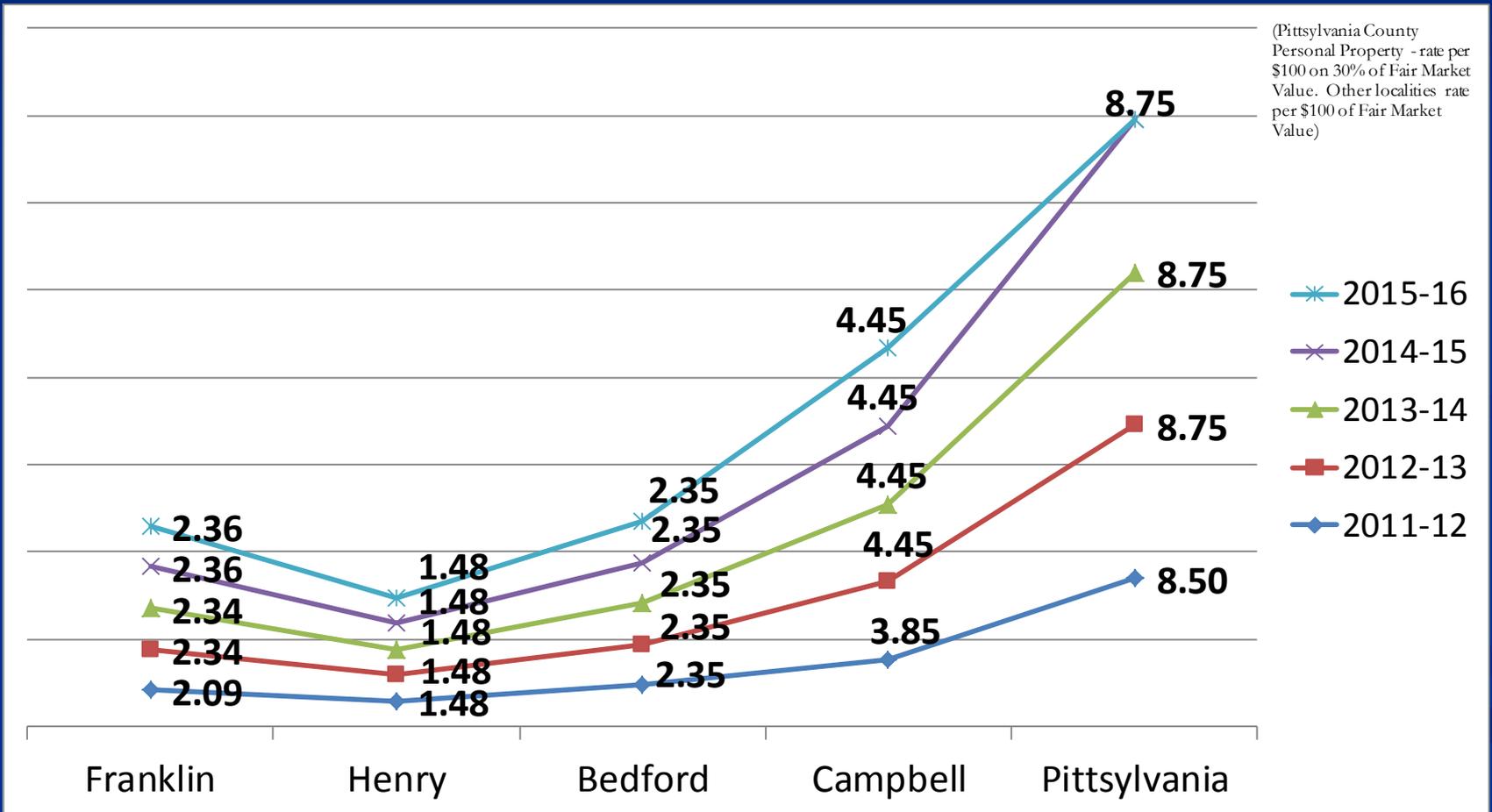
Tax Rate Trend by Category



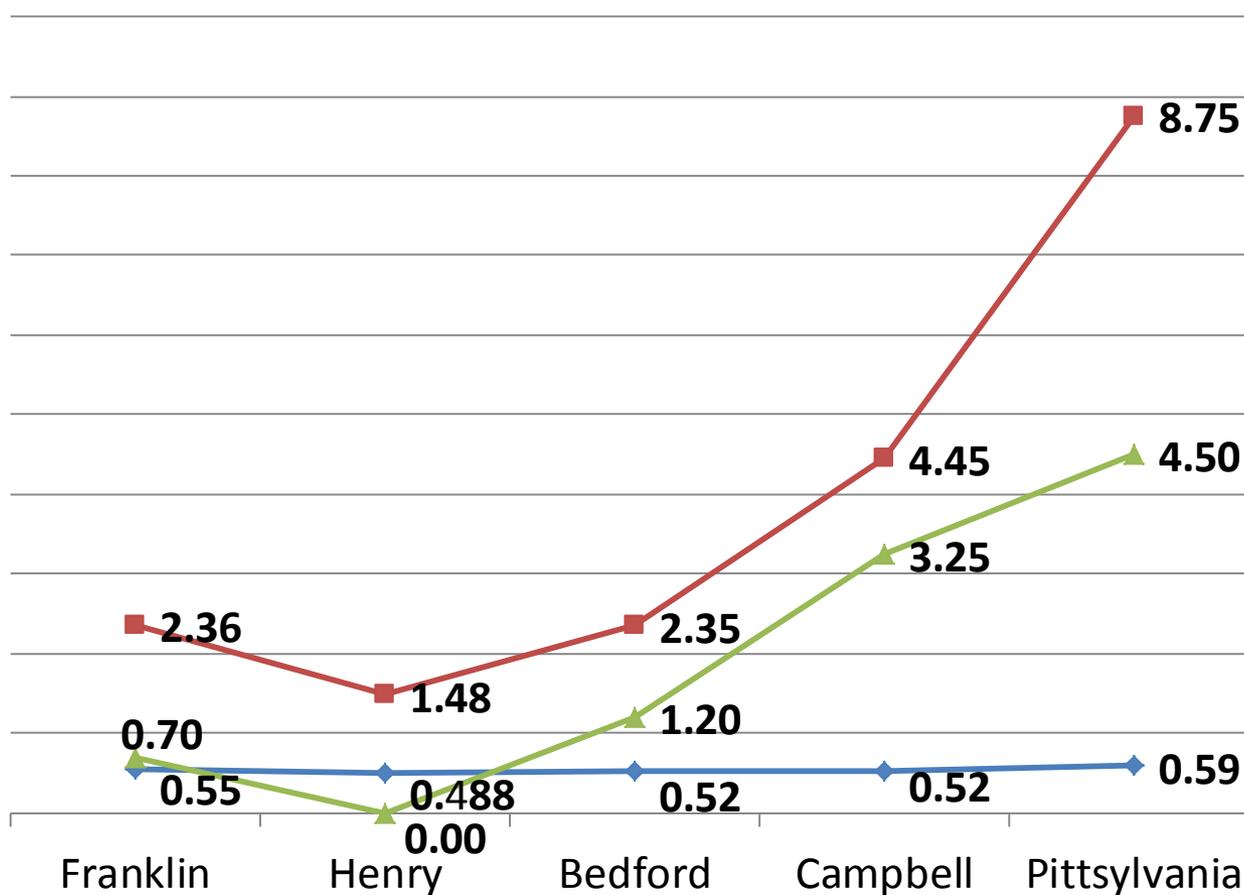
Real Estate Tax Rates



Personal Property Tax Rates



Localities and Tax Rates



Pittsylvania County rates in comparison:
Personal Property-rate per \$100 on 30% of fair market value. Other localities' based on rate per \$100 of market value
M&T-rate per \$100 on 10% of original value. Other localities' based on rate per \$100 of assessed value
Real Estate- rate per \$100 of market value

