

**Instructions for
Submitting Aid To Local Government Reduction
Elections**



**Virginia Department of Planning and Budget
July 2008**

General information

Item 475.20, Chapter 879 of the 2008 Acts of Assembly (2008 Appropriation Act) requires a \$50 million reduction in state aid to local governments in both FY 2009 and FY 2010. Localities are to submit their elections of where these reductions will be taken no later than August 30, 2008.

Upon receipt of the reduction elections, the Director of the Virginia Department of Planning and Budget (DPB) will review and approve the submissions unless there is a problem or question with the locality's elections. The locality will be notified if such questions arise.

In the event that a submission is not made by a locality before October 1, 2008, DPB is authorized to withhold the locality's reduction amount from the program deemed as most discretionary by the Department.

The statewide listing of calculated local reduction amounts by program for each locality can be found on the DPB website at <http://dpb.virginia.gov/>.

When making elections, localities may use one of the following options:

- 1) take the reductions out of one or more of the programs in the list provided by DPB,
- 2) make a reimbursement payment directly to the Commonwealth for all of the locality's share of reductions, or
- 3) a combination of program reductions and reimbursement payment.

DPB will provide via e-mail, a form that has been customized for each locality. This form will be the mechanism for communicating local elections to the Commonwealth.

The form shows the base budget and calculated reduction amounts for each program the locality is authorized to reduce. The locality will enter the amount elected for reduction in each applicable program row. In addition, there is an area on the form where a very brief description of the reduction action for each program should be entered.

If the locality chooses to make a reimbursement payment for all, or a part of the reduction, there is a row in the form where this amount should be entered. Additional instructions will be issued at a later date to localities that choose to reimburse the Commonwealth for all or a part of their share of the reductions on how to make this payment.

The locality is not obligated to adhere to the calculated reduction amounts provided by DPB for individual programs. However, the total of the locality elected reductions must be equal to the total calculated reduction for the locality.

Detailed Form Instructions

The following is a listing of the columns in the election form and instructions for completion. See also the sample form at the end of these instructions.

Distributing Agency: This is the agency where the funding for the specific aid to locality payment is budgeted in the state budget. No entry is required or allowed in this column.

Distribution Title: This is the service area in the state budget where the payment is budgeted. No entry is required or allowed in this column.

FY 2009 Base and FY 2010 Base: These two columns show the estimated budgeted amount for each distribution at the local level. No entry is required or allowed in these columns.

FY 2009 Calculated Reduction and FY 2010 Calculated Reduction: These two columns show the reduction calculation derived by using a specific percent of the "FY 2009 Base" and "FY 2010 Base" for each distribution. No entry is required or allowed in these columns.

FY 2009 Locality Elected Reduction and FY 2010 Locality Elected Reduction: These columns are used by the locality to identify the reduction amount chosen for each distribution and/or the amount that the locality will pay the Commonwealth as a reimbursement. Enter the amount in the applicable row corresponding to the distribution that the locality has chosen to reduce. If the locality has chosen to make a reimbursement payment for all of or a part of the local reduction, this amount should be entered in the row labeled as "REIMBURSEMENT TO THE COMMONWEALTH" under the Distribution Title. Reduction amounts should be entered as positive numbers. Make sure to fill the appropriate amounts out for both FY 2009 and FY 2010

Reduction Description/Assumption: This is used by the locality to briefly list any assumptions or descriptions of the reduction that will take place. Enter a brief description of the reduction that will be taken by the locality including any assumptions that may be applicable.

At the bottom of the form, there is a row containing the term "Amount Remaining To Elect". The amounts in this row should be zero after the local elections have been completed.

Submitting the Reduction Election Form

Once the locality has completed the form, e-mail an electronic copy to budget@dpb.virginia.gov and mail a hard copy along with a memo certifying the locality's reduction elections signed by the city or county administrator, or equivalent approval authority to the following address:

Aid To Locality Reductions
Virginia Department of Planning and Budget
1111 E. Broad St. Room 5040
Richmond, VA 23219-1922

As mentioned previously, these submissions are due in to DPB by August 30, 2008.

