

FY  
2017

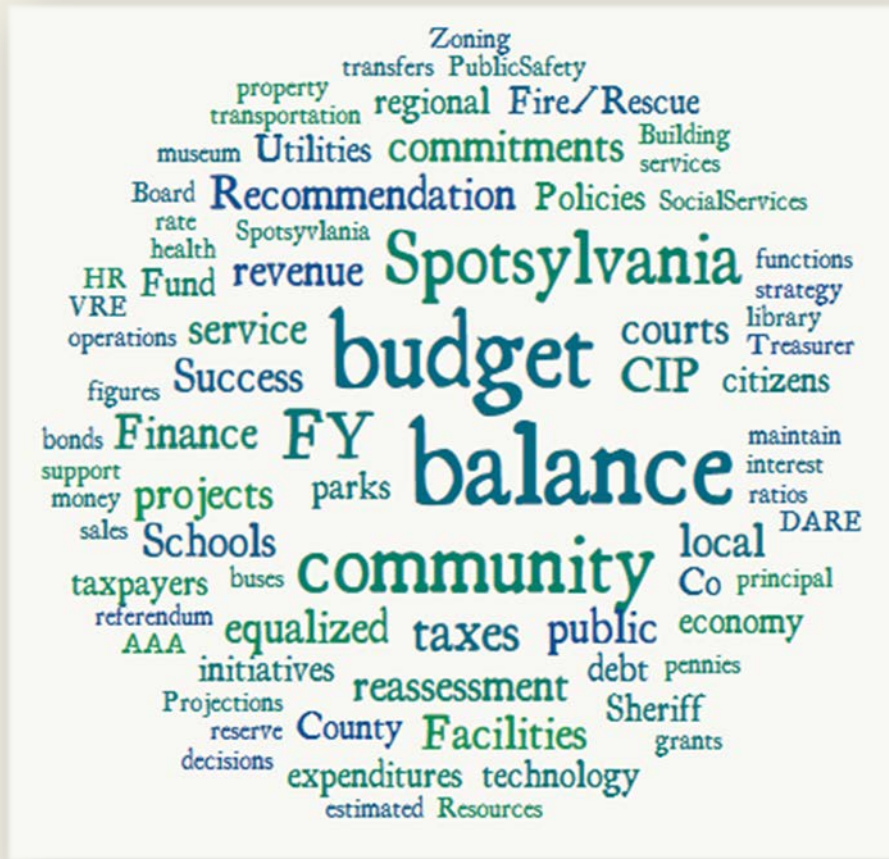
# Recommended Budget

## Spotsylvania County



County Administrator's Recommendation  
February 9, 2016

# Recommended Budget



“Our lives and our families are invested in this community. In the forefront of discussions as we crafted this recommendation was the fact that it is the taxpayers’ money – including ours – that funds this budget.”



