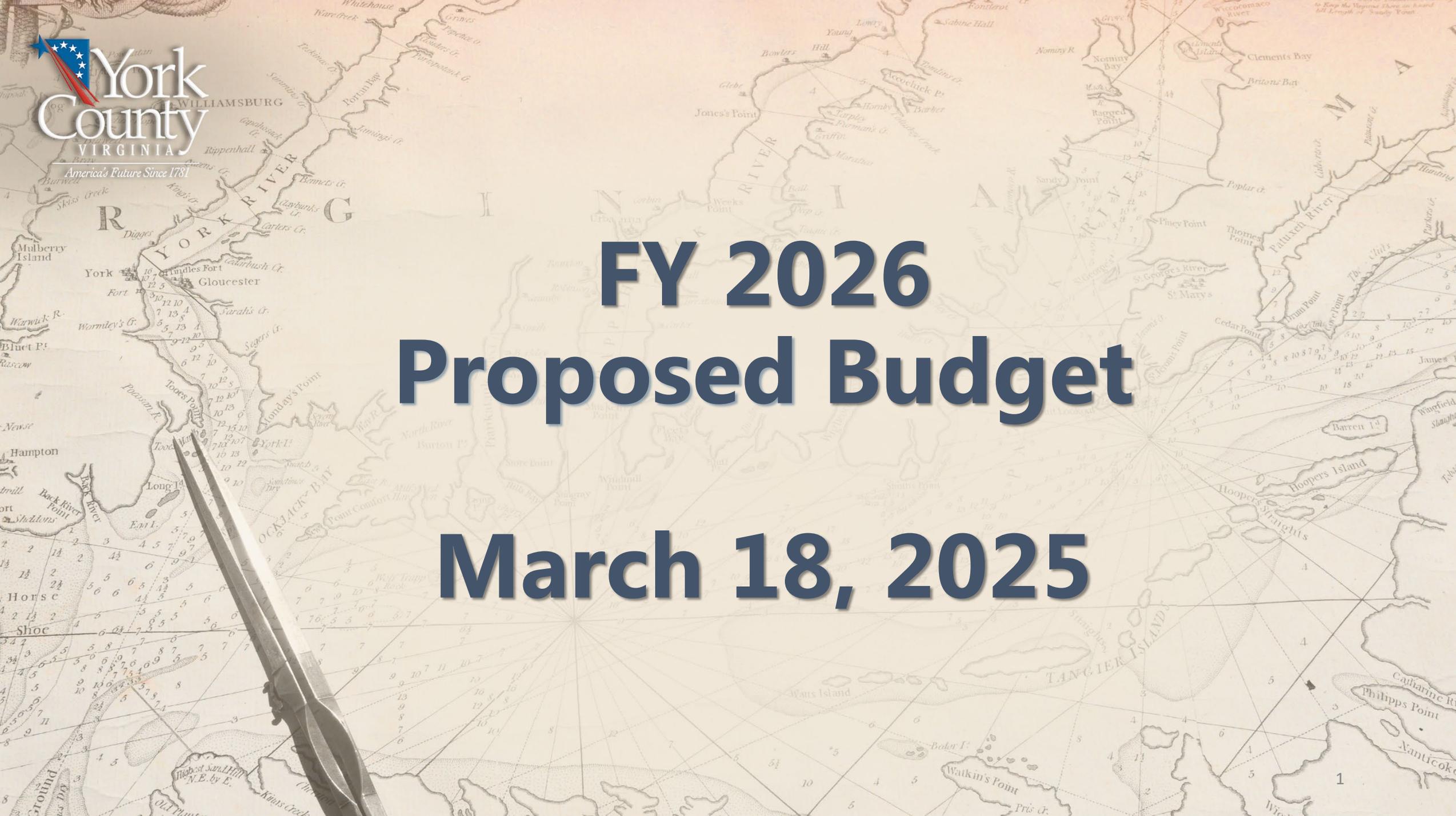




America's Future Since 1781

FY 2026 Proposed Budget

March 18, 2025



Guiding Principles for Budget Development

Board
Strategic
Priorities

Maintain
Current
Service Levels

Meet all Legal
& Contractual
Requirements

School
Contribution

Employee
Compensation

Forming the Budget

Economic Considerations

Residual Impact of Inflation

Lower Overall Revenue Growth

Cumulative Impact of Tax Cuts

Federal & Economic Uncertainties

Forming the Budget

Revenue Considerations

Minimal
Revenue
Growth

Flat Consumer
Sensitive
Taxes

Impact of Tax
Exemptions

Forming the Budget

Expenditure Considerations

Minimize New
Spending

Redistribute
Resources

Inflationary
Impacts

Debt Service
Increase

Contribution
to Schools

Investment in
Employees

Total FY 26 Proposed Budget

Fund	Budget
General Fund	\$ 200,011,269
Special Revenue Funds	18,607,692
Debt Service Funds	31,730,612
Capital Project Funds	23,339,502
Internal Service Funds	31,194,198
Enterprise Funds	31,304,134
Less Interfund Transfers	(48,231,687)
Total Operating & Capital Funds	\$ 287,955,720

General Fund

Total
FY 26 Budget

\$200,011,269



America's Future Since 1781

General Fund Expenditures



General Fund

Inflationary Increase Examples

Department	Item	Previous Cost	New Cost	Percent Increase
Sheriff	Patrol Vehicles *	\$ 33,002	\$ 58,134	76%
Fire & Life Safety	Fire Turnout Gear	\$ 2,912	\$ 3,288	13%
Fire & Life Safety	Airgas	\$ 62	\$ 70	13%
Finance	Open Finance Subscription	\$ 13,792	\$ 15,205	10%
IT	Assura Subscription	\$ 77,381	\$ 89,110	15%
IT	Variphy Software Maint	\$ 3,264	\$ 3,552	9%
Public Works	Crush & Run Gravel	\$ 35	\$ 42	20%
Public Works	#57 Gravel	\$ 42	\$ 58	37%
County-wide	Postage	\$ 0.68	\$ 0.73	7%
County-wide	Utilities - Water/Sewer	\$ 180,272	\$ 196,334	9%

* Over 3 years

General Fund

Requested Not Recommended

Description	Amount (in millions)
School Operating Request	\$ 2.7
New FT Positions -27	3.6
Other Compensation - OT, Career Ladders, WAR	1.2
Compensation Study Implementation - Half Year	2.5
External Agency Support	1.1
Contractual Services, Materials, Supplies	1.0
Capital Outlay	3.1
Total	\$ 15.2

General Fund Budget Drivers

General Fund

Total FY 26 Budget Drivers Summary

Description	Amount (in millions)
Employee Compensation & Benefits	\$ 2.5
School Contribution Increase	1.0
Public Safety Enhancements	2.4
Operational Costs	1.3
External Agency Support	0.8
Cash Capital, Debt Service, Other Funds	3.0
Total	\$ 11.0

General Fund

FY 26 Budget Drivers

\$2.5 M

Investing in
Employees

- General Wage Increase – 4% + \$500
- Health & Dental Increase – 8%

\$1.0 M

Supporting
Education

- School Contribution Increase

General Fund

FY 26 Budget Drivers

\$2.4 M

**Investing in
Public
Safety**

- Full Year Funding for 4 Sheriff FTE & 3 Fire FTE added in FY 25
- Overtime, WAR & Certification Pay Increase
- 2 Fire FTE for Pharmacy Mandate added in FY25
- 2 IT FTE for Sheriff's Technology Support added in FY 25

\$1.3 M

**Managing
Operational
Costs**

- Grounds Maintenance Increase
- Digital Library Subscription Increase
- Internal Service Increase
- Contractual Services, Utilities, Other

General Fund

FY 26 Budget Drivers

\$0.8 M
Funding
External
Agencies

- Virginia Peninsula Regional Jail
- Williamsburg Area Transit Authority
- Williamsburg Regional Library
- Other Agencies

