



Richmond County FY2018-2019 Budget



**BOARD OF SUPERVISORS
JANUARY 11, 2018**



Outline



- I. Current FY18 Budget – How Are We Doing?
- II. FY19 Budget Challenges
- III. Revenue Trends and Debt Service Analysis
- IV. FY19 Budget Positives
- V. FY19 Budget Priorities

Current Year – FY18 Budget Overview



- Expenses through December 31, 2017 – \$4,697,090
 - (Excluding :DSS, CSA, RCPS)

- Compares to :
 - \$4,365,000 in FY15
 - \$4,459,000 in FY16
 - \$4,503,596 in FY17

Current Year – FY18 Budget Overview



- Revenue through December 31, 2017 - \$16,227,745
 - Compared to \$15,173,000 in FY17
 - Compared to \$14,500,000 in both FY15 and FY16

Delinquent Tax Collection Comparisons



- As of December 31, 2017

- 2017 – \$653,887
- 2016- \$122,107

Total - \$775,994

- As of December 31, 2016

- 2016 - \$684,969
- 2015 - \$186,058

Total- \$871,027

- As of December 31, 2015

- 2015 - \$650,154
- 2014 - \$177,831

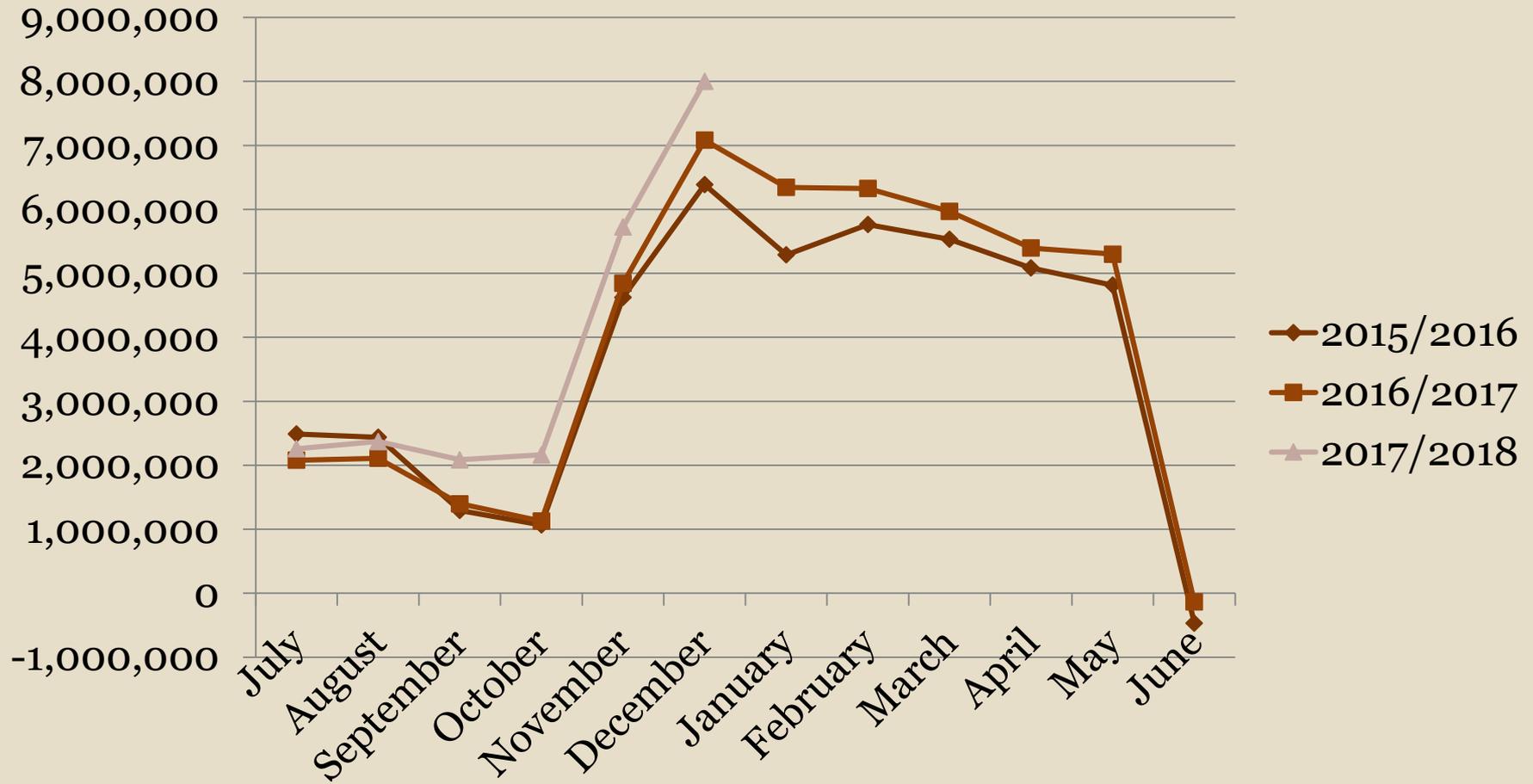
Total - \$827,985

- As of December 31, 2014

- 2014 - \$683,407
- 2013 - \$216,590

Total - \$899,997

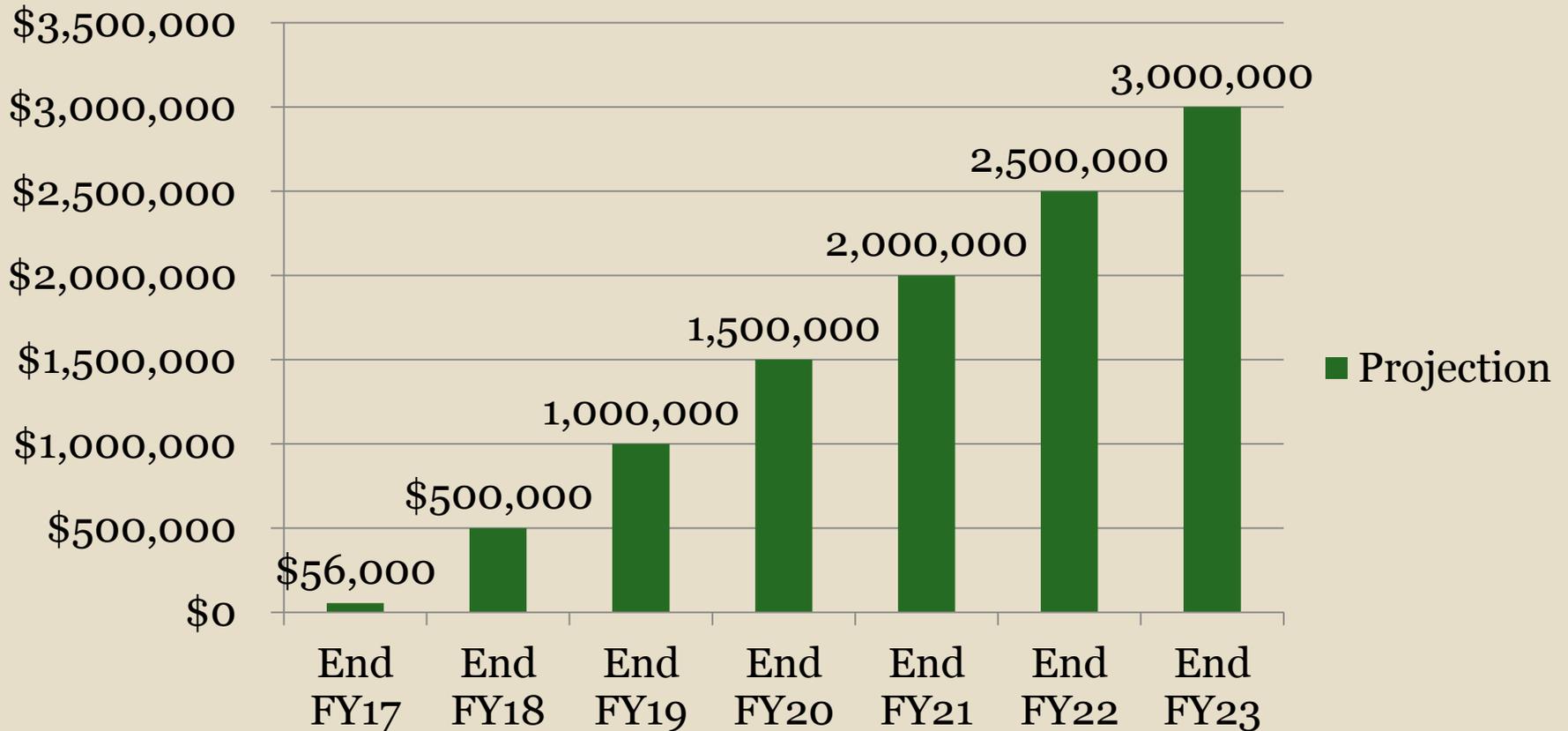
