

KING GEORGE VIRGINIA



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VIRGINIA

Budget Work Session

FY 2024-2025

January 31, 2024

Agenda

- Revenue and Expenditures Current Year
- Budget Process – Operating and CIP
- Budget Challenges
- New Position Requests
- Employee Compensation: Salary Survey and COLA/Merit Increases
- Outside Agencies: Mandated and non-mandated
- Financial Policy
- Next Steps

ADOPTED FY 2023-2024 REVENUES

| REVENUE SOURCE | ADOPTED FY 22-23 | ADOPTED FY 23-24 |
|-------------------------|----------------------|----------------------|
| General Property Taxes | \$39,489,798 | \$41,743,937 |
| Other Local Taxes | \$10,645,272 | \$11,797,000 |
| Licenses, Permits, Fees | \$9,089,828 | \$8,892,284 |
| Other Local Revenue | \$3,239,549 | \$3,569,894 |
| State | \$41,216,309 | \$42,743,304 |
| Federal | \$4,646,718 | \$4,733,461 |
| Non-Revenue Receipts | \$30,465 | \$1,903,974 |
| Total Revenues | \$108,357,939 | \$115,383,854 |

ADOPTED REVENUES FY 23-24

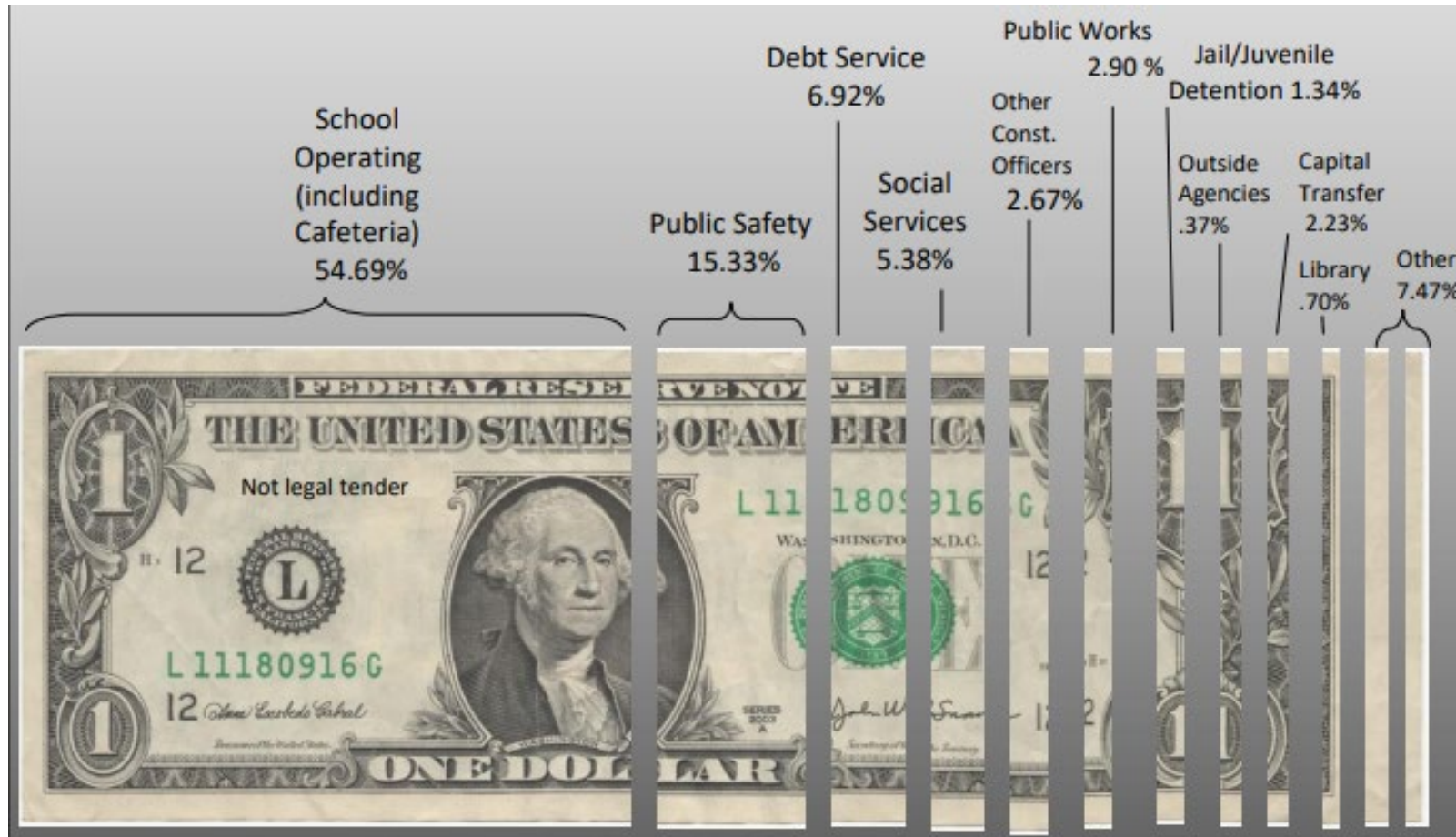


\$115,383,854

ADOPTED EXPENDITURES 2023-2024

| EXPENDITURE | ADOPTED FY 22-23 | ADOPTED FY 23-24 |
|--|----------------------|----------------------|
| School Operating Fund (with Fed. Grants and Cafeteria) | \$58,247,203 | \$62,990,934 |
| Public Safety | \$16,170,733 | \$17,692,917 |
| Debt Service Fund | \$7,303,520 | \$7,979,285 |
| Department of Social Services | \$6,590,562 | \$6,213,133 |
| General Government | \$6,073,778 | \$6,983,893 |
| Constitutional Officers | \$2,938,635 | \$3,078,741 |
| Public Works | \$3,134,033 | \$3,346,260 |
| Capital Improvement Projects | \$4,177,480 | \$2,568,863 |
| Institutions | \$1,222,626 | \$1,546,278 |
| Parks and Recreation | \$1,331,012 | \$1,686,597 |
| Smoot Library | \$733,690 | \$809,108 |
| Health Department | \$317,667 | \$333,550 |
| Tourism Fund | \$117,000 | \$154,295 |
| Total Revenues | \$108,357,939 | \$115,383,854 |

ADOPTED EXPENDITURES FY 23-24



\$115,383,854

