

FY 2020 Town Council Budget Development Questions Packet #2

Councilmember Dunn’s Questions- March 11, 2019 Email

- 1.) What is the percentage change of real property tax levies from year to year in Table 12 of the Comprehensive Annual Financial Report (page 130)?

Calendar Year	Taxes Levied for the Calendar Year	Percentage Change (Year-over-Year)
2009	10,583,453	-
2010	10,454,264	-1.2%
2011	10,686,708	2.2%
2012	10,985,052	2.8%
2013	11,372,301	3.5%
2014	11,586,879	1.9%
2015	11,951,870	3.2%
2016	12,302,314	2.9%
2017	12,879,257	4.7%
2018	13,611,937	5.7%

- 2.) What has been the amount of Capital Asset Replacement Fund for the last 10 years? What has the Town budgeted for asset replacement the last few years?

The Capital Asset Replacement (CAR) funding was established in Fiscal Year (FY) 2011 for the purpose of purchasing non-recurring assets such as vehicles, machinery, and building rehabilitations.

Fiscal Year	Expenditures
2011	\$ 548,000
2012	\$ 774,098
2013	\$ 1,469,131
2014	\$ 1,380,564
2015	\$ 1,558,009
2016	\$ 1,483,710
2017	\$ 1,799,982
2018	\$ 1,437,685
2019*	\$ 1,553,969

*Current FY 2019 expenditures are through March 10, 2019

CAR Program adopted budgets FY 2018–Proposed FY 2020:

Fiscal Year	Budget
2018	\$ 1,466,700
2019	\$ 1,606,500
Proposed 2020	\$ 1,531,000

3.) **What is the cost of additional expenditures (enhancements) from Fiscal Year 2019 and what is the same in this coming budget (Fiscal Year 2020)?** The following are the enhancements approved in the current Fiscal Year 2019 Adopted Budget and the proposed enhancements included in the Town Manager’s proposed Fiscal Year 2020 budget. The detailed enhancement tables included in the respective budget documents are included as attachments 1 and 2.

Fiscal Year 2019 Adopted Budget		
Department- Enhancement	Local Tax Funding	Personnel (FTE)
Airport- Remote Tower Office Lease	\$0	0.0
Economic Development- Town Contribution to VisitLoudoun	\$35,000	0.0
Finance and Administrative Services- Business Integrator Position	\$70,000	1.0
Finance and Administrative Services (IT Division) - Cyber Security Services	\$25,000	0.0
Finance and Administrative Services- Customer Support Technician and Inventory Specialist	\$87,000	1.0
Finance and Administrative Services- Laserfiche Development Services	\$34,000	0.0
Finance and Administrative Services (IT Division)- Internal Cyber Security Improvements	\$144,000	0.0
Plan Review- Administrative Assistant	\$69,000	1.0
Public Works and Capital Projects- Construction Inspector (includes vehicle)	\$128,000	1.0
Public Works and Capital Projects- LED Streetlight Conversion	\$20,000	0.0
TOTAL General Fund	\$612,000	4.0
Utilities Department- Water Pollution Control Operators (2)	\$106,100	2.0
TOTAL Utilities Fund	\$106,100	2.0

Fiscal Year 2020 Proposed Budget		
Department- Enhancement	Local Tax Funding	Personnel (FTE)
Town Manager's Office- Emergency Management Director	\$154,000	1.0
Leesburg Police Department- Patrol Officers (3)	\$276,000	3.0
Leesburg Police Department- Special Investigations Detective	\$92,000	1.0
Leesburg Police Department- Youth Services Coordinator	\$92,000	1.0
Finance and Administrative Services- IT Systems Administrator	\$120,000	1.0
Public Works and Capital Projects- Project Manager	\$0	1.0
TOTAL General Fund	\$734,000	8.0
Utilities Department- Project Manager	\$128,000	1.0
Utilities Department- Water and Sewer Inspector	\$103,000	1.0
Utilities Department- Maintenance Worker	\$85,000	1.0
Utilities Department- Water Plant Operator	\$85,000	1.0
TOTAL Utilities Fund	\$401,000	4.0

