

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 12th day of March, 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:

Finance Director Leslie Lewis discussed with the Board a revised tracking sheet relative to the FY 2016 budget, which reflected modifications made by the Board at the March 4th meeting as well as newly-received state budget figures. This tracking sheet is shown below:

FY 2016 (7/1/2015 - 6/30/2016)
RECOMMENDATION BY COUNTY ADMINISTRATOR AND FINANCE DIRECTOR
TO BALANCE THE FY16 BUDGET
RUNNING TRACKING SHEET as of February 27, 2015 and Amended March 4, 2015

UNLAPPORTED ISSUES	DEPT #	DESCRIPTION	REVENUE	EXPENSES	RUNNING BALANCE
CHANGES PROPOSED PURSUANT TO 3-4-15 BOS BUDGET MEETING					
Issue #1 - 3 FMS new positions	100-0011-40000-2015 100-3205-1-Salary Accounts	REMOVE FROM BUDGET REQUEST: (REVENUE) - Increase Real Estate Tax Rate to fund 3 new FMS positions - <i>this was 4,225 cents</i> REMOVE FROM BUDGET REQUEST: (EXPENDITURE) - 3 NEW BASS POST JOBS	65,125.00		(412,400.00)
	100-0011-40000-2015 100-4600-56950-910-0044-48000-910-0000-5655	REMOVE FROM BUDGET REQUEST: (REVENUE) - Increase Real Estate Tax Rate to fund the School's Requested Increase - <i>this was 2,800 cents</i> REMOVE FROM BUDGET REQUEST: (EXPENDITURE) - School's Request for Increased Contribution	182,901.12	(127,757.00)	(856,117.00)
Issue #2 - Nebank Increase Request	100-3600-56950-910-0044-48000-910-0000-5655	ADD TO BUDGET REQUEST: (EXPENDITURE) - Provide increase to school contribution to fund the FY 15 Pay Raise [177,323] and the FY 16 Step Increase [3212,906], raised upon request from Supervisor. Requested to see this consideration.		(3,500,119.00)	(80,109)
Issue #3 - Increase Tipping Fee Rate	100-0011-40000-2015 40750-150-0010-41750-100-3016-41423	ADD TO BUDGET REQUEST: (REVENUE) - Increase Real Estate Tax Rate to fund the BOS proposed increase to the school contribution - <i>this equals 1,9796 cents</i>	5,590,428.00		\$0.00
Issue #4 - Add BPOI Program	100-0012-10000	ADD TO BUDGET REQUEST: (REVENUE) - increase Solid Waste Tipping Fee from \$0.50 to \$ 0.60/ton	47,567.00		\$47,567.00
Issue #5 - Increase the Personal Property Tax Rate by 5 cents	100-0011-00000-2015	ADD TO BUDGET REQUEST: (REVENUE) - Increase the Personal Property Tax Rate from \$2.82 to \$3.30(277)			\$8,247.00

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VEHICLE IDENTIFIED IN YEARS	DEPT #	DESCRIPTION	REVENUE	EXPENSES	RUNNING BALANCE
Issue #6 - Lease/ Finance of Capital Items vs. Outright Purchase	100-0043-47040	REMOVE FROM BUDGET REQUEST: REVENUE - Lease proceeds for 4 capital outlay items (2 Sherrill Vehicles; EMS Durango; Bldg Truck; Solid Waste Tractor)	(\$1,160,000)		(\$110,643.30)
	100-9900-58950; 100-9900-59020; 100-9900-59050	REMOVE FROM BUDGET REQUEST: DEBT - Year One of Three Year Lease/Purchase Payment for 4 capital outlay items (2 Sheriff Vehicles; EMS Durango; Bldg Truck; Solid Waste Tractor)		(\$25,950,000)	(\$25,083,600)
	100-3205-55650	REMOVE FROM BUDGET REQUEST: EMS CAPITAL OUTLAY - Replace the Durango Quick Response Vehicle		(\$48,940,000)	\$13,257.00
	100-3401-56650	REMOVE FROM BUDGET REQUEST: BUILDING CAPITAL OUTLAY - Request for replacement truck		(\$25,500,000)	\$38,757.00
	100-4204-58700	REMOVE FROM BUDGET REQUEST: SOLID WASTE CAPITAL OUTLAY - Request for tractor		(\$35,000,000)	\$73,757.00
Issue #7 - Amend EMS Vehicle Requests	100-0126-41150	REMOVE FROM BUDGET REQUEST: REVENUE - Possible Grant Revenue from Mesquite Support Assistance Fund for EMS Contained Vehicle; if grant is not received, then the expense will be removed from the budget.	(\$96,350,000)		(\$25,513,300)
	100-3205-58650	REMOVE FROM BUDGET REQUEST: EXPENDITURE ; EMS Contained Vehicle		\$ (99,500,000)	\$73,757.00
	100-3205-58650	Add EMS Request Vehicle Request (Combined) (Note: Response/Incident Support Vehicle - as discussed by EMS Director/Carpetier at the meeting)		\$ 56,076.99	(\$9,119.60)

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VEHICLE EMPLOYED IN KWIS	DEPT.	DESCRIPTION	REVENUE	EXPENSES	RUNNING BALANCE
		Are there any revenue and/or expenditure changes as a result of the State Budget Agreement reached on 2/27/15?			(62,310,000)
		Sales Tax - State Projection released - it is lower than our projection.	(516,539,100)		(578,849,100)
		Recordation Tax - State Projection released - it is lower than our projection	153,882,000		(424,967,100)
		Compensation Board Revenue Projected Released - Sheriff & Jail	3,271,527,000		2,846,560,000
		Based on State Budget, provide a 2% COLA for All Sheriff & Jail employees effective 9/1/2015		(177,427,266)	2,669,132,734
		Compensation Board Revenue Projected Released - Correctional/Probation Attorney	516,487,100		3,185,619,834
		Based on State Budget, provide a 2% COLA for All Correctional/Probation Attorney effective 9/1/2015		(56,638,144)	3,128,981,690