2015/2016 - 2016/2017 - 2017/2018 Cash Comparison



5 Year Un-Assigned Fund Balance Projection



Projection



FY19 – Items for Consideration



- **Personnel-**

- Employee Raises/Other Merit Increases

- ✦ 2% Raise - cost- \$60,000 full year
- ✦ What if State does not decide to give FY19 raises? Does County wish to move forward, or no?
 - Governor's introduced budget does not include raises for FY19.
 - General Assembly's budget could change this
- ✦ Raise History (Does not include RCPS) –
 - FY14- 2%
 - FY15- 0%
 - FY16- 0%
 - FY17- 1% (12/1/2016)
 - FY18 - 2% (12/1/2017)
 - FY19- ?
- ✦ Total Full Time Payroll – \$3,000,000 +/-

FY19 – Items for Consideration



• **Personnel – Continued**

- Health Insurance – Maintain current benefit level, but anticipate a 5% increase on Insurance Costs
 - ✦ 5 % increase - \$20,000 increase
 - ✦ 10% increase - \$40,000 increase

 - ✦ FY18 Health Insurance Costs to Richmond County - \$415,000 +/-

- Continue funding Sheriff's Office and EMS Retention Plans
 - ✦ \$10,000

- VRS rate decrease from 10.64% to 10.42% -
 - ✦ FY18 VRS costs to Richmond County - \$300,000 +/-

