



MEMORANDUM

To: Members of the Rappahannock-Rapidan Regional Commission
From: Patrick L. Mauney, Executive Director
Date: April 17, 2023
Subject: FY 2024 Draft Budget

The Regional Commission By-Laws require presentation of an annual budget prior to June 1 of each year, with adoption of a budget to be completed by July 1. Enclosed here is the draft FY 2024 budget for your review. This is a preliminary budget based on staff's understanding of available revenues as of mid-April.

The draft budget reflects increases in revenue and expenses compared to FY 2023 and previous fiscal years. This is largely due increasing funding use for the PDC Housing Development Program, Mobility Management and Regional Transportation Collaborative, and National Fish and Wildlife Fund grants. Much of this revenue is contractual support to grant partners or in support of direct project expenses, in addition to those funds supporting Commission staff time costs.

The overall FY 2024 budget projects revenues at \$2,508,934. Projected revenues are conservative, meaning that only grants that are awarded on an annual basis historically or are known to be included in draft or approved Federal or State agency budgets are included. Local dues, at the \$0.83 per capita rate adopted by the Regional Commission in August 2022, account for 6.1% of the budget. The draft budget represents an increase of \$807,000 from the amended FY 2023 budget. The budget again includes support from our member jurisdictions for regional housing and homelessness coordination services, enabling the Regional Commission to continue its role as lead agency for the Foothills Housing Network.

Operating expenses are presented based on projected spending derived from internal discussions and past fiscal year actual costs. This budget includes a 7% cost of living increase. As with past years, payroll expenses and benefits are the main operating cost drivers for the budget. Health Insurance renewal rates increase 8.9%, and the recommended budget includes minor adjustments in the Commission's contribution rates to cover those increases. Our Virginia Retirement System contribution rate remains very low due to an existing surplus in our agency actuarial numbers.

As noted above, project expenses are anticipated to increase significantly from previous years. These represent reimbursable expenses that will flow through the Regional Commission to grant partners or via contractual agreements. As in past years, staff will monitor spending patterns and

make adjustments to these expenditures and reimbursable revenue sources throughout the fiscal year. Many of these grants also carry-over year to year based on project extensions, as well.

Staff will continue to track any changes to this preliminary budget between now and June and will also provide the annual work plan information to accompany the budget in June.

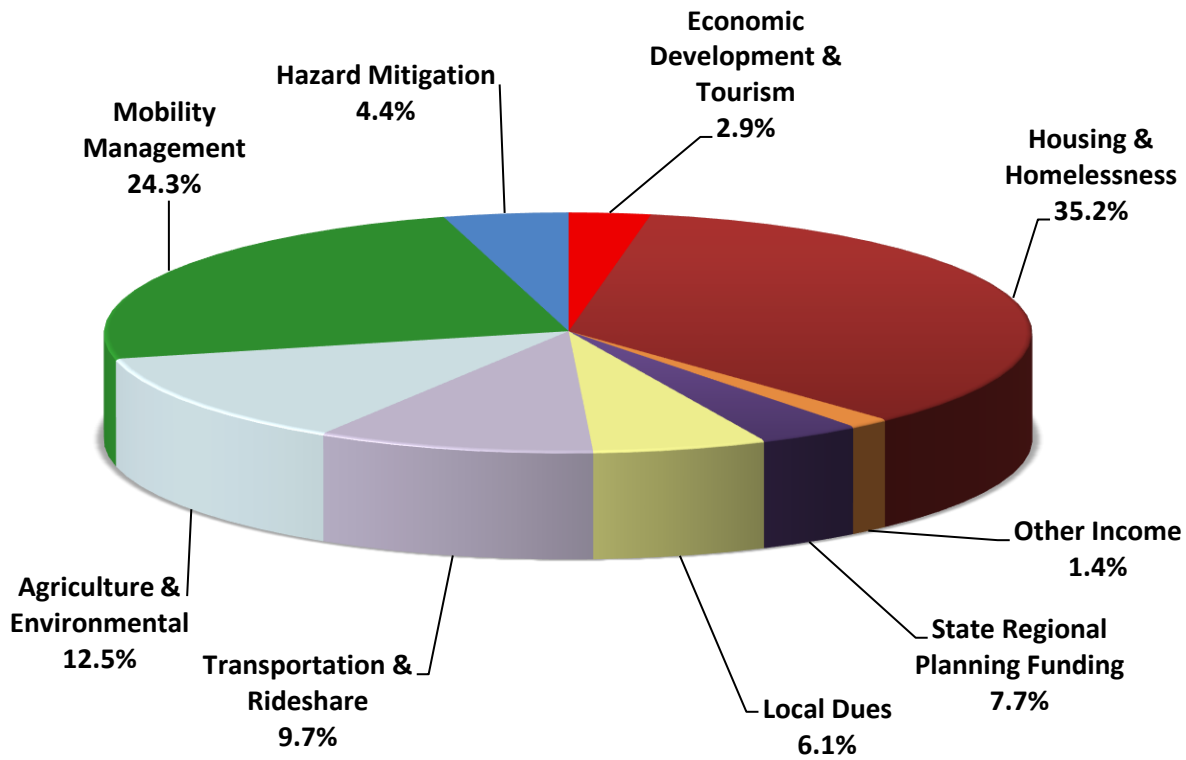
Also included here is an acronym listing for your reference:

