

Issue Analysis Form



Date: June 14, 2022
Item: Appropriation of FY2022-2023 Budget
Lead Department(s): County Finance
Contact Person(s): Betsy Drewry

Description and Current Status

The Prince George County Board of Supervisors adopted the FY2022-23 Budget on May 24, 2022. The Board adopts a resolution annually to appropriate and authorize spending by fund.

Board Action Requested:

Approve attached resolution authorizing appropriation of and spending in the FY2022-2023 Budget beginning July 1, 2022 and ending June 30, 2023.

The **Total Adopted** budget is \$160,016,873, \$25,626,411 19.1% more than the FY21/22 adopted budget.

Approved Tax Rates are:

Real Estate - \$0.82 [\$0.04 drop from current \$0.86 rate]
Personal Property - \$3.90 [\$0.35 drop from current \$4.25 rate]
Machinery & Tools - \$1.50 [no change from current rate]
Mobile Homes / Tangible PP - \$0.82 [\$0.04 drop from current \$0.86 rate]

Increases in water and sewer rates for FY2023 were approved to address inflationary increases in the Utilities Fund budget, a self-supporting enterprise fund.

The **General Fund** budget is \$68,951,487, \$6,360,793, 10.16% greater than the FY21/22 adopted budget.

ATTACHMENT A provides highlights of the adopted FY2023 budget.

The draft resolution for consideration provides specific language on one-time bonuses for employees who do not qualify for at least a 2% permanent pay increase in FY2023 as a result of the approved "Step Placement" Plan. It specifies eligible employees as full-time, part-time regular and part-time salaried County employees who were employed prior to January 1, 2022 and who remain actively employed through July 15, 2022.

Part-time temporary employees are not eligible for a one-time bonus. Prince George service has been compiled for part-time temporary employees and they have been placed on the appropriate grade and step based on their Prince George County service.

Board Action Requested: Approve enclosed resolution appropriating the FY2023 budget as adopted on May 24, 2022.

- | | | |
|--|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If so, before what date? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Fiscal Impact Statement

Authorizes expenditure of adopted FY2022-2023 budget beginning July 1, 2022 and ending June 30, 2023.

