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# Board of Supervisors

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**Complete budget available on the County's website at:  
[www.spotsylvania.va.us/budget](http://www.spotsylvania.va.us/budget)**

### **Special Appreciation**

Spotsylvania County Budget Staff extends special thanks to **Minuteman Press** for providing quality printing services for the FY 2016 Budget document. Minuteman's support and dedication to the citizens of Spotsylvania is greatly appreciated.



*The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the County of Spotsylvania, Virginia, for its annual budget for the fiscal year beginning July 1, 2014.*

*In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.*

*The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we will submit to GFOA to determine its eligibility for another award.*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Spotsylvania County  
Virginia**

For the Fiscal Year Beginning

**July 1, 2014**

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan'.

Executive Director



# Guide to Using this Document

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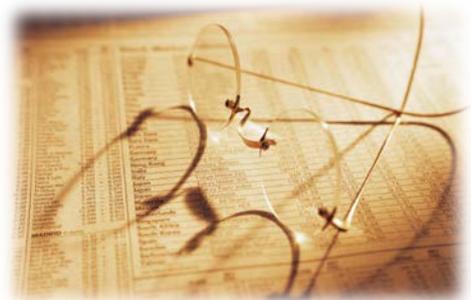
Spotsylvania County Government is responsible for many different programs designed and operated to provide quality community services. The oversight of these programs is a daily challenge for County employees, but understanding them can be of equal challenge for citizens. This budget document was developed to provide key information to help the reader understand the work and challenges faced by Spotsylvania County and the decisions that were made to address those challenges in FY 2016. Because of its size, reading the budget document can be a daunting task. However, if it is approached in pieces, it is more easily understood. The Guide to Using this Document section provides readers with a quick overview of the information in the document. For specific page numbers, please refer to the Table of Contents.

**Introduction and Overview** This section includes information to familiarize readers with the major issues Spotsylvania County faces and the factors that influenced the decisions made in the development of the FY 2016 budget.

- The County Administrator’s Budget Message – a brief statement summarizing the challenges and the strategic priorities and budgetary plans for addressing those challenges;
- The Budget at a Glance – a summary of the highlights of the FY 2016 budget;
- General information about the County and statistical data to help the reader better understand the demographics of Spotsylvania County;
- The County’s Mission Statement – a display of the County’s mission and vision, and the high-level, long-term goals the County has set to meet its mission. Also included is a matrix showing the links between County-wide long-term goals and goals specific to functions; and
- The Budget Summary – historical and projected revenue and expenditures by function.

**Financial Structure, Policies & Processes** Includes information to help the reader understand the processes, policies and procedures that guide the decisions of this locality. It includes:

- County Wide Organizational Charts – an illustration of the oversight of County operations, by function and by department;
- Fund Types – a matrix detailing the different types of funds utilized by the County, and a general guide to appropriation;
- Financial controls and policies – a summary of the financial policies adopted by the Board of Supervisors; and



- Budget & Planning Processes – a discussion about the budget process and a matrix showing how the processes the County uses interconnect to guide decisions and to plan for the future.

**Financial Summaries** Includes several levels of financial summaries to help the reader understand the expenditure, revenue, and fund balance projections included in this budget. It includes:

- Various Graphs and Charts – a visual explanation of the sources and uses of funds;
- Budget Summary by Fund – a chart detailing FY 2016 revenues by type and FY 2016 expenditures by function and category for each fund;
- Individual Fund Summaries – a collection of charts that detail historical and projected revenues by type and expenditures by function and category for each fund;
- Revenue Summaries – A description and display of major revenue sources and explanation of the underlying assumptions used for projecting FY 2016 revenue; and
- Financial Forecast – A five year projection of revenues and expenditures for the County’s major funds (General Fund, Transportation and Utilities).

**Capital and Debt** Includes information related to planned capital projects expenditures and associated debt service obligations of the County. It includes:

- Capital Improvement Plan – charts and narratives that detail the County’s five year capital project needs; and
- Debt Service – an explanation of the annual debt service obligations of the County.

**Function/Department Budgets** Includes function and department level data to help the reader understand the purpose of each County department/office and the costs associated with the work of departments/offices. It includes:

- Personnel Summary – a chart showing historical and approved positions;
- Net Tax Supported Expenditures – a chart showing the tax supported expenditures for each County department/office;
- Regional Agency Funding – a chart showing the level of funding provided by Spotsylvania County for regional agencies;
- Function Narratives – includes challenges and opportunities; accomplishments; goals and objectives; and performance measures for each function;
- Department/Office Summaries – charts, tables and narratives explaining the purpose and the historical and projected funding for each County department/office; and
- Staffing – table listing number of positions, by position title, for each department/office.

**Appendix** Includes the various budget and tax rate resolutions approved by the Board of Supervisors upon adoption of the FY 2016 Budget and a glossary of terms and acronyms.

## Budget Message – April 15, 2015

Dear Spotsylvania County Citizens:

On behalf of the Spotsylvania County Board of Supervisors, I am pleased to present Spotsylvania's FY 2016 Budget which includes the FY 2016 – FY 2020 Capital Improvement Plan. This budget maintains the balance of services provided to the citizens of this County, particularly in the defined priority areas of education, public safety, and transportation, and does so with continued commitment to well-balanced financial planning.

In the years since the 2008-2009 recession, the County has been forced to make cuts in budgets and in certain staffing areas in order to move ahead without inordinately burdening taxpayers. As our local economy continues to improve, we are beginning to increase investments in our community and in our employees to strengthen the levels of service provided in Spotsylvania. We are able to make these added investments while maintaining among the lowest real property tax rates along the I-95 corridor in Virginia and while reducing the tax rate paid on personal property.

### **The FY 2016 Adopted Budget**

The FY 2016 Adopted Budget totals \$467.9 million – an increase of \$17.0 million (3.8%) compared to the FY 2015 Adopted Budget. When capital projects funds are excluded, the FY 2016 Adopted Budget is an \$8.7 million (2.1%) increase over the FY 2015 Budget.

	FY 2015 Adopted	FY 2016 Adopted	Difference	
			\$	%
General Fund	\$111,763,541	\$117,772,697	\$6,009,156	5.4%
Economic Dev. Opportunities Fund	566,960	575,338	8,378	1.5%
Code Compliance Fund	3,628,569	3,609,108	-19,461	-0.5%
Transportation Fund	7,840,074	8,245,616	405,542	5.2%
School Operating	255,216,671	257,986,538	2,769,867	1.1%
School Food Service	9,530,213	9,271,699	-258,514	-2.7%
Utilities	<u>31,680,488</u>	<u>31,450,120</u>	<u>-230,368</u>	-0.7%
<b>Subtotal Operating Expenditures</b>	<b>\$420,226,516</b>	<b>\$428,911,116</b>	<b>\$8,684,600</b>	<b>2.1%</b>
Capital Projects Fund	\$9,779,121	\$11,672,978	\$1,893,857	19.4%
School Capital Projects	7,739,145	18,629,525	10,890,380	140.7%
Utilities Capital Projects	<u>13,175,769</u>	<u>8,712,500</u>	<u>-4,463,269</u>	<u>-33.9%</u>
<b>Subtotal Capital Expenditures</b>	<b>\$30,694,035</b>	<b>\$39,015,003</b>	<b>\$8,320,968</b>	<b>27.1%</b>
<b>Total Budget</b>	<b>\$450,920,551</b>	<b>\$467,926,119</b>	<b>\$17,005,568</b>	<b>3.8%</b>

**Budget Highlights**

Highlights in the FY 2016 Adopted Budget include:

- The calendar year 2015 real property tax rate remains at \$0.86 while the personal property tax rate for automobiles, campers, motor homes, motorcycles, pickups, and trucks is decreased by five cents to \$6.73 per \$100 based on 50% of assessed value.
- Additionally, the calendar year 2015 personal property tax rate for boats and boat trailers has been approved at \$6.25; a decrease of \$0.53.
- One Captain, two Lieutenants, and 12 Firefighter/Medic positions are funded starting in February 2016 to staff the new Company 11 Fire/Rescue station which is anticipated to open prior to the close of FY 2016. Certain equipment including a new ambulance is also budgeted for the new station.
- Funding for career development of Firefighter Specialists positions continues in FY 2016 in an effort to reduce turnover. A reserve is also funded to establish pay parity for FREMS staff – initially for Firefighters and Medics only – contingent on a review of knowledge, skills and abilities criteria.
- Additional overtime is included in the Fire/Rescue budget to allow for coverage by career staff in areas where volunteers no longer are able to provide coverage and to fund training of the Water Rescue and Technical Rescue teams.
- Funding is included for the previously unfunded Radio Network Engineer to ensure adequate support is in place for the new public safety radio system that is currently being implemented.
- In total, regional agencies with whom the County partners to provide primarily social services type functions will receive 4.6% above the amount budgeted for FY 2015.
- Other partners such as the regional jail, juvenile detention center, regional library, and FRED bus service will receive a total overall increase of nearly \$200,000 (1.9%).
- Funding for a \$500,000 one-time merit-based bonus and a 2% on-going merit-based pay increase is budgeted for those employees having satisfactory or better performance and a hire date on or before July 31, 2014. Employees who meet the performance criteria and have a date of hire between August 1, 2014 and April 30, 2015 will receive a prorated merit and bonus.
- Funding is budgeted for the additional 1% pay increase for all full-time employees hired prior to July 1, 2012 to help offset the State-mandated additional 1% contribution those employees must pay effective July 1, 2015. FY 2016 will be the fourth year of this five year phase-in period for this mandate.

- Overall the School Operating Fund is expected to increase by \$2.8 million, including a slight (\$17,408) increase in the local transfer. The Schools' budget includes a 3% cost of living adjustment for staff.

In addition to these new operating costs included in the County's FY 2016 Budget, the following significant capital projects are also included; some of which are funded by a one-time \$2.5 million transfer of cash from the General Fund to the Capital Projects Fund in excess of the fiscal policy guideline level transfer of \$7.1 million:

- Renovation of the Judicial Center and former Sheriff's Office buildings. The majority of the FY 2016 costs associated with these projects is to be financed through general obligation bonds approved in the 2005 public safety and general government bond referendum question by 60.5% of Spotsylvania voters.
- \$2.9 million of the estimated \$5.2 million cost of replacing the Computer Aided Dispatch (CAD) system for routing responders to Fire/Rescue and Sheriff's Office calls.
- \$314,000 to replace 31 voting machines in response to a State law requiring all localities to replace direct-recording electronic voting machines and any other non-qualifying voting equipment with equipment approved by the State Board of Elections.
- \$3 million in capital costs associated with replacement trucks and equipment associated with landfill and convenience site operations, as well as for improvements at the landfill and to the Marshall Park Convenience Center.
- \$2.7 million will be used to replace fire trucks and ambulances.
- \$10.3 million in funding to begin various transportation improvements such as improvements at Exit 126; widening of Harrison Road from Old Plank to Gordon; resurfacing Grand Brooks Road; intersection improvements at Thornton Rolling/Rt. 17 and Rt. 3/Elys Ford; and corridor studies along routes 1, 2, 17 and 208. Bond issuance authority remains on the 2005 transportation bond referendum question approved by 61.2% of Spotsylvania voters to allow for general obligation bond financing of these projects.
- A total of \$9.9 million is approved for school bus and school technology replacements and upgrades. Additionally, \$8.7 million is planned for major capital maintenance on various schools.
- \$8.7 million is planned for expenditure on improvements to the water and sewer system. These costs are fully funded by the users of the system and not through general tax revenue.

Of utmost importance is the fact that key factors to maintaining high-grade bond ratings are continued in this budget. All fiscal policies are maintained, including a Fiscal Stability Reserve at 10% (\$38.5 million) of operating revenues; an operating budget contingency equal to 0.5% (roughly \$577,000) of the General Fund; and multi-year forecasts for our major funds. The unassigned fund balance in excess of the 10% Fiscal Stability Reserve is estimated at \$3.4 million. Each of these funding pools allows for flexibility within the budget should our conservative estimates of revenues and expenditures not come to fruition.

### **Looking to the Future**

As my tenure as County Administrator comes to a close, I look back with humility and pride when considering all the many things this community has accomplished – all the capital projects that have come at a cost, but which have been warranted and successful; the problems that have been solved with extraordinary support and collaboration from the Board, citizens and staff members; and the tireless efforts of staff to keep on keeping on even as workloads continue to accumulate at a pace that exceeds the addition of new staff members to help do the work.

Spotsylvania is a wonderful, resilient, bustling, opportunistic place. There will be many challenges ahead, but there will also be opportunities that arise. I believe the best is yet to come for this community. I look forward to a new season in my life as I retire, and I leave knowing that Spotsylvania is in very capable hands. Mark Taylor is a familiar face in the community and brings a wealth of local government experience, knowledge, honesty and integrity to his role as the new County Administrator.