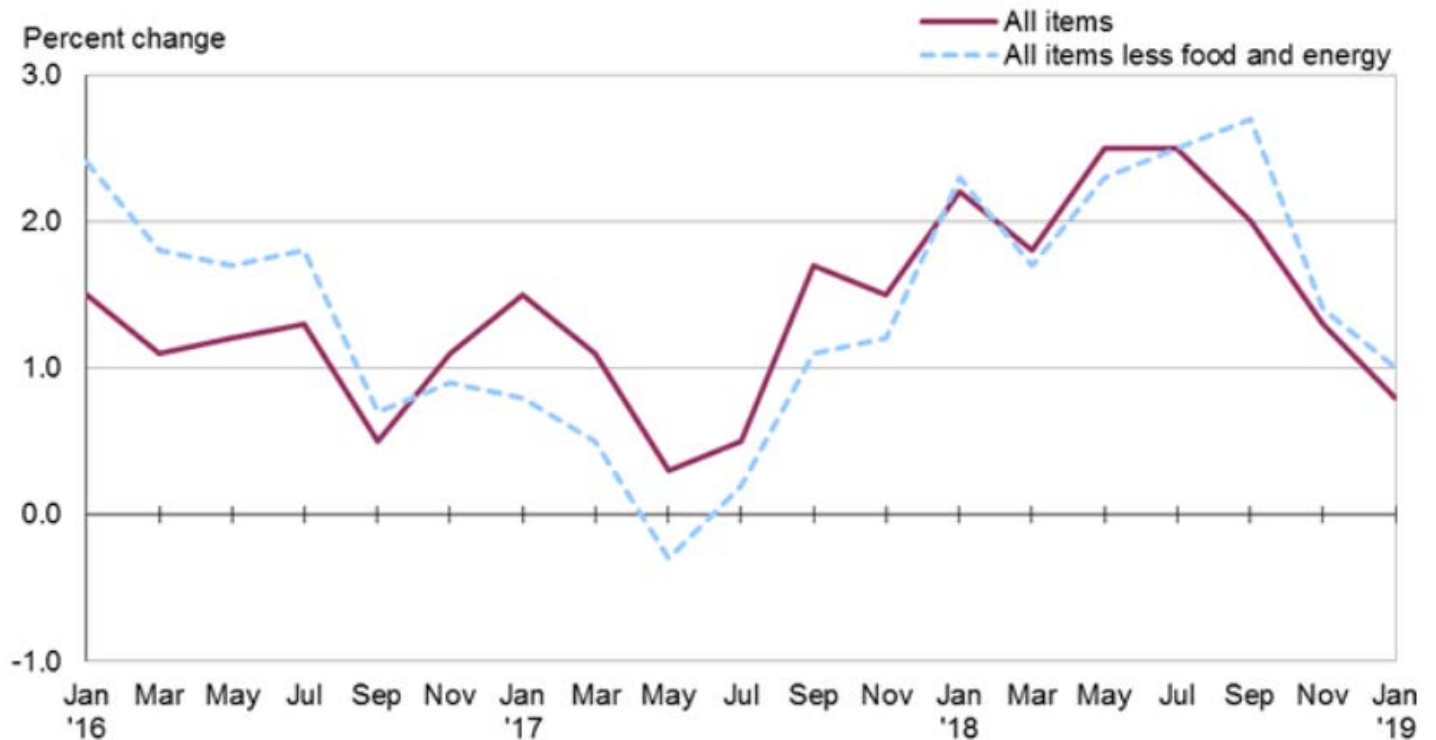
- 4.) **What percentage of Town Police Officers calls for service were handled by Loudoun County Sheriff's Office (LCSO)?** In the past, LCSO has assisted with complex calls that exceeded Leesburg Police Department (LPD) resources. This occurred during times LPD was experiencing staffing shortfalls or requested mutual aid. However, LCSO has not handled calls for the Town in many years.
- 5.) **What emergency management services is the Town getting from the Loudoun County?** The Town receives emergency management services through mutual aid requests such as fire, rescue, and sheriff's office, but is otherwise self-sufficient in its planning and response to emergencies such as severe weather. Due to the location of the Town, incident responses to critical emergencies and disasters are closely coordinated with the County. The County's emergency response planning compliments the Town's response plan, but it is not a replacement as the Town has a primary responsibility to ensure the health and well-being of our citizens, businesses, and visitors.
- 6.) **What is the percentage difference in real property value this year (2019) over last year (2018)?** The 2019 total assessed value of taxable real property in Leesburg, as provided by the Loudoun County Commissioner of Revenue, is estimated at \$7,893,240,660 or a total increase of 4.97% over the 2018 assessment value of \$7,519,567,490. Of the 4.97% increase in assessed valuation, 3.82% reflects the re-evaluation of 2018 parcels and 1.15% is the valuation of new parcels or construction/growth of existing properties.

