

FY 2022 Proposed Budget Town Council Work Session



TOWN OF OCCOQUAN

MARCH 30, 2021

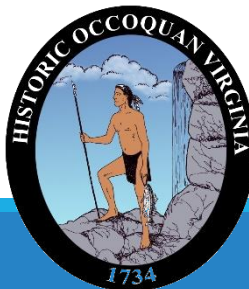
FY 2022 Budget Schedule

- ✓ January 19, 2021– Priorities Discussion
- ❑ March 30, 2021 – Budget Work Session #1
- ❑ April 20, 2021 – Budget Work Session #2
- ❑ May 4, 2021 – Public Hearing on Proposed Budget
- ❑ May 18, 2021 – Budget Work Session #3 (if needed)
- ❑ May 18, 2021 – Public Hearing on Proposed Tax Rates
- ❑ June 1, 2021 – Adoption of FY2022 Tax Rates and Budget
- ❑ August 27, 2021 – Submission of Budget to GFOA



Town Council Priorities

- Community Development and Programming
- Historic Preservation and Town Appearance
- Parking Management
- Public Safety
- Stormwater Management
- Economic and Pandemic Recovery



FY 2022 Proposed Budget Guidance

- Maintains current tax rate of \$0.12 per \$100 of assessed value
- Maintains current meals tax rate of 3%
- Maintains current transient tax rate of 2%
- Maintains current Vehicle License Fee rates
- Maintains current Business Licensing Rates



General Fund

PROPOSED FY 2022 BUDGET
REVENUES

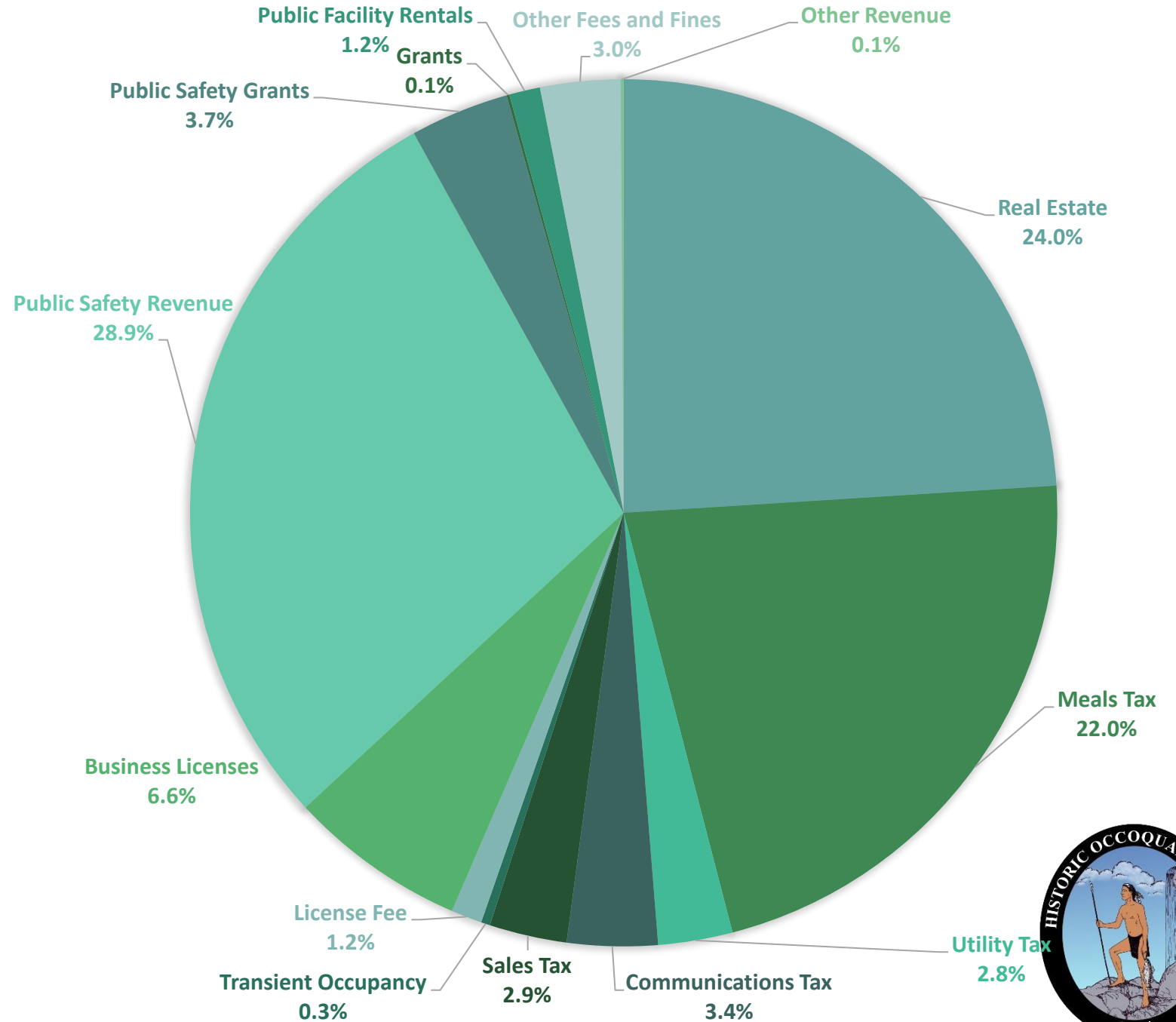


General Fund Proposed Revenues

ALL REVENUES

73.9 % of General Fund
Revenue:

