



B O T E T O U R T

C O U N T Y O F V I R G I N I A

**FY 18-19**  
**Budget**  
**Work Session**

**March 27, 2018**



# Presentation Overview

- Major budget considerations
- Revenues by Major Category
- Expenditures by Major Category
- Capital Improvement Projects
- County Compensation Study Results - Funding
- Schools Overview

# Major Considerations

- Budget document still in draft form
- Reduced original departmental requests:
  - Operations reduced by \$856K
  - CIP decreased by \$3.8 million
- Funding for County school division
- Revenue increase from primary tax base
- Funding for local economic incentives
- Meet goal of providing a balanced budget
- No tax increase included in the budget

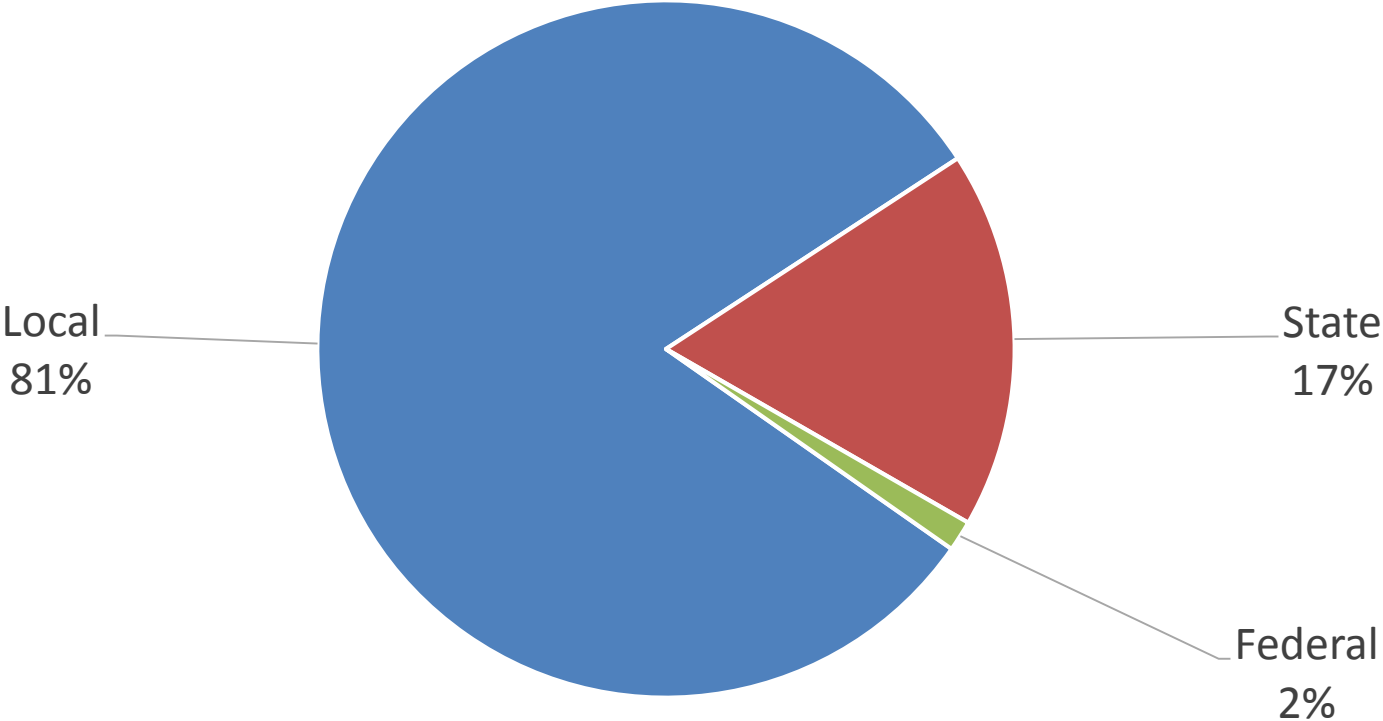
# FY 19 General Fund Highlights

- The FY19 budget is presented as balanced, representing the third successive budget that is balanced without the use of reserved funds.
- Economic Development continues to have a major impact in both revenues and expenditures
- Consideration of personnel requests
- Capital Improvement Plan (CIP) focuses on community/economic development, building maintenance, and public safety

# General Fund Revenue Highlights by Government Source

Revenue Source	FY 18 Budget	FY 19 Draft	Difference	Percent Change
Local	50,418,272	51,291,847	873,575	1.7%
State	10,896,070	10,864,836	(31,234)	(0.3%)
Federal	882,800	1,091,540	208,740	23.6%
<b>Total</b>	<b>62,197,142</b>	<b>63,248,223</b>	<b>1,051,081</b>	<b>1.7%</b>

