

AGENDA
JAMES CITY COUNTY BOARD OF SUPERVISORS
BUDGET RETREAT
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
January 23, 2016
8:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. PRESENTATIONS

1. Presentation FY17
2. Water
3. Financial Update
4. Review of 5 Strategic Initiatives
5. Education
6. Debt Portfolio
7. Goals of the Board

D. BOARD DISCUSSIONS / GUIDANCE

E. ADJOURNMENT

1. Adjourn until 6:30 pm on January 26, 2016 for the Regular Meeting

ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Presentation FY17

ATTACHMENTS:

Description	Type
▣ Presentation Power Point	Presentation

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/22/2016 - 3:59 PM



County Budget Retreat

January 2016

Agenda



- Water
- Financial Update
- Foundation Strategies
- Education
- Debt Portfolio
- Goals of the Board



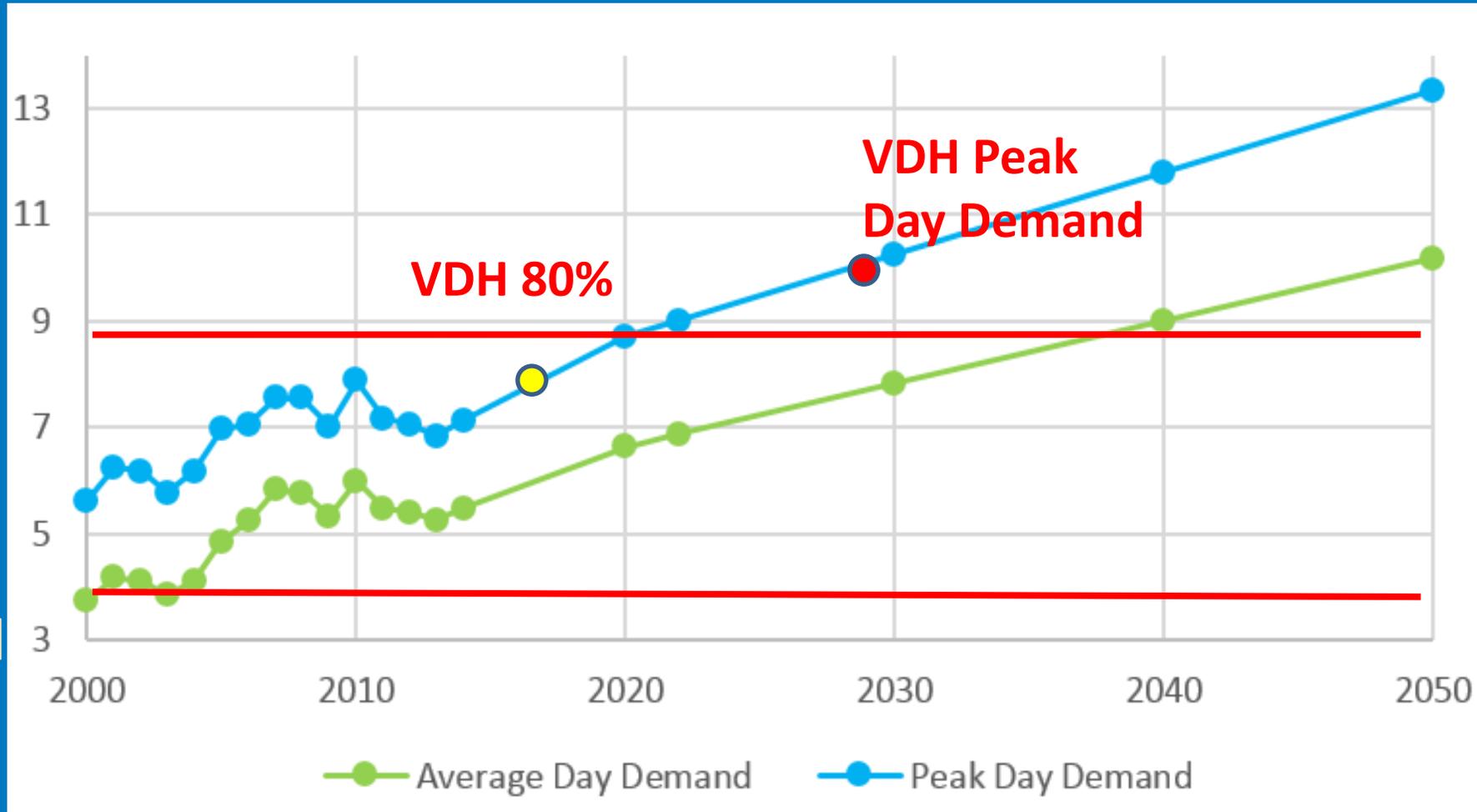
Water Supply Planning

James City Service Authority

Average & Peak Daily Demand (MGD)

