

January 29, 2015

At the reconvened meeting of the Board of Supervisors of Prince Edward County, held at the Court House, thereof, on Thursday, the 29<sup>th</sup> day of January, 2015; at 9:00 a.m., there were present:

Calvin L. Gray

Robert M. Jones

Charles W. McKay

Howard F. Simpson

C. Robert Timmons, Jr.

Jerry R. Townsend

Jim R. Wilck

Absent: Pattie Cooper-Jones

Also present: Wade Bartlett, County Administrator; Sarah Elam Puckett, Assistant County Administrator; Sharon Lee Carney, Director of Economic Development; and Brian Butler, Deputy County Attorney.

Chairman Simpson called the meeting to order.

In Re: Property Transfer to VDOT

Mr. Brian Butler, Deputy County Attorney, stated the Attorneys for the County and the Industrial Development Authority have been working with the Attorney General's office for some months to complete the real estate transaction between the IDA and VDOT. Mr. Ennis, County Attorney, advises there are two more steps for the Board of Supervisors to take in order to facilitate the property sale: 1) Approve the revised Deed of Gift between the County and the IDA and authorize the Chairman to execute it on behalf of the Board of Supervisors; and 2) Approve the Waiver of the Industrial Park Covenants Resolution and authorize the Chairman to execute it on behalf of the Board of Supervisors. Mr. Butler added VDOT will not take a property subject to covenants.

Supervisor Jones made a motion, seconded by Supervisor Timmons, to approve the revised Deed of Gift between the County and the IDA and authorize the Chairman to execute it on behalf of the Board of Supervisors.

This deed is exempt from the payment of recordation taxes by virtue of § 58.1-811(A)(3) of the Code of Virginia, from the payment of a grantor's tax by virtue of § 58.1-811(C)(4) of said Code, and from the payment of any clerk's fee by virtue of § 17.1-266 of said Code.

Prepared by the Office of the Attorney General of Virginia in  
Conjunction with the Industrial Development Authority of  
Prince Edward County

Tax Map Reference No. 37-6-12; No. 51-10-5; No. 37-6-7A; No. 37-6-7B

**DEED OF GIFT**

**THIS DEED OF GIFT**, dated January 13, 2015, is by and between **PRINCE EDWARD COUNTY, VIRGINIA**, Grantor, and the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY**, Grantee, whose address is Post Office Box 625, Farmville, Virginia, 23901.

**WITNESSETH:**

WHEREAS, by instrument dated August 5, 2009 and recorded in the Clerk's Office of the Circuit Court of Prince Edward County, Virginia as Instrument No. 200901862 (Slide A 376 #2) (the "2009 Instrument"), Prince Edward County, Virginia intended to convey the hereinafter described real estate to the Industrial Development Authority of Prince Edward County; and

WHEREAS, the 2009 Instrument did not effect a conveyance of the hereinafter described real estate because it listed as grantee the Prince Edward County Industrial Development Authority, which is not the name of an existing entity; and

WHEREAS, Prince Edward County, Virginia wishes to convey the hereinafter described property to the Industrial Development Authority of Prince Edward County,

**NOW, THEREFORE**, for no monetary consideration, as a gift only, Prince Edward County, Virginia does hereby **GRANT** and **CONVEY** with **SPECIAL WARRANTY OF TITLE** unto the Industrial Development Authority of Prince Edward County, the following described real estate, to-wit:

**PARCEL 1: ALL THAT CERTAIN TRACT** or parcel of land, lying and being in Farmville Magisterial District, Prince Edward County, Virginia, containing 16.035 acres, more or less, designated as "New Lot 12" on a plat of survey by J. Adam Bryant, L.S., of Hurt and Proffitt, Inc., dated December 1, 2008, and recorded with the 2009 Instrument (Slide A 376 #2) a copy of which is attached hereto and made a part hereof as Exhibit A.

Reference is hereby made to said plat of record for a more particular metes and bounds description as contained in said plat, the description contained herein by reference as if same were textually herein contained.

