

County Administrator's Preliminary Recommended Budget



Fiscal Year 2010-2011

July 1, 2010– June 30, 2011

Presented in Brief - May 6, 2010

Surry is Something Special



Surry County Board of Supervisors

M. Reginald Harrison, Chairman
John M. Seward, Vice Chair
Ernest L. Blount
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COUNTY ADMINISTRATOR

Tyrone W. Franklin

ASST. COUNTY ADMINISTRATOR

John B. Edwards

COUNTY ATTORNEY

William Hefty

MANAGEMENT STAFF

Constitutional Officers & State Officers

Sheriff	Harold D. Brown
Commonwealth's Attorney.....	Gerald G. Poindexter
Clerk of Circuit Court	Gail P. Clayton
Treasurer.....	Mary H. Shaw
Commissioner of Revenue.....	Debbie J. Nee
District Court Clerk	Deborah A. Hatcher
Registrar	Lucille J. Epps

Other Staff

Dir. of Finance & Information Technology.....	Melissa D. Rollins
Dir. of Planning & Community Development.....	Rhonda R. Mack
Director of Parks & Recreation.....	Ervin A. Jones
Director of Office on Youth	Sophenia P. Pierce
Building Official	Stacey Williams
Animal Control Officer.....	James R. Smith
Unit Director, VA Cooperative Extension.....	Billie J. Elmer
Director of Social Services.....	Valerie P. Pierce
Division Superintendent	Lloyd A. Hamlin

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"The Countrie it selfe, I must
confesse is a very pleasant land,
rich in commodities; and fertile in
soyle..."

Samuel Argall, ca. 1609

May 6, 2010

TO: The Honorable Board of Supervisors

FROM: Tyrone W. Franklin, County Administrator

SUBJECT: Proposed FY2010-2011 Consolidated Budget

I am pleased to transmit for your consideration, my proposed operating and Capital Budget for the County's fiscal year that begins July 1, 2010 and ends June 30, 2011. The purpose of this document is to inform you of the fiscal affairs of Surry County and to provide sufficient information that will better enable you to ultimately adopt a budget that will effectively meet the needs of the County.

The budgetary shortages at the state level, the affects of the recession that began in 2007 and the impact on the local revenue stream has presented the County with greater fiscal challenges. If you recall, in September of 2009 the state implemented FY10 reductions in state aid to localities as a strategy to absorb an unprecedented decline in state revenues. In October of 2009, we presented the Board preliminary information on the impact of the Operating Budget for FY 2009-2010 and the outlook for FY 2010-2011. We later communicated a potential \$1.7 million gap between projected general fund revenues and expenditures, including declines in State and Local revenue sources for the next fiscal year. This is in addition to revenue shortfalls in FY 2010.

The County has established a set of guiding principles in our efforts to meet fiscal challenges and balance the FY2011 budget:

- Finding/creating efficiencies
- Implementing budget reductions strategies by departments
- Reviewing vacant positions for elimination
- Reviewing fee rate structure (minimum recommended changes)
- Limiting capital projects funded by general fund sources
- Protecting local education funding as much as possible
- Communicating the County's financial position to departments and constitutional offices

The guiding principle in developing this budget remains the same: to keep County government in a position where it can continue to provide effective, efficient and accessible services to the citizens of Surry County, to improve upon these services and to accomplish both at the lowest possible cost with minimal to no increase in the current tax rate. However, the proposed recommended budget calls for an increase in the current real estate tax rate by \$0.03 cents from \$0.70 to \$0.73 per \$100 of assessed value and an increase in the personal property tax rate from \$3.50 to \$4.00 per \$100 of assessed value. Justification for this recommendation is certainly warranted and is summarized as follows:

1. TAX RATE ADJUSTMENT

The County's **tax rate** has remained unchanged for the last three fiscal years. This has been remarkable in light of the required increase in the County's FY10 debt service obligations for facility improvements for the General and School Funds and public safety needs. In FY 10, the net annual debt service payment increased by \$961,000, slightly short of \$1.0 million. Of this amount, \$235,000 represented the debt service requirement for the high school renovation project, \$800,000 for the courthouse/government center renovation and \$123,000 for public safety equipment acquisition. The elimination of other debt defrayed the overall increase. Rather than imposing a \$0.04 cents on the tax rate to accommodate a \$961,000 increase in the debt service category, the County used fund balance reserves along with unused funding from the previous fiscal year.

2. USE OF FUND BALANCE RESERVES

Surry like most localities in the State relied heavily on **fund balance reserves** to balance the budgets in fiscal years 2009 and 2010 in wake of the recent economic downturn. Use of fund balance reserves is governed by financial policies. First, an adequate fund balance is necessary to (1) meet seasonal shortfalls in cash and (2) reduce susceptibility to emergency or unanticipated expenditures or to revenue shortfalls. Surry's financial policies dictate that 25% of the annual operating budget should remain as reserved fund balance. Second, sound fiscal policy dictate that we avoid the use of unappropriated fund balance to cover operating expenditure in our annual budget; simply put, operating revenue from tax revenue and other local state and federal sources should fully fund operating expenditures. As previously stated, the Board has relied on the reserves for the past few years to avoid tax rate increases; however, this tactic is unsustainable and should not be utilized to a large degree in FY 2011. We anticipate that the fund balance may drop as low as \$1.2 million at the end of FY 2010 as budget.

Changes to Fund Balance Reporting:

The Governmental Accounting Standards Board (GASB) has issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The standard does not affect the calculation of fund balance, but will change the various components used to report it. Going forward, the term fund balance reserve will be replaced by either committed fund balance, assigned fund balance or unassigned fund balance.

3. COMMITMENT TO EDUCATION

Public Education represents an important part of our local government and is the largest portion of the County's operating budget at 58%. I am proposing a local contribution to Surry County Public Schools in the amount of \$11,547,266. Implementation of a tax hike to avoid further cuts in the School budget is a critical decision in the budget process. The School System has been challenged by the significant loss in state revenue. It is projected that the School System will receive \$506,000 less in state/federal revenue in FY 2011 based on the adopted budget. This includes the elimination of \$253,000 in federal stimulus funds in the FY10 budget. While the proposed local contribution is \$146,000 or 1.25% less than the FY10 local appropriation of \$11.693 million, I believe this proposal demonstrates a continued commitment to education in our community. In addition, funding provided in the County's operating budget for debt service on school projects (\$235,000) and the Board's appropriation of an additional \$200,000 in prior year funds to the FY10 School budget for one time non-reoccurring operating expenditures further substantiates its support to Education.

4. CONTRIBUTION TO OUTSIDE AGENCIES

The County contributes to a number of **outside agencies**, such as the volunteer fire and rescue agencies, the Health Department, Blackwater Regional Library, District 19 Mental Health Services, Williamsburg Area Transit and others. Contributions in FY10 comprise 10% of the general fund operating budget or \$733,000. Most agencies in the proposed budget are funded at either the FY10 levels or below. Increase in funding requests for three agencies will be fully funded under the current proposal: Blackwater Regional Library, Williamsburg Area Transit and Virginia Gateway Region. Collectively, this results in an increase in contributions totaling \$30,714. While this is a small portion of the additional revenue needed overall, fully funding these and other requests represents the County's desire to refrain from reducing

services to the citizens (library and transportation) and to improve the County's economic tax base by supporting an additional \$10,000 to Virginia Gateway Region.

5. SALARY & FRINGE BENEFITS

Competitive **compensation and benefits** is an important tool in retaining and attracting qualified employees as implicated in the 2009 Compensation & Classification Study. Unfortunately, due to continued budget shortfalls, no cost of living or merit increases are recommended for County employees. It is hopeful that when the economy improves, the County will be able to implement recommendations from the study to increase salaries to competitive market levels. The proposed budget at the \$0.73 cents tax rate includes no impact on full time or part time positions, except in the cases where part-time has been reduced because of efficiency implementation. This will be explained further in the budget document. Because revenue at the current tax rate is insufficient to cover current operating costs, without an increase, it is likely that additional cuts to part-time and perhaps full time staff will need to be made, likely impacting service delivery. Rates imposed in FY2011 by the Virginia Retirement System reflect a 5% increase over the current rates. Health insurance premiums saw an average 8% increase which will be passed to employees with the exception of \$4.00 increase in the employer contribution to conform with requirements of the Local Choice Program.

6. SOCIAL SERVICES FUND

The proposed budget calls for a minimum reduction of \$21,000 to the local level appropriation for the Social Services Fund. The request from the department is \$704,000, the same as the FY10 local appropriation. The recommendation of \$684,000 in local funds is feasible based on the proposed tax rate increase.

7. CAPITAL PROJECTS

The County's **Capital Project Budget** for FY 2011 is proposed to be funded by local dollars totaling \$555,000. All projects are included in the current budget, but have been delayed, some due to budget constraints. Projects include the planned construction of the third solid waste convenience site, sanitary improvements to the existing site, continued local support for broadband implementation, highway revenue sharing and a feasibility study for much needed improvements to the parks and recreation center. Reserving fund balance by increasing the tax base to support operating needs will better enable the County to execute prior commitments rather than continue to forgo critical capital improvement needs.

