

Budget Hearing, Wednesday, April 20, 2016, at 7:00 p.m. Government Center, Verona, VA.

PRESENT: Carolyn S. Bragg, Chairman
Tracy C. Pyles, Jr.
Michael L. Shull
Marshall W. Pattie
Gerald W. Garber
Terry L. Kelley, Jr.
Wendell L. Coleman
John Wilkinson, Director of Community Development
Jennifer M. Whetzel, Deputy County Administrator
Melissa Meyerhoeffer, Director of Finance
Patrick J. Morgan, County Attorney
Timothy K. Fitzgerald, County Administrator
Angie Michael, Executive Secretary

VIRGINIA: At a budget hearing meeting of the Augusta County Board of Supervisors held on Wednesday, April 20, 2016, at 7:00 p.m., at the Government Center, Verona, Virginia, and in the 240th year of the Commonwealth....

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Chairman Bragg opened the meeting and welcomed those present for the public hearings.

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The Board of Supervisors led us with the Pledge of Allegiance.

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Terry L. Kelley, Supervisor for the Beverley Manor District, delivered invocation.

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PUBLIC HEARINGS – Director of Finance Presentation

Melissa Meyerhoeffer, Director of Finance, announced that there would be two public hearings. They can be held as one public hearing once opened. One hearing is on the proposed tax rate and the second hearing is on the revised budget for 2015-2016 and the proposed budget for 2016-2017. Ms. Meyerhoeffer gave a PowerPoint presentation with the following highlights:

The Code of Virginia (§ 15.2503) does the following:

- Sets the fiscal year for localities (July 1 through June 30)
- Sets deadline for presentation of budget to Board of Supervisors by April 1 (Work session March 28th)
- Sets public hearing notice requirements (seven days before the public hearing)
- Sets minimum period before budget approval (public hearing has to be at least seven days before budget approval). It can be approved at the next Board meeting on April 27nd, or if the Board desires a Special Meeting on May 4, 2016.
- Sets deadline for State agencies to provide information to localities after General Assembly session (within 15 days)
- The County is required to approve a budget by July 1

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PUBLIC HEARINGS – Director of Finance Presentation (cont'd)

Budget process is a cooperative effort:

- Departments of the County
- Community Agencies
- School Board
- Shenandoah Valley Social Services
- Regional Agencies

The budget is a cooperative effort that is affected by many components. Departments/Schools/Regional entities draft a budget, Finance and Co. Admin compile a balanced budget within current revenue streams, the Board of Supervisors reviews and decides what to advertise. At the public hearing, the public input is shared with the Board of Supervisors and taken into consideration before approving the budget and setting a tax rate. The budget is tentatively set to be approved Wednesday, April 27 or May 4.

Budget Advertisement Summary:

Recommended budget	\$205,008,903
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Work session revisions:

County Capital Improvement Fund	
Infrastructure	(\$350,000)
P&R Matching Grant	(\$105,000)
New Courthouse	<u>\$455,000</u>
Net Change	\$ 0

Total Advertised Budget	\$205,008,903
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School Funding:

School Funding increase:

Formula funding-FY16	\$ 39,379,220
Formula funding-growth	<u>822,546</u>
Total School funding	\$ 40,201,766
(included in advertised budget total)	

Ms. Meyerhoeffer noted that total school funding as advertised is \$40.2 million for FY16.

The advertised proposed tax rates for 2016 are:

Rate per \$100/assessed value as advertised:

	<u>2015</u>	<u>2016</u>
Real Estate	\$0.58	\$0.58
Personal Property:		
Vehicles	\$2.50	\$2.50
Other ⁽¹⁾	\$2.00	\$2.00
Other ⁽²⁾	\$2.50	\$2.50

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PUBLIC HEARINGS – Director of Finance Presentation (cont'd)

- (1) Business, large trucks and trailers, machinery & tools
 (2) Campers, boats, boat trailers, horse trailers, airplanes and trailers.

Total revenue in the FY17 Budget: \$192,789,636

Property Taxes	\$ 56,391,900
Local Revenue	\$ 36,794,366
State Revenue	\$ 71,143,158
Federal Rev.	\$ 12,114,026
Other ⁽¹⁾	\$ 16,346,186

⁽¹⁾Primarily bond proceeds

Other revenues is primarily for bond proceeds on the construction and/or renovation of three elementary schools.

Expenditures for the FY17 Budget: \$205,008,903

General Govt	\$ 4,143,895
Judicial	\$ 2,033,355
Public Safety	\$ 21,761,176
Public Works	\$ 3,750,300
Health & Welfare	\$ 17,052,477
Recreation	\$ 2,953,469
Community Dev.	\$ 1,805,197
Contributions	\$ 1,633,601
Education	\$110,821,975
School Capital Improv.	\$ 27,011,201
Debt Service	\$ 6,907,475
Capital Improvements	\$ 5,134,785

As noted in the budget handout, education funds, including debt and excluding capital projects, make up approximately 57% of total expenditures, followed by public safety at 11% and health and welfare at 8%. The difference between total revenue and total expense is attributed to the receipt of bond proceeds for School capital projects that will be spent over a number of years.

It is important to emphasize the continuing area of need within Augusta County. The County may need to borrow for some future projects if capital funding is not available. Some of the projects are mandated from Federal or State mandates others are necessary to continue to maintain County assets at acceptable levels to serve citizens within the county.

Areas of Need:

Capital Projects, Courthouse, Public Safety

Debt service coverage for Landfill post-closure costs, MRRJ, SVJDH

Depreciation accounts

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PUBLIC HEARINGS – Director of Finance Presentation (cont'd)

Other project accounts including Utilities, Stormwater, Economic Development, Flood Control Dams and VDOT Revenue Sharing

Meet audit fund balance requirements

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PROPOSED TAX RATES and PROPOSED BUDGET FOR 2016-2017

This being the day and time to receive public input on the real and personal tax rate for 2016 and also to receive public input on the revised budget for Fiscal Year 2015-2016 and the proposed budget for Fiscal Year 2016-2017.

	<u>Current:</u>	<u>Proposed:</u>
Real Estate	\$0.58	\$0.58
Personal Property – auto & motorcycle campers, boats, boat trailers, horse trailers, airplanes, trailers	\$2.50	\$2.50
Personal Property – business, large trucks and trailers, machinery & tools	\$2.00	\$2.00

The Chairman declared the public hearings on tax rates to be open.

There being no speakers, the Chairman declared the public hearing closed.

The Chairman declared the public hearing on the proposed budget to be open.

Janice Gentry, representing the Valley Program for Aging Services, thanked the Board of Supervisors for their continued support that is offered to the Senior Citizens of Augusta County.

There being no other speakers, the Chairman declared the public hearing closed.

Mr. Fitzgerald explained to the Board that the Budget Adoption will be on the agenda for the Regular Meeting on Wednesday, April 27, 2016.

Mr. Shull thanked the Staff and Mr. Fitzgerald for a smooth running budget process.

Chairman Bragg reiterated Mr. Shull's comments and thanked the Staff for a job well done.

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END OF PUBLIC HEARINGS
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CLOSED SESSION – NONE

April 20, 2016, at 7:00 p.m.

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On motion of Mr. Pyles, seconded by Mr. Shull, the Board adjourned subject to the call of the Chairman.

Vote was as follows: AYE: Pattie, Shull, Coleman, Garber, Kelley, Bragg and Pyles

NAY: None

Motion carried.

Chairman

County Administrator