

At a special meeting of the Board of Supervisors of Warren County held in the Warren County Government Center on April 15, 2021 at 7:00 PM.

Present: Cheryl L. Cullers, Chair (South River District); Archie A. Fox, Vice Chairman (Fork District); Tony F. Carter (Happy Creek District); Walter J. Mabe (Shenandoah District); and Delores R. Oates (North River District); also present Edwin C. Daley, Interim County Administrator; Taryn G. Logan, Deputy County Administrator; Zach Henderson, Finance Administrative Assistant; Caitlin Jordan, Senior Assistant County Attorney; Jon Martz, Keith McLiverty, Finance Director; Emily Ciarrocchi, Deputy Clerk of the Board; Roger Bianchini, Royal Examiner; and Alex Bridges, Northern Virginia Daily

Call to Order and the Pledge of Allegiance of the United States of America

Public Hearing – Proposed Warren County Budget for Fiscal Year 2021-2022 and Tax Rates for Calendar Year 2021 – Keith McLiverty/Ed Daley

Ed Daley, Interim County Administrator, delivered a presentation to the Board on the proposed FY 2021-2022 budget and 2021 tax rates.

Mr. Fox arrived in the meeting at 7:15 PM.

Initial Cost Drivers:

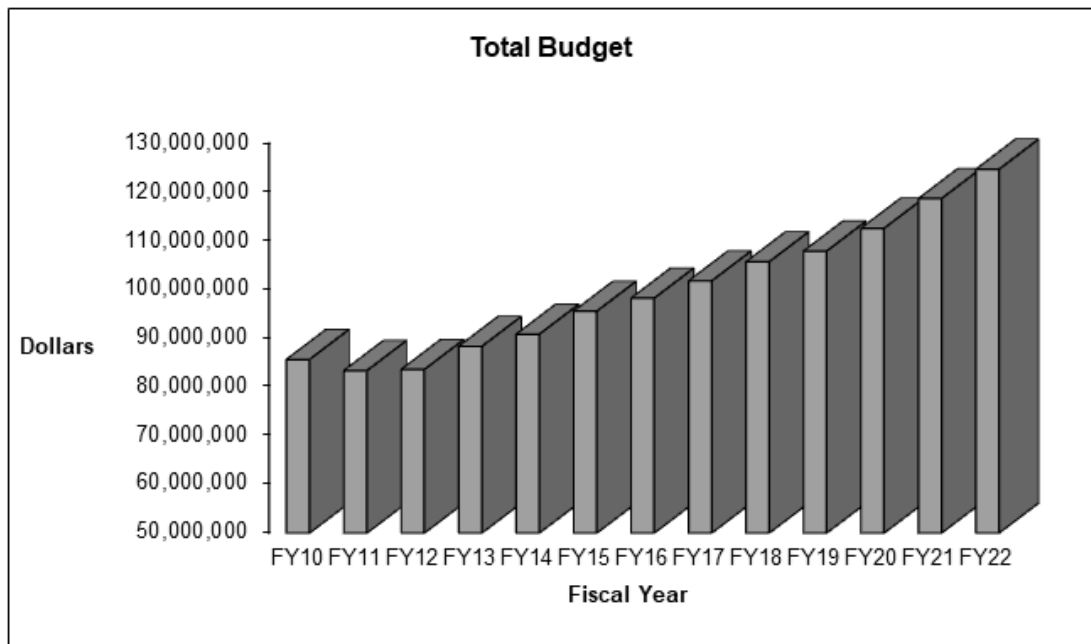
- Phase III Implementation for Compensation Plan - \$300,000 for County
- Dominion Water Agreement - August 2020
- Ongoing Debt, Operational, and Litigation Costs for the Economic Development Authority
- Funding of FLSA-mandated Overtime Costs in Fire and Rescue

Budget Highlights:

- Total budget increase from \$118,611,309 to \$124,615,000 (\$6,003,691 - 5.06%)
- Economic Development funding of \$3,197,500
- Warren County Public Schools funding of \$63,945,000 (\$27,720,000 in local funding)
- Economic Development Authority, Cost Recovery, Airport, and Debt Service funds
- Human Resources Department
- RSW Regional Jail and Juvenile Detention Center
- Two Information Technology positions
- Grants Coordinator position
- Deputy Registrar position
- Self Sufficiency Specialist

