

The General Fund, the governmental general operating fund of the County, accounts for all current financial transactions and resources not required by law, accounting standards, or administrative action to be accounted for in another fund. The General Fund Revenues section includes revenue projections, schedules and graphs. This section contains an analysis of each category of revenues with a description, history, and variables used in the revenues projections.



Aquia Episcopal Church, built between 1751 and 1757, this renowned house of worship is one of the oldest colonial churches still actively used in America today.

The General Fund Revenues section includes the following:

- Revenue projections
- Property tax analysis
- Personal property tax analysis
- Personal property tax rates and effective rates
- Other local taxes

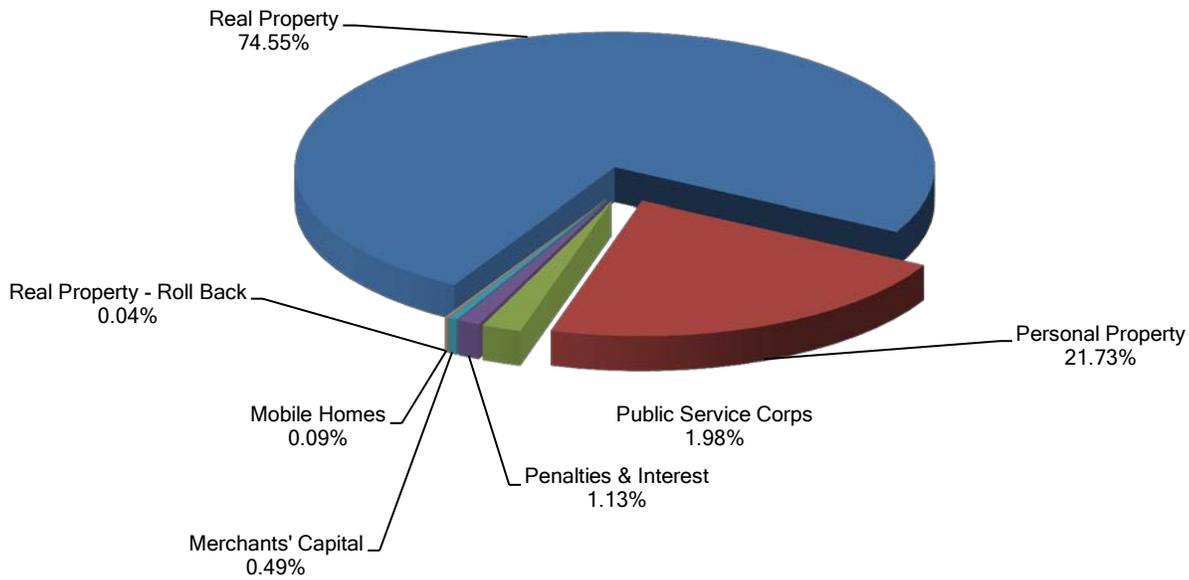
# Revenue Projection

Stafford County FY16 Adopted Budget

	FY2014 Actual	FY2015 Adopted Budget	Adopted Budget	FY2016 Changes '15 to '16	
<b>Property Taxes</b>					
Real Property	\$142,742,160	\$146,604,236	\$149,740,536	\$3,136,300	2.1%
Personal Property	43,970,470	43,843,200	43,647,200	(196,000)	-0.4%
Public Service Corps	4,237,278	4,383,800	4,009,000	(374,800)	-8.5%
Penalties & Interest	2,266,542	2,113,200	2,267,000	153,800	7.3%
Merchants' Capital	982,179	930,000	982,000	52,000	5.6%
Mobile Homes	175,123	190,000	175,000	(15,000)	-7.9%
Real Property - Roll Back	664,009	80,000	80,000	0	0.0%
Machinery & Tools	5,068	0	0	0	0.0%
<b>Total Property Taxes</b>	<b>\$195,042,829</b>	<b>\$198,144,436</b>	<b>\$200,900,736</b>	<b>\$2,756,300</b>	<b>1.4%</b>
<b>Other Revenue</b>					
Service Charges & Other	\$10,704,209	\$7,003,672	\$7,055,006	\$51,334	0.7%
Ambulance Cost Recovery	2,516,098	2,400,000	2,400,000	0	0.0%
Local Sales & Use Taxes	11,790,128	11,700,000	12,150,000	450,000	3.8%
Utility Consumers' Taxes	10,456,042	10,508,500	10,455,292	(53,208)	-0.5%
State/Fed - Social Services	4,411,460	4,983,800	5,079,365	95,565	1.9%
Local Meals Tax	6,577,615	6,460,000	6,884,000	424,000	6.6%
State Shared Expenses	6,090,128	5,936,600	6,114,958	178,358	3.0%
Code Administrative	3,401,848	3,249,400	2,627,865	(621,535)	-19.1%
Motor Vehicle Licenses	411,185	2,345,000	2,345,000	0	0.0%
Comprehensive Services Act	2,126,749	2,414,000	2,349,988	(64,012)	-2.7%
Recordation Taxes	2,664,681	2,959,000	2,841,000	(118,000)	-4.0%
Other State Sources	1,227,627	1,328,300	1,293,674	(34,626)	-2.6%
Planning Fees	1,834,921	1,537,500	1,707,500	170,000	11.1%
Use of Money & Property	387,402	552,200	464,001	(88,199)	-16.0%
Other Financing Sources	4,552,154	912,000	560,700	(351,300)	-38.5%
Bank Stock Taxes	335,056	300,000	300,000	0	0.0%
Federal Revenue	443,152	5,500	5,800	300	5.5%
<b>Total Other Revenue</b>	<b>\$69,930,455</b>	<b>\$64,595,472</b>	<b>\$64,634,149</b>	<b>\$38,677</b>	<b>0.1%</b>
<b>Total Revenues</b>	<b>\$264,973,284</b>	<b>\$262,739,908</b>	<b>\$265,534,885</b>	<b>\$2,794,977</b>	<b>1.1%</b>

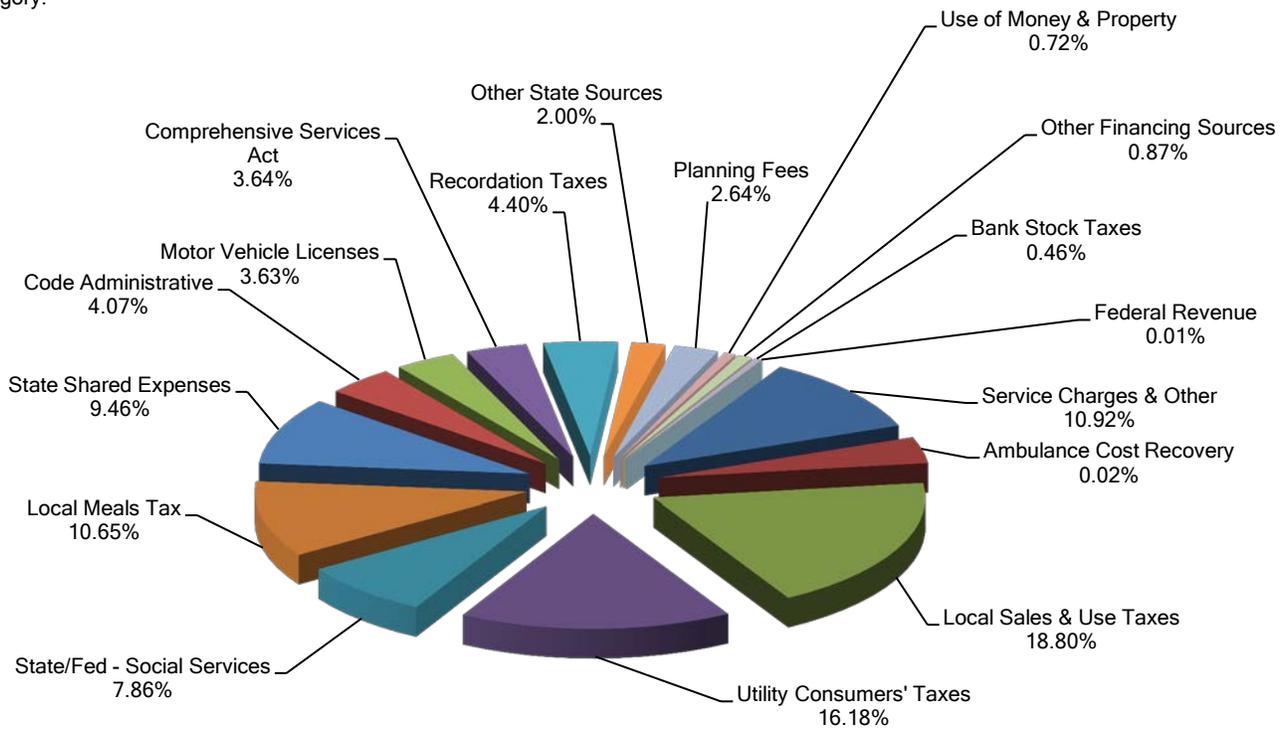
## Property Taxes

This graph depicts the percentage allocation of property taxes by category.



