



MEMORANDUM

To: Members of the Rappahannock-Rapidan Regional Commission
From: Patrick L. Mauney, Executive Director
Date: April 10, 2024
Subject: FY 2025 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 2025 budget for your review. This is a preliminary budget based on staff's understanding of available revenues as of early April.

The draft budget reflects continuation of ongoing priorities and programs based on existing funding resources and project timelines. The draft budget projects revenues at \$2,524,013. 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 2024, account for 7.2% of the budget. The draft budget represents an decrease of \$226,421 from the amended FY 2024 budget primarily due to the spend down on the National Fish and Wildlife Foundation grant and completion of the Comprehensive Economic Development Strategy. 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 budgeted amounts from the past four fiscal years with attention given to spending patterns over that same time period. This budget includes a minimum 4% salary increase and additional funds to support merit increases beyond that amount. As with past years, payroll expenses and benefits are the main operating cost drivers for the budget. Health Insurance renewal rates increase 10%, while our Virginia Retirement System contribution rates remain very low due to an existing surplus in our agency actuarial numbers.

As referenced, project expenses are lower than in recent years with the winding down of several multi-year grants. As in past years, staff will monitor spending patterns and make adjustments to these expenditures and reimbursable revenue sources throughout the fiscal year.

In addition to the preliminary revenues and expenditures, I also call your attention to the pending revenues listed on the budget worksheets on the following pages. Staff has submitted a number of grant applications that are currently pending and they range from short-term projects to grants that would last into FY 2026/2027. Should these applications prove successful, it may be

necessary to add staff capacity to assist with grant management and tasks. Any such request would be made to the Commission or the Executive Committee at such time as that may be necessary.

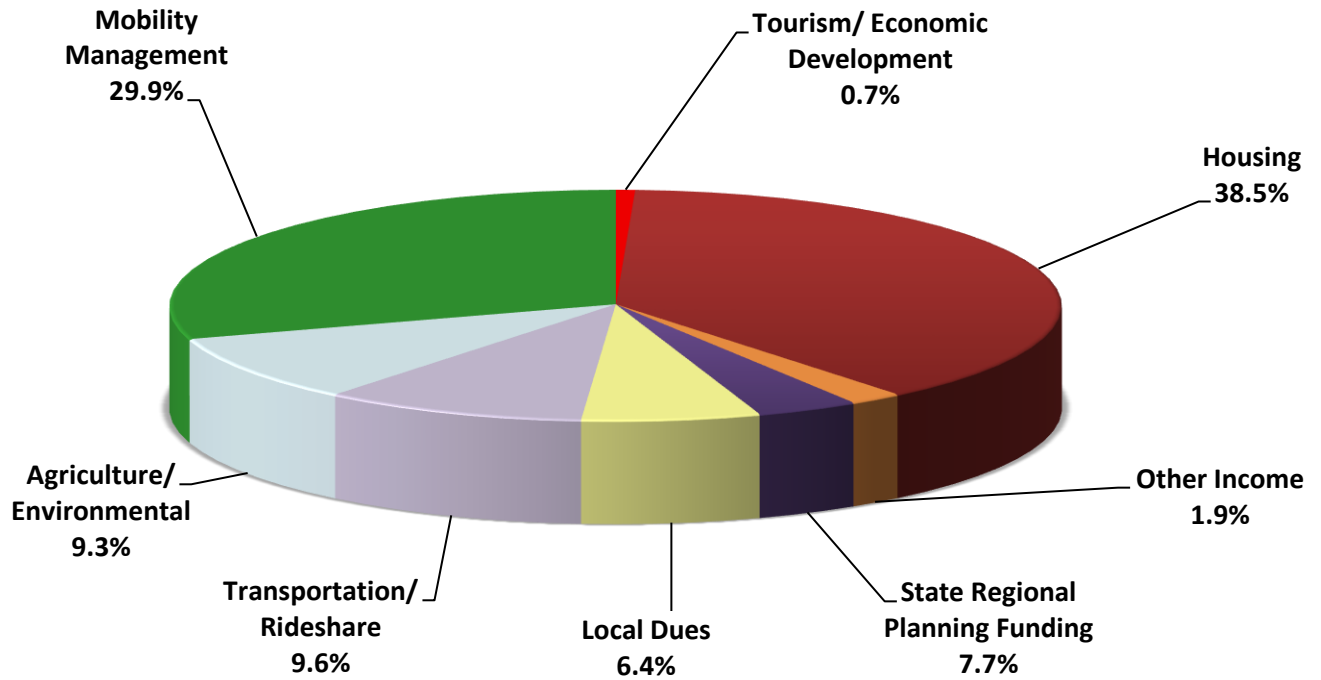
Also included here is an acronym listing for your reference:

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
FTA – Federal Transit Administration
ICAM – Innovative and Coordinated Access and Mobility program; managed by FTA
MLP – Marketing Leverage Program; managed by VTC
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
SCRC – Southeast Crescent Regional Commission
USDA – U.S. Department of Agriculture
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 26th meeting.

