

**A G E N D A**  
**JAMES CITY COUNTY BOARD OF SUPERVISORS**  
**BUDGET WORK SESSION**  
**County Government Center Board Room**  
**101 Mounts Bay Road, Williamsburg, VA 23185**  
**April 21, 2020**  
**4:00 PM**

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**A. CALL TO ORDER**

**B. ROLL CALL**

**C. BOARD DISCUSSIONS**

1. Current Fiscal Year 2020 Budget Discussion
2. Proposed Fiscal Year 2021 Budget Discussion

**D. CLOSED SESSION**

**E. ADJOURNMENT**

1. Adjourn until 4 p.m. on April 28, 2020 for the Budget Work Session

**ITEM SUMMARY**

DATE: 4/21/2020

TO: The Board of Supervisors

FROM: Scott A. Stevens, County Administrator

SUBJECT: Current Fiscal Year 2020 Budget Discussion

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**ATTACHMENTS:**

	Description	Type
	Presentation	Presentation

**REVIEWERS:**

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	4/15/2020 - 3:20 PM



# **FY2021-FY2022 Proposed Budget**

Worksession April 21, 2020



# COVID-19: Timeline

March 13

Local State of  
Emergency;  
County & School  
Closures

March 30

Executive  
Order No.  
55

March 23

Executive  
Order No.  
53

April 2

Proposed  
FY2021-  
FY2022 Budget  
Released

# COVID-19: FY2020 Impact

## Revenue

- Monitoring impact and considering various relief options
- Capturing loss of revenue and additional costs to report to and apply for federal and state assistance

## Expenditures

- Lower spending limits, additional approvals, suspension of certain programs
- Personnel and capital projects main focus
- Essential services only



# COVID-19: FY2020 Revenue Impact - Summary



Revenue	FY2020 Adopted Budget	FY2020 Projection	Difference
General Property Taxes	\$ 137,075,000	\$ 136,510,000	\$ (565,000)
Other Local Taxes	28,145,000	25,150,000	(2,995,000)
Business License, Permits, & Fees	9,427,000	8,612,000	(815,000)
Commonwealth	28,620,000	27,025,000	(1,595,000)
Charges for Services	7,850,000	6,265,000	(1,585,000)
Miscellaneous	<u>708,000</u>	<u>623,000</u>	<u>(85,000)</u>
<b>Total</b>	<b>\$ 211,825,000</b>	<b>\$ 204,185,000</b>	<b>\$ (7,640,000)</b>



# COVID-19: FY2020 Revenue Impacts

## General Property Taxes (\$565,000)

- Real Estate taxes
- Personal Property taxes
- Public Service taxes
- Delinquent collections, interest and penalties

## Other Local Taxes (\$2,995,000)

- Sales tax and 1% additional Historic Triangle Tax
- Occupancy (Lodging) tax and Meals tax
- Bank Franchise, Deeds of Conveyance, Recordation taxes



# COVID-19: FY2020 Revenue Impacts

## Business License, Permits & Fees (\$815,000)

- BPOL
- Community Development Fees (Building permits, planning & zoning, stormwater, etc.)

## Commonwealth/State (\$1,595,000)

- Sales Tax for Education
- Personal Property Tax Relief Act Block Grant
- Compensation Board for Constitutional Officers
- DMV Select, Communication Sales tax, etc.



# COVID-19: FY2020 Revenue Impacts

## Charges for Services (\$1,585,000)

- Parks and Recreation
- Medic Transport Recovery
- Recycling
- Courthouse and Other fees

## Miscellaneous (\$85,000)

- Fines and Forfeitures
- Use of Money and Property
- Federal
- Other

# COVID-19: FY2020 Expenditure Reductions - Summary



Expenditures	Amount
<b>County</b>	
Operations	\$ (2,270,000)
Capital Projects	(1,130,000)
Transfer to Other Funds	<u>(420,000)</u>
<b>County - subtotal</b>	<u>\$ (3,820,000)</u>
<b>School Division</b>	
Operations	\$ (1,248,000)
Capital Projects	<u>(2,572,000)</u>
<b>School Division - subtotal</b>	<u>\$ (3,820,000)</u>
<b>Total</b>	<b>\$ (7,640,000)</b>

