

# Adopted Budget-in-Brief Fiscal Year 2017



This Adopted Budget-in-Brief is a summary document. Further detail on the FY2017 Adopted Budget and County operations can be obtained from the York County Department of Financial & Management Services or from the County's web site at [www.yorkcounty.gov](http://www.yorkcounty.gov)

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**County of York**

Adopted Operating Budget  
Fiscal Year 2017 (July 1, 2016 to June 30, 2017)

**Board of Supervisors**



Jeffrey D. Wassmer, Chairman



Sheila S. Noll, Vice Chairman



Walter C. Zaremba



Thomas G. Shepperd, Jr.



W. Chad Green

**Constitutional Officers**

Clerk of the Circuit Court  
Commissioner of the Revenue  
County Treasurer  
Commonwealth’s Attorney  
Sheriff

Kristen N. Nelson  
Ann H. Thomas  
Deborah B. Robinson  
Benjamin M. Hahn  
J. D. Diggs

**County Officials**

County Administrator  
County Attorney  
Deputy County Administrator  
Deputy County Administrator

Neil A. Morgan  
James E. Barnett  
Vivian A. Calkins-McGettigan  
J. Mark Carter

**Budget Division Staff**

Stephanie S. Moss, Chief of Budget  
Deborah A. Goodwin, Budget Supervisor  
Lisa N. Swartz, Financial Analyst II  
Catherine A. McLain, Financial Analyst I

County Administrator  
Neil A. Morgan



Deputy County Administrator/  
Zoning Administrator  
J. Mark Carter

Deputy County Administrator  
Vivian A. Calkins-McGettigan

# COUNTY OF YORK MEMORANDUM

May 4, 2016

The Honorable Chairman and Members  
York County Board of Supervisors  
224 Ballard Street  
Yorktown, Virginia 23690-0532

Dear Members of the Board:

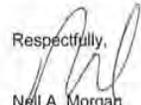
Subject: Final Adjustments to the FY 2017 Recommended Budget

I am pleased to present the Fiscal Year 2017 Board of Supervisors' Adopted Budget document which reflects the priorities and details embodied in the Budget adoption actions taken by the Board on May 3, 2016. For context, I have included the transmittal memo that introduced my proposed budget and the memo submitted to the Board on May 3 accompanying the adoption resolution (R16-48) that explained the final adjustments made to my proposed budget. In addition, a fund level recap of the adjustments is presented below:

	<u>PROPOSED</u>	<u>ADJUSTMENTS</u>	<u>ADOPTED</u>
General Fund Budget	135,435,000	154,000	135,589,000
Enterprise Funds Expense Budgets	20,655,225	-	20,655,225
Other County Funds Expense Budgets	55,602,954	2,250	55,605,204
Interfund Transfers	<u>(23,974,855)</u>	<u>(2,250)</u>	<u>(23,977,105)</u>
Total County Budget	<u>187,718,324</u>	<u>154,000</u>	<u>187,872,324</u>

The FY 2017 Adopted Budget represents a conservative fiscal plan that will allow the County to provide programs and services beneficial to County citizens and businesses, with no tax increases programmed for calendar year 2016. Future operating budgets may very well require tax increase recommendations, recognizing the growing and unmet needs of the community and to maintain our organizational capacity to serve our citizens.

I want to thank the public who came to Board meetings to speak or who otherwise offered their comments on the budget or the process, as well as County staff for their efforts in providing data and information, presenting at work sessions, and answering our various questions. I also wish to thank the Budget Division for their hard work and dedication throughout the budget cycle.

Respectfully,  
  
Neil A. Morgan  
County Administrator

Cc:  
Deputy County Administrators  
Department Directors  
Constitutional Officers  
Superintendent of Schools

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*A Hampton Roads Community*

DATE: April 29, 2016 (BOS Mtg. 5/3/16)

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator *NAM*

SUBJECT: Approval of the Budget and Appropriation of Funds for the Fiscal Year Beginning July 1, 2016, and Ending June 30, 2017, for the County of York, and the York County School Division, and Setting of the Tax Rates for Calendar Year 2016 for the County of York

The FY2017 Proposed Budget was presented to the Board of Supervisors on March 15, 2016. Board work sessions addressing the proposed budget were held on March 1, March 22, and April 5, and a public hearing to receive citizen comments on the proposed budget was conducted on April 21, 2016. At the April 5th work session, we briefed the Board regarding General Fund budget adjustments totaling \$100,000 on both the revenue and expenditure sides. Staff has continued to review revenues and expenditures, and there are additional adjustments needed to reconcile the total budget document.

