

King and Queen County
Board of Supervisors Reconvened Meeting

King and Queen Courts and Administration Building
2nd Floor Conference Room

Monday, March 19, 2012

6:00 P.M. – Budget Work Session with Constitutional Officers
7:00 P.M. – Budget Work Session with School Board

“Minutes of the Meeting”

BUDGET WORK SESSION ON FY13 OVER-ALL COUNTY BUDGET

Vice-Chairman J. M. Milby, Jr., called the recessed meeting from Monday, March 12th, 2012 to order. Mr. Milby noted that Ms. Alsop was not feeling well and would not be in attendance at the meeting, all other members were in attendance.

Mr. Milby recognized and welcomed Atley Davis, who is with Troop 303 in King William who is working on a paper in which to receive his Eagle Scout Badge.

Constitutional Officers present were the following:

Treasurer Irene Longest commented that her budget was level funded and was present to answer any questions the Board may have.

Commissioner of Revenue Helen Longest advised that for the most part her budget was level funded except for 2 items, those being she is asking for \$1,000 increase in Convention, Meetings and Education in order for her employees to take some classes that would be helpful to them in their job, and also a \$4,000.00 increase in part-time help due to her office handling business licenses that will be coming into effect as she did not see that they could make it through without an increase.

Clerk of the Circuit Court Debbie Longest was present and commented that she was also asking for level funding, some line items were moved around, but the bottom line was the same.

Sheriff Charboneau commented that he was in agreement with the County Administrator on everything except a couple of items one being the extra deputy, which he will withdraw the \$30,000 due to how tight the budget is, and he is asking that any part-time funding that the State gives can be used to handle part-time animal control, and for use of part-time court security

employees when someone is sick or on vacation. Sheriff Charboneau advised that he believes that the funds range from \$7,000 to around \$14,000. Any unspent money in his budget will go back to the county at the end of the year.

- Under Operations, he is asking for \$2,000 rather than \$1,000, as he has a couple of employees whose certifications are coming due this year and they need to get recertified. Sheriff Charboneau further commented that he was not saying he will use all of the funds.
- Under Fuel, Sheriff Charboneau advised that he is going to need around \$90,000 in the FY13 budget. Any unspent funds will be turned back to the general fund. It was also explained that the \$90,000 cannot be moved from one line to another.
- Advised that he has asked for \$5,000 for new software (DayPro – EDP Equipment) and that it is a must that they have, as the computers will not be compatible with anyone else's in the area without it.
- Advised that he had asked for funds to purchase DayPro-Mobile Cop which will allow the officers to type reports into the computer in their vehicles, he is now asking that the Board put this as a Capital Improvement to be purchased at some point, asking the Board if he has good enough savings at the end of next year, that a reserve account be started where he could move that money into that account.

Mr. Milby expressed his appreciation to all of the Constitutional Officers in attendance and for their input.

After further review Mr. Simpkins commented that he noticed that \$3,000 in part-time for the Treasurer had been put in and then taken out. County Administrator Thomas Swartzwelder commented that he was not sure why it was taken out, and would add back in.

After hearing no further comments and questions, the Constitutional Officers left at 6:20 P.M.

Mr. Swartzwelder advised that the Board is scheduled to meet with the School Board at 7:00 P.M.

HEALTH INSURANCE FOR BOARD OF SUPERVISORS MEMBERS

County Administrator Thomas Swartzwelder expressed that Ms. Alsop had asked that the Board entertain offering health insurance benefits for the Board Members as many other jurisdictions do this and King and Queen did so years ago. The approximate cost per Board Member is \$7,079.00 a year, if the Board is disinclined to do this, she would like for the Board to consider allowing Board Members to purchase health insurance through the County policy if it is a better deal than from an outside carrier.

It was the consensus of the Board that they could not ask the citizens in the County to absorb the cost.

Mr. Swartzwelder further expressed that Ms. Alsop will support a 2 cent increase, but is not an advocate of 4 cent, although she feels we should advertise at 4 cent and supports straight level funding for the schools.

County Administrator Thomas Swartzwelder commented that it is going to take a mix to pull funds out of our reserve and some tax increase, or a lot out the reserve to balance the budget.