Significant Funding Changes:

- \$1,700,000 for Warren County Public Schools
- \$2,550,000 for Shenandoah Farms Sanitary District Road Projects
- \$646,000 for Public Assistance
- \$780,000 for Fire and Rescue Services
- \$670,000 for Sheriff's Office and E-911



Revenue Picture:

- Personal Property Taxes - \$1,250,000
- Local Sales Taxes - \$700,000
- State and Federal Funding - \$2,342,000
- Regional Jail Credit - \$830,000
- Shenandoah Farms Capital - \$637,000

Proposed Salary Increases:

- \$300,000 for the implementation of Phase III of the Compensation and Classification Study
- 2.0% Cost of Living Adjustment (COLA) salary increase for County Employees
- 5.0% salary increase for State supported positions

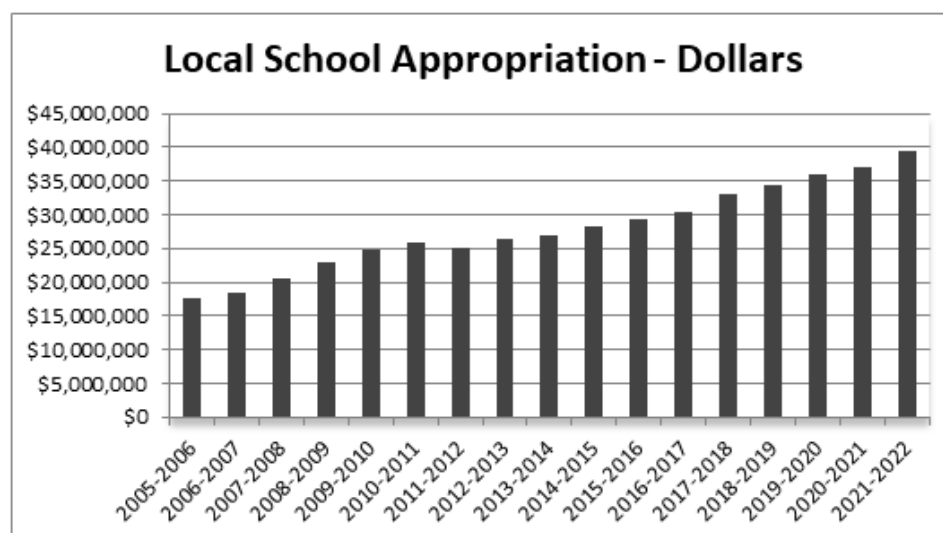
Funding Changes:

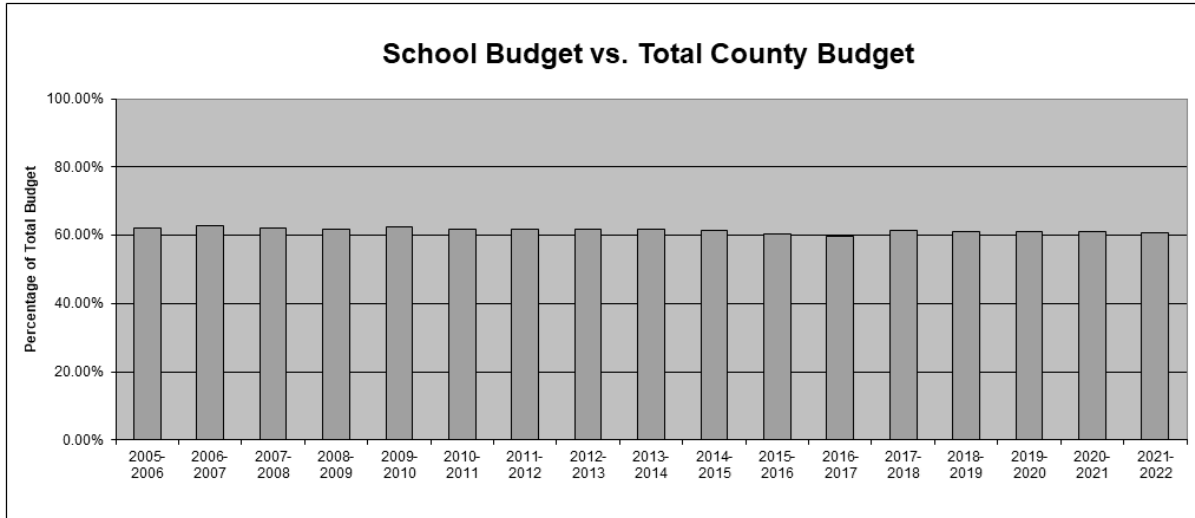
- Additional funding for the Humane Society of Warren County, per contract (\$10,000 – 3.13%)