- Public Safety Revenue
- Real Estate Taxes
- Meals Taxes

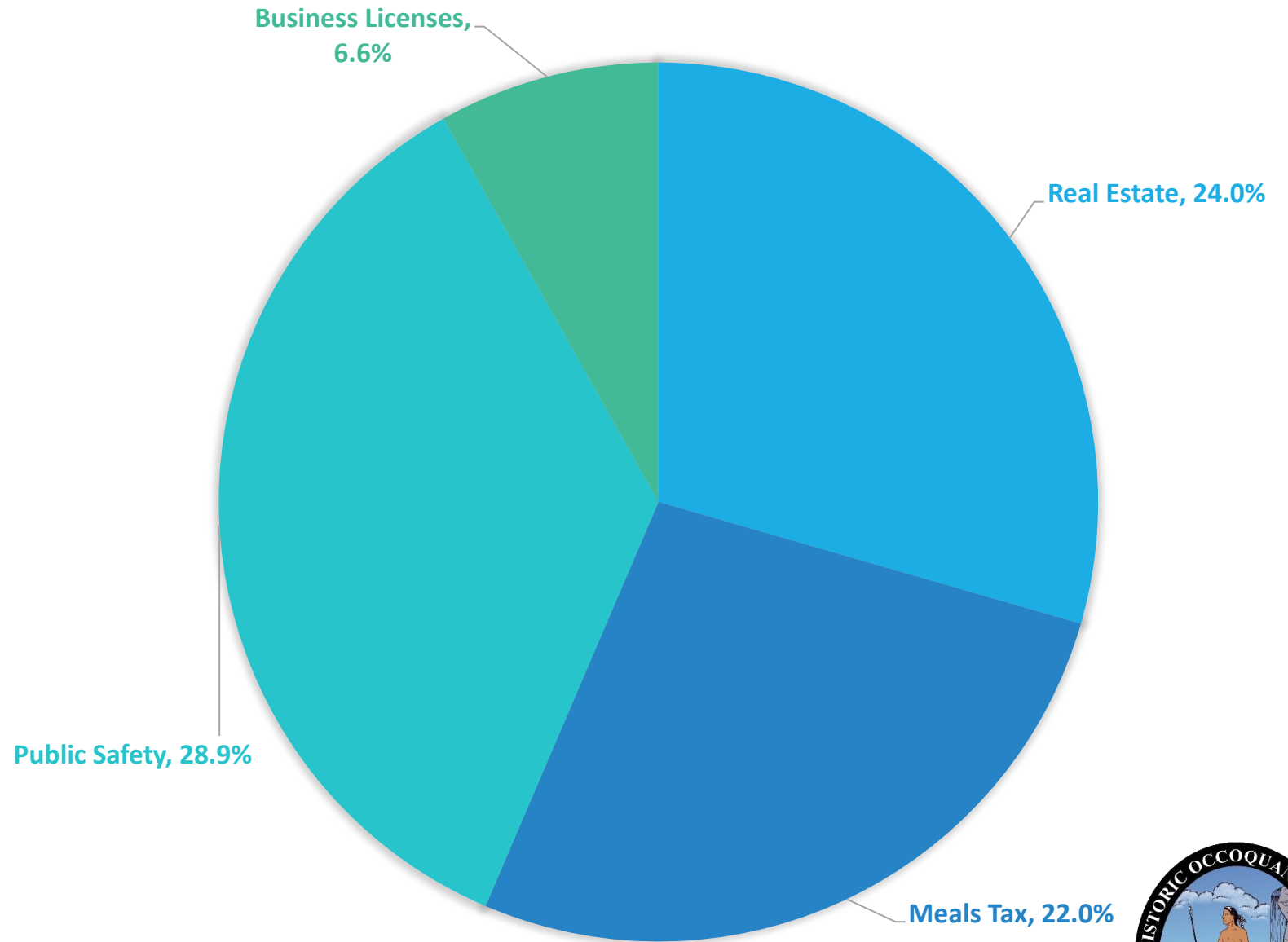


General Fund Proposed Revenues

MAJOR REVENUE CATEGORIES

80.8% of General Fund Revenues

- Real Estate Taxes
- Public Safety Revenue
- Meals Tax
- Business Licenses

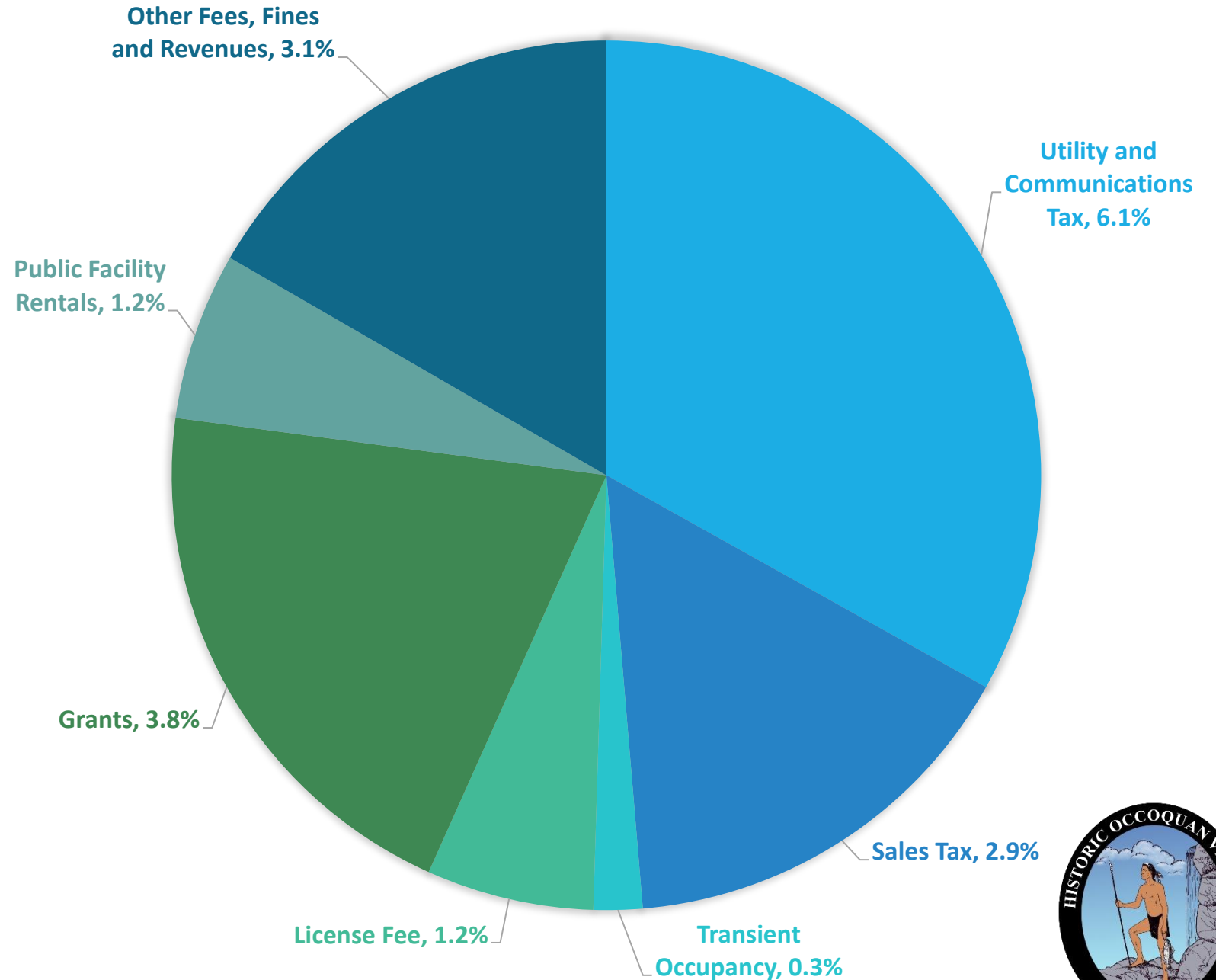


General Fund Proposed Revenues

OTHER REVENUE CATEGORIES

19.2% of General Fund Revenues

- Utility and Communication Taxes
- Sales Tax
- Transient Occupancy Taxes
- Grants
- Public Facility Rentals
- Other Fees, Fines and Revenues



Real Estate Assessments

- Residential: 5.7% increase over FY2021
- Commercial: 5.6% decrease over FY2021
- Overall Impact: 4.2% increase over FY 2021

Property Type	2020 FY2021	2021 FY2022	% Change
Residential	\$176,192,100	\$186,249,500	5.7%
Commercial	\$27,130,300	\$25,607,200	(5.6%)
	\$203,322,400	\$211,856,700	4.2%



Real Estate Tax Revenues

- Estimates project a 4.2% increase over last year's assessments
- Budget developed based on maintaining \$0.12 RE tax rate

	2020 Actual Assessments (Collected in 2021) FY 2021	2021 Estimated Assessments (Collected in 2022) FY 2022
Tax Collectable Assessments	\$199,333,260	\$207,657,648
\$0.12 RE Rate	\$239,200	\$249,189
Adopted/Proposed	\$245,000	\$249,189



Real Estate Taxes

- Impacts based on 5.7% increase in residential assessments.

