

VIRGINIA:

A FY 20 Budget Work Session of the Lancaster County Board of Supervisors was held in the Administrative Building Board/Commission Meeting Room of said county on Thursday, March 14, 2019.

Members Present: Jason D. Bellows, Chair
Ernest W. Palin, Jr., Vice Chair
Jack D. Larson, Board Member
William R. Lee, Board Member
Robert S. Westbrook, Board Member

Staff Present: Don G. Gill, County Administrator
Brian D. Barnes, Planning and Land Use Director/
Environmental Codes Compliance Officer
Crystal Whay, Clerk to the Board/Building & Land
Use Assistant

Mr. Bellows called the meeting to order at 6:00 p.m.

GOALS AND OBJECTIVES FOR THE FY 20 BUDGET PROCESS

Mr. Bellows stated that last week the Board of Supervisors adopted its Strategic Plan and in that plan it lists some priorities that the Board wishes to engage in during the coming year. He stated that the purpose of the first portion of tonight’s meeting was to set some priorities with the budget.

Dr. Westbrook stated that he believed they should identify the Board’s responsibilities to all taxpayers and how they spend their tax money. He stated that, in his opinion, the three most important things to consider were public safety, emergency medical services and education. He stated that there were other things that they are mandated to do, but those three are the most important things for the community. He stated that he thought they should fund each of those three the very best they could and any money left over is up for grabs.

Dr. Westbrook stated that his personal belief was that they know what is coming and whatever the price tag may be, they know they are going to have new schools expenses and that they will have to take out a loan. He stated that his personal preference would be to tell every non-governmental entity that the County will not go above a certain percentage of what was given to them last year. He stated that they can give them

the notice in advance, so they can step up their fund raising efforts to make up the difference. He stated that the money that they save by doing this can be put in the bank for the future loan that they will have for the schools, no matter the cost.

Mr. Lee stated that he had asked Mr. Gill for some figures concerning the non-governmental entities and if the fire departments and rescue squads' contributions are taken out, the total for non-governmental entities for FY 19 was \$422,830. He stated that the list includes the Free Health Clinic, Bay Aging, the Haven, the Boys and Girls Club, Rappahannock Community College, YMCA, Mary Ball Washington Museum, the Lancaster Community Library, Dreamfields, River Realm Branding, Pamunkey Net and CASA. He stated that figure is 1.3 percent of the FY 19 budget. He suggested that the Board set a percentage of approximately 1.3 and divide it up among those entities for this year.

Mr. Bellows asked if, the budget grew next year, would that mean that the 1.3 percent would increase as well.

Mr. Lee replied potentially.

Dr. Westbrook asked why they felt an obligation to give any tax payer money to a private organization that can raise its own funds. He stated that they should be concentrating on the things that they are required to do. He stated that they did not know if schools were going to be 60 million or 114 million dollars, but they do know that it is going to be something. He stated that the more money they have to use as a down payment, the better off they will be.

Mr. Lee referred to the non-governmental entities and stated that they give a value to this community and he was glad that those entities can raise money because some of them would not exist if they had to solely rely on the funds that they receive from the County. He stated that those organizations do an excellent job with raising money, but there should be some support from local government. He stated that, for example, they give \$10,000 annually to Dreamfields and the County could not build or operate a ballpark for \$10,000 a year. He stated that the County does not have a Parks and Recreation Department either, so he believes that these donations are worthy to continue.

Dr. Westbrook stated that they have an opportunity with the land they just purchased to have a park. He stated that he understood about the worthiness of these entities, but the YMCA and the Boys and Girls Club are part of a national organization. He stated that the Lancaster Community Library is a private organization and is not county-owned. He stated that he thought they needed to start thinking in a different way about what is coming in the future. He stated that they cut the school budget last year and did not give the schools what they had asked for, but gave money to organizations that can raise their own. He stated that he thought that was wrong. He stated that they needed to trust the people in charge of the three categories that he had mentioned, give them the budget they need and after that is funded, they can decide where the rest of it goes. He stated that he did not think it should be a set percentage. He stated that, if the economy

does improve, those non-governmental entities should not automatically be given more money.