Mr. Swartzwelder further commented that he had sent out an e-mail to the Board advising as to what other school divisions are doing, and tax increases imposed by our neighboring localities, and that it is interesting to see that no other localities are picking up the VRS increase. We have it built into our budget, with a cost of over \$300,000.

Mr. Simpkins questioned if there has been any more news about what the General Assembly has done. Mr. Swartzwelder advised that the bill as it stands at the present will require employees to pay 5% and the employer has to give a 5% increase. The Governor has not signed it, as there are multiple things going on and does not know how it will play out. The effective date is July 1 of this year if the Governor signs it. Mr. Swartzwelder further advised that the Schools are allowed to phase it in over five years, and VML is pretty confident that the Governor will at least do that. VML, VACo and the Local Government Attorney's Association are all looking at it to see if it is constitutional.

Mr. Swartzwelder provided a handout of 3 different versions for the Boards consideration which take into account the most likely possibilities, one would be that we are not allowed to phase it in, another would be that they would allow us to phase it in 1% at a time. The difficult thing is when you go to a 5% raise and 5% employee contribution, the employee is left in the hole by almost 1% of take home pay because of FICA and VRS increase and that is why one of the options we are looking at if we do the 5%, would be a 6% increase to balance out the take home pay. The cost would be around \$17,000 if we do 5% and 5%, and the cost would be around \$38,000 if we give a 6% salary increase.

Mr. Swartzwelder further expressed that all in all it was going to cost everyone more, it is a horrible piece of legislation. The employee takes home less, and the cost to the taxpayer goes up. Hopefully they will allow us to phase it in over 5 years.

Mr. Milby expressed that the issue is that we need to decide which tax rate to advertise as the advertisement needs to go in the papers this Friday the 23rd.

Mr. Simpkins commented that he likes 2 cent better than 4 cent, but his biggest concerns are that he has not seen the school budget to know what they have and that he fees that some type of bonus or increase be given to county employees, as they have not had a salary increase in 4 years. Mr. Simpkins further expressed that we advertise a 4 cent increase as we do not know what may come back to bite us and even the 4 cent may not be enough. As far as weather an increase in salary or bonus, he was more inclined in giving a bonus to the employees.

Mr. Swartzwelder further commented that all neighboring localities are looking at significant tax increases.

Mr. Milby recommended that the Board consider possibly advertising a 6 cent increase as there are too many unknowns, with the schools being 60% or more of our budget. Mr. Milby further commented that he agrees with Mr. Simpkins, that we have not provided a raise to county employees for 4 years, and bonus was given a couple of years ago.

Mr. Swartzwelder expressed that all in all he feels we are at a comfort zone of 4 cents and that would not even cover the Schools VRS increase, if the County chooses to fund this. Everyone's budget request is asking for level funding with the exception of the Sheriff and the Schools. A lot of cuts have been made within the Administration Offices and there is nowhere else to cut other than within the Constitutional Officers offices. Mr. Swartzwelder advised that he has not had an opportunity to speak with the Commissioner relating to sharing of a copier between her office and the Treasurer, but he has spoken with Ms. Longest in the Treasurers' office, and she has no problems in sharing a printer between them.

After further discussion, the Board took a 5 min. recess at 6:55 P.M.

SCHOOL BOARD PRESENTATION – SCHOOL BUDGET – 7:00 P.M.

Superintendent Charles Claire along with all members of the School Board were present.

Mr. Claire provided a power point presentation on the FY12/13 Budget and their Challenges being:

- Funding the “JOBS BILL” positions
- VRS Increase that has been passed on to localities
- Recalculation of the Local Composite Index
- Declining Enrollment with the budget being built on 725 students
- Textbook replacements
- Advised that fuel prices are locked in through January 31, 2013 and that they have an option to extend for 6, 12, or 18 months
- Fourth consecutive year with no salary increases
- Increasing costs of medical insurance
- Replacing the guidance position at the elementary level (removing 2 part-time clerical guidance positions)

Mr. Clare further advised of budget reduction actions for FY13 that is included in their budget being:

- Eliminating 2 car drivers, as they are no longer needed for RTC
- Eliminating Kindergarten paraprofessional at Lawson Marriott Elementary School

- Eliminating two part-time guidance clerical positions at the elementary schools
- Decrease participation by 2 slots for the Maggie Walker Governor's School
- Reduced the local spending of the Virginia Preschool Initiative to equal required local match
- Debt Service payment of 1 bond and reduced interest on others.