- ◆ Real Estate
- Personal Property
- ▲ Machine & Tools

Franklin County also has a Personal Property Tax on Heavy Construction Equipment - \$1.89 per \$100
Henry County -Business License Fees in place of Machinery/Tools Tax

Real Estate Tax Comparison

| Locality | Real Estate Tax Rate |
|--|-----------------------------|
| Franklin County | .55 |
| Henry County | .488 |
| Bedford County | .52 |
| Campbell County | .52 |
| Pittsylvania County | .59 |
| Average (With Pittsylvania County) | .5336 |
| Average (Without Pittsylvania County) | .5195 |

Personal Property Tax Comparison

| Locality | Personal Property Tax Rate |
|--|--|
| Franklin County | 2.36 |
| Henry County | 1.48 |
| Bedford County | 2.35 |
| Campbell County | 4.45 |
| Pittsylvania County | 8.75 (at 30%) |
| Average (With Pittsylvania County) | Utilizes different valuation method |
| Average (Without Pittsylvania County) | 2.66 |

The Value of a Penny in Terms of Local Tax Revenue FY15-16

| Tax | Amount Generated |
|------------------------------|-------------------------|
| Real Estate | \$377,000 |
| Personal Property | \$11,770 |
| Machinery & Tools | \$3,627 |

Estimate based upon Pittsylvania County's tax base

General Fund Balance

| Fiscal Year (FY) | Unassigned/ Undesignated Fund Balance |
|-----------------------------|--|
| FY 2011 | \$31,311,834 |
| FY 2012 | \$30,270,256 |
| FY 2013 | \$31,529,521 |
| FY 2014 | \$34,339,392 |
| FY 2015 | \$33,315,270 |

County's Five-Year CIP

| Fiscal Year | Amount |
|--------------------------------------|---|
| FY17 | \$2,234,112* (*Imminent Needs Only) |
| FY18 | \$20,864,845 |
| FY19 | \$10,267,655 |
| FY20 | \$11,046,264 |
| FY21 | \$7,633,522 |
| Total – Imminent Needs | \$7,559,539 |
| Total - Expected Replacements | \$29,420,621 |
| Total – Visionary Requests | \$137,602,523 |

CIP Remains Under Development

Summary

Summary

- The budget is one of the most important matters considered annually by the BOS.
- Approximately 82% of the County's General Fund Budget funds Education, Public Safety, and Debt Service.
 - This figure remained relatively stable over the past two years.
- The cost of goods and services purchased by Pittsylvania County continues to rise.
- Effects of recessionary reductions linger, causing department budgets to remain tight, with little flexibility.

Steps Already Taken

FY17 Budget Process

Steps Taken in the FY17 Budget Process

- September - CIP development started.
- November - Budget strategy developed.
- December – Revenue projections began.
- January – Budget calendar approved.
- January – Department expenditures due.
- February – Dept. budgets reviewed by County Administrator and Finance Director.
- February – Revenue projections completed.
- February – CIP in draft form.
- February 16, 2016– Preliminary **budget presented** to the Finance Committee.

Next Steps

Budget Review and Adoption Process

Next Steps

- **March 7** - Budget approved by Finance Committee and submitted to full Board of Supervisors; Budget approved for advertisement at regular meeting of Board of Supervisors.
- **March 9**– Advertise FY2017 Proposed Budget.
- **March 21** – FY2017 Proposed Budget Public Hearing (7:00 PM at PC Schools Cultural Center).
- **April 4**– Approval of School Budget and County Budget at regular meeting of Board of Supervisors.
- Tax bills mailed for June 5 collection deadline.

End of the FY 2016-2017 Budget Background Information

