

A BUDGET WORK SESSION OF THE BOARD OF SUPERVISORS WAS HELD ON THE 13TH DAY OF APRIL IN THE YEAR TWO THOUSAND OF OUR LORD IN THE COURTROOM IN THE OLD COURTHOUSE AT 5:07 P.M.

IN RE: ROLL CALL

Julian T. Lipscomb	Absent – arrived at 5:38 p.m.
Rebecca M. Ringley	Present
Dean E. Raynes	Present
W. R. "Ray" Davis Jr.	Present
James H. Burrell	Present

IN RE: BUDGET PRESENTATION

Mr. Emerson said staff is ready to make a recommendation on the budget for FY 2000-2001. The budget is balanced at 72 cents/\$100 tax rate on real estate, which is a 3 cent increase. The equalized rate of 82 cents, after reassessment, was 69 cents. He felt this budget will meet the goals of everybody involved. The school system will receive \$403,957 or a 6.57 percent increase. Mr. Emerson said he has met with the school superintendent and reduced his additional request to the Board by \$144,250, which took the additional request down to \$254,000. This was accomplished by targeting items within the budget that would qualify for use from the capital funds, which the School Board had not done. The capital account budget in the schools (estimated as of July 1) will be around \$255,842 and it does not include the salary rollover, which will probably be from \$50,000 to \$70,000. The schools can meet all their goals with the money we have given them as well as at least one and possibly two school buses without any additional money from the Board. They had debt service for the lease/purchase of modular classroom space in the amount of \$21,000 and the total cost of the trailers is \$88,000. I have suggested the schools pay cash for the trailers and not indebt themselves. While the actual reduction of the request to the Board is \$144,250, the actual amount the schools need to spend out of their capital account is \$203,250. Ms. Ringley asked if the School Board had a strategy for why they had these items in their budget as opposed to taking them out of their capital account? Mr. Emerson said they did not give a reason. Both Dr. Geiger and Ed Smith support these changes. Mr. Emerson reviewed in detail the one-time debt service purchases. This leaves the schools budget intact and enough money to achieve the seven percent raise for teachers and eliminates debt service for the trailers. The schools also have \$50,000 in contingency. Mr. Emerson said he had also included funds for the design of a county garage. The Board will need to decide how to operate the garage, which will be designed to handle all county vehicles including fire and rescue except for the special features. It could be turned into an enterprise fund and billed to the various departments, which would mean another employee in the Accounting Office to handle the billing. The rest of the budget, the total reductions have been reduced approximately \$800,000 along with the school reduction for total reductions of approximately \$950,000. For county employees a cost of living increase of 3 percent effective July 1, 2000 and a 0-3 percent potential increase (based on merit) on the employees anniversary date. Constitutional officers and their employees will receive 2.4 percent on December 1, 2000

as per the Compensation Board recommendations. He is not recommending any new positions that were requested except for the mentoring grant. The generator project for the water systems is included, which will require a raise in the base fee on water by \$10 from \$30 to \$40 and on sewer from \$35 to \$45 per quarter. This will generate between about \$35,000 to \$37,000 per year. Debt service is estimated at \$80,000 and the rest of the debt service will be made up in growth on the system. The connection fees will increase on water from \$1,500 to \$2,000 and on sewer from \$3,000 to \$4,000, which won't affect the existing customers, just the new connections. The approximate cost of the project now is \$900,000. The funding for this project will be through the Virginia Resource Authority in one of their pooled bond programs for utilities and be financed over twenty years out of the enterprise fund. It will be approximately a year before the project is completed. The county ordinance and specifications for water systems should be amended to require any new systems to have either elevated storage or generators. There is also \$10,000 included in the budget for additional health services.

Mr. Emerson reviewed the proposed operating budget summary with expenditures totaling \$28,198,673. There are quite a few grant funded capital projects such as the airport and CDBG projects on Route 33. The assessed valuation, tax rate and estimated revenue for FY2001 was calculated at 94 percent collection and based upon a 72 cent per \$100 tax rate. The schools will receive 69.24 percent of the revenue (\$6,548,957). A real estate tax increase of one cent generates \$87,052 additional revenue at the 94 percent collection rate. Mr. Emerson reviewed discretionary revenue, which reflects the recommended increase in the tax rate as well as other adjustments. Total new local revenue is \$600,277. Of that amount the Board has committed \$403,957 to the schools, there will be an increase in the health insurance, group life and workers compensation leaving \$132,579 available for new programs. Under the new positions request, the only position recommended was the comprehensive mentoring, which is a grant we are splitting with Charles City County. Under capital items requests, Mr. Emerson has recommended five Sheriff's vehicles, a Building Inspections vehicle, replacement of the tanker at Company #3, refurbish engine at Company #2, a tractor for general properties, a pick-up truck for water fund, radio system for Sheriff's Department and Public Safety, county garage design cost, fire station #1 building design, Route 33 water/sewer line, water system generators, ISTEA sidewalk, at the airport he recommended the land acquisition access road, access road construction, repave entrance road, repave terminal area parking, perimeter fence (carryover), and the Parham Landing Road improvement project for a total of \$3,864,573 in capital requests projects. Mr. Emerson reviewed the department percentage shares of the total budget. Mr. Emerson presented the proposed FY2001 budget calendar and advertisements. Ms. Ringley felt they needed to keep their eye on the (emergency services) study and stay on target with the recommendations and if they could accelerate the implementation then do so because the need is there. Mr. Emerson said the Board needed to consider what they could offer volunteers to get them to offer their services. Also, do you want to charge for these services by levy on real estate or charging user fees or adding an additional tax district? The Board discussed the use of blended service – from 6 a.m. to 6 p.m. three paid personnel on and three paid personnel off (the volunteers would cover the weekends and nights). Mr. Emerson said they would be doing a study on fees charged by the county for rezonings and other fees. The Board agreed on the dates listed for the proposed budget calendar. Mr. Davis made a motion to adjourn.

Julian T. Lipscomb

Aye

Rebecca M. Ringley
Dean E. Raynes
W. R. "Ray" Davis Jr.
James H. Burrell

Aye
Aye
Aye
Aye

The Board adjourned at 6:18 p.m.