

April 30, 2013

At a special meeting of the Board of Supervisors of Prince Edward County, held at the Court House, thereof, on Tuesday, the 30th day of April, 2013; at 3:00 p.m., there were present:

Howard M. Campbell

Pattie Cooper-Jones

William G. Fore, Jr.

Don C. Gantt, Jr.

Robert M. Jones

Charles W. McKay

Howard F. Simpson

Jim R. Wilck

Also present: Wade Bartlett, County Administrator.

Chairman Fore called the reconvened meeting to order at 3:00 p.m. stating its purpose is a work session on the Prince Edward County School Budget and the County Budget.

In Re: Approval of FY 14 School Budget

Chairman Fore stated:

With the Board's consent, I would like to open our meeting today with a few thoughts that I think recap the results of our budget work sessions and summarize this Board's effort to draft a County budget that best serves the needs of all of our citizens. Since January this Board has met nine times. Two of those nine were with the School Board, to discuss the School FY14 Budget.

The budget schedule set by the Board calls for the approval of the County budget this afternoon. Doing so keeps our historic timeline of approving a school budget by May 1, which enables the School Board to make its decisions for the coming school year.

At the start of the budget process the Board provided the County Administrator only two very broad guidelines to follow. First, if at all possible do not increase tax rates and second,

maintain service levels to county citizens. We felt that the economy was still weak and many of our residents simply cannot afford to pay any more in local taxes.

As the economy has slowly improved; so have state and local revenues. For the first time in several years, the state did not make cuts to funds they provide to Prince Edward County. In fact, the state is providing additional funds. But the additional funding is not nearly enough to offset the other cuts we have experienced or the costs the state has pushed from its budget down to ours.

Some of the increased funding provided by the state actually increased County costs instead of reducing it. For example, the state provided funds to increase the state approved salary of employees in the constitutional offices by 3%. The total increase provided to Prince Edward for this salary increase is approximately \$45,000. But to implement a 3% across the board increase for the employees of the constitutional offices, actually costs \$86,000 of which Prince Edward County pays \$41,000. The same concept applies to the Schools. The state provided funding to increase salaries of SOQ positions by 2%. But to provide such a raise across-the-board, as the School Board desires, increase Prince Edward County's cost by almost \$131,000.

To help offset the loss in state and federal revenues over the last few years the School Board requested the Board of Supervisors provide almost \$1.4 million in additional local funding. This amount would have required a real estate tax increase of nine cents. Our citizens simply cannot afford that kind of increase and we, as a Board, declined to provide that amount.

But the Board is ready to provide an additional \$240,148 above level funding. This amount will allow the School Board to provide a 2% across-the-board raise, pay for a 5.8% increase in the cost of health insurance and provide the local match required to hire a mandated early reading specialist. That will bring the amount of local funds provided to the schools to \$8,346,800. To bring that into perspective, for the FY14 budget, it is projected we will collect \$6,582,002 in real estate taxes. This fact plainly shows that education is still the number one priority in the County budget.

The single largest change in the FY14 budget compared to previous years involves funding for the regional jail, which is a brand new expense. We have been fortunate that in the past Prince Edward has not had to provide tax dollars for the operation of the jail. The loss in state revenues coupled with a loss in revenues from two Counties when they built their own jail resulted in the Jail losing over \$2 million in revenues. The result is a new cost of \$700,000 for the citizens of Prince Edward. This was the single greatest challenge in this year's budget.

To follow the Board's direction, Mr. Bartlett presented us with a proposed budget that provided level funding for the Schools and most of the non-profit agencies. His budget did contain cuts in many county departments and in some cases to a few of the non-profit agencies to which we provide funding. There was no proposed tax increase. It was made clear to the Board that the budget presented, if approved, would mean the County would start next year's budget process with a deficit of approximately \$525,000. That was deemed acceptable because of a combination of a healthy fund balance and the almost certain prospect that the Quarry would start operation bringing in new revenues. Additionally, there appears to be a reasonable chance that the final cost of the Jail to the County would be less than the amount budgeted.

During the budget work session process, the Board has indicated it desires to return most of the recommended reductions to the non-profit agencies and some of the reductions in departmental budgets. The budget resolution before you today includes an additional \$469,181 in expenses from the budget initially presented to the Board.

We have discussed these issues much. There is hope that several items that are in a state of flux at this time, such as the Jail and the Quarry will either increase revenues or decrease expenses. It is anticipated that those items added to what appears to be a growing economy and growing local revenues will help overcome this deficit.

With that said, I will first entertain a motion for the adoption of the FY 14 Prince Edward County School Budget.

Supervisor Wilck made a motion, seconded by Supervisor Simpson, that the FY 14 Prince Edward County School Budget be approved as follows:

School Fund – The total for the School Fund is \$25,097,135, of which \$8,346,800 is local revenue as a transfer from the County General Fund.

School Cafeteria Fund – The total for the School Cafeteria Fund is \$1,181,676, of which \$0.00 is local revenue as a transfer from the County General Fund.

This provides for an overall FY 14 Prince Edward County School Budget in the amount of \$26,278,811.

