



# FY 2025

## PROPOSED BUDGET

# BUDGET PROPOSAL GUIDELINES

1. Departments should provide a budget with no service increases, if possible.
2. Program expansions were to be fully justified with a funding plan.
3. Line by line department reviews with County Administrator, Finance Director, and Department Head.
4. CIP expenditures were selected by importance or mandate.



# FACTORS IN PREPARING THE FY 2025 BUDGET

## REVENUE CHANGES

### 1. Increased revenue estimates

- Delinquent property tax collections increased by 27% (\$700,000)
- Sales tax increased by 8% (\$190,000)
- Included \$500,000 estimate for investment interest revenue

### 2. Revenue estimates are less conservative

- Less conservative estimates will result in smaller fund balance increases
- More aggressive estimates could lead to a budget shortfall



# FACTORS IN PREPARING THE FY 2025 BUDGET

## EXPENDITURE CHANGES

### 1. Personnel changes

- 3 additional EMS employees approved mid-FY 2024, **\$210,630**
  - Board voted to use the fund balance, not operating revenue, for this expense in FY 2024
- Increasing workloads require more staff
  - Commissioner of the Revenue: **\$40,000** increase in part-time
  - Treasurer: **\$40,000** increase in part-time
  - Commonwealth's Attorney: **\$17,216** increase in part-time
  - Jail: **\$67,500** increase in part-time
  - CSA: **\$48,227** to switch existing part-time employee to full-time



# FACTORS IN PREPARING THE FY 2025 BUDGET EXPENDITURE CHANGES (CONTINUED)

2. 3% pay raise, **\$234,822** County-funded, **\$165,627** State-funded
3. Fire-EMS overtime increase and two additional employees, **\$224,519**
4. HRECC radio system usage fee, **\$170,259**
  - Previously paid with radio project debt proceeds
5. Landfill leachate hauling, **\$100,000**



# COUNTY CAPITAL IMPROVEMENT PROJECTS

1. IT, key card system, computer upgrades, BOS sound system **\$79,500**
2. Last-mile broadband project **\$1,560,000**
3. Fire-EMS Stanley Plaza renovation **\$400,000**
4. Fire-EMS south station leak repair **\$10,000**
5. Ambulance **\$289,692** (\$142,500 grant-funded, **\$147,192** carryover)
6. Ambulance **\$390,000**
7. Rebuild engine of backup Al-Jon compactor **\$95,000**
8. Landfill solar spark flare repair **\$90,000**
9. Landfill asphalt and repair **\$75,000**



# COUNTY CAPITAL IMPROVEMENT PROJECTS

10. Repaint halls in Government Center building \$6,000

11. DSS car \$25,000

12. Sheriff's Office projects \$100,000

**TOTAL CIP COST \$3,120,192**

COUNTY-FUNDED \$2,830,500

STATE-FUNDED \$142,500

CIP FUND BALANCE CARRYOVER \$147,192



# BUDGET DEFICIT OF \$1.3 MILLION

## STRATEGIES TO REDUCE DEFICIT

1. Increase part-time wage budgets instead of hiring additional full-time staff
  - Office help in various offices (Commissioner of the Revenue, Treasurer, and Commonwealth's Attorney)
  - Training for Fire-EMS
2. Using the fund balance for the upcoming reassessment
  - Previously paid with operating funds
  - \$500,000 reduction to fund balance over the next two years



# TAX RATES

Tax	Current Rate	Proposed Rate	Value per Penny
Real Estate	0.73	0.73	221,267
Personal Property*	4.40	4.40	24,154
Machinery and Tools*	1.50	1.50	2,512
Motor Carriers*	1.50	1.50	25
Mobile Homes*	0.73	0.73	1,279
Aircraft*	0.50	0.50	619
Transient Occupancy	5%	10%	N/A

\*Value per penny is based on CY2023.

The increase in transient occupancy tax (TOT) will generate an **additional \$1.8 million** without burdening Page County citizens.



# INCREASE TRANSIENT OCCUPANCY TAX

Transient occupancy tax (TOT) is imposed on hotels, motels, boarding houses, travel campgrounds, and other facilities offering guest rooms rented out for continuous occupancy for fewer than 30 days. The tax is imposed on the total price paid by the customer for the use of the room or space in a retail sale.