Richmond County Employee Statistics



- Employees by Department

	<u>Full-Time</u>	<u>Part-Time</u>
○ Administration	1	1
○ Building, Planning, Zoning, E/S	4	
○ Finance	1	
○ IT	1	
○ Maintenance	2	2
○ Registrar	1	2
○ Emergency Services	8	18
○ Sheriff's Office/Dispatch/Animal Control	22	10
○ Commissioner of Revenue	3	
○ Treasurer	4	
○ Clerk of the Circuit Court	3	
○ Commonwealth Attorney	3	
○ Social Services	13	
○ Total	66	33

FY19 – Items for Consideration



Other Insurance-

- **Property Insurance**
 - FY18 - \$43,856
 - FY19 - \$46,000 projected

- **Line of Duty Act**
 - FY18 - \$13,670
 - FY19 - \$16,000 projected

- **Workers Compensation**
 - FY18 - \$32,376
 - FY19 - \$34,000 projected

FY19 – Items for Consideration



- **Human Services Increased Costs-**
 - Child Services Act (CSA)
 - ✦ \$60,000 +/- increase to FY19 Budget needed
 - ✦ FY17 Costs - \$410,000 - FY18 Projected Costs \$550,000
 - ✦ FY18 CSA Budget - \$338,000 – FY19 Budget - \$400,000 +/-
 - Health Department, Community Services Board, Juvenile Detention, Mental Health, Etc.
 - ✦ \$10,000 needed increase to these agencies

FY19 Items for Consideration



- Public Safety
 - Sheriffs Office
 - ✦ Sheriffs Office Vehicles – Continue to utilize grant funding, while also preparing the County for future purchases without grant funding
 - ✦ FY19 Grant for Two Sheriff's Office Vehicles has been approved – Loan/Grant
 - ✦ Additional funding for personnel will be needed in order to fully implement FY18 salary realignment – Approx \$45,000
 - R.C.V.F.D
 - ✦ \$90,000 Operations – No anticipated change
 - ✦ \$40,000 Truck fund – No anticipated change
 - E-911
 - ✦ Continued maintenance and improvements to Dispatch Equipment through grants, CIP and operating budget.
 - Department of Emergency Services
 - ✦ Auxiliary Program
 - ✦ Part Time Pool

FY19 – Items for Consideration



- **Other -**

- Establishment of Regional Drug Court - +\$6,000
- Richmond County Public Library - +\$2,000
- Restore full funding to RCLL - +\$5,000
- Additional 1/2 Bay Transit Bus for County ? +\$18,925
- Economic Development/Broadband - +\$5,000
- Solid Waste – Possible new contract with Waste Management?
 - \$600,000 - \$620,000 annual cost for last several years
- Animal Shelter Contract - +\$12,000
- EMS Auxiliary Program - +\$2,500
- EMS Part Time Pool - +\$25,000