Certainly this community would not be the incredible place it is without the financial support of the citizens. Likewise, it would not be the place it is without the County and Schools employees who come to work every day with a true desire to make the place they live – the place we all live – the best it can be. It has been my honor and great privilege to serve you with them by my side. I am so proud to call Spotsylvania my home.

Sincerely and with best wishes,



C. Douglas Barnes  
County Administrator

# FY 2016 Budget Strategy

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The Budget Strategy provides a discussion about the development of and the underlying assumptions within the FY 2016 Adopted Budget. Major changes within revenues and expenditures are identified. This section essentially tells the story behind the development of the FY 2016 Adopted Budget.

## **Building the Budget – Revenues**

Overall, General Fund revenues other than transfers in and the use of fund balance are projected to increase by \$5.4 million (2.3%) when compared to the FY 2015 Adopted Budget. Following are revenue items of notable interest to this budget:

### ***Growth in Assessed Value of Real Property***

Preliminary assessed values have been used to estimate the real estate tax revenue that will come to the County in FY 2016. Overall, assessed values of real property are projected to increase by 1.5% over last year's land book records and are projected to increase by 2.0% for calendar year 2016. These increases are attributable to new construction and rezonings. Real estate revenue is expected to increase by \$1.8 million in FY 2016.

### ***9.4% Reduction in Values of Existing Vehicles & Adjustments to Base***

Each year, County vehicles values are assessed based on 50% of the clean retail value from the National Automobile Dealers Association (NADA). The business furniture and equipment portion of personal property is valued with a depreciation schedule applied to the original cost of the item. Changes in the NADA guide values can vary widely from one year to the next. For example, application of the new NADA values resulted in the 2009 assessed value of all existing vehicles being 21% less than the 2008 assessed values. Then, when the updated NADA values were applied in 2010, the change in value was less than 1%.

The 2015 NADA update yielded a 9.4% decrease in existing car values. When an assumption is made for new and newer vehicles that are likely to come into the County over the next year, net new assessed value growth is projected at 0.9% and 1.5% for calendar years 2015 and 2016, respectively. Because 2014 values ended higher than projected and 2015 values are on track to be lower than projected, FY 2015 revenue is expected to align with our \$35.3 million projection. However, because 2015 values were lower than projected for the FY 2015 Budget, our base for the FY 2016 Budget is lowered, as well. This reduced base coupled with reduced out-year growth projections (1.5% growth vs. last year's assumed 3.0% growth) cause the FY 2016 projection in Personal Property revenue to be approximately \$1 million less than projected for FY 2015.

### ***Reductions in Certain Personal Property Rates***

*General Property:* The Board reduced the personal property tax rate by five cents for 2015, setting it at \$6.73 per \$100. Because Spotsylvania taxes based on 50% of NADA's clean retail value, the effective rate is \$3.365 per \$100. This reduction in the tax rate is expected to reduce personal property revenue by \$300,000 for FY 2016.

*Boats & Boat Trailers:* Lake Anna is bordered on the north and east by Spotsylvania County and on the south and west by Louisa County. Because of differences in the method of property valuation used by each county on boats and boat trailers, there are differences in tax bills for such property. Previously, Spotsylvania's rate on boats and boat trailers matched the rate on all other types of personal property other than airplanes which has, for all intents and purposes, been reduced to \$0. To begin addressing the differences in bills between the two counties bordering the lake, the Board adopted a 2015 rate for boats and boats trailers of \$6.25 – 53 cents less than the 2014 rate. The reduction in the rate is expected to reduce personal property revenue by \$100,000 in FY 2016.



### ***Changes in Other Local Tax Revenues***

*Meals & Sales Taxes:* Receipts from meals and sales taxes continue to increase year over year, adding an estimated \$1.1 million to the FY 2016 Budget. Sales tax receipts returned to pre-recession levels last fiscal year and are expected to increase by 3.9% (\$647,000) in FY 2016. Somewhat surprisingly, meals tax receipts never declined during the recession and have been increasing by approximately 4% per year for each of the past three years. Meals tax receipts are projected to increase by approximately \$495,000 in FY 2016. Since each of these taxes is assessed as a percentage of sales, changes in prices of goods and meals, as well as changes in the volume of sales impact the revenue.

*Recordation Taxes:* As the local housing market continues rebounding, recordation tax revenue to the County is rebounding, as well. Though nowhere near the FY 2006 pre-recession high of \$5.3 million, the \$2.2 million recordation revenue estimate for FY 2016 is in line with FY 2014 actual receipts as well as those currently projected for FY 2015. Because the FY 2015 revenue is expected to be lower than originally budgeted, FY 2016 revenue is budgeted at \$300,000 less than that included in the FY 2015 Adopted Budget. While this \$2.2 million projection is not as robust as we would like, it is \$300,000 greater than the two lowest years of collection following the recession. Improving conditions in the local market may also help with the recordation revenue the County receives from the State as the \$10 million quarterly allocation is based upon the percentage that each locality's collections are of statewide collections during that quarter.

**Changes in Certain Other Revenues**

*Animal Shelter Fees:* The budget for animal shelter fee revenue is increasing by \$105,000 as a result of animal control in the City of Fredericksburg now being provided by the County. The City will pay the County \$25,000 per quarter for this service. This arrangement was begun during the course of FY 2015.

*Refuse Disposal Fees:* Reductions made in previous fiscal years to the fees collected for commercial disposal of Spotsylvania-generated refuse at the landfill have increased commercial use of the landfill, leading to significant increases in refuse disposal revenue for the past several years. What was \$156,000 in revenue in FY 2012 grew to \$1.5 million by FY 2014. The FY 2016 Budget includes \$1.9 million in refuse disposal fee revenue – an increase of \$700,000.

*Water/Sewer Administrative Fee* – As a self-supporting entity, the Utilities Operating Fund reimburses the General Fund for direct services provided by General Fund departments such as Finance, the Treasurer’s Office, and Information Services for Utilities billing, collections, and technology services. The FY 2016 Budget projection is increased by nearly \$216,000 to \$1.65 million.

**Changes in State & Federal Revenues**

*State Payments for Social Services Programs* – The County receives partial reimbursement from the State for Social Services and CSA programs. Reimbursement rates vary depending upon the program. When expenditures are expected to increase for these programs as they are expected to do in FY 2016, we apply typical reimbursement rates to projected expenditures and arrive at an increased level of reimbursement revenue, as well. In FY 2016, with expenditures expected to increase by \$1.3 million based on prior-year service levels, reimbursement revenue for Social Services and CSA programs is expected to increase by \$1.0 million.

*Funding for Constitutional Offices* – The State provides funding to localities to partially fund the costs of constitutional officers (Clerk of the Circuit Court, Commissioner of the Revenue, Commonwealth’s Attorney, Sheriff and Treasurer) and certain positions within the offices of those elected officials. Additionally, the State funds a portion of the cost of the Registrar. State revenue for purposes of funding these offices is expected to increase by approximately \$196,000, the majority of which is commensurate with the State’s share of General Assembly-approved 2% salary increases to be effective September 1, 2015, contingent upon FY 2015 revenues meeting certain thresholds at the State level.

*SAFER Grant Funding:* Subsequent to adoption of the FY 2015 Budget, the County was awarded a two-year SAFER grant for nine firefighter/medic positions. The FY 2016 Budget includes approximately \$614,000 in revenue for the second-year commitment of grant funding for these positions.

### ***Transfers from Other Funds***

Overall, transfers to the General Fund increase by approximately \$586,000 resulting mainly from the following:

- Community Development fees are increased to recover 100% instead of 80% of the costs associated with the services for which the fees are paid. This change is expected to increase Community Development fees by \$200,000, allowing a transfer to the General Fund to reimburse a small portion of the funds the General Fund has provided to balance the Code Compliance Fund in recent years.
- Certain staff positions provide services to multiple funds. For instance, a position charged to Utilities may actually spend part of his time working on Utilities-related work and another part of his time on Solid Waste work. As such, we have to appropriately account for the work in two different funds. An adjustment was made to modify certain employee splits for FY 2016 based on work being performed. Consequently, transfers in to the General Fund from the Code Compliance Fund and the Utilities Operating Fund are increased by approximately \$200,000 and \$145,000, respectively.

### ***Use of the Fund Balance***

The County's fiscal policy guidelines call for a reserved General Fund balance equal to at least 10% of the operating revenue of governmental funds. This reserved fund balance is known as the Fiscal Stability Reserve, which may be used from time to time to meet unexpected revenue shortfalls or financial emergencies. By policy, appropriations from the Fiscal Stability Reserve require Board approval and must be accompanied by a plan to replenish the reserve to the 10% minimum level. The County's financial advisors have advised that the Fiscal Stability Reserve policy is the single most important financial policy to preserve to maintain strong credit ratings.

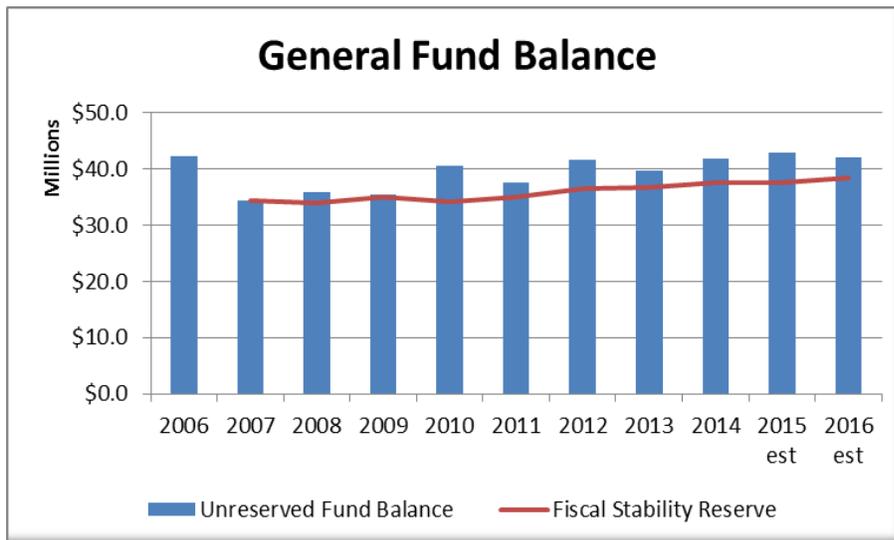
**At the end of FY 2015, the fund balance is expected to exceed the required 10% Fiscal Stability Reserve guideline by \$6.7 million, \$3.2 million of which will be needed to fund non-recurring expenditures in FY 2016.**

The fund balance is a one-time source of revenue – once the fund balance or any portion of the fund balance is used, it is gone. It is not a recurring source of revenue such as annual real and personal property tax payments. As such, use of the fund balance should be limited to one-time, non-recurring expenditures. Using one-time excess fund balance revenue to fund on-going expenditures would automatically create a hole in the subsequent year's budget.

To avoid financing the FY 2016 costs of replacement voting machines, and portions of the cost of CAD system and fire equipment replacements, the Adopted Budget includes a \$2.5 million transfer of the General Fund balance to the Capital Projects Fund. A complete list of uses of the fund balance is shown in the table on the following page:

<b>FY 2016 Use of General Fund Balance</b>	
Transfer to Capital Projects Fund for voting machines, CAD system, and fire equipment	\$2,500,000
Pay-for-performance bonuses	500,000
Information Services – software purchases	100,000
Refuse Collection & Disposal – equipment including items for stormwater regulations compliance	81,500
Fire/Rescue – Company 11 turn-out gear and fitness equipment	58,895
Capital contribution to Empowerhouse regional agency	51,000
Parks & Recreation – mowing, snow removal, and field maintenance equipment	37,763
Fire/Rescue – equipment to include thermal imaging camera, carbon monoxide detectors, and gas detectors	33,402
Sheriff’s Office – replacement headsets and radios, and repairs to classroom and storage trailer at shooting range	9,500
Sheriff’s Office – replacement courtroom equipment	4,300
Social Services – replacement visitation room furniture	3,248
Animal Control – vests	1,600
Court Services Unit – replacement office furniture	1,200
Revenue in excess of expenditures	(160,175)
<b>Total</b>	<b>\$3,222,233</b>

The graph below shows the historic overall General Fund balance relative to the 10% Fiscal Stability Reserve policy level. The Fiscal Stability Reserve policy became effective in FY 2007. Therefore, there is no data showing for the variable prior to FY 2007.



*“The County maintains very strong finances, including its very strong general fund reserves, despite some revenue declines in economically sensitive revenue streams.”*

**STANDARD & POOR’S**

A narrative on revenues for all funds begins on page 95.