Property Value Range	% of Total Stock	Average Value	FY2021 Average Tax	FY2022 Average Tax	Annual Difference	Monthly Difference
Less than \$200,000	9.5%	\$129,427	\$155	\$164	\$8.85	\$0.74
\$200,000 - \$399,999	50.5%	\$324,321	\$389	\$411	\$22.18	\$1.85
\$400,000 - \$700,000	35.4%	\$468,531	\$562	\$594	\$32.05	\$2.67
Over \$700,000	4.7%	\$984,610	\$1,182	\$1,249	\$67.35	\$5.61

- Lowered Tax Rate: \$0.1152 (to offset increased assessment)
- Effective Rate Increase: \$.0048 (if tax rate is maintained)



Meals Taxes

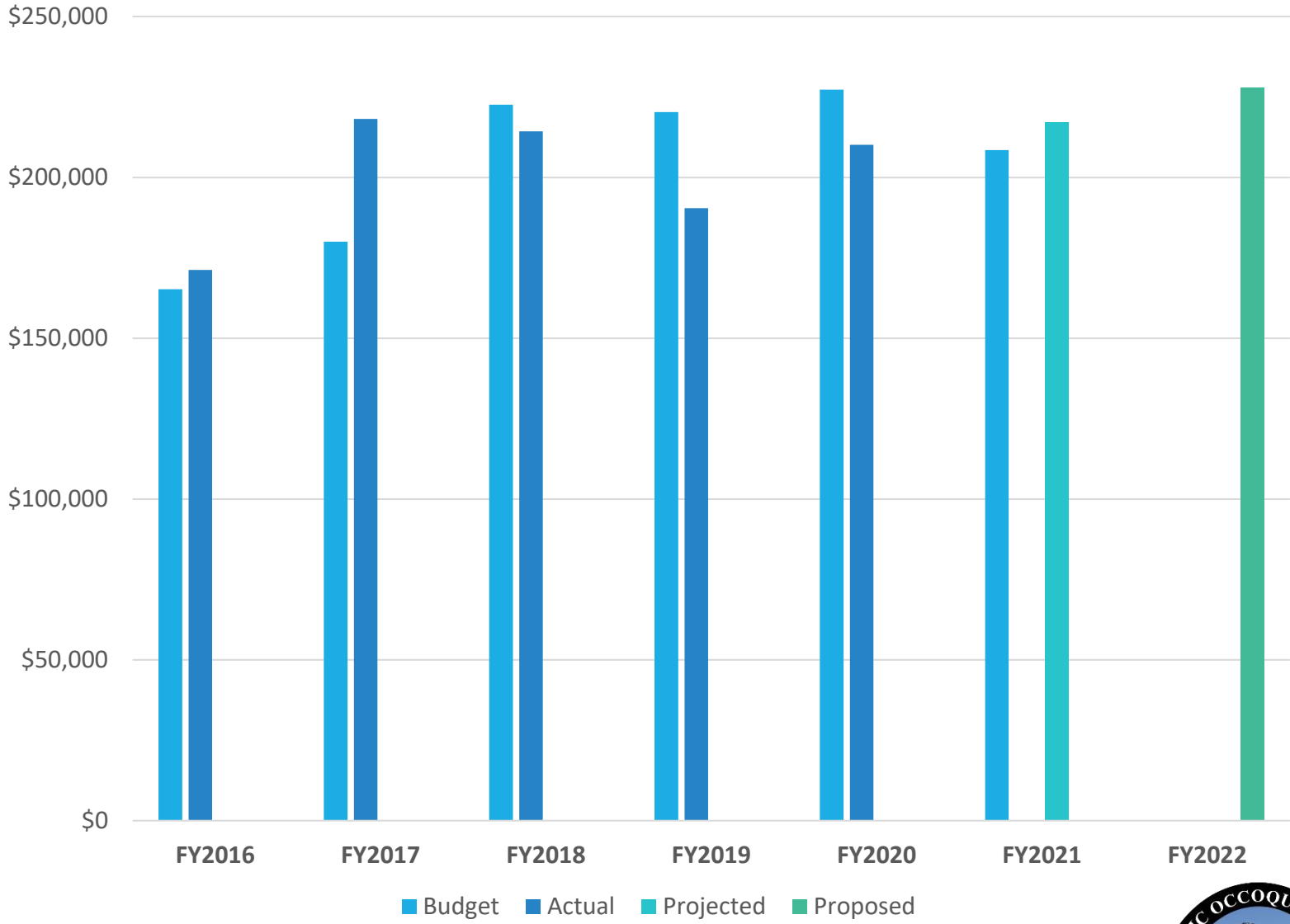
- Maintains current 3% rate
- Conservative estimates based on economic recovery and planned additions to restaurant stock

	FY2020 Budget	FY2020 Actual	FY2021 Budget	FY2021 Projected	FY2022 Proposed
Meals Taxes	\$227,320	\$210,113	\$208,533	\$217,000	\$228,000