DEQ
Current

DEQ
Proposed

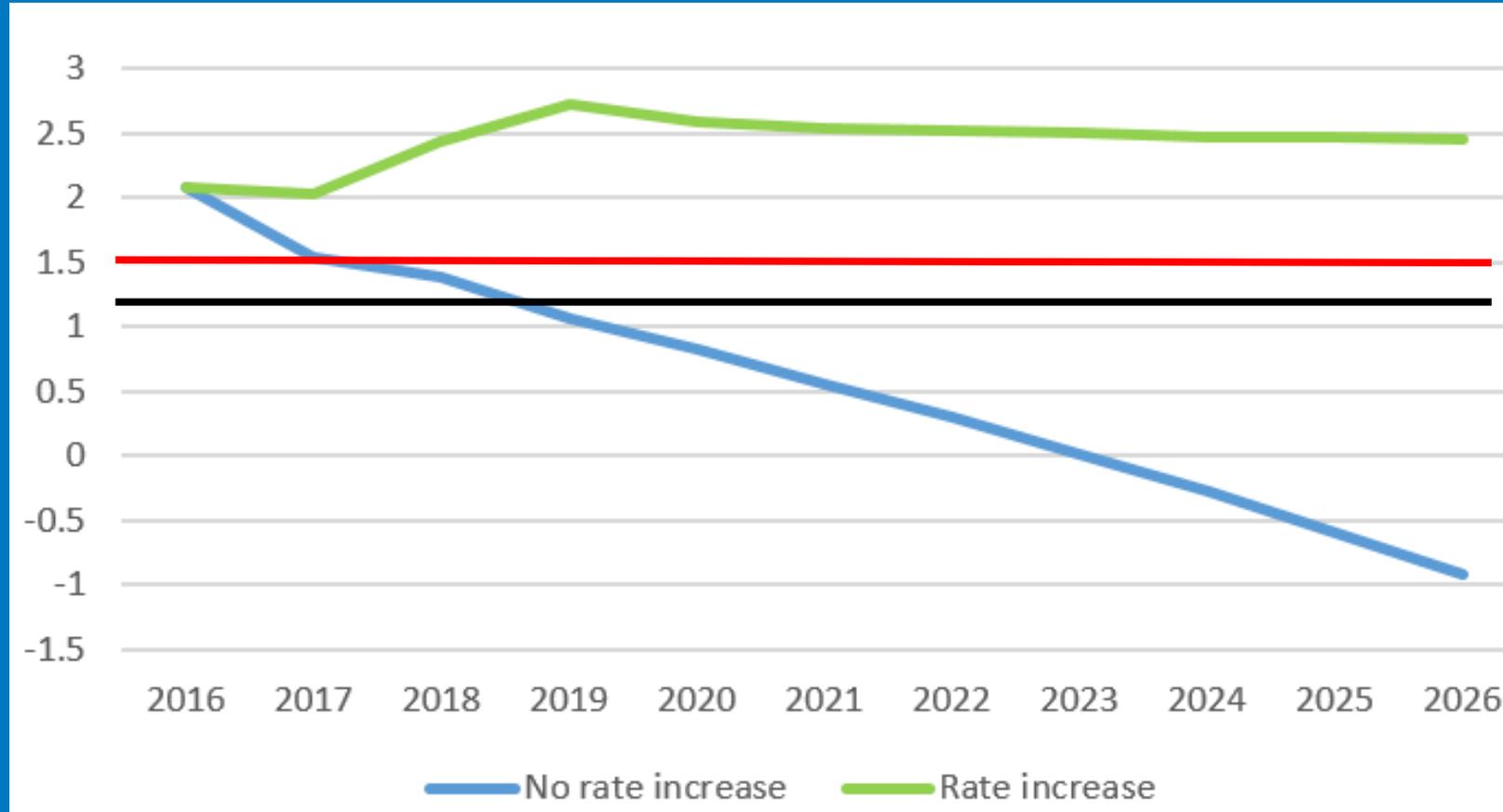


Future Water Supply

- Buy 4 MGD from NNWW
 - \$33M New Debt, \$16M Infrastructure
 - NNWW sets annual rate per 1,000 gallons
 - \$49M = 2 MGD
 - Does not meet long term demand
- Build New Plant
 - \$121M New Debt
 - Local control of rates and growth
 - \$72M yields 6 MGD additional, 2050+ supply needs met

Importance of Rate Increase

Aging Infrastructure, Fixed Costs and Debt Service Coverage



Rating Agency Standard

Bond Requirement

Monthly Water Bill 5,000 Gallons



January 23, 2016

James City Service Authority

Conclusions

- Aging infrastructure, fixed costs, debt service coverage are concerns
- Second payment to NNWW doesn't meet long term needs
- Raw water intake and water treatment plant meet future long term needs
- 8 MGD surface water + 3.8 MGD groundwater + 2 MGD NNWW = 13.8 MGD



Financial Update

FY 2015 Results



	FY 2015 General Fund Budget	FY 2015 General Fund Actual	FY 2015 Variance
Revenues	\$175,288,489	\$175,679,564	\$391,075
Spending & Commitments	\$175,288,489	\$172,854,174	\$2,434,315

Notes:

- \$1,878,000 planned for CIP
- \$713,089 increased Health Insurance Reserve
- Remaining to Fiscal Liquidity

FY 2015 Results



- Revenues exceeding budget highlights:
 - Real Estate \$376,000
 - Personal Property \$350,000
 - Meals \$300,000
 - BPOL \$222,000

FY 2016



- Revenues expected over budget:

FY 2016 General Fund Budget	FY 2016 General Fund Estimate	FY 2016 Variance
\$186,964,000	\$188,135,920	\$1,171,920

Breakdown of FY 2016 Budget



	Budget	% of Budget
County General Fund	\$187 M	100%
Transfer to School Operating	\$83 M	44%
Debt Service	\$24 M	13%
Public Safety	\$24 M	13%
Other Agencies	\$15 M	8%
CIP	\$8 M	4%
Courts	\$3.6 M	2%
Constitutional Officers	\$2 M	1%
All Other 8 County Departments	\$27.4 M	15%

Property Taxes



FY 2016 Real Estate



- Current Residential Reassessment estimate .15%
- Current Commercial Reassessment estimate 2%

