



County of King William, Virginia

King William County 2023-24 Budget

Presentation to the King William County
Board of Supervisors
March 13, 2023

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Budget Process

- Most important activity the BOS goes through in County Government
- Roadmap for financial planning for FY '24 and beyond
- Budget must be balanced in accordance with State Code



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Budget Process For FY '24

- FY '24 Budget introduced after five pre-budget work sessions with BOS and KWPCS.
- Department Head, Constitutional Officer, and Outside Agency requests received by the BOS.
- BOS questions, comments, and feedback helps formulate Budget recommendations.



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Demographic Data

- Weldon Cooper Estimated Population for King William County – 18,107 as of July 1, 2022
- Unemployment Rate as of Dec. 31 – 2.4 percent



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Financial Management

- King William County is a \$69.2 Million Business.
- Budget Management follows all financial policies adopted by the Board of Supervisors.
- Waiting on the completion of the FY '22 Audit.



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Building the Unassigned Fund Balance

- Unassigned Fund Balance Policy is 20 Percent of General Fund Expenditures.
- Unassigned Fund Balance is estimated at \$9.9 million or 35% of General Fund Expenditures for the FY '22 Audit that ended June 30, 2022.
- Projection for June 30, 2023, is 28%; 1.6 million was appropriated for FY '23 CIP projects.



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2022 County Accomplishments

- ✓ Neared completion of reassessment of real property
- ✓ Advanced Broadband project
- ✓ Designed and began expansion of solid waste transfer site
- ✓ Began the implementation of Comp Plan
- ✓ Acquired property and completed design of new water tower and public water expansion



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2022 County Accomplishments (Cont'd)

- ✓ Completed the Upgrade of Public Radio System
- ✓ Completed a Recreation Expansion Plan
- ✓ Two Smart Scale Projects approved for consideration by Commonwealth Transportation Board
- ✓ Numerous other accomplishments through 6-month planning



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Budget Provisions

1. Follow the Split-Levy funding formula.
2. Emphasis on implementing BOS directive of equalizing the real estate tax levy.
3. Emphasis on Public Education.
4. Emphasis on Public Safety.
5. Emphasis on Utility expansion.
6. Emphasis on Recreation.
7. Emphasis on employee compensation & reorganization.
8. Implementation of Comprehensive Plan.



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Split-Levy Funding Model

- Codified by General Assembly in 2014.
- Created special tax district to fund King William County Schools from voting districts 2-5.
- Taxes are separated to fund King William General Fund apart from King William Public Schools.
- Allows King William County and Town of West Point to each fund separate school systems.



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Capturing Non-Property Tax Revenue

New Proposal:

- Beginning in FY '24 any revenues received above the projections of Non-Property Tax Revenues will be used for economic development and recreation.



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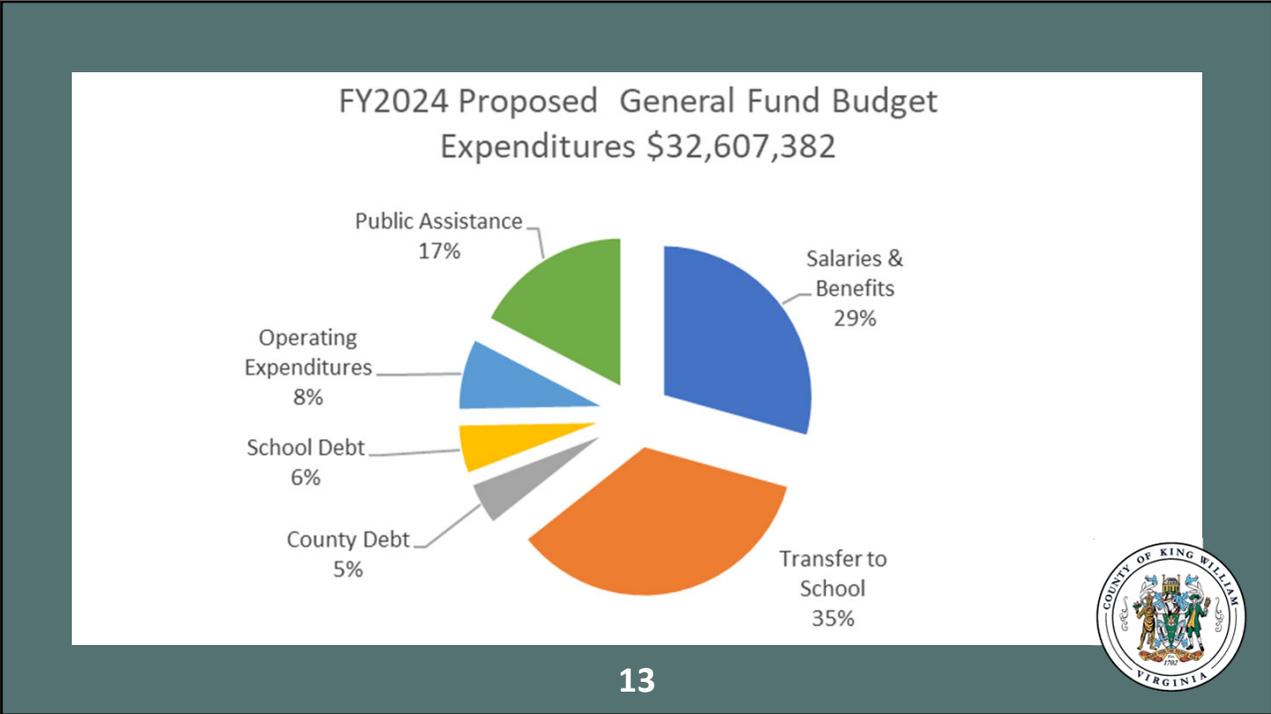
Town of West Point Services Agreement