While it is not the desire of the Board to increase the tax burden on citizens by imposing a tax rate increase, I strongly feel that that this measure combined with budget strategies that reduce the cost of operations overall, is necessary to balance the FY 2010-2011 Operating and Capital Budgets. A tax rate of \$0.73 per \$100 of assessed value will better enable the County to: (1) replenish a portion of fund balance utilized over the last two years, (2) recoup revenue losses at the local and state level, (3) continue local funding to Education at 1.2% less than the current level, (4) maintain funding commitments to agencies impacting public safety, health and welfare, library services, economic development and other governmental functions, (5) avoid additional reductions in mostly but not all part-time salaries and (6) implement critical capital projects without increasing debt.

Revenue Summary

I. LOCAL TAX COLLECTIONS

The **2009 Real Estate Reassessment** marked the third consecutive annual assessment; the results, flat valuations of real property from the previous year. The overall increase in the projected 2010 assessed value of real property over the 2009 value was less than 1.0%, including new construction. The proposed rate of \$0.73 will generate \$262,000 in real estate tax revenue. The financial indicators relative to the housing market point to stable property values in the year ahead. Therefore, I am recommending the elimination of the annual reassessment in 2010. However, funds have been set aside for valuation of new construction. The net cost savings to the county is \$85,000.

FY 10-11 PROPOSED TAX RATES	
Real Estate	\$. 73 per \$100 of assessed value
Machinery & Tools	\$1.00 per \$100 of assessed value
Personal Property	\$ 4.00 per \$100 of assessed value
Personal Property Tax Relief	55%

Public Service Corporation Taxes: The ratio set by the Department of Taxation and submitted to the State Corporation Commission to adjust the tax value of the property of public service corporations in Surry impacts the amount of tax revenue the County receives from public service corporations. I am pleased to report that the estimated ratio for 2010 is 100.0%, up slightly from the 2009 ratio of 98.8%. Since preliminary projections were based on a 98.8% ratio, \$97,000 was added to the projections which helped narrow the initial deficit. As presented in earlier budget discussions, the County's assessment on public service was lower than projected in 2009 which resulted in a \$360,000 deficit in actual revenue over projections, contributing to the overall revenue shortfall in FY10. The projections for FY11 are conservative and are based on FY 09 values to avoid the risk of an unexpected shortfall in FY11. The County would rather benefit from a revenue surplus from this source than adjust for an unexpected shortage.

The table below shows the projected tax revenue the County can expect to receive from real property and public service corporation taxes for FY 10 and FY11 based on the proposed rate of \$0.73 per \$100 of assessed value. Real property taxes account for 37% of the total tax revenue collected versus 63% based on the assessment on public service corporations.

Table 1.

	FY 08-09 Actual	FY 09-10 Estimates	FY10-11 Projections	Dollar (\$) Variance	Percent (%) Variance
Real Property	5,821,795	6,108,132	6,369,909	261,777	4.29%
Public Service	10,576,419	10,347,250	10,790,703	443,453	4.29%
Total	16,398,214	16,455,382	17,160,612	705,230	4.29%

Personal Property Taxes: The taxes assessed on vehicles, business property and mobile homes is classified as personal property. The proposed rate is \$4.00, up \$0.50 from the current rate of \$3.50 per \$100 of assessed value. On average each ten cents will generate \$30,000. Based on the proposed increase, an additional \$150,000 can be added to the County's coffers.

Machinery & Tools: The taxes assessed on manufacturers in the County constitute machinery and tools taxes. The proposed rate of \$1.00 per \$100 of assessed value reflects no change from the current rate.

Personal Property Tax Relief Percentage: Beginning Tax Year 2006, qualifying vehicles with assessed value of more than \$1,000 shall be provided a percentage of tax relief, annually fixed and applied to the first \$20,000 in value. Qualifying vehicles with a value under \$1,000 will receive 100% tax relief. The amount of relief must be determined each year and is based on both the number of vehicles in the County and the values. Based on these factors, the estimated relief rate is up 55% from 50% in FY10.

II. STATE & FEDERAL REVENUE

State revenues which make up 23% of the FY 10 budget are projected to decrease by \$618,000 or 10% from the FY10 anticipated projections, most of which translates to reduced funding for K-12 Education. In addition, state funds used to primarily support daily operations of the constitutional offices will decline by \$72,000 as outlined below:

Office	Across-the- Board Reduction %	Revenue Impact
Sheriff	6.0%	30,707
Commonwealth Attorney	4.0%	5,938
Circuit Court	1.0%	4,775
Treasurer	18.7%	17,381
Commissioner of Revenue	14.8%	12,718

FY11 revenue estimates for the constitutional officers and registrar are \$107,000 less than the FY10 adopted budget. This includes the proposed 20% reduction (\$8,000) by the state in the salaries of the registrar and electoral board. In addition, the reduction in state aid to localities imposed in the FY09 & FY10 will continue in the FY11 budget year. During each year, the County's mandated reduction was \$29,000. State revenue for the Public Assistance Fund (Social Services) is slated to remain relative stable unless revised projections are received prior to the end of the budget process.

Federal revenue of \$1.90 million account for approximately 7.0% of the proposed FY11 budget and is used relatively to fund Federal Programs (\$948,000) of the School System and social services programs (\$944,000).

III. EXPENDITURE HIGHLIGHTS

Expenditure highlights by the various categories of the general fund are as follow:

General Government Administration

- o 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
- o Eliminates \$90,000 for the Reassessment
- o Increases legal fees by \$50,000 associated with OLF

Public Safety

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

Public Works

- o 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
- o 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.
- o Includes landfill closure as an operating expense under Sanitation and removes this expense from the Capital budget - \$30,000
- o Includes reductions in various maintenance operating costs (reduction and efficiency measures implemented) - \$50,000
- o Includes \$25,000 in maintenance for the acquisition of two county vehicles
- o Consolidates the Maintenance and Sanitation Supervisor's position to one position.
- o 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

- o 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

Debt Service

- o Includes \$50,000 to pay down the principal due on the \$470,000 loan to USDA Rural Development for the Dendron Sewer Project. The actual repayment schedule calls for a 40 year term; however, the County's current debt service schedule calls for payment of the loan in five years. Due to funding constraints in FY10, only the required amount was budgeted. The elimination of prior year debt in the amount of \$123,000 defrayed the overall impact on the debt service category which is slated to decrease by \$94,000.

Water & Sewer Fund

- o The proposed budget includes a proposed rate increase for water and sewer fees currently imposed by the County. The current and proposed rates are as follows:

Current Sewer Rates

Min. Rate/Mon. (0-4,000 Gal.)	Rate/1000 Gal. (> 4,000 Gal.)	Connection Fee	Type
\$25.00	\$2.00	\$2,000.00	Residence
\$50.00	\$2.00	\$5,000.00	Commercial
\$50.00	\$2.00	\$50/Student	School
\$50.00	\$2.00	\$2,000.00	Institutions
\$50.00	\$2.00	\$7,000.00	Industry

Proposed 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

Based on the proposed Water & Sewer Fund budget in the amount of \$212,710, the \$77,000 in revenue generated from user fees account for 36% of the budget. The County's operating transfer to the fund is \$135,000 or the remaining 64% of the total budget.

CONCLUSION

Overall, the FY11 expenditure plan for the County reflects a \$338,000 or 3.6% decrease in the General Fund operating budget from \$9,400,262 in FY 10 to \$9,062,127 proposed for FY 11. When factoring in the Social Services and School Funds, the proposed budget of \$27,647,433 is \$993,000 or 3.47% less than the FY 10 Adopted Budget. The proposed expenditure plan by fund is summarized in the proceeding table:

