

VIRGINIA:

At a recessed meeting of the Board of Supervisors of the County of Northampton, Virginia, held at the Board Room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, on the 6th day of April, 2015, at 5:00 p.m.

Present:

Richard L. Hubbard, Chairman

Oliver H. Bennett, Vice Chairman

Larry LeMond

Laurence J. Trala

Granville F. Hogg, Jr.

The meeting was called to order by the Chairman.

County Administrator's Report – FY 2016 County Budget:

Ms. Katherine H. Nunez, the County Administrator, provided a background report on the County's Transient Occupancy Tax and how the resulting revenues must be spent according to the Code of Virginia and County ordinance. Mr. Trala stated that we are contributing almost twice what Accomack County is and he does not think this is fair. Mr. LeMond responded that we are not contributing twice what Accomack County is, but we are paying more.

With respect to the FY 2016 County Budget, Ms. Nunez reminded the Board that we are starting with a (\$135,288) deficit and proceeded to list items that may affect that balance and requested the Board's consensus on each as follows:

\$76,076 – EMS Vehicle. It was the consensus of the Board to remove this item from the proposed budget.

\$1,000 – Increase in EMS revenue as a result of billing rate change. It was the consensus of the Board to include this increased revenue in the proposed budget.

\$22,000 – Cost to implement twice a year tax billing. It was the consensus of the Board to remove this expenditure from the budget and to direct staff to advertise a public hearing for the repeal of the existing ordinance which implemented twice a year tax billing. Said public hearing will be conducted at the April work session.

\$49,353 – Personnel Reduction. It was the consensus of the Board that this personnel reduction be included in the proposed budget.

With these adjustments, the County side of the FY 2016 budget was showing a \$13,141 surplus.

Mr. Bennett stated that he was in favor of a tax increase if a portion of it could be set aside for school construction.

Mr. Hogg stated that he would like to make adjustments to the Elderly & Handicapped Exemption ordinance. The County Administrator indicated that there were two elements of the ordinance which could be changed: the income threshold and the maximum exemption amount. The deadline for applications relative to the income threshold has already passed and any changes made by the Board to that element of the ordinance would not take effect until 2016. If the Board chooses to make adjustments to the maximum exemption amount, that could be effective this year or next year if the Board so chooses. The Board made no decision as to moving this ordinance out to public hearing.

With regard to the proposed FY 2016 School Budget, the County Administrator said that the Board had indicated that it was inclined to fund the \$322,706 which represents continuation of last year's salary adjustment as well as the requested salary adjustment for FY 2016. She put forth several items for the Board's consideration from the county's side of the budget to attempt to address the deficit, as outlined below:

\$26,000 – painting of the Courthouse. It was the consensus of the Board to remove this expenditure from the proposed FY 2016 budget.

\$45,000 – roof replacement at the County Administration building. It was the consensus of the Board to keep this expenditure in the proposed budget.

\$10,200 – roof repair at the transfer station. It was the consensus of the Board to keep this expenditure in the proposed budget.

\$81,620 – purchase of two Sheriff's vehicles. It was the consensus of the Board to keep this expenditure in the proposed budget.

\$13,141 – this is the surplus from the county's side of the budget which can be applied to the school deficit. It was noted that further personnel reductions would be needed on the county's side if no tax increase is approved by the Board.

After all of the above adjustments have been made, it left a school funding deficit of (\$283,565). This represents about 1 ½ cents of real estate tax increase. Mr. LeMond indicated that he was agreeable with this tax increase.

It was the consensus of the Board that a five-cent increase in the personal property tax rate from \$3.85 to \$3.90 per \$100 of assessed value would be agreeable as well as the elimination of one additional county position (from full-time to part-time). It was further the consensus of the Board to fund the remaining school funding deficit by approving an increase in the real estate tax rate of about one penny.

Mr. Bennett reiterated his earlier comments that he would support a tax increase if it was for school construction purposes. Mr. Trala said that he was in favor of cutting both roof repair expenditures. Following some discussion, it was the consensus of the Board to pay for the \$45,000 County Administration roof repair out of the General Fund's Undesignated Fund

Balance.

Ms. Nunez reiterated that the Board was placing a heavy burden on the County's side of the budget operations in order to support the school raises.

Mr. Hogg said that he supported funding for school salaries, maintenance and transportation and thought that too much was being proposed for technology, noting that there was a 20% increase in proposed Technology funding from 2014 to 2016.

The County Administrator stated that she felt the Board was indicating its desire that the School Board look at alternatives in how technology funding is being handled but was still in favor of the \$322,706 increase in school funding, which would specifically result in an increase in the real estate tax rate of .77 of one cent.

Adjourn

Motion was made by Mr. Bennett, seconded by Mr. LeMond, that the meeting be adjourned. All members were present and voted "yes." The motion was unanimously passed.

The meeting was recessed.

\_\_\_\_\_ CHAIRMAN

\_\_\_\_\_ COUNTY ADMINISTRATOR