



County of Prince Edward

Proposed 2021 Tax Rates and FY2021-2022 Budget

Public Hearings

April 20, 2021



Tax Rate and Budget Public Hearing

- » April 20: 7:00 pm - Tax levy hearing for Real Estate Levy, EMS Levy, and Poplar Hill CDA Levy

- » April 20: 7:30 pm – Public hearing on the budget and tax rates

- » April 27: 7:00 pm - Consideration of the Budget
 - Pursuant to Section §15.2-2506 of the Code of Virginia, the Board has to wait 7 days prior to adoption of the budget.



Budget Preparation

PUBLIC HEARING NOTICE
COUNTY AND SCHOOL BUDGET AND TAX LEVELS
FOR THE FISCAL YEAR COMMENCING JULY 1, 2021
COUNTY OF PRINCE EDWARD, VIRGINIA

The Board of Supervisors of the County of Prince Edward will hold a public hearing on the proposed County and School Budget for the fiscal year commencing July 1, 2021. The Board of Supervisors will also consider the proposed County and School Tax Levels for the fiscal year commencing July 1, 2021. The Board of Supervisors will also consider the proposed County and School Budget for the fiscal year commencing July 1, 2021. The Board of Supervisors will also consider the proposed County and School Tax Levels for the fiscal year commencing July 1, 2021.