**IT BEING** a portion of the same property conveyed to Prince Edward County, Virginia, by deed dated September 14, 1993, and recorded in the Clerk's Office of the Circuit Court of Prince Edward County, Virginia in Deed Book 281, page 553.

**TAX MAP IDENTIFICATION:** Parcel No. 37-6-12  
Previously Part of Parcel No. 37-5-1

**PARCEL 2: ALL THAT CERTAIN TRACT** or parcel of land lying and being in Farmville Magisterial District, Prince Edward County, Virginia, containing 11.382 acres, more or less, designated as "New Lot 10" on a plat of survey by J. Adam Bryant, L.S., of Hurt and Proffitt, Inc., dated December 1, 2008, and recorded with the 2009 Instrument (Slide A 376 #2) a copy of which is attached hereto and made a part hereof as Exhibit A. Reference is hereby made to said plat of record for a more particular metes and bounds description as contained in said plat, the description contained herein by reference as if same were textually herein contained.

**IT BEING** a portion of the same property conveyed to Prince Edward County, Virginia, by deed dated September 14, 1993, and recorded in the Clerk's Office of the Circuit Court of Prince Edward County, Virginia in Deed Book 281, page 553.

**TAX MAP IDENTIFICATION:** Parcel No. 51-10-5  
Previously Part of Parcel No. 37-5-1

**PARCEL 3: ALL THAT CERTAIN TRACT** or parcel of land lying and being in Farmville Magisterial District, Prince Edward County, Virginia, containing 9.541 acres, more or less, designated as "New Lot 7" on a plat of survey by J. Adam Bryant, L.S., of Hurt and Proffitt, Inc., dated December 1, 2008, and recorded with the 2009 Instrument (Slide A 376 #2) a copy of which is attached hereto and made a part hereof as Exhibit A. Reference is hereby made to said plat of record for a particular metes and bounds description as contained in said plat, the description contained herein by reference as if same were textually herein contained.

**IT BEING** a portion of the same property conveyed to Prince Edward County, Virginia, by deed dated September 14, 1993, and recorded in the Clerk's Office of the Circuit Court of Prince Edward County, Virginia in Deed Book 281, page 553.

**TAX MAP IDENTIFICATION:** Current Parcel Nos. 37-6-7A and 37-6-7B  
Previously Parcel No. 37-6-7

The plat of survey by J. Adam Bryant, L.S., of Hurt and Proffitt, Inc., dated December 1, 2008, a copy of which is attached hereto as Exhibit A, was recorded as part of the 2009 Instrument (See Slide A 376 #2).

The herein described property is subject to those Protective Covenants, Conditions and Restrictions for the Prince Edward County Industrial Park, a copy of which is recorded in the aforesaid Clerk's Office in Deed Book 370, page 634.

This conveyance is made by Grantor under Section 15.2-1800 of the Code of Virginia (1950), as amended, and pursuant to a notice of public hearing published in The Farmville Herald on April 25, 2008 and May 2, 2008, a copy of which is attached hereto and made a part hereof as Exhibit B, and pursuant to Resolution of the Board of Supervisors of Prince Edward County, Virginia dated May 13, 2008, a copy of which is attached hereto and made a part hereof as Exhibit C, by which Resolution the Board of Supervisors of Prince Edward County, Virginia authorized the conveyance of the property described above and the execution of this Deed of Gift by its Chairman.

No presumption shall be created in favor of or against any of the parties to this Deed of Gift, or in favor of or against the Commonwealth of Virginia if it becomes a successor in interest to any portion of the title to the above-described property, with respect to the interpretation of any term or provision of this Deed of Gift due to the fact that this Deed of Gift, or any part hereof, was prepared by or on behalf of one of the parties hereto, or by or on behalf of the Commonwealth, as may be evidenced by the disclosure on the face of this instrument made pursuant to Virginia Code § 17.1-223.

The motion carried:

Aye:	Calvin L. Gray	Nay: None
	Robert M. Jones	
	Charles W. McKay	
	Howard F. Simpson	
	C. Robert Timmons, Jr.	
	Jerry R. Townsend	
	Jim R. Wilck	
Absent:	Pattie Cooper-Jones	

Supervisor Jones made a motion, seconded by Supervisor Timmons, to approve the Waiver of the Industrial Park Covenants Resolution and authorize the Chairman to execute it on behalf of the Board of Supervisors.

