

**Buckingham County
Board of Supervisors
School Board
Joint Budget Work Session
March 23, 2016**

At a joint Budget Work Session with the Buckingham County Board of Supervisors and School Board held on Wednesday, March 23, 2016 at 6:00 p.m. in the Peter Francisco Auditorium of the Buckingham County Administration Complex, the following members were present: Joe. N. Chambers, Jr., Chairman; Robert C. “Bobby” Jones, Vice-Chairman; Donald E. Bryan; Don Matthews; E. Morgan Dunnavant; Harry W. Bryan; and Danny R. Allen. Also present were Rebecca S. Carter, County Administrator and Karl Carter, Asst. County Administrator. School Board members present were, H. Ed Wise, Chairman; Sherry S. Ragland, Vice-Chairman; Theresa D. Bryant; Frank M. Knott, Jr.; Thomas W. Hutcherson, Jr.; and Kathy F. Midkiff. Jacqueline J. Newton was absent. Also present for the School Board was Dr. Cecil C. Snead, II, Superintendent and Wendy Oliver, Clerk.

Re: Reconvene of Board of Supervisors

Chairman Chambers reconvened the meeting from the March 14, 2016 meeting.

Re: Quorum

Chairman Chambers certified there was a quorum. Seven of seven members were present and the meeting could continue.

Re: Reconvene of the School Board

Chairman Wise reconvened the school board meeting.

Re: Quorum

Chairman Wise certified there was a quorum. Six of Seven members were present and the meeting could continue. Board member Newton was absent.

Re: Invocation and Pledge of Allegiance

School Board Member Hutcherson gave the invocation and the Pledge of Allegiance was said by all who were in attendance.

Re: Budget Work Session with the School Board

Bryan: Mr. Chairman, I do need to read a statement since we are going to be talking about the budget. I do work for the school system. For a matter of record:

At this time I have a statement that I have to read. I am advising that I have sought an opinion from the Commonwealth's Attorney concerning any conflict I may have in participating in discussions and voting on the County's Budget because I am a school teacher for the Buckingham County School System. I have received a written opinion from Mr. Wright that I can participate in the discussions and vote on the Budget matters. The Code of Virginia requires that I make a statement concerning my situation.

Accordingly, I make the following statement for the record:

1. I will participate in the discussions and vote on matters relating to the adoption, as well as the adoption, of the 2016-2017 Board of Supervisors' budget for the County;
2. I am a school teacher employed by the Buckingham County School Board, which is funded in part by allocations from the Buckingham County Board of Supervisors;
3. I am a member of a profession, the members of which are affected by the transaction; and
4. I am able to participate in the transaction fairly, objectively, and in the public interest.

Snead: Thank you Mr. Chambers, members of the Board of the Board of Supervisors and my Board, Mrs. Carter. It is with great pleasure this evening to stand before you and I hope if you don't mind, if it's ok if I stand up and move around because I've got to see everybody. Anyway, I want you to know this budget presentation from the School Board to the Board of Supervisors is not any different than any other presentation that we've done in the past few years. It is complete with information. It's transparent and hopefully simple and to the point enough that we can make some good decisions and make some thoughtful discussion and not get muddled up in details that may be extreme. It is my pleasure to be here with you this evening. The background philosophy for this evening before we begin is that we are pleased that we are going to be looking at the state budget. The state budget is the one that probably has the most impact on the local budget and things have changed. So this journey that I take you on and it is a journey. The reason I say that is on February 23, we met as a Board and the Board gave me my direction on how to present and what we should present on the budget. At that time we had the governor's budget. March 1st the Senate's budget was passed. That had some different wrinkles in it. Then I believe after that, March 16th after we made the packet, the compromised budget was introduced. The reason I say that is really focus on the state budgets is because the state budget have a great deal to do with what we can do locally, I believe.

Buckingham County Public Schools



Buckingham County School Board & Board of Supervisors
2016-2017 Budget Work Session
March 23, 2016 6:00 p.m.

1

Expectation of Tonight

- ❖ Background information for the budget process revenues vs expenditures.
- ❖ Communication of FY17 status of state funding.
- ❖ Proposal of additional expenditures
- ❖ Summary

2

So that, I just wanted to give you a little bit of that background. Expectations tonight is to look at the revenue's versus the expenditures. Mrs. Oliver and I have put those in the last couple of years. The communication of FY17 status of the state funding but I thought I need to give you a little preview that will be important this evening. Proposal of additional expenditures as my school board directed me to communicate and then a summary.

Revenues

- ❖ Sources include:
 - > **Local** - consist of internal revenues such as tuition, facilities use, drivers education fees, refunds for bus use, erate, sales of equipment, insurance adjustments & other miscellaneous rebates & refunds.
 - > **State** - consist of Standard of Quality (SOQ), Incentive, Categorical & Lottery Funded Programs.
 - > **Federal** - grants are awarded in the spring of the year for the following years budget, they include Title 1, Title 1 School Improvement, Title II, Special Education IDEA IVB, Perkins, Special Education Preschool, Rural & Low Income Families & Title II.
 - > **County Appropriations** - state funds require a local match based on the counties LCI (local composite index).

3

Revenues as you know already that revenues consist of local money. What local money is it's not... I don't want to confuse that with our county appropriations. Local money consists of internal revenues that we do within our system at school such as tuition. Students from other counties. Facilities use, people who rent our building, etc. etc. State consists of Standards of Quality funding, Incentive funding and categorical and lottery funded programs. Federal are grants awarded in the spring of the year for the following year. We have Title 1; Title 1 School Improvement which is actually school improvement grant; Title II which is professional development, Special Education and on and on the federal money goes. Then County appropriations, as you know best, which are the State funds, you know the state funds require a local match. That is based on our local composite index which this year the local composite index moved up to .3405.

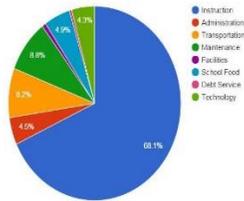


4

Now in the revenue side, for 15/16, we conveniently put out a regular operations how the money is represented on the pie chart. The local money is self-explanatory. I'm not going to take the time to explain the whole thing for you because you can read as well if not better than I. But you will see where the state is at 55.64% of the budget and then the county is 28.8%. Those are the two that we enjoy interplay with.

Expenditures 15/16 Budget

Expenditures in Categorical Areas



Categorical Areas:

Instruction	\$ 16,882,607	68.10%
Administration	\$ 1,120,714	4.52%
Transportation	\$ 2,039,777	8.23%
Maintenance	\$ 2,170,489	8.75%
Facilities	\$ 183,300	.74%
School Food	\$ 1,217,842	4.92%
Debt Service	\$ 110,214	0.44%
Technology	\$ 1,066,770	4.30%
TOTAL	\$ 24,791,713	

5

Expenditures for the 15/16 budget you will note and I take a great deal of pride in this one because a long time ago when I was in another life and another form, the governor had come up and the Board of Education had come up, especially that moment of austerity, I believe you remember the measures where we had to cut and they said they wanted us to make our standards 66% of our money going toward instruction. Ok. Well, we in Buckingham have 68.1% of our expenditures moving toward instruction. Ok. Then of course it costed out, I won't take time but you will see the Instruction plus Administration, Transportation and facilities adds up to a total of \$24,791,713 which you need to understand that's operations plus school food put together. Now the other concern, if we are concerned that the state budget is so important and the different variations of the state budget is so important we are also tangentially concerned about the ADM. The ADM is what the SOQ funding formula uses to give us our state share.

Enrollment 2014-2015

Buckingham County Public Schools Membership
2014-2015

School	Grade	August	September	October	November	December	January	February	March	April	May	June
BCPS	PreK	107	108	108	108	108	108	108	108	108	108	108
	K	180	182	182	180	184	180	177	176	176	174	174
	1	180	180	179	180	178	179	178	177	176	176	175
	2	167	168	168	169	170	172	171	170	171	170	170
BCPS	TOTAL	527	531	529	536	532	531	526	523	523	520	519
BCES	3	156	156	154	156	157	159	159	158	157	157	157
	4	154	156	155	154	154	155	153	152	153	153	153
	5	139	139	138	138	137	136	135	133	133	132	132
	BCES	TOTAL	449	451	447	448	448	450	447	443	443	442
BCMS	6	147	152	152	153	153	152	149	149	150	150	150
	7	142	146	148	148	148	150	147	150	149	149	149
	8	125	123	121	123	124	122	122	122	121	121	121
	BCMS	TOTAL	414	421	419	424	425	424	418	421	420	420
BCSE	9	143	146	148	146	147	142	140	137	132	130	130
	10	143	145	144	144	144	143	145	146	147	142	140
	11	142	147	147	146	144	140	137	139	138	139	139
	12	140	142	140	140	139	140	137	136	135	136	137
BCSE	TOTAL	568	579	577	578	574	565	559	558	552	547	546
Total K-12		1558	1582	1572	1586	1579	1570	1550	1545	1518	1519	1527
Total with PreK		2065	2090	2080	2094	2087	2078	2058	2053	2046	2037	2035

	Elementary ADM			Secondary ADM		Total	
	BCPS	BCES	BCMS Grade 6/7	BCSE Grade 8	BCSE		
% Attendance for Month	94.25%	94.38%	94.78%	94.41%	92.41%		
June adjusted ADM	528.43	446.55	298.76	123.75	566.40	1961.89	
May adjusted ADM		526.94	446.89	298.81	123.43	567.77	1963.85

6

If you look in your packets you will note that the enrollment for 14/15 we based it on, which we had our budget last year based on 1963.88 ADM. Ok. So the numbers were there at the end of the year in terms of the ADM. Now enrollment was waning so we could have thought well, when Wendy and looked at it and said well the enrollment is waning but it always picks up at the beginning of the year so we think we will be ok but just in case we are going to probably have to take, this is another subject, year end funds and be conservative in our spending in the upcoming year and we have been.

Enrollment 2015-2016

Buckingham County Public Schools Membership 2015-2016

School	Grade	August	September	October	November	December	January	February	March	April	May	June
Pre-School	PK	108	105	108	108	108	107					
BCPS	6	155	156	157	158	158	159					
	1	178	180	177	178	177	174					
	2	172	173	168	169	167	166					
TOTAL		603	599	602	605	602	499	604	0	0	0	0
BCES	4	177	178	176	175	176	176	178				
	5	139	139	142	143	143	145	146				
	5	148	146	148	146	148	146	147				
TOTAL		462	463	464	463	465	467	471	0	0	0	0
BCAS	6	132	135	138	137	135	139	138				
	7	142	141	143	144	144	145	146				
	8	146	147	148	149	149	148	148				
TOTAL		420	423	429	430	428	432	432	0	0	0	0
BCHS	9	128	127	128	125	127	127	124				
	10	125	123	123	122	122	119	121				
	11	139	141	140	141	139	133	132				
TOTAL		392	391	391	388	388	379	377	0	0	0	0
Total K-12		1904	1914	1914	1914	1911	1900	1905	0	0	0	0
Total with PreK		2012	2019	2019	2022	2019	2007	1905	0	0	0	0

	Elementary ADM			Secondary ADM	
	BCPS	BCES	BCMS Grades 6-7	BCMS Grade 8	BCHS
% Attendance for Month	85.39%	85.80%	85.26%	84.29%	84.03%
February adjusted ADM	602.05	465.98	277.30	147.01	513.37
January adjusted ADM	603.05	463.08	276.70	146.77	515.59

Then when you look at the next slide, the enrollment 2015/16 sure enough the enrollment did drop. When enrollment drops, so does ADM. The ADM, you should understand is Average Daily Membership so it's not only do you have your enrollment of kids, but what is their percentage participation rate in the school system.

Ragland: May I just add that the ADM is going down in all the public school systems in the area not just Buckingham.

Snead: Yeah, it is a phenomenon everywhere. I read an article...

Jones: Do they have a reason for that?

Snead: No sir. It's a phenomenon. We've contacted the state department and it is a phenomenon. I'm taking a guess it could be the Standards of Learning Assessments and the oppression some families feel from the public school systems. Bedford County, I read an article today in the VSBA, that superintendent is fighting the same thing. A lot are and some aren't. Some are noticing flat and some may notice an increase. Thank you sir. Now what we did notice is that there is a decrease, and I can get to this later, but a decrease looks primarily to be in grades K-2 and at the high school. We even had some growth in the elementary and middle school at this time last year. So you know it's hard to pinpoint. So be that as it may, if you look at how we are with the ADM right now, we are at an ADM of 1906. It's February's adjusted. It's the latest one we have. We'll be funded at the March 31st ADM for the remainder of this year. What I'm trying to say is we also use this as a prognostication for next year. That's why you are going to see us budgeting at 1900 for next year. So, that's why you see 1900 for ADM and we thought that was important to bring forth to light.

If you look at the next slide, Buckingham County Schools proposed 2016/17 budget. When we first made this presentation, we had the Senate's budget. The Board decided as we went through and prioritized the 2% raise we wanted to take advantage of. We wanted to give our hourly employees a raise and it costs a \$0.50 per hour per employee and they are the noncontracted employees so what this guarantees is every single person in Buckingham, we've adjusted to give them a raise and for the contracted employees obviously they have VRS that we also had to figure in.

Bryan: Don't mean to interrupt you, but the hourly employees were not given a raise last year or last time? Because that's not covered in the governor's budget.

Snead: Correct and they have not. We want to give them a raise pretty badly.

Chambers: Dr. Snead, what about the administrative staff? Are they getting a raise too?

Snead: Well, under the SOQ, yes, they will be getting a raise as well.

Chambers: My concern with that, since 2011 to 2015 some of them got about a \$10,000 raise. Some of them were making \$85,000 in 2011 and are making \$95,000 now. I don't think they should get a raise.

Ragland: I'll just add that in time when we first came on here, things were good. We had people spread sparsely. They were here and here and doing individual jobs. Folks that are in the administrative office now are doing 2 and 3 jobs. They really are. They are working their hinnies off. If they got a particular bump, it was to compensate picking up another type of duty that they are doing. I don't see a lot of people having a lot of dust under their bottoms anymore.

Chambers: I'm just talking about...you look at 2011 making \$85,000 and you look at 15 and its \$95,000. I think it's a problem somewhere. The teachers are staying at the same thing. See what I'm saying.

Ragland: We've been giving them steps. We have incorporated that into our budget in the last couple years with step and raises.

Chambers: Well, see, some of the teachers have a cap. They get to a certain point, they can't go no further.

Snead: Not money. They get the money.

Ragland: They are getting step increases now.

Snead: They are getting the money. If there is a 2% raise, in other words, I've got teachers making \$50 some. They get the raise. We don't stop that.

Chambers: I've got no problem with that. The problem I've got is administrative, you go from 2011 to 2015 about \$10,000. I think that's a tremendous raise.

Matthews: Not only that, but you are giving the teachers...and the teachers deserve a raise. I'm 100% behind teachers getting a raise but when you figure a \$93,000 salary at 2% that's almost \$2000. A teacher's rate is about \$800 on a \$45,000. So there's quite a bit of disparity there from a teacher to administrator. The other thing to is the Senate or General Assembly budget is calling for the raises to take effect December. Why are we suggesting July 1?

Ragland: Because it's going to be a nightmare when we start working in VRS, working that into the payment situation.

Matthews: Why, you are going to do the same thing in July as you would in December?

Ragland: I have that problem with my own job when you start off with one set of numbers and then you have to go back and recalculate all over again for 300 people. To do that increase. Why not give it to them at the beginning of the year rather than December. It's a perk. I feel like they need to have it. It needs to be incorporated into their salary now at the beginning of the year. As far as people getting salary, the prices they are getting paid now, I feel like we've got people with Masters, Bachelors and some have Doctrine. It's not like my job, my job I could have a Masters in it as well but I still say the work that these people do at our administrative level are working for their money. I also think about it like this too, we've got people that could be qualified to go somewhere else and work in another county and could probably get more money in another county. They really could. We are trying to be competitively challenging to keep our people here as well. That's one other reason why we have people working at the salaries that they are doing.

Chambers: That's another problem we've got. How many teachers do you got in the county now, roughly?

Ragland: Dr. Snead?

Jones: 150

Snead: We have 300 and some employees about 160 some teachers.

Jones: 150 teachers.

Chambers: Out of 160 teachers, how many are black?

Ragland: Oh, I don't know.

Chambers: Well you should know.

Ragland: I don't try to look at that.

Chambers: Well, there's a lot of people looking at it Mrs. Ragland. Why is the black teachers quitting and leaving?

Ragland: We have quite a few African American teachers.

Snead: We hired an African American male this year. He's been wonderful. He's teaching math and I know there was another lady.

Ragland: He's an excellent teacher.

Chambers: That's good but when I go through the school system that I can see now. I don't see that many.

Ragland: People have to apply for the positions and qualify.

Chambers: Sure they have to qualify. What are we doing to attract them to come here?

Ragland: We send our folks to job fairs. We got the advertisements in the newspaper. Also online. I find that people do, when they are looking for a job, they are going to search online before they look in the newspaper. Not everybody gets the Farmville Herald. We do send it to the Richmond Times, Charlottesville.

Snead: Mr. Greene goes, they didn't go to career fairs to much until just a few years ago. I put that in the budget so that Mr. Greene can go. He's well aware. We have potential shortages in lots of areas.

Chambers: This question is being asked not only in Buckingham but adjoining counties. What happened in Buckingham? What happened to all the black teachers? Why do they leave the county? What's going on over there? See, I get these questions. I wonder what's going on.

Matthews: I've got a question too. In regards to the raise, and I'm 100% behind the teachers getting a raise, and hourly employees, you've got next year coming up and VRS is going to take a jump, so you are talking about...

Snead: \$239,000

Matthews: You are talking about this year 2% and last year 3%. That's 5% in two years. The administrator's got it last year but this next jump with VRS is something that you really need to look at very hard and long. That's another reason why moving that date back to December instead of July would satisfy some of that debt.

Ragland: We've discussed that with Wendy and Dr. Snead. We were talking about the fact...

Matthews: I'm just throwing that out for you.

Ragland: That would be an accounting nightmare. I really do. It will and I say that because of the whole process that has to occur...you don't agree?

Matthews: No.