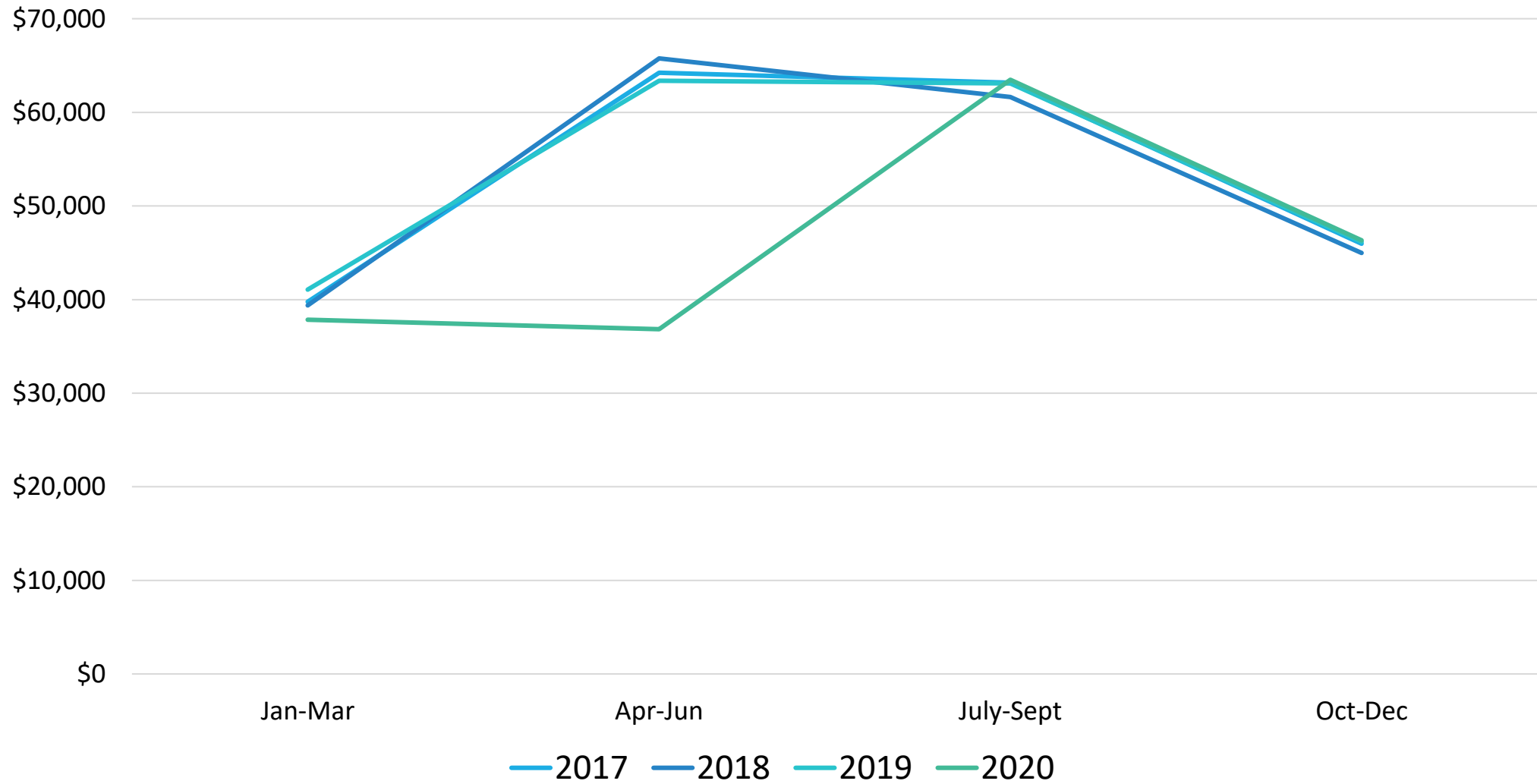


Meals Tax

- Historical Information



Meals Tax: Collected Tax by Quarter 2018-2020



Business Licenses

- Healthy business community, low vacancy rate
- Rates are comparable to County rates
- Impacts to revenue – increased promotion of business community, marketing efforts, community activities and events

	FY2020 Budget	FY2020 Actual	FY2021 Budget	FY2021 Projected	FY2022 Proposed
Business Licenses	\$70,060	\$68,965	\$51,100	\$62,000	\$68,800



Service Fees

- Development fee schedule regulates service fees
- Engineering and Zoning not cost neutral – town costs associated with engineering and zoning requirements and activities
- Improve service revenues through adjustment to fee schedule – last updated in 2018
- Legal Services flat monthly rate for administrative legal support



State Distributed Funds

- Communications Tax
 - (1.4%) to projected
- Utility Tax
 - 5.5% to projected
- Sales Tax
 - (2.1%) to projected; (.2%) to budget

	FY2020 Budget	FY2020 Actual	FY2021 Budget	FY2021 Projected	FY2022 Proposed
Communications Tax	\$41,310	\$38,316	\$38,000	\$35,509	\$35,000
Utility Tax	\$32,500	\$31,299	\$31,000	\$27,302	\$28,800
Sales Tax	\$25,500	\$27,777	\$30,063	\$30,642	\$30,000



Transient Occupancy Tax

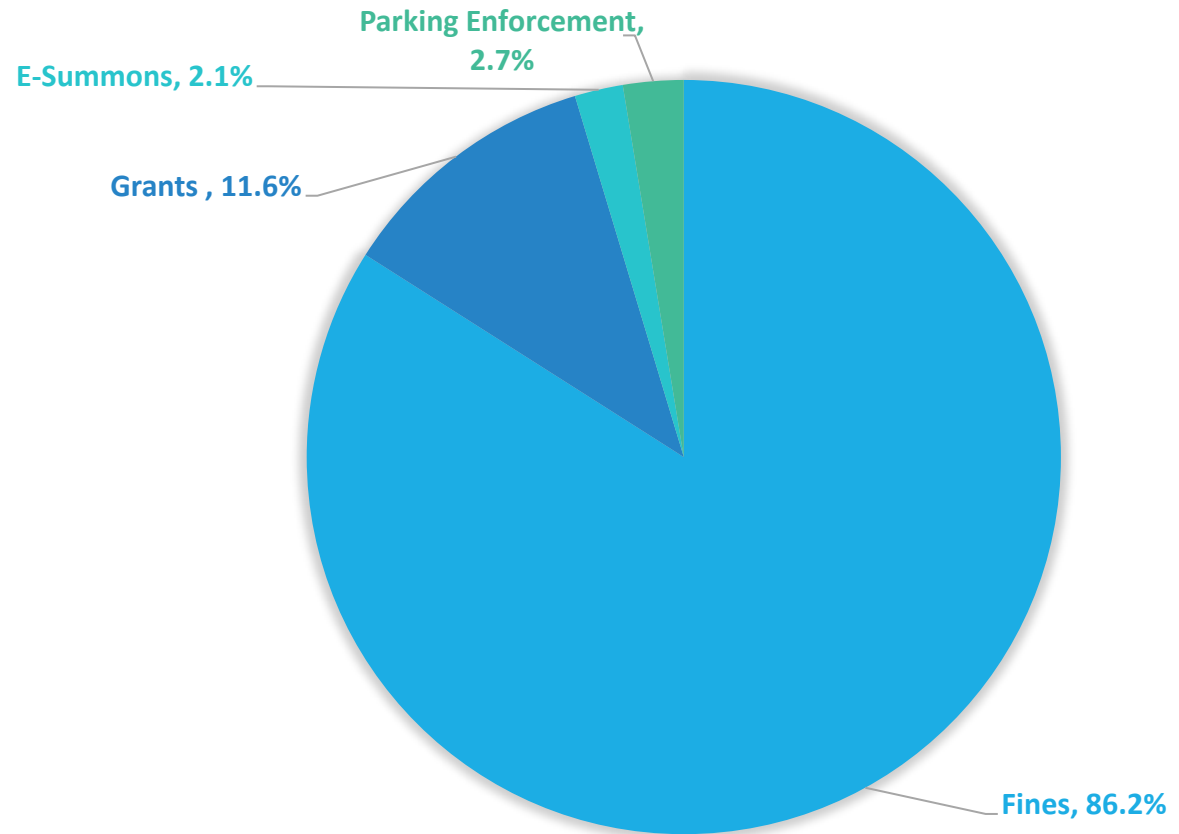
- Includes estimated revenue from six homestay properties currently operating within the town
- Estimated FY21 revenue: \$3,200; Proposed FY22 revenue: \$3,500
- Based on maintaining current rate of 2%

	FY2020 Budget	FY2020 Actual	FY2021 Budget	FY2021 Projected	FY2022 Proposed
Transient Tax	\$4,000	\$2,676	\$2,500	\$3,200	\$3,500



Public Safety Revenues

- Public Safety Fines
- Parking Enforcement
- Grants
- E-Summons



FY 2022 Proposed Budget

General Fund Tax Revenues Summary

Revenue Category	FY 2021 Budget	FY 2021 Projected	FY 2022 Proposed	Percent Change to FY 2021 Budget
Real Estate	\$245,000	\$240,675	\$249,189	1.7%
Meals Tax	\$208,533	\$217,000	\$228,000	9.3%
Sales Tax	\$30,063	\$30,642	\$30,000	(0.2%)
Utility/Communications Tax	\$69,000	\$62,811	\$63,800	(7.5%)
Transient Occupancy Tax	\$2,500	\$3,200	\$3,500	40.0%
Total	\$555,096	\$554,328	\$574,489	3.5%