**Prepared by** James R. Ennis, Esquire  
111 South Street, 3<sup>rd</sup> Floor  
Farmville, VA 23901

**A Resolution of the Board of Supervisors  
Of the County of Prince Edward, Virginia**

**INDUSTRIAL PARK COVENANTS**

WHEREAS, the Industrial Development Authority of Prince Edward County has entered into a real estate purchase agreement dated February 4, 2014 with the Commonwealth of Virginia, Department of Transportation (“VDOT”) for VDOT’s purchase of 16.035 acres (current Tax Map # 037-6-12) located in Farmville Magisterial District, Prince Edward County, Virginia and identified as “New Lot 12 P.O. Original TM #37-5-1” on a plat dated December 1, 2008, prepared by Hurt & Proffitt and recorded in the Clerk’s Office of the Circuit Court of Prince Edward County, Virginia as Instrument Number 200901862 at Slide A-376, #2 (the “Parcel”), which real estate purchase agreement was amended by amendment dated September 9, 2014; and

WHEREAS, the aforesaid Parcel is subject to certain Protective Covenants, Conditions and Restrictions for the Prince Edward County Industrial Park as set forth in instrument dated March 18, 2002 and recorded on May 1, 2002 in the aforesaid Clerk’s Office in Deed Book 370, at page 634 (the “Covenants”); and

WHEREAS, the Commonwealth of Virginia, Department of Transportation is unable to take title to property that is subject to the Covenants; and

WHEREAS, according to the terms of the aforesaid real estate purchase agreement, as amended, the Board of Supervisors of Prince Edward County, Virginia must waive the applicability of the Covenants with respect to the Parcel for so long as the Parcel, or to the extent any portion thereof, is owned by the Commonwealth of Virginia; and

WHEREAS, the Covenants provide, in part, that “[t]he right is hereby expressly reserved by the Board of Supervisors of Prince Edward County to waive, modify, alter or amend all or any part of these covenants, conditions and restrictions from time to time as circumstances justify”;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Prince Edward, Virginia that the applicability of the Protective Covenants, Conditions and Restrictions for the Prince Edward County Industrial Park as set forth in instrument dated March 18, 2002 and recorded on May 1, 2002 in the aforesaid Clerk’s Office in Deed Book 370, at page 634, is hereby irrevocably waived and suspended with respect to the Parcel for so long as the Parcel, or to the extent any portion thereof, is owned by the Commonwealth of Virginia; and that the Chairman of the Board of Supervisors of Prince Edward County, Virginia be empowered and authorized to execute such further documents as may be required to effect this resolution.

The motion carried:

Aye:	Calvin L. Gray	Nay:	None
	Robert M. Jones		
	Charles W. McKay		
	Howard F. Simpson		
	C. Robert Timmons, Jr.		
	Jerry R. Townsend		
	Jim R. Wilck		
Absent:	Pattie Cooper-Jones		

In Re: Closed Session

Supervisor McKay made a motion, seconded by Supervisor Townsend, that the Board convene in Closed Session to discuss the disposition of publicly-held real property in the Prince Edward County Industrial Park, pursuant to the exemption provided for in Section 2.2-3711(A)(3) of the *Code of Virginia*; the motion carried:

Aye:	Calvin L. Gray Robert M. Jones Charles W. McKay Howard F. Simpson C. Robert Timmons, Jr. Jerry R. Townsend Jim R. Wilck	Nay: None
Absent:	Pattie Cooper-Jones	

The Board returned to regular session by motion of Supervisor Jones, seconded by Supervisor Timmons, and adopted as follows:

Aye:	Calvin L. Gray Robert M. Jones Charles W. McKay Howard F. Simpson C. Robert Timmons, Jr. Jerry R. Townsend Jim R. Wilck	Nay: None
Absent:	Pattie Cooper-Jones	

On motion of Supervisor Jones and seconded by Supervisor Timmons and carried by the following roll call vote:

Aye:	Calvin L. Gray Robert M. Jones Charles W. McKay Howard F. Simpson C. Robert Timmons, Jr. Jerry R. Townsend Jim R. Wilck	Nay: None
Absent:	Pattie Cooper-Jones	

the following Certification of Closed Meeting was adopted in accordance with the Virginia Freedom of Information Act:

WHEREAS, the Prince Edward County Board of Supervisors convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the *Code of Virginia* requires a certification by this Board of Supervisors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Prince Edward County Board of Supervisors hereby certifies that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Prince Edward County Board of Supervisors.