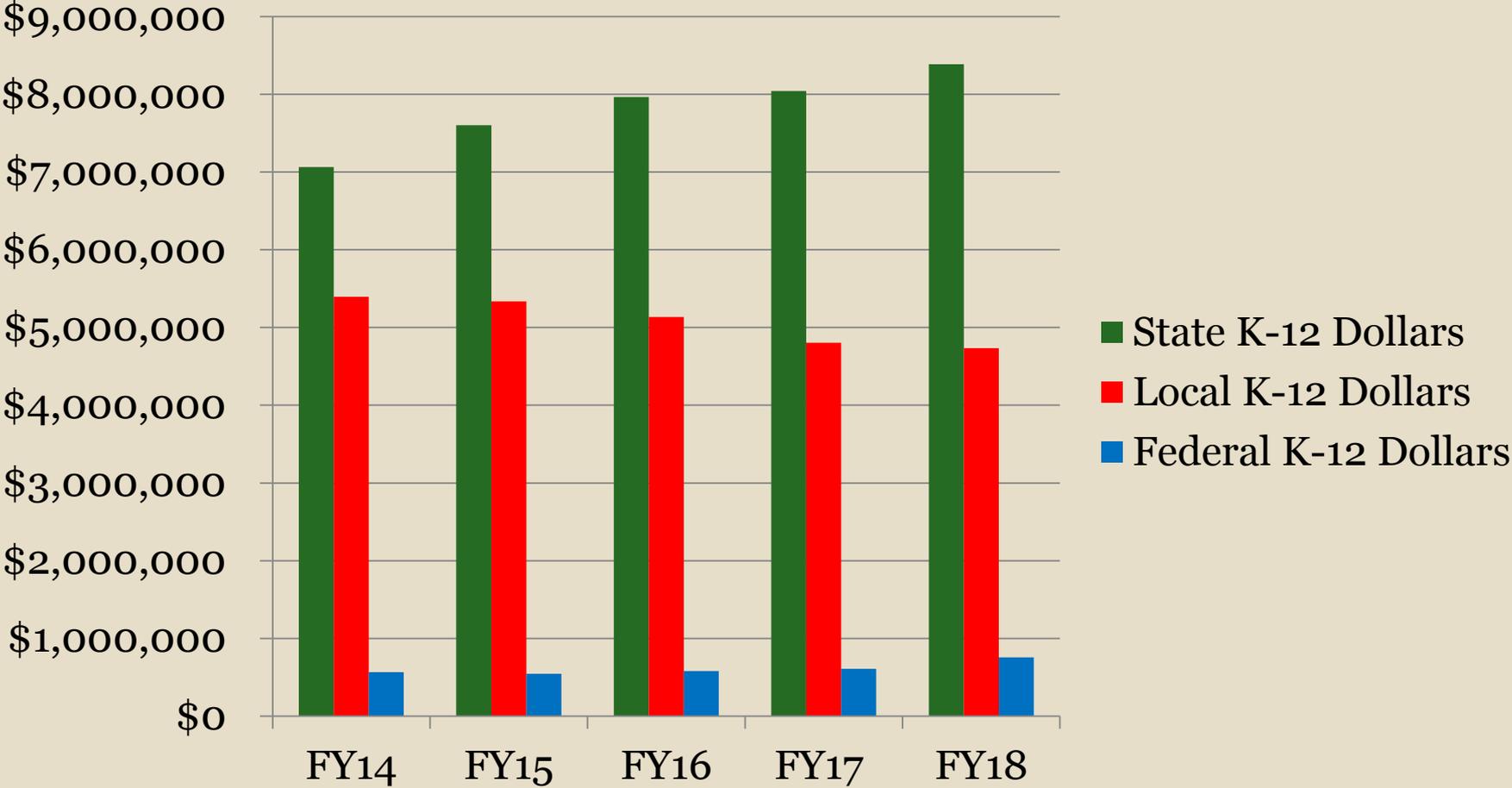
FY19 – Items for Consideration



- **Richmond County Public Schools**

- What will the FY19/FY20 State Budget outline for K-12 funding in regards to SOQ?
- Will enrollment numbers stay steady at 1250-1275?
- What additional revenue will be available due to decrease in Composite Index (CPI) from .3180 to .3100?
- How do we plan for future CPI increases, which will cause the State Contribution to decrease and the Local Contribution to increase?
- How do we plan for future capital costs, primarily school bus replacement?
- Will the decrease in the VRS Teacher rate lead to savings that could be used to help with capital or other one time costs?

State, Local and Federal K-12 Dollars



FY19 – Items for Consideration



- **Other...**

- PPTRA – FY18 change from 55% to 50%
 - ✦ No recommended changes to FY19 PPTRA Percentage
 - ✦ As the economy continues to grow, PPTRA will need to be addressed every two years, so anticipate another % reduction for FY20.
- Debt Service – Increase Debt Budget by \$17,000, from \$1,518,000 to \$1,535,000 to help accommodate new Emergency Radio System
- Capital Improvement Plan – Increase CIP Budget by \$16,500, from \$83,500 to \$100,000 to continue planning and paying for future needs.

FY19 – Capital Budget Considerations



- **Capital Improvements – Continued Focus**

- **Accounting System – Year 2 of 3 - \$75,000**
 - ✦ **The first contribution was FY18, with a total expected cost of approximately \$200,000.**
- **UPS Battery Refresh - \$15,000**
 - ✦ **UPS stands for Uninterrupted Power Supply that work to keep dispatch stations and computers up and running in the event of power failure, and prior to the generator kicking on. These batteries are replaced every 5 years.**
- **Vehicle – Animal Control- \$20,000**
 - ✦ **Our current Animal Control Truck was bought used in 2014 and is a 2006 Chevrolet Colorado with 110,000 miles. The current truck will be retained as a back-up for Animal Control.**

FY19 – Capital Budget Considerations



- **Zero-Turn Mower -** **\$7,500**
 - ✦ **Currently the County relies on a blend of the Northern Neck Regional Jail work crew, a private contractor and the Richmond County School Board to cut the grass at County owned facilities. NNRJ currently cuts the Courthouse, the RT3 median, the entrance to the Fairgrounds/Little League and when requested the grass areas around the three convenience centers.**
 - Portions of the courthouse
 - EMS – new facility and old facility
 - Animal Shelter
 - IDA Building/Walnut Street Daycare
 - Extension Office and Shop
 - Four County Entrance Signs
 - Farnham Creek Boat Landing
 - Three Convenience Centers

- **Tractor – Indianfield-** **\$12,500**
 - ✦ **If the County wishes to make the Indianfield Brush Site a more usable and beneficial site to the citizens of Richmond County, having a multi use tractor with a bush hog and loader bucket is critical. It is our hopes that this can be bought through the FY19 Chesapeake Bay License Plate Grant.**