# General Fund Revenue Highlights by Government Source



# Local Revenues

- Estimated revenue growth vs. FY18 Budget in:
  - Real Estate Taxes
  - Personal Property Taxes
  - Machinery & Tools Taxes
  - Meals Taxes
  - Permits & Fees
- All indicate growth in local economy

Growth also reflected in Investment Earnings & EMS Cost Recovery

# State Revenues

- Non-Categorical Aid and Shared Expenses remain mostly level
- Categorical Aid decreases < 1%
- PPTRA remains fixed
- Categorical Aid reflects a \$90k (11%) decrease due to projected reduction in CSA activity in support of mandated at-risk youth services



# Federal Revenues

- Payments in Lieu of Taxes (PILT)
  - No commitment at this time to provide funding for FY19. Based on history, County is budgeting to receive these revenues at a small increase vs. FY18 Budget.
- Federal Welfare payments are budgeted to remain level.
- The \$209k (24%) increase is mostly due to a) an interest rate subsidy for the School Energy Project, and b) a re-class of revenues for DMV grant funds previously shown in State revenues.

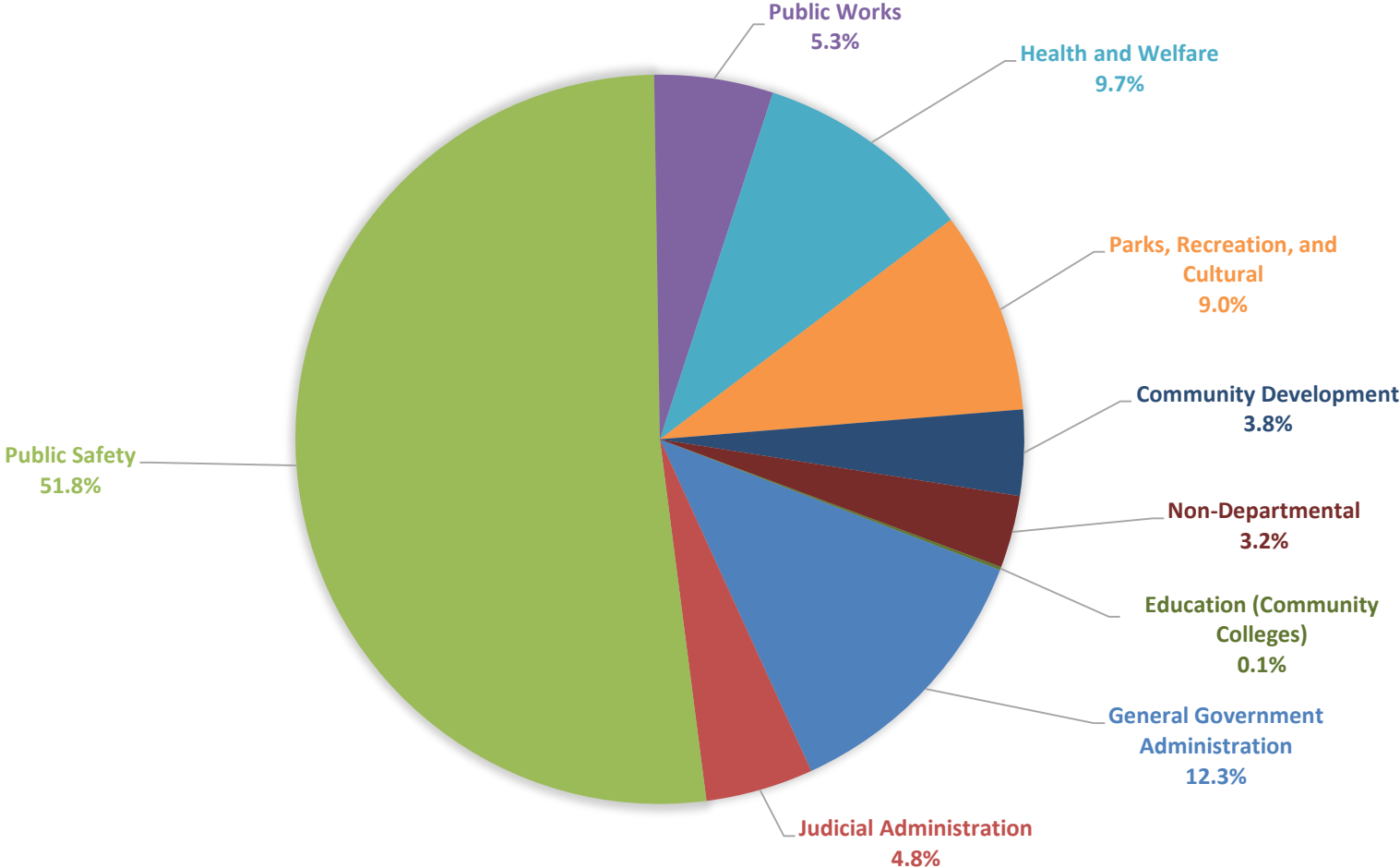
# Revenues Summary

- Local revenues indicate economic growth, along with an increase in the funds earning rate. There are also revenues budgeted for a current Roanoke Gas project (Public Service Corporation).
  - Total local incremental revenues of \$874k
- State revenues reflect a small overall decrease (\$34k, 0.3%) due to reduced CSA activity.
- Federal revenues enhanced by an interest rate subsidy (School Energy Project).
- *Overall increase of GF revenues: \$1.1 million, 2%*

# General Fund Expenditure Highlights

Major Category	FY 18 Budget	FY 19 Draft	Difference	Percent Change
General Government Administration	3,562,192	3,948,048	385,856	10.8%
Judicial Administration	1,503,509	1,526,357	22,848	1.5%
Public Safety	16,130,482	16,558,877	428,395	2.7%
Public Works	1,852,489	1,686,563	-165,926	-9.0%
Health and Welfare	3,216,361	3,100,200	-116,161	-3.6%
Parks, Recreation, and Cultural	2,990,275	2,867,689	-122,586	-4.1%
Community Development	1,112,979	1,214,830	101,851	9.2%
Non-Departmental	230,000	1,026,414	796,414	346.3%
Education (Community Colleges)	37,140	42,140	5,000	13.5%
<b>Total (Excl. proposed County 2% wage increase)</b>	<b>30,635,427</b>	<b>31,971,118</b>	<b>1,335,691</b>	<b>3.0%</b>