	\$ in millions
<b><i>FY 2015 Adopted Budget – Revenue (General Fund)</i></b>	<b><i>\$238.3</i></b>

Changes in General Estimates	
Real Property Tax	\$1.8
Social Services & CSA Payments from State	1.0
Refuse Disposal Fees	0.7
Local Sales Tax	0.6
SAFER Grant	0.6
Meals Tax	0.5
Delinquent Property Tax & Interest	0.5
Public Service Corporation	0.3
Water/Sewer Administration Fees	0.2
Compensation Board Payments from State	0.2
Transient Occupancy Tax	0.1
Animal Shelter Fees	0.1
Plat Filing Fees	0.1
Interest Earnings	0.1
Consumer Utility Tax	0.1
Communication Sales Tax	(0.1)
Recordation Tax	(0.3)
Personal Property Tax	(1.4)
Miscellaneous	<u>0.3</u>
Subtotal Changes .....	\$5.4
Changes in Transfers	
Transfer from Code Compliance Fund	\$0.4
Transfer from Utilities Operating Fund	<u>0.2</u>
Subtotal Changes .....	\$0.6
Change in Use of Fund Balance.....	\$0.9

	\$ in millions
<b><i>FY 2016 Adopted Budget – Revenue (General Fund)</i></b>	<b><i>\$245.2</i></b>

## Building the Budget – Expenditures

### ***Constraints, Commitments and Opportunities***

In addition to maintaining many of the budget reductions made during previous years, the FY 2016 Adopted Budget was developed within additional budget constraints and responsive to certain commitments the County has to its citizens, employees, and bondholders.

*Constraints* – The price of certain normal costs of doing business is expected to increase by \$2.9 million in FY 2016.

- The full-year cost in FY 2016 of items funded for only part of the year in FY 2015 adds \$192,000 to the base budget. These items include the health insurance increase that became effective in October 2014 as well as the heavy mechanic/welder, eligibility workers, and maintenance workers with approved Board funding at mid-year in FY 2015.
- Changes to the VRS plan began in FY 2013 when the General Assembly required VRS-eligible employees, whose employers had previously paid all or part of the 5% contribution on their behalf, to begin paying the employee contribution. Employers had the option to phase in the change at a minimum level of 1% for each year through FY 2017, but were required to provide employees with an offsetting salary increase in the same year. FY 2016 will be the fourth year of the five-year, 1%-per-year phase-in period. Additionally, the General Assembly requires that all employees hired or re-employed on or after July 1, 2012 pay the entire 5% member contribution with no phase-in option. In FY 2016:
  - Employees hired July 1, 2012 or later pay 5% and the County pays 10.58%. Employees hired before July 1, 2012 will pay 4% and the County will pay 11.58%.
  - Employees hired before July 1, 2012, will receive a 1% salary increase, effective July 1, 2015, to offset the additional 1% VRS contribution they will pay beginning July 1<sup>st</sup>. The 1% salary increase will result in a net loss to the employee and the County, as both will be paying taxes on the increased salary. The County's share of that cost is estimated at \$100,000.
- Given our claims history and insurance reserve balances, health insurance rates are expected to remain constant in FY 2016. There is no overall change in costs, and there is no change in the employer/employee split of premium costs for the plan year beginning October 1, 2015.
- The cost of other benefits is expected to increase by \$187,000 including workers compensation and unemployment insurance premiums.

- When budget deliberations began for this budget, projected expenditures exceeded projected revenues by \$3.8 million. Following are the areas where modifications were made by the County Administrator to permit submission of a balanced budget to the Supervisors. Savings are indicated in parentheses at the end of each item.
  - Reduced the number of firefighter/medic positions at Co. 11 from 15 to 12 (\$95,000);
  - Budgeted to hire Co. 11 positions in February 2016 instead of in November 2015 (\$288,000);
  - Departments were asked to make permanent 3% cuts to their budgets without impacting filled positions in an effort to close budget shortfalls and attempt an ongoing pay increase. Every department made an effort, but not every department was able to do this, as some County departments' budgets consist primarily of salaries and benefits for staff. Reductions in positions were accepted for two departments. One position has an impending retirement and the other is currently unfilled (\$1,241,000)<sup>1</sup>;
  - Funded one-time purchase of replacement furniture and equipment with use of the General Fund balance (\$331,000);
  - Made adjustments to current and planned capital projects to gain debt service savings (\$1,234,000)<sup>2</sup>;

The 3% departmental cuts when combined with other adjustments to the base budget for expenditures such as maintenance service contracts; mileage, lodging and education costs; auto repairs; auto and liability insurance; utilities and fuel nets a base budget decrease of approximately \$900,000.

- The budget for CSA expenditures is increased by \$1.0 million based on historic costs of services provided by that program. Additionally, the budget for Social Services programs is increased by approximately \$300,000, primarily for foster care and adoption programs. We anticipate an increase in State revenue of \$1.0 million to help offset these increased costs.
- Technology continues to be a key factor in providing local government services – some of which occur 24 hours a day/seven days a week. As such, the Information Services budget includes increased funding of \$532,000.
- This budget also includes a one-time transfer to the Capital Projects Fund of \$313,905 for replacement of 31 digital scan voting machines. State law requires all localities to replace direct-recording electronic voting machines and any other non-qualifying voting equipment with equipment approved by the State Board of Elections in time for the November 2015 election.

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<sup>1</sup> See the appendix to the Budget Strategy for additional information on departmental cuts.

<sup>2</sup> See the appendix to the Budget Strategy for additional information on adjustments made to capital projects.

- The public safety radio system project is expected to be completed at mid-year FY 2016. Therefore, funding for the previously unfunded Radio Network Engineer is included to ensure adequate support is in place for the new system when it becomes operational.
- Nine firefighter/medic positions were added to the FY 2015 Budget during the course of FY 2015 when the County was awarded the SAFER grant for the positions. The full-year cost in FY 2016 of these nine positions adds \$616,000 to the budget. It should be noted that FY 2016 is the second and final year of SAFER funding for these position. To retain these positions in FY 2017, the County will need to fund the more than \$616,000 cost on its own. Additionally, \$64,000 is included for full-year funding of the new Economic Development Project Manager approved during FY 2015.
- \$580,000 is added to the budget to staff the new Co. 11 fire/rescue station. Funded are 12 new firefighter/medic positions, one captain, and two lieutenants to be hired in February 2016. Due to cuts necessary to balance this budget, the funded positions are three firefighter/medics short of the number originally requested by the fire chief. The work of the three floater positions not being funded will be made up with staff from other fire stations floating to Co. 11 when necessary. The County plans to apply for a SAFER grant for FY 2016 to fund these three positions as well as six additional firefighter/medic positions. The new Co. 11 positions will be hired in February 2016 to provide time for training prior to the opening of the new station, which is anticipated in late FY 2016. The FY 2017 budget will increase by more than \$400,000 when we fund these positions for a full twelve months.
- A net of \$232,000 in overtime is added to the FREMS budget to allow for coverage by career staff in areas where the volunteers no longer are able to provide coverage and to fund overtime necessary for training of the Water Rescue and Technical Rescue teams.
- Certain staff positions provide services to multiple funds. For instance, a position charged to Utilities may actually spend part of his time working on Utilities-related work and another part of his time on Solid Waste work. As such, we have to appropriately account for the work in two different funds. An adjustment was made to modify certain employee splits for FY 2016 based on work being performed. Consequently, an increase of nearly \$350,000 in personnel expenditures occurs in the FY 2016 Budget and is offset by transfers from other funds.

*Commitments and Opportunities* – In addition to the increases experienced in typical operating costs, regional and County-wide commitments are also impacting the FY 2015 Adopted Budget.

- All fiscal policy guidelines are maintained as part of the FY 2016 Adopted Budget.
- A 2% merit increase and 1% bonus will be paid to all regular full-time and regular part-time County employees having satisfactory or better performance and a hire date on or before July 31, 2014. Employees who meet the performance criteria and have a date of hire between August 1, 2014 and April 30, 2015 will receive a prorated merit increase and bonus based on their length of service as a regular full-time or part-time employee. All regular

full-time and part-time employees hired on or after May 1, 2015 are ineligible to receive a merit increase and bonus. The bonus will be calculated based on the annual salary after the merit increase has been applied. The bonus for regular part-time employees will be calculated based on a 0.50 FTE. \$500,000 in one-time funding is budgeted for the 1% bonus while \$1.1 million in on-going funding is added for the 2% merit increases.

- \$85,000 is added for three new part-time positions to manage increased tonnage at the landfill and to support the leaf/green waste program being implemented at the landfill.
- The County will continue its partnerships with regional agencies in FY 2016.
  - Contributions to the jail and juvenile detention center are estimated to increase by approximately \$185,000. While this increase is partly related to increases in operating and debt service costs at these facilities, it is also due to an increase in Spotsylvania's usage of each facility.
  - Other regional agencies receiving additional funding for FY 2016 are the American Red Cross (\$2,000), Empowerhouse (\$30,081), Germanna Community College (\$125), Micah Ministries (\$6,200), Rappahannock Area Youth Services & Group Home (\$45,683), Safe Harbor (\$1,000), Spotsylvania Emergency Concerns Association (\$1,500), Thurman Brisben Center (\$14,925), Rappahannock Regional Library (\$18,058), and the John J. Wright Educational & Cultural Museum (\$2,000). Funding for certain other agencies were reduced with the net addition to regional agencies other than the jail and juvenile center totaling nearly \$97,000.
- \$168,550 for pay parity for Firefighters and Medics only, pending Human Resources review of the knowledge, skills and abilities (KSAs) and determination as to whether a salary increase is warranted.
- The County partnered with the City of Fredericksburg to assume animal control duties for the City. Two part-time Animal Control Officers were converted to full-time to address the additional workload. Funding for this increased cost, along with increases in fuel, insurance, auto repairs, etc., will be covered with the City's annual payment of \$100,000 to the County.
- \$9.3 million in general projects are recommended to be financed this coming summer. \$7.5 million will go toward renovation of the Judicial Center while \$1.0 million is allocated to renovation of the former Sheriff's Office. \$0.2 million will be allocated to design of a new animal shelter, \$0.3 will fund a portion of the CAD system replacement, and \$0.3 million will be used for replacement of fire trucks. The debt service associated with these financed projects adds approximately \$418,000 to the General Fund budget net of savings on existing debt service.

**Other Adjustments**

A net of 15 new full-time positions – primarily for public safety purposes – is added to the FY 2016 Adopted Budget, as shown on the following page. In addition to the General Fund positions shown, a 0.50 part-time Heavy Equipment Operator was added to the Utilities Operating Fund to allow full capacity utilization of the composting facility. In the Capital Projects Fund, a 1.0 full-time Capital Projects Engineer was removed and a 1.0 full-time Administrative Assistant was added.

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**A Net of 15 New Full-Time Positions for All Funds:**

- Conversion of a part-time Assistant Commonwealth’s Attorney position to a full-time position removes a 0.5 part-time FTE and adds a 1.0 full-time FTE;
  - 15 full-time positions are added to staff new fire/rescue station Company 11. These positions include a Captain, 2 Lieutenants, and 12 Firefighter/Medics;
  - Elimination of a 1.0 FTE for the retiring Custodial Supervisor position in Public Works;
- 

In addition to the positions outlined above, there was a net increase of 0.67 part-time, General Fund FTEs as shown below.

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**A Net increase of 0.67 FTE Part-Time General Fund Positions:**

- Elimination of a part-time, 0.63 FTE Account Clerk I position in the Finance Office;
  - Conversion of a part-time Assistant Commonwealth’s Attorney position to a full-time position removes a 0.5 part-time FTE and adds a 1.0 full-time FTE;
  - Funding for a part-time, 0.60 FTE Solid Waste Equipment Operator for the leaf/green waste recycling program;
  - Funding for two part-time Solid Equipment Operators totaling 1.20 FTEs to handle increased tonnage at the landfill and increased latex paint collection.
-

**Transfers to Other Funds**

*Schools* –The FY 2015 budget includes a transfer to the Schools of \$116.4 million - \$17,408 more than the transfer in place in FY 2015. In sum, this transfer pays 100% of the Schools' \$23.2 million FY 2016 debt service and funds \$41.9 million more than the minimum transfer legally required by the State to meet Standards of Quality (SOQs). Overall, the School Operating Fund is expected to increase by \$2.8 million including a 3% cost of living adjustment for staff.

