Prince George County
2020-21 Budget

Presentation to the Prince George County Board of Supervisors

February 25, 2020
The Prince George Core Values

1. Integrity
2. Transparency
3. Respect
4. Accountable
5. Innovation
6. Stewardship
7. A Place Where Volunteers Matter
Budget Process

- Most important activity the BOS goes through in County Government
- Roadmap for financial planning for FY ’21 and beyond
- Budget must be balanced in accordance with State Code
Good Financial Management

- AA+ Rating re-affirmed in March ‘17 from Fitch Ratings
- Unmodified FY ‘19 Audit
- Received Certificate of Achievement for Excellence in Financial Reporting for 2018 [2019 application submitted]
Building Fund Balance

- Fund Balance Policy is 12.5 Percent of General Fund Expenditures
- Fund Balance was 22.5 Percent in FY ‘19 Audit
- Projection for June 30, 2020 is 18 Percent; June 30, 2021 is 17.3 Percent
Awards, Grants, Honors & Special Recognition

- Several County employees were honored with individual accomplishments in 2019
- The County received five awards honoring programs or accomplishments
Public Information

- Aggressive approach to keeping citizens informed
  - Website – 201,641 new users in 2019
  - Facebook – 9,770 followers
  - Twitter – 2,580 followers
  - Weekly County Newsletter – 1,312 subscribers
  - Annual Newsletters – 15,000 mail recipients
  - Strong relationships with traditional media
Latest Population Figures

- Estimated at 37,350 for 2019; 4.5 percent growth since the 2010 census.
Latest Unemployment Figures

- Unemployment Rate is 2.9% through December
Community Development
Community Development

- Courthouse JDR Courtroom expansion – June 2019 Dedication

- Route 10 / Moody Road Fire Station – Completed Spring 2019
Community Development

- Design Work underway – 2 Utilities Projects
  - Route 156
  - Route 460 / Food Lion Water System Upgrades
- Beechwood Manor water reservoir roof replaced
- Completed CCTV of all underground sewer to SCWWA
- SCADA installed in sewer pump stations 1, 2, 3, 4, 7, 13, 14, 19, 21 and 24
- Installed flow meters in manholes at Petersburg Pump Station [Courthouse Rd & Route 460]
- Repaired water main under Temple Ave bridge
- Replaced approximately 300 meters with radio read meters

Prince George County 2020-2021 Budget
Community Development

- Stormwater Program –
  - Cedar Creek Reach 2 Completed
  - Cedar Creek Reach 5 Underway
  - Birchett Estates Underway
- Central Wellness Center upgrades continue
- Scott Park – hosted second travel soccer tournament October
Public Safety Initiatives

- Public Safety Radio System approved by Board of Supervisors
- Dual project with Fort Lee to collaborate on 9-1-1 services completed
- New alerting systems for 6 fire stations approved and ordered
- Four pieces of fire apparatus ordered with fall 2019 bond proceeds – County Ordinance §74-4
Public Safety Initiatives

- In-car cameras installed in certain police vehicles
- Renovations made at the Emergency Operations Center (EOC) and new work stations ordered for Communications Officers
- Architect hired to design a new Jefferson Park Fire Station
Economic Development & Tourism

- 416 new business licenses added in 2019
- Strong emphasis on Business Retention & Expansion
- Several business recruitments and openings
  - Amazon
  - Morelia Mexican Restaurant
  - Sheetz
  - Virginia Physicians for Women
Economic Development & Tourism

- Selected to host the 2021 Dixie Softball World Series for Darlings (7-8 years old) and Angels X-Play (9-10 years old) divisions
- Tree Time Adventures opened at Scott Park
- Staff-supported the Czech-Slovak Festival and promoted Sports Tourism
Progressive Time

- List of 32 accomplishments in the Budget Message
- Affected citizens & businesses in all areas of government
- Had over 30 neighborhoods participate in National Night Out activities
INCREASED DEMANDS FOR SERVICES
Service Demands

- **CDCC**
  - 16.7% Increase in Permits, Applications and Reviews
  - 12.6% Increase in Total Inspections

- **Police**
  - 16% Increase in Total Arrests

- **Fire/EMS**
  - 3,698 Calls in 2019 that required one or more EMS Units [11% Increase]

Growth in 2019
Service Demands

- County Attorney
  - 457 Freedom of Information Act / Court Subpoena Requests [28% increase]

