

FY
2021

Recommended Budget

Spotsylvania County



County Administrator's Recommendation
February 11, 2020

Spotsylvania's Strong Economy-

- Proximity to Washington, DC and Richmond
 - Connected by rail, interstate and local highways
- Consistent population growth
 - 10.9% in the last 10 years, average of 1.2% annually
- Low unemployment rates
 - June 30, 2019- 3.1% from a peak of 7.0% in 2010
- Local job creation
 - 2.7% increase per year for the last 10 years; new jobs- increased 1.9% in 2018
- Expansion of our tax base
 - Real estate assessments up 9.0% (\$1.4 billion in taxable value) compared to 2019 values
 - Median sale price of \$293,000, up 23% from five years ago

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Budget Highlights –

- Maintains all fiscal policies
- Funds operations to maintain existing levels of service.
- Funds third 1/5th (a total of 3/5ths) of on-going OPEB contributions – working towards FY 2023 full funding
- Honors existing commitments to bondholders and regional partners such as the jail, juvenile detention center, and library
- Avoids new General Fund debt through the use of available cash to fund necessary general capital projects in FY 2021.

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Alignment to Strategic Plan

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Alignment to Strategic Plan –

Strategic Commitments Addressed	\$ in millions
FY 2020 Adopted General Fund Budget	\$290.4
Quality Government	5.9
Public Safety	8.8
Infrastructure Investment	(2.0)
Educational Opportunities	4.3
Economic Prosperity	0.2
Total FY 2021 Recommended General Fund Budget	\$307.6

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Alignment to Strategic Plan –

Commitment to Quality Government	\$ in millions
1.8% COLA/2.0% performance-based merit + other compensation adjustments – other than P.S.	\$1.7
Maintain existing levels of service	1.7
Fund DSS programs & CSA mandated programs	2.0
Add'l one-third for OPEB contribution	0.5
Total Quality Government Adjustments	\$5.9

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Alignment to Strategic Plan –

Commitment to Public Safety	\$ in millions
Public Safety step scale compensation implementation to include 1.8% COLA	\$8.0
Other public safety compensation adjustments	0.2
Proportionate share of regional Jail/Juvenile Detention Center budgets	0.4
Mandated Next Generation 911 (NG911) communication transition – grant funded for first two years	0.2
Total Public Safety Adjustments	\$8.8

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Alignment to Strategic Plan –

Commitment to Infrastructure Investment	\$ in millions
Avoid new debt through use of cash for capital projects resulting in net decrease in debt service	(\$0.5)
New transfer to Capital Projects Fund to meet policy-level increase	1.9
New transfer to Transportation Fund to support structural balancing of that fund	0.7
Remove one-time FY 2020 transfer to Capital Projs.	(4.2)
Total Infrastructure Investment Adjustments	(\$2.0)

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Alignment to Strategic Plan –

Commitment to Educational Opportunities	\$ in millions
Increase transfer to Schools (\$2.5M on-going, \$1.5M one-time)	\$4.0
Proportionate share of regional Library budget	0.2
Germanna Community College – part-time career coaches for high schools	0.1
Total Educational Opportunities Adjustments	\$4.3

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Alignment to Strategic Plan –

Commitment to Economic Prosperity	\$ in millions
Increase in transfer to EDA Fund for approved incentives for capital investments and/or job creation	\$0.2
Total Economic Prosperity Adjustments	\$0.2

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Notable Expense Adjustments

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General Fund New Initiatives	\$	FTEs	
Refuse Disposal – Div. Dir. for Solid Waste	154,571	1.00	★
Accounting – IT Prog. Mgr. – Financial Sys.	119,060	1.00	★
Social Services – 4 Eligibility Workers – ½ yr	111,159	4.00	★
Social Services – Eligibility Supervisor	88,519	1.00	★
Planning – Planner I	79,368	1.00	★
Planning–Mrkt/Planning Analysis (1/2 in base)	75,000		★
Commonwealth’s Attorney – Legal Asst. I	68,597	1.00	★
Treasurer – Account Clerk	28,747	0.63	★
Assessment – Assessment Technician	25,492	0.63	★
Total General Fund Initiatives	\$750,513	10.26	

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Other Fund New Initiatives	\$	FTEs
<i>Code Compliance -</i>		
Erosion – Environmental Assistant	\$64,789	1.00
Building – Permit Technician	63,618	1.00
Zoning – Zoning Assistant – ½ year	35,561	1.00
<i>Transportation -</i>		
Transportation Technician	90,317	1.00
<i>Utilities -</i>		
Lab – 3 Samplers	256,352	3.00
Lab – Sample Coordinator	72,211	1.00
Total Other Fund Initiatives	\$582,848	8.00

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Compensation Adjustments

\$

General Fund-

Public Safety step scale (incl. 1.8% COLA)	\$8,002,033
2% performance merit (not applicable to positions on Public Safety scale)	636,274
1.8% COLA effective 7/13/2020	572,647
Focused salary adjustments	300,000
Longevity adjustments (as in prior years)	45,313
VRS rate adjustments	578,120
Add'l 1/5 th for OPEB	504,230
Other miscellaneous	218

