

AGENDA
FY 13 Budget Presentation
February 6, 2012
10:00 AM
JGC

Please find attached the following documents:

1. Net Tax Funding.
2. Budget Document.
3. General Government Capital Budget.
4. ERP System Justification.

FY2012 Clarke County Budget Process

2/2/2012 11:35

Net Tax Funding

FUND	FY 2012 Budget	Variance	Percent Variance	FY 2013 Proposed
EXPENDITURE				
General Fund	8,056,246	289,332	3.6%	8,345,578
Social Services	1,351,949	70,107	5.2%	1,422,056
School Operating Fund	19,048,085	-	0.0%	19,048,085
School Food Service Fund	780,232	-	0.0%	780,232
CSA Fund	1,022,594	(261,594)	-25.6%	761,000
Conservation Easement	150,000	-	0.0%	150,000
Government Capital Projects	1,725,525	(318,040)	-18.4%	1,407,485
School Capital Projects	844,918	-	0.0%	844,918
Government Debt Service	374,129	15,071	4.0%	389,200
School Debt Service Fund	4,122,196	(87,317)	-2.1%	4,034,879
Joint Services Fund	510,810	21,151	4.1%	531,961
Unemployment Comp Fund	25,000	-	0.0%	25,000
Total	38,011,684	(271,290)	-0.7%	37,740,394
CATEGORICAL REVENUE				
General Fund	2,441,919	(44,689)	-1.8%	2,397,230
Social Services	935,333	40,041	4.3%	975,374
School Operating	8,966,628	-	0.0%	8,966,628
School Food Service Fund	780,232	-	0.0%	780,232
CSA Fund	471,297	(120,297)	-25.5%	351,000
Conservation Easement	-	-	0.0%	-
Government Capital Projects	535,860	(418,836)	-78.2%	117,024
School Capital Projects	154,000	-	0.0%	154,000
Government Debt Service	-	-	0.0%	-
School Debt Service	147,673	(14,311)	-9.7%	133,362
Joint Services Fund	-	3,000	0.0%	3,000
Unemployment Comp Fund	-	-	0.0%	-
Total	14,432,942	(555,092)	-3.8%	13,877,850
NON-CATEGORICAL REVENUE REQUIRED				
General Fund	5,614,327	334,021	5.9%	5,948,348
Social Services	416,616	30,066	7.2%	446,682
School Operating Fund	10,081,457	-	0.0%	10,081,457
School Food Service Fund	-	-	0.0%	-
CSA Fund	551,297	(141,297)	-25.6%	410,000
Conservation Easement	150,000	-	0.0%	150,000
Government Capital Projects	1,189,665	100,796	8.5%	1,290,461
School Capital Projects	690,918	-	0.0%	690,918
Government Debt Service	374,129	15,071	4.0%	389,200
School Debt Service	3,974,523	(73,006)	-1.8%	3,901,517
Joint Services Fund	510,810	18,151	3.6%	528,961
Unemployment Comp Fund	25,000	-	0.0%	25,000
Total	23,578,742	283,802	1.2%	23,862,544
BUDGET BALANCING				
GF Estimated Non-categorical revenue	22,208,822	60,273	0.3%	22,269,095
Surplus/(Deficit)	(1,369,921)	(136,468)	10.0%	(1,506,389)
Pay-as-you-go	1,150,234	(275,234)	-23.9%	875,000
Surplus/(Deficit) Net of pay-as-you-go	(219,687)	(411,702)	187.4%	(631,389)

Pay-as-you-go Elements	
Conservation Easement	150,000
Government Construction Debt Designation	325,000
Parks Master Plan	100,000
Community Facilities	300,000
	<u>875,000</u>

