



# Five Year Financial Plan General Fund

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January 18, 2022

Stafford County Board of Supervisors

## Agenda and Purpose

- The Five Year Financial Plan provides the Board and citizens with a snapshot of how decisions could impact future budgets
- Staff asks for the Board's input that will guide the County Administrator's Proposed Budget
- Agenda
  - Revenues
  - Plan Drivers

# Financial Planning Process



# Revenues and Expenditures

## Balanced Budget Plan

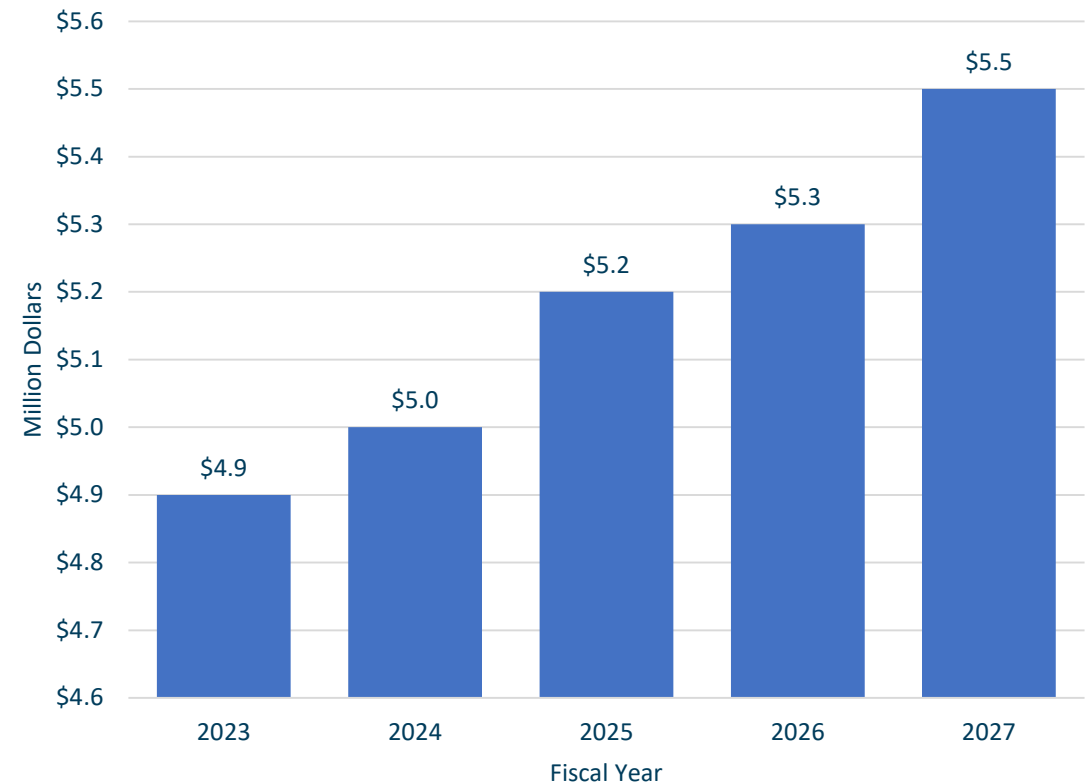
	FY2023 Plan	FY2024 Plan	FY2025 Plan	FY2026 Plan	FY2027 Plan
Real Estate Tax Rate	\$0.965	\$1.045	\$1.045	\$1.085	\$1.085
Annual Plan	\$362.8M	\$384.4M	\$406.4M	\$425.6M	\$454.4M
Year to Year % Increase	6.9%	5.9%	5.7%	4.7%	6.7%
Expenditure Drivers	<ul style="list-style-type: none"> <li>• School Salary</li> <li>• F&amp;R Crew</li> <li>• Aquia Station Debt</li> <li>• Salary Increase</li> <li>• Body Worn Camera</li> </ul>	<ul style="list-style-type: none"> <li>• School Salary</li> <li>• School Operating Transfer</li> <li>• HS#6 Debt</li> <li>• Body Worn Camera</li> </ul>	<ul style="list-style-type: none"> <li>• School Operating</li> <li>• HS#6 Debt</li> <li>• F&amp;R Crew</li> <li>• ERP Costs</li> </ul>	<ul style="list-style-type: none"> <li>• HS#6 Operating</li> <li>• HS#6 Debt Service</li> </ul>	<ul style="list-style-type: none"> <li>• School Operating</li> <li>• F&amp;R Staffing</li> </ul>

# Personal Property Tax

## Background Information

- Averages 14% of all General Fund revenues and provides revenue in place of Motor Vehicle License Fee
- Motor Vehicle Personal Property tax, approx. 83% of all property
- Current Tax rate \$6.10
  - Effective rate of \$3.05
  - Penny rate for PPT is approx. \$90k