- Real Estate Assessor
  - 3,091 property inspections / visits in 2019 [591; 23.6% more than in 2018]

- General District Felony Filings
  - 437 in 2019; 7.9% Increase

- Juvenile & Domestic Relations Felony Filings
  - 116 in 2019; 22% Increase

Growth in 2019
Service Demands

- **Social Services**
  - Conducted 32 investigations resulting in 14 founded dispositions; 27.3% increase
  - CSA served 57 youth in 2019; 32.5% increase

- **Parks & Recreation**
  - 5% Increase in P&R Athletic Leagues
  - 8% Increase in P&R Athletic Camps

- **Riverside Criminal Justice Agency – Increase in Local Probation Services**
  - Placements to probation – increased 21%
  - Referrals for drug testing – increased 13%
  - Referrals to community services – increased 23%
  - Number of community service hours completed – increased 43%
Budget Provisions

1. Real estate revenue will increase – Assessed Value Increase – No Change in Real Estate Tax Rate
2. Other revenues including Machine & Tools Tax and Meals Tax expected to increase
3. Inflationary increases necessary for Permit Fees and Business Licenses
4. Utility fee increases necessary to continue to maintain operations and pay for needed capital maintenance and expansion
Budget Provisions

5. Continued cost increase at Riverside Regional Jail expected

6. Increase in Comprehensive Services Act expenditures

7. New positions are needed to keep up with critical demands in various departments

8. Capital projects are included in the FY’21 budget headlined by construction of a new elementary school
Budget Provisions

9. Health Insurance premiums will stay flat
10. Increase in VRS and Group Life Insurance rates
11. Increase in Workers Compensation and LODA
12. Expanded Cyber Security risk coverage
13. Continuation of vehicle replacement plan
Budget Provisions

14. No pay raises for all staff; continuation of partial implementation of 2018 Salary Study – compression increases

15. Provides funding to Schools in accordance with Revenue Sharing Calculation approved by board in August 2019

16. Advances utility projects as outlined in Master Plan

17. Continued building maintenance is addressed
Expenditures

$129,748,493 Overall Budget (5.4% Increase)

$61,720,893 General Fund (6.9% Increase)
FY 2021 Proposed General Fund Budget
Expenditures $61,720,893

- Salaries & Benefits: 37%
- Capital Outlay: 1%
- Public Assistance: 4%
- Transfer to Schools: 27%
- County Debt Service / Reserve: 8%
- School Debt Service / Reserve: 6%
- Operating Expenditures: 17%
Expenditures

- 278 full-time & 8 part-time regular positions funded
- Nine new positions added to the Position Control Chart – seven General Fund ($503,424) and two Utility Fund ($154,477); one employee reclassification

<table>
<thead>
<tr>
<th>Department</th>
<th>Title</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>Police Officer</td>
<td>General</td>
</tr>
<tr>
<td>Police</td>
<td>Police Officer</td>
<td>General</td>
</tr>
<tr>
<td>Recreation</td>
<td>SR Grounds Maintenance Worker</td>
<td>General</td>
</tr>
<tr>
<td>Information</td>
<td>Computer / Technical Support Specialist</td>
<td>General</td>
</tr>
<tr>
<td>Technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessor</td>
<td>Senior Real Estate Appraiser</td>
<td>General</td>
</tr>
<tr>
<td>Fire/EMS</td>
<td>Deputy Director</td>
<td>General</td>
</tr>
<tr>
<td>Social Services</td>
<td>Manager III, Case Management</td>
<td>General</td>
</tr>
<tr>
<td>Utilities</td>
<td>Utility Engineering Technician</td>
<td>Utilities</td>
</tr>
<tr>
<td>Utilities</td>
<td>Meter Technician</td>
<td>Utilities</td>
</tr>
</tbody>
</table>
Expenditures

- No salary increase for all employees
- Compression increases for impacted employees
  $96,295 ($76,500 General Fund; $19,795 other funds) [continued partial implementation of 2018 Salary Study]
- Career Development Program continuation and expansion to other departments - $98,500 [$92,500 General Fund; $6,000 other funds]
Expenditures

- No increase in the health insurance contribution
- Increase in VRS contribution ($51,914 GF; $6,079 other funds) and Group Term Life Insurance Contributions ($4,098 GF; $480 other funds)
- Increase in Worker’s Compensation and LODA ($23,053 GF; $476 other funds)
Expenditures

