



Richmond County FY2017-2018 Budget



**FY 2017-2018 PUBLIC HEARING
APRIL 27, 2017 – 7:00 PM**



FY18 Budget Priorities/Challenges



- Continued Investment in Employees
 - Benefits and Compensation
 - ✦ 2% County Employee Raise/Merit Raises/Health Insurance/Retention Plans/ Teacher Steps +1%/ 1% all other RCPS
- Continued Investment in the County
 - Fund Balance
 - ✦ Continue focus of building our un-designated cash reserves to 15%
 - Capital Improvement Plan Funding
 - ✦ (EMS Facility, E-911 Radio Study, IT infrastructure, Courthouse Maintenance, etc)
 - Facilities Maintenance and Vehicle Replacement
 - Continue High Service Delivery

FY18 Budget Priorities/Challenges



- Recognize growing Economy will lead to increased Revenue as well as increased Costs in areas such as:
 - Solid Waste/Brush
 - General Operations and Maintenance
 - Personnel/Benefits (Keeping of Quality Employees)
- Growing needs and increases in Health and Human Services –
 - Health Department, Community Services Board, Juvenile Detention, Social Services, At-Risk Youth

What Do We Fund?



- Employees
 - Salaries, Benefits, Insurance
 - Education
 - Courts
 - Judge's, Clerks and Attorneys
 - Mental Health
 - Jails and Detention
 - Social Services/Health Department
 - At-Risk Youth/Foster Children
 - Recreation
 - Libraries
 - Museums
 - Conservation
 - Public Safety – Fire, Police and Rescue
 - Emergency Management
 - Emergency Radio Systems
 - County Dispatch
 - Animal Control
 - County Records
- Buildings and Property
 - Information Technology
 - Assessment and Collections
 - Elections and Voter Registration
 - Building Inspections/Code Compliance
 - Erosion and Sediment Control/Stormwater Management
 - Land Use/Planning/Zoning
 - Waste Management (Trash)
 - Public Transit – Bay Transit
 - Economic Development
 - Regional Programs and Partnerships
 - NN Food Bank, Rapp. River Basin, The Haven, Menokin, Remote Area Medical, Planning District Commission
 - Cooperative Extension

FY18 Advertised Tax Rates



- No changes to FY18 Tax Rates

\$0.70/\$100 – Real Estate

\$3.75/\$100 – Personal Property

\$0.40/\$100 - Machinery and Tools

\$3.50/\$100 - Merchants Capital

- \$0.03 Tax Increase of FY17 (+\$225,000) to still be dedicated to:
 - \$150,000 – Undesignated Fund Balance
 - \$75,000 - Capital Improvement Plan
- Personal Property Tax Relief (PPTRA) “Car Tax”
 - Advertised rate of 50%, down from 55%
 - ✦ Why? Increase in total number of vehicles and value within the County

FY18 Advertised Expenditures



<u>Category</u>	<u>Approved FY17</u>	<u>Recommended FY18</u>	<u>Difference</u>
General Government	\$2,746,360	\$2,844,075	\$97,715
Judicial Admin	\$565,592	\$597,036	\$31,444
Public Safety	\$2,602,814	\$2,690,697	\$87,883
Public Works	\$918,174	\$960,605	\$42,431
Health and Welfare	\$2,366,766	\$2,283,052	-\$83,714
Education	\$14,200,294	\$14,750,177	\$549,253
Parks/Rec/Culture	\$136,789	\$145,289	\$8,500
Community Development	\$255,844	\$258,070	\$2,226
Non-departmental	\$89,317	\$130,317	\$41,000
TOTAL	\$23,882,581	\$24,659,318	\$776,737

****The Recommended FY18 Budget represents a 3.0% increase over the approved FY17 Budget ****

FY18 Advertised Revenue



<u>Category</u>	<u>Approved FY17</u>	<u>Recommended FY18</u>	<u>Difference</u>
Local Sources	\$10,009,850	\$10,204,476	\$194,626
State Sources	\$11,230,990	\$11,552,840	\$321,850
Federal Sources	\$1,385,511	\$1,530,935	\$145,424
Non Rev/ Trans	\$1,256,230	\$1,371,067	\$114,837
TOTAL	\$23,882,581	\$24,659,318	\$776,737