## Personal Property Support for Transportation



## Other Taxes

Transient  
Occupancy  
5% (7% Max)

Meals Tax  
5% (6% Max)

Marijuana Tax

Grocery Tax

# Future Investments \$114M

High to Low Columns

Investment	Amount	% of Total
School Operating	\$40.6M	35.5%
GG Pay	\$13.4M	11.7%
PS Pay	\$12.5M	10.9%
F&R Staffing	\$11.6M	10.1%
Debt Service	\$7.9M	6.9%
Partner Agencies	\$5.6M	4.9%
Policy Required	\$2.4M	2.1%
Sheriff Staffing	\$2.2M	2.0%
Body Camera	\$1.9M	1.7%
Operating Costs	\$1.9M	1.7%
ERP	\$1.9M	1.6%
Minimum Wage	\$1.1M	1.0%

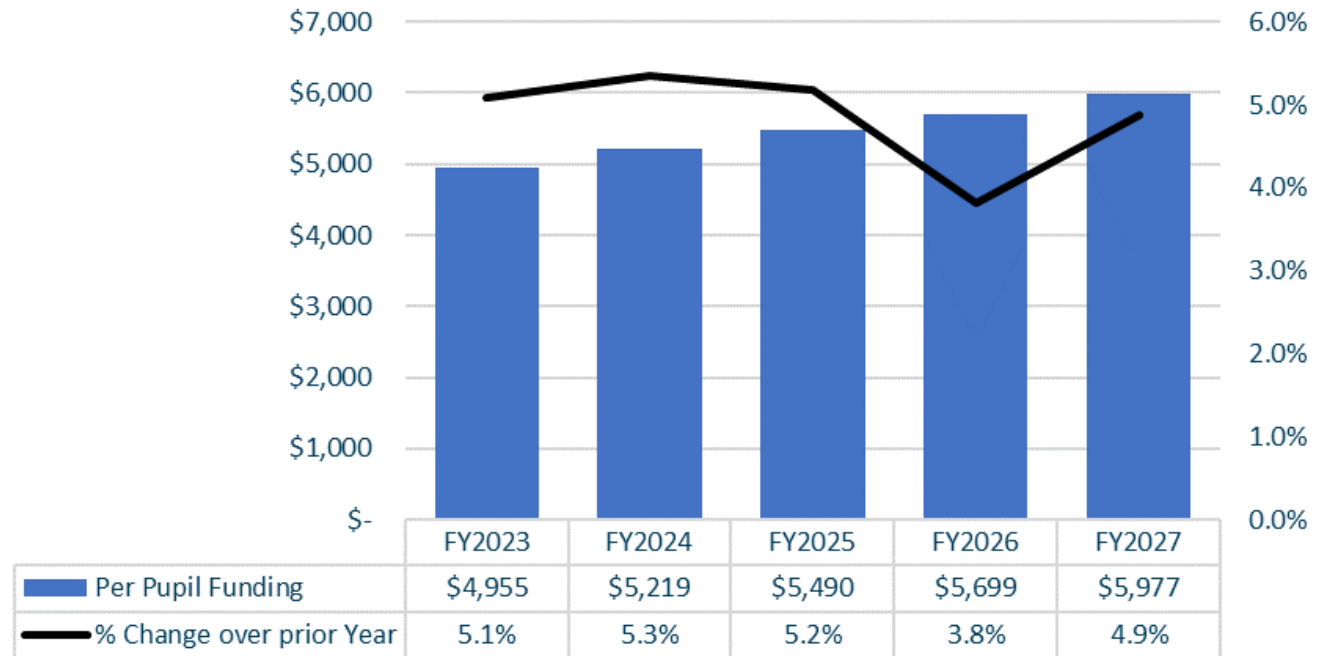
Investment	Amount	% of Total
Transportation	\$1.0M	0.9%
CSA	\$1.0M	0.9%
Restore FY21 cuts	\$0.8M	0.7%
Technology	\$0.5M	0.5%
Other	\$0.8M	0.7%

School Operating Transfers continues to be planned as the largest outlay in the next five years

# School Operating Transfer \$40.6M

- Largest expenditure in the plan
- Assumes increases for:
  - Teacher salary-scale implementation
  - Bus Driver salary implementation
  - Other salary increases
  - High School #6 operating costs
  - Increases Per Pupil funding