7.) Does the 38,000 in police calls for service in Table 20 of the CAFR include traffic stops? If not, how many calls are not included as stats in Table 20? Yes. The total amount of traffic stops conducted in 2018 was 12,066.

Vice Mayor Martinez and Councilmember Dunn Question- March 12, 2019

8.) What has been the historical inflation according to the Bureau of Labor Statistics' (BLS) Consumer Price Index for All Urban Consumers (CPI-U) for the Washington statistical area? The average CPI-U in 2018 was 2.05% according to the "Washington-Arlington-Alexandria-Alexandria, DC-VA-MD-WV" statistical area. The latest January 2019 CPI-U is 0.8%. Below are the latest published table and graph illustrating the CPI-U history.

Month	2015		2016		2017		2018		2019	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
January	-1.1	-0.2	-0.2	1.5	0.2	1.5	0.9	2.2	0.5	0.8
March	1.2	0.2	0.8	1.1	0.4	1.1	-0.1	1.8		
May	0.7	0.6	0.8	1.2	0.0	0.3	0.7	2.5		
July	-0.3	0.3	-0.2	1.3	0.0	0.5	0.1	2.5		
September	0.6	0.7	-0.3	0.5	0.9	1.7	0.4	2.0		
November	-0.4	0.5	0.2	1.1	0.0	1.5	-0.7	1.3		



Source: U.S. Bureau of Labor Statistics.

Councilmember Dunn Question- March 12, 2019

- 9.) Can I get a Year-to-Date (YTD) estimate of what the housing value percentage increase will be?** The percentage increase of the overall real estate assessment values from 2018 to 2019 increased by approximately 5%. The increase is comprised of 3.8% in revaluation of existing parcels and 1.2% in parcels related to construction and growth.
- 10.) When I take the total Real property tax revenue and divide it by the number of homes I get a higher per property value than the approximate \$380,000 number mentioned at the meeting.** The average residential assessment for 2019 of \$393,296 is calculated by dividing the total value of all taxable residential assessments (\$5,602,108,890) by the number of parcels (14,244).
- 11.) When putting out the numbers what are the commercial property counts?** There are 872 parcels in 2019 in the Commercial & Industrial classification for a total assessment value of \$1,783,050,890.
- 12.) Taxes are collected on all real estate correct?** Taxes are collected on all types of taxable real estate including the following classifications: Residential, Multi-Family, Commercial & Industrial, and Agricultural/Undeveloped. However, taxes are not collected on exempt properties such as schools, government facilities, churches, etc.

Councilmember Dunn Question- March 14, 2019

- 13.) What were the number of transactions (personal property) each year for the last 10 years?** The Loudoun County Commissioner of Revenue assesses Leesburg's personal property, which includes personal and business vehicles, aircraft, and business tangible items (machinery, computer equipment, etc.). Since the County controls this information, we do not have the 10 years of prior data at this time. We are reaching out to the County to get this information and will provide it to Council when we get the data.
- 14.) What was the total surplus in tax this past year?** The total surplus for this past Fiscal Year 2018 for all taxes was \$1,686,049. Most of the surplus, \$1,280,966 or 76%, was due to consumer taxes such sales & use, food & beverages, business licenses, communications, etc. exceeding budget estimates.
- 15.) What does it look like the surplus will be this year ending in June?** It is still too early in the fiscal year to give an accurate surplus projection as only 8 accounting months have closed. Expenditures are trending close to budgets. However, the Town receives the majority of the General Fund revenue in May and June.
- 16.) What actions are being taken to ensure less overage/surplus this coming year?** The Town has made significant progress in filling staff vacancies particularly in the Police Department which contributed to surpluses in the past. Also, managing projects effectively is a focus of the Town to ensure tasks and projects are completed on schedule. However, projects can be delayed due to circumstances beyond Town control by third parties such as

FY 2020 Town Council Budget Development Questions Packet #2
March 15, 2019

contractors or outside vendors. In terms of revenue, surpluses are usually linked to the local economy outperforming expectations or exceeding prior year performances.