County Impact

Notes

MAJOR GENERAL FUND REVENUE CHANGES			
Revenue Type	Change from FY2022	% of Total Change	Notes
Real Estate Tax Revenue - Residential	\$ 2,047,538	32.19%	Growth in Assessed Values, net of \$0.04 reduction in Real Estate Tax Rate
Real Estate Tax Revenue - Commercial Industrial	\$ 419,300	6.59%	Growth in Assessed Values, net of \$0.04 reduction in Real Estate Tax Rate
Real Estate Tax Revenue from New Construction and Improvements	\$ 261,236	4.11%	Revenue Increase due to New Construction and Improvements
Real Estate Tax Revenue - Ag 20 > 100	\$ 102,885	1.62%	Growth in Assessed Values, net of \$0.04 reduction in Real Estate Tax Rate
Real Estate Tax Revenue - Multi Family	\$ 115,620	1.82%	Growth in Assessed Values, net of \$0.04 reduction in Real Estate Tax Rate
Real Estate Tax Revenue - Ag > 100	\$ 64,421	1.01%	Growth in Assessed Values, net of \$0.04 reduction in Real Estate Tax Rate
Delinquent Real Estate Tax Revenue	\$ (125,000)	-1.97%	Reduction in estimate based on trend and prior year actual collections
Personal Property Tax Revenue - Motor Vehicles (Personal and Business)	\$ 2,738,823	43.06%	Growth in Assessed Values, Net of \$0.35 reduction in Personal Property Tax Rate
Personal Property Tax Revenue - Business Furniture & Fixtures	\$ 477,024	7.50%	Growth in Assessed Values, Net of \$0.35 reduction in Personal Property Tax Rate
Personal Property Tax Revenue - Boats	\$ 34,708	0.55%	Growth in Assessed Values, Net of \$0.35 reduction in Personal Property Tax Rate
Personal Property Tax Revenue - Military Leased Vehicles	\$ 1,088	0.02%	Growth in Assessed Values, Net of \$0.35 reduction in Personal Property Tax Rate
Motor Vehicles - Volunteers	\$ 558	0.01%	Growth in Assessed Values and/or number of volunteers; tax remains at \$0.10
Local Sales & Use Taxes	\$ 500,000	7.86%	Assumes State hold harmless if grocery tax is reduced
Public Service Tax Revenue	\$ 408,372	6.42%	Growth in Assessed Values, New Construction and Improvements, net of \$0.04 reduction in Real Estate Tax Rate
Social Services State & Federal Revenues w/ CSA	\$ 357,692	5.62%	
Business, Professional & Occupational Licenses (BPOL)	\$ 104,900	1.65%	
Compensation Board & HB 599	\$ 99,920	1.57%	HB 599 (Police) unknown
Permit & Planning Fees	\$ 80,800	1.27%	
Recovered Costs & Misc Fees	\$ 61,000	0.96%	Fort Lee, Farmer's Market, DMV Block Fees
Recordation and Wills Tax	\$ 50,000	0.79%	
EMS In-House Transport Fees	\$ 45,000	0.71%	
Lodging Tax (General Fund Portion)	\$ 40,979	0.64%	
Recreation Fees	\$ 35,000	0.55%	
Mobile Home (Current and Delinquent)	\$ 30,848	0.48%	Growth in Assessed Values, New Construction and Improvements, net of \$0.04 reduction in Real Estate Tax Rate
Interest Revenue	\$ (100,000)	-1.57%	Drop in interest rates
Charges for In-House Repairs	\$ (111,200)	-1.75%	Elimination "billing of" garage labor charges
State Communication Tax, Rolling Stock, Rental Auto Tax, and Mobile Home Titling Taxes	\$ (115,000)	-1.81%	
SAFER Grant Revenues	\$ (174,000)	-2.74%	Grant ending (Fire/EMS)
Motor Vehicle License Fee	\$ (1,100,000)	-17.29%	Elimination of Motor Vehicle License Fee

MAJOR GENERAL FUND EXPENDITURE CHANGES			
Description	Amount	% of Total Change	Notes
Increase in Transfer to Schools	\$ 1,496,522	23.53%	Per Revenue Sharing Calculation
Pay Increases for County Employees	\$ 1,386,745	21.80%	5% Scale Adjustment and Step Placement for Non-Public Safety Employees; 5% Scale Adjustment and 1 step increase for Public Safety Employees; Includes funding to provide a one-time bonus for 59 employees who will NOT receive a pay increase; and a partial bonus for 10 more employees who would receive less than a 2% increase
Additional Employees	\$ 507,209	7.97%	8 Including 4 added during FY2022
Increase in Transfer to Capital Improvement Fund for County and Public Safety Vehicle Purchases	\$ 450,000	7.07%	Not borrowing; budgeting
Increase in Transfer to Capital Improvement Fund for School Bus Purchases	\$ 437,091	6.87%	Not borrowing; budgeting
Increase in Riverside Regional Jail Contribution	\$ 440,815	6.93%	
Increase in General Fund Contingency	\$ 364,821	5.74%	
Increase in Children's Services Act Expenditures	\$ 294,374	4.63%	
Increase in Employer Health Insurance Contribution	\$ -	0.00%	Renewal Final - No increase in Health Insurance Premiums for FY2023
Increase in VRS Retirement Contribution Rate	\$ 221,921	3.49%	14.93% to 16.44% for Full-Time Employees
Increase in Overtime Wages	\$ 139,136	2.19%	Increase caused by increase in hourly rates (from pay improvements); and more adequately budgeting overtime based on actual expenditures
Increase in Transfer to Capital Improvement Fund for Fire/EMS Apparatus	\$ 137,396	2.16%	Ordinance 74-4; Growth in Value of \$0.01 Real Property
Increase in Vehicle Fuel Costs	\$ 82,000	1.29%	
Increase in Transfer to Capital Improvement Fund for Fire/EMS Equipment	\$ 80,264	1.26%	Ordinance 74-6; Growth in Value of \$0.01 Real Property
Employee Reclassifications	\$ 75,258	1.18%	
Increase in Transfer to Riverside Criminal Justice Agency	\$ 72,836	1.15%	
Increase in Contracted Services	\$ 59,246	0.93%	Janitorial Services contract; minimum wage impact
Increase in Contribution to Appomattox Regional Library System	\$ 41,504	0.65%	
New Contributions to Hopewell PG Healthy Families and Crater Area Agency on Aging	\$ 29,000	0.46%	Social Services related; HPGHF \$20,000; CAAA \$9,000
Increase in Telephone Charges	\$ 20,960	0.33%	
Increase in Heating Fuel Costs	\$ 13,800	0.22%	
Increase in Line of Duty Act Rate (LODA)	\$ 6,548	0.10%	Public Safety

