



Frederick County Virginia FY 2019 Budget Public Hearing

Kris C. Tierney
County Administrator
March 28, 2018



FY 2019 Budget Calendar

October 26, 2017	Budget Directive given to Departments/Offices/Agencies
November 27, 2017	Budget requests due back to Finance
December 20, 2017	First budget worksession held
January – March 2018	Numerous budget worksessions held including School Board, Fire & Rescue, and Sheriff budget presentations
March 28, 2018	FY 2019 Budget Public Hearing
April 4, 2018	Final worksession before budget adoption
April 11, 2018	FY 2019 Budget Adoption
July 1, 2018	Implementation of FY 2018-2019



Board Priorities and Objectives

- **Public Safety and Education needs are highest priorities**
- **Provide responsible stewardship of County funds to ensure the best services possible for funds expended**
- **Preserve the fund balance at an appropriate level, in keeping with Board policy and best practices**
- **Continue to minimize the size of government wherever possible**



Administrative Objectives

- Look to reduce operating costs and promote efficiencies wherever possible
- Address public safety needs
- Provide sufficient employee compensation to retain quality staff
- Provide for technology upgrades to ensure equipment & infrastructure are up-to-date and secure
- Address critical staffing needs



FY 2019 General Fund Overview

Additional Funding Sources

Natural revenue growth \$6 million

Proposed real estate tax increase \$1 million

Increase in categorical funding \$.6 million

Increase in airplane tax \$50,000

The current year FY18 budget included \$4.3 million to be set aside for future capital and debt. For FY19, these funds are not being set aside.



FY 2019 General Fund Overview

Additional Expenditures

School Operating Fund Transfer \$5.96 million

General Fund \$3.76 million

Changes in Fund Balance Funding

The proposed FY19 budget uses \$6.8 million less from fund balance. \$5.4 million was used for capital and \$1.4 million for operating in FY18.



Increase in General Fund Requests

35 Full-Time positions	\$ 2,070,523
Capital Requests	9,188,300
Other Operating	<u>4,223,783</u>
 Total Request Increase	 \$15,482,806

Proposed funding \$3.76 million



School Request and Proposed Funding

School Operating	\$ 6,600,000
Proposed budget funds	5,966,044

School Debt Service	\$ 14,535,820
Proposed budget funds	14,535,820

School Capital Project Fund	\$ 2,700,000
Proposed budget funds	0



General Fund Positions Requested

➤ Commissioner of the Revenue	2
➤ Commonwealth Attorney	2
➤ Sheriff	8
➤ Fire and Rescue	20
➤ Refuse Collection	1
➤ Animal Shelter	1
➤ Social Services	1

Discussions continue regarding allocating positions to be funded.



School Positions Requested

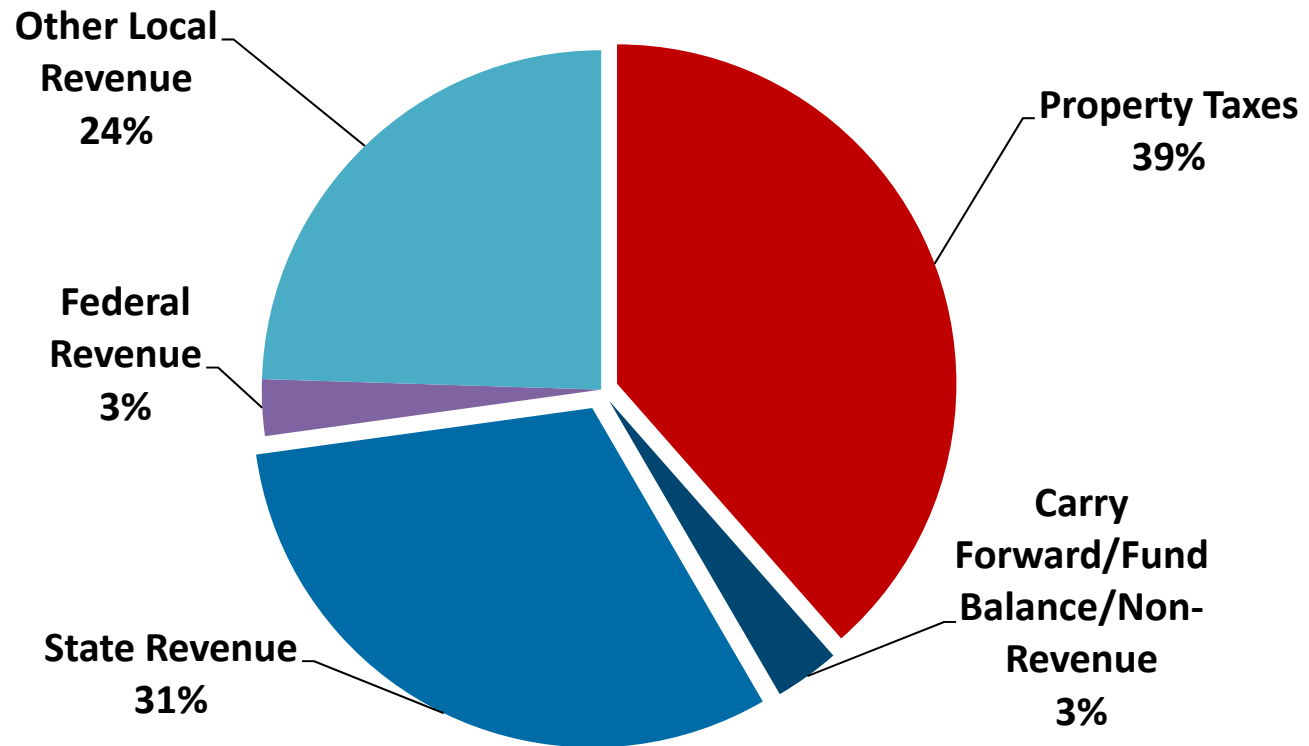
- **30 Instructional:** includes teachers, classroom aides, and special education coordinator
- **9 Support:** includes bus drivers, facility service technicians, custodian, software trainer and accountant
- **1 Part-time driver** reimbursed by City of Winchester
- **1 Mechanic**



FY 2019 Advertised Budget

All Funds total \$319,822,441

Where Does It
Come From?