FY  
2017

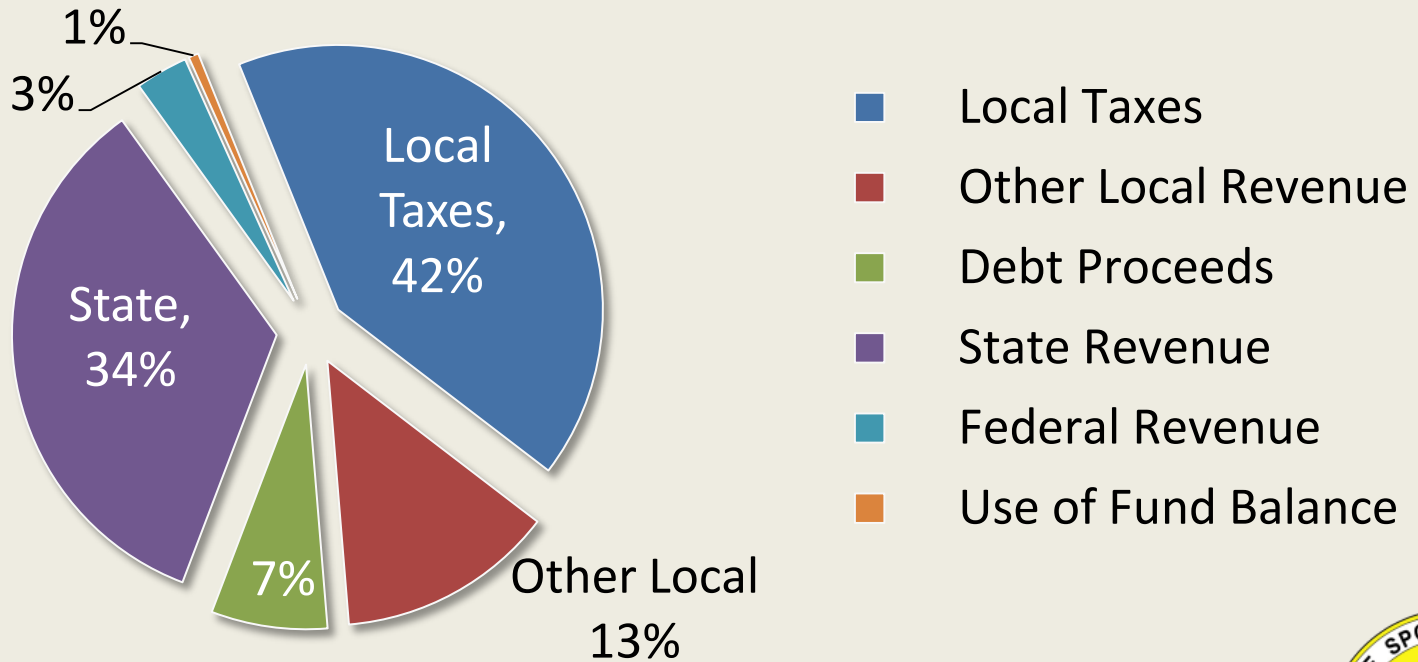
# Recommended Budget

<b>Fund</b>	<b>FY 2016 Adopted</b> (in millions)	<b>FY 2017 Recommended</b> (in millions)	<b>Difference</b> <b>\$</b> (in millions)
General	\$117.8	\$120.3	\$2.5
Economic Dev. Opp.	0.6	0.8	0.2
Code Compliance	3.6	4.0	0.4
Transportation	8.2	9.0	0.8
School Operating	258.0	265.1	7.1
School Food Service	9.3	9.5	0.2
Utilities Operating	31.5	30.7	-0.7
<i>Subtotal Op. Exp.</i>	<i>\$428.9</i>	<i>\$439.5</i>	<i>\$10.6</i>
Capital Projects	11.7	9.5	-2.2
School Capital Proj.	18.6	27.6	9.0
Utilities Capital Proj.	8.7	11.7	3.0
<i>Subtotal Capital Exp.</i>	<i>\$39.0</i>	<i>\$48.9</i>	<i>\$9.8</i>
<b>Total Budget</b>	<b>\$467.9</b>	<b>\$488.3</b>	<b>\$20.4</b>