GENERAL FUND

Administrative Services	500,000	Administrative Services	500,000
Information Technology	1,000,000	Information Technology	1,000,000
Public Works	2,000,000	Public Works	2,000,000
Police Department	3,000,000	Police Department	3,000,000
Fire Department	4,000,000	Fire Department	4,000,000
Public Safety	5,000,000	Public Safety	5,000,000
Public Health	6,000,000	Public Health	6,000,000
Public Works	7,000,000	Public Works	7,000,000
Public Safety	8,000,000	Public Safety	8,000,000
Public Health	9,000,000	Public Health	9,000,000
Public Works	10,000,000	Public Works	10,000,000
Public Safety	11,000,000	Public Safety	11,000,000
Public Health	12,000,000	Public Health	12,000,000
Public Works	13,000,000	Public Works	13,000,000
Public Safety	14,000,000	Public Safety	14,000,000
Public Health	15,000,000	Public Health	15,000,000
Public Works	16,000,000	Public Works	16,000,000
Public Safety	17,000,000	Public Safety	17,000,000
Public Health	18,000,000	Public Health	18,000,000
Public Works	19,000,000	Public Works	19,000,000
Public Safety	20,000,000	Public Safety	20,000,000
Public Health	21,000,000	Public Health	21,000,000
Public Works	22,000,000	Public Works	22,000,000
Public Safety	23,000,000	Public Safety	23,000,000
Public Health	24,000,000	Public Health	24,000,000
Public Works	25,000,000	Public Works	25,000,000
Public Safety	26,000,000	Public Safety	26,000,000
Public Health	27,000,000	Public Health	27,000,000
Public Works	28,000,000	Public Works	28,000,000
Public Safety	29,000,000	Public Safety	29,000,000
Public Health	30,000,000	Public Health	30,000,000
Public Works	31,000,000	Public Works	31,000,000
Public Safety	32,000,000	Public Safety	32,000,000
Public Health	33,000,000	Public Health	33,000,000
Public Works	34,000,000	Public Works	34,000,000
Public Safety	35,000,000	Public Safety	35,000,000
Public Health	36,000,000	Public Health	36,000,000
Public Works	37,000,000	Public Works	37,000,000
Public Safety	38,000,000	Public Safety	38,000,000
Public Health	39,000,000	Public Health	39,000,000
Public Works	40,000,000	Public Works	40,000,000
Public Safety	41,000,000	Public Safety	41,000,000
Public Health	42,000,000	Public Health	42,000,000
Public Works	43,000,000	Public Works	43,000,000
Public Safety	44,000,000	Public Safety	44,000,000
Public Health	45,000,000	Public Health	45,000,000
Public Works	46,000,000	Public Works	46,000,000
Public Safety	47,000,000	Public Safety	47,000,000
Public Health	48,000,000	Public Health	48,000,000
Public Works	49,000,000	Public Works	49,000,000
Public Safety	50,000,000	Public Safety	50,000,000
Public Health	51,000,000	Public Health	51,000,000
Public Works	52,000,000	Public Works	52,000,000
Public Safety	53,000,000	Public Safety	53,000,000
Public Health	54,000,000	Public Health	54,000,000
Public Works	55,000,000	Public Works	55,000,000
Public Safety	56,000,000	Public Safety	56,000,000
Public Health	57,000,000	Public Health	57,000,000
Public Works	58,000,000	Public Works	58,000,000
Public Safety	59,000,000	Public Safety	59,000,000
Public Health	60,000,000	Public Health	60,000,000
Public Works	61,000,000	Public Works	61,000,000
Public Safety	62,000,000	Public Safety	62,000,000
Public Health	63,000,000	Public Health	63,000,000
Public Works	64,000,000	Public Works	64,000,000
Public Safety	65,000,000	Public Safety	65,000,000
Public Health	66,000,000	Public Health	66,000,000
Public Works	67,000,000	Public Works	67,000,000
Public Safety	68,000,000	Public Safety	68,000,000
Public Health	69,000,000	Public Health	69,000,000
Public Works	70,000,000	Public Works	70,000,000
Public Safety	71,000,000	Public Safety	71,000,000
Public Health	72,000,000	Public Health	72,000,000
Public Works	73,000,000	Public Works	73,000,000
Public Safety	74,000,000	Public Safety	74,000,000
Public Health	75,000,000	Public Health	75,000,000
Public Works	76,000,000	Public Works	76,000,000
Public Safety	77,000,000	Public Safety	77,000,000
Public Health	78,000,000	Public Health	78,000,000
Public Works	79,000,000	Public Works	79,000,000
Public Safety	80,000,000	Public Safety	80,000,000
Public Health	81,000,000	Public Health	81,000,000
Public Works	82,000,000	Public Works	82,000,000
Public Safety	83,000,000	Public Safety	83,000,000
Public Health	84,000,000	Public Health	84,000,000
Public Works	85,000,000	Public Works	85,000,000
Public Safety	86,000,000	Public Safety	86,000,000
Public Health	87,000,000	Public Health	87,000,000
Public Works	88,000,000	Public Works	88,000,000
Public Safety	89,000,000	Public Safety	89,000,000
Public Health	90,000,000	Public Health	90,000,000
Public Works	91,000,000	Public Works	91,000,000
Public Safety	92,000,000	Public Safety	92,000,000
Public Health	93,000,000	Public Health	93,000,000
Public Works	94,000,000	Public Works	94,000,000
Public Safety	95,000,000	Public Safety	95,000,000
Public Health	96,000,000	Public Health	96,000,000
Public Works	97,000,000	Public Works	97,000,000
Public Safety	98,000,000	Public Safety	98,000,000
Public Health	99,000,000	Public Health	99,000,000
Public Works	100,000,000	Public Works	100,000,000