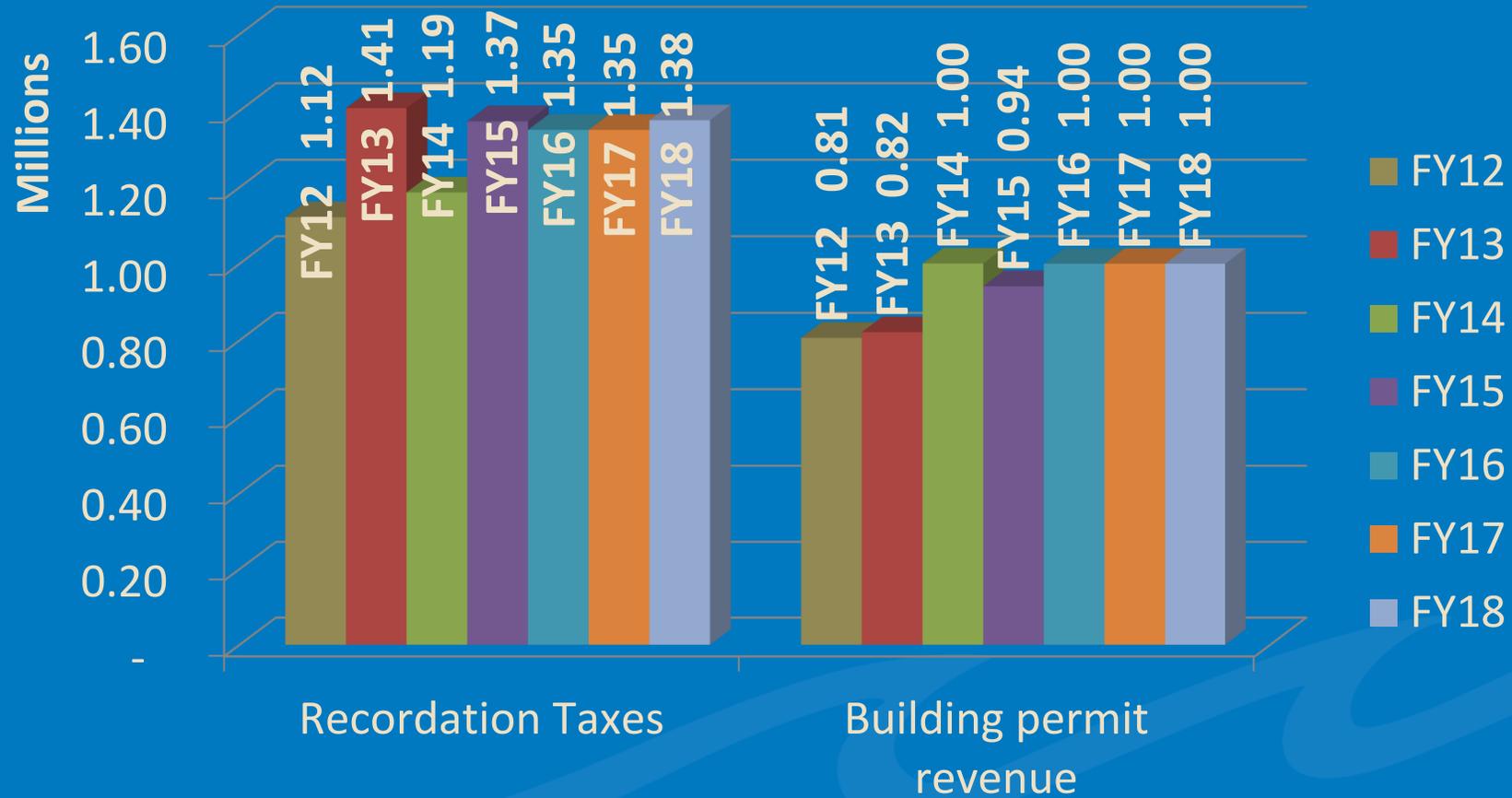
Real Estate Segments



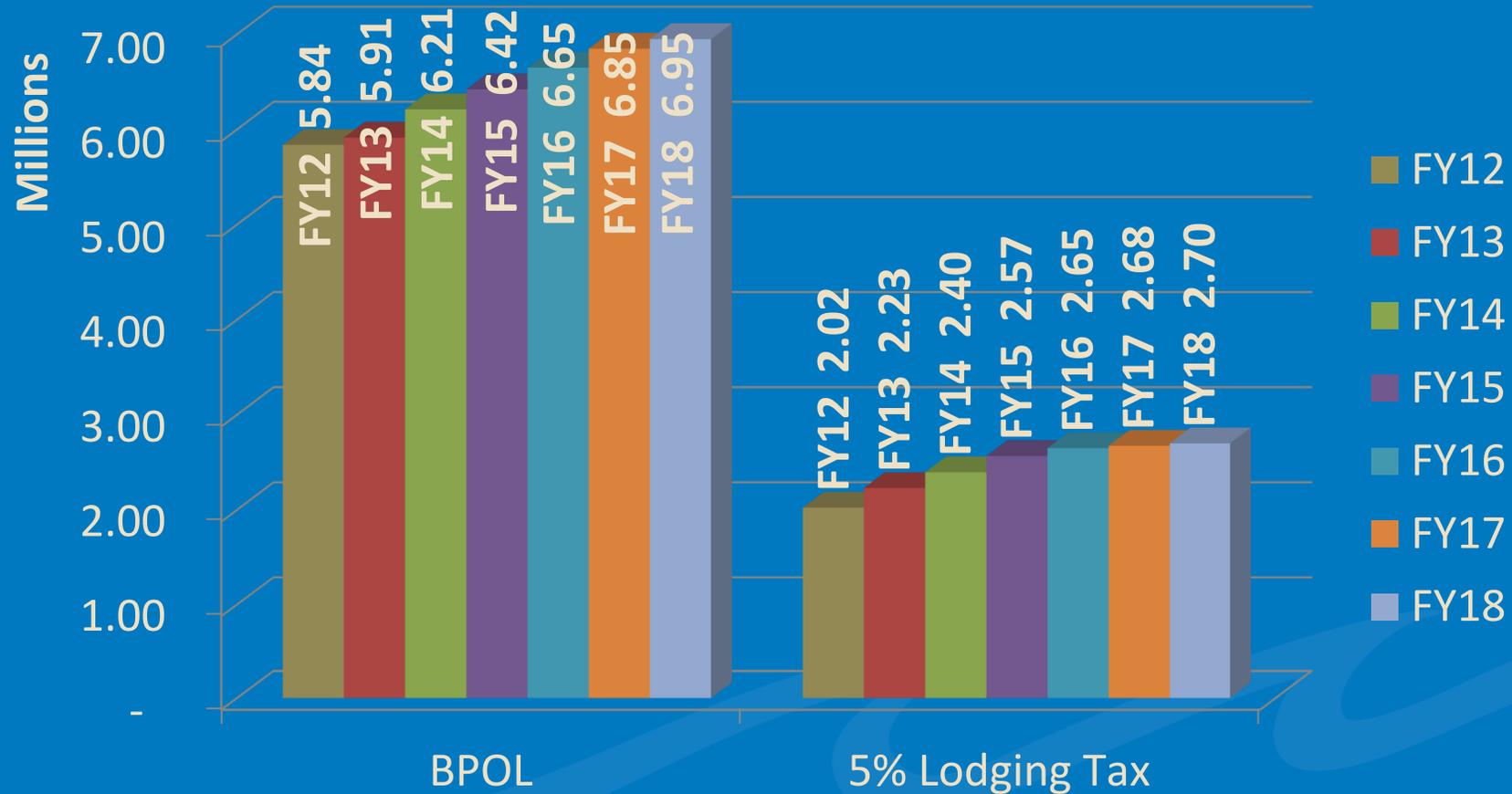
Property Taxes



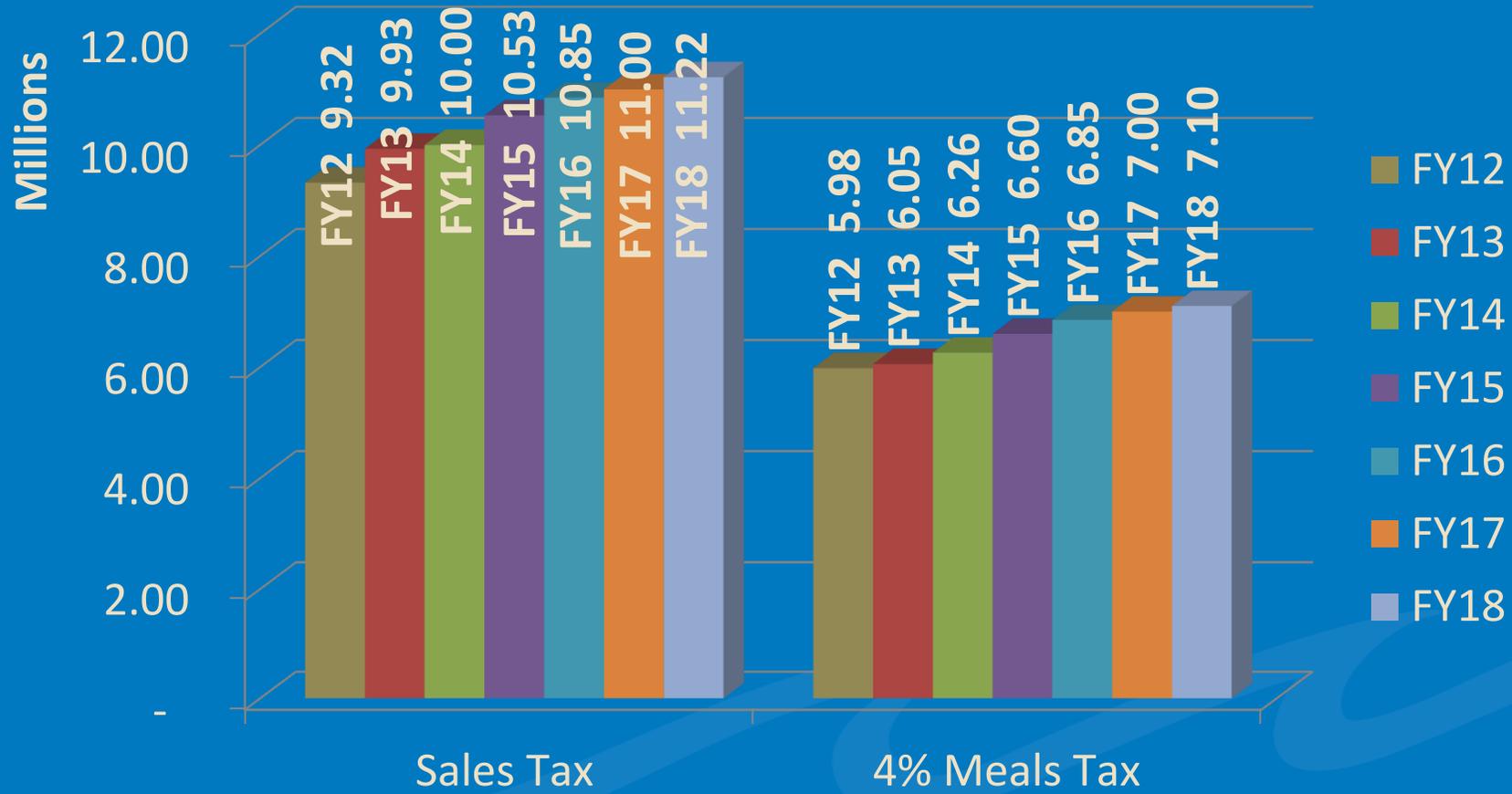
Building Related Revenues



Consumer Driven Revenues



Consumer Driven Revenues



General Fund Revenues



	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget
General Property Taxes	\$123.0	\$125.1	\$127.2
Other Local Taxes	\$21.8	\$22.9	\$23.3
Licenses, Permits, and Fees	\$8.6	\$8.9	\$9.0
Revenue from the Commonwealth	\$27.1	\$27.8	\$28.2
Other	\$6.4	\$6.8	\$6.8
Total	\$186.9	\$191.5	\$194.5

FY 2017 General Fund Revenue



GF Revenue Growth	\$4,600,000
State Sales Tax for Education	\$700,000
Debt Service	\$800,000
CIP	\$100,000
GF Revenue	\$3,000,000

Foundation Strategies



- County Appearance
- Economic Development
- Stormwater
- Transportation
- Education



COUNTY APPEARANCE

County Appearance



- Clean County Commission – County Cleanup, Cigarette Litter Campaign, Clean Business Awards, Adopt-A-Spot
- Road landscape maintenance – JCC staff, additional mowing and litter cleanup under VDOT contract; each month during growing season
- Improved practices at parks and JCC sites
- 10 year capital maintenance study of County sites and buildings completed
 - Study does recommend somewhat higher investment



ECONOMIC DEVELOPMENT

Economic Development



- Product
 - Product Demand
 - Product Availability
 - Incentives

Economic Development



- Regionalism
 - Greater Williamsburg Partnership
 - Targeted Industry Study
 - Launchpad

Economic Development



- Retention
 - Growth of Existing Businesses
 - Tax Base Expansion
 - Limited Space (Product)

Economic Development



- Needed for Growth
 - Utilities
 - Transportation
 - Land
 - Policy



STORMWATER

Stormwater



- Capital Projects
 - 2 under active construction
 - 7 in construction this spring-fall
 - Grove neighborhood drainage in scoping
 - \$1.3 million SLAF Application for FY16