The submissions will not be considered complete until both the electronic and hardcopy versions have been submitted.

State Reductions In Aid To Localities

Sample Locality

The first six columns are pre-populated, no entry is allowed in these columns. Entry is only required in the last three columns.

These columns show the base budget and calculated reduction amounts for each program.

Enter the reduction amount for the applicable program(s) or reimbursement amount in these two columns.

Enter a brief description of the reduction action that will occur.

Distributing Agency	Distribution Title	FY 2009 Base	FY 2010 Base	FY 2009 Calculated Reduction	FY 2010 Calculated Reduction	FY 2009 Locality Elected Reduction	FY 2010 Locality Elected Reduction	Reduction Description/Assumption
State Board of Elections	Financial Assistance to Local Government for Gen Registrar Compensation	\$49,271	\$49,271	\$2,056	\$2,029	\$0	\$0	
State Board of Elections	Financial Assistance to Local Government for Electoral Board Compensation/mileage	\$9,766	\$9,766	\$407	\$402	\$0	\$0	
Compensation Board	Local Law Enforcement	\$927,797	\$927,797	\$38,715	\$38,209	\$45,000	\$45,000	Reductions from turnover and vacancy savings.
Compensation Board	Local Court Services	\$311,003	\$311,003	\$12,978	\$12,808	\$0	\$0	
Compensation Board	Local Commissioners of Revenue Operations	\$50,117	\$50,117	\$2,091	\$2,064	\$0	\$0	
Compensation Board	State Tax Services by Commissioners of Revenue	\$3,593	\$3,593	\$150	\$147	\$0	\$0	
Compensation Board	Operations of Local Attorneys for the Commonwealth	\$250,894	\$250,894	\$10,469	\$10,332	\$10,000	\$10,000	Reductions from office efficiencies such as reduced printing and supplies expenses.
Compensation Board	Operations of Circuit Court Clerks	\$111,564	\$111,564	\$4,655	\$4,595	\$3,500	\$3,500	Reductions from office efficiencies.
Compensation Board	Circuit Court Clerks' Land Records	\$45,237	\$45,237	\$1,887	\$1,863	\$0	\$0	
Compensation Board	Operations of Local Treasurers	\$34,095	\$34,095	\$1,423	\$1,404	\$0	\$0	
Compensation Board	State Tax Services by Local Treasurers	\$2,533	\$2,533	\$105	\$104	\$0	\$0	
Department of Accounts Transfer Payments	Distribution of Rolling Stock Taxes	\$67,704	\$67,704	\$2,826	\$2,788	\$0	\$0	
Department of Accounts Transfer Payments	Distribution of Recordation Taxes	\$71,019	\$71,019	\$2,964	\$2,925	\$0	\$0	
Comprehensive Services for At-Risk Youth and Families	Financial Assistance for Child and Youth Services	\$1,897,607	\$2,007,525	\$79,183	\$82,673	\$0	\$0	
Department of Social Services	General Relief	\$2,085	\$2,085	\$87	\$85	\$0	\$0	
	REIMBURSEMENT TO THE COMMONWEALTH	\$0	\$0	\$0	\$0	\$101,496	\$103,928	Locality opts to reimburse the Commonwealth rather than take reductions in state aid for the elected amount.

TOTALS

\$3,834,285 **\$3,944,203**

Total local reduction elections must equal to these two amounts for FY 2009 and FY 2010

\$159,996 **\$162,428**

Amount Remaining To Elect:

\$0 **\$0**

"Amount Remaining To Elect" should be \$0 for both fiscal years when entry is complete.

If your locality will reimburse the Commonwealth for all or a portion of its reduction, the amount for each fiscal year should be entered in the row labeled "REIMBURSEMENT TO THE COMMONWEALTH".