- Agreement reached in 2013 and revised in 2018.
- Town of West Point in FY '23 will receive \$182,616.
- Based on funds saved by the County for certain services offered by West Point.



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Expenditures

- \$32,607,382 General Fund;
9% over FY '23.

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Expenditures

Personnel

- 136 full-time positions included in FY '24 request.
- One new position: Assessor/COR office; reclassification of six manager positions to Director.
- Salary increase for County employees – 2 percent COLA & up to 3 percent merit.
- No increases in employee insurance by Anthem Local Choice.



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Expenditures

Education

- Total appropriation is \$13,240,626 less debt service paid by KWC on behalf of KWCPSS (\$1,789,574) for a total direct funding of \$11,451,052
- Increase of \$538,390 from FY '23 total appropriation



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Expenditures

Investment in Public Safety

- Fire & EMS Budget is proposed at \$1,829,282 an 8 percent increase over FY '23.
- The Sheriff's Office Budget is proposed at \$2,920,019 a 5 percent increase over FY '23.
- Equalization of certain Fire & EMS salaries to make comparable to Sheriff's Office in the amount of \$50,027.88.
- Funding of the Public Safety Radio System in the amount of \$389,967 for lease and maintenance fees.



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Expenditures

Volunteer Fire Companies

A total of \$706,024, which is an increase of 2 percent

1. Mangohick VFD - \$183,578 for operations, capital, and radio support
2. Walkerton VFD - \$66,012 for operations and radio support
3. West Point VFD - \$456,434 for operations, capital, and radio support



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Expenditures

Remaining Constitutional Officers

1. Commonwealth's Attorney – \$477,018
2 percent increase
2. Commissioner of the Revenue – \$402,032
23 percent increase
3. Treasurer – \$263,870 - 11 percent increase
4. Clerk of the Circuit Court - \$382,692
14 percent increase



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Expenditures

Contributions to Outside Agencies

\$5,181,243 Total including, but not limited to:

1. Social Services - \$324,014; 30 percent increase
2. CSA - \$471,054; 3 percent increase
3. Pamunkey Regional Library - \$602,907; 4.96 percent increase
4. VPPSA - \$1,277,010; 19 percent increase
5. Regional Security Center - \$1,252,244;
16 percent increase



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Expenditures

Capital & Equipment - \$12,315,178

1. Sports Complex/New Library/Upgrades to Recreation Park - \$10.5 million
2. Admin Board Room audio/video/monitors - \$125,000
3. Facilities Dept Storage/Office Building - \$100,000
4. Emergency Operations Center-Station 1 - \$100,000



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Expenditures

Capital & Equipment (Cont'd)

5. Animal Shelter sick room, sick room equipment, and fire alarm/detection – KWC share - \$121,541
6. Vehicle replacement for Sheriff's Office - \$120,000
7. HVAC Replacement - \$100,000
8. Roofing Replacement - \$252,096



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Expenditures

ARPA Funding

Received \$3,330,798 funding for expenses from March 3, 2021 through December 31, 2024.

- As of February 28, 2023, \$2,521,027 remains unspent.
- \$2 million will go towards Broadband project.



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Expenditures

Debt Service

Total Outstanding \$46,363,604 as of June 30, 2023

1. King William School Division - \$24,412,245 (53%)
FY '24 annual payments \$1,789,573
2. County Government - \$10,251,359 (22%)
FY '24 annual payments \$1,805,670
3. Utilities - \$11,700,000 (25%)
Anticipated annual payment \$550,000