CAP – Commuter Assistance Program
CEDS – Comprehensive Economic Development Strategy
CFPF – Commonwealth Flood Preparedness Fund; managed by DCR
DCR – Virginia Department of Conservation and Recreation
DEQ – Virginia Department of Environmental Quality
DHCD – Virginia Department of Housing & Community Development
DOF – Virginia Department of Forestry
DRPT – Virginia Department of Rail and Public Transportation
EDA – U.S. Economic Development Administration
EPA – U.S. Environmental Protection Agency
FICA – Federal Insurance Contributions Act
NFWF – National Fish and Wildlife Foundation
PATH – PATH Foundation
PDC – Planning District Commission (State Code reference for Regional Commission)
P.O. – Public Officials’ Liability
RTAP – Rural Transit Assistance Program; managed by DRPT
USDA LFPP – U.S. Department of Agriculture Local Food Promotion Program
VDEM – Virginia Department of Emergency Management
VHA – Virginia Housing Alliance
VHSP – Virginia Homeless Solutions Program; managed by DHCD
VISTA – Volunteers in Service to America; managed by VHA
VRS – Virginia Retirement System
VTC – Virginia Tourism Corporation

REQUESTED ACTION: None required. Staff is available to answer questions regarding the draft budget and additional revisions are likely between now and the June 28th meeting.