The revenue forecast was developed early in the budget process for presentation to the Board at the March 1 work session. Subsequent to that presentation, revenue trends have been monitored to ensure the most current estimates are provided for the final budget adoption. I'm pleased to report that the Fiscal Year 2016 personal property tax collections have trended upwards with an estimated 7.5% increase from the prior year, and sales tax has continued to trend positively after adding three additional months of collections. While both of these revenue sources are subject to fluctuation, we are confident that the projected increase is prudent. Conversely, receipts in the areas of business licenses, vehicle registration fees, permits, and charges for services are less favorable, requiring decreases in the forecast.

These total revenue adjustments result in a small positive change (\$54,000) which creates the opportunity to make three expenditure modifications. Consistent with the treatment of Lackey Free Clinic, funding for the Williamsburg Area Medical Assistance Corporation is proposed to be increased to the amount of their FY2017 request. Also, we were recently notified by the Director of the Williamsburg Regional Library that they had made an error in the formula calculation for the County's contribution. They had previously indicated that usage by County residents had decreased, but that is not the case. Funding is being restored to the same amount as FY2016. Finally, Public Works is currently reviewing a proposal from VDOT for enhanced litter control and grass cutting. While the scale and the costs are not yet finalized, it appears that the sum remaining to be reconciled in the budget is consistent with this proposal.

In addition to the April 5 work session adjustments of \$100,000, changes described above total \$54,000. The General Fund budget is now \$135,589,000, an increase of \$154,000 from the budget proposed on March 15.

The final adjustments are noted below:

General Fund Revenues:

• Increase in Personal Property Taxes	\$454,000
• Increase in Public Sales Tax	110,000
• Decrease in Charges for Services	(225,000)
• Decrease in BPOL Tax	(140,000)
• Decrease in Vehicle Registration Fees	(105,000)
• Decrease in Permit Fees	( 40,000)
• Increase in Victim Witness Grant (April 5 Work Session)	50,000
• Increase in Public Service Corporation Revenue (April 5)	<u>50,000</u>
Total General Fund Revenue Increase	<u>\$154,000</u>

General Fund Expenditures:

• Increase WAMAC Contribution	\$ 2,589
• Increase for Williamsburg Regional Library	18,977
• Increase for additional mowing/litter removal	32,434
• Increase Contribution to Watermen’s Museum (April 5)	5,000
• Increase Contribution to York County Arts Commission (April 5)	5,000
• Decrease Contribution to Regional Animal Shelter (April 5)	(76,000)
• Increase Funding for Fire and Life Safety Personnel (April 5)	220,000
• Increase Funding for Grounds Maintenance/Stormwater (April 5)	50,000
• Decrease Contribution to OPEB (Retiree Insurance) (April 5)	(104,000)
Total General Fund Expenditure Increase	<u>\$154,000</u>

Attached for the Board’s consideration is proposed Resolution R16-48 which adopts the FY2017 budget and appropriates the funds for the County and the School Division.

Also attached for the Board's consideration is proposed Ordinance No. 16-1 to set the tax rates for calendar year 2016. A public hearing to receive citizen comments on the proposed tax rates was conducted on April 21, 2016. The proposed rates are as follows:

Rate per \$100 of:

<u>Class of Property</u>	<u>Assessed Valuation</u>
Real Estate	\$0.7515
Tangible Personal Property	\$4.00
Tangible Personal Property – disabled veteran	\$1.00
Machinery and Tools	\$4.00
Manufactured Homes	\$0.7515
Boats weighing five tons or more	\$1.00

Please let me know if staff or I can provide additional information as you consider the proposed budget and tax rates.

Moss/3716

Attachments

- Proposed Resolution R16-48
- Proposed Ordinance No. 16-1

County Administrator  
Neil A. Morgan



Deputy County Administrator/  
Zoning Administrator  
J. Mark Carter

Deputy County Administrator  
Vivian A. Calkins-McGettigan

March 15, 2016

The Honorable Chairman and Members  
York County Board of Supervisors  
224 Ballard Street  
Yorktown, Virginia 23690-0532

Dear Members of the Board:

Subject: County Administrator's Budget Message - FY2017

I am submitting my recommended operating budget for the Fiscal Year 2017. The submission of the operating budget is a major milestone in the budgeting process, as it is the County's most significant spending policy document. I am pleased to be able to present a budget with no tax rate increases.