Stormwater



- MS4/Chesapeake Bay TMDL
 - CBTMDL – permit application approved by DEQ; approval should be firm for 2 years
 - MS 4 – annual report accepted by DEQ

Stormwater



- Neighborhood Drainage Grants
 - 20 projects submitted across all districts; 15 repairs and 5 inspections
 - SLAF review underway



TRANSPORTATION

Transportation



- Roadway & intersection improvement projects:
 - Currently in progress
 - Next in line
 - Future needs & next priorities vs. available resources

CMAQ – Congestion Mitigation and Air Quality
 RSTP – Regional Surface Transportation Program
 SRTS – Safe Routes to School



Six Year Improvement Plan Name	Project Status	Funding Source	Estimated Total Cost
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Access Management - Longhill Road at Olde Towne Road	Cancelled	Revenue Sharing	\$60,000
Bridge Replacement - Jamestown Road over Powhatan Creek	Active	Bridge Funds	\$2,260,000
Bridge Replacement - Route 601 (Hicks Island Rd) over Diascund Creek	Active	Bridge Funds	\$1,672,631
Corridor Study - Mooretown Road Extension	Active	RSTP	\$400,000
Corridor Study - Longhill Road	Complete	RSTP	\$500,000
Intersection Improvements - Centerville Road at News Road	Active	CMAQ; Secondary	\$3,101,518
Intersection Improvements - Monticello Ave. at News Road	Under Construction	Secondary; Primary; CMAQ	\$3,814,517
Intersection Improvements at Route 199 (Humelsine Pkwy)/Brookwood Road	Active	CMAQ	\$275,000

Source:
 2035
 Comprehensive
 Plan

CMAQ – Congestion Mitigation and Air Quality
 RSTP – Regional Surface Transportation Program
 SRTS – Safe Routes to School



Six Year Improvement Plan Name	Project Status	Funding Source	Estimated Total Cost
Intersection Improvements-Route 199 (Humelsine Pkwy) Ramp at Richmond Road	Active	CMAQ; Secondary	\$729,915
Multi-Use Trail - Croaker Road/ Road Widening - Croaker Road	Active	CMAQ	\$19,441,000
New Roadway - Route 60 (Pocahontas Tr) Relocation/Skiffes Creek Connector (4-lane)	Active	RSTP	Alt. A-\$153,435,594 Alt. A1-\$135,200,000
Roadway Reconstruction - Williamsburg West Subdivision Roads	Active	Revenue Sharing	\$892,000
Roadway Reconstruction - Neighbors Drive	Active	Revenue Sharing	\$930,000
Roadway Reconstruction - Pocahontas Tr. (Rt 60) Multimodal Corridor Upgrade	Active	RSTP; CMAQ	\$8,100,000
Trail Access - Virginia Capital Trail at Monticello Ave/John Tyler Hwy	Active	Revenue Sharing	\$33,000

Source:
 2035
 Comprehensive
 Plan



Other Programmed Projects
Name

Project Status

Funding Source

Estimated Total Cost

Roadway Reconstruction - Marclay Road (Airport Access Road)	Active	Access	\$987,000
Road Widening - Longhill Road from Route 199 to Olde Towne Road	Active	Secondary; RSTP eligible	\$19,800,000
James River Elementary School Intersection Upgrade	Complete	SRTS	\$168,382
Racefield Drive Paving	Complete	Rural Rustic; Secondary	\$181,104