*Capital Projects Fund* – Consistent with fiscal policy guidelines, a transfer from the General Fund to the Capital Projects Fund is budgeted at \$7.1 million. Fiscal policies state that the County's goal of budgeting pay-as-you-go (cash) funding for capital projects will be equal to 5% of General Fund revenue (excluding other obligated transfers). To meet this goal, beginning in FY 2008, the County established the transfer from the General Fund to the Capital Projects Fund at 1%, with an additional 0.25% to be added each year thereafter. In FY 2016, the transfer is budgeted at 3.00% of General Fund revenues. Additionally, a one-time transfer of \$2.5 million is transferred from the General Fund balance to the Capital Projects Fund for to fund replacement voting machines, a portion of the CAD system replacement, and a portion of the replacement fire equipment. Using the fund balance for this purpose allows us to reduce the amount of funding to be borrowed this coming summer, thereby reducing the amount of new debt service included in the FY 2016 Budget and in future years and avoiding an estimated \$335,000 in total interest costs. Overall, the transfer to the Capital Projects Fund increases by \$1.2 million for FY 2016.

*Code Compliance Fund* – The cost of core and basic services for the Building and Zoning offices are funded by a transfer from the General Fund to the Code Compliance Fund annually. In recent past years, because permit fee revenue was insufficient to fully cover costs other than core and basic, the transfer from the General Fund had to be increased to balance the Code Compliance Fund. For the first time since FY 2010, permit fee revenue estimated in the Adopted Budget is sufficient to cover all Code Compliance expenditures beyond the core and basic services funded by the General Fund. In fact, in FY 2016, the Code Compliance Fund will transfer \$200,000 back to the General Fund to begin repaying the General Fund for prior year balancing transfers. The transfer to the Code Compliance Fund is reduced by nearly \$180,000 in FY 2016.

*Economic Development Opportunities (EDO) Fund* – \$274,000 is transferred from the General Fund to the EDO fund for the costs of previously approved incentives. In addition, \$107,497 for the Fredericksburg Regional Alliance and \$3,000 for the Towne Center Light Show is transferred to the EDO Fund. Overall, the transfer to the EDO Fund decreases by \$206,600 for FY 2016. This is primarily due to the removal of a transfer of \$190,000 in FY 2015 that equated to approximately 25% of the Machinery & Tools tax revenue.

	\$ in millions
<b><i>FY 2015 Adopted Budget – Expenditures (General Fund)</i></b>	<b><i>\$238.3</i></b>
Mandated services <sup>1</sup> (40.9%) .....	\$97.4
Commitments <sup>2</sup> (35.8%) .....	\$85.3
Other services (23.3%) .....	<u>\$55.6</u>
	\$238.3
<b>Changes in Constraints</b>	
Full year funding for positions hired mid-year FY 2015	\$0.2
VRS & other benefit increases	\$0.2
Increased funding for technology services	\$0.5
DSS & CSA Services	\$1.3
Co. 11 staff, full year funding for 9 FF/Medics hired during FY 2015 & OT	\$1.4
Radio Network Engineer for new public safety radio system & ED proj. mgr.	\$0.2
Correction of employee splits among various funds	\$0.3
Voting machine replacements	\$0.3
Other changes in base budget resulting primarily from 3% dept. cuts	<u>(\$0.8)</u>
Subtotal Changes .....	<u>\$3.7</u>
<b>Changes in Commitments</b>	
2% merit/1% bonus effective July 1, 2015	\$1.6
Regional Jail, Juvenile Detention & other regional agencies	\$0.3
Funding of 3 new PT landfill support positions & conversion of An. Cntrl to FT	\$0.1
FREMS pay parity reserve	\$0.2
Net Increase in Debt Service	<u>\$0.4</u>
Subtotal Changes .....	<u>\$2.6</u>
<b>Changes in Transfers</b>	
Transfer to Capital Projects net of voting machines noted above	\$0.9
Transfer to Code Compliance	(\$0.2)
Transfer to Economic Development Opportunities Fund	<u>(\$0.2)</u>
Subtotal Changes .....	<u>\$0.5</u>

	\$ in millions
<b><i>FY 2016 Adopted Budget – Expenditures (General Fund)</i></b>	<b><i>\$245.2</i></b>

<sup>1</sup> Is representative of the legally required local contribution to Schools and mandated services such as Constitutional Officers, Social Services, solid waste collection and disposal, etc. May not be exact.

<sup>2</sup> Reflects County and Schools debt service, regional agency contributions, the transfer of cash to the CIP, and the transfer to Schools above the amount necessary to satisfy legal and debt service requirements.

**Appendix****Department Cuts**

Departments were asked to make permanent 3% cuts to their budgets without impacting filled positions in an effort to close budget shortfalls and attempt an ongoing pay increase. Every department made an effort, but not every department was able to do this, as some County departments' budgets consist primarily of salaries and benefits for staff. Two departments offered and I accepted reductions in positions. One position has an impending retirement and the other is currently unfilled.

Board of Supervisors .....	\$2,000
County Administration .....	\$2,000
Human Resources .....	\$21,512
Independent Auditor .....	\$17,893
Commissioner of Revenue .....	\$18,177
Assessment .....	\$17,926
Treasurer .....	\$15,000
Finance & Procurement .....	\$18,845
Information Services .....	\$171,611
General District Court .....	\$1,500
Juvenile & Domestic Relations Court.....	\$1,379
Victim/Witness.....	\$1,000
Sheriff – Courts .....	\$7,700
Sheriff – Law Enforcement.....	\$483,200
Sheriff – Communications.....	\$27,046
Sheriff – Animal Control.....	\$25,900
Fire/Rescue .....	\$89,442
Court Services Unit.....	\$6,970
Regional Agencies (RASCB) .....	\$45,765
Facilities Management.....	\$96,997
Social Services/CSA .....	\$18,759
Parks & Recreation.....	\$92,049
Planning.....	\$3,071
Economic Dev./Tourism/Visitor Center .....	\$52,510
Extension Office .....	<u>\$2,355</u>
Total .....	\$1,240,606

**Capital Projects Adjustments**

Following are the adjustments made to current and planned capital projects to gain debt service savings and balance the FY 2016 Adopted Budget:

- Transfer \$2.5 million of the General Fund balance to the Capital Projects Fund to cash fund the CAD system and a portion of the fire trucks being replaced;
- Make use of existing fire equipment during the three months of FY 2016 that Co. 11 is to be operating in FY 2016. Shift purchase of a new pumper for Co. 11 to FY 2017;
- Shift Fire Training Center funding from FY 2016 to FY 2017;
- Use savings in existing technology projects to reduce the borrowing planned for renovation of the Judicial Center;
- Assume \$1 million of the FY 2015 fire equipment reserve project is available and used in FY 2016 to reduce the borrowing planned for replacement fire equipment;
- Shift landfill development project out by one year;
- Assume existing funds for Sheriff's Office dog kennel project to be used to reduce borrowing for animal shelter;
- Remove Merchants Square renovations from CIP and assumed existing \$321,000 budgeted for that project is transferred to the Judicial Center project to reduce the borrowing planned for the Judicial Center;
- Remove public safety intersection signal triggers from the CIP;
- Shift the Facility Asset Management project by one year such that \$0 in new funding is added in FY 2016;
- Shift the Parks & Recreation system upgrade and the State Income Tax system replacement to FY 2017;
- Remove UPS system costs from FY 2016;
- Assume the State pays for voting machines to be replaced;
- Shift Solid Waste truck replacement to FY 2017; and
- Reduce the Fiber Network project by \$30,000 and computer replacements by \$103,000.





## FY 2016 Adopted Budget at a Glance

### Budget Focus

- Maintain priority services – education, public safety, transportation
- Maintain all fiscal policy guidelines
- Fund commitments (jail, juvenile center, regional agencies, existing debt service, Social Services/CSA)
- Funding to staff the new Fire/Rescue station in Lee’s Hill (Co 11)
- Full year funding of ongoing items funded for only a portion of FY 2015

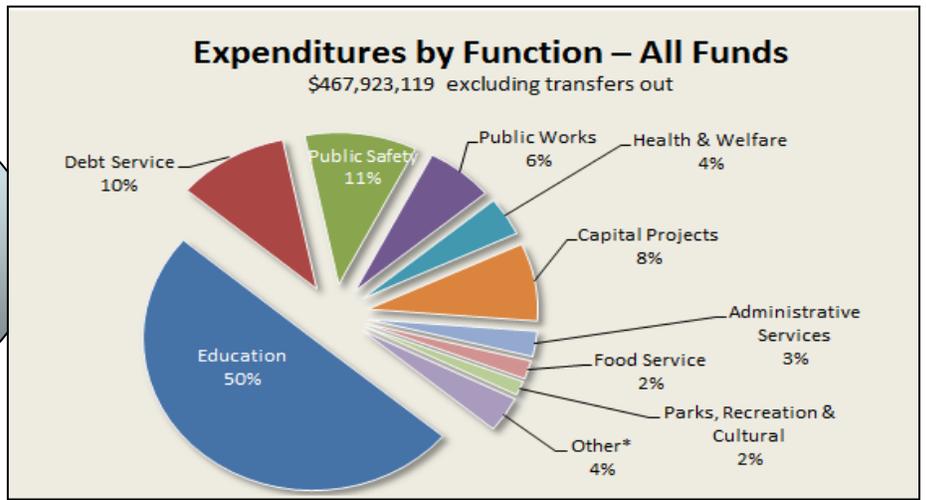
### Budget Highlights

- Schools –**
- The local transfer to the School Operating Fund is increased by \$17,408. The Schools’ budget includes a 3% cost of living adjustment for staff.
- Public Safety –**
- One Captain, two Lieutenants and twelve Firefighter/Medics are funded starting in February 2016 to staff the new Co 11 Fire/Rescue station which is anticipated to open prior to the close of FY 2016.
  - Increase in FREMS overtime to allow for coverage by career staff in areas where the volunteers no longer are able to provide coverage and to fund overtime necessary for training of the Water Rescue and Technical Rescue teams.
  - A reserve was funded to establish pay parity for FREMS staff – initially for Firefighters and Medics only – contingent on knowledge, skills and abilities (KSA) review.
  - Funding for the previously unfunded Radio Network Engineer to ensure we have adequate support in place for the new public safety radio system.
  - \$2.5 million of the estimated \$5.2 million cost of replacing the CAD system is included for cash funding with an additional \$0.3 million to be financed in Summer 2015.
- Transportation –**
- VRE revenue allows suspension of transfer of decal and set-aside revenue for the sixth year.
  - Intersection improvements and improvements to exits 118 and 126 along with several other surfacing, widening and intersection projects are included in the CIP.
- Tax Rates/Fees –**
- Real Property tax rate remains at \$0.86.
  - Personal Property tax rate for automobiles, campers, motor homes, motorcycles, pickups, and trucks approved at \$6.73; a decrease of \$0.05.
  - Personal Property tax rate for boats and boat trailers approved at \$6.25; a decrease of \$0.53.
- Staff –**
- Additional 1% pay increase to help offset the additional 1% VRS contribution employees must pay.
  - A one-time 1% merit-based bonus and a 2% on-going merit-based pay increase is budgeted for those employees having satisfactory or better performance.
  - Net of 15 new full-time positions added for public safety.