	FY2022	FY2023
GENERAL FUND BUDGET	\$ 62,590,694	\$ 68,951,487
CHANGE		\$ 6,360,793

OTHER NON-GENERAL FUNDS

Fund Description	Source	Use	FY2022 Budget	FY2023 Budget	Change
Economic Development	Meals Tax	Salaries & Benefits for 3 FT employees; debt service for Crosspointe Centre improvements; Contributions to JTCC and RBC [pay improvements (scale adjustment and step placement) included as well as required VRS increase]	1,215,911	1,400,000	184,089
Tourism	Lodging Tax	7.5% Contribution to Regional Heritage Center; PART, HPG Chamber & FOLAR; covers a small portion of salaries and benefits for 3 Parks & Recreation employees whose duties are in part Sports Tourism Activities; [pay improvements (scale adjustment and step placement) included as well as required VRS increase]	540,411	642,857	102,446
Community Corrections	State Grant Funding + Local Support from served localities	Pretrial & Probation Services for offenders and defendants; serves PG, Hopewell and Surry; Elimination of 1 vacant Pretrial Officer position for FY2023; [pay improvements (scale adjustment and step placement) included as well as required VRS increase]	1,060,619	1,113,372	52,753
LOSAP	General Fund Contribution (\$141,000) and Investment Earnings	Annuity Program for Volunteers	181,500	181,500	-
Stormwater	Stormwater Fees (established 3/25/2014)	Capital Projects - borrowing every 5 years	490,000	490,000	-
Adult Education	State / Federal Funding + Local Support from served localities	Adult Education Programs [Fiscal Agent only; no overall impact on County's budget]	990,115	974,715	(15,400)
Utilities	Water & Sewer Fees; Self-supporting Enterprise Fund	Operations & capital maintenance; 15 Full-Time and 1 new Part-Time Regular positions; [pay improvements (scale adjustment and step placement) included as well as required VRS increase]; FY2023 budget includes use of \$6M in cash reserves for a number of capital projects, and debt service payment for borrowing for two large capital projects [Blackwater Regional Interceptor & Sewer Facilities AND New 3 MGD Wastewater Pump Station and Force Main]; Requested is use of \$6M in ARPA funding for Temple Avenue Tank & Booster Station AND a portion of Route 156 Tank and Booster Station. ARPA funding not included in these totals.	6,834,160	14,528,419	7,694,258
Debt Service Fund	Transfers from General Fund, Economic Development Fund and Stormwater Fund	Debt Activities - County (including Stormwater), School and Economic Development	9,127,376	9,130,815	3,439
Capital Improvement Fund	Transfer from General Fund [In FY2022 Source was \$812,000 of borrowing; and \$269,667 in Transfer from General Fund]	County Vehicle Purchases; School Bus Purchases; capital transfer for Fire & EMS Apparatus and Equipment in accordance with County Ordinances 74-4 and 74-6	1,081,667	1,374,418	292,751
School Operating Fund	State, Federal, Local	General School Operations	71,193,203	78,875,709	7,682,506
School Grant Fund	Federal Grants	Grant specific expenditures	2,613,396	8,118,589	5,505,193
School Textbook Fund	State and Local	Student Textbooks	641,518	787,000	145,482
School Nutrition Fund	State, Federal and Customer Collections	School Nutrition Activities	3,222,798	3,369,036	146,238

