



FY 2020 COUNTY ADMINISTRATOR'S RECOMMENDED BUDGET

MARCH 25, 2019

BOBBIE H. TASSINARI, COUNTY ADMINISTRATOR

ACCOMPLISHMENTS

- ▶ Defeased KWCPS Bond Series 2002A reducing annual debt service payment by \$376,037.50
- ▶ Anticipate defeasing KWCPS Bond Series 2002B June/July 2019 reducing annual debt service payment by \$425,625
- ▶ Made final payments on two KWCPS long term debts; 1998 Literary and 1998B General Obligation
- ▶ Set aside \$2,000,000 in the Capital Fund to be used for economic development and infrastructure improvements
- ▶ Reduced the Real Property Tax Rate from \$0.90 to \$0.88/100
- ▶ Finalized the transfer of wastewater system to Hampton Roads Sanitation District (HRSD)
- ▶ Renewed the appropriation agreement between the Town of West Point and King William County for a 10 year period
- ▶ Hired County's first career Fire Medics (6)
- ▶ Procured new ambulance and equipment through RSAF grant

ACCOMPLISHMENTS

- ▶ Acquired 10 acre tract from KWCPS to expand Hwy. 30 Convenience Center
- ▶ Updated the Water Standards Book 2018 and brought the County into compliance with VDH
- ▶ Initiated the process of updating planning and zoning ordinances
- ▶ Initiated the reassessment with Bright Minds to address the 6-year assessment requirement
- ▶ Submitted the Re-application for Groundwater Withdrawal of the Central Garage Water System. Current permit expires 10/31/2019
- ▶ Implemented the WorldView GIS Mapping website
- ▶ Segra (Lumos) fiber run and connections almost complete to County government buildings
- ▶ Completed all HVAC unit replacement at both the County Administration Building (5) and McAlister Building (7)
- ▶ Renovated the Parks bathrooms and concession stand in-house

ACCOMPLISHMENTS FY 2019

Maintenance Department



King William County Tax Levies

GENERAL FUND LEVY - HISTORICAL TAX RATES PER \$100 OF ASSESSED VALUES

	Calendar Year 2019 - Proposed			Calendar Year 2018			Calendar Year 2017			Calendar Year 2016		
	School Fund	General Fund	Total Levy	School Fund	General Fund	Total Levy	School Fund	General Fund	Total Levy	School Fund	General Fund	Total Levy
Real Estate	\$0.48	\$0.38	\$0.86	\$0.49	\$0.39	\$0.88	\$0.50	\$0.40	\$0.90	\$0.51	\$0.41	\$0.92
Mobile Home	\$0.48	\$0.38	\$0.86	\$0.49	\$0.39	\$0.88	\$0.50	\$0.40	\$0.90	\$0.51	\$0.41	\$0.92
Mines and Minerals	\$0.48	\$0.38	\$0.86	\$0.49	\$0.39	\$0.88	\$0.50	\$0.40	\$0.90	\$0.51	\$0.41	\$0.92
Public Service Real Estate	\$0.48	\$0.38	\$0.86	\$0.49	\$0.39	\$0.88	\$0.50	\$0.40	\$0.90	\$0.51	\$0.41	\$0.92
Public Service Personal Property	\$2.00	\$1.65	\$3.65	\$2.00	\$1.65	\$3.65	\$2.00	\$1.65	\$3.65	\$2.00	\$1.65	\$3.65
Personal Property	\$2.00	\$1.65	\$3.65	\$2.00	\$1.65	\$3.65	\$2.00	\$1.65	\$3.65	\$2.00	\$1.65	\$3.65
Machinery & Tools	\$1.25	\$1.00	\$2.25	\$1.25	\$1.00	\$2.25	\$1.25	\$1.00	\$2.25	\$1.25	\$1.00	\$2.25
Aircraft	\$1.30	\$0.00	\$1.30	\$1.30	\$0.00	\$1.30	\$1.30	\$0.00	\$1.30	\$1.30	\$0.00	\$1.30

NOTE: Property owners within the Town of West Point the levies are assessed at the General Fund rate.