\$3.0 M
Increasing
Transfers to
Other Funds

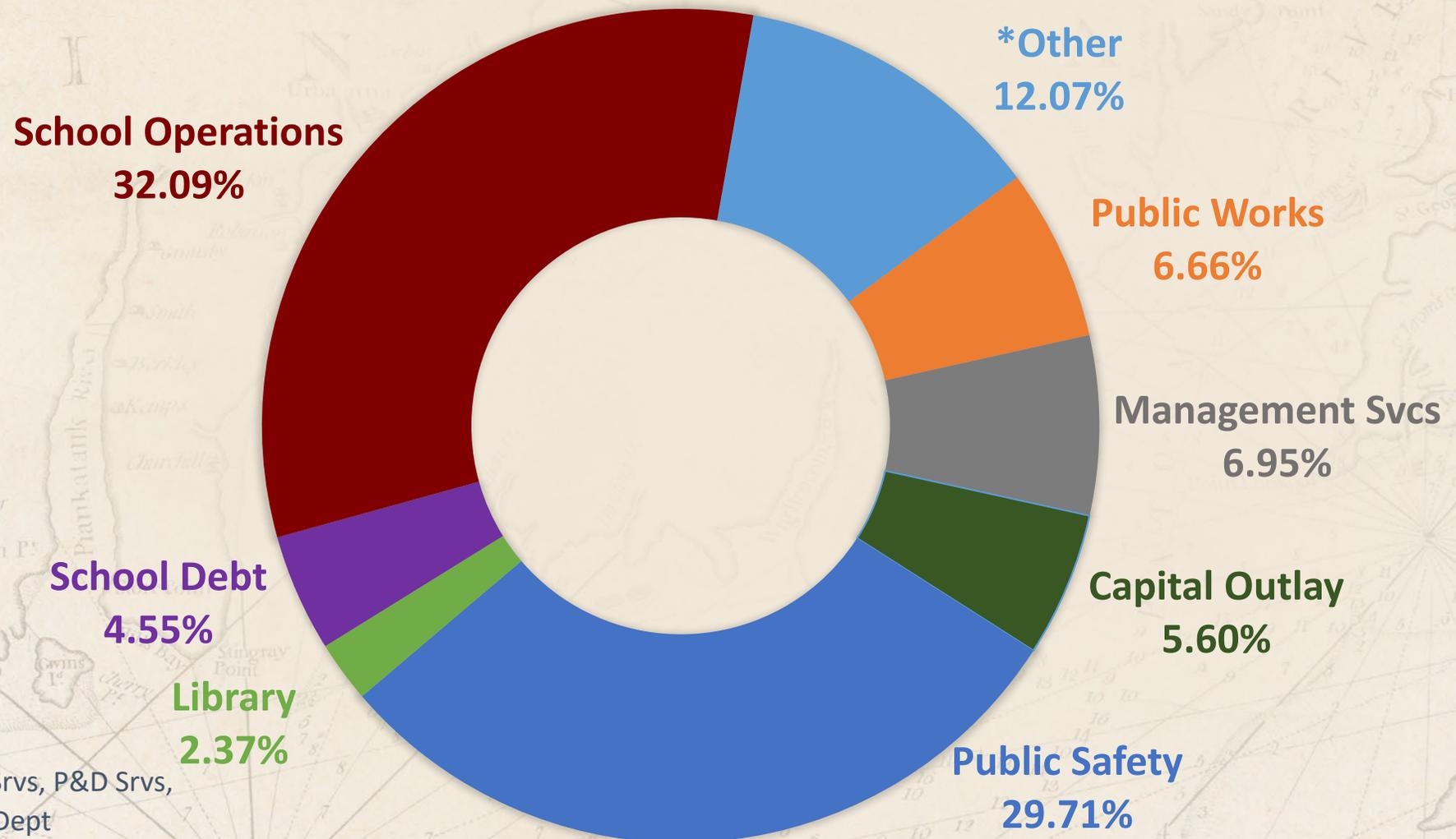
- Restore Cash Capital Funding
- Debt Service Increase
- Social Services Local Share Increase

General Fund

FY 26 Expenditures by Function

Function	FY 25 Budget	FY 26 Proposed	Amount Change	Percent of Change
Administration	\$ 3.6	\$ 3.8	\$ 0.2	1.8%
Judicial Services	4.0	4.3	0.3	2.7%
Public Safety	55.1	59.5	4.4	40.0%
Planning & Development	3.8	3.8	-	-
Management Services	13.3	13.9	0.6	5.5%
Education & Educational Services	76.1	78.0	1.9	17.3%
Human Services	5.2	6.3	1.1	10.0%
Public Works	12.4	13.3	0.9	8.2%
Community Services	4.5	4.6	0.1	0.9%
Transfers to Other Funds	9.6	11.2	1.6	14.5%
Non-Departmental	1.4	1.3	(0.1)	-0.9%
Total	\$ 189.0	\$ 200.0	\$ 11.0	

General Fund FY 26 Budget by Function



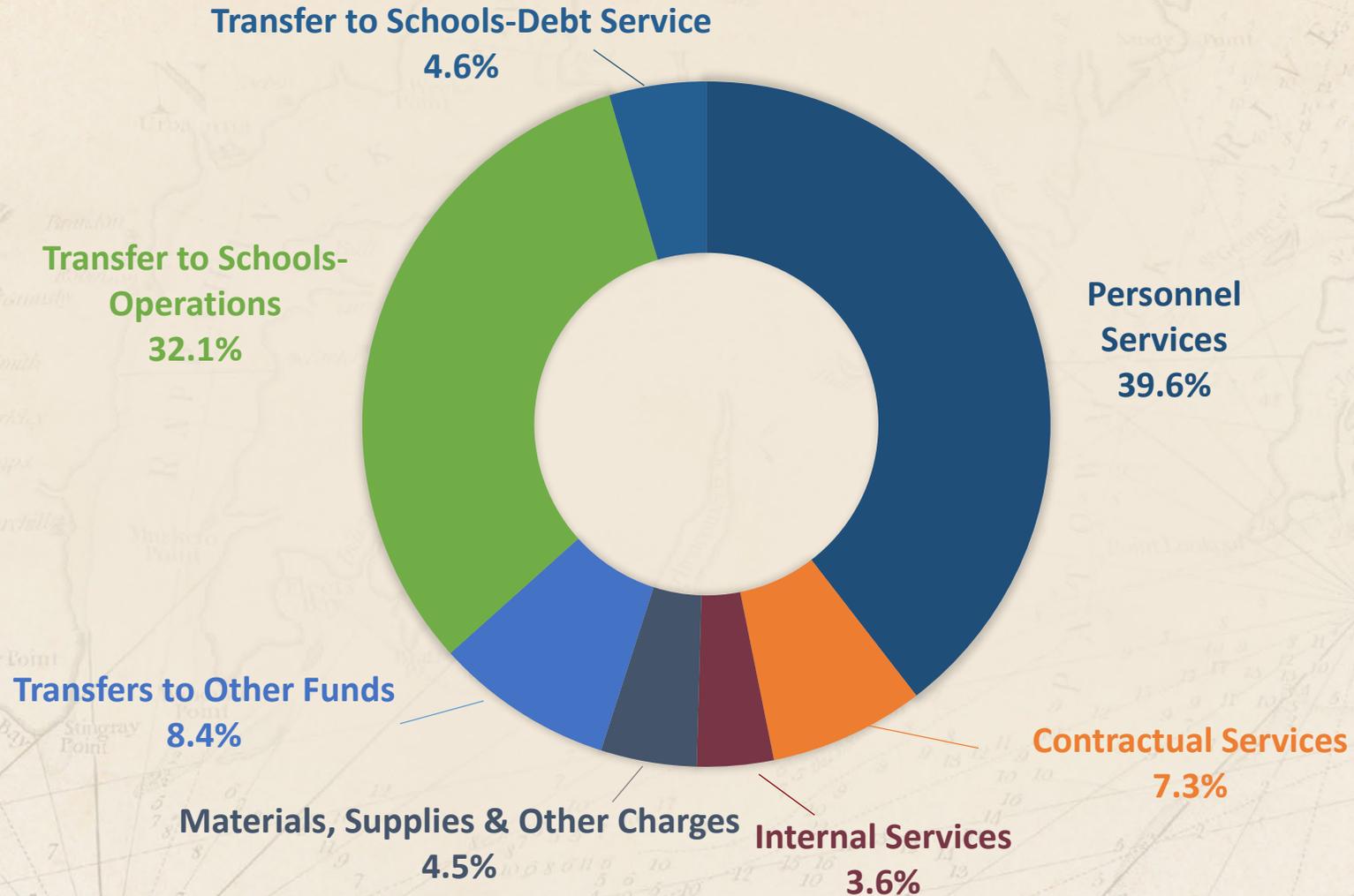
* Admin Svcs, Judicial Svcs, P&D Svcs, Human Services, Non-Dept