This graph depicts the percentage allocation of other revenues in the General Fund by category.

## Other Revenues



This schedule indicates the allocation of the general fund balance at June 30, 2014 and the budgeted estimate for the end of FY2015. Maintaining an adequate general fund balance is an essential element of financial strength and stability. Adequate fund balance ensures maximum flexibility, and is available to be used for:

- Funding for emergency repairs
- Self-insurance to help offset any extraordinary costs
- A cash reserve to help stabilize monthly cash flow requirements
- A source of funding for capital projects to reduce reliance on debt
- A cash reserve to be combined with other temporary cash balances to promote higher interest rates for all short-term investments
- A cushion to help provide long-term financial stability

As part of its strategy to enhance the County's bond rating, the Board of Supervisors has established these goals for fund balance:

- The County shall maintain an unassigned fund balance that is not less than 12% of annual general fund revenues, not including transfers, reserves, and grants.
- Any amount in excess of the minimum unassigned fund balance will be assigned to these reserves, according to the following hierarchy and formulas:
  1. Revenue Stabilization Reserve: minimum of ½ of 1% of General Fund revenues.
  2. Capital Projects Reserve of \$1,500,000 will be used to reduce reliance on debt, to provide cash flow for capital projects, and to pay down high interest debt when advantageous.
  3. Stafford Opportunity Fund Reserve: \$500,000
  4. Any remaining monies available after the reserve minimums are fully funded will go to the Capital Projects Reserve.

As of June 30, 2014, all reserves were fully funded.

## FY2015

Beginning Fund Balance	\$61,622,671
➤ Revenue Stabilization Reserve	1,301,865
➤ Stafford Opportunity Fund	500,000
➤ Capital Projects Reserve	4,314,557
➤ Other reservations	24,536,267
➤ Unassigned	\$30,969,982 (12%)

## FY2016

The County expects that all reserves will be fully funded at the end of FY2015 and FY2016. It is assumed that the year-end unassigned fund balance and revenue stabilization reserve will be calculated on the greater of the current year's or upcoming year's revenues.

# Fund Balance Analysis

Stafford County FY16 Adopted Budget

	FY2013 Actual	FY2014 Actual	FY2015 Adopted	FY2016 Adopted
Fund balance, beginning of year	\$55,625,103	\$57,104,969	\$61,622,669	\$61,273,669
Revenues	253,141,267	258,083,183	261,004,811	264,098,387
Other Financing Sources	3,094,170	6,890,097	1,386,097	1,436,498
Total revenues & other financing sources	\$256,235,437	\$264,973,280	\$262,390,908	\$265,534,885
Capital Projects Reserve <sup>(1)</sup>	0	0	349,000	0
Total funding sources	\$256,235,437	\$264,973,280	\$262,739,908	\$265,534,885
Local School Operating/Capital transfer	(109,774,651)	(110,881,728)	(111,947,456)	(113,254,828)
Debt Service - General Gov't & Schools	(26,309,006)	(41,482,650)	(41,482,650)	(42,952,198)
Expenditures	(118,671,912)	(108,091,200)	(109,309,802)	(109,327,859)
Total expenditures & transfer	(\$254,755,569)	(\$260,455,578)	(\$262,739,908)	(\$265,534,885)
Fund balance, end of year	\$57,104,969	\$61,622,669	\$61,273,669	\$61,273,669

## Fund Balance Allocation

Non-spendable	\$27,813	\$326,168	\$326,168	\$326,168
Restricted	879,437	1,218,846	1,218,846	1,218,846
Committed:	13,937,000	8,624,311	7,924,311	7,553,311
Assigned	11,883,767	20,483,362	20,483,362	20,483,362
Unassigned	30,376,952	30,969,982	31,320,982	31,691,982
% of revenues	12.0%	12.0%	12.0%	12.0%
Target Unassigned Fund Balance <sup>(2)</sup>	30,376,952	30,969,982	31,321,000	31,692,000
Variance above (below)	0	0	0	0
Fund balance, end of year	\$57,104,969	\$61,622,669	\$61,273,669	\$61,273,669

<sup>(1)</sup> The FY2015 budget includes the use of funds from the Capital Projects Reserve to fund one-time stormwater capital projects.

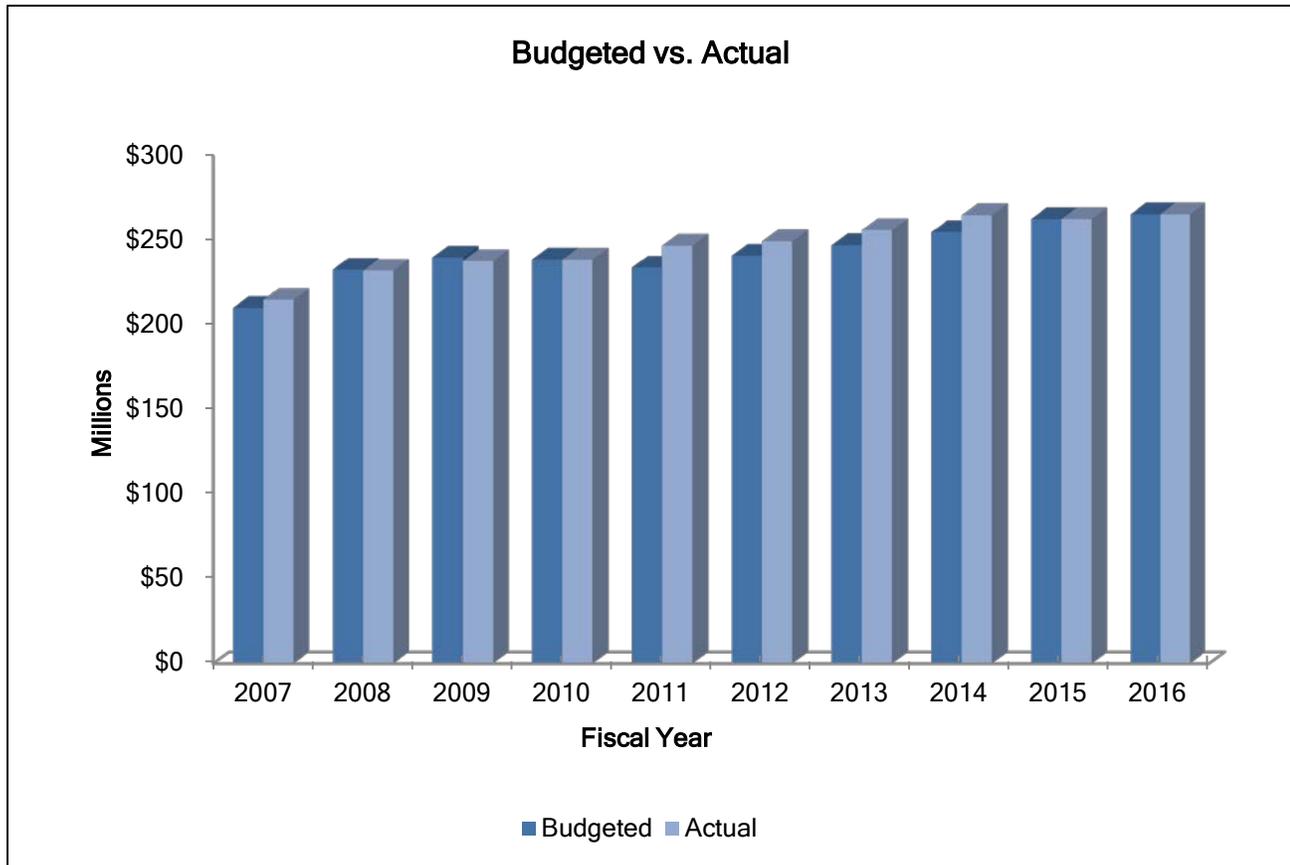
<sup>(2)</sup> Assumes undesignated fund balance and revenue stabilization reserve will be calculated based on the greater of the current year's or next year's revenues.