Warren County Public Schools Budget Highlights:

- \$1,697,485 increase (2.73%) in annual operating costs
- In FY 2021-2022, WCPS will be able to fund Phases II and III of Compensation Study recommendations
- 2% Teacher Salary Increase + Step
- Adjust Majority of Salary Scales with 0-6 and 7-12 years of experience
- Added Positions
 - English Language Teacher (1)
 - Gifted and Talented Teachers (2)
 - Criminal Justice Teacher (0.5)
 - History Teacher (1)
 - Special Education Assistant (1)
 - Sign Language Interpreter (1)
 - Dual Enrolled English Teacher (1)

Local School Budget Increase Over Past 10 Years		
Fiscal Year	Actual Increase	% Increase
FY 12	\$0	0.00%
FY 13	\$692,768	3.55%
FY 14	\$432,706	2.15%
FY 15	\$500,000	2.43%
FY 16	\$325,136	1.54%
FY 17	\$683,215	3.19%
FY 18	\$3,065,402	13.86%
FY 19	\$1,214,414	5.19%
FY 20	\$1,807,053	7.34%
FY 21	\$513,692	1.94%
10 Year Average:	\$923,439	4.12%
FY 22	\$1,697,485	2.73%





Proposed Budget Includes No Changes to the Current Tax Rates or Fee Structure

Adjacent Locality RE Rates		
Locality	Adopted 2020 RE Tax Rate	Proposed 2021 RE Tax Rate
Clarke	\$0.615	\$0.615
Fauquier	\$0.994	\$0.994
Frederick	\$0.61	\$0.61
Page	\$0.73	\$0.87
Rappahannock	\$0.73	\$ ¹
Shenandoah	\$0.64	\$0.69
Warren	\$0.655	\$0.655

¹Will not determine tax rate until June 2021

Fund Balance:

- Fund Balance Policy – Adopted March 1, 2005
 - Undesignated fund balances should be at least 15% of total budget
 - Use of fund balance is limited to one-time expenditures
 - Should the fund balance fall below 15%, the Board will take steps to correct over the next two fiscal years

General Fund Balance, June 30, 2020	\$12,876,812
Prior Years' Reserve Used in FY 2020-2021 Budget	\$0.00
Projected Fund Balance, General Fund	\$12,876,812
Adopted FY 2020-2021 Budget	\$118,611,309
15% as required by Policy	\$17,791,696

Special Projects Account:

- June 30, 2020 balance: \$19,549,685
- Up from \$18,482,140 on June 30, 2019
- \$4,678,439 designated for permanent reserves
- \$1,749,610 is designated for Solid Waste projects
- \$2,039,810 belongs to the County's Sanitary Districts
- Board has been committed to planning ahead for projects
- Significant Items:
 - Shenandoah Farms Compactor Site
 - Sanitary District road projects
 - Debt Service
 - Proposed FY 2021-2022 budget anticipates \$1,500,000 from the Fund Balance and completing a portion of the Special Projects

Delinquent Tax Collections:

	Tax Collected within the Fiscal Year of the Levy (%)					5-year
	2016	2017	2018	2019	2020	Average
Warren	97.93	95.49	95.29	94.36	96.21	95.86
Shenandoah	95.40	95.70	95.43	95.42	94.97	95.38
Clarke	101.35	99.40	102.44	106.16		81.87
Fauquier	99.01	97.85	99.00	98.84	98.70	98.68
Page	94.40	94.00	94.38	91.12		74.78
Rappahannock	99.01	97.85	99.00	98.84	97.00	98.34
Frederick	95.70	96.08	95.93	95.98	95.93	95.92
	Average					91.55