Current rate: 5%



Projected rate: 10%



This tax increase will generate an additional \$1.8 million, which will can be used to balance the County's FY 2025 budget.

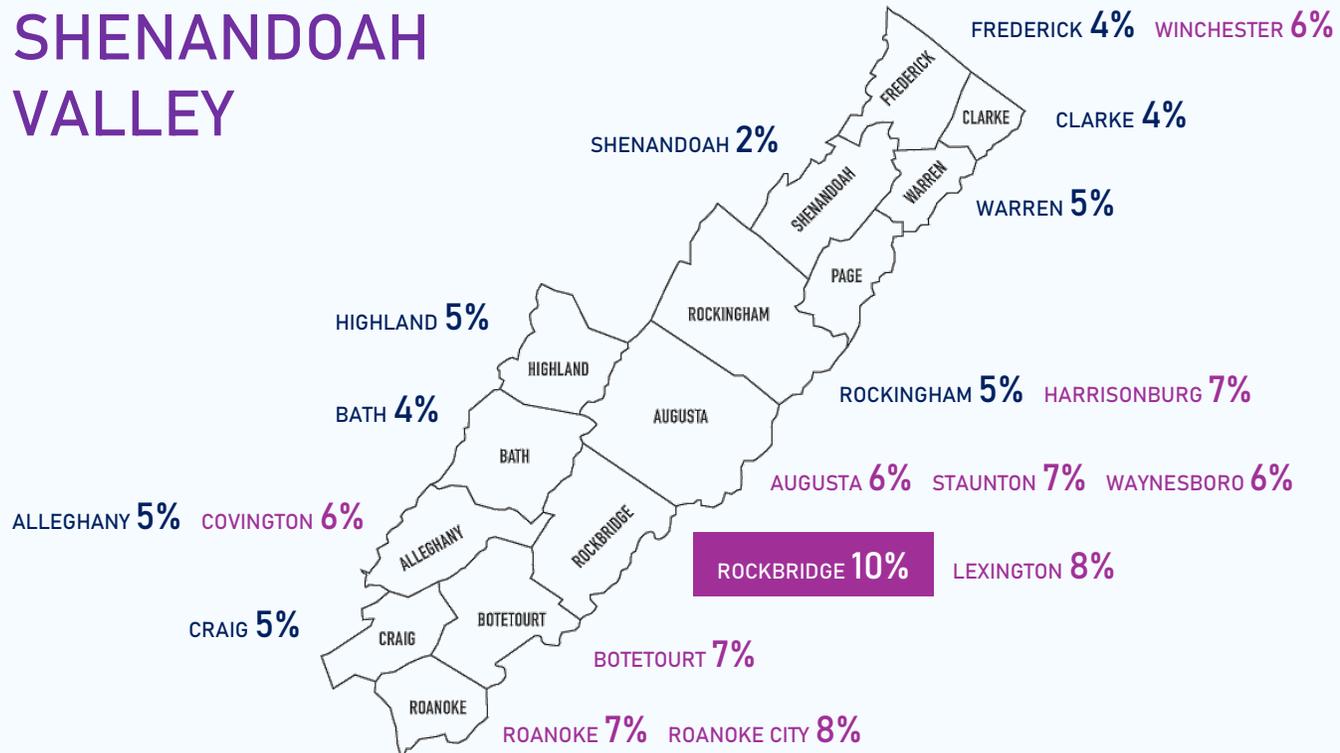
**RESTRICTED**  
Per VA Code, 60% of the first 5% of TOT must be used for tourism-related purposes.

**GENERAL COUNTY REVENUE**  
40% of the first 5% of TOT can be treated as general revenue.  
Any TOT above 5% can be treated as general revenue.



# TRANSIENT OCCUPANCY TAX RATES

## SHENANDOAH VALLEY



## DESTINATION AREAS

10.5% + \$2 per night  
Virginia Beach's Sandbridge District

9.5% + \$1.25 per night  
Alexandria

9%  
Norfolk (+\$3 per night),  
Virginia Beach (+\$2 per night)

8.25%  
Arlington

8%  
Charlottesville, Chesterfield Co.,  
Hanover Co., Henrico Co., Loudoun Co.,  
Prince William Co., Richmond

7%  
Fairfax Co.