# Ten-Year Revenue Analysis

The chart to the right illustrates the historical change year over year, as well as the variances between budgeted revenues and actual revenues.

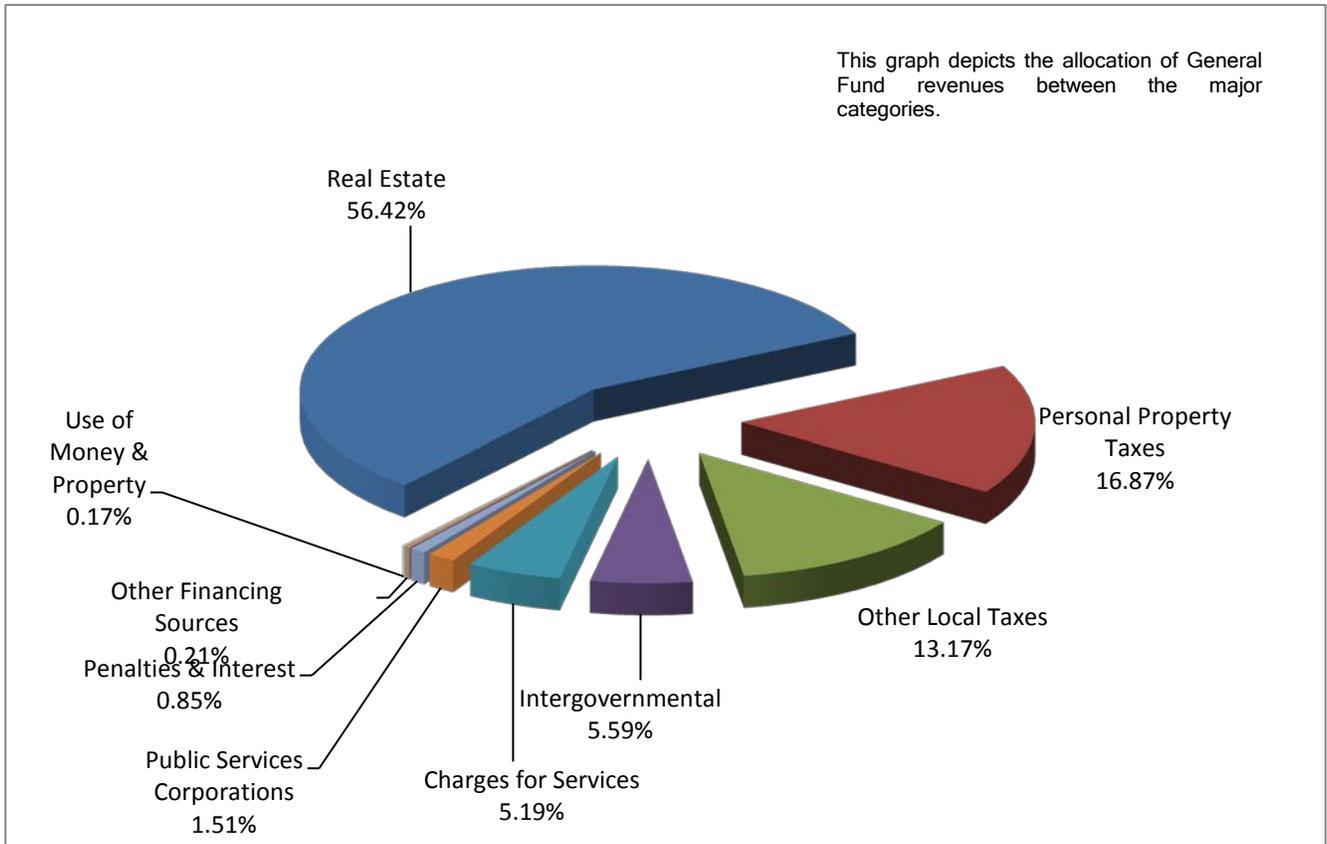
<u>Fiscal Year</u>	<u>Budgeted Revenues</u>	vs.	<u>Actual Revenues</u>	<u>Prior Year % Change</u>
2007	210,298,725		215,148,062	32.5%
2008	232,879,330		232,348,424	8.0%
2009	240,068,894		237,902,403	2.4%
2010	238,985,663		238,872,052	0.4%
2011	234,149,653		247,028,581	3.4%
2012	241,174,370		249,558,058	1.0%
2013	247,291,942		256,235,437	2.7%
2014	255,015,445		264,973,284	3.4%
2015	262,739,908		262,739,908 *	-0.8%
2016	265,534,885		265,534,885 *	1.1%
<b>Average</b>				<b>5.4%</b>

\*Budget



# General Fund Revenue

Category	FY2015 Adopted	Adopted Budget	FY2016		Budget as % of Total
			Changes		
Real Estate	\$146,684,236	\$149,820,536	\$3,136,300	2.1%	56.4%
Personal Property Taxes	44,963,200	44,804,200	(159,000)	-0.4%	16.9%
Other Local Taxes	34,272,500	34,975,292	702,792	2.1%	13.2%
Intergovernmental	14,668,200	14,843,785	175,585	1.2%	5.6%
Charges for Services	14,190,572	13,790,371	(400,201)	97.2%	5.2%
Public Services Corporations	4,383,800	4,009,000	(374,800)	91.5%	1.5%
Penalties & Interest	2,113,200	2,267,000	153,800	7.3%	0.9%
Other Financing Sources	563,000	560,700	(2,300)	-0.4%	0.2%
Use of Money & Property	552,200	464,001	(88,199)	-16.0%	0.2%
Capital Projects Reserve	349,000	0	(349,000)	-100.0%	0.0%
<b>Total</b>	<b>\$262,739,908</b>	<b>\$265,534,885</b>	<b>\$2,794,977</b>	<b>1.1%</b>	<b>100.0%</b>



# General Fund Revenue Analysis

Stafford County FY16 Adopted Budget

General Property Taxes	FY2014	FY2015	Adopted	Changes	
	Actual	Budget		'15 Adopted to '16 Adopted	
Real Property	142,742,160	146,604,236	149,740,536	3,136,300	2.1%
Roll Back	664,009	80,000	80,000	0	0.0%
Public Service Corps	4,237,278	4,383,800	4,009,000	(374,800)	-8.5%
Personal Property	43,970,470	43,843,200	43,647,200	(196,000)	-0.4%
Merchants Capital	982,179	930,000	982,000	52,000	5.6%
Mobile Homes	175,123	190,000	175,000	(15,000)	-7.9%
Machinery & Tools	5,068	0	0	0	0.0%
Penalties	1,438,603	1,333,200	1,439,000	105,800	7.9%
Interest	827,939	780,000	828,000	48,000	6.2%
<b>Total</b>	<b>\$195,042,829</b>	<b>\$198,144,436</b>	<b>\$200,900,736</b>	<b>\$2,756,300</b>	<b>1.4%</b>

## Real Property

The real estate tax is the single largest revenue source for the County, and is expected to generate \$149.7 million in FY2016, approximately 56.4% of general fund revenues. Each penny on the tax rate yields approximately \$1.4 million in estimated collectible real estate tax revenues.

This tax is levied on the assessments of real property (land, buildings, and improvements) as determined by the Commissioner of the Revenue. The Commissioner of the Revenue conducts a general assessment every two years. The purpose of a reassessment is to distribute the tax burden fairly and equitably. The most recent reassessment was completed January 1, 2014. On average, assessments are approximately 92% of estimated fair market value. The next reassessment will be completed January 1, 2016.

Taxes for real property are paid in two installments, due on December 5th and June 5th of each year.