FY 2024 DRAFT Budget Revenues by Category – April 19, 2023

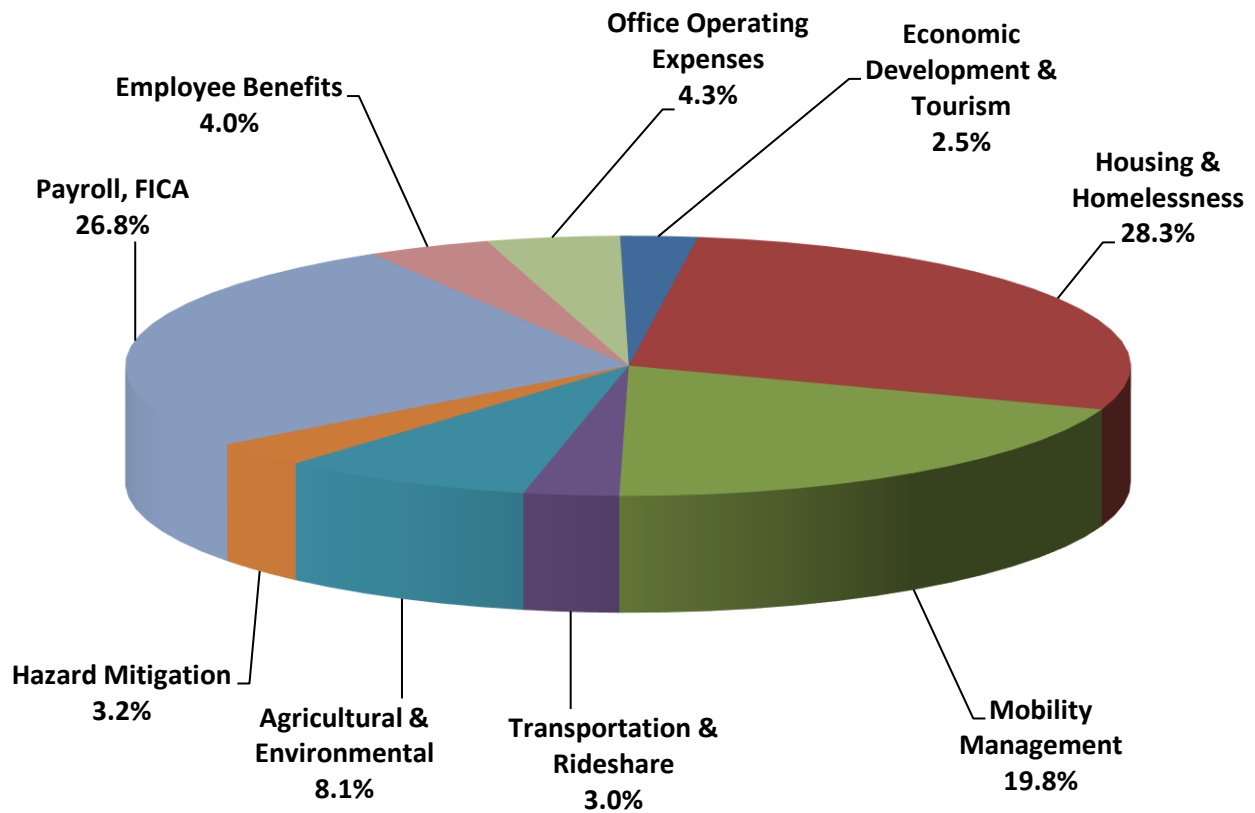
| Revenues | | | |
|---------------------------------|-----------|---------------------|---------------|
| Agriculture & Environmental | \$ | 313,000.00 | 12.5% |
| Economic Development & Tourism | \$ | 72,000.00 | 2.9% |
| Hazard Mitigation | \$ | 110,000.00 | 4.4% |
| Housing & Homelessness | \$ | 883,604.00 | 35.2% |
| Local Dues | \$ | 151,859.00 | 6.0% |
| Other Income | \$ | 36,000.00 | 1.4% |
| Mobility Management | \$ | 610,000.00 | 24.3% |
| Transportation & Rideshare | \$ | 242,500.00 | 9.7% |
| State Regional Planning Funding | \$ | 89,971.00 | 3.6% |
| Total Revenue | \$ | 2,508,934.00 | 100.0% |



| Revenue Source | | |
|-------------------------------------|-----------------------|----------------|
| Local Per Capita | \$151,859.00 | 6.0% |
| Local – Project Specific | \$75,604.00 | 3.0% |
| State | \$520,071.00 | 20.7% |
| Federal - Direct | \$275,000.00 | 11.0% |
| Federal – State Pass Through | \$446,500.00 | 17.8% |
| Other/Non-Profit/Private | \$1,039,900.00 | 41.5% |
| TOTAL | \$2,508,934.00 | 100.00% |

FY 2024 DRAFT Budget Expenditures by Category – April 19, 2023

| | | |
|-------------------------------------|-----------------------|----------------|
| Expenditures | | |
| Operating Expenses | | |
| Payroll/FICA | \$ 672,750.00 | 26.8% |
| Employee Benefits | \$ 99,268.00 | 4.0% |
| Other Operating Expenses | \$ 107,416.00 | 4.3% |
| Total Operating | \$879,434.00 | 35.1% |
| Project Expenses/Contractual | | |
| Agriculture & Environmental | \$204,000.00 | 8.1% |
| Economic Development & Tourism | \$62,000.00 | 2.5% |
| Hazard Mitigation | \$80,000.00 | 3.2% |
| Housing & Homelessness | \$709,500.00 | 28.3% |
| Mobility Management | \$497,500.00 | 19.8% |
| Transportation & Rideshare | \$76,500.00 | 3.0% |
| Total Project Expenses | \$1,629,500.00 | 64.9% |
| Total Expenditures | \$2,080,694.00 | 100.00% |



