



*Spotsylvania*  
VIRGINIA  
CROSSROADS OF THE CIVIL WAR™

# Fiscal Year 2015 Adopted Budget



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# Board of Supervisors

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**Complete budget available on the County's website at:**  
<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 2015 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, 2013.*

*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  
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**Spotsylvania County  
Virginia**

For the Fiscal Year Beginning

**July 1, 2013**

A handwritten signature in cursive script, reading "Jeffrey R. Egan".

Executive Director



# Guide to Using this Document

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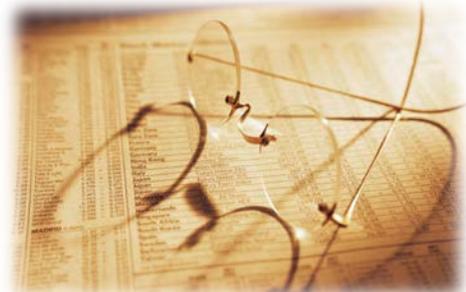
Spotsylvania County Government is responsible for many different programs designed and operated to provide quality community services. The oversight of these programs is a daily challenge for County employees, but understanding them can be of equal challenge for citizens. This budget document was developed 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 2015. 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 2015 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 Strategy – a discussion explaining the development of the FY 2015 budget. This section includes short term factors and underlying assumptions that influenced the decisions made in development of the FY 2015 budget;
- The Budget at a Glance – a summary of the highlights of the FY 2015 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 2015 revenues by type and FY 2015 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 2015 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 2015 Budget and a glossary of terms and acronyms.

## Adopted Budget Message

Dear Board of Supervisors Members:

Enclosed is the FY 2015 Adopted Budget for Spotsylvania County as approved by the Board on April 15, 2014. As you know, the budget process is our annual process for reviewing community priorities and values. 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 achieving these priorities through well-balanced financial planning.

### **The FY 2015 Adopted Budget**

The FY 2015 Adopted Budget totals \$450.9 million – an increase of \$11.9 million (2.7%) compared to the FY 2014 Adopted Budget.

	FY 2014 Adopted	FY 2015 Adopted	Difference	
			\$	%
General Fund	\$106,886,654	\$111,763,541	\$4,876,887	4.6%
Economic Dev. Opportunities Fund	748,467	566,960	-181,507	-24.3%
Code Compliance Fund	3,088,259	3,628,569	540,310	17.5%
Transportation Fund	8,091,602	7,840,074	-251,528	-3.1%
School Operating	248,266,081	255,216,671	6,950,590	2.8%
School Food Service	10,044,365	9,530,213	-514,152	-5.1%
Utilities	<u>29,980,372</u>	<u>31,680,488</u>	<u>1,700,116</u>	5.7%
<b>Subtotal Operating Expenditures</b>	<b>\$407,105,800</b>	<b>\$420,226,516</b>	<b>\$13,120,716</b>	<b>3.2%</b>
Capital Projects Fund	\$13,473,585	\$9,779,121	-\$3,694,464	-27.4%
School Capital Projects	377,608	7,739,145	7,361,537	1,949.5%
Utilities Capital Projects	<u>18,021,000</u>	<u>13,175,769</u>	<u>-4,845,231</u>	<u>-26.9%</u>
<b>Subtotal Capital Expenditures</b>	<b>\$31,872,193</b>	<b>\$30,694,035</b>	<b>-\$1,178,158</b>	<b>-3.7%</b>
<b>Total Budget</b>	<b>\$438,977,993</b>	<b>\$450,920,551</b>	<b>\$11,942,558</b>	<b>2.7%</b>

Key factors in maintaining high grade bond ratings are continued in this budget. All fiscal and debt policies are maintained, including a Fiscal Stability Reserve at 10% (\$37.6 million) of operating revenues; an operating budget contingency equal to 0.5% (\$540,000) of General Fund revenues; and multi-year forecasts for our major funds. The unassigned fund balance in excess of the 10% Fiscal Stability Reserve is estimated at \$1.2 million. Each of these pots of funding allows for flexibility within the budget should our conservative estimates of revenues and expenditures not come to fruition. However, staff would first attempt to reduce expenditure budgets during the course of the year prior to using these funds to shore up any shortfalls.

### **Priority Services Through Schools**

The County's single largest investment of community resources is in Spotsylvania's schools. This budget includes a transfer to the Schools of \$116.4 million - \$1.6 million (1.4%) more than the \$114.8 million transfer in place in FY 2014. This \$1.6 million combined with \$2.7 million in savings from the pay down of existing debt provides an effective increase in ongoing local funding of \$4.3 million (3.8%) to the Schools for operating expenditures.

The \$116.4 million transfer coupled with State and Federal funding allows the Schools to fund operating costs associated with the 82 additional students projected for the 2014 – 2015 school year; a 1% cost of living adjustment for all employees; a step increase for all School Board approved contracted full-time equivalents; and debt service on existing debt and on \$7.7 million in new debt to be issued this summer for technology upgrades, capital maintenance and bus replacements. Additionally, numerous County programs create the healthy and secure environment for children and parents to help ensure success in school and life. Our public safety agencies, parks and recreation programs, regional libraries, and social services are all important pieces of the support structure necessary for Spotsylvania to continue to be a wonderful place to raise and educate children.

### **Priority Services Through Public Safety**

In the past three budgets, we have added 9 deputies and 27 firefighter/medics in an effort to better respond to the calls for help from those in our community. The FY 2015 budget further strengthens the resources in the Sheriff's Office and Fire/Rescue through the addition of two communications officers, two communications operators, a detective, and six full-time and two part-time courts deputies. There were also nine additional firefighter/medics approved outside of the FY 2015 budget process through the SAFER grant.

Additionally, to improve firefighter and firefighter/medic retention, over \$300,000 is added for career ladder stipends for senior Fire/Rescue personnel and a new stipend program which was implemented in FY 2014 to incentivize Advanced Life Support (ALS) providers on staff. Further, \$52,100 is added in this budget to increase the pay of deputized animal control officers commensurate with the pay of other Sheriff's deputies.

The approved Capital Improvement Plan (CIP) for FY 2015 includes \$11.2 million in public safety related capital projects necessary to continue high quality services to the community. These projects include \$100,000 for design of a new animal shelter; the final installment (\$5.6 million) of the ongoing public safety radio system replacement project; \$250,000 for the first year of a multi-year project to replace the computer aided dispatch (CAD) system; and \$5.3 million for various fire and rescue equipment. These projects ensure paid staff and volunteers have the tools needed to perform their jobs and respond to emergency and non-emergency calls for service.

### **Priority Services Through Transportation**

The Transportation Fund continues to be funded primarily by the revenue received through the State from the 2.1% sales tax charged to distributors of fuel within Spotsylvania County. The fuel tax revenue is estimated at \$4.4 million for FY 2015 and, together with about \$845,000 from the Transportation Fund balance funds the non-service district expenses of the Transportation Fund such as annual subsidies to VRE, PRTC and the FRED bus service. The single largest expense within the Transportation Fund is \$2.4 million in principal and interest payments on previously issued transportation bonds used to pay for projects like intersection improvements and paving of previously unpaved roads that most of us take advantage of on a daily basis as we travel around the County.

New projects budgeted in FY 2015 include the Mine/Falcon/Spotsylvania Avenue intersection improvement project; the Jones Powell hill improvement project; paving of additional unpaved roads; the Hickory Ridge/Rt. 1 intersection improvement project; a study and preliminary engineering for widening of Morris Road; and the preliminary phases of improvements to exits 118 & 126. New debt service associated with these projects in FY 2015 totals nearly \$461,000.

### **Priority Services Through Steady Taxes**

*Real Estate* – 2014 was a reassessment year. Residential values increased by an average of 5.9% while commercial values declined by 2.3%. Overall, countywide values increased by 4.2%. The equalized tax rate – the rate that would yield 101% of the previous year’s levy when applied to the new assessed values - was calculated at \$0.863 and many more decimal places. However, the County’s existing computer systems allow for only two decimal places to be included in the tax rate. The tax rate was adopted at \$0.86 for 2014 - \$374,000 short of the equalized rate of \$0.863.

*Personal Property* – Every year, the County updates the values of existing vehicles using NADA values. A 9.4% drop in existing values resulted when the NADA values were applied in early 2014 to vehicles garaged in Spotsylvania, yielding a \$4.4 million decrease in revenue at the 2013 personal property rate of \$6.37. The rate needed in 2014 to offset that \$4.4 million decrease was calculated at \$7.03. Instead of fully offsetting the loss in values, the Board set the personal property tax rate at \$6.78, tying the 41-cent rate increase to initiatives such as the \$1.6 million increase in school funding, \$0.8 million for increased funding to the Sheriff’s Office, \$128,000 to offset the elimination of the property tax on airplanes, and nearly \$200,000 to offset the impact to the General Fund of transferring 25% of the Machinery & Tools tax revenue to the EDO Fund.

At the adopted rates, the average residential annual property tax bill will increase \$41 while, on average, the annual tax on a vehicle that the taxpayer owned in 2013 and still owns in 2014 will decrease by \$24. While there will be variations, on average, a taxpayer owning an average-value residential property and the same vehicle in 2014 that they owned in 2013 will pay \$17 more (less than 5 cents per day) in 2014 than in 2013.

### **Commitment to Our Employees**

The constrained budgets of recent years have required reductions in staffing levels and hiring slowdowns. The result of these necessary actions has been that we've asked our workforce to do more with less – taking on more work when a colleague retires and isn't replaced; addressing new and increasing service demands because of a growing population and ever-increasing expectations; keeping up with best practices and professional development items on their own because of cuts to travel and training budgets. For the third year in a row, this budget includes the State-mandated 1% salary adjustment to offset a 1% increase in employees' VRS payments. As required by law, we are on track to have passed on the full 5% employee VRE contribution in FY 2017.