U.S. News ranked the Shenandoah National Park and Luray as the 1<sup>st</sup> and 10<sup>th</sup> best places to visit in Virginia, respectively.



# EXPENDITURES PER FUND

Fund	FY 2024 Adopted	FY 2025 Proposed	Change	%
General	31,345,684	33,921,063	2,575,379	8%
Virginia Public Assistance (DSS)	4,623,922	5,037,323	413,401	9%
Children's Services Act	2,556,458	2,606,995	50,537	2%
Tourism (Restricted TOT)	960,000	1,080,000	120,000	13%
County CIP	1,827,041	3,120,192	1,293,151	71%
School Operating	42,848,159	42,818,632	(29,527)	0%
School Cafeteria	2,166,807	2,166,807	-	0%
Recreation	20,000	30,000	10,000	50%
VJCCCA	30,076	30,076	-	0%
Victim Witness	92,019	94,787	2,768	3%
Water Quality	6,000	6,000	-	0%
<b>Total</b>	<b>86,476,166</b>	<b>90,911,875</b>	<b>4,435,709</b>	<b>5%</b>

County, - \$35,231  
 State, + \$132,970  
 Federal, + \$315,662

Includes last-mile  
 broadband project.

Includes a local  
 transfer increase of  
 \$500,000.

Decrease caused by  
 absence of State and  
 Federal pandemic-  
 related aid.



# EXPENDITURES PER FUND

## GENERAL FUND

The General Fund's budget will grow 8%, or \$2,575,379, from the FY 2024 Adopted Budget, but much of this increase is for carryovers and prior-year expenditures that were included as supplemental appropriations after the budget's adoption.

\$833,389 of this increase will be used for the following:

- Fund balance carryovers
  - Meat processing facility study and development \$300,000
  - Reassessment \$200,000
  - Broadband Authority expenses \$149,038
  - PCSO donations for emergency responses \$1,830
- Pass-through expenses funded by the State
  - Compensation Board adjustments paid by State \$182,521



# LOCAL FUNDING OF SCHOOL BOARD

<b>Fiscal Year</b>	<b>Required Local Funding</b>	<b>Budgeted Local Funding</b>	<b>School-Related Debt Service</b>	<b>School-Related CIP</b>	<b>Total</b>	<b>Savings at Year End</b>
Proposed 2025	TBA	12,218,266	3,763,200	176,992	16,158,458	N/A
Adjusted 2024	9,715,283	11,718,266	3,799,059	-	15,517,325	N/A
2023	8,922,815	11,764,457	3,790,298	-	15,554,755	176,992
2022	8,041,334	10,989,932	3,808,345	1,000,000	15,798,277	1,156,215
2021	7,842,279	10,349,540	3,902,936	856,009	15,108,485	1,776,677
2020	6,915,053	10,348,580	3,923,965	-	14,272,545	1,526,679
2019	6,846,371	10,019,643	3,944,655	-	13,964,298	563,988



# SCHOOL BOARD'S PRELIMINARY REQUESTS

Request	Cost
Average 4% pay raise and step increase	1,283,426
Classified scale adjustments for specific positions	965,366
English language teacher	70,000
Special education teacher	70,000
Student mental health support position	75,000
2 reading specialists	140,000
Health insurance (10% increase)	470,169
Utilities and contracts (10% increase)	172,006
Shenandoah Valley Regional Program increase	361,085
Operations and maintenance budget adjustment	250,000
<b>Total</b>	<b>3,857,052</b>