FY 2025 DRAFT Budget Revenues by Category – April 17, 2024

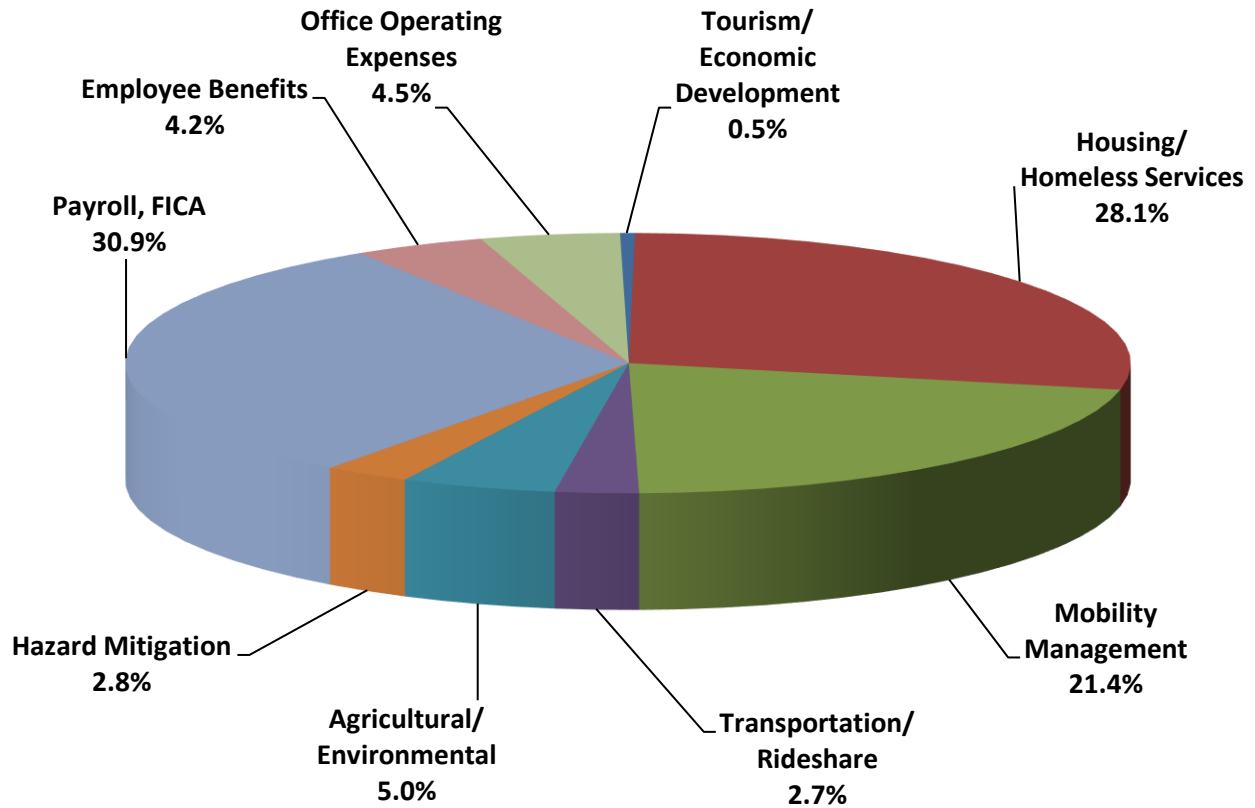
| Revenues | | | |
|---------------------------------|-----------|---------------------|---------------|
| Agriculture/Environmental | \$ | 226,950.00 | 9.0% |
| Hazard Mitigation | \$ | 96,000.00 | 3.8% |
| Housing/Homelessness | \$ | 933,604.00 | 37.0% |
| Local Dues | \$ | 156,488.00 | 6.2% |
| Other Income | \$ | 47,000.00 | 1.9% |
| Mobility Management | \$ | 725,000.00 | 28.7% |
| Transportation/Rideshare | \$ | 232,000.00 | 9.2% |
| State Regional Planning Funding | \$ | 89,971.00 | 3.5% |
| Tourism/Economic Development | \$ | 17,000.00 | 0.7% |
| | | | |
| Total Revenue | \$ | 2,524,013.00 | 100.0% |



| Revenue Source | | |
|------------------------------|-----------------------|----------------|
| Local Per Capita | \$156,488.00 | 6.2% |
| Local – Project Specific | \$59,604.00 | 2.4% |
| State | \$494,771.00 | 19.6% |
| Federal - Direct | \$140,000.00 | 5.5% |
| Federal – State Pass Through | \$595,150.00 | 23.6% |
| Other/Non-Profit/Private | \$1,078,000.00 | 42.7% |
| TOTAL | \$2,524,013.00 | 100.00% |