*Other includes Board of Supervisors, County Administration, County Attorney, Human Resources, Information Technology, Parks and Recreation, Tourism, Community Development, Economic Development and Contingency.

OPERATING BUDGET PROCESS

| | |
|------------------------|---|
| DEC. | County Administrator Requested Departments/Agencies to Prepare Budgets |
| JAN. | Departments/Agencies Submitted Budgets |
| JAN | Budget Staff Review Submittals and met with Departments/Agencies |
| JAN 31ST | First Budget Work Session |
| FEB- MAR | Board of Supervisors (BOS) & Citizen Advisory Committee Hold Budget Work Sessions |
| APRIL 2 nd | Proposed Budget Presentation and Advertise for the Budget Public Hearing |
| APRIL 16 TH | BOS Conducts Budget Public Hearing |
| MAY 7 TH | BOS Adopts Budget and Appropriates Funds |

CIP BUDGET PROCESS

| | |
|-----------------------|--|
| DEC. | County Administrator Requested Departments/Agencies to Prepare Budgets |
| JAN. | Departments/Agencies Submitted Budgets |
| JAN | Budget Staff Review Submittals and met with Departments/Agencies |
| FEB 12 TH | Planning Commission Reviews the CIP and sets Public Hearing |
| MAR 12 th | Planning Commission hold CIP Public Hearing Budget Work Sessions |
| APRIL 9 th | Planning Commission Ranks Projects and Provides to the BOS |
| APRIL | BOS Conducts CIP Work Sessions |
| MAY | BOS Approves CIP and Appropriates Funds |

BUDGET CHALLENGES

- Uncertainty over the Commonwealth of Virginia budget
- Increase need for capital projects with debt payments greater than landfill revenue.
- Maintaining experienced staff due to compensation and competition with surrounding counties and Federal Government.
- Inflation, supply-chain and growing demand for goods and services.
- Increases for regional jail operating and debt services.
- VRS – increase to Defined Benefit Rate and new process for Hybrid Defined Contribution Rate.
- Unknown health care costs, both for staff and the retiree health care plan. Rates normally received in March.
- Unknown insurance amounts for real property, vehicles and worker's compensation. Currently working on renewal.
- County growth – Need for New Positions
- Schools