FY 2022 Proposed Budget

General Fund Other Revenues Summary

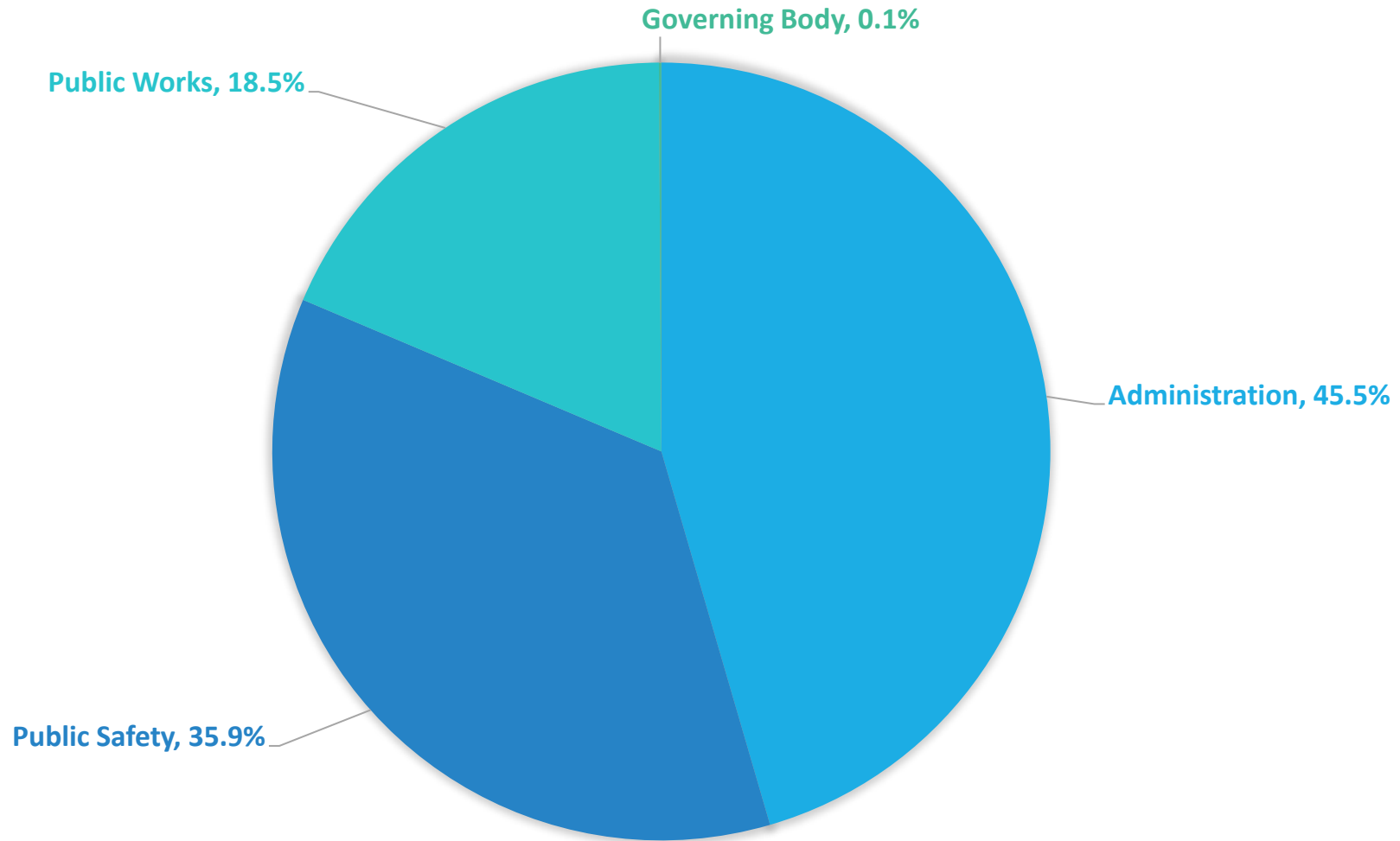
Revenue Category	FY 2021 Budget	FY 2021 Projected	FY 2022 Proposed	Percent Change to FY 2021 Budget
Business Licenses	\$51,100	\$62,000	\$68,800	34.6%
Vehicle License Fee	\$10,000	\$10,595	\$12,000	20.0%
Public Safety Fines and E-Summons	\$196,000	\$265,091	\$299,580	52.8%
Service Revenue	\$10,000	\$28,500	\$26,000	160.0%
Grants	\$25,630	\$129,709	\$39,330	53.5%
Rentals	\$4,500	\$0	\$12,000	166.7%
Other Fees and Revenues	\$117,505	\$23,030	\$6,120	(94.8%)
Total	\$414,735	\$518,925	\$463,830	11.8%
TOTAL REVENUES	\$969,831	\$1,073,253	\$1,038,319	7.1%