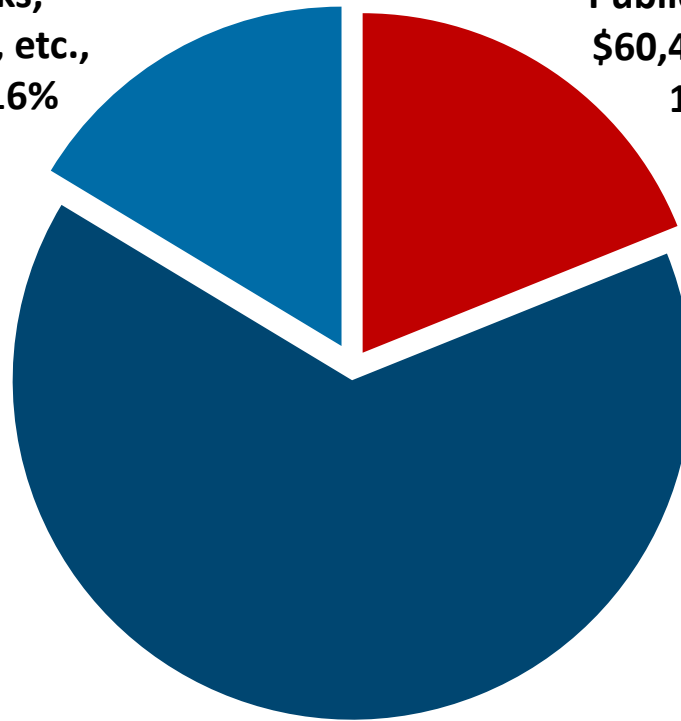
FY 2019 Advertised Budget

All Funds total \$319,822,441

Where Does It Go?