PROPOSED TAX RATES

Use Category	Rate	Rate	Rate
Use Category	Rate	Rate	Rate
Residential	0.0010	0.0010	0.0010
Commercial	0.0020	0.0020	0.0020
Industrial	0.0030	0.0030	0.0030
Public Works	0.0040	0.0040	0.0040
Public Safety	0.0050	0.0050	0.0050
Public Health	0.0060	0.0060	0.0060
Public Works	0.0070	0.0070	0.0070
Public Safety	0.0080	0.0080	0.0080
Public Health	0.0090	0.0090	0.0090
Public Works	0.0100	0.0100	0.0100
Public Safety	0.0110	0.0110	0.0110
Public Health	0.0120	0.0120	0.0120
Public Works	0.0130	0.0130	0.0130
Public Safety	0.0140	0.0140	0.0140
Public Health	0.0150	0.0150	0.0150
Public Works	0.0160	0.0160	0.0160
Public Safety	0.0170	0.0170	0.0170
Public Health	0.0180	0.0180	0.0180
Public Works	0.0190	0.0190	0.0190
Public Safety	0.0200	0.0200	0.0200
Public Health	0.0210	0.0210	0.0210
Public Works	0.0220	0.0220	0.0220
Public Safety	0.0230	0.0230	0.0230
Public Health	0.0240	0.0240	0.0240
Public Works	0.0250	0.0250	0.0250
Public Safety	0.0260	0.0260	0.0260
Public Health	0.0270	0.0270	0.0270
Public Works	0.0280	0.0280	0.0280
Public Safety	0.0290	0.0290	0.0290
Public Health	0.0300	0.0300	0.0300
Public Works	0.0310	0.0310	0.0310
Public Safety	0.0320	0.0320	0.0320
Public Health	0.0330	0.0330	0.0330
Public Works	0.0340	0.0340	0.0340
Public Safety	0.0350	0.0350	0.0350
Public Health	0.0360	0.0360	0.0360
Public Works	0.0370	0.0370	0.0370
Public Safety	0.0380	0.0380	0.0380
Public Health	0.0390	0.0390	0.0390
Public Works	0.0400	0.0400	0.0400
Public Safety	0.0410	0.0410	0.0410
Public Health	0.0420	0.0420	0.0420
Public Works	0.0430	0.0430	0.0430
Public Safety	0.0440	0.0440	0.0440
Public Health	0.0450	0.0450	0.0450
Public Works	0.0460	0.0460	0.0460
Public Safety	0.0470	0.0470	0.0470
Public Health	0.0480	0.0480	0.0480
Public Works	0.0490	0.0490	0.0490
Public Safety	0.0500	0.0500	0.0500

BY ORDER OF THE BOARD OF SUPERVISORS
PRINCE EDWARD COUNTY, VIRGINIA
 Douglas P. Stanley, County Administrator

Planning

- » The Board of Supervisors and staff have been working on the proposed budget since December 2020.
- » The Board has held seven meetings/work sessions to work specifically on the budget.

Transparency

- » The proposed budget has been advertised in *The Farmville Herald* and is available for public inspection on the County's website and in the County Administration office.





Budget Highlights

TOTAL BUDGET: PROPOSED INCREASE OF 7.98%

- » 2020 Budget: \$58,735,393
- » 2021 Proposed Budget: \$63,426,043
- » Increase of \$4,690,650 (7.98%)

REVENUE: PROJECTED LOCAL REVENUE INCREASE: 14.88%

- » Increase in total Local Revenue from \$19,002,086 to \$21,830,529 (\$2,828,443)
- » Significant portion of increase (\$2,605,986) is due to proposed Real Estate tax increase and natural estimated increase in personal property tax collections

REVENUE: PROJECTED STATE REVENUE INCREASE: 3.02%

- » Increase in total State Revenue from \$4,480,485 to \$4,615,884 (\$135,399)



Budget Highlights

PROPOSED SALARY INCREASE

Effective July 1st:

5.0% Cost-of-Living Adjustment (COLA) for all positions

LOCALITY	COLA and/or Merit %
APPOMATTOX	5.00%
AMELIA	2.50%
BUCKINGHAM	5.00%
CHARLOTTE	5.00%
CUMBERLAND	5.00%
LUNENBURG	5% COLA & some merit/compression increases
NOTTOWAY	5.00% & some merit increases
PRINCE EDWARD	5.00%

Budget Highlights

SIGNIFICANT FUNDING CHANGES

- » **5% COLA for all employees (\$263,972)**
- » **Health insurance increase (\$69,018)**
 - Increase will make the County more competitive in hiring
- » **Funding for the Sandy River Reservoir Project (\$385,000)**
 - \$185,000 (Engineering)
 - \$200,000 (Construction)
- » **Capital improvement funding (\$1,400,000)**





Budget Highlights

PERSONNEL

» Additional Positions:

- Prince Edward Sheriff's Office
 - FT Court Security Position
- Administration
 - PT Receptionist

» Additional Funding:

- Elections Officials - \$28,860
- Prince Edward Sheriff's Office
 - Overtime and At-will Overtime – \$34,000
 - PESO Courts PT - \$25,494
- Prince Edward County Volunteer Rescue Squad- \$12,000