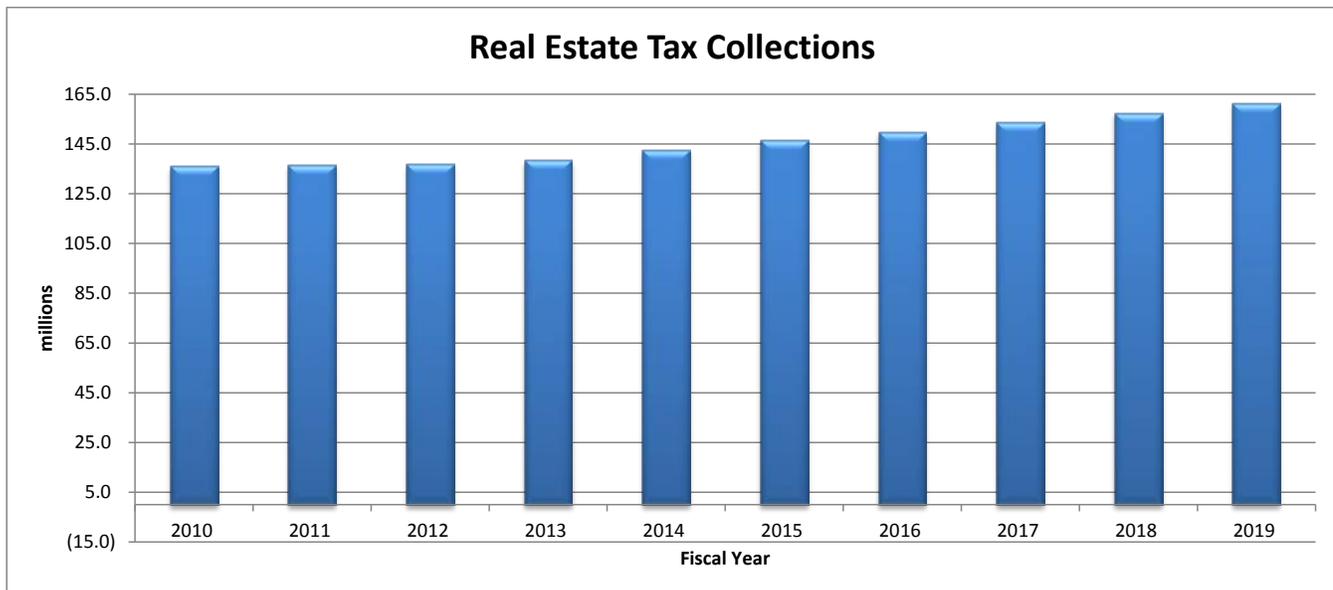
Building activity was robust in 2013. Activity slowed in 2014, but was still higher than any year since 2006. Real estate growth projections assume that the recent modest activity levels will continue.

The FY2016 real property revenue projection is based on the following assumptions:

- 2.1% growth in properties in the County over the next year
- An equalized tax rate in 2016
- Collection rate of 98%

# General Fund Revenue Analysis

The following charts illustrate historical and projected assessed value of real estate and tax collections. The charts assume growth in assessed value of 2.1% in 2015 and 2.5% per year thereafter. It is assumed that the real estate tax rate remains level or is equalized in assessment years.



# General Fund Revenue Analysis

Stafford County FY16 Adopted Budget

## Personal Property

Personal property includes vehicles, mobile homes, airplanes, boats, merchants' capital, machinery and tools, and motor carrier transportation.

In keeping with the Board's priority to reduce the tax burden and support economic development, the Board reduced the personal property rate to \$6.61 in 2014. This follows action in previous years that effectively eliminated the tax on airplanes, boats, machinery and tools and motor carrier transportation.

## Vehicles

Nationwide, vehicle sales continue to rebound from the lows seen during the recession. New car sales continue to be strong. In calendar year 2014, the number and average price of new cars added to the County's taxable fleet was level with 2013. With the availability of used cars returning to normal levels, we are experiencing more depreciation of existing cars. At midyear, it is projected that FY2015 personal property taxes revenue will be slightly below budget. FY2016 assumes no increase in personal property tax revenue.

The personal property tax rate on vehicles is \$6.61 per \$100.00 of assessed value. The tax rate for personal property is based on assessed value, which is established at forty percent (40%) of estimated fair market value. The effective rate would be stated as \$2.64 per \$100.00 of estimated fair market value.

The rate is \$0.0001 per \$100.00 of assessed value for one vehicle owned or operated by volunteer Fire and Rescue personnel, volunteer Sheriff's deputies, and disabled veterans.

There is a special personal property category for vehicles equipped for disabled individuals set at \$0.10 cents per \$100.00 of assessed value.

## Boats

In 2013, the personal property tax on boats was set at \$0.0001 per \$100.00 of assessed value, effectively eliminating this tax.

## Aircraft

In 2009, the Board reduced the personal property tax rate on aircraft to \$.0001 per \$100.00 of assessed value, effectively eliminating this tax.

## Machinery & Tools

Machinery & Tools are equipment used in manufacturing, mining, processing or reprocessing, radio or television broadcasting, cable television, dairy, dry cleaning or laundry business, and trucks used for hire that qualify as common carriers. In 2013, the Board adopted a tax rate of \$0.0001 for machinery and tools and motor carrier transportation, effectively eliminating these taxes.

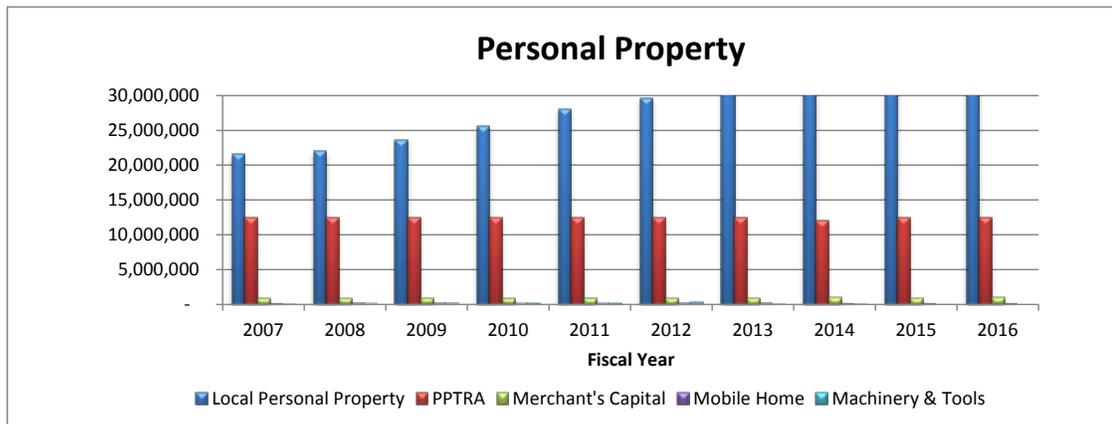
# General Fund Revenue Analysis

The following table lists the adopted personal property tax rates for calendar year 2015:

Classification	Rate	Effective Rate
Tangible Personal Property:		
Aircraft	\$0.0001	\$0.00
Boats or watercraft	\$0.0001	\$0.00
Business Property	\$5.49	\$1.92
Camping Trailers & Recreational Vehicles	\$5.49	\$2.20
Computer Equipment	\$5.49	\$1.92
Disabled Veterans	\$0.0001	\$0.00
Motor Vehicles Specially Equipped for Disabled	\$0.10	\$0.04
Personal Property Volunteer Fire & Rescue, VA Code	\$0.0001	\$0.00
Personal Property Volunteer Sheriff, VA Code	\$0.0001	\$0.00
All Other	\$6.61	\$2.64
Motor Carrier Transportation	\$0.0001	\$0.00
Machinery and Tools	\$0.0001	\$0.00
Merchant's Capital	\$0.50	\$0.20
Mobile Homes	\$1.019	\$1.019