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VERIFY DETAILED INCOME Issue #8	DEPT #	DESCRIPTION	REVENUE	EXPENSES	RUNNING BALANCE
		Compensation Board Revenue Projected Released - Clerk of Court Based on State Budget, provide a 2% COLA for All Clerks for Court employees, effective 9/1/2015	413,859.00		328,117.60
		Compensation Board Revenue Projected Released - Treasurer Based on State Budget, provide a 2% COLA for All Treasurer employees, effective 9/1/2015	82,286.00	(\$4,562.36)	323,555.24
		Compensation Board Revenue Projected Released - Commissioner of Revenue Based on State Budget, provide a 2% COLA for All Commissioners of Revenue employees, effective 9/1/2015	311,557.00	(\$3,658.60)	823,296.64
		Compensation Board Revenue Projected Released - Jail Per Diem	85,188.00	(\$3,026.30)	831,777.14
					836,915.34
		2% add to all other County employees and included above in Compensation Board Projections		(\$3,659.06)	(\$36,745.72)

Mrs. Lewis also discussed the following chart which reflects the amount of real estate tax increase which would be needed in order to fund the various requests:

<u>Real Estate Tax Rate Increase as of 2/27/2015</u>	<u>Amount of Revenue Needed</u>	<u>Value of Tax Increase</u>
1. Starting Revenue Deficit	\$242,192.00	0.012280
2. Fund School's Requested Increase	\$560,117.00	0.028399
3. Fund 3 New EMS Positions	\$122,752.00	0.006224
TOTAL INCREASE AS OF 2/27/2015	\$925,061.00	0.046903

<u>Real Estate Tax Rate Increase as of 3/4/2015</u>		
1. Remove School's Full Request	(\$560,117.00)	(\$0.028399)
2. Fund Partial School Increase of the 2 Salary Increase Items	\$322,706.00	\$0.016362
3. Remove 3 New EMS Positions	(\$122,752.00)	(\$0.006224)
NEW TOTAL INCREASE AS OF 3/4/2015	\$564,898.00	\$0.028641
Offset by Compensation Board Revenue and 2% COLA	(\$36,915.34)	(\$0.001872)
Offset by additional expense of 2% COLA for BOS employees	\$36,743.72	\$0.001863
NEW TOTAL INCREASE AS OF 3/12/15	\$564,898.00	\$0.02864

EXISTING REAL ESTATE TAX RATE	67.28 cents
Proposed Increase	2.864
Proposed Real Estate Tax Rate	70.144

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Mr. Hogg said that he had done some research on the central office staff numbers as provided by Superintendent Lawrence at the last meeting. The Board recognized the Superintendent who offered clarifications to Mr. Hogg's comments.

Mr. Hogg referenced his earlier comments that the traffic fine revenue not be used to balance the budget due to the instability of that revenue stream. He continued by suggesting that the Board therefore include an additional \$560,000 for unforeseen circumstances, but the other four Board members indicated that they did not support such suggestion.

Mrs. Lewis informed the Board of the "IDA Fund", a new fund being added to the budget, which showed revenues and expenditures totaling \$17,325.

Given the fact that the Board may decrease the tax rate following the public hearing but not increase it, motion was made by Mr. LeMond, seconded by Mr. Hubbard, that the Board advertise for public hearing a real estate tax rate increase of \$0.0469 cents per \$100 of assessed value (current rate \$0.6728 cents per \$100 value). Mr. LeMond and Mr. Hubbard voted "yes"; Mr. Hogg, Mr. Trala and Mr. Bennett voted "no." The motion failed.

Mr. Bennett questioned what could be done to help the County's elderly citizens. The Board recognized Mrs. Anne Sayers, Commissioner of the Revenue, who suggested that the Board could raise the \$400 cap currently in place under the Elderly & Handicapped Tax Exemption Ordinance.

Motion was made by Mr. Trala, seconded by Mr. Bennett, that the Board advertise for public hearing a real estate tax increase of \$0.028 cents per \$100 of assessed value (current rate \$0.6728 cents per \$100 value). Mr. LeMond stated that the proposed tax rate was too low and would not provide the Board with any leeway. At this point, a compromise tax rate increase of

\$0.036 cents per \$100 of assessed value (current rate \$0.6728 cents per \$100 value), was put forth and Mr. Bennett and Mr. Trala agreed to the motion's amendment. Mr. Hogg stated that the public is paying the bill and he would like to have the leeway to make any adjustments as recommended by the public therefor. Mr. Hubbard, Mr. Trala and Mr. Bennett voted "yes"; Mr. LeMond and Mr. Hogg voted "no." The motion was passed.

As noted in the spreadsheet, the tax rate for personal property, currently set at \$3.85 per \$100 of assessed value, will be advertised at \$3.90 per \$100 of assessed value. No changes were suggested by the Board for the remaining tax classifications.

Recess

Motion was made by Mr. LeMond, seconded by Mr. Trala, that the meeting be recessed to 5:00 p.m., Monday, March 23, 2015, in the Board Room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, in order to conduct the regular work session. All members were present and voted "yes." The motion was unanimously passed.

The meeting was recessed.

_____ CHAIRMAN

_____ COUNTY ADMINISTRATOR