**FOR THE FISCAL YEAR
COMMENCING JULY 1, 2012 AND ENDING JUNE 30, 2013**

	FY11 Original Budget	FY11 Audited Actual	FY12 Adopted Budget	01/31/12 FY12 Revised Budget	FY13 Proposed Budget	Variance 13 Proposed- 12 Adopted
EXPENDITURE						
Board of Supervisors	64,272	54,193	58,424	58,424	59,443	1,019
County Administrator	260,019	248,545	254,954	277,387	286,817	31,863
Legal Services	68,611	62,671	71,872	71,872	72,684	812
Commissioner of Revenue	244,462	228,243	198,221	198,221	200,704	2,483
Assessor	65,322	63,492	64,782	64,782	4,100	(60,682)
Equalization Board	-	-	-	-	-	-
Treasurer	282,392	257,863	272,935	272,935	241,096	(31,839)
Information Technology	259,243	250,011	256,980	256,980	269,841	12,861
Electoral Board	33,172	25,588	34,242	34,242	34,172	(70)
General Registrar	65,493	58,112	66,067	66,067	67,295	1,228
Circuit Court	12,180	10,169	12,180	12,180	12,180	-
General District Court	4,821	4,516	5,064	5,064	5,064	-
Magistrate	1,000	779	1,000	1,000	1,000	-
J&D Court	4,650	1,672	4,571	4,571	5,271	700
Clerk of the Circuit Court	90,720	80,171	89,263	89,263	96,532	7,269
Victim/Witness Coordinator	39,307	44,683	40,867	40,867	39,024	(1,843)
Division of Court Services	2,000	160	3,178	3,178	-	(3,178)
Blue Ridge Legal Services	2,000	2,000	2,000	2,000	2,000	-
Regional Court Services	-	-	-	-	3,759	3,759
Commonwealth Attorney	239,529	236,034	239,986	239,986	249,527	9,541
Commonwealth Attorney Grants	30,420	26,662	30,755	33,005	38,542	7,787
Sheriff	1,456,895	1,434,766	1,472,672	1,472,672	1,552,153	79,481
Sheriff's Grants	109,283	88,847	87,964	87,964	82,099	(5,865)
Communications	392,921	378,923	398,390	404,928	406,872	8,482
Communications Grants	39,202	-	11,600	11,600	39,284	27,684
Criminal Justice Training Center	15,500	15,893	15,500	15,500	17,500	2,000
Drug Task Force	10,500	9,066	10,500	10,500	10,500	-
Emergency Medical Services	369,471	357,468	368,806	368,806	370,586	1,780
Volunteer Fire Companies	40,905	8,619	40,905	40,905	40,905	-
Blue Ridge Volunteer Fire Company	50,000	50,000	53,000	53,000	51,600	(1,400)
Boyce Volunteer Fire Company	50,000	50,000	53,000	53,000	52,500	(500)
Enders Volunteer Fire Company	75,000	75,000	79,500	79,500	78,500	(1,000)
Shenandoah Farms Volunteer Fire Company	50,000	37,500	53,000	53,000	51,200	(1,800)
Lord Fairfax Emergency Medical Services	4,929	4,929	4,929	4,929	4,929	-
Forestry Service	2,231	2,231	2,231	2,231	2,231	-
Regional Jail	427,776	427,776	376,287	376,287	440,991	64,704
Juvenile Detention Service	25,884	25,693	31,192	31,192	50,543	19,351
Probation Office	900	772	925	925	925	-
Building Inspections	135,526	130,627	133,871	133,871	138,745	4,874
Animal Control	88,794	76,332	89,746	89,746	89,978	232
Medical Examiner & Indigent Burial	150	160	150	150	4,150	4,000
Refuse Disposal	156,000	123,015	150,000	150,000	150,000	-
Litter Control	5,429	5,412	5,429	5,429	5,399	(30)
Sanitation	19,000	27,301	34,000	34,000	34,000	-
Maintenance/Buildings & Grounds	823,909	711,158	775,849	775,849	791,353	15,504
Local Health Department	199,000	199,000	199,000	199,000	206,281	7,281
Our Health	6,500	6,500	6,500	6,500	6,500	-
Northwestern Community Services	82,000	82,000	82,000	82,000	82,000	-
Concern Hotline	1,000	1,000	1,000	1,000	2,000	1,000
NW Works	1,000	1,000	1,000	1,000	3,000	2,000
Shenandoah Area Agency on Aging	35,000	35,000	35,000	35,000	45,000	10,000
Loudoun Transit Service	17,639	17,639	17,639	17,639	18,304	665
Cheers School Family	-	-	-	-	5,800	5,800
Laurel Center	2,000	2,000	2,000	2,000	2,500	500
Access Independence (serves the disabled)	1,000	1,000	1,000	1,000	1,000	-
Lord Fairfax Community College	15,043	15,043	15,043	15,043	14,355	(688)