No single item in this budget pleases me more than the 2% COLA budgeted to bring all employees in line with the 2% pay adjustment granted to sworn Sheriff's Office employees in January 2014. I have said time after time that I am continuously impressed by the work and dedication of our staff members. It is the dedication, determination, and sheer will-power and brain-power of our employees that has enabled our services to continue operating seamlessly, almost as though nothing had been reduced in recent years' budgets. The Board has my sincere thanks for acknowledging the work of all – not just certain groups – by approving this 2% COLA in the FY 2015 budget. My hope for future budgets is that we will be able to restore annual merit increases which have been excluded from the budget now for seven years, or move forward with some type of performance-based pay increases.

### **Expected Future Challenges**

Each year Budget staff prepares a five-year financial forecast with the most recent budget set as the first of the five years. Projected out-year costs are compared to projected out-year revenues to arrive at an estimate of annual budgetary deficits or surpluses. The forecast assumes annual inflation in materials and supplies; annual merit increases and COLAs for employees; transfers to the Schools based on a cost per pupil allocation adjusted for steps, COLAs, and inflation; transfers to other funds based on current practices and fiscal policy guidelines; and debt service based on the FY 2015 – FY 2019 Adopted CIP.

You will recall that given the availability of fuel tax revenues to cover transportation expenditures, we temporarily suspended the transfer of decal and set-aside revenues to balance the General Fund budget in FY 2011 through FY 2015. That suspension will need to resume in FY 2017 given the increased debt service costs associated with the local costs of the projects at Exits 118 and 126. Be aware that the five year forecast for the Transportation Fund indicates that at the end of FY 2019, even with the transfer of decal and set-aside funding having resumed in FY 2017, the Transportation Fund balance will be sufficient to support transportation efforts only through FY 2021 at best. After that, another permanent source of funding will be necessary to keep the Transportation Fund afloat. Also, be aware that the reinstatement of the decal transfer in FY 2017 will create an automatic \$2.9 million hole in the General Fund. As we move forward with the upcoming bond referendum and determine our prioritized list of transportation projects, it is imperative that we look for new and innovative funding sources to minimize County debt service associated with these much-needed projects.

Also critical to out-year budget balancing will be the advancement of construction related to approved, but currently not built-out developments. While these developments are expected to have a positive impact on County revenues such as real estate, personal property, recordation, meals tax and sales tax, upon build-out they will have significant costs in terms of demands on our infrastructure. Monitoring of the build-out will be essential to the allocation of funding to maintain an acceptable level of service. Please note the CIP section of this document which includes a more detailed analysis.

When the expenditure assumptions noted above are weighed against the projected gradually increasing revenues at equalized rates beyond FY 2015, sizable budget deficits are anticipated over at least the next four years. Since State law requires a balanced budget, unless revenue projections improve significantly, the budget deficits shown in the forecast (page 133) for FY 2016 – FY 2019 will need to be addressed during each budget cycle through increased taxes and/or fees, additional reductions in budgeted expenditures, reprioritization of financed capital projects, or a combination of each of these options. If we are required to reduce expenditures to balance the out-year budgets, any additional reductions will be the reduction or elimination of services. We are beyond across-the-board cuts at this point in time. We have spent the last several years reducing expenditures as much as possible while minimizing impacts to our services and will continue to be smarter about what we do and how we do it to save money and promote a more effective local government. However, maintaining the current level of service while addressing the costs associated with additional needs will require the Board to clearly prioritize needs and funding sources as we move forward.

### **Conclusion**

This budget includes strategies for maintaining current levels of services while improving services provided by Fire/Rescue and the Sheriff's Office and providing additional ongoing funding to the Schools. Within the bounds of anticipated revenues at an \$0.86 real estate tax rate and a \$6.78 personal property tax rate, the adjustments identified as part of the development of this budget address education, public safety, and transportation as continued priorities while adhering to all fiscal policy guidelines and avoiding the use of one-time revenue to fund ongoing expenditures. Detailed information on revenues and expenditures can be found throughout this budget document, but are summarized in the budget strategy beginning on page 13.

It is important to note that as I write this message in mid-June, we are still waiting for the State to adopt its biennial budget for FY 2015 & FY 2016. The County's FY 2015 Adopted Budget includes assumptions of State revenues based on the Governor's budget from December 2013. Since that time the State has revised revenue projections and is now project a revenue shortfall that will impact FY 2014, FY 2015 and FY 2016. We anticipate the State providing formally quantified projections in mid-August which could negatively impact the level of State funding provided to localities in FY 2015. Once the impacts are known, we may need to adjust our FY 2015 Budget. Because of the uncertainty surrounding the State budget, we plan to request partial appropriation of the FY 2015 Budget, with full appropriation approved at a later date, when impacts are known.

I appreciated the opportunity to work with you during the development of this budget. I thank all the Constitutional Officers, department directors, and staff members who supported me in the work associated with preparation and finalization of this budget. County staff members continue to perform despite added workloads and I appreciate their perseverance. I know that the collective expertise, creativity, dedication and hard work of the County and Schools' staffs will ensure the continued delivery of essential and quality services to the citizens of Spotsylvania in FY 2015 and beyond.

Sincerely,

A handwritten signature in black ink that reads "C. Douglas Barnes". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

C. Douglas Barnes  
County Administrator

# FY 2015 Budget Strategy

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The Budget Strategy provides a discussion about the development of and the underlying assumptions within the FY 2015 Adopted Budget. Major changes within revenues and expenditures are identified. This section essentially tells the story behind the development of the FY 2015 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 \$6.5 million when compared to the FY 2014 Adopted Budget. \$1.0 million of this amount is due to the inclusion in this year's budget of tax relief as revenue. The FY 2015 Budget includes increases in real and personal property tax revenues due to new construction, the assumption of new vehicles coming to the County as replacements to older vehicles, and an increase in the personal property tax rate for property other than business furniture and equipment. It also includes elimination of the property tax on aircraft and assumes increases in sales, meals, recordation, and business license taxes, and in refuse disposal and annual public, educational & governmental (PEG) cable fees. Decreases in revenue are projected for tourism event admissions, court fines and courthouse security fees, and water/sewer administration fees.

### ***\$1.0 Million Associated with Tax Relief***

We have made an adjustment to both the expense side and revenue side of the budget to match the way tax relief for the elderly and disabled is presented in the Comprehensive Annual Financial Report (CAFR). Typically in our budget we do not include the tax relief on the revenue or expense side since we neither receive the money in our bank account nor pay it out. However, the CAFR requires reporting of tax relief provided in real property revenue and includes an equal expense in the Health/Welfare function. So, when comparing the FY 2014 and FY 2015 budgets, there is a \$1.0 million increase in revenue and expenditures associated with tax relief.

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

Every two years, the Office of Real Estate Assessments conducts a general reassessment of all real property in the County. The purpose of the reassessment is to bring the value of all real property in the County in line with market values at the time of the reassessment. This is necessary to ensure that taxes used to pay for local government services and programs are distributed equitably among all real property owners. 2014 was a reassessment year. Residential values increased by an average of 5.9% while commercial values decreased by 2.3%. Overall, countywide values increased by 4.2%.

### ***Real Property Tax Rate Set at Less Than Equalized Rate***

When properties are reassessed, the Code of Virginia requires the County to calculate and advertise the equalized tax rate. The equalized rate is the tax rate that, when applied to the new assessed values less new construction, yields 101% of the prior year's levy. For 2014, the equalized rate was calculated at \$0.863. However, the County's existing computer systems allow for only two decimal places to be included in the tax rate. The tax rate was adopted at \$0.86 for 2014 - \$374,000 short of the equalized rate of \$0.863. Due to new construction and the 1% allowed by State law when calculating the equalized rate, current real estate tax revenues are expected to increase by \$2.7 million in FY 2015.

### ***9.4% Reduction in Values of Existing Vehicles***

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 assess values. Then, when the updated NADA values were applied in 2010, the change in value was less than 1%.

The 2014 NADA update yielded a 9.4% decline in values, resulting in a \$4.4 million decrease in revenue at the 2013 rate of \$6.37. The rate needed in 2014 to offset that \$4.4 million decrease was calculated at \$7.03 for property other than business furniture and equipment. Instead of fully offsetting the loss in values, the Board set the personal property rate at \$6.78, tying the 41-cent rate increase to budget initiatives such as a \$1.6 million increase in local funding to schools; \$0.8 million in increased funding to the Sheriff's Office; and offsetting the impact to the General Fund of transferring 25% of the Machinery & Tools tax revenue to the EDO Fund. Also offset within the 41-cent rate increase was the impact of the elimination of the personal property tax on aircraft.

When an assumption is made for new vehicles coming to the County during the course of the year and accounting for the new \$6.78 tax rate, overall personal property revenue is expected to increase by \$2.6 million.

### ***On Average, Residential Tax Bills Up \$17 for the Year***

At the adopted tax rates, the average residential annual property tax bill will increase \$41 while, on average, the annual tax on a vehicle that the taxpayer owned in 2013 and still owns in 2014 will decrease by \$24. Of course there will be variations, but on average, a taxpayer owning an average-value (\$178,746) residential property and the same vehicle in 2014 that they owned in 2013 will pay \$17 more in 2014 than in 2013 - less than five cents per day.

**Upward Trend in Other Local Tax Revenues**

*Meals & Sales Taxes:* Receipts from meals and sales taxes continue to increase year over year, adding an estimated \$575,000 to the FY 2015 Budget. 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 and more transactions occur at higher sale prices, the recordation tax revenue to the County is expected to continue to improve year over year again in FY 2015. Though nowhere near the FY 2006 pre-recession high of \$5.3 million, the \$2.5 million recordation revenue estimate for FY 2015 is \$500,000 more than budgeted in FY 2014 based on FY 2013 actual and FY 2014 projected receipts. The improved conditions in the local market could 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.

*Business License Taxes:* Approximately \$391,000 is added to the projection of Business License revenue in FY 2015 based on actual receipts in FY 2013 and FY 2014. In 2013, the Board increased the threshold for taxation from \$200,000 in gross receipts to \$750,000. It was anticipated that this change in the threshold would decrease revenue. However, based on increased receipts of existing businesses, the revenue to the County has been higher than projected.