Due to some legal settlements and associated legal costs, several winter storms, and increasing contractual costs for recycling in Fiscal Year 2019, the Town will be relying on the use of the General Fund unassigned fund balance. In addition and at the appropriate time, any surplus for Fiscal Year 2019 will first be utilized to return the General Fund's unassigned fund balance to 20% of expenditures per the Town's Fiscal Policy.

FY 2019 Budget Enhancements

Department / Request	Personnel	Operating & Maintenance	Capital Outlay	Offsetting Revenue	Local Tax Funding	FTE
AIRPORT						
Remote Tower Office Lease	—	\$20,000	—	\$20,000	—	—
This enhancement includes office lease costs to Loudoun County for space for the remote tower at the Leesburg Executive Airport. Leasing space at the Loudoun County facility allows for the space at the Executive Airport terminal building to be leased to aviation-based businesses at a higher rate than the Loudoun County space at this time. The use of Loudoun County leased space is recommended and supported by the Town's Airport Commission.						
AIRPORT TOTAL	—	\$20,000	—	\$20,000	—	—
ECONOMIC DEVELOPMENT						
Town Contribution to VisitLoudoun	—	\$35,000	—	—	\$35,000	—
This enhancement increases the contribution to VisitLoudoun included in the Fiscal Year 2018 Adopted Budget from \$60,000 to \$95,000, or back to the contribution included in Fiscal Year 2017. The Town has worked with VisitLoudoun to establish a Memorandum of Understanding (MOU) that includes expected levels of service, responsibilities and performance goals that have been mutually agreed upon. As such, in order for VisitLoudoun to achieve the requirements of the MOU the proposed additional contribution funding is necessary.						
ECONOMIC DEVELOPMENT TOTAL	—	\$35,000	—	—	\$35,000	—
FINANCE & ADMINISTRATIVE SERVICES						
Business Systems Integrator Position	\$127,000	—	\$3,000	\$60,000	\$70,000	1.0
This enhancement is for a new Business Systems Integrator position in the Finance Division to support nearly 30 existing financial systems within the department in addition to other systems utilized Town-wide and in other departments. The position will provide dedicated support for the various systems allowing the recurring and systematic updating and implementation of business process improvements, enhanced system functionalities, and automation and streamlining of processes. This position is projected to generate additional revenue through improved and automated collection processes, and through implementing customer portals allowing for easier payments to the Town. It is estimated that within 24 months of filling this position, the additional generated revenue will fully offset the associated costs.						
Cyber Security Services	—	\$25,000	—	—	\$25,000	—
This enhancement will utilize contractual services in the Information Technology Division to assist the Town in developing a formal information security program, incorporating new security functions and requirements identified in a recent security assessment. This initial use of contractual services is recommended by the Town's Technology and Communications Commission.						
Customer Support Technician and Inventory Specialist	\$83,400	\$600	\$3,000	—	\$87,000	1.0
This enhancement is for a new Customer Support Technician and Inventory Specialist position in the Information Technology Division required to accommodate new work generated by the additional security enhancements. This new position will assume Tiers I & II support calls and technology asset management allowing existing network administrative staff to perform vital security functions as identified in a recent security assessment. This position, along with additional cyber security improvements, is recommended by the Town's Technology and Communications Commission.						
Laserfiche Development Services	—	\$34,000	—	—	\$34,000	—
This enhancement is to utilize contractual Laserfiche process design services in the Information Technology Division to improve core business process improvements in the Finance & Administrative and Planning & Zoning departments, as well as anticipated land development and zoning processes. Many of these initiatives were identified as a result of a Kaizen or other process improvement efforts.						
Internal Cyber Security Improvements	—	\$144,000	—	—	\$144,000	—
This enhancement in the Information Technology Division includes \$144,000 in applications and equipment to address core security risk management practices identified in a recent security assessment including: cloud-based computer scanning/analytics to address evolving threats (\$62,000), software/hardware patch management to protect from hacking (\$44,000), remote management of wireless access points to apply updates (\$34,000), and network performance monitoring to diagnose anomalies (\$4,000). Implementing these new systems will generate the equivalent of one full-time position of work for the IT Division. These additional systems, along with an additional position in the Division are recommended by the Town's Technology and Communications Commission.						