**FOR THE FISCAL YEAR
COMMENCING JULY 1, 2012 AND ENDING JUNE 30, 2013**

	FY11 Original Budget	FY11 Audited Actual	FY12 Adopted Budget	01/31/12 FY12 Revised Budget	FY13 Proposed Budget	Variance 13 Proposed- 12 Adopted
Parks Administration	334,529	329,609	338,080	338,080	355,705	17,625
Recreation Center	101,710	92,829	101,994	101,994	104,577	2,583
Swimming Pool	85,712	70,749	88,679	88,679	91,879	3,200
Concession Stand	20,177	15,776	21,237	21,237	21,237	-
Parks Programs	245,834	199,055	245,846	245,846	256,191	10,345
Josephine School Community Museum	-	-	-	-	7,290	7,290
Virginia Commission for Arts	4,000	10,000	10,000	10,000	10,000	-
Regional Library	182,119	182,119	182,119	182,119	185,922	3,803
Planning Administration	415,753	392,691	425,551	425,551	440,245	14,694
Rain Barrel Program	-	-	-	-	-	-
Help With Housing	7,200	7,200	7,200	7,200	7,200	-
Board of Zoning Appeals	3,620	3,950	3,620	3,620	3,620	-
Office of Economic Development	41,439	42,808	42,598	43,598	45,157	2,559
Berryville Development Authority	11,800	1,280	11,800	11,800	11,800	-
Small Business Development Center	2,000	2,000	2,000	2,000	5,000	3,000
Blandy Experimental Farm	4,000	4,000	4,000	4,000	4,000	-
Planning Commission	27,467	18,175	26,390	26,390	26,388	(2)
Board of Septic Appeals	2,739	27	2,739	2,739	2,739	-
Historic Preservation Commission	7,500	15,473	42,500	42,500	42,500	-
NSV Regional Planning District Commission	10,692	10,935	10,310	10,310	14,217	3,907
Regional Airport	5,000	5,000	5,000	5,000	5,000	-
Friends of the Shenandoah	4,000	4,000	4,000	4,000	4,000	-
Lord Fairfax Soil & Water Conservation	9,500	9,500	9,500	9,500	9,500	-
Biosolids Application	16,041	18,724	19,001	19,001	19,101	100
Cooperative Extension	47,345	40,314	47,113	27,680	41,576	(5,537)
Northern Virginia 4-H Center	3,000	3,000	3,000	3,000	3,000	-
Gypsy Moth	-	-	-	-	-	-
Non-Departmental Legal/Prof. Contingency	80,000	-	85,000	121,867	85,000	-
Social Services	1,397,588	1,376,264	1,351,949	1,359,638	1,422,056	70,107
School Operations	18,931,781	18,984,359	19,048,085	19,048,085	19,048,085	-
School Food Service	759,952	860,912	780,232	780,232	780,232	-
Comprehensive Services Act	1,100,583	836,889	1,022,594	1,022,594	761,000	(261,594)
Parks Programs	-	-	-	-	-	-
Gang Task Force Fund	-	113,152	-	-	-	-
Public Safety Fund	-	12,436	-	-	-	-
Conservation Easement	480,000	235,323	150,000	150,000	150,000	-
General Capital Improvements	390,491	1,112,788	1,725,525	1,725,525	1,407,485	(318,040)
School Capital Improvements	690,400	15,464,386	844,918	897,428	844,918	-
General Debt Service	364,701	364,700	374,129	374,129	389,200	15,071
School Debt Service	3,636,438	3,722,518	4,122,196	4,122,196	4,034,879	(87,317)
Joint Administrative Services	510,810	510,146	510,810	510,810	531,961	21,151
Unemployment Compensation	15,000	16,648	25,000	25,000	25,000	-
TOTAL EXPENDITURE	36,430,921	51,146,967	38,011,684	38,121,538	37,740,394	(271,290)
<i>Local Funds for Schools</i>	<i>13,943,516</i>	<i>39,032,176</i>	<i>14,746,898</i>	<i>14,799,408</i>	<i>14,673,892</i>	<i>(73,006)</i>
ESTIMATED REVENUE						
LOCAL REVENUE						
Current Real Estate Taxes	13,395,543	13,174,996	13,307,377	13,307,377	13,289,666	(17,711)
Delinquent Real Estate Taxes	74,876	20,696	143,997	143,997	108,612	(35,385)
Land Redemptions	-	-	-	-	-	-
Proceeds from Delinquent Land Sale	-	-	-	-	-	-
Public Service Corporation Real Estate	288,879	347,519	356,500	356,500	385,873	29,373
Delinquent Taxes on Public Service Corp	-	-	-	-	-	-
Current Personal Property Taxes	2,963,642	3,204,955	2,974,592	2,974,592	3,024,723	50,131
Delinquent Personal Property Taxes	109,854	123,965	100,000	100,000	100,000	-