Budget Highlights

FUNDING CHANGES

- » Cannery - PT Salaries (\$32,758)
- » Planning - Professional Services (\$8,000)
- » Reassessment (\$50,000)
- » General Properties – Equipment (\$33,000)
- » Tourism PT (\$35,323)
- » Contingency Funding (\$60,265)





Capital Improvement Plan

Proposed FY 2021-2022 Budget

Capital Improvement Plan

DEVELOPMENT

- » FY 2022-2024 Capital Improvement Plan is in development
- » Anticipated completion date: Fall 2021
- » \$1.4 Million included in the draft budget for implementation of the plan

POTENTIAL PROJECTS

- » Sandy River Water System - \$30 million - \$50 million
- » Elementary School Roof/Renovation
- » Convenience Site Upgrades - \$50,000 - \$100,000 per site
- » PEVRS Station Replacement
- » Animal Shelter Replacement
- » Emergency Radio System
- » Landfill Compactor - \$800,000 - \$850,000
- » Courthouse Chiller/Pump Replacement - \$200,000 - \$250,000
- » Yak Attack Shredit Roof Repair - \$25,000 - \$50,000
- » Document Management System - \$50,000
- » Cannery Boiler Replacement - \$50,000
- » Wayfinding Signage
- » Courthouse Telephone System



Upcoming CIP Projects

SANDY RIVER RESERVOIR PERMIT RENEWAL

Surface water withdrawal permit renewal for Prince Edward County's Sandy River Reservoir.

- **VWP Individual Permit #05-1464** was issued on September 7, 2006 and expires on September 7, 2021.
- This permit renewal will enable the County to **construct and operate a long-planned water supply system.**
- **The system will:**
 - Provide a safe, reliable, and economically viable supply of water
 - Serve Prince Edward County residents and neighboring localities
 - Support Economic Development



PROPOSED WATER INTAKE SITE

Upcoming CIP Projects

ELEMENTARY SCHOOL





Upcoming CIP Projects

ELEMENTARY SCHOOL





Upcoming CIP Projects

ELEMENTARY SCHOOL





Upcoming CIP Projects

ELEMENTARY SCHOOL





Upcoming CIP Projects

CONVENIENCE SITES





Upcoming CIP Projects

CONVENIENCE SITES





Upcoming CIP Projects

PRINCE EDWARD COUNTY VOLUNTEER RESCUE SQUAD





Upcoming CIP Projects

ANIMAL SHELTER

Current facility was constructed in the 1970s and is in need of replacement





Upcoming CIP Projects

ANIMAL SHELTER





Upcoming CIP Projects

EMERGENCY RADIO STATION

- » Coverage issues with the existing system
- » Currently talking with Motorola





Upcoming CIP Projects

LANDFILL COMPACTOR

» Current Cat has 14,650 hours – 3 to 5 Years of life remaining

» Replacement cost: \$800,000-\$850,000





Upcoming CIP Projects

COURTHOUSE CHILLER

- » Current Chiller is 25 years old – installed in 1996
- » Replacement cost: \$200,000-\$250,000