General Fund

PROPOSED FY 2022 BUDGET
EXPENSES

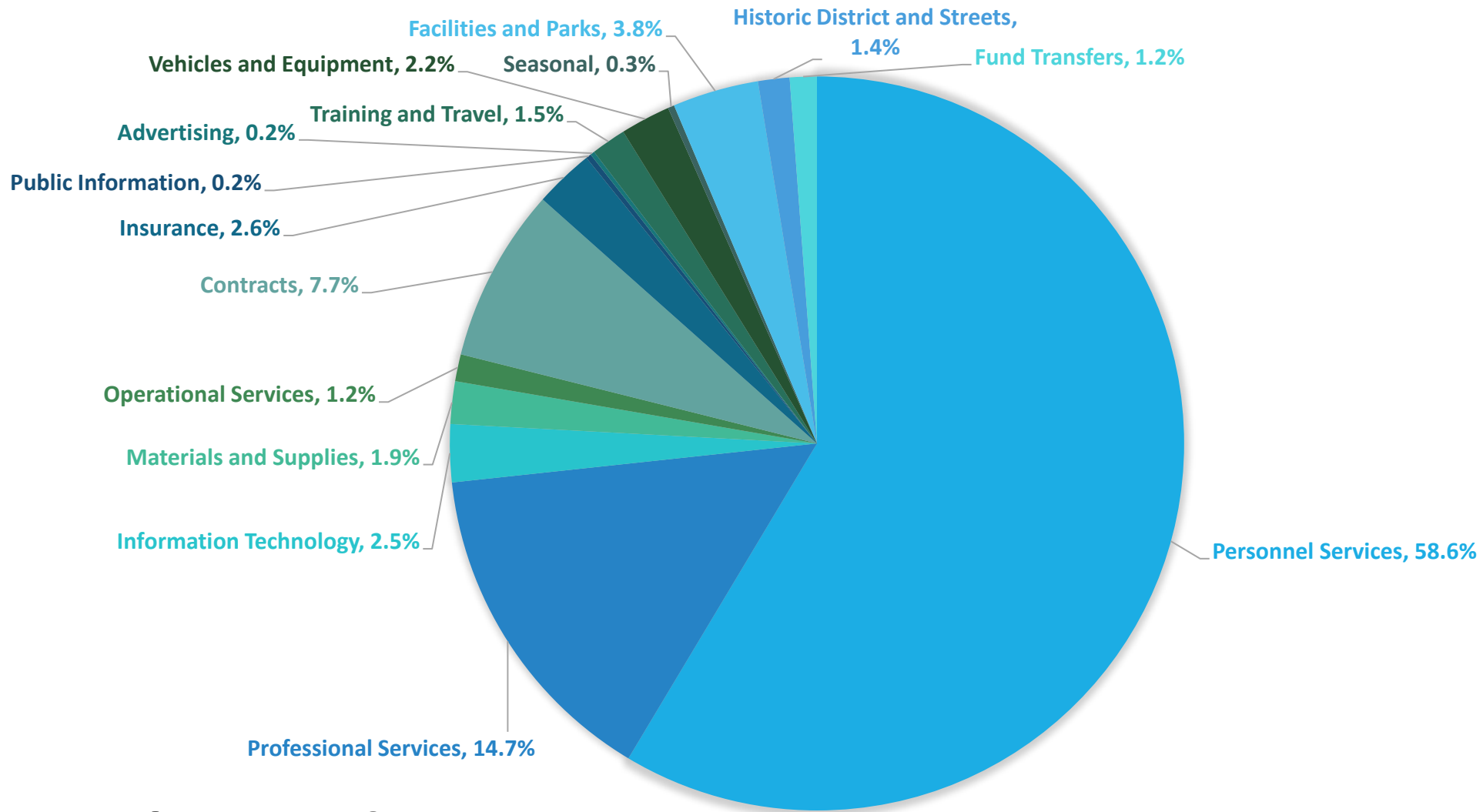




General Fund – Expenses

Proposed FY 2022 General Fund Expenses by Activity





General Fund – Expenses

Proposed FY 2022 General Fund Expenses by Category



FY 2022 Proposed Budget General Fund Expenses

	FY 2021 Budget	FY 2021 Projected	FY 2022 Proposed	% To Budget	\$ to Budget
Administration	\$493,526	\$494,591	\$486,401	(1.4%)	(\$7,125)
Public Safety	\$256,965	\$358,568	\$383,044	49.1%	\$126,079
Public Works	\$186,318	\$204,642	\$198,086	6.3%	\$11,769
Governing Body	\$1,072	\$72	\$1,072	0%	\$0
TOTAL	\$969,831	\$1,083,055	\$1,068,604	10.2%	\$98,773



FY 2022 Proposed Budget Expense Impacts

- Overall
 - Increase in VRS Costs (\$9,190 over FY21 budget)
 - Includes performance increase pool of \$12,000
 - Health insurance rates reduced by 1%; three employees currently participating
- Administration
 - Includes Finance Staff and expense items (Removal of Finance Activity)
 - Includes Transfer to Events Fund
 - General increases in utility costs
 - Insurance increased based on actual premium costs
 - Legal Fees
- Governing Body
 - Council salaries and training budget



FY 2022 Proposed Budget Expense Impacts

- Public Safety
 - Includes addition of one FT officer
 - Total salary + benefits impact: \$66,968
 - Moving a PT position to FT
 - Estimated Revenues: \$46,125
 - Continued inclusion of parking enforcement hours
 - FY21 included \$6,240 | FY22 includes \$6,240
 - Estimated Revenues: \$8,750
 - DMV Grant labor hours included in On-Call Labor and OT
 - Reimbursed Grant is \$11,200
 - Estimated Revenues: \$36,600



FY 2022 Proposed Budget Expense Impacts

- Service Delivery Goal: Consistent Town Coverage - 365 Days a Year
- Proposed Structure: Three (3) full-time Officers; 1,956-hour pool for part-time officers; Auxiliary program
- Current Structure: Two (2) full-time Officers; 2,000-hour pool for part-time officers; Auxiliary program
 - Difficult to provide consistent coverage with part-time and auxiliary officers
 - Chief – approximately 30 administrative (non-patrol) hours per week (one of two current FT officers)
 - Difficulty in hiring and retaining part-time police officers
 - Auxiliary program is good for supplementing, not supplanting
- Increased public safety needs
 - Increased town-sponsored events
 - Increased activity
 - Increase in calls for service in first quarter 2021 compared to 2020



FY 2022 Proposed Budget Expense Impacts

- Public Works
 - Includes funding for on-call part-time assistance (up to 20 hours per week)
 - Reduction in restroom cleaning services (River Mill Park)
 - Other expenditures remain stable



FY 2022 Proposed Budget General Fund Summary

	FY 2021 Budget	FY 2021 Projected	FY 2022 Proposed	\$ % to Budget
Revenues	\$969,831	\$1,073,253	\$1,038,319	\$68,488 7.1%
Expenses	\$969,831	\$1,083,055	\$1,068,604	\$98,773 10.2%
(Deficit)/Surplus	\$0	(\$9,801)	(\$30,285)	