The Proposed Budget addresses the following:

- **Compensation** – Most County employees will receive their largest compensation increase since the Great Recession. Employees will receive a market adjustment of 1% to their salaries, plus a \$500 or \$1,250 increase to their base pay, depending on the length of their service. This strategy is a targeted approach, a response to known labor market competitiveness and compression issues, especially with regard to the lower quartile of employees. All employees in good standing will receive an increase.
- **Sustainable Capital Budget** – For both schools and the County, the CIP is funded at a level significantly higher than the 10-year historical average. This achievement is made possible by establishing a capital project reserve, as well as increasing debt service within the operating budget. Despite this being a step in the right direction, the CIP is still not at a level that will reverse the backlog of capital project needs.
- **Organizational Resiliency** – In order to maintain the high standard of the County staff's organizational capacity, a small number of positions have been restored in critical areas of the organization in anticipation of future retirements as well as growing customer service and technical support needs.
- **Regional obligations have been met.**

The County faces long-term challenges that have not been addressed by this budget, including:

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*A Hampton Roads Community*

York County Board of Supervisors  
March 15, 2016

- Insufficient revenue growth projected in future years to maintain competitive salaries for many critical positions, especially in anticipation of future recruitment needs.
- Limited revenue projected in future years to fund critically needed infrastructure replacement and rehabilitation projects for both the schools and the county within the CIP.
- Insufficient staffing levels in some parts of the organization to ensure needed long-term organizational high performance, particularly in the area of Public Safety.
- Closure of the Dominion Power Plant causing a significant shrinkage of the County's revenue base, starting in the 2017-2018 budget year.

#### The Budget Process in York County

In York County, the budget serves three purposes. First, as a policy document, the budget represents the implementation of the Board's setting of policy, in the form of specific funding decisions. Second, it sets the tax rates and authorizes spending. Finally, the budget is a financial planning tool through which the County ensures that the available sources of funds will be sufficient to meet the anticipated and unanticipated costs of providing services to County citizens over the coming year.

Consistent with Virginia laws, York County adopts an annual operating budget for the fiscal period beginning July 1 and ending June 30. Fixed budgets are presented for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Internal Service Funds, and Enterprise Funds.

The Capital Improvements Program (CIP) is an ongoing six-year plan, of which the first year represents the Capital Improvements Budget – a tangible appropriation of funds. Each year the Board of Supervisors has an opportunity to adjust the long-term plan based on changing needs and the state of the economy. The well-documented long-term needs of the County and the School Division will require even more investments in future budget years.

In compliance with the Code of Virginia, York County's policy for the General Fund is to propose and adopt a balanced budget, whereby expenditures do not exceed available revenues. The County's revenue stream consists of local, state, federal, and other financing sources. The largest source of County revenue is derived from general property taxes. The County's expenditure budget is divided into various functional areas.

#### TOTAL COUNTY BUDGET - \$187,718,324

The Proposed Budget for all funds, net of transfers to other funds, for fiscal year 2017 is \$187.7 million. It consists of the General Fund budget of \$135.4 million, the Enterprise Funds Expense Budget of \$20.7 million and smaller funds that amount to \$55.6 million less \$24.0 million of transfers between funds.

Consistent with past budgets and County spending priorities, the largest single component of the total County budget is funding for Education and Educational Services. Funds for this purpose equal \$60.9 million or 32.5% of the total budget. The total budget, exclusive of the support for Education and Educational Services, amounts to \$127 million. After Education and Educational Services, the second

highest General Fund expenditure category is Public Safety. This function comprises \$31.7 million or 16.9% of the total budget.

A brief description of each fund type follows.

**GENERAL FUND BUDGET - \$135,435,000**

**General Fund Revenues**

General Fund revenues are derived from a variety of sources. Of the \$135.4 million in revenue estimated for fiscal year 2017, \$119.6 million, or 88.3%, is from local and other sources. The primary sources of local revenue are General Property Taxes (61.7%) and Other Local Taxes (22.4%), which combined are \$113.9 million, or 84.1% of total revenue. General Property Taxes reflect a \$1.25 million increase, primarily due to growth in the real estate assessment base from reassessments and new construction, as well as, increases in personal property values.