- Transfer to Public School Division is $16,910,183; $222,532 increase per Revenue Sharing Calculation approved by Board of Supervisors in August 2019
- Contributions to Richard Bland of $20,000 & John Tyler of $4,567 are proposed
- Cooperative Extension & 4-H - $83,550
Expenditures

- Funds Police budget at $6,367,878
- Also requested for Police & Administrative vehicles is debt issuance of $400,000 for next round of replacements
Expenditures

- Funds Fire & EMS budget at $3,848,280
- Volunteer Budgets - $316,926 in addition to $3,848,280 from Fire & EMS Administration
- Line of Duty Act - $30,334
- Length of Service Awards - $141,000
- Fire & EMS Apparatus - Debt payment $484,267 with $75,733 transferred to CIP fund for other replacements [$560,000 / Dedicated $0.02 RE Tax]
Expenditures

- Contributions to Riverside Regional Jail - $2,188,680; $156,904 or 7.7% increase
- Crater Youth Care Commission - increase of $25,818 or 8.75%
Expenditures

- Funds the Comprehensive Services Act mandate at $2,005,300; County’s share is $754,300 [Increase $55,300 or 2.8%]
- Social Services is budgeted at $2,351,187 for operations and the County’s share is $864,236
Capital Projects & Equipment

Proposed is a $1,262,500 contribution to debt reserves to build a new elementary school and fund other School and County projects in FY’21

- A New Walton Elementary School [School] - $31,954,151*
- Prince George High School Generator [School] - $179,220
- Zoll X Series Monitors [County Public Safety] - $157,276
- County Fleet Garage Bay Expansion [County] - $2,100,000
- School Technology Infrastructure [School] - $328,000 [E-Rate local match]
- School Buses [School] - $412,000
- Prince George Volunteer Fire Company 1 Renovations [County Public Safety] - $2,500,000
- Police / County Vehicles [County Public Safety / County] - $400,000 (continuation)

*Excludes $1M in A/E fees appropriated by Board in 2019
Equipment & Maintenance – General Fund Budget

Information Technology
- $162,748 in increases for hardware and software

Recreation
- $21,235 for floor refinishing at CWC and equipment

Fire/EMS
- $33,945 increases for turnout gear and equipment

General Services
- $350,000 budgeted for building maintenance
Debt Service

- General Fund transfer for debt payments for FY ‘21 proposed to be $8,454,794, or $1,385,288 above FY ‘20
- Includes a $1,262,500 contribution to debt reserves for construction of a new elementary school and other County and School projects
- Construction of a new elementary school creates instances of non-compliance with the County’s 10-Year Payout Ratio Debt Policy
## Debt Service

<table>
<thead>
<tr>
<th>Category</th>
<th>Outstanding Principal as of 12/31/2019</th>
<th>Annual Debt Payments &amp; Amounts Held in Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Proposed FY2021</td>
</tr>
<tr>
<td>County - Tax Supported</td>
<td>41,608,980</td>
<td>4,834,011</td>
</tr>
<tr>
<td>County - One-Time Sources</td>
<td>-</td>
<td>267,140</td>
</tr>
<tr>
<td>County - Stormwater</td>
<td>2,136,000</td>
<td>451,818</td>
</tr>
<tr>
<td>Schools</td>
<td>12,641,431</td>
<td>3,711,783</td>
</tr>
<tr>
<td>Economic Development</td>
<td>4,005,000</td>
<td>386,119</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,515,000</td>
<td>1,313,513</td>
</tr>
</tbody>
</table>

Includes Fall Borrowing; Excludes any principal payments made 7/1/2019-12/31/2019
Proposed FY2021

- County - Tax Supported, 4,834,011, 44%
- County - One-Time Sources, 267,140, 2%
- County - Stormwater, 451,818, 4%
- Schools, 3,711,783, 34%
- Economic Development, 386,119, 4%
- Utilities, 1,313,513, 12%
FY 2021 Proposed General Fund Budget Revenues
$61,720,893

- Personal Property Tax: 14.6%
- Real Property Tax: 42.0%
- Other Property Taxes: 6.1%
- Other Local Taxes: 12.3%
- Other Local Revenue: 5.3%
- Federal Revenue: 3.1%
- State Revenue: 15.6%
- Non-Revenue / Use of Fund Balance: 0.9%
Revenues