# Recommended Budget

## Where Does the Money Come From?

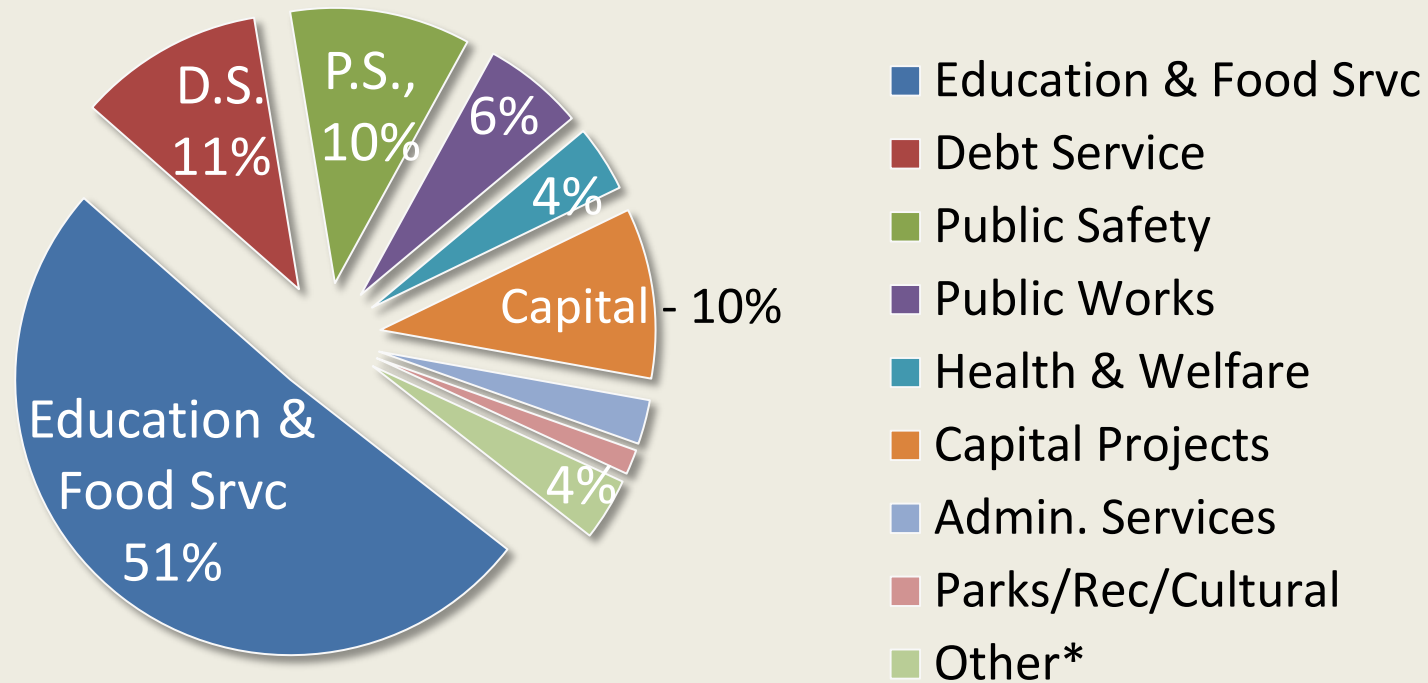
### All Funds



# Recommended Budget

## What Does the Money Pay For?

### All Funds



\*Other category includes Community Development, Executive Services, Judicial Administration, Transportation and Voter Services, each of which comprises 1% or less of total expenditures



# Recommended Budget

## General Fund Revenue -

- Reassessment & New Construction = +6.4% in values
  - ✓ 7.5% residential
  - ✓ 1.8% commercial
- Equalized rate = \$0.83
- Real Estate revenue expected to increase by \$2.8M at equalized rate
- NADA values not available until late February/March
- Expiration of \$545K from SAFER grant for 9 FF/Medics



# Recommended Budget

Revenue Changes from FY 2016	\$ in millions
Real property @ equalized rate (\$0.83)	\$2.8
Sales & meals taxes	1.2
Personal Property taxes @ \$6.73 rate	0.8
Delinquencies, penalties & interest	0.6
Other	0.6
SAFER grant for 9 FF/Medics	(0.5)
DSS/CSA revenue from State	(0.4)
Transfers in	\$0.1
Remove one-time FY 2016 use of Fund Bal.	(3.2)
<b>Total revenue adjustments</b>	<b>\$2.0</b>

# Recommended Budget

## General Fund Expenditures -

- Commitments
  - ✓ Jail & Juvenile Detention contributions + \$920k
  - ✓ Contributions to other regional entities + \$191k
  - ✓ Full-year funding of 15 positions for Co. 11 + \$533k
  - ✓ Final year of 5-year VRS transition + \$66k
  - ✓ Retiree health insurance employer costs + \$158k
- Compensation adjustment – 2% + \$1.1M
- Additional resources for public safety
- Additional resources for supporting departments
- Capital projects – County & Schools





# Recommended Budget

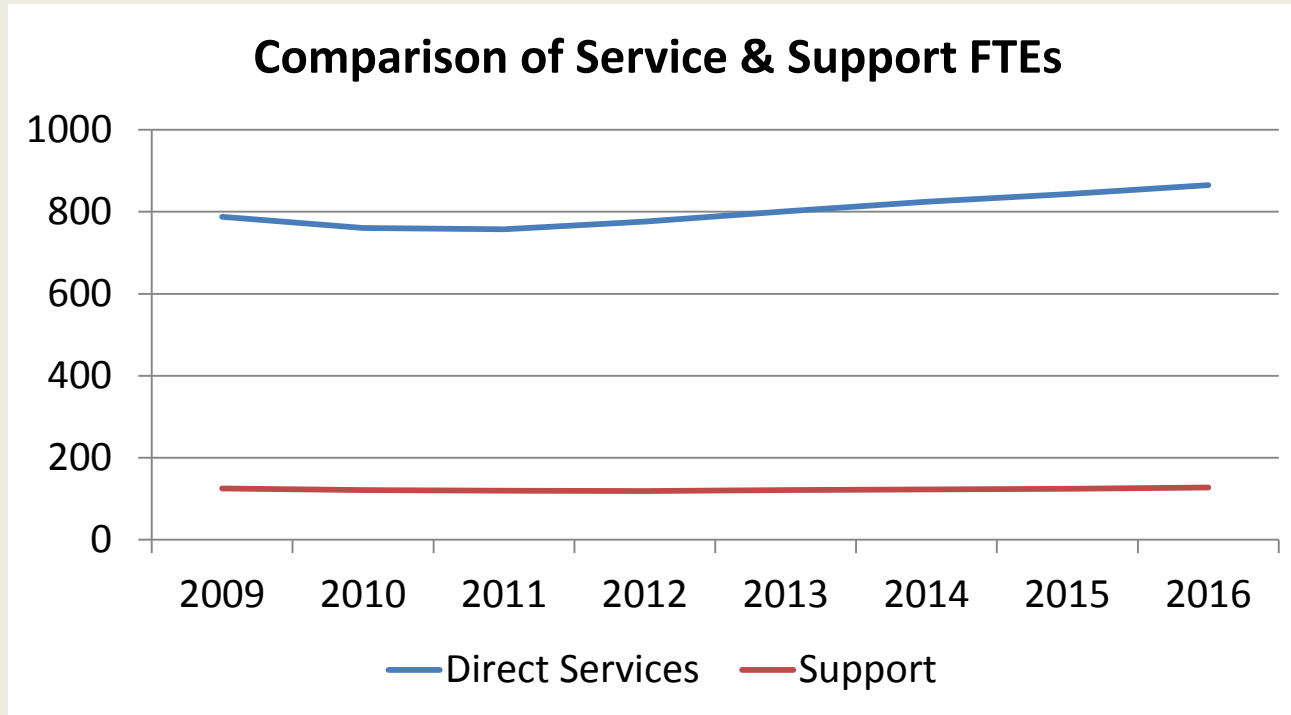
Public Safety Initiatives	\$ in millions
2 CPS Workers in DSS (\$35K in associated revenue)	\$0.12
2 DARE Officers	0.12
2 Patrol Officers – ½ year	0.08
3 Additional FF/Medics – Co. 11 (net of O/T ↓)	0.11
0.7 Fire Inspector (\$23K in associated revenue)	0.04
Sheriff's Office Career Ladder Program	0.06
Convert 10 FF to FF/Medics	0.03
<b>Total added exp. for Public Safety initiatives</b>	<b>\$0.56</b>