**FOR THE FISCAL YEAR
COMMENCING JULY 1, 2012 AND ENDING JUNE 30, 2013**

	FY11 Original Budget	FY11 Audited Actual	FY12 Adopted Budget	01/31/12 FY12 Revised Budget	FY13 Proposed Budget	Variance 13 Proposed- 12 Adopted
Mobile Home Taxes	963	22	1,049	1,049	1,271	222
Machinery and Tools Taxes	207,611	225,842	198,670	198,670	209,445	10,775
Delinquent Taxes on Machinery & Tools	-	-	-	-	-	-
Penalties (All Property Taxes)	98,425	147,272	113,802	113,802	122,849	9,047
Interest (All Property Taxes)	61,370	89,461	88,268	88,268	89,461	1,193
Administrative Costs Delinq	3,810	11,541	8,930	8,930	11,541	2,611
DMV Stop Fee	440	(100)	440	440	-	(440)
Sales and Use Taxes	752,668	684,426	752,000	752,000	800,000	48,000
Consumer's Utility Taxes	376,348	372,706	376,348	376,348	376,348	-
Consumption Tax	34,779	32,039	36,991	36,991	36,991	-
Communications Tax	416,393	416,632	449,600	449,600	416,632	(32,968)
Business License Tax	24,000	24,420	24,000	24,000	24,000	-
Franchise License Tax	-	14,940	5,000	5,000	13,854	8,854
Utility License Tax	-	-	-	-	-	-
Motor Vehicle Licenses	277,730	303,336	290,851	290,851	303,336	12,485
Motor Vehicle License Penalty	310	-	125	125	-	(125)
Recordation Taxes	150,000	187,307	156,608	156,608	175,000	18,392
Taxes on Wills	6,265	19,032	7,777	7,777	15,000	7,223
Transient Occupancy Tax	15,226	15,759	16,058	16,058	18,000	1,942
Animal Licenses	11,848	10,327	10,463	10,463	10,328	(135)
Animal Shelter Fees - Dogs & Cats	5,576	6,902	6,909	6,909	6,909	-
Spay & Neuter Fund Distribution	105	160	90	90	161	71
Dangerous Dog Registration	-	-	-	-	-	-
Land Use Application Fees Penalty	6,000	3,300	3,000	3,000	3,300	300
Land Use Application Fees	26,250	24,575	500	500	100	(400)
Transfer Fees	601	433	601	601	476	(125)
Zoning and Subdivision Permits	65,600	77,665	45,000	45,000	77,666	32,666
Building Permits	92,000	192,572	92,000	92,000	92,000	-
Road Sign Fees	90	-	100	100	90	(10)
New Dwelling Address Fee	990	1,300	1,000	1,000	1,300	300
Mapping Fee	900	500	1,000	1,000	900	(100)
Sign Permits and Inspection Fees	772	2,640	1,000	1,000	1,493	493
Rain Barrel Sales	4,000	360	2,250	2,250	360	(1,890)
Weapons Permits	4,463	3,591	5,000	5,000	4,500	(500)
Other permits, fees, and licenses	1,075	2,900	2,988	2,988	2,988	-
Court Fines and Forfeitures	240,000	381,509	290,000	290,000	283,000	(7,000)
DNA Fees - Blood Test	203	252	-	-	200	200
Courthouse Security Fees	45,000	69,634	55,000	55,000	55,000	-
Local Jury Fees	-	-	-	-	-	-
Interest on Bank Deposits	132,379	70,169	81,048	81,048	68,242	(12,806)
Rental of Property	74,908	68,897	51,772	51,772	51,772	-
Excess Fees of Clerks	-	-	500	500	500	-
Sheriff's Fees	797	796	800	800	797	(3)
Commonwealth's Attorney Fees	573	623	573	573	1,000	427
Court Appointed Attorney	160	656	273	273	657	384
Central Alarm - Berryville	2,000	2,000	2,000	2,000	2,000	-
Jail Processing Fee	1,348	1,621	1,200	1,200	1,500	300
Jail Time Nonconsecutive	-	-	-	-	-	-
Revenue from Shared Costs - Berryville	30,000	62,300	59,282	59,282	60,739	1,457
Revenue from Shared Costs - IDA	-	-	-	-	-	-
Wireless E-911	39,203	47,178	11,600	11,600	39,285	27,685
Humane Foundation Contribution	25,000	25,000	25,000	25,000	25,000	-
Recycling Rebate	57,000	93,112	92,075	92,075	39,000	(53,075)
Recreation Center Fees	37,859	30,268	35,250	35,250	33,100	(2,150)
Swimming Pool Fees	93,412	93,100	91,000	91,000	91,000	-
Concession Stand Revenue	21,985	19,495	20,000	20,000	19,500	(500)
Parks Programs Fees	231,440	233,741	231,440	231,440	248,000	16,560

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COMMENCING JULY 1, 2012 AND ENDING JUNE 30, 2013**