General Fund

FY 26 Expenditures by Type

Category (in millions)	FY 25 Budget	FY 26 Proposed	Amount Change	Percent Change
Personnel Services	\$ 74.4	\$ 79.1	\$ 4.7	6.3%
Contractual Services	13.4	14.6	1.2	9.0%
Internal Services	6.6	7.2	0.6	9.1%
Materials, Supplies & Other Charge	7.8	8.3	0.5	6.4%
Contributions/Grants	0.7	0.7	-	-
Transfers to Other Funds	14.5	16.8	2.3	15.9%
Transfer to Schools-Operations	63.2	64.2	1.0	1.6%
Transfer to Schools-Debt Service	8.4	9.1	0.7	8.3%
Total	\$ 189.0	\$ 200.0	\$ 11.0	5.8%

General Fund FY 26 Budget by Type





America's Future Since 1781

General Fund Revenue



General Fund

Initial Revenue Growth

Revenue Type (in millions)	Amount
Real Estate Tax	\$ 635,000
Personal Property Tax	664,500
Public Service Corps	1,190,300
Sales, Meals, Lodging & Other Local Taxes	158,130
Business License	273,000
Fees, Licenses, Fines & Forfeitures	258,995
Charges for Services	434,750
Use of Money & Property, Recovered Costs, Misc	715,597
State & Federal Aid	335,873
Total	\$ 4,666,145