# Recommended Budget

<b>Supporting Dept. Initiatives</b>	<b>\$ in millions</b>
Fund previously unfunded Appl. Dev. Manager	\$0.12
1.0 Network Database Administrator	\$0.11
Shift of Admin. Assist. from Cap. Proj. to IS	\$0.06
Senior Accountant – changing requirements	\$0.10
Senior Accountant – begin internal audit func.	\$0.10
Unfund Asst. County Administrator	(\$0.20)
<b>Total added exp. for Support Dept. initiatives</b>	<b>\$0.29</b>

<b>DSS Initiative</b>	<b>\$ in millions</b>
1.0 Foster Care Worker (\$18K in associated revenue)	\$0.06

# Recommended Budget

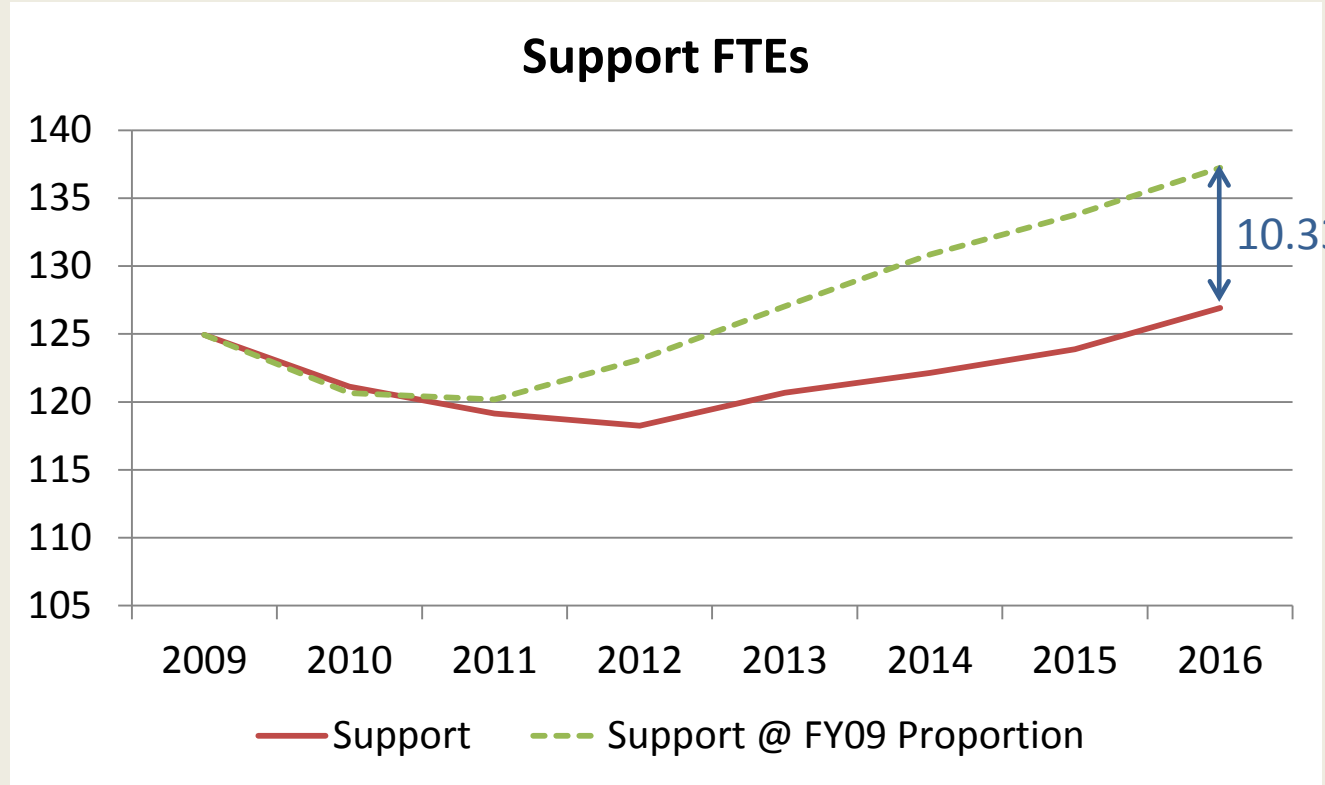


**Direct Services** – Voter Services, Judicial Admin, Public Safety (including Building), Public Works, DSS/CSA, Parks & Rec, Museum, Community Development, Capital Projects, & Transportation