	FY 2015 Adopted	FY 2016 Adopted	Difference	
			\$	%
General Fund	\$111,763,541	\$117,772,697	\$6,009,156	5.4%
Economic Dev. Opportunities Fund	566,960	575,338	8,378	1.5%
Code Compliance Fund	3,628,569	3,609,108	(19,461)	(0.5%)
Transportation Fund	7,840,074	8,245,616	405,542	5.2%
School Operating	255,216,671	257,986,538	2,769,867	1.1%
School Food Service	9,530,213	9,271,699	(258,514)	(2.7%)
Utilities	<u>31,680,488</u>	<u>31,450,120</u>	<u>(230,368)</u>	(0.7%)
<b>Sub-Total Operating Expenditures</b>	<b>\$420,226,516</b>	<b>\$428,911,116</b>	<b>\$8,684,600</b>	<b>2.1%</b>
Capital Projects Fund	\$9,779,121	\$11,672,978	1,893,857	19.4%
School Capital Projects	7,739,145	18,629,525	10,890,380	140.7%
Utilities Capital Projects	<u>13,175,769</u>	<u>8,712,500</u>	<u>(\$4,463,269)</u>	(33.9%)
<b>Sub-Total Capital Expenditures</b>	<b>\$30,694,035</b>	<b>\$39,015,003</b>	<b>\$8,320,968</b>	<b>27.1%</b>
<b>Total Budget</b>	<b>\$450,920,551</b>	<b>\$467,926,119</b>	<b>\$17,005,568</b>	<b>3.8%</b>

**Personnel  
Full Time Equivalent (FTE)**

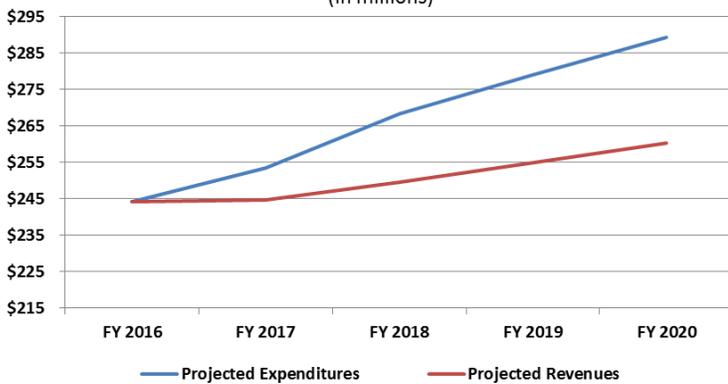
	FY 2015	FY 2016
County	983.91	1,000.08
Schools	3,018.47	3,079.10
<b>Total</b>	<b>4,002.38</b>	<b>4,077.18</b>



\*\*Other\*\* includes Community Development, Executive Services, Judicial Administration, Transportation and Voter Services functions

### General Fund Forecast

(in millions)



### Breakdown of General Fund Transfer to Schools

	2015 Adopted	2016 Adopted
• Required Local Effort	\$51,849,984	\$51,345,396
• Required Local Match for Opt. Programs	\$1,599,490	\$1,945,912
• Debt Service	\$22,897,604	\$23,216,302
• Additional Local Transfer	\$40,068,261	\$39,916,137
<b>Total Local Transfer</b>	<b>\$116,415,339</b>	<b>\$116,432,747</b>

### Average Residential 2015 Real Estate Tax Bill = \$1,555

Average value of residential property:  
\$180,782

School Transfer  
\$851 (54.8%)

Public Safety  
\$276 (17.8%)

Admin Services  
\$76 (4.9%)

Health/ Welfare  
\$68 (4.4%)

Debt Service  
\$68 (4.4%)

Public Works  
\$52 (3.3%)

Capital Projects  
\$52 (3.3%)

Other\*  
\$112 (7.1%)



\*\*Other\*\* includes Capital Projects, Executive Services, Community Development, Judicial Administration and Voter Services

# Overview of Spotsylvania County

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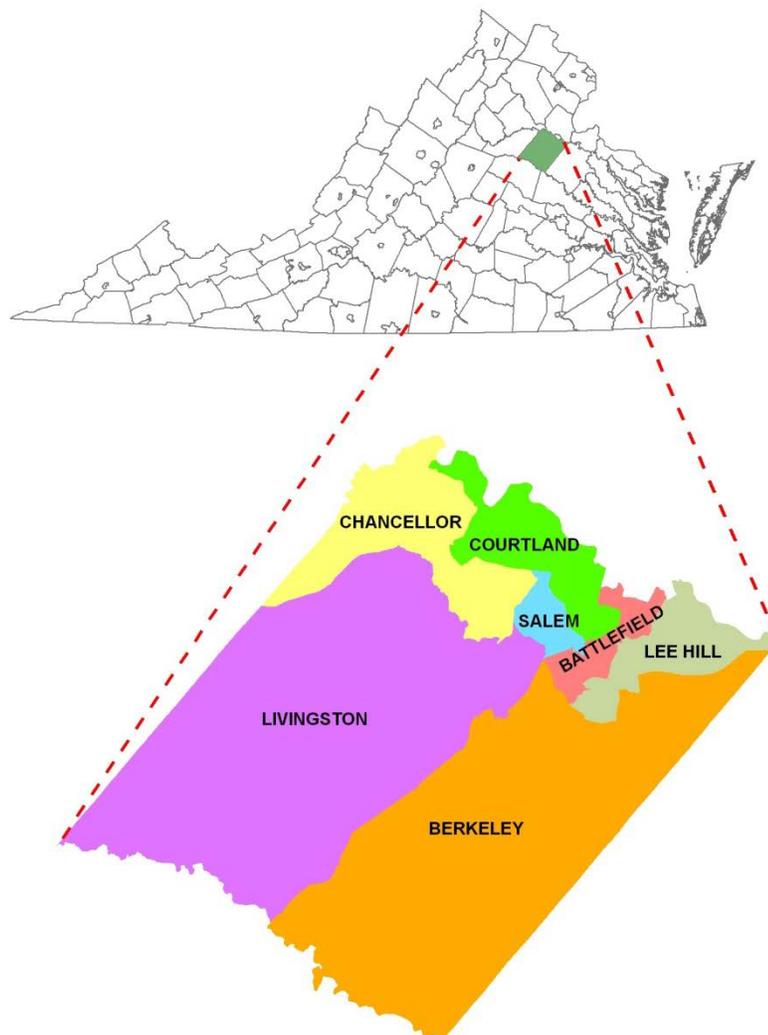
**History** In 1721, a vast new county was formed in the young colony of Virginia. Extending far beyond the Blue Ridge Mountains, this frontier outpost was named for Alexander Spotswood, Colonial Governor of Virginia.

Much of Spotsylvania County's early development is attributed to Spotswood's ironworks that he founded in the early 1700's. Spotswood's "Iron Mines Company," a mining and smelting operation, was founded in 1725 at Germanna. This was the first fully equipped iron furnace in the colonies and Spotsylvania County's first industry. Iron was hauled to the Rappahannock River for shipping. A wharf was built at the mouth of Massaponax Creek where ships docked to load wares for colonial ports. Wares from the Iron Mines Company included firebacks, pots, pans and kettles. A blast furnace, also founded by Spotswood, was operated in this area from 1730 through 1785. Remnants of the ironworks are still found in the County. Under Spotswood's resourceful leadership, a road network for transporting the iron was laid out and skilled laborers were imported from Germany. At his death in 1740, Spotswood left behind a nearly self-sufficient iron empire that set in motion the rise of America's iron and steel industry. Spotswood's furnace was acquired in 1842 by the United States government who set up a forge and foundries. Here, the government made hundreds of cannons to supply the Mexican War. At that time, it was one of the most important cannon works in the country.

Four major Civil War battles were fought on Spotsylvania soils, including one of the bloodiest of the war, the Battle of Spotsylvania Courthouse in May 1864. Here the armies of Ulysses S. Grant and Robert E. Lee saw one of the most intense clashes in American history: the Union attack on the Confederate-held "Bloody Angle." This battle marked the beginning of the fall of the Confederacy. Also, it was in Spotsylvania County, at Chancellorsville, that Stonewall Jackson fell to the mistaken fire of his own men. The National Park Service maintains more than 4,400 acres of the Civil War battlefields in various locations throughout Spotsylvania County.



**Geography** Spotsylvania County, consisting of approximately 400 square miles, is located in eastern Virginia, midway between the nation’s capital in Washington, D.C and the State capital of Richmond, both of which are about 50 miles distant. Both capital cities are easily accessible by rail and highway. The County is bounded by Caroline County on the east, Louisa and Hanover Counties along the North Anna River on the south, Culpeper and Stafford Counties and the City of Fredericksburg on the north along the Rappahannock and Rapidan rivers, and Orange County on the west. About 65% of the County is located in Virginia’s Piedmont physiographic province and about 35% is in the Coastal Plain. Elevations range from sea level to 540 feet. Drainage is provided by the Rappahannock and Rapidan rivers in the northern and eastern parts and the Mattaponi and North Anna Rivers in the central and southern parts of the County.



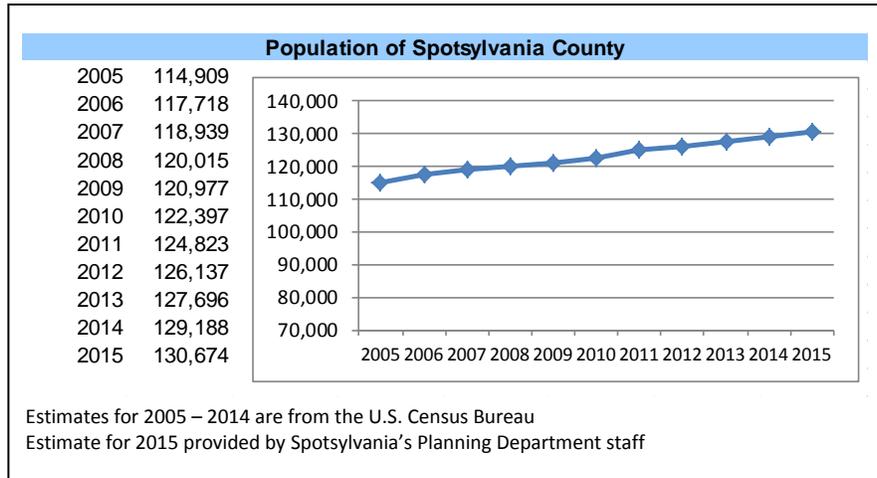
**Government** The Board of Supervisors is the governing body of the County. The Board is comprised of seven members, who are elected for four-year terms. The Board members annually elect a chairman and a vice-chairman for one-year terms. Historically, the terms of all current members expired in the same year. However, beginning with the November 2007 general election, the Board is elected to staggered terms, which resulted in three members being elected at one election cycle and the remaining four members being elected at a subsequent election cycle. The terms of four current members expire on December 31, 2015. The terms of the remaining three members expire on December 31, 2017. Spotsylvania County Public Schools are governed by a seven-member elected School Board.

The County functions under the traditional form of government with a County Administrator. Under this form of government, the elected officials include the members of the Board, the Treasurer, the Commissioner of the Revenue, the Sheriff, the Clerk of the Circuit Court and the Commonwealth's Attorney. Mental Health/Mental Retardation Services are provided by the Community Services Board. The Health Department and the Court System are under the control of the Commonwealth of Virginia. All other functions of the County government are managed by department directors who in turn report to the County Administrator.

The County Administrator is appointed by the Board to act as the Board's agent in the administration and operation of the departments and agencies. All departments directly responsible to the Board report to the County Administrator, and he or she acts as the Board's liaison to all other departments and agencies. The County Administrator serves at the pleasure of the Board.

The County provides general governmental services for its citizens including emergency medical services and fire protection, collection and disposal of refuse, water and sewer services, parks and recreation, libraries, and detention centers. Other services provided by the County, for which partial funding is received from the State, include public education in grades K-12 and certain technical, vocational and special education, mental health assistance, agricultural services, law enforcement, health and social services, and judicial activities.

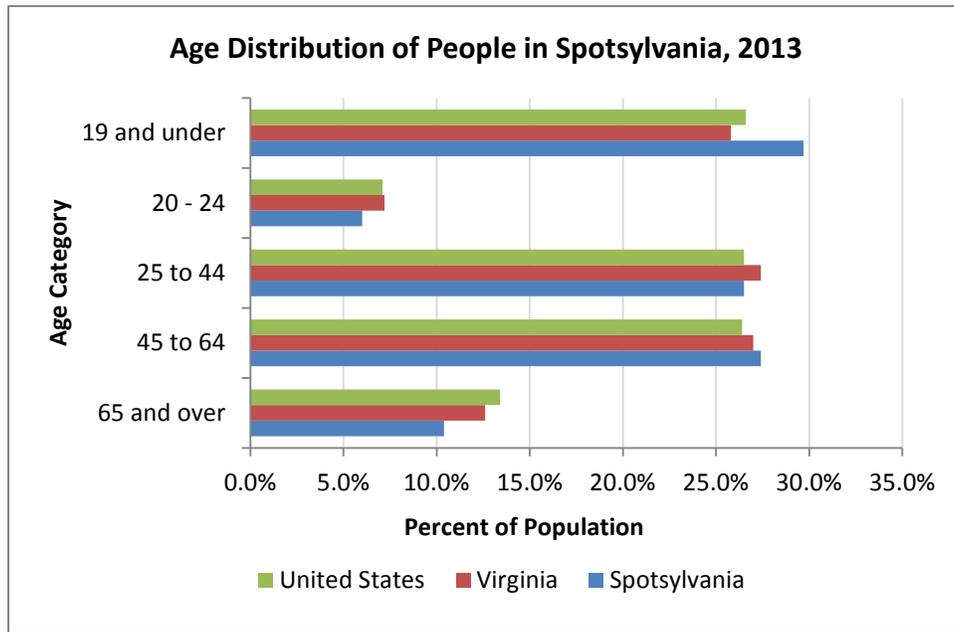
**Population** The Planning Department estimates Spotsylvania County’s 2015 population to be 130,674. As shown in the graph below, the County’s population has grown each of the past ten years. Population growth rates were between 3.7% and 5.7% from 2000 through 2005, peaking in 2002 at 5.7%. Beginning in 2006 and corresponding with the Board’s desire to curb the rate of growth in the County, growth rates have declined, with the rate of population growth between 2014 and 2015 estimated at 1.2%.