FY18 Expenditure Overview



- 2% County Employee Raises – Effective December 1, 2017
 - \$41,000
- Sheriff's Office and EMS Retention Plans -
 - EMS - \$1,700
 - Sheriff 's Office- \$3,250
- Other Merit Increases –
 - \$18,000
- Health Insurance Costs – Up 3%
 - Impact to County - \$13,000

FY18 Expenditure Overview



- Debt Service-
 - Propose to increase budget from \$1,475,000 to \$1,518,000
 - ✦ \$25,000 – Yearly Revenue Anticipation Note (Fees and Interest)
 - ✦ \$18,000 – Early Payoff of Two USDA Loans – Police Cars

- Capital Improvement Plan –
 - Propose to increase budget from \$75,000 to \$83,500

- Reserve- Non Designated-
 - Propose to continue contribution of \$150,000 to Undesignated Fund Balance

FY18 Expenditure Overview



- **Circuit Court Judge, Secretary Position-**
 - Increase of \$8,500, from \$15,000 to \$23,500
 - ✦ Removal of Westmoreland County and Essex County from our Circuit, means a 33% split, rather than the past 20%

- **Juvenile Detention –**
 - Increase of \$5,448 from \$11,300 to \$16,748 due to new funding formula of Center
 - ✦ Rolling 5 year average, rather than actual annual costs

- **Community Services Board-**
 - Increase of \$5,000 from \$25,000 to \$30,000
 - ✦ CSB Request is \$34,253

- **Tri-Rivers Health Department-**
 - Increase of \$13,241 from \$111,759 to \$125,000
 - ✦ Health Department Request is \$129,732

- **Proposed Level Funding to Both Northern Neck Free Health and Tappahannock Free Health-**
 - NN Free Health - \$3,000
 - Tappahannock Free Health - \$7,000

FY18 Expenditure Overview



- **Sheriff's Office –**
 - Propose to purchase two new patrol vehicles with USDA Grant/Match program - \$60,000
 - ✦ \$33,000 Grant
 - ✦ \$27,000 Match (No new loan)

- **Ambulance and Rescue Services-**
 - Increase Part Time Provider Budget from \$58,113 to \$76,000 to provide raises to hourly employees and increases to on-call program from (7p-7a)
 - Increase Ambulance Fund from \$29,690 to \$47,000 to recognize growing costs of medic units, and to move from a 5 year replacement cycle to a 4 year replacement cycle.

- **Richmond County Volunteer Fire Department-**
 - No proposed changes to RCVFD Funding
 - ✦ \$90,000 – General Operations
 - ✦ \$40,000 – Truck Fund

FY18 Expenditure Overview



- Refuse Collection and Disposal-
 - Increase of \$20,000 to Solid Waste Budget from \$580,000 to \$600,000

- General Properties-
 - Increase of \$10,000 payment to IDA building for continued maintenance. This is a new expenditure.
 - ✦ Richmond County School Board to also contribute \$10,000 annually to help pay maintenance and upkeep costs of this building.