**Support Services** – Executive Services, Administrative Services

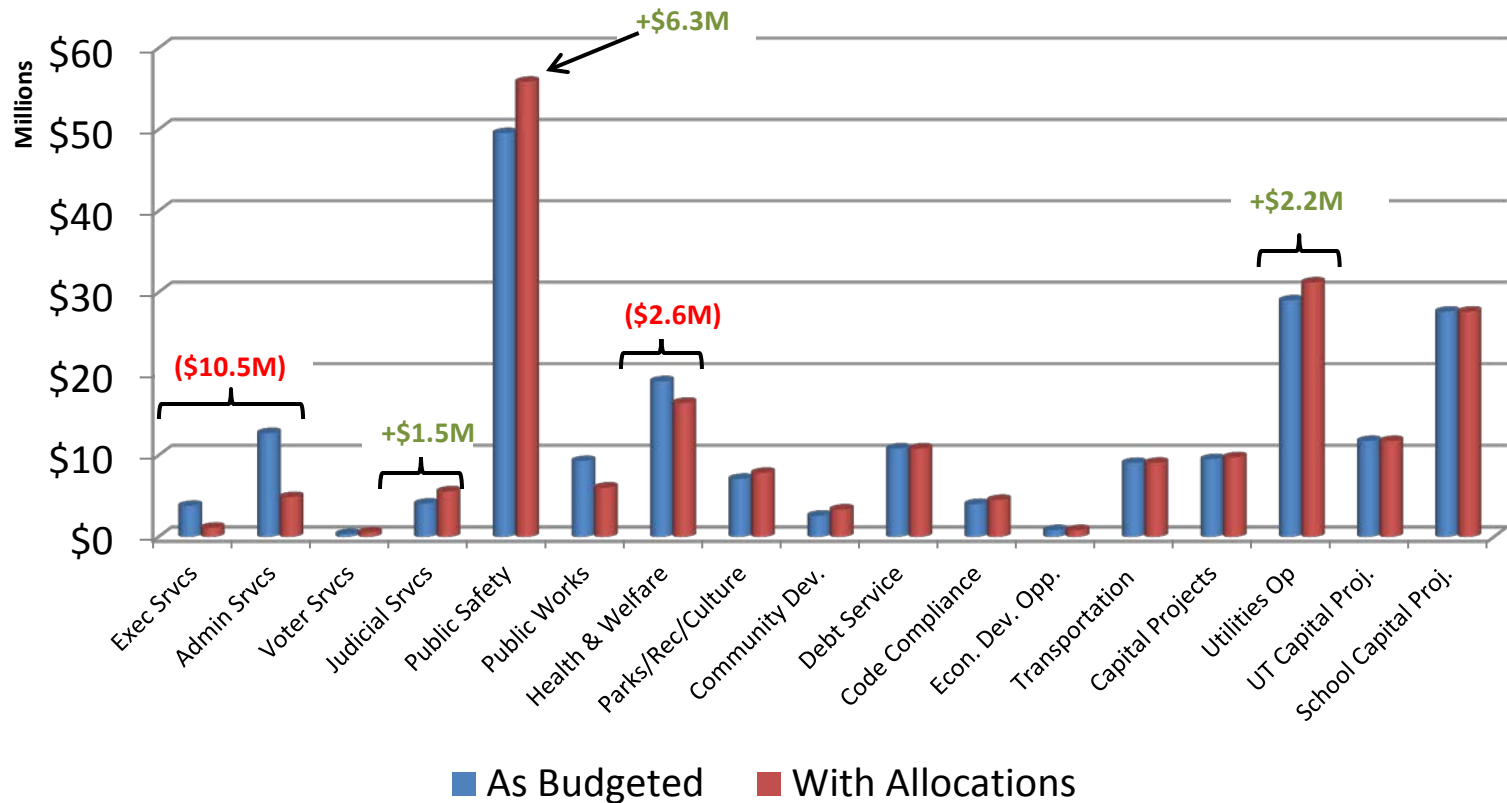


# Recommended Budget



# Recommended Budget

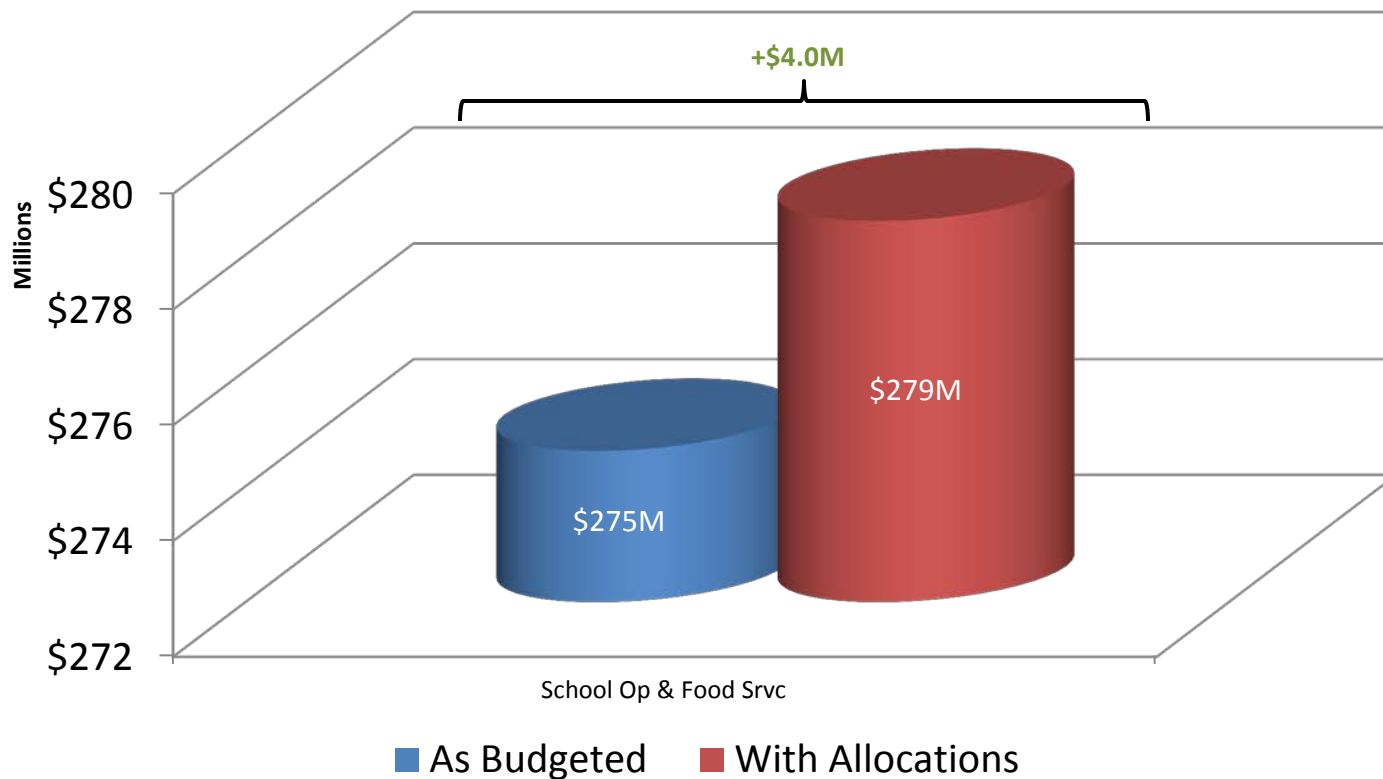
Allocation of Supporting Costs to Service Functions



These allocations are the best estimates available when the most recent cost allocation report is applied to the FY 2017 Budget. Though this can be considered a reliable gauge of probable functional allocations, may not be 100% accurate.

# Recommended Budget

Allocation of Supporting Costs to Schools



These allocations are the best estimates available when the most recent cost allocation report is applied to the FY 2017 Budget. Though this can be considered a reliable gauge of probable functional allocations, may not be 100% accurate.

# Recommended Budget

## Capital Projects & Debt Services -

Net New D.S.

- County Projects Impacting GF Debt Service
  - ✓ Completion of new radio system
  - ✓ Animal shelter modifications
  - ✓ Digital tone paging system
  - ✓ CAD system improvements
  - ✓ E-911 call system upgrades & equipment
  - ✓ Fire training center improvements
  - ✓ Replacement fire & EMS apparatus
  
- School Projects Impacting Debt Service
  - ✓ Technology replacement/upgrades
  - ✓ Buses
  - ✓ Capital maintenance

**\$1.3M**

**\$2.7M**

# Recommended Budget

## November 2014 Referendum-

**2014 BOND REFERENDUM**  
**FAQS – FREQUENTLY ASKED QUESTIONS**

17. How can I calculate what the change in my tax bill would be with a rate increased by the full 15 cents?  
 a. County staff will create a calculator online at [spotsybond.org](http://spotsybond.org) so that you can manually calculate the impact on your bill using the following template as a guide. Note that this template assumes the current 2014 average residential taxpayer assessed value of \$178,746. Your assessed value may vary from the average. Your assessed value can be found on the reassessment notice sent to you in early 2014 and on the real estate tax bill sent to you in spring 2014. If your mortgage company pays your real estate tax bill from your escrow account, you did not receive a bill in spring 2014 and will need to rely on the reassessment notice sent to you in January 2014.