All Other inc. Admin,
Pub Wks, Parks,
Landfill, Airport, etc.,
\$52,326,684, 16%

Public Safety,
\$60,490,483,
19%



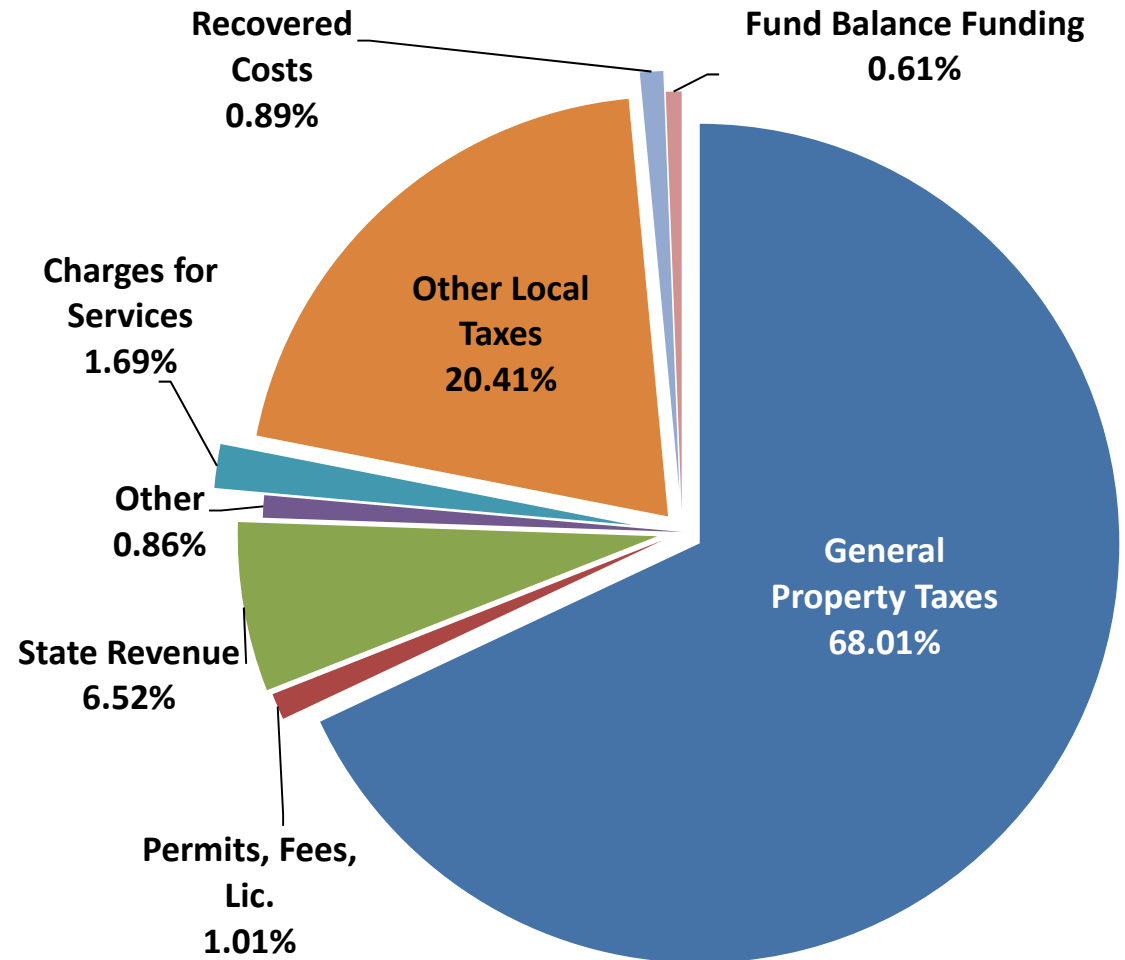
School Related,
\$207,005,274,
65%



FY 2019 Proposed General Fund Revenue Sources

\$180,603,228

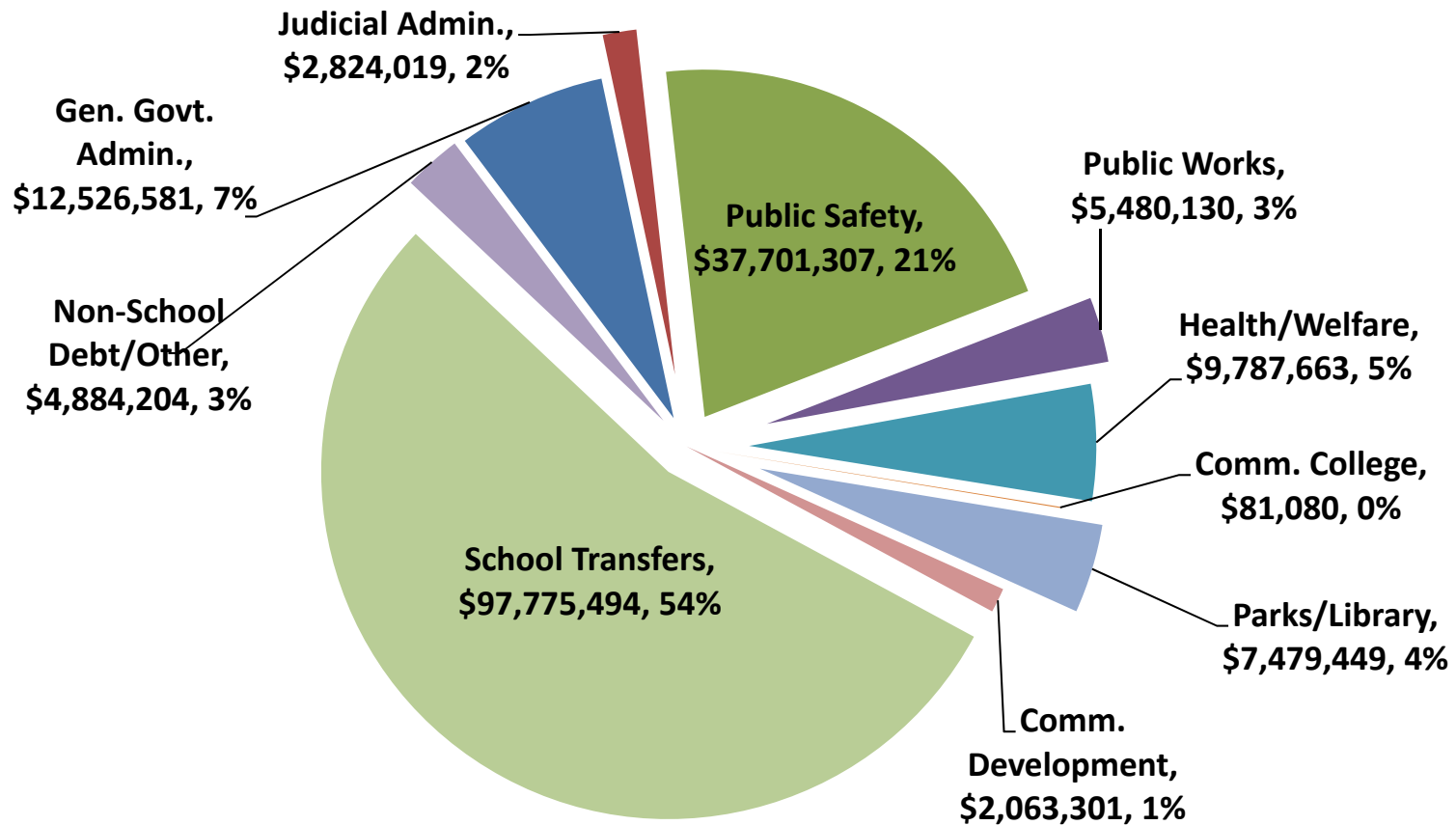
Category	
General Prop. Taxes	123,179,515
Other Local Taxes	36,959,731
Permits/Fees	1,838,389
State Revenue	11,814,578
Charges for Services	3,061,899
Recovered Costs	1,618,949
Other – Misc.	1,030,167
Fund Balance	<u>1,100,000</u>
	180,603,228



FY 2019 Proposed General Fund Budget

Expenditures: \$180,603,228

Where Does It Go?



Unfunded School Capital Requests

- **Replacement cooling tower at JWMS**
- **Partial roof replacement at Dowell J Howard**
- **Replacement heat pumps at JWHS and Apple Pie Ridge**
- **Fire alarm replacement at Bass-Hoover**
- **Tennis court renovation at Sherando**
- **Extend the northbound left turn lane along 522 at FCMS to improve visibility**