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Prince George County Administration Building, 6602 Courts Drive, Prince George, Virginia this 14th day of June, 2022:

Present:

Marlene J. Waymack, Chair
Donald Hunter, Vice Chair
Floyd M. Brown, Jr.
Alan R. Carmichael
T. J. Webb

Vote:

On motion of _____ seconded by _____, which carried a vote of _____ the following resolution was adopted:

RESOLUTION; APPROPRIATION OF FUNDS FOR FISCAL YEAR 2022-2023 FOR PRINCE GEORGE COUNTY.

BE IT RESOLVED by the Board of Supervisors of the County of Prince George this 14th day of June, 2022 that the Budget for Prince George County in the sum of \$160,016,873, for Fiscal Year 2022-2023 be and is hereby approved as set forth below; and that such sums be and are hereby appropriated to the funds indicated, which monies are to be expended for purposes authorized and approved by the Board of Supervisors of the County of Prince George.

ESTIMATED REVENUE

<u>Fund</u>	<u>Source/Fund Description</u>	<u>Amount</u>
100	General Property Taxes	\$ 45,807,124
	Other Local Taxes	7,733,043
	Permits, Privilege Fees & Licenses	647,830
	Fines & Forfeitures & Uses of Money & Property	683,063
	Charges for Services	1,253,926
	Miscellaneous & Recovered Costs	272,690
	State, Federal and Other Sources	12,553,811
	TOTAL GENERAL FUND	\$ 68,951,487
217	Community Corrections	\$ 1,113,372

<u>Fund</u>	<u>Source/Fund Description</u>	<u>Amount</u>
218	Adult Education	974,715
213	Tourism	642,857
215	Economic Development	1,400,000
220	Storm Water	490,000
227	LOSAP	181,500
311	Capital Projects	1,374,418
401	Debt Service	9,130,815
500	School Operating	78,875,709
510	Federal Programs (formerly Title I)	8,118,589
520	School Textbooks	787,000
540	School Cafeteria	3,369,036
600	Utilities Operating	7,755,123
610	Utilities Replacement Reserves	565,354
620	Utilities Capital	8,979,144
960	Special Social Services	15,000
	TOTAL NON-GENERAL FUND REVENUES	\$ 123,772,632
	Less: interfund transfers	(32,707,246)
	TOTAL BUDGETED REVENUE - ALL FUNDS FY2022-2023	<u>\$ 160,016,873</u>

APPROPRIATIONS

<u>Fund</u>	<u>Department</u>	<u>Title</u>	<u>Amount</u>
100	0100	Board of Supervisors	\$ 201,501
	0101	County Administration	284,390
	0102	County Attorney	383,398
	0103	Human Resources	380,652
	0200	Commissioner of the Revenue	560,588
	0201	Treasurer	712,590
	0202	Clerk of Circuit Court	645,762
	0203	Sheriff	1,296,620
	0204	Commonwealth's Attorney	816,651
	0300	Community Development, Code Compliance	996,910
	0301	Planning	340,969
	0401	Assessor	616,168
	0402	Finance	950,758
	0403	Information Technology	769,629
	0405	County-Wide Information Technology	511,524
	0502	County Garage	583,344
	0503	Refuse Disposal	64,645
	0504	General Properties	2,423,036
	0505	Parks & Recreation	1,131,949
	0506	County Engineering	3,000
	0601	Police Department	7,083,689
	0602	Grants/Law Enforcement	-

