

BOARD OF SUPERVISORS

WORK SESSION OF MARCH 27, 2009

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF KING WILLIAM COUNTY, VIRGINIA, HELD ON THE 27th DAY OF MARCH, 2009, AT 10:00 A.M. IN THE BOARD MEETING ROOM IN THE COUNTY ADMINISTRATION BUILDING, THE MEETING WAS CALLED TO ORDER BY THE CHAIRMAN WITH THE FOLLOWING PRESENT:

O. O. WILLIAMS, CHAIRMAN
T. G. SMILEY, VICE-CHAIRMAN
C. T. REDD III
D. L. WRIGHT
C. L. SCHOOLS

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

RE: PROPOSED FY 2009-10 BUDGET – REVIEW

The Board of Supervisors reviewed the County Administrator's proposed King William County Budget for Fiscal Year 2009-10, the primary goal of which is to maintain current service levels while not increasing existing taxes and fees and not adding new taxes or fees. The staff-proposed budget totals \$51,314,530 of which \$20,631,240 are for General Fund operations and \$23,919,910 are for the School Fund operations, with the balance included in miscellaneous funds such as capital projects, local and state sales taxes. The budget proposal includes maintaining the current real property tax levies of \$0.27 per \$100 of assessed valuation for the General Fund, \$0.54 of assessed valuation for the School Fund and \$0.81 per \$100 of assessed valuation for the combined tax rate. Also the staff-proposed budget does not include any

increases to personal property tax rates, including machinery and tools. Hence, the personal property tax rates would remain at \$0.50 per \$100 of assessed valuation for the General Fund, \$3.15 of assessed valuation for the School Fund and \$3.65 per \$100 of assessed valuation for the combined tax rate. The machinery and tools property tax rates would remain at \$0.95 per \$100 of assessed valuation for the General Fund, \$1.50 of assessed valuation for the School Fund and \$2.45 per \$100 of assessed valuation for the combined tax rate.

The County Administrator's proposed budget includes, among other things: level funding for the local share of the school operating budget; \$400,000 transfer from the School Fund Reserve; upgrading a part-time eligibility worker to full-time in the Department of Social Services; funding and filling the vacant Public Information Officer position and operation; no salary increase for general government employees including supplements; 9% increase in health insurance premiums; an approximate 5% decrease in many non-salary/fringe benefits line items; \$108,500 for the next general reassessment of real property; one, new leased Sheriff's motor vehicle; \$482,754 in reductions either to existing department/agency budgets or to new/increased department/agency funding requests; \$100,000 for the contingency fund; \$200,000 for transfers to the reserves; and no new debt service.

Several staff members addressed the Board regarding budget-related matters including: Fran Friemark of the Pamunkey Regional Library thanked the Board of Supervisors and staff for their support and reviewed the library's policy

regarding the use of its computers for video games, the Internet, etc.; Jeffrey S. Walton, Sheriff, discussed the need for and requested additional funds to lease an additional motor vehicle given the high mileage of vehicles and complimented Ms. Hale for her budget preparation assistance; Steve Puckett, Emergency Services Director, discussed his department's funding request for a part-time employee and other requested funding increases such as vehicle repairs, EOC and field equipment; Scott Lucchesi, Director of Community Development, explained a request for \$2,000 for subdivision plat cabinets and complimented Ms. Hale on her assistance with the budgeting process; Susan Mickens, Voter Registrar, explained her department's budget request; JudiAnn Shaver, Director of Parks and Recreation, expressed gratitude for the Board's support of the county's recreation programs and explained fees and self-supporting recreation programs; Sally Pearson, Commissioner of the Revenue, indicated that her office may need more office supplies and postage for administration of the new meals tax and that her office's equipment is rather old but generally operates satisfactorily; Lauri Betts, Regional Animal Shelter Manager, reviewed the proposed shelter budget, noting custodial services were included so that King & Queen County will pay 50% of the cost per the joint county operating agreement; Harry Whitt, Treasurer, reviewed some revenue receipts such as real estate and dog tags, the need for in-house Information Technology (IT) staff, and suggested considering reductions in the late payment penalties for the first 30 days after property taxes are due; Dr. Mark Jones, Division Superintendent, reviewed additional federal Title I and Title VI-B Stimulus Funding and the proposed use

thereof and the School Board's request for carryover of a portion of the projected FY2008-09 positive year-end fund balance; and Phyllis Jones, Indian Rivers Humane Society, requested \$4,000 funding versus the staff-recommended \$3,000 for spay/neuter and feral cat programs, which may eventually save the county money in its animal control program.