Table 2

CATEGORY	Actual Expenditures	Adopted Budget	Anticipated Expenditures	Recomm. Budget	FY 10-11 Recommended over FY 09-10 Adopted	
General Gov't Administration	1,519,756	1,625,011	1,517,014	1,588,163	(36,848)	-2.27%
Judicial Administration	382,048	417,473	409,261	413,844	(3,629)	-0.87%
Public Safety	2,331,629	2,545,217	2,446,676	2,506,119	(39,098)	-1.54%
Public Works	1,021,111	1,183,745	1,030,125	1,054,795	(128,950)	-10.89%
Health & Welfare	502,784	500,635	491,775	486,536	(14,099)	-2.82%
Parks & Recreation	537,577	535,468	535,468	539,863	4,395	0.82%
Community Development	<u>436,811</u>	<u>466,190</u>	<u>464,415</u>	<u>455,128</u>	<u>(11,062)</u>	<u>-2.37%</u>
Subtotal-General Operating	6,731,716	7,273,739	6,894,734	7,044,448	(229,291)	-3.15%
Special Funds						
Comprehensive Services	153,241	175,000	75,000	160,000	(15,000)	-8.57%
Indoor Plumbing	5,064	59,619	59,619	60,000	381	0.64%
Economic Development	0	79,160	0	79,160	0	0.00%
Food & Nutrition	<u>7,481</u>	<u>7,500</u>	<u>5,626</u>	<u>7,500</u>	0	0.00%
Total Special Funds	165,786	321,279	140,245	306,660	-14,619	-4.55%
Debt Service	<u>843,622</u>	<u>1,805,244</u>	<u>1,781,464</u>	<u>1,711,019</u>	<u>(94,225)</u>	<u>-5.22%</u>
Total General Operating	7,741,124	9,400,262	8,816,443	9,062,127	(338,135)	-3.60%
Enterprise Fund						
Water & Sewer Fund	159,746	197,257	224,688	212,710	15,453	7.83%
VPA FUND	1,749,729	2,250,599	2,160,599	2,232,729	(17,870)	-0.79%
SCHOOL FUND	<u>16,883,704</u>	<u>16,792,792</u>	<u>17,657,116</u>	<u>16,139,867</u>	<u>(652,925)</u>	<u>-3.89%</u>
TOTAL OPERATING BUDGET	26,534,303	28,640,910	28,858,846	27,647,433	(993,477)	-3.47%

I hope that this proposal will allow the Board to provide meaningful input to assist the County in coping with revenue challenges with little or no impact to County services or programs. We have attempted to address the fiscal challenge of reducing the cost of County operations to match resources while remaining committed to education, citizens and employees. The proposal presented reflects a strategy that still employs core services and programs while reducing various operational costs. I wish to express my appreciation to department heads who have worked to find savings in the current and ensuing budgets. All of these projections are preliminary and subject to change during the budget process and I look forward to working with you as we further deliberate the FY 2010-2011 Budget.

Respectfully Submitted,



Tyrone W. Franklin
County Administrator

**Preliminary Recommended Budget
Closing the Budget Deficit**

	Budget as Balanced @ .73
REVENUE BY SOURCE	FY 2010-2011
Local	\$ 19,775,554
Federal	\$ 1,928,654
State	<u>\$ 5,634,033</u>
Total Projected Revenue	\$ 27,338,241
Carryover: Special Revenue Fund	\$ 79,160
Carryover: School Fund	\$ -
Use of Fund Balance Reserve	<u>\$ 230,032</u>
Total Carryover & Fund Balance	\$ 309,192
Total Projected Operating Revenue	\$ 27,647,433
EXPENDITURES BY FUND	
General Operating Fund	\$ 7,044,448
Special Revenue Funds	\$ 306,660
Debt Service Fund	<u>\$ 1,711,019</u>
Subtotal: General Fund	\$ 9,062,127
Water & Sewer Fund	\$ 212,710
Social Services Fund	\$ 2,232,729
School Operating Fund	\$ 16,139,867
Total Operating Budget	\$ 27,647,433
Capital Projects Fund Revenue	
Assigned Fund Balance	\$ 555,000
Grant Funds: State	\$ 850,000
Grant Funds: Federal	\$ 600,000
Debt Proceeds	<u>\$ 640,000</u>
Subtotal: capital projects revenue	\$ 2,645,000
Total Operating & Capital Revenue	\$ 30,292,433
Capital Projects Fund Expenditures	<u>\$ 2,645,000</u>
Total Operating & Capital Funds	\$ 30,292,433
Revenues vs. Expenditure Variance	\$ -

Each one cent on the tax rate will generate \$235,000

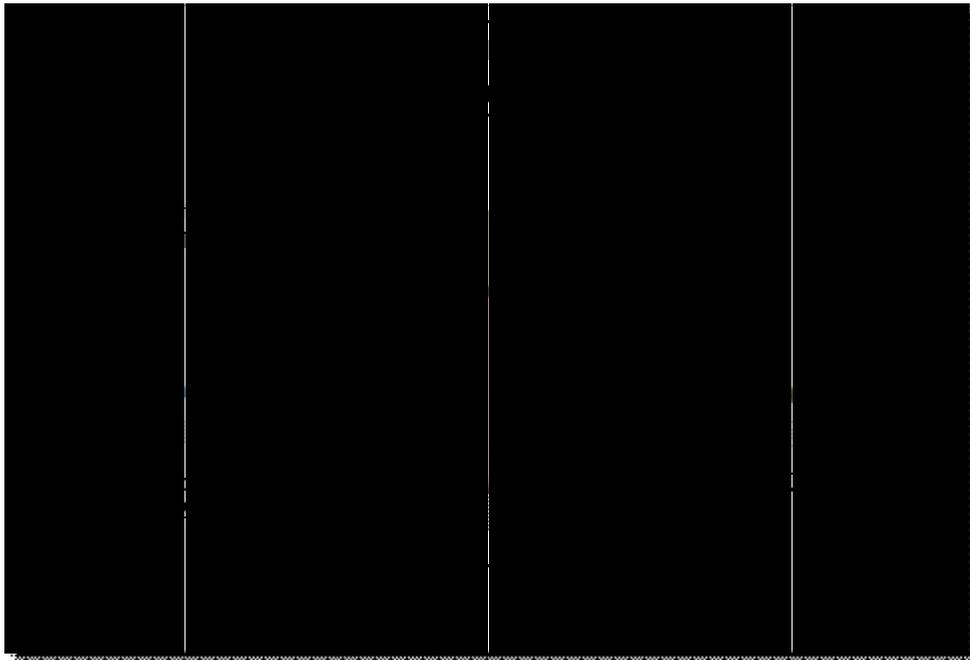
**CONSOLIDATED REVENUE AND EXPENDITURE SUMMARY
FY 10-11 RECOMMENDED FOR ALL FUNDS**

	General Fund*	School Fund	Enterprise Water & Sewer	Capital Fund	Total
Real Estate Taxes	\$ 6,369,909				\$ 6,369,909
Personal Property Taxes	1,140,598				1,140,598
Public Service Corporation Taxes	10,790,703				10,790,703
Other Local Taxes	677,107				677,107
Permits, Fines, Penalty & Interest	177,378				177,378
Use of Money & Property	127,210			-	127,210
Charges for Services	98,849	275,000	77,000		450,849
Miscellaneous & Recovered Costs	16,800	25,000			41,800
State Fundng	2,290,253	3,343,780		850,000	6,484,033
Federal Funding	979,833	948,821		600,000	2,528,654
Other Financing Sources				640,000	640,000
Transfer to other funds	(11,682,976)			-	(11,682,976)
Transfer from other funds		11,547,266	135,710		11,682,976
Est. Beginning Fund Balance	8,449,995				8,449,995
Less: Committed Fund Balance	(6,782,016)				(6,782,016)
Less: Unassigned Fund Balance	(803,777)				(803,777)
Assigned Fund Balance	(555,000)			555,000	-
TOTAL REVENUE	\$ 11,294,866	\$ 16,139,867	\$ 212,710	\$ 2,645,000	\$ 30,292,443

Expenditures:

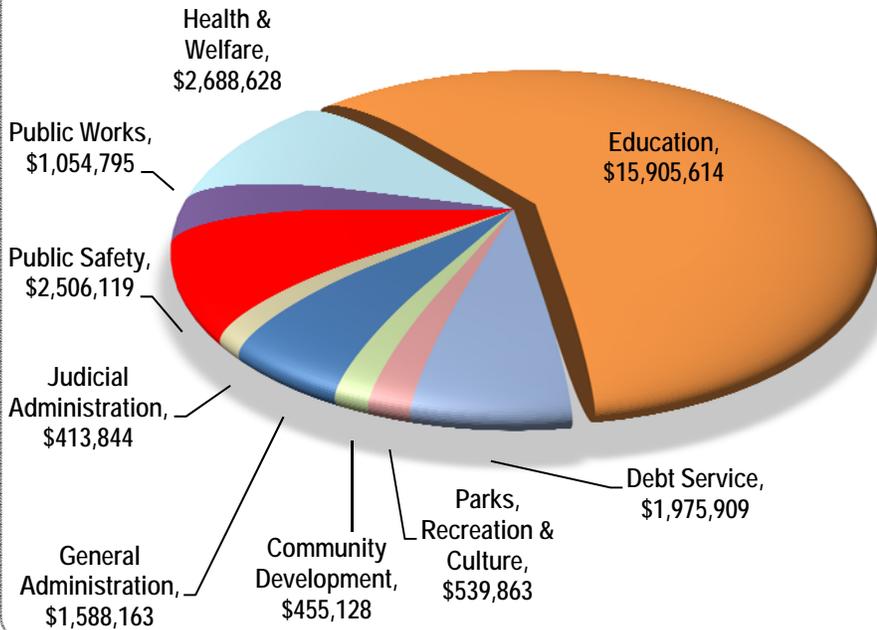
	General Fund*	School Fund	Enterprise Water & Sewer	Capital Fund	Total
General Government	\$ 1,588,163			950,000	\$ 2,538,163
Judicial Administration	413,844				\$ 413,844
Public Safety	2,506,119			640,000	\$ 3,146,119
Public Works	1,054,795		212,710	1,005,000	\$ 2,272,505
Health & Welfare*	2,848,671				\$ 2,848,671
Education	30,594	15,874,977			\$ 15,905,571
Parks, Recreation & Culture	547,363			50,000	\$ 597,363
Community Development	594,288				\$ 594,288
Debt Service	1,711,019	264,890			\$ 1,975,909
TOTAL EXPENDITURES	\$ 11,294,856	\$ 16,139,867	\$ 212,710	\$ 2,645,000	\$ 30,292,433

*For the purpose of this document, Social Services expenditures are included with the general fund in accordance with auditing financial statements.