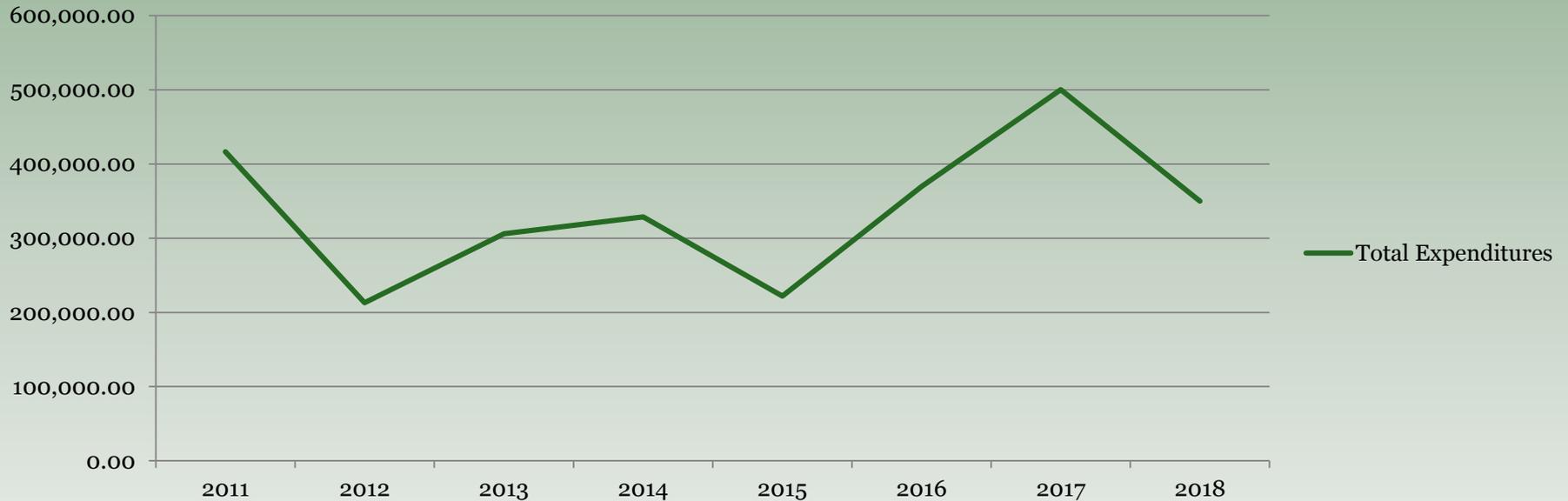
- Animal Control –
 - Increase of \$29,000 to Housing of Dogs, from \$9,000 annually to \$38,000
 - ✦ Number may still be low, but end of year “true-up” with Westmoreland County will be required.
 - ✦ Will need additional funding in FY19.

FY18 Expenditure Overview

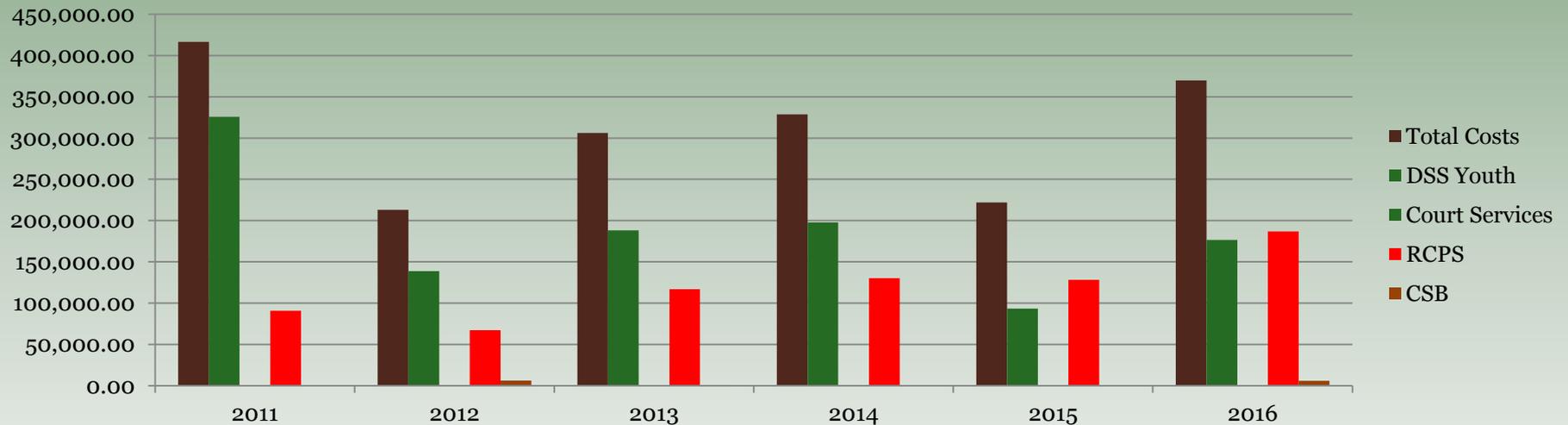
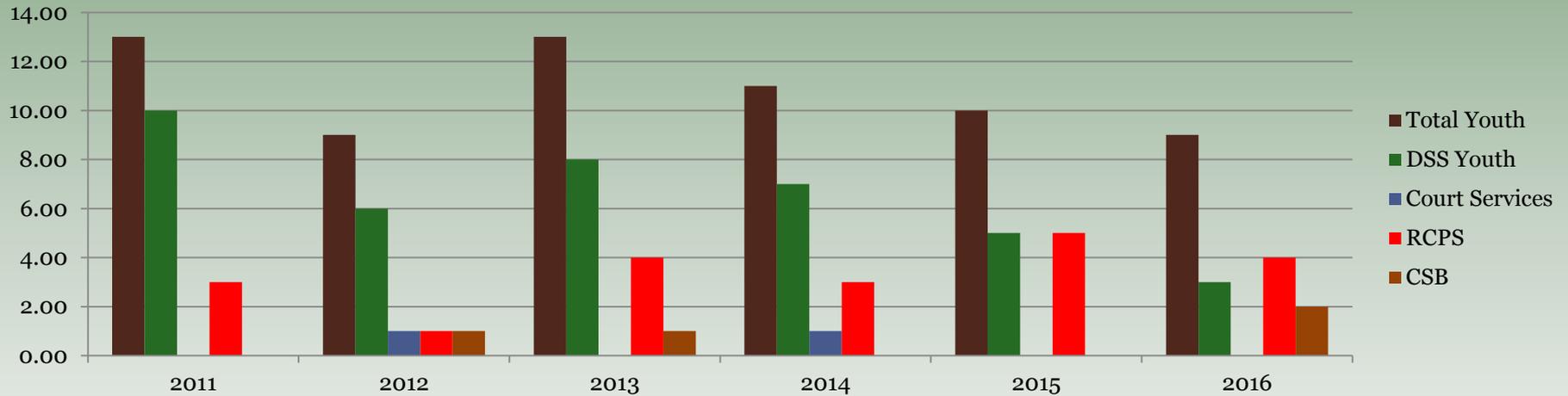