Mr. Bellows stated that they should look at the level of funding on the non-governmental organizations, but he believes some level of funding should be provided to what can be considered parks and recreation. He stated that a lot of localities have a Parks and Recreation Department and Lancaster County does not. He stated that Mr. Lee had said that last year's contribution to the non-governmental entities was around \$422,000 of the budget. He stated that equals around 1.7 cents on the tax rate, so they were not looking at a major portion of the budget compared to what they offer to the community.

Mr. Palin stated that Dr. Westbrook had said that they cut the school budget last year. He stated that the school budget was not cut and in fact, they were given an increase of \$300,000 from the previous year. He wanted to make sure that the Rappahannock Record reporter knew that information.

Mr. Larson stated that he felt an obligation on the Board's part to examine what people submit. He stated that requests are going up and there needs to be reasonable explanations why that is happening. He stated that they needed to be asking the hard questions and not automatically accept the requests, just because that is what had been done in the past. He stated that it was not about trust, but about looking at the numbers with another set of eyes. He stated that with some of the increases, the schools' request being one of them, as large as they are with a declining enrollment, they just cannot keep going on. He stated that there was money being thrown at problems and money is not always the solution.

Mr. Lee stated that one of the things that he did not want to happen was an automatic increase on some of these things. He stated that it looked like a lot of requests are asking for level funding this year.

Mr. Gill stated that there were a lot of level funded requests and a few that were asking for more funds.

Mr. Larson stated that the County has department heads that have had the same level of funding for the last fifteen years if you take salaries out of the picture and they should be left alone.

Mr. Bellows stated that the only way to do it is to bring the requestors in and ask questions and look at the documentation like they did last year.

Mr. Larson stated that they needed the basic facts. He stated that they have found out, after last year's budget process, that some of the non-governmental organizations have mandates on local funding. He stated that a good example of that was the library.

Dr. Westbrook stated that they needed to find out if a state law applies to a private library.

Mr. Lee stated that the librarian had told him that if the County does not fund the library's request, when the state library board reviews it, they could possibly lose funds from the state.

Dr. Westbrook stated that the librarian told him that the library was too successful with their fund raising and it changed the formula, so that the state library board says that the government has to pay more money to bring the formula back up and it makes no sense to him at all. He stated that they needed to confirm if the state library board has that much power over a private library.

Mr. Larson stated that he could not see how it could be a private library if it is being supported with state funds.

Dr. Westbrook stated that, in his opinion, it is private because the County did not start it and the County does not own the building.

Mr. Lee stated that he did not think the state would be funding it if it was truly private.

Mr. Bellows referred to his motion from a couple of years ago, where he wanted to set aside one cent annually for the schools and stated that needed to be clarified again this year. He stated that the other item was to look at the fund balance percentage again.

Dr. Westbrook stated that he thought that the fund balance threshold was supposed to remain at seven percent.

Dr. Westbrook stated that, whatever the final costs of the schools may be, shouldn't they take steps, beyond the one cent tax, to start stockpiling some money to go towards the school buildings. He stated that he thought they should set a tax rate that allows them to do that.

Mr. Larson stated that he did not think the County should be stockpiling money, but they should be thinking about a plan that they can live with.

Dr. Westbrook stated that the County can stockpile money if they have a project in mind. He stated that they did not need a balanced budget if they have a reason to have money set aside.

Mr. Bellows stated that the budget has to be balanced from not being negative, but they can have an over-budget.

FY 20 BUDGET WORK SESSION

Mr. Gill stated that the audited figure for the beginning fund balance for FY 19 was \$3,274,064. He stated that number is actually \$426,158 more than the projections from last year, so they started FY 19 a little better than projected.

Mr. Bellows stated that has been the case most years.

Mr. Gill agreed and stated that figure can range from \$500,000 to \$1 million dollars because of the budget being underspent.

Mr. Gill stated that, at the end of FY19, the fund balance was projected at \$2,533,230 projected, which is 8.1 percent of the total expenditures.