	FY11 Original Budget	FY11 Audited Actual	FY12 Adopted Budget	01/31/12 FY12 Revised Budget	FY13 Proposed Budget	Variance 13 Proposed- 12 Adopted
Sale of Maps, Surveys, etc.	-	-	-	-	10	10
Sale of Publications	40	25	100	100	25	(75)
Zoning Research Fee	60	-	100	100	75	(25)
Engineer's Fees	14,377	9,699	7,000	7,000	9,699	2,699
Biosolids Application Fees	16,041	19,947	19,000	19,000	17,751	(1,249)
Gas Tax & Other Refunds	30,008	26,233	8,318	8,318	8,318	-
Gifts & Donations in Lieu of Taxes	2,500	2,500	3,000	3,000	3,000	-
Donations	-	7,019	-	-	-	-
Sale of Salvage & Surplus Property	1,000	249	272	272	272	-
Revenue from Sale of Industrial Park	-	-	-	-	-	-
Sale of Vehicles	2,140	4,505	3,055	3,055	3,055	-
Insurance Adjustments	3,632	15,752	5,057	5,057	7,876	2,819
Miscellaneous Revenue	9,867	1,635	9,466	9,466	8,469	(997)
Loan Repayment	3,494	3,494	3,495	3,495	3,495	-
Insurance Recovery	12,899	22,732	12,327	12,327	13,754	1,427
Transfer from Animal Control Fund	-	3,433	-	-	-	-
Welfare	-	-	-	-	-	-
Comprehensive Services Act	-	-	-	-	-	-
School Operations	289,997	-	348,930	348,930	348,930	-
School Food Service	553,509	-	560,832	560,832	560,832	-
Public Safety Fund	-	-	-	-	-	-
Conservation Easement	-	-	-	-	-	-
General Capital Projects	-	-	535,860	535,860	117,024	(418,836)
School Capital Projects Proffers	-	-	-	-	-	-
School Capital Projects	-	-	-	-	-	-
Parks Construction Fund	-	-	-	-	-	-
General Debt Service	-	-	-	-	-	-
School Debt Service	218,070	-	17,325	17,325	3,013	(14,312)
Joint Administrative Services	-	-	-	-	3,000	3,000
Trigon Demutualization Funds	-	-	34,534	34,534	34,534	-
TOTAL LOCAL REVENUE	21,670,303	21,061,565	22,198,368	22,198,368	21,888,597	(309,771)
REVENUE FROM THE COMMONWEALTH OF VIRGINIA						
Motor Vehicles Carrier's Taxes	19,381	20,809	19,426	19,426	19,426	-
Mobile Home Titling Tax	1,641	-	45	45	-	(45)
Tax on Deeds (Grantor's Tax)	110,198	66,420	110,198	110,198	66,421	(43,777)
Other Non-Categorical Aid	-	-	-	-	-	-
Quarterly Rental Tax	2,464	2,069	2,464	2,464	2,305	(159)
Personal Property Tax Relief	2,483,842	2,483,842	2,483,842	2,483,842	2,483,842	-
Commonwealth's Attorney	182,480	174,708	175,237	175,237	175,734	497
Sheriff	712,006	689,836	679,680	679,680	685,492	5,812
Commissioner of Revenue	81,121	77,359	77,830	77,830	71,014	(6,816)
Treasurer	84,226	81,020	79,095	79,095	80,236	1,141
Medical Examiner	-	-	-	-	-	-
Registrar	36,280	36,291	30,414	30,414	36,362	5,948
Clerk of the Circuit Court	11,606	4,566	9,657	9,657	9,375	(282)
DMV CPSF Grant	2,277	-	-	-	-	-
DMV 402 Grant	15,000	8,161	7,677	7,677	11,675	3,998
Emergency Services Grants	-	4,519	3,314	3,314	3,314	-
Litter Control	5,429	5,910	5,429	5,429	5,399	(30)
Other Categorical Aid	9,250	4,081	7,810	7,810	2,041	(5,769)
Fire Programs Fund	40,905	16,422	40,905	40,905	36,901	(4,004)
Virginia Commission for the Arts	2,000	5,000	5,000	5,000	5,000	-
Gypsy Moth Control	-	-	-	-	-	-
Division of Historic Landmarks	-	-	24,500	24,500	-	(24,500)
Welfare	989,200	-	935,333	935,333	975,374	40,041
School Operations	7,817,233	-	7,560,316	7,560,316	7,560,316	-
School Food Service	9,443	-	9,400	9,400	9,400	-