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

Aye:	Calvin L. Gray	Nay: None
	Robert M. Jones	
	Charles W. McKay	
	Howard F. Simpson	
	C. Robert Timmons, Jr.	
	Jerry R. Townsend	
	Jim R. Wilck	
Absent:	Pattie Cooper-Jones	

the meeting was recessed at 9:58 a.m. until 10:45 a.m.

Chairman Simpson reconvened the meeting of the Board of Supervisors Thursday, January 29, 2015 at 10:45 a.m.

Chairman Simpson appointed members to the Industrial Park Project Committee, comprising Supervisor Timmons (Chair), Supervisor Townsend, and Supervisor Wilck.

In Re: Discussion of FY16 County Budget

Mr. Bartlett presented his Budget Overview to the Board of Supervisors:

*This memo is provided for informational purposes to provide information regarding the impact various state funding reductions and mandates have had on the County and how those actions will impact the development of the FY16 budget. Additionally, I will attempt to outline various constraints that exist when attempting to reduce expenses in the County's General Fund budget. The amounts contained in the*

*attached spreadsheet are derived from the initial budget for the current fiscal year (FY15) as approved by the Board of Supervisors.*

#### *IMPACT OF STATE ACTIONS*

*When the economic downturn hit the nation and the state, the result was a decrease in revenues at all levels of government and at the same time, an increase in expenses, mainly associated with unemployment and various social service programs such as food stamps. The Commonwealth of Virginia responded to that fiscal shock by reducing state expenditures. The largest category of state expenditures are the funds the state provides local governments. This includes funding for schools, constitutional offices, jails and social services to name a few.*

*The General Assembly has reduced funding in every one of those categories plus others. Additionally, the General Assembly has shifted some expenses that have always been a state responsibility down to local governments while at the same time, imposing new mandates on localities, many of which have new expenses associated with them. Finally, the General Assembly has taken several actions the last several years that reduced revenues the state could collect. This exacerbated the trend to reduce funds provided to local governments and push state expenses down to the local level.*

*These actions on the part of the General Assembly have caused most local governments to either reduce expenses, especially to schools, or increase revenues and most often to do both. Prince Edward is no exception. Due to the presence of Longwood University, Hampden-Sydney College and the Hospital, our local economy is more stable than most but we are still faced with challenges. The Board of Supervisors has provided additional funding to the schools to help offset these state cuts but it has only been a fraction of the reduction. This has caused the schools to cut programs and reduce the number of employees, to include teachers, administrators and classified employees.*

*Outside of the reduction in funding for education, the single largest financial impact to Prince Edward County has been the reduction in the per diem the state pays localities to house prisoners. Prior to the economic downturn, that amount was \$28 per inmate day. Today that amount is \$12 per inmate day. That equates to a loss of approximately \$2.4 million in revenues to the regional jail. Prince Edward's share of that is \$960,000. That revenue loss is a primary but not the only reason for the challenge we face with the regional jail.*

## BUDGET OVERVIEW

*The single greatest challenge for the VY16 budget will once again be finding a method of funding the jail without raising revenues or reducing services to our citizens. The Jail Board has not begun their budget process and there are several factors that will affect the final jail budget that are not known at this time – possible increase in the per diem amount, possible elimination of a recovery cost charge by the state and increases in number of inmates from other localities – but assuming a worst case scenario it appears at the time we will need to budget approximately \$1,400,000 for the Regional Jail. This is an increase of \$700,000 from the FY15 original budget. The FY15 budget was balanced by the transfer of \$664,286 from the IDA. This money was derived from the sale of land to and the use of \$90,190 from the fund balance, changing the employee health insurance plan, reducing funding to most charitable organizations, reducing almost every departmental budget and increasing the real estate tax rate by five (5) cents.*

