

March 28, 2017

At the special meeting of the Board of Supervisors of Prince Edward County, held at the Court House, thereof, on Tuesday, the 28th day of March, 2017; at 5:30 p.m., there were present:

Pattie Cooper-Jones

Calvin L. Gray

Robert M. Jones

Odessa H. Pride

Howard F. Simpson

C. Robert Timmons, Jr.

Jerry R. Townsend

Jim R. Wilck

Also present: Wade Bartlett, County Administrator.

Chairman Jones called the special meeting to order for the County Administrator's Budget Presentation.

In Re: FY 18 Budget Presentation

Mr. Wade Bartlett, County Administrator, presented his "Prince Edward County Budget: Facing the Financial Challenge, Serving the Citizens." Mr. Bartlett touched on several highlights.

Mr. Bartlett proposed the hiring of two part-time positions in General Properties to assist in maintaining County facilities.

Mr. Bartlett reviewed challenges facing the County, including Piedmont Regional Jail costs of \$1.2 million. He stated the Sheriff is requesting three new vehicles and the CAD reporting is necessary as the former vendor went out of business and the program is unsupported. Mr. Bartlett stated the County will need to purchase new voting machines due to a State mandate and replace office equipment in several offices in the Courthouse. Mr. Bartlett stated the 2% pay increase for employees is not contingent upon revenues for the State. The School Board is requesting an additional \$316,996, and renovations are necessary to the animal shelter and the Courthouse, both of which the costs are unknown.

Mr. Bartlett then reviewed savings accomplished over the past few years.

Mr. Bartlett then presented the budget overview and said the total combined budget will contain a 2.2% increase, approximately \$1.2 million. He said almost all of that is contained in the School Fund (\$750,000) and the General Fund (\$350,000). He said there is no proposed tax increase; tax rates will remain the same. He said the most of the net local costs of Constitutional Officers and the Registrar are decreasing.

Mr. Bartlett reviewed the history of local funding of the School System. Chairman Jones clarified that some decreases were from reductions in debt service and not a decrease in funds to the Schools.

Mr. Bartlett reviewed the General Fund Revenues and Expenditures for FY2018.

Mr. Bartlett then presented his FY18 County Budget Letter to the Board of Supervisors. He said input from the Board, the Community Development Committee, the Properties Committee and the Finance Committee all provided direction in the creation of this budget. He stated the total fund balance will decrease by \$311,000 in FY17, leaving the County with about \$10 million in its total combined Fund Balance. Four funds are either legally restricted or restricted as a practice of the Board: these include the Forfeited Assets Fund, the Piedmont Court Services Fund, the Landfill Construction Fund, and School Cafeteria Fund. The County spends about 42% of its cash from the end of June through September or October, depending on when the Property Tax tickets are mailed out. The two major renovation projects that are not contained in the budget will cause a dip in the Fund Balance. The Animal Control Shelter should be a quick project. He said the Courthouse renovation could be over \$2 million; the architectural firm hasn't yet been hired and we have no final scope of work. This could decrease the County's cash reserve as low as \$2.6 million. That won't happen, though, since the Courthouse construction will take approximately 18 months and payments will be made along the way. The Fund balance will be lower than normal but still will be significant enough to handle most emergencies. Mr. Bartlett said revenues are expected to exceed the budget by about \$440,000; Real Estate, Personal Property, the Public Service Corporation, fines collected from the Sheriff's At Will Program, and the recordation collections are all expected to exceed the budget. He said it is expected the County will collect an additional \$155,000 in State funds to support the Child Services Act (CSA); these revenues will be almost completely expended for the program. He stated there are savings in both the Planning and Economic Development funds of approximately \$45,000 each due to vacant positions. Mr. Bartlett said the Piedmont Regional Jail will see a savings of approximately \$100,000 due to the number of

inmates. The transfer to the VPA Welfare Fund will be about \$101,000 less than budget, mainly because the State has increased the percentage that they fund for Pass Through Funds which are used for different programs at the end of the year and administrative costs. Mr. Bartlett said the County's legal expenses are increased because this is the first year of transition from using the Commonwealth's Attorney to private attorneys. He said the Sheriff's expenses are increased due to the part-time and At Will Overtime Program, which is offset by the revenues which were greatly increased; he added the part-time increases are due to the Regional Jail not having sufficient personnel to transfer prisoners, and overtime costs are also increased which are associated with the Vice-Presidential debate.

