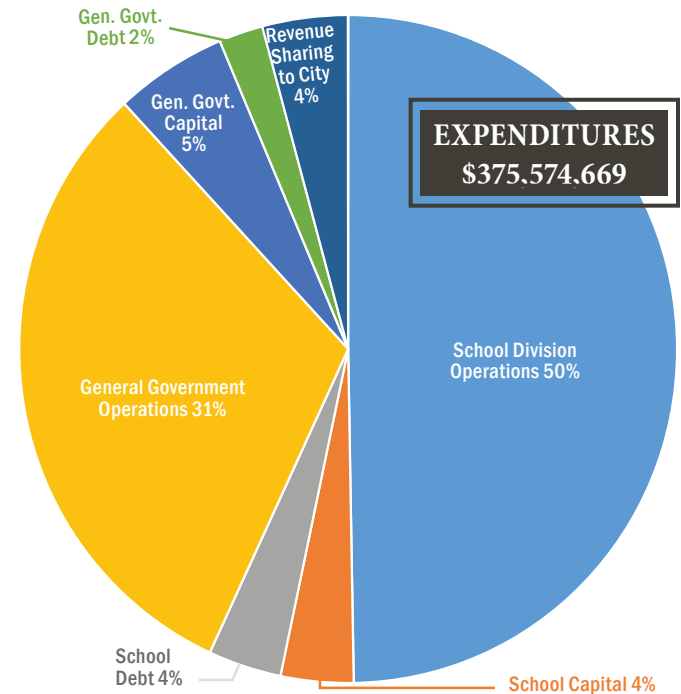
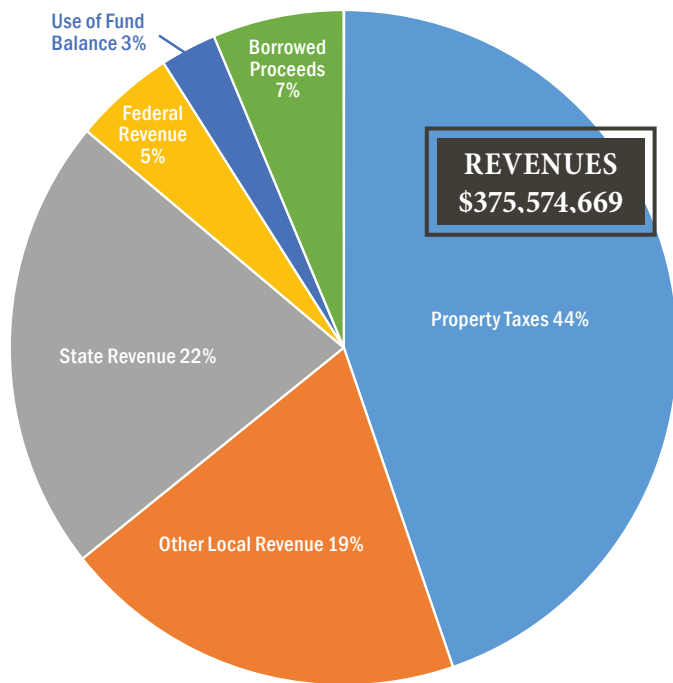


ALL FUNDS SUMMARY

The County's Fiscal Year 2017 combined capital and operating budget totals \$375,574,669. The Total Budget includes the General Fund, School Division Fund, and the Capital Fund as well as special revenue funds, the debt service fund, the new Fire Rescue Services Fund and other special funds. The Total Budget is balanced on an 83.9¢ tax rate.



REVENUES

The overall net increase in revenues is \$827,225, or 0.2% when compared to the FY16 Adopted Budget. This small increase in the total budget is primarily due to year-to-year fluctuations in the capital program. This net change is due to the following:

Decreases:

- Borrowed proceeds for capital projects decrease by \$2.7M (9.9%).
- The Other Local Revenues category decreases by a net of \$6.7M largely due to a decline of \$8.6M in local funding for FY17 capital projects.
- Overall, the planned use of prior year fund balance monies has decreased by \$1.1M (9.9%), mainly due to a decreased use of fund balance for capital projects.