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Comprehensive Services Act	453,945		471,297	471,297	351,000	(120,297)
Public Safety Fund	-		-	-	-	-
DCJS Terrorism Prevention Grant	-		-	-	-	-
Conservation Easement	-		-	-	-	-
General Capital Projects	-		-	-	-	-
School Capital Projects	154,000		154,000	154,000	154,000	-
School Debt Service	-		-	-	-	-
TOTAL COMMONWEALTH REVENUE	13,223,927	3,681,013	12,892,869	12,892,869	12,744,627	(148,242)
FEDERAL REVENUE						
Payment in Lieu of Taxes	8,337	5,599	5,554	5,554	5,554	-
Crime Victims Assistance	30,784	48,268	30,784	30,784	39,024	8,240
Multi Agency Federal Task Force	65,000	63,861	65,000	65,000	65,000	-
DOJ Vest Grant	-	-	-	-	-	-
DOJ Local Law Enforcement Block Grant	4,114	2,915	4,500	4,500	-	(4,500)
SCAAP Grant	7,149	5,416	5,416	5,416	2,535	(2,881)
ARRA Byrne Justice Assistance Grant	23,338	13,429	10,789	10,789	5,423	(5,366)
Conservation Easement	320,000					-
V-Stop	29,570	25,926	30,754	33,004	33,004	2,250
Public Assistance and Welfare Admin	-		-	-	-	-
Public Safety Fund	-		-	-	-	-
School Operations	835,803		1,057,382	1,057,382	1,057,382	-
School Food Service	197,000		210,000	210,000	210,000	-
General Capital Projects	-		-	-	-	-
School Capital Projects	-		-	52,510	52,510	52,510
School Debt Service	-		130,348	130,348	130,349	1
TOTAL FEDERAL REVENUE	1,521,095	165,414	1,550,527	1,605,287	1,600,781	50,254
BUDGET BALANCE PROCEDURE						
TOTAL EXPENDITURES	36,430,921	51,146,967	38,011,684	38,121,538	37,740,394	(271,290)
TOTAL REVENUE	36,415,325	24,907,992	36,641,764	36,696,524	36,234,005	(407,759)
SURPLUS (DEFICIT)	(15,596)	(26,238,975)	(1,369,920)	(1,425,014)	(1,506,389)	(136,469)
FROM FUND BALANCE	15,596	26,238,975	1,369,920	1,425,014	1,506,389	136,469
NET	-	-	-	-	-	-

SURPLUS/DEFICIT ADJUSTMENTS:

TOTAL SURPLUS (DEFICIT) ADJUSTMENTS	-
ADJUSTED SURPLUS (DEFICIT)	<u>(1,506,389)</u>
PAY-AS-YOU-GO	<u>875,000</u>
SURPLUS (DEFICIT) NET OF PAY-AS-YOU-GO	<u>(631,389)</u>

**ALL TAX RATES ARE BASED ON EACH \$100
OF ASSESSED VALUATION**

	2012
1. Real Estate, including the real estate of public service corporations**	\$ 0.62
2. Tangible personal property except machinery and tools and qualified Fire and Rescue Vehicles*	\$ 4.69
3. Tangible Machinery and tools	\$ 1.25
4. Tangible personal property of qualified Fire & Rescue Vehicles*	\$ 2.35

** Mobile Homes will be assessed as personal property, but taxed at the same rate as real estate.

* Personal Property Tax Relief by the Commonwealth of Virginia for vehicles valued between \$1,001 and \$20,000 is increased/decreased from 59.7% to

Government Projects	2	3	4	5	6	Notes
	FY 2013 Requested	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected	
Public Safety						
Cruisers	83,542	76,000	76,000	152,000	76,000	Reduced in request from 152,000
Investigation and Undercover Vehicles		55,000	30,000			
Radios					125,000	
Personal Computers (laptops and desktops)			55,000	12,000		
COP Server, Communications CPUs, Backup Battery		20,000			19,000	
Weapons and Armor	8,925	16,000	5,000	42,000	16,000	Might use Drug Enforcement Funds
Mapping System Replacement						
Phone System (E911)	117,024					
Microwave System	65,631					Request increased from 64K
2 nd Transmitter Site		400,000				Would likely solve F&R pager problem
Parks						
New Projects						
West Side Improvements	90,000					shelter & Bathrooms
Athletic Fields			215,000	200,000		
Bandstand and Shelter			99,000			
Game Court Construction (basketball, shuffleboard, skate)					220,000	
Parking						
Storage Buildings	33,000					
Major Capital Asset Renovation and Repair						
Replace ballfield and pool fencing	20,000	20,000	20,000	20,000	20,000	
Renovate shelters		37,500	37,500			
Community Development						
Real Property Assessment	190,000				190,000	
Groundwater Study	37,544	37,544	37,544	37,544	37,544	
Park to Town Utility Upgrades			50,000			
Solid Waste Convenience Center	300,000					
General						
New Projects						
Systems Integration: HR, Finance, Revenue Functions	325,000					
Regular Capital Asset Renovation and Repair						
Technology	55,363	55,363	55,363	55,363	55,363	Includes telephone system upgrades
Vehicles	26,456	26,456	26,456	26,456	26,456	
Heating, Ventilation, and Air Conditioning (ongoing)	15,000	15,000	15,000	15,000	15,000	ex. 104 N. Church heat pumps, RL Est/Schedule.
Parking Renovations	40,000					Social Services parking lot, maintenance building, other, RL Est.
Roofing			40,000			Social Services = 40K
Totals	1,407,485	758,863	761,863	560,363	800,363	

