FY2012-13 Budget Development Briefing
Roanoke County Board of Supervisors
January 10, 2012

Budget Briefing

- **Update of FY11-12 (current year) and FY12-13 revenue projections are "in-process."**
  - *Work session is scheduled for 1/24/12*

- **Governor's Proposed Budget:** ***HB/SB 30 (2012-14 biennium) and HB/SB29 (2012 "caboose" budget)***
  - Important to remember: The Governor's budget
    - General Assembly will have ("almost") the final say
      - *Governor's Veto Session: April 18*

  - State Revenues
    - General fund revenue growth is projected at 3.3% for FY13 and 4.5% for FY13
      - While somewhat aggressive in today's environment, projections are based on improved economic performance in this and last fiscal year
        - FY11: increase in collections of 5.8%; ahead of forecast of 3.5%
        - FY12: increase of 5.9; ahead of forecast of 3.7%
          - Joint Advisory Board of Economists
          - Governor's Advisory Council on Revenue Estimates

  - State Expenditures

    - Includes $882.4 million in budget cuts; significantly less than the $3.2 billion slashed in the 2008-10 biennium and the $2.2 billion in the 2010-12 biennium.
      - Bulk of the reductions are targeted in health and education
        - No federal stimulus dollars to cushion the impacts.

    - **Governor: focusing on 5 priority areas**
      - Prioritize spending on ideas and policies that promote job creation, economic development and entrepreneurship
      - Invest in programs that make government more efficient, effective and accountable
      - Adequately fund key budget areas that lay the foundation for the future
      - Solve specific big problems like the pension system and transportation maintenance
      - Build up cash reserves to help weather the impacts of adverse economic events

Roanoke County: Specific Areas of Impact (Proposed state budget)

- ## HB/SB 29 Caboose Bill (Current Year)

  - Law Enforcement funding: HB 599
    - No Changes (Current year $1,793,874)
    - Should be increasing to reflect state revenue growth

  - Rolling Stock Taxes
    - Decrease in forecast by economic advisory council by 4.8%
    - Local decrease of $(3,750)

  - Compensation Board
    - Adds $4.6 million to support state prisoners in local jails (9.2%)
    - Local increase of $20,800

  - Line of Duty
    - **Eligibility work group**. Language requires the Secretaries of Finance and Public Safety and the Governor's Chief of Staff to convene a work group, to be appointed by these officials, to review the process for determining eligibility. The purpose is to look at cost efficiencies and determining a fair and equitable division of responsibility between the state and localities for Line of Duty Act costs. The study is to be completed by July 1, 2012

  - Comprehensive Services Act
    - Reduces state appropriations by $24.83 million to reflect the anticipated reduction in caseload and caseload expenses

- ## HB/SB 30: Proposed 2012-2014 Budget

  - Law Enforcement funding: HB 599
    - No change; maintains the FY2012 funding level of $172.4 million during FY 2013 and FY 2014
      - Funding growth is tied to the anticipated rate of growth in the state general fund, which is projected to grow at 3.3 percent in FY 2013 and 4.5 percent in FY 2014. The proposed level of funding does not meet the *Code* requirement.

  - Communications and Sales Use Taxes
      - Reduces the funding level to $440 million each year of the biennium; a reduction of $20 million from current levels: (4.35%)
      - Also, transfers $114,775 each year to the Department of Taxation to pay for administering the tax
        - Local impact $(185,000)

- Compensation Board
    - Sheriff's Office
        - Restores $7.37 million each year in funds that were initially reduced in the last biennium as a result of failed legislation to establish a Public Safety Fund fee
- Electoral Board
    - Eliminate the current state supplement currently given for counties with towns.
        - Local Impact: TBD (fiscal impact is estimated to be minimal)
    - Eliminates funding for printing and mailing absentee and voter registration applications to localities ($77,290 each year). Instead, the state will make electronic copies of the applications for localities to print as needed (and localities will incur the costs)

- Line of Duty Act
    - Department of Accounts includes no changes for this program (changes could depend on recommendations made by the workgroup called for in the FY12 caboose budget proposal)

- Aid to Localities (Roanoke County – Aid to the Commonwealth)
    - Reduces the amount of the budget cuts by $10 million in FY 2013 and by $15 million in FY 2014, resulting in new total cuts of $50 million in FY 2013 and $45 million in FY 2014
        - Expenditure savings estimate of $97,000

- Comprehensive Services Act
    - Reduces state funding by $12.776 million in FY13 and $9.586 million in the second year to reflect anticipated reductions in caseloads and program costs

- Department of Social Services
    - General Relief
    - Reduces state support for this program by $558,566 each year, leaving $500,000 each year.
        - Local Impact: Approximately $(30,000)

- *VJCCCA*
    - Reduces funding by $1.335 million each year of the biennium for the Virginia Juvenile Community Crime Control Act (VJCCCA), bringing the funding level to $10.379 million.