**Changes in Certain Other Revenues**

*Annual PEG Fees:* Having typically been approximately \$50,000, the annual PEG fee revenue received from cable companies to support the production of local PEG programming was erroneously budgeted at \$0 in FY 2014. It is budgeted at \$134,000 in FY 2015 and includes PEG fees from the new franchise agreement with Comcast in addition to the existing PEG fees the County has been receiving annually through Verizon.

*Refuse Disposal Fees:* Based on current tipping fees and an anticipated increase in commercial tonnage being dumped at the landfill, refuse disposal fee revenue is expected to increase by \$200,000 in FY 2015.

*Tourism Event Admissions* – Because no Civil War reenactment event is planned by the County for FY 2015, the tourism event admissions revenue line item is budgeted at \$0, a \$200,000 decrease compared to the FY 2014 Adopted Budget. Offsetting this reduction in revenue is the elimination of \$130,000 in reenactment expenditures.

*Court Fines & Courthouse Security Fees* – Court fines and the Courthouse security fee revenue have been declining for the past five years. The FY 2015 Budget includes estimates for these revenues commensurate with that received in FY 2013.

*Water/Sewer Administrative Fee* – As a self-supporting entity, the Utilities 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 2015 Budget projection is reduced by nearly \$270,000 to eliminate double-counting of certain charges to Utilities.

*Social Services Program Revenues* – The County receives partial reimbursement from the State for Social Services and CSA programs. There are varying reimbursement rates depending upon the program. When expenditures are expected to increase for these programs as they are expected to do in FY 2015, we apply typical reimbursement rates to projected expenditures and arrive at an increased level of reimbursement revenue, as well. In FY 2015, reimbursement revenue for Social Services and CSA programs is expected to increase by \$311,000.

***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.

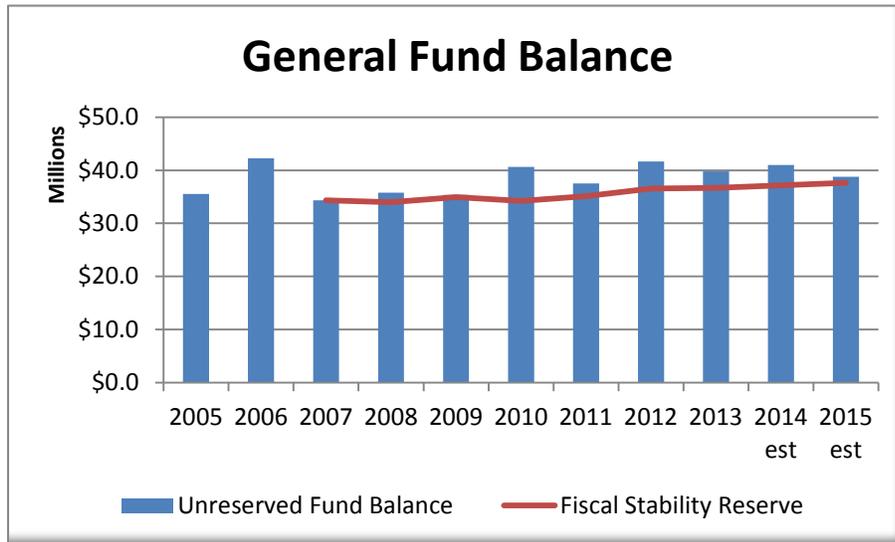
**At the end of FY 2014, the fund balance is expected to exceed the required 10% Fiscal Stability Reserve guideline by \$3.9 million, \$2.4 million of which will be needed to fund non-recurring expenditures in FY 2015.**

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 ongoing expenditures would automatically create a hole in the subsequent year’s budget.

To avoid financing the FY 2015 costs of a \$2.0 million reserve for fire equipment, the Adopted Budget includes a \$2.0 million transfer of the General Fund balance to the Capital Projects Fund. A complete list of uses of the General Fund Balance follows:

<b>FY 2015 Use of General Fund Balance</b>	
Transfer to Capital Projects Fund for fire equipment	\$2,000,000
Payout of Sheriff's deputies overtime pertaining to a lawsuit	154,878
Replacement tractor and mower for Parks & Recreation	33,612
Replacement mower and holding pond pump for Refuse Collection/Disposal	31,500
Replacement ¾-ton pick-up for Parks & Recreation	22,960
Replacement vehicle for Assessment	19,549
Replacement vehicle for Social Services	19,459
Replacement ½-ton pick-up for General Services	19,371
Replacement maintenance vehicle for General Services	17,979
Replacement fingerprinting system and other miscellaneous equipment for Sheriff's Office – Courts Division	14,745
Minor capital improvements and site certification for relocated agility testing site at the Regional Training Center	12,000
One-time equipment purchase for the Sheriff's Office dive team	4,950
Wireless headsets and other miscellaneous equipment for Sheriff's Office – Communications Division	4,390
One-time increase in payment to Thurman Brisben homeless shelter for repairs	2,000
PA system and camcorder for Sheriff's Office K-9 unit	<u>1,400</u>
<b>Total</b>	<b>\$2,358,793</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*

**STANDARD & POOR’S**

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

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	\$ in millions
<b><i>FY 2014 Adopted Budget – Revenue (General Fund)</i></b>	<b>\$232.4</b>

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Changes in General Estimates	
Real Property Tax	\$2.8
Personal Property Tax	\$2.7
Local Sales Tax	\$0.3
Business License Tax	\$0.4
Recordation Tax	\$0.5
Meals Tax	\$0.2
Refuse Disposal Fees	\$0.2
Tourism Event Admissions	(\$0.2)
County Court Fines	(\$0.3)
Water/Sewer Administration Fees	(\$0.3)
Social Services & CSA	<u>\$0.3</u>
Subtotal	\$6.6

Change in Use of Fund Balance.....	(\$0.7)
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	\$ in millions
<b><i>FY 2015 Adopted Budget – Revenue (General Fund)</i></b>	<b>\$238.3</b>

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## Building the Budget – Expenditures

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

In addition to maintaining many of the budget reductions made during the past six years, the FY 2015 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 \$2.0 million in FY 2015.

- The FY 2014 Adopted budget included a 1% COLA effective mid-year (January 1, 2014) for all employees. Then, in January 2014 the Board of Supervisors approved an additional 2% salary adjustment for all Sheriff's Office sworn staff. The annualized cost of these two adjustments that were provided for only a portion of FY 2014 is an increase of over \$500,000 in FY 2015.
- There was a decrease in Spotsylvania's overall Virginia Retirement System (VRS) rate from 16.32% to 15.58%. The rate is split between employees and the County, dependent upon an employee's hire date. There was an increase in the VRS Life Insurance rate from 1.19% to 1.32%. The combination of these two changes, netted a decrease of almost \$200,000.
- 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 2015 will be the third year of the 1% per year phase-in. Additionally, the General Assembly required 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 2015:
  - Employees hired July 1, 2012 or later pay 5% and the County pays 10.28%. Employees hired before July 1, 2012 will pay 3% in FY 2015 and the County will pay 12.28%.
  - Employees hired before July 1, 2012, will receive a 1% salary increase, effective July 1, 2014, 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.
- Health insurance costs are anticipated to increase by almost \$500,000. The increase is due in part to the annualized cost of the health insurance increase that was effective October 2013. There was also an estimated 4.6% increase in overall health insurance costs effective October 2014. For FY 2015, there is no change in the current health insurance

employer/employee split, however, the premium holiday provided to current full-time employees that was approved by the BOS in FY 2014, will end on June 30, 2014. With the end of the premium holiday, current full-time employees will pay the full cost of their share of the bi-monthly plan premium effective July 1, 2014.

- Worker's Compensation rates are anticipated to increase by 6%, an increase of almost \$200,000 in FY 2015.
- Postage, fuel, supplies and utility costs are expected to increase by approximately \$300,000.
- An increase of \$300,000 in Social Service and Comprehensive Services (CSA) programs is anticipated in FY 2015 due mainly to increases in adoption subsidies and CSA participants.
- The Governor's FY 2015 Budget included funding for the addition of 30 judges across the State of Virginia, seven of which will likely be located in the 15<sup>th</sup> District, which includes Spotsylvania County. We anticipate the addition of two judges in Spotsylvania, one for the Circuit Court and one for General District Court. In support of those two new judges, the FY 2015 Budget includes almost \$500,000 for the addition of six additional Court Deputies. The hiring of these positions will be delayed until the final location of judges is determined by the State.
- This budget also includes over \$100,000 for the addition of two part-time Court Deputies and an increase in overtime funding related to mental health transports. Previously the time for mental health holds was four hours, with a possible extension of two additional hours if necessary. The General Assembly recently passed legislation to increase the hold to eight hours, plus an additional four hours, if necessary, for a total of up to 12 hours.
- The addition of nine new Firefighter/Medics through the receipt of a SAFER grant in FY 2014 is anticipated to create a reduction in FREMS overtime costs for FY 2015. A portion of the overtime funding is used to implement a Career Ladder Program in FY 2015. During FY 2014 funding was added to provide stipends for ALS providers in an effort to reduce turnover. The net impact of these changes is an estimated decrease of approximately \$300,000.

*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.

- For the seventh year in a row, no funding is available to provide merit increases to employees. All employees who did not receive the 2% salary adjustment given to sworn Sheriff's Office staff in January 2014 will receive a 2% COLA on July 1, 2014. Full-time staff hired before July 1, 2012, will also receive the State-mandated 1% increase to help offset the mandated additional 1% VRS contribution those employees will begin paying effective July 1.

