

MINUTES

KING WILLIAM COUNTY

BOARD OF SUPERVISORS

WORK SESSION OF MARCH 11, 2006

AT A WORK SESSION OF THE BOARD OF SUPERVISORS OF KING WILLIAM COUNTY, VIRGINIA, HELD ON THE 11th DAY OF MARCH, 2006, AT 8:30 A.M. IN THE BOARD ROOM OF THE COUNTY ADMINISTRATION BUILDING, THE SESSION WAS CALLED TO ORDER WITH THE FOLLOWING PRESENT:

T. G. SMILEY, CHAIRMAN
O. O. WILLIAMS, VICE-CHAIRMAN
C. T. REDD III
W. F. ADAMS
E. J. RIVARA

FRANK A PLEVA, COUNTY ADMINISTRATOR
TERRI E. HALE, ASSISTANT COUNTY ADMINISTRATOR

RE: PROPOSED FY-2006-07 BUDGET – REVIEW AND APPROVAL FOR PUBLIC

HEARING

The Board of Supervisors reviewed the County Administrator's proposed County Budget for Fiscal Year 2006-07, which totals \$54,048,570. That total includes \$22,203,420 for General Fund operations, of which \$4,500,000 is for a line of credit, and \$22,024,660 for the School Fund operations. The budget proposal includes increasing the real property tax levies by \$0.05 to \$0.28 per \$100 of assessed valuation for the General Fund, by \$0.03 to \$0.67 per \$100 of assessed valuation for the School Fund and by \$0.08 to \$0.95 per \$100 of assessed valuation for the combined tax rate. No changes to the tax levies for personal property, including machinery and tools, were recommended. The staff's budget proposal contemplates the elimination of motor vehicle licenses (decals) in 2007 with a change in the

method of valuation for personal property from the minimum or average loan value to the middle or trade-in value, which would be utilized to generate revenue sufficient to offset the revenue that would be lost by the discontinuation of the sale of motor vehicle licenses. The proposed change in the method of personal property valuation was recommended by the Commissioner of the Revenue.

The County Administrator's proposed budget includes, among other things: new debt issuance (debt service payments would begin in FY08) for Phase I of the King William High School Athletic Facilities Renovations (\$1,415,370) and completion of the Courts and Public Safety Building (\$550,000); new debt service (\$52,270) for the VML/VACo Pooled Bond Program for the animal shelter, Administration Building and old jail renovations, and other miscellaneous projects; level funding of the local share of the school operating budget (\$9,325,900); a \$66,830 local funding increase for the Department of Social Services; a \$4.0% salary increase for general government employees including supplements (\$96,455); a \$146,863 increase in fringe benefits payments for the Virginia Retirement System (VRS), the VRS group life insurance and the Anthem group health insurance program; and over \$350,000 in reductions either to existing department/agency budgets or to new/increased department/agency funding requests.

Several staff members addressed the Board regarding budget-related matters including: Lewis Heath, Building Official, who requested funding of a plan reviewer position in the Building Official's Office; Ben Owen, Social Services Director, who requested additional local funding for several of his department's programs; Steve Puckett, Emergency Management Administrator, who reviewed his office's activities and budget request; Jeff Walton, Sheriff, who requested continued total local funding of seven (7) deputy positions;

Travis Longest, King William Volunteer Fire Department and Rescue Squad, who reviewed each agency's budget request; Harry Whitt, Treasurer, who discussed the elimination of motor vehicle decals, the frequency (cycle) of the general reassessment of real property in response to a question from T. G. Smiley, the collection of delinquent Business, Professional and Occupational License (BPOL) taxes, and the implementation of the Personal Property Tax Relief Act (PPTRA); and Brian Purvis, Public Works Director, who requested funding of part-time help and replacement windows in the Court Services Unit Building.

The Board then began its review of the proposed FY07 Budget, beginning with the revenue ledger. Discussion included: the staff's proposed increases to the real property tax levies; the staff's proposed change in the method of valuation of personal property; increasing the real property tax rates and reserving of revenues from a portion of same in anticipation of future reductions to state aid to education; and increasing the BPOL tax rates on the repair, personal and business services classification and the financial, real estate and professional services classification to the maximum rates permitted by state statute.

Following discussion, it was the consensus of the Board to include in the proposed FY07 Budget for public hearing purposes: real property tax levies of \$0.25 for the General Fund, \$0.67 for the School Fund and \$0.92 for the combined rate; personal property tax levies, including machinery and tools, that are the same as the current fiscal year; a change in the method of valuation for personal property from the minimum or average loan value to the middle or trade-in value; and the assessment of a \$25 fee on annual personal property tax bills to offset the projected loss of revenue resulting from the proposed elimination of motor vehicle licenses (decals).