EDUCATION

Local School Funding

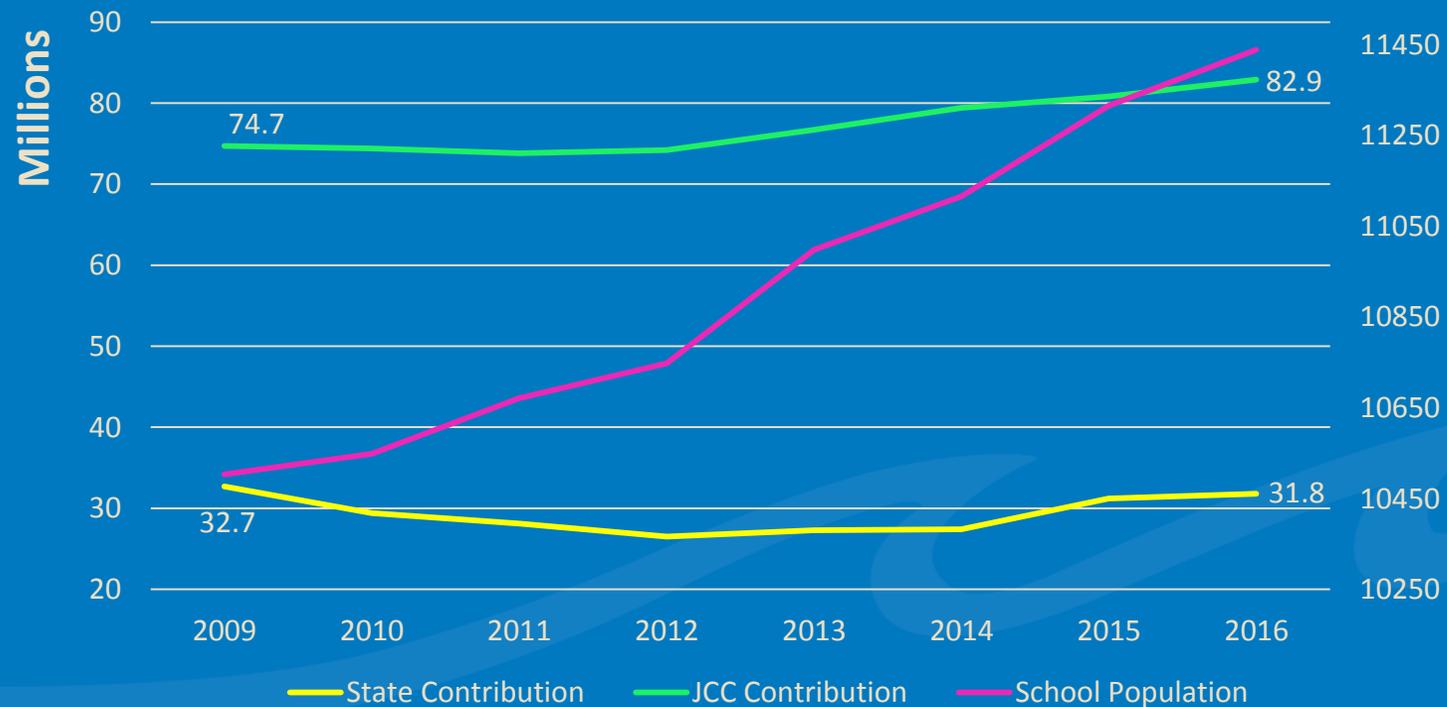


	Required Local Effort (RLE)	Actual Local Expenditures for Operations	Actual Local Expenditures for Operations above RLE	% of Actual Local Expenditures for Operations above RLE	Actual County Contribution to Schools	Local Tax Rate Impact of Expenditures above RLE
FY 2014	\$33,011,705	\$65,774,895	\$32,763,190	99.25%	\$80,801,664	\$0.30
FY 2013	\$31,775,350	\$62,858,994	\$31,083,644	97.82%	\$79,354,599	\$0.29
FY 2012	\$30,524,957	\$61,813,598	\$31,288,641	102.50%	\$76,689,505	\$0.29
FY 2011	\$30,218,477	\$62,878,602	\$32,660,125	108.08%	\$74,250,000	\$0.31
FY 2010	\$29,427,483	\$63,737,496	\$34,310,013	116.59%	\$73,800,000	\$0.31

State v. County Comparison



% Change	2009-2016
JCC Contribution	11.01%
State Contribution	(2.90%)
School Population	8.91%



FY 2018 General Fund Revenue

- Projected Revenue Growth of \$3.0 M
- Spending Challenge
 - Increase in VRS rates for teachers
 - State mandated teacher pay raise
 - Bus replacement



Questions?

ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Water

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/19/2016 - 8:06 AM

ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Financial Update

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/19/2016 - 8:07 AM

ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Review of 5 Strategic Initiatives

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/19/2016 - 8:08 AM

ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Education

ATTACHMENTS:

	Description	Type
▣	Schools Budget Retreat Presentation	Exhibit

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/19/2016 - 8:09 AM

School Board FY 2017 Budget Retreat

January 16, 2016



FY 2017 Budget Retreat Agenda

- I. Overview of State requirements**
- II. Overview of budget development process**
- III. Salary adjustment recommendations**
- IV. Department requests – Staffing**
- V. Department requests – Non-Personnel**
- VI. Local Composite Index (LCI)**
- VII. First Look: Governor's Proposed budget**

State Code Requirements

§ 22.1-92. Estimate of moneys needed for public schools

It shall be the duty of each division superintendent to prepare, with the approval of the school board, *the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division*. The estimate shall set up the amount of money deemed to be needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

State Code Requirements

§ 15.2-2503. Time for preparation and approval of budget; contents.

All officers and heads of departments, offices, divisions, boards, commissions, and agencies of every locality shall, *on or before the first day of April of each year*, prepare and submit to the governing body an estimate of the amount of money needed during the ensuing fiscal year for his department, office, division, board, commission or agency.

Budget Development Goals

- **Develop a budget that aligns with and supports the division's Strategic Plan and focuses on identified outcomes in the plan's priority areas**
- **Develop a budget that supports the identified needs of the division**

Budget Development Process

- **September – November 2015: Meet and discuss needs of individual cost centers to begin development of Superintendent's Proposed budget**
- **November – December 2015: Evaluate requests by Superintendent's Cabinet to determine needs of the division**
- **January 2016: Presentation to School Board to determine prioritization of needs**

FY17 Budget Priorities – Salary Adjustment

Strategic Plan Priority	Description	Estimated Cost
Rich, rewarding experience for professionals	Step increase to impact most employees – avg. 2.5%	\$2,102,500
Rich, rewarding experience for professionals	1% Salary increase for all staff	\$841,000
Rich, rewarding experience for professionals	Adjustments to modify or eliminate compression: <ul style="list-style-type: none">• Create single, unique steps to eliminate multiple years of experience on one salary step	\$1,018,294

Budget Priorities Ranking Exercise: Salary Adjustment Recommendations

FY 2017 Budget Priorities – Personnel

Strategic Plan Priority	Description	Estimated Cost
High student achievement for 21st century success	School-Based Request: Staffing adjustments (student achievement): Student Support Teachers for Reading and Math FTEs	\$225,000
High student achievement for 21st century success	Staffing adjustments (student achievement & increased enrollment): Special Education Teacher, 4 Special Education Teacher Assistants (increased high-needs special education students)	\$215,000

FY 2017 Budget Priorities – Personnel

Strategic Plan Priority	Description	Estimated Cost
High student achievement for 21st century success	Addition of 1 FTE: ESL Teacher to meet needs of growing student population requiring direct services	\$75,000
High student achievement for 21st century success	Addition of 1 FTE: Technology Technician to support continued expansion of division technology	\$85,000
High student achievement for 21st century success	Addition of 2.0 FTEs: Assistant Principal for Hornsby Middle and Toano Middle	\$202,000

FY 2017 Budget Priorities – Personnel

Strategic Plan Priority	Description	Estimated Cost
<p>High student achievement for 21st century success</p>	<p>Restoration of Funding for Pre-School reductions made in FY 2013:</p> <p>2.0 FTEs: General Education Teacher 2.0 FTEs: Instructional Assistants 1.0 FTE: Pre-School Bus Driver 1.0 FTE: Pre-School Bus Assistant</p>	<p>\$350,000</p>
<p>Safe, secure, and welcoming climate for students</p>	<p>Addition of 3.0 FTEs: Bus Drivers</p> <p>Addition of 2.0 FTEs: Bus Assistants</p>	<p>\$165,000</p>
<p>Safe, secure, and welcoming climate for students</p>	<p>Addition of 2.0 FTEs: Maintenance staff to support preventative maintenance of division assets – 1 Roofer/Carpenter & 1 HVAC Technician</p>	<p>\$160,000</p>