Events Fund

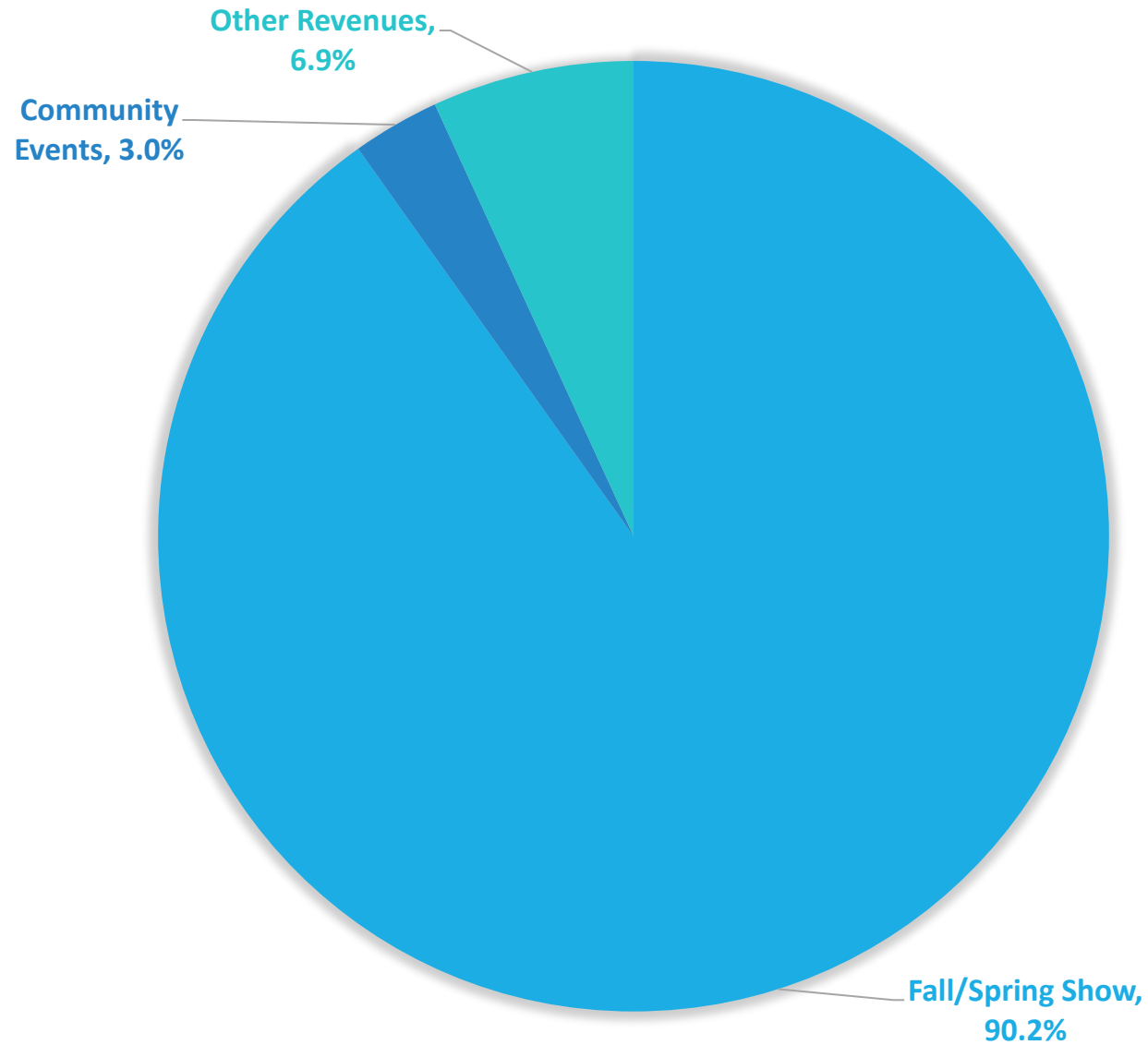
FY 2022 PROPOSED BUDGET



Events Fund

- Formerly the Craft Show Fund (Public Events Fund)
- Includes all community events – revenues and expenditures
- Majority of Revenues are generated from an annual Spring town event and the Fall outdoor Arts and Crafts Show
- Other revenues include those generated from smaller town events
- Expenditures are for the costs associated with implementing events
- Net revenues from the shows are used to support the Town's Capital Improvement Program



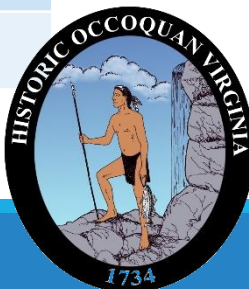


Events Fund Proposed FY 2022 Revenues



FY 2022 Proposed Budget Events Fund Revenues

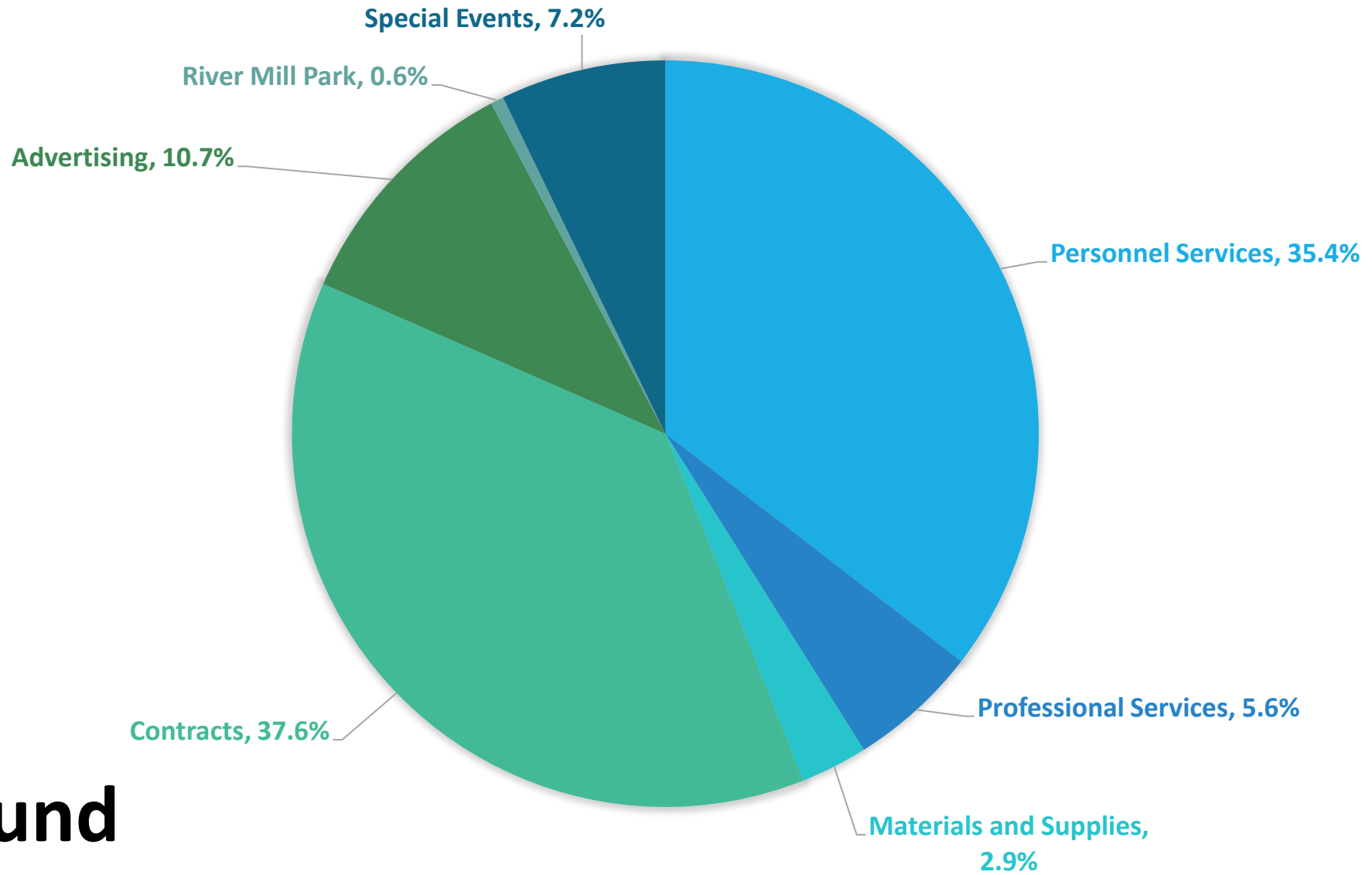
Revenue Category	FY 2021 Budget	FY 2021 Projected	FY 2022 Proposed	Increase/ Decrease (%) To Budget	Increase/ Decrease (\$) To Budget
Booth Rentals	\$135,000	\$25,000	\$170,600	25.9%%	\$35,100
Shuttle Fare	\$46,000	\$0	\$53,000	15.2%	\$7,000
Sponsorships	\$0	\$0	\$10,000		\$10,000
Merchandise Sales	\$1,750	\$1,000	\$1,000	(42.9%)	(\$750)
Activity Revenue	\$8,500	\$0	\$1,500	(82.4%)	(\$7,000)
Alcohol Sales	\$3,300	\$0	\$3,600	9.1%	\$300
Vendor Parking	\$6,300	\$0	\$6,000	(4.8%)	(\$300)
Sub-Total	\$201,350	\$26,000	\$245,700	22.0%	\$44,350