*Few, if any, offsets exist in the current budget since it was reduced by the Board of Supervisors after a careful review by the Finance Committee. After deducting the offsets mentioned above, we will start the budget process with about a \$750,000 hole to fill.*

*While not an easy choice, when local governments must fill a budget shortfall, it involves only two simple decisions – raise revenues or cut expenses which often means decreasing service levels for the citizens and funding for schools and/or other organizations. As stated above, most local governments have increased revenues in recent years in order to continue to provide services to their citizens and ensure the educational effort is not reduced. For local governments such as Prince Edward County, whose elected leaders have always been very conservative and have consistently funded mandated services at a minimal level and only funded essential services demanded by the citizens, the ability to reduce expenses is limited. The following section will explain some of the limitations.*

*Combined together, costs in the General Fund that can be classified as either mandated, fixed or a core function, total \$19,249,207 or 89.3% of the entire General Fund budget. Assuming the funding of the schools, refuse collection/disposal, volunteer fire departments and rescue squads are core functions that are to be level funded, only \$2,309,462 or 10.7% of the budget would be classified as discretionary expenses available for reduction. These discretionary expenses fund the following departments – Board of Supervisors, County Administrator, Legal Services, Information Technology Biosolids, General Properties,*

*Sandy River Reservoir, Cannery, and all contributions to outside organizations, Library, Town of Farmville, Economic Development, Tourism, Soil & Water District, Cooperative Extension, and Capital Projects. Much of the effort of these discretionary departments is to provide assistance/service to the mandated departments which cannot be eliminated (payroll, accounting, legal, IT, etc.) or provide help and service to our citizens. For a significant amount of the “discretionary expenses” to be eliminated, there would have to be a significant reduction, and in some cases, the elimination of services afforded our citizens (cannery, library, etc.). Assuming revenues will be held steady for the next budget year, any increase in funding for the Schools or increases in other expenses such as retirement, insurance and costs of operating the regional jail must be funded by either reducing the discretionary costs or using cash reserves.*

#### **MANDATES / STATE REQUIREMENTS**

*As can be seen in the attached spreadsheet, the five constitutional offices have a combined expense of slightly more than \$4 million or 18.6% of the General Fund budget. The Board of Supervisors does have a limited ability to control the cost of the constitutional offices. But to reduce expenses in these offices would require actions that would greatly reduce the ability of the offices to serve the citizens of Prince Edward County or have a profoundly negative impact on the employees of these offices. The County must hire the number of employees mandated by the state compensation board and pay, at a minimum, the salary dictated by the state. Additionally, the County supplements the state approved salary of almost every position in the constitutional offices. The Board could cease funding the additional positions and cease providing a local supplement to the state reimbursed salary for the employees in the constitutional offices.*

*Removing the additional positions may actually decrease the amount of revenue collected, would impact the ability of each office to serve the public and could actually increase County costs. The removal of the position shared by the Treasurer and the Commissioner of Revenue would decrease the amount of time the office of the Treasurer could devote to the collection of delinquent taxes which would reduce the amount of revenue actually collected. Removing the salary supplement provided by the County would decrease the salary of almost all employees in these offices, causing a decrease in morale and an incentive*

*to seek employment elsewhere. If the turnover increases, the expense to train new employees will increase and productivity will be reduced.*

*The cost of items identified as "Other Judicial Expenses" are \$1,592,155 and represent only 7.4% of the General Fund budget. Most of that amount (\$1,400,000) is the cost of the regional jail contained in the original FY15 budget. The County only pays approximately one-third of the cost of the Circuit Court because the other two counties in the circuit reimburse Prince Edward County. The introduction of another judge will alter this funding dynamic but at this time, I do not know what that impact will be. The Victim Witness program is funded by a grant that covers approximately 81% of the cost of this program. The cost of the Jail and Juvenile Detention are driven by the number of inmates and the amount of funds provided by the state. Both of these institutions are regional and controlled by their own boards. The County has almost no ability to control the costs of these two programs except through actions of the two boards.*