Department / Request	Personnel	Operating & Maintenance	Capital Outlay	Offsetting Revenue	Local Tax Funding	FTE
FINANCE AND ADMINISTRATIVE SERVICES TOTAL	\$210,400	\$203,600	\$6,000	\$60,000	\$360,000	2.0
PLAN REVIEW						
Administrative Assistant	\$66,000	—	\$3,000	—	\$69,000	1.0
This enhancement provides a new Administrative Assistant position in the Department of Plan Review (DPR). The department does not currently have any administrative assistants which leads to engineers spending time on clerical items. This new clerical position will allow the engineers' time to be spent more efficiently on plan review, customer service and ordinance updates. This position will also be responsible for filing and archiving which due to time constraints and volume is not currently being done efficiently.						
PLAN REVIEW TOTAL	\$66,000	—	\$3,000	—	\$69,000	1.0
PUBLIC WORKS AND CAPITAL PROJECTS						
Construction Inspector	\$96,400	\$600	\$31,000	—	\$128,000	1.0
This enhancement is for a new Construction Inspector position in the Department of Public Works and Capital Projects responsible for inspecting construction projects to ensure proper construction and full adherence to standards and specifications of Town ordinances. This position will allow for increased inspections for site development compliance prior to issuance of occupancy permits, inspections of post-approvals for the collection of data for the MS4 permit, additional help to property owners to achieve compliance, and a more proactive approach to construction inspections and adherence to standards in general.						
LED Streetlight Conversion	—	\$20,000	—	—	\$20,000	—
This enhancement is for converting sections of streetlights from mercury vapor lighting to LED lighting. LED conversion will generate both energy and cost savings with a four-year projected return-on-investment (ROI). The budget for this enhancement is located in the Transportation Division of the Department of Public Works and Capital Projects.						
PUBLIC WORKS AND CAPITAL PROJECTS TOTAL	\$96,400	\$20,600	\$31,000	—	\$148,000	1.0
GENERAL FUND TOTAL	\$372,800	\$279,200	\$40,000	\$80,000	\$612,000	4.0
UTILITIES DEPARTMENT						
Two Water Pollution Control Operators	\$100,000	—	\$6,100	—	\$106,100	2.0
This enhancement is for two new Water Pollution Control Operator positions within the Water Pollution Control Operator Division of the Utilities Department. These positions will provide coverage in process operations of Liquids, Solids, and Pumping Station operations that are 24 hours per day, seven days per week.						
UTILITIES FUND TOTAL	\$100,000	—	\$6,100	—	\$106,100	2.0
COMBINED FUNDS TOTAL	\$472,800	\$279,200	\$46,100	\$80,000	\$718,100	6.0

FY 2020 Proposed Budget Enhancements

Department / Request	Personnel	Operating & Maintenance	Capital Outlay	Offsetting Revenue	Local Tax Funding	FTE
TOWN MANAGER'S OFFICE						
Emergency Management Director	\$142,000	\$12,000	—	—	\$154,000	1.0
This enhancement is for an Emergency Management Director position within the Town Manager's Office. This position will be responsible for the preparation, planning and management of the Town's response efforts during emergencies. Currently, there is no dedicated position to manage the Town's emergency preparedness. Emergency response is critical and complex for a Town the size of Leesburg, and a dedicated professional will allow the Town to be more prepared and capable in responding when faced with emergency situations.						
TOWN MANAGER'S OFFICE TOTAL	\$142,000	\$12,000	—	—	\$154,000	1.0
LEESBURG POLICE DEPARTMENT						
3 Patrol Officers	\$240,000	\$36,000	—	—	\$276,000	3.0
This enhancement is for three new Patrol Officers in the Police Department. The Town population is projected to exceed 55,000 in Fiscal Year 2020 along with nearly 1,900 new residential units and 1.5 million square feet of commercial space in the by-right development pipeline. These positions will address the resulting additional patrol sectors associated with the Town's growth; provide increased coverage of Town limits to maintain and/or improve emergency responsiveness.						
Special Investigations Detective	\$80,000	\$12,000	—	—	\$92,000	1.0
This enhancement is for an additional Special Investigations Detective in the Police Department's Criminal Investigations Unit. This position will be dedicated to investigating cases involving narcotics, opioids and gang activity, which is an issue facing the Town and the Northern Virginia region. The additional position will allow for more efficient law enforcement tactical abilities in the Criminal Investigations Unit as it will provide sufficient number of staff to conduct task force operations without relying on personnel from other units within the Department.						
Youth Services Coordinator	\$80,000	\$12,000	—	—	\$92,000	1.0
This enhancement is for a Youth Services Coordinator position within the Police Department. This position will serve as a form of support in engaging youth primarily between the ages of 10-17 to assist in keeping them out of the criminal justice system. The Coordinator position will work with local schools, the criminal justice system and community programs to identify youth who need assistance, guidance and resources for them and their families. There is currently a lack of such services for at-risk youth and a dedicated position in these efforts is needed to begin the process of improving engagement with the Town's at-risk youth.						
POLICE DEPARTMENT TOTAL	\$400,000	\$60,000	—	—	\$460,000	5.0
FINANCE & ADMINISTRATIVE SERVICES						
Systems Administrator	\$117,000	—	\$3,000	—	\$120,000	1.0
This enhancement is for an Information Technology (IT) Systems Administrator position in the IT Division of the Department of Finance & Administrative Services (DFAS). This position reflects the highest priority of the Town's recently adopted 5-year IT strategic plan and is endorsed by the Town's Information Technology Commission. The position will manage over 1,000 devices and nine systems used to run, administer, and configure the devices. As the Town relies more on technology and the mobility that these devices provide, the number of devices will continue to increase; for which dedicated staff resources are required. Further, this position will be responsible for the implementing a proactive approach to ensuring operating systems, applications and hardware are up to date and that all routine, recurring maintenance is completed.						
FINANCE AND ADMINISTRATIVE SERVICES TOTAL	\$117,000	—	\$3,000	—	\$120,000	1.0