Mr. Gill stated that this budget is built assuming the same real estate tax revenue and does not take into account any tax increases. He stated that he used the estimate from last year, which was \$15,185,000 and he believes it is a good estimate. He stated that when the new reassessment is applied, the taxable base went up approximately four percent, which would generate an equalized rate of 56.9 cents. He stated that Marlon Savoy, the Commissioner of Revenue, has been rounding that number to 57 cents.

Mr. Bellows stated that the equalized rate is 57 cents and their current real estate tax rate is 59 cents, so they would be generating extra money if they left the tax rate as it is.

Mr. Gill replied yes. He stated that a penny on the tax rate would generate \$267,079 now.

Mr. Gill stated that number is subject to the outcome of the Board of Equalization hearings. He stated that it could fluctuate some, but it will not be that much.

Mr. Gill stated that this budget was also assuming a three percent raise for full-time employees. He stated that the reason that has been included is because the state has approved a three percent raise for all of the Constitutional officers and their staffs effective July 1, 2019. He stated that forty-four percent of the full-time employees will be reimbursed through the state, so the County would be funding the other fifty-six percent. He stated that the employees will notice this increase this year because there is no increase in health insurance premiums, which is highly unusual. He stated that, in years past, any raise that was given was offset by the increased health insurance premiums. He stated that he has said this before, that there was a good group of employees that work for the County and they are very loyal. He stated that the proposed pay increase does not apply to the County Administrator or the paid Emergency Medical Services staff. He stated that when the Board of Supervisors met with the Emergency Medical Services staff, the main point that came out of that work session was to come up with a way to recruit and retain both paid staff and volunteers. He stated that Chief Matt Smith has created a new EMS pay scale and it is in the supporting documents in the Board's budget books. He stated that the payscale rewards experience and loyalty to the County. He suggested that Chief Smith come in front of the Board to explain it in more detail.

Mr. Gill referred to the synopsis sheet and stated that the projected ending fund balance figure for the end of FY 20 is \$1,799,314. He stated that amount is only 5.7 percent of total expenditures, so they would be short by about \$400,000. He stated that they would need to think about cutting some expenditures or raising revenues to get back to the seven percent fund balance.

Mr. Larson referred to expenditures and asked where the number of \$16,278,818 for school operating came from.

Mr. Gill replied that number came from the School Board operating budget that was adopted on Tuesday night. He stated that all of their numbers are included in this budget. He reminded the Board members that they have a joint budget work session with the School Board on Monday, March 18th at 6:00 p.m.

Mr. Gill referred to revenues and stated that there was no change in real estate tax revenue as he had previously mentioned. He stated that personal property taxes were up by approximately \$100,000 in FY 18 and apparently there is more personal property being taxed than before. He stated that mobile home taxes were up a little. He referred to local revenues and the local estimate for sales and use taxes for FY 20 and stated that the state's government's estimate for Lancaster County was \$1.97 million dollars, but he could not go that high based on the actual number from FY 18, which was \$1.3 million dollars. He stated that the estimate from the state had an actual number of \$1.8 million dollars, so there is some discrepancy. He stated that he knew that about \$200,000 of that money went to the three incorporated towns, so he would have to dig deeper into that.

Mr. Larson stated that the Board passed an ordinance to charge an occupancy tax on short-term rentals last fall and asked if that tax was being collected.

Mr. Gill replied yes and stated that there were about ten houses on the registry. He stated that Marlon Savoy, the Commissioner of Revenue, has in place the documentation for the two percent tax to be paid to her on a quarterly basis. He stated that those funds will not come until the end of March because they started it on January 1st. He stated that he could not imagine that it would be that much money and he did not include it because he had nothing to base a number on.

Mr. Bellows stated that he thought they would have to wait a year and see how the numbers go concerning that tax.

Mr. Larson stated that he did not have a problem with that and the conservative approach would be to not recognize that tax at this stage.

Dr. Westbrook asked if the ten homes on the registry were people who volunteered the information.

Mr. Gill replied yes.

Dr. Westbrook stated that he thought there were more than ten in the County.

Mr. Larson stated that you can google air bnb's in the area and come up with far more than ten.

Mr. Bellows asked if there had been any advertising to notify citizens about the policies that have been passed and what steps they need to take.

Mr. Gill replied that they have not advertised, but it was published in the Rappahannock Record when the ordinance was passed.