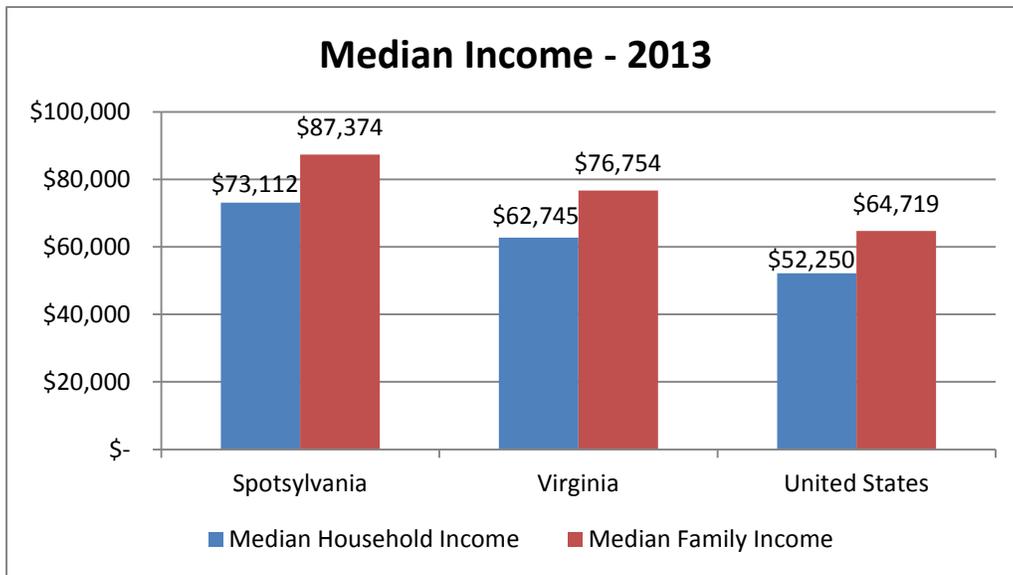
The U.S. Census Bureau estimates that in 2013, slightly less than three-quarters of the population of Spotsylvania County was white, and just under one-sixth of the population was black or African-American. The table below compares the 2013 racial/ethnic composition of Spotsylvania County with that of Virginia and the United States.

2013 Population by Racial/Ethnic Group			
Group	Spotsylvania	Virginia	United States
White	71.0%	63.6%	62.6%
Black or African American	15.9%	19.7%	13.2%
Hispanic or Latino	8.3%	8.6%	17.1%
Asian	2.5%	6.1%	1.2%
American Indian or Alaska Native	0.4%	0.5%	5.3%
Native Hawaiian or Pacific Islander	0.2%	0.1%	0.2%
Other	1.7%	1.4%	0.4%

As shown in the graph on the following page, the majority of the County’s population (64%) was estimated to be greater than or equal to 25 years of age, with 6% estimated between the ages of 20 and 24 and 30% estimated to be 19 or younger. The percentage of the population between ages 20 and 64 in Spotsylvania is comparable to the makeup of state and national populations, as well. However, according to census figures, when compared to Virginia and the United States, Spotsylvania has a higher percentage of its population at 19 and under and a lower percentage of its population at 65 or older than do the state and the nation.

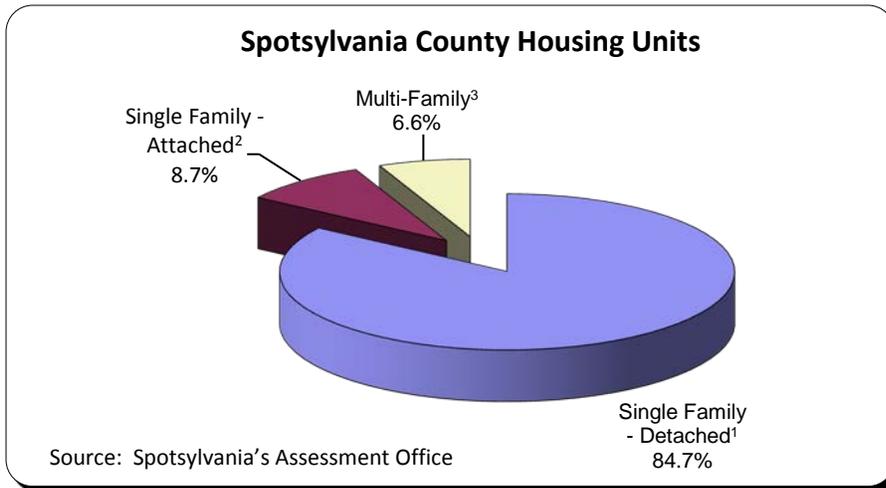


**Personal Income** According to the U.S. Census Bureau, in 2013, Spotsylvania’s median household income was estimated at \$73,112 and median family income was estimated at \$87,374. The following graph compares the median household and median family income for Spotsylvania, Virginia, and the United States in 2013.



**Housing** As of December 31, 2014 there are 45,892 housing units in Spotsylvania County. A housing unit can be multi-family or single-family, attached or detached. The majority (84.7%) of the housing units in Spotsylvania are single-family detached units. Since 2000, the number of

housing units in the County has increased by 37.8%. Of the 12,583 housing unit increase since 2000, 80% were single-family, detached homes; 12% were single-family attached homes; and 8% were multi-family apartments or condominiums.

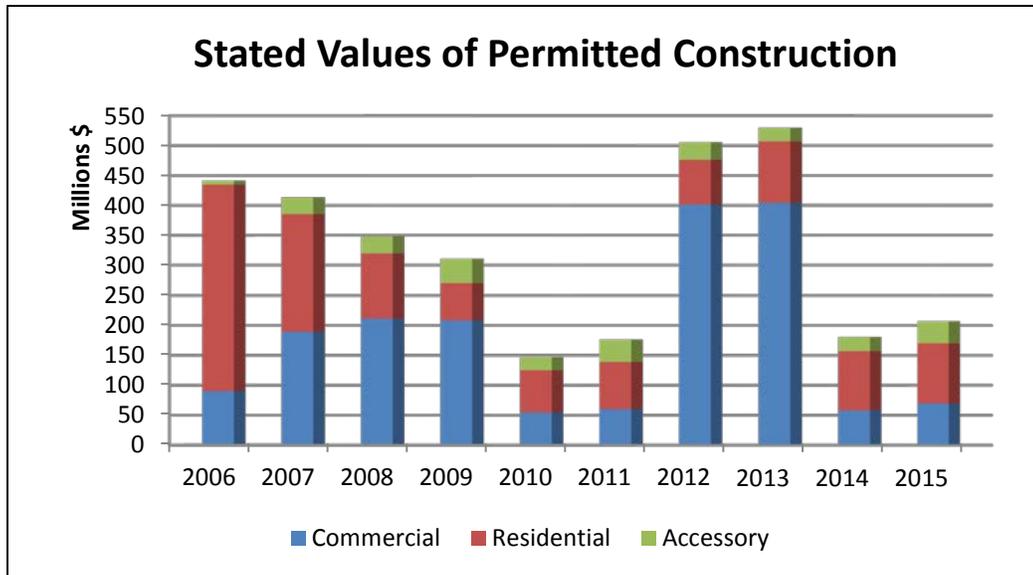


<sup>1</sup> Includes trailers, manufactured homes and mobile homes

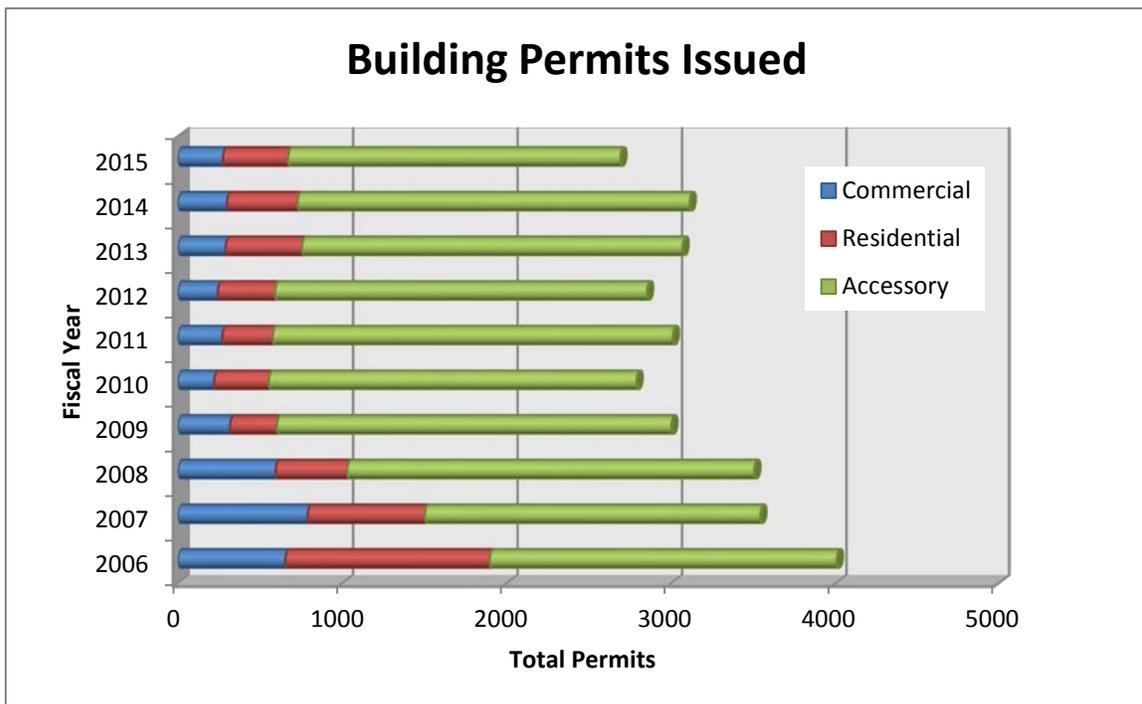
<sup>2</sup> Consists of duplexes and townhouses

<sup>3</sup> Consists of apartments and condominiums and assisted living housing units

The graphs below illustrate construction activity within Spotsylvania during the past ten years. The number and value of residential permitting grew annually from 2000 through 2005, and then began contracting. Commercial growth tends to lag behind shifts in residential growth, and that tendency is evident from these permitting figures. The number of commercial permits began increasing in 2005 and continued through 2008. Commercial permitting then began declining in 2009, but bolstered by the value of permitted construction for the new Spotsylvania Regional Medical Center, permitted commercial values did not begin a noticeable decline until 2010. In 2012 and 2013, the County processed multiple site plans for which the stated value of site work being performed was unusually large. Additionally, there were several large commercial building/renovation projects where the stated value of each project was significant.



Values are taken from permit applications as provided by the applicants. These values **do not** represent the value assigned by Spotsylvania’s Assessment Office. The 2015 figures are through May 31, 2015.



The 2015 building permit figures are through May 31, 2015

## Community Facilities

- 31 Schools
- 11 Parks
- 1 Outdoor Amphitheatre
- 5 Community Centers
- 1 Teen/Senior Center
- 1 Visitors Center
- 11 Fire/Rescue Stations<sup>1</sup>
- 12 Convenience Sites
- 1 Landfill
- 1 Animal Shelter
- 1 County Museum

<sup>1</sup> Fire/Rescue Company 11 to open in FY 2016

Additionally, Spotsylvania participates in regional programs such as the Central Rappahannock Regional Library, FRED Bus Service, Health Department, Rappahannock Juvenile Detention Center and the Rappahannock Regional Jail.

**Business, Labor & Employment** The County's primary economic development mission is to attract new businesses and capital investment and to provide a supportive climate for the growth of existing businesses in order to stimulate the creation of jobs and tax revenues. The County has implemented numerous initiatives and specific programs to accomplish this mission:

- The Department of Economic Development and Tourism (EDT), the Economic Development Authority (EDA), and the Economic Development Tourism Committee (EDTC) continue to jointly embark on a vigorous effort to better understand and track trends in the local economy, as well as evaluate the potential for future growth of new and existing industries. These County organizations which are responsible for economic development have also conducted new strategic planning efforts. These activities are a reflection of a larger initiative by the County's Board of Supervisors to take better advantage of the County's opportunities and to evaluate the return on investment of resources in various government-sponsored development activities.
- The County remains a partner with the Fredericksburg Regional Alliance, a public-private partnership which promotes and markets the region while focusing on targeted industries; assesses and forwards leads to localities from the Virginia Economic Development Partnership (VEDP); and works in many other ways to create and promote opportunities for business growth in the region.
- The County's target industries include healthcare, manufacturing, professional services (high tech/IT/defense), and tourism. Efforts continue to target military and defense contractors as a professional sector based on Spotsylvania's highly accessible location within proximity of three regional military bases. The County's Targeted Industries program is designed to expedite the review and approval of site building plans involving targeted businesses. Under this program, County staff works closely with the business or developer to reduce the potential for delays in the plan review and approval processes.

