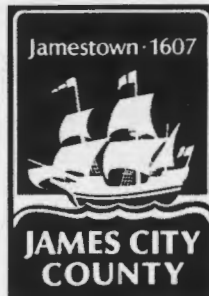


GFOA

Version

**ADOPTED
1993-1994
ANNUAL BUDGET**

**1994-1998
CAPITAL IMPROVEMENTS PROGRAM**



BOARD OF SUPERVISORS

*Judith N. Knudson, Chairman
Jamestown District*

*Stewart U. Taylor, Vice-Chairman
Stonehouse District*

*Perry M. DePue
Powhatan District*

*David L. Sisk
Roberts District*

*Jack D. Edwards
Berkeley District*

*David B. Norman
County Administrator*

*Sanford B. Wanner
Assistant County Administrator*

James City County operates under the traditional, or County Administrator form of government (*as defined under Virginia Law*). The Board of Supervisors is a five-member body, elected by the voters of the Electoral District in which they live. The Chairman and Vice Chairman of the Board are elected annually by its members. Each member serves a four-year term. This body enacts ordinances, appropriates funds, sets tax rates and establishes policies and generally oversees the operation of the County government.

The County Administrator is appointed by, and serves at the pleasure of, the Board of Supervisors. As the Chief Executive Officer of the County, he is responsible for carrying out policies and laws which are passed by the Board. The County Administrator directs business and administrative policies and recommends to the Board those methods, procedures, and policies which will properly govern the County.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO
**James City County,
Virginia**

**For the Fiscal Year Beginning
July 1, 1992**


President Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to James City County, Virginia, for its annual budget for the fiscal year beginning July 1, 1992.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

JAMES CITY COUNTY

OLDEST IN OUR NATION

JAMES CITY COUNTY, so named in 1634 for James I of England, was one of the eight original shires that Virginia was divided into. At the time, the new shire included what is now Surry County, part of Charles City County, and some of New Kent County. On May 13, 1607, twenty-seven years prior to the formation of James City County, 144 English explorers colonized a swampy peninsula adjacent to the James River and called it Jamestown. In Jamestown Church, burgesses, elected from each settlement in the colony, formed the New World's first representative assembly on July 30, 1619. Rightly, the County can be called the birthplace of Virginia and the United States.

By 1650, settlers had begun spreading along the peninsula, generally establishing modest farms and small plantations. The chief crop, tobacco, became the cornerstone of Virginia's economy for 200 years. The first New World industrial venture, glass manufacturing, began at Jamestown. Also, the Jamestown colonists established the first port and, in addition to tobacco, began exporting iron and importing a wide variety of finished products.

Despite difficult early years, Jamestown continued to grow and was the colony's capital from the first legislative assembly in 1619 until 1699 when it was shifted to Williamsburg. In 1780, Williamsburg was no longer the center of political and economic activity when the state capital was moved to Richmond, leaving James City County somewhat resigned in becoming an agricultural community.

From 1800 to 1900, the County was involved in transition as agriculture became more diversified and different industries such as lumber yards, tanneries, and grist mills grew in importance. Tobacco was no longer the crop of choice, and many farmers began growing cotton, wheat, corn, oats and potatoes. Following the Civil War, the economy was in decline, since most assets were consumed or destroyed by the fighting. During World War I, Toano grew and shipped so much produce, that there was talk of moving the County seat to that town. However, the boom was short lived, and it wasn't until 1938, the year that the Williamsburg Pottery was established, did the County begin a growth spurt that continues to this day.

By the 1920s, due to the automobile, travel had begun to revolutionize the economy. When work was initiated to restore the old Capital of Williamsburg by the Colonial Williamsburg Restoration, thousands came to see the surviving eighteen-century buildings and reconstructions of other major governmental properties. The restoration work was a vital factor in minimizing the effects of the 1930's depression, helping spur the local economy until the beginning of World War II. During and following the war, the defense industry's presence was felt with the development of various training and supply installations.

In 1958, Dow Chemical began the County's first modern industrial enterprise, and in 1962, Kingspoint became the first official residential subdivision. A new era began for the County in 1969 when Anheuser-Busch, Inc. purchased the eighteenth-century Kingsmill Plantation. They also opened a major brewing plant which attracted support industries - Ball Metal and an Owens-Illinois glass plant rounded out the County's major industries. During the 1970s and 80s, tourist, commercial and construction boomed in James City County and the surrounding areas. In 1981, the Chesapeake and Ohio Railroad extended service from Richmond to Newport News, and the economy rebounded as stations were established at Diascund, Toano, Norge and Ewell.

Today, James City County has more than 38,500 residents and is 144.1 square miles in size. An attractive community located approximately between two major metropolitan areas, the County has become an excellent place to start a family or retire. Also, major industries have afforded the County relatively low tax rates and a high level of public services. Residents as well as visitors continue to enjoy the surroundings and the proud history of this diverse County.

**JAMES CITY COUNTY
FY 1994 BUDGET**

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RESOLUTION

STATEMENT OF FISCAL GOALS

WHEREAS, the Board of Supervisors of James City County desires to establish a comprehensive statement of fiscal goals;

NOW THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby endorses and adopts the following:

STATEMENT OF FISCAL GOALS

General

1. To promote fiscal health of the County by encouraging a healthy diversified economy.
2. To establish minimally acceptable standards of quality for the County's various public services.
3. To take positive steps to improve productivity of County programs and employees.
4. To seek to eliminate duplicative functions within County government and semiautonomous agencies in the community.
5. At least every four years, to reassess services and service levels, utilizing service level standards of quality, seeking citizen advice and review in a zero-based budgeting process.

Accounting

6. To use accounting procedures and principles established by the Virginia Auditor of Public Accounts and Generally Accepted Accounting Principles (GAAP) and to annually apply to the Municipal Finance Officer's Association for its Certificate of Conformance in Financial Reporting.
7. To provide full disclosure in annual financial statements and bond representations.

Capital Improvements

8. To establish capital improvements as public investments, designed to effectively provide the highest net present value, both financially and in the determination of service needs.
9. To seek to maximize the expenditures that support capital investments in the provision of direct services to meet and maintain minimum standards of quality.
10. To annually inventory capital facilities, estimate actual value, and estimate remaining useful life and replacement cost.
11. To establish for capital project requests an annual capital budget based upon the Capital Improvements Plan with "life cycle" costs including operating and maintenance coordinated with the operating budget.
12. To accept recommendations from the Planning Commission for a multi-year Capital Improvements Plan for public facility and infrastructure needs to include roads, water, sewer, land and land improvements, and building and building improvements, considered based upon need and consistent with the adopted Comprehensive Plan.
13. To avoid capital facility or infrastructure investments outside of the Comprehensive Plan's Primary Service Area for residential growth.
14. To develop financing plans for the multi-year improvement program based upon a five-year forecast of revenues and expenditures with advice and counsel on proposed capital financing needs coordinated with a citizen capital financing advisory committee composed of local financial professionals.

Debt

15. To evaluate alternatives to financing on a pay-as-you-go basis, to include debt financing (pay-as-you-use) for needed services.
16. To not incur general obligation debt of more than 1-1/2% of assessed valuation of property and debt service costs exceeding 15% of net operating revenues.
17. To use revenue or other self-supporting bonds instead of general obligation bonds.
18. To avoid long-term debt to finance current operations and short-term debt except for bond anticipation notes.
19. To create, to the extent feasible, a debt service escrow fund that accumulates one year's principal and interest on all outstanding debt.

20. To avoid financing if the term of the indebtedness exceeds the expected useful life of the asset.

Investments

21. To make a cash-flow analysis (disbursement, collection, and deposit) of all funds to ensure maximum cash availability. To provide monthly information concerning cash position and investment performance, which shall be reviewed periodically by a citizen investment committee composed of local financial professionals.
22. To pool cash, as permitted by law, from several different funds for investment purposes.
23. To review arrangements with financial institutions on a continued basis for a specified period of time and with specified fees for each service.