Fiscal Year Per Pupil Funding/Fiscal Year Percentage Increase





# Debt Service (Includes Retirement of Debt) (\$6.7M)

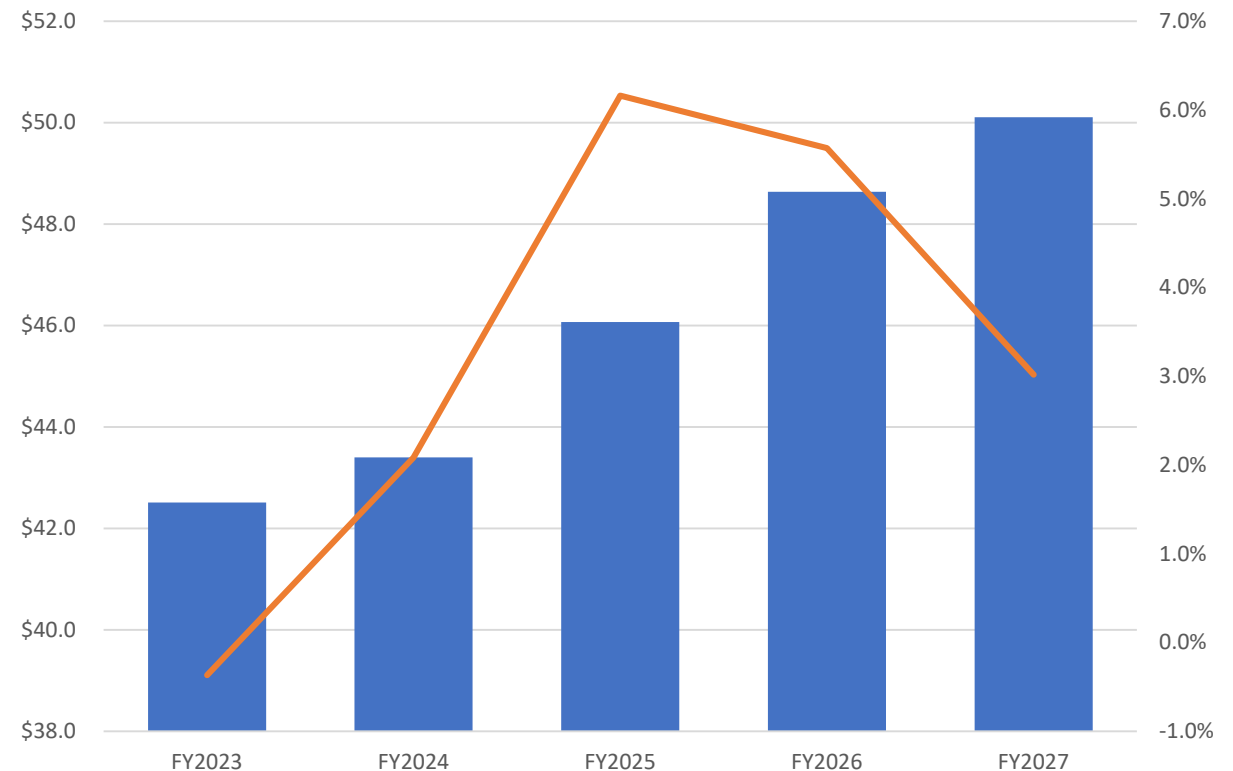
## Debt Assumptions

- High School #6, \$125.6M
  - Annual Debt Service when complete \$8.2M
- 3R Bond Funded Projects, \$37.4M
  - Annual Debt Service \$3.0M

## New Debt Assumptions

- Aquia Station \$14.9M
  - Annual Debt Service \$964K
- Embrey Mill Station, \$11.3M
  - Annual Debt Service \$728K
- High School #6 Offsite Costs, \$14.7M
  - Annual Debt Service \$1.1M
- Elementary School #18, \$54.8M
  - Annual Debt Service \$3.5
- Drew Middle School, \$32.4M
  - Annual Debt Service \$2.4M

Change in Debt Service by \$ and %



# Salary Increases

\$13.4 General Government (GG); \$12.5M Public Safety (PS)

## Data Behind the Assumptions

- Consumer Price Index increase 7.1%
  - Largest 12-month increase in grocery prices in 10 years
  - Gasoline 9.2% increase
- Labor shortages
  - Pandemic impacts (child care, schools, illness)
  - Low unemployment rate
    - 2.5% in Stafford County (NOV 21)
  - Retirements
    - 15.8% of staff eligible for retirement from FY22-27
- Minimum Wage Increases

**Assumptions:**  
6.5% in year 1; 4.5% outyears

	FY23	FY24	FY25	FY26	FY27
PS Step Plan	\$1.0M	\$1.0M	\$1.1M	\$1.1M	\$1.1M
PS Scale Adj	\$1.3M	\$1.4M	\$1.4M	\$1.5M	\$1.5M
GG Raise	\$1.1M	\$0.8M	\$0.8M	\$0.8M	\$0.9M
GG Scale Adj	\$2.4M	\$1.6M	\$1.6M	\$1.7M	\$1.7M