-FY2012 revenue needs to be updated-

Debt Proceeds					
Grants: Sheriff Map, E911, Mobile Command	117,024				
Town Contribution to Building Security at JGC					
Parks Recreation Trust					
Parks Construction Fund					
Senior Center Fund Raising					
By General Fund Transfer	1,290,461	758,863	761,863	560,363	800,363
Fund Balance for Capital (pay-as-you-go):					
Parks Master Plan	100,000				
Community Facilities	300,000				
Government Construction	325,000				
Fund Balance for Capital	725,000				
General Fund Transfer net of Pay-as-you go	565,461	758,863	761,863	560,363	800,363

MEMORANDUM

TO: Clarke County Board of Supervisors

FR: Thomas Judge, Director of Joint Administrative Services

DT: February 2, 2012

RE: *ERP System Budget Request*

Over the past eighteen months the Joint Administrative Services Board has researched a long term plan for the replacement of aging computer applications. Many of these systems were originally implemented, some as far back as the 1980's, as the automation of paper processes for specific functions of the Government and School. These systems are inadequate because: 1. their electronic data is available only to persons associated with that function; 2. these applications have not kept pace with widely available technology advances; and 3. Maintenance of the variety of applications, associated operating systems, and associated hardware is not the best use of the time of Information Technology personnel. The Joint Administrative Services Board has concluded that an Enterprise Resource Planning (ERP) System should be procured, and a governance structure established to make decisions regarding the implementation of this system. Further, the board proposes that the cost of this system should be equally shared between the Board of Supervisors and the School Board.

The purpose of the ERP System is to replace diverse systems and business processes with a single database and standardized business processes. Implementation would require several years. The following research led the JAS to make this recommendation:

Chronology

April 2010	Board of Supervisors appropriate \$50,000 for software integration.
May 2010	JAS begins discussion on solutions to administrative data system problems.
August 2010	RDA, Financial Systems vendor, presents their new system OpenRDA. It supports only modules that interface with General Ledger. RDA agrees to perform study of Clarke systems. JAS research begins into communities using ERP systems. Clarke Technology Directors state that infrastructure is currently in place to support ERP.
November 2010	Report on ERP systems used by Gloucester and Isle of Wight. List of current Government and School applications developed.
January 2011	RDA presents Best Practices Report calling for further implementation of RDA software. JAS Director delivers response. JAS Board selects GFOA to provide "business process analysis" and "business case development" at a cost of \$24,100.
February 2011	Nine Gov/School Focus Groups meet to discuss business processes and automation.
March 2011	GFOA Study states business case, recommends ERP System implementation. Cost range \$383K-\$1,078K. Return on investment in 3.8 to 6.6 years through recapture of \$250K to \$350K per year in lost productivity with current systems.
April 2011	Supervisors appropriate additional \$50K for software integration, leaving 7/11 balance of \$75,900. Finance Committee directs JAS to schedule an opportunity to

	pose questions to a similarly sized community that has implemented an ERP system (Staunton).
May 2011	Update on communities implementing ERP: Loudoun, Winchester, Prince George.
July 2011	Phone conference with City of Staunton on their ERP experience. JAS directs that a draft proposal for ERP System be developed for the FY 13 budget process. Work begins on revising Government and School business processes related to personnel.
August 2011	Commonwealth HJ130 study determined that local government business practices too dissimilar for single software specification. HJ645 study is underway to create central database of local government software implementations to assist with local government procurement. Includes input from VACO, VML, and VALGITE.

Options

Status Quo. The County (Government and Schools) could continue upgrading its current systems. This involves the least cash outlay in the next few years, but the highest cost over the mid and long term. Vendors will force upgrades, and certain systems will continue to fall behind on the latest technology developments. IT staff will continue to overextend in supporting disparate systems. Agencies will continue performing processes that could be automated. Example 1: the building permit system contains building value information that is printed out then rekeyed into the real estate assessment system. Example 2: the Treasury system prints out revenue information that is rekeyed into the Finance system.

Share ERP with another community. Communities sharing ERP computer applications is increasingly common. It saves money, provides offsite data backup, and permits communities to share best practices. Thus far attempts to find such a partnership for Clarke County have been unsuccessful. The primary reason is the complexity of trying to coordinate an ERP implementation with another community or communities.

ERP Software as a Service. ERP vendors will run their application on their own computer for multiple communities. They provide hardware, software updates, operating system updates, and data backup. The communities connect through a communication link. This solution has been frequently mentioned as superior by IT Directors because highly trained IT staff working for the vendors are ensuring the integrity of the data and application. In addition, the initial investment is reduced. The problems raised include concerns about the security and consistent availability of public data held on the computers of a private company.

ERP Local Server. Providing the ERP application on a local server would require the largest near term investment. It would also require a greater maintenance effort by IT staff. However, it would provide autonomy over the security and availability of the data. The cost estimates and return on investment periods provided in the GFOA report are premised on implementation of this option.