T. Bryant: Their year is different. We go from July to June and they go from January to December.

Snead: I think our philosophy was in the past when we realized it started in December with the funding and we decided to go ahead and do the raise starting on July 1. Everyone is fully aware, absolutely aware of the caveats surrounding it. This is the proposal that's being brought forth and what the Board directed me to do. Yes, we are well aware that you mentioned that VRS is taking another jump and it's going to be for FY18, \$238-239,000. That's something you need to be aware of and it's in the presentation.

Matthews: So next year you are going to come up and you are already above level funding now, so you are going to come up that much more next year. Is that how you are looking at this thing?

Snead: Well, we don't really know because there are a lot of factors in that. ADM, State funding. I haven't gotten through the presentation yet.

Matthews: Do you want us to hold our questions to the end? Is that what you would like for us to do?

Snead: It's your meeting.

Matthews: I'm asking do you want us to...

Ragland: I think we should let him make his presentation. I'm making a few notes, y'all make a few notes. We can talk about it afterwards. So yeah, I'd like for Dr. Snead to finish.

State Funds					
BUCKINGHAM COUNTY SCHOOLS					
2016-2017 STATE PROPOSED BUDGETS					
AS OF MARCH 19, 2016					
	FY16 APPROVED	FY17 PROJECTED		FY17 PROJECTED	
	ADM 1963.88	Senate's Budget 3/1/16	Adopted General Assembly to Governor 3/16/16	Adopted General Assembly to Governor 3/16/16	
	ADM 1900	ADM 1900	ADM 1900	ADM 1900	
	COMPOSITE INDEX .3347	COMPOSITE INDEX .3405	VARIANCES	COMPOSITE INDEX .3405	VARIANCES
SOQ PROGRAMS					
BASIC AID ENTITLEMENT	\$6,332,537	\$6,186,709	(\$145,828)	\$6,186,709	(\$145,828)
SALES TAX	\$2,331,735	\$2,368,690	\$36,955	\$2,368,690	\$36,955
TEXTBOOK PAYMENTS	\$41,209	\$109,892	\$68,683	\$22,881	(\$18,328)
VOCATIONAL EDUCATION	\$211,664	\$219,284	\$7,620	\$219,284	\$7,620
GIFTED EDUCATION	\$61,409	\$60,146	(\$1,263)	\$60,146	(\$1,263)
SPECIAL EDUCATION	\$813,993	\$890,919	\$76,926	\$890,919	\$76,926
PREV/INTERV/REMEDATION	\$309,657	\$348,348	\$38,691	\$348,348	\$38,691
VRS RETIREMENT	\$744,745	\$785,662	\$40,917	\$785,662	\$40,917
SOCIAL SECURITY	\$377,599	\$380,927	\$3,328	\$380,927	\$3,328
GROUP LIFE	\$23,518	\$26,314	\$2,796	\$26,314	\$2,796
ENGLISH AS A SECOND LANGUAGE	\$0	\$0	\$0	\$853	\$853
REMEDIAL SUMMER	\$44,024	\$49,892	\$5,868	\$49,892	\$5,868
SOQ SUBTOTAL	\$11,292,090	\$11,426,783	\$134,693	\$11,340,625	\$48,535

Snead: Ok. So looking at the state funds in this next slide you will see with the senate's budget and the compromised budget there's not a whole lot of difference in it yet. What I want to do is flip over to the next two slides:

State Funds					
	FY16 APPROVED	FY17 PROJECTED		FY17 PROJECTED	
	ADM 1963.88	Senate's Budget 3/1/16	Adopted General Assembly to Governor 3/16/16	Adopted General Assembly to Governor 3/16/16	
	ADM 1900	ADM 1900	ADM 1900	ADM 1900	
	COMPOSITE INDEX .3347	COMPOSITE INDEX .3405	VARIANCES	COMPOSITE INDEX .3405	VARIANCES
INCENTIVE PROGRAMS					
COMPENSATION SUPPLEMENT	\$108,409	\$98,407	(\$10,002)	\$98,407	(\$10,002)
AT RISK	\$434,565	\$0	(\$434,565)	\$0	(\$434,565)
ADDITIONAL INSTRUCTIONAL POSITIONS	\$0	\$0	\$0	\$0	\$0
VPSA TECHNOLOGY	\$154,000	\$154,000	\$0	\$154,000	\$0
INCENTIVE SUBTOTAL	\$696,974	\$252,407	(\$444,567)	\$252,407	(\$444,567)
CATEGORICAL PROGRAMS					
SPECIAL ED - HOMEBOUND	\$10,779	\$14,137	\$3,358	\$14,137	\$3,358
CATEGORICAL SUBTOTAL	\$10,779	\$14,137	\$3,358	\$14,137	\$3,358

State Funds					
	FY16 APPROVED	FY17 PROJECTED		FY17 PROJECTED	
	ADM 1963.88	Senate's Budget 3/1/16	Adopted General Assembly to Governor 3/16/16	Adopted General Assembly to Governor 3/16/16	
	ADM 1900	ADM 1900	ADM 1900	ADM 1900	
	COMPOSITE INDEX .3347	COMPOSITE INDEX .3405	VARIANCES	COMPOSITE INDEX .3405	VARIANCES
LOTTERY FUNDED PROGRAMS					
FOSTER CARE	\$5,512	\$14,013	\$8,501	\$14,013	\$8,501
NO LOSS	\$0	\$196,632	\$196,632	\$0	\$0
AT RISK	\$0	\$481,661	\$481,661	\$448,124	\$448,124
VA PRESCHOOL INITIATIVE	\$315,352	\$288,531	(\$26,821)	\$282,761	(\$32,591)
EARLY READING INTERVENTION	\$46,408	\$47,375	\$967	\$47,375	\$967
MENTOR TEACHER PROGRAM	\$2,033	\$2,033	\$0	\$2,033	\$0
K-3 PRIMARY CLASS SIZE REDUCTION	\$124,150	\$155,252	\$31,102	\$155,252	\$31,102
SOL ALGEBRA READINESS	\$23,384	\$35,390	\$12,006	\$35,390	\$12,006
ISAP	\$7,859	\$7,859	\$0	\$7,859	\$0
CAREER & TECH EDUCATION	\$30,016	\$31,759	\$1,743	\$31,759	\$1,743
ENGLISH AS A SECOND LANGUAGE	\$8,28	\$853	\$27	\$0	(\$826)
SUPPLEMENTAL LOTTERY PER PUPIL	\$0	\$0	\$0	\$65,685	\$65,685
TEXTBOOKS	\$84,509	\$27,667	(\$56,842)	\$114,679	\$30,170
LOTTERY SUBTOTAL	\$949,049	\$1,569,025	\$619,976	\$1,484,930	\$535,881

What you really need to pay attention to there is the no loss and the supplemental lottery per pupil. What I want to do here is I want to be very clear that the difference that I talked about at the beginning of the prelude of this meeting is about the fact that when you are looking at the different state budgets, the Senate's budget has a no loss for ADM. No Loss for ADM at \$196,632 in it. That is going to be the big difference if the compromised budget goes through on April 20 and the Governor doesn't change that. So being good communicators of information, that's why we are putting both the pieces in. Now the supplemental lottery per pupil is not in the Senate's budget however it is in the Compromised budget. Now, the Compromised budget has \$65,685 dollars of lottery funds for the pupil. Now there are caveats that go with that. 50% of the lottery fund for student pupil can be recurring. The other 50% for nonrecurring. So what you've got is really, when Mrs. Oliver were going to put this back into the equation to be used for recurring funds, we could only use \$32 and some odd thousand dollars for recurring funds. So that's why I really want us to focus on that as we go through this.

State Funds

	FY17 PROJECTED		FY17 PROJECTED		
	FY16 APPROVED	Senate's Budget 3/1/16	Adopted General Assembly to Governor 3/16/16		
	ADM 1963.88	ADM 1900	ADM 1900		
	COMPOSITE INDEX .3347	COMPOSITE INDEX .3405	VARIANCES	COMPOSITE INDEX .3405	VARIANCES
CAFETERIA PROGRAMS					
BREAKFAST AFTER THE BELL	\$1,645	\$0	(\$1,645)	\$0	(\$1,645)
SCHOOL FOOD LUNCH	\$11,556	\$11,534	(\$22)	\$11,534	(\$22)
SCHOOL BREAKFAST	\$10,126	\$15,892	\$5,766	\$15,892	\$5,766
CAFETERIA SUBTOTAL	\$23,327	\$27,426	\$4,099	\$27,426	\$4,099
TOTAL STATE FUNDING COMPARISON	\$12,972,219	\$13,289,778	\$317,559	\$13,119,525	\$147,306
TOTAL LOCAL SHARE	\$5,220,887	\$5,412,375	\$191,488	\$5,392,080	\$171,193

11

The next one is our cafeteria funds. As you know we don't get a lot of money from state for that.

VRS Expenditure Increase

Virginia Retirement System Projected

.73% increase -
Professional Employees

(3.10%) decrease -
Non Professional Employees

	FY16	FY17	FY16	FY17
Retirement	14.06%	14.66%	8.24%	4.77%
Group Life	1.19%	1.31%	1.19%	1.31%
Health Credit	1.06%	1.11%	N/A	N/A
VLDP	.35%	.31%	.35%	.60%

12

The next one is VRS expenditure increase for the professional employees and nonprofessional employees for VRS. The system that VRS projected. What you will see are these percentages and these percentages turn into numbers later on. As I've been asked the question already, do we know about VRS for 2018? Yes we do. We have to translate that over.

Insurance

- ❖ Anthem Health has presented to our insurance consultants Willis Towers Watson a proposal of a "flat renewal" for the upcoming plan year.
- ❖ Anthem Dental rates are still unknown at this time.

13

The next one is insurance. I want to tell you how hard staff has worked. The insurance, Anthem Health, thank goodness presented through Willis Towers Watson a proposal of a flat renewal for the upcoming year. I'll tell you, we worked hard to get there because last year we were told that we had a 28% insurance increase so we put it back out for bid and worked real hard and got that down to just a few percent of increase and this year we are very fortunate that we made that move because this year we are down to a 0% increase. Staff has worked hard. We started out with a 28% increase two years ago, sent it out to bid, got it down to a minimum increase to save a lot of money for us as the employer and the employee. We do not pass the cost on to the employees. We've not done that. We are very fortunate that we don't have to worry about that this year. Anthem dental rates are still unknown at this time.

Federal Funds

- All currently budgeted programs expected to be funded fully in FY17. With the exception of 21st Century.
- Title 1 School Improvement is starting only with a carry over amount.

14

Federal funds, currently budgeted programs are expected to be funded in FY17 with the exception of 21st Century. 21st Century, we are not doing that next year. Title 1 School improvement is starting only with a carryover amount of \$200,000 and some.

Goals: Expenditure Increases

- Part-Time Employees Salary Increase
- 2% - General Assembly Proposed Salary Increase for SOQ funded Instructional & Support Positions (funded effective December 1)
- Stipends
- Office Aides
- Buses & Cars
- Software Services
- Departmental Requests

15

So the goals, we have a lot of committees and a lot of plans. I want to let you know we have a comprehensive plan that we have put in place in Buckingham and it covers all areas. That comprehensive plan has a lot of fingers. With that Comprehensive Plan, there hadn't been one since 2007 in Buckingham so when I got here in 2012 we developed a comprehensive plan. With that we said what do we want? We want input from a lot of different committees. We want input from health and safety so we created a health and safety committee. There was never one before. We created a facilities committee. There were none before. We created an instruction committee. None before. I think you get the point. We instituted in this era of administration, we've instituted a plan and collected collaborative thought. This is not just me standing here before you and not just my board, but these are recommendations from committees that have gathered information well and I feel it's my responsibility to come up and communicate this information from these committees. So with that being said, after working with the Board work session, the goals are basically the part time employees salary increase. Again 2% General Assembly proposed salary increase for SOQ Instructional Support position. Stipends, office aides, buses and cars, software services, and departmental requests. These are the things that came out originally. Since then we've had various meetings. We've met together and paired ourselves down and looked at what was recurring, what's non-recurring. Recurring is every year, non-recurring is one time purchases per say. We've readjusted a lot of things.

Our bus fleet, we've included this into our PowerPoint presentation. Also I believe this information is in your packet.

BCPS Bus Fleet



State guidelines indicate regular route buses should not be over 15 years old.

BUCKINGHAM COUNTY SCHOOLS
BUS FLEET AS OF 02/05/16

BUS #	MAKE	YEAR	CAPACITY	MILEAGE	ACTIVE/SPARE
11 YEARS OLD					
14	INT-IC	2005	64	146,538	ACTIVE
4	THOMAS	2005	84	157,060	ACTIVE
67	THOMAS	2005	34	174,500	ACTIVE
12 YEARS OLD					
12	INT-IC	2004	64	199,865	ACTIVE
13	INT-IC	2004	64	202,507	ACTIVE
13 YEARS OLD					
56	INT-IC	2003	64	214,405	ACTIVE
14 YEARS OLD					
A5	THOMAS	2001	34	153,804	ACTIVE
52	FREIGHTLINER	2001	64	198,999	ACTIVE
A6	FREIGHTLINER	2001	64	216,663	ACTIVE
16 YEARS OLD					
A4	THOMAS	2000	64	175,993	ACTIVE

17

BUCKINGHAM COUNTY SCHOOLS
BUS FLEET AS OF 02/05/16

BUS #	MAKE	YEAR	CAPACITY	MILEAGE	ACTIVE/SPARE
1 YEAR OLD					
40	FREIGHTLINER	2015	77	7,883	ACTIVE
37	FREIGHTLINER	2015	77	9,153	ACTIVE
38	FREIGHTLINER	2015	77	9,515	ACTIVE
39	FREIGHTLINER	2015	77	9,802	ACTIVE
2 YEARS OLD					
8	THOMAS	2014	77	26,833	ACTIVE
5	THOMAS	2014	77	34,883	ACTIVE
7	THOMAS	2014	77	45,700	ACTIVE
6	THOMAS	2014	77	52,755	ACTIVE
4 YEARS OLD					
69	THOMAS	2012	34	71,080	ACTIVE
5 YEARS OLD					
31	INTERNATIONAL	2011	65	80,978	ACTIVE
33	INTERNATIONAL	2011	65	84,209	ACTIVE
32	INTERNATIONAL	2011	65	96,363	ACTIVE
6 YEARS OLD					
34	INTERNATIONAL	2010	71	58,452	ACTIVE
68	INTERNATIONAL	2010	34	83,073	ACTIVE
35	INTERNATIONAL	2010	71	89,363	ACTIVE
36	INTERNATIONAL	2010	71	91,945	ACTIVE
7 YEARS OLD					
27	THOMAS	2009	65	98,363	ACTIVE
30	THOMAS	2009	65	113,002	ACTIVE
29	THOMAS	2009	65	120,092	ACTIVE
28	THOMAS	2009	65	126,116	ACTIVE
8 YEARS OLD					
24	THOMAS	2008	64	109,603	ACTIVE
23	THOMAS	2008	64	116,856	ACTIVE
26	THOMAS	2008	64	118,680	ACTIVE
25	THOMAS	2008	64	133,334	ACTIVE
9 YEARS OLD					
16	THOMAS	2007	64	83,144	ACTIVE
19	THOMAS	2007	64	133,827	ACTIVE
17	THOMAS	2007	64	133,945	ACTIVE
20	THOMAS	2007	64	134,779	ACTIVE
15	THOMAS	2007	64	136,240	ACTIVE
22	THOMAS	2007	64	136,449	ACTIVE
21	THOMAS	2007	64	136,503	ACTIVE
18	THOMAS	2007	64	144,000	ACTIVE

BCPS Bus Fleet



16

Looking Forward 2018

- VRS Rates - Professional Employees - Retirement from 14.66% to 16.32%, Group Life remains the same at 1.31% & Health Credit from 1.11% to 1.23% for a total increase of 1.78%.
- Based on current FY16 salaries cost to employer will increase approximately \$239,000 in 2018. State projects funding of an additional \$88,000 towards this increase.

18

Yes, looking forward to 2018, jumping down to the 2nd bullet, based on current FY16 salaries cost to employer will be \$239,000 in 2018. State projects funding an additional \$88,000 towards that increase which you subtract that.

Summary

Total Additional Proposed Expenditures:

Recurring:

\$406,738 2% Salary & VRS Increase/Part Time Salary Increase/Athletic Stipends/Office Aides
\$ 62,187 MS Uniforms & Officials/Maintenance, High & Middle Requests
\$468,925 Total Recurring Expenditures

Non Recurring:

\$ 26,713 Identi-Kid & SubFinder Software
\$ 34,000 2 - Special Education Cars
\$360,000 4 - School Buses
\$ 45,000 Maintenance Request - Paint
\$465,713 Total Non Recurring Expenditures

(\$317,559) State Funding Projection - Senate

\$617,079 Requested additional local funding

***March 4 - DOE Supt's Memo - VPSA Grant- Chromebooks can be purchased after July 1 (\$56,000) deducted from original request.

19

On the last page, the summary. I'm going to talk additional to what you see on the PowerPoint because there has been a lot of different reiterations of this. We split things up between recurring and non-recurring. Recurring as you well know, the 2% salary and VRS increase and part time salary increase and we just threw everything in there to look at. The stipends, office aids, uniforms, officials, maintenance, high school and middle school requests. At worst case scenario before we go back and make some adjustments it would \$468,925 total recurring expenditures. Non-recurring is some things we talked about as a board. We bring forward just to let you know our vision even though we may absorb some of those things. Take care of those things on our own like we've been doing in the past which is fine. We just want to be transparent and honest looking at Identi-Kid and Subfinder Software, 2 special education cars, 4 school buses, a pending

request for some of our buildings that need to be painted badly on the inside. Those total non-recurring expenditures totaling \$465,713. Now that was looking at the state funding projection coming for Buckingham from the Senate's version of \$317,559 more funding from the state. So then that would have given us originally given us \$673 but what we did on March 4th, this is why I say it's a journey, on March the 4th a team of us went to the Goodwill Conference in Charlottesville, Superintendents memo came out and said it's no longer illegal to purchase through the Code of Virginia, it's no longer illegal to purchase things like Apple products and Chromebook products because you can now put the TestNav software on those. So we got real excited about that and told my Board through my updates I give them, I said this is awesome. So we had a really great weekend at the conference so we knew we could take \$56,000 off the top from that which brings it down to \$617,079. There are some other things that we can do. There are some supporting information in our packets about different options for if we do a 2% raise and etc. etc. and put in the office aide and make her contracted and extend the office secretary the office secretary's hours 1 ½ hours. Things like that we can do at minimum costs. If memory serves correctly, I'm going from memory but I think I'm pretty accurate, we would need \$76,999 extra for those things. That is not in the PowerPoint presentation but I believe it's in your packet. We would need \$151,000 extra at worst case scenario. That's where it falls for this. So I do appreciate your support and I appreciate your questions and I appreciate you allowing me to make these statements. Thank you very much.