- **Child Services Act (CSA)**
 - Increase of \$13,000 from \$325,000 to \$338,000
 - Large % of these costs – RCPS and DSS

Historical CSA Expenditures and Projections



FY18 Expenditure Overview - CSA



FY18 Expenditure Overview



- Support of Recreational Programs
 - Level funding to YMCA - \$25,000
 - Reinstated \$10,000 Contribution to RC Little League
 - ✦ \$5,000 reduction due to \$20,000 advance in FY16

- Richmond County Public Library
 - Increase of \$4,000 to Public Library from \$88,160 to \$92,160
 - ✦ FY14 - \$79,160
 - ✦ FY15- \$84,160
 - ✦ FY16- \$86,160
 - ✦ FY17- \$88,160
 - ✦ FY18- \$92,160

FY18 Expenditure Overview



- Other:

- +\$1,000 to Northern Neck Tourism Commission (\$6,500-\$7,500)
- +\$500 to NN-CB Regional Partnership (\$4,000-\$4,500)
- Level Funding to Menokin Foundation at \$1,000
 - ✦ Requested \$2,000 Contribution
- Level Funding to Northern Neck Soil and Water at \$12,000
 - ✦ Requested \$15,000 Contribution

FY18 Expenditure Overview



- Other
 - +\$1,500 to Remote Area Medical
 - Level Funding to Northern Neck Food Bank at \$1,000
 - ✦ Requested \$2,000 Contribution
 - Level Funding to the Haven at \$4,000
 - ✦ Requested \$6,000 Contribution
 - +\$853 to Rappahannock Community College (\$9,647-\$10,500)
 - ✦ Additional request of \$10,500 to RCC Capital not included

FY18 Expenditure Overview - RCPS



- RCPS FY18 Request - +378,546
 - Total Operational Budget Request of \$13,935,000
 - ✦ Salary Improvements - \$116,953
 - Step +1% for Teachers, 1% for all others
 - ✦ VRS Increase- \$127,031
 - ✦ Health Insurance +3% \$22,075
 - ✦ Regional Programs \$20,487
 - ✦ Bus GPS \$10,000
 - ✦ Maint. Service Contracts- \$38,000
 - ✦ Asbestos Removal- \$20,000
 - ✦ Post Grad Investment Init. \$24,000