## Personal Property Tax Relief Act

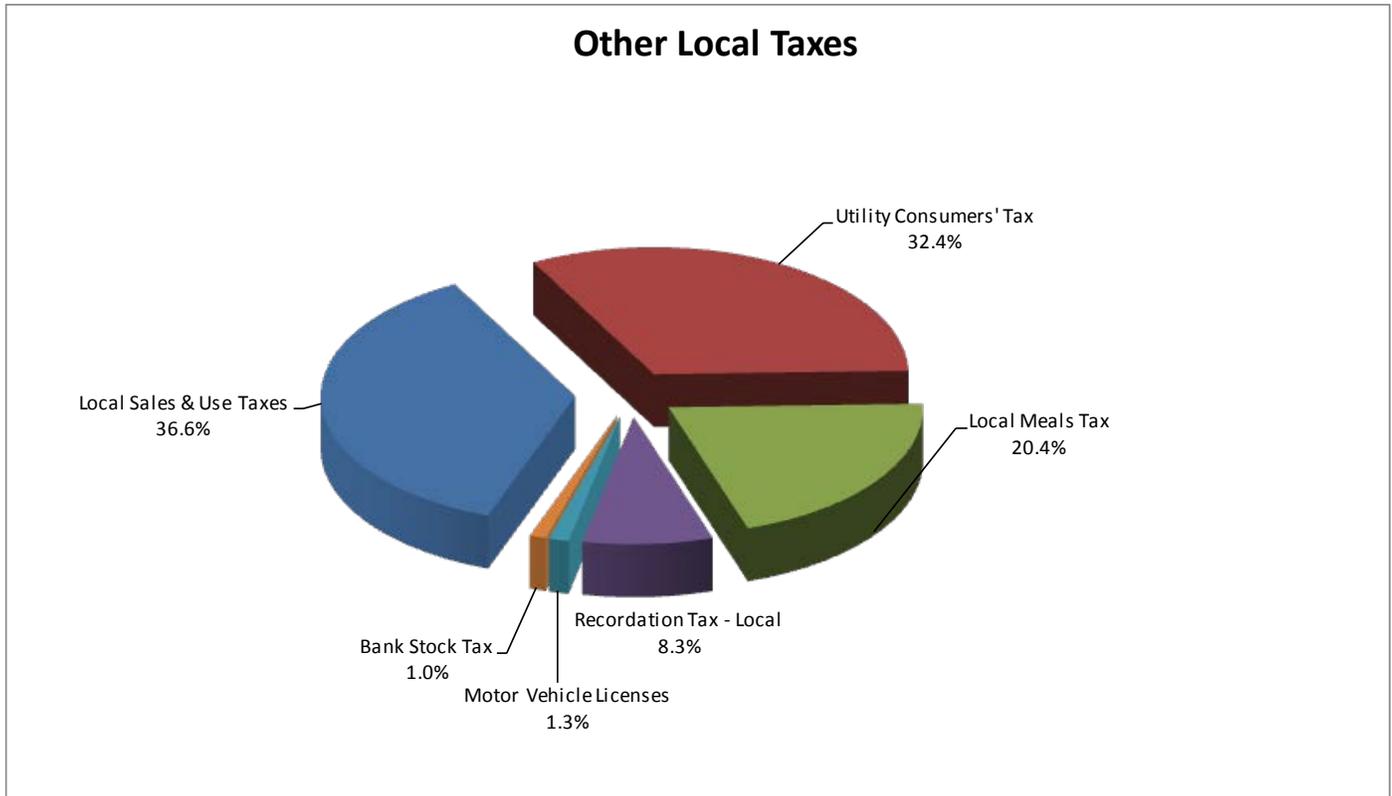
The General Assembly implemented the Personal Property Tax Relief Act (PPTRA) in 1998. Originally, under PPTRA, Virginia residents were to pay a decreasing percentage of personal property tax on qualifying vehicles until the entire tax was to be relieved in 2002. The program relieved the tax up to \$20,000 of a vehicle's assessed value; owners with vehicles assessed over \$20,000 pay 100% of the remainder of the tax. However, while the original intent was to give residents full relief in 2002 and provide the County with 100% state reimbursement for qualifying vehicles, the implementation was altered due to fiscal restraints at the state level. Since FY2006, each locality receives a flat, recurring revenue reimbursement for car taxes. The state reimbursement equates to Stafford's calendar year 2004 collection. Stafford expects to receive that same amount - \$12.5 million - from the state annually.



# General Fund Revenue Analysis

Stafford County FY16 Adopted Budget

Other Local Taxes	FY2014 Actual	FY2015 Adopted	FY2016		Changes '15 Adopted to '16 Adopted
			Adopted		
Local Sales & Use Taxes	\$11,790,128	\$11,700,000	\$12,150,000	\$450,000	3.8%
Utility Consumers' Tax	10,456,042	10,508,500	10,455,292	(53,208)	-0.5%
Local Meals Tax	6,577,615	6,460,000	6,884,000	424,000	6.6%
Recordation Tax - Local	2,664,681	2,959,000	2,841,000	(118,000)	-4.0%
Motor Vehicle Licenses	411,185	2,345,000	2,345,000	0	0.0%
Bank Stock Tax	335,056	300,000	300,000	0	0.0%
<b>Total</b>	<b>\$32,234,707</b>	<b>\$34,272,500</b>	<b>\$34,975,292</b>	<b>\$702,792</b>	<b>6.3%</b>



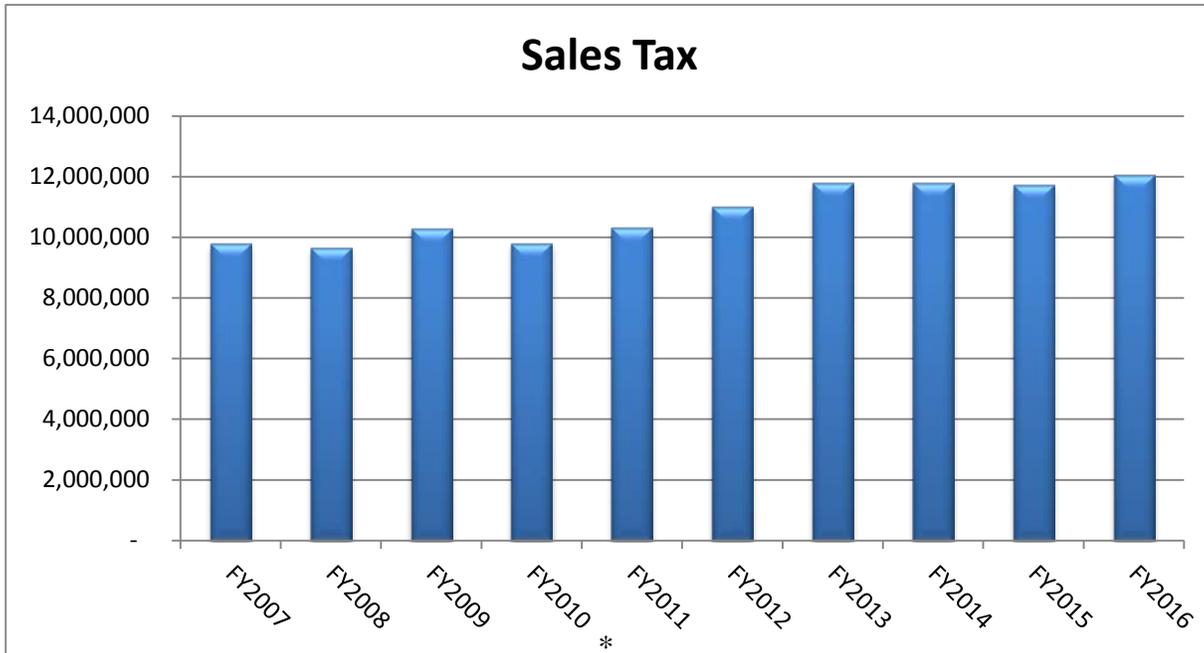
# General Fund Revenue Analysis

## Local Sales & Use Tax

The State collects and distributes the local option 1% Sales and Use Tax in accordance with §58.1-605 and §58.1-606 of the Code of Virginia. Actual distributions are made to the County based on the amount of sales tax collected in the County.

Sale tax revenue for the fiscal year (through December 2014) is 5% higher than the same period in FY2014. The FY2016 forecast recognizes that growth, but conservatively projects level revenues going forward.

This chart reflects the recent history of sales tax revenue:



\*FY2009 receipts reflect a one-time adjustment for prior year's receipts credited to City of Fredericksburg due to shared zip code. FY2013 receipts reflect a one-time adjustment of \$337k for a prior year adjustment.