Dunnivant: Dr. Snead, I have a question for you. I didn't want to interrupt you more than you've already been on your presentation. Did I hear you say that insurance for the school picks up 100% of the employees tab on the insurance?

Snead: Not 100%. No sir. That's a great question. Over the course when we had insurance increases in the premium. What we do is try not to increase the premium of say...let's be simple. Say you are paying \$200 a month. Insurance goes up the next year. What we try to do is keep Mr. Dunnivant paying \$200 a month and we take it on the employer's side.

Dunnivant: Ok, rearrange my question, basically what percentage do the employees pay that they share with the insurance versus what the school picks up the tab on and is it different percentage for different level of employees, i.e. hourly, teachers, administration on the insurance? Insurance is a big chunk out of a check.

Oliver: Insurance is the same percentage regardless. If you're allowed to get insurance, if your contract includes insurance, it's the same for everybody. We do have some part time people that are eligible after the insurance the requirements of over 30 hours a week. Those people have the same employee/employer portions as anyone else. As far as percentages, they vary because we have employee only, to family and then a spouse or just a child. So they do vary. The employer pays the most. We have four different plans to pick from.

Dunnivant: So you are picking up better than 50% of the insurance?

Snead/Oliver: Yes.

Dunnivant: Just curious on that question. The nonrecurring costs here on the summary sheet. The 2 special Ed cars. What are they? Driver's education cars?

Snead: No, that's another good question. What happens we have students who are special needs students who are required through the IUP to attend a specialty school. Let's just say autism. The child's needs on the spectrum are so severe it's not anything that Buckingham Public School...

Dunnivant: They don't function in a normal classroom.

Snead: Yes, sir. So what the IUP team may decide is they need to go to a special school in Richmond. So we transport them. Mr. Palmore, thank God, is my expert in that area. So what he does, every year he juggles where ever they decide the students have to go, he juggles the cars for transportation. So that's why the request is in there because we anticipate...

Dunnivant: Didn't the sheriff, if I remember correctly, I can't keep it all in my head so I depend on yall folks, didn't the sheriff's department just transfer yall a couple vehicles?

Snead: Two cars.

Palmore: We go to 2 different places in Richmond. The drivers drive twice a day to Richmond. One is on one end of Richmond area, and one on the other. One is Radford School and one is Charter House. They transport autistic kids. We started out the last couple years transporting them in vans that when we bought with 60-80,000 miles on them. Well, it's gotten to a point now that when you start putting 1,000 miles a week on a vehicle, they now have 160,000 some miles on them. Last week the transmission came out of one in Cumberland. Thank God it was closer to home. You break down with an autistic child you might have a problem. The thing about it was, I did everything humanly possible to get one van to carry both children. I did everything. Its 13 miles apart and it takes 47 minutes to go that 13 miles in Richmond. I drove it twice. I drove it trying to make this work. But on the flip side the schools never could get the times coordinated. They want the kid dropped off at a certain time and picked up at a certain time. It would not work. The times were different. So the reason these two cars are in there, these vans that we started out with had probably 60,000 miles on them have 160,000 miles on them now. The thing of it I think the safest things to do is buy two small, let's just throw out, Ford cars off state contract to haul these kids in. They need a very...it takes a good vehicle to drive to Richmond twice a day.

Dunnivant: We have a lot of residents drive to Richmond.

Palmore: I'm just saying, it takes a real good vehicle to drive it twice a day.

Dunnivant: To expand of that. Would it be possible, I'm the biggest tightwad there is but I want to give you what you've got to have. I'm sure Cumberland and other counties have got the

same mandate with the children they have. Have you reached out to them to see if it's a poolable resource kind of thing?

Palmore: Have done that through the Special Ed Program. By each child's different needs, they go to a different school. It has not worked out yet.

Jones: This is only two that we have? Two kids?

Palmore: In Richmond there is just two. We have some go to Charlottesville.

Snead: That's a good suggestion about the piggybacking. We also have what's called an Individual Education Program and that's federal special ed money.

Dunnivant: I realize it's a mandated program.

Snead: The committee decides where they go.

Bryan: That goes through CSA right Karl?

K. Carter: Some, yeah.

Bryan: It's mandatory. You don't have a choice.

Snead: Some of those. And we, this is just an antidotal, we might have a passion for one of the children to go to a certain school but we are only one voice. The committee decides no, this is where they are going. We immediately contact Mr. Palmore, and he makes it happen with the vehicles he has.

Ragland: These are questions that we, while we are in there talking, we ask the same thing.

Dunnivant: I'm sure. If the thought comes in my mind then maybe it's in someone else's mind too.

Ragland: Don't think he doesn't get a hard time. We give him a hard time trying to figure it out. Sometimes our hands are just tied.

Dunnivant: I realize that and that CSA I had interrogated Karl a while back on the social services end of it. We've got to provide that service. It's tied to the other money we get.

Matthews: Mr. Palmore, I know you do a tremendous job and I appreciate that. I hope they don't give you too hard of a time, if they do call me. Anyway, the cars you are getting ready to bid on, you said a Ford, what did you say?

Palmore: I just threw that out there. It would be state contract. If we get vehicles, we go through EVA.

Matthews: Is that the same thing as buses? Do you go through EVA?

Dunnivant: On that note, yall see the little piece of junk I drive. I encountered the other day and I'm going to suggest to you Ronnie to look at it. It's a little Chevrolet thing. It's foreign made sold under Chevrolet. It's got 100,000 mile bumper to bumper warranty and even includes the radio knobs. The vehicle costs \$13,000 and gets 40 miles to the gallon.

Matthews: Really my question, does it have to be a specific design that needs to be met to be a special needs car?

Dunnivant: So, at that...

Ragland: When I say put in a bid for something...

Palmore: What we do when we get ready to purchase a vehicle, we see what the state contract has to offer. Is it a Ford? Is it a Chevrolet? Just what's under state contract?

Matthews: But you still have to bid it out to another supplier, don't you? Not just EVA.

Bryan: But not to exceed the state contract.

Snead: You use the state contract as your starting point or baseline and then you go out and buy something cheaper if you find it. We've done that before.

Ragland: You say a smaller vehicle. My thoughts, and this is what I cringe about, if it was my child going to Richmond every day, I don't have control of that vehicle and you have to deal with the idea there are a lot of idiots on the road. We've got to go down there, if their school is open and our school is closed, don't they have to go down there anyway?

Palmore: Let me tell you, these schools we go to in Richmond, it's not like a public school with 180 day year. They are 200 some 220 day. They are closed one month out of a year. That's a tremendous expense.

Dunnivant: It is. The comment I'm making, it's a brand new vehicle. It's just one. There may be others out there. I just saw it when I took my wife's car and had to sit so I wandered around the lot. Anyways, I see the thing, it was a little bitty thing, I tried to turn it over and look at it. But anyways, a little comedy yall will remember the conversation. But 38+ miles to the gallon. 100,000 mile bumper to bumper warranty at \$13,000. Drive that sucker 150,000 and take that sucker over to J & J and we'll get you a brand new one just like it again. It's a cheap ride. You only have a small capacity. It's only 2 people, the driver and child. It's a very viable, economic alternative. If the parents to cringe at it, tell the parents to carry the child yourself.

Ragland: It's the safety of it.

Dunnivant: The car meets the federal highway transportation guidelines or they can't sell it.

Allen: I wouldn't want my child in a little car either. My child ain't going in a little car. Beyond your control under whoever your driver is. I want a decent car. I don't want no little tiny thing.

Palmore: We look at the safety rating too. We don't just buy...it might get 38 miles to the gallon. It's a lot more that we have to consider.

Dunnivant: I'm just throwing that out there. There are cheap brand new rides out there. That's enough of that.

Bryan: That Identakid, is that the same as Appomattox. Appomattox has similar to this.

Snead: Yes, you go in and it takes a picture of you. You have to sign in and have to sign out.

Bryan: For those of you that don't fully understand Identakid. We get a lot of visitors in the school system. I'm going to pick on Sherry, Sherry comes in the school and she knows she's not supposed to be there. She sits down and gets her picture taken, a little later Sherry says I was never in your school system. Guess what, it's on a data base now. There's her picture that pops up.

Carter: I think in Appomattox, you show your driver's license.

Snead: That's the model we are looking at. The one with the driver's license. We have to take your driver's license in and if we get that we also know we have to put up special signage because they have to know before they go in.

Wise: It's an added level of security and that's on everybody's mind these days.

Ragland: We took into consideration when the state police came through and gave our safety run through. These are little things we are trying to meet as we go along.

Snead: That's a good point. That was out of our safety committee.

Wise: It does tend to sway people who aren't supposed to be at the school to know that we take your picture.

Ragland: Cuts down on the level of disruption. That's some of the things we are looking at. You've got a 1000 kids, 500 in each school, if you have someone coming in all day long, we are trying to make them more accountable.

Dunnavant: You all need to know who is in the school. Simple as that. No argument there.

H. Bryant: That's right.

Matthews: I've got one other question for Mr. Palmore. Those two cars that the sheriff's department donated to you, what's the mileage on those two cars?

Palmore: Every car that we've received usually has about 200,000.

Snead: Those were 2009's right?

Ragland: Usually those are used for bus drivers who live far away so they can commute.

Snead: I believe Mr. Kidd stated they were 2009. They probably would have...

Palmore: We will probably haul our own special ed kids as well.

Matthews: If they've done that in the past, do you have some vehicles that need to be disposed? You aren't accumulating a bunch of vehicles are you that you are not using? What's the deal?

Palmore: I do have a couple right now but I work with my board on that. They are 98 models. They are not worth spending money on. I'm not going to say it's unsafe. (some was inaudible in audience without a mic)

Allen: Long distance. Short distance probably would be fine.

Ragland: I wasn't feeling very safe in that van the other day.

Dunnavant: On the buses though, they are looking for four buses. I looked through that the other day. I only saw one bus in excess of 200,000 miles?

Palmore: It's probably one in excess of it. It's probably 3 or 4 in the close to it.

Dunnavant: In the 80's.

Palmore: I have that information a month or so ago.

Snead: February 5th. The mileage.

Palmore: You can figure on average a school bus 15,000 a year. There are basically 43 bus routes. Right now bus wise its 42 bus routes. The reason I took one of the buses off is because

we also send a couple buses to Bear Creek Academy. This one bus has gotten down to where I can put a van out there. That's why you are seeing 42.

Matthews: Bear Creek Academy. What is that?

Bryan: It's an alternative school.

Dunnivant: It's one of those CSA requirement schools. Social Service program.

Palmore: We probably have 15 or 16 kids going there. That being said. That's why you see 42 because it's more feasible to instead of wearing out an \$80,000 bus, they will fit in a minivan. Diesel fuel is an extra \$1 a gallon. The Van gets twice the gas mileage of the school bus. It was feasible that's why you see what you see. If you figure, let's say 43 buses, 15,000 miles a piece, that's a lot of miles. That's 630,000 miles.

Dunnivant: It adds up. I'm not picking a fight, just an observation. Here's one right here. 86. 216,000. The school buses basically are a 5 ton truck class vehicle with a bus body on it. They will go a long ways.

Palmore: They stop a lot of times.

Dunnivant: Do you have a maintenance plan on them? Where they meet a point of diminish and return? Repairs versus you know what you put in them over a service life. Some of them hold up real good and some are lemons to start with.

Palmore: That's a very good point. This bus right here, this 86, I'm glad you brought that bus up. That bus right there isn't 200,000 and some. That is actually a bus that we made an activity bus and painted. We got rid of a 92 model international straight shift. The reason we fixed that bus was we didn't get buses for those 2 or 3 years, we got so far behind the engine, Joe remembers that, we turned right around and put a brand new Cummings engine in that bus. The body was still in great shape, you know. We did everything we could so we made it an activity bus. The miles do look high, but's it's been all redone. It's got a new engine in it. Still a lot of miles left in that one. We do not put the engines in the bus. I don't have that capability. I don't have certified diesel mechanics to do that. We keep them on the road every day. We do starters, tires, and brakes. That's the reason that bus right today, that activity bus, that 86 has that miles on it. I feel safe with that one. We went all through it. We've spent a lot of money in it because we didn't get buses that year, we tried to do the best we could with it.

Dunnivant: On that same note, how many buses would you say we have in the fleet that would be cost beneficial to reup? New engine, new transmission as opposed to the whole thing.

Palmore: I've been here 10 years, one of the transmissions, we did replace one. Sonny Berryman put it in. It was taking off in high gear. It would not take off in 1st or 2nd. We thought it was a sensor problem. We thought it was a wire harness. We took it to Sonny Berryman to get him to check it. If he could fix it, great. They have the ability and technology to scan and

check it. It was the transmission actually gone. They had the pan of it checking it over. It was a reasonable time to put a new transmission in it. Transmissions rarely go bad. Like I say, school buses everything else, the powertrain. It's a diesel engine. The rear ends, I put maybe two or three in a year. On a school bus all the stops, doors open and close, windows up and down, see what I'm saying.

Dunnavant: The bodies get loose.

Chambers: We can look at it this way, time you send it somewhere for somebody else to put an engine in it and pay the maintenance you better off to replace that bus.

Palmore: The buses used to come with Mercedes Benz Engines in them. That one engine...now they have Cummings in them. The Mercedes Benz engine is \$23,000. That might include labor.

Chambers: Which engine gives the best service?

Palmore: Cummings.

Allen: I thought we were going back to putting in 4 buses yearly?

Carter: If we've got the money.

Allen: Yeah, if we got the money. I thought it was something we talked about last year.

Palmore: To be honest with you. It's been a very unclear thing. I appreciate my board standing up behind me on the buses and I appreciate what you all have done through the years. If it won't for yall we wouldn't have them. But I'll tell you something, those 2 or 3 years without buses showed up later on. The thing about it is now its showing up. The buses we didn't replace, should have been replaced when the mileage was lower on the buses.

Chambers: If you can't replace 4, we should try to replace 2 so we don't get so far behind.

Ragland: Was it three that we always rotated out?

Palmore: It's always been 4 buses.

Allen: We cut it out and now trying to get back in.

Carter: Actually the county didn't cut it out. The money was in the budget so, the county didn't cut their money to cut out the buses but I think it had to be rerouted to other things.

Ragland: We thought at the time that was the best move to make and now it's like hindsight. It's catching up to bite us.

Chambers: we allocated the money and the money got spent where it shouldn't have got spent. When Dr. D was there, he spent money where it shouldn't have been.

Matthews: I have a question, so you are telling me that it's more cost effective to buy an \$85,000 bus instead of putting an engine in if it goes bad? Is that what you are telling me?

Palmore: I'm telling you this right here, the buses we replace are 100% safer. If you have an old car with a brand new engine, you still have an old car.

Dunnivant: Steering, wheel barrens.

Bryan: I actually looked online and there was a national highway safety survey that said type c and d buses should be 12-15 years. Type A & B buses should be 8-10 years. That was based on 8,000 mile a year average. We almost double that.

Palmore: The roads we travel on are rough.

Bryan: They are gravel roads. They are bumpy roads.

Matthews: You have 6 extra buses I thought. Those buses aren't listed on this.

Palmore: I just did a summary of the buses that are on the road with the mileage.

Matthews: Do you use those buses?

Palmore: We use them if one goes down.

Matthews: Are those in this list?

Palmore: No.

Ragland: They've been pulled out, right?

Palmore: I'm not going to say all of them are used, but they are used as a sub bus.

Bryant: You've got to have some extras because...

Allen: Can't work without them.

Bryant: That's right.

Matthews: What's the mileage on those buses?

Palmore: They exceed anything you have right there. All of them should be at least 200,000. I've got one that's about 230,000.

Matthews: Have engines been replaced in any of those that we need to keep them or not?

Palmore: The ones we have now are basically internationals and haven't had any problem with those.

Dunnivant: The only thing I question is the 2% pay raise before we get funded from the state. Does the 2% coming in July versus when we get the money or the money shows up in December for it, does that money come out...are you asking us to fund that 2% for that duration or is that coming out of a slush fund you've got floating around somewhere?

Ragland: We don't have slush fund.

Dunnivant: We don't either. That's the problem.

Snead: Over the years, what has happened, Wendy and I have been fortunate enough to keep things tighter...

Jones: Mr. Palmore, I'm not trying to tell you what to do because I can't do that. I've looked at the mileage on some of these to where maybe you could change the bus route and give one that has a lot of miles to it and one that doesn't have a whole lot of miles that maybe you could switch them around to preserve them a little bit but before I retired I was responsible for 26 ready mix trucks. We had a record if we put a 1/4" bolt in one of the trucks or mixers we assigned it to the budget for that particular truck. As time went on the trucks got old but we weren't spending enough money on them to justify us buying a new truck. But I'm just passing this on but it does help if you've got a good record of what goes into every bus so that you can look at it down the road and decide which is which. I'll just throw that out. Like I say, I'm not trying to tell you how to run your business.

Chambers: I see what you are saying and it makes a lot of sense, Mr. Jones but we are not hauling concrete, we are hauling children here.

Jones: The most...I'm not going to say anything.

Snead: Mr. Dunnivant, you brought up that question, correct?

Dunnivant: Are you tracking the maintenance on them so you can find out which truck has longevity and which one is a lemon. You may have a truck, truck or school bus, same thing, you may have one that's fairly low mileage but costs you the dickens to keep it going and you may have one that is a good one but because the mileage is up on it, you may not want to get rid of them. You might find that some drivers, I know this for a fact, a lot of it depends on whose driving the bus too.