Rappahannock-Rapidan Regional Commission
Draft FY 2024 Revenues

| Budget Items | FY 2024 Draft (April 19, 2023) | FY 2023 Amended Budget | Change |
|---------------------------------------------------------------------|-----------------------------------|---------------------------|-----------------------------|
| Revenues | | | |
| Dues: | | | |
| Culpeper County | \$ 26,967.00 | \$ 26,967.00 | 0.00% |
| Fauquier County | \$ 51,497.00 | \$ 51,497.00 | 0.00% |
| Madison County | \$ 11,315.00 | \$ 11,315.00 | 0.00% |
| Orange County | \$ 24,877.00 | \$ 24,877.00 | 0.00% |
| Rappahannock County | \$ 6,027.00 | \$ 6,027.00 | 0.00% |
| Town of Culpeper | \$ 16,651.00 | \$ 16,651.00 | 0.00% |
| Town of Gordonsville | \$ 1,164.00 | \$ 1,164.00 | 0.00% |
| Town of Madison | \$ 170.00 | \$ 170.00 | 0.00% |
| Town of Orange | \$ 4,050.00 | \$ 4,050.00 | 0.00% |
| Town of The Plains | \$ 203.00 | \$ 203.00 | 0.00% |
| Town of Remington | \$ 520.00 | \$ 520.00 | 0.00% |
| Town of Warrenton | \$ 8,347.00 | \$ 8,347.00 | 0.00% |
| Town of Washington | \$ 71.00 | \$ 71.00 | 0.00% |
| Interest Income | \$ 15,000.00 | \$ 14,000.00 | 7.14% |
| Other Income | \$ 1,000.00 | \$ 1,000.00 | 0.00% |
| CEDS Income | \$ 55,000.00 | \$ 15,000.00 | - |
| DCR CFPF Grant | \$ 35,000.00 | \$ - | - |
| DEQ Chesapeake Bay PDC Capacity | \$ 58,000.00 | \$ 58,000.00 | 0.00% |
| DRPT Commuter Assistance Program | \$ 132,000.00 | \$ 123,160.00 | 7.18% |
| DRPT Mobility Management Grant | \$ 400,000.00 | \$ 400,000.00 | 0.00% |
| DRPT Technical Assistance Grant | \$ 52,500.00 | \$ 10,000.00 | - |
| NFWF Chesapeake Bay Grant | \$ 220,000.00 | \$ 75,000.00 | 193.33% |
| Gordonsville Economic Analysis | \$ 10,000.00 | \$ - | - |
| Madison County Comprehensive Plan | \$ 10,000.00 | \$ - | - |
| PATH Farm to School | \$ 35,000.00 | \$ 30,000.00 | 16.67% |
| PATH Mobility Management/Transportation | \$ 210,000.00 | \$ 213,000.00 | -1.41% |
| Regional Housing | \$ 48,604.00 | \$ 48,604.00 | 0.00% |
| Regional Tourism | \$ 7,000.00 | \$ 7,600.00 | -7.89% |
| RTAP Income | \$ - | \$ 1,800.00 | - |
| Rural Transportation Planning | \$ 58,000.00 | \$ 58,000.00 | 0.00% |
| State Regional Planning | \$ 89,971.00 | \$ 89,971.00 | 0.00% |
| Town of Washington Pass-Through | \$ - | \$ 2,700.00 | - |
| VDEM Wildfire Analysis Grant | \$ - | \$ 12,000.00 | -100.00% |
| VDEM Hazard Mitigation Plan | \$ 75,000.00 | \$ - | - |
| Virginia Housing PDC Development Program | \$ 750,000.00 | \$ 300,000.00 | 150.00% |
| VHSP Grant | \$ 85,000.00 | \$ 90,000.00 | -5.56% |
| VTC Marketing Leverage Program | \$ 10,000.00 | \$ - | - |
| Total Revenue | \$ 2,508,934.00 | \$ 1,701,694.00 | 47.44% |
| <i>Other Pending Revenues & Status</i> | | | |
| USDA LFPP | \$ 250,000.00 | Pending March 2023 | 3 Years |
| DEQ EPA Forest Buffer, Urban Tree Canopy & Wetlands Partnerships | \$ 203,000.00 | Pending March 2023 | Joint with GWRC (PDC 16) |
| Virginia Trees for Clean Water | \$ 20,000.00 | Pending April 2023 | |