Additional local revenue categories include Permits, Fees and Regulatory Licenses; Fines and Forfeitures; Use of Money and Property; Charges for Services; Fiscal Agent Fees and Administration; Miscellaneous; and Recovered Costs. These sources account for 4.2% of General Fund revenues, or \$5.7 million.

Other sources total \$1.8 million, or 1.3%, and include payments from the School Division for grounds maintenance, video services, radio maintenance, and law enforcement at the high schools. In addition to these sources, there is also a transfer from the Marquis Community Development Authority Special Revenue Account for services provided to the facilities in the project area.

The remaining \$14.0 million or 10.4% is from various state and federal government supported programs. This breakdown is summarized below:

Local & Other Sources	\$ 113.9 million
Additional Local Revenue	5.7 million
Other Sources	1.8 million
State & Federal	<u>14.0 million</u>
Total	<u>\$ 135.4 million</u>

**General Fund Expenditures**

The total Proposed General Fund expenditure budget is \$135.4 million, which is \$2 million, or 1.5%, more than the current year budget. The Proposed Budget for fiscal year 2017 focuses on maintaining County services.

The net changes in County functions are as follows:

Administrative Services & Judicial Services	\$ 0.1 million
Public Safety	0.1 million
Management Services	0.1 million
Education & Educational Services	0.4 million
Human Services	0.1 million
Public Works	(0.4) million
Capital Outlay, Fund Transfers & Non-Departmental	<u>1.6 million</u>
Total	<u>\$ 2.0 million</u>

Areas of special interest are:

Education and Educational Services

The budget proposes that the County provide \$365,000 of additional funding to the Schools' Operating Budget. It also includes funding to the School Debt Service Fund, which covers the cost of debt obligations for school renovation and construction projects, representing \$357,000 of new budget expenditures. Additionally, I am supporting the Superintendent's preliminary request to appropriate \$900,000 from the impact aid stabilization reserve to supplement the School Division operating budget. Combining these three contributions, the County's support for the School Division will be increased by \$1.6 million. In addition, new state revenue for the School Division is tentatively estimated at \$2.1 million.

I recommend continuing the practice of making supplemental appropriations for technology improvements and new school buses with funds remaining at the end of fiscal year 2016 in the School Operating Fund. The County should also be receptive to the use of year end school funds for other minor cash capital projects identified by the School Division as a proactive incentive for prudent management of operating budget funds. Furthermore, this budget assumes that the School Division and County will work together to allocate portions of the impact aid stabilization reserve and other cash reserves through the year end reconciliation process to support the recommended level of spending in the Capital Improvements Fund.

The budgets for other Educational Services, including Library Services and Cooperative Extension, represent 2% of the General Fund Budget.

Personnel

The compensation recommendations include a proposed fiscal year market adjustment to County employee pay of 1%, plus a flat rate increase effective October 1 of \$500 or \$1,250, depending on length of service, a 0.12% increase in group life insurance, a 4.1% and 2.9% increase in health and dental coverage respectively, as well as a 2.1% reduction to the VRS rate, offset by attrition and retirements. Other personnel changes include funding to support the employer share of a rate increase in health and dental insurance premiums. The increase in the employer (County) share of health and dental insurance costs has been minimized as a result of an analysis of the amount of reserves in the County's Health and Dental Insurance Fund. To reduce the growth in the costs of health insurance premiums in the future and provide employees with an alternative, the County will be introducing a lower cost consumer driven option to employees in the form of health savings accounts.

**ENTERPRISE FUNDS EXPENSE BUDGETS - \$20,655,225**

The various funds included in this total are the Solid Waste Management Fund (\$4.7 million), the Water Utility Fund (\$1.9 million), the Sewer Utility Fund (\$11.2 million), the Yorktown Operations Fund (\$0.1 million), and the Regional Radio Project Fund (\$2.8 million). Revenue in these funds is primarily generated through user fees and connection charges.

Water and Sewer Utility Funds account for the water and sewer operations and capital projects. The Sewer Utility Fund supports the Sinclair and Wolf Trap area sewer projects, sewer line and pump station rehabilitation, emergency power generator equipment replacement, and closed circuit TV van replacement projects (included in the six-year CIP).

**OTHER COUNTY FUNDS EXPENSE BUDGETS - \$55,602,954**

Other fund types maintained by the County include Special Revenue Funds (\$12 million), Debt Service Funds (\$18.5 million), Capital Project Funds (\$8.5 million), and Internal Service Funds (\$16.6 million). These are special-purpose fund types that account for various activities throughout the County.