- The Department has established a Business Retention Program that connects new and existing businesses with the right resources and assistance with workforce, state and federal financing programs and processes and protocols that will improve the overall business climate to increase growth and investment opportunities in the County.
- On a continuing basis, EDT serves as a liaison between federal and state government and local businesses, providing information and technical assistance in a variety of areas including funding, government contracting and specialized workforce training. To this end, the Department maintains an active membership and/or dialogue with numerous regional organizations including the Virginia Economic Development Partnership, the Virginia Employment Commission, and the Virginia Tourism Corporation, the Fredericksburg Regional Alliance, the Chamber of Commerce, the Greater Fredericksburg Regional Tourism Partnerships, the International Economic Development Council and others. The EDT Department also maintains relationships with local military bases and four institutions of higher learning that are in regional proximity to the County.
- Technology and Tourism Zone Programs serve both new and existing qualified businesses. The Technology Zone covers the County's primary settlement district encompassing the County's fully-serviced business corridors to encourage growth in Spotsylvania's high-technology sector. Qualifying businesses located within the Technology and Tourism zones are afforded local tax rebates on Business, Professional and Occupational License and Machinery and Tools taxes, and are placed in the County's Targeted Industries Program.
- The County has two HUBZone designations that offer businesses an advantage when applying for federal contracts. There is one HUBZone located in the northern portion of the County on the Rt. 3 corridor and another is located near Lake Anna.
- The Economic Development Incentives Program is used to attract new business and support the expansion of existing businesses and retain industry. The program has contributed to increased capital investment and job creation since its initial creation in 1995. Continued collaboration with State officials ensures the County is using all available resources to maintain and grow the business community.

### Employment Status within Spotsylvania

Employment Status	2000	2013	% Change
Population 16 years old or older	66,138	95,050	43.7%
In labor force	47,747	65,097	36.3%
- Employed - civilian	45,651	59,922	31.3%
- Employed - armed forces	595	698	17.3%
- Unemployed	1,501	4,477	198.3%
Not in labor force	18,391	29,953	62.9%

The following two tables list the principal private employers in the County and in the region, illustrating the diversification of business.

### Top 20 Public & Private Employers within the County (as of May 2015)

Name	Nature of Business	Employee Range
Spotsylvania County Schools	Education	1,000+
Spotsylvania County Government	Local Government	1,000+
HCA Virginia Health System	Hospital	250-499
Wal-Mart	Retail	250-499
CVS Pharmacy	Pharmacy Distribution Warehouse	250-499
Food Lion	Grocery	250-499
AT Solutions	Support to Counterterrorist Activities	250-499
Germanna Community College	Education	250-499
Rappahannock Goodwill Industries	Rehabilitation Services	250-499
Carmax	Automotive Dealer	100-249
Giant Food	Grocery	100-249
EOIR Technologies	Sensor Technology	100-249
Richmond Fitness	Gym	100-249
Costco	Retail	100-249
Target Corporation	Retail	100-249
United Parcel Service (UPS)	Parcel Delivery	100-249
Rappahannock Electric Cooperative	Utility	100-249
Kaeser Compressors	Air Compressors	100-249
McDonalds's	Restaurant	100-249
SimVentions	Defense Contractor	100-249

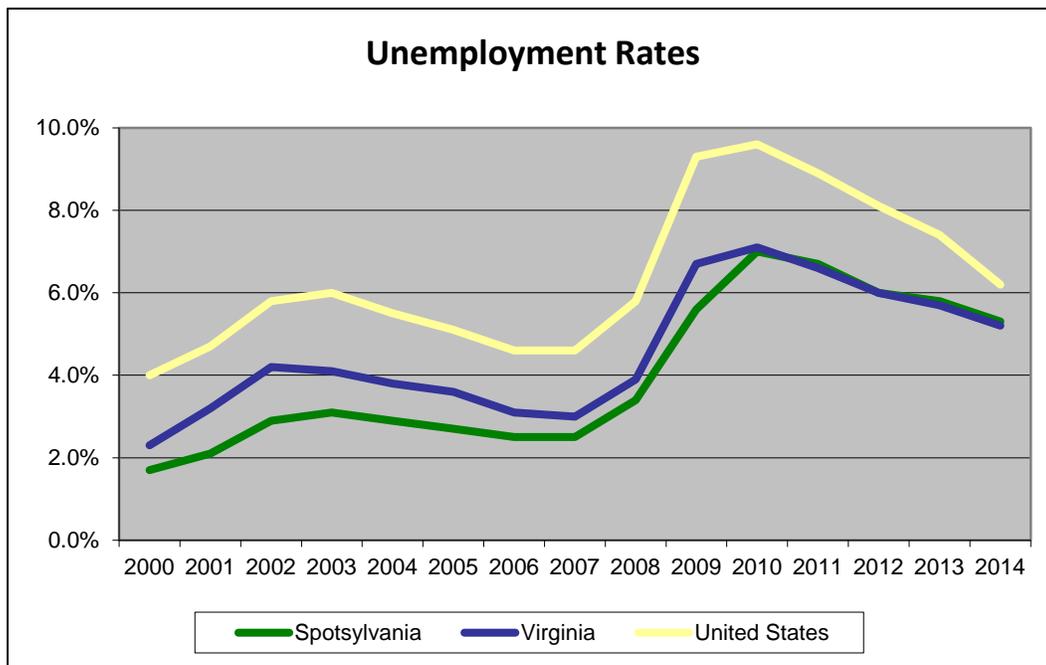
Source: Virginia Employment Commission

**Other Public & Private Major Employers in Surrounding Area** (as of May 2015)

Name	Nature of Business	Employee Range
U.S. Department of Defense	Federal Government Agency	1,000+
GEICO	Insurance Customer Service Center	1,000+
Stafford County Schools	Education	1,000+
Mary Washington Hospital	Hospital	1,000+
Federal Bureau of Investigation	Federal Government Agency	1,000+
University of Mary Washington	Education	1,000+
County of Stafford	Local Government	1,000+
Caroline County Schools	Education	500-999
City of Fredericksburg	Local Government	500-999
Medicorp Health System	Healthcare	500-999
Stafford Hospital Center	Hospital	500-999
McLane Mid Atlantic	Distributor for Convenience Stores	500-999
King George County Schools	Education	500-999
Fredericksburg City Schools	Education	500-999
Intuit, Inc.	Developer of Tax Software	250-499
The Free Lance-Star Publishing Co	Newspaper Publisher	250-499
Snowden Services	Healthcare	250-499

Source: Virginia Employment Commission

The graph below illustrates the unemployment rate for Spotsylvania County, Virginia and the United States for selected years.



Source: Virginia Employment Commission.

# Supplemental Information

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This section contains various statistics which may be of interest to the reader.

## Real Estate Tax Rate History

Calendar Year	Tax Rate	Equalized Tax Rate
1990	\$0.85	*
1991	0.90	
1992	0.82	0.71
1993	0.86	
1994	0.86	*
1995	0.86	
1996	0.86	0.81
1997	0.92	
1998	0.94	0.90
1999	1.02	
2000	1.02	0.94
2001	1.07	
2002	1.01	0.93
2003	1.01	
2004	0.86	0.86
2005	0.89	
2006	0.62	0.62
2007	0.62	
2008	0.62	0.56
2009	0.62	
2010	0.86	0.83
2011	0.86	
2012	0.88	0.90
2013	0.88	
2014	0.86	0.863
2015	0.86	

\*Biennial assessments began occurring in 1996. Prior to that, assessments took place every four years.

General Property Tax Rates<sup>1</sup>

Calendar Year	Real Estate & Mobile Home	Personal Property <sup>2</sup>	Business Furniture & Fixtures	Machinery & Tools	Heavy Construction Equipment
2015	\$0.86	\$6.73/\$6.25	\$5.95	\$2.50	\$2.00
2014	0.86	6.78 <sup>3</sup>	5.95	2.50	2.00
2013	0.88	6.37	5.95	2.50	2.00
2012	0.88	6.37 <sup>3</sup>	5.95	2.50	2.00
2011	0.86	6.26	5.95	2.50	2.00
2010	0.86	6.26	5.95	2.50	2.00
2009	0.62	6.26 <sup>3</sup>	5.95	2.50	2.00
2008	0.62	5.00	5.00	2.50	2.00
2007	0.62	5.00	5.00	2.50	2.00
2006	0.62	5.00	5.00	2.50	2.00
2005	0.89	5.00	5.00	2.50	2.00
2004	0.86	5.00	5.00	2.50	2.00
2003	1.01	5.00	5.00	2.50	2.00
2002	1.01	5.00	5.00	2.50	2.00
2001	1.07	5.00	5.00	2.50	2.00
2000	1.02	5.00	5.00	2.50	2.00

<sup>1</sup> Real Property and Mobile Home tax rates are levied per \$100 of assessed value. All others are assessed at no greater than 50% of value or 50% of original cost depending on the classification.

<sup>2</sup> For years 2000 – 2014, the rate includes all personal property types. In 2015, there are two adopted rates, including a rate of \$6.73 on automobiles, campers, motor homes, motorcycles, pickups, and trucks and a rate of \$6.25 on boats and boat trailers.

<sup>3</sup> The equalized personal property tax rate was \$6.33 in 2009, \$6.65 in 2012, and \$7.03 in 2014. However, the Board approved rates of \$6.26, \$6.37 and \$6.78, respectively. Equalized personal property rates were not calculated prior to 2009.

## Real Estate Tax Rates per \$100 of Assessed Value

Locality	Population <sup>1</sup>	Tax Year 2014 Rate	Tax Year 2015 Rate	Change
Richmond City	214,114	\$1.2000	\$1.2000	-
Prince William	438,580	1.2212	1.1936	(0.0276)
Loudoun	349,679	1.1550	1.1350	(0.0200)
Fairfax	1,130,924	1.1135	1.1160	0.0025
Alexandria	148,892	1.0430	1.0430	-
Stafford	136,788	1.0190	1.0190	-
Fauquier	67,207	0.9920	0.9990	0.0070
Arlington	224,906	0.9960	0.9960	-
Chesterfield	327,745	0.9600	0.9600	-
Henrico	318,611	0.8700	0.8700	-
<b>Spotsylvania</b>	<b>127,348</b>	<b>0.8600</b>	<b>0.8600</b>	-
Caroline	29,298	0.8300	0.8300	-
Fredericksburg	28,132	0.7900	0.8200	0.0300
Hanover	101,330	0.8100	0.8100	-
Culpeper	48,506	0.8300	0.7300	(0.1000)
King George	24,926	0.5900	0.6100	0.0200

<sup>1</sup> Population figures from the U.S. Census Bureau (Year 2014 data for counties. Year 2013 data for cities.)

Real Estate Tax Bill History<sup>1</sup>

Calendar Year	Tax Rate	Equalized Tax Rate	Example AV <sup>2</sup>	Annual Tax Bill Based on Example AV <sup>2</sup>	Change (\$)	Change (%)
2004	\$0.86	\$0.86	\$150,000	\$1,290		
2005	\$0.89		\$150,000	\$1,335	\$45	6.0%
2006	\$0.62	\$0.62	\$229,350	\$1,422	\$87	6.5%
2007	\$0.62		\$229,350	\$1,422	\$0	0.0%
2008	\$0.62	\$0.56	\$256,367	\$1,589	\$168	11.8%
2009	\$0.62		\$256,367	\$1,589	\$0	0.0%
2010	\$0.86	\$0.83	\$185,200	\$1,593	\$3	0.2%
2011	\$0.86		\$185,200	\$1,593	\$0	0.0%
2012	\$0.88	\$0.90	\$182,070	\$1,602	\$9	0.6%
2013	\$0.88		\$182,070	\$1,602	\$0	0.0%
2014	\$0.86	\$0.863	\$192,830	\$1,658	\$56	3.5%
2015	\$0.86		\$192,830	\$1,658	\$0	0.0%
					\$368	

<sup>1</sup> This analysis is based upon an *example* 2004 assessed value and shows that a house valued at \$150,000 in 2004 would be valued at approximately \$192,830 in 2015. At the assumed \$0.86 rate for 2015, the real estate taxes on this *example* residential property would have increased by \$368 since 2004 – an average annual increase of 2.3%.