Rappahannock-Rapidan Regional Commission
Draft FY 2024 Expenditures

| | Budget Items | FY 2024 Draft (April 19, 2023) | FY 2023 Amended Budget | Change |
|---------------------------|------------------------------------------|-----------------------------------|---------------------------|---------------|
| | Expenditures | | | |
| Operating Expenses | Advertising | \$ 1,000.00 | \$ 750.00 | 33.33% |
| | Annual Meeting/Workshops/Meetings | \$ 8,500.00 | \$ 5,000.00 | 70.00% |
| | Audit/Legal | \$ 6,000.00 | \$ 6,000.00 | 0.00% |
| | Equipment/Software | \$ 12,500.00 | \$ 12,000.00 | 4.17% |
| | FICA | \$ 47,750.00 | \$ 40,550.00 | 17.76% |
| | Health & Dental | \$ 80,000.00 | \$ 65,000.00 | 23.08% |
| | Meals | \$ - | \$ 2,500.00 | -100.00% |
| | Membership Dues | \$ 6,000.00 | \$ 6,000.00 | 0.00% |
| | Miscellaneous | \$ 500.00 | \$ 500.00 | 0.00% |
| | Mortgage | \$ 23,916.00 | \$ 23,916.00 | 0.00% |
| | Office & P.O. Liability Insurance | \$ 1,500.00 | \$ 1,400.00 | 7.14% |
| | Office Maintenance | \$ 6,500.00 | \$ 6,000.00 | 8.33% |
| | Payroll Expenses | \$ 625,000.00 | \$ 550,078.00 | 13.62% |
| | Postage | \$ 500.00 | \$ 500.00 | 0.00% |
| | Printing | \$ 3,000.00 | \$ 3,000.00 | 0.00% |
| | Reserve | \$ - | \$ - | - |
| | Subscriptions and Books | \$ 500.00 | \$ 500.00 | 0.00% |
| | Supplies | \$ 4,500.00 | \$ 4,500.00 | 0.00% |
| | Technology | \$ 13,500.00 | \$ 13,000.00 | 3.85% |
| | Travel & Training | \$ 12,500.00 | \$ 11,000.00 | 13.64% |
| | Utilities | \$ 6,500.00 | \$ 6,500.00 | 0.00% |
| | VRS | \$ 18,768.00 | \$ 16,000.00 | 17.30% |
| | Workman's Comp | \$ 500.00 | \$ 500.00 | 0.00% |
| Project Expenses | AmeriCorps VISTA Match | \$ 8,000.00 | \$ 6,500.00 | - |
| | CEDS Expenses | \$ 45,000.00 | \$ 15,500.00 | - |
| | Chesapeake Bay PDC Capacity Expenses | \$ 500.00 | \$ 1,000.00 | -50.00% |
| | Commuter Services Expenses | \$ 41,000.00 | \$ 60,000.00 | -31.67% |
| | DRPT CAP Strategic Plan Expenses | \$ 35,000.00 | \$ 10,000.00 | |
| | Farm to School Expenses | \$ 3,500.00 | \$ 3,000.00 | 16.67% |
| | Hazard Mitigation Expenses | \$ 80,000.00 | \$ - | - |
| | Mobility Management Expenses | \$ 497,500.00 | \$ 502,000.00 | -0.90% |
| | NFWF Grant Expenses | \$ 200,000.00 | \$ 65,000.00 | 207.69% |
| | Regional Tourism Expenses | \$ 17,000.00 | \$ 10,000.00 | 70.00% |
| | RTAP Expenses | \$ - | \$ 1,800.00 | - |
| | Rural Transportation Expenses | \$ 500.00 | \$ 1,000.00 | -50.00% |
| | Town of Washington Pass Through | \$ - | \$ 2,700.00 | - |
| | Virginia Housing PDC Housing Development | \$ 700,000.00 | \$ 245,000.00 | 185.71% |
| | VHSP Expenses | \$ 1,500.00 | \$ 3,000.00 | -50.00% |
| | | | | |
| | Total Expenditures | \$ 2,508,934.00 | \$ 1,701,694.00 | 47.44% |