Budget Priorities Ranking Exercise: Staffing Requests

Strategic Plan Initiatives: Budget Priorities

Strategic Plan Priority	Description	Estimated Cost
Accountable and trusted leadership	Ongoing pursuit of efficiencies & evaluation of programs: Modification of payroll processing, continued transition of copiers to division-wide contract	(\$60,000)
High student achievement for 21st century success	Textbook replacements for MS and HS Science	\$90,000
Safe, secure, and welcoming climate for students	Continuation of bus replacement plan: 9 buses annually	\$1,000,000

Strategic Plan Initiatives: Budget Priorities

Strategic Plan Priority	Description	Estimated Cost
High student achievement for 21st century success	Expansion of personalized learning laptop pilot in Middle Schools to include all MS grade levels Included: Student laptops & expansion of bandwidth to support additional personalized learning resources (\$1,000,000) Continuation of technology refresh teacher/admin/lab/library devices (\$280,000)	\$1,280,000
High student achievement for 21st century success	Restoration of funding for division to pay for student AP exams	\$125,000

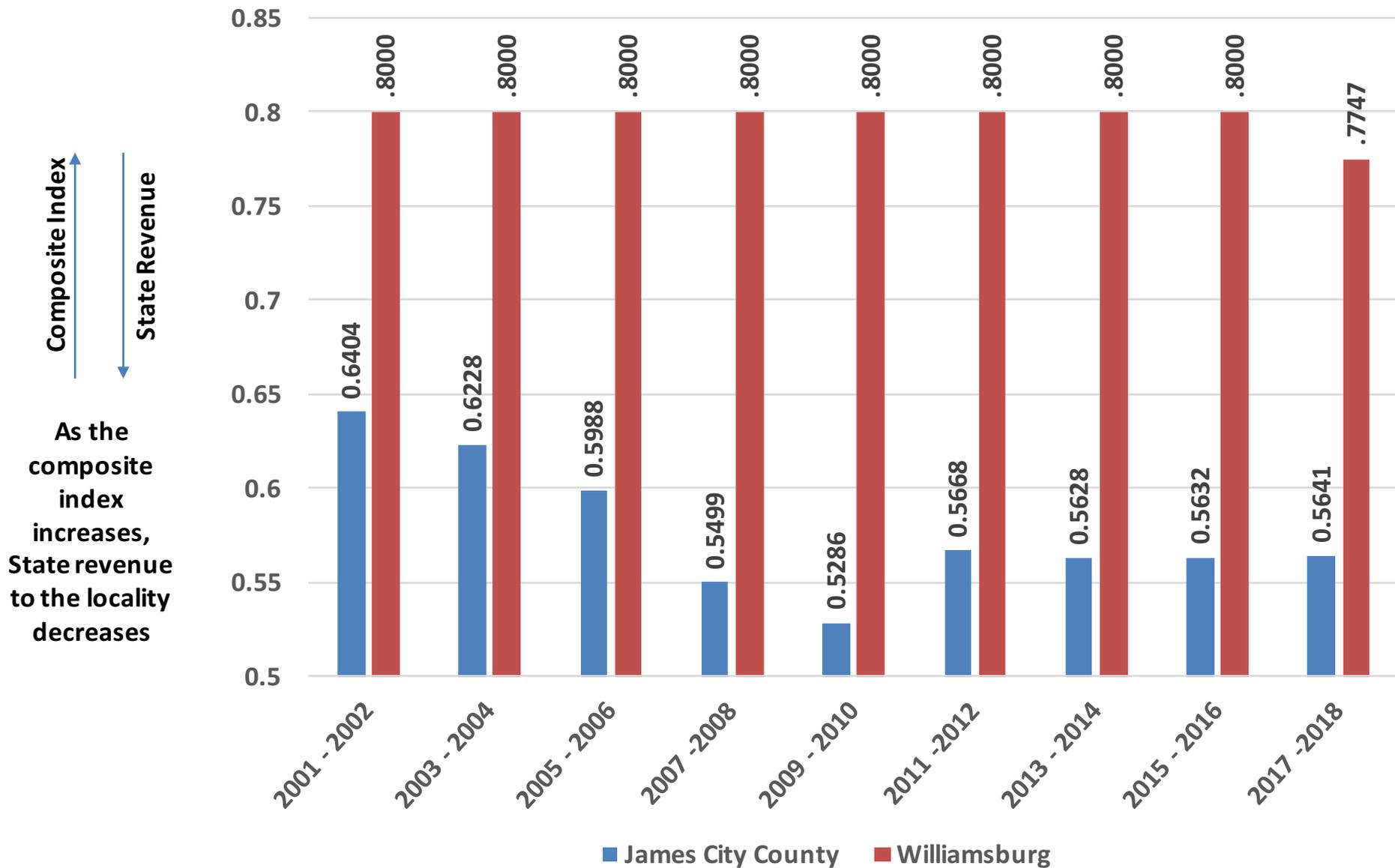
Budget Priorities Ranking Exercise: Non-Personnel

Local Composite Index (LCI)