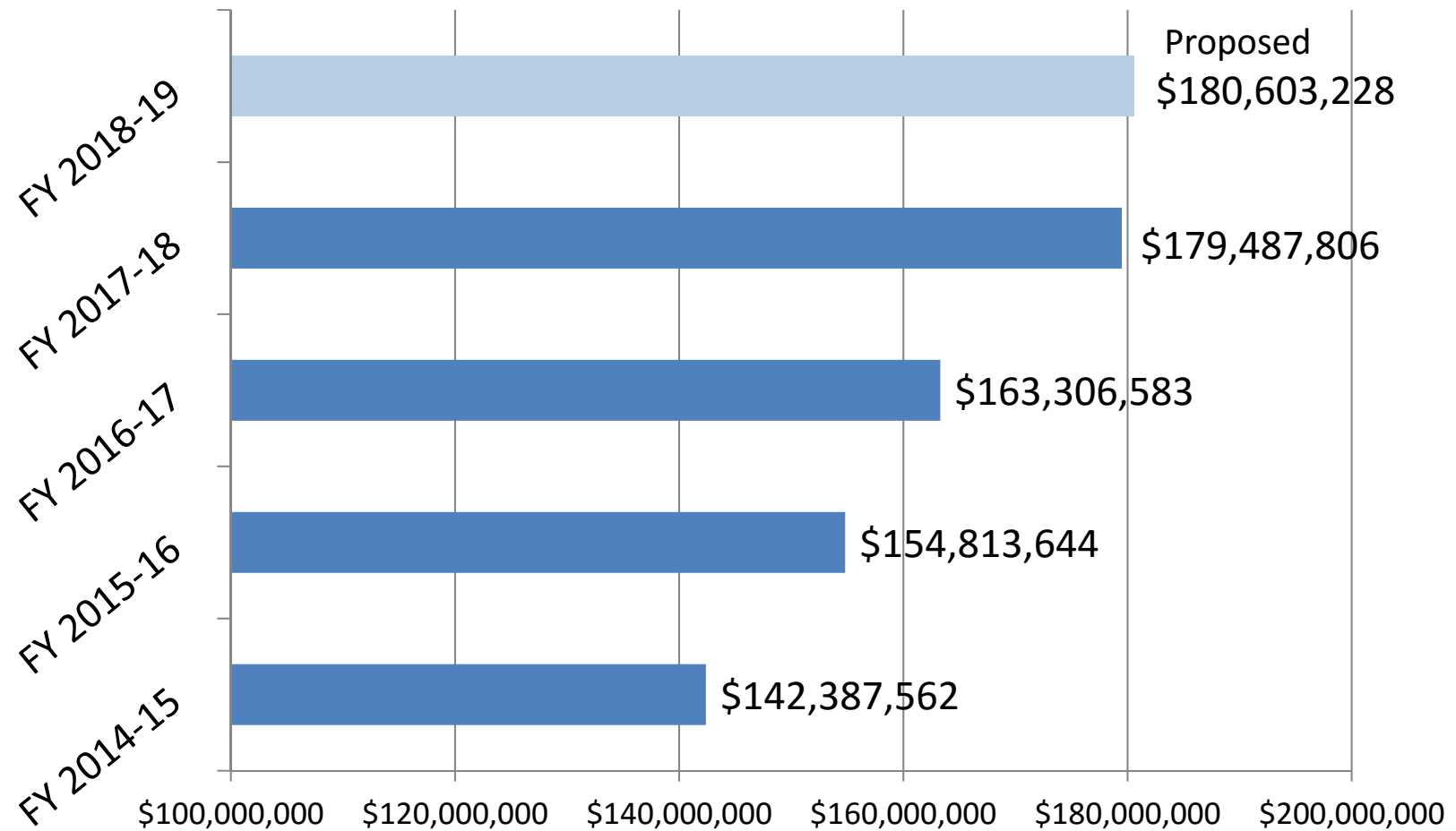


Unfunded County Capital Requests

- Updated radios for Sheriff's Office
- Clearbrook Park parking lot
- Sherando Park northwest bathroom facilities
- Alterations to Administration Building for voting machine storage
- Hydraulic Extraction Equipment
- Sheriff armored vehicle for Tactical team response
- Sherando softball complex
- Snowden Bridge Park development
- 6 Continental washer/extractors for Fire and Rescue