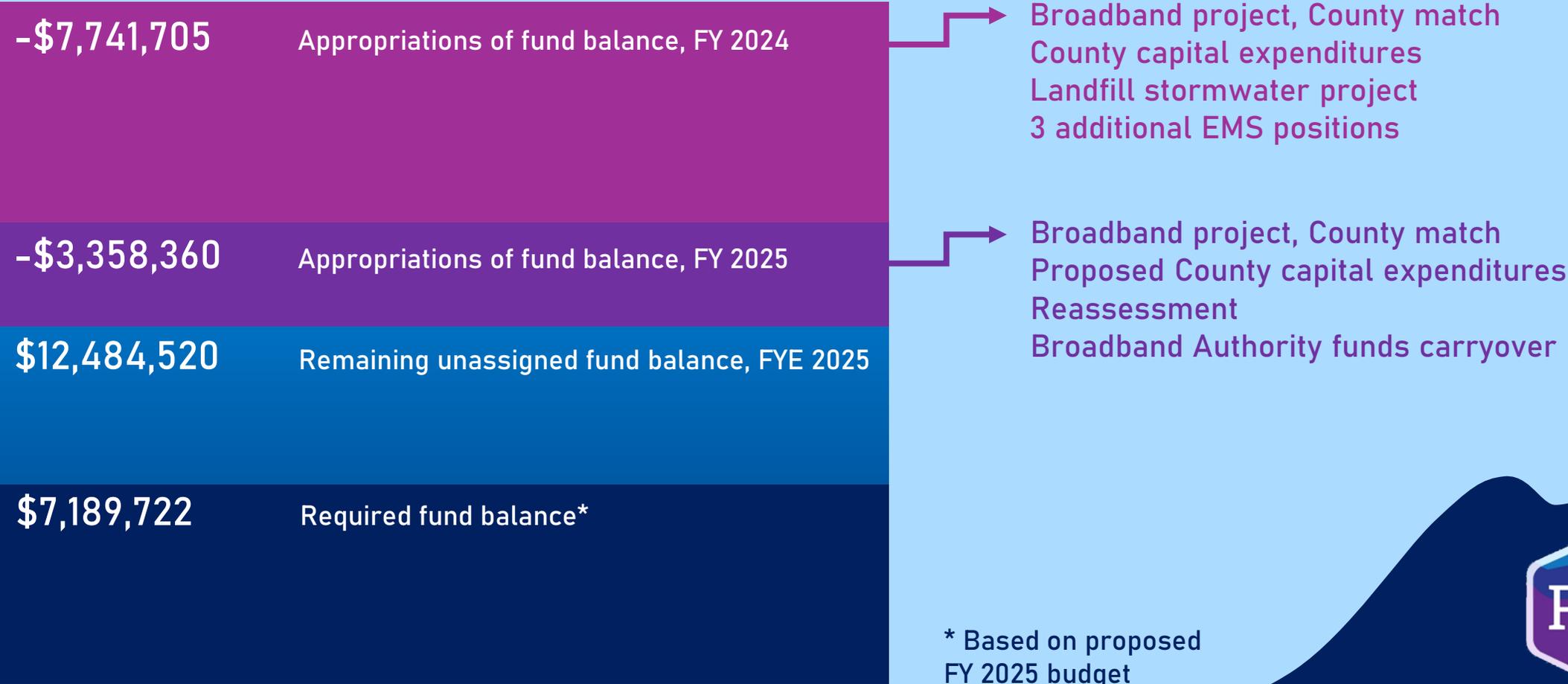
Depending on the State's budget, at least an additional \$1.6 million will be needed to fund the County's and School Board's proposed requests.

	Governor's FY 2025 Proposed Budget	House Amendment	Senate Amendment
Projected cost increases	3,857,052	3,857,052	3,857,052
Projected State revenue increase	325,997	1,288,112	1,690,549
Local request	3,531,055	2,568,940	2,166,503
Additional budgeted local transfer	500,000	500,000	500,000
Remaining local funds needed	3,031,055	2,068,940	1,666,503