The Board then began its review of the proposed FY10 Budget, beginning with the revenue ledger. Ms. Hale noted that no increases in existing (FY09) taxes or fees and no new taxes or fees are included in the proposed budget. She then reviewed how various revenue sources were projected, especially real estate, personal property, and machinery and tools taxes. She noted, among other things: a 13% decrease in personal property valuations resulting in an estimated \$480,000 decrease in revenues; the combined property tax collection rate is projected to be 96.35% per the FY08 Comprehensive Annual Financial Report (CAFR); and revenues from the food and beverage (meals) tax are estimated to be \$125,000.

Following discussion, it was the unanimous consensus of the Board to include in the proposed FY10 Budget for public hearing purposes the staff-recommended real property, personal property, machinery and tools tax levies.

The Board then reviewed and by unanimous consensus made several changes to the proposed FY10 Budget's expenditure ledger. Funding deductions/reductions included: \$5,000 for the regional lobbyist; \$75,950 from the public information office (leave position vacant); \$4,500 for an error in the phone amount in the Assessor's budget; \$10,000 in engineering fees for the Mt.

Olive project; \$9,600 in waste disposal fees; \$5,000 for the Middle Peninsula Planning District Commission; \$400 for Board of Zoning Appeals mileage; and \$3,500 for River Country Tourism Council. Funding inclusions/increases included: \$300 for office supplies for the Commissioner of the Revenue; \$13,060 for lease of a second , new Sheriff's motor vehicle; \$500 for the Indian Rivers Humane Society; \$4,200 for Planning Commission member meeting payments; \$1,000 for subdivision file cabinets in the Planning Department; and \$3,000 for Board of Zoning Appeals members meeting payments. The aforesaid adjustments totaled (-\$91,890). Of those reductions, \$15,890 was placed in the FY10 Budget contingency fund and \$76,000 was placed in the fund balance.

Therefore, the total proposed budget, including the General Fund, School Fund and other operating funds, as modified this date by unanimous consensus of the Board of Supervisors, remains unchanged at \$51,314,530 for all funds including \$20,631,240 for the General Fund and \$23,919,910 for the School Fund, with the balance included in miscellaneous funds such as capital projects, local and state sales taxes. The proposed property tax levies are: real estate - \$0.27 for the General Fund, \$0.54 for the School Fund and \$0.81 for the combined rate; personal property - \$0.50 for the General Fund, \$3.15 for the School Fund and \$3.65 for the combined rate; and machinery and tools - \$0.95 for the General Fund, \$1.50 for the School Fund and \$2.45 for the combined rate.

**RE: PROPOSED FY 2009-10 BUDGET – APPROVAL FOR
PUBLIC HEARING; AND SETTING TIME, DATE AND PLACE OF PUBLIC
HEARING SETTING TIME, DATE AND PLACE OF PUBLIC HEARING**

On motion by C. T. Redd III, seconded by T. G. Smiley and unanimously carried, the Board of Supervisors voted to approve the proposed FY 2009-10 Budget, including the modifications made during the work session this date and the tax levies and fees, and to set the public hearing on said proposed FY 2009-10 Budget, including tax levies and fees, for Monday, April 20, 2008, 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: ADJOURNMENT

There being no further matters to come before the Board, on motion by T. G. Smiley, seconded by D. L. Wright and unanimously carried, this meeting was adjourned.

COPY TESTE:

O. O. WILLIAMS
CHAIRMAN

FRANK A. PLEVA
COUNTY ADMINISTRATOR

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