Operating Budgets

24. To annually forecast revenues and expenditures for the next five years.
25. To utilize workload measurements and performance ratings for all funds.
26. To maintain a budgeting control system that helps it adhere to the budget with monthly status reports comparing actual revenues and expenditures to budgeted amounts.
27. To provide for adequate maintenance of capital plant and equipment and develop from its fixed asset inventory records a capital asset replacement schedule.
28. To establish a risk management program to safeguard public assets held in trust and to minimize the financial liability arising from accidental injury or death.
29. To remain current in its payments to the Virginia State Retirement System and to pursue legislative options that reduce or eliminate unfunded pension liabilities.
30. To review operating policies and procedures and facility master plans adopted by the Board of Supervisors in detail at least every three years with proposed revisions accompanied by a financial impact analysis.
31. To annually increase the proportion of expenditures providing direct services to total budgeted expenditures and to annually decrease the proportion of expenditures supporting administration or other non-direct service activities.
32. To finance recurring expenses from recurring revenue sources and to not develop a dependency, within the operating budget, on non-recurring revenue sources.

33. To maximize year-end carryforward balances through implementation of revenue enhancement and cost containment programs with the conditions that actual collections of property taxes, Federal and State revenue estimates should be within 5% of budgeted estimates and that unappropriated carryforward balances should be minimized.

Reserves

34. To establish a contingency reserve fund of two percent of the general fund operating budget to pay for needs caused by unforeseen events. The Board shall determine the amount of funds to be held in contingency. The contingency shall be held to help with the following three events: (1) Catastrophic reserves, to provide limited emergency funds in the event of natural or man-made disasters; (2) Operational reserves, to provide additional funds for limited unexpected needs; and, (3) Revenue reserves, to provide limited funds to smooth fluctuations in revenues caused by changes in economic conditions.
35. To maintain a ratio of cash on hand and short-term investments, divided by current liabilities, of at least 1:1.
36. To establish and, to the extent feasible, fund on an annual basis a capital equipment replacement fund.

Revenues

37. To attempt to establish a diversified revenue system with the maximum local legislative authority to set and change rates and fees.
38. To utilize state and federal funds in pursuit of County goals and objectives, whenever possible.
39. To the extent feasible, user fees which reflect the cost of service shall be utilized to support programs which may be characterized as special services to specific populations or users with the full costs, direct and indirect, of activities supported by user fees shall be recalculated at least every three years.
40. To pursue an aggressive policy of collecting property taxes with the level of uncollected property taxes not exceeding 5% and the rate of delinquency not rising more than one year in a row.
41. To the extent possible, the County shall attempt to decrease the dependency on real estate taxes to finance the County's operating budget.
42. To review and update all rates and fees at least every three years.

43. To maximize State and Federal entitlement revenues.

Adopted by the Board of Supervisors of James City County, Virginia, this 9th day of January, 1984.

The aforementioned goals represent long-term "strategies" on the part of the Board of Supervisors. The implementation of these goals will be at the discretion of the Board as it applies to individual budget years.

THE BUDGET - AN OVERVIEW

The Budget Process

The budgetary process at James City County involves intensive procedures and covers a time span of many months. The process conforms to Chapter 4 of the Code of Virginia.

November: Budget preparation manual is distributed to departments.

Budget training sessions are held with departments explaining budget calendar and use of forms. Financial assumption data is distributed to departments as well as any financial constraints that must be employed.

December: Sponsors prepare and submit formal CIP proposals to Planning Office.

Human Resource Department completes review of position requests and schedules Personnel Committee meetings.

Board of Supervisors establishes Budget Calendar as follows:

Public Hearing	Second April Meeting
Work Sessions	Three or four dates chosen, after public hearing, prior to adoption
Budget Adoption	First May Meeting

Financial Trends published and presented at a work session of the Board of Supervisors

January: Pre-budget Public Hearing. The Board of Supervisors considers the annual review of the County financial health contained in "Financial Trends in James City County." Revenue forecasts are reviewed and calculation of School Board's contribution for the next fiscal year is reviewed.

Departmental budgets submitted for review by Department of Financial and Management Services and County Administration.

Outside agency budget requests are due.

February: Financial and Management Services completes mid-year Budget Review with County Administration.

- March: Planning Commission presents CIP Budget to Board of Supervisors.
Formal School budget received. School Board adopts its budget.
Final decisions and adjustments by Financial and Management Services. Final Proposed Budget prepared with narratives and County Administrator's Message.
Proposed Budget released to Board of Supervisors, Press and the Public.
- April-May: Work Sessions, Budget Public Hearing, Budget adoption and establishment of tax rates.
- May-June: Amendments to the Budget are made prior to start of new fiscal year. These amendments are based on final revenue estimates from the State which are not available at the time of Budget adoption. Other amendments are made based on updated information not previously available.
- June: Adopted Budget made available to the Public and Staff for the start of Budget year.

Budgetary Basis

Budgets are prepared for all funds with the exception of Trust and Agency Funds. These funds account for money and property held in a fiduciary capacity for individuals or other government entities. These funds do not involve the measurement of results of operations as they are custodial in nature. In addition, there is no requirement to formulate budgets for these funds.

Budgets are prepared on the modified accrual basis of accounting as used for financial reporting purposes. Encumbrance accounting, under which applicable appropriations are reserved for outstanding purchase orders, is employed as an extension of the formal budgetary integration in the General and certain Special Revenue Funds. Encumbrances outstanding at year-end are reported as Reservation of Fund Balances since they do not constitute expenditures or liabilities. Unexpended appropriations lapse at the end of the fiscal year in the General, Debt Service, and those Special Revenue Funds with legally adopted annual operating budgets. Program and project budgets are utilized in the Capital Projects Budget and Community Development funds where appropriations remain open and carry over to the succeeding years.

Budget Amendment Process

The Budget may be amended in one of two ways as outlined by the Code of Virginia.

If the amendment would change total revenues (such as the acceptance of a grant), then the governing body must adopt an appropriation resolution to transfer funds from one appropriation group to another. In certain instances, as outlined in the State Code, a public hearing may be required before the governing body can take action.

The County Administrator is authorized to transfer funds between departments/offices within an appropriation group or between budget line items within a particular department/office.

Organization of Budget

The financial transactions of the County are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements of the Comprehensive Annual Financial Report.

The County Budget includes all funds where financial transactions are recorded, with the exception of Trust and Agency Funds.

The following fund types are used by the County and the Budget Document includes the Capital Improvements Plan.

Governmental Funds

- a) General Fund - The general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- b) Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Virginia Public Assistance
Transit Company
Community Development

- c) Capital Projects - Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary funds).
- d) Debt Service Fund - Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Proprietary Fund

The focus of Proprietary Fund measurement is the determination of net income. The Generally Accepted Accounting Principles are those applicable to similar businesses in the private sector. The County has no proprietary funds. Included within the Budget Document is the budget for the James City Service Authority since its legislative and executive oversight and management are substantially integrated with those of James City County. The Authority operates water and sewer utility systems in the County and is a distinct legal entity.

The Service Authority budget covers four major projects areas:

- Water Fund
- Sewer Fund
- Operations/Administration Fund
- Capital Improvements Program (CIP)

The General Fund of the County is divided into functional areas, such as Administration, Planning and Development, Public Safety, etc. Each department within a functional area has its own budget; for example, Police, Fire and Emergency Medical Services, within the functional area of Public Safety. The Budget format presents expenditures by functional area and departments within a specific function.

Directions, Performance, Measurement and Monitoring

The County Administrator imparts to the departments at the beginning of the Budget cycle the tone and the focus of the overall Budget. This information is based on guidance to him from the Board of Supervisors.

During the fall of each year each department develops individually their overall Service Goal, Mission and Objectives to be attained during the coming year. The aforementioned provides the basic operating direction for each department. This information is presented within each department's budget.

The Budget document does not provide information regarding performance or the measurement of performance per department. However, departmental objectives are monitored by County Administration by the use of work programs. In addition, each department establishes efficiency and effectiveness measures in regards to their operations. These are monitored by the Office of Performance and Service Improvement and managed by County Administration.

The Budget is monitored by the issuance of Monthly Management Reports. These reports indicate actual financial results compared to Budget (Revenue-Expense). These reports are forwarded to the Board of Supervisors, County Administration and Departments for their analysis and management.

The resources that support the Operating and Capital Budgets are also linked. Revenue generated in the Operating Fund is channeled to the Capital Budget by means of a transfer. The retirement of bonds issued for the construction of new schools will compete with the service requirements that are funded in the Operating Budget. The Capital Budget on its own does not generate any revenue. This means that some of the revenues that are generated and transferred to the Capital Budget are realized through property tax revenue. This relationship will impact the tax rate and the property taxes that the citizens of James City County will be required to pay. Reference to Section D indicates the estimated Operating Budget impact for each capital project. Capital projects that are planned to be funded by debt will be placed on a referendum, which is to take place in the Spring of 1994.

