



## COUNTY OF SURRY, VIRGINIA

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### FY 2011 BOARD OF SUPERVISORS APPROVED BUDGET-IN-BRIEF

#### Budget Highlights

- ❖ The total FY 2011 Adopted Operating Budget for the County is \$27,338,241, a (4.55%) or \$1.3 million decrease from FY 2010.
- ❖ The General Fund budget is \$9,056,650, a 3.66% decrease over FY10.
- ❖ The Social Services budget was adopted at \$2,232,729, which is \$18,000 less than the FY2010 budget
  - \$694,316 or 31% is the local contribution supporting this fund.
- ❖ The adopted School System budget is \$15,836,252, a \$956,000 or 5.7% decrease from FY2010.
  - The local contribution to support the School Division is \$11,243,651 or \$350,000 less than the FY2010 contribution. It comprises 71% of the total revenues needed to support the adopted budget.

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#### Major Tax & Fee Rate Changes

- ❖ The **Real Estate Property Tax Rate** increased by \$0.03 from \$0.70 per \$100 of assessed value to \$0.73.
- ❖ The **Personal Property Tax Rate** increased by \$0.50 from \$3.50 per \$100 of assessed value to \$4.00; however, the personal property tax relief percentage increased from 50% to 55%, providing greater relief (less impact) to the taxpayer.
- ❖ **Motor Vehicle License** fee remained at \$20.00; however, effective with the 2010 tax year, decals are no longer sold. The fee will be added to the tax bills due December 1<sup>st</sup>.
- ❖ For FY 2011, **increases in fees** were adopted associated with the following areas of County operations: waste collection services and monthly sewer fees. These fee increases relate to specific services for which the existing fee was out of alignment with comparable rates in the region. Even with the fee increases, the anticipated revenue collections do not come close to recouping the full cost of providing the services.
- ❖ All other fees and taxes remain the same.

## FY 2011 TAX RATES

	ADOPTED		CHANGE
	FY 2010	FY2011	
<b>REAL ESTATE</b>			
General	\$0.70	\$0.73	\$0.03
Public Service Corporations	\$0.70	\$0.73	\$0.03
<b>PERSONAL PROPERTY</b>			
General	\$3.50	\$4.00	\$0.50
Machinery & Tool	\$1.00	\$1.00	no change
Merchant's Capital	\$0.00	\$0.00	no change
Farm Equipment & Machinery	\$0.00	\$0.00	no change
Certain motor vehicles of volunteer fire departments and rescue squad members used to respond to emergency calls within Surry County as certified by the Commissioner of Revenue (up to \$15,00 value)	\$0.00	\$0.00	no change
<b>PERSONAL PROPERTY TAX</b>			
RELEIF PERCENTAGE	50%	55%	5%

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### Adopted Sewer Rates

Min. Rate/Mon. (0-5,000 Gal.)	Rate/1000 Gal. (> 5,000 Gal.)	Connection Fee	Type
\$34.20	\$2.20	\$2,184.00	Residence
\$68.25	\$2.20	\$5,460.00	Commercial
\$68.25	\$2.20	\$54.60/Student	School
\$68.25	\$2.20	\$2,184.00	Institutions
\$68.25	\$2.20	\$7,644.00	Industry

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### Budget Challenges/ Balancing the FY 2011 Budget

- ❖ The adopted tax rate increases in real estate and personal property will generate \$847,000 in revenue. Each one cent in the real estate tax revenue will earn \$235,000 in tax revenue and each ten cents in the personal property tax rate will produce \$14,200 in tax revenue. Even with the tax rate increases, the FY 10-11 operating budget incorporates reductions totaling \$1.3 million or 4.55% **less** than the FY 09-10 adopted budget.

- ❖ Funding at the state level continues to decline. For the general fund, state funds used to primarily support daily operations of the constitutional offices and Registrar will be \$80,000 less in FY10-11 than received in FY 08-09. The clerical positions for the Treasurer and Commissioner of Revenue's Offices are now 100% supported with County funds.
- ❖ Between revenue losses and expenditure pressures, the County was faced with a \$1.7 million gap between revenues at the FY10 tax rates and FY 11 operating expenditure requests. The shortfall was resolved by reductions to the General Fund totaling \$400,000 while the School System reductions were \$450,000 less than requested; the increases in the tax rates bridged the remaining gap.
- ❖ The expenditure side of the General Fund budget incorporates several pertinent factors, prior commitments and initiatives in addition to reductions as outlined below:

#### General Government Administration

- Includes \$30,000 for a water & sewer study to evaluate how the County can best meet the growing needs and obligations relative to water and sewer operations
- Eliminates \$90,000 for the Reassessment (residential growth does not support this service)
- Increases legal fees by \$50,000 associated with the OLF

#### Public Safety

- Eliminates a vacant full time dispatch position in the FY10 Sheriff Department budget - \$34,000
- Provides \$28,000 in contractual services for courthouse security
- Reduces the care of adult prisoners to reflect the trend of a reduction in the prison population - \$22,000
- Provides \$5,000 for training and recruiting for the Volunteer Rescue Squad
- Eliminates the part time animal pound attendant position - \$12,000

#### Public Works

- Reduces the cost of contractual services for disposal services based on an anticipated deduction in the cost per ton and other operating cost reductions - \$60,000
- Reduces the cost of part-time help in the amount of \$36,000 based on the proposed reduction in the convenience site operating hours from 7 days per week to 5 days per week.
- Includes landfill closure as an operating expense under Sanitation and removes this expense from the Capital budget - \$30,000
- Includes reductions in various maintenance operating costs (reduction and efficiency measures implemented) - \$50,000
- Includes \$25,000 in maintenance for the acquisition of two county vehicles
- Consolidates the Maintenance and Sanitation Supervisor's position to one position.
- Reduces cost for part-time salaries based on the proposal to cut the hours of operation of the solid waste convenience sites from seven days to five days per week. The estimated cost savings is \$36,000.

#### Parks, Recreation & Culture

- Reduces part-time summer help; grant funds under the Office on Youth programs will be used as a cost savings measure to accommodate the summer program- \$10,000
- Reduced the contribution to the Williamsburg Area Transit by \$12,000 from \$37,000 to \$25,000.

### Performance of the Five Largest Local Revenue Generators

	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimates	FY10-11 Projections
Real Property	5,637,715	5,821,795	6,108,132	6,369,909
Public Service	10,735,400	10,576,419	10,347,250	10,790,703
Personal Property	934,443	1,086,452	1,025,000	1,140,598
Sales & Use Tax	354,728	495,355	375,000	375,000
Other Local Taxes	309,910	264,186	205,171	302,107

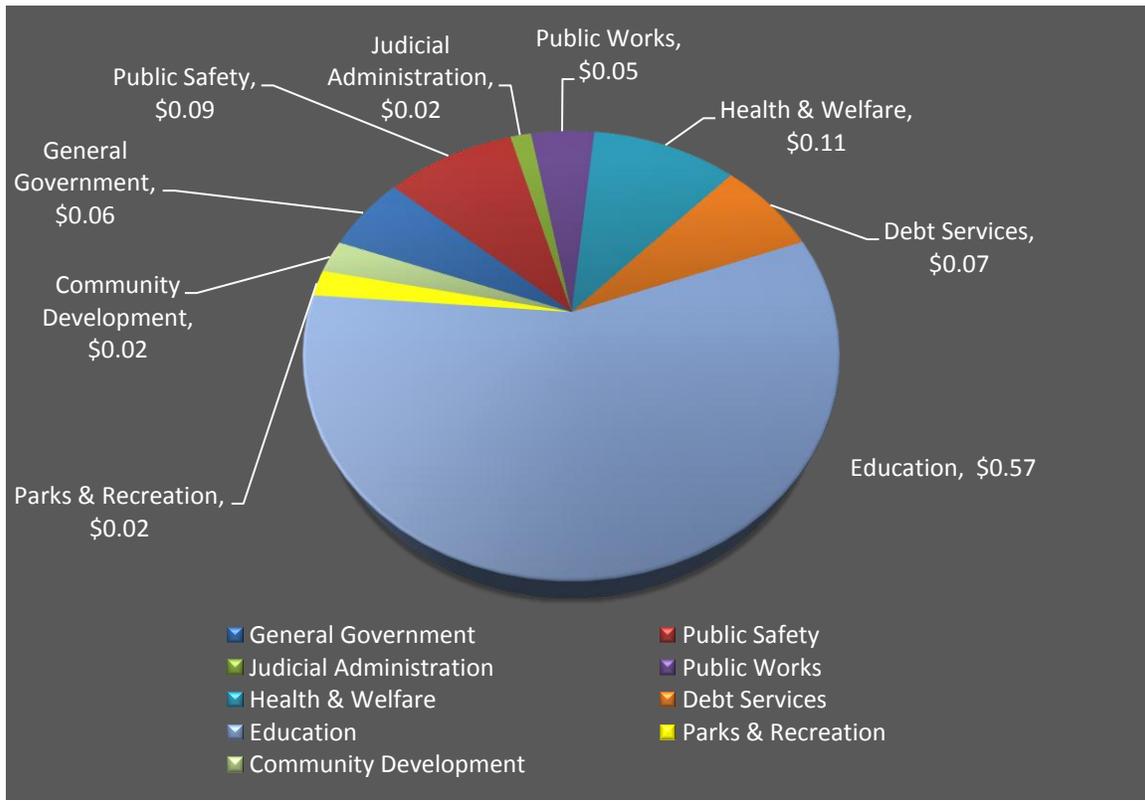
Note: Other local Taxes include: business licenses, decal fees, utility consumption taxes, E911 communication taxes and taxes on recordation and wills.