General Fund FY 26 Budget Gap

\$11.0 M

Budget
Drivers

\$4.6 M

Revenue
Growth

\$6.4 M

Budget
Gap

Closing the Budget Gap

Real Estate Tax Rate Increase

\$5.2 M

\$0.74



\$0.78

Personal Property Tax Rate Increase

\$1.2 M

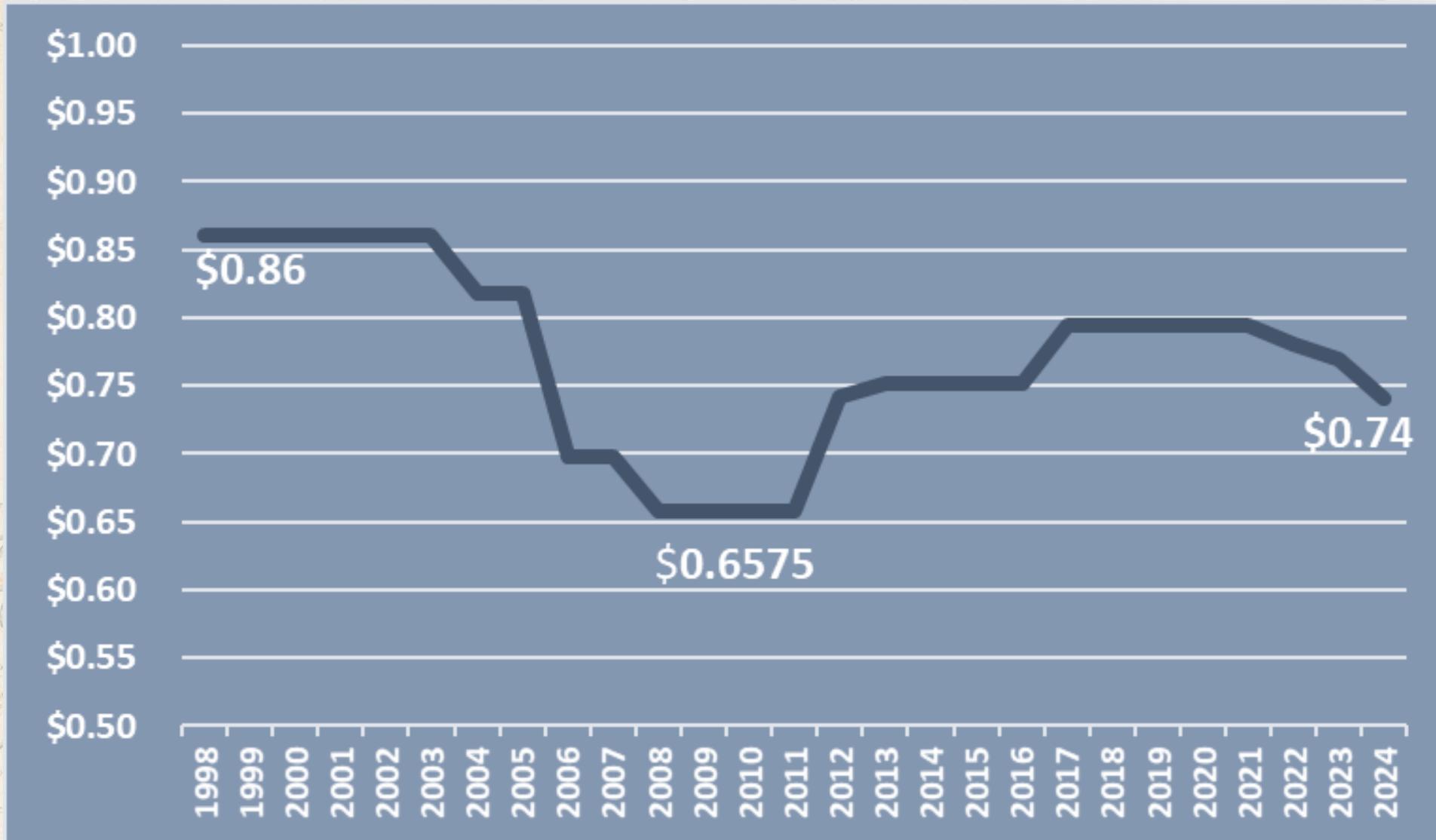
\$3.80



\$4.00

First Tax Increase in NINE Years

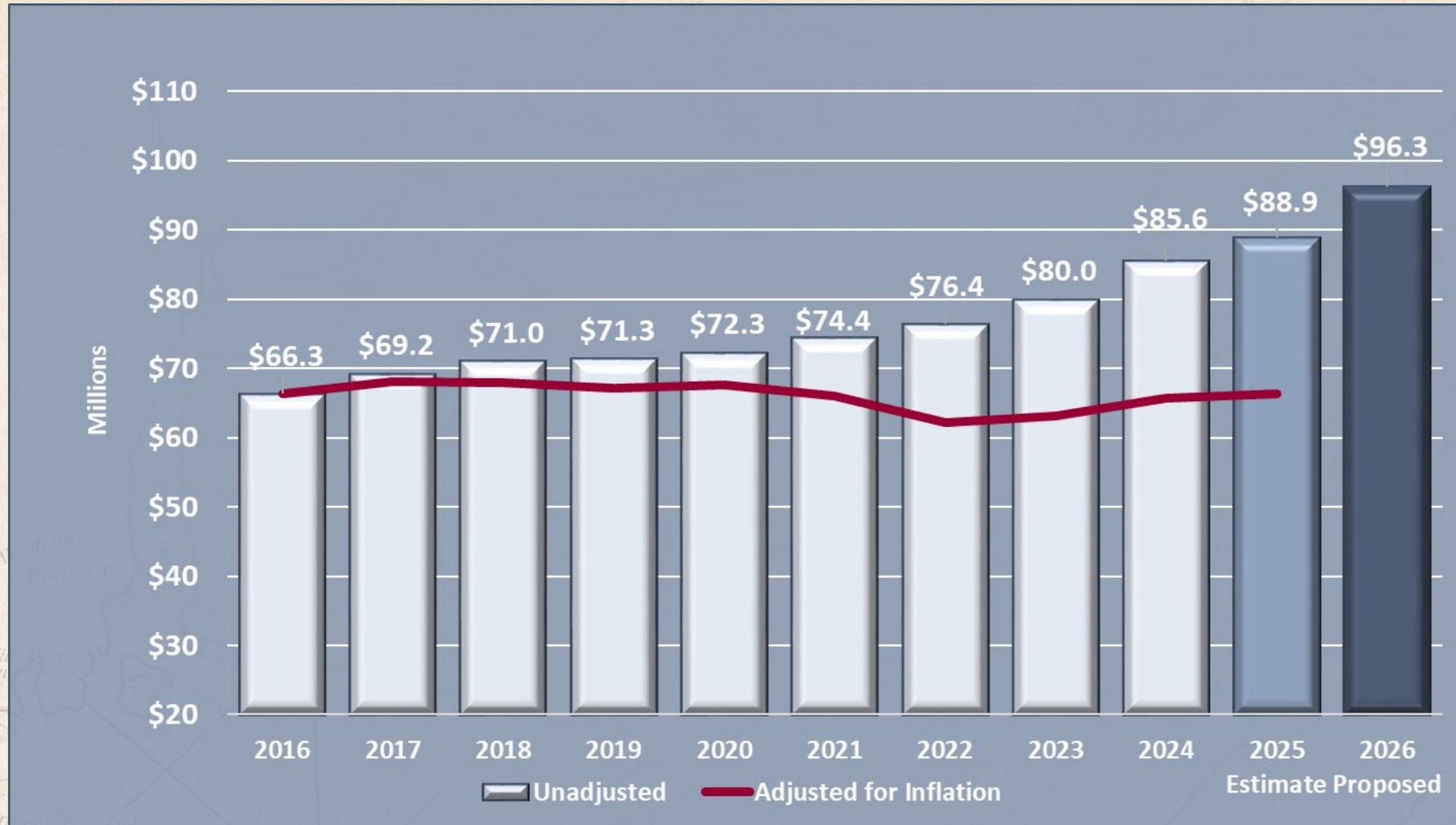
Real Estate Tax Rate History



Local Real Estate Tax Rates

Locality	Rate
Williamsburg	\$ 0.62
Isle of Wight	\$ 0.73
York - proposed	\$ 0.78
James City	\$ 0.83
Suffolk	\$ 1.07
Poquoson	\$ 1.14
Hampton	\$ 1.15
Newport News	\$ 1.18

Real Estate Tax Revenue Adjusted for Inflation



Impact to Taxpayer

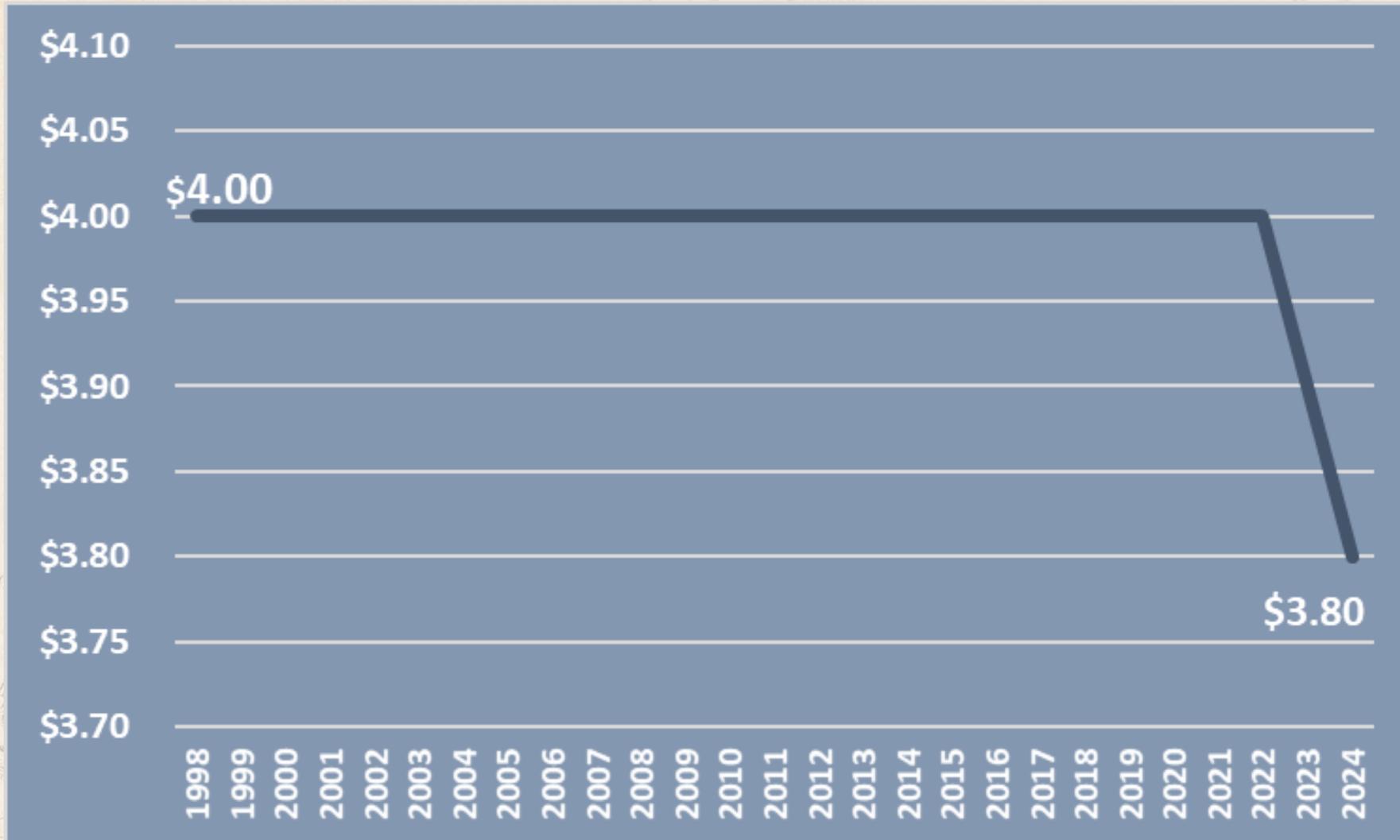


Home Value	\$ 200,000
Real Estate Tax Rate	\$ <u>0.74</u>
Tax before Increase	\$ 1,480
Increase – 4 cents	\$ <u>80</u>
Total Annual RE Tax	\$ 1,560

Home Value	\$ 400,000
Real Estate Tax Rate	\$ <u>0.74</u>
Tax before Increase	\$ 2,960
Increase – 4 cents	\$ <u>160</u>
Total Annual RE Tax	\$ 3,120

Home Value	\$ 800,000
Real Estate Tax Rate	\$ <u>0.74</u>
Tax before Increase	\$ 5,920
Increase – 4 cents	\$ <u>320</u>
Total Annual RE Tax	\$ 6,240