# General Fund Revenue Analysis

Stafford County FY16 Adopted Budget

## Consumer Utilities Revenue

### Utility Consumer's Tax

The Utility Consumer's Tax is a tax levied by the County. It is collected by the utility companies and remitted to Stafford from residential, industrial, and commercial users of electric and gas services. This tax was amended in 2000 by Ordinance O00-78 to comply with changes in State law, which required local consumer utility tax rates to be consumption-based for electricity and gas utility service. The County's rates are:

#### Electric

- Residential: \$.0014955 per kilowatt hour (kWh), with a minimum of \$1.40 and maximum of \$3.00 per month.
- Commercial and industrial: \$.006434 per kWh, with a minimum of \$1.15 and a maximum of \$200.00 per month

#### Gas

- Residential: \$0.06 per 100 units of cubic feet (CCF), with a minimum tax of \$1.40 per month and a maximum of tax of \$3.00 per month
- Commercial and industrial: \$0.85 per CCF delivered with a minimum tax of \$2.29 per month and a maximum of tax of \$100.00 per month

### Communications Sales and Use Tax

The 2006 General Assembly reformed the Consumers' Utility Tax. Effective January 1, 2007 House Bill 568 replaced most of the previous state and local taxes and fees on communications services. The bill repealed the Consumers' Utility Tax on:

- Landline and wireless telephone service
- Local E911 tax on landline telephone service
- VA Relay Center assessment on landline telephone service
- The portion of local BPOL Tax on public service companies exceeding .05% currently billed to customers in some grandfather localities
- Local video programming excise tax on cable television service
- Local consumer's utility service tax on cable television service

The bill imposed new taxes and fees on:

- State Communications Sales and Use Tax
- State E911 Tax on landline telephone service
- Public Rights-of-Way use fee extended to cable television providers

The "State Communications Sales and Use Tax" applies to the following services:

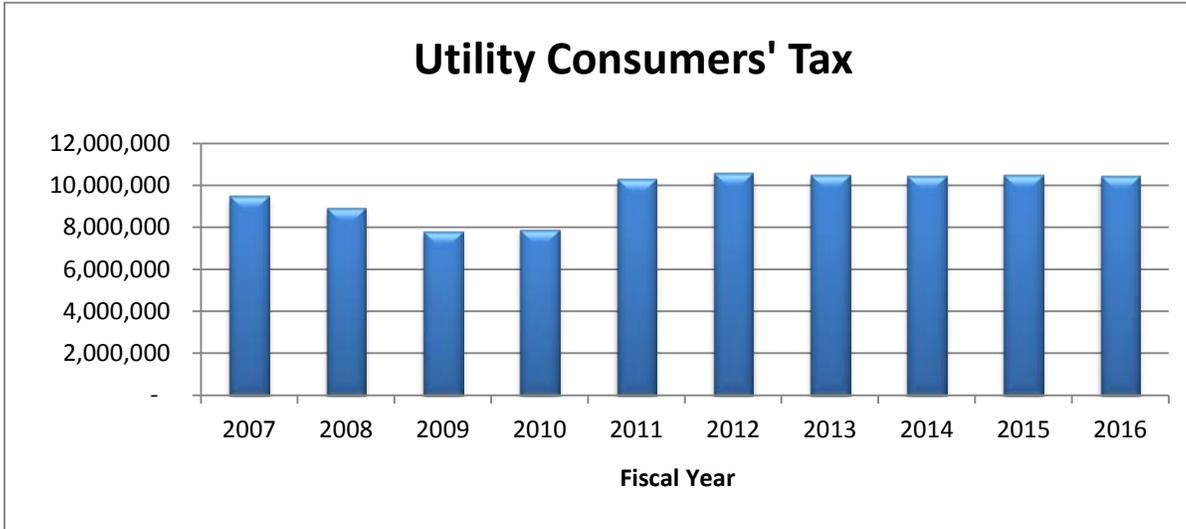
- Local exchange (local telephone calls)
- Inter-exchange (a new tax applied to long distance calls)
- Wireless (a new tax)
- Paging (a new tax)
- Cable and satellite television (the tax on satellite is a new tax)

Communications sales and use tax revenue is collected by the Virginia Department of Taxation and distributed to localities monthly, according to the percentage of telecommunications and cable television tax each locality received relative to the statewide total in FY2006.

In compliance with GASB 54, the County combined the E911 fund with the General Fund. The consumer utilities taxes that were previously shown in the E911 fund are largely responsible for the increase shown in FY2011.

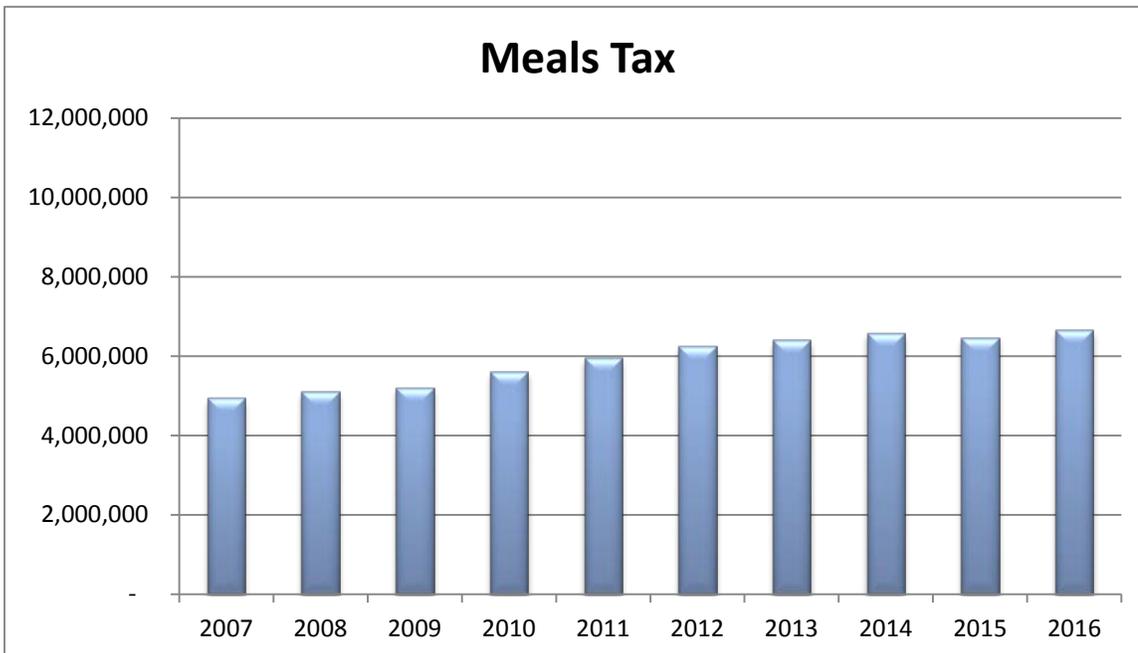
The FY2016 forecast assumes that revenue from these sources remain level.

# General Fund Revenue Analysis



### Local Meals Tax

A meals tax of 4% is a tax levied on the sale of all food and beverage sold for human consumption by a restaurant or caterer. The meals tax revenue is collected in accordance with section 58.1-3833, of the Code of Virginia (1950), as amended. The revenues generated from this source have been designated to support the local share of school funding. Meals tax collections continue to show steady growth. FY2014 meals tax revenues were 2.7% higher than the year before. Meals tax revenue in the current year (through December 2014) is 7% higher than the same period in FY2014. The FY2016 forecast recognizes that growth, but conservatively projects level revenues going forward.