### FY2011 BOARD APPROVED BUDGET

Categories	Board Approved FY 2010	Board Approved FY 2011	Difference	Percentage Increase/ Decrease
<b>General Property Taxes</b>	\$17,712,545	\$18,301,210	\$ 588,665	3.32%
<b>Other Local Taxes</b>	\$ 656,030	\$ 677,107	\$ 21,077	3.21%
<b>Other Local Sources</b>	\$ 896,759	\$ 797,237	(\$ 99,522)	-11.09%
<b>State Revenue</b>	\$ 6,349,660	\$ 5,634,033	(\$715,627)	-11.27%
<b>Federal Revenue</b>	\$ 1,809,444	\$ 1,928,654	\$ 119,210	6.59%
<b>Committed Fund Balance</b>	\$ 1,216,472	\$ -0-	(\$1,216,472)	-100%
<b>Total Revenues</b>	<b>\$28,640,910</b>	<b>\$27,338,241</b>	<b>\$1,302,669</b>	<b>4.54%</b>
Categories	Board Approved FY 2010	Board Approved FY 2011	Difference	Percentage Increase/ Decrease
<b>General Administration</b>	\$ 1,625,011	\$ 1,594,586	(\$ 30,425)	-1.87%
<b>Judicial Administration</b>	\$ 417,473	\$ 413,844	(\$ 3,629)	-.87%
<b>Public Safety</b>	\$ 2,545,217	\$ 2,506,119	(\$ 39,098)	-1.54%
<b>Public Works</b>	\$ 1,183,745	\$ 1,054,795	(\$128,950)	-10.89%
<b>Health, Ed. &amp; Welfare</b>	\$ 500,635	\$ 486,536	(\$ 14,099)	-2.82%
<b>Parks &amp; Recreation</b>	\$ 535,438	\$ 527,863	(\$ 7,605)	-1.42%
<b>Community Dev.</b>	\$ 466,190	\$ 455,128	(\$ 11,062)	-2.37%
<b>Special Funds</b>	\$ 321,729	\$ 306,660	(\$ 14,619)	-4.55%
<b>Debt Service</b>	\$ 1,805,244	\$ 1,711,019	(\$ 94,225)	-5.22%
<b>TOTAL GENERAL FUND</b>	<b>\$ 9,400,262</b>	<b>\$ 9,056,550</b>	<b>(\$343,712)</b>	<b>-3.66%</b>
<b>Water &amp; Sewer Fund</b>	\$ 197,257	\$ 212,710	\$ 15,453	7.83%
<b>Social Services Fund</b>	\$ 2,250,599	\$ 2,232,729	(\$ 17,870)	-.79%
<b>School System Fund</b>	<b>\$16,792,792</b>	<b>\$ 15,836,252</b>	<b>(\$956,540)</b>	<b>-5.7%</b>
<b>Total Operating Fund</b>	<b>\$28,640,910</b>	<b>\$27,338,241</b>	<b>(\$1,302,669)</b>	<b>-4.55%</b>