<i>Revenue by Source</i>	
<i>Local Taxes</i>	67%
<i>State Revenue</i>	20%
<i>Federal Revenue</i>	7%
<i>Other Local Sources</i>	3%
<i>Fund Balance & Carryover</i>	1%

**Operating Government- All Funds
How is the Money Spent?**



<i>Operating Costs by Expenditure Category</i>	
<i>Education</i>	59%
<i>Health & Welfare</i>	10%
<i>Public Safety</i>	9%
<i>Debt Service</i>	7%
<i>General Administration</i>	6%
<i>Public Works</i>	4%
<i>Community Development</i>	2%
<i>Parks, Recreation & Cultural</i>	2%
<i>Judicial Administration</i>	1%

FY2010-2011 REVENUE SUMMARY
FY 08-09 Actual and Current Year Budget & Estimates

Primary Government:	<i>FY08-09 Actual</i>	<i>FY 09-10 Budget</i>	<i>FY 09-10 Estimated</i>	<i>Variance-FY 10 Estim. vs. Budget</i>	<i>FY 10-11 Estimated</i>
Real Property Taxes	\$5,821,795	\$6,044,185	\$6,041,016	-\$3,169	\$6,369,909
Public Service Taxes	\$10,576,419	\$10,710,133	\$10,347,732	-\$362,401	\$10,790,703
Personal Property	\$1,086,242	\$958,136	\$1,025,000	\$66,864	\$1,140,598
Penalty & Interest	\$137,348	\$107,000	\$117,080	\$10,080	\$110,378
Other Local Taxes	759,541	656,030	580,171	-\$75,859	677,107
Use of money & property	248,880	247,210	127,210	-\$120,000	127,210
Other Local Sources	179,445	157,049	163,549	\$6,500	182,649
Total from Local Sources	\$18,809,670	\$18,879,743	\$18,401,758	-\$477,985	19,398,554
Noncategorical Aid	\$723,238	\$712,907	\$700,000	-\$12,907	\$710,907
Shared Expenses	826,826	880,459	802,750	-\$77,709	773,117
Welfare Admin. & Assistance	397,322	569,694	550,000	-\$19,694	569,338
Other State Aid	328,113	155,204	130,204	-\$25,000	176,891
Total from State Sources	\$2,275,499	\$2,318,264	\$2,182,954	-\$135,310	\$2,230,253
Public Assistance & Welfare	823,435	976,040	971,324	-\$4,716	944,212
Categorical Aid (Grants)	11,540	6,500	101,932	\$95,432	35,621
Total from Federal Sources	\$834,975	\$982,540	\$1,073,256	\$90,716	\$979,833
Other Sources: IDA				\$0	
Total Revenue -General Fund	\$21,920,144	\$22,180,547	\$21,657,968	-\$522,579	\$22,608,640
<i>General Fund - Variance FY 10 Budget vs. FY11 Projection</i>					\$428,093
School Fund:					
Local Sources	\$364,319	\$300,000	\$300,000	\$0	\$300,000
State Sources	4,187,974	3,972,236	3,979,627	\$7,391	3,343,780
Federal Sources	1,023,928	826,904	1,026,903	\$199,999	948,821
Total School Fund	\$5,576,221	\$5,099,140	\$5,306,530	\$207,390	\$4,592,601
Sub Total Operating Revenue	\$27,496,365	\$27,279,687	\$26,964,498	-\$315,189	\$27,201,241
SUMMARY					
Local	\$19,173,989	\$19,179,743	\$18,701,758	-\$477,985	\$19,698,554
Federal	\$1,858,903	\$1,809,444	\$2,100,159	\$290,715	\$1,928,654
State	\$6,463,473	\$6,290,500	\$6,162,581	-\$127,919	\$5,574,033
Total All Sources	\$27,496,365	\$27,279,687	\$26,964,498	-\$315,189	\$27,201,241
Special Rev. Funds	136,881	25,000	6,000	-\$19,000	60,000
Water & Sewer Fund	40,535	60,500	51,500	-\$9,000	77,000
Total Non General Fund	177,416	85,500	57,500	-\$28,000	137,000
Total All Funds	\$27,673,781	\$27,365,187	\$27,021,998	-\$343,189	\$27,338,241

FY 2010-2011 REVENUE PROJECTIONS BY SOURCE

	FY 07-08	FY08-09	FY 09-10	FY09-10	Variance-FY 10	FY10-11
Revenue Sources	Actual	Actual	Budgeted	Estimated Actual	Budget vs. Est.	Projection
General Property taxes						
Real Property	5,637,715	5,821,795	6,044,185	6,041,016	(3,169)	6,369,909
Real and public service	10,735,400	10,576,419	10,710,133	10,347,732	(362,401)	10,790,703
Personal property	934,443	1,086,242	958,136	1,025,000	66,864	1,140,598
Penalties	42,254	56,328	40,000	45,000	5,000	45,506
Interest	92,759	81,020	67,000	72,080	5,080	64,872
Total General Property Taxes	17,442,571	17,621,804	17,819,454	17,530,828	(288,626)	18,411,588
Other local taxes:						
Local sales & use	354,728	495,355	350,000	375,000	25,000	375,000
Business license	61,750	66,815	50,710	74,171	23,461	52,107
Motor vehicle license	85,063	81,165	125,000	6,000	(119,000)	130,000
Tax on recordation & wills	83,523	42,266	60,000	50,000	(10,000)	45,000
Utility Consumption Tax	20,610	20,365	15,320	20,000	4,680	20,000
E911 Taxes/Communication Taxes	58,964	53,575	55,000	55,000	0	55,000
Total Other Local Taxes	664,638	759,541	656,030	580,171	(75,859)	677,107
Permits, privilege fees and regulatory licenses:						
Animal license	3,860	6,090	3,500	5,500	2,000	5,000
Building permits, plumbing, electrical	41,021	27,165	40,000	29,300	(10,700)	29,300
Zoning and subdivision permits	5,400	7,850	7,000	7,000	0	8,000
Board of zoning fees	3,700	1,600	2,200	800	(1,400)	800
Zoning and building application	5,175	2,485	2,700	2,450	(250)	2,000
Land Disturbance Permit	600	600	700	750	50	700
Conditional use fees	0	350	700	350	(350)	700
Site Plan Review	600	900	600	300	(300)	300
Zoning/E911 Map	1,091	470	200	200	0	200
Other	0	285	0	0	0	0
Total permits, fees & licenses	61,447	47,795	57,600	46,650	(10,950)	47,000
Court fines & forfeitures/Circuit Court	15,245	24,854	15,000	15,000	0	20,000
Total fines and forfeitures	15,245	24,854	15,000	15,000	0	20,000
Revenue from use of money	371,999	152,265	150,000	30,000	(120,000)	30,000
Use of Money from Loan Investments						
Revenue from use of property	97,210	96,615	97,210	97,210	0	97,210
Total from money & property	469,209	248,880	247,210	127,210	(120,000)	127,210
Charges for Service:						
Charges for Comm. Attorney	117	170	100	100	0	100
Charges for Sheriff	299	299	299	299	0	299
Courthouse Security Fee/Sheriff	11,757	15,472	13,500	13,500	0	13,500
Courthouse Maintenance - Circuit Court	216	195	200	200	0	200
Courthouse Maintenance - District Court	2,968	3,135	3,000	3,000	0	3,000
Local Cost & Interest	2,137	1,946	1,000	1,250	250	1,250