GROWTH IN THE COUNTY

- ▶ There is continued growth in both the residential and business areas
- ▶ Year Ending 2018*
 - ▶ New Business Licenses Issued - 101
- ▶ Year 2019 – Third Month*
 - ▶ New Business Licenses Issued - 47
- ▶ Year Ending 2018**
 - ▶ Permits Issued for Building Commercial – 17
 - ▶ Permits Issued for Building Residential – 219
- ▶ Year 2019 – Second Month**
 - ▶ Permits Issued for Building Commercial – 2
 - ▶ Permits Issued for Building Residential - 17

**Data provided by COR*

***Data provided by Community Development Office*

FY 2020 REVENUE PROJECTIONS

**PROJECTED GENERAL FUND REVENUE SUMMARY
FY 2020 COUNTY ADMINISTRATOR'S RECOMMENDED BUDGET**

DESCRIPTION	FY19 ADOPTED	FY20 RECOMMENDED	FY19 TO FY20 PERCENTAGE CHANGE
REAL PROPERTY	\$ 12,241,200	\$ 12,382,831	1.2%
SALES TAX	\$ 1,286,400	\$ 1,347,820	4.8%
MEAL TAX	\$ 439,300	\$ 420,000	-4.4%
MACHINERY AND TOOLS	\$ 1,648,300	\$ 1,716,819	4.2%
CONSUMER UTILITY	\$ 215,500	\$ 220,000	2.1%
PERMITS AND FEES	\$ 318,050	\$ 320,750	7.9%
OTHER	\$ 1,799,200	\$ 1,865,400	1.7%
PERSONALPROPERTY	\$ 3,205,800	\$ 3,628,410	13.2%
BUSINESS LICENSE	\$ 350,000	\$ 375,000	7.1%
FUND BALANCE	\$ 2,963,648*	\$ 260,391	-91.2%
OTHER STATE AID	\$ 511,500	\$ 493,500	-0.6%
COMPENSATION BOARD	\$ 1,303,430	\$ 1,340,085	2.8%
PPTRA	\$ 1,204,131	\$ 1,204,131	0.0%
TOTAL	\$ 27,465,659	\$ 25,575,137	-6.9%

**Incorporates General Fund Balance for Capital Items*

FY 2020 EXPENDITURE PROJECTIONS

PROJECTED GENERAL FUND EXPENDITURE SUMMARY

FY 2020 COUNTY ADMINISTRATOR'S RECOMMENDED BUDGET

DESCRIPTION	FY19 ADOPTED	FY20 RECOMMENDED	FY19 TO FY20 CHANGES
GENERAL GOVERNMENT	\$ 1,754,337	\$ 1,771,110	1.0%
JUDICIAL ADMINISTRATION	\$ 684,903	\$ 721,818	5.4%
PUBLIC SAFETY	\$ 5,356,088	\$ 5,329,627	-0.5%
PUBLIC WORKS	\$ 1,617,997	\$ 1,601,301	-1.0%
HEALTH & WELFARE	\$ 797,791	\$ 895,709	12.3%
PARKS, RECREATION & CULTURAL	\$ 640,888	\$ 697,688	8.9%
COMMUNITY DEVELOPMENT	\$ 607,807	\$ 765,952	26.0%
EDUCATION <i>(Includes School Debt)</i>	\$ 11,155,395	\$ 11,605,866	4.0%
MISCELLANEOUS	\$ 720,924	\$ 745,631	3.4%
CAPITAL/DEBT SERVICES <i>(County Only Debt)</i>	\$ 4,129,528	\$ 1,440,435	-65.1%
TOTAL	\$ 27,465,659	\$ 25,575,137	-6.9%

Information to Consider

- ▶ County Departments operational activities comprise 30.6% of the recommended FY 2020 budget
 - ▶ Funding of Regional Agreements are 9.4% of the recommended FY 2020 budget
 - ▶ 47.2% of the FY 2020 recommended budget is directed toward external organizations
 - ▶ The balance, or 12.8%, is directed toward capital, debt service, radio support and contingency funding
- ▶ To further breakdown the information just presented:
 - ▶ Salaries and Benefits for County departments comprise \$5,766,338 (74%) of the \$7,821,226 total budgeted
 - ▶ Debt service* comprises 2.9% of the recommended FY 2020 budget
 - ▶ Capital requests comprise 2.7% of the recommend FY 2020 budget
 - ▶ KWCPS comprises 45.3% of the recommended FY 2020 budget

**County Only*

FY 2020 BENEFITS HIGHLIGHTS

- ▶ Employee Benefits

- ▶ Health insurance costs reflect no change in FY 2020
- ▶ Virginia Retirement System (VRS) costs remaining level at 8.484%
- ▶ Group Life Insurance costs remaining level at 0.0131%
- ▶ Worker's Compensation experience modifier is decreasing to 1.07%