NEW POSITION REQUESTS

| Department | Position Requested | Annual Salary | Benefits | Total Salary + Benefits |
|---------------------------|---|---------------|--------------|-------------------------|
| Sheriff | Deputy Sheriff I | \$ 50,645.00 | \$ 27,070.00 | \$ 77,715.00 |
| Sheriff | Deputy Sheriff I | \$ 50,545.00 | \$ 27,070.00 | \$ 77,615.00 |
| Sheriff | Court Bailiff | \$ 48,545.00 | \$ 26,557.00 | \$ 75,102.00 |
| Sheriff | Court Bailiff | \$ 48,545.00 | \$ 26,557.00 | \$ 75,102.00 |
| Sheriff | Convert PT to FT Admin Asst | \$ 34,231.00 | \$ 23,339.00 | \$ 57,570.00 |
| Sheriff | Mid-year Convert PT to FT IT Specialist | \$ 19,760.00 | \$ 12,391.00 | \$ 32,151.00 |
| Sheriff - E911 | Communication Officer | \$ 44,046.00 | \$ 25,937.00 | \$ 69,983.00 |
| Sheriff - E911 | Communication Officer | \$ 44,046.00 | \$ 25,937.00 | \$ 69,983.00 |
| Community Development | Jr. Planner/Code Enforcement | \$ 45,000.00 | \$ 27,162.00 | \$ 72,162.00 |
| EMS | FF/EMT Step 3 Midyear | \$ 27,079.00 | \$ 21,910.00 | \$ 48,989.00 |
| EMS | FF/EMT Step 3 Midyear | \$ 27,079.00 | \$ 21,910.00 | \$ 48,989.00 |
| EMS | FF/EMT Step 3 Midyear | \$ 27,079.00 | \$ 21,910.00 | \$ 48,989.00 |
| EMS | Assistant Training Officer | \$ 78,910.00 | \$ 35,733.00 | \$ 114,643.00 |
| EMS | Deputy Fire Marshall | \$ 78,910.00 | \$ 35,733.00 | \$ 114,643.00 |
| Engineering | Engineer | \$ 85,000.00 | \$ 36,319.00 | \$ 121,319.00 |
| Finance | Finance Manager | \$ 75,000.00 | \$ 33,842.00 | \$ 108,842.00 |
| General Properties | Custodian - New Courthouse | \$ 34,000.00 | \$ 23,925.00 | \$ 57,925.00 |
| IT | Network Specialist | \$ 56,160.00 | \$ 29,030.00 | \$ 85,190.00 |
| Parks & Rec | Move Events Coordinator to GF | \$ 22,000.00 | \$ 1,683.00 | \$ 23,683.00 |
| Registrar | Deputy Registrar - Convert PT to FT | \$ 42,000.00 | \$ 24,144.00 | \$ 66,144.00 |
| Social Services | Benefit Program Specialist | \$ 60,000.00 | \$ 30,010.00 | \$ 90,010.00 |
| Tourism | Tourism Coodinator - Convert 2 PT to FT | | \$ 13,524.00 | \$ 13,524.00 |
| | | | | |
| Total All Requests | | | | \$ 1,550,273.00 |

EMPLOYEE COMPENSATION

- Salary Survey Conducted During Calendar Year 2023 – Presentation at a Future Work Session.
- COLA/Merit Increases for Staff – Direction requested. 5% increase would equal \$412,392.
- Public Safety salaries increase totals \$296,081 or 3.5%.

OUTSIDE AGENCY REQUESTS

- The County is mandated to support several agencies each year.
- Numerous other agencies request support from the County.
- The County also makes contributions to the Rappahannock Regional Jail and the Rappahannock Juvenile Center based on the number of inmates/juveniles in custody throughout the year.