In order to view the upcoming year's budget, it is important that County officials, employees and the citizens understand the linkage between these budgets.

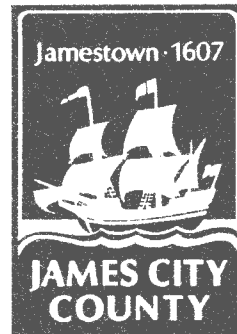
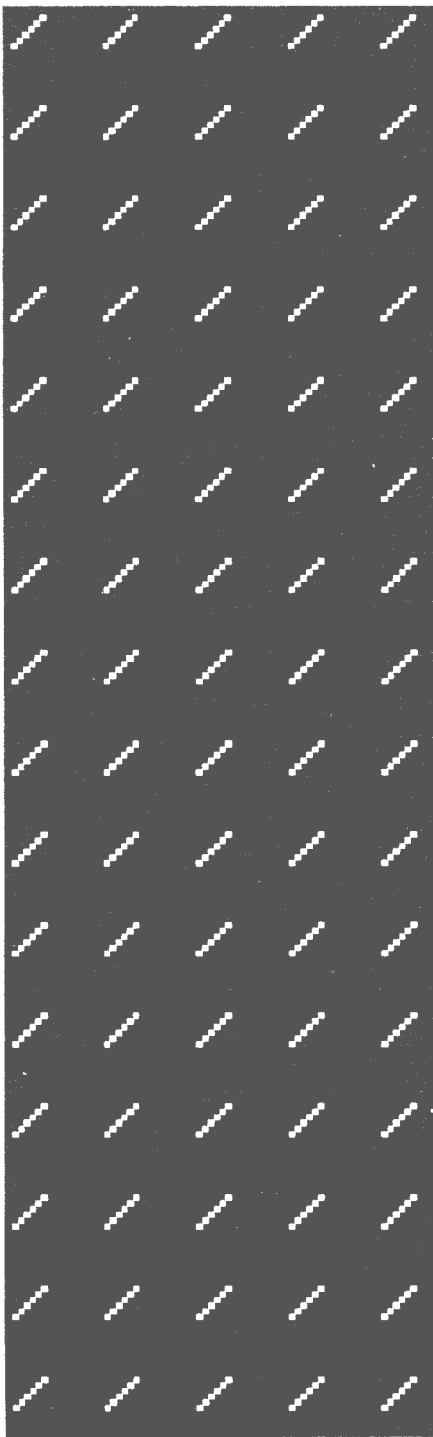
Financial Planning

The budget document provides the following information to the citizens of James City County:

- o Reflects the fiscal policies of the Board of Supervisors (Introductory Section).
- o Indicates and explains the flow of financial resources (Revenues - Section B).
- o Outlines the operational focus of the County organization and the individual departments (Section C).
- o References historical and current financial information, including the financial condition of each fund in the beginning of the budget and at the end of the year (Section G).
- o Outlines the priorities and sources of funding for major capital projects (Section D).

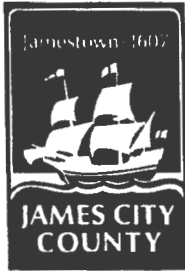
All the above components come together as part of a financial plan whose major criteria is:

- o That the real estate tax increase be kept to a minimum.
- o That no new taxes are implemented.
- o That recommended Capital Projects relate to the Comprehensive Plan and are prioritized based on available funding.
- o That a major portion of Capital Projects use debt financing as the funding source, subject to a referendum that is to be held in the Spring of 1994.
- o That no new or enhanced program initiatives be implemented except those of the highest priority.



A

***COUNTY ADMINISTRATOR'S
MESSAGE***



COUNTY OF JAMES CITY, VIRGINIA

April 2, 1993

TO: THE BOARD OF SUPERVISORS

Please accept the following budget for the 1994 Fiscal Year. It is designed to address the requirements of a range of public services offered to the citizens of the County. It is attentive to future capital needs and programs. It is intended to be considerate of the tax consequences on residents and businesses in the County, not only for the 1994 fiscal year but for the rest of the 1990s.

The highlights of my proposed budget are presented below:

TAXES - The FY 94 budget includes only one new revenue initiative -

a 2-cent increase in the current real property tax,
from 73 cents per \$100 of assessed value to 75 cents

This represents a 2.74 percent tax increase. With reassessments showing a small decline, on average from the previous year, the total impact of this tax increase will be approximately 2.7 percent for County homeowners, less than the rate of inflation.

For a home with a value of \$100,000 - the additional taxes total \$20 a year.

The spending plan financed by this two-cent tax increase was built from the ground up. It is, therefore, difficult to account for the specific programs that require a two-cent tax increase. However, the largest dollar increases in the budget are for schools and solid waste.

SCHOOLS - The County's funding for the Williamsburg-James City County Schools increases by \$2,174,525, or 9.0 percent over the current funding level, including debt service funding:

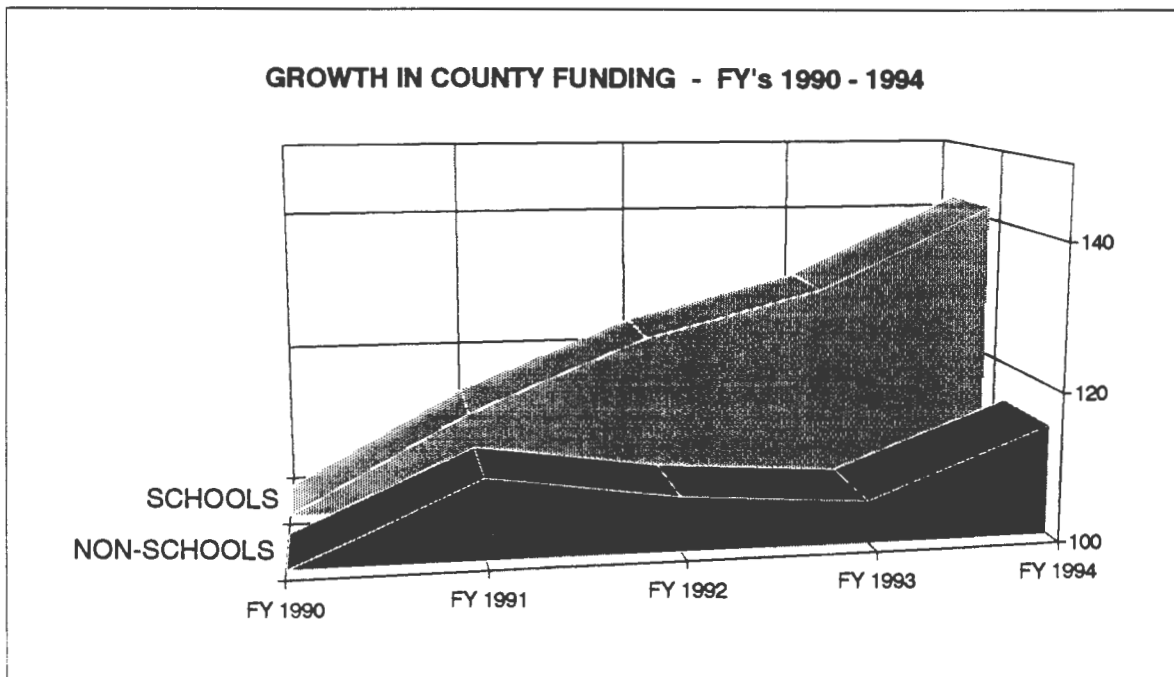
	<u>FY 1994</u>
Contribution to School Operating Budget	\$23,539,859
School Debt Service	3,800,000
Other	<u>29,850</u>
	<u>\$26,369,709</u>

The contribution to the School Operating Budget was calculated to fund an increase of 6.5 percent above the School's FY 93 baseline budget and an additional \$623,000 to open the new James River Elementary School:

<u>School Budget</u>	<u>School Operating Budget</u>	<u>County Share of Funding</u>
Baseline Budget (per School Board Budget)	\$33,949,941	
Baseline plus 6.5 percent	36,156,587	
Plus James River - \$623,066	36,779,941	\$22,539,859
County Proposed Budget	36,779,941	22,539,859
School Board Proposed Budget	37,539,308	23,164,742
Difference	(759,367)	(624,883)

While it does not fully fund the operating budget request made by the School Board, the proposed funding does increase School debt service spending by \$550,000, or 16.9 percent. This will help repay bonds anticipated for over \$42.5 million in new capital investments proposed for the Schools. This capital program includes a new high school and expansions/renovations to Lafayette, Berkeley, Matthew Whaley, Rawls Byrd and Norge schools. We recommend asking the voters, in a Spring 1994 referendum, to authorize the Board of Supervisors to use General Obligation Bonds to finance this program. That is the most cost-effective way to finance the capital spending.