Mr. Bellows stated that he did not think that was good enough if they are trying to make the public aware of the new policies. He suggested looking at the websites and sending notices to the local owners to let them know what is now being required by the County.

Mr. Gill referred to revenues from use of money and stated that figure, at the end of February, was at \$82,000. He stated that this stems from the revision to the investment policy that the Treasurer had asked the Board about last year. He stated that Ms. Dickson has been using the Virginia Investment Pool which has a higher interest rate and it has been a good decision. He stated that they had only budgeted \$40,000 in FY 19 and in eight months, that number is now \$82,000.

Mr. Gill referred to the section for revenue from the commonwealth and stated that categorical aid-shared expenses shows the increases in the Compensation Board's numbers to account for the three-percent raise that is effective July 1, 2019. He stated that every one of the constitutional offices, except for the Clerk of the Circuit Court, has both state and local employees within their offices. He stated that both state and local employees are doing the same job and if one gets a raise and the other does not, it could be a bad situation. He stated that the Board just experienced this at its January meeting when a supplemental raise had been given to the Sheriff's Department for its state supported deputies, so the Board approved an equal raise for the locally supported deputies.

Mr. Larson asked why all of the actuals were less than the approved amounts for FY 2018.

Mr. Gill replied that he thought it might be because the actuals did not include withheld taxes or fringe benefits, but he would check on it.

Mr. Gill referred to the E911 line item under other categorical aid and stated that at the Board's December meeting there was a Next Generation 911 presentation. He stated that it was a code requirement that the County must migrate to the Next Generation 911 system. He stated that the state will pay for it for the first two years. He stated that

Lancaster County's migration time period is January 1, 2020 through June 30, 2020. He stated that \$60,000 has been added to the budget, but it is covered by the state.

Mr. Gill referred to page 8 and the school operating fund items and stated that the local contribution from the general fund is \$11,646,100. He stated that the local contribution to the schools last year was \$11,085,772, so they are asking for \$560,328 more this year. He stated that number is better than the one that was shown to the Finance Committee a week ago. He stated that these are the updated numbers and the School Board approved them at its meeting on Tuesday night.

Mr. Gill stated that was a quick overview on the revenues and asked the Board to come up with any questions or concerns after they had reviewed it.

Mr. Lee asked about the schools' capital improvement items.

Mr. Gill replied that this budget did not show the school capital improvement items. He stated that the Planning Commission is working on the Capital Improvement Budget now and will have a recommendation for the Board of Supervisors after their April meeting. He stated that he had asked if any action had been taken by the School Board on Tuesday night concerning the capital improvement items, but he had not received a response.

Charlie Costello, a District 2 citizen, stated that the number was \$117 million dollars. He stated that was the figure that John Mann, Director of Operations and Transportation for Lancaster Public Schools, mentioned on Tuesday night.

Mr. Larson stated that they had found out this week that if there is to be a public referendum, it has to be initiated by the School Board. He asked if there had been any discussion about the schools moving forward with that.

Mr. Gill stated that he knew that the County Attorney had talked to the schools' attorney about the matter.

Mr. Bellows suggested saving the school questions for Monday night when they would be meeting with the School Board.

Mr. Gill referred to the general government section and stated that he had left the Board of Supervisors' numbers the same for FY20. He stated that he would suggest that the Board might want to consider increasing the amount budgeted for mileage and education/conferences. He stated that this Board has taken advantage of more educational opportunities. He stated that they are okay right now, but if it continues, they may have to do a supplemental appropriation.

Mr. Bellows asked Mr. Gill about his recommendations for those items.

Mr. Gill replied that his recommendations were to take the mileage item to \$2500 and the education/conferences item to \$10,000.

Mr. Larson stated that he would not incur any expenses for the education/conferences item for him in FY20, but he could not speak for the other members.

Mr. Gill referred to the salary line item for County Administration and stated there was a decrease because in years past there was a placeholder of \$65,000 for an Assistant County Administrator/Finance Director position. He stated that when he became Assistant County Administrator, half of his salary was split between County Administration and Land Use. He stated that now the salaries line is just showing the County Administrator and the Accounts Administrator salaries.