FY18 Expenditure Overview - RCPS



- FY18 Budget as advertised +\$303,106 vs. \$378,546 requested
 - Total Operating Budget FY18 -\$13,860,000 vs. \$13,935,000 requested
 - Total Operating Budget FY17 - \$13,556,894
 - Total Local Contribution - \$4,735,727 (34.2%)
 - Richmond County Required Local Effort (RLE) - \$3,250,000 (Approx)
 - ✦ +378,546 Additional Request
 - -\$10,000 – Bus GPS (Capital Expense)
 - -\$20,000 – Asbestos Removal (Capital Expense)
 - -\$45,440 – JROTC Funding (New Federal)
 - +\$303,106 – Increased FY18 Funding

FY18 Expenditure Overview - RCPS



- +\$303,106 along with \$45,440 from JROTC Funding/Savings can fund current FY17 programs plus:

✦ Salary Improvements -	\$116,953
○ Step +1% for Teachers/1% for all others – July 1, 2017	
✦ VRS Increase-	\$127,031
✦ Health Insurance +3%-	\$22,075
✦ Regional Programs-	\$20,487
✦ Maint. Service Contracts-	\$38,000
✦ Post Grad Investment Init.-	\$24,000

FY18 Expenditure Overview - RCPS



✦ RCPS Total Expenditure Impact

- \$13,860,000 – Operating
- \$189,957 - Virginia Preschool Initiative
- \$689,720- Food Service
- \$815,805- Debt Service Associated with RCPS
- \$200,000- Approximate CSA Expenses Associated with RCPS
- \$100,000- School Resource Officers
- \$15,855,482 Total RCPS Expenses (64%)

FY18 Expenditure Overview - RCPS



- RCPS Revenue Sources – Operating Budget

- \$13,860,000 Total Operating Budget

✦ \$4,735,727-	Local Government	(34.2%)
✦ \$8,369,555-	State Government	(60.4%)
✦ \$754,718-	Federal Government	(5.4%)

FY18 Expenditure Overview - RCPS

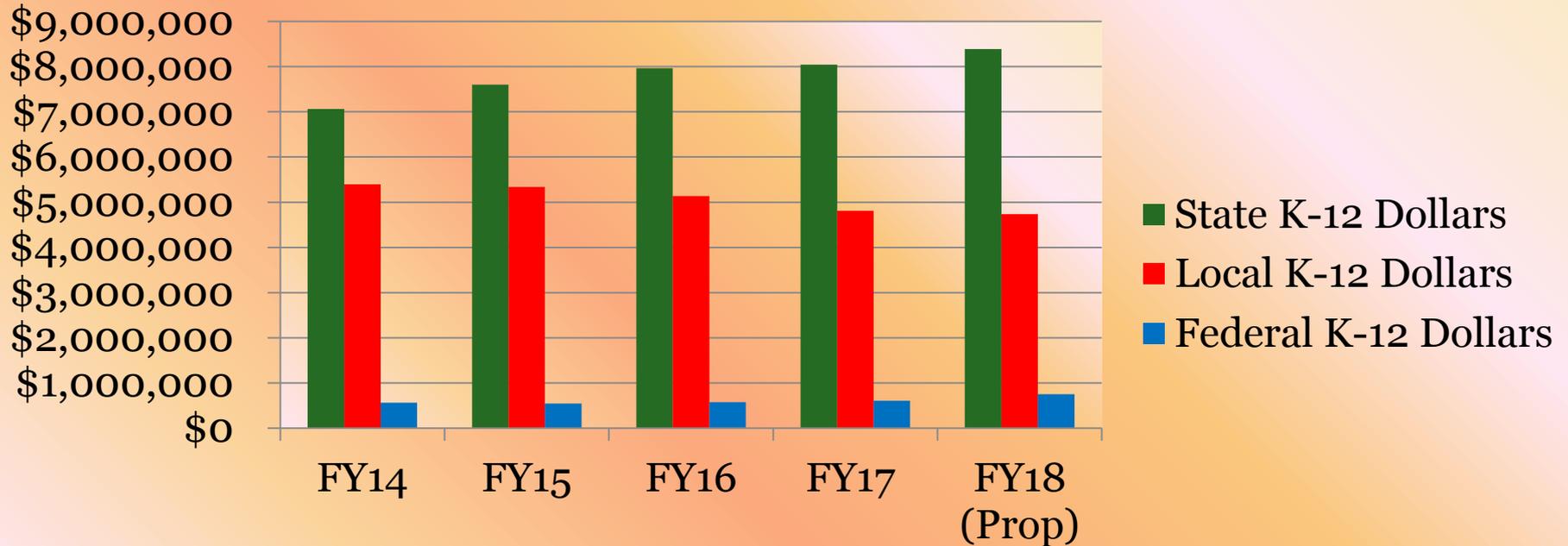


History of Local Contribution

FY14	\$5,396,230	
FY15	\$5,336,230	(-1%)
FY16	\$5,136,982	(-3.5%)
FY17	\$4,810,727	(-6%)
FY18 (R)	\$4,735,727	(-1.5%)