Department / Request	Personnel	Operating & Maintenance	Capital Outlay	Offsetting Revenue	Local Tax Funding	FTE
PUBLIC WORKS AND CAPITAL PROJECTS						
Project Manager	\$135,000	—	—	\$135,000	—	1.0
This enhancement is for an additional Project Manager in the Office of Capital Projects within the Department of Public Works and Capital Projects. This position will be funded through the Capital Project Fund. This position is required to manage the workload associated with the Town's Capital Improvements Program. It should be noted that the Office of Capital Projects had a total of five positions eliminated in Fiscal Years 2011-2012; leaving three Project Managers, a Construction Manager and an Executive Associate. Since Fiscal Year 2012, the Capital Improvements Program continues to expand as the six year plan has nearly tripled and the complexity and scale of the projects has increased. The current proposed Fiscal Year 2020-2025 Capital Improvements Program includes 63 projects and funding of approximately \$204 million. This position is proposed to be funded utilizing Capital Improvements Program revenue sources. As a result, there is no local tax funding required in the General Fund for this new position.						
PUBLIC WORKS AND CAPITAL PROJECTS TOTAL	\$135,000	—	—	\$135,000	—	1.0
GENERAL FUND TOTAL	\$794,000	\$72,000	\$3,000	\$135,000	\$734,000	8.0
UTILITIES DEPARTMENT						
Project Manager	\$128,000	—	—	—	—	1.0
This enhancement is for a Project Manager position within the Administration Division of the Utilities Department. The Utilities Capital Improvements Program (CIP) and Repair, Rehabilitation, and Replacement (3R) projects require day to day coordination with engineers, inspectors, contractors, and administrative staff to assure prompt contract management and delivery.						
Water and Sewer Inspector	\$103,000	—	—	—	—	1.0
This enhancement is for a Utilities Inspector within the Administration Division of the Utilities Department. Increased land and building development necessitates a water and sewer inspector to inspect the connection and installation of new water and sewer infrastructure.						
Maintenance Worker	\$85,000	—	—	—	—	1.0
This enhancement is for a Maintenance Worker position within the Administration Division of the Utilities Department. As development has increased, the volume of utility locate tickets to mark and protect the water and sewer lines throughout the Town has also increased. This position will assist with completing VA 811 (Miss Utility) tickets in accordance with state regulations.						
Water Plant Operator	\$85,000	—	—	—	—	1.0
This enhancement is for a Water Plant Operator position within the Water Supply Division of the Utilities Department. This position will improve coverage and reliability of licensed operators and provide for succession planning by familiarizing incoming operators with the Town water treatment plant and the standards and protocols necessary for successful award winning operations.						
UTILITIES FUND TOTAL	\$401,000	—	—	—	—	4.0
COMBINED FUNDS TOTAL	\$1,195,000	\$72,000	\$3,000	\$135,000	\$734,000	12.0