Bryan: But in a perfect world, if we kept up with the rotation, everything would be sitting good. The way I count it right now is you know, what did I say the last time when we talked buses last year. It would take over a million dollars to replace the bus fleet to bring it up to date because you listed the spares the last time, Ronnie, and I understand that when a bus breaks down one of the ones that are not on this list goes into operation and you hope that one lasts long enough to fix the one that's currently active on the route.

Ragland: Can I also just say as far as finding a shorter bus route. I don't know of any bus routes that are technically short. You have to drive all the way to where I live, ½ hour away and everybody that steps foot on the bus takes an hour to get to school. Then you've still got the kids...Mr. Palmore tries to utilize and fill the bus to capacity by getting the kids in the area. I don't know of too many buses that leave at 7:30 to get the kids here.

Palmore: Let me tell you something else, from the first day of school to the last day of school, summer school. Bus drivers get paid for transporting kids for an hour and a half in the morning. They can't transport any longer than that in the mornings and the evening. You might see a bus that looks like not very many kids on that bus but that bus might go a long ways to drop those kids off. It's a juggling act from the first day of school to the last day, kids move in and kids move out.

Jones: The reason I said something about that, most of this list all the way through the age versus the miles, they average around 13-14,000 a year. But there's some that have 18-20,000 and that's why I was questioning that.

Ragland: Don't you use some of the buses with low miles for summer school too?

Palmore: What I try to always do is keep the driver with the bus they are used to.

Ragland: But the bus route goes all over the place. Bobby, we do the same thing. Everything you're questioning, we've all questioned too. We look at it and when we say we give this mad down the road, I do it and then people have to tell you to calm down. He's the one that has to deal with this but we have to take what he saying to heart. We do ask him the hard questions.

Bryant: I think Mr. Palmore has done a mighty fine job at the transportation with those buses. He's doing a fine job as far as I'm concerned.

Chambers: We'd like to see the fleet get back...

Dunnivant: We don't want the thing to fall in the hole but the thing is we didn't take the buses from them. At some time their own internal system let them get out of shape.

Ragland: You mean, our internal system let them get out of shape? Let me remind you again, we were at a time when I came on the board things were wonderful. Everybody was smelling

the roses. After that first year, it was like the hammer came down. We felt, when I said we, this board made cuts. We felt like we want to appease the board, we are going to give you what it is you want. We want to show you we are willing to save and are willing to make an effort to save the county and not have to increase. We are now at a point where we can't. We are asking not because we are trying to suck anything out of you, we've got to have it. I feel like everything that we are asking is very earnest and forthcoming, honest of what this boards have looked at. That's it. I don't know what else I can say.

Carter: If I could follow up with a comment on that, in the last 5 years, we've given about \$1.7 million of additional money. There are reasons for it. One year we did about \$800,000. The stimulus money came and the stimulus money went. So, they used that stimulus money then when it left, they were in a mess. So, that was a lot of it. The stimulus money worked for a few years and then went away. I think that's when it all got out of balance. It was something else to in another fund that you all lost. Another fund that was supposed to help the counties and the school system to operate during the bad time. Eventually the county had to make up all that money.

Chambers: I still say if we can give two buses this year they won't be so far behind on the rotation. I know you can't base it on the diesel fuel because it was a savings last year but diesel fuel has started going back up.

Ragland: We skipped a few years like the 14th year, the 10th year and the 3rd year and it's going to be when we have the most problems too I think.

Chambers: Say that again

Carter: She's looking at the list.

Ragland: 14th year we didn't replace any, 10th year we didn't replace any, 3rd year we didn't replace any.

Chambers: What I'm saying if we don't do nothing, we are going to be in worse shape than before. If you give 2 them maybe we can do better next year.

Dunnivant: I agree to two. I wouldn't be against two. But sitting here looking at everything, the audit that we all looked at this afternoon, education lumps everything yall do, our general government administration rose about 15% in the last 10 years. Our school expenditures have risen 65% in the last 10 years but our school population hasn't. Where is that additional 65% of the increase going? Or if you take the 15% overall, where is the other 50% increase gone too?

Snead: What figures are you looking at?

Dunnivant: I'm looking at this summary that we just did with the auditors this afternoon?

Snead: Are you looking at county appropriation?

Dunnavant: No, I'm looking at table 1.

Matthews: I've got a question while y'all look for that, in transportation, with the price of fuel dropping in the last year, and you responded to a question I had earlier you couldn't forecast what you were going to do this year, then you said you were going to use that savings and repair the buses with. Did you not put anything in your budget last year for repairs? What was that money used for that you already had in the budget?

Snead: Let me explain the budget. The budget that we've had has been critical. Absolutely critical. When we got here, when Wendy and I were able to figure it out, what we did is we were able to try to make an understanding of where all the money was and to be good stewards of the money. We didn't have enough money to be able to build everything that we needed. We are still in the rebuilding process. Is really where we are. For example, what we do is we budget out the best we can everything that we have and we are getting better and better and tighter each year and so we did have those repairs budgeted, ok, but with the things that happen with fuel savings that we did realize, we always have a place to put our money internally to be able to keep operating. So let me give you an example, things that we were able to do because we hadn't had the money put in, we did internal funding in FY2015, we were able to purchase 2 vans with our internal funding and 2 school buses. That was FY15 and that was also the year the county was able to do that for us for a total of 4 buses. We had additional local funds in FY 15 of 302 and carryover funds from FY14 of 589 and additional state revenue of 181952 and what we were able to do with the new things we added we are able to move money around internally 214,000 worth spending. That's kind of where I'm coming from with background information is that we do budget and put the things in there that we need but we are also good stewards of our money. We spend it where it's needed. I hope that answers your question.

Matthews: Not really because what did you have budgeted for repairs?

Snead: I don't have that with me right now.

Matthews: I would have thought...

Snead: That's the stuff my board asks.

Matthews: That's the stuff your board asks? What do you mean?

Snead: That's the things that they help me out with in the budget Worksession. I don't have it with me.

Ragland: Are you saying...I'm trying to understand...

Matthews: I'm asking when you have a budget, you build your budget every year, you put something in a line item for maintenance on buses, and then I ask the question, there should have been a savings on fuel cost this year from \$3 a gallon to \$2 a gallon or \$1.50 a gallon, whatever it may be. Where is difference and why did you use it to repair buses and not buy buses with that money you saved.

Snead: I know what you are saying...

Ragland: First off, it's a cost that we don't realize that we are going to save.

Matthews: You should. With the way it's going down. You don't realize you are saving that...

Ragland: It's going back up too.

Matthews: It is right now, but for the last year it has not.

Ragland: We also put in for a price for that gas.

Snead: We are in a consortium with some other counties and the fuel bid process is going to start up in May and in June we will have a contract and understand...I brought some of that information with me to and what we do is...

Matthews: It's usually some type of some cents per gallon.

Snead: What we bid out in June, you need to understand, what we bid out in June is 100,000 diesel fuel, 60,000 gallons of unleaded fuel, and 45,000 of propane fuel. So that's what's going to be bid out and we don't have that data yet so that's what you do is estimate the best we can from background data from the past. Does that help?

Matthews: It helps explain how you arrived at what you did but it still doesn't help with the savings that you incurred. Anyway.

Snead: Thank you.

Chambers: I guess we need to move on. So two school buses.

Dunnivant: I don't have a problem with two school buses. I know they've got to stay ahead of the curve so to speak. I just have to question, 65% roughly increase in education in the last 10 years and general government...

Ragland: But if you look at the other items, governmental services 76%. We are just a higher ticket item.

Dunnivant: It is. I'm not arguing I'd just like to know how the increase came about. Where is it? I know where our long term debt came from. That came from the new schools being built. A little bit left in the Courthouse. It's table 1.

Snead: Are you looking at page 102? That is the local appropriation right?

Dunnivant: It's gone from \$5.4 million to \$8.4 million in 10 years. Public safety, Becky explained what the public safety money was this afternoon. Long term debt that's the school construction we are going through. Our total increase of 68.4% includes the education increase, debt increase and public safety increase. I know where that came from.

Snead: Yes sir, you've asked a good question because Wendy and I went back and we are not getting \$8.4 million. If we were getting \$8.4 million we'd be at home right now.

Carter: I know what that is.

Dunnivant: That is what the auditors said.

Snead: Yeah, but that's not what we get.

Carter: The auditors change that.

Snead: Wendy and I went back because we said if we got \$8.4 million we wouldn't even come see yall today. We'd say adios because we got everything we need plus gravy. So that's a great question and we went back and looked at what we...if you look at those sheets...we sent out some sheets in the fall expenditure line by line items, actually Mr. Matthews, we actually looked at those sheets we gave you last year and we compared and we noticed we had \$6,939,205 that was appropriated for us. We were still confused because that's not our baseline. \$6,939,205 so then we looked over at the carryover, this is what's interesting, the carryover of \$6,300,000 and something is exactly what was appropriated to us that year. \$6,300,000 and some. Then the carryover was \$270,000 and the other carryover was 319 which took us up to the \$6.9 million and I have no idea because it's not my ballpark why \$8.4 million is there. We got \$6.3. Same question. So what I'm trying to say is that we on education didn't get \$8.4 million. We got \$6.3 million.

Dunnivant: We all collectively need to know where that \$2 million is at.

Carter: They included the debt service in that. The new schools debt service is in there.

Dunnivant: The debt service is separate.

Snead: They rolled it over in our stuff.

Bryan: Yeah.

Carter: The only thing that's not in there is the interest on long term debt. The rest of it is in education.

Dunnivant: So the auditors have it in two columns on this thing?

Carter: No. They consider the debt payment on the schools as money for education. The interest on long term debts that you see on that page, interest on long term debt, they don't include that. I saw that too. When you see it goes from 7.7 then to 8.1 then 8.4 and next year it will show 8.8.

Dunnivant: It looks like it's a pretty consistent incremental climb.

Carter: We don't give them \$8 million in operations.

Snead: If they did, I wouldn't be here today.

Dunnivant: I'm not disputing it. I'm just trying to get my little simple mind wrapped around it.

Snead: We did it too. Wendy and I went back and said we know we are not getting \$8.4 million so we've got to figure it out. I was joking with Wendy, and said there's no reason to go.

Allen: Y'all are talking about adding and subtracting. I thought you had \$617,000 was the extra. Is the buses included or not?

Carter: They are included in the \$617,000.

Snead: They are included in the 617, yes sir.

Allen: So what y'all are talking about now is cutting something out the 617.

Dunnivant: I think that's where we are at. They want four in addition to the funding we are proposing they are asking for the \$617,000 additional. If I heard it right.

Allen: I don't think we need to do anything until we find out what we got.

Bryan: Let's wait until we get through our side.

Snead: Thank you Mr. Chambers and the Board. I hope you appreciate our passion. We put a lot of work into this. Tried to put everything out there for you. Thank you Mr. Chambers for the meeting.

Wise: I would like to point out that the buses were put into the request, it was suggested in the last few years that we do that from the previous board that we should include that. I think when you pull those buses out, it's a reasonable figure of new money that we are asking for. I would

just ask justification of how we got from four buses to two buses, numerically how we skipped over three buses, I just ask numerically the justification for that.

Bryan: I think when we start talking, Mr. Wise about the budget itself, I think we will have a better picture. I do agree with you saying that our past board from last year, we had asked you to put the buses back in the budget because we can't guarantee over the past we've had carryover money and...

Wise: We found savings for buses too and developed a partnership, you know, it was suggested...

Bryan: Our board, last year's board that you put those back in the budget. That was one of the requests. I do remember that we made that request. We can't always count on carryover money. What we said, the safety of our children come first and we looked at the aging bus fleet and determined there were about 18 buses that needed to be replaced. I think that was the number, Ronnie, help me out?

Matthews: The school has some ending year money too.

Snead: I think that's what Mr. Bryan's stating. We've counted for all of that.

Matthews: You've already counted for what you've got this year?

Snead: Well, remember at the January meeting when I asked about the reallocation of funds. In the narrative I cautioned that we had realized the savings from insurance and we wanted to use \$40,000 for the land purchase. Then the \$64,000 we need to keep that because of the ADM loss. If there is any year end monies that needs to be put towards our year end loss as well. Does that answer your question?

Bryan: Each of you have a copy of this in front of you. We started a committee a couple years ago for capital improvements for costs to enhance the system to last a little longer...to make it last a lot longer.

Ragland: What he's showing you the facilities committee that we are on, we were asked for a general idea of costs like when the roofs need to be repaired, we need to start realizing the repairs that will be required in the 1939 building high school and all the things that are starting to go wrong and things we need to keep up with. The middle school complex, just the surfacing of the roofs alone I think some of the pricing is there. Mr. Davis is working on getting us some estimated costs. Just so...that's why we are putting dates on there as well because if you look at the roof price of one of the schools, the resurfacing on top of the building. In ten years, it's not going to be \$55,000. We know that. We want to start getting an idea of how things are going to start looking in the future for us to have to do some repairs. Mr. Bryan does serve on that committee with us.

Bryan: One of the things that got us was the high school track. There was one bid, one company that bid it and we thought we could put it out for bids but when you are the only game in town, you charge what you want.

Ragland: Some of these things on the list are issues that were from the State police and it doesn't have everything in there. But it was something that we've been talking about and we need to start incorporating that in there. We have a historical document so we can see from this year to next year we can say ok, we've got to reform the next roof and we didn't put that in the budget. That doesn't count the things that blow up and break down.

Dunnivant: I complement you on that forward thinking for maintenance. Just like the buses if you take care of them through the process, they will last you a whole lot longer. Our obligation is not to each other, but our obligation is to the tax payers to spend their dollars as absolutely frugally as possible.

Ragland: That's what we are trying to show you what's coming. On this board you have admin, when I say admin I refer to the principals as well. Custodians, facilities, myself, teacher representation and parent representation. We haggle over this form all the time. We meet once a month. We meet all the time to try to get this where we want it to be. We wanted to present it to you with manageable...you see numbers better.

Dunnivant: You haggle amongst yourselves, we'll haggle amongst ourselves, we haggle amongst each other and hopefully come up somewhere in the middle.

Bryan: Before you leave, I've said it before in the past, Mr. Wise, we language very long for the middle school to get it built, for the complex to get redesigned. It took a long time to get that done. I've been talking with Sherry and Dr. Snead, you know, I'm not saying it's going to be done next year, I'm not going to say it's going to be done in five years, we need to start looking at...Sherry just mentioned we have a high school in 1939, when Hutt was born, I mean it's been renovated I think three separate times. I'm not...don't say that Donnie said we are going to build a high school, please don't say that. It takes time to get together to build it, and if we don't start dialogue we are going to be in the same boat we were for the complex, and same boat we were for the middle school. We need to start thinking forward that I'm thinking 10 years from now or longer.

Ragland: This document is for when I'm not here and the next person, we have something from the committee.

Bryan: To sit down and a couple representatives like Dr. Snead, Mrs. Carter, a couple school board, a couple board of supervisors to be able to sit down and say let's start looking at it 10-15 years down the road. Positive thinking.

Chambers: Mrs. Carter, are you ready?

Wise: With permission, Item 6, if you are done with us. I will adjourn our part of it. Thank you.

Chairman Chambers declared a 5 minute recess.

Chairman Chambers reconvened the meeting.

Carter: Yes, sir. I'd like to start with the guide book for... I'm going to call this the presented budget and we'll take it from there of any of the changes you'd like to make. But by the end of the evening our goal is to adopt a proposed budget for advertisement for public hearing and also to adopt a proposed tax rate for advertisement for public hearing.

I respectfully submit a balanced budget for your consideration however I'd like to make it clear that this balanced budget does not provide for all of the requested new money, no reserve for contingency except \$21,000 or any capital improvements money. As we navigate through each request I will point out the reasons that additional requests have not been listed and we can discuss any alternatives you may discuss to give further consideration to any of the needs expressed through the requests.

The budget I have provided is based on the current tax rates with an additional new tax rate for State Corporation Personal Property. Those of you that met with the auditors this evening, know that it was called to our attention that we can tax vehicles through the State Corporation Commission at our personal property rate of \$4.05. It will give us a couple thousand dollars based on what's listed. Presently the only vehicles listed with the State Corporation are about \$44,000.00 value from Dominion. Presently the county has only one State Corporation Tax Rate and that rate is 50 cent. If you all approved a State Corporation Commission Personal Property tax rate of \$4.05 Personal Property Rate you can tax. I think we also need to look into how that's being reported because I think we all know there is more than \$44,000 worth of vehicles. Companies registered through the State Corporation Commission that are housed in our county. This is an additional tax rate that will be considered this evening.

Another thing as I was looking through this with the State Corporation Commission, I've been looking close because of the proposed pipeline to come in and proposed compressor station, through the State Corporation Commission the \$0.50 rate with a 1ed compressor station, through the State Corporation Commission the \$0.50 rate with a proposed compressor station, through the State Corporation Commission the \$0.50 rate with a 1¢ we get an additional \$50,000. Although most of their property is valued as equipment, like computers, etc. we can only...the state law will only allow us to tax that at the real estate rate. Other companies and businesses in our county pay \$2.90 for \$100 value for their machinery and tools and I've done a lot of research into this and met with the Commissioner of Revenue also, we cannot do that. Just wanted to make it clear that a majority of the value down there is equipment but we can only do real estate, personal property and aircraft for State Corporation Commission. Just wanted to clear that up.

The total presented budget is \$45,567,043 .00. This breaks down to an unrestricted beginning year balance of \$4,200,000.00, a committed economic development beginning year balance of \$681,385.00. What that is it's not revenue coming in, it's money we've gotten from one time sale of property in the industrial park and put in that reserve because we don't want to mix up thinking it's revenue coming in every year but one time money that we hope to build on and we show it on the expense side as a reserve for economic development. If we spend it we are not going to get it again. That breaks down to \$4.8 including that \$681,385. This proposed budget demonstrates an ending year balance if all reserved are spent of \$4,200,000.00 and an ending year balance before reserves of \$5,296,975.00. This breaks down to total expenditures (state, federal, local) of \$41,371,116.00 and total local money expenditures of \$18,220,002.00. The \$4,200,000.00 ending year balance represents about 10% of the total expenditures and 23% using the local expenditures. The Local Expenditures is what we need to pay close attention to. We need to keep a certain percentage of the balance to keep us sound. To give an example, if we spent right now....we have 23% reserved of our local expenditures but if we spent \$500,000.00 additional and decreasing the EY Balance can result in a decrease of 4% or to 19%. That's how quick that balance can start going down. The auditors warned us, well not warned us but commented this evening that this is pretty much where we are now. We are in a good place right now but you don't have the money for additional items.