History of State Contribution

FY14	\$7,063,000	
FY15	\$7,603,000	(+6.9%)
FY16	\$7,964,000	(+4.9%)
FY17	\$8,162,000	(+2.5%)
FY18 (Prop)	\$8,388,000	(+2.5%)



FY18 Expenditure Overview - RCPS



5 Year Budget Numbers – RCPS Operating (Excludes Food Service and Debt)

FY14-	\$12,730,898		
FY15-	\$13,206,176	(+\$475,278)	(+4%)
FY16-	\$13,356,690	(+\$150,514)	(+1%)
FY17-	\$13,556,894	(+\$200,294)	(+1.5%)
FY18 -	\$13,860,000	(+\$303,106)	(+2.3%)
TOTAL		(+\$1,129,192)	(+8.8%)

5 Year Total Budget Numbers – Richmond County Overall Budget

FY14	\$22,211,192	(57.5% RCPS)
FY15	\$22,806,218	(57.9% RCPS)
FY16	\$23,375,067	(57.2% RCPS)
FY17	\$23,882,581	(56.8% RCPS)
FY18	\$24,590,131	(56.5% RCPS)

FY18 Expenditure Overview - RCPS



- Reasons for Large Increases to State Contribution to RCPS since FY14 (+\$1,325,000):
 - Student Enrollment Numbers – 1,158 (FY14) 1,240 (FY18)
 - ✦ +82 Students = Approximately \$500,000
 - Drop in Local Composite Index from .3599 to .3180
 - ✦ Approximately \$475,000
 - State of Virginia Increase to SOQ Funding in 2016-2018 Two Year Budget
 - ✦ Approximately \$350,000

FY18 Expenditure Overview - RCPS



- Decrease of \$660,503 in Local Funding to RCPS over the last (5) Budgets. Why?
 - Local Composite Index – Re-benchmarked every two years
 - ✦ Indicator of Local Ability to Pay, based off of three factors combined with Average Daily Membership (ADM):
 - Local Real Estate Value
 - Local Sales Tax
 - Local Income Tax
 - 2012-2014 LCI - .3599
 - 2014-2016 LCI - .3364 (+\$275,000 State Funding)
 - 2016-2018 LCI - .3180 (+\$200,000 State Funding)
 - 2018-2020 LCI - .????
 - Drop in LCI can account for about \$475,000 in decreased local funding, while the other \$185,000 can be attributed to both the increase in State Funding due to enrollment and SOQ re-benchmarking.

FY18 Expenditure Overview - RCPS



- Why it is important to reduce local cost to RCPS, when appropriate?
 - There are other departments and agencies within Richmond County that have important needs as well, and the reductions have allowed the County to focus on the whole County.
 - If the Local Contribution to RCPS had not been reduced in years of high State Dollars, these additional expenditures needed at the County level could have cost the taxpayers of Richmond County an additional \$.09/\$100 on the Real Estate Tax.
 - County Employees have only had three raises in the last five year period, while RCPS employees have seen salary adjustments all five years.
 - Eventually the LCI will again increase, which will result in a loss of State Dollars to RCPS, and the Richmond County Board of Supervisors will be asked to increase the Local Contribution to the School System.
 - ✦ It is a balance. In the years of low State contribution (FY10-FY13), the local contribution of the County was higher in order to backfill state losses so programs could continue and no positions would be forced to be cut.