	FY 07-08	FY08-09	FY 09-10	FY09-10	Variance-FY 10	FY10-11
Revenue Sources	Actual	Actual	Budgeted	Estimated Actual	Budget vs. Est.	Projection
Other Costs	3,431	3,356	1,500	3,000	1,500	3,000
Charges-Treasurer/DMV & Debt Setoff	6,606	7,595	5,500	11,000	5,500	5,500
Charges for Parks & Recreation	22,318	20,621	22,400	22,400	0	20,000
Recycling Proceeds	19,052	7,836	5,000	16,000	11,000	12,000
Charges for Sanitation & Removal	12,725	14,013	11,500	13,500	2,000	40,000
Total Charges for Service	81,625	74,638	63,999	84,249	20,250	98,849
Recovered Cost & Miscellaneous						
Regional Jail Member Refund	30,815	12,792	10,000	4,700	(5,300)	5,000
Crater Youth Care Member Refund	302		0	0	0	0
Insurance Recovery	0	5,228	0	0	0	0
Insurance Recovery - Local Isabel					0	
VPI Extension	236	0	300	300	0	300
Local Health Dept.	18	4,397	0	5,000	5,000	0
Rescue Services Fees	0	0	0	0	0	0
Office on Youth Donations	813	630	0	0	0	0
Care of Animals	22,513	490	150	150	0	0
Miscellaneous		8,621	10,000	7,500	(2,500)	5,000
Total recovered costs	54,697	32,158	20,450	17,650	(2,800)	10,300
TOTAL REVENUE FROM LOCAL:	18,789,432	18,809,670	18,879,743	18,401,758	(477,985)	19,392,054
Revenue from the Commonwealth:						
ABC Profits	0	0	0	0	0	0
Wine taxes	0	0	0	0	0	0
Tax Recordation Taxes	24,981	18,527	20,000	15,000	(5,000)	18,000
Rolling Stock Taxes	79	70	0	0	0	0
Mobile Home Titling	13,908	17,305	15,000	15,000	0	15,000
Other state aid		168			0	
Taxes on deeds	13,405	9,261	0	0	0	0
Car Tax Relief	677,907	677,907	677,907	677,907	0	677,907
Total Noncategorical Aid	730,280	723,238	712,907	707,907	(5,000)	710,907
Shared Expenses:						
Commonwealth Attorney	74,744	74,431	75,925	70,000	(5,925)	67,163
Sheriff	460,176	468,296	486,577	448,831	(37,746)	435,000
Commissioner of Revenue	71,154	77,447	77,434	72,455	(4,979)	61,773
Treasurer	83,914	84,912	84,890	79,423	(5,467)	64,261
Medical Examiner	0	0	0	0	0	0
Registrar	44,445	43,023	40,000	38,000	(2,000)	33,000
Clerk of Court	84,508	107,914	144,606	123,014	(21,592)	141,920
Local Aid Payment to State		(29,197)	(28,973)	(28,973)	0	(30,000)
Total Shared Expenses	818,941	826,826	880,459	802,750	(77,709)	773,117

	FY 07-08	FY08-09	FY 09-10	FY09-10	Variance-FY 10	FY10-11
Revenue Sources	Actual	Actual	Budgeted	Estimated Actual	Estim. Vs. Budget	Projection
Welfare Administration & Assistance	318,232	393,460	526,419	516,000	(10,419)	529,163
					0	
State E-911 Wireless Board	41,009	54,894	51,000	51,000	0	51,000
Buffer Zone Grant	0	56,085	0	0	0	0
Fire Program Funds	16,000	16,129	0	0	0	0
VA Fires Grant		1,000			0	
DMV Highway Safety	0	0	0	0	0	0
Elberon Heights Planning Grant	0	0	0	0	0	0
Clerk of Court Technology Grant	0	6,931	0	0	0	0
Local Law Enforcement Block Grant	2,287	6,008	0	0	0	0
DCJS Linyx Grant		14,992			0	
Office on Youth-GOSAP	5,000	4,041	0	0	0	0
Juvenile Crime Control	3,843	8,974	9,204	9,204	0	6,544
Dept. of Emergency Services		50,000	0	0	0	0
Dept. of Health - 4 for Life	12,578	8,118	0	0	0	0
Emergency Medical services			0	0	0	0
Vitctim Witness Program Grant	28,666	17,650	20,000	20,000	0	20,000
Liter Control	6,508	6,337	0	0	0	0
Comprehensive Services	151,661	70,617	75,000	50,000	(25,000)	99,347
Total Other Categorical Aid	267,552	321,776	155,204	130,204	(25,000)	176,891
Total Categorical Aid	1,404,725	1,542,062	1,562,082	1,448,954	(113,128)	1,479,171
TOTAL REVENUE FROM THE STATE	2,135,005	2,265,300	2,274,989	2,156,861	(118,128)	2,190,078
Public assistance and welfare admin.	832,235	819,935	972,040	965,000	(7,040)	944,212
Payment in Lieu of Taxes	85		0	0	0	0
GOSAP-Project Plead	5,000	4,041	0	0	0	0
Summer food service program	6,332	7,499	6,500	6,500	0	6,500
Victim/Witness Grant-Federal	0		0	0	0	0
Federal Stimul - Social Services	0		0	0	0	29,121
Domestic Preparedness Grant					0	0
Drug Siezure Funds	1,879		0	0	0	0
Terrorism Prevention Grant					0	0
VDEM Grant				10,950	10,950	0
Buffer Zone				84,482	84,482	0
Lead Safe Grant	21,062	0	0	0	0	0
Septic Pump Out Grant	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	0	0
Total Other Categorical Aid	44,358	11,540	6,500	101,932	95,432	35,621
TOTAL FEDERAL REVENUE	876,593	831,475	978,540	1,066,932	88,392	979,833

	FY 07-08	FY08-09	FY 09-10	FY09-10	Variance-FY 10	FY10-11
Revenue Sources	Actual	Actual	Budgeted	Est. Actual	Budget. Vs. Est.	Projection
TOTAL REVENUE GENERAL FUND	21,801,030	21,906,445	22,133,272	21,625,551	(507,721)	22,561,965
Special Revenue Funds:						
Litter Control	0	6,337	0	0	0	0
Social Services Programs-Federal		3,500	4,000	6,324	2,324	0
Social Services Programs - Stimulus			0	3,500	0	0
Social Services Programs-State		3,862	43,275	20,000	(23,275)	40,175
Social Services Programs - Local			0	0	0	6,500
Use of money & propety	21		0	0	0	0
TOTAL SPECIAL REVENUE FUNDS	21	13,699	47,275	29,824	(20,951)	46,675
Other Local Sources	0	0	0	0		
Other: Sale of Property	0	0	0	0		
TOTAL REVENUES - PRIMARY GOV'T	21,801,051	21,920,144	22,180,547	21,655,375	(528,672)	22,608,640
Capital Projects Funding & Other Funds						
Rural development-USDA	235,974		0	0	0	0
Dept. of Housing & Comm. Dev. (CDBG)	110,500		0	0	0	0
Dept. of Housing & Comm. Dev. (IPR)	78,339	26,700	0	0	0	60,000
Dept. of Housing & Comm. Dev. (Broadband)		60,000	0	0	0	0
Southeast Rural Development	0	0	0	0	0	0
Revenue for Capital Investments	403,383	50,181	25,000	6,000	(19,000)	0
Total Capital Projects Fund	828,196	136,881	25,000	6,000	(19,000)	60,000
Water & Sewer Fund						
Sewer Fees - Businesses			3,500	3,500	0	9,672
Connection Fees - Sewer		2,000	6,000	2,000	(4,000)	6,000
Sewer Fees - Residents		38,535	50,000	45,000	(5,000)	60,328
Water & Sewer Fees - County Customers			1,000	1,000	0	1,000
Total Capital & Other Funds	0	40,535	60,500	51,500	(9,000)	77,000
TOTAL REVENUE	22,629,247	22,097,560	22,266,047	21,712,875	(556,672)	22,745,640
School Operating Fund:						
Revenue from use of money & property	1,962	1,845	0	0	0	0
Miscellaneous revenue	65,638	73,474	25,000	25,000	0	25,000
Total Revenue from Local Sources	67,600	75,319	25,000	25,000	0	25,000
Revenue from the Commonwealth:						
Categorical Aid:						
Share of State sales tax	1,022,953	953,196	921,299	854,050	(67,249)	877,559
Basic School aid	982,668	1,817,102	1,646,969	1,628,096	(18,873)	1,315,293
Special Foster care	0	0	0	0	0	0
Gifted & talented	8,712	15,063	14,679	14,645	(34)	12,687
Primary Class Size (Reduced K-3)	42,134	80,802	79,427	71,658	(7,769)	52,135
Regular foster care	24,450	13,861	23,144	57,789	34,645	63,067