- Growth in Real Estate at $1,900,000 or 8.12 percent
- Based on increased assessments and new construction

<table>
<thead>
<tr>
<th>City/County</th>
<th>2020 RE Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sussex</td>
<td>0.58</td>
</tr>
<tr>
<td>Surry</td>
<td>0.71</td>
</tr>
<tr>
<td>Dinwiddie</td>
<td>0.79</td>
</tr>
<tr>
<td>Isle of Wight</td>
<td>0.85</td>
</tr>
<tr>
<td>Prince George</td>
<td>0.86</td>
</tr>
<tr>
<td>Chesterfield</td>
<td>0.96</td>
</tr>
<tr>
<td>Hopewell</td>
<td>1.13</td>
</tr>
<tr>
<td>Colonial Heights</td>
<td>1.20</td>
</tr>
<tr>
<td>Petersburg</td>
<td>1.35</td>
</tr>
</tbody>
</table>

NO Real Estate Tax Rate Increase Proposed

83.5% Residential / Agricultural & Multi-Family
16.5% Commercial / Industrial

Per assessed $100 of value
Other Revenue Changes

INCREASES

- Local Sales & Use Tax - $219,320 [Preliminary Estimate]
- Motor Vehicle Licenses - $100,000
- Public Service Tax - $77,000
- Machinery & Tools Tax - $215,000
- Penalties & Interest - $100,000
- Retail Sales Licenses - $95,435
- Service Licenses - $114,012
- Building & Trades Permits - $295,320
Other Revenue Changes

Increases (Continued)
- Interest Revenue - $300,000
- Federal Welfare Administration - $53,159
- School Resource Officer Grant - $213,052

Decreases
- State Communications Taxes – ($75,000)
- FEMA SAFER Grant – Fire/EMS – ($185,120)
- CSA Transfer from Schools – ($53,000)
Public Utilities

- Enterprise Fund that is self-supporting
- Serves 4,464 customers
  - 4,035 residential; 429 non-residential
  - 2,919 water and sewer
  - 235 water only
  - 1,310 sewer only
Public Utilities

- $202,771 increase over FY ’20
- Projected use of $18,000 in cash reserves
## Public Utilities - Capital Repair Projects

<table>
<thead>
<tr>
<th>Repair or Replacement Projects</th>
<th>Funding</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARWA: Plant Rehab/Replacement Capital</td>
<td>Debt Service</td>
<td>$25,000</td>
</tr>
<tr>
<td>Route 301 Well Facility Improvements - Design</td>
<td>Debt Service</td>
<td>$60,000</td>
</tr>
<tr>
<td>SCWWA: Nutrient Removal Upgrade</td>
<td>Debt Service</td>
<td>$418,752</td>
</tr>
<tr>
<td>Fountain Ridge Sewer Rehabilitation</td>
<td>Debt Service</td>
<td>$50,000</td>
</tr>
<tr>
<td>SPS 17 (Jordan on the James) Rehab - Design</td>
<td>Debt Service</td>
<td>$75,000</td>
</tr>
<tr>
<td>SPS16 (Cedarwood) Rehabilitation - Design</td>
<td>Debt Service</td>
<td>$60,000</td>
</tr>
<tr>
<td>Route 460 Gravity Sewer Rehab</td>
<td>Debt Service</td>
<td>$150,000</td>
</tr>
<tr>
<td>SPS 8 (Wildwood Farms) Replacement - Design</td>
<td>Debt Service</td>
<td>$40,000</td>
</tr>
<tr>
<td>Water Tank Maintenance &amp; Repairs</td>
<td>Utility Revenues</td>
<td>$200,000</td>
</tr>
<tr>
<td>Purchase and Installation of Radio Read Meters</td>
<td>Utility Revenues</td>
<td>$150,000</td>
</tr>
<tr>
<td>5% Contingency</td>
<td>Utility Revenues</td>
<td>$227,171</td>
</tr>
<tr>
<td><strong>SUBTOTAL REPAIR/REPLACEMENT</strong></td>
<td></td>
<td><strong>$1,455,923</strong></td>
</tr>
</tbody>
</table>

**Note:** The table above summarizes the repair or replacement projects along with their estimated funding and funding source. The subtotal for repair/replacement projects is $1,455,923.
## Public Utilities - Capital Expansion Projects