FY19 – Projected Revenue

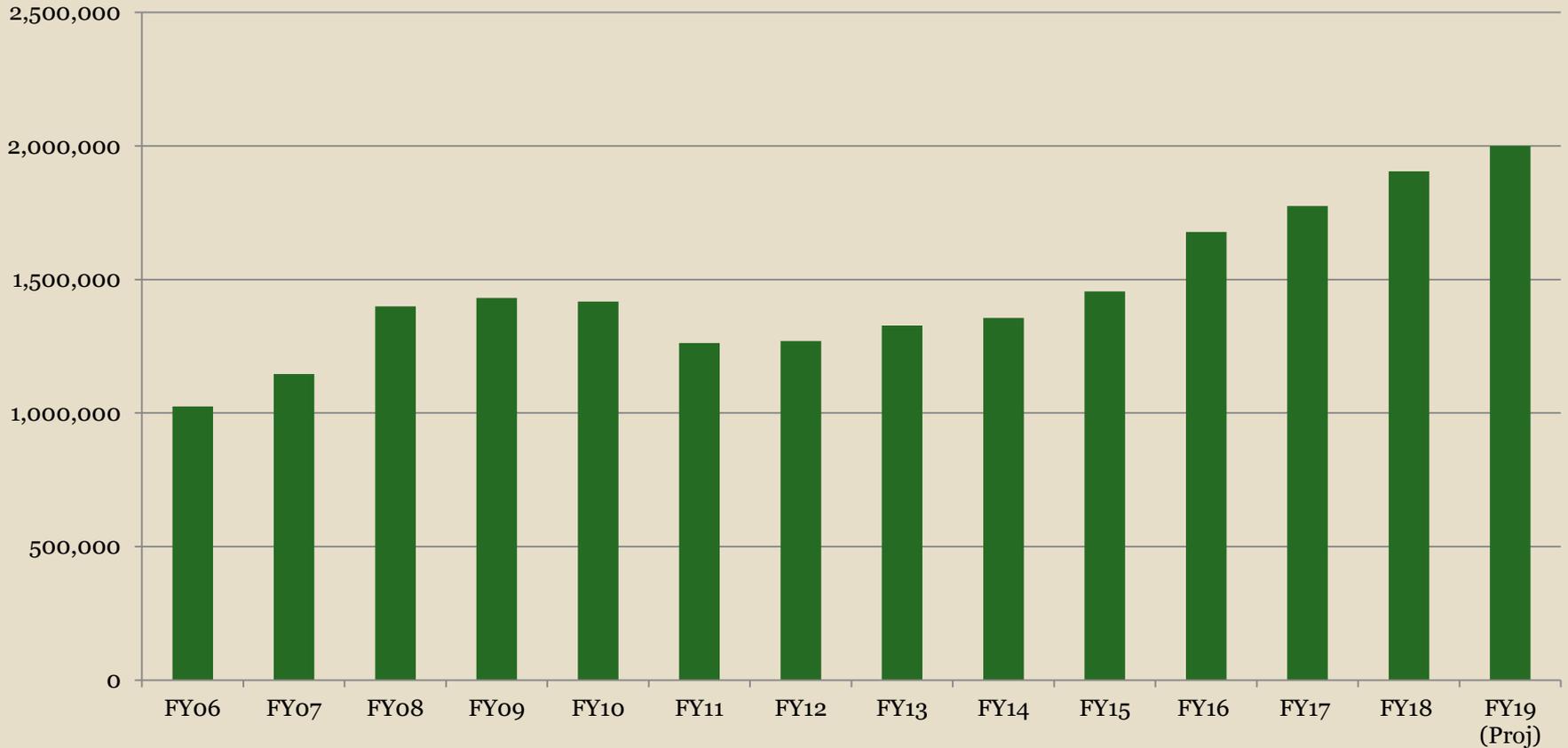


- We are continuing to see positive trends in our local sources of revenue:
 - Real Estate
 - Personal Property
 - Local Sales
 - Public Service
 - Machinery and Tools
 - Merchants Capital
 - Permits, Fines and Fees
 - Ambulance Billing