	FY 07-08	FY08-09	FY 09-10	FY09-10	Variance-FY 10	FY10-11
Revenue Sources	Actual	Actual	Budgeted	Est. Actual	Budget. Vs. Est.	Projection
Special Ed	115,267	190,248	185,400	184,791	(609)	160,140
Textbook payments	21,309	38,809	37,820	0	(37,820)	14,813
Vocational Ed - SOQ	59,470	104,784	101,794	101,559	(235)	103,753
Career & Technical Ed	3,342	3,294	4,801	3,294	(1,507)	3,294
Remedial education	31,874	56,321	54,567	54,411	(156)	43,136
Fringe benefits	143,646	229,542	222,736	190,383	(32,353)	136,457
Enrollment Loss	5,041	5,535	10,404	13,937	3,533	0
SOL teaching materials	0		0	0	0	0
Additional teachers	0		0	0	0	0
At Risk SOQ Payments	33,978	81,154	73,599	72,041	(1,558)	49,674
Maintenance reserve	0		0	0	0	0
Homebound	0	345	370	540	170	517
Virginia Pre-School Initiative	0		129,000	147,000	18,000	117,000
Technology	0	256,000	128,000	128,000	0	128,000
Adult Ed	0	0	2,280	2,280	0	2,280
At Risk 4 Yr. Old	17,221	98,754			0	
Salary supplement	68,423		0	0	0	0
Composite Index Hold Harmless			0	0	0	214,805
Remedial Summer School	12,861	19,170	20,662	19,556	(1,106)	17,712
Special Foster care		7,120	0	0	0	0
School Construction funds	104,447	106,820	28,997	34,342	5,345	0
GED Funding (ISAEP)	7,859	7,859	7,859	7,859	0	7,859
Lottery Proceeds	47,344	65,041	0	0	0	0
Other State Aid (Student Achivement)	5,000	2,393	0	0	0	0
Technology Literacy Grant	0	1,367	0	0	0	0
SOL Algebra Readiness	0	7,390	7,390	7,346	(44)	5,689
English as a second language	0		0	0	0	329
Teacher Mentor Grant		1,077	393	1,077	684	1,077
Federal Stimulus	0		253,515	368,218	114,703	0
Reading intervention and assistance	3,555	7,214	7,214	7,214	0	5,551
Total Categorical Aid from State	2,761,554	4,170,261	3,962,319	3,970,086	7,767	3,332,827
Revenue from the Federal Government:						
Title I	203,968	164,645	172,869	172,869	0	230,000
Title II - Technology Part D	38,789	59,995	2,000	2,000	0	5,500
Title VIB-Special Ed	202,541	128,992	239,352	239,352	0	239,352
Title IV-Safe & Drug Free Schools	1,985	4,441	4,200	4,200	0	3,400
Vocational Ed- Perkins	19,454	2,412	0	0	0	20,021
JROTC	57,348	69,516	53,000	53,000	0	57,348
E-Rate	0		50,000	50,000	0	50,000
School Improvement	0		0	0	0	0
Title 6-Rural and Low Income Schools			0	0	0	0

	FY 07-08	FY08-09	FY 09-10	FY09-10	Variance-FY 10	FY10-11
Revenue Sources	Actual	Actual	Budgeted	Est. Actual	Budget vs. Est.	Projection
Title V - Innovative Ed			0	0	0	0
Class Reduction Size Grant	0		60,775	60,775	0	60,000
Comprehensive School Reform			0	0	0	0
21st Century Learning Grant	77,897	255,796	0	199,999	199,999	0
Technology Literacy Grant			0	0	0	0
Pre-school mini grant	3,770	2,032	4,708	4,708	0	8,200
Title VI-Rural and Low Income Schools	0	0	0	0	0	0
Other Federal Aid	5,183	0	0	0	0	0
Total Categorical - Federal Gov't	610,935	687,829	586,904	786,903	199,999	673,821
Total Operating School Fund	3,440,089	4,933,409	4,574,223	4,781,989	207,766	4,031,648
School Cafeteria Fund:						
Cafeteria sales	283,310	289,000	275,000	275,000	0	275,000
Miscellaneous			0	0	0	0
School Food Programs-State	8,474	17,713	9,917	9,541	(376)	10,953
Commodities		41,906	0	0	0	0
School Food Programs - Federal	281,784	294,193	240,000	240,000	0	275,000
Total School Cafeteria Fund	573,568	642,812	524,917	524,541	(376)	560,953
Total School & Cafeteria Fund	4,013,657	5,576,221	5,099,140	5,306,530	207,390	4,592,601
TOTAL OPERATING REVENUE	26,642,904	27,673,781	27,365,187	27,019,405	(349,282)	27,338,241

FY2010-2011 EXPENDITURE SUMMARY
FY 08-09 Actual and Current Year Budget & Anticipated Expenditures

CATEGORY	<i>FY 08-09 Actual Expenditures</i>	<i>FY09-10 Revised Budget</i>	<i>FY09-10 Anticipated Expenditures</i>	<i>FY10-11 Recomm. Budget</i>	<i>NET CHANGE FY 10-11 Recommended over FY 09-10 Adopted</i>	
General Gov't Administration	1,519,756	1,625,011	1,517,014	1,588,163	(36,848)	-2.27%
Judicial Administration	382,048	417,473	409,261	413,844	(3,629)	-0.87%
Public Safety	2,331,629	2,545,217	2,446,676	2,506,119	(39,098)	-1.54%
Public Works	1,021,111	1,183,745	1,030,125	1,054,795	(128,950)	-10.89%
Health & Welfare	502,784	500,635	491,775	486,536	(14,099)	-2.82%
Parks & Recreation	537,577	535,468	535,468	539,863	4,395	0.82%
Community Development	436,811	466,190	464,415	455,128	(11,062)	-2.37%
Subtotal-General Operating	<u>6,731,716</u>	<u>7,273,739</u>	<u>6,894,734</u>	<u>7,044,448</u>	<u>(229,291)</u>	<u>-3.15%</u>
Special Funds						
Comprehensive Services	153,241	175,000	75,000	160,000	(15,000)	-8.57%
Indoor Plumbing	5,064	59,619	59,619	60,000	381	0.64%
Economic Development	0	79,160	0	79,160	0	0.00%
Food & Nutrition	7,481	7,500	5,626	7,500	0	0.00%
Total Special Funds	<u>165,786</u>	<u>321,279</u>	<u>140,245</u>	<u>306,660</u>	<u>-14,619</u>	<u>-4.55%</u>
Debt Service	843,622	1,805,244	1,781,464	1,711,019	(94,225)	-5.22%
Total General Operating	<u>7,741,124</u>	<u>9,400,262</u>	<u>8,816,443</u>	<u>9,062,127</u>	<u>(338,135)</u>	<u>-3.60%</u>
Enterprise Fund						
Water & Sewer Fund	159,746	197,257	224,688	212,710	15,453	7.83%
VPA FUND	1,749,729	2,250,599	2,160,599	2,232,729	(17,870)	-0.79%
SCHOOL FUND	16,883,704	17,657,116	17,657,116	16,139,867	(1,517,249)	-8.59%
TOTAL OPERATING BUDGET	<u>26,534,303</u>	<u>29,505,234</u>	<u>28,858,846</u>	<u>27,647,433</u>	<u>(1,857,801)</u>	<u>-6.30%</u>

FY2010-2011 EXPENDITURES BY DEPARTMENT
FY 08-09 Actual and Current Year Budget & Anticipated Expenditures

	<i>FY 08-09</i>	<i>FY 09-10</i>	<i>FY 09-10</i>	<i>FY 10-11</i>	<i>NET CHANGE</i>	
	<i>Actual Expenditures</i>	<i>Adopted Budget</i>	<i>Anticipated Expenditures</i>	<i>Recommended Budget</i>	<i>FY 11 Recommended over FY 10 Adopted</i>	
					<i>Dollar (\$)</i>	<i>Percent (%)</i>
<u>General Gov't Administration</u>						
Board of Supervisors	186,615	151,226	151,226	201,918	50,692	33.52%
Contingency Fund	75,484	134,485	0	100,000	(34,485)	-25.64%
Board of Equalization/Reassessment	107,959	90,000	89,350	0	(90,000)	-100.00%
County Administrator's Office	278,175	322,169	315,000	355,183	33,014	10.25%
Finance	146,048	152,435	150,485	150,305	(2,130)	-1.40%
Insurance/Worker's Compensation	47,039	55,500	48,233	40,000	(15,500)	-27.93%
County Attorney	71,074	70,720	70,720	70,720	0	0.00%
Commissioner of Revenue	168,702	173,666	173,000	175,667	2,001	1.15%
Treasurer	239,528	252,352	250,000	244,510	(7,842)	-3.11%
Electoral Board & Registrar	93,960	98,033	95,000	94,838	(3,195)	-3.26%
Duplication & Computer Services	<u>105,172</u>	<u>124,425</u>	<u>124,000</u>	<u>155,022</u>	<u>30,597</u>	<u>24.59%</u>
SubTotal	1,519,756	1,625,011	1,467,014	1,588,163	(36,848)	-2.27%
<u>Judicial Administration</u>						
Circuit Court	19,985	17,200	16,500	15,875	(1,325)	-7.70%
Combined Court		7,804	7,000	10,746	2,942	37.70%
Clerk of Circuit Court	218,959	226,362	220,000	226,696	334	0.15%
Magistrate	337	800	500	775	(25)	-3.13%
Riverside Criminal Justice Agency		14,000	14,000	11,541	(2,459)	-17.56%
Commonwealth Attorney	118,409	124,046	124,000	121,676	(2,370)	-1.91%
Victim Witness Program	17,097	20,000	20,000	20,000	0	0.00%
Legal Aid Justice Center	<u>7,261</u>	<u>7,261</u>	<u>7,261</u>	<u>6,535</u>	<u>(726)</u>	<u>-10.00%</u>
SubTotal	382,048	417,473	409,261	413,844	(3,629)	-0.87%
<u>Public Safety</u>						
Sheriff	1,212,524	1,301,198	1,200,000	1,282,920	(18,278)	-1.40%
Emergency Services	118,629	191,731	264,000	203,590	11,859	6.19%
Fire & Rescue Agencies:						
Claremont Fire Dept.	52,676	49,600	49,600	48,100	(1,500)	-3.02%
Dendron Fire Dept.	53,726	47,850	47,850	48,500	650	1.36%
Surry Fire Dept.	54,776	53,050	53,050	54,000	950	1.79%
Surry Rescue Squad	54,000	54,000	54,000	54,000	0	0.00%
Chesterfield County Med-Flight	0	500	500	500	0	0.00%
Old Dominion Emergency Medical		0	0	0	0	0.00%
Medical Transport Services	332,880	332,880	332,880	332,880	0	0.00%
State Forestry	8,971	10,241	12,796	12,796	2,555	24.95%
E911 Communications	25,097	55,000	35,000	48,700	(6,300)	-11.45%
Crater Youth Detention	45,462	45,000	47,000	47,950	2,950	6.56%