General Fund Budgets - History



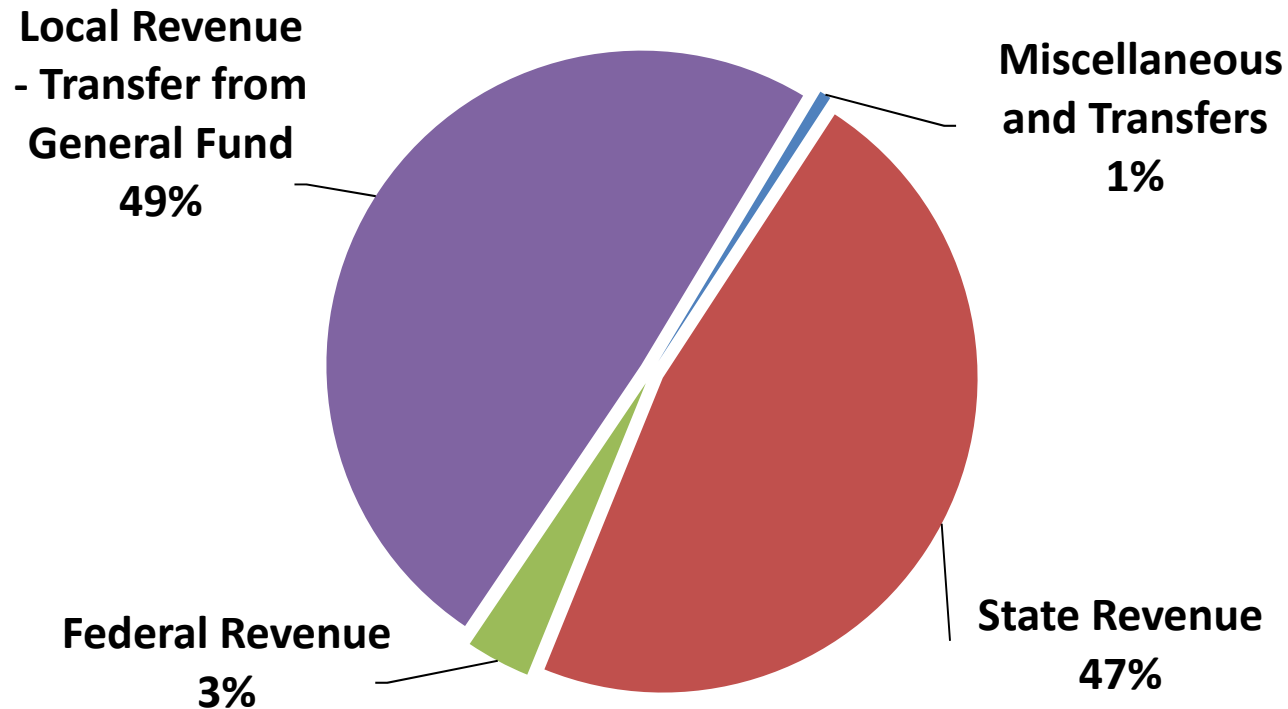
School Operating Fund Revenues

FY 2018 to FY 2019

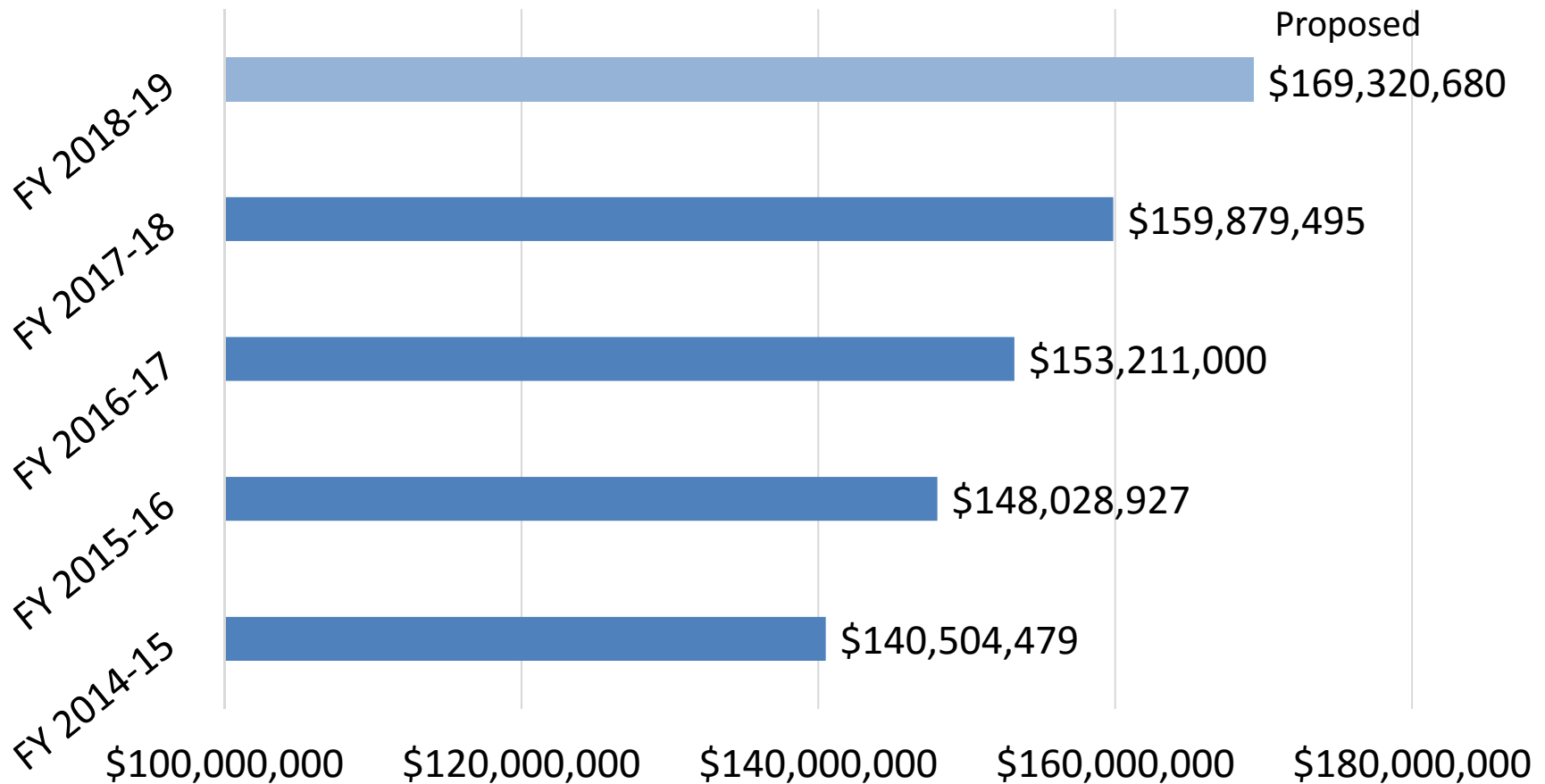
Category	FY 2018	FY 2019	Change
Revenue from Local Sources	\$967,716	\$944,326	-\$23,390
State	\$75,982,926	\$79,566,124	\$3,583,198