OUTSIDE AGENCY REQUESTS

| Description | Adopted FY 23/24 | FY24/25 Budget Request | County Adm/BOS ADJUST | FY25 Budget | FY 24 vs 25 |
|---|---------------------|------------------------------|-----------------------------|-------------------|-------------|
| Outside Agencies | | | | | |
| American Red Cross of Rappahannock VA | \$ - | \$ 3,333 | - | 3,333.00 | \$ 3,333 |
| disAbility Resource Center | \$ 9,716 | \$ 9,918 | - | 9,918.00 | \$ 202 |
| Empowerhouse - Domestic Violence Ed & Supports | \$ 6,000 | \$ 6,000 | - | 6,000.00 | \$ - |
| Fredericksburg Regional Food Bank | \$ 10,000 | \$ 17,245 | - | 17,245.00 | \$ 7,245 |
| Germanna Community College | \$ - | \$ 35,000 | - | 35,000.00 | \$ 35,000 |
| G | \$ - | \$ 2,880 | - | 2,880.00 | \$ 2,880 |
| Lloyd F Moss Free Clinic | \$ 5,610 | \$ 6,732 | - | 6,732.00 | \$ 1,122 |
| Mental Health America of Fredericksburg | \$ - | \$ 14,674 | - | 14,674.00 | \$ 14,674 |
| Micah Ecumenical Ministries | \$ - | \$ 6,500 | - | 6,500.00 | \$ 6,500 |
| Northern Virginia 4-H Education Center | \$ - | \$ - | - | - | \$ - |
| Rappahannock Council Against Sexual Assault | \$ - | \$ 400 | - | 400.00 | \$ 400 |
| Rappahannock Refuge dba Loisann's House | \$ - | \$ 5,000 | - | 5,000.00 | \$ 5,000 |
| Thurman Brisben Homeless Shelter | \$ 35,396 | \$ 35,396 | - | 35,396.00 | \$ - |
| Va Community Food Connections- VA Fresh Match | \$ - | \$ 5,000 | - | 5,000.00 | \$ 5,000 |
| FAILSAFE-ERA | \$ - | \$ 6,275 | - | 6,275.00 | \$ 6,275 |
| Fredericksburg SPCA | \$ - | \$ 15,000 | - | 15,000.00 | \$ 15,000 |
| Bay Consortium Workforce Development Board | \$ - | \$ 6,964 | - | 6,964.00 | \$ 6,964 |
| Legal Aid Works | \$ - | \$ 4,403 | - | 4,403.00 | \$ 4,403 |
| Department of Forestry | \$ 6,393 | \$ 6,393 | - | 6,393.00 | \$ - |
| Fredericksburg Regional Alliance | \$ 26,229 | \$ 26,229 | - | 26,229.00 | \$ - |
| Safe Harbor | \$ 6,500 | \$ 6,700 | - | 6,700.00 | \$ 200 |
| George Washington Regional Comm | \$ 25,454 | \$ 25,460 | - | 25,460.00 | \$ 6 |
| Rapp Area Agency on Aging (RAAA) | \$ 19,509 | \$ 19,509 | - | 19,509.00 | \$ - |
| Rapp Area Comm Service Brd (RACSB) | \$ 166,173 | \$ 176,214 | - | 176,214.00 | \$ 10,041 |
| Rapp River Basin Commission | \$ 1,000 | \$ 1,000 | - | 1,000.00 | \$ - |
| Rappahannock Area CASA-Court Appointed Specia | \$ 4,500 | \$ 4,500 | - | 4,500.00 | \$ - |
| Rappahannock Area Office on Youth | \$ 31,529 | \$ 33,395 | - | 33,395.00 | \$ 1,866 |
| Rappahannock Community College | \$ 6,066 | \$ 6,249 | - | 6,249.00 | \$ 183 |
| Rappahannock Emergency Medical Service Council | \$ 7,457 | \$ 7,457 | - | 7,457.00 | \$ - |
| Tri-County Soil/Water Conserv District | \$ 55,000 | \$ 55,000 | - | 55,000.00 | \$ - |
| | \$ 422,532 | \$ 548,826 | \$ - | \$ 548,826 | \$ 126,294 |
| Bold means non-discretionary | | | | | |

Regional Jail, Juvenile Center and Health Depart.

- Juvenile Center is the Proposed Budget and will be voted on February 12, 2024, and the Jail Board on February 22, 2024.

| Description | Approved FY 22/23 | Approved FY 23/24 | FY2024/25 Budget Request | County Admin ADJUST | CA Proposed Budget | BOS ADJUST | 2025Budget | FY 24 vs 25 | % diff |
|--|----------------------|----------------------|--------------------------------|---------------------------|--------------------------|---------------|--------------------|-------------------|-----------|
| County/City Operated Institutions | | | | | | | | - | |
| Rappahannock Juvenile Detention Center | \$ 351,457 | \$ 603,787 | \$ 488,198 | - | \$ 488,198 | \$ - | \$ 488,198 | \$ (115,589) | -19% |
| Rappahannock Regional Jail | \$ 871,169 | \$ 942,491 | \$ 1,056,421 | - | \$ 1,056,421 | \$ - | \$ 1,056,421 | \$ 113,930 | 12% |
| | <u>\$1,222,626</u> | <u>\$1,546,278</u> | <u>\$1,544,619</u> | <u>-</u> | <u>\$1,544,619</u> | <u>\$ -</u> | <u>\$1,544,619</u> | <u>\$ (1,659)</u> | <u>0%</u> |
| Rappahannock Area Health District | \$ 317,667 | \$ 333,550 | \$ 343,557 | - | \$ 343,557 | \$ - | \$ 343,557 | \$ 10,007 | 3% |

County Financial Policy – Major Highlights

- The Current Financial Policy was adopted on March 6, 2012.
- Minimum Unassigned Fund Balance should be equal to 15% of the budget.
- Unassigned Fund Balance can be used to fund projects throughout the year.
- Revenue Stabilization Fund is maintained at 3% of budget and can be used in any year to balance the budget. It must be paid back the following year.
- Includes Debt policy and how to fund Capital Projects.

BUDGET DISCUSSION – NEXT STEPS

- Davenport to attend future work session (debt, financial position, bond rating, public/private)
- Discussion with departments with highest budget impacts: Schools, Sheriff, EMS, Social Services)
- Schedule departments for line-item budget reviews
- Expenditures
- Revenues
- CIP



QUESTIONS