- Two new Eligibility workers will be added mid-year (January 1, 2014) to provide accurate and timely intake and case maintenance services necessary for the federally and state mandated public assistance programs of Supplemental Nutrition Assistance Program (SNAP [formerly Food Stamp program]); Temporary Assistance to Needy Families (TANF); Medicaid and FAMIS; Energy Assistance and Cooling programs; and Auxiliary Grant Program for Elderly, Blind and Disabled.
- Almost \$400,000 is added for the addition of two new Communication Officers and two new Communication Operators to enhance the staffing of the E911 center; and an additional Detective to address the increased workload in the Criminal Investigation Division.
- Over \$100,000 is added for Public Safety training and the deputization of Animal Control Officers.
- The County will continue its partnerships with regional agencies in FY 2015.
  - Contributions to the regional jail and juvenile detention center increase by a total of approximately \$200,000 due to increased usage and the Jail Board's decision to use one-time funding to fund a portion of the regional jail's annual debt service in FY 2014.
  - There was an increase of over \$40,000 for Spotsylvania's contribution to the Rappahannock Community Services Board (RACSB) to fund salary increases for RACSB staff and to fund the County's share of additional RACSB staff due to the significant increase in mental health needs in the region.
  - The County's share of funding for the Rappahannock Criminal Justice Academy is increasing by approximately \$20,000 due to a combination of increased rates and usage.
- General Fund debt service is increasing by approximately \$500,000 in FY 2015. The increase is due to the planned bond financing of several capital projects, including the Judicial Center renovations, the final installment of the ongoing public safety radio system replacement project and the purchase of replacement fire and rescue equipment. The added cost of financing these new projects is partly offset by reductions in debt service expenses due to typical annual fluctuations in payment schedules for existing debt, netting an increase of \$500,000 in FY 2015 debt service.
- All fiscal policy guidelines are maintained as part of the FY 2015 Adopted Budget.

***Other Adjustments***

- As mentioned earlier in this Budget Strategy, an adjustment was made to both the expense side and revenue side of the budget to match the way tax relief for the elderly and disabled is presented in the Comprehensive Annual Financial Report (CAFR). This change adds \$941,735 to the General Fund expenditures in FY 2015.
- There is no planned reenactment in FY 2015, netting a reduction of approximately \$130,000 in FY 2015.
- Funding for those Information Technology (IT) equipment replacements that meet the guidelines of capital expenditures has been moved to the Capital Projects Fund in FY 2015. This change shifts \$492,000 from the General Fund budget to the Capital Projects Fund budget. In FY 2015, the IT computer equipment request included an increase in funding for other purchases that do not meet the guidelines of capital expenditures. The net of the increased funding for those purchases and the shift of \$492,000 to the Capital Projects fund is a \$200,000 decrease to the General Fund.

A net of 19 new full-time positions is added to the FY 2015 Adopted Budget, as shown on the following page.

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***A Net of 19 New Full-Time Positions for All Funds:***

- Elimination of the Community Development Administrator position and an offsetting addition of an Assistant County Administrator.
  - Conversion of a part-time Accounting Technician I to full-time to address the increasing workload in the Grants division.
  - Addition of 6 Court Deputies to support the anticipated addition of several new judges in Spotsylvania County.
  - Addition of two Communication Officers and two Communication Operators to enhance E911 staffing.
  - Addition of one Detective to address workload in the Criminal Investigations division.
  - Addition of two Eligibility Workers at mid-year to address workload in Social Services.
  - Addition of a Heavy Equipment Mechanic/Welder at mid-year to be shared by Composting and Refuse Disposal. The addition of this position will result in a reduction of expenses associated with the current practice of outsourcing heavy equipment repairs.
  - Addition of two Utility Field Crew workers for the Closed Circuit Television (CCTV) program to provide the support necessary to meet Industry Standards for inspection of sewer lines.
  - Addition of two Utility Field Crew workers for the Valve and Fire Hydrant Maintenance program to meet goals in accordance with AWWA (American Water Works Association) standards.
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In addition to the positions outlined above, there was a net increase of 0.90 part time FTEs as shown below.

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***A Net increase of 0.90 FTE Part-Time General Fund Positions:***

- Elimination of a part-time (0.50 FTE) Accounting Technician I by converting the position to full-time to address the increasing workload in the Grants division.
  - Addition of two part-time (0.70 FTE) Deputy Sheriffs to address recent General Assembly changes that increased the potential hold time for mental health transports.
-

**Transfers to Other Funds**

*Schools* –The FY 2015 budget includes a transfer to the Schools of \$116.4 million - \$1.6 million (1.4%) more than the \$114.8 million transfer in place in FY 2014. This \$1.6 million combined with \$2.7 million in savings from the pay down of existing debt provides an effective increase in ongoing local funding of \$4.3 million (3.8%) to the Schools for operating expenditures. In sum, this transfer pays 100% of the Schools' \$22.9 million FY 2015 debt service and funds \$41.7 million more than the minimum transfer legally required by the State to meet Standards of Quality (SOQs).

*Capital Projects Fund* – Consistent with fiscal policy guidelines, a transfer from the General Fund to the Capital Projects Fund is budgeted at \$6.4 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 2015, the transfer is budgeted at 2.75% of General Fund revenues. Additionally, a one-time transfer of \$2.0 million is transferred from the General Fund balance to the Capital Projects Fund for a fire equipment reserve. The transfer to the Capital Projects Fund in FY 2015 is a decrease of nearly \$700,000 when compared to the FY 2014 transfer to the Capital Projects Fund due to removal of a one-time \$3.4 million transfer in FY 2014 for the public safety radio system project.

*Economic Development Opportunities (EDO) Fund* – Almost \$300,000 is transferred from the General Fund to the EDO fund for the costs of previously approved incentives. In addition, 25% (\$190,000) of the Machinery and Tools tax revenue and funding for the Fredericksburg Regional Alliance and Towne Center Light Show is transferred to the EDO Fund. This \$190,000 will remain in the EDO Fund balance until the Board of Supervisors takes action on specific uses.

<b>FY 2014 Adopted Budget – Expenditures (General Fund) \$232.4</b>		\$ in millions
Mandated services <sup>1</sup> (38.7%) .....		\$90.0
Commitments <sup>2</sup> (39.4%) .....		\$91.6
Other services (21.9%) .....		<u>\$50.8</u>
		<b>\$232.4</b>

**Changes in Constraints**

FY15 impact of FY14 salary adjs. (mid-year COLA & sworn staff salary adjs.)	\$0.5
Health Insurance, VRS & Worker’s Compensation increases	\$0.6
Postage, Fuel, Supplies, Auto repairs & Utilities	\$0.3
DSS & CSA Services	\$0.3
Addition of 6 Court Deputies (Judges) & 2 PT Deputies (Mental Health transport)	\$0.6
Reduction FREMS OT, net of ALS stipends and Career Ladder	<u>(\$0.3)</u>
Subtotal Changes .....	<b>\$2.0</b>

**Changes in Commitments**

Employees (other than Sworn Sheriff staff) – 2% COLA effective July 1, 2014	\$0.8
Funding of 2 New Eligibility Workers Effective January 1, 2014	\$0.1
Funding of 2 new E911 Officers, 2 new E911 Operators, and one new Detective	\$0.4
Increased funding for Public Safety training	\$0.1
Regional Jail, Juvenile Detention, RACSB, & Criminal Justice Academy	\$0.3
Net Increase in Debt Service	<u>\$0.5</u>
Subtotal Changes .....	<b>\$2.2</b>

**Other Adjustments**

Tax Relief for the Elderly	\$0.9
Eliminate Reenactment funding	(\$0.1)
Move portion of IT Capital replacements to Capital Projects Fund	<u>(\$0.2)</u>
Subtotal Changes .....	<b>\$0.6</b>

**Changes in Transfers**

Transfer to School Operating	\$1.6
Transfer to Capital Projects	(\$0.7)
Transfer to Economic Development Opportunities Fund	<u>\$0.2</u>
Subtotal Changes .....	<b>\$1.1</b>

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



## FY 2015 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)
- Funding for the new public safety radio system
- Funding to implement stipends for Fire/Rescue Advanced Life Support (ALS) providers
- Funding to increase the number of Court Deputies, Detectives and Emergency Communication positions

### Highlights of FY 2015 Adopted Budget

**Schools –**

- The local transfer to the School Operating Fund is increased by \$1,585,000 to \$116,415,339. Due to School debt retirement and minimal new issuances, the \$116.4 million provides approximately \$4.3 million in additional funding for school operations in FY 2015.

**Public Safety –**

- Addition of stipends for ALS providers, in an effort to reduce turnover.
- Four Emergency Communication positions are added to the Sheriff's department to enhance E911 staffing.
- One Detective position is added to address work load increase.
- Six Court Deputies are added to support the anticipated addition of several new judges in Spotsylvania.
- Two part-time deputies and increased overtime to address changes to mental health transport laws.

**Transportation –**

- VRE revenue allows suspension of transfer of decal and set-aside revenue for fifth year
- Intersection improvements and improvements to exits 118 and 126 are included in the CIP

**Tax Rates/Fees –**

- Real Property tax rate is equalized at \$0.86.
- Personal Property tax rate increased to \$6.78 partially offsetting decreasing NADA values.

**Staff –**

- 2% COLA effective July 1, 2014 for all employees that did not receive a 2% COLA in January 2014.
- Estimated 4.6% increase in overall health insurance costs.
- The Health Insurance premium holiday approved in FY 2014 is not extended to FY 2015.
- Additional 1% pay increase to help offset the additional 1% VRS contribution employees must pay.
- Decrease in overall VRS rate from 16.32% to 15.58%.
- 19 new full-time positions added, eleven of which are related to public safety.