The following chart illustrates the growth in school funding from the County's operating budget for the past four years, contrasted with the total spending growth each year for nonschool programs. The following chart shows a four-year indexed trend, with FY 1990 equal to 100.



ECONOMIC DEVELOPMENT - A priority in creating this budget has been the importance of the County's efforts to diversify our tax base and create enhanced job opportunities in the County for County residents. The FY 94 Budget continues this increasing emphasis. The capital budget contains a three-year financing plan to establish an industrial shell building fund. This fund will be used, in conjunction with other public and private resources, to develop a modern shell building to complement the County's industrial park development. Nationwide, approximately 70 percent of companies seeking to relocate are looking for an existing building.

A much smaller initiative, although ultimately as important, is proposed in the operating budget. Expanded communication opportunities and the assignment of half of an existing full-time position from the Planning Division to Economic Development will work to improve our access to potential future James City County businesses.

LIBRARY - The upcoming fiscal year is the first year under the new contract between the City and the County concerning the Williamsburg Regional Library. The new contract has an amended cost-sharing agreement between the City of Williamsburg and the County. That agreement essentially freezes the City's operating contribution with James City County responsible for funding any increase in local funds. This will continue until the City/County funding proportion is equal to the City/County proportion of circulation of library materials.

The FY 94 County funding proposal is increasing 21.5 percent and is calculated to allow a 6.5 percent increase in the total budgeted salaries and materials for the Regional Library and additional funding for a "catch-up" compensation adjustment:

	<u>FY 1993 Budget</u>	<u>FY 1994 Library Board Proposal</u>	<u>FY 1994 County Proposal</u>
Spending	\$1,500,681	\$1,729,149	\$1,634,036
Revenues			
County	556,867	771,622	676,345
Other	<u>943,814</u>	<u>957,527</u>	<u>957,691</u>
	<u>\$1,500,681</u>	<u>\$1,729,149</u>	<u>\$1,634,036</u>
		Up 15.2%	Up 8.9%

The Capital Improvements Program also includes the suggestion that the County construct a 24,000- to 28,000-square foot branch library, with funding coming from general obligation bonds. It is suggested that a Spring 1994 referendum consider this question, in addition to the School Capital funding.

SOLID WASTE - What shall we do with our trash? This subject has been much discussed and debated by County citizens and officials over the last year and the budget proposal includes a multifaceted response:

- o We expect to close the County's landfill in October, under the new Federal and State requirements, and finance the closure with \$650,000 in bonds issued through the Virginia Resources Authority (VRA).
- o In cooperation with the Virginia Peninsulas Public Service Authority, we will build and operate a trash transfer station at the current landfill site. Trash will be delivered there, consolidated, and trucked to disposal sites outside the County. Construction of the transfer station will be bond-financed through the VRA and the operating expenses of the transfer station will be paid by tipping fees.
- o We will continue to expand our recycling efforts, both house-to-house and business recycling, to meet the State mandated targets. Recycling costs are included within the operating budget and are not recovered by fees. The materials a community recycles, such as paper, glass and cardboard, when sold, recoup only a small percentage of the costs to collect them. The remaining expenses (the net costs of collection and disposal) are paid from general tax revenues.
- o We will continue to encourage private companies to expand house-to-house collection as the most convenient and least expensive means of collecting trash. We would also hope to keep most of the existing convenience centers open for trash disposal but the soaring costs of disposal will require that we initiate user charges to recover part of the costs. This budget does not suggest a final plan for setting up user charges at the convenience centers, it just anticipates that approximately half of the costs will be covered by fees in FY 94. We will plan to increase fees and/or lower costs to recover at least 80 percent in FY 95 and 100 percent of the costs in FY 96.

PUBLIC SAFETY - This budget reflects the previously funded relocation of the Central Dispatch function to the newly renovated/expanded space in Toano. One new Police Officer is suggested, as well as the conversion of two authorized "overhires" to permanent positions. Other improvements include upgrades and replacements for a fire pumper, ambulance and ten police vehicles. Improvements to refueling sites for public safety vehicles and increased support for both volunteer fire and rescue services is recommended.

This budget also increases "on-call" and overtime hours for the Fire Department, although it suggests no new positions. It also includes the expectation that nonemergency transports will be phased out to private ambulance services. Increased staffing at the jail, approved by the State, will ease a critical situation until a Regional Jail is constructed in FY 96.

SELF-SUFFICIENCY - The County's efforts to assist all County residents in developing the tools to become self-sufficient, thus reducing their long-term reliance on welfare and other governmental assistance programs, continues with an increasing sense of purpose. The past two years have been

difficult for a certain segment of our community - increased unemployment, longer layoffs, fewer job alternatives. This budget proposal attempts to improve our self-sufficiency efforts on several fronts.

- o The first is **public health**, particularly a convenient medical clinic that allows even low-income residents access to reasonable health care. This budget acknowledges the creation of the Williamsburg Area Medical Assistance Corporation (WAMAC), a private non-profit effort that combines the resources of Williamsburg Community Hospital, the State Health Department, private physicians and other medical professional volunteers and the administrative support of the County's Department of Community Services. The Board of Supervisors has previously endorsed this approach to improving local health care.

WAMAC is an experiment in health care, on the local level, and an experiment in health care services - using a private company to attempt to fulfill the needs of public health clients. This budget is designed to provide approximately \$125,000 in State/County funds through the Peninsula Health District and a County-owned site, the Human Services Center.

- o The second is **affordable housing**, both in creating new units and in improving the conditions under which people currently live. The success of the Chickahominy Road/Little Creek community block grant programs, as well as the other housing assistance programs the County offers, leads us to be very optimistic that the County's applications for a State/Federal community development block grant for the Mooretown Road area will be approved. County matching funds for a new program assistant to coordinate that effort is recommended and the Capital Budget includes a road match recommendation that would allow the Virginia Department of Transportation to accelerate the improvements on Mooretown Road, currently planned for 1997-98. The Board of Supervisors has tentatively approved the grant submission, subject to a final budget decision.
- o The third is an expansion of programs targeted for **youth-at-risk**. These include the County's partnership with the Schools on the JET program of summer learning opportunities, as working interns, with Hampton University. They also include an expanded "before-school" and "after-school" program that provides supervision and recreation for elementary and middle school children who might otherwise be unsupervised in households where either a single parent or both parents work. Another is in the continuation of the summer playground and summer camp programs for County children. Finally, we've included funds as County match for State grants under the Comprehensive Services Act - a State initiative that consolidates certain service agencies working with youth with behavioral disorders.
- o A fourth program is the attempt to establish a permanent site for a nutrition program focusing on the needs of the **elderly**. Working with the Historic Triangle Community Services Center, the Peninsula Agency for the Aging, Williamsburg and York County, we are attempting to create a public/private partnership that will allow a permanent home for meal services for the elderly in the area.

- o A fifth effort in this budget focuses on the County's **family assistance** program through the Department of Social Services. Again - 20 percent matching funds are provided to allow for additional resources to respond to the needs of our residents.

PARKS AND RECREATION - The budgetary presentation of Parks and Recreation activities has been changed. Rather than showing spending net of fee revenue, the revenues have been isolated and are shown as a separate revenue category. The reason is amply illustrated by a comparison of the increase in spending for Recreation Services, both in total and net of fee revenues:

	<u>Spending Increase</u>	<u>Net of Fee Revenues</u>
Recreation Services	30.9%	5.2%

Recreation Services represents recreational programming and is primarily supported by fees. The increased spending is substantially offset by increases in fee revenues. The only "net" increase in the budget relates to programs directed at youth-at-risk, a priority target group for services, where fees are not designed to cover costs. We've separated spending and revenue to more fully illustrate the growth in services and service demand. This growth has not been so identifiable when a net figure was presented each year in the budget.