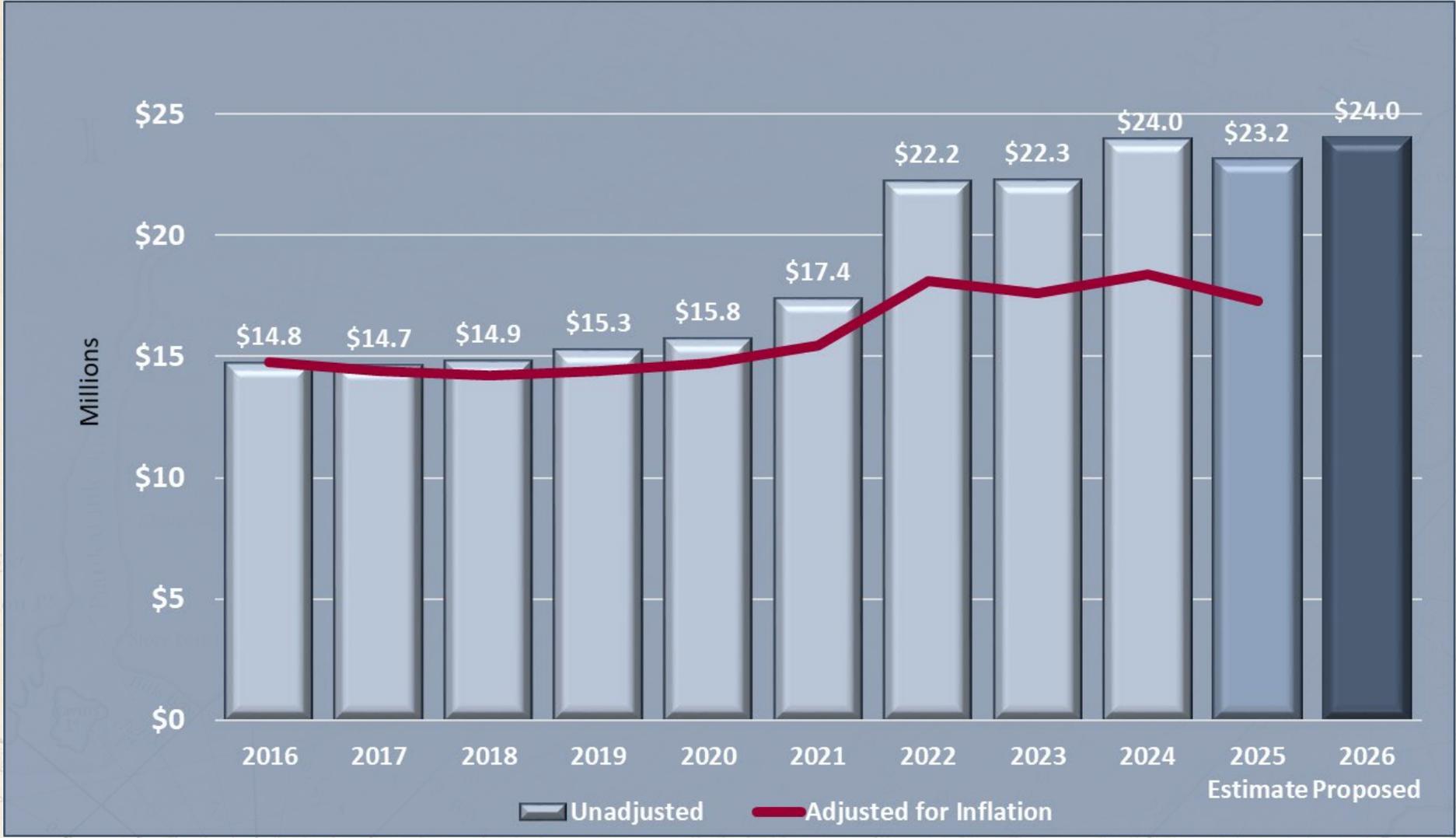
Personal Property Tax Rate History



Local Personal Property Tax Rates

Locality	Rate
Williamsburg	\$ 3.50
York - proposed	\$ 4.00
James City	\$ 4.00
Poquoson	\$ 4.15
Suffolk	\$ 4.25
Isle of Wight	\$ 4.50
Newport News	\$ 4.50
Hampton	\$ 4.50

Personal Property Tax Revenue Adjusted for Inflation



Impact to Taxpayer



Vehicle Type	Proposed		
	2025	2024	2023
2018 Honda CRV	\$ 17,525	\$ 20,700	\$ 23,875
Tax Rate	\$ 4.00	\$ 3.80	3.90
Gross Tax	\$ 701	\$ 787	931
PPTRA Relief	\$ (301)	\$ (327)	(335)
Total Annual PP Tax	\$ 400	\$ 460	\$ 596



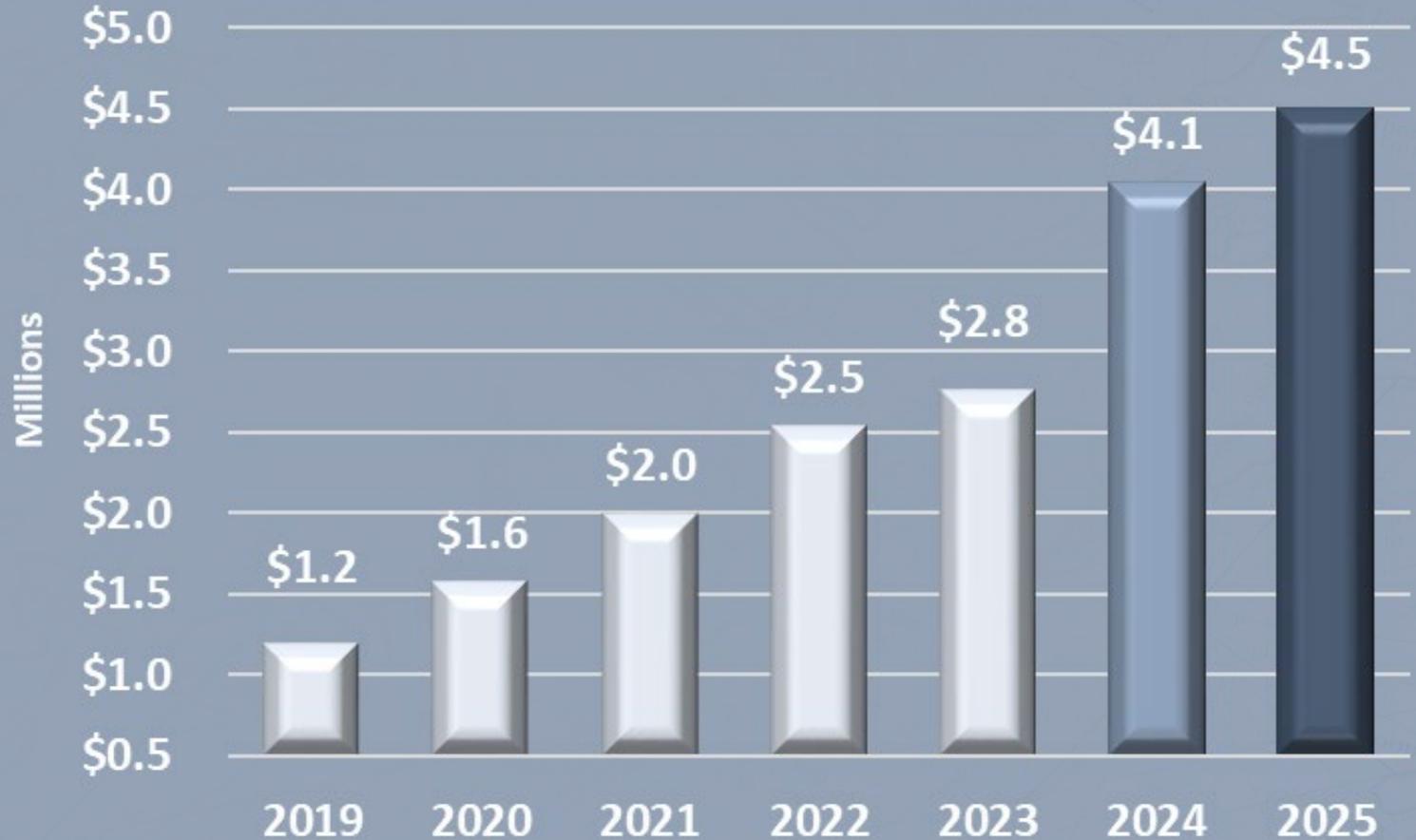
Vehicle Type	Proposed		
	Rate 2025	2024	2023
2018 Ford F150	\$ 35,600	\$ 37,950	\$ 41,300
Tax Rate	\$ 4.00	\$ 3.80	3.90
Gross Tax	\$ 1,424	\$ 1,442	1,611
PPTRA Relief	\$ (344)	\$ (327)	(335)
Total Annual PP Tax	\$ 1,080	\$ 1,115	1,275