# General Fund Expenditure Highlights by Category



# General Government Administration

Department	FY 18 Budget	FY 19 Draft	Difference	Percent Change
Board of Supervisors	239,891	261,767	21,876	9.1%
County Administrator	373,230	377,474	4,244	1.1%
Deputy County Admin	365,524	412,295	46,771	12.8%
Commissioner of the Revenue	403,456	401,140	-2,316	-0.6%
Assessor	-	211,000	211,000	n/a
Treasurer	484,056	482,527	-1,529	-0.3%
Financial Services	349,329	297,214	-52,115	-14.9%
Technology Services	901,523	1,032,433	130,910	14.5%
Central Purchasing	94,794	108,508	13,714	14.5%
Central Garage	87,155	85,214	-1,941	-2.2%
Electoral Board/Registrar	263,234	278,476	15,242	5.8%
<b>Total</b>	<b>3,562,192</b>	<b>3,948,048</b>	<b>385,856</b>	<b>10.8%</b>

# General Government Admin

- Board of Supervisors
  - Full year of increase in Legal Retainer
- Deputy Administrator
  - Includes transfer of Payroll Bookkeeper position
- Assessor
  - First year of two year cycle (BOS decision to be made)
- Technology Services
  - Transfer of two GIS positions
  - Increase in maintenance costs
- Central Purchasing
  - 15% increase – annual fee for new software and impact of new allocation method for departmental health care costs.

# Judicial Administration

<b>Department</b>	<b>FY 18 Budget</b>	<b>FY 19 Draft</b>	<b>Difference</b>	<b>Percent Change</b>
Circuit Court	61,471	58,247	-3,224	-5.2%
General District Court	25,599	25,174	-425	-1.7%
Magistrate	967	2,510	1,543	159.6%
Clerk of the Circuit Court	647,890	649,467	1,577	0.2%
Commonwealth's Attorney	767,582	790,959	23,377	3.0%
<b>Total</b>	<b>1,503,509</b>	<b>1,526,357</b>	<b>22,848</b>	<b>1.5%</b>

# Public Safety

Department	FY 18 Budget	FY 19 Draft	Difference	Percent Change
Sheriff	4,940,168	4,953,110	12,942	0.3%
Dispatch	873,245	819,879	-53,366	-6.1%
Volunteer Fire and Rescue	1,183,689	1,511,482	327,793	27.7%
Correction and Detention	4,251,942	4,333,506	81,564	1.9%
Juvenile Detention Center	90,000	117,000	27,000	30.0%
Probation Office	4,701	4,701	-	0.0%
Community Development (Inspection) (40%)	333,147	337,798	4,651	1.4%
Animal Control	597,454	603,406	5,952	1.0%
Fire and EMS	3,565,443	3,586,504	21,061	0.6%
Emergency Communications	283,971	284,769	798	0.3%
Community Organizations	6,722	6,722	-	0.0%
<b>Total</b>	<b>16,130,482</b>	<b>16,558,877</b>	<b>428,395</b>	<b>2.7%</b>



