

A BUDGET WORK SESSION OF THE BOARD OF SUPERVISORS WAS HELD ON THE 17th DAY OF APRIL IN THE YEAR TWO THOUSAND TWO OF OUR LORD IN THE COURTOOM OF THE OLD COURTHOUSE AT 2:04 P.M.

IN RE: ROLL CALL

Mr. Davis re-convened the meeting, which was continued from April 8, 2002.

Julian T. Lipscomb	Present
Rebecca M. Ringley	Present
James H. Burrell	Present
Dean E. Raynes	Present
W. R. "Ray" Davis, Jr.	Present

A quorum was present.

IN RE: BUDGET REVIEW

Mr. Ellyson reviewed with the Board some of the changes that had been made since the last meeting. This included restoring \$3,900 to the budget of the Charles City, New Kent, Henrico Mental Health & Retardation Board and receipt of the final insurance figures. He then turned the floor over to Mary Altemus, Director of Accounting and Budget.

Ms. Altemus reported that the current proposed budget is based upon an tax rate increase of 4¢, leaving \$176,021 in the contingency fund. Mr. Ellyson indicated that he would like to restore the \$40,000 deducted from the School's budget. He also reported that a 5¢ increase would leave the County in good shape.

There was a general discussion about what is being done in other localities. Mr. Ellyson read the letter received from the Sheriff, indicating that those items that were cut from his budget for this year will have to be included in the budget for next year.

Ms. Ringley was against a 4¢ increase and suggested that additional cuts be made.

John Crump, Commissioner of Revenue, was in attendance and expressed concern about the upcoming increase in postage. Mr. Ellyson reported that no department's budget took the postage increase into account, and that appropriations will have to be made for that.

Mr. Crump fielded questions about the expected increase in revenues from new home construction and recent subdivisions. He explained that according to State law, taxes on land cannot be pro-rated, and all land that has be subdivided and recorded as of January 1, 2003, will be re-assessed, with tax bills being issued December of 2003. Taxes on homes can be pro-rated. All of the lots in the two sections where homes have been built in Brickshire have been re-assessed. He also reported that all of the buildings on the golf course at Brickshire are being taxed this year, with the exception of the clubhouse.

Ms. Ringley suggested that a 2¢ increase would suffice if the entire funding for the proposed regional economic development group was eliminated (\$139,000), and the rest was taken from the contingency

fund. If the need for the regional development funds came up, then it could be appropriated. She did not think that the County should use taxpayer money for a fund that might not be needed.

It was reported that the Schools are receiving \$327,502 more than last year.

Mr. Raynes suggested that the compensation and insurance of the Supervisors be cut, in that the Supervisors in the Counties of James City and York receive \$4,000 less than New Kent.

Ms. Ringley insisted that the Supervisors pay is appropriate for the amount of work they do and she believes it is less than if the Supervisors were paid by the hour, and were reimbursed for mileage and expenses. She spends many hours each month on her appointments to the Richmond Regional Planning District Commission, the Metropolitan Planning Organization, the Charles City, New Kent, Henrico Mental Health & Retardation Board and Senior Connections.

Mr. Lipscomb and Mr. Burrell indicated their willingness to recommend a 4¢ increase in the tax rate.

Mr. Ellyson reminded the Board that there are two unknowns, the first being the Governor's proposed \$5.00/ton trash tax. The second is the upcoming increase in postage rates.

Chairman Davis suggested that the \$70,000 saved in Boardroom renovations, along with \$30,000 from the funds budgeted for the regional economic development group be used to reduce the tax increase to 3¢. That would leave \$100,000 in the budget for the proposed economic development group. Mr. Lipscomb suggested that only \$85,000 be kept for that purpose.

Chairman Davis stated his opinion that a 4¢ increase in the real estate tax rate is too much, especially since it was raised 5¢ last year and there will be a re-assessment next year. He is against any increase over 3¢.

There was general discussion about the proposed meal tax, and the fact that there has been little feedback from citizens.

The Sheriff was present and reported that the Comp Board has indicated that it may restore one-half of the equipment costs that were previously cut. He reported that if his department is able to get back half of its equipment budget, he will be able to get by on the proposed budget. He reminded the Board that he has no control over the amounts charged for prisoner confinement: he has just \$5,000 left to cover the next three months and the monthly average for prisoner confinement is \$30,000. Mr. Ellyson reported that \$390,000 had been included in this proposed budget for prisoner confinement, based upon that monthly figure. Any shortage for the remainder of this year can be taken from the general fund.

The Sheriff also reported attendance of 25,000+ at the recent Strawberry Hill races.

Mr. Raynes expressed his willingness to cut the tax rate by 1¢ by eliminating \$99,000 from the budget of the economic development group, leaving \$40,000 as seed money.

After discussion, it was agreed that \$100,000 be eliminated from the budget of the proposed regional economic development group and to recommend an increase in the tax rate of 3¢. It was decided to hold the Public Hearing on the budget at the regularly scheduled meeting on May 13, 2002. There will be a meeting on May 21, 2002, at 6:00 p.m. to approve the budget.

There was some discussion with John Crump about the general assessment and personal property taxes. Mr. Crump hopes to have some final figures soon.

Regarding the new Fire Station, Chairman Davis reported on recent discussions with the builder and architect, and their opinions that it can be built on budget if another engineer is hired. He would like the Board members to meet with the architect for full details, and that meeting was scheduled for April 25, 2002, at 5:00 p.m. in the library at the high school.

The Board was also reminded of the breakfast meeting with Congressman Bobby Scott at 8:30 a.m. on April 26, 2002, at the White House Restaurant.

The meeting was continued until April 25, 2002, at 5:00 p.m. in the library at New Kent High School.

The meeting was suspended at 3:25 p.m.