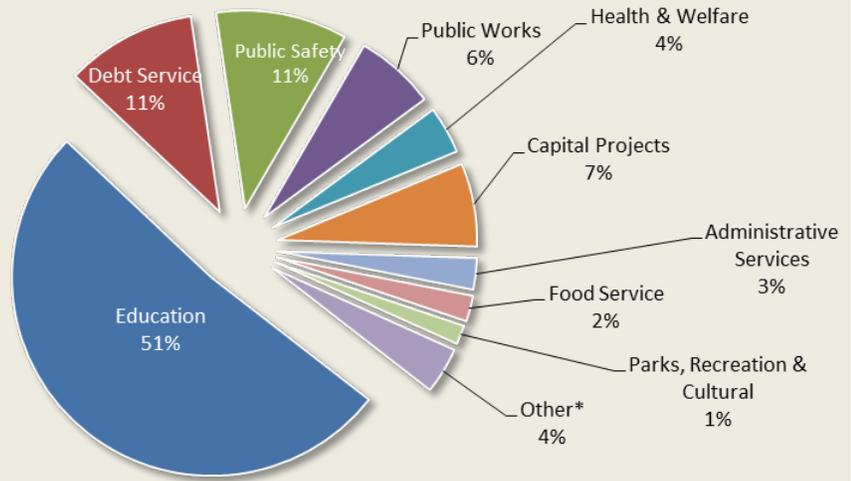
	FY 2014 Adopted	FY 2015 Adopted	Difference	
			\$	%
General Fund	\$106,886,654	\$111,763,541	\$4,876,887	4.6%
Economic Dev. Opportunities Fund	748,467	566,960	(181,507)	(24.3%)
Code Compliance Fund	3,088,259	3,628,569	540,310	17.5%
Transportation Fund	8,091,602	7,840,074	(251,528)	(3.1%)
School Operating	248,266,081	255,216,671	6,950,590	2.8%
School Food Service	10,044,365	9,530,213	(514,152)	(5.1%)
Utilities	<u>29,980,372</u>	<u>31,680,488</u>	<u>1,700,116</u>	5.7%
<b>Sub-Total Operating Expenditures</b>	<b>\$407,105,800</b>	<b>\$420,226,516</b>	<b>\$13,120,716</b>	<b>3.2%</b>
Capital Projects Fund	\$13,473,585	\$9,779,121	(\$3,694,464)	(27.4%)
School Capital Projects	377,608	7,739,145	7,361,537	1,949.5%
Utilities Capital Projects	<u>18,021,000</u>	<u>13,175,769</u>	<u>(4,845,231)</u>	(26.9%)
<b>Sub-Total Capital Expenditures</b>	<b>\$31,872,193</b>	<b>\$30,694,035</b>	<b>(\$1,178,158)</b>	<b>(3.7%)</b>
<b>Total Budget</b>	<b>\$438,977,993</b>	<b>\$450,920,551</b>	<b>\$11,942,558</b>	<b>2.7%</b>

**Personnel  
Full Time Equivalent (FTE)**

	FY 2014	FY 2015
County	958.26	978.16
Schools	3,010.50	3,021.50
<b>Total</b>	<b>3,968.76</b>	<b>3,999.66</b>

**Expenditures by Function – All Funds**

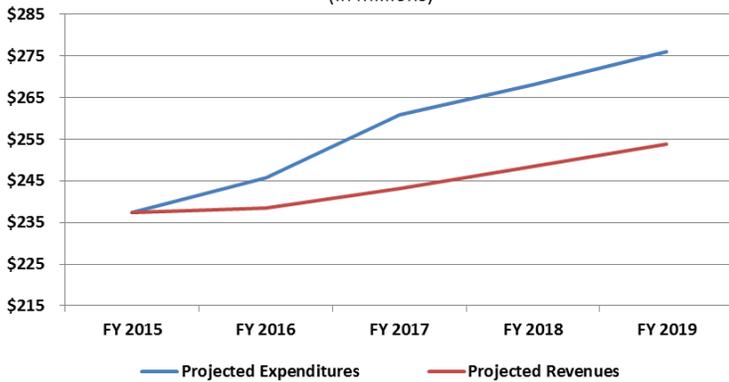
\$450,920,551 excluding transfers out



\*"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**

	2014 Adopted	2015 Adopted
• Required Local Effort	\$44,116,544	\$51,849,984
• Required Local Match for Opt. Programs	\$1,650,255	\$1,599,490
• Debt Service	\$25,622,391	\$22,897,604
• Additional Local Transfer	\$43,441,149	\$40,068,261
<b>Total Local Transfer</b>	<b>\$114,830,339</b>	<b>\$116,415,339</b>

**Average Residential 2014 Real Estate Tax Bill = \$1,537**

Average value of residential property:  
\$178,746

School Transfer  
\$854 (55.6%)

Public Safety  
\$268 (17.5%)

Admin Services  
\$71 (4.6%)

Health/ Welfare  
\$65 (4.3%)

Debt Service  
\$65 (4.2%)

Public Works  
\$55 (3.6%)

Capital Projects  
\$47 (3.0%)

Other\*  
\$113 (7.2%)



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

# Overview of Spotsylvania County

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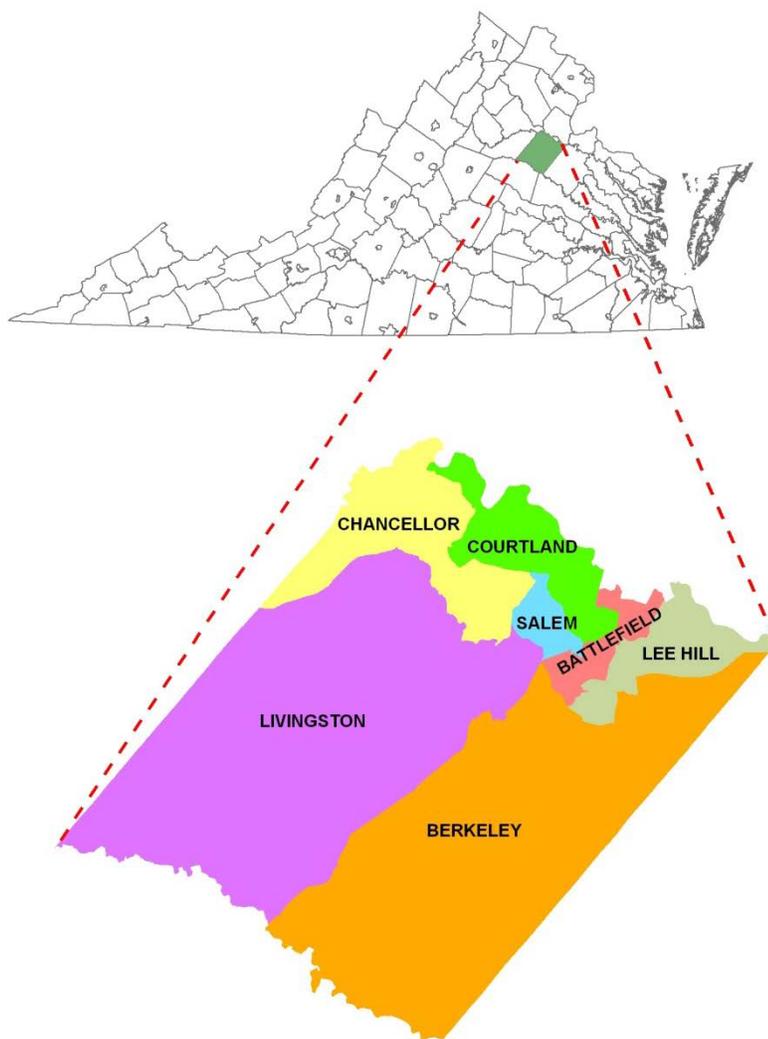
**History** In 1721, a vast new county was formed in the young colony of Virginia. Extending far beyond the Blue Ridge Mountains, this frontier outpost was named for Alexander Spotswood, Colonial Governor of Virginia.

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.



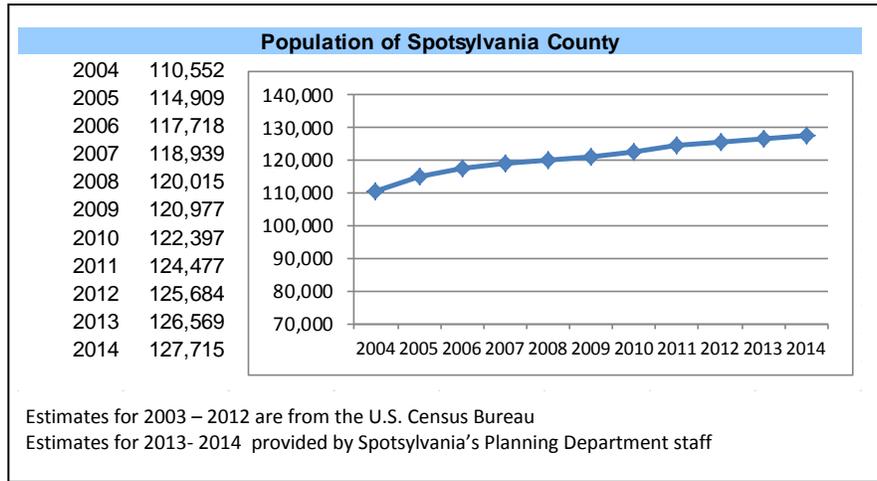
**Government** The Board of Supervisors is the governing body of the County. The Board is comprised of seven members, who are elected for four-year terms. The Board members annually elect a chairman and a vice-chairman for one-year terms. Historically, the terms of all current members expired in the 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.