As previously stated the presented budget does not have a tax increase except for the new SCC PP Tax Rate, however as we work through the budget process I think it will be demonstrated that the board may need to consider other sources for additional revenue. Two years ago I recommended a tax rate of \$0.58 to keep the county financially sound through what we expected would take place in the coming years, particularly the change in the local appropriation for the School VRS, increased Regional Jail funds, county wide increased expenditures (using a 3% average) due to probable health insurance increases and other operational needs. The School Debt Service increases in this proposed budget that we are working on tonight by about \$400,000.00. This is the peak high for the debt service however it is not expected to be reduced for a long time. We have already been advised that the School VRS and Dr. Snead discussed that tonight, will increase at least \$239,029.00 in 2017-18 (the next fiscal year). That's based on present salaries. Fortunately the School will not have a health insurance premium increase for the 2016-17 Fiscal years but the County rate is increasing 6.7%. That cost increase to the county is about \$30,000.00 (all county, county/state employees including the Social Services Employees). This will also result in these employees net pay decreasing by the employee portion of the 6.7%. Later in the budget as I get into the rest of county expenditures, I'll provide you with a breakdown of the plans we offer and how much the employee will increase and how much the employer will increase. We know right away, that employees on the insurance will have from their net pay another 6.7% of their side of the premium. One thing that helped me in the county side of this is the County VRS % was reduced by 2% which helped to offset the cost to the employer on the health insurance. That really helped us a lot but the problem is we never know when it's going to...it varies like the schools does but at least year we did get a 2% decrease.

A different scenario of Maintaining for two years was proposed using a \$0.56 tax rate. The additional six cent (if all is collected) may have provided an estimated \$1,152,000.00. (\$852,000.00 real estate and \$300,000.00 state corporation). That recommendation from me came as a realistic \$0.58 was to keep you secure in case we had any capital projects come up. The \$0.56 was recommended for things we knew were coming as future expenditures. However the Board of Supervisors chose not to put that burden on the citizens until it really had to so the rate was set at \$0.50 with hopes or consideration, I'm not saying all the board members supported the meals tax but if the Meals Tax passed the referendum for the Board to consider. The Meal Tax did not pass referendum; therefore the Board does not have the authority to impose a meals tax.

As we review this budget you will see the reductions in committed reserves and you will see the almost depleted Reserve for Contingency. The additional six cent would have allowed for the \$347,604.00 Committed Reserves to remain in the committed reserves instead of transferred to pay additional costs (additional School Debt Service), have a reserve to pay for the expected School VRS Local Mandate \$250,000.00. This rate would have allowed the County to have (at the end of this projected budget process) to have a reserve for contingency of about \$555,000.00 for future growth and allow for a capital improvements budget. As we hear about the schools capital improvement budget, the county doesn't have a capital improvements either. I really think we've come to where the rubber has bet the road. Over the past few years, the present budget we are in now, has a \$130,000 some for reserve for contingency and \$75,000 for capital improvement. As we go through this you will see that is being transferred to use for expenditures.

The Board of Supervisors and the School Board have both discussed the need to provide a bus rotation schedule to insure that all of the buses are safe and in good running condition, this budget as presented does not have any funding for new buses. The County buildings, as well as the school buildings need to be maintained and kept in good condition. There is no money there for that. For example the \$45,000 the school asked for as a one-time thing. I couldn't balance the budget if I put that in there. The Solid Waste Sites need repairs and improvements. We will discuss this on the agenda a little later about an item the board acted on during the year. We need to get a clarification. Do you still want to do that and how we are going to pay for it? These are the things we are going to be faced with.

I will address each general fund revenue and expenditure items as we navigate through this budget guidebook.

I've provided you on this page, page 3, what or how this is worked out. When I looked at all the revenues, we came up with about \$260,031 new money. Then some revenues decreased that we had to minus out \$92,360 which left us with overall in this budget, new money of \$167,671. So we've maxed out our revenues. We've maxed out our tax base of what we get in. I decreased reserves \$238,410. That gave us \$406,081 money. I reduced general government expenses by \$166,669 that gave us \$572,750. Then we had some increased general government expenses I will address each one which was \$74,080 so it took away from that reduction earlier. The

recommended budget at this time, and I really don't want to say it's recommended the budget presented to you at this time for education is \$76,999 additional money in it. This arrived from the 2% increase which is what the school asked for to give the increase July 1. It also has the hourly folks pay increase and given the 1.5 hours a day to the aides to bring one up to a contract position. This is what's in there for the schools. There is no money in this for buses. We'll try to talk about that as a one-time thing and see how you want to handle that. Then we come back to the increased debt service which was \$392,514. Overall the school debt service increase \$414,000 but some of the other's went down a little bit so it averaged out \$392,514. There is an increased allocation to social services of \$7,641 and that is health insurance and 80/20 deal, it the state gives them the 2% raise the county has to throw in the match, 80/20. A reserve for contingency of \$21,516 is left and still brings you back to \$4,200,000 ending year balance.

LOCAL FUNDS

Beginning Balance			\$4,200,000.00
New Revenue:	\$260,031.00		
Decreased Revenue:	- 92,360.00		
		\$167,671.00	
Decreased Reserves:	+238,410.00		
		\$406,081.00	
Reductions in General Government Expenses:		+166,669.00	\$572,750.00
Increased General Government Expenses:			-74,080.00
Increased School Operations:			-76,999.00
Increased School Debt Service:			-\$392,514.00
Increased Allocation to Social Services (VPA)			-7,641.00
			\$4,221,516.00
Reserve for Contingency:			-
			\$21,516...00
Ending Year Balance:			
			\$4,200,000.00

The only significant request that is not provided for in this budget, and it's really amazing the way the other departments...we worked with the Sheriff's department and brought some things better in line and I'm a little worried about some of it hoping that we can stay within the budget, but the only significant increase is the school budget that we have discussed.

What I have recommended for county employees, the state is providing the 2%. I am recommending a 2% for the county employees. 1. I think they deserve it. 2. Because of the health insurance increase in their checks. Because if everyone else is getting it I feel like I need to ask for it for my employees. It also includes in there any, this is where it gets so messed up, an employee in another department if one employee gets the state increase but the others do not, it's in there for an overall straight across the board to every department 2% for everybody under the general fund. The school are their own and social services. The cost is about \$82,000 and it's included. I've reduced other expenditures to bring this in line. That's actually a decrease. In the fixed costs in the present budget and that was for a 3% across the board doing it the same way was \$129,500 and has been reduced to \$82,000

Next, I've provided you with a copy of the local sheet and total budget sheet.

We've addressed the school budget.

I think we should go down through the other issues and maybe come back to address the issues of what you would like to do about buses and other school requests. I've also provided you with a sheet that show you as we work down through this to think of things you want to put back in this budget. If you see anything we can cut in this budget.

1 cent real estate tax will give you \$142,000.00 on real estate.
1 cent State Corporation Tax will give you \$50,000.00
1 cent Personal Property will give you \$9,142.00
1 cent Machinery and Tools will give you \$722.00
1 cent Merchants Capital will give you \$1,731.00
1 cent mobile homes will give you \$2,697.00
1 cent Air Craft will give you \$14.00

We've also talked, and this is for something to have in the back of your mind, we've talked over the years about a \$10 solid waste fee. It is anticipated that this would bring in about \$700,000 per year. We cannot implement that fee through utility bills such as electric bills or telephone bills because we don't have general assembly approval to do that. It is my understanding that counties that don't already have it have a hard time getting it. So we would have to find a way to bill that and a way to collect it. The numbers we used was based on 7,000 households in the county. If everyone paid, at \$10 a month would bring in about \$840,000. I projected about 700,000 because through the years we've talked about that those that qualify for the tax relief for the elderly and disabled would not have this fee and anyone that could show that they have someone else like a private contractor come pick up their trash, we do have some that do that, they would not be charged that fee. I think this would a hard to collect thing and hard to enforce.

If we could put it on the utility bill it wouldn't be a problem but it is an option. \$10 a month solid waste fee or \$120 would almost give you a penny.

Matthews: You couldn't tie it in to the county stickers can you?

Carter: Possibly could.

Matthews: Increase the county sticker cost.

Carter: We can't increase the county sticker fee any more than what the state license is. I think that's \$38 something. We can't go higher than that. I demonstrated that in here. If you increase the county sticker cost \$5 you get about \$60,000. \$10 to \$35 would be \$120,000. So that is an option if you want to put some of it out there and get it off the real estate. It's a point to keep in mind that for every penny in real estate you will get \$50,000 from state corporation commission but to spread it out more fairly, it takes to many pennies to add to personal property tax. It would take a lot of pennies at \$9,000 a penny to get enough to buy 2 buses. So, you have those options but if you want to try to spread it out a little bit so just the real estate isn't getting all the blunt. That's why I gave you this information to think about. For the anticipated additional income from Atlantic Coast Pipeline, I don't like to count my chickens before they hatch, we are expecting that to happen but it will be 2019 before we start seeing that money. So I think we could get in big trouble before 2019. That's another reason to back off the initial 2 years ago \$0.50 rate. With the Corporation Commission money coming in off that pipeline and compressor station, that \$0.58, you will not need that \$0.58 unless you have some big capital outlay projects you would want to do.

Jones: I read an article in the paper this morning from Richmond that the pipeline that Dominion was starting the construction part. Getting the equipment ready.

Carter: If we start over on...I'll go page by page, as we go down through this you will see I've studied every department carefully and have reduced it as much as possible. I'm to the point that I'd have to say excessive reductions would have to be made to keep the county financially sound without source for additional revenue. Remember that you can proposed for advertisement whatever rate you propose or whatever budget you propose, but if you increase anything over \$500,000 you've got to have another public hearing and with twice a year billing we need to adopt a budget by the end of April.

Start on page 7, Presented 16-17 Budget page by page. On this I've gone through all the proposed revenue of every page of the big book. I'm going to give a condensed here.

PRESENTED FY16-17 Budget Page by Page

PROPOSED REVENUES

PAGE 1. REAL ESTATE: Anticipated \$7,280,000.00. Increase of \$10,000.00 that's based on the value and how it's coming in.

PAGE 2. PUBLIC SERVICE TAX: Anticipated \$3,207,976.00. Increase of \$910.00 we've maxed that this year.

PAGE 3. PERSONAL PROPERTY TAX: Anticipated \$2,600,000. 00. No Change.

PAGE 4. MOBILE HOME TAXES: \$60,000.00. Decrease of \$10,000.00 Based on the collections and what's being taxed.

PAGE 5. MACHINERY AND TOOLS TAX: \$210,000.00. Decrease of \$20,000.00 due to values going down from what we can see.

PAGE 6. MERCHANT'S CAPITAL TAXES: \$170,000.00. Increase of \$5,000.00

PAGE 7. AIRCRAFT TAX: \$3,000.00. No change we only have one aircraft in the county that's listed.

PAGE 8. PENALTIES AND INTEREST: \$350,000.00. Projected increase of \$5,000.00. Mostly from people paying taxes late. We do get the penalty and interest off of that.

PAGE 9. LOCAL SALES TAX AND USE TAX: \$739,000.00. Increase of \$109,000.00 this is the big one. I love to watch this one because that shows that people are spending their money in our county.

PAGE 10: COMSUMER UTILITY TAX: \$340,000.00. Increase of \$10,000.00

PAGE 11: FRANCHISE LICENSE TAXES: \$70,000.00. Decrease of \$5,000.00

PAGE 12: MOTOR VEHICLE LICENSE TAXES: \$342,000.00. Increase of \$22,000.00 this is the decals.

PAGE 13: BANK STOCK TAXES: \$40,000.00. Increase of \$10,000.00

PAGE 14: TAXES ON RECORDATION AND WILLS: \$62,500.00. Unchanged.

PAGE 15: ANIMAL LICENSE: \$4,000.00. Unchanged.

PAGE 16: PERMITS AND OTHER LICENSE: \$59,600.00. Decrease of \$2,500.00

PAGE 17: FINES & FORFEITURES: \$48,100.00. Decrease of \$19,200.00

Matthews: What does fines and forfeitures involve?

Carter: That's through the courts and it goes to the state and we get what they want to give us.

Dunnivant: I have a question. Franchise and License tax decrease by \$5,000. What did we lose?

Carter: Franchise is based on the sales in the county. Cable service. It's a percentage of their sales in the county. So it's averaging to go down. People are opting to go with DIRECTV and stuff so it's going down.

PAGE 18: REVENUE FROM USE OF MONEY: \$3,500.00. Decrease \$500.00. The interest rate is so low that we are not receiving anticipated returns on our money.

PAGE 19: REVENUE FROM USE OF PROPERTY: \$125,000.00. \$5,000.00 decrease due to formula used for social services rental and no one renting the Fire Training Facility. I don't know if we over projected the social services rent. I think we over projected what the state would give us for rent. It really doesn't matter because we pretty much pay it anyway. There was a change there because it seems to be that people are not renting our burn building much.

Jones: They are building those things everywhere now.

Dunnivant: The Town of Farmville just built one.

PAGE 20: COURT COST: \$17,016.00. Unchanged.

PAGE 21: COMMONWEALTH'S ATTORNEY FEES: \$1,200.00. Increase of \$200.00

PAGE 22: WASTE COLLECTION AND DISPOSAL: \$17,000.00. Decrease of \$2,000.00. (Anti-litter and recycling decline in money)

Matthews: Scrap iron's gone down.

PAGE 23: MISCELLANEOUS: \$20,000.00. Increase of \$5,000.00 in Service Charges.

PAGE 24: NON-CATEGORICAL AID: \$1,642,014.00. Decrease of \$16,000.00 (Mostly in Forest Products Sales, Communication Tax, and miscellaneous grants) Money received from the state that doesn't have a category that we have to spend it in. What it is really is

personal property tax relief. That's a set amount we get no matter what and we don't get what we were promised back in the day when personal property relief was implemented. It is staying that same amount. They haven't cut in in the last several years.

PAGE 25: CATEGORICAL AID- STATE COMMONWEALTH ATTORNEY: \$200,000.00. Decrease of \$409.00. This does not include any pay increase the state may provide, this will be adjusted when we have the exact number.

We want to make sure the pay increase goes through before we put it in the budget.

PAGE 26: CATEGORICAL AID- STATE SHERIFF'S DEPARTMENT: \$800,000.00. Decrease of \$3,191.00. This does not include any pay increase the state may provide, this will be adjusted when we have the exact number. What we base this on is when the constitutional officers bring us their budget request, it's never what we get because they don't know yet, it's a projection. When I say it's a decrease, it's what they projected and we're not getting that much.

PAGE 27: CATEGORICAL AID- STATE- COMMISSIONER OF REVENUE: \$76,195.00. Unchanged. This also does not include any pay increase the state may provide, this will be adjusted when we have the exact number.

PAGE 28: CATEGORICAL AID- STATE- TREASURER: \$81,135.00. Level. When you just look at these through the years, and some of you have been here a while, all these used to be 80/20. The state paid 80% of Commissioner of revenue, treasurer, sheriff. They even had money from mileage to help pay for vehicles. Now we get salaries and not all of that. We get 81,000 to operate the treasurer's office. Those are the things the county has absorbed to pick up the mandates.

PAGE 29: CATEGORICAL AID- STATE- REGISTRAR/ELECTORAL BOARD: \$40,000.00. Decrease of \$6,583.00 due to the history of the formula that the state reimburses. They pay a portion of her salary and that's all.

PAGE 30: CATEGORICAL AID- STATE- CLERK OF COURT: \$205,000.00. Decrease of \$1,977.00. This will be adjusted pursuant to salary adjustments.

PAGE 31 OTHER CATEGORICAL STATE AIDS: \$105,155.00. Increase of \$7,921.00 in Fire Programs state money and E-911 Salary category. The state does give us money for E911 Coordinator.

PAGE 32. Transfers to General Fund from the Sheriff's Fund: \$16,637.00. This is money transferred from the Sheriff's Drug Fund to supplement law enforcement salaries. Its money the county agreed years back to transfer from the drug fund to the sheriff's department to supplement salaries that participate in drug enforcement. Legally you can use that for that. In case the new board members didn't know.

Transfer from Water Fund to the General Fund, \$75,000.00. The Water Fund Transfer is a new transfer as part of a cost allocation for services performed for the Water Department through the County Administration and Treasurer's Office and also for Office Space. We do all their billing and collections and the water plant is now in a position to be able to pay the county for this cost allocation.

PAGE 33. Courthouse Security Fund: \$31,000.00. Unchanged.

**260,031 increases in revenue.
92,360 decrease in revenue = \$ 167, 671 increased money**

PAGE 34-37: VPA FUND: Virginia Public Assistance- Social Services: This demonstrates a total amount of funding resources to the Social Services (VPA) of \$1,731,847.00. This is a total increase of \$33,059.00. Of the VPA Fund \$ 367,372.00 is local money. The Local increase to VPA is \$7,641.00 and the state/federal increase is \$25,418.00. Most of the local increase is due to the health insurance increase of 6.7%.

PAGE 38: Comprehensive Services: Total Budget \$1,592,461.00. \$317,917.00 is local mandated money. This is not an increase in local funds at this time. As you all know several times throughout the year they come back to you for additional money. It can't be controlled. It's mandated and is based on the cases.

Pages 39-49: SCHOOL FUND: This was addressed at the beginning of this guidebook.

Page 50: Debt Service Transfer Fund: This is the 401 fund where the school debt service is transferred.

PAGE 51: SEWER FUND REVENUE: \$247,000.00. Increase of \$120,296.00 for IDA transfer for debt service payment. For the new board members and public I'll explain. We were eligible to receive a lot of grant money from Rural Development to be able to increase the capacity of our sewer plant. We've been working on this for a lot of years but didn't have the money to make the payment. The sewer system doesn't have enough money to make the payment for the loan and grant. We all know sewer doesn't make money. Actually this increased capacity was to help us with economic development. If a restaurant or hotel would come, as of right now, there is not enough capacity to serve such business. So it was discussed by the Board that the residents shouldn't have to pay for what the county wants to do to enhance economic development so it was recommended through the Rural Development that this money be paid through the IDA. The county can't supplement. We would have lost \$3 million grant. So in order to get that \$3 million grant,

the general fund is transferring money to the IDA to make the payment for the sewer system. You will see that as a general fund expenditure as a fixed cost when we get there.