# Public Safety

- Sheriff's Dept
  - Flat budget
- Dispatch
  - Savings in wages and benefits based on current staffing
- Vol. Fire & Rescue
  - 28% increase – SCBA repl't program & increased operational support
- Juvenile Detention Center
  - Increase in per diem rate after same rate for several years
- Animal Control
  - Increase for regional animal shelter budget, decrease in capital outlay
- Fire & EMS
  - Increase in OT & PT wages, decrease in capital outlay
  - Includes 1 ambulance

# Public Works

Department	FY 18 Budget	FY 19 Draft	Difference	Percent Change
General Services	328,956	161,064	-167,892	-51.0%
Division of Waste Management	746,525	674,799	-71,726	-9.6%
Maintenance of Buildings and Grounds	777,008	850,700	73,692	9.5%
<b>Total</b>	<b>1,852,489</b>	<b>1,686,563</b>	<b>-165,926</b>	<b>-9.0%</b>

# Public Works

- General Services
  - Transfer of 2 GIS positions to Tech. Services, transfer of 3 day/week admin. position to Economic Devel't (Admin position is shared with Central Garage)
- Waste Management
  - Budget reflects current operation mode. Decrease in refuse disposal, capital outlay, and healthcare costs
- Maintenance
  - Increase in repair costs
  - Increase in maintenance contract costs

# Health and Welfare

Department	FY 18 Budget	FY 19 Draft	Difference	Percent Change
Local Health Department	329,252	329,252	-	0.0%
Social Services	1,355,234	1,358,091	2,857	0.2%
Children's Services (CSA)	1,402,977	1,261,784	-141,193	-10.1%
Van Program	62,655	83,573	20,918	33.4%
Community Organizations	66,243	67,500	1,257	1.9%
<b>Total</b>	<b>3,216,361</b>	<b>3,100,200</b>	<b>-116,161</b>	<b>-3.6%</b>

# Health and Welfare

- Children's Services (CSA)
  - Projected decrease in case activity– Youth services
- Van Program
  - Increase due to enrollment increase in County healthcare program
- Social Services
  - Fairly flat budget vs FY18 (0.2% increase)

# Parks, Recreation, and Cultural

Department	FY 18 Budget	FY 19 Draft	Difference	Percent Change
Recreation & Facilities	1,276,262	1,239,933	-36,329	-2.80%
Sports Complex	417,201	378,050	-39,151	-9.4%
Library	1,098,566	1,062,209	-36,357	-3.3%
Community Organizations	198,246	187,497	-10,749	-5.4%
<b>Total</b>	<b>2,990,275</b>	<b>2,867,689</b>	<b>-122,586</b>	<b>-4.1%</b>

# Parks, Recreation, and Cultural

- Recreation & Facilities Department
  - Decrease in P-Time wages & health plan participants
  - Decrease in instruction & training costs
  - Decrease in building repairs
  - Decrease in capital outlay
- Sports Complex
  - Decrease in wages & fringe benefits due to realignment
  - Reduction in operating expenses
- Library
  - Reduction in wages (staff turnover)
  - Reduction in hospital medical costs

# Community Development

<b>Department</b>	<b>FY 18 Budget</b>	<b>FY 19 Draft</b>	<b>Difference</b>	<b>Percent Change</b>
Economic Development	413,743	506,469	92,726	22.4%
Community Development (P&Z) (60%)	499,720	506,697	6,977	1.4%
Environmental Management	19,155	20,111	956	5.0%
Cooperative Extension	64,443	66,623	2,180	3.4%
Community Organizations	115,918	114,930	-988	0.9%
<b>Total</b>	<b>1,112,979</b>	<b>1,214,830</b>	<b>101,851</b>	<b>9.2%</b>



# Community Development

- Economic Development
  - Includes new support position 3days/week for various assignments / projects / database management / social media outreach, etc
  - Increases in hospital / medical, professional services and marketing costs.
- Community Development (P&Z)
  - Includes budgeted increase in storm water management costs

# County Transfers to BCPS

- Total transfer = \$24,509,282 (+\$310k, 1.3%)
- Supports 1 step incr. all classified/certificated ee's
- Provides 1 correction step for all eligible ee's
- 2% increase for administrative staff
- Adds SAP Counselor & Speech positions
- Increased capital maintenance funding
- Continuation of bus replacement schedule
- Utility savings (Energy Performance Contract)
- Health Insurance increase of 5%

# County Transfers to the EDA

- Local Economic Incentives (Ballast Point & Altec)
  - \$440,000
- Broadband Initiative
  - \$50,000
- Project Development Costs
  - \$260,000
- Total Transfers: \$750,000 (FY18 \$1.85 mill.)