Personal Property Tax Collection History and Projection



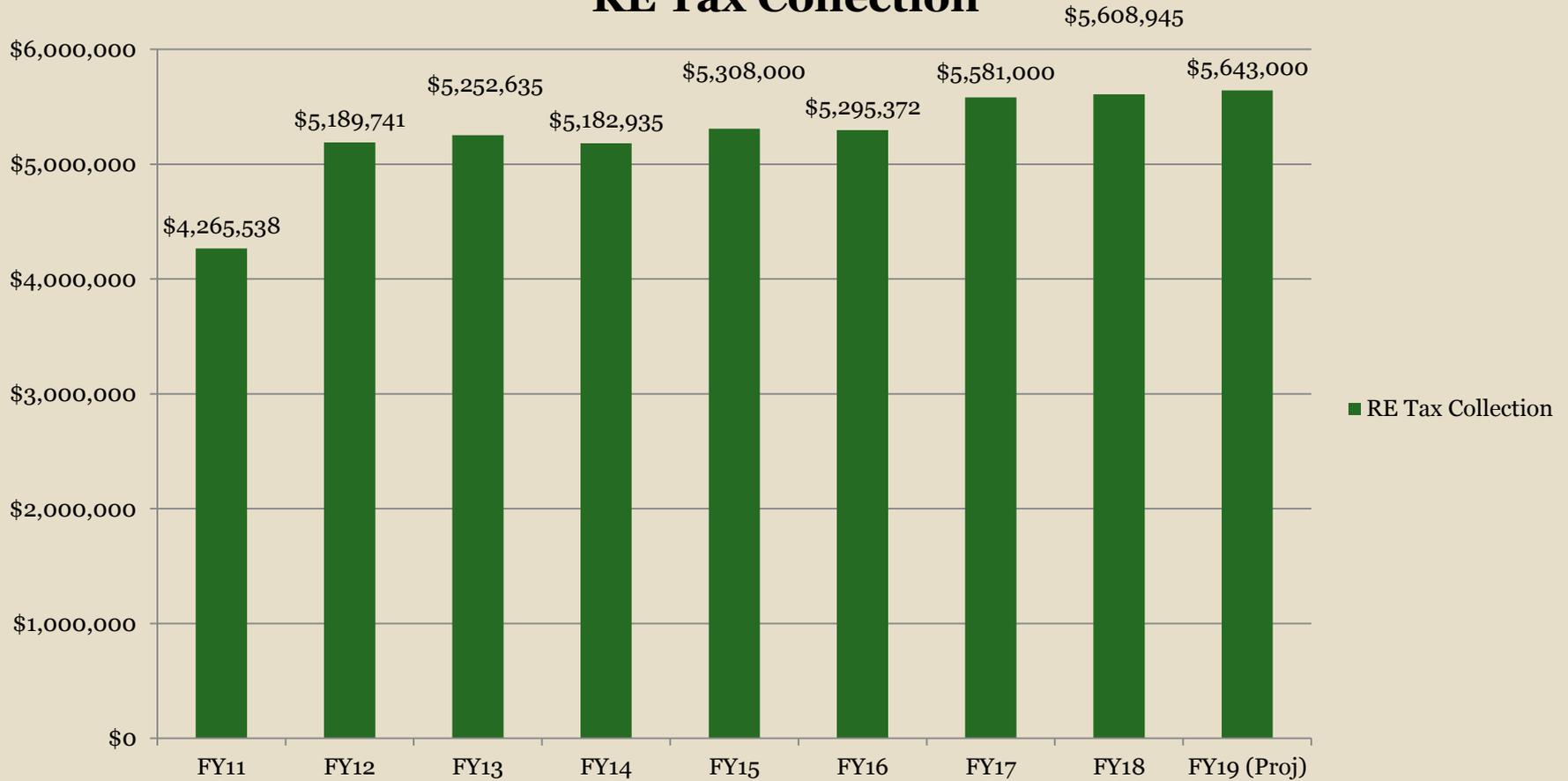
Personal Property



Real Estate Tax Collection History and Projection



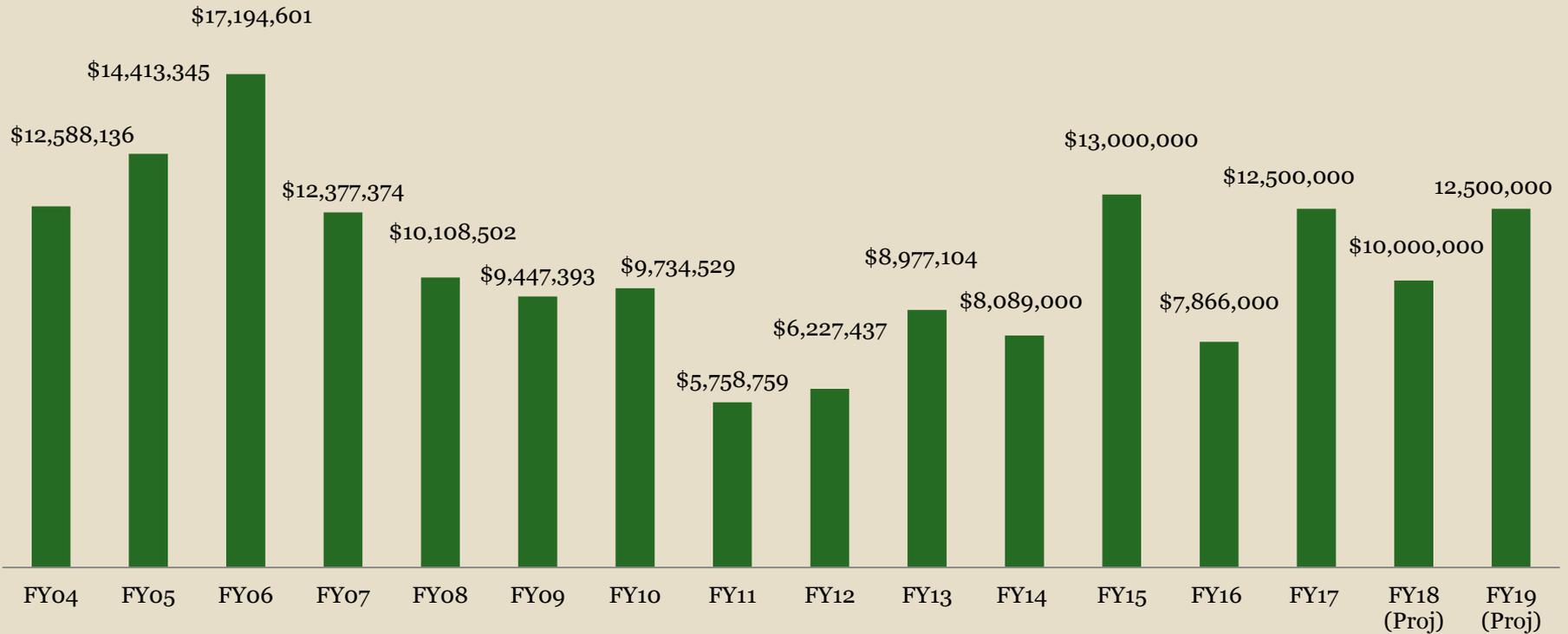
RE Tax Collection



Annual New Construction History and Projection



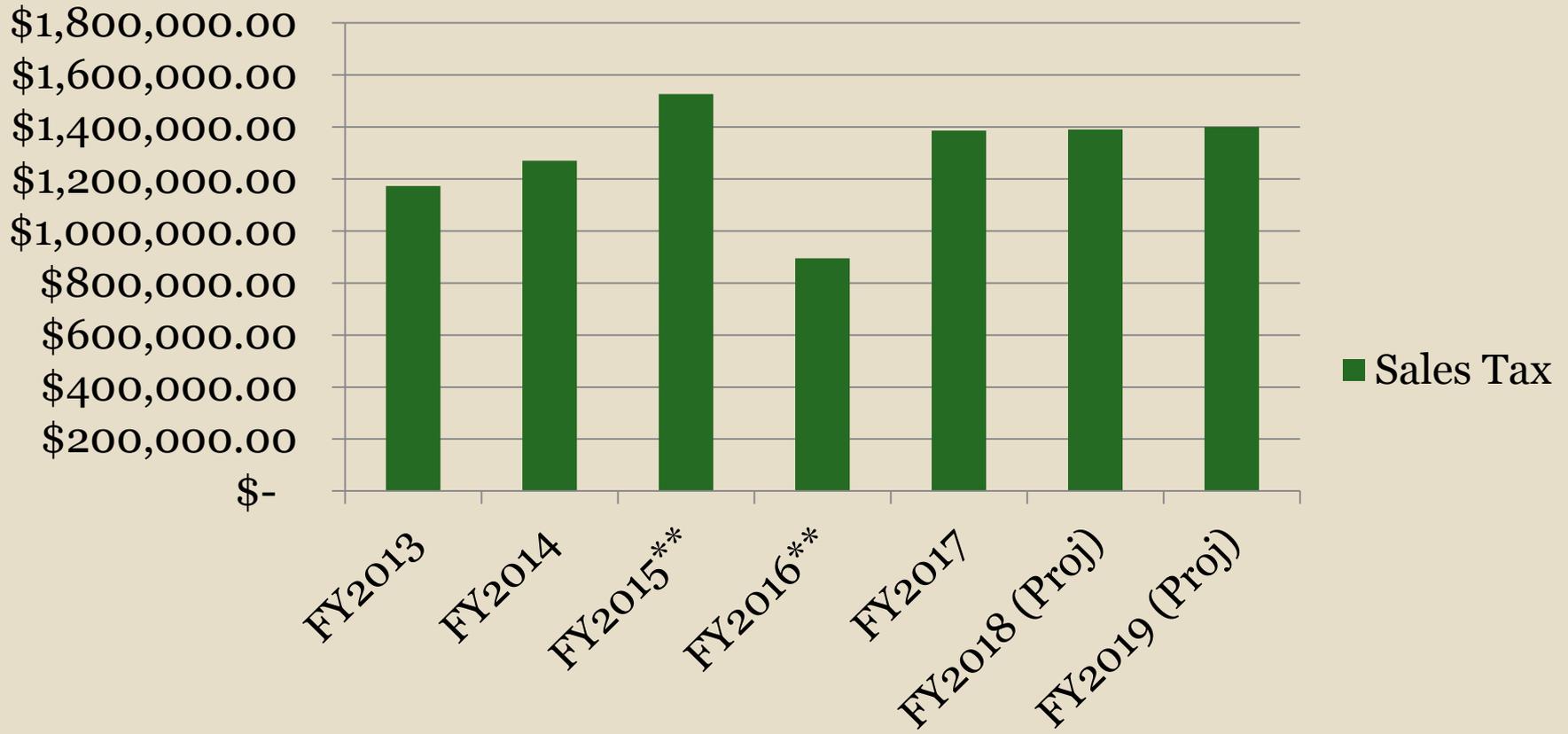
15 Year New Construction



Local Sales Tax History and Projection



Sales Tax



County Long Term Debt Liability



Richmond County Debt Service - Microsoft Excel

Year	1998 GO School	2011B VRA (re-fi)	2009 QSCB	2010 USDA	2012 QSCB	QSCB Int	2012 VPSA	2017 Union	2015 VML/VACO	YEARLY TOTAL
	<i>School</i>	<i>Courthouse</i>	<i>School</i>	<i>Radio</i>	<i>School</i>	<i>School</i>	<i>School</i>	<i>EMS/Shelter</i>	<i>Voting Machines</i>	
2018/2019	\$116,725	\$393,911	\$147,059	\$7,265	\$182,555	\$234,000	\$371,094	\$44,800	\$17,614	\$1,515,023
2019/2020		\$393,515	\$147,059	\$4,238	\$304,258	\$234,000	\$366,639	\$44,800	\$17,614	\$1,512,123
2020/2021			\$147,059		\$382,500	\$234,000	\$571,206	\$140,800	\$8,807	\$1,484,372
2021/2022			\$147,059		\$382,500	\$234,000	\$569,415	\$151,650		\$1,484,624
2022/2023			\$147,059		\$382,500	\$234,000	\$568,641	\$152,208		\$1,484,408
2023/2024			\$147,059		\$382,500	\$234,000	\$570,809	\$149,699		\$1,484,067
2024/2025			\$147,059		\$303,467	\$234,000	\$640,554	\$159,190		\$1,484,270
2025/2026			\$147,059		\$303,467	\$234,000	\$640,652	\$159,413		\$1,484,591
2026/2027			\$147,059		\$303,467	\$234,000	\$639,957	\$160,568		\$1,485,051
2027/2028					\$303,467	\$234,000	\$732,807	\$214,634		\$1,484,908