Increases:

- Property tax revenues, which include taxes such as real estate and personal property, are anticipated to increase by \$6.3M (3.9%), chiefly due to a \$6.0M (4.6%) increase in real estate tax revenues, which is based on a tax rate of 83.9¢, and includes a proposed 2¢ rate increase.
- State revenues are projected to increase by \$3.5M (4.5%) primarily due to increases in funding for the School Division and the Children's Services Act (CSA).
- Federal revenues are projected to increase by \$1.7M (10.2%), also due mainly to increases in school division special revenue funds.

EXPENDITURES:

- The combined operating expenditures increase \$13.3M (4.3%)
 - The general government operations budget increases by \$5.7M (4.8%) to meet the County's mandates, support the community's public safety and social services needs, and to support other essential governmental services. This includes general fund, special revenue funds, and general government debt service funds.
 - The school division operations budget increases by \$7.6M (4%). This includes school fund, special revenue funds, and school division debt service funds. The local transfer to the School Division is an increase of \$2.9M (2.5%) over last year's Adopted Budget.
- There is a decrease of 25.8% in the capital budget primarily due to a \$18M Emergency Communication Center (ECC) project that was budgeted in FY16.
- The Capital Improvement Plan covers the time period of FY17 – FY21. Only the first year of the Plan is included in the FY17 Total Budget. For FY17, the net Capital Budget is \$35.1M. Major projects include continued commitment to maintenance and replacement needs for schools and general government, Water Resources Total Maximum Daily Load (the process for restoring impaired waterbodies in the County), school safety updates, Pantops Public Safety Station, Transportation Revenue Sharing Program, Hollymead Dam repair, Red Hill Elementary School Modernization, and Ivy Materials Utilization Center New Facility, and School Addition/Modernization Design

THE SPENDING PRIORITIES INCLUDED IN THE RECOMMENDED BUDGET ARE HIGHLIGHTED BELOW ACCORDING TO THE ESTABLISHED BUDGET GOALS:

Address current commitments and obligations

- Mandated Children’s Services Act (CSA) – increase of \$1.4M for general government and \$0.3M for the school division
- Transfer to School Division – provides \$2.9M in additional funding, an increase of 2.5%
- Debt Service obligations – increase of \$2.9M
- Rebuild fund balances/reserve for contingencies

Protect current levels of service

- Market salary adjustment of 2% for employees
- Employer contributions to health insurance
- Funds a 4.4% increase, \$158,468, to the Regional Jail
- Funds a 5.0% increase, \$203,245, to Jefferson Madison Regional Library
- Funds a 4% increase, \$90,673, to the Emergency Communications Center
- Funds a 0.8% increase, \$93,456, in the transfer to Fire Rescue Services Operations
- Funds a 13.9% increase, \$184,607, to JAUNT

Hold the line on existing expenditures

- No new positions for local government
- No new programs or program expansions for local government
- No funding for salary compression
- Department operations decreased \$17,471
- Department capital outlays decreased \$511,598
- Captures fuel savings
- Commits to \$400,000 in additional efficiency savings in next two fiscal years

Invest in meaningful solutions

- Urbanization/economic development investment pool – \$250,000
- Efficiency study – \$125,000
- Reallocation pool
- Increase grant attainment efforts – \$32,000
- Transportation revenue sharing – \$250,000
- Bus route to 5th Street Station – \$123,815
- School Addition / Modernization Design – \$1,000,000

Propose a comprehensive process to determine Board and community priorities

- Community-centered priority based budgeting effort – \$50,000

Develop a realistic two year Financial Plan beginning in FY18 (FY18–19 Financial Plan)

- Will be supported by existing resources

MAJOR REVENUE CHANGES

Changes Compared to Adopted FY16 Budget

(in millions)

Current Real Estate Revenue	\$2.7
Other Revenue (including state and federal)	\$1.9
Tax Rate Increase for General Government	\$1.5
Tax Rate Increase for Capital Improvements Program	\$1.6
Tax Rate Increase for School Division	\$0.2
Motor Vehicle Registrations (\$2.25 increase per vehicle)	\$0.3
Total Revenue Change	\$8.2*

MAJOR EXPENDITURE CHANGES

Changes Compared to Adopted FY16 Budget

(in millions)

Support for School Division	\$2.9
Debt Service Obligation	\$2.9
Children’s Services Act Mandates	\$1.4
Key Regional Services – Agency Support	\$1.1
Local Government Health Care Costs	\$0.3
2% Market Increase – General Government	\$0.5
Total Expenditure Change	\$9.1*

* rounded to nearest \$100,000