Upcoming CIP Projects

YAK ATTACK ROOF

- » Current Roof is leaking in 4-5 areas
- » Replacement cost: \$25,000-\$50,000

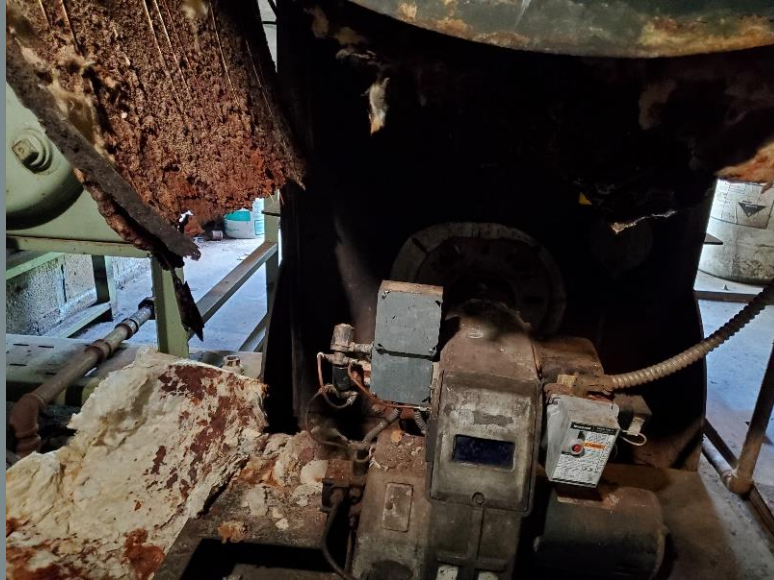




Upcoming CIP Projects

CANNERY BOILER

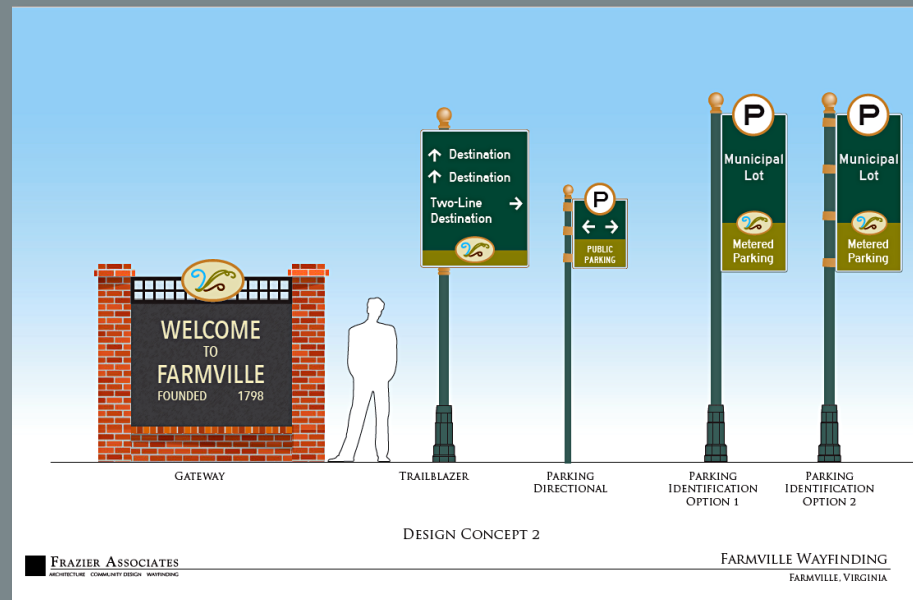
- » Current boiler was manufactured in 1972 and installed 20 years ago
- » Boiler is starting to fail and pipes need insulation wrapping (potential injury hazard)
- » Estimated cost:\$50,000



Upcoming CIP Projects

WAYFINDING SIGNAGE

- » Work with Farmville Downtown Partnership and the Town of Farmville to develop wayfinding signage system for community



Upcoming CIP Projects

COURTHOUSE TELEPHONE SYSTEM

- » Replacement of the aging telephone system in the Courthouse
- » Estimated cost of \$50,000





CIP Debt Capacity

ASSUMPTIONS

- » Value of a Penny: \$185,000
- » Borrowing Rate:
 - 20 Years: 3%
 - 25 Years: 3.5%
 - 30 Years: 4%

Prince Edward County Debt Capacity Analysis



Assumptions:

- Value of a Penny: \$185,000
- Borrowing Rate Assumptions:
 - 20 Years: 3.00%
 - 25 Years: 3.50%
 - 30 Years: 4.00%

Additional Debt Capacity at Differing Real Estate Tax Rates

Real Estate Tax Rate	Borrowing Term		
	20 Years	25 Years	30 Years
44¢	2,750,000	3,050,000	3,200,000
45¢	5,500,000	6,100,000	6,400,000
46¢	8,260,000	9,150,000	9,600,000
47¢	11,010,000	12,200,000	12,800,000
48¢	13,760,000	15,250,000	16,000,000
49¢	16,510,000	18,290,000	19,190,000
50¢	19,270,000	21,340,000	22,390,000
51¢	22,020,000	24,390,000	25,590,000