Additions to the School Budget for FY13 are:

- 1 guidance counselor to staff as full time at Lawson Marriott Elementary School and King and Queen Elementary School
- 1 Middle School Instructional position at King and Queen Elementary School
- 3% salary increase
- Under Maintenance/Transportation – replace electronic gas card equipment
- Requesting additional local funding in the amount of \$613,632.00 to offset VRS increase, federal funding reduction, local composite index, federal cuts and salary increase

Additional reduction considerations:

- Elimination of 1 instructional position at Lawson Marriott Elementary School, resulting in only 1 section at 4th grade.
- Elimination of the additional “proposed” middle school instructional position at King and Queen Elementary School, which will result in 4 teachers serving grades 5, 6 and 7 and increasing the number of students in grades 5, 6 and 7 for FY13.
- Eliminating one resource instructional position which will result in other teachers covering resource instruction
- Adjusting the proposed 3% salary increase to 2% across the board
- Additional cuts in instructional positions which will increase the class sizes in excess of 30 students.

After hearing the presentation from Mr. Claire, School Board Members shared their thoughts relating to the proposed school budget.

Vice-Chairman Milby thanked the School Board for attending the workshop and sharing their thoughts with the Board and further expressed that he felt he was speaking on behalf of the Board of Supervisors that they were very frustrated with the General Assembly, and the Board does understand what the School Board would like to accomplish, however, the Board does not know yet if the County will be able to.

The School Members left at 8:00 P.M.

CONTINUATION OF BUDGET DISCUSSIONS

Further discussion was made on the proposed FY2013 budget. Mr. Milby noted that the Board needs to think ahead, as no one knows what the economy will do and recommended that the Board advertise a 6 cent tax increase, as the Board does not have enough information from the

State to make a good decision. Mr. Milby further expressed that he respects Ms. Alsops thoughts relating to a tax increase, however, it is safer to go with 6 cents.

After further discussion and questions of concern, a motion was made by Mrs. Morris and seconded by Mr. Bailey to advertise a 6 cent tax increase in tax levy.

AYES: J. M. MILBY, JR., D. H. MORRIS, J.L. SIMPKINS, R. F. BAILEY, JR.

NAYS: NONE

NOT PRESENT: S. C. ALSOP

INGENCO - UPDATE

County Administrator advised the Board that the County has received notification from Ingeneco that they have miscalculated for the past 2 years, overpaying the county by \$32,000.00 Payments will be stopped until the amount has been recouped.

CLOSED SESSION PURSUANT TO SECTION 2.2-3711(A) 1 OF THE CODE OF VIRGINIA FOR THE PURPOSE OF DISCUSSING A PERSONNEL MATTER

A motion was made by Mrs. Morris and seconded by Mr. Bailey to enter into closed session pursuant to Section 2.2-3711 (A) 1 of the Code of Virginia for the purpose of discussing personnel matters.

AYES: J. M. MILBY, JR., D. H. MORRIS, J. L. SIMPKINS, R. F. BAILEY, JR.

NAYS: NONE

NOT PRESENT: S. C. ALSOP

A motion was made by Mrs. Morris and seconded by Mr. Simpkins to come out of closed session with each member of the Board certifying by individual vote that only those public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act were heard, discussed and considered in closed session.

AYES: J. M. MILBY, JR., D. H. MORRIS, J. L. SIMPKINS, R. F. BAILEY, JR.

NAYS: NONE

NOT PRESENT: S. C. ALSOP

IT IS ORDERED THAT THE BOARD ADJOURN:

A motion was made by Mr. Bailey and seconded by Mrs. Morris to adjourn the meeting.

AYES: J. M. MILBY, JR., D. H. MORRIS, J. L. SIMPKINS, R. F. BAILEY, JR.

NAYS: NONE

NOT PRESENT: S. C. ALSOP

Sherrin C. Alsop, Chairman

K. Diane Gaber, Deputy Clerk