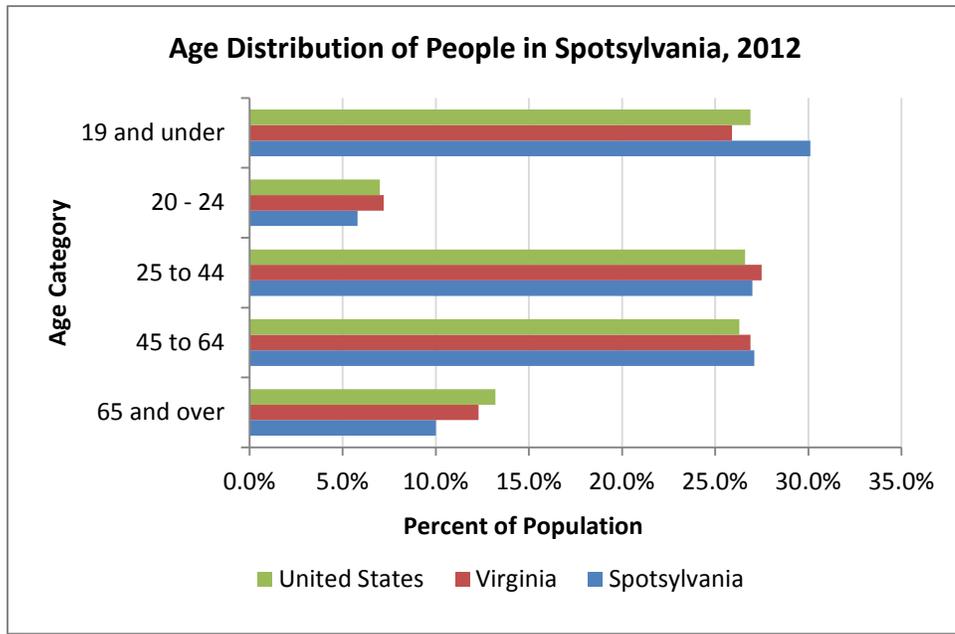
**Population** The Planning Department estimates Spotsylvania County’s 2014 population to be 127,715. As shown in the graph below, the County’s population has grown each of the past ten years. Population growth rates were between 3.7% and 5.7% from 2000 through 2005, peaking in 2002 at 5.7%. Beginning 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 2013 and 2014 estimated at 0.9%.



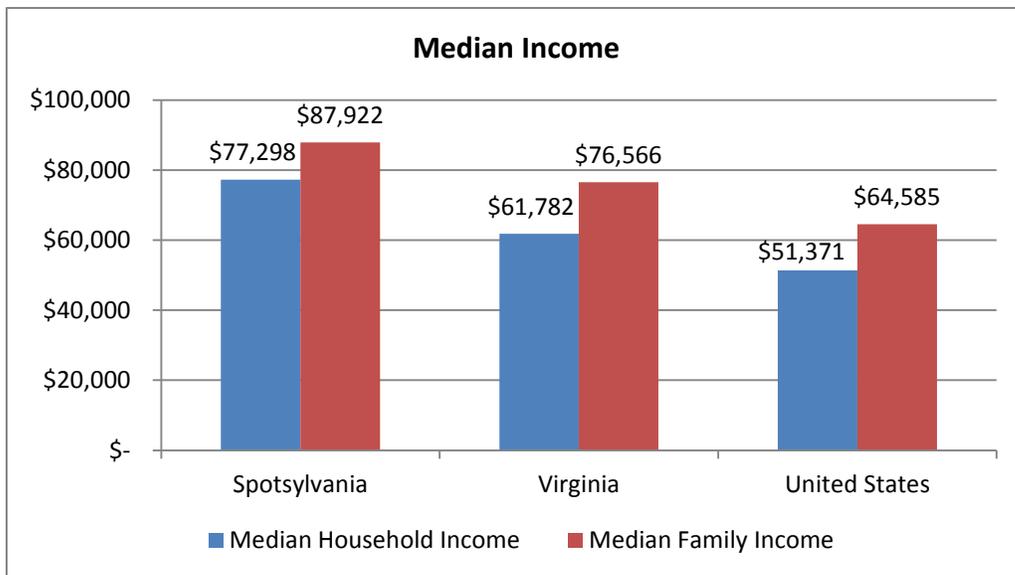
The U.S. Census Bureau estimates that in 2012, slightly less than three-quarters of the population of Spotsylvania County was white, and just under one-sixth of the population was black or African-American. The table below compares the 2012 racial/ethnic composition of Spotsylvania County with that of Virginia and the United States.

2012 Population by Racial/Ethnic Group			
Group	Spotsylvania	Virginia	United States
White	71.6%	64.1%	63.0%
Black or African American	15.8%	19.7%	13.1%
Hispanic or Latino	8.0%	8.4%	16.9%
Asian	2.4%	6.0%	5.1%
American Indian or Alaska Native	0.4%	0.5%	1.2%
Native Hawaiian or Pacific Islander	0.1%	0.1%	0.2%
Other	1.7%	1.2%	0.5%

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 representative of 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.

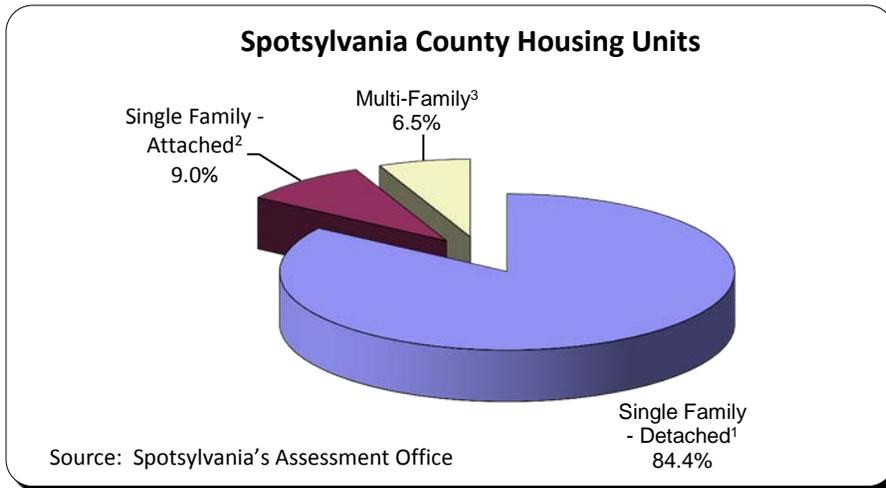


**Personal Income** According to the U.S. Census Bureau, in 2012, Spotsylvania’s median household income was estimated at \$77,298 and median family income was estimated at \$87,922. The following graph compares the median household and median family income for Spotsylvania, Virginia, and the United States in 2012.



**Housing** As of December 31, 2013 there are 44,555 housing units in Spotsylvania County. A housing unit can be multi-family or single-family, attached or detached. The majority (84.4%) of the housing units in Spotsylvania are single-family detached units. Since 2000, the number of

housing units in the County has increased by 33.8%. Of the 11,246 housing unit increase since 2000, 78% were single-family, detached homes; 13% were single-family attached homes; and 9% were multi-family apartments or condominiums.

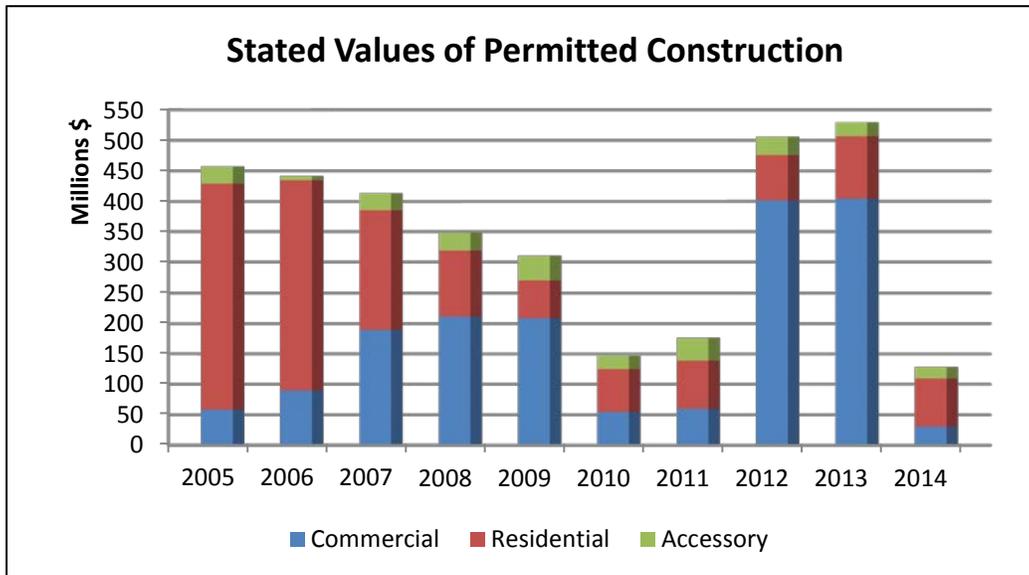


<sup>1</sup> Includes trailers, manufactured homes and mobile homes

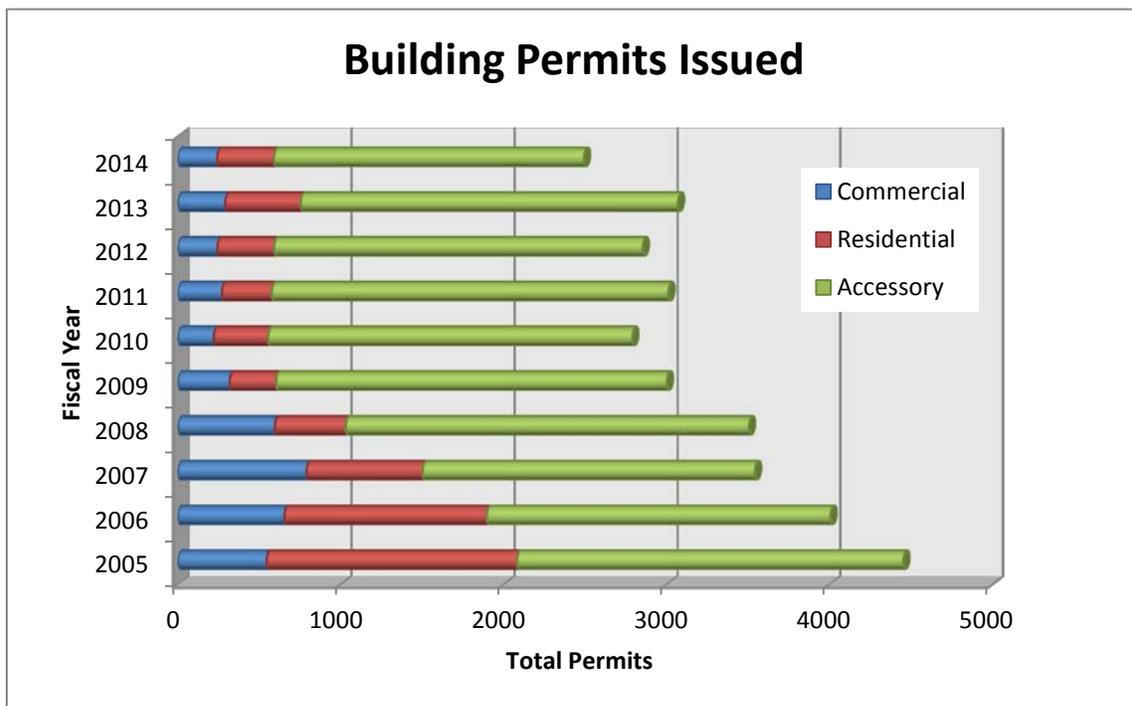
<sup>2</sup> Consists of duplexes and townhouses

<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 2014 figures are through April 30, 2014.