*Costs listed in the category of "Health & Welfare" are driven by state mandates and represent \$1,604,586 or 7.4% of the General Fund budget. The state reimburses the County for much of the cost of the CSA program. The County's cost for CSA is approximately \$200,000 and is mandated by the state and the Board has little ability to reduce this amount. The cost shown for Social Services is only the local cost and is also mandated by the state with little or no ability for the Board to control.*

*Items listed in the category labeled "State Required Functions" are mandated by the state, the County must provide these functions. These costs are \$585,453 and are only 2.7% of the General Fund budget. The county receives approximately \$41,000 from the state for the operation of the registrar and the electoral board. The Board does have a limited ability to control the costs associated with these mandates. But to do so would also result in a decreased service level for the citizens and possibly additional training cost to the County and a possible leveling by the state of various fines for not meeting various state requirements. While there is a requirement to operate an animal control function, Prince Edward County could reduce the manpower and thus cost of that department. But to do so would require the appeal of the running at large ordinance because the County would not have the manpower to enforce the ordinance.*

### CORE FUNCTIONS / FIXED COSTS

*I determined the items to list as Core functions based on actions and statements by the current and past Boards. The Board of Supervisors has complete control over the costs associated with the Volunteer Fire Departments (VFD), Rescue Squads and Refuse collection/disposal. These three functions cost \$1,871,515 or 8.7% of the General fund.*

*The Board could cease funding all the VFD and rescue squads with local revenues. To do so will place the entire funding burden on the members of the VFD and Rescue Squads if those services were to continue to be available for the citizens of Prince Edward County. The Board could divest itself of the refuse collection and disposal duties by turning this operation over to a private for-profit firm. But the County cannot divest itself from the liability associated with the existing landfill. If the Board decided to stop providing funding for these services, the result would be a decreased level of service and/or a considerable increase in cost for the citizens and businesses of the County.*

*The category labeled "Fixed Cost/Contracts" totals \$1,237,573 or 5.70% of the General Fund. The majority of these costs are the existing debt payments. The Board just recently refinanced some of the debt, thus there is a limited ability to reduce these costs.*

### SCHOOL FUNDING

*On Tuesday, you heard the outlook for School funding. The Governor's proposed budget shows a decline in state funding of almost \$540,000, mainly driven by a decrease in enrollment. If the County does not cover that funding reduction, the School Board will have to make many tough choices. The School presented additional funding needs totaling \$1,028,900. Almost 92% of that amount is derived from a 2% salary increase (\$371,980), a request to fund nine kindergarten classroom aides (\$270,000) and the purchase of three buses (\$300,000).*

*Over the last several years, the Board of Supervisors has worked hard to increase the level of local dollars provided for education. In Fiscal Year 2006, the County provided \$6.6 million for Education. For the last several years, this amount has been increased almost \$1.7 million or 26% to a total of \$8.3 million this fiscal year. The largest increase occurred in the Fiscal Year 2008 budget when the local funds provided to the schools was increased approximately \$1 million.*

Based on Table 15 of the Superintendent's Annual Report with the last fiscal year reported as 2013, only 21 Counties spend more per pupil for operations than in Prince Edward County, while 72 spend less. This total includes local, state and federal dollars. In FY13, the amount of local funds for operations provided by Prince Edward County on a per pupil basis exceeded that of all of our surrounding counties. These facts display the support the Board of Supervisors has provided the Schools in an effort to overcome state funding reductions and increased costs. An effort that will become increasingly difficult to continue.

Finally, the County's six year reassessment will be implemented for FY16. Indications are real estate assessments will decrease which will require a rate increase to equalize the revenue.