<sup>2</sup> AV = assessed value

## Principal Property Taxpayers

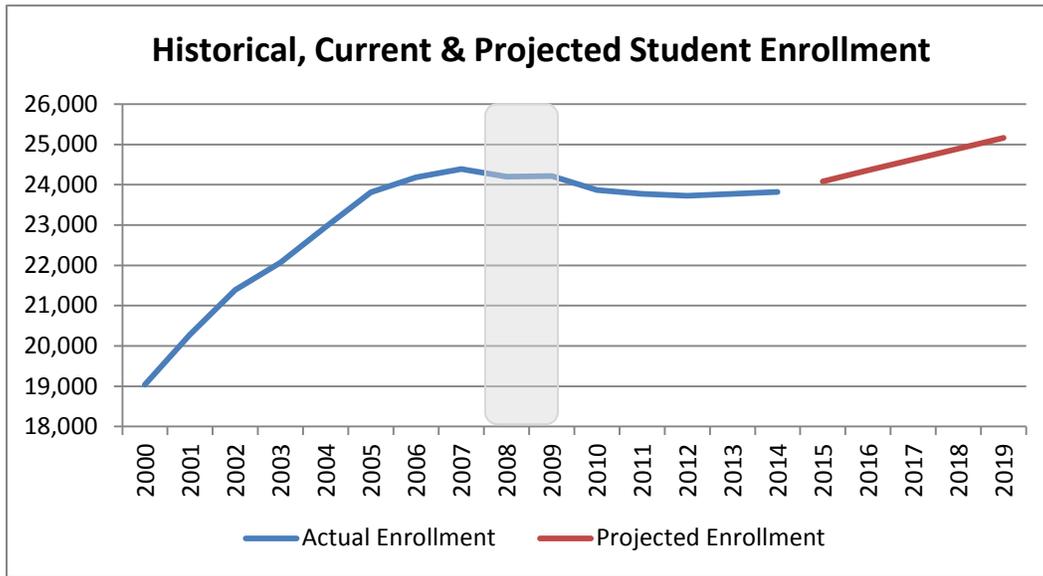
As of December 31, 2014

Name	Type of Business	Assessed Value <sup>1</sup>	Amount of Tax	Percent of Total Taxable AV <sup>2</sup>
Spotsylvania Mall Company	Shopping Mall	\$192,900,911	\$1,679,889	1.45%
Spotsylvania Regional Medical Center	Hospital	80,260,971	1,161,236	0.60%
Dominion Virginia Power	Public Utility	95,305,054	961,880	0.72%
Rappahannock Electric	Public Utility	77,494,419	719,587	0.58%
Verizon VA	Public Utility	52,161,306	487,871	0.39%
Comcast of VA	Public Utility	7,960,244	473,634	0.06%
CVS VA Distribution	Warehousing	7,555,969	449,580	0.06%
GLL BVK Properties	Developer	40,340,400	346,927	0.30%
Lee Prop Harrison Crossing	Developer	34,831,100	299,547	0.26%
Station Sq. at Cosner's Corner	Apartments	31,801,169	276,894	0.24%

Source: Treasurer, Spotsylvania County, Virginia

<sup>1</sup> Includes real and personal property taxes. This schedule is arranged from highest to lowest by amount of tax paid. Due to varying rates for real and personal property, assessed values may appear to be out of order.

<sup>2</sup> AV = assessed value



Enrollment as measured on September 30 or October 1 of each year.  
The grey shaded area represents the recession that occurred from December 2007 to June 2009.



# County Vision, Mission, & Goals

The County’s vision is to “be a leading Virginia community in quality of living and a leader in the region in sustained economic development. The County will embrace as its highest purpose the promotion of the common good through ethical and visionary leadership and through motivated and skilled employees.” The poster below is displayed in County offices to serve as employees’ daily reminder of the County’s vision, mission, and values. Representing the County focus, the vision is at the center of the display surrounded by five County values or objectives.



The County's four primary goals of promoting effective governmental, public safety and transportation programs and managing growth are shown below.



# Linking County-Wide & Functional Goals

The following chart displays the links between long-term functional and County-wide goals. Additional information related to the functional goals and performance measures may be found in the Function/Department Budgets section of this document beginning on page 251.

Functional Goals	County-wide Goals			
	General Gov't	Public Safety	Transportation	Growth Mgmt
<b>Executive Services</b>				
• Promote a safe, healthy and prosperous community	✓	✓	✓	✓
• Maintain a customer-focused government	✓	✓	✓	✓
• Support a strong sense of community	✓	✓	✓	✓
• Implement County policy	✓	✓	✓	✓
<b>Administrative Services</b>				
• Provide accurate real property assessments & financial information	✓			
• Provide technical oversight and financial support to County departments	✓			
• Ensure accountability	✓			
• Provide range of technology services	✓	✓		
• Achieve AAA bond rating	✓	✓	✓	
<b>Voter Services</b>				
• Provide registration and voting opportunities	✓			
• Ensure proper operation and direction of all elections	✓			
• Satisfy internal and external reporting requirements and requests	✓			
<b>Judicial Administration</b>				
• Prosecute criminal cases		✓		
• Maintain comprehensive law library		✓		
• Provide Victim-Witness program		✓		
• Maintain court of record, deeds and probate	✓	✓		
<b>Public Safety</b>				
• Protect life and property, and reduce the fear of crime		✓		
• Provide 24/7 Fire/EMS service		✓		
• Ensure the humane treatment of animals		✓		
• Provide services to juveniles		✓		
<b>Public Works</b>				
• Provide well-maintained facilities	✓	✓		
• Preserve water quality and environment	✓	✓		✓

Linking County-Wide & Functional Goals

Functional Goals	County-wide Goals			
	General Gov't	Public Safety	Transportation	Growth Mgmt
<b>Health &amp; Welfare</b>				
• People helping people	✓	✓		
• Strengthen family units	✓	✓		
• Ensure safety and well-being of children in agency custody	✓	✓		
• Investigate report of abuse and neglect	✓	✓		
• Build cooperative and productive relationships with stakeholders	✓	✓		
<b>Parks, Recreation &amp; Cultural</b>				
• Enhance quality of life for Spotsylvanians	✓			
• Provide sustainable recreational programs	✓			
• Provide visitor services to local residents as well as to travelers	✓			
<b>Community Development</b>				
• Contribute to a high quality of life	✓	✓	✓	✓
• Promote business growth and development	✓		✓	✓
• Promote tourism	✓			
• Provide learning opportunities	✓			
<b>Transportation</b>		✓	✓	✓
<b>Education</b>				
• Provide effective instructional services	✓			
• Promote a positive and effective learning environment	✓			
• Encourage parent engagement and dynamic community partnerships	✓			
• Ensure a supportive organizational structure	✓			
<b>Food Service</b>				
• Support the learning experience	✓			
<b>Capital Projects</b>	✓	✓	✓	✓
<b>Debt Service</b>	✓	✓	✓	✓

**FY 2016 Adopted Budget - All Funds**

	<b>FY 2014 Actual</b>	<b>FY 2015 Adopted</b>	<b>FY 2015 Amended</b>	<b>FY 2016 Adopted</b>	<b>Variance (adopt to adopt)</b>	
					<b>Amount</b>	<b>Percent</b>
<b>Revenues (by type)</b>						
Property Taxes	\$151,439,841	\$152,705,029	\$153,050,410	\$154,038,898	\$1,333,869	0.9%
Other Local Taxes	\$37,517,662	\$38,484,687	\$38,814,687	\$39,525,708	\$1,041,021	2.7%
Licenses & Permits	\$246,380	\$260,800	\$260,800	\$263,200	\$2,400	0.9%
Charges for Services	\$37,058,929	\$37,538,066	\$38,266,359	\$39,273,018	\$1,734,952	4.6%
Other Local Revenue	\$30,242,816	\$24,248,193	\$27,296,004	\$24,185,535	(\$62,658)	-0.3%
Debt Proceeds	\$31,335,907	\$7,664,829	\$101,679,376	\$14,879,776	\$7,214,947	94.1%
State Revenue	\$158,310,013	\$161,376,304	\$167,525,054	\$164,069,868	\$2,693,564	1.7%
Federal Revenue	<u>\$20,098,765</u>	<u>\$14,607,517</u>	<u>\$23,420,044</u>	<u>\$15,905,955</u>	<u>\$1,298,438</u>	8.9%
Subtotal - Revenue	\$466,250,313	\$436,885,425	\$550,312,734	\$452,141,958	\$15,256,533	3.5%
Transfers In	\$132,844,843	\$130,485,926	\$134,302,730	\$136,807,197	\$6,321,271	4.8%
Use of Fund Balance	<u>(\$25,498,862)</u>	<u>\$14,035,126</u>	<u>\$86,478,614</u>	<u>\$15,784,161</u>	<u>\$1,749,035</u>	12.5%
<b>TOTAL REVENUE - All Funds</b>	<b>\$573,596,294</b>	<b>\$581,406,477</b>	<b>\$771,094,078</b>	<b>\$604,733,316</b>	<b>\$23,326,839</b>	<b>4.0%</b>
<b>Expenditures (by function)</b>						
Executive Services	\$2,559,475	\$3,368,500	\$3,580,609	\$4,612,514	\$1,244,014	36.9%
Administrative Services	\$10,843,535	\$11,601,955	\$12,369,635	\$12,581,874	\$979,919	8.4%
Voter Services	\$315,530	\$370,626	\$371,626	\$343,597	(\$27,029)	-7.3%
Judicial Administration	\$3,795,852	\$4,040,892	\$4,193,092	\$4,032,366	(\$8,526)	-0.2%
Public Safety	\$46,036,130	\$48,017,620	\$50,840,305	\$49,862,058	\$1,844,438	3.8%
Public Works	\$25,881,751	\$29,391,929	\$29,647,237	\$29,886,960	\$495,031	1.7%
Health & Welfare	\$17,220,211	\$17,510,112	\$17,592,856	\$18,935,964	\$1,425,852	8.1%
Parks, Recreation & Cultural	\$6,812,663	\$6,994,354	\$6,994,354	\$6,960,476	(\$33,878)	-0.5%
Community Development	\$4,340,585	\$4,641,676	\$4,995,687	\$4,565,806	(\$75,870)	-1.6%
Debt Service	\$59,710,984	\$47,751,960	\$127,271,624	\$48,704,061	\$952,101	2.0%
Capital Projects	\$32,483,398	\$30,694,035	\$129,215,951	\$39,015,003	\$8,320,968	27.1%
Transportation	\$2,120,606	\$3,745,877	\$3,552,377	\$3,428,324	(\$317,553)	-8.5%
Education	\$218,920,833	\$232,319,067	\$235,243,975	\$234,770,236	\$2,451,169	1.1%
Food Service	<u>\$8,704,718</u>	<u>\$9,530,213</u>	<u>\$9,530,213</u>	<u>\$9,271,699</u>	<u>(\$258,514)</u>	-2.7%
Subtotal - Appropriated Expenditures	\$439,746,271	\$449,978,816	\$635,399,541	\$466,970,938	\$16,992,122	3.8%
Tax Relief	<u>\$955,180</u>	<u>\$941,735</u>	<u>\$941,735</u>	<u>\$955,181</u>	\$13,446	
Subtotal - Adopted Budget	\$440,701,451	\$450,920,551	\$636,341,276	\$467,926,119	\$17,005,568	3.8%
Transfers Out	<u>\$132,894,843</u>	<u>\$130,485,926</u>	<u>\$134,752,802</u>	<u>\$136,807,197</u>	<u>\$6,321,271</u>	4.8%
<b>TOTAL EXPENDITURES - All Funds</b>	<b>\$573,596,294</b>	<b>\$581,406,477</b>	<b>\$771,094,078</b>	<b>\$604,733,316</b>	<b>\$23,326,839</b>	<b>4.0%</b>
<b>Appropriated Expenditures (by category)</b>						
Personnel (salaries & benefits)	\$266,384,931	\$279,459,345	\$281,859,984	\$282,965,564	\$3,506,219	1.3%
Operating (other than debt service)	\$80,037,621	\$89,240,383	\$95,269,650	\$93,675,791	\$4,435,408	5.0%
Debt Service	\$59,710,984	\$47,751,960	\$127,271,624	\$48,704,061	\$952,101	2.0%
Capital	<u>\$33,612,735</u>	<u>\$33,527,128</u>	<u>\$130,998,283</u>	<u>\$41,625,522</u>	<u>\$8,098,394</u>	24.2%
<b>TOTAL APPROPRIATED EXPENDITURES - All Funds</b>	<b>\$439,746,271</b>	<b>\$449,978,816</b>	<b>\$635,399,541</b>	<b>\$466,970,938</b>	<b>\$16,992,122</b>	<b>3.8%</b>