School Funding

Proposed FY 2021-2022 Budget

School Budget

SUMMARY

» Position and Cost Increases: \$605,544

- New Transition Counselor
- New Family Support Specialist
- New ELL Teacher
- ITIS to 12 Month
- 10.6% Health Insurance Premium
- Update for Finance System

» Salary Increases (5%): \$853,859

» State and Federal Funding Increases: \$941,393

Local Funding Increase Requested: \$517,010



School Budget

Requested Costs Adjustments and Requests, 2022

	Costs	Funding Source		
		CARES II	Grant	Local
<u>Position and Cost Increases:</u>				
New Transition Counselor (12 month position)	84,870	84,870		
New Family Support Specialist (12 month position)	131,391	131,391		
10.6% Health Insurance Premiums	213,600			213,600
ITIS to 12 Month (3 Positions)	77,745			77,745
ELL Teacher (1 Additional Position)	61,938			61,938
Update for Finance System	35,000			35,000
Sub-Total of Positions/ Costs	604,544	216,261		388,283
<u>Salary Increases:</u>				
Conference Approved 5% Salary Increase	853,859			
Sub-Total Positions/Costs and Salary Increases	1,458,403			
<u>State and Federal Adjustments</u>				
CARES II Funded Totals (-)	216,261			
Conference Funding Increase (-)	725,132			
Sub-Total of State and Federal adjustments	941,393			
Total Local Fund Request	\$517,010			





Revenue and Taxes

Proposed FY 2021-2022 Budget



Proposed Budget Includes the Following Tax and Fee Increases:

- » Increase of \$0.08 in the Real Estate and Mobile Home tax rates
 - Equalized rate is \$0.43 based on a 18.27% increase in assessed values (6-Year Cycle)
 - Raises the equalized rate of \$0.43 to \$0.51 per \$100 of assessed value

LOCALITY	2020 RE TAX RATE	PROPOSED 2021 RE TAX RATE
APPOMATTOX	\$0.63	\$0.63
AMELIA	\$0.51	\$0.51
BUCKINGHAM	\$0.52	\$0.52
CHARLOTTE	\$0.62	\$0.62
CUMBERLAND	\$0.77	\$0.75
LUNENBURG	\$0.38	\$0.38
NOTTOWAY	\$0.48	\$0.48
PRINCE EDWARD	\$0.51	\$0.51

Real Estate Tax Rate

“EQUALIZED RATE” EXPLAINED

There was an 18.27% increase in assessed values across the County.

- \$ of 2020 Pre-Reassessment Value
x \$0.51/\$100 Assessed Value
- Generates the Same Revenue As
- \$ of 2021 Post-Reassessment Value
x \$0.43/\$100 Assessed Value





Real Estate Tax Rate

Sample Reassessment and Tax Impact						
	2020	2020	2021	2021		
	Assessment	Tax (\$0.51)	Assessment ¹	Tax (\$0.51)	Increase	
Homeowner A	\$200,000.00	\$1,020.00	\$236,540.00	\$1,206.35	\$186.35	
Homeowner B	\$250,000.00	\$1,275.00	\$295,675.00	\$1,507.94	\$232.94	
Homeowner C	\$300,000.00	\$1,530.00	\$354,810.00	\$1,809.53	\$279.53	

¹Based on 18.27% average assessment increase

Real Estate Tax Rate

PROPOSED RATE OF \$0.51 IS A \$0.08 INCREASE OVER THE EQUALIZED RATE OF \$0.43

- » The operating budget is balanced at \$0.43
- » Each penny over \$0.43 provides approximately \$185,000 in revenue
- » \$1,400,000 has been budgeted for future capital improvements
 - We propose that any reduction from the advertised \$0.51 rate would reduce the Capital Improvements Plan budget line.