Book2 - Microsoft Excel

Home Insert Page Layout Formulas Data Review View

Normal Page Layout Page Break Preview Custom Views Full Screen

Workbook Views

Ruler Formula Bar

Gridlines Headings

Message Bar

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View Side by Side Synchronous Scrolling Reset Window Position

Window

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Macros

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1	2015 Tax Year									
2		Population	Total Taxable	Tax Rate	Yearly RE	Revenue	% of Land	CPI	FY15 Local School	% of Yearly RE Rev
3		2010	Real Estate	2015-2016	Revenue	Per \$0.01	in Land Use		Contribution	to Local Schools
4										
5	Richmond	9,254	\$790,652,228	0.67	\$5,297,371	\$79,065	17%	0.3364	\$5,116,469	96.60%
6	Essex	11,151	\$1,261,141,779	0.88	\$11,098,047	\$126,114	19%	0.4023	\$6,289,066	56.70%
7	Middlesex	10,959	\$2,152,966,800	0.53	\$11,410,724	\$215,296	6.50%	0.7449	\$8,092,013	71.00%
8	Mathews	8,978	\$1,684,896,860	0.54	\$9,098,443	\$168,489	0%	0.5437	\$6,496,160	71.40%
9	Lancaster	11,391	\$2,509,456,900	0.54	\$13,551,167	\$250,945	2.70%	0.7792	\$9,879,476	72.90%
10	Northumberland	12,330	\$2,825,129,170	0.49	\$13,843,133	\$282,512	12%	0.7431	\$10,369,590	74.90%
11	Westmoreland	17,454	\$2,548,831,060	0.52	\$13,253,921	\$254,883	11%	0.3813	\$7,122,322	53.80%
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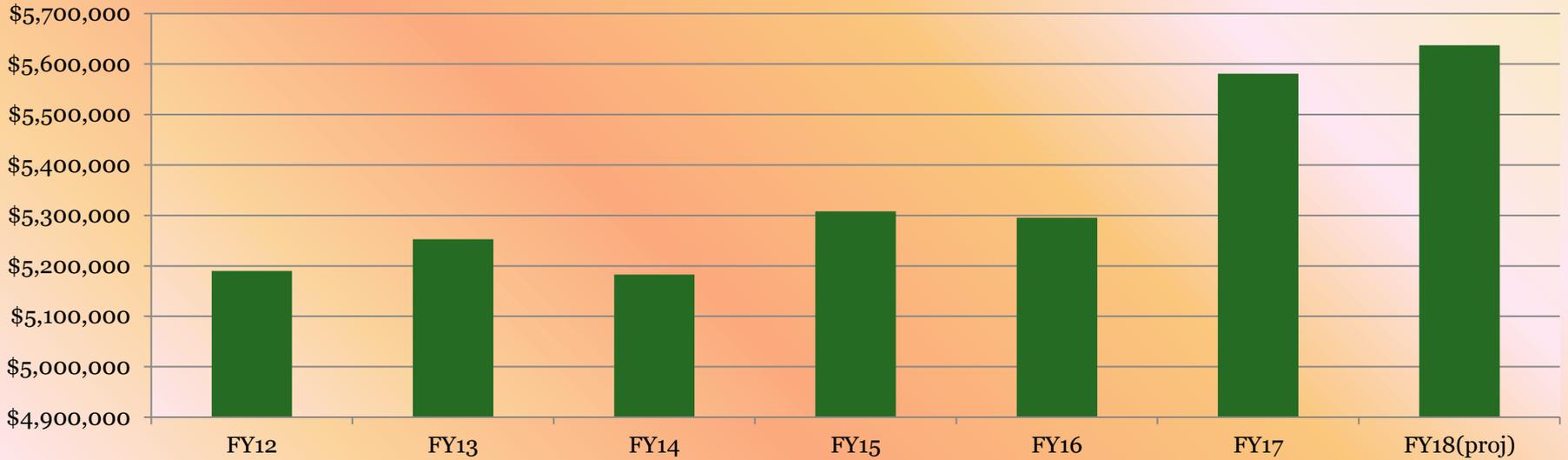
FY18 Revenue Overview