# COVID-19: FY2020 Expenditure Impacts - County



## Operations (\$2,270,000)

- Departmental reductions
- Hiring freeze

## Capital (\$1,130,000)

- Stormwater
- Maintenance projects (HVAC, electrical, building maint., etc.)
- Software and UPS replacements

## Transfers (\$420,000)

- Lodging tax reduction impacts transfer to Tourism Fund (60%)

# COVID-19: FY2020 Expenditure Impacts – School Division



## Operations (\$1,248,000)

- Sales Tax for Education revenue reduction projection

## Capital (\$2,572,000)

- Use of prior year capital project fund balance
- Performing maintenance in-house
- Deferment of projects

**ITEM SUMMARY**

DATE: 4/21/2020

TO: The Board of Supervisors

FROM: Scott A. Stevens, County Administrator

SUBJECT: Proposed Fiscal Year 2021 Budget Discussion

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**ATTACHMENTS:**

	Description	Type
	Presentation	Presentation

**REVIEWERS:**

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	4/15/2020 - 3:21 PM



# COVID-19 FY2021 Budget Potential Impacts

[jamescitycountyva.gov/budget](http://jamescitycountyva.gov/budget)

# COVID-19 – FY2021 Budget

- The Proposed Budget was prepared prior to COVID-19
- \$500,000 originally intended for employee compensation moved to contingency account
- Adjustments are being made as additional information becomes available



# COVID-19: FY2021 Revenue Scenarios



Revenue	FY2021 Projected 3-Mth Impact	FY2021 Projected 6-Mth Impact	FY2021 Projected 9-Mth Impact
General Property Taxes	\$139,155,000	\$138,225,000	\$137,322,000
Other Local Taxes	24,740,000	20,990,000	17,293,000
Business License, Permits, & Fees	7,939,000	6,436,000	4,939,000
Commonwealth	27,272,000	25,353,000	23,432,000
Charges for Services	5,991,000	4,660,000	3,339,000
Miscellaneous	<u>661,000</u>	<u>597,000</u>	<u>534,000</u>
<b>Total</b>	<b>\$205,758,000</b>	<b>\$196,261,000</b>	<b>\$186,859,000</b>
<b>Difference from FY21 Proposed</b>	<b>\$(10,274,000)</b>	<b>\$(19,771,000)</b>	<b>\$(29,173,000)</b>



# COVID-19: FY2021 Expenditure Scenarios



Expenditures		FY2021 Projected 3-Mth Impact	FY2021 Projected 6-Mth Impact	FY2021 Projected 9-Mth Impact
<b>County</b>				
	Operations	\$ (2,050,092)	\$ (2,615,092)	\$ (4,932,562)
	Capital Projects	(1,947,970)	(5,456,970)	(7,163,000)
	Transfer to Other Funds	(677,500)	(1,352,000)	(2,029,500)
	Contributions to Outside Agencies	<u>(461,438)</u>	<u>(461,438)</u>	<u>(461,438)</u>
	<b>County - subtotal</b>	<u>\$ (5,137,000)</u>	<u>\$ (9,885,500)</u>	<u>\$ (14,586,500)</u>
<b>School Division</b>				
	Operations	\$ (1,660,000)	\$ (5,994,500)	\$ (10,695,500)
	Capital Projects	<u>(3,477,000)</u>	<u>(3,891,000)</u>	<u>(3,891,000)</u>
	<b>School Division - subtotal</b>	<u>\$ (5,137,000)</u>	<u>\$ (9,885,500)</u>	<u>\$ (14,586,500)</u>
	<b>Total</b>	<b>\$ (10,274,000)</b>	<b>\$ (19,771,000)</b>	<b>\$ (29,173,000)</b>

# COVID-19: FY2021 Revenue Impact - Summary



Revenue	FY2021 Proposed Budget	FY2021 Projected Revenue (3-Month Impact)	FY2021 Anticipated Reductions
General Property Taxes	\$ 140,585,000	\$ 139,155,000	\$ (1,430,000)
Other Local Taxes	28,530,000	24,740,000	(3,790,000)
Business License, Permits, & Fees	9,422,000	7,939,000	(1,483,000)
Commonwealth	29,227,000	27,272,000	(1,955,000)
Charges for Services	7,545,000	5,991,000	(1,554,000)
Miscellaneous	<u>723,000</u>	<u>661,000</u>	<u>(62,000)</u>
<b>Total</b>	<b>\$ 216,032,000</b>	<b>\$ 205,758,000</b>	<b>\$ (10,274,000)</b>