FY 2025 DRAFT Budget Expenditures by Category – April 17, 2024

| Expenditures | | |
|-------------------------------------|-----------------------|----------------|
| Operating Expenses | | |
| Payroll/FICA | \$ 780,500.00 | 30.9% |
| Employee Benefits | \$ 106,500.00 | 4.2% |
| Other Operating Expenses | \$ 113,216.00 | 4.5% |
| Total Operating | \$1,000,216.00 | 39.6% |
| Project Expenses/Contractual | | |
| Agriculture/Environmental | \$125,500.00 | 5.0% |
| Hazard Mitigation | \$70,000.00 | 2.8% |
| Housing/Homeless Services | \$708,797.00 | 28.1% |
| Mobility Management | \$540,000.00 | 23.5% |
| Tourism/Economic Development | \$12,000.00 | 0.5% |
| Transportation/Rideshare | \$67,5000.00 | 2.9% |
| Total Project Expenses | \$1,523,797.00 | 60.4% |
| Total Expenditures | \$2,524,013.00 | 100.00% |



Rappahannock-Rapidan Regional Commission
Draft FY 2025 Revenues (April 17, 2024)

| Budget Items | FY 2025 Draft (April 17, 2024) | FY 2024 Amended | Change |
|--|-----------------------------------|------------------------|----------------------------|
| Revenues | | | |
| Dues: | | | |
| Culpeper County | \$ 27,902.00 | \$ 26,967.00 | 3.47% |
| Fauquier County | \$ 52,770.00 | \$ 51,497.00 | 2.47% |
| Madison County | \$ 11,447.00 | \$ 11,315.00 | 1.17% |
| Orange County | \$ 26,089.00 | \$ 24,877.00 | 4.87% |
| Rappahannock County | \$ 6,157.00 | \$ 6,027.00 | 2.16% |
| Town of Culpeper | \$ 17,234.00 | \$ 16,651.00 | 3.50% |
| Town of Gordonsville | \$ 1,221.00 | \$ 1,164.00 | 4.90% |
| Town of Madison | \$ 173.00 | \$ 170.00 | 1.76% |
| Town of Orange | \$ 4,223.00 | \$ 4,050.00 | 4.27% |
| Town of Remington | \$ 530.00 | \$ 520.00 | 1.92% |
| Town of The Plains | \$ 208.00 | \$ 203.00 | 2.46% |
| Town of Warrenton | \$ 8,464.00 | \$ 8,347.00 | 1.40% |
| Town of Washington | \$ 70.00 | \$ 71.00 | -1.41% |
| Interest Income | \$ 20,000.00 | \$ 25,000.00 | -20.00% |
| Other Income | \$ 1,000.00 | \$ 1,000.00 | 0.00% |
| CEDS Grant | \$ - | \$ 55,000.00 | -100.00% |
| DCR CFPF Grant | \$ 23,000.00 | \$ 35,000.00 | - |
| DEQ Chesapeake Bay PDC Capacity | \$ 58,000.00 | \$ 58,000.00 | 0.00% |
| DOF Urban Forestry Grant | \$ 10,950.00 | \$ - | - |
| DRPT Commuter Assistance Program | \$ 144,000.00 | \$ 132,000.00 | 9.09% |
| DRPT Mobility Management | \$ 475,000.00 | \$ 545,000.00 | - |
| DRPT Technical Assistance Grant | \$ 30,000.00 | \$ 52,500.00 | -42.86% |
| Gordonsville Economic Analysis | \$ - | \$ 10,000.00 | -100.00% |
| Madison County Comprehensive Plan | \$ 4,000.00 | \$ 6,500.00 | - |
| NFWF Chesapeake Bay Grant | \$ 118,000.00 | \$ 220,000.00 | -46.36% |
| PATH Farm to School | \$ 40,000.00 | \$ 40,000.00 | 0.00% |
| PATH Mobility Management/Transportation | \$ 250,000.00 | \$ 240,000.00 | - |
| Regional Housing | \$ 48,604.00 | \$ 48,604.00 | 0.00% |
| Regional Tourism | \$ 7,000.00 | \$ 7,000.00 | 0.00% |
| Rural Transportation Planning | \$ 58,000.00 | \$ 58,000.00 | - |
| SCRC Capacity Building | \$ 22,000.00 | \$ 5,000.00 | 340.00% |
| State Regional Planning | \$ 89,971.00 | \$ 89,971.00 | 0.00% |
| VDEM Hazard Mitigation Plan | \$ 73,000.00 | \$ 75,000.00 | - |
| Virginia Housing PDC Development Program | \$ 767,000.00 | \$ 750,000.00 | 2.27% |
| VHSP Grant | \$ 118,000.00 | \$ 135,000.00 | - |
| VTC Marketing Leverage Program | \$ 10,000.00 | \$ 10,000.00 | 0.00% |
| Total Revenue | \$ 2,524,013.00 | \$ 2,750,434.00 | -8.23% |
| <i>Other Pending Revenues & Status</i> | | | |
| General Assembly PDC Funding | \$ 25,000.00 | Pending April 2024 | Unrestricted State Funding |
| General Assembly CoC Lead Agency | \$ 25,000.00 | Pending April 2024 | |
| FTA ICAM | \$ 520,000.00 | Pending February 2024 | 2 Years |
| USDA Farm to School | \$ 100,000.00 | Pending January 2024 | 3 Years |