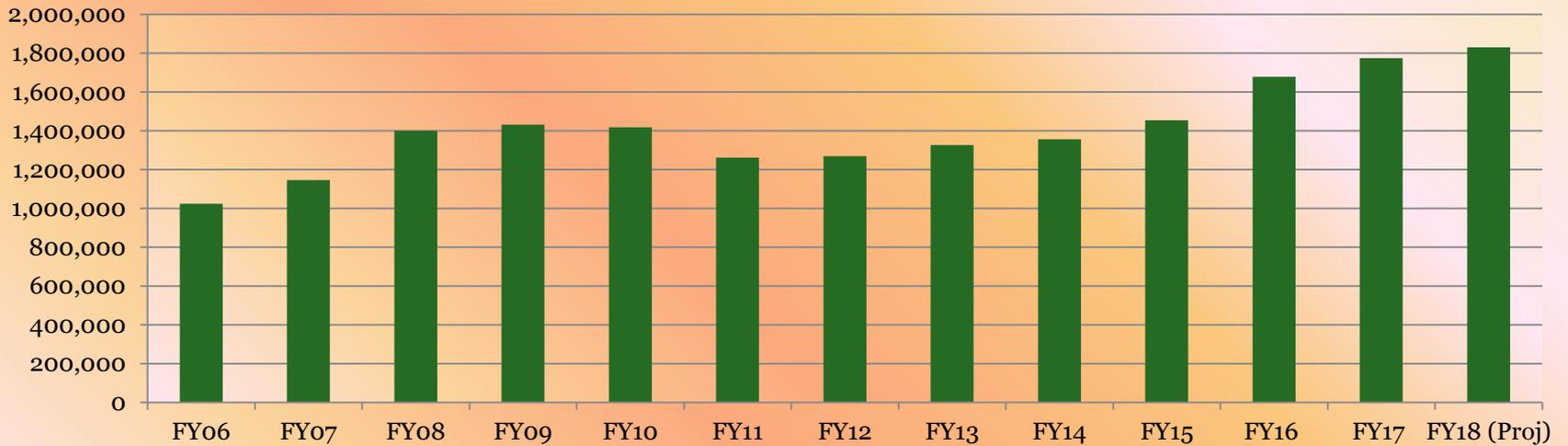
- Local Sources

	<u>Increase</u>	<u>Total Budget</u>
○ Real Estate	+\$15,000	\$5,450,000
○ Personal Property	+\$74,000	\$1,600,000
○ Local Sales Tax	+\$15,000	\$1,245,000
○ Public Service	+\$60,000	\$440,000
○ Merchants Capital	+\$3,000	\$56,000
○ Penalties/Interest	+\$7,000	\$112,000
○ EMS Billing Fees	+\$20,000	\$325,000

Real Estate Tax Collection



Personal Property Tax Collection



FY18 Revenue Overview



- **State and Federal Sources**

- +\$225,559 in State Funds for Education
 - ✦ SOQ Re-benchmarking
 - ✦ +10 in budgeted student enrollment from 1230 to 1240
- +\$69,187 in State Funds for Social Services
- +\$33,000 for USDA Grant for Sheriff's Vehicles

- +\$145,107 in Federal Funds for Education
 - ✦ JROTC Funding
 - ✦ Federal Grant Budget Changes

FY18-22 Capital Improvement Plan



- Increase budget from \$75,000 to \$83,500
 - FY18 Proposed Locally Funded Capital Projects-
 - ✦ E-911 Radio Study - \$50,000
 - ✦ Central Accounting Software, Phase I - \$75,000
 - ✦ Case Management System (Clerk of Circuit Court) - \$8,500
 - ✦ Repair Old Clerk's Office Façade - \$25,000
 - Courthouse Maintenance Fund
 - Debt Funded Capital Projects
 - ✦ EMS Facility - \$1,100,000 - \$3,000,000
 - Depending on which option is chosen.
 - ✦ County Animal Shelter - \$150,000 - \$300,000

FY18-22 Capital Improvement Plan



CIP Balance Sheet

Projected END FY17 CIP Balance -	\$95,000
<u>FY18 CIP Contribution-</u>	<u>\$83,500</u>
July 1, 2017 Balance-	\$178,500
<u>Less FY18 Local Funded CIP Costs</u>	<u>\$133,500</u>
END FY18 CIP Balance (June 30, 2018)-	\$45,000

FY18 Budget Adoption Schedule



- Thursday, March 9th – 1:00 PM Worksession
- Monday, March 20th – 6:00 PM Worksession
- Monday, March 27th – 6:00PM Worksession
- Thursday, April 13th – 5:00 PM Worksession
- **Thursday, April 27th – 7:00 PM –** **Public Hearing**
- Thursday, May 11th – 7:00 PM – Budget Adoption