The Board then reviewed and by consensus, made several changes to the proposed FY07 Budget's expenditure ledger. The modifications included: reductions in agency-requested and staff-recommended funding for the Tri-County Medical Corporation, Quinn Rivers Agency, Parent-Child Development Center, Bay Transit and the Department of Parks and Recreation, including elimination of the boundary survey for the park entrance road design; level funding of contributions to the volunteer fire departments and rescue squads; restoration of funding for the part-time help in the Public Works Department; and 3.0% raises for general government employees including supplements. The revenues generated by \$0.01 of the proposed \$0.02 increase in the General Fund's real property tax rate will be reserved for the future financing of mandated services for which the Commonwealth of Virginia may reduce funding. The Board indicated that it would likely restore funding for a seventh total local-funded deputy position that was proposed to be eliminated with the anticipated funding of an additional position by the State Compensation Board.

The proposed budget, including the General Fund, School Fund and other operating funds, as modified this date by consensus of the Board, totals \$55,029,030 for all funds including \$23,289,890, of which \$4,500,000 is for a line of credit, for the General Fund and \$21,927,460 for the School Fund. The proposed real property tax levies are \$0.25 for the General Fund, \$0.67 for the School Fund and \$0.92 for the combined rate. The proposed personal property tax levies, including machinery and tools, do not include any changes to the tax rates; however, the method of valuation for personal property is proposed to change from the minimum or average loan value to the middle or trade-in value. Also proposed is a \$25 fee that would to be added to annual personal property tax bills that would compensate for the projected loss of revenue resulting from the proposed elimination of motor vehicle

licenses (decals). No other new taxes or fees are proposed and no other increases in existing taxes or fees are proposed.

RE: PROPOSED FY 2006-07 BUDGET – SETTING TIME, DATE AND PLACE OF PUBLIC HEARING

On motion by C. T. Redd III, seconded by E. J. Rivara and carried unanimously on a roll call vote, the Board of Supervisors voted to set the public hearing on the proposed FY 2006-07 Budget, including tax levies and fees, as modified during this work session, for Monday, April 3, 2006, at 7:00 p.m. in the Board Meeting Room in the Administration Building at King William Court House, Virginia. The Board authorized the County Administrator to prepare and to publish the required legal notices announcing the budget public hearing.

RE: PLANNING COMMISSION - CONSIDERATION OF APPOINTMENT AT PRESENT MEETING

On motion by C. T. Redd III, seconded by W. F. Adams and carried unanimously on a roll call vote, the Board of Supervisors voted to discuss and to consider the appointment of a member of said Board to the King William County Planning Commission in order to fill the vacant seat of the late L. E. Byrum, Jr., as the Board's representative on the Commission. This matter was tabled during the Board of Supervisors' regular meeting on February 27, 2006 to the Board's next meeting.

During the ensuing discussion, Messrs. Redd and Adams indicated that it was important that the Planning Commission have a full complement of members as soon as possible given its anticipated heavy zoning caseload and the zoning ordinance revision process. The Commission is currently two members short of a full complement of its

membership. The appointment of Mr. Rivara would ensure that an experienced member of the Planning Commission would remain on the Commission and would facilitate communication between the Commission and the Board of Supervisors. Even with the appointment of Mr. Rivara as the Board's representative on the Planning Commission, the Commission would still be one member shy of a full complement until an appointment is made to replace Mr. Rivara as a citizen representative from the Third Election District. Mr. Williams noted that he still had concerns regarding a Supervisor sitting on the Planning Commission.

RE: PLANNING COMMISSION - APPOINTMENT

On motion by C. T. Redd III, seconded by W. F. Adams with W. F. Adams, E. J. Rivara, C. T. Redd III and T. G. Smiley voting aye and O. O. Williams voting nay on a roll call vote, the Board of Supervisors voted four ayes and one nay to appoint E. J. Rivara as the Board of Supervisor's representative on the Planning Commission. The term of said appointment shall be for the remainder of Mr. Rivara's appointed term of office on the Board of Supervisors; that is, it shall expire on December 31, 2006. Mr. Rivara thanked the Board members for the confidence that they expressed in him by virtue of his appointment to the Planning Commission.

RE: ADJOURNMENT

There being no further matters to come before the Board, on motion by E. J. Rivara, seconded by W. F. Adams and carried unanimously, this meeting was adjourned.

COPY TESTE:

T. G. Smiley
Chairman

Frank A. Pleva
County Administrator