Tax Reduction Impact on Revenue (2022 – 2026)

Calendar Year	Category	Reduction	FY 26 Cumulative
2022	RE Tax Rate	\$0.015	\$ 2,600,000
2023	RE Tax Rate	\$0.010	\$ 3,900,000
2024	RE Tax Rate	\$0.030	\$ 7,800,000
2023	PP Tax Rate	\$0.10	\$ 2,250,000
2024	PP Tax Rate	\$0.10	\$ 3,000,000
2024	Vehicle License Fee	Eliminate	\$ 3,300,000
Total			\$ 22,850,000

Disabled Veterans Real Estate Tax Relief

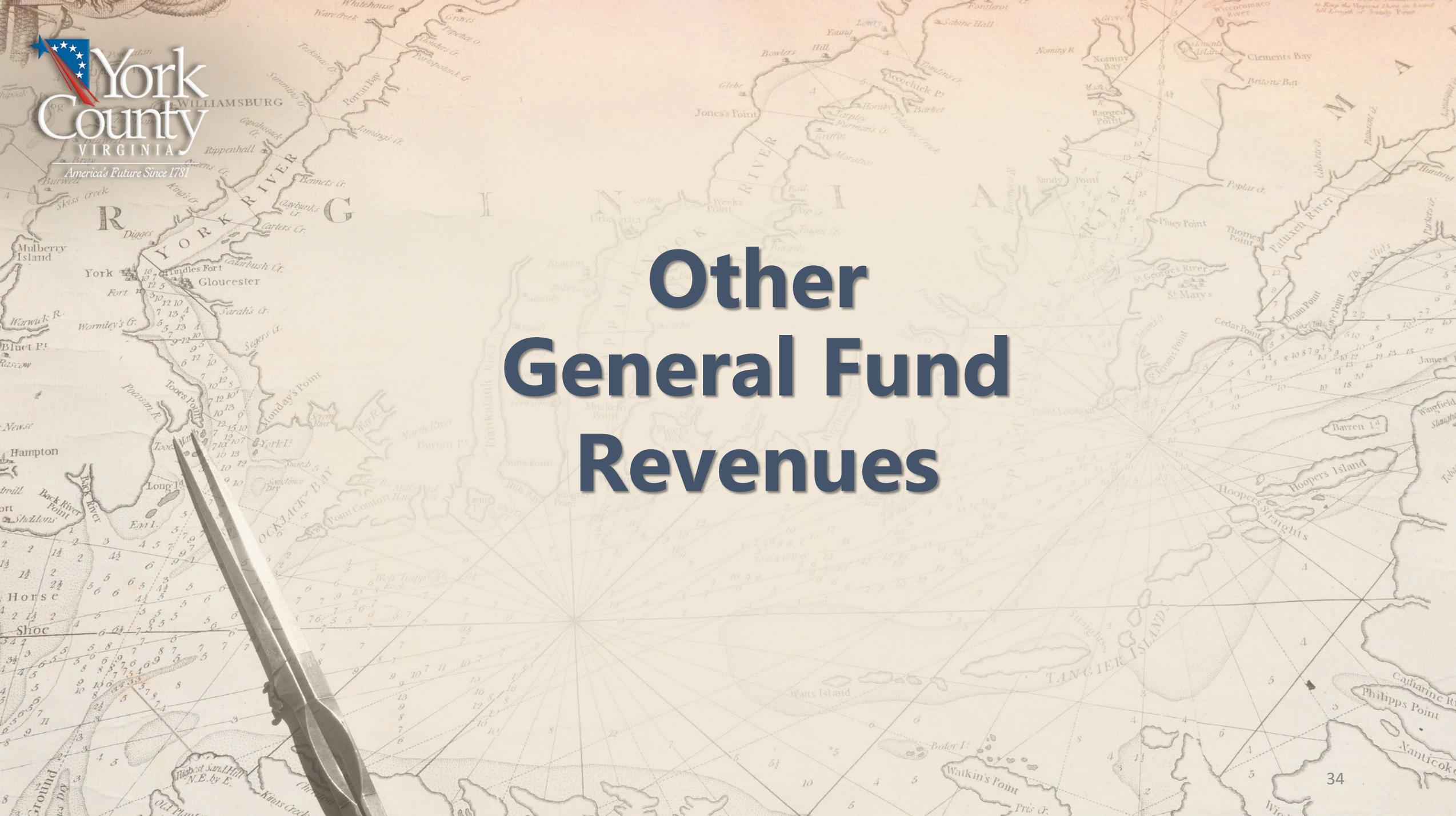
- Disabled Veterans Tax exemptions have grown significantly
- York County has a large concentration of Veterans
- Expect this program will continue to grow