	<i>FY 08-09</i>	<i>FY 09-10</i>	<i>FY 09-10</i>	<i>FY 10-11</i>	<i>NET CHANGE</i>	
	<i>Actual Expenditures</i>	<i>Adopted Budget</i>	<i>Anticipated Expenditures</i>	<i>Recommended Budget</i>	<i>FY 11 Recommended over FY 10 Adopted</i> <i>Dollar (\$) Percent (%)</i>	
Care of Adult Prisoners	166,759	165,429	110,000	145,000	(20,429)	-12.35%
Animal Control	83,828	130,805	120,000	104,322	(26,483)	-20.25%
Building Official	<u>122,301</u>	<u>107,933</u>	<u>120,000</u>	<u>122,861</u>	<u>14,928</u>	<u>13.83%</u>
SubTotal	2,331,629	2,545,217	2,446,676	2,506,119	(39,098)	-1.54%
<u>Public Works</u>						
Sanitation	493,501	568,576	475,000	491,776	(76,800)	-13.51%
Litter Control	814	0	5,125	0	0	0.00%
Maintenance	<u>526,796</u>	<u>615,169</u>	<u>550,000</u>	<u>563,019</u>	<u>(52,150)</u>	<u>-8.48%</u>
SubTotal	1,021,111	1,183,745	1,030,125	1,054,795	(128,950)	-10.89%
<u>Education, Health & Welfare</u>						
Health Department	232,027	206,281	206,281	206,281	0	0.00%
Surry Free Clinic	5,000	7,500	7,500	6,000	(1,500)	-20.00%
District 19-Community Services Bd.	56,867	56,867	56,867	56,867	0	0.00%
State & Local Hospitalization		5,591	0	0	(5,591)	-100.00%
Genieve Shelter	2,500	3,500	3,500	3,150	(350)	-10.00%
Central VA Health Planning Agency	350	350	350	315	(35)	-10.00%
SSG Improvement Association	30,000	29,604	29,604	29,604	0	0.00%
Crater Area Agency on Aging	1,148	1,148	1,148	1,033	(115)	-10.02%
Foster Grandparents	0	0	0	0	0	0.00%
Adult Activity Services	0	0	0	0	0	0.00%
Office On Youth	155,720	173,269	170,000	166,871	(6,398)	-3.69%
VJCCA	14,967	15,425	15,425	15,425	0	0.00%
Square One	0	0	0	0	0	0.00%
Virginia State University	3,000	0	0	0	0	0.00%
John Tyler Community College	<u>1,205</u>	<u>1,100</u>	<u>1,100</u>	<u>990</u>	<u>(110)</u>	<u>-10.00%</u>
SubTotal	502,784	500,635	491,775	486,536	(14,099)	-2.82%
<u>Parks, Recreation & Cultural</u>						
Parks & Recreation	353,256	376,820	376,820	358,919	(17,901)	-4.75%
Parks & Recreation Fund	28,996	27,774	27,774	35,356	7,582	27.30%
Regional Library	112,325	99,874	99,874	108,588	8,714	8.72%
Rawls Art Museum	0	0	0	0	0	0.00%
Williamsburg Area Transit	37,000	25,000	25,000	37,000	12,000	48.00%
Jamestown 2007	0	0	0	0	0	0.00%
Surry County Tourism	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>0</u>	<u>(6,000)</u>	<u>-100.00%</u>
SubTotal	537,577	535,468	535,468	539,863	4,395	0.82%
<u>Community Development</u>						
Planning	293,736	308,828	300,000	301,639	(7,189)	-2.33%
Sussex County Dept. of Housing	0	5,000	5,000	0	(5,000)	-100.00%

	<i>FY 08-09</i>	<i>FY 09-10</i>	<i>FY 09-10</i>	<i>FY 10-11</i>	<i>NET CHANGE</i>	
	<i>Actual Expenditures</i>	<i>Adopted Budget</i>	<i>Anticipated Expenditures</i>	<i>Recommended Budget</i>	<i>FY 11 Recommended over FY 10 Adopted</i>	
					<i>Dollar (\$)</i>	<i>Percent (%)</i>
Wetlands	245	575	250	500	(75)	-13.04%
Board of Zoning Appeals	2,032	3,575	3,200	3,200	(375)	-10.49%
Planning Commission	7,561	8,750	9,250	9,750	1,000	11.43%
Transportation Safety Commission	750	2,850	1,000	1,500	(1,350)	-47.37%
BHAR	0	250	200	200	(50)	-20.00%
Economic Development	38,941	42,329	55,000	59,939	17,610	41.60%
Crater Small Business Dev. Center	1,500	1,500	1,500	0	(1,500)	-100.00%
Southeast Rural Community Asst. Proj.	2,000	2,000	2,000	0	(2,000)	-100.00%
Southampton Roads RC & D	3,000	1,500	1,500	1,350	(150)	-10.00%
Soil & Water Conservation District	9,000	9,000	9,000	8,100	(900)	-10.00%
VPI-Cooperative Extension	<u>78,046</u>	<u>80,033</u>	<u>76,515</u>	<u>68,950</u>	<u>(11,083)</u>	<u>-13.85%</u>
SubTotal	436,811	466,190	464,415	455,128	(11,062)	-2.37%
Sub-total General Operating	\$6,731,716	\$7,273,739	\$6,844,734	\$7,044,448	(\$229,291)	-3.15%
<u>Special Funds</u>						
Youth Comprehensive Services	153,241	175,000	75,000	160,000	(15,000)	-8.57%
Indoor Plumbing	5,064	59,619	59,619	60,000	381	0.64%
Economic Development Fund	0	79,160	0	79,160	0	0.00%
Food & Nutrition	<u>7,481</u>	<u>7,500</u>	<u>5,626</u>	<u>7,500</u>	<u>0</u>	<u>0.00%</u>
Total Special Funds	165,786	321,279	140,245	306,660	(14,619)	-4.55%
<u>Debt Services</u>						
VA Revolving Loan Fund	44,948	44,948	44,948	47,706	2,758	6.14%
Debt Service: Dendron Sewer	77,413	0	0	50,000	50,000	100.00%
Debt Service: Admin. Fees	11,127	2,813	5,430	4,949	2,136	75.93%
Debt Service: Public Safety Loan	127,066	248,429	247,657	247,658	(771)	-0.31%
Debt Service: Courthouse Ren.	307,500	1,124,773	1,124,773	1,123,453	(1,320)	-0.12%
Debt Service: VPSA 2008	0	235,167	235,167	237,253	2,086	0.89%
Debt Service: FY 05 Capital Projects	275,568	149,114	123,489	0	(149,114)	-100.00%
Total Debt Service	843,622	1,805,244	1,781,464	1,711,019	(94,225)	-5.22%
TOTAL GENERAL FUND	\$7,741,124	\$9,400,262	\$8,766,443	\$9,062,127	(\$338,135)	-3.60%
<u>Enterprise: Water & Sewer Fund</u>						
Water & Sewer Fund	159,746	197,257	224,688	212,710	15,453	7.83%
<u>Social Services</u>						
Assistances	72,179	120,668	120,668	98,562	(22,106)	-18.32%
Purchase Services	185,242	252,114	252,114	294,486	42,372	16.81%
Regular Administration	1,227,064	1,382,567	1,332,567	1,347,116	(35,451)	-2.56%
Non-Reimbursement	255,590	447,975	407,975	445,890	(2,085)	-0.47%
Special Revenue Funds	<u>9,654</u>	<u>47,275</u>	<u>47,275</u>	<u>46,675</u>	<u>(600)</u>	<u>-1.27%</u>
TOTAL SOCIAL SERVICES	1,749,729	2,250,599	2,160,599	2,232,729	(17,870)	-0.79%

