

## Agenda

### Budget Worksession

1<sup>st</sup> Floor Conference “Purple” Room

February 18 2015, 8:00 a.m.

- Funding Scenarios, p. 2-3
- Preliminary General Fund Budget Cuts, p. 4-8
- Proposed Real Property Tax Increase advertisement sample, p. 9

## Funding Scenarios

The funding scenario page has been updated. The following changes were made:

- Scenario A, B and C numbers have not been changed. A row was added showing the new real property tax rate in the scenarios at 56 cents. This is a reduction of 2.5 cents to the current real property rate.
- Scenario D has been changed to reflect the information provided by the Commissioner of the Revenue and would be consistent with the required real property tax increase advertisement for public hearing. The previous scenario showed a 3 cent increase. This increase has been reduced to 2.5 cents and keeps the current real property tax rate of 58.5 cents.
- Scenario E has been changed from a 6 cent increase to a 5 cent increase.

## Funding Scenarios for FY 16

	SCENARIO A	SCENARIO B	SCENARIO C	SCENARIO D	SCENARIO E
<b>Real Property Tax Rate</b>	56 cents	56 cents	56 cents	58.5 cents	61 cents
<b>Increase</b>	0	0	0	4.5% 2.5 cents	9% (5 cents)
FY 16 Additional General Fund Revenue from taxes	8,804,085	8,804,085	8,804,085	8,804,085	8,804,085
Funding From General Fund Unassigned Fund Balance	4,300,000	2,200,000	0	4,300,000	4,300,000
FY 15 Budgeted General Fund Revenue	138,087,562	138,087,562	138,087,562	138,087,562	138,087,562
Revenue Growth from Reassessment/Tax increase				2,000,000	4,000,000
 FY 16 Proposed General Fund Budget	 151,191,647	 149,091,647	 146,891,647	 153,191,647	 155,191,647
FY 15 Adopted General Fund Budget	142,387,562	142,387,562	142,387,562	142,387,562	142,387,562
Increase in FY 16 Funding	8,804,085	6,704,085	4,504,085	10,804,085	12,804,085
 Total additional funding for School Funds from General Fund	 5,018,328	 3,821,328	 2,567,328	 6,158,328	 7,298,328
Total additional funding for General Fund (non-schools)	3,785,757	2,882,757	1,936,757	4,645,757	5,505,757

### ASSUMPTIONS:

- Operating split → 57 % Schools, 43 % General Fund
- Revenue neutral reassessment for Scenario A, B and C
- Current Real Estate Tax Rate is 58.5 cents per \$100.

### SCENARIOS:

- A: Current level of fund balance funding, zero tax increase by reducing real property tax rate
- B: Reduced level of fund balance funding, zero tax increase by reducing real property tax rate
- C: Zero level of fund balance funding, zero tax increase by reducing real property tax rate
- D: Current level of fund balance funding, reassessment values increased, current tax rate
- E: Current level of fund balance funding, reassessment values increased, increased tax rate

All Scenarios include new revenue projected in local taxes (without reassessment) of 8.8 million.

### Preliminary General Fund Budget Cuts

Attached is a list of budget cuts that could be considered if Scenario A is chosen. If Scenario B or C is chosen, more budget reductions would be required. If Scenario D or E is chosen, less reductions would be required.

### FY 2015-2016 GENERAL FUND OPERATIONAL CUTS - ROUND 1

<u>Dept Code</u>	<u>Department</u>	<u>2014-2015 Original Budget</u>	<u>2015-2016 Proposed Budget</u>	<u>Difference</u>	<u>Significant Budget Changes</u>	<u>Increase (Decrease)</u>
1210	Reassessment	193,948	341,645	147,697	Two new P/T Assessors Office Supplies - IT equipment for new hires	36,000 4,200
1224	Other	1,935,084	2,432,012	496,928	Professional Services - Lobbying Blue Ridge Legal Services - cut in FY15; FY16 request NW Works - increase in contribution request Access Independence - increase in contribution request Discovery Museum - cut in FY15; FY16 request Big Brothers Big Sisters - NEW REQUEST Bluemont Concert Series - NEW REQUEST CLEAN, Inc. - increase in contribution request Our Health - increase over current year allocation	14,000 5,756 1,500 475 25,000 10,000 8,000 5,000 5,000
2101	Circuit Court	61,300	76,300	15,000	Other Contractual - Jury Management Program	15,000
2102	General District Court	15,926	31,718	15,792	Requested supplements to staff salaries	13,200
2105	J & D Court	19,785	33,550	13,765	Requested supplements to staff salaries	9,600
3102	Sheriff	11,241,515	13,631,463	2,389,948	Professional Health Services Repair and Maintenance - Equipment Printing and Binding Other Contractual Services Postage and Telephone Office Supplies - Full Disk Encryption for laptops & 10 docking stations Dog Food Vehicle and Powered Equipment - equip. for 16 new units & 17 replacement vehicles Police Supplies - Electronic Gun Racks, supplies for new veh.	8,220 980 2,433 10,303 6,136 18,250  4,000 141,956 155,021