Recreation Administration is the core support group working on future planning, operations, cash management and risk avoidance. A proposed increase in administrative costs actually represents an increase in program space. The current administrative unit occupies space at the James City County-Williamsburg Recreation Center. Moving those employees into less-expensive commercial space will free up program space at the Recreation Center and take advantage of a low-priced commercial rent environment.

The budget for **Parks and Facilities**, the cost center that includes the costs of operating the various park and public recreation sites increases and is specifically targeted at the opening of the new James River Elementary School and the Community Center that is part of that school building. Four new positions, including a supervisor, two customer assistants, and a custodian, have been recommended for the facility, expected to open in the fall of 1993. Extended evening and weekend use will supplement a more limited concurrent use during school hours. Four pre-school classrooms have been added in the Community Center for special programs and Headstart hopes to be offering classes in the fall as well.

The Capital Budget envisions improvements to neighborhood parks, with the ultimate objective of turning these parks over to the homeowner associations in the communities where they are located. A small grant program is proposed to assist private groups like homeowner associations or public service organizations to add or improve recreation facilities. Planning money is recommended for the expansion of the Recreation Center and County funds are earmarked to match State Recreation and Highway monies to expand the Little Creek Reservoir offering.

COMPENSATION - This budget recommends a 4.5 percent average increase in salaries, awarded exclusively on the basis of merit. A few positions, mostly technical, are recommended for salary upgrades to maintain the County's competitive pay standards. A recommended increase in the County's employee health care costs, even at 13.5 percent, will reduce take-home pay for many County employees because the actual health insurance costs will go up even more than that. The County's share of health care costs will be partly offset by reductions in the County costs of the life insurance program offered through the Virginia Retirement System.

There are a net of six new full-time positions included in this budget proposal that are locally funded.

Locally Funded Full-time Positions:

1	Police
4	Parks - James River
1	Data Processing/Real Estate
1	Facilities Management
1	Circuit Court (½ funded by City)
-1	Code Compliance
<u>-1</u>	Development Management
6	Additional Locally Funded Positions

The State of Virginia has approved additional Jail positions for the regional jail, two new Social Services positions and a new position for the Clerk of the Circuit Court. Finally, the James City Service Authority has requested two additional full-time positions.

CONCLUSION

This budget attempts to deal with a broad range of issues facing the County and its residents. We've tried to maintain a balance - a balance between taxing and spending, a balance between capital costs and future spending, a balance among the many departments and agencies of the County and their needs. It has been very difficult.

We have been unable to recommend the funding requested for schools, police, fire, library, recreation or support services. In most cases, these are not budget cuts, but simply less additional money than what has been requested. This is not true for ten County departments, including Planning, Code Compliance, and Development Management. These departments will have less money next year than they do in this year's budget. We are also unable to fund requested contributions for the new Animal Shelter Association, CASA, the Historic Rivers Commission, the Jamestown/Yorktown Foundation, or the Williamsburg Community Hospital capital campaign.

Over the past three budgets, where the level of funding has actually declined for non-school activities, the County managers have trimmed, cut, delayed and looked for different ways of doing things. The FY 94 Budget actually recommends increasing funding for many of these County functions. Few of the recommendations are simple ones - just add money or add people. They are structured much

differently. I think you'll find, as you read through the operating and capital proposals in the following pages of this budget document, that these proposals appear complicated.

Many of the program changes are funded in a simple philosophy - solutions to problems can be more effective and less expensive by expanding resources beyond local government:

- a private health services partnership with area physicians;
- a joint school/community center;
- a trash deal with one regional authority, one State authority and two private landfills;
- a privately owned community services center offering meals for the elderly;
- a program to give back to the homeowners certain County-owned neighborhood parks;
- turning nonemergency ambulance services over to private providers;
- contracting some grounds maintenance activities, combining with the Schools on others;
- substituting our landscaping waste for purchased mulch on County property;
- a 'build-our-own' program for desktop computers saves us 50 percent or more on every system we install.

Three years of growing service demand with fewer resources has helped create a County-wide theme of innovation, cost-efficiency and priority-setting. The last two years, we've actually reduced the budgets for County departments while increasing our expectations. "Throw money at it" was never part of the solution for problems in James City County and it is fully evident in the departmental and agency budget recommendations presented in the following pages.

I've presented only the highlights of my recommendations for revenue and spending for the 1994 fiscal year. I look forward to a continuing discussion with you, and the community, on these and other recommendations included in this document.

Respectfully submitted,



David B. Norman
County Administrator

Summary of Actions by the Board of Supervisors

<u>General Fund</u>	<u>Revenues</u>	<u>Expenditures</u>
As Proposed	\$46,645,148	\$46,645,148
Refuse Collection and Disposal (Recycling)		(58,733)
Community Services (Recreation Center Lease)		(35,000)
Schools		313,000
Contributions (CASA, Peninsula SPCA, Animal Shelter)		18,733
Contribution to Capital Projects	<u> </u>	<u>(238,000)</u>
As Adopted	<u>\$46,645,148</u>	<u>\$46,645,148</u>
 <u>Capital Projects Budget</u>		
As Proposed	\$ 8,938,205	\$ 8,938,205
General Fund Contribution	(238,000)	
Debt Financing	200,000	
Development Projects (Sidewalks)		(58,000)
Community Services (Hospital)	<u> </u>	<u>20,000</u>
As Adopted	<u>\$ 8,900,205</u>	<u>\$ 8,900,205</u>

The changes noted above are reflected in the various budgets shown in the following sections. These budgets, as well as the legal appropriation authority, may be amended during the year at the Board's discretion.

Where the money comes from...

FY1994	
Use of \$	\$698,900
Fees, etc.	\$4,124,939
Other Govt.	\$4,222,619
Other Taxes	\$7,786,660
Property Taxes	\$29,812,030
Total	\$46,645,148

General Fund



Where the money goes...

This budget proposes a *two-cent increase (2.7 percent)* in the current 73-cent real estate tax rate. The real estate tax, at a rate *25 percent below the State average*, is the most equitable source of needed new revenue for schools. The average real property assessment actually declines, so even with an increase in the tax rate, the actual increase in real estate taxes paid by the average County resident would be less than \$2 per month. As an example, the average existing home, valued at \$100,000 in FY 93 and paying \$730.00 in taxes, will be valued at \$100,000 in FY 94 and will pay, at 75 cents, \$750.00. This represents an increase of 2.7 percent, \$20.00 annually, or approximately \$1.67 a month.

FY1994	
Planning	\$1,891,769
Other	\$2,782,661
Human Services	\$3,675,436
General Govt.	\$5,097,560
Public Safety	\$6,515,013
Schools	\$26,682,709
Total	\$46,645,148

Chart A-1

Where the money comes from...

	FY1994
Other	\$195,081
Williamsburg	\$280,000
General Fund	\$1,027,000
Fund Balance	\$2,398,124
Financing	\$5,000,000
Total	\$8,900,205

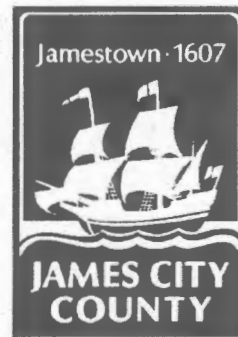
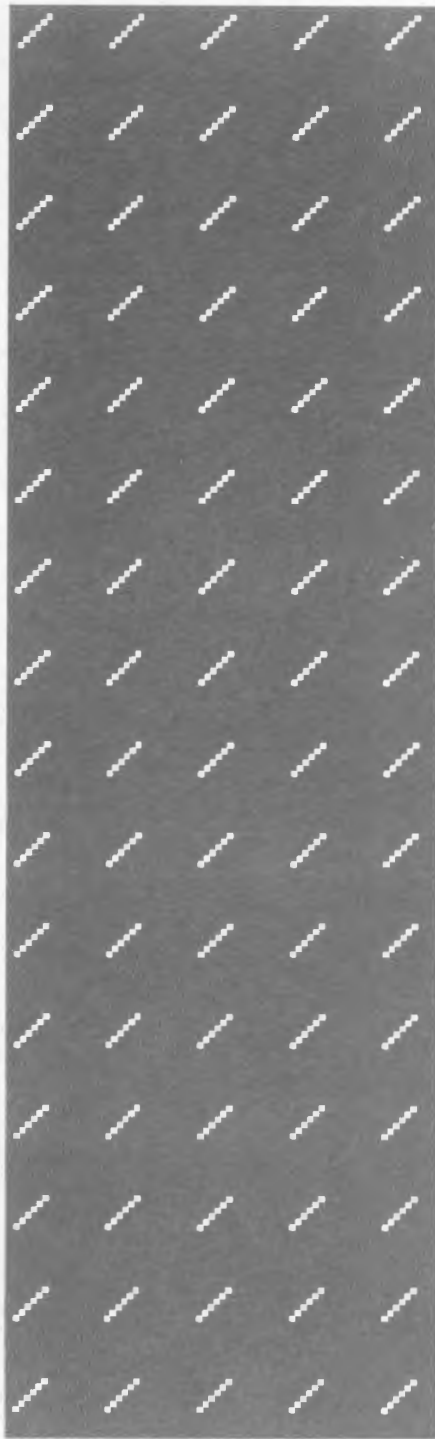
Capital Improvements Program



Where the money goes...

