

Revenue from the Commonwealth

General Operating Fund

BUDGET SUMMARY

	<u>FY07 Adopted</u>	<u>FY07 Projected</u>	<u>FY08 Plan</u>	<u>FY08 Adopted</u>
<u>Non-Categorical Aid</u>				
Recordation Tax Distributions	\$ 400,000	\$ 500,000	\$ 400,000	\$ 450,000
HB 599 Payments	1,562,820	1,562,820	1,633,098	1,653,123
State Car Tax Reimbursement	9,770,137	9,770,137	9,770,137	9,770,137
Communications Sales and Use Tax	1,040,000	1,040,000	2,200,000	2,200,000
ABC Profits	28,199	28,199	28,199	28,199
Wine Tax	29,558	29,558	29,558	29,558
Car Rental Sales Tax	40,000	60,000	40,000	60,000
Mobile Home Tax Com.	15,000	22,000	15,000	25,000
Rolling Stock Tax	43,204	40,812	43,204	43,204
DMV Satellite Office	11,000	20,000	20,000	20,000
	<u>12,939,918</u>	<u>13,073,526</u>	<u>14,179,196</u>	<u>14,279,221</u>
<u>Shared Expenses (Categorical):</u>				
Sales Tax for Education	9,069,419	8,856,467	10,253,872	9,056,909
Shared Expenses For:				
Treasurer	164,736	193,218	170,000	206,394
Commissioner of the Revenue	148,875	183,779	150,000	196,246
General Registrar	54,613	54,613	55,000	78,450
Sheriff	647,619	670,932	656,000	712,000
Commonwealth's Attorney	433,275	510,614	440,000	546,012
Clerk of the Circuit Court	409,295	421,668	415,000	444,254
Medical Examiner	300	300	300	300
	<u>10,928,132</u>	<u>10,891,591</u>	<u>12,140,172</u>	<u>11,240,565</u>
<u>Categorical Aid:</u>				
Commission for the Arts	5,000	5,000	5,000	5,000
Emergency Medical Services	30,746	0	30,746	0
Wireless Board	87,000	200,000	89,648	200,000
	<u>122,746</u>	<u>205,000</u>	<u>125,394</u>	<u>205,000</u>
Total	<u>\$ 23,990,796</u>	<u>\$ 24,170,117</u>	<u>\$ 26,444,762</u>	<u>\$ 25,724,786</u>

BUDGET COMMENTS, Continued

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 increases from the State Compensation Board in support of the Constitutional Officers.

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>FY07 Adopted</u>	<u>FY07 Projected</u>	<u>FY08 Plan</u>	<u>FY08 Adopted</u>
<u>"Car Tax" Impacts</u>				
Local Collections	\$11,857,777	\$13,175,387	\$13,437,663	\$14,207,457
From the Commonwealth	<u>9,770,137</u>	<u>9,770,137</u>	<u>9,770,137</u>	<u>9,770,137</u>
	<u>\$21,627,914</u>	<u>\$22,945,524</u>	<u>\$23,207,800</u>	<u>\$23,977,594</u>

The FY 2008 projection reflects the permanent cap on the State's share of the "Car Tax" that began in 2007. The State is projected to pay approximately 57 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 2005. 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 has revised their FY 2008 projection with a decrease of \$1,196,963. This proposed budget shifts this decrease from State pass-through moneys to local tax dollar supported spending.