<u>Dept Code</u>	<u>Department</u>	<u>2014-2015 Original Budget</u>	<u>2015-2016 Proposed Budget</u>	<u>Difference</u>	<u>Significant Budget Changes</u>	<u>Increase (Decrease)</u>
					Police Supplies - ERT/Search & Rescue Uniforms - for 16 new deputies Dare Program Travel	8,150 32,005 800 6,000
3202	Volunteer Fire Depts.	842,560	999,765	157,205	\$1 per capita increase for each department Training Response Unit Supplement	85,510 13,200 5,750
3203	Ambulance & Rescue	395,200	396,800	1,600	Increase in contribution request-Lord Fairfax EMS Council	1,600
3303	Juvenile Court Probation	141,780	157,325	15,545	New Part-Time office staff	7,800
3505	Fire and Rescue	7,871,989	14,421,716	6,549,727	Part-time Fire Medics increase (26,520), O/T increase (705,010), incentive increase (212,000) Repair and Maintenance - Equipment Repair and Maintenance - Vehicle Printing and Binding - SAFER grant expenses Advertising - SAFER grant expenses Other Contractual Services: physicals/tests for new employees; Gear Clean contract Motor Vehicle Insurance K-9 Maintenance Vehicle & Powered Equip. Supplies - equip. for new vehicles Uniforms - includes uniforms for new hires Other Operating Supplies-11 treadmills, replace SCBA gear Lease/Rent of Equipment - Lifepak 15 (30x\$40,000) (\$240,000/year lease for 5 years)	943,530 10,900 3,500 12,000 12,000 71,200 3,500 1,000 80,950 389,439 66,009 240,000
4203	Refuse Collection	1,232,983	1,320,508	87,525	Professional Services - design/survey for relocated site Repair and Maintenance - Equipment Repair and Maintenance - Bldg. and Grounds	8,000 8,500 3,000

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					Other Contractual Services - Hauling contract - 3.8% anticipated increase	69,692
					Travel	1,500
4304	County Office Buildings	964,638	1,463,438	498,800	Repair & Maintenance - Equipment Repair & Maintenance - Bldg. & Grounds - PSB Repair & Maintenance - Bldg. & Grounds - Bowman Library Janitorial Supplies - CAB, Courthouse, JJC	2,000 6,500 1,000 2,000
4305	Animal Shelter	570,706	582,853	12,147	Electrical Services Water and Sewer Cat Food	3,000 3,000 1,240
5101	Health Department	301,000	386,549	85,549	Increase in contribution request	85,549
5205	Northwestern Comm. Serv.	318,000	333,900	15,900	Increase in contribution request	15,900
5305	Area Agency on Aging	60,000	65,000	5,000	Increase in contribution request	5,000
5306	Property Tax Relief	520,000	535,000	15,000	Increase in requested allocation	15,000
5316	Social Services Admin.	4,248,461	5,199,243	950,782	Telephone - No justification for increase Office Supplies - No justification for increase Contribution - The Laurel Center - increase in request	18,200 10,300 2,000
6401	Community College	56,000	78,233	22,233	Increase in contribution request	22,233
7101	Parks	4,730,713	8,553,427	3,822,714	Increase in local \$ over FY 2015 = \$42,532; incorporate	6,380

<u>Dept Code</u> to 7110	<u>Department</u>	<u>2014-2015 Original Budget</u>	<u>2015-2016 Proposed Budget</u>	<u>Difference</u>	<u>Significant Budget Changes</u>	<u>Increase (Decrease)</u>
					15% reduction in operational expenses - needs further review	
7302	Handley Library	800,000	942,357	142,357	Increase in contribution request compared to adopted amount; additional \$62,665 approved in July so revised difference is \$79,692	79,692
8101	Planning	1,098,754	1,173,108	74,354	Lease/Rent of Equipment	3,600
8102	EDA Transfer - Fund 31	544,223	663,274	119,051	Professional Services - Website Development Books and Subscriptions Travel Apple Blossom - Increase in contribution request	4,000 15,000 4,000 1,200
8107	NSVRC	43,000	45,301	2,301	Increase in contribution request compared to adopted amount; additional \$1,085 approved in July so revised difference is \$1,216	1,216
8203	Soil/Water Conservation	7,000	11,250	4,250	Increase in contribution request	4,250

<b>OPERATIONAL CUTS - ROUND 1</b>	2,897,825
<b>ALL CAPITAL REQUESTS</b>	6,352,404
<b>ALL 78 NEW FULL-TIME POSITIONS</b>	4,242,740
<b>TOTAL PROPOSED CUTS - ROUND 1</b>	<b>13,492,969</b>



## **NOTICE OF PROPOSED REAL PROPERTY TAX INCREASE**

**The County of Frederick, Virginia proposes to increase property tax levies.**

- 1. Assessment Increase: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by \_\_\_\_\_ percent.**
- 2. Lowered Rate Necessary to Offset Increased Assessment: The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$\_\_\_\_\_ per \$100 of assessed value. This rate will be known as the "lowered tax rate."**
- 3. Effective Rate Increase: The County of Frederick, Virginia proposes to adopt a tax rate of \$\_\_\_\_\_ per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be \$\_\_\_\_\_ per \$100, or \_\_\_\_\_ percent. This difference will be known as the "effective tax rate increase."**

**Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.**

- 4. Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the total budget of the County of Frederick, Virginia will exceed last year's by\_\_\_\_\_percent.**

**A public hearing on the increase will be held on March 25, 2015 at 7:00 p.m. at the Frederick County Administration Office Building.**