March 7, 2023

County of Greene, Virginia

THE GREENE COUNTY BOARD OF SUPERVISORS MET ON TUESDAY, MARCH 7, 2023, BEGINNING AT 4:30 P.M. IN PERSON IN THE COUNTY ADMINISTRATION BUILDING MEETING ROOM AND BY ZOOM VIDEO COMMUNICATION

Present were:	Dale Herring, Chair Marie Durrer, Vice Chair Steve Bowman, Member Abbey Heflin, Member Davis Lamb, Member
Staff present:	Brenda Garton, Interim County Administrator Kim Morris, Deputy Clerk Jim Frydl, Director of Planning and Zoning Melissa Meador, Director of Emergency Services

RE: BUDGET PRESENTATION – COUNTY ADMINISTRATOR

Ms. Garton presented the proposed FY23/24 budget. She said that the general reassessment was completed, and the new values will go into effect for calendar year 2023. By Virginia Code, in a reassessment year, an equalized tax rate must be calculated. The equalized tax rate is the rate which, when applied to the new total real estate assessed value, eliminating new construction, gives you the same total revenue as the previous year. The Code defines the same total revenue as no more than 101% of the prior year's revenue. The real estate tax rate currently is $.82. The equalized tax rate is $.66. Ms. Garton said that the projected revenues are $42,444,929 which is based on the equalized tax rate of $.66. The expenditure requests, including transfers, are $50,793,970 which mean we would have a shortfall of $8,349,041. This shortfall is the result of two issues. The first issue is a reduction in the collection of fines and forfeitures. It was projected in the current year budget that the revenues in this line item would be $995,000. This line item historically showed a revenue amount of $40,000 to $50,000. Ms. Garton said that she reduced that revenue line item to $50,000 which resulted in a $945,000 hole in the revenue. The second issue is the elimination of the RSA facility fee revenues in the amount of $1,395,000. This is the equivalent of $.8 on the real estate tax rate. Ms. Garton said that there are three things that must be funded in the upcoming budget; Jaunt, the increase to the CSA fund and the increase in Juvenile Detention Center funding. These items equal a little more than a penny on the tax rate. Ms. Garton said that the Board's priorities for funding are the local transfer to the schools, a 5% pay increase for county staff effective July 1, a contingency line item for implementation of the pay study recommendations and a transfer of the cigarette tax to the capital fund. Ms. Garton said that, once she realized that a tax increase would have to be recommended, she worked to reduce other requests, including eliminating all new position requests. Ms. Garton said that the proposed FY23/24 budget includes an increase in the real estate tax rate of $.10 which would mean the proposed tax rate would be $.76. Ms. Garton said that there are concerns about the proposed budget. She said that the needed positions will not be funded, the transfer to the capital fund is not sufficient for the needs and that the estimate for the implementation of the compensation and classification study may be too low. Ms. Garton said that there will be virtually no department or entity which will be pleased with their proposed funding, but that she hopes they will see the fair and diligent approach that she took to get to this proposed budget.

The Board discussed the proposed budget and thanked Ms. Garton for her presentation.

RE: BUDGET PRESENTATION – SCHOOL BOARD

Mr. Todd Samsom, Chair of the School Board, was present to share some remarks about the school's FY23/24 budget request. He thanked Dr. Whitmarsh and her staff for their work on this year's budget request. He shared that the state has closed their legislative session without producing a budget, which has made things very difficult for the schools. He said that the difficult economic times we are all facing just compound the issues when trying to prepare this funding request. Mr. Sansom said that competition for qualified educators is fierce and that the children of Greene cannot afford for our school division to lose talented teachers to neighboring communities or other professions. He said that the schools will be looking to provide pay raises to their staff. He said that they have also seen a stunning increase in health insurance costs this year. He said that the increase is being challenged and they are hopeful to see a downward adjustment. He said that this budget request has no frills; only an earmark for fuel price increases and $13,000 to add middle school sports options to keep kids engaged and off the streets. Mr. Sansom said that there is no better investment for Greene County than in our own children's education and thanked the Board.

Dr. Whitmarsh said that our budget is a reflection of our priorities which are to empower our communities' children for lifelong success and a mission of engaging all students through learning that is innovative, personalized and relevant. Dr. Whitmarsh shared the enrollment numbers and demographics of our school system. She said that they are facing a crisis when it comes to the hiring of teachers and other educational workforce. There are 93,000 open positions in Virginia alone. Dr. Whitmarsh shared the financial details regarding the ADM and the Governor's budget. She said that their proposal includes a 5% compensation increase and a 1% one-time bonus. She explained that the Senate proposed budget includes a 7% pay increase. Unfortunately, she said that it is rumored that we will not see a state budget until summer. She said that there is no additional construction money included in FY24, but the existing funds can be carried forward through FY25. Those funds will be utilized to add a building behind the Tech Center to provide additional space. She said that the increase in federal funds of about a million dollars covers only the Community Eligibility Provision for School Nutrition. Children receive free breakfast and lunch using those funds, so that is pretty much a wash. The federal funds are for specifically mandated programs and cannot be allocated outside of the program for which they are approved. Dr. Whitmarsh spoke about the surprising increase in the health insurance renewal but said they are hoping that will come down. She said that they want to add more clubs and after school activities for the Middle School beginning with a football program. Dr. Whitmarsh said that the total school budget is $50,606,896.