Federal	\$5,037,745	\$5,570,556	\$532,811
Transfer from School Debt	\$617,478	0	-\$617,478
General Fund Transfer	\$77,273,630	\$83,239,674	\$5,966,044
Total	\$159,879,495	\$169,320,680	\$9,441,185



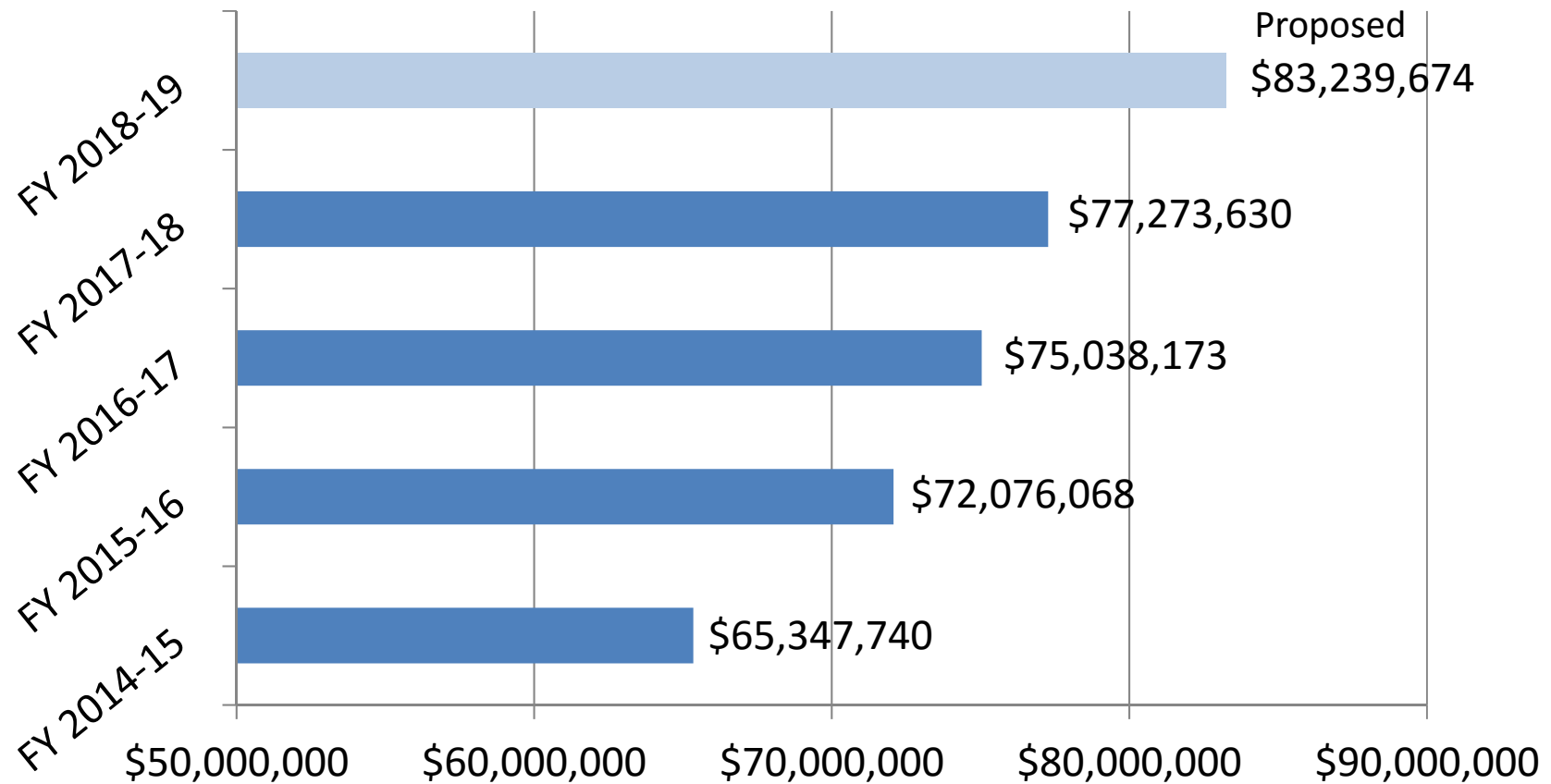
FY 2019 Proposed School Operating Fund Revenues \$169,320,680