FY 2020 KING WILLIAM COUNTY PUBLIC SCHOOLS

Description	Requested 3/7/2019	Recommended 3/25/2019	Funding Source
Special Education	\$201,730	\$201,730	General Fund
School Counselors	\$128,030	\$128,030	General Fund
Profile of a VA Graduate and Computer Science Standards	\$108,000	\$108,000	General Fund
Health Insurance	\$430,000	\$0	Fund 606
Employee Compensation	\$415,390	\$333,011	General Fund
Total	\$1,283,150*	\$770,771	

**Differs from KWCPS presentation bottom line request due to internal cost savings and reallocations identified by KWCPS.*

FY 2020 PAY ADJUSTMENT REQUEST

▶ County Personnel:

COLA and Merit Increases:

- ▶ Request a 2% Cost of Living Adjustment (COLA) for all full-time and permanent part-time staff
- ▶ Request up to 3% Merit funds to be distributed per the performance evaluations performed in Jan/Feb 2019 – full-time staff only
- ▶ Funding mechanism – General Fund

FY 2020 PAY ADJUSTMENT REQUEST

▶ School Personnel:

Pay Increases:

- ▶ Request a 5% for all SOQ funding supported staff
- ▶ Request a 3% increase for all non-SOQ funding supported staff
- ▶ Funding mechanism –
 - ▶ SOQ Positions Funded via State Appropriation
 - ▶ Non-SOQ Positions Funded via General Fund

FY 2020 PAY ADJUSTMENT REQUEST

▶ Appointed and Elected Officers:

Pay Increases:

Constitutional Officers - State Supported Pay Adjustment of 3%

General Registrar – Requesting Local Supported Pay Adjustment of 10%

FY19 Base Salary - \$46,468 (State Support: \$38,760 County Support: \$7,708)

FY20 Salary Request for General Registrar - \$51,114 (County Support Would Increase to \$12,354)

▶ Funding mechanism – General Fund and State Funds

FY 20 CAPITAL IMPROVEMENTS

○ General Registrar – Voting Machines (final year payment)	\$22,200
○ Finance – Financial Software	\$131,250
○ Fire & EMS (3)	\$90,000
○ Fire & EMS Grant Match	\$160,000
○ Parks & Recreation – Basketball Court	\$90,000
○ Vehicle Replacement	\$130,000
○ Information Technology Equipment	\$25,000
○ Deferred Maintenance Program	\$50,000
○ Carpet Replacement – Administration Building	\$40,000
○ HVAC Replacement	<u>\$45,000</u>
	\$783,450

Things to Consider as we Move Forward in the Budget Process

- School funding is at its maximum level within the parameters of the Split Levy and will require use of the Restricted General Fund balance to balance operational and debt service expenditures annually.
- Prior pay off of long term debt is not a viable option after the final defeasance of Bond Series 2002B.
- Reassessment is underway but will not impact the real property tax revenue until **calendar year 2021**. County does anticipate market rate increases upon completion.
- **Proposed Real Property tax rate reduction of \$0.02/100** is a recommendation of the proposed budget but may need to change with the final recommendations by the Board of Supervisors.
- The County is not required to grant pay adjustments with local funds nor accept State funding for those designated pay adjustments; i.e. Compensation Board for Constitutional Officers (3%), KWCPS SOQ positions (5%).

GENERAL FUND BALANCE

- ▶ King William County currently has approximately \$7 million in unassigned general fund balance
- ▶ The General Fund Balance is not a “slush” fund but rather a fund that provides an opportunity for the County to reinvest back into the community without taking on additional long term debt
- ▶ The Government Finance Officers Association (GFOA) recommends as a reserve **no less** than 2 months of regular general fund operating revenues or regular general fund operating expenditures.
 - ▶ Two months of revenue/expenditure would equate to \$4,262,523 or 17% of the overall budget
 - ▶ With the current level of General Fund Balance the County has approximately 27.4% capacity or 3 months of operational funding

IMPORTANT DATES

- April 1 – Budget and Tax Rate Public Hearing (7:00 PM – Board Room)
- April 8 – Budget Work Session Meeting (7:00 PM – Board Room)
- April 12 – Budget Work Session Meeting (9:00 AM – 4:00 PM – Board Room)
- April 29 – Adoption of FY2019 Budget (7:00 PM – Board Room)

Thank You