SPECIAL NOTE: SEE BASELINE POWER POINT SLIDES 6, 10, 14, 17, 20 AND 22 FOR FURTHER BREAKOUTS RE ANNUAL PROPERTY COST. THESE SLIDES ARE POSTED ON THE BOND WEBSITE.

Substitute your assessed value for the \$178,746 shown in the calculations below:

Bond Question	Pennies to Fund Tax Payment	Calculation of Individual Impact	Potential Tax Bill Impact
Transportation	\$0.05	(Assessed value + 100) x \$0.05 = (\$178,746 + 100) x \$0.05 = \$1,787.46 x \$0.05 = \$89.37	\$89.37
Environmental/Solid Waste Requirements	\$0.01	(Assessed value + 100) x \$0.01 = (\$178,746 + 100) x \$0.01 = \$1,787.46 x \$0.01 = \$17.87	\$17.87
Public Safety	\$0.03	(Assessed value + 100) x \$0.03 = (\$178,746 + 100) x \$0.03 = \$1,787.46 x \$0.03 = \$53.62	\$53.62
General Government	\$0.02	(Assessed value + 100) x \$0.02 = (\$178,746 + 100) x \$0.02 = \$1,787.46 x \$0.02 = \$35.75	\$35.75
Schools	\$0.11	(Assessed value + 100) x \$0.11 = (\$178,746 + 100) x \$0.11 = \$1,787.46 x \$0.11 = \$196.62	\$196.62
<b>Total</b>	<b>\$0.22</b>	<b>\$1,787.46 x \$0.22 = \$393.23</b>	<b>\$393.23</b>

### Pennies to Fund Tax Payment

Transportation	\$0.05
Public Safety	\$0.03
Schools	<u>\$0.11</u>
<b>Total</b>	<b>\$0.19</b>

### Budget Recommendation

- ↑ RE tax rate by \$0.03
- \$0.02 for Schools d.s.
- \$0.01 for Pub. Safety d.s.

18. If funds for a particular category are not used, can they be used for another category?  
 Revised 8/27/2014 11:55am



# Recommended Budget

Revenue Changes from FY 2016	\$ in millions
Real property @ equalized rate (\$0.83)	\$2.8
Sales & meals taxes	1.2
Personal Property taxes at \$6.73 rate	0.8
Delinquencies, penalties & interest	0.6
Other	0.6
SAFER grant for 9 FF/Medics	(0.5)
DSS/CSA revenue from State	(0.4)
Transfers in	\$0.1
Remove one-time FY 2016 use of Fund Bal.	(3.2)
<b>Keeping \$0.03 on RE tax rate (\$0.86)</b>	<b>\$3.9</b>
<b>Reduce PP tax rate (from \$6.73 to \$6.59)</b>	<b>(\$0.8)</b>
<b>Total revenue adjustments</b>	<b>\$5.1</b>