# Minimum Wage Increases \$1.1M

- General Assembly has approved a minimum wage increase
- Changes are effective as follows
  - Beginning \$8.50
  - January 1, 2021 \$9.50
  - January 1, 2022 \$11.00
  - January 1, 2023 \$12.00
  - January 1, 2025 \$13.50
  - January 1, 2025 \$15.00

# Fire and Rescue \$11.6M

## Assumption Drivers

- Standards of Cover (SOC) defined needs\*
  - Plan does not meet SOC requirements
  - Identified 383 positions
  - Plan provides for 66, or 17%
- Year 1-4 follow closely to prior five year plan
- Year 5 increase staffing to meet some of the defined needs

	FY23	FY24	FY25	FY26	FY27
12 Member Crew			12 Member Crew		(3) 12 Member Crews
3 Battalion Chiefs (mid year)		Full budget Battalion Chiefs			3 Safety Lieutenants
	\$1.6M	\$0.4M	\$2.0M	\$0.3M	\$7.2M

*\*Fire and Rescue Department will provide the Board with the SOC presentation at the Board Retreat*

## Sheriff's Department (\$2.2M)

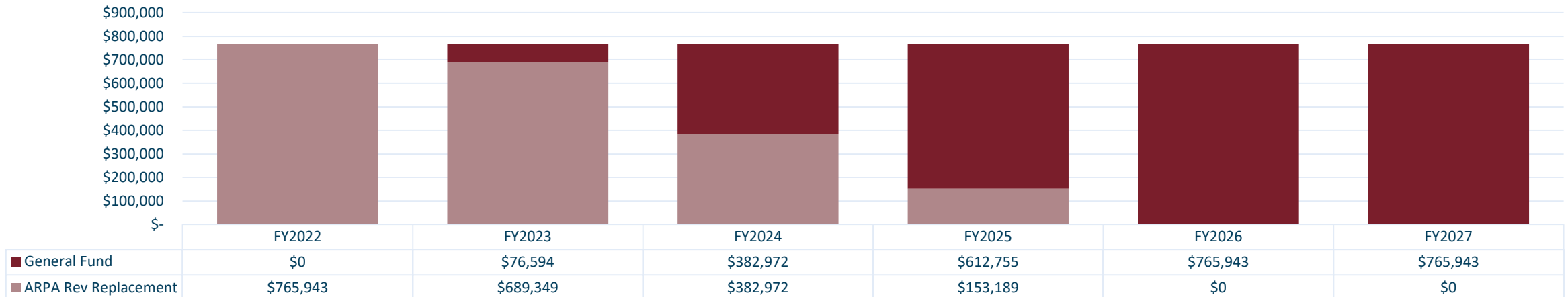
- Assumes increase in deputies to maintain the deputies/1000 citizen
- Continues pay differential
- CAD System
  - Assume one-time investment of \$2.3M with ongoing increased maintenance costs of approximately \$100k
  - Anticipates a current study will recommend replacement of CAD

# Body Cameras(\$1.9M)

## Positions

	FY23	FY24	FY25	FY26	FY27
Sheriff	1 Sheriff Deputy; 1 Records Specialist	1 Records Specialist	1 Records Specialist	1 Records Specialist	
Commonwealth Attorney (CWA)	1 Asst. CWA; 1 Legal Asst.	1 Asst. CWA; 1 Legal Asst.	1 Paralegal		
<b>Total</b>	<b>\$476.9K</b>	<b>\$353.8K</b>	<b>\$204.8K</b>	<b>\$96.5K</b>	<b>\$38.3K</b>

Body Worn Camera and Accessories Funding Sources



# Partner Agencies \$6.3M

Agency	Assumptions	FY23	FY24	FY25	FY26	FY27	Total
Jail	Entry pay = Court Deputy 4.5% increase out years	\$1.3M	\$0.5M	\$0.6M	\$0.6M	\$0.6M	\$3.6M
RJC	Entry pay = Court Deputy 2% increase out years	\$104.5K	\$47.7K	\$49.9K	\$50.3K	\$51.8K	\$304.2K
Library	FY23 Proposed Budget reduced from prior year underfunding	\$418.5K	\$174.4K	\$179.7K	\$185.0K	\$190.6K	\$1,148.2K
Others	3% Increase	\$300.7K	\$206.5K	\$212.7K	\$219.1K	\$225.7K	\$1,164.7

# Other Items

- General Government positions
  - Assumes maintenance of employees per population
- Enterprise Resource Planning (ERP) system
  - Assumes the need for 2 positions and one time funding for start up costs
- Departments emphasized increase needs:
  - Technology
  - HR and department specific training



# Next Steps and Questions

## Board Direction

- Tax Rates
- Schools
- Salaries
- Public Safety
- ERP Implementation
- General Government Positions
- Partner Agencies
- Any further direction or questions

## Next Steps

- At the Board retreat, staff will bring back additional information
- County Administrator's Proposed Budget February 15, 2022