The 2014 figures are through April 30, 2014

## Community Facilities

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

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 Economic Development department and Economic Development Authority (EDA) 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 existing industries. These activities are a reflection of a larger initiative by the Board of Supervisors to take better advantage of the County's opportunities and to evaluate the return on investment in various government-supported development activities.
- The County's target industries include healthcare, manufacturing, 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 also maintains a commitment to existing businesses through a Business Retention and Expansion (BRE) program. The department hired a full-time BRE manager in 2012 and maintains an extensive database of business contacts.
- On a continuing basis, Economic Development 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; the Fredericksburg Regional Alliance; the Chamber of Commerce; the Greater Fredericksburg Regional Tourism Partnerships; the International Economic Development Council; and others. Economic Development also maintains

relationships with local military bases and four institutions of higher learning that are in regional proximity to the County.

- The County offers Technology and Tourism Zone Programs that serve both new and existing qualified businesses. The Technology Zone covers the County's primary settlement district, encompassing fully-serviced business corridors to encourage growth in the County's high-technology sector. Qualifying businesses located with the Technology and Tourism zones are afforded local tax rebates on Business, Professional and Occupational License (BPOL) and Machinery and Tools taxes, and are placed in the County 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 Business Incentive Grant (BIG) program was developed to create quality employment opportunities and expand the tax base by offering new or expanding small businesses cash grants to partially defray the costs associated with start-up operations or expansion projects.
- 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.
- To maximize the County's tourism potential, Tourism prepared an in-depth assessment and development plan for tourism. This assessment incorporates the results of a customized computer model developed to track visitation to local attractions and overnight stays in hotels, B&Bs and campgrounds located in the County. A significant expansion of previous reports, the "dashboard" as it is known provides an overall view of the value of tourism and a means of tracking seasonal trends and forecasting tourism-related revenue.
- Additionally, a new tourism website has been completed to further promote the growth of tourism and help fill unused capacity at hotels and other attractions within the County.

### Employment Status within Spotsylvania

Employment Status	2000	2012	% Change
Population 16 years old or older	66,138	96,375	45.7%
In labor force	47,747	66,140	38.5%
- Employed - civilian	45,651	61,246	34.2%
- Employed - armed forces	595	619	4.0%
- Unemployed	1,501	4,275	184.8%
Not in labor force	18,391	30,235	64.4%

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 2014)

Name	Nature of Business	Employee Range
Spotsylvania County Schools	Education	1,000+
Spotsylvania County Government	Local Government	1,000+
HCA Virginia Health System	Hospital	500-999
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
Carmax	Automotive Dealer	100-249
Giant Food	Grocery	100-249
EOIR Technologies	Sensor Technology	100-249
Rappahannock Goodwill	Social Assistance/Thrift Stores	100-249
Richmond Fitness	Gym	100-249
West Asset Management	Business Marketing/Communications	100-249
Target Corporation	Retail	100-249
Costco	Retail	100-249
Rappahannock Electric Cooperative	Utility	100-249
Kaeser Compressors	Air Compressors	100-249
McDonald's	Restaurant	100-249
Radley Honda	Automotive Dealer	100-249

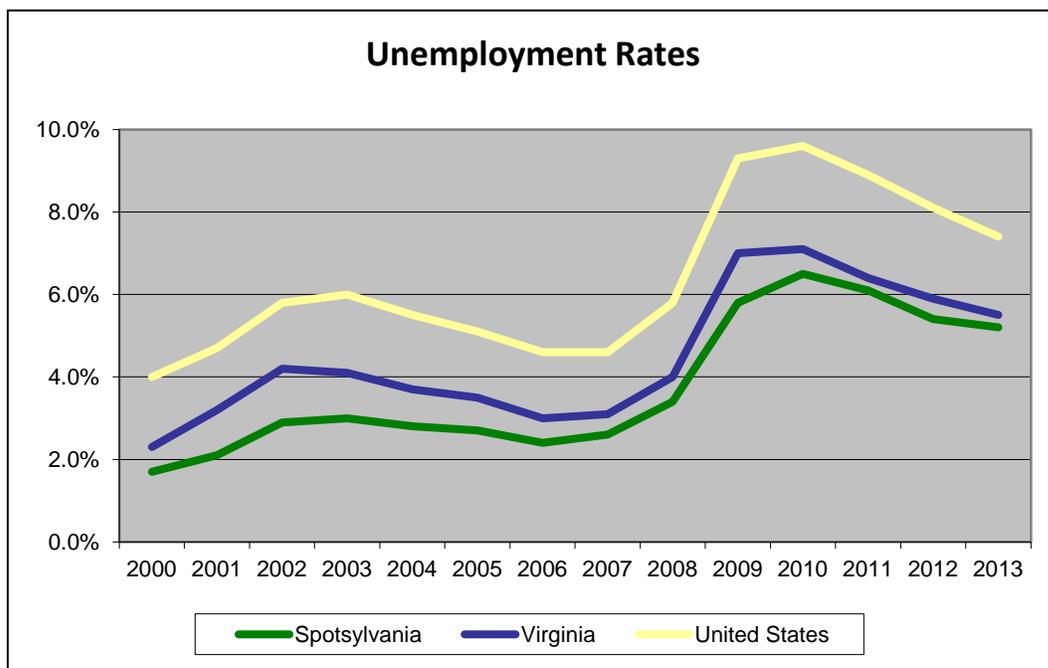
Source: Virginia Employment Commission

**Other Public & Private Major Employers in Surrounding Area** (as of May 2014)

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
Lowe's Home Center	Retail	500-999
Snowden Services	Healthcare	500-999
YMCA	Recreation Facility	500-999

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

\*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
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
1999	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> Includes airplanes, automobiles, boats, campers, motor homes, motorcycles, pickups, trailers, and trucks.

<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 2013 Rate	Tax Year 2014 Rate	Change
Prince William	430,289	\$1.2562	\$1.2212	(\$0.0350)
Richmond City	210,309	1.2000	1.2000	-
Loudoun	336,898	1.2050	1.1550	(0.0500)
Fairfax	1,118,602	1.1060	1.1135	0.0075
Alexandria	146,294	1.0380	1.0430	0.0050
Stafford	134,352	1.0700	1.0190	(0.0510)
Arlington	221,045	1.0060	0.9960	(0.0100)
Fauquier	66,542	0.9800	0.9920	0.0120
Chesterfield	323,856	0.9500	0.9600	0.0100
Henrico	314,932	0.8700	0.8700	-
<b>Spotsylvania</b>	<b>125,684</b>	<b>0.8800</b>	<b>0.8600</b>	<b>(0.0200)</b>
Culpeper	47,911	0.8300	0.8300	-
Caroline	28,972	0.7200	0.8300	0.1100
Hanover	100,668	0.8100	0.8100	-
Fredericksburg	27,307	0.7400	0.7900	0.0500
King George	24,500	0.5300	0.5900	0.0600

<sup>1</sup> 2012 population figures from the U.S. Census Bureau.

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 \$368	3.5%

<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 2014. At the adopted \$0.86 rate for 2014, the real estate taxes on this *example* residential property would have increased by \$368 since 2004 – an average annual increase of 2.5%.

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

## Principal Property Taxpayers

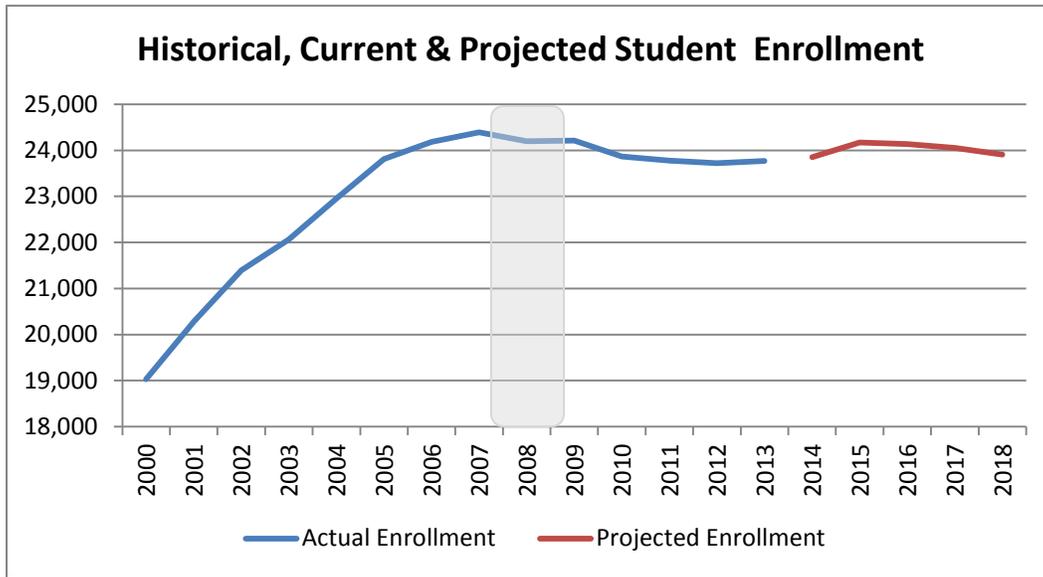
As of December 31, 2013

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	\$185,159,683	\$1,652,341	1.45%
Spotsylvania Regional Medical Center	Hospital	86,111,105	1,372,576	0.68%
Dominion Virginia Power	Public Utility	95,305,054	838,684	0.75%
Rappahannock Electric	Public Utility	71,023,368	669,693	0.56%
Comcast of VA	Public Utility	9,833,114	585,070	0.08%
Verizon VA	Public Utility	54,766,792	519,258	0.43%
GLL BVK Prop LP	Developer	39,367,800	346,437	0.31%
CVS VA Distribution	Warehousing	5,614,707	334,075	0.04%
Lee Prop Harrison Crossing	Developer	32,190,800	283,279	0.25%
Columbia Gas	Public Utility	29,251,206	257,453	0.23%

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.

