

Revenue from the Commonwealth

General Operating Fund

BUDGET SUMMARY

	<u>FY 05 Adopted</u>	<u>FY 05 Projected</u>	<u>FY 06 Adopted Plan</u>	<u>FY 06 Adopted</u>
<u>Non-Categorical Aid:</u>				
Recordation Tax Distribution	\$ 430,000	\$ 470,247	\$ 430,000	\$ 450,000
HB 599 Payments	1,262,322	1,280,404	1,262,322	1,379,722
State Car Tax Reimbursement	9,550,000	9,557,223	9,550,000	9,557,223
ABC Profits	48,924	28,199	52,078	28,199
Wine Tax	32,616	29,558	32,616	29,558
Car Rental Sales Tax	15,000	15,000	15,000	15,000
Mobile Home Tax Com.	12,500	12,500	12,500	12,500
Rolling Stock Tax	45,805	31,204	45,805	31,204
DMV Satellite Office				26,400
	<u>11,397,167</u>	<u>11,424,335</u>	<u>11,400,321</u>	<u>11,529,806</u>
<u>Shared Expenses (Categorical):</u>				
Sales Tax for Education	6,963,981	7,001,388	7,257,761	7,651,616
Share of Expenses for:				
Treasurer	152,373	152,373	155,263	161,552
Commissioner of the Revenue	132,261	132,261	134,771	145,999
General Registrar	53,557	53,557	53,557	53,557
Sheriff	624,183	624,183	626,634	629,215
Commonwealth's Attorney	408,980	408,980	413,519	424,939
Clerk of the Circuit Court	369,919	369,919	373,483	400,419
Medical Examiner	300	300	300	300
	<u>8,705,554</u>	<u>8,742,961</u>	<u>9,015,288</u>	<u>9,467,597</u>
<u>Categorical Aid:</u>				
Commission for the Arts	5,000	5,000	5,000	5,000
Emergency Medical Services	30,746	30,746	30,746	30,746
Wireless Board	153,417	153,417	85,379	85,379
	<u>189,163</u>	<u>189,163</u>	<u>121,125</u>	<u>121,125</u>
Total	\$ <u>20,291,884</u>	\$ <u>20,356,459</u>	\$ <u>20,536,734</u>	\$ <u>21,118,528</u>

BUDGET COMMENTS

Description

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.

Change

State revenues in support of local spending are projected to grow primarily due to an increase of almost 10 percent in State Sales Tax for Education. State sales tax revenues are projected to remain healthy through FY 2006 due to increases in defense and homeland security spending.

The State Car Tax Reimbursement is the State's share of the "No Car Tax" initiative and it has the following impact on local taxpayers:

	<u>FY 05</u> <u>Adopted</u>	<u>FY 06</u> <u>Adopted Plan</u>	<u>FY 06</u> <u>Adopted</u>
Local Collections	\$ 9,800,000	\$ 10,950,000	\$ 10,600,000
From the Commonwealth	<u>9,550,000</u>	<u>9,550,000</u>	<u>9,557,223</u>
	<u>\$ 19,350,000</u>	<u>\$ 20,500,000</u>	<u>\$ 20,157,223</u>

The FY 2006 projection reflects the permanent cap on the State's share of the "Car Tax" beginning in 2006. The State currently pays approximately 70 percent of the "Car Tax" for an eligible personal use vehicle. This percentage will decline in subsequent years as the State's reimbursement to the County remains the same.

The State sales tax for education consists of 1.0 percent of the State sales tax collected around the State and distributed to localities in proportion to their school-age population. The school age population is determined by a special census every three years, and the latest was completed in August 2002. These funds are forwarded by the County to the Williamsburg-James City County Schools each year, although they could be retained and used to pay for school debt service. The State sales tax FY 2006 increase reflects growth in the school-age population expected in the August 2005 triennial special census.

Beginning in FY 2006, the Satellite Office, located in Toano, will offer most of the services of a State DMV office. The projection represents the County's share of anticipated revenues collected at this location.