PAGE 52: WATER FUND REVENUE: \$1,380,536.00. \$18,042.00 increase.

PRESENTED EXPENSES

**** Note**** The Local Government VRS percentage decreased 2%, which results in savings to the general fund, however the employees payment of 5% of their salary did not decrease. The Health Insurance Increased 6.7%. This will cost the general fund more for the employer share and the employee will also have to pay 6.7% more premium increase from their pay.

The new Health Insurance premiums increased general fund cost (based on present enrollment) \$30,660.00. This does not include the Social Services as that is reflected in the VPA budget. The total cost to the employer to provide the insurance is \$581,008.00.

The rate increase will result in the following increased cost to the employee according to the different plans:

Employee Only: \$10.00 per month.
Employee + 1: \$36.20 per month
Family Plan: \$63.40 per month

Because of that, and because we know a lot of our staff does not make a lot of money, so that \$63.40 increase is big to them. So Karl has worked with our insurance company to offer a different plan. It's the same company but it has a bigger deductible and some changes in what it covers. We may...it's not that big of a savings, but we did feel like we had to try to offer them something that may leave them a little bit of money in their pocket. We feel a few may take advantage of. It's not going to affect the employer part much at all.

PAGE 1. BOARD OF SUPERVISORS: \$80,109.00. Increase of \$5,989.00. Mostly due to salary increases however some line items have been lowered to help offset the total \$7,000.00 salary increase.

PAGE 2. COUNTY ADMINISTRATOR: \$222,102.00. Decrease of \$3,250.00. Differences reflect in decreased VRS and increased health insurance.

PAGE 3. INDEPENDENT AUDITOR AND COST ALLOCATION CONTRACT: \$38,500.00. Unchanged.

PAGE 4. COMMISSIONER OF REVENUE: \$230,400.00. Decrease of \$772.00. Also the VRS and Health Insurance changes. Some of the other line items have been adjusted according to actual spending history. \$76,105.00 is State Funds and \$154,205.00 is local.

PAGE 5. TREASURER: Total Budget \$270,151.00. This is a decrease of \$6,642.00. Most of the difference reflects in the VRS and Health Insurance differences. Some other line items have been adjusted according to actual spending history. \$81,135.00 is state and \$189,016.00 is local.

If you all looked at the big book at each of those pages you will see there were some requests and we had to bring it where it needed to be so we would lower somewhere else if that wasn't that much. Most of the departments did this with us. Not all was recommended. I think the Commissioner of Revenue requested additional money for part time, not really part time but for the assessors to go out.

PAGE 6. FINANCE/DATA PROCESSING: \$217,459.00. Decrease of \$2,265.00.

PAGE 7. INFORMATION TECHNOLOGY: \$111,945.00. Decrease of \$2,126.00.

**** Note: Due to the uncertainty of the exact amount of increased money the state will provide for the state portion of any employee covered by the state pay increase, we have not added money in this budget as additional state revenue or as state expenditures. We will adjust the budget accordingly when the correct numbers have been provided to us by the Constitutional Officers and other department heads that as considered as state covered.**

PAGE 8. ELECTORAL BOARD AND OFFICIALS: \$66,743.00. Increase of \$9,000.00 mostly due to the Presidential Election. (Poll workers, printing and binding, poll workers mileage). This is all local funds.

Matthews: I have a question, why, I mean, why are you going to need more workers because it's a presidential election? I don't understand. You still got...every time I've been to the polls there are 9-10 folks standing around twiddling their thumbs. Are they looking for that big of a turn out? Is that what it's about?

Carter: I would expect. I don't know.

Matthews: Does this happen every time? Have you seen this before?

Carter: We've seen adjustments. Sometimes they need additional money for things that come up. I do know if she doesn't use it she doesn't spend it.

Jones: I didn't know they get paid mileage.

Carter: Poll workers? Yes. They don't get paid very much. It's hard to get people to work the polls. That's why they do pay the mileage.

PAGE 9. REGISTRAR: \$96,580.00. \$3,586.00 increase due to increased part time salary and wages and other increased cost due to the upcoming Presidential Election. \$40,000.00 is state funds and \$56,580.00 is local.

PAGE 10. CIRCUIT COURT: \$14,280.00. This is all local money and is level funding.

PAGE 11: GENERAL DISTRICT COURT: \$8,870.00. Unchanged and is all local funding.

PAGE 12: SPECIAL MAGISTRATES: \$2,500.00. Unchanged and is all local funding.

PAGE 13: CLERK OF COURT: Total budget is \$354,673.00. \$205,000.00 is state funding and \$149,673.00 is local funding. This represents a decrease of \$4,367.00, also due to VRS and Health

Insurance changes.

PAGE 14: COMMONWEALTH'S ATTORNEY: Total budget is \$397,742.00. \$200,000.00 is state funds and \$197,742.00 is local. This is a \$5,212.00 decrease. This budget also includes the County Attorney Salary.

PAGE 15: LAW ENFORCEMENT: Total Budget \$1,886,826.00. This is \$800,000.00 State and \$1,086,826.00 Local. This represents an overall decrease of \$43,202.00. The VRS and Health Insurance had significant effect on this department with a \$28,000.00 decrease in VRS and a \$15,535.00 increase in health insurance. Other savings are reflected in the fuel cost. This budget has funding for three vehicles as requested by the Sheriff. Last year Sheriff Kidd lowered his request of additional vehicles from four to three vehicles according to what he felt is needed. Sheriff Kidd has advised he believe three new vehicles for the next fiscal year will be sufficient.

PAGE 16: EMERGENCY SERVICES: \$219,155.00. This reflects a decrease of \$728.00. \$43,000.00 of this is State and \$176,155.00 is local. The E-911 telephone service located in the Sheriff's Department is paid from this department (\$100,000.00). Funding for repairs and the maintenance of that system is in this budget along with the Code Alert System.

PAGE 17: VOLUNTEER FIRE DEPARTMENTS: \$277,417.00. This is an increase of \$9,650.00. The Toga, Glenmore and Arvonja Fire Department requested a 10% increase of \$5,540.00 each. Toga Fire Department advised the increased money will be used to update their outdated turn out gear. In this proposed budget (due to as you will see the limited resources) I have inserted an additional \$2,800.00 of the requested increase for each fire department that requested an increase. Presently the county allocates \$50,400.00 to Toga,

Glenmore and Arvonja. Their request is for \$55,400.00 for each, and this budget has \$53,200.00 for each. The County provides \$62,000.00 to the Dillwyn Fire Department and Dillwyn did not request an increase. The reason Dillwyn is allocated more money is because they are the centrally located division. The County also provides County decal license reimbursement for the members and divides the State Fire Programs money between the four stations, this equates to about \$11,500.00 more for each department. Gladstone Fire and Rescue requested a 50% increase from \$2,500.00 to \$5,000.00. This is the second year that the county has funded the Gladstone Fire and Rescue. This budget has an additional \$1,250.00 as opposed to their request for an additional \$2,500.00. Included on this page is the requested level funded \$5,067.00 to Lower Francisco. All of the fire departments are greatly appreciated however I have based the proposed amount on the availability of funds. You may wish to reconsider this should you take action to increase taxes or fees or reduce other expenditures to generate more available funding.

PAGE 18: AMBULANCE & RESCUE SERVICES: \$196,200.00. This is level funding per the Rescue Squads request. \$195,000.00 is an allocation to the squad and \$1,200 is for county decal reimbursement to members. Also if the county receives any “Four for Life” state funds, that money is allocated to the rescue squad.

PAGE 19: FOREST FIRE PREVENTIONS: \$27,000.00. This is local money and is unchanged.

PAGE 20: Piedmont Regional Jail: \$500,000.00. This is unchanged. This is an item that we really have no control over as it depends on the number of inmates from Buckingham County that are housed in the jail. This is an expense that the county started paying in about 2012 so this is a large financial responsibility the county has had to absorb. For now it’s \$500,000. This is something we have no control over. It could go up, it could go down. Depends on how many inmates of the jail are from Buckingham County.

PAGE 21: BUILDING INSPECTION: \$118,038.00. This is a \$562.00 decrease.

PAGE 22: ANIMAL CONTROL: \$130,704.00. This is a decrease of \$1,216.00.

PAGE 23: MEDICAL EXAMINER: This is level spending of \$200.00.

PAGE 24: STREET LIGHTS: \$4,200.00. Unchanged.

PAGE 25: REFUSE COLLECTION: \$876,120.00. This is an increase of \$3,957.00. Line Items have been adjusted where needed to better reflect spending. We have reduced fuel from \$50,000.00 to \$35,000.00, I’m a little concerned with how it’s going up so we will have to monitor it; while the roll off (construction) cost is increasing \$5,000.00. Repairs and maintenance is being suggested to be increased from \$55,000.00 to \$70,000.00 based on expense records. A decrease in VRS and an increase in health insurance are also demonstrated.

PAGE 26: ANTI-LITTER: State Grant in the amount of \$7,155.00. This expenditure is offset by state grant in the revenue side of the budget.

PAGE 27: GENERAL PROPERTIES: \$576,572.00. This represents an increase of \$28,996.00. This general property budget takes care of all of the county properties with the exception of school owned properties. The courthouse heating and air is included in this budget along with all county buildings and now we have added the Gold Hill and Dillwyn Schools. The major increases are in electrical services \$7,000.00, General Liability Insurance \$6,000.00, Heating and Air, \$2,000.00, \$5,832.00 health insurance. While the VRS decreased, the health insurance increased. Also the telecommunications line item pretty much doubled so we can bring the budget in line with paying the rent to property owners for towers and tower space. Also the GIS Mapping annual cost of \$6,000.00 is added in that line item.

PAGE 28: HEALTH DEPARTMENT: \$114,085.00. This is all local level funding.

PAGE 29: REGIONAL JUVENILE DETENTION: \$35,000.00. This is the per diem that the county pays when a child is sent by the courts to the Regional Juvenile Detention Center. This is Reduced by \$5,000.00 based on the spending thus far this year, however this also is a cost that is difficult to budget for because it depends on the number of Juveniles from Buckingham that are housed at the Regional Juvenile Detention.

PAGE 30: CONTRIBUTIONS TO COLLEGES AND AGENCIES: \$193,321.00 and represents \$8,061.00 increase. This is all local money.

- 1. Crossroads: \$37,000.00, Level Requested Funds.**
- 2. Piedmont Senior Resource: \$2,500.00. Increase of \$649.00 due to her presentation and explanation of the grant matching money.**
- 3. TRIAD: Did not request any money for the upcoming year. We have provided \$2,500.00 in previous years. This is a \$2,500.00 decrease.**
- 4. Payment to CADRE: \$2,500.00 (level requested)**
- 5. Buck/Literacy/Tri City Life Learners: \$1,000.00 (level requested)**
- 6. Peter Francisco Soil and Water Conservation: \$10,000.00 (level requested)**
- 7. VA Retreat: \$4,500.00 (level requested)**
- 8. Ellis Acres Memorial Park: \$5,000.00 (level requested)**

9. Buckingham Active Seniors: Requested \$10,000.00 this proposed budget is for \$5,000.00. They did not make a request in the present year's budget so this is a total of a \$5,000.00 increase.

Matthews: Do they every do referrals to Piedmont Senior Resources? Are they in conjunction with them?

Carter: I think Tiffany will be working with Justine to do that because to be honest with you we haven't had....Piedmont Senior Resources have not been an active agency in this county until it was taken over. I think now they may be working closer together.

Dunnivant: What exactly do the active seniors do?

Carter: Well, it's an active senior's group and they meet and go on trips and it's a recreation program for the seniors. Sometimes its 50 people. It's been up to 80. They use the other money to come up with games and other things to use for the center. The trips they go on and getting them up and going was a challenge because there was no money whatsoever. If they wanted to go on a trip on a bus they had no money to book that bus and pay for that trip although the people going pay fees, they had a problem with being able to take care of that. Now they do have a charge card and it's in their name. This is a little fund for things for them to do. They meet a few times a month. The senior program has grown. It's good to see. We didn't have it before.

Dunnivant: Is that something that can be consumed by our recreation department?

Carter: It is through our recreation department.

Dunnivant: It is.

Carter: There is no money for that program. You can move that \$5,000 to our recreation department and have a line item if you want to but they are through our recreation department. Tiffany is in charge of the seniors program.

10. Virginia Growth Alliance: \$17,146.00 (level requested)

11. Southside Community College: \$6,361.00. \$776.00 increase based on number of county students

12. Buckingham after Prom: \$3,000.00. \$1,000.00 increase pursuant to request from Supervisor Allen. Plus last year you did give a \$1000 increase

13. Straight Street: \$2,000.00 (level requested) Straight Street has stated they use the money for building maintenance, to keep the grass cut and provide money for the School Supply Drive.

Bryan: I have a question. Why are we paying for somebody to cut their grass? The building is not used. We had a request to use that building and they couldn't use it because it has no toilets.

Carter: They did not have an occupancy permit.

Bryan: They can't use it so why are we paying them to cut their grass. Give me \$2000 to cut my grass at home.

Dunnivant: I'm on your side. I agree with you on that one 100%.

Bryan: \$2000 can go a long way because we already know that Justine's going to be asking for more money when she took over Meals on Wheels.

Matthews: We are already cutting Dillwyn Primary and Gold Hill, could we get a price on lumping that in to whoever is doing that?

Carter: What is that?

Matthews: Cutting grass there.

Carter: We don't want to cut their grass.

Dunnivant: Straight Street is a private entity.

Bryan: Yeah.

Carter: Maybe this is a time to say that they have contacted me wanting to meet with me soon to discuss the property. I don't know what that means.

Dunnivant: I'm thinking we don't have any extra money per say. I don't want to distract from an ongoing thing but I want to spit this out it's not often that we agree. I don't think we should be spending county money, 15,000 people's money, on a private entity. If they want to get rid of the property and get out from under it, maybe they would consider donating to the county to add into the recreation department's inventory and we do something with it later but I don't think we should be cutting private property grass.

Bryan: I don't see a benefit for the building so if they need to pay for building maintenance on A building that nobody in this county is getting a benefit out of me can't support \$2000 for that.

Dunnivant: I'm with you on that. If they donate it to us to get out from under it, the recreation department could use it like they are using the old primary school cafeteria for ball practice. We can schedule it ourselves.

Bryan: I can't remember them coming here...

Carter: You may remember that the county granted a special use permit for that building for Tim Hoag. I think he was going to buy it and couldn't because they did not have the plumbing. I'm not sure. The special use permit was in his name.

Bryan: He couldn't use it.

Dunnivant: I'm not advocating that we take on any additional responsibility but you know if they want to give it to us to get out from under the maintenance then we may be able to find a use for it. I don't think we should pay for it otherwise.

Bryan: We have economic development money that we can look at because we have economic develop money to look at possibly if the deal is right to purchase it to use for other things.

Matthews: Is there any tax benefit to give the property away?

Carter: They are tax exempt. Are you going to make a note on that to strike it?

Dunnivant: Do you want individual or a conglomerate?

Carter: It doesn't matter.

Bryan: I move that we strike the \$2000 from Straight Street.

Dunnivant: I'll second that one.

Chambers: We have a motion by Supervisor Bryan, a second by Supervisor Dunnivant to strike the \$2000 from Straight Street. Any questions? All in favor.

Supervisor Bryan moved, Supervisor Dunnivant seconded and was unanimously carried by the Board to strike the \$2,000 from Straight Street.

14. Piedmont Community College: \$1,341.00 (requested increase of 34.00 based number of county students)

15. Jaunt, Inc.: \$28,084.00. Increase of \$3,102.00. This requested increase is due to loss of some state money and based on ridership. If this increase is not received it is expected the cost to each rider from Buckingham County will go up. Karl is the

county's representative on the JAUNT Board and he can answer any questions you may have regarding the funding and ridership.

Matthews: How many sites do you have now that people are being picked up at? Where are they?

K. Carter: Ducks Corner...

Chamber: Ali's and Rt. 20 Market too.

Matthews: They used to pick up at Shephards too. I don't see the sign anymore.

K. Carter: Farmville does that one.

Bryan: What's the cost to each rider?

Chambers: There's a lot of people that ride those buses.

Bryan: Yes it is.

K. Carter: \$3.50 each way.

Carter: \$7.00 to go to Charlottesville.

Bryan: When was the last time there was an increase?

K. Carter: Grants are based on ridership. If the rates go higher and ridership decreases then less state money. (Inaudible. This may not be verbatim)

Bryan: Darned if you do and darned if you don't.

Carter: \$7 round trip, it might be cheaper to drive yourself but this bus also serves people who aren't capable of driving themselves. That's a benefit in that area.

K. Carter: They have two big buses for Buckingham.

Matthews: Do they get any grant money?

K. Carter: They have grants

Chambers: They depend on ridership to support it though.

16. Piedmont Area Transit: \$10,000.00 (requested level) The Piedmont Area Transit transported about 2,000 county residents last year and three Buckingham County disabled STEP's employees ride that bus to and from work. The STEPS executive director stated that without the county's financial involvement with this program she doubts those employees would be able to have suitable transportation to and from work.

17. STEPS: \$28,165.00. Level requested funding.

18. Meal on Wheels: We have been funding Meals on Wheels \$6,000.00. I was advised by their President that they would not need more money for the program for the next year as they plan to turn it over to someone else and that the Buckingham Meals on Wheels has a significant balance for their program. You may remember during the March meeting that Justine Young stated her organization had been asked to serve for the Meals on Wheels for Buckingham. I feel that the Meals on Wheels surplus funds will be provided to the organization that will be serving the meals. This line item is a decrease of \$6,000.00. When I was working on the budget she told me that they didn't need any money. They managed that program very well. They didn't need the money for next year but now they are diminishing and they are going to divide their money up and donate to charitable organizations is my understanding. I'll be trying to get up with her this week to talk about that.