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Expenditures

Contracts & Professional Services

- \$539,648
- 2% of Operating Budget
- Listing Contained in Budget Message



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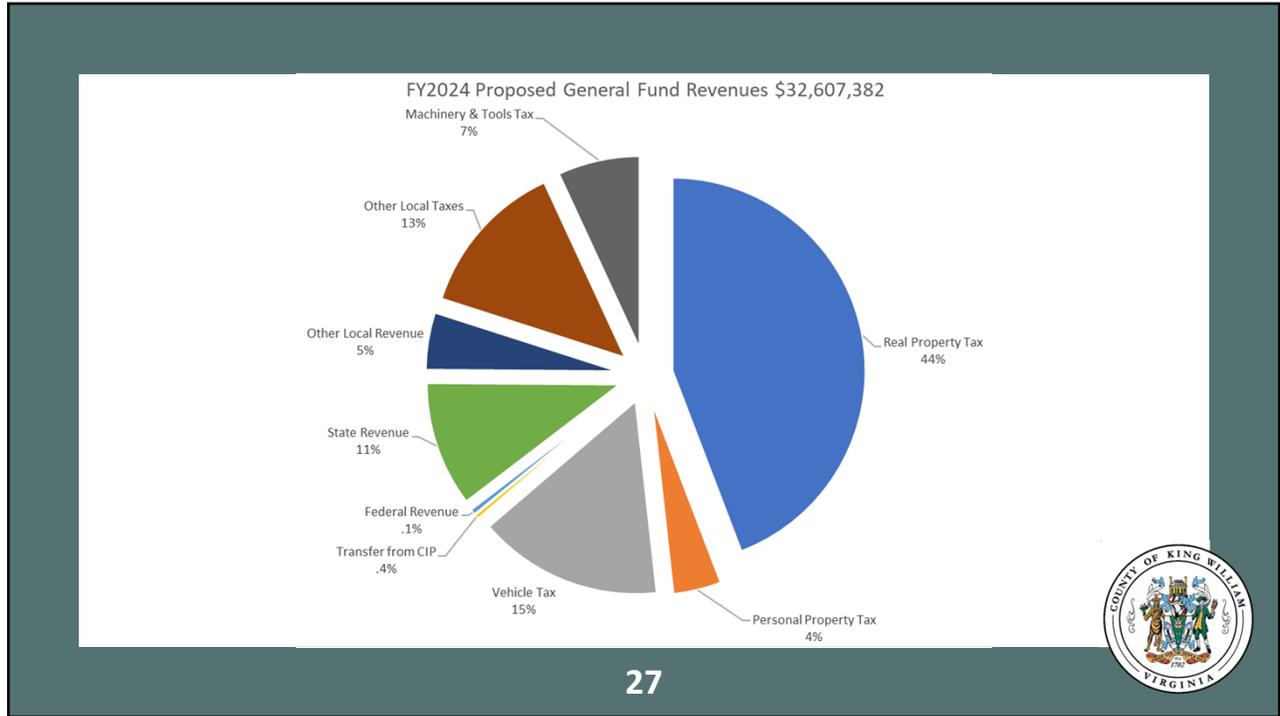
Utility Funds - includes Water & Sewer Fund

1. \$1,330,136 Operating Budget,
13 percent increase due to debt service annual payment
2. Serves approximately 753 water customers;
705 residential customers and 48 non-residential
3. Hampton Roads Sanitation District
Provides wastewater services.



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Tax Levy Summary

Property Tax Revenue

- Recommended Real Property Rate of .58/100; equalizing the combined tax rate (Countywide .30/100 and School District .28/100)

	Assessed Value	/100	1 CENT
2022			
COUNTY	1,722,195,524	17,221,955.24	172,219.55
SCHOOL DISTRICT	1,389,125,171	13,891,251.71	138,912.52
2023			
COUNTY	2,585,994,682	25,859,946.82	258,599.47
SCHOOL DISTRICT	2,094,795,877	20,947,958.77	209,479.59

Real Estate Tax Rate	
Hanover County	0.81
Caroline County	0.77
Essex County	0.73
Gloucester County	0.725
New Kent County	0.67
Middlesex County	0.62
King William County	0.58
King & Queen County	0.55

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Tax Levy Summary

Property Tax Revenue

- Vehicle Tax returned to 3.65/100 due to decreased vehicle values
- Personal Property (3.65/100) tax rate remains the same as 2022
- Machinery & Tools (2.25/100) tax rate remains the same as 2022



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Conclusion

- Lowers the real estate tax rate to .58/100.
- Funds Public School Division based on split-levy legislation.
- Captures excess non property tax revenues for economic development and recreation.
- Funds annual debt payments.
- Funds Public Safety.
- Funds volunteer fire programs.



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Conclusion (Cont'd)

- Funds one new General Fund position.
- Funds pay increases for County employees.
- No increases in Health Insurance premiums.
- Provides continued funding for building maintenance.
- Funds 29 Outside Organizations.
- Funds Capital Program.
- Keeps Unassigned Fund Balance above BOS policy of 20 Percent of General Fund Expenditures.



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Proposed Budget Schedule

- Budget Work Session - March 20th, 7:00 pm
- Updated Budget Schedule for Public Hearings:
 - Budget – March 27th , 7:00 pm
 - 2023 Tax Rate – April 24th , 7:00 pm
- Consideration of Setting Tax Rates & Adoption of Budget:
 - May 8th, 7:00 pm



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Thanks!

- Many thanks to the Director of Financial Services, Natasha Brown, Deputy County Administrator, Steve Hudgins, Human Resources Manager, Nita McInteer, and Clerk, Chris Branch.
- Additional information can be found in the Budget Message.



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Questions and Comments



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