<b>MANDATES/STATE REQUIREMENT</b>		<b>CORE FUNCTIONS/FIXED</b>	
<b>ITEM</b>	<b>FY15 BUDGET</b>	<b>ITEM</b>	<b>FY15 BUDGET</b>
Constitutional Offices		SAFETY	
Commissioner of Revenue	288,519	VFD	529,600
Treasurer	345,248	Rescue	90,000
Clerk of Circuit Court	502,547		
Commonwealth Attorney	631,472		
Sheriff	1,873,720		
Sheriff - Courts	369,619		
Subtotal	4,011,125	Subtotal	619,600
Other Judicial Expenses		FIXED COSTS/CONTRACTS	
Circuit Court	51,914	Debt	895,698
General District Court	9,150	Utilities	221,700
Magistrate	3,700	Insurance	29,357
Law Library	6,300	Audit	42,988
Victim witness	61,091	Telecommunications	27,830
Jail/Juvenile Detention	1,460,000	Software Maint Agreements	20,000
Subtotal	1,592,155	Subtotal	1,237,573

Health & Welfare		CORE FUNCTIONS	
E-911	5,000	Schools	8,346,800
Health Department	169,643	Refuse	1,251,915
CSA	851,000		
Social Services (local cost)	578,943		
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Subtotal	1,604,586	Subtotal	9,598,715
State Required Functions			
Electoral Board	28,495	\$ .01 on Real Estate Tax rate = \$ 157,000	
Registrar	98,774		
State Forester	12,040	\$ .01 on Personal Property = \$ 10,000	
Line of Duty	19,000		
Building official	99,502		
Animal Control	133,159		
Reassessment	-		
Planning	194,483		
<hr/>			
Subtotal	585,453		
<b>Total Mandates</b>	<b>7,793,319</b>	<b>Total Core Functions/Fixed</b>	<b>11,455,888</b>

**GRAND TOTAL = \$19,249,207**

**FY 15 INITIAL GENERAL FUND BUDGET = \$21,558,669**

Note: Tax estimates based on FY15 assessments, will be adjusted when reassessment is complete

The Board discussed the costs and funding to the Jail, the Cannery, and the reassessment, and how these will affect the County budget.

Mr. Bartlett stated the population of the Jail is approximately 40% Prince Edward County inmates; there are over 100 Federal prisoners. Other counties, such as Powhatan and Culpeper, pay for their inmates to be housed at the regional jail. Mr. Bartlett stated that if the County received the state funding that it used to receive; it would be about one-third of the cost.

Supervisor Jones questioned how the state property values will affect the budget; Mr. Bartlett stated High Bridge Trail State Park is valued at \$2.8 million, but it will not help solve this year's budget.

Supervisor Jones then asked about the VDOT headquarters to be built; Mr. Bartlett stated the assessment from that will be added once the project is mostly complete, most likely next year.

Supervisor Gray questioned the impact the quarry and the concrete plant will have. Mr. Bartlett stated it will have very little impact this tax year. He added Luck Stone has been reluctant to specify the amount of equipment they will have, but it is estimated at \$60,000-\$80,000, and the land value will increase once it begins operating as a quarry.

Supervisor Gray then asked how the [natural gas] pipeline will affect the County's taxes. Mr. Bartlett stated it will be about \$150,000 a year, beginning in 2018; construction won't begin until 2016.

Supervisor Timmons requested the budget draft be provided with the detail and historical information as has been done in the past. He said once that is in draft form, the Board can add the value of the reassessment and the Finance Committee will call a meeting.

Mr. Bartlett asked for any further guidance from the Board. He added this year's budget will be a challenge.

Supervisor Gray questioned the interest earned in the bank accounts; Mr. Bartlett stated that not much was earned. The interest rate is currently 0.85%. Mr. Bartlett added the VRS rate will stay the same, hopefully health insurance will decrease, and that it is anticipated the fuel costs will decrease based on the decrease in the price of oil.

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

Aye:	Calvin L. Gray	Nay: None
	Robert M. Jones	
	Charles W. McKay	
	Howard F. Simpson	
	C. Robert Timmons, Jr.	
	Jerry R. Townsend	
	Jim R. Wilck	
Absent:	Pattie Cooper-Jones	

the meeting was recessed at 11:28 a.m. until Tuesday, February 10, 2015 at 5:00 p.m. for the Six-Year Plan Work Session with VDOT.