19. VA Legal Aid: \$4,812.00 (level requested)

20. Hatton Ferry: \$2,000.00 (requested level)

Bryan: Question. Was our side ever fixed?

Carter: What's taking so long is Albermarle County Society has to approve the plans and everything and also they have to be there to monitor it. It should be starting soon.

Dunnavant: You talking about Hatton Ferry?

Chambers: Buckingham side.

Dunnavant: Buckingham side?

Carter: That is different from this budget. This is an annual appropriation but the county has appropriated money to make the Buckingham side more accessible.

Dunnavant: Hatton Ferry isn't...I don't think it's something we should be spending. It's a tourist attraction for the most part. We've got a wonderful bridge going across the James River from Buckingham to Scottsville to get there.

Chambers: I think it's the last ferry. A lot of tourist come through there in the summer.

Bryant: A lot of people go there.

Dunnivant: From what I understand you can't put a vehicle on it.

Chambers: Yes you can. They cross all the time.

Bryant: I think that should stay in the budget.

Dunnivant: Do you think you will get \$2,000 worth of tourist on that?

Matthews: I bet you do.

Chambers: Yes, a lot of people come in there. That's the only ferry left.

Dunnivant: That's the only one left anywhere I believe.

Chambers: You go down there in the summer and watch how many people go there.

Dunnivant: If 1000 people a year go down there charge \$2 a ride then we are out of the business of supporting the ferry. I'm just having some dialogue.

Matthews: Let's let VDOT take it over. What do you think?

Dunnivant: Yeah, let's give it to VDOT.

Chambers: They gave it up.

Bryant: It's a big attraction.

Chambers: Sure it is.

21. Longwood Small Business: \$5,849.00 (requested level)

22. Longwood Center for Visual Arts: \$1,063.00 (requested level)

23. Southside Center for Violence: \$5,000.00 (requested level)

24. Pregnancy Support Center: \$5,000.00 (requested level)

25. Boys & Girls Club: Requested \$10,000.00. This is a new request and I leave this to The pleasure of the Board of Supervisors as to starting a new agency to fund. I do not have any money in there. In the past I leave new things up to the board if you

want to start funding. If history repeats itself it grows each year. This is the gentleman that was at the last meeting. If you all do want to fund them you all can discuss that.

Chambers: I think he said there was about 100 kids from Buckingham go to that.

Matthews: But that's not on a daily basis. I mean, I think the school transports some of those students.

Chambers: I think we should leave that in there for the kids.

Matthews: You already fund them \$12,000 and they want an additional \$10,000.

Dunnavant: It's a new request. We want to buy some buses for these folks. \$10,000 is 1/8 of a bus. It's a new request. I'm going to...if we are going to itemize them I'm going to make a motion that we do not fund item #25.

Matthews: He did say they are nonprofit and they haven't tapped into grants. We've connected them to CRC and that will help some.

Dunnavant: I haven't heard anything about the Boys and Girls Club.

Matthews: Last meeting we did.

Chambers: Remember that guy came last week with a presentation.

Dunnavant: They don't have it going.

Chambers: Yes they do. There is about 100 kids from Buckingham going.

Bryan: 5 days a week, Dr. Snead?

Matthews: Some are being transported by their parents. We are transporting about 30-40 students a day.

Dunnavant: That's about \$12,000 we are putting in to it.

Matthews: We are putting about \$12,000 a year in fuel to get them over there.

Dunnavant: Funding from the school and then they are asking for more here.

Matthews: We also told them to approach CRC for grant writing.

Dunnavant: They haven't done that yet.

Matthews: I don't think we need to give them \$10,000 because we are already giving \$12,000 to the school.

Bryan: Can we take Straight Street's money and move it there. As a token.

Matthews: That will be fine.

Dunnavant: We can take that \$10,000 and put it towards the school request.

Carter: I don't have the \$10,000 in the budget.

Dunnavant: Oh, it's not in there.

Carter: It's a new request and I leave it up to you all.

Allen: She's asking if you want to put it in there.

Dunnavant: I suggest that being a new request, I'm suggesting we don't fund it right now.

Bryan: Would you entertain taking the \$2000 we took from Straight Street and give it to the Boys and Girls Club?

Dunnavant: No, I'm for trimming as much out of this as possible and give it to the school.

Bryan: It still goes towards the school in a roundabout way because it funds, if you listened to his presentation, it funds some of our troubled youth. With that said, I'll go ahead and throw it out there as a motion that we take the straight street money and put it in a line item for the Boys and Girls club. I know it's not what they requested but I mean it's a start.

Chambers: Do we have a second.

Matthews: Second.

Chambers: Motion by Supervisor Bryan, second by Supervisor Matthews to take \$2000 from Straight Street and put it to the Boys and Girls Club. All in favor?

Matthews: He did mention that they offer after school tutoring. Are yall able to connect with those people to write a grant or something?

Snead: We do have a working relationship.

Bryan: I asked Mary at the end of the last meeting. I told him to talk to Mary.

Supervisor Bryan moved, Supervisor Matthews seconded to take the \$2,000 from Straight Street and appropriate it to the Boys and Girls Club. This motion passed with a 5-2 vote. Supervisor's Bryan, Matthews, Chambers, Bryant, and Allen voting in favor. Supervisor's Dunnavant and Jones opposing.

26. Piedmont Community College Building Fund. \$6,000.00. This is the county's proportional share for matching building funds for the additions and renovations to the college that Dr. Friedman spoke with you when he made a presentation to the board. This is a \$6,000.00 increase. We've done this before when they did other renovations.

Matthews: That's over in Charlottesville.

Carter: Right.

Matthews: What about when we renovate the school, do they give it back to us.

Chambers: Joe Scruggs is on that Board and a lot of students from Buckingham go over there.

Carter: As far as coming here and building satellites, there are not enough students to warrant the expense of a teacher and Dr. Friedman said when they do it usually the rent is free to provide the service. It's unfortunate because I think more people would take advantage of it but they can't seem to get enough to warrant.

Total Resulting Increase in on this page of \$8,061.00

PAGE 31: PARKS AND RECREATION: \$160,738.00. This represents a \$5,796.00 decrease. There are a few line item changes however along with the VRS decrease also there is a change in the health insurance from a previous employee having the family plan insurance and the new employee having the single plan.

PAGE 32: BUCKINGHAM ARTS COUNCIL: \$10,000.00. This is a local match of \$5,000.00 for the Arts Council to receive a \$5,000.00 Grant. Therefore \$5,000 is local and \$5,000 is state.

PAGE 33: BUCKINGHAM COUNTY LIBRARY: \$162,500.00. This is \$4,700.00 requested increase. The additional request is mostly for a copy machine. While we are trying to trim the budget I felt if we are considering building or renovating another library, if we can't give them \$4,700 more in operation, we shouldn't talk about building a bigger building so my recommendation is for the additional \$4,700.

Matthews: Is that coming out of the \$250,000?

Carter: No sir. That's in their annual appropriation.

PAGE 34: PLANNING AND ZONING: \$93,786.00. \$141.00 mostly due to increased cost in advertising.

PAGE 35: COMMONWEALTH REGIONAL COUNCIL: \$15,700.00. Level Requested Funding.

PAGE 36: EXTENSION SERVICE: \$79,086.00. The Extension Service Requested \$83,696.00, an increase of \$4,610.00. The additional request is mostly for matching salary increase and some professional service increase. We have funding in the fixed cost category and when the pay increases are actually granted by the state we will ask for the appropriation for the local required match.

PAGE 37: FIXED CHARGES: \$314,000.00. This represents \$80,500.00 decrease. The Workers Compensation Insurance increased \$2,000.00. The School Sewer Contract decreased \$35,000.00 and the proposed salary increase line item is decreased by \$47,500.00. The Sewer Contract has the money to pay for the school sewer that is per agreement for the county to pay a higher sewer payment to assist with paying for the upgrade of the sewer plant. This is projected to be about \$90,000.00. The additional \$55,000.00 is for an agreement through Rural Development for the Industrial Development to pay a portion of the sewer debt for purposes of economic development. This is a procedure that had to be done in order to keep residential sewer rates within the guidelines to qualify for the grant through Rural Development for the upgrade of the sewer plant to provide additional availability for economic development.

The proposed salary line item is a decrease of \$47,500.00 because the \$129,500 provided for a 3% pay increase for all county employees and local/state employees not covered by state pay increases, plus to provide a 1% additional to state employees, and to provide that the total 3% increase would be effective for everyone on July 1. This kept the county employees within the same pay increase percentage and time frame as the school employees. This proposed \$82,000.00 is to do the same except it provides for a 2% and no additional % for local/state employees but will result in everyone getting a 2% beginning July 1. This also provides for a 2% increase to any part time hourly employees.

PAGE 38: UNASSIGNED FUND BALANCE: \$4,200,000.00

PAGE 39: TRANSFERS OUT: This is the sheet that is used to show transfers from the General Fund to other agencies and funds. These numbers have been or will be addressed in the appropriate departments.

So far, these expenses represent \$ 166,669.00 decrease general government decreases and \$74,080.00 in increased government expenses. = \$ 92,589.00 less money needed for general government expenses. (This does not include the VPA or School budgets)

**PAGE 40: COMMITMENTS/ASSIGNMENTS TO FUND BALANCE: \$1,096,975.00
Decrease of \$238,410.00**

- 1. Gene Dixon Park Expansion: \$100,000.00**
- 2. Economic Development: \$681,385.00**
- 3. Fire/Rescue Training: \$40,000.00**
- 4. Solid Waste Truck: 0 Decrease of \$100,000.00**
- 5. County Vehicle: \$0 Decrease of \$25,000.00**
- 6. Fuel: 0 Decrease of \$20,000.00**
- 7. Library Debt Reserve: \$250,000.00**

This \$250,000.00 was based on an expected loan of \$3,000,000.00. The Library has provided you with a new cost estimate of around \$2,000,000.00. A \$2,000,000.00 project, rather renovation or building new, the payment will of course be lower. Based on \$3,000,000.00 carrying a payment of \$250,000.00, a \$2,000,000.00 payment may carry a payment of about \$168,000.00 (based on the estimates received three years ago). It is certain the cost will of course depend on the rates at the time of bidding and the financing the terms. As many of you know, the county as well as the Library has searched without success for grants to assist with the construction of a Library Building. Very minimal grant opportunities are available and those mostly for equipment only. Rural Development does have a very small grant for equipment, if the financing is done through Rural Development. However, it is for certain that the operational cost of a larger building with more equipment and longer hours will cost more annually. Depending on what the costs actually come in as (renovation or new) it is probable, that with the reduction in the anticipated cost this \$250,000.00 may cover the debt payment and additional operational cost.

- 8. Social Services Legal: 0 Decrease of \$7,000.00**
- 9. Social Services Vehicle: 0 Decrease of \$11,410.00**
- 10. County Capital Improvements: 0 Decrease of \$75,000.00**
- 11. Reserve for Contingency: \$21,516.00 Decrease of \$113.268.00**

**** Attention: These committed reserves has no funds for capital improvements and leaves only \$21,516.00 in the reserve for contingency and I know the county will in the next year,**

have the need to start reserving funds again for a solid waste truck and will in all probability need another county vehicles based on our need rotation.

**** Attention:** The reduction of \$238,410.00 in the committed reserves moves this money from reserves to actual expenditures to cover additional annual projected costs.

41-44: VIRGINIA PUBLIC ASSISTANCE AND THE COMPREHENSIVE SERVICES:
This was discussed in the revenue side of the budget.

Pages 45-52: School Budget (This was addressed at the beginning of the work session)

My numbers are a little bit different than what Dr. Snead had tonight because they changed the way they were asking for the \$56,000. I had additional operational request of local money was \$669,005 and its \$53,000 less than that. The budget is based on ADM of 1900 students. This is an anticipated decrease of 63,088. What that really means is a decrease in state funds. However what we generally see with this is when they lose pupils generally the local increases because operating the school still needs to take place. If you've got 2 people in Spanish you still need to teach Spanish. Anyway, that's there situation tonight with state loss and as he talked to you tonight about other state loss. It's been discussed with the school that \$521,713 of that money may be considered nonrecurring cost. I think \$53,000 has been pulled out. That resulted in a recurring request of \$151,346. The one thing that is recommended is \$76,999 to provide the 2% pay increase July 1 for all. The hourly pay increase and the increase of aid positions by 1.5 hours a day and also office aid in the preschool to be contracted pay. The other request for 4 school buses, 2 special education vehicles are not represented in this balanced budget. I could not balance it putting it in there with the present revenue source. I would like for you all to discuss from Dr. Snead's presentation. I've provided you all with a breakdown of how the expenditures...the nonrecurring I believe was the \$360,000 for buses, \$34,000 for special ed cars, the IdentaKid software, substitute automation and maintenance request of \$45,000 for painting of the building. I ask your consideration.

Dunnivant: In the school portion, the pay raise they are talking about versus July 1st until the state money comes in in December, how is that reflected in your budget?

Carter: The school board request was \$76,999 to do that and the hourly raise. This is per their request. I don't know. They would have to give you that information. Are you saying what would it cost the locality, the county portion to just do the raise in December?

Dunnivant: In this budget we have in front of us, July 1 is when the pay raise comes into effect with how your numbers are in here now. That answers my question, thank you. That pay raise includes teachers and administrators, right?

Carter: Everyone. All contracted employees and hourly. All is included in that \$76,999.

Dunnivant: Those teachers....

Chambers: I still have a problem with those people that make \$95,000 getting raise.

Dunnivant: That's your contention, not the high paid folks with the raise at this time.

Bryan: But if you do one you have to do it all because if the state's going to give you money, you can't tell the state, I'll give Morgan a raise but I'm not going to give Joe a raise. State's not going to go for that.

Dunnivant: I'm not arguing. I'm just trying to clarify where we are at.

Carter: Really where we are now, other than the schools, talking about the school budget, the only other operational costs we have to discuss because we've already talked about the water and sewer is the:

PAGE 53: Debt Service: The total Debt Service payments due will be \$3,477,171.00.

Courthouse Debt Payment:	\$548,840.00	decrease of \$575.00
Middle School Debt Payment:	\$837,192.00	decrease of \$22,545.
Elementary School Debt Payment:	\$2,091,139.00	increase of \$415,634.

Total Debt Payment Increase: \$392,514.00

**** At this point the budget demonstrates for LOCAL Government Revenue Expense and Revenue Changes including schools and VPA as follows:**

So we go back to the school based on what you've done so far to keep you ending year balance in balance with the beginning year balance, in other words not budgeting to spend any more than you have coming in, you either have to make significant...what I proposed balances you with \$21,516. No capital money, no buses...

New Revenue:	\$167,671.00
We reduced some general government expenses by \$166,669.00 and added \$74,080.00 in government expenses which resulted in \$92,589.00 less	
General government expenses:	+ 92,589.00
Reduced Reserves by \$238,410.00:	+ 238,410.00
Increased School Local Operational Expense:	- 76,999.00
Increased Local School Debt Service:	- 392,514.00
Increased Local VPA Appropriation:	-
7,641.00	
Equal Balance of:	\$21,516.00

PAGE 54: SEWER FUND: OPERATIONAL EXPENSES: \$150,415.00.

Decrease of \$30,738.00

The decrease is mostly in plant upgrade operations cost.

PAGE 55: SEWER FUND DEBT SERVICE PLUS DEBT RESERVE: \$216,881.00.

Increase of \$118,862.00 for sewer system upgrade.

PAGE 56: WATER FUND: OPERATIONAL EXPENSES: \$773,149.00. Decrease of \$5,998.00.

PAGE 57: Transfer to General Fund: \$75,000.00

Page 58: WATER FUND DEBT SERVICE: \$345,631.00. Unchanged

PAGE 59: WATER FUND RESERVE FOR CONTINGENCY: \$1,380,536.00. Decrease of \$64,000.00

Dunnavant: and leave us a reserve of \$4.2 million which is around \$1 million less than we have in reserve now. Don't we have \$5 million reserved?

Carter: They gave you a total that included the \$680,000 economic development. That's not a revenue.

Dunnavant: We don't get that...

Carter: It also included the breakdown...it really comes close. It comes to 4.7 and the \$681,000. I gave it to you on your cover letter to the audit. I wanted to be precise but I can pretty much remember it. That number has any money that was left over in the school budget, reverts to the general fund. Your school fund shows 0. There was \$400,000 and some from the school to the general fund. Generally that's always carried over. They bring you specific needs for that. So that is taken away. Then the \$681,000. With it reverting back, it's not revenue. It's reversing back. Then we come to the 4.7 and we take the \$681,000 we get the \$4.2.

Bryan: We are about \$300,000 from 10%.

Carter: Our local expenditures...our \$4.2 local balance is 23% of our expenditures. That's good. That's where we should be. We have no room to do anything else. If you have people coming to you throughout the year asking for things, we may as well talk about it, the Bates site. I have on the agenda tonight, Mr. Wright needs to know if we need to move forward with the condemnation of that property. It has to be a specific purpose to do it.

Dunnavant: That's \$200,000 and some.

Carter: The Board approved during the year to do that but no money was appropriated. He can only do it for that specific purpose. He needs an obligation from the Board one way or other. The proposed price was \$205,000. The board talked about it in the present year budget, we do have \$75,000 for capital improvements and \$130,000 in this budget. Next year we are using that to pay for some of these other expenses.

Chambers: We could purchase the land.

Dunnivant: If we buy the land...

Jones: We have to say what it's going to be done for.

Carter: This is eminent domain.

Dunnivant: That's the only thing we can use it for if we buy it. Eminent domain we have to use it for a dumpster site. We are kind of jumping around here talking about the school and then the dumpsite but they eventually tie together. I would a whole lot rather put the \$200,000 that's in this dumpster site proposal towards the additional that the school is asking for.

Bryan: It's not in the budget. If you all would go back to page 12 for a second in the guide book. Look under ambulance services. We are paying \$1200 for county decal reimbursement. There's been a lot of grumbling and complaints. They are paid now, the volunteers are getting paid per call. So, I mean...fire people are not getting paid.

Carter: The story I got is that they are having a hard time getting volunteers to run, and so they are giving them a stipend of \$25.

Bryan: But if they are having a hard time to run, we are paying \$1200 at \$25. \$1200 divided by 12.

Carter: If you look in the big book, they have to provide us with the name of the person and verify that they have ran so many calls and be an active member.