School Operating Fund Budgets History

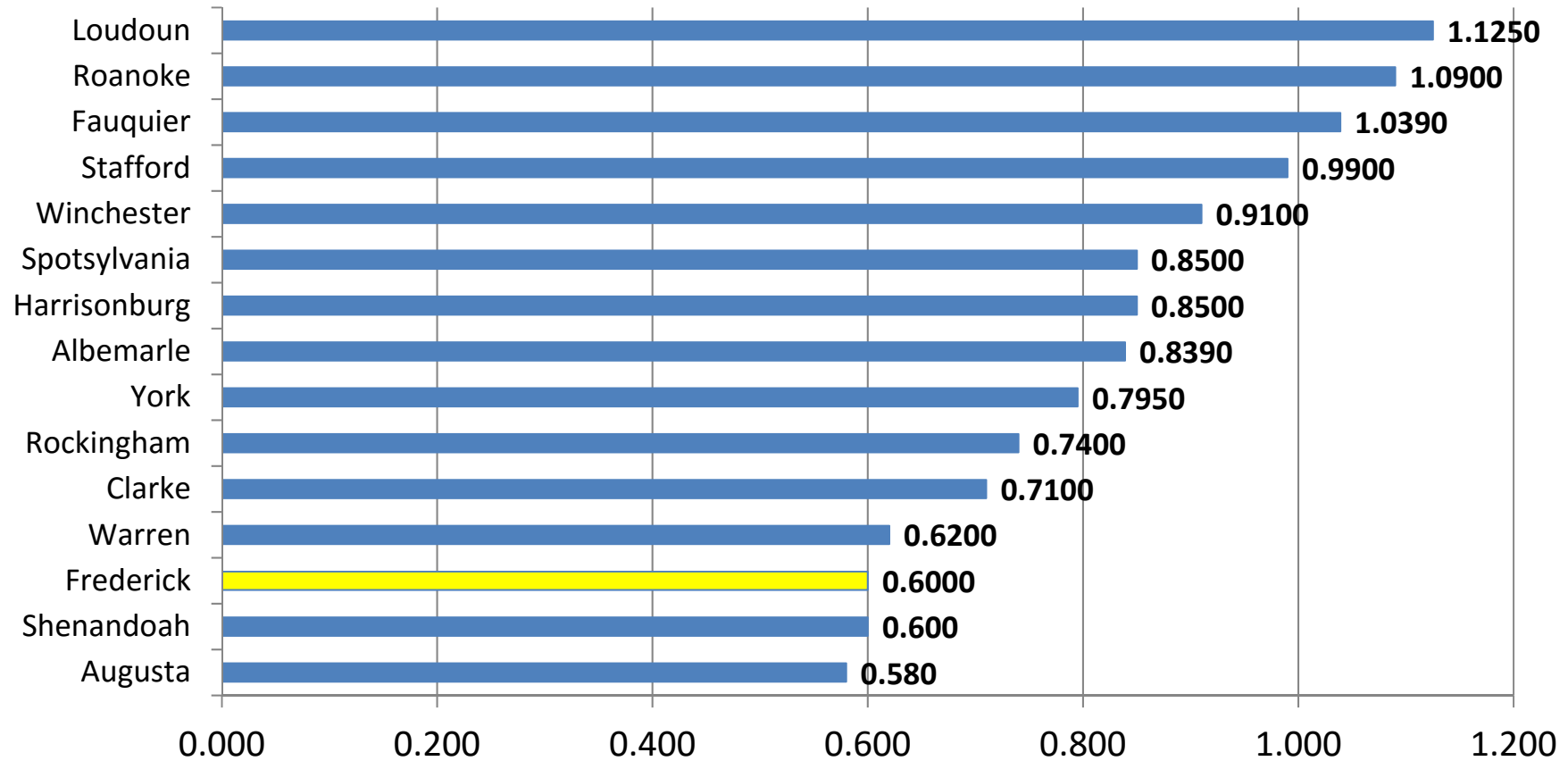


Transfer to School Operating Fund History



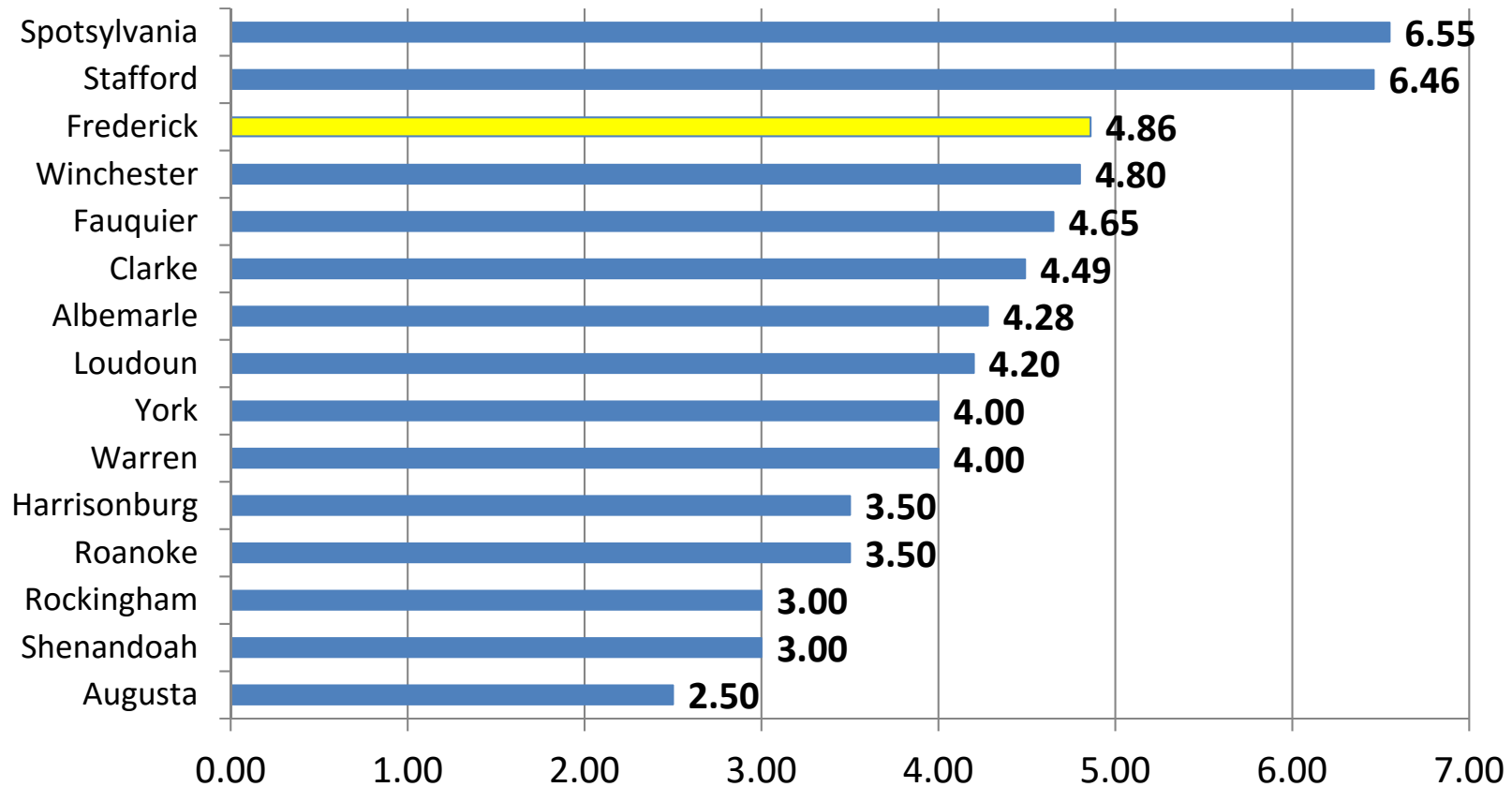
Current Real Estate Tax Rates For Surrounding and Similar Localities