## COUNTY OF SURRY

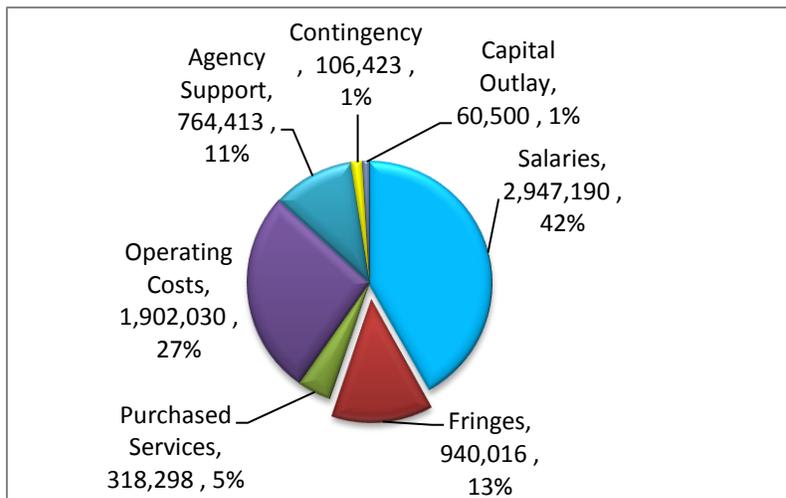
### How \$1.00 of Revenue is Spent



The Board of Supervisors' amendments to the County Administrator's recommended budget include the elimination of \$50,000 for a proposed feasibility study for the Parks & Recreation Facility. The project will be considered in a future budget. Based on the Board's approval of the total budget for the School System at \$15.83 million, there is no commitment of fund balance to balance the operating budget; fund balance will be assigned to fund \$505,000 in capital project expenditures which is more in line with fund balance policy (i.e. operating revenue from tax revenue and other local state and federal sources should fully fund operating expenditures).

### **COMPONENTS OF GENERAL FUND EXPENDITURES (\$7.038 MIL)**

*Excludes special revenue & debt service fund*



## Capital Budget for Fiscal Year 2011

<b><u>FY2011 Project Expenditures by Category</u></b>	
Broadband Project	\$ 900,000
Solid Waste Management Collection	\$ 255,000
Solid Waste Equipment Purchase	\$ 150,000
Sanitary System Improvements	\$ 600,000
Public Safety-E911 Center Upgrades	\$ 640,000
Road Improvements	<u>\$ 50,000</u>
<b>Grand Total: Project Expenditures</b>	<b><u>\$ 2,595,000</u></b>
<b><u>FY2011 Revenue Sources</u></b>	
<b><i>General Fund Operating Revenue</i></b>	
Assigned Fund Balance	\$ 505,000
Total General Fund Revenues	\$ 505,000
<b><i>Other Revenues</i></b>	
State Grant	\$ 850,000
Federal Grant	\$ 600,000
Other Financing Source	<u>\$ 640,000</u>
Total Other Revenue Sources	\$ 2,090,000
<b>Grand Total: Project Revenues</b>	<b><u>\$ 2,595,000</u></b>

## Capital Budget Descriptions for Fiscal Year 2011

**Broadband Project..... \$900,000**

Supports funding for the County's current Broadband initiative to deploy high speed internet to Surry County. The Surry County Middle Mile Broadband Initiative seeks to connect the community to an existing Network Virginia source of internet access carried over an all fiber network servicing multiple municipal buildings, schools, two health care providers, emergency medical providers, and local businesses. Funds will engineer and build the proposed fiber infrastructure and towers and connect facilities. It would also allow for high speed communications between schools, municipal facilities and other users or wide area networks independent of the Internet.

**Solid Waste Management Collection..... \$255,000**

The initial scope of this projection included the construction of three solid waste convenience collection centers to be located strategically throughout the County. The Pineview Site off of Route 40 was completed in FY09. The sites are used by the general public for disposal of household waste, bulky waste, tires and recyclable materials. As a result many of the unmanned, green box sites have been removed. FY11 funding includes the addition of a third site in the County at a location to be determined. Included in this amount is \$30,000 to upgrade the sanitary and water infrastructure at the Pineview Site.

**Solid Waste Equipment..... \$150,000**

Due to the acquisition and development of a third manned solid waste convenience site, a roll off truck is needed to accommodate this project. The county's current truck is 9 years old.

**Public Safety Equipment Replacement.....\$640,000**

Projects include the replacement of E911 Dispatch equipment (radio and computer aided dispatch/CAD system). The current equipment is outdated and is no longer support by Verizon and Motorola. Of this amount, \$190,000 is for the replacement of the phone system.

**Sanitary/Wastewater Improvements..... \$600,000**

Project includes the upgrade of the County's current wastewater treatment facility. It is anticipated that the current facility will exceed the required wastewater treatment limits.

**Road Improvements..... \$ 50,000**

Funding is allocated in the amount of \$50,000 to fund a portion of the Route 31 Ferry Project or other projects as recommended by the Board of Supervisors.

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### ADDITIONAL INFORMATION

Information regarding the contents of this or any other budget document can be obtained by calling the County Administrator's Office at (757) 294-5271. The FY 2011 Board Approved Budget-In-Brief is located on line at <http://www.surrycountyva.gov>

Document: The FY 2010-2011 Consolidated Budget Document will be available after July 30, 2010.