The expenditure budgets for these combined funds reflect a decrease of \$12.0 million, or (17.8%), from the current year which is primarily related to the annual fluctuation in bond issuance requirements. The County Debt Service Fund reflects the payments required on outstanding debt and there are no new borrowings planned for County (non-school) projects at this time. A borrowing is planned in FY17 for FY16 school CIP projects currently in process. The County Capital Fund includes funding for the Grafton Fire Station replacement, the Carver Gardens water system project, public safety equipment replacement, the Sheriff's Office firing range, Work Management Software for Public Works, E911 Regional Radio Program upgrades, new integrated library software, a building replacement study, Old Wormley Creek Boat Landing, and road and drainage improvement projects.

The Health & Dental Insurance Internal Service Fund accounts for the County's self-insured health and dental program, which includes both employee and employer revenues, claims, and management of appropriate reserves.

**INTERFUND TRANSFERS - (\$23,974,855)**

As a part of doing business, funds are transferred from one County fund to another. This usually occurs when the funds are collected in one fund and are allocated into another fund, such as the lodging tax, meals tax, or debt service payments. Interfund transfers have been netted from the total budget to eliminate duplication of transactions.

The impact of interfund transfers is as follows:

General Fund	\$ (21.6) million
Special Revenue Funds	(0.6) million
Internal Service & Enterprise Funds	(0.4) million
Capital Projects Fund	\$ (1.4) million
Net Interfund Transfers	\$ (24.0) million

**COMMENTS**

It is my strong belief that this budget proposal continues York County's long tradition of prudent financial management. Your professional staff constantly monitors economic conditions, trends, and revenue collections. The fiscal year 2016 budget and financial plan remain on target as required to finish the current fiscal year within the appropriated budget and to provide a continued solid foundation for fiscal year 2017. In summary, I believe the Proposed Budget outlined above represents a conservative fiscal plan that will allow the County to provide programs and services beneficial to County citizens and businesses. To repeat the note of caution introduced earlier in this transmittal message, I am obligated to report that future operating budgets may very well require tax increase recommendations, recognizing the growing and unmet needs of the community and to maintain our organizational capacity to serve our citizens.

The requirements of the Code of Virginia regarding the development, preparation, and presentation of the budget to the Board of Supervisors by the County Administrator have been met. Several work sessions are planned between now and final budget adoption, which is scheduled for May 3, 2016. Staff has worked diligently to keep costs to a minimum while still meeting the expectations of our citizens.

I especially want to acknowledge the excellent work of our Budget staff including Division Chief Stephanie Moss, and staff members Deborah Goodwin, Lisa Swartz, and Catherine McLain. Further, I wish to thank all of the County Departments and Constitutional Officers for their assistance in preparing my first recommended County budget. Finally, as part of a newly initiated process this year, I greatly appreciate the hard work of our senior staff Budget Review Team comprised of Deputy County Administrators Vivian McGettigan and Mark Carter, Director of Finance Deborah Morris, and Director of Human Resources David Gorwitz.

Respectfully,

  
Neil A. Morgan  
County Administrator

Cc:  
Deputy County Administrators  
Department Directors  
Constitutional Officers  
Superintendent of Schools

# Budget Overview

## History

York County, Virginia, which was originally named Charles River County, was one of Virginia's eight original "shires" formed in 1634. It was renamed nine years later in 1643 when the river that determines the County's character was also given the name of the then Duke of York. York County has played a major role in the development of this nation. Most importantly, it was the location of the culminating battle of the Revolutionary War and the subsequent surrender of Lord Cornwallis and his British army on October 19, 1781.



## Form of Government

The County of York, Virginia (the County) is organized under the traditional form of government (as defined under Virginia Law). The governing body of the County is the Board of Supervisors that establishes policies for the administration of the County. The Board of Supervisors comprises five members: one member from each of five districts, elected for a four-year term by the voters of the district in which the member resides. The Board of Supervisors appoints a County Administrator to act as the administrative head of the County.