America's Future Since 1781

Other General Fund Revenues



Other General Fund Revenue

↑ \$431 K or 1%

Sales, Meals, Lodging & Other Local Taxes

↑ \$259 K or 1.5%

Permits, Fees, Fines & Forfeitures

↑ \$434 K or 13.7%

Charges for Services

↑ \$580 K or 9.4%

Recovered Costs, Use of Money & Property

↑ \$471 K or 2.5%

State, Federal, Other

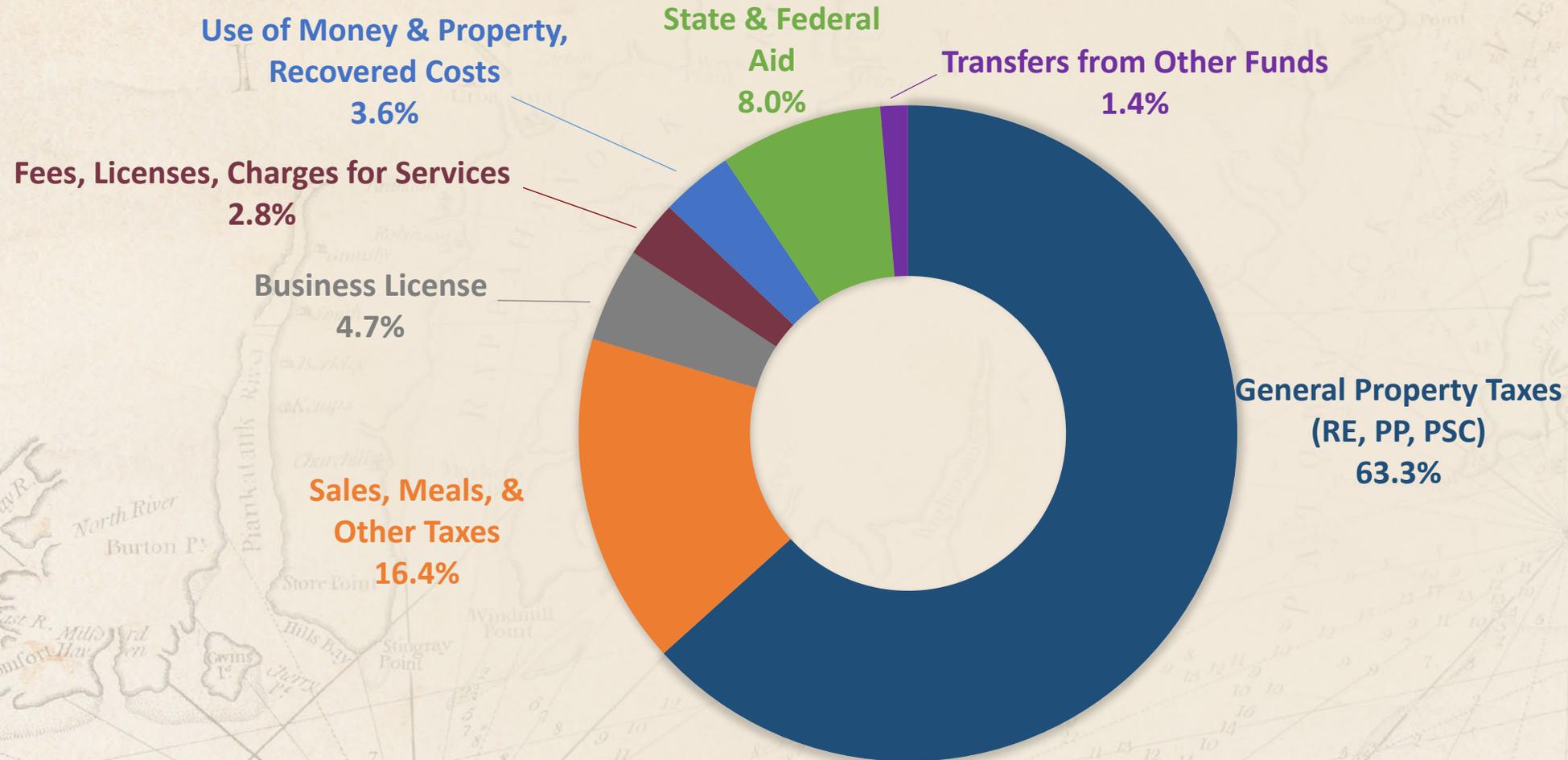
Planning & Development Fee Adjustments

- Resubmittal fee for Subdivision, Site Plans & Plats
- Fee for Archeological Studies
- Technology Fee for Building Regulations
- Fee Increase for Special Use Permits
- Minor Adjustments to Additional Review & Inspection fees

FY 26 General Fund Revenue

Revenue Type <i>(in millions)</i>	FY 25 Budget	FY 26 Proposed	Amount Change	Percent Change
Real Estate Tax	\$ 90.5	\$ 96.3	\$ 5.8	6.4%
Personal Property Tax	22.1	24.0	1.9	8.6%
Public Service Corps	5.1	6.3	1.2	23.5%
Sales, Meals, Lodging & Other Local Taxes	32.6	32.7	0.1	0.3%
Business License	9.1	9.3	0.2	2.2%
Fees, Licenses, Fines & Forfeitures	1.7	2.0	0.3	17.6%
Charges for Services	3.2	3.6	0.4	12.5%
Use of Money & Property, Recovered Costs, Misc	6.5	7.1	0.6	9.2%
State & Federal Aid	15.6	16.0	0.4	2.6%
Transfers from Other Funds	2.6	2.7	0.1	3.8%
Total Revenue	\$ 189.0	\$ 200.0	\$ 11.0	5.8%

General Fund FY 26 Revenue by Type



Other Funds



Enterprise Funds

\$31.3M

**Solid
Waste
Fund
\$8.3 M**

\$0.7M increase over FY2025

- Contractual costs - \$440K
- Personnel costs - \$100K
- Capital Projects - \$75K

Solid Waste Fund

Proposed Bi-Monthly Rates

Service Type	FY 25		FY 26	
	Current Rates		Proposed Rates	
Garbage & Recycling	\$	68	\$	70
Garbage Only	\$	48	\$	50
Recycling Only	\$	26	\$	28
Low Income (Garbage & Recycling)	\$	35	\$	37
Senior (Garbage & Recycling)	\$	45	\$	52
Extra Charge for Private/Long Lande	\$	36	\$	38
Extra Charge for Back Yard Service	\$	28	\$	30
Extra Charge for Additional Container	\$	24	\$	26

Enterprise Funds (cont.)

\$31.3M

**Sewer
Utility
Fund**
\$17.0 M

\$1.1M increase over FY2025

- Driven primarily by Capital Projects - \$950K

**Other
Funds**
\$6.0 M

- Water Utility Fund – no increase
- Yorktown Operations Fund - \$18K increase
- Regional Radio Fund - \$85K increase

Special Revenue Funds

\$18.6M

**Social
Services
\$9.8M**

\$1.0M increase over FY2025

- Personnel Costs - \$490K
- Children's Services Act (CSA) - \$300K
- Adoption, Foster Care, Other , - \$130K

**Children &
Family
Services
\$2.2M**

\$0.2M increase over FY2025

- Personnel Costs - \$200K

Special Revenue Funds

\$18.6M

**Tourism
Fund
\$5.1M**

\$0.2M increase over FY2025

- Personnel Costs - \$70K
- Sail 250 event - \$130K
- HTRFA operating subsidy increase offset by reduced transfer to Yorktown Capital Fund

**Other
Funds
\$1.5M**

- Law Library Fund – no increase
- CDA Fund – slight decrease of \$28K
- Grant Fund – slight decrease of \$8K

Internal Service Funds

\$31.2M

**Vehicle
Maintenance
Fund**
\$8.0 M

\$0.8M increase over FY2025

- Fuel costs - \$350K
- Trolley replacement - \$150K
- Personnel costs - \$100K

**Health and
Dental Fund**
\$19.8 M

\$1.1M increase over FY2025

- Claims - \$800K
- Retiree premiums - \$120K
- Stop loss fee - \$150K

Internal Service Funds (cont.)

\$31.2M

**Other
Funds
\$3.4 M**

- Workers' Compensation Fund – slight increase of \$18K
- IT Fund - \$50K driven by personnel costs



America's Future Since 1781

FY 2026 – 2031 Proposed Capital Improvements Program



Changes since March 4th Presentation

Add Strategic Property Acquisition Project

- \$500 K in FY 27 & FY 28; \$1 M in FY 29, 30, 31

Building Renovation/Space Study

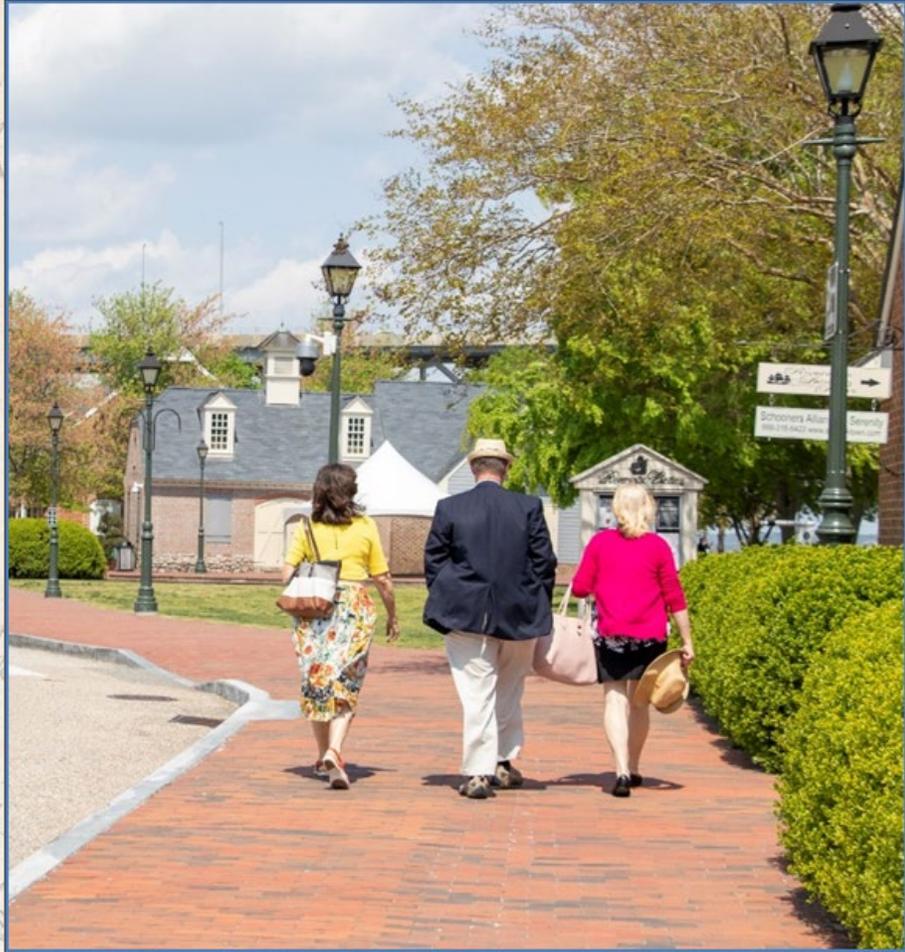
- Increase design funds in FY 28 from \$500K to \$1 M