<table>
<thead>
<tr>
<th>Expansion Projects</th>
<th>Funding</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCADA Implementation</td>
<td>Debt Service</td>
<td>$100,000</td>
</tr>
<tr>
<td>New Water &amp; Wastewater Master Plan</td>
<td>Utility Revenues</td>
<td>$120,000</td>
</tr>
<tr>
<td>Appomattox River Water Treatment Plant - Design</td>
<td>Debt Service</td>
<td>$150,000</td>
</tr>
<tr>
<td>ARWA Supply Central Water Supply Extension to Route 10 - Design</td>
<td>Debt Service</td>
<td>$400,000</td>
</tr>
<tr>
<td>Temple Avenue Tank &amp; Booster Station – Design &amp; Construction</td>
<td>Debt Service</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Blackwater Regional Interceptor and Sewer Facilities - Design</td>
<td>Debt Service</td>
<td>$250,000</td>
</tr>
<tr>
<td>New 8 MGD Wastewater Treatment Plant - Design</td>
<td>Debt Service</td>
<td>$300,000</td>
</tr>
<tr>
<td>Second Swamp Regional Interceptor Phase I - Design</td>
<td>Debt Service</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>SUBTOTAL EXPANSION</strong></td>
<td></td>
<td><strong>$4,420,000</strong></td>
</tr>
</tbody>
</table>
Public Utilities

- 3% Water and 1% Wastewater Fee Increases Proposed
  - This will raise the average household bi-monthly bill to $53.38 for water and $114.16 for wastewater

- Total Proposed Utilities Budget – FY ‘21 is $8,759,034; $6,931,078 net of inter-fund transfers
2020-2021 UTILITIES PROPOSED BUDGET

- **Purchased Services**: $3,178,065.00, 36.28%
- **Salaries**: $891,263.04, 10.18%
- **Contingency**: $227,706.00, 2.60%
- **Utilities & Training**: $229,305.00, 2.62%
- **Supplies**: $251,475.00, 2.87%
- **Capital**: $415,000.00, 4.74%
- **Transfers & Debt**: $3,141,469.00, 35.87%
- **Benefits**: $424,750.95, 4.85%
Economic Development

- Economic Development remains fully supported by Meals Tax
- $386,119 debt related to construction at Crosspointe Centre
- Total Budget is $1,300,000
Tourism

- Tourism funded by Lodging Tax; proposed is a 2% increase that will be devoted entirely to the Tourism Fund [pending Virginia General Assembly approval]
- Funds included for Regional Heritage Center, PART and Chamber of Commerce
- Funds debt service payment for Exit 45 water system - $149,315
- Funds maintenance for improvements at Exit 45 - $20,000
Conclusion

- No increases in any RE or PP tax rates for FY’21
- Increase in Real Estate assessed values of over 8%
- Increases in Building Permit fees and Business License Fees proposed for FY ’21
- Increase in Water & Wastewater rates (3% and 1% respectively)
- Funds Public School Division based on modified Revenue Sharing Calculation approved by Board of Supervisors August 2019
- Funds annual debt payments and adds a $1,262,500 contribution to debt reserves
Conclusion

- Funds volunteer programs
- Funds seven new General Fund positions and two Utilities positions
- No pay increase for all County employees
- Continues implementation of Salary Study
- No increase in Health Insurance premiums
- Increases in VRS, Group Term Life Insurance, Worker’s Compensation and LODA premiums
- Continues Career Development Program
Conclusion

- Provides increases for building maintenance
- Funds Comprehensive Services Act
- Increases contributions to Riverside Regional Jail
- Funds smaller maintenance projects & equipment out of the General Fund
- Funds Utility projects
- Keeps Fund Balance above 12.5% policy at 17.3%
Budget Schedule – Work Sessions

- Thursday, March 5th – 6:00pm
- Thursday, March 12th – 6:00pm
- Monday, March 30th – 6:00pm
- Thursday, April 9th – 6:00pm
Budget Schedule

- Thursday, March 12th - Tax Rate Decision
- Tuesday, April 14th – Public Hearing and Adoption of Tax Rates
- Tuesday, April 28th – Public Hearing on Budget
- Tuesday, May 12th – Budget Adoption
Thank You!

- Many thanks to Accounting Supervisor Lori Robertson; Financial Reporting Accountant Ashley Talmage; Deputy County Administrators Jeff Stoke, Julie Walton and Betsy Drewry
Prince George County Government
“Surpassing Success to Achieve Significance”
Questions and Comments!