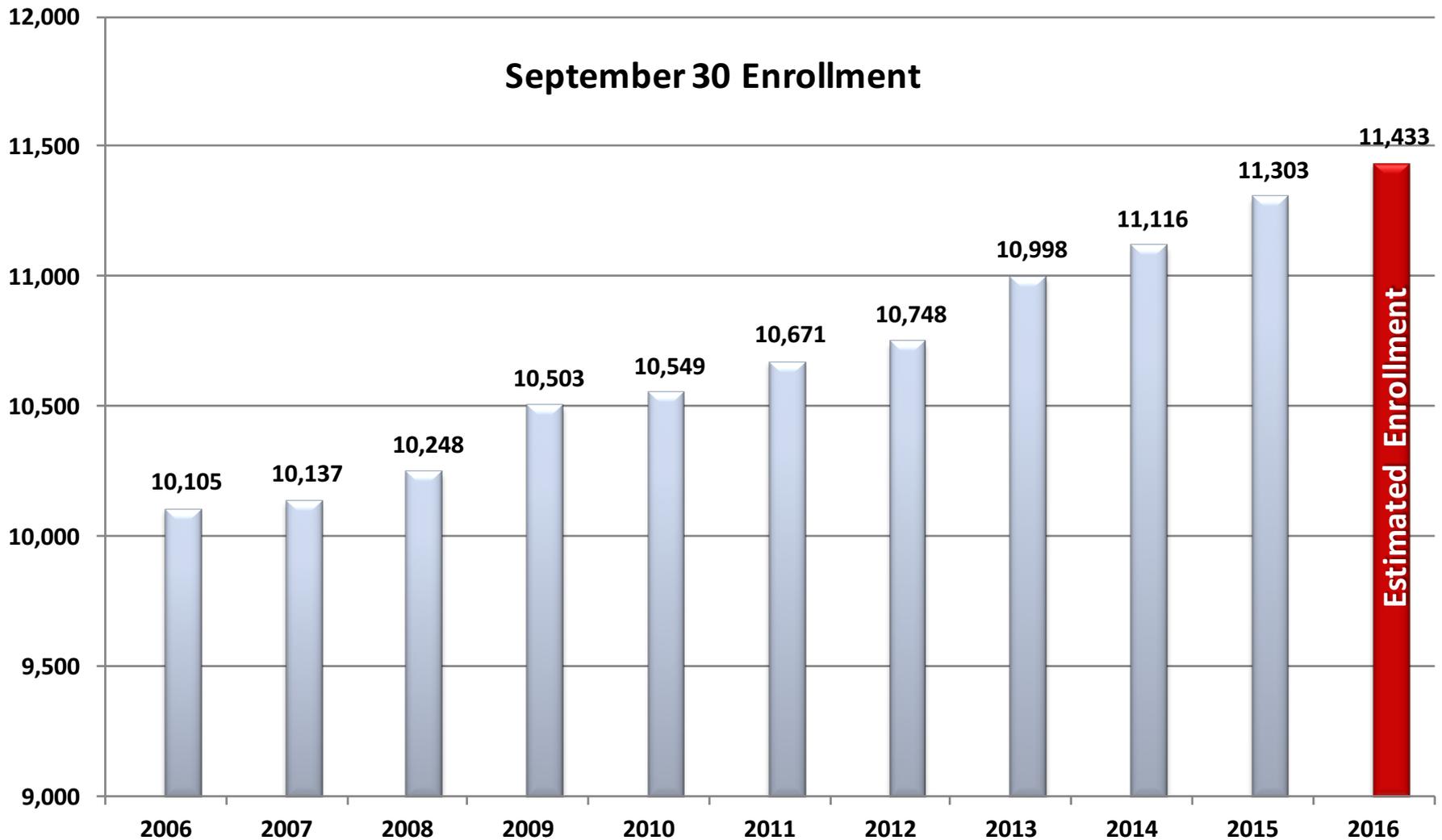
- **The composite index is a state formula that outlines the ability of each locality to pay for public education**
- **A change in the LCI adjusts funding received from the State**
- **As the LCI increases, State funding goes down**

Locality	2014-16	2016-18	Approx. \$ impact
Williamsburg	0.8000	0.7747	\$95,000
James City County	0.5632	0.5641	(\$1,100,000)

Changes in LCI: 2001-18



Enrollment History Summary



Enrollment: Revenue & Staffing

- **Estimated revenues and staffing allocations are derived from enrollment projections**
- **Options are:**
 - **Governor's Proposed Budget**
 - **Low Enrollment Projection**
 - **Most Likely Enrollment Projection**
- **WJCC Core Staffing Allocation**
 - **Elementary: K-2: 20:1 (Cap: 23); 3: 22:1 (Cap: 25); 4-5: 25:1 (Cap: 28)**
 - **Middle: 18.5:1**
 - **High: 20:1**

Enrollment: Revenue & Staffing

	Governor's Budget Projection	Future Think Low Projection	Future Think Most Likely Projection
Enrollment			
Projected FY2017	11,466	11,433	11,534
September 2015 Enrollment	11,303	11,303	11,303
Projected Increase	163	130	231
% Change	1.4%	1.2%	2.0%
Increased teaching staff based upon enrollment option			
# of teachers	7	5	10
Estimated Cost	\$ 489,000	\$ 390,000	\$ 750,000

Governor's Proposed Budget

	FY 2016 Budget	FY 2017 Estimated	Change (\$)	Change (%)
Revenues				
State Sales Tax - Local	12,215,480	12,991,146	775,666	6.7%
State Revenue				
Standards of Quality (SOQ)	30,221,970	29,733,340	(488,630)	-2.2%
Categorical/Incentive	1,612,421	1,726,039	113,618	6.8%
Total State Revenue	31,834,391	31,459,379	(375,012)	-1.8%
Grand Total	44,049,871	44,450,525	400,654	0.9%

Non-Negotiable Increases

Description	Governor's Budget
Health Insurance Increases (Est. 8%)	1,200,000
Non-Negotiable Increases: VRS Employer Rate change from 14.06% to 14.66%	1,100,000
Other: Contractual (New Horizons, SPED Compliance – Preschool teacher and teacher assistant, VDOE Change in State Code for funding of 1 Pre-School Teacher, Finance/HR system implementation)	653,000
Subtotal	(2,953,000)
FY 2017 Governor's Budget Revenue Impact	400,654
Revenue Impact – after non-negotiable increases	(\$2,552,346)

Enrollment Options: Revenue & Staffing

	Low Projection
Governor's Budget Revenue Impact	\$ 400,654
Health Insurance/Non-negotiable	2,953,000
Revenue Impact - Non-Negotiable Increases	\$ (2,552,346)
Increased teaching staff based upon enrollment:	
# of Teachers	5
Estimated cost	\$375,000
Revenue Impact - Non-Negotiable + Staff	\$ (2,927,346)

School Board FY 2017 Budget Retreat

January 16, 2016



ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Debt Portfolio

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/19/2016 - 8:09 AM

ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Goals of the Board

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/19/2016 - 8:11 AM

ITEM SUMMARY

DATE: 1/23/2016
TO: The Board of Supervisors
FROM: Teresa J. Fellows, Administrative Coordinator
SUBJECT: Adjourn until 6:30 pm on January 26, 2016 for the Regular Meeting

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	1/19/2016 - 8:13 AM