FY2026-FY2031 Proposed CIP by Category



General Fund:		6-Year Total
Administrative Services	\$	19,129,900
Public Safety - Sheriff's Office		1,050,000
Public Safety - Fire & Life Safety		27,995,000
Public Safety - Emergency Comm		12,675,000
Public Works		50,529,000
Community Services		10,877,000
Schools		96,955,389
Total General Fund:	\$	219,211,289
Other Funds:		6-Year Total
Stormwater Maintenance		11,725,000
Vehicle Maintenance		1,150,000
Solid Waste Management		450,000
Sewer Utility		33,250,000
Water Utility		500,000
Total Other Funds:	\$	47,075,000

FY2026 Proposed CIP by Category



General Fund:		FY 2026
Administrative Services	\$	4,200,000
Public Safety - Sheriff's Office		550,000
Public Safety - Fire & Life Safety		4,450,000
Public Safety - Emergency Comm		3,050,000
Public Works		6,117,000
Community Services		1,902,000
Schools		20,137,712
Total General Fund:	\$	40,406,712
Other Funds:		FY 2026
Stormwater Maintenance		3,000,000
Vehicle Maintenance		650,000
Solid Waste Management		75,000
Sewer Utility		5,900,000
Total Other Funds:	\$	9,625,000

CIP Funding Sources FY 2026 - 2031

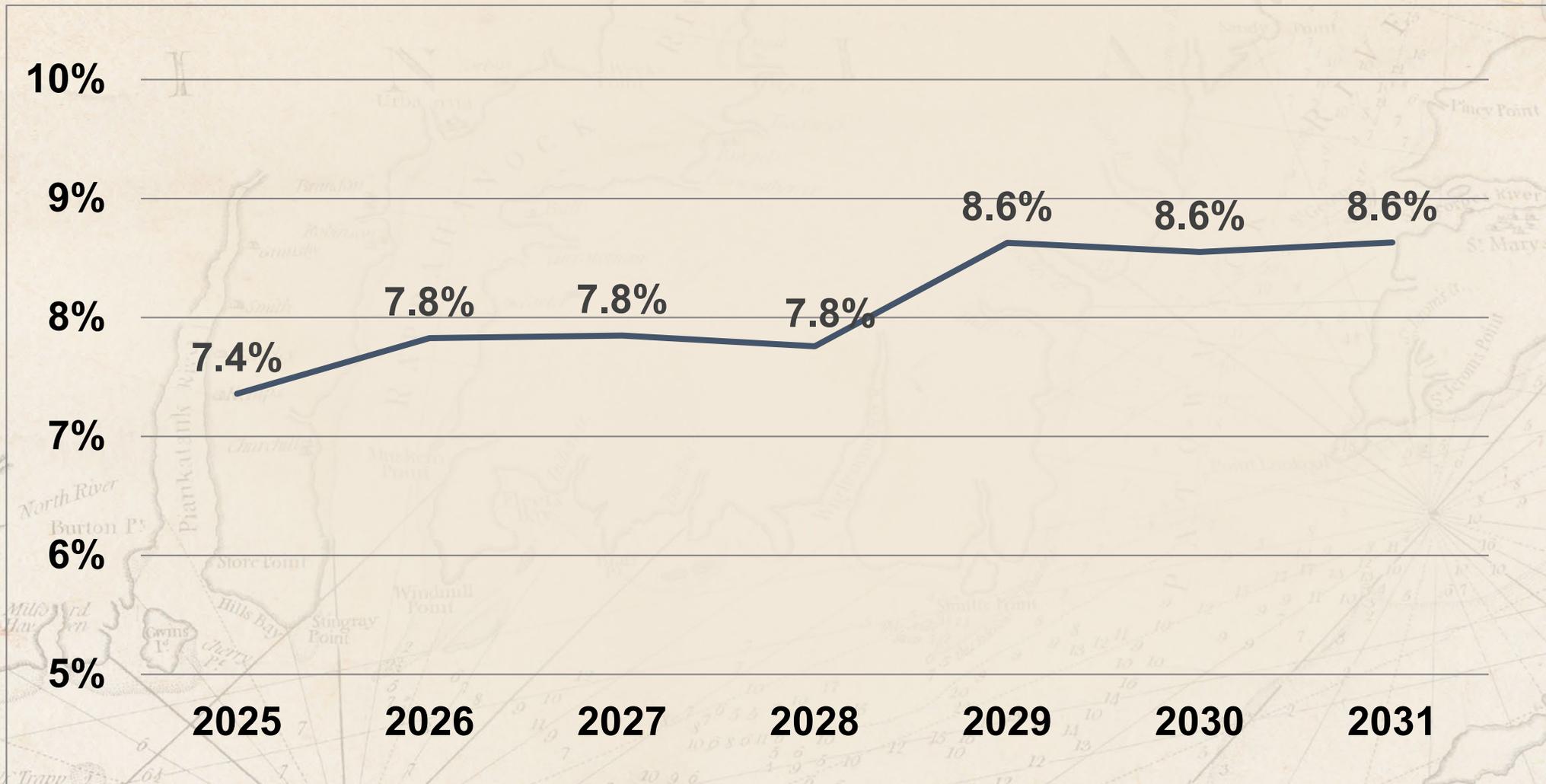
General Fund							
Funding Source (in millions)	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Cash Capital - Operating Budget	\$ 5.0	\$ 5.5	\$ 5.5	\$ 6.0	\$ 6.0	\$ 6.5	\$ 34.5
Cash Capital - School	3.0	2.0	1.5	1.0	1.0	1.0	9.5
Debt Financed	24.7	26.2	12.0	17.5	28.2	24.6	133.2
Grant/Proffers/Other	1.6	2.8	3.7	2.0	0.8	2.3	13.2
of Reserve	6.1	1.6	2.6	4.1	7.0	7.4	28.8
Total Funding Sources	\$ 40.4	\$ 38.1	\$ 25.3	\$ 30.6	\$ 43.0	\$ 41.8	\$ 219.2

Other Funds							
Funding Source (in millions)	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Cash Capital - Operating Budget	\$ 0.4	\$ 0.2	\$ 0.6	\$ 0.2	\$ 0.6	\$ 0.2	\$ 2.2
Grants/Proffers	0.5	-	-	-	-	-	0.5
Meals Tax (Stormwater & Sewer)	4.8	4.7	4.8	4.8	5.1	5.3	29.5
User Fees	3.6	3.7	3.7	3.8	3.8	3.8	22.4
Future Year-end Carryover/Use of Reserve	0.3	(0.7)	(2.4)	(2.5)	(0.2)	(2.1)	(7.6)
Total Funding Sources	\$ 9.6	\$ 7.9	\$ 6.7	\$ 6.3	\$ 9.3	\$ 7.2	\$ 47.0

Debt Management Policies

Policy	Current FY2025	Preliminary Recommended FY2031	Proposed FY2031
Outstanding principal of General Fund supported debt will not exceed 3.0% of net assessed value of taxable property	1.03%	1.43%	1.40%
Annual debt service expenditures for all General Fund supported debt should not exceed 10% of the total General Fund expenditure budget	7.36%	9.22%	8.63%

Debt Service as a Percent of General Fund Expenditures



Next Steps

**Town Hall/
Listening
Sessions**

**One-on-one
meetings
with
Finance
Staff**

**Additional
Work
Sessions**

**Public
Hearings**

Adoption of FY2026 Budget at May 6th BOS Meeting



America's Future Since 1781

FY 2026 Proposed Budget

March 18, 2025