Frederick County Budgeted revenue 59 million

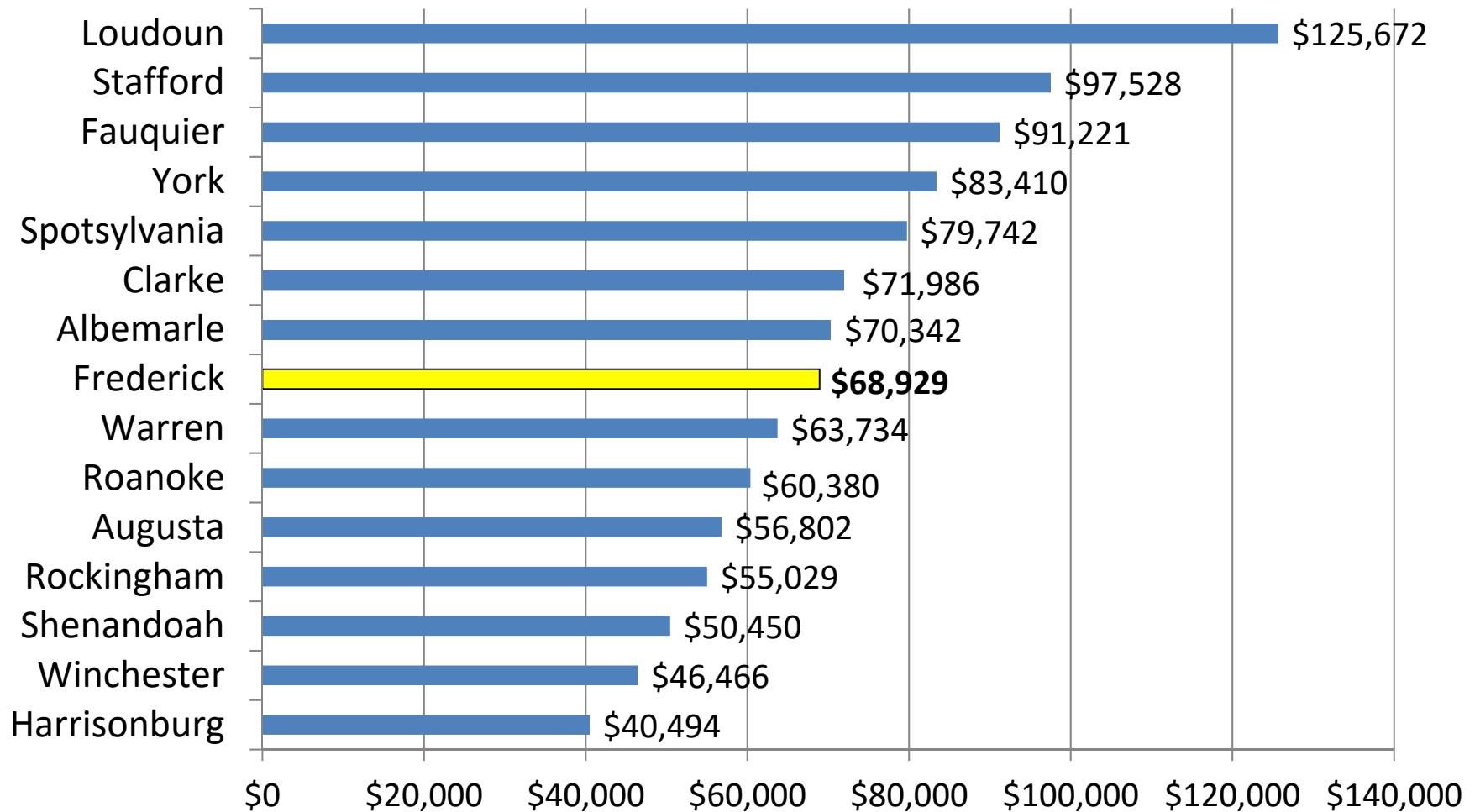


Current Personal Property Tax Rates For Surrounding and Similar Localities

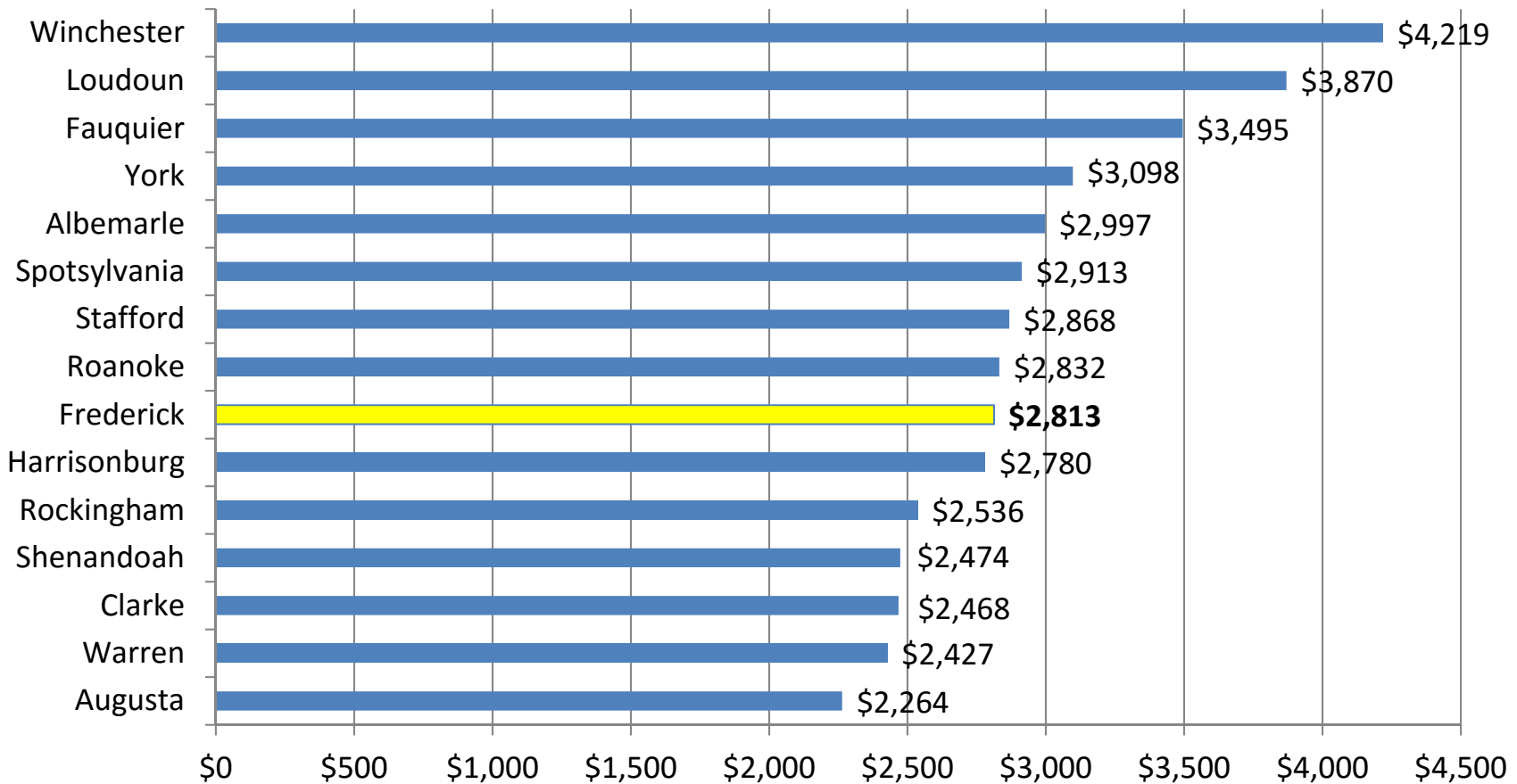
Frederick County Budgeted revenue 52 Million



Median Income of Surrounding and Similar Localities



Per Capita Expenditure Comparison of Surrounding and Similar Localities



Summary

- Project \$7.8 million increase in revenue (approx. 4.3%)
 - \$6 million natural increase
 - \$1 million derived from 1 cent tax increase
- \$6.8 million reduction in use of fund balance
 - \$5.4 million utilized for capital last year
- General Fund requests in excess of \$15 million
 - \$3.76 million of requests funded
- \$3.76 million increase to General Fund
 - Focused primarily on public safety positions
- School Operating transfer request in excess of \$6.6 million
 - \$5.96 million of request funded



In Closing

- Education and Public Safety remained a priority
- Decision on proposed 1 cent tax increase and use of funds derived remain to be decided
- Continued discussions on positions to be funded and Capital Needs
- Medicaid expansion and other State funding remains uncertain