Real Estate Tax Options

2021 Proposed Tax Rate Impacts

Each \$0.01 cut = \$185,470

	0.43	0.44	0.45	0.46	0.47	0.48	0.49	0.50	0.51
Tax Rate	0.43	0.44	0.45	0.46	0.47	0.48	0.49	0.50	0.51
Required Cut	0.08	0.07	0.06	0.05	0.04	0.03	0.02	0.01	0
Potential Cuts									
Capital Improvements - 54000-0053	\$1,400,000	\$1,298,290	\$1,112,820	\$927,350	\$741,880	\$556,410	\$370,940	\$185,470	\$0
Sandy River Reservoir 94000-0003	\$83,760								
Total	\$1,483,760	\$1,298,290	\$1,112,820	\$927,350	\$741,880	\$556,410	\$370,940	\$185,470	\$0



Budget Comparison

Proposed FY 2021-2022 Budget



Overall Budget Comparison

2019 STATE COMPARATIVE REPORT ON LOCAL GOVERNMENT SPENDING

Prince Edward County compared to neighboring jurisdictions (Appomattox, Amelia, Buckingham, Charlotte, Cumberland, Lunenburg, and Nottoway)

- » Prince Edward County ranks 8th out of the 8 jurisdictions:
 - **Total Expenditures** at \$2,023.58 per capita
 - **Education Spending** (operational) at \$1,119.20 per capita
 - **Health and Welfare**
- » Prince Edward County ranks 7th out of 8:
 - General Government Administration
 - Public Works
 - Law Enforcement and Traffic Control
 - Public Library Support

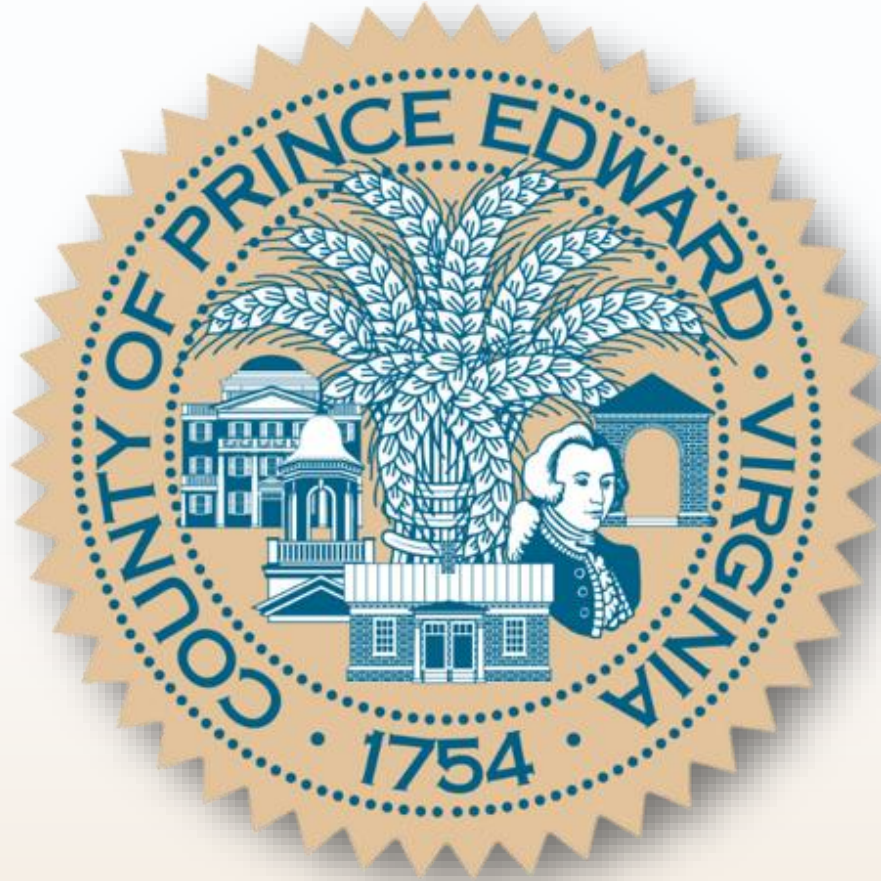


Overall Budget Comparison

2019 STATE COMPARATIVE REPORT ON LOCAL GOVERNMENT SPENDING

- » Prince Edward is below the average of adjacent localities on all categories except
 - Correction and Detention
 - Public Safety
 - Community Development

- » Based on the advertised tax rates of our neighbors, we would be the third lowest Real Estate rate at \$0.51



Questions?