Total Compensation Adjustments

\$10,638,835



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Other Budget Adjustments

\$

General Fund-

CSA Mandates/DSS Programs \$2,039,043

Contribution to Jail budget 404,315

Contribution to Library budget 224,378

Contribution to Juvenile Detention budget 15,432

Germanna – part-time career coaches 125,000

Other misc. base budget adjustments 384,720

Total Other Adjustments

\$3,192,888



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Transfers & Use of FB Adjustments

\$

General Fund-

On-going transfer to Schools (\$0.6M in base bgt) \$2,500,000



One-time transfer to Schools 1,500,000



Remove one-time FY20 transfer to Capital (4,200,000)

Increase policy-level transfer to Capital 1,946,405



Increase transfer to Transportation 700,000



Increase transfer to EDA for incentives 229,000

Adjust transfer to Code Compliance (32,203)

Total Transfers Out Adjustments \$2,643,202

Total GF Expenditure Adjustments \$17,225,438

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Notable Revenue Adjustments

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Base Revenue Adjustments

\$

General Fund-

Real Estate – at equalized (reset proj.)	\$2,449,422
DSS/CSA revenue from State	1,686,343
Sales Tax	964,032
Interest Earnings	550,000
Business License	350,000
Public Service Corporation Real Estate	348,558
Meals Tax	290,200
Communications Sales Tax	(300,000)
Delinquent Personal Property (reset proj.)	(470,870)
Personal Property (reset projection)	(686,401)

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Base Revenue Adjustments

\$

General Fund-

Other base revenue adjustments \$821,439

Adjustment to transfers in 91,767

Change in Use of Fund Balance -

Remove one-time FY 20 xfer to Capital (4,200,000)

Remove one-time FY 20 other uses (515,134)

Use of Tourism Reserve for Tourism 2,746

Total Base Revenue Adjustments \$1,382,102

Revenue Requirements > Avail. Revenue \$15,843,336

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Balancing the Budget

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Revenue Requirements	Rate	On-Going \$ Generated	One-Time \$ Generated
Equalized Rate	\$0.8100		
P.S. Comp. Implementation	0.0500	\$8,002,033	\$4,001,016
Transfer to Schools above \$600K funded with base on-going revenue	0.0119	1,900,000	950,000
Priority Initiatives for Continued Levels of Service	0.0038	611,616	305,808
Jail & Juvenile Detention	0.0026	419,747	209,874
Regional Library	<u>0.0014</u>	<u>224,378</u>	<u>112,189</u>
	\$0.8797	\$11,157,774	\$5,578,887

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Revenue Requirements	Rate	On-Going \$ Generated	One-Time \$ Generated
New Revenue Generated by \$0.0697 Rate Increase	\$0.8797	\$11,157,774	\$5,578,887
Use of on-going for purposes levied		(11,157,774)	
Use for add'l xfer to Capital			(1,946,405)
Use for one-time xfer to Schools			(1,500,000)
Use for add'l xfer to Trans.			(700,000)
Use for other one-time items in budget			(539,157)
Balance - Necessary for policy reserves		\$0	\$893,325

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Fiscal Reserves at End of FY 2021 -

Changes to Available General Fund Balance	\$ in millions
Available at end of FY 2019	\$4.3
Use for Public Safety Comp Adjustments	(3.0)
Net add – primarily debt service savings	0.5
Half-year FY 2020 inflow from increased tax rate	5.6
Uses in FY 2021 (shown on prior slide)	(4.7)
Add to fiscal reserves by policy at end of FY 2021	(2.7)
Available General Fund Balance	\$0.0

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Fund	FY 2020	FY 2021	Difference	
	Adopted (in millions)	Recommended (in millions)	\$ (in millions)	%
General	\$142.3	\$156.9	\$14.6	10.2%
Economic Dev. Auth.	1.3	1.5	0.1	12.3%
Code Compliance	4.5	4.9	0.5	10.3%
Transportation	8.2	8.4	0.2	2.9%
School Operating	296.8	305.2	8.4	2.8%
School Food Service	12.3	12.3	-0.1	-0.7%
Utilities Operating	<u>34.0</u>	<u>36.3</u>	<u>2.3</u>	6.8%
<i>Subtotal Op. Exp.</i>	<i>\$499.4</i>	<i>\$525.4</i>	<i>\$26.0</i>	<i>5.2%</i>
Capital Projects	17.3	21.4	4.1	24.0%
School Capital Proj.	28.9	18.5	-10.4	-36.0%
Utilities Capital Proj.	<u>10.3</u>	<u>28.5</u>	<u>18.2</u>	176.5%
<i>Subtotal Capital Exp.</i>	<i>\$56.5</i>	<i>\$68.5</i>	<i>\$12.0</i>	<i>21.2%</i>
Total Budget	\$555.9	\$593.9	\$38.0	6.8%

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Date	Next Steps
Feb. 18	School Board presents its budget to Board
Feb. 25	Budget work session – CBRC presentation; Department Directors/Constitutional Officers; tax rate ad decision
March 10	Budget work session – Budget/CIP
March 24	Budget work session (tentative)
March 31	Public hearings on Budget, CIP, Tax Rates @ Courtland
April 2	Earliest date for legal adoption of the budget
April 7	Budget work session – Budget; Approve CIP
April 9	Budget work session – Adopt FY 2021 Budget and 2020 tax rates