## Strategic Priorities Implementation

Two new members of the Board of Supervisors, Mr. Wassmer and Mr. Green, took office on January 1, 2016. On January 29, 2016, a retreat was held at the Yorktown Victory Center. The retreat was designed to allow the new Board to get to know each other and senior staff, to review current events and mega trends, as well as threats and assets affecting York County, and most critically, to develop a strategic priorities implementation plan to expedite future Board discussions and decisions affecting allocation of



limited resources. During the retreat, the following strategic priorities and action goals were identified:

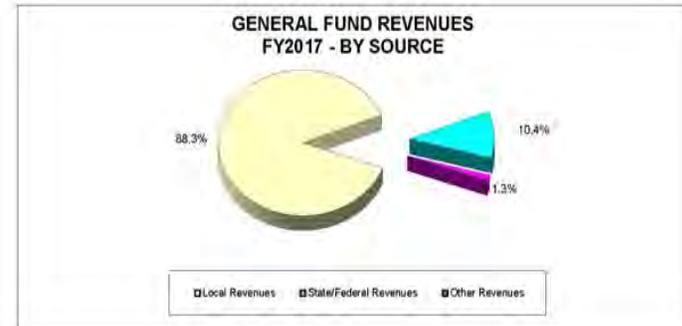
Strategic Priorities	Action Goals
1) Facilitate quality economic development that is sensitive to community character and the environment	<ol style="list-style-type: none"> <li>1) Secure and/or enhance land with potential for long-term economic base expansion</li> <li>2) Develop an action plan to revitalize and redevelop Route 17</li> <li>3) Develop strategies to target and recruit specific economic development prospects compatible with the County's assets and character</li> <li>4) Promote tourism activities in Yorktown, York County and the Historic Triangle for the benefit of residents and visitors</li> </ol>
2) Institutionalize effective and outstanding communications and civic engagement opportunities amongst and between the Board of Supervisor, citizens, boards and commissions, and County staff	<ol style="list-style-type: none"> <li>1) Enhance communications and information flow to citizens and other audiences</li> <li>2) Maximize the use of technology and multimedia to better communicate with and disseminate information to citizens, businesses and visitors</li> <li>3) Establish routine opportunities for interaction and communication between the Board of Supervisors and Board-appointed boards, commissions and committees</li> </ol>
3) Instill excellent customer service as an organizational value, expectation, and outcome	<ol style="list-style-type: none"> <li>1) Enhance staff understanding of customer expectations regarding the services provided by their respective functional areas of responsibility</li> <li>2) Ensure organizational resiliency and efficient service delivery</li> </ol>
4) Facilitate quality educational opportunities for all County citizens	<ol style="list-style-type: none"> <li>1) Enhance opportunities for life-long learning</li> <li>2) Expand relevant and performance-enhancing opportunities for staff</li> <li>3) Exert leadership in advocating for adequate state funding of schools</li> </ol>
5) Devote leadership and resources necessary to ensure and sustain exemplary public safety functions	<ol style="list-style-type: none"> <li>1) Ensure that staff and capital resources are adequately matched to service demands and the safety of emergency responders</li> <li>2) Enhance citizen and business awareness of disaster action and recovery preparedness measures</li> </ol>
6) Protect and respect the County's natural and built attributes through balanced and cost-effective environmental stewardship	<ol style="list-style-type: none"> <li>1) Deploy economically viable green and energy saving technologies</li> <li>2) Incentivize County citizens and businesses to adopt sound environmental practices</li> </ol>

A "tiger team" comprised of County staff from a cross section of departments within the County has been formed to further develop baseline initiatives and metrics and to identify progress and outcome measurements to determine priority and goal achievement. The FY2017 budget represents a transition year and the process is expected to be rounded out by the fall for incorporation into the FY2018 budget cycle. However, the broad strategic priorities and goals that were developed during the retreat were a guiding force in many of the funding decisions made for the FY2017 budget. For example, to support Strategic Priority 1, funding was

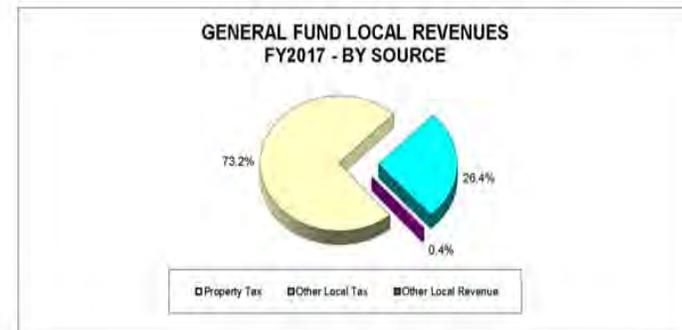
increased to several of the outside agencies that support tourism efforts, such as the Watermen's Museum, Williamsburg Area Transit Authority and the Greater Williamsburg Chamber and Tourism Alliance. In addition, a new full-time management position was added in the Public Information and Community Relations Activity to support Strategic Priority 2, and in support of both Priorities 3 and 4, funding was approved to support a central degree program for staff and senior level training. The emphasis on compensation and school funding supports priorities 3, 4, and 5, and the capital improvements program funding provided for a fire station replacement and the regional radio system indicates strong support for public safety priority 5.

