



AGENDA

**BOARD OF SUPERVISORS
BUDGET WORK SESSION
WEDNESDAY, FEBRUARY 10, 2021**

5:00 PM

**BOARD MEETING ROOM
107 NORTH KENT STREET, WINCHESTER, VIRGINIA 22601**

- 1. Call to Order**
- 2. Information requested/discussed at January 27, 2021 work session:**
 - A. Parks and Recreation Director – discussion of new positions
 - B. Scenario Overview
- 3. Adjourn**



COUNTY of FREDERICK

Kris C. Tierney
County Administrator

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MEMORANDUM

TO: Board of Supervisors
FROM: Kris C. Tierney, County Administrator
RE: Budget Scenarios for Feb. 10 Work Session
DATE: February 8, 2021

Please see the attached spreadsheet which depicts the four budget scenarios, as we understood the request, along with a second spreadsheet indicating the detailed budget reductions that would be required with each of the four scenarios. The total dollar value of budget reductions required for each scenario is shown in the blue highlighted column on both spreadsheets.

Scenarios

Scenarios C and D include the use of reassessment revenue, Scenarios A and C do not include any additional FY 22 funding for the school system (no split) whereas Scenarios B and D include the traditional 57/43 funding split between the General Fund and the schools. Only Scenario C (use of the reassessment and no split) includes additional General Fund positions and a 5 percent COLA/Merit.

None of the four scenarios presented includes funding for new and replacement capital. In Scenarios C or D staff would suggest appropriating the \$2.7 million windfall derived from the reassessment for one-time purchases such as capital.

Of the four scenarios presented, Staff would prefer Scenario D. It provides for a COLA (although less than desired) and partial funding for a projected health insurance increase. (We are currently in the process of issuing an RFP for health insurance and anticipate information on insurance renewal with Anthem will be available in late February.) However, Scenario D does not include sufficient funding for any General Fund positions. Positions would only be available through additional reductions or via additional revenue.

Scenario A - Revene Neutral RE Tax Rate No Revenue Growth Split		Scenario B - Revenue Neutral RE Tax Rate 57/43 Revenue Growth Split		Scenario C - Current Tax Rate (61 Cents) No Revenue Growth or Reassessment Split		Scenario D - Current Tax Rate (61 Cents) 57/43 Revenue Growth or Reassessment Split	
FY 21 Operating Revenue	\$197,322,231	FY 21 Operating Revenue	\$197,322,231	FY 21 Operating Revenue	\$197,322,231	FY 21 Operating Revenue	\$197,322,231
FY 22 Revenue Growth	\$3,700,000	FY 22 Revenue Growth	\$3,700,000	FY 22 Revenue Growth	\$3,700,000	FY 22 Revenue Growth	\$3,700,000
FY 22 Program Specific Revenue	<u>\$1,000,000</u>	FY 22 Program Specific Revenue	<u>\$1,000,000</u>	FY 22 Program Specific Revenue	\$1,000,000	FY 22 Program Specific Revenue	\$1,000,000
FY 22 General Fund Revenue	\$202,022,231	FY 22 General Fund Revenue	\$202,022,231	FY 22 Reassessment Revenue	<u>\$5,500,000</u>	FY 22 Reassessment Revenue	\$5,500,000
		FY 22 Revenue Sharing with Schools	<u>\$2,109,000</u>		\$207,522,231	FY 22 Revenue Sharing with Schools	-\$2,109,000
		FY 22 General Fund Net Revenue	\$199,913,231			FY 22 Reassessment Sharing with Schools	<u>-\$3,135,000</u>
							\$202,278,231
FY 22 General Fund Operating Requests	\$206,546,646	FY 22 General Fund Operating Requests	\$206,546,646	FY 22 General Fund Operating Requests	\$206,546,646	FY 22 General Fund Operating Requests	\$206,546,646
FY 22 General Fund Operating Reductions	<u>\$4,524,415</u>	FY 22 General Fund Operating Reductions	<u>\$6,633,415</u>	FY 22 General Fund Operating Reductions	-\$1,500,000	FY 22 General Fund Operating Reductions	\$4,268,415
	\$202,022,231		\$199,913,231	FY 22 General Fund Positions	\$1,000,000		\$202,278,231
				FY 22 Contingency / Salary Survey Funding	<u>\$1,475,585</u>		
					\$207,522,231		
<u>What is Funded in General Fund</u>		<u>What is Funded in General Fund</u>		<u>What is Funded in General Fund</u>		<u>What is Funded in General Fund</u>	
COLA - 2.5%	\$1,600,000	No Salary Increases		COLA/Merit - 5%	\$3,200,000	COLA - 2.5%	\$1,600,000
Contingency	\$100,000	No Contingency		Contingency	\$100,000	Contingency	\$100,000
Health insurance renewal 15%. Plan changes allow for 10% increase	\$1,000,000	Health insurance renewal 15%. Plan changes allow for 5% increase	\$500,000	Health insurance renewal 15%. Plan changes allow for 10% increase	\$1,000,000	Health insurance renewal 15%. Plan changes allow for 10% increase	\$1,000,000
Additional Funding to Schools in FY 22	\$0	Additional Funding to Schools in FY 22	\$2,109,000	Additional Funding to Schools in FY 22	\$0	Additional Funding to Schools in FY 22	\$5,244,000
No New Positions		No New Positions		<u>New Positions</u> 4 Firefighter/EMT 6 Sheriff positions		No New Positions	
No Captial Funded in Operating Budget		No Captial Funded in Operating Budget		No Captial Funded in Operating Budget		No Captial Funded in Operating Budget	
No Windfall from Reassessment		No Windfall from Reassessment		\$2.75 m Windfall from Reassessment - could possibly be used for capital purchases		\$2.75 m Windfall from Reassessment - could possibly be used for capital purchases	

