



**County of Prince Edward
Board of Supervisors
Agenda Summary**

Meeting Date: November 17, 2009
Item No: 24
Department: County Administrator
Staff Contact: Wade Bartlett
Issue: County Administrator's Report-Addendum

Summary: In September the Governor issued his FY10 Budget reduction Plan to address a \$1.35 billion shortfall in revenues for the current fiscal year. I have been in contact with the Schools and they have indicated they can take actions necessary to adjust their budget to absorb the \$243,000 in revenue reductions they have to take.

The majority of the revenue reductions in the General Fund involve the Constitutional Offices and the Registrar/Electoral Board. Some state departments are still determining how they will absorb their reductions. Thus, there could be additional revenue reductions but these will be minor. The total reduction in those areas mentioned is \$126,093 and is allocated as such – Treasurer = \$6,141; Commissioner of Revenue = \$5,232; Clerk of Circuit Court = 23,356; Commonwealth's Attorney = \$25,638; Sheriff = \$60,671; and Registrar/Electoral Board = \$5,055.

Our major revenue sources are the real estate and personal property tax. After discussion with Mrs. Booth concerning the assessed values on the tax bills, I am confident our budgeted amounts in those categories are conservative and our collections will exceed our budgeted amounts. Our next largest revenue source is the Local Sales Tax. This tax has decreased due to the economy but it appears collections should equal our budget.

Currently, I am holding one position vacant and plan to do so into the foreseeable future. This will save approximately \$33,000 if left open for the remainder of the Fiscal Year. The Commonwealth Attorney had a locally funded position vacant for approximately 3 months which produced a saving of approximately \$7,000.

After deducting the \$40,000 in savings from the state budget reductions leaves an unfunded reduction of \$86,093.

The auditors recently completed their field work and while there will be minor adjustments before the final audit is ready for release the estimate of the combined fund balance for all funds is approximately \$9.5 million at the end of June 2009.

Attachments: None

Recommendation: I recommend the Board take no action to adjust the budget at this time. But authorize the County Administrator to advise the Constitutional Officers and Department Heads of the reductions and request they make every effort to under expend their approved budget. This item will be revisited in January.

Motion _____	Fore _____	Gilfillan _____	Jones _____
Second _____	McKay _____	Moore _____	Simpson _____
	Ward _____	Wiley _____	