Best of Breed. Each application could be replaced with the best application available at the time the current application needs replacement. This would gradually improve the quality of computer applications, but would not resolve integration, hardware, and IT staff workload issues. Nevertheless, the GFOA study did recommend continued use of certain systems like Parks and Recreation program

management, and maintenance work order management because the cost savings associated with integrating these modules were not offset by savings at the current time.

Requested Option

The Joint Administrative Services Board recommends that the Clarke County Board of Supervisors include \$650K in its 2013 budget for implementation of an ERP system, whether shared, service, or on a local server. This is the mid-point of the cost estimate provided by GFOA, less the \$75,900 already budgeted. This would be used to convert as many current applications as possible to the new ERP system. First priority would implement Treasury, Property Assessment, General Ledger, Accounts Payable, Payroll, and Purchasing, and Utilities. Second priority is for Document Management and Human Resources (including Applicant Tracking, Time and Attendance, and Leave Management). The third priority would integrate GIS, building inspections, and schools.

Advantages of Requested Option

Staff Availability. The economic slowdown has reduced workload in many operations, providing an opportunity to devote staff time to the ERP implementation in advance of an economic recovery.

Intercepts needed software upgrades and extensions. The Treasury system is in need of immediate upgrade, and the vendor of the finance system has stated that they will soon require an upgrade. Other applications face similar needs. Funding the ERP now will intercept the need for these expenditures by creating a clear upgrade path for most applications.

Advanced Technology. Capabilities such as on-line bill paying, electronic document management, and on-line job applications will be possible in the future with implementation of the ERP system now. It is not clear whether our current systems will evolve to embrace these new technologies.

Risks of Requested Option

Partial implementation. If an ERP implementation stops part way, due to lack of funding or staff support, or a lack of employee willingness to modify business processes, the result can be worse than if no implementation had occurred at all. This is because the costs have been incurred, but the benefits have not been realized. The GFOA report states that this is the single most important source of risk for this option.

Weak Governance. Local government structure is made up of many independent and quasi-independent boards and agencies. For the system to work, all will need to agree up front to utilize the ERP system, and abide by policy decisions associated with it. This may require modification of agency business processes to conform to the best practices inherent in the software design. A governance structure must be established to enforce decisions made with respect to the system in order to ensure the greater good, and agencies must subscribe to it.

ERP System Implementation

Source: Joint Administrative Services

ROI

02/02/12

Assumptions:

- 1 Costs are the average of low and high from page 34 of the GFOA Report. Assumes applications on local server.
- 2 Total hours estimated to be saved from ERP implementation is 4500 annually (mid range GFOA Study, pg. 35)
- 3 4160 hours have been eliminated through Treasurer and Commissioner, leaving an additional 350 still to be saved.

	YEAR						
	1	2	3	4	5	6	Total
<u>DIRECT COST OF NEW ERP</u>							
Software License (HR, GL, Revenue, Documents)	165,065						
Professional Services	265,282						
Project Contingency	63,078						
Maintenance and Support	32,777	32,777	32,777	32,777	32,777	32,777	32,777
Travel	82,532						
TOTAL	608,734	32,777	32,777	32,777	32,777	32,777	772,620
<u>COST AVOIDANCE (costs incurred if no ERP)</u>							
Commissioner Position*	42,195	42,195	42,195	42,195	42,195	42,195	42,195
Treasurer Position*	36,810	36,810	36,810	36,810	36,810	36,810	36,810
Additional Hours Estimated in GFOA Study	13,713	13,713	13,713	13,713	13,713	13,713	13,713
Bright and XPERT Maintenance		18,250	36,500	36,500	36,500	36,500	36,500
Revenue Modules to XPERT	60,000						
Forced XPERT Front-End Upgrade		15,000					
XPERT Module to Archive Finance Documents					15,000		
Personnel Module Training and Applicant Tracking	30,000						
TOTAL	182,718	125,968	144,218	129,218	129,218	129,218	840,560

ROI in approximately 5.5 years.

Notes:

*These positions have been eliminated, but would need to be replaced when activity increases, unless technology is introduced that offers productivity improvements. XPERT offers some productivity improvement, but is not sufficient, and requires greater training and internal technical support.

**It should also be noted that extension of XPERT does not include the breadth of modules, or technical capabilities (such as on-line payments, and time and attendance) available from the ERP System.

***There is much debate about how much Software as a Service, aka SaaS or Cloud, would save. Studies reviewed indicate that over 5 years the costs of SaaS are approximately 75% of maintaining the software locally. This factor is expected to continue to decline, making SaaS progressively cheaper relative to local server operations. However, it has yet to be determined whether this option is feasible for Clarke County.