The motion carried unanimously:

Aye:	Howard M. Campbell Pattie Cooper-Jones William G. Fore, Jr. Don C. Gantt, Jr. Robert M. Jones Charles W. McKay Howard F. Simpson Jim R. Wilck	Nay: None
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In Re: Resolution to Approve FY14 Prince Edward County Budget

Supervisor McKay made a motion to approve the Resolution to Approve the FY 14 Prince Edward County Budget; the motion carried:

Aye:	Pattie Cooper-Jones William G. Fore, Jr. Robert M. Jones Charles W. McKay Howard F. Simpson Jim R. Wilck	Nay: Howard M. Campbell Don C. Gantt, Jr.
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A Resolution to Approve the FY 14 Prince Edward County Budget

WHEREAS, it is the responsibility of the Prince Edward County Board of Supervisors to approve and control the fiscal plan for the County of Prince Edward, Virginia for Fiscal Year 2014 (FY 14); and

WHEREAS, on March 26, 2013 the County Administrator submitted to the Board of Supervisors the Proposed FY 14 Budget; and

WHEREAS, the Board of Supervisors has conducted a total of nine meetings / work sessions on the FY 14 County Budget; and

WHEREAS, the Board of Supervisors has received citizen input on the proposed budget and proposed tax rates at a Public Hearing, duly advertised and held April 22, 2013; and

WHEREAS, it is the intent of the Board of Supervisors that departments and agencies shall adhere to the budgeted funds in accordance with departmental budgets presented by the County Administrator and amended by the Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Prince Edward, that the FY 14 Budget for Prince Edward County of \$53,874,191 is hereby approved and effective July 1, 2013.

In Re: Approval of An Ordinance to Impose Tax Levies for Calendar Year 2013

Supervisor Simpson made a motion to approve the Ordinance to Impose Tax Levies for Calendar Year 2013; the motion carried:

Aye:	Howard M. Campbell Pattie Cooper-Jones William G. Fore, Jr. Don C. Gantt, Jr. Robert M. Jones Charles W. McKay Howard F. Simpson Jim R. Wilck	Nay: None
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An Ordinance to Impose Tax Levies For Calendar Year 2013

Whereas, the Board of Supervisors establishes the levies for the County of Prince Edward, Virginia; and

Whereas, for the calendar year 2013 beginning January 1, 2013 and ending December 31, 2013, the Prince Edward County Board of Supervisors has duly advertised and held a public hearing on the subject tax levies;

Now, Therefore, Be it Resolved, by the Board of Supervisors of the County of Prince Edward, Virginia, that the following tax levies be, and they hereby are, imposed for the calendar year 2013:

Levy	Nominal Tax Rate (per \$100 of assessed valuation)	Value Used for Assessment Purposes	Effective Tax Rate (per \$100 of assessed valuation)
Real Estate	\$0.42	Fair Market Value	\$0.42
Mobile Homes	\$0.42	Fair Market Value	\$0.42
Merchant's Capital	\$0.70	100% of Original Cost	\$0.70

Tangible Personal Property – Motor Vehicles	\$4.50	N.A.D.A. Guide, Loan Value	\$4.50
Tangible Personal Property – Business Furniture & Fixtures	\$4.50	20% of Original Cost	\$0.90
Tangible Personal Property – Heavy Equipment	\$4.50	20% of Original Cost	\$0.90
Machinery & Tools	\$4.20	10% of Original Cost	\$0.42
Farm Machinery & Equipment	\$0.00	----	\$0.00

In Re: Request from Fire Departments

Supervisor Simpson made a motion to review the Fire Department’s request for a 10% increase at the December 2013 Board meeting for possible inclusion in the budget at that time; the motion carried:

Aye: Pattie Cooper-Jones
William G. Fore, Jr.
Don C. Gantt, Jr.
Robert M. Jones
Charles W. McKay
Howard F. Simpson
Jim R. Wilck

Nay: None

Abstain: Howard M. Campbell

In Re: Certification of STEPS to Provide Services in Prince Edward County

Mr. Bartlett stated the Department of Housing and Community Development (DHCD) is attempting to locate a non-profit organization to serve our region to provide homeless related services. The Emergency Solutions Grant for which STEPS is applying provides funds to assist citizens when emergency housing issues arise. Prince Edward County has not had an organization providing such services for the past year.

Mr. Bartlett said STEPS will partner with Madeline’s House in the provision of Shelter Services. There are neither funding match responsibilities for Prince Edward County nor any administrative requirements. There is no cost to the County.

Supervisor Cooper-Jones made a motion to approve the request from STEPS to act on behalf of Prince Edward County in the provision of Rapid Re-housing, Prevention, and Shelter Services, and to authorize the Chairman or County Administrator to sign the certification form; the motion carried unanimously:

Aye:	Howard M. Campbell Pattie Cooper-Jones William G. Fore, Jr. Don C. Gantt, Jr. Robert M. Jones Charles W. McKay Howard F. Simpson Jim R. Wilck	Nay: None
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On motion of Supervisor Cooper-Jones and adopted by the following vote:

Aye:	Howard M. Campbell Pattie Cooper-Jones William G. Fore, Jr. Don C. Gantt, Jr. Robert M. Jones Charles W. McKay Howard F. Simpson Jim R. Wilck	Nay: None
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the meeting was adjourned at 3:25 p.m.