# COVID-19: FY2021 Revenue Impacts (3-month Scenario)



## General Property Taxes (\$1,430,000)

- Impact is greater due to length of time
- Assumes less development and acquisition of new property
- Increase in delinquent activity and fewer collections

## Other Local Taxes (\$3,790,000)

- Assumes a higher % reduction in sales, lodging and meals taxes
- Bank Franchise will be based on calendar year 2020
- Deeds of Conveyance and Recordation taxes project decreases due to less real estate development and fewer property acquisitions

# COVID-19: FY2021 Revenue Impacts (3-month Scenario)



## Business License, Permits & Fees (\$1,483,000)

- BPOL will be based on calendar year 2020 gross receipts
- Community Development fees project very little new activity

## Commonwealth/State (\$1,955,000)

- Sales Tax for Education and other sales-based collections projected to decrease by a higher %
- Compensation Board removes State raise; may be more drastic



# COVID-19: FY2021 Revenue Impacts (3-month Scenario)

## Charges for Services (\$1,554,000)

- Biggest impact projected to be in Parks and Recreation and the courthouse, assuming programs are cancelled and courts remain closed/minimal cases

## Miscellaneous (\$62,000)

- Continued declines in fines and forfeitures, less interest earnings as cash reserves decline and unstable investment market

# COVID-19: FY2021 Expenditure Reductions (3-month Scenario)



Expenditures	Amount
<b>County</b>	
Operations	\$ (2,050,092)
Capital Projects	(1,947,970)
Transfers to Other Funds	(677,500)
Contributions to Outside Agencies	<u>(461,438)</u>
<b>County - subtotal</b>	<u>\$ (5,137,000)</u>
<b>School Division</b>	
Operations	\$ (1,660,000)
Capital Projects	<u>(3,477,000)</u>
<b>School Division - subtotal</b>	<u>\$ (5,137,000)</u>
<b>Total</b>	<b>\$ (10,274,000)</b>



# COVID-19: FY2021 Expenditure Impacts - County (3-month Scenario)

## Operations (\$2,050,092)

- Hiring freeze continues, reduces temp. personnel, no new positions or reclassifications
- Eliminates Reserve for Compensation
- No increases in non-personnel and reduces Contingency

## Capital (\$1,947,970)

- Based on Planning Commission recommendations
- Less General Services maintenance funding

## Transfers (\$677,500)

- Lodging tax reduction impacts transfer to Tourism Fund (60%)
- Reduced funding for VDOT Revenue Sharing (Transportation Match)

## Contributions (\$461,438)

- Level funded outside agency requests with FY20

# COVID-19: FY2021 Expenditure Impacts - School Division (3-month Scenario)



## Operations (\$1,660,000)

- Sales Tax for Education revenue reduction projection

## Capital (\$3,477,000)

- Coordinate with the School Division on projects, with priority given to safety concerns



# Budget Process: Upcoming Meetings



April 23,  
12:30 p.m.  
Virtual Budget  
Community  
Meeting

April 28,  
4:00 p.m.  
JCC Govt  
Center, Bldg. F  
Budget  
Worksession

May 12,  
5:00 p.m.  
JCC Govt  
Center, Bldg. F  
Budget  
Adoption  
Regular Meeting

Recommended  
Next Step:  
Continual  
Updates on the  
Budget

Proposed  
FY2021-FY2022 Budget  
[board@jamescitycountyva.gov](mailto:board@jamescitycountyva.gov)



**ITEM SUMMARY**

DATE: 4/21/2020

TO: The Board of Supervisors

FROM: Teresa J. Fellows, Deputy Clerk

SUBJECT: Adjourn until 4 p.m. on April 28, 2020 for the Budget Work Session

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**REVIEWERS:**

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	4/15/2020 - 1:34 PM