# GENERAL FUND BALANCE

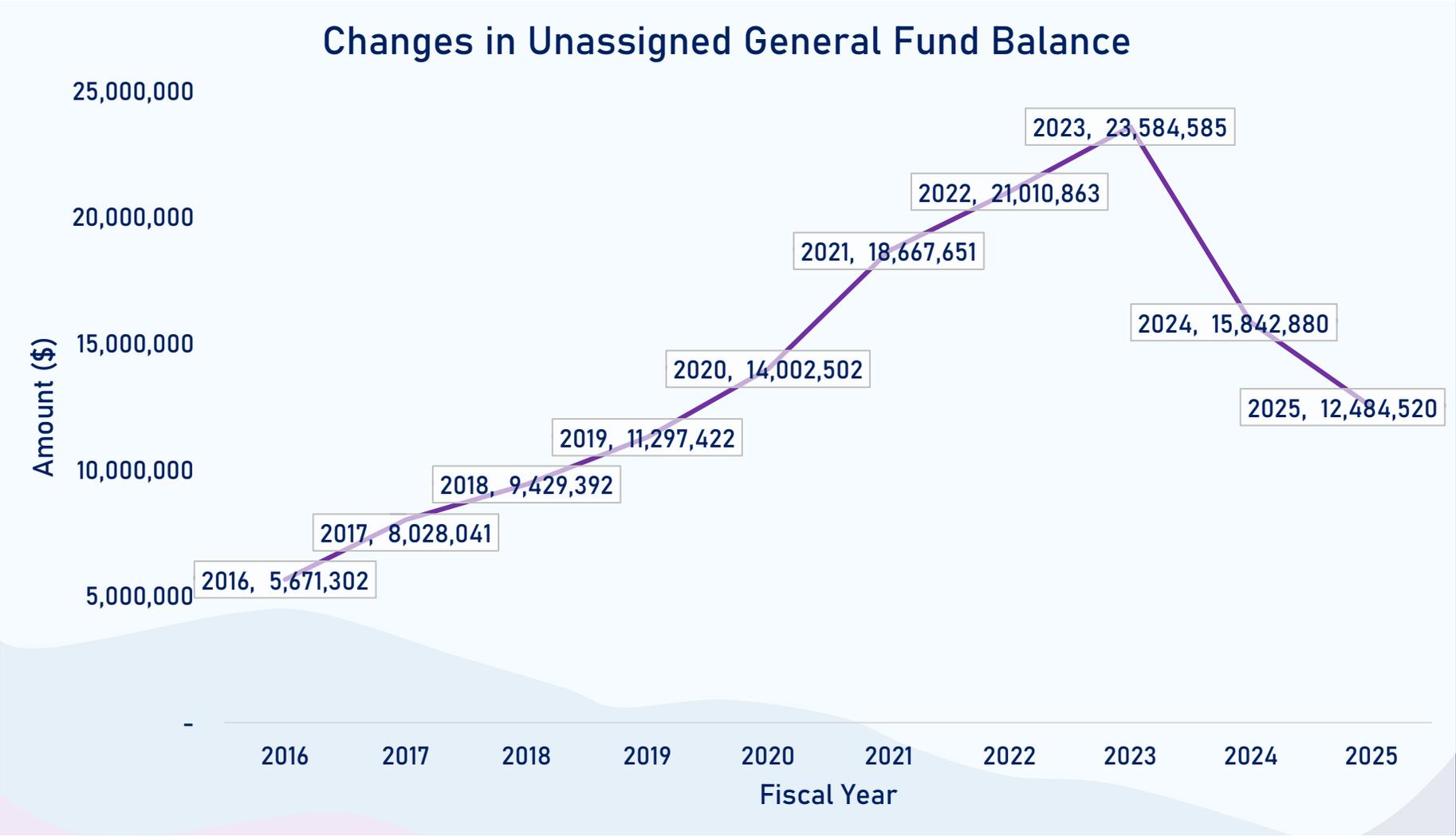
**\$23,584,585** Unassigned fund balance, FYE 2023



\* Based on proposed FY 2025 budget



# GENERAL FUND BALANCE (CONTINUED)



# BUDGET CALENDAR

Thursday, March 21, 2024	6:00 PM	Budget Work Session School Board Budget Presentation
Monday, March 25, 2024	6:00 PM	Budget Work Session
Thursday, March 28, 2024	6:00 PM	Budget Work Session
Monday, April 15, 2024	7:00 PM	Tax Rate Hearing and Adoption County and School Budget Hearing
Monday, May 6, 2024	7:00 PM	County and School Budget Adoption