<u>Fund</u>	<u>Source/Fund Description</u>	<u>Amount</u>
0603	Emergency Communications Center	1,633,485
0604	Prince George Fire Department	-
0605	Disputanta Fire Department	-
0606	Carson Fire Department	-
0607	Burrowsville Fire Department	-
0608	Jefferson Park Fire Department	-
0617	Route 10 / Merchant's Hope Fire Department	-
0609	Prince George Emergency Crew	-
0610	Fire and EMS	5,211,426
0611	Animal Control	533,518
0612	Emergency Management	110,125
0614	Fire and EMS Grants	-
0615	SAFER Recruitment Grant	-
0616	SAFER Hiring Grant	-
0701	Welfare Administration	2,936,803
0702	Public Assistance (incl. SLH)	641,883
0703	CSA/At Risk Youth	15,000
0704	CSA State Reimbursed	2,458,094
0706	Tax Relief for Elderly/ Disabled	150,000
0901	Registrar	405,491
0902	Circuit Court	163,742
0903	General District Court	43,200
0904	Magistrate	4,321
0906	Victim Witness	161,963
0907	Board and Care of Prisoners	3,011,402
0908	Court Services	4,915
0909	Juvenile Services VJCCCA	96,425
0910	Local Health Department	225,000
0911	Dist.19 MHMR Services Board	132,867
0912	Contributions to Colleges	-
0913	Regional Library	645,631
0914	Soil & Water Conservation	22,000
0915	Resource Cons. & Develop. Council	3,000
0916	Cooperative Extension Office	80,998
0917	Other Functions	89,669
0918	Farmer's Market	16,559
0920	Drug Court Treatment Program	129,766
	Contingencies	725,143
	Transfer to Schools-Operating	18,553,165
	Transfer to LOSAP Fund	141,000
	Transfer to Countywide Debt Service	7,959,727
	Transfer to Debt / Capital Reserves	371,013
	Transfer to Economic Development	-

<u>Fund</u>	<u>Source/Fund Description</u>	<u>Amount</u>
	Transfer to Community Corrections	141,967
	Transfer to Capital Projects Fund	1,374,418
	TOTAL GENERAL FUND	\$ 68,951,487
	Less: Transfers to Other Funds	(28,541,290)
	Total General Government, less transfer	\$ 40,410,197
217	Community Corrections	\$ 1,113,372
218	Adult Education	974,715
213	Tourism	642,857
215	Economic Development	1,400,000
212	Stormwater	490,000
227	LOSAP	181,500
311	Capital Projects	1,374,418
401	Debt Service	9,130,815
500	School Operating	78,875,709
510	Federal Programs (formerly Title 1)	8,118,589
520	School Textbooks	787,000
540	School Cafeteria	3,369,036
600-630	Utilities - Water and Sewer	17,299,621
960	Special Social Services	15,000
	TOTAL NON-GENERAL FUND	\$ 123,772,632
	TOTAL ALL FUNDS	\$ 192,724,119
	Less: Interfund Transfers	(32,707,246)
	TOTAL BUDGETED EXPENDITURES ALL FUNDS FY2022-2023	\$ 160,016,873

BE IT FURTHER RESOLVED that for the fiscal year beginning on the first day of July 2022, and ending on the thirtieth day of June 2023, the following shall be adopted:

The Treasurer of the County of Prince George be and is hereby authorized to transfer from FUND 100 – General OPERATING as funds become available.

The County Administrator may increase appropriations for non-budgeted revenue items not to exceed \$5,000 per occurrence.

Appropriations designated for capital projects will not lapse at the end of the fiscal year but shall remain appropriated until the completion of the project or until the Board of Supervisors, by appropriate ordinance or resolution, changes or eliminates the appropriation. This section applies appropriations in the FY2022-2023 budget as adopted or amended by the Board of Supervisors.

Fund Source/Fund Description Amount

Eligible full-time, part-time regular and part-time salaried County employees who do not qualify for a permanent pay raise on July 1, 2022 of at least 2%, as a result of the approved "Step Placement" plan will receive a one-time bonus which equates to 2% of the employee's FY2022 salary, or when combined with step placement pay raise, equates to 2% of the employee's FY2022 salary. Eligible employees include full-time, part-time regular and part-time salaried County employees who were employed prior to January 1, 2022 and who remain actively employed through July 15, 2022.

A Copy Teste:

Jeffrey D. Stoke
County Administrator