2028/2029					\$303,467	\$234,000	\$731,912	\$255,521		\$1,524,900
2029/2030					\$303,467	\$234,000	\$733,307	\$255,521		\$1,526,295
2030/2031					\$303,467	\$234,000	\$734,092	\$255,521		\$1,527,080
2031/2032					\$303,467	\$234,000	\$734,267	\$255,521		\$1,527,255
2032/2033					\$303,467	\$234,000	\$733,832	\$255,521		\$1,526,820
2033/2034					\$303,467	\$234,000	\$732,787			\$1,270,254
2034/2035					\$303,467	\$234,000	\$747,112			\$1,284,579
2035/2036										\$0
2036/2037										\$0
2037/2038										\$0
2038/2039										\$0
2039/2040										\$0
2040/2041										\$0
	\$116,725	\$787,426	\$1,323,531	\$11,503	\$5,354,950	\$3,978,000	\$10,819,083	\$2,655,367	\$44,035	\$25,090,620

FY18 Budget Priorities/Challenges



- Continued Investment in Employees
 - Benefits and Compensation
 - ✦ Employee Compensation/Merit Raises/Health Insurance/Retention Plans
- Continued Investment in the County
 - Fund Balance
 - ✦ Continue focus of building our un-designated cash reserves to 15%, which equates to \$3,500,000.
 - Capital Improvement Plan Funding
 - ✦ (IT/Accounting Computer Infrastructure, Courthouse and Facility Maintenance, EMS Facility and Bus Garage, Animal Shelter)
 - Facilities Maintenance and Vehicle Replacement
 - Continue High Service Delivery

FY18 Budget Priorities/Challenges



- Recognize growing Economy will lead to increased revenue's as well as increased Costs
- No foreseen increases to our Real Estate or Personal Property Tax Rates:
 - Real Estate - \$0.70/\$100