	<i>FY 08-09</i>	<i>FY 09-10</i>	<i>FY 09-10</i>	<i>FY 10-11</i>	<i>NET CHANGE</i>	
	<i>Actual Expenditures</i>	<i>Adopted Budget</i>	<i>Anticipated Expenditures</i>	<i>Recommended Budget</i>	<i>FY 11 Recommended over FY 10 Adopted</i>	
					<i>Dollar (\$)</i>	<i>Percent (%)</i>
School System		<i>FY10-Adopted</i>	<i>FY10-Revised</i>			
Instruction	10,819,678	10,918,676	11,454,680	10,546,722	(371,954)	-3.41%
Administration & Health	862,692	887,048	887,048	826,161	(60,887)	-6.86%
Pupil Transportation	1,395,183	1,246,100	1,321,100	1,212,919	(33,181)	-2.66%
Operation & Maintenance	1,894,831	1,892,249	1,892,249	1,833,731	(58,518)	-3.09%
Food Services	622,118	628,899	642,219	614,487	(14,412)	-2.29%
Debt Services	400,125	334,198	334,198	264,890	(69,308)	-20.74%
Educational Technology	889,077	885,622	885,622	840,957	(44,665)	-5.04%
Facilities/Capital Outlay	0	0	240,000	0	0	0.00%
TOTAL SCHOOL SYSTEM	16,883,704	16,792,792	17,657,116	16,139,867	(652,925)	-3.89%
<i>Total Operating Budget</i>	<u>26,534,303</u>	<u>28,640,910</u>	<u>28,858,846</u>	<u>27,647,433</u>	<u>(993,477)</u>	<u>-3.47%</u>

APPENDIX C
TABLE OF AUTHORIZED POSITIONS
FY 11 Proposed Budget

Department	FY 07 Adopted	FY 08 Adopted	FY 09 Adopted	FY 10 Adopted	FY11 Proposed
County Administration Administrator Exec. Secretary/Payroll Clerk Asst. County Administrator Admin. Asst.	3	3	3	4	4
Finance Director of Fin. & Admin. Tech. Accounts Payable Technician	2	2	2	2	2
Commissioner of the Revenue Commissioner Deputy I Deputy II	3	3	3	3	3
Treasurer's Office Treasurer Deputy Treasurer Deputy II Tax Collection/Cashier	3	3	4	4	4
Information Technology Computer Network Tech	0	0	1	1	1
Registrar	1	1	1	1	1
Total General Government	12	12	14	15	15
Clerk of Circuit Court Clerk Deputy Clerk I Deputy II	3	3	3	3	3
Commonwealth's Attorney Attorney Admin. Asst.	2	2	2	2	2
Total Judicial Administration	5	5	5	5	5
Sheriff Department Sheriff Admin. Specialist Captain Sergeant Deputies (County & State) Dispatchers (County & State) Department	22	22	22	23	22
Animal Control Animal Control Officer	1	1	2	2	2

Pound Attendant					
Emergency Services					
Communications Specialist	1	1	2	3	2
Emergency Services Technician					
Communications Specialist					
Building Inspections					
Official	2	2	3	2	2
Inspector					
Administrative Asst.					
Total Public Safety	26	26	29	30	28
Sanitation Division					
Equipment Operator	3	3	3	3	3.5
Landfill Attendants (PT)					
Supervisor (eliminate fy08)					
Maintenance Division					
Supervisor	6	6	7	6	5.5
Maintenance Tech II					
Maintenance Tech III					
Total Public Works	9	9	10	9	9
Office on Youth	3	3	3	3	3
Parks & Recreation	6	6	6	6	6
Total Parks, Recreation & Culture	9	9	9	9	9
Planning	5	6	6	6	6
Economic Development	0	0	0	0	0
Total Community Development	5	6	6	6	6
TOTAL FULL TIME POSITIONS	66	68	72	74	72

This table reflects permanent, full-time positions and excludes the Board of Supervisors and part time positions.

Capital Budget for Fiscal Year 2011
(Excerpt from the Five Year Capital Improvement Plan)

FY2011 Project Expenditures by Category	
Broadband Project	\$ 900,000
Solid Waste Management Collection	\$ 255,000
Solid Waste Equipment Purchase	\$ 150,000
Recreation Center Improvements	\$ 50,000
Sanitary System Improvements	\$ 600,000
Public Safety-E911 Center Upgrades	\$ 640,000
Road Improvements	\$ 50,000
Grand Total: Project Expenditures	<u>\$ 2,645,000</u>
FY2011 Revenue Sources	
General Fund Operating Revenue	
Assigned Fund Balance	\$ 555,000
Total General Fund Revenues	\$ 555,000
Other Revenues	
State Grant	\$ 850,000
Federal Grant	\$ 600,000
Other Financing Source	\$ 640,000
Total Other Revenue Sources	\$ 2,090,000
Grand Total: Project Revenues	<u>\$ 2,645,000</u>

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 improve the sanitary 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 current truck is 10 years old and is costly to repair and maintain.
- Communication Center Equipment Upgrade..... \$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 supported 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.
- Recreation Center Improvements..... \$ 50,000**
 Funding is allocated in the amount of \$50,000 to fund a feasibility study for the proposed expansion of the Surry County Parks & Recreation Facility; proposed improvements include athletic fields, park area, indoor pool and track, weight rooms, showers, etc.

FIVE YEAR CAPITAL IMPROVEMENT PROGRAM SUMMARY

CAPITAL IMPROVEMENT PROGRAM
FISCAL YEARS 2011 through 2015

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Grand Total	Total ST/LT Debt	Total Local	Grants & Other Sources
GENERAL GOV'T ADMINISTRATION									
Technology Improvements			\$ 250,000	\$ 200,000	\$ 100,000	\$ 550,000	\$ 250,000	\$ 300,000	
Broadband Project	\$ 900,000	\$ 500,000				\$ 1,400,000	\$ 500,000	\$ 200,000	700,000
Comprehensive Plan Update		\$ 60,000	\$ -	\$ -		\$ 60,000		\$ 60,000	
Total General Administration	\$ 900,000	\$ 560,000	\$ 250,000	\$ 200,000	\$ 100,000	\$ 2,010,000	750,000	560,000	700,000
FACILITY MAINTENANCE									
WasteManagement Collection	\$ 255,000		\$ -	\$ -	\$ -	\$ 255,000	\$ -	\$ 255,000	
Solid Waste Equipment	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	
Surry Sewer Expansion	\$ 600,000	\$ 650,000		\$ -	\$ -	\$ 1,250,000			1,250,000
Facility Restoration/Stabilization		\$ 150,000				\$ 150,000		\$ 150,000	
Warehouse Garage			\$ 500,000		\$ -	\$ 500,000	\$ 500,000	\$ -	
Total Public Works	\$ 1,005,000	\$ 800,000	\$ 500,000	\$ -	\$ -	\$ 2,305,000	\$ 650,000	\$ 405,000	\$ 1,250,000
ROAD IMPROVEMENTS									
Highway Revenue Sharing	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000	-	\$ 150,000	100,000
Total Road Improvements	\$ 50,000	\$ 250,000	\$ -	\$ 150,000	\$ 100,000				
PUBLIC SAFETY									
Communication Center Upgrade	\$ 640,000					\$ 640,000	\$ 490,000		\$ 150,000
Building Improvement		\$ 100,000				\$ 100,000	\$ 100,000		
Equipment		\$ 525,000	\$ 1,195,000	\$ 1,250,000	\$ 2,600,000	\$ 5,570,000	\$ 5,670,000		
Total Public Safety	\$ 640,000	\$ 625,000	\$ 1,195,000	\$ 1,250,000	\$ 2,600,000	\$ 6,310,000	\$ 6,260,000	\$ -	\$ 150,000
PARKS, RECREATION & CULTURE									
Visitor & Welcome Center	\$ -	\$ -	\$ -		\$ 1,000,000	\$ 1,000,000	\$ 1,000,000		
Surry Library Expansion	\$ -		\$ 2,500,000	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000		
James River Waterfront Access					\$ 1,000,000	\$ 1,000,000			\$ 1,000,000
Recreation Center Improvements	\$ 50,000	\$ -	\$ 2,500,000	\$ 2,500,000	\$ -	\$ 5,050,000	4,950,000	50,000	\$ 50,000
TOTAL PARKS & RECREATION	\$ 50,000	\$ -	\$ 5,000,000	\$ 2,500,000	\$ 2,000,000	\$ 9,550,000	8,450,000	50,000	\$ 1,050,000
EDUCATION									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			-
TOTAL ALL PROJECTS	\$ 2,645,000	\$ 2,035,000	\$ 6,995,000	\$ 4,000,000	\$ 4,750,000	\$ 20,425,000	\$ 16,110,000	\$ 1,165,000	\$ 3,250,000