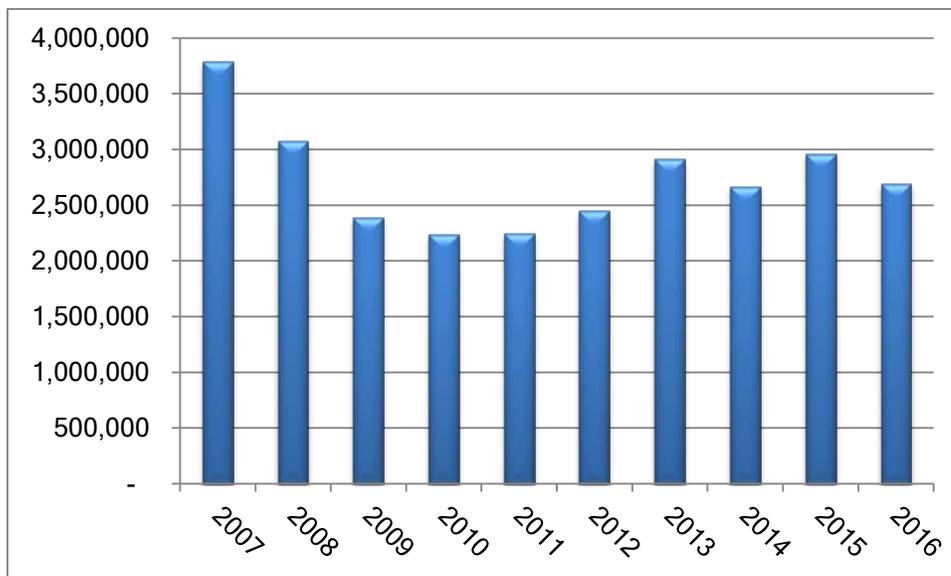


# General Fund Revenue Analysis

## Recordation Taxes

This tax is levied on the probate of every will or grant of administration (deeds, deeds of trust, mortgage, leases and contracts) by any court within the County. The tax is equal to one-third (1/3) of the amount of the state tax on each such probate of a will or grant of administration. These revenues are collected by the Clerk of the Circuit Court and paid monthly to the Treasurer. General Assembly action in 2004 increased the amount on each probate of a will or grant of administration from \$0.15 to \$0.25. Due to low interest rates and the continued growth in new construction in the County from FY2000 through FY2006, this revenue source dramatically increased, peaking in FY2006. Recordation revenues declined during the recession, due to the slowdown of both the real estate market and the crisis in the financial sector.

Activity began to increase in FY2012 and FY2013 with the resumption of building activity and continued low mortgage rates. However, recordation tax revenues have dropped off since then. The FY2016 forecast assumes that revenues will be level with FY2014.



## Motor Vehicle Licenses

A license tax is charged on every motor vehicle, trailer or semi-truck normally garaged, stored or parked in Stafford. The costs of the licenses vary and are based on the type and weight of the vehicle. The fee for the license varies according to the type of item being registered; licenses for most passenger vehicles are \$23.00. The FY2014 Budget includes a one-time decal fee holiday, funded by FY2013 positive results of operations. The FY2016 budget assumes \$2.3 million for this fee, consistent with recent history.

## Bank Stock Taxes

The Bank Stock Tax revenues are collected in accordance with Section 58.1-1210 of the Code of Virginia (1950), as amended. These revenues are collected from a tax levied on shareholders by the State at the rate of \$1.00 per one hundred dollar (\$100.00) value of stock and distributed 80% to Stafford and 20% to the State. The FY2016 budget assumes that these revenues will be level.

# General Fund Revenue Analysis

Stafford County FY16 Adopted Budget

Service Charges & Other	FY2014	FY2015	Adopted	FY2016	
	Actual	Adopted		Changes	
			Adopted	'15 Adopted to '16 Adopted	
<b>Permit Fees &amp; Licenses</b>					
Code Administration Fees	3,401,848	3,249,400	2,627,865	(621,535)	-18.3%
Planning & Zoning Fees	1,834,921	1,537,500	1,707,500	170,000	9.3%
Animal Licenses & Charges	96,027	98,980	95,700	(3,280)	-3.4%
Well & Septic Fees	35,350	35,000	35,000	0	0.0%
<b>Charges for Services</b>					
Ambulance Fees	2,516,098	2,400,000	2,400,000	0	0.0%
Fines & Forfeitures	1,224,992	1,308,260	1,235,800	(72,460)	-5.9%
Parks & Recreation	1,942,629	2,210,588	2,011,095	(199,493)	-10.3%
Miscellaneous Revenue	7,389,474	3,350,844	3,677,411	326,567	4.4%
<b>Total</b>	<b>18,441,339</b>	<b>14,190,572</b>	<b>13,790,371</b>	<b>(400,201)</b>	<b>-2.8%</b>

## Permits & Licenses

The revenues generated in this category are those collected for permits, fees, and licenses along with several other miscellaneous revenues.

The majority of revenue in this category is related to development. Building permit revenues are estimated based upon projections of new households as well as commercial and industrial establishments. The County has followed a policy of charging user fees to cover the cost of providing services related to special interest. Departments of Public Works and Planning & Zoning continually review and revise fees to capture the costs associated with the processing of development applications. The FY2015 budget for permit fees was based on the robust activity in FY2014. Building activity in the current year is slower than in calendar year 2013, although it is still higher than any year since 2006.

## Ambulance Fees

The United States Census Bureau estimates that 87% of Virginians have health insurance coverage. In some areas of the Commonwealth, more than 90% of the local population is covered by health insurance that will pay for ambulance transportation if billed for necessary emergency transports. As such, the third-party billing (cost recovery) concept has gained favor in numerous Virginia localities and throughout the U.S. as they recognize this untapped resource. Implementation of a comprehensive cost recovery program for ambulance service and transportation has resulted in additional funding to enhance ambulance services and staffing as the County strives to improve response time and address our greatest response deficits.

The FY2007 budget included ambulance cost recovery fees for the first time. Ambulance fees are designated to the Fire and Rescue department to be used to address the growing needs of our system and our community. The County outsources fee collection.

Fees have been set using the Centers for Medicare and Medicaid customary rates for our region. The "loaded mile" rate is established to cover the cost of the vehicle maintenance and fuel usage, both to and from emergency calls. The fees are evaluated annually to maximize cost recovery and adhere to Medicare's national fee schedule. The Board approved an increase to the rates in December, 2013.

# General Fund Revenue Analysis

Stafford County FY16 Adopted Budget

The current approved rates are:

Basic Life Support	\$ 505.00
Advanced Life Support - 1	\$ 656.50
Advanced Life Support - 2	\$ 808.00
Loaded Mile	\$ 12.12

The FY2016 forecast estimates \$2.4 million of cost recovery revenue through ambulance transport fees.

## Fines and Forfeitures

These revenue sources are collected by the courts and are designated to deter behavior contrary to the health, safety, and welfare of the citizens of Stafford. Court fines and forfeitures are related to the costs of holding court and processing court records and papers. Traffic fines include such local violations as driving while intoxicated (DWI) and speeding, as well as non-moving violations such as defective equipment.

## Parks and Recreation Fees

In FY2016, revenues generated through gymnastic, aquatic and recreation programs, admission fees and field and property rentals are budgeted at \$2.0 million.

<u>Intergovernmental</u>	<u>FY2014 Actual</u>	<u>FY2015 Budget</u>	<u>FY2016 Adopted</u>	<u>Changes '15 Adopted to '16 Adopted</u>	
State - Shared Expenses					
Clerk of the Circuit Court	\$673,039	\$584,700	\$595,455	\$10,755	1.6%
Commissioner of the Revenue	253,679	252,700	257,385	4,685	1.8%
Commonwealth's Attorney	1,018,012	1,023,267	1,104,373	81,106	8.0%
Registrar	52,694	48,000	49,240	1,240	2.4%
Sheriff	3,841,592	3,796,033	3,865,341	69,308	1.8%
Treasurer	251,112	231,900	243,164	11,264	4.5%
State & Federal - Social Services	4,411,460	4,983,800	5,079,365	95,565	2.2%
State - Comprehensive Services Act	2,126,749	2,414,000	2,349,988	(64,012)	-3.0%
State Categorical Aid:					
State Reimbursement	309,146	487,154	433,376	(53,778)	-17.4%
State Fire Program Fund	326,072	362,202	387,308	25,106	7.7%
Emergency Medical Service	110,190	108,895	110,190	1,295	1.2%
State - Non Categorical Aid	307,988	370,049	362,800	(7,249)	-2.4%
Federal	443,152	5,500	5,800	300	0.1%
<b>Total</b>	<b>\$14,124,885</b>	<b>\$14,668,200</b>	<b>\$14,843,785</b>	<b>\$175,585</b>	<b>1.2%</b>

## State Shared Expenses

The County receives partial reimbursement for the expenses of Sheriff, Commonwealth's Attorney, and Clerk of the Circuit Court, Treasurer, and the Commissioner of the Revenue from the State Compensation Board. The Compensation Board reimburses part of the costs of salaries, benefits, office expenses, and equipment. The FY2016 budget reflects a 2% salary increase for state-supported employees, as approved by the General Assembly.