Mr. Bartlett stated the FY18 budget is holding expenses in check. He said \$10,000 placed in the Planning and Community Development Department last year to pay for officers to oversee an additional work crew is still contained in the budget; he recommended all but three outside organizations receive level funding as in FY17, as follows:

- Pamplin Community Center - \$0 because they did not request funds
- Piedmont Senior Resources - \$6,328, an increase of \$4,328 to allow them to receive matching funds
- Virso Rec Community Center - \$0

Mr. Bartlett stated the increase in the funding to Piedmont Senior Resources will allow them to receive matching funds from the Department of Aging and Rehabilitative Services, which will be used to develop a program called "No Wrong Door." Piedmont Senior Resources will be the lead agency for the implementation of "No Wrong Door," a software program that will link all service organizations and provide faster referrals for citizens in need, and will allow the organizations to see how much the particular client is receiving from each service organization.

Mr. Bartlett then said the Board of Supervisors approved funding of the Virso Recreation and Community Center for FY16 and FY17, but provided no recommendation for FY 18; as such, he did not recommend funding for FY18.

Mr. Bartlett recommended \$8,440,984 in local funds be provided to the Prince Edward County Schools, an increase of \$123,802 or 1.5%. The School will receive significantly greater funding from the State for the FY18 budget. The State increase, added to our local increase, will put the School budget at

approximately \$25.7 million, which is an increase of approximately \$749,000, or 3%. He said except for the Social Services budget, whose costs are mandated, no other fund will experience that type of increase.

Mr. Bartlett said the County's health insurance costs will increase by 5%, or \$40,000, if we go with Local Choice; Workers Comp costs will also increase but the amount is not yet known.

Mr. Bartlett recommended a 2% salary increase for all County employees be included in the budget; it will take effect August 1, the same date the General Assembly proposes to implement for the "Local Employees that are State Funded," or Constitutional Officers. He said this will cost the County approximately \$103,000. He recommended the hiring of two part-time workers to help maintain facilities, at a cost of approximately \$22,000.

Mr. Bartlett then said three organizations are now controlled by Longwood University: The Small Business Development Center, the Longwood Center for Visual Arts, and Moton Museum. He recommended providing \$2,000 to the Center for Visual Arts to allow them to obtain a match from the State. He said Longwood now owns the Museum and hold title to the land and the building; they took over the responsibility of the USDA loans.

Supervisor Timmons said the Board set a cap on donations at \$150,000 for all outside agencies; he suggested a review of each group during a work session.

In Re: Local Choice Health Insurance

Mr. Bartlett reviewed the termination letter for Local Choice; he said the Finance Committee has been researching self-insurance but in order to comply with Code of Virginia regulations, this letter must be sent to notify Local Choice 90 days prior to termination of coverage. He said this letter is not final and may be withdrawn if the Board decides to not approve self-insurance. Mr. Bartlett said the Finance Committee will meet Thursday for further consideration.

Discussion followed on an overview of savings and benefits to the County for self-funding of the insurance. Supervisor Timmons stated the County would fund the insurance; the coverage would be managed by Anthem who would still manage all claims, and the employees would see no change. He said the County would pay the insurance company a management fee and the County would buy the catastrophic insurance to cover large claims.

After further discussion, Supervisor Timmons made a motion, seconded by Supervisor Cooper-Jones, to authorize the County Administrator to sign and send the Termination Letter to The Local Choice Program, with the right to rescind the termination prior to June 1, 2017; the motion carried:

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| Aye: | Pattie Cooper-Jones | Nay: None |
| | Calvin L. Gray | |
| | Robert M. Jones | |
| | Odessa H. Pride | |
| | Howard F. Simpson | |
| | C. Robert Timmons, Jr. | |
| | Jerry R. Townsend | |
| | Jim R. Wilck | |

On motion of Supervisor Timmons, seconded by Supervisor Gray, and adopted by the following vote:

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|------|------------------------|-----------|
| Aye: | Pattie Cooper-Jones | Nay: None |
| | Calvin L. Gray | |
| | Robert M. Jones | |
| | Odessa H. Pride | |
| | Howard F. Simpson | |
| | C. Robert Timmons, Jr. | |
| | Jerry R. Townsend | |
| | Jim R. Wilck | |

the meeting was recessed at 6:20 p.m. until Thursday, March 30, 2017 at 2:00 p.m. for a work session to be held in the Board of Supervisors Room.