 - Personal Property - \$3.75/\$100

Regional Tax Rates - Comparison

Regional Tax Rates - Microsoft Excel

			E	E	E		
	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Essex County	0.60	0.84	0.86	0.86	0.88	0.88	0.88
Lancaster County	0.40	0.39	0.50	0.54	0.54	0.54	0.59
Mathews County	0.47	0.47	0.47	0.54	0.54	0.54	0.575
Middlesex County	0.46	0.46	0.48	0.53	0.53	0.53	0.56
Northumberland County	0.40	0.43	0.42	0.49	0.49	0.54	0.56
Richmond County	0.67	0.67	0.67	0.67	0.67	0.70	0.70
Westmoreland County	0.46	0.48	0.48	0.52	0.52	0.60	0.61
Regional Average	0.49	0.53	0.55	0.59	0.60	0.619	0.64
Reassessment Year							

Regional Tax Rates - RCPS Funding History - RLE Analysis - Land Value Comp - Other RCPS Benefits - Teacher Pay - 4 Year Budgets - Outside Organization

Ready Circular References 100% 4:12 PM 12/18/2017

FY19 Budget Adoption Schedule



- Friday, December 8, 2017 – Budget Request Letters submitted to Departments
- Friday, January 26, 2018 – Department Budget Requests due to County Administrator
- Friday, February 23, 2018 – FY19 Budget Requests and proposed Capital Improvement Plan (CIP) given to Board of Supervisors
- Thursday, March 8, 2018 – FY19 Budget Presentations from Departments (1:00 – 5:00 PM)
- Monday, March 19, 2018 – FY19 Budget/CIP Worksession (6:00 PM)
- Monday, March 26, 2018 – FY19 Budget/CIP Worksession (6:00 PM)
- Thursday, April 12, 2018 – FY19 Budget/CIP Worksession (1:00 or 6:00 PM)
- Thursday, April 19, 2018 – FY19 Budget/CIP Public Hearing (7:00 PM)
- Thursday, May 10, 2018 – FY19 Budget/CIP Adoption (7:00 PM)