# Non-Departmental and Debt Service

Non-Departmental	FY 18 Budget	FY 19 Draft	Difference	Percent Change
Wellness Program	55,000	63,514	8,514	15.5%
Salary Adjustments 2%	-	334,000	334,000	n/a
Personnel / Compensation Adjustments	175,000	600,000	425,000	242.9%
Budget Issues – Non Compensation Plan	-	28,900	28,900	n/a
<b>Total</b>	<b>230,000</b>	<b>1,026,414</b>	<b>796,414</b>	<b>346.3%</b>

## Non-Departmental Expenditures

- Salary Adjustments will be allocated to respective departments
- Personnel/Compensation adjustments consider FY19 cost and impact that could result from the current regional study

## Debt Service

- Includes \$1.2 million for new School-related debt service

# Miscellaneous Organizations

- FY 18 Budget = \$424,269 vs. FY19 Draft = \$418,789
- New Funding
  - No new funding; same organization base
- Increased Funding
  - Blue Ridge Behavioral Healthcare
  - Va. Western C.C. – CCAP Program
- Decreased Funding
  - Virginia’s Blue Ridge
  - Several regional organizations (based on per capita calc)

# Capital Improvement Plan (CIP)

- Draft CIP represents a \$801k (44%) decrease to \$1M total
- Technology Services
  - Includes continued funding for PC / Laptop Replacement & Plan
- Public Safety
  - Continuation of replacement plan for portable & mobile radios purchased circa 1998, as well as funding for the cardiac monitor replacement plan.
- Recreation & Facilities
  - Includes matching funds for grants for Greenway Development and Rec Incentive Fund
- Maintenance
  - Funds for continuation of improvements of County facilities
- Economic Development
  - Funding for program opportunities
- Community Development
  - Includes second matching contribution towards Daleville YMCA and Greenfield Historical Preservation match

# Compensation Items

- County-Provided Raises
  - 2% COLA raise for employees beginning 7/1/2018
- Personnel Compensation Adjustments
  - Goal is to provide competitive salary adjustments (based on current study) beginning in the second half of FY19.

# School Highlights

<b>Revenues:</b>	
State	25,506,362
Local	24,509,282
Federal	25,000
Other	702,284
<b>Total Revenue - General Fund</b>	<b>50,742,928</b>
<b>School Nutrition Fund</b>	<b>1,804,416</b>
<b>Textbook Fund</b>	<b>1,918,608</b>
<b>Capital Reserve Fund</b>	<b>475,088</b>
<b>Self Sustaining Funds</b>	<b>3,298,490</b>
<b><i>Total Revenues – All Funds</i></b>	<b>58,239,530</b>
<b>Expenditures:</b>	
<b>General Fund</b>	<b>50,742,928</b>
<b>School Nutrition Fund</b>	<b>1,804,416</b>
<b>Textbook Fund</b>	<b>1,918,608</b>
<b>Capital Reserve Fund</b>	<b>475,088</b>
<b>Self Sustaining Funds</b>	<b>3,298,490</b>
<b><i>Total Expenditures – All Funds</i></b>	<b>58,239,530</b>
<b><i>FY 19 Budget Transfer from General Fund</i></b>	<b>24,509,282</b>



# Outlook for FY 2019-2020

- ELDOR and Ballast Point in full production mode
- Recent business expansions provide economic impact
- Exit 150 Interchange/Gateway Crossing and surrounding area primed for opportunities
- Economic Development opportunities
  - Shell building marketing / activity
  - New housing development
- Absorbing full year of FY19 initiatives (County Compensation plan and new School debt)

# Budget Calendar: Where We Have Been

- **November 2017** – Budget call letter to all departments and offices
- **January 2018** – Budget review meetings with department heads and managers
- **February 2018** – Second staff review of budgets
- **March 2018** – Draft budget provided to Board members, Budget Sub Committee meetings, meetings with other Board members, all leading to this budget work session; School budget public hearing

# Budget Calendar: Where We Are Going

- **March 27, 2018** – Work Session - Budget Committee as a whole
- **March/April 2018** – School Submits Budget Request to County
- **April 17, 2018** – Budget Public Hearing
- **April 2018** – Meetings if necessary with Budget Committee
- **April 24, 2018** – Adopt Budget



B O T E T O U R T

C O U N T Y O F V I R G I N I A