	FY1994
General	\$155,000
Public Safety	\$359,000
Recreation	\$540,000
Community Services	\$895,205
Development	\$1,113,000
Schools	\$5,838,000
Total	\$8,900,205

Chart A-2



B

GENERAL FUND REVENUES

WHERE THE MONEY COMES FROM - FY 94

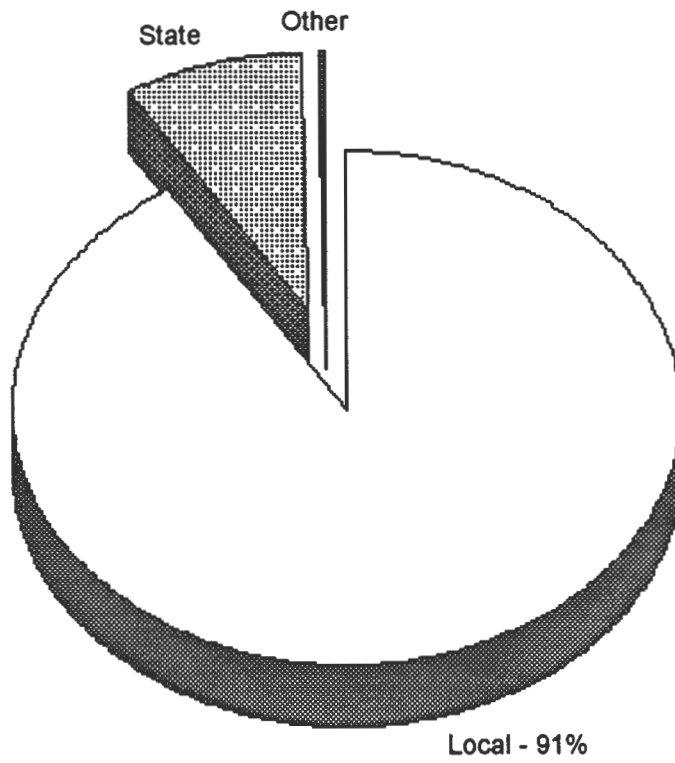


Chart B-1

REVENUES BY CATEGORY - FY 1990-1994

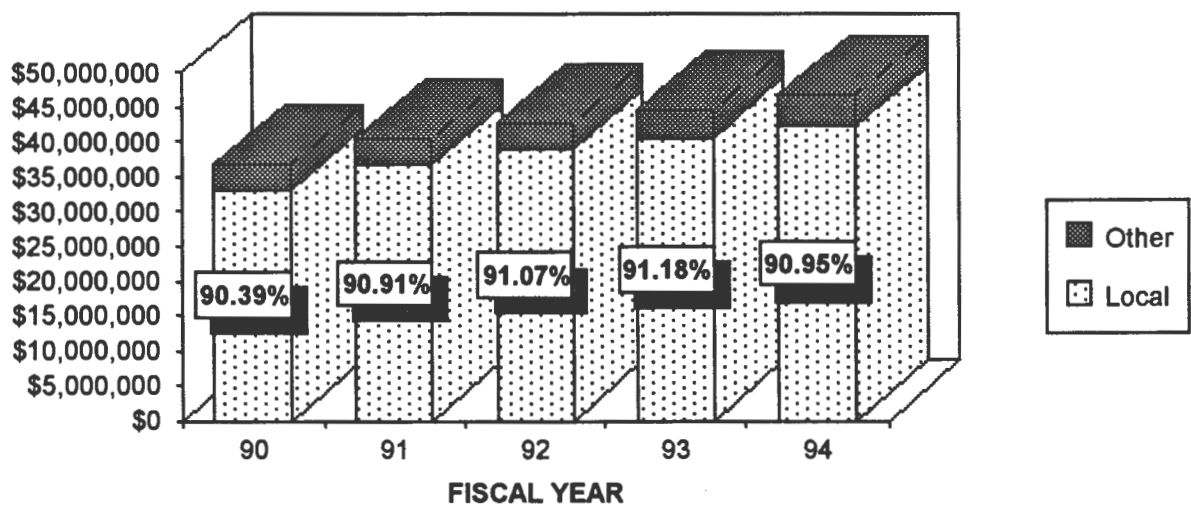


Chart B-2

**DETAILED SUMMARY
GENERAL FUND REVENUES**

	<u>1993 BUDGET</u>	<u>1993 ESTIMATED</u>	<u>1994 BUDGET</u>	<u>BUDGET INCREASE (DECREASE)</u>	<u>PERCENT CHANGE</u>
B-2 General Property Taxes	\$27,147,900	\$28,520,951	\$29,812,030	\$2,664,130	9.8%
B-4 Other Local Taxes	7,190,000	7,406,663	7,786,660	596,660	8.3%
B-6 Licenses, Permits and Fees	2,827,000	2,889,100	2,977,100	150,100	5.3%
B-8 Fines and Forfeitures	120,000	60,000	75,000	(45,000)	(37.5%)
B-9 Revenue from Use of Money and Property	848,900	698,900	698,900	(150,000)	(17.7%)
B-10 Revenue from the Commonwealth	3,658,892	3,931,338	4,220,519	561,627	15.3%
B-12 Revenue from the Federal Government	2,100	2,101	2,100	0	0.0%
B-13 Charges for Current Services	564,568	614,568	768,344	203,776	36.1%
B-14 Miscellaneous Revenues	<u>494,581</u>	<u>494,581</u>	<u>304,495</u>	<u>(190,086)</u>	<u>(38.4%)</u>
TOTAL REVENUES	<u><u>\$42,853,941</u></u>	<u><u>\$44,618,202</u></u>	<u><u>\$46,645,148</u></u>	<u><u>\$3,791,207</u></u>	<u><u>8.8%</u></u>

**1993-1994 BUDGET
GENERAL OPERATING FUND
GENERAL PROPERTY TAXES**

■ **PURPOSE**

General Property Taxes include revenues received from levies made on real and personal property of County residents and business establishments.

Real Estate property taxes on residential and business land and buildings are based upon a tax rate per \$100 of assessed value, which is adopted by the Board of Supervisors during the budget process. The tax rate is then applied to the assessed value of individual property, as determined by the Real Estate Assessor during the annual assessment. The Commonwealth of Virginia requires localities to assess real property at 100 percent of market value.

Personal property taxes are assessed by the Commissioner of the Revenue on four major property categories - individual personal property, business personal property, mobile homes, and machinery and tools. The tax rate is \$4.00 per \$100 of assessed value. Individual and business vehicles are assessed at 90 percent of loan value as determined by the National Automobile Dealers Association. Business equipment and machinery and tools are assessed at 25 percent of capitalized cost. Mobile homes are assessed at current market value and are billed at the real estate tax rate.

Public Service assessments are performed by the State Corporation Commission or the State Department of Taxation on property owned by regulated public utilities, which include railroads, electric, telephone, gas, and water companies.

■ **BUDGET SUMMARY**

	FY 1993 <u>Budget</u>	FY 1994 <u>Budget</u>
Real Estate	\$17,087,900	\$18,382,030
Personal Property	5,250,000	5,800,000
Mobile Home	65,000	65,000
Machinery and Tools	3,050,000	3,350,000
Public Service	690,000	850,000
Delinquent Taxes	655,000	955,000
Penalties	260,000	260,000
Interest on Delinquent Taxes	<u>90,000</u>	<u>150,000</u>
 Total	 <u>\$27,147,900</u>	 <u>\$29,812,030</u>

■ **BUDGET COMMENTS**

Real Estate revenues increase by \$1,294,130, or 7.6 percent. That total increase can be portrayed as follows:

Tax Rate \$500,000 A tax rate increase of 2 cents from 73 cents to 75 cents per hundred dollars of assessment provides about half of the total increase.