**Significant Changes during FY2016 with Impacts for FY2017**

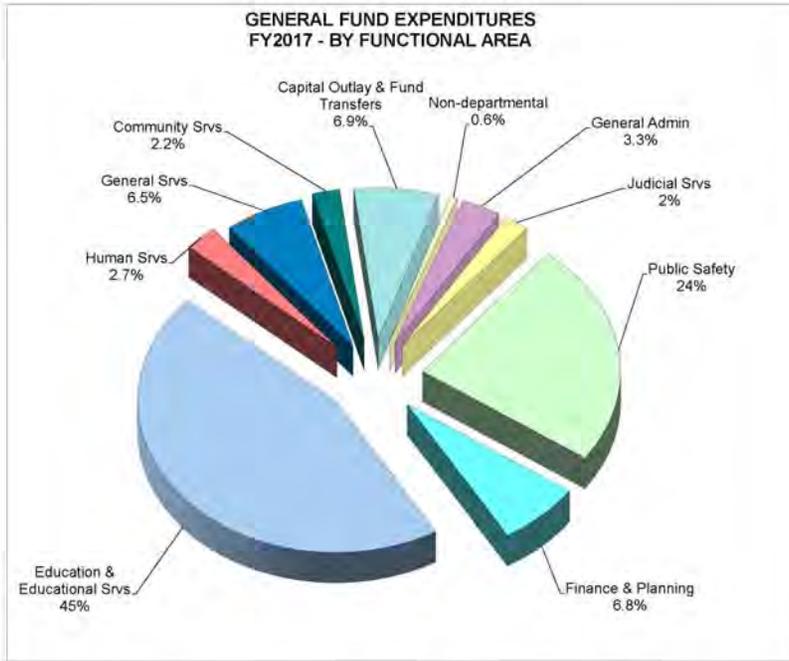
- New County Administrator, Neil Morgan, arrived on June 15, 2015. A native of the Peninsula, his background includes many years of work in Virginia local government and other related experience.
- The County underwent a significant reorganization in November of 2015. The Department of Public Works was created, combining the former Departments of General Services and Environmental Services. The reorganization was undertaken to improve efficiencies and create synergies by reallocating personnel and combining similar tasks and duties previously performed by the two departments.
- Several new departments were also created in order to provide greater accountability and efficiencies in the reporting structure, as well as empowering those responsible for successful operations. These included Information Technology, Human Resources, Library Services, Emergency Communications and Finance.
- Organizational resiliency was strengthened by reallocating vacant positions to critical areas of the organization in anticipation of future retirements as well as growing customer service and technical support needs.
- FY2016 was a reassessment year resulting in expected growth in real estate tax revenues of about 1.5% for FY2017. Consumer confidence has increased resulting in favorable revenue trends related to personal property, sales, lodging and meals taxes. Lodging taxes and meals taxes have recovered and exceed pre-recession amounts.
- A Financial Operations Work Team was formed in order to add depth to forecasting revenue and expenditure performance through-out the year, as well as to improve the process of developing General Fund operating revenue budgets for FY2017. The team consists of the Deputy County Administrator, Finance Director, Treasurer, Commissioner of the Revenue, County Assessor, Budget Chief, and Accounting and Reporting Chief.
- The Capital Improvements Program (CIP) was changed from a 10-year plan to a 6-year plan to provide more relevance to the costs in the out-years. A team approach involving senior management as well as members from each department and the school division was applied to the CIP process for developing the FY2017 through FY2022 CIP plan. Recommendations were reviewed by the Planning Commission prior to being proposed to the Board of Supervisors.
- First ever five-year General Fund revenue and expenditure projections were produced and presented to the Board of Supervisors during FY2016. Development of these projections helped to identify areas of strengthening revenues as well as those revenues and expenditures to watch in future years.
- The County and the School Division are jointly participating in an Other Post Employment Benefits (OPEB) Trust Fund for the purpose of accumulating and investing assets to fund OPEB obligations. Therefore, no budget is presented for FY2017 for the current Other Post-Employment Benefits internal service fund.