Rappahannock-Rapidan Regional Commission
Draft FY 2025 Expenditures (April 17, 2024)

| | Budget Items | FY 2025 Draft (April 17, 2024) | FY 2024 Amended | Change |
|---------------------------|--|-----------------------------------|------------------------|---------------|
| | Expenditures | | | |
| Operating Expenses | Advertising | \$ 1,000.00 | \$ 1,000.00 | 0.00% |
| | Annual Meeting/Workshops/Meetings | \$ 6,000.00 | \$ 8,500.00 | -29.41% |
| | Audit/Legal | \$ 8,000.00 | \$ 6,000.00 | 33.33% |
| | Equipment/Software | \$ 14,000.00 | \$ 15,000.00 | -6.67% |
| | FICA | \$ 55,500.00 | \$ 50,750.00 | 9.36% |
| | Health & Dental | \$ 85,000.00 | \$ 82,800.00 | 2.66% |
| | 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 Insurance | \$ 3,000.00 | \$ 2,200.00 | 36.36% |
| | Office Maintenance | \$ 6,500.00 | \$ 6,500.00 | 0.00% |
| | Payroll Expenses | \$ 725,000.00 | \$ 675,000.00 | 7.41% |
| | Postage | \$ 500.00 | \$ 500.00 | 0.00% |
| | Printing | \$ 3,000.00 | \$ 3,000.00 | 0.00% |
| | Subscriptions and Books | \$ 500.00 | \$ 500.00 | - |
| | Supplies | \$ 5,000.00 | \$ 4,500.00 | 11.11% |
| | Technology | \$ 14,300.00 | \$ 16,500.00 | -13.33% |
| | Travel & Training | \$ 14,000.00 | \$ 14,500.00 | -3.45% |
| | Utilities | \$ 7,000.00 | \$ 6,500.00 | 7.69% |
| | VRS | \$ 21,000.00 | \$ 18,768.00 | 11.89% |
| | Workman's Comp | \$ 500.00 | \$ 500.00 | 0.00% |
| | | AmeriCorps VISTA Match | \$ - | \$ 8,000.00 |
| | CEDS Expenses | \$ - | \$ 45,000.00 | |
| | Chesapeake Bay PDC Capacity Expenses | \$ 500.00 | \$ 500.00 | 0.00% |
| | Commuter Services Expenses | \$ 52,000.00 | \$ 41,000.00 | 26.83% |
| | DCR CFPF Expenses | \$ 18,000.00 | \$ - | - |
| | DOF Urban Forestry Expenses | \$ 3,500.00 | \$ - | - |
| | DRPT Technical Assistance Grant Expenses | \$ 15,000.00 | \$ 35,000.00 | -57.14% |
| | Farm to School Expenses | \$ 3,500.00 | \$ 3,500.00 | 0.00% |
| | Hazard Mitigation Expenses | \$ 52,000.00 | \$ 80,000.00 | - |
| | Mobility Management Expenses | \$ 540,000.00 | \$ 667,500.00 | -19.10% |
| | NFWF Grant Expenses | \$ 118,000.00 | \$ 200,000.00 | - |
| | Regional Tourism Expenses | \$ 12,000.00 | \$ 17,000.00 | -29.41% |
| | Rural Transportation Expenses | \$ 500.00 | \$ 500.00 | - |
| | Strategic Plan Expenses | | \$ 5,000.00 | |
| | Virginia Housing PDC Development Program Exp | \$ 705,297.00 | \$ 700,000.00 | 0.76% |
| | VHSP Expenses | \$ 3,500.00 | \$ 4,000.00 | -12.50% |
| | | | | |
| | Total Expenditures | \$ 2,524,013.00 | \$ 2,750,434.00 | -8.23% |