Bryan: Trash collection, in my time, we've gone up \$76,000 recently. I remember when it was \$800,000. I'd like the utility committee to look at ways we can save money there. We have our sites open all the time. It seems like the big burden on us now is the roll offs. They are abused. We need to get a handle on this, because if not next year we are going to have \$900,000 in the trash collection.

Matthews: My thing with the Bates Market site, it's going to cost \$205,000 to upgrade it to a manned site. Mr. Hill's recommendation is we are going to save a lot in tonnage which...is it 300 tons. You do the math. You are talking about a \$40-50,000 savings right there. Just on that scenario. Not including the savings we will get on recyclables, glass, plastic, metal.

Carter: That's the thing, having money to do things that's going to prove to save you money in the long run I believe. This is going to cost up front but over a period of time will be savings because of several reasons. Closer to the landfill. It will be used a lot. It will take a pressure off some of the other sites. In my opinion you are going to have to close down some other sites to save money.

Bryan: Rt. 600 is less than 7 miles.

Matthews: You can see that's not being used. That's going to save you in labor savings too because you are not going to have it manned 24 hours a day.

Carter: The abuse at Bates is the construction and furniture.

Bryan: I'd like us to look at...surrounding counties close their dumpsites certain days. We received a lot of blow back when Arvonnia closed Thursdays but people get used to it.

Matthews: Why can't we rotate?

Bryan: Rotate the closed the sties. Don't always keep the same site closed.

Jones: All the manned sites need to be closed at least one day a week.

Matthews: If you rotate that around, that would be savings. You are not paying that person to be there. If you have seven sites and rotate that. But Dillwyn is not closed at all.

Carter: Dillwyn is the only manned site that doesn't close.

Jones: Well, 56, never closed. Open all the time. The roll off gets filled up real quick. Even if we just went in there at 7 and close the gate. That would save a lot.

Carter: That's not manned at all. That's an option. Close it at night. That's Brother Bryant's site, no actually its Morgan's district.

Bryant: I was in the solid waste industry for 15 years, we either got to man these sites all the time, the site at Midway market is nearest to me, and the monitor leaves there at 10:00 in the morning. You go down Rt. 20 towards Scottsville and you see these pickups coming. They know exactly when he's gone and exactly when he comes back. We need to alternate those hours.

Bryan: That or when he's not there lock the gate. I'm sorry but our residents would get used to it. I think we will see a substantial savings.

Matthews: Advertise that this site is going to be closed this day at this time.

Bryant: We need to get Mr. Hill...

Bryan: Yes, definitely. The Utilities Committee get together with Lyn's input. We would bring it back to the board the recommendations and by all means receive input from all supervisors as well in building this. But back to the original question as Becky says, we have no rainy day money, that's no money for building maintenance, no money for upkeep here. There is no money going for trash truck. No money going for county vehicles. We see gas going up every day. At what point is it going to stop. There is no fuel reserve.

Matthews: It's going to stop. Traditionally it goes up every year between now and May. It's going to probably stop at 2.10-2:15.

Dunnivant: I'm not going to make a motion but I'm going to sew a seed, just conversation. Looking here from page 11, I didn't add them up, the volunteer...we've got some increases in here. I don't think it's prudent to take anything away from the fire department. They are volunteers. We've got to do everything we can to help them but there are a lot of things in here particularly when we get down to page 14 that you know it's not a lot of money but it adds up. Like I said earlier, Longwood Small Business, I don't know anybody that has benefited from utilizing that service. Longwood Visual Arts, Longwood College has as much money as Liberty. I don't think we need to be contributing to them. These little dollars add up and can add up to what we need to do somewhere else. These are discretionary dollars here. We are grappling with solid waste and school buses and you know you've got one item in here, I don't remember what page it was on but Straight Street we agreed to take that out and then we talked about that money and sending it to another unmandatory area to go. I'm just...

Bryan: Saving pennies is not going to give us hundreds of thousands of dollars and that's what we are looking at.

Dunnivant: That's correct but it starts.

Bryan: A trash truck, Karl, what do we usually reserve for trash truck?

Carter: \$100,000.

Bryan: A county vehicle is \$25,000. Fuel reserve, you know years ago the tax rate came to us recommended and we stated \$0.50.

Chambers: \$0.50 is not going to do it no more.

Bryan: Right. \$0.50 is not going to cut it. Because \$0.50 only leaves us with pennies at the end of the year. The pink elephant in the room says if we want to continue to have growth in this county, you know, maybe we should have done it two years ago. We were trying to be smart, we

didn't want to hammer people. I think Becky said \$0.58 was her recommendation but I want to live here too and \$0.58 isn't...\$0.06 would be nice. I would recommend \$0.04 and a meals tax.

Dunnavant: Meals tax already got outlawed.

Chambers: When we set the \$0.50 we were looking at the meals tax getting passed. We were also talking about solid waste fee.

Bryan: Now is time to go back...

Chambers: Time to bite the bullet.

Matthews: If you are looking at a solid waste fee to the county stickers.

Bryan: You can't. That's \$120. The county sticker can't go more than \$38.

Chambers: Solid Waste fee is not a fair tax. Take Mr. Bradshaw and his wife, can't have as much trash as some that have 6 in the family.

Matthews: Meals tax is not fair either because you are selecting a group of about maybe 16 people with businesses in the county. It's not going to generate that much money for you to do that so you are creating another tax collections out of those people and that's not fair to those people that own those businesses.

Jones: Not only that but we have to have a referendum in order to do that and we can't have that referendum before we have a need extra money.

Chambers: I can support \$0.06.

Bryan: You know, not just and I don't want to pass it along just to real estate. Looking at \$0.04 on real estate is going to give us \$568,000. If you raise \$0.04 real estate, state corporation tax is going up \$200,000. If we raise the county decal \$10 as recommended that's going to give us \$120,000. My math says that's \$888,000. That's \$0.04 on real estate. That's going to...state corporation is still with real estate, and if we raise decal fee \$10. That's equitable because everybody that drives that's supposed to register their vehicle will pay. That's not just passed along to the home owners for real estate.

Dunnavant: If you make that in form of a motion, I'm going to ask you to split them. I'll vote for the decal increase. I'm not going to vote for real estate increase.

Bryan: I understand that, Morgan, but you are only asking for \$120,000. The recommendation is, you heard the auditor speak that we have what \$42,000 at the end of the year.

Dunnavant: \$4.2 million

Bryan: No, no, no. At the end, you have \$42,000 to keep your reserve the way it is. If you keep digging into that reserve, you are going to be upside down.

Dunnivant: Eventually you will.

Bryan: We are picking at that right now. He said a \$500,000 catastrophic event will put us upside down.

Chambers: Look at \$0.04. Look at all the counties around you how high they are.

Bryan: We are still the lowest county.

Carter: Prince Edward last I heard is looking at \$0.06. Cumberland is raising their aircraft and utilities 14%. They are all looking at it. Well not all, but their rates are a good deal higher than ours. I think I gave it in a presentation last year, I hate this. This is horrible. I hate to see this but we've got to be responsible or cut a significant amount of money. You've seen where I've cut \$2000 from here and \$100 here. Some of that is bare bones. You are going to have to...we are trying to find money for buses, the only place to get enough money and not raise taxes is to reduce the school. We are trying to sit here and fine more for them. I don't feel that's the route to go.

Matthews: If they will work with us a little bit. Take the buses from 4 buses to 2. Doing a raise in December. We are just asking for a little bit of give to try to reach out to them.

Carter: We don't have any buses in there so you...do you know what it will be to give the raise in December and not July?

Snead: We don't have accurate figures tonight. We'd rather go back.

Carter: We've only got \$76,000 for that so the most you will save is ½ of it.

Snead: I know you didn't ask this, but I feel responsible the compromised budget from the state will pass on April 20th that's going to be different.

Carter: It's not going to be enough money is it to do it?

Jones: At \$0.05 cents, it will be what, \$710,000

Carter: \$0.04 will give you \$568,000 real estate and \$200,000 state corporation commission. \$768,000. \$0.05 will give you \$960,999.

Jones: How much?

Carter: \$960,999.

Bryan: How much?

Carter: \$960,999. You know, the pipeline and compressor station could bring good money but this will keep you sound until you know that. We are not going to see anything from that until 2019. You've got the 16/17 year and 17/18 to get through.

Bryan: You already know you are going to have an increase in VRS.

Carter: And another one after that.

Bryan: Becky just said we have a liability of \$17 million for VRS. We can always lower the rate.

Jones: I'm going to test the waters with the Board. I'm going to make a motion that we increase \$0.05.

Chambers: \$0.05 real estate and state corporation commission?

Jones: Right.

Carter: The decals is not a tax.

Jones: I'm not fooling with decals.

Bryan: So your motion is to raise the real estate \$0.05 and the State Corporation Commission \$0.05?

Jones: You say if we raise it \$0.05 then it's automatic for state corporation commission.

Carter: State Corporation Personal Property tax rate to \$4.05. Same as our personal property tax.

Dunnivant: We have a limited revenue source. Wouldn't you say Mrs. Carter?

Chambers: What did you say, \$0.05 on real estate and state corporation commission? Can I get a second? Any question?

Allen: Yes, once you get all this money, what exactly are you going to do with it? Are you getting this money to pay the \$600,000 extra for the school or put more money into...? What are you doing with it?

Jones: We know we will have money available to do things that come up or what we have to have.

Chambers: Unforeseen expenses or something that pops up in the future.

Allen: A rainy day fund. Are you going to use it for something and still not have any money or what? You might increase it...

Matthews: What we are saying, I'm not going to vote for it anyway, so it doesn't make a difference. But the way I see it is the school system can work with us a little bit on what we've asked and then also the rest of it going in reserve. I can't back that. Folks in my district already think they are taxed to death.

Bryant: We've got to do something to maintain the county.

Carter: You are not voting to set this rate. You are voting to advertise it.

Chambers: You are voting to advertise it for public hearing. You can always lower it. Any more question on the motion. 5-2

Bryan: So we are setting the rate for \$0.55.

Supervisor Jones moved, Supervisor Bryan seconded to set the Real Estate and State Corporation tax for \$0.55 for advertisement for public hearing on April 18, 2016. Supervisors Jones, Bryan, Allen, Chambers, and Bryant voting in favor. Supervisors Matthews and Dunnivant opposing.

Dunnivant: Question, page 10, the last board voted themselves a raise to total \$7,000.

Chambers: The Board hadn't gotten a raise for 16 years.

Dunnivant: Do we need it?

Bryan: Mr. Dunnivant, I got home last night at 10:00. Ok.

Dunnivant: That's a symbolic gesture, but I'm willing to give it up.

Bryan: You can donate it back to the general fund. I got home last night at 10:00. My day started when I got out of school yesterday and I went to a meeting for a board and when I finished that I went to another meeting for the board. So I got home at 10:00 at night. If you are not happy with the tax rate, I recommend you donate it back to the general fund.

Dunnivant: Are you going to do the same?

Bryan: No, sir. I'm not that crazy.

Dunnivant: I'm saying that we all go back because I already donate mine out. I don't keep it.

Allen: I don't have as much money as you got either.

Bryan: Mr. Chairman, I like to make a motion that we set a new State Corporation Commission Personal Property tax rate at \$4.05 which is what was recommended by the County Administrator.

Carter: It was what the auditors talked to you about. It won't give us much more money but if we can...it's anybody that's registered by the Corporation Commission.

Dunnivant: Dominion, the phone company, entities like that.

Chambers: Is there a second?

Dunnivant: I second.

Chambers: Motion by Supervisor Bryan and second by Supervisor Dunnivant to set the rate to State Corporation Commission Personal Property to \$4.05. That's seven.

Supervisor Bryan moved, Supervisor Dunnivant seconded and was unanimously carried by the Board to set a rate for State Corporation Commission Personal Property to \$4.05. This is a new tax.

Chambers: We've got a couple more things on the agenda. What did we do with the solid waste thing?

Carter: Refer it to the utilities committee to find cost savings.

Re: Consider a Proclamation of Congratulations to the Baptist Union Baptist Church upon their 150th Anniversary April 10, 2016

Chambers: Consider a Proclamation of Congratulations to the Baptist Union Baptist Church upon their 150th Anniversary April 10, 2016. Is that a letter?

Carter: Yes and if anyone would like to attend, they are welcome to attend. A letter of congratulations for their 150th year.

Bryan: I move Mr. Chairman.

Allen: I second.

Chambers: a motion by Supervisor Bryan and a second by Supervisor Allen to send a letter. Any questions?

Supervisor Bryan moved, Supervisor Allen seconded and was unanimously carried by the Board to send a letter of congratulations to Baptist Union Baptist Church for their 150th Anniversary.

Re: Supervisor Allen: An additional appropriation of \$1,000 for the After Prom Event

Allen: I make a motion to appropriate an additional \$1,000 for the After Prom event.

Jones: I second.

Chambers: A motion by Supervisor Allen, second by Supervisor Jones to appropriate an additional \$1000 for the after prom event. Any questions?

Supervisor Allen moved, Supervisor Jones seconded and was unanimously carried by the Board to appropriate an additional \$1000 for the After Prom Event.

Re: Adopt the FY2016/17 Budget for Advertisement

Carter: We have to adopt the budget for advertisement which means you have to consider what you want to do about the other items. We need to consider approval of a budget for the purpose of advertisement for public hearing. If there are any changes from what I have given you, you do that before you approve to advertise it. So far the only thing we've done is the \$2000 change.

Chambers: I'd like to see a couple buses in there.

Carter: So far all we've done is the \$2000.

Dunnavant: We haven't trimmed much.

Allen: We haven't trimmed anything.

Dunnavant: We really haven't.

Chambers: I'd like to see 2 buses anyway.

Carter: We moved the \$2000 so we haven't lowered anything.

Dunnavant: There are pennies, but really we trimmed out \$2000 I don't remember what it was.

Carter: Straight Street.

Dunnivant: That's right, Straight Street but we've got pennies on the dollar really but item 21, 22, 24, 25. Political suicide, 32. There are all kinds of discretionary items here we can tighten up on. I'm not saying cut them out. We have a lot of discretionary's here. It doesn't make what we need for the school but it does make a dent. People are going to be grumpy at us any way we go.

Bryan: Dr. Snead, after discussing it, do you have any objections to make a capital improvement line item just for buses in your agenda and then put the money for buses in the transportation department. Would you consider making a line item just for buses?

Snead: I will do whatever necessary.

Bryan: What that means is you can only spend that money for buses.

Snead: For the record, it is my personal nature to be cooperative.

Bryan: With that said, I make a motion that we as far as the school is concerned, fund the Identakid Program, the two special education vehicles, add, 2 school buses in their new capital improvement line item that Dr. Snead has agreed to set forth and that's going to be a total...

Allen: They said something about the painting.

Bryan: Yes, the \$45,000, Mr. Allen. I agree to put that in as well.

Carter: Is that one time? They are asking for one time but yet they are asking for \$45,000 in maintenance as reoccurring.

Bryan: Let's go for the maintenance recurring. It will be recurring money. The school buses as of right now, I'd like to see those as recurring instead of nonrecurring because pretty much we are all in agreement for the safety and security of the children we need to see that recurring every year.

Allen: Are you going to make two separate motions?

Bryan: No.

Carter: So far we have 2 buses, \$34,000 for two special ed vehicles, \$16,333 for Identakid...

Allen: \$26,013

Carter: I think that's state and federal. Am i correct the county portion for Identakid will be \$16,333?

Snead: Yes.

Carter: Then you said recurring maintenance was \$45,187.

Matthews: \$45,000 for painting every year. Is that what you are saying?

Bryan: This is just maintenance.

Dunnivant: \$45,000 recurring every year for maintenance. Now the 2 special ed cars is that recurring every year?

Bryan: No. That's nonrecurring.

Dunnivant: So what we've got recurring is 2 buses, and \$45,000 facilities maintenance.

Bryan: That's a separate line item just for buses.

Carter: IdentaKid is nonrecurring.

Bryan: The IdentaKid is nonrecurring and the 2 special ed cars are nonrecurring. To clarify my motion, my motion is for recurring we have two buses, and maintenance request. 2 buses will be \$180,000, and Maintenance will be \$45,187. Nonrecurring will be IdentaKid is \$16,333 and the two special education vehicles are \$34,000.

Chambers: Second for that?

Jones: Second.

Chambers: A motion by Supervisor Bryan, second by Supervisor Jones to 180,000 for buses, 45,187 for recurring maintenance, and 16,333 for IdentaKid and 34,000 for special education vehicles. Any questions?

Allen: What's the total, about \$275,000? Somewhere in there.

Bryan: Total is 225,187

Carter: It's that for recurring and 50,333 for nonrecurring additional money or reserve will be that.

Chambers: All in favor. Passed unanimous.

Supervisor Bryan moved, Supervisor Jones seconded and was unanimously carried by the Board to add to the presented budget \$180,000 for two buses to be recurring, \$45,187 for

maintenance to be recurring, \$16,333 for IdentaKid program as nonrecurring and \$34,000 for two special education vehicles to be nonrecurring.

Chambers: Now we've got to set the tax rate.

Dunnivant: This is going to keep up whether we raise taxes or not.

Bryan: Mr. Chairman, I move that we advertise the Real Estate Rate at \$0.55; Public Service Corporation at \$0.55; the new State Corporation Commission Personal Property Tax at \$4.05; Personal Property at \$4.05; Machinery and Tools at \$2.90; Merchants Capital at \$1.00; and Air Craft at \$0.55.

Allen: Second.

Chambers: You heard the motion by Supervisor Bryan and second by Supervisor Allen. Are there questions? All in favor by hand raise. 5-2

Supervisor Bryan moved, Supervisor Allen seconded to advertise the following tax rates for public hearing on April 18, 2016: Real Estate Rate at \$0.55; Public Service Corporation at \$0.55; the new State Corporation Commission Personal Property Tax at \$4.05; Personal Property at \$4.05; Machinery and Tools at \$2.90; Merchants Capital at \$1.00; and Air Craft at \$0.55.

There being no further business to discuss, Chairman Chambers declared the meeting adjourned.

ATTEST:

Rebecca S. Carter
County Administrator

Joe N. Chambers, Jr.
Chairman