# Recommended Budget

## 2015 Real Estate Tax Rates -

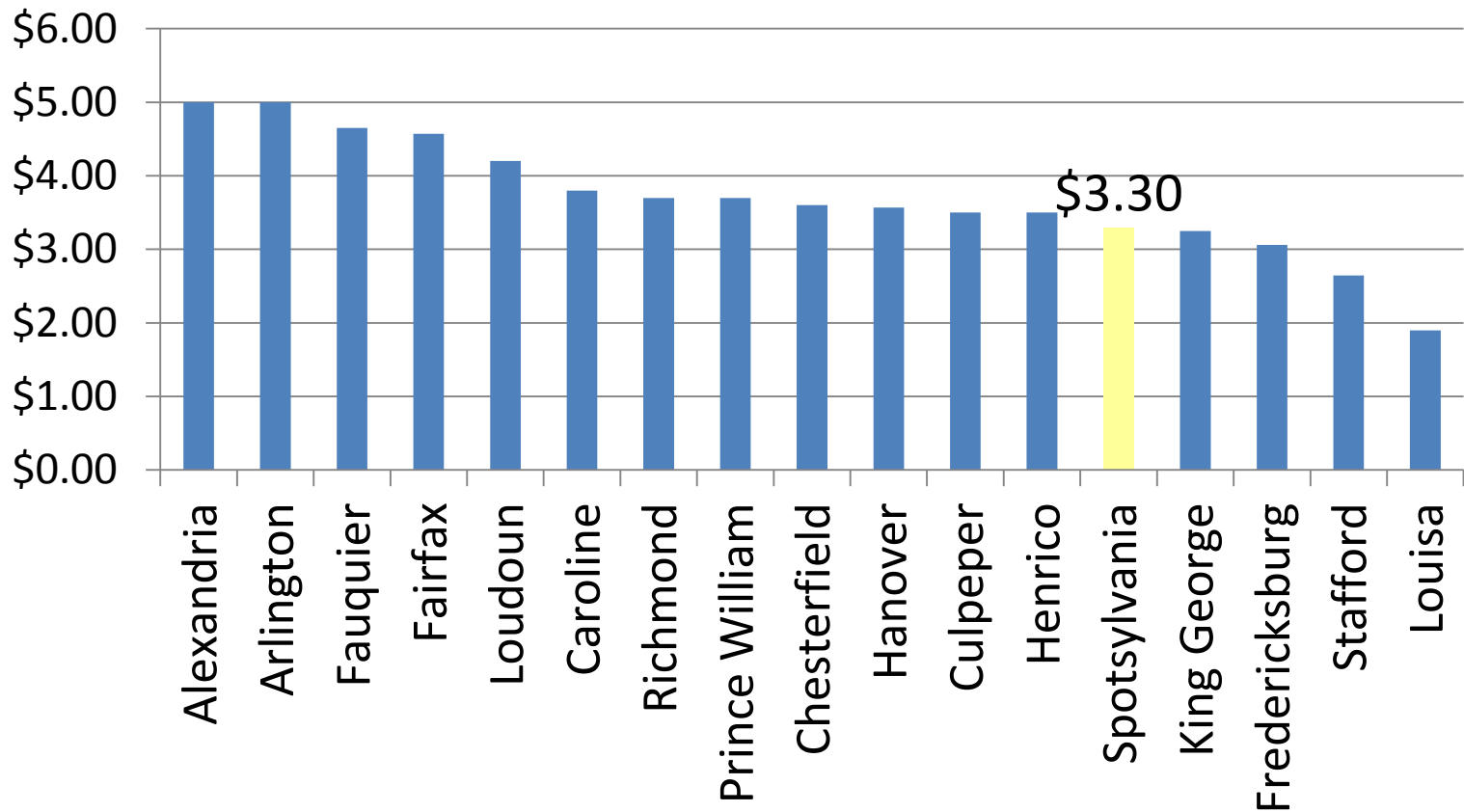
*"The county's tax rate of 86 cents compares well to its peers in Virginia, providing financial flexibility."*

**STANDARD  
& POOR'S**

Richmond City	\$1.2000
Prince William	1.1936
Loudoun	1.1350
Fairfax	1.1160
Alexandria	1.0430
Stafford	1.0190
Fauquier	0.9990
Arlington	0.9960
Chesterfield	0.9600
Henrico	0.8700
<b>Spotsylvania</b>	<b>0.8600</b>
Caroline	0.8300
Fredericksburg	0.8200
Hanover	0.8100
Culpeper	0.7300
King George	0.6100

# Recommended Budget

## Effective Personal Property Tax Rate



# Recommended Budget

<b>Expenditure Changes from FY 2016</b>	<b>\$ in millions</b>
Base budget adjustments	(\$1.2)
New initiatives including 2% compensation adj.	2.1
Revised practice on funding vehicles	(0.8)
Net new debt service – County	1.3
Increase transfer to Schools for debt service	2.7
<b>Total expenditures/transfer adjustments</b>	<b>\$4.1</b>

# Recommended Budget

Summary of General Fund Changes	\$ in millions
Revenue – including \$0.03 RE ↑ for debt service & ↓ in Personal Property tax rate	\$5.1
Expenditures – including base & new adjs.	<u>\$4.1</u>
Difference	\$1.0
<b>Addition to Fund Balance to meet 11% FSR</b>	<b>\$1.0</b>
<ul style="list-style-type: none"> <li>• FSR will be fully funded at 11%</li> <li>• BSR will be partially funded at 0.95%. \$1.2M will need to be added in future to meet the 1.25% policy requirement by the end of FY 2018</li> </ul>	

# Recommended Budget

## Excluded from Budget -

- County department requests - \$4.2M
- Schools request beyond added debt service - \$10.0M



# Recommended Budget

Date	Next Steps
Feb. 16	Schools present SB's Budget to BOS & presentation from CBRC
Feb. 23	Budget work session – <b>Decision on tax rate ads</b> ; discussion of other funds; CIP; EDA
March 8	Budget work session – Constitutional officers and department directors
March 22	Joint meeting with School Board
March 31	Public hearings on Budget, Tax Rates & CIP
April 5	Budget work session
April 7	Budget work session
April 12	Adoption of FY 2017 Budget and 2016 tax rates

# Recommended Budget

Date	Next Steps
ASAP	Expect Board communication on changes in SSD rates. Will also be discussed as part of budget.
March	Review of staff recommendations for changes in Utilities rates & fees
March	Review of staff recommendations for changes in Community Development fees