The Board discussed the proposed school budget and thanked Mr. Sansom and Dr. Whitmarsh for their presentations.

RE: BUDGET DISCUSSION WITH SHERIFF STEVE SMITH

Sheriff Smith thanked the Board for making the pay study a priority and thanked Ms. Garton for making the hard decisions she's had to make to balance the budget. He said that the pay study is the number one priority of the Sheriff's Office. Sheriff Smith went through the cuts that were made to his departmental requests by Ms. Garton and shared some additional cuts that he felt he would be able to make to show that he was doing all he could to help the Board be able to fund the pay study.

RE: BUDGET DISCUSSION WITH COMMONWEALTH'S ATTORNEY EDWIN CONSOLVO

Mr. Consolvo and Mr. White were present to ask the Board to accept the recommended budget from the County Administrator and allow the Board to ask any questions they may have. Mr. Consolvo said that the pay study is incredibly important to him for the retention of his staff.

RE: BUDGET DISCUSSION WITH TREASURER STEPHANIE DEAL

Ms. Deal explained to the Board that some of the increases in her budget were specifically related to the planned collections for the Water and Sewer Department. Since the Board had previously met with the Treasurer, there were no additional conversations.

RE: BUDGET DISCUSSION WITH CLERK OF THE CIRCUIT COURT ASHBY LAMB-GOMEZ

Ms. Lamb-Gomez said that she was recently appointed Interim Circuit Court Clerk. She said that she was fairly conservative with her budget request and only budgeted what it took to pay the office's bills.

RE: BUDGET DISCUSSION WITH COMMISSIONER OF REVENUE KIM TATE

Ms. Tate said that this was her first budget process. She said that there have been some increases, but that she agrees with Ms. Garton's recommendations.

RE: GENERAL BUDGET DISCUSSION

Mr. Herring said that the Board needed to focus on setting a maximum tax rate to advertise and on any cuts or changes the Board wished to see. Ms. Garton added that staff also needed to know if there were any department heads that the Board wished to invite to the meeting on Thursday. Mr. Lamb asked that the Board invite Mr. James Howard, Director of Social Services. Mr. Bowman thanked Ms. Garton for taking the Board's priorities into account when balancing the budget. He said that the number one priority was the pay study and he feels that it will be a significant amount of money, but it has to be done. He shared that he is concerned about removing the Deputy County Administrator position from the budget. He said that he is also concerned about the maintenance that will be required once we turn on the $6 million dollar radio system.

He said that the Board needed to do a better job of estimating the future impact costs of projects that we're doing to ensure that the money is there for the support of such projects in the future. Mr. Lamb said that a tax increase on top of the reassessment is a lot to put on someone. He feels that we should try to cut to lower the proposed tax rate. Mr. Herring said that he would like to see the Board set aside the cigarette tax revenue to establish the capital fund but he's not sure about this year with the revenue shortfall. Ms. Heflin agreed. The Board continued to discuss options to lower the proposed $.10 tax rate. Ms. Heflin shared her displeasure about the overstated revenue number for the collection of fines and forfeitures. She said that she mentioned multiple times during last years budget discussions that she did not understand how this increase would be possible and shared her worry about what the outcome would be if that money was spent. She said that she can't ethically increase the tax rate by $.10. She said that she understands that there will have to be an increase, but not $.10 in one year. Mr. Herring summarized the sentiments of the Board and said that these will be the topics for Thursday's Budget Work Session discussion. Ms. Durrer said that she really does not see where there is room to cut anything else. Ms. Garton said that she would go through the expenditures again, keep a running list of changes, and be ready for further discussion on Thursday.

RE: ADJOURN

Upon motion by Steve Bowman, second by Abbey Heflin and unanimous roll call vote, the Board meeting was adjourned.

Recorded vote:	Marie Durrer	-	Yes
	Dale Herring	-	Yes
	Steve Bowman	-	Yes
	Abbey Heflin	-	Yes
	Davis Lamb	-	Yes

Motion carried.

Dale Herring, Chair
Greene County Board of Supervisors

Brenda G. Garton, Clerk
Greene County Board of Supervisors