## State & Federal - Social Services

This revenue is the total amount of State and Federal revenue received to fund Social Services. The Director of Social Services projects this revenue each year using estimates received from State and Federal agencies.

# General Fund Revenue Analysis

Stafford County FY16 Adopted Budget

## State - Comprehensive Services Act

Mandated services under the Comprehensive Services Act are partially reimbursed by the state. Due to maximizing the use of community based services and collaborating in partnership with all of the mandated agencies within the CSA system, the Adopted FY2016 CSA operating budget is seeing a reduction in overall expenditures. The FY 2016 assumes that we will continue to collaborate with the Schools and other agencies, enabling us to serve an increasing number of these children in the local environment, at a reduced cost. The decrease in this revenue reflects the state's share of these decreased expenditures.

## State Categorical Aid

These revenues are designated for specific purposes in Stafford. Recipient departments and agencies project these revenues based upon the latest information available from State agencies. In FY2014, the County was awarded a four year grant to help fund School Resource Officers for the County's middle schools. The state's portion is reduced in each of the four years. The grant accounts for a large portion of the year over year decrease in the state reimbursement category.

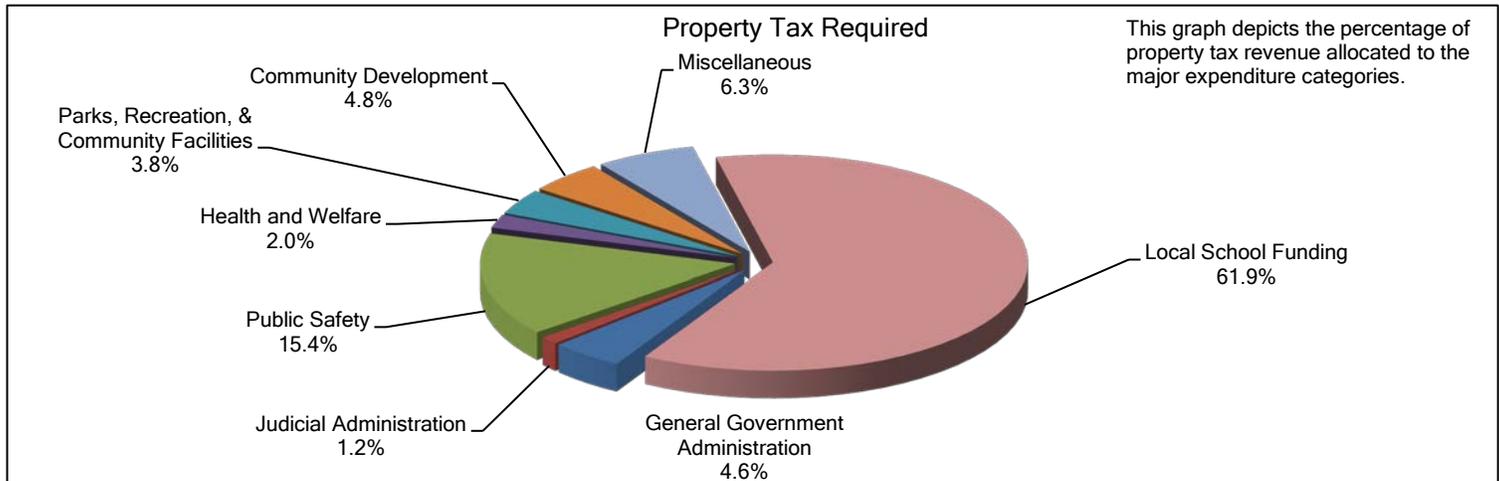
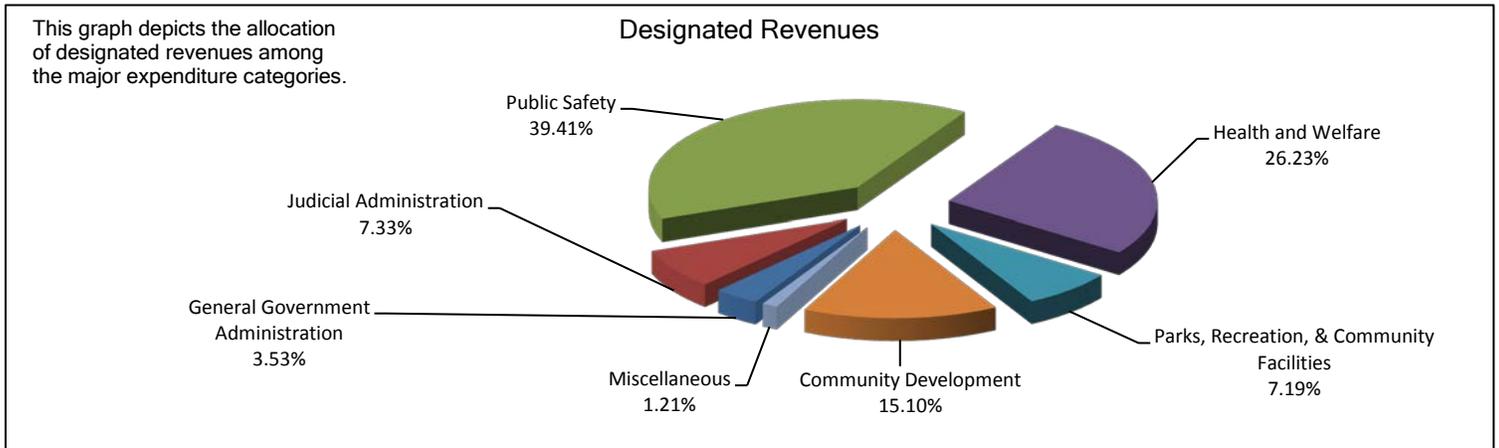
## State Non-Categorical Aid

These revenues are collected by the Commonwealth and shared with the County. The FY2016 Adopted budget includes projected revenues from rolling stock tax, motor vehicle carrier tax, mobile home titling tax, and auto rental tax. Ratios, rate and distribution formulas are subject to change each year by the General Assembly.

# Current Service Costs Property Taxes

Stafford County FY16 Adopted Budget

Service Type	Service Costs	FY2016 Revenues		Property Tax Required Total	Property Tax Required Per Capita
		Designated	Undesignated		
General Government Administration	\$11,927,313	\$1,021,189	\$1,604,118	\$9,302,006	\$63.22
Judicial Administration	5,178,657	2,119,279	696,484	2,362,894	16.06
Public Safety	48,913,782	11,398,356	6,578,473	30,936,953	210.26
Health and Welfare	13,468,300	7,586,863	1,811,368	4,070,069	27.66
Parks, Recreation, & Community Facilities	11,154,897	2,077,995	1,500,235	7,576,667	51.49
Community Development	16,061,322	4,368,365	2,160,106	9,532,851	64.79
Miscellaneous	15,112,358	350,000	2,032,479	12,729,879	86.52
Local School Funding	143,718,256	0	19,328,839	124,389,417	845.40
<b>Total</b>	<b>\$265,534,885</b>	<b>\$28,922,047</b>	<b>\$35,712,102</b>	<b>\$200,900,736</b>	<b>\$1,365.40</b>



# Assessed Value Of Real Property

Stafford County geographically represents 277 square miles or 177,280 acres of land. The Federal government occupies 20%, which is not taxable property of Stafford.

The Commissioner of the Revenue reassesses all real property every two years. The most recent reassessment was completed January 1, 2014. The reassessment, reflecting the continuing recovery of market conditions, resulted in an increase of slightly more than 6% in the overall assessed value of real property in Stafford County. The value of residential properties increased by 8%; the value of commercial properties increased by 2%.

The calendar year 2015 estimated assessed value assumes a conservative growth rate of 2.1%.

## Real Property vs. Population

This graph depicts the change in the assessed value of taxable real property, as compared with population.