	Total Tax Collections by Year (%)					5-year
	2016	2017	2018	2019	2020	Average
Warren	100.07	99.23	98.32	94.36	96.21	97.64
Shenandoah	98.85	98.52	97.05	95.42	94.97	96.96
Clarke	101.44	100.89	103.47	106.64		82.49
Fauquier	99.96	98.49	99.60	98.84	98.70	99.12
Page	98.52	97.92	96.26	91.12		76.76
Rappahannock	99.96	98.49	99.60	98.84	94.00	98.18
Frederick	99.10	99.88	99.17	99.60	99.44	99.44
	Average					92.94

2019 State Comparable Report:

- Warren County ranks 6th out of the 7 neighboring jurisdictions in local government spending (maintenance and operation) at an average of \$2,689.94 per capita

- Additionally, Warren County ranks:
 - 1st out of 7 in Debt Service spending at \$510.61 per capita
 - 4th out of 7 in Health & Human Services spending at \$270.47 per capita
 - 5th out of 7 in Fire and Rescue spending at \$114.18 per capita
 - 6th out of 7 in Law Enforcement spending at \$129.98 per capita
 - 7th out of 7 in Education spending (operational) at \$1,504.71 per capita

SANITARY DISTRICT TAX RATES

<i>(tax on lots in existence as of January 1, 2021)</i>	<u>Approved Tax Rates – 2020</u>	<u>Proposed Tax Rates – 2021</u>
Blue Mountain	\$65.00 per lot plus \$0.24 per \$100 of assessed value on improvements	\$65.00 per lot plus \$0.24 per \$100 of assessed value on improvements
Cedarville Heights	\$250.00 per lot	\$200.00 per lot
High Knob	\$413.00 per unimproved lot; \$667.00 per improved lot	\$423.00 per unimproved lot; \$684.00 per improved lot
Lake Front Royal	\$345.00 per lot plus \$0.05 per \$100 of assessed value on improvements	\$345.00 per lot plus \$0.05 per \$100 of assessed value on improvements
Linden Heights	\$375.00 per lot	\$375.00 per lot
Osprey Lane	\$100.00 per unimproved lot; \$1,000 per improved lot	\$100.00 per unimproved lot; \$1,000.00 per improved lot
Riverside	\$60.00 per lot plus \$0.12 per \$100 of assessed value on improvements	\$60.00 per lot plus \$0.12 per \$100 of assessed value on improvements
Shangri-La	\$385.00 per lot	\$385.00 per lot
Shannon Woods	N/A	\$300.00 per lot
Shenandoah Farms	\$350.00 per unimproved lot; \$350.00 per improved lot	\$350.00 per lot
Shenandoah Shores	\$120.00 per lot plus \$0.20 per \$100 of assessed value on improvements	\$120.00 per lot plus \$0.20 per \$100 of assessed value on improvements
Skyland Estates	\$0.325 per \$100 of assessed value of unimproved lot plus \$0.325 per \$100 of assessed value on improvements	\$0.35 per \$100 of assessed value of unimproved lot plus \$0.35 per \$100 of assessed value on improvements

SANITARY DISTRICT TAX RATES (continued)

<i>(tax on lots in existence as of January 1, 2021)</i>	<u>Approved Tax Rates – 2020</u>	<u>Proposed Tax Rates – 2021</u>
South River Estates	\$300.00 per lot plus \$0.05 per \$100 of assessed value on improvements	\$300.00 per lot plus \$0.05 per \$100 of assessed value on improvements
Wildcat Drive	\$150.00 per unimproved lot; \$400.00 per improved lot	\$150.00 per unimproved lot; \$400.00 per improved lot

Mrs. Cullers opened the public hearing.

Robert Look, 86 Laura Lane, introduced himself as the President of the Warren County Girls Little League Softball and reported the League had a record number of signups this season. He asked if the Board could revisit the Rockland Park development after considering this budget; because of the pandemic restrictions, games and tournaments have been capped at fewer than 200 participants due to lack of fields in the County. They have been primarily using Chimney Field Park but will be forced to turn away future participants due to lack of space. Development of Rockland Park would help the organization grow and enable them to host tournaments and travel organizations, which would generate revenue for the County. He would like the Board to consider at least having a conversation about Rockland Park and explore other options to expand the facilities there.

There being no further input from the public, Mrs. Cullers closed the public hearing.

Adjournment

Mrs. Cullers adjourned the meeting at 7:30 PM.