FY 2021-2022 BUDGET REDUCTIONS FOR SCENARIOS

<u>Budget Reductions</u>	<u>Scenario A</u>	<u>Scenario B</u>	<u>Scenario C</u>	<u>Scenario D</u>
Tuition Assistance (1203)	262,500	262,500	262,500	262,500
Salary Survey (1203)	125,000	125,000	125,000	125,000
Benefit Management System (NEW) \$45,000 yearly (1203)	45,000	45,000		45,000
Salary adjustments for eight positions (w/fringes) (1209)	20,515	20,515		20,515
Salary adjustment for one position (w/fringes) (1210)	2,148	2,148		2,148
Architectural/Design Fees Sunnyside (1224)	100,000	100,000		100,000
Blue Ridge Legal Services - NEW REQUEST (1224)	4,591	4,591		4,591
Public Defender's Office - NEW REQUEST (1224)	41,782	41,782		41,782
Other Cont-software upgrade required by state (1301)	63,231	63,231	63,231	63,231
Requested supplements to staff salaries (2102/2105)	60,015	60,015		60,015
Overtime Sheriff	200,000	200,000	200,000	200,000
Part-time Sheriff	100,000	100,000		100,000
Pay increase for all Sheriff's Office employees (+fringes)	692,918	692,918	692,918	692,918
Gasoline (3102)	50,000	50,000		50,000
Office Supplies (3102)	26,260	26,260		26,260
Vehicle and Powered Equipment (3102)	17,800	17,800		17,800
Police Supplies (3102)	41,812	41,812		41,812
Uniforms (3102)	50,000	50,000		50,000
Lord Fairfax EMS Council - increase in request (3203)	800	800		800
Overtime Fire & Rescue	107,755	107,755		
ALS Tuition Assistance (3505)	36,000	36,000		36,000
Motor Vehicle Insurance - Volunteer Association (3505)	151,506	151,506		151,506
Other Contractual Services (4203)	218,000	218,000		218,000
Health Dept Increase request (5101)	37,387	37,387		37,387
NCS Increase request (5205)	10,413	10,413		10,413
The Laurel Center increase request (5316)	4,000	4,000		4,000
LFCC Increase request (6401)	8,332	8,332		8,332
Title & range changes (7109/7110)	16,727	16,727		16,727
Library Increase request (7302)	78,850	78,850		78,850
NSVRC Increase request (8107)	5,047	5,047		5,047
Merit/COLA	1,600,000	3,200,000		1,600,000
Contingency	200,000	300,000	200,000	200,000
Hold 2 F&R Positions approved for FY 2021	142,912			
Hold 8 F&R Positions approved for FY 2021		571,648		
Total	4,521,301	6,650,037	1,543,649	4,270,634
General Fund Reductions needed per spreadsheet	4,524,415	6,633,415	1,500,000	4,268,415
Difference	(3,114)	16,622	43,649	2,219