New Growth \$615,000 Almost half of the total increase is an addition to the taxable real estate of \$82,000,000 due to new construction. This total increase in taxable property is considerably less than past trends, which reflects the general economy; however, growth has increased compared to FY 93 by \$18,339,000.

Reassessments (\$45,000) Certain properties increased while others decreased, especially in the commercial area and unimproved property. The net result is a small decrease.

The average existing home, valued at \$100,000 in FY 93 and paying \$730.00 in taxes, will be valued at \$100,000 in FY 94 and will pay, at 75 cents, \$750.00. This represents an increase of 2.7 percent, \$20.00 annually, or approximately \$1.67 a month.

**1993-1994 BUDGET
GENERAL OPERATING FUND
GENERAL PROPERTY TAXES**

■ **BUDGET COMMENTS, Continued**

Tax Collections \$224,130 It is estimated that tax collections will amount to 95 percent of those billed. This percent is somewhat higher than what was budgeted in FY 93, but consistent with the actual collections.

Personal Property taxes are projected to increase by 10.5 percent. Most of the increase is attributed to additional auto registrations, as well as upgrades in values of existing vehicles in the County.

Machinery and Tools is similar to personal property, the basis of assessment is cost, not market. Values have increased to produce revenues that are 9.8 percent more than FY 93. This increase is due to some plant expansions and investment by current business in additional equipment.

Public Service are payments in lieu of taxes from utilities and CSX Railroad. They are programmed to increase by 23.2 percent over FY 93. The basis of this increase is a change in methodology in valuing property and equipment.

Recently, improved collection efforts produced increased collections of Delinquent Taxes, Penalties, and Interest. The County, historically, has collected over 99 percent of real and personal property taxes within the first three years. FY 93 tax collections are higher than historical trends. FY 94 receipts are expected to be slightly less than actual for FY 93, reflecting a decreasing balance of delinquent taxes. Overall, this category increases 46 percent over what was budgeted in FY 93.

**1993-1994 BUDGET
GENERAL OPERATING FUND
OTHER LOCAL TAXES**

■ **PURPOSE**

Other Local Taxes include the budget for the 1 percent **Local Sales Tax**. This sales tax is collected with the State sales tax at the time of sale and remitted to the County.

Transient Occupancy Tax revenues are those received from the 2 percent tax imposed on hotel, motel room sales, and rental condominium units.

Delinquent taxes are those collected to satisfy property taxes over three years in arrears and are collected by the County Treasurer.

Deeds of Conveyance records revenue received from the tax imposed on conveyance of property deeds, based on the value of the property involved.

Bank Franchise Tax represents revenue received from the tax imposed on bank deposits in the County, less certain allowable deductions.

The **Telephone E-911 Charge** is assessed to recover capital and maintenance expenses of the County's enhanced 911 program and is collected as part of residential and commercial telephone bills.

The **Recordation Taxes** are fees levied for documents recorded at the Clerk's Office. Fees vary based on the type of document. The principal fee source is based on real estate transfers.

The **Meals Tax** represents a tax on food eaten on premises. In November of 1988, the voters of James City County approved, by referendum, the establishment of a meals tax in the County. Because of the impact on tourism in the County, it is estimated that 70 percent of the revenue will be generated by nonresidents of the County.

■ **BUDGET SUMMARY**

	FY 1993 <u>Budget</u>	FY 1994 <u>Budget</u>
Local Sales Tax	\$3,915,000	\$4,250,000
Transient Occupancy Tax	460,000	670,000
Deeds of Conveyance	100,000	106,660
Bank Franchise Tax	50,000	50,000
Telephone E-911 Charge	70,000	60,000
Recordation Tax	195,000	250,000
Meals Tax	<u>2,400,000</u>	<u>2,400,000</u>
	<u>\$7,190,000</u>	<u>\$7,786,660</u>

■ **BUDGET COMMENTS**

Sales Tax is projected to increase compared to the prior year budget. Sales Tax based on tourism is estimated with no significant growth; however, the number of retail businesses established in the County has shown some growth in the last year as well as retail sales. It is assumed that the general economic conditions will improve during FY 94 as compared to FY 93.

The Transient Occupancy Tax is expected to increase by 45.7 percent, generally as a result of rental units such as condominiums being subject to taxes where in previous years they were exempt.

**1993-1994 BUDGET
GENERAL OPERATING FUND
OTHER LOCAL TAXES**

■ ***BUDGET COMMENTS, Continued***

E-911 revenues are indicated to decrease by 14.3 percent. The FY 93 Budget was somewhat overstated. The budget reflects the current rate of 30¢ per month. This level of annual revenue will not cover the ongoing telephone and maintenance costs.

The Bank Franchise Tax is budgeted to remain the same compared to FY 93, based on the assumption of continuation of the same level of economic activity.

Meals tax revenues were a new component of the County's revenues for FY 90. The budget reflects a levy of 4 cents tax on meals. The budget for this revenue source remains the same as FY 93.

Recordation taxes increase by 28.2 percent, reflecting growth in the real estate market with an increase in real estate transactions.

**1993-1994 BUDGET
GENERAL OPERATING FUND
LICENSES, PERMITS AND FEES**

■ **PURPOSE**

This budget provides for revenues received from various permit and privilege fees required by the County.

Motor Vehicle Decal Fees are as follows:

Motor Vehicles	\$15.00
Motorcycles	\$10.00
Trailers	\$ 6.50

Business and Professional License Fees are as follows:

	<u>Rate per \$100</u>
Contractors	.16
Services	.36
Professionals	.58
Retail Merchants	.20

Dog Licenses now cost \$4.00, with an additional fee schedule for kennels.

Erosion Control Fees are based on the volume of development and are used to offset costs by the Division of Code Compliance in controlling development-induced expenses.

The Cable Television Franchise Fee is 3 percent of the gross receipts and is used to offset expenses of the Communications Office.

Septic Tank Permit Fees are \$100 and are used to offset inspection and soil testing costs necessary to establish appropriate sites for septic tanks.

■ **BUDGET SUMMARY**

	<u>FY 1993 Budget</u>	<u>FY 1994 Budget</u>
Motor Vehicle Licenses	\$ 450,000	\$ 450,000
Business and Professional Licenses	1,930,000	2,055,000
Building Permits	250,000	260,000
Planning and Zoning Fees	40,000	40,000
Dog Licenses	6,500	5,600
Erosion Control Fees	30,000	30,000
Cable Television Franchise Fee	114,000	130,000
Septic Tank Permit Fees	<u>6,500</u>	<u>6,500</u>
	<u>\$2,827,000</u>	<u>\$2,977,100</u>

■ **BUDGET COMMENTS**

Motor Vehicle Licenses are expected to stay the same as the amount that was budgeted in FY 93. Estimated actual results for FY 93 are anticipated to be \$440,000 which is \$10,000 lower than budgeted. The rate per vehicle is \$15.

**1993-1994 BUDGET
GENERAL OPERATING FUND
LICENSES, PERMITS AND FEES**

■ **BUDGET COMMENTS, Continued**

Business and Professional License Taxes are expected to increase slightly compared to those budgeted in FY 93. Both general business activity and new business openings are estimated to increase in FY 94.

Planning and Zoning Fees and Erosion Control and Building Permits fee charges were increased in FY 92. These revenues are expected to be the same as FY 93 which reflects a flat level of new construction activity.

Other development-related fees and charges are expected to produce at the same level as FY 93 which also suggests a flat level of new construction.

Cable Franchise Fees are anticipated to increase slightly based on additional cable customers. The amount budgeted in FY 93 was somewhat lower than anticipated receipts.

**1993-1994 BUDGET
GENERAL OPERATING FUND
FINES AND FORFEITURES**

■ **PURPOSE**

This budget provides for revenue received as a result of the imposition of fines on persons charged with violations of County ordinances and fees from detention of prisoners from other jurisdictions.

■ **BUDGET SUMMARY**

	FY 1993 <u>Budget</u>	FY 1994 <u>Budget</u>
Fines and Jail Committals	<u>\$120,000</u>	<u>\$75,000</u>

■ **BUDGET COMMENTS**

Based upon current receipts, this item is expected to decrease by 37.5 percent compared to FY 93. A shift in these revenues to the State rather than the County is an indication of the type of crimes being committed by persons charged with violations. The budget for this revenue was overstated in FY 93.