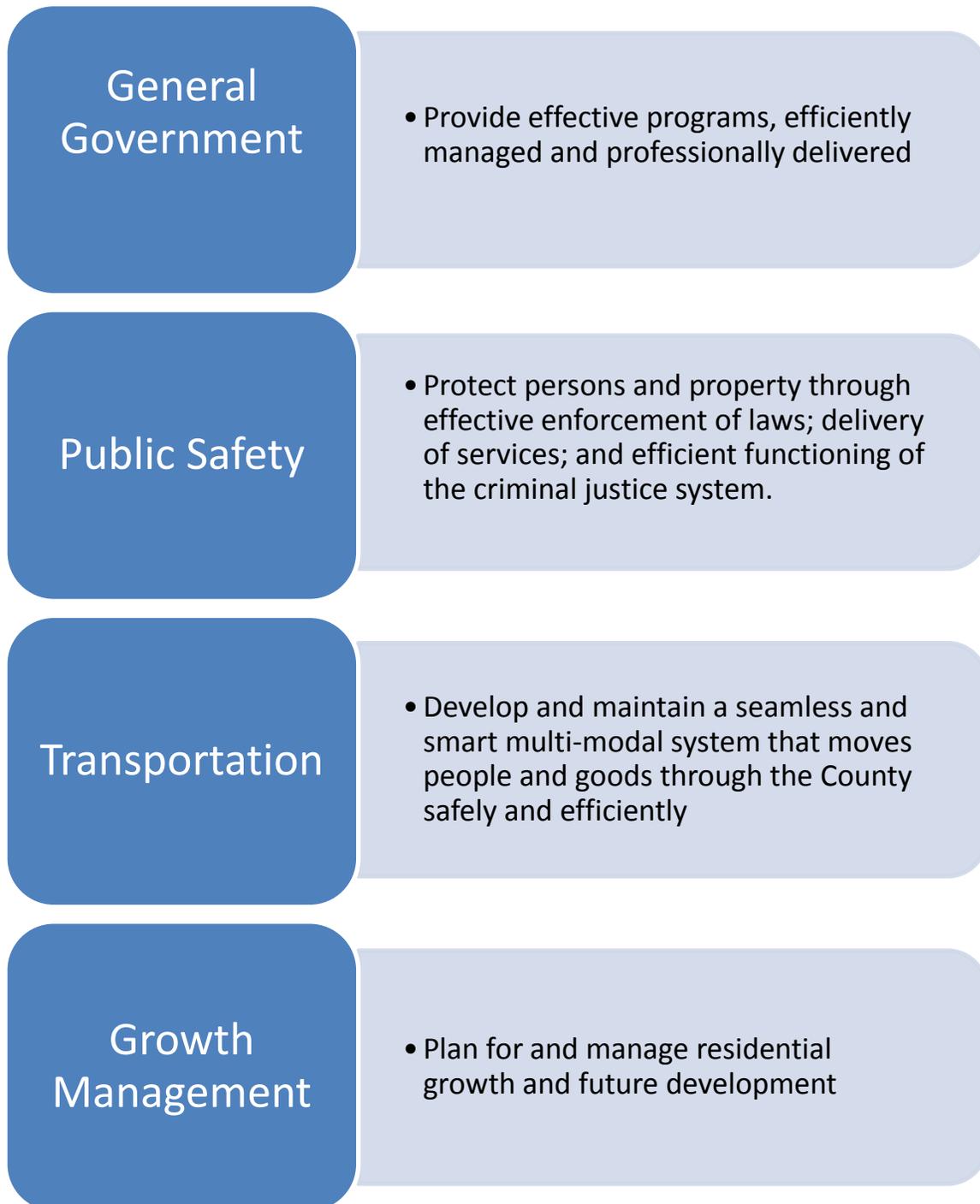


# County Vision, Mission, & Goals

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 247.

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 2015 Adopted Budget - All Funds**

	<b>FY 2013 Actual</b>	<b>FY 2014 Adopted</b>	<b>FY 2014 Amended</b>	<b>FY 2015 Adopted</b>	<b>Variance (rec. to adopt) Amount</b>	<b>Percent</b>
<b>Revenues (by type)</b>						
Property Taxes	\$147,269,154	\$147,145,340	\$147,763,229	\$152,705,029	\$5,559,689	3.8%
Other Local Taxes	\$36,946,307	\$36,863,648	\$37,240,766	\$38,484,687	\$1,621,039	4.4%
Licenses & Permits	\$309,258	\$371,500	\$257,500	\$260,800	(\$110,700)	-29.8%
Charges for Services	\$34,654,092	\$34,982,037	\$35,465,857	\$37,538,066	\$2,556,029	7.3%
Other Local Revenue	\$23,786,838	\$25,093,284	\$26,849,013	\$24,248,193	(\$845,091)	-3.4%
Debt Proceeds	\$54,942,504	\$0	\$52,630,015	\$7,664,829	\$7,664,829	n/a
State Revenue	\$155,744,209	\$158,871,373	\$167,285,242	\$161,376,304	\$2,504,931	1.6%
Federal Revenue	\$29,362,787	\$14,507,269	\$27,607,586	\$14,607,517	\$100,248	0.7%
Subtotal - Revenue	\$483,015,149	\$417,834,451	\$495,099,208	\$436,885,425	\$19,050,974	4.6%
Transfers In	\$135,173,293	\$129,329,724	\$134,698,528	\$130,485,926	\$1,156,202	0.9%
Use of Fund Balance	(\$2,252,993)	\$21,143,542	\$80,823,595	\$14,035,126	(\$7,108,416)	-33.6%
<b>TOTAL REVENUE - All Funds</b>	<b>\$615,935,449</b>	<b>\$568,307,717</b>	<b>\$710,621,331</b>	<b>\$581,406,477</b>	<b>\$13,098,760</b>	<b>2.3%</b>
<b>Expenditures (by function)</b>						
Executive Services	\$2,496,262	\$3,237,582	\$3,066,279	\$3,368,500	\$130,918	4.0%
Administrative Services	\$10,473,525	\$11,777,587	\$12,505,416	\$11,601,955	(\$175,632)	-1.5%
Voter Services	\$300,164	\$311,576	\$314,499	\$370,626	\$59,050	19.0%
Judicial Administration	\$3,773,811	\$3,850,364	\$4,063,184	\$4,040,892	\$190,528	4.9%
Public Safety	\$45,775,292	\$45,300,847	\$47,926,787	\$48,017,620	\$2,716,773	6.0%
Public Works	\$24,705,316	\$28,160,792	\$28,844,648	\$29,391,929	\$1,231,137	4.4%
Health & Welfare	\$16,495,233	\$16,982,872	\$17,120,264	\$17,510,112	\$527,240	3.1%
Parks, Recreation & Cultural	\$6,807,391	\$6,966,034	\$6,994,588	\$6,994,354	\$28,320	0.4%
Community Development	\$4,483,617	\$4,708,374	\$6,214,365	\$4,641,676	(\$66,698)	-1.4%
Debt Service	\$94,107,685	\$48,753,715	\$81,661,725	\$47,751,960	(\$1,001,755)	-2.1%
Capital Projects	\$33,624,349	\$31,872,193	\$126,285,527	\$30,694,035	(\$1,178,158)	-3.7%
Transportation	\$4,442,195	\$4,368,002	\$4,172,680	\$3,745,877	(\$622,125)	-14.2%
Education	\$223,281,639	\$222,643,690	\$226,650,345	\$232,319,067	\$9,675,377	4.3%
Food Service	\$8,920,094	\$10,044,365	\$10,102,496	\$9,530,213	(\$514,152)	-5.1%
Subtotal - Appropriated Expenditures	\$479,686,573	\$438,977,993	\$575,922,803	\$449,978,816	\$11,000,823	2.5%
Tax Relief	\$921,188	\$0	\$0	\$941,735	\$941,735	
Subtotal - Adopted Budget	\$480,607,761	\$438,977,993	\$575,922,803	\$450,920,551	\$11,942,558	2.7%
Transfers Out	\$135,327,688	\$129,329,724	\$134,698,528	\$130,485,926	\$1,156,202	0.9%
<b>TOTAL EXPENDITURES - All Funds</b>	<b>\$615,935,449</b>	<b>\$568,307,717</b>	<b>\$710,621,331</b>	<b>\$581,406,477</b>	<b>\$13,098,760</b>	<b>2.3%</b>
<b>Appropriated Expenditures (by category)</b>						
Personnel (salaries & benefits)	\$265,109,908	\$266,436,121	\$271,050,206	\$279,459,345	\$13,023,224	4.9%
Operating (other than debt service)	\$85,175,285	\$90,323,297	\$97,370,252	\$90,240,383	(\$82,914)	-0.1%
Debt Service	\$94,107,685	\$48,753,715	\$81,661,725	\$47,751,960	(\$1,001,755)	-2.1%
Capital	\$35,293,695	\$33,464,860	\$125,840,620	\$32,527,128	(\$937,732)	-2.8%
<b>TOTAL APPROPRIATED EXPENDITURES - All Funds</b>	<b>\$479,686,573</b>	<b>\$438,977,993</b>	<b>\$575,922,803</b>	<b>\$449,978,816</b>	<b>\$11,000,823</b>	<b>2.5%</b>