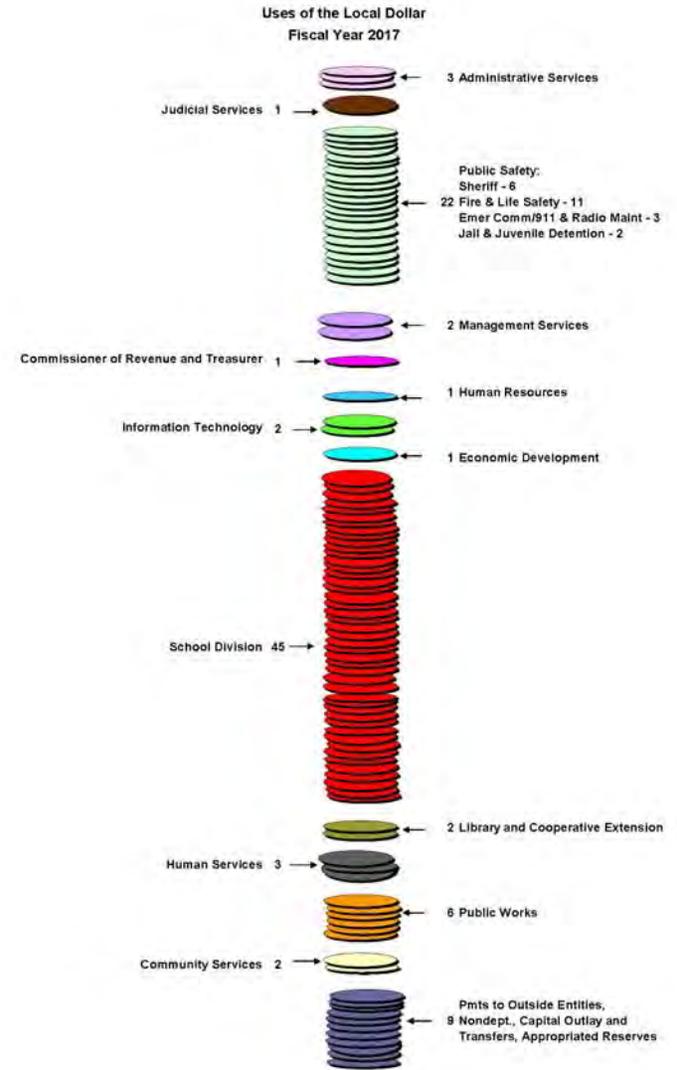
Source	FY2016 Original	FY2017 Adopted	Dollar Change
Local Revenues	\$ 117,689,232	\$ 119,602,000	\$ 2,002,768
State/Federal Revenues	13,852,858	14,073,000	220,142
Other Revenues	1,856,191	1,824,000	(35,191)
	<u>\$ 133,402,281</u>	<u>\$ 135,589,000</u>	<u>\$ 2,187,719</u>



Source	FY2016 Original	FY2017 Adopted	Dollar Change
Property Tax	\$ 82,291,000	\$ 84,049,000	\$ 1,758,000
Other Local Tax	29,766,700	30,241,000	472,300
Other Local Revenue	450,800	499,000	18,400
	<u>\$ 112,510,300</u>	<u>\$ 114,759,000</u>	<u>\$ 2,248,700</u>



Functional Area	FY2016 Original	FY2017 Adopted	Dollar Change
Administrative Services	\$ 4,228,846	\$ 4,417,311	\$ 188,465
Judicial Services	2,773,060	2,767,177	(5,883)
Public Safety	31,598,547	32,336,379	737,832
Management Services	9,021,796	9,280,729	258,933
Education & Educational Services	60,511,614	60,998,627	487,013
Human Services	3,619,212	3,687,324	68,112
Public Works	8,996,413	8,858,589	(137,824)
Community Services	2,937,582	3,033,435	95,853
Capital Outlay & Fund Transfers	8,283,419	9,371,919	1,088,500
Non-departmental	1,430,792	837,510	(593,282)
<b>Total</b>	<b>\$ 133,401,281</b>	<b>\$ 135,589,000</b>	<b>\$ 2,187,719</b>





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