**1993-1994 BUDGET
GENERAL OPERATING FUND
REVENUE FROM USE OF MONEY AND PROPERTY**

■ **PURPOSE**

This budget provides for revenues earned by the County from investment of funds and the rental of property. The County Treasurer invests funds that are available but not needed for immediate disbursement. The investment of temporarily idle cash is a priority as are the appropriate steps to ensure liquidity of funds. Therefore, investments are made for periods ranging from a single weekend to 90 and 120 days.

Rent is paid by the Williamsburg-James City County School Board for the space it occupies at the Government Center. The James City County Health and Social Services Departments pay rent to the County for space at the Human Services Building. This revenue is shown as an offset to the expenses of Facilities Management.

■ **BUDGET SUMMARY**

	FY 1993 <u>Budget</u>	FY 1994 <u>Budget</u>
Interest on Investments	\$800,000	\$650,000
Rent	<u>48,900</u>	<u>48,900</u>
Total	<u>\$848,900</u>	<u>\$698,900</u>

■ **BUDGET COMMENTS**

This budget shows a decrease in investment income. The major factor that has contributed to this decrease is a reduction in interest rates for those investment vehicles authorized by the State, principally low-risk, low-return instruments, which reflects the environment found in the national economy as it applies to interest rates. In addition, the Treasurer invests idle funds in the State Investment Pool, which provides for increased liquidity and flexibility in investment income at somewhat higher interest rates. Based on a reduction in interest rates in FY 93, the budget was overstated compared to anticipated results.

Rental income from the Human Services Building is not shown in this budget, but is reflected as reimbursements to the costs of providing janitorial, utilities, phone and other expenses of Facilities Management.

**1993-1994 BUDGET
GENERAL OPERATING FUND
REVENUE FROM THE COMMONWEALTH**

■ **PURPOSE**

This budget provides for revenue received from the Commonwealth of Virginia in three categories - Non-categorical Aid, Shared Expenses (Categorical), and Categorical Aid. **Non-Categorical Aid** includes revenues which are raised by the State and shared with the local government. The use of such revenues is at the discretion of the local government. **Shared Expenses (Categorical)** includes revenues received from the Commonwealth for the State's share of expenditures in activities that are considered to be joint responsibilities. **Categorical Aid** includes revenues received from the Commonwealth which are designated by the Commonwealth for a specific use by the local government.

■ **BUDGET SUMMARY**

	<u>FY 1993</u> <u>Budget</u>	<u>FY 1994</u> <u>Budget</u>
<u>Non-Categorical Aid:</u>		
Recordation Tax Distribution	\$ 0	\$ 180,000
HB 599 Payments	335,000	320,000
ABC Profits	75,000	107,316
Wine Tax	36,000	36,056
Car Rental Sales Tax	500	600
Mobile Home Tax Commissions	8,000	8,000
Rolling Stock Tax	<u>36,600</u>	<u>32,186</u>
	<u>491,100</u>	<u>684,158</u>
 <u>Shared Expenses (Categorical):</u>		
State Sales Tax for Education	2,443,000	2,826,000
Share of Expenses for:		
Treasurer	74,400	78,000
Commissioner of the Revenue	95,800	95,500
General Registrar	35,600	36,739
Sheriff	188,900	192,500
Commonwealth's Attorney	209,300	215,998
Clerk	8,800	9,082
Medical Examiner	300	300
Operational Expense - Cars	15,000	15,000
After School Grant	<u>13,967</u>	<u>0</u>
	<u>3,085,067</u>	<u>3,469,119</u>
 <u>Categorical Aid:</u>		
Civil Defense	44,200	35,800
Litter Control Grant	3,000	3,000
Commission for the Arts	2,000	0
Emergency Medical Services	<u>17,525</u>	<u>8,000</u>
	<u>66,725</u>	<u>46,800</u>
Miscellaneous	<u>16,000</u>	<u>20,442</u>
Total	<u>\$3,658,892</u>	<u>\$4,220,519</u>

**1993-1994 BUDGET
GENERAL OPERATING FUND
REVENUE FROM THE COMMONWEALTH**

■ **BUDGET COMMENTS**

State support is expected to increase by 15.3 percent in FY 94. Most sources of revenue reflect the general economic conditions of the State. The major increase is in Sales Tax for Education which reflects improved economic conditions and enrollment growth in the County.

Non-Categorical Aid increases by 39.3 percent. The major reason for the increase is a distribution from the State of State Recordation Taxes to localities.

Shared Expenses revenues increase by 12.4 percent. This is primarily due to increased Sales Tax for Education, reflecting the general economic conditions and enrollment growth. Budget estimates for FY 93 were low, primarily in the area of Sales Tax for Education. Shared expenses for Constitutional Offices increase slightly reflecting modest budget increases to include a 3 percent salary increase effective December 1.

Categorical Aid decreases by 29.6 percent. The primary reason is an anticipated reduction in the Emergency Medical Services grant and Civil Defense.

**1993-1994 BUDGET
GENERAL OPERATING FUND
REVENUE FROM THE FEDERAL GOVERNMENT**

■ **PURPOSE**

This budget provides for payments received from the Federal Government in lieu of taxes and for certain Federal grants.

■ **BUDGET SUMMARY**

	FY 1993 <u>Budget</u>	FY 1994 <u>Budget</u>
Payments in Lieu of Taxes	<u>\$2,100</u>	<u>\$2,100</u>

■ **BUDGET COMMENTS**

Payments in lieu of taxes is the only revenue component expected to be received from the Federal Government.

**1993-1994 BUDGET
GENERAL OPERATING FUND
CHARGES FOR CURRENT SERVICES**

■ **PURPOSE**

This budget provides for revenue received as a result of fees charged for certain services provided to citizens and to other public agencies. It does not include revenues for enterprise type activities (e.g., landfill user charges, recreation program fees, water and sewer charges and bus fares) which are budgeted under their respective activities. The **Fees for Services** category includes fees collected by the Clerk of the Circuit Court in excess of the amount needed to pay the salaries and expenses of that office, fees collected by the Commonwealth's Attorney Office and remitted to the County, fees collected by the Sheriff's Department for serving court papers, and fees collected by the Clerk of the Circuit Court to record land transfers and for providing plats and maps to requesters.

■ **BUDGET SUMMARY**

	FY 1993 <u>Budget</u>	FY 1994 <u>Budget</u>
Fees for Services	\$ 62,300	\$112,665
Parks, Facilities and Recreation Program Fees	<u>502,268</u>	<u>655,679</u>
	<u>\$564,568</u>	<u>\$768,344</u>

■ **BUDGET COMMENTS**

Fees for services increase by 80.8 percent, primarily due to an increase in fees by the Clerk of the Circuit Court over those that are authorized for that office. These fees were understated in FY 93 based on anticipated results.

Fees for the use of Parks, Recreation Center, and Recreational program fees are expected to increase by 30.5 percent. The use of Parks and Facilities is forecasted to increase by 16.4 percent, and recreational program fees are expected to increase by 44.7 percent based on a significant expansion of fee generated programs.

**1993-1994 BUDGET
 GENERAL OPERATING FUND
 MISCELLANEOUS REVENUES**

■ **PURPOSE**

This budget provides for small or nonrecurring revenues received that are not appropriately recorded under other revenue budgets. These include the return of the County's proportional share of surplus funds at year-end from the Joint School Board, receipts from the sale of used property and equipment and receipts from the sale of County Code Books and Ordinances.

■ **BUDGET SUMMARY**

	<u>FY 1993</u> <u>Budget</u>	<u>FY 1994</u> <u>Budget</u>
Work Release Fees	\$ 3,000	\$ 3,000
Streetlights and Signs	5,000	5,000
School Surplus	0	0
Sale of County Vehicles or Equipment	12,000	12,000
Other	<u>50,581</u>	<u>34,495</u>
	70,581	54,495
Carryforward Funds	<u>424,000</u>	<u>250,000</u>
	<u>\$494,581</u>	<u>\$304,495</u>

■ **BUDGET COMMENTS**

Work Release Fees fluctuate year to year based on work opportunities and the number of qualified local prisoners. The total for this revenue source indicates a decrease of 22.8 percent compared to FY 93. Carryforward Funds represents the estimated fund balance at the end of FY 93 that is not being used to finance Capital Improvements.