FY 2022 Proposed Budget Events Fund Revenues

Revenue Category	FY 2021 Budget	FY 2021 Projected	FY 2022 Proposed	Increase/Decrease (%) To Budget	Increase/Decrease (\$) To Budget
HolidayFest	\$0	\$1,340	\$1,340	0%	\$0
River Mill Park Events	\$0	\$4,450	\$6,750		\$6,750
Other Events	\$0	\$0	\$0	0%	\$0
Brick Paver Program	\$0	\$1,750	\$3,000		\$3,000
Event Fund Interest	\$0	\$3,000	\$3,000		\$3,000
Fund Transfer	\$0	\$0	\$12,700		\$12,700
Other Revenues	\$0	\$0	\$0	0%	\$0
Sub-Total	\$0	\$10,540	\$26,790		
Event Fund Total	\$201,350	\$36,540	\$272,490	35.3%	\$71,140





Events Fund Proposed FY 2022 Expenses



FY 2022 Proposed Budget Events Fund Expenses

Expenditure Category	FY 2021 Budget	FY 2021 Projected	FY 2022 Proposed	Increase/Decrease (%) To Budget	Increase/Decrease (\$) To Budget
Personnel Services	\$59,225	\$47,277	\$62,892	6.2%	\$3,667
Professional Services	\$10,000	\$10,000	\$10,000	0%	\$0
Materials and Supplies	\$6,715	\$15	\$5,150	(23.3%)	(\$1,565)
Contracts	\$69,518	\$4,248	\$66,700	(4.1%)	(\$2,818)
Advertising	\$21,000	\$6,000	\$19,000	(9.5%)	(\$2,000)
River Mill Park (Bricks)	\$1,000	\$600	\$1,000	0.0%	\$0
Special Events	\$15,050	\$8,282	\$12,700	(15.6%)	(\$2,350)
Total Expenditures	\$182,508	\$76,423	\$177,442	(2.8%)	(\$5,066)



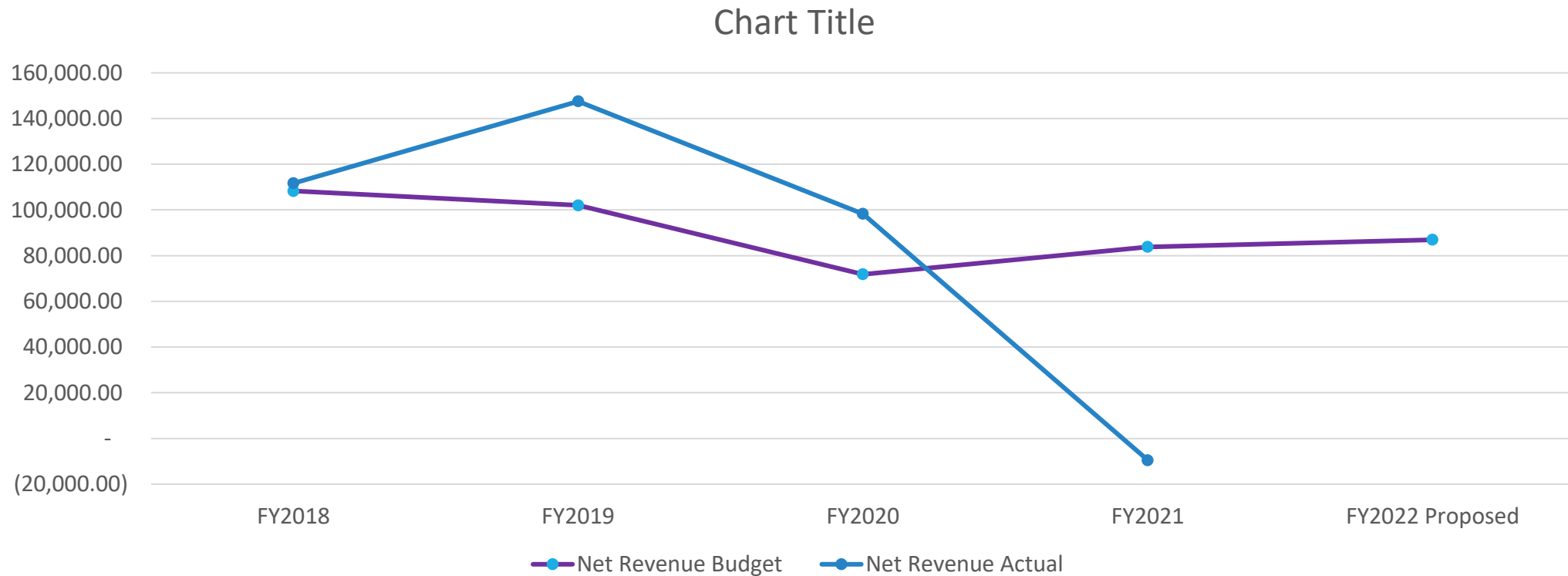
FY 2022 Proposed Budget Craft Show Net Revenues

	FY2018 Budget	FY2018 Actuals	FY2019 Budget	FY2019 Actuals	FY2020 Budget	FY2020 Actuals	FY2021 Budget	FY2021 Projected	FY2022 Proposed
Fall Show	\$56,605	\$66,089	\$50,990	\$76,251	\$36,381	\$49,733	\$49,392	(\$27,639)	\$47,456
Spring Show	\$51,665	\$61,059	\$50,998	\$71,273	\$35,440	\$48,561	\$34,402	\$18,106	\$39,501
Total NR	\$108,270	\$127,148	\$101,996	\$147,524	\$71,821	\$98,294	\$83,794	(\$9,533)	\$86,958

- Total Proposed FY2022 Events Fund Net Revenue: \$95,048
- Impacts to Expenditures (per show) since 2018:
 - Personnel services increased by approximately \$6,600
 - Shuttle Contract increased by \$6,800 (FY2020)
- Impacts to Revenues
 - Shuttle fee has not been changed since 2015 (increased to \$5)
 - Booth fees have not increased since prior to FY2018
 - Removal of sponsorships



FY 2022 Proposed Budget Craft Shows – Net Revenue Actuals



Mamie Davis Park Fund

FY 2022 PROPOSED BUDGET



Mamie Davis Park Fund

- Revenues partially generated from interest on a \$100,000 endowment to the town
- Includes \$2,000 for capital projects
- Rental revenues and utility expenses are included in the General Fund
- Approximately \$9,000 is available in the account for use on expenses for Town Hall and Mamie Davis Park improvements



Proposed FY 2022 Budget Mamie Davis Fund

	FY2021 Budget	FY2021 Projected	FY2022 Proposed	Increase/ Decrease (%) Over Budget	Increase/ Decrease (\$)
Rental Revenue	\$600	\$1,500	\$0	(100%)	(\$600)
Fund Interest Revenue	\$600	\$503	\$500	(16.7%)	(\$100)
Total Proposed Revenue	\$1,200	\$2,003	\$500	(58.3%)	(\$700)
Capital Projects	\$0	\$0	\$2,000		\$2,000
Total Proposed Expenses	\$0	\$0	\$2,000		\$2,000



Next Steps

- Work Session #2: April 20, 2021
 - Discuss Capital Improvement Program
 - Discuss Updates to General Fund, Event Fund and Mamie Davis Fund
 - Discuss Reserves
- Budget Available to Council/Public: April 30, 2021
- Public Hearing on Budget: May 4, 2021
- Public Hearing on Tax Rates: May 18 (Budget Work Session #3 *if needed*)
- Adoption of Budget and Tax Rates: June 1, 2021



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