Mr. Bellows asked if someone had replaced Mr. Gill in the position of Planning and Land Use Director.

Mr. Gill replied that Brian Barnes was now in that position. He stated that they have not filled Mr. Barnes' position of the Environmental Codes Compliance Officer, yet.

Mr. Gill referred to the County Attorney line item and stated that he was recommending that figure go from \$75,000 to \$25,000, based on actuals for this year.

Mr. Gill referred to page 20 and Information Technology Services and stated there is an increase of \$8000 for computer hardware which is for the upgrade of equipment in the meeting room. He stated that figure was for the materials and the installation would be done in-house.

Mr. Bellows stated that he noticed there was nothing in the budget for website design. He stated that one of the items in their strategic plan was to do something with the County's website, so that might be something they want to think about going forward.

Mr. Gill referred to page 20 and the Electoral Board and stated that this was an item that the Board would want to have some input from the Registrar and the Electoral Board. He stated that the General Assembly has passed legislation for no excuse absentee voting for seven days prior to every election. He stated that there will be extra expenses associated with this change.

Mr. Bellows stated that it was basically early voting.

Mr. Gill agreed.

Mr. Gill stated that the Electoral Board has asked for a \$15,000 increase to the Registrar's salary, as they have done in the past. He stated that those figures were on page 21. He stated that the General Assembly has asked for a study to be conducted to

basically equalize the Registrar's office with other constitutional officers. He stated that this was another reason he thought both the Registrar and the Electoral Board should come before the Board of Supervisors.

Mr. Gill referred to page 22 and the Adult Drug Court and stated that was getting underway and \$6000 was paid last month. He stated that it was an annual expense for six years, but after three years, the amount can be renegotiated.

Dr. Westbrook asked if there was a way to quantify the benefit and if this is money well spent.

Mr. Gill replied that he could ask the Commonwealth Attorney to address the Board on this. He stated that the program is just getting started, so he did not know if there is anything to report at this point.

Mr. Gill referred to page 25 and the Commonwealth's Attorney and stated that he is asking for a salary increase of \$12,600 for the secretary. He stated that the reason it is highlighted is because it is more than the three percent raise.

Mr. Gill stated that the total courts figure is up by \$43,000.

Mr. Gill referred to page 26 and the Sheriff's Office budget and stated that he is asking for \$117,000 more than last year. He stated that figure includes the three percent raise, plus he is asking for an increase in overtime and part-time. He stated that the Sheriff did not fill one position last year when one of his employees moved out of state, so he thought he was budgeting more overtime and part-time. He stated that they are also covering the courts with more bailiff hours. He stated that he thought the Board of Supervisors would probably want Sheriff McCranie to come in to discuss his budget.

Mr. Gill referred to page 27 and the Volunteer Fire Departments and stated that the Board of Supervisors has scheduled a work session with the departments on Tuesday, March 26th. He stated that there was an increase of \$4331. He stated that, several years ago, the Board approved a 1.5 percent annual increase for the volunteer fire departments. He stated that last year the fire departments were level funded.

Mr. Gill referred to page 28 and the Paid Rescue Services and stated that those figures do not represent the three percent pay raises. He stated that Chief Smith has created a new pay scale that is in the supporting documentation. He stated that it does try to address the issue of recruitment and retention. He stated that the department is currently down two full-time positions. He stated that every locality is basically pulling from the same pool of qualified people. He stated that the Board would probably want Chief Smith to come in to explain his budget.

Mr. Lee asked Mr. Gill to ask Chief Smith to document how much he is spending in overtime expenses when he comes in front of the Board.

Mr. Gill stated that Chief Smith's overtime budget has been overspent, but he is doing well overall.

Mr. Gill referred to page 31 and the Department of Forestry and stated that this was one that they found out last year was mandated by the Code of Virginia. He stated that the County pays nine cents for every acre of forestland in the County to cover any services that the Department of Forestry might handle during forest fires.

Mr. Gill referred to page 31 and Local Emergency Services and stated that there was a decrease of \$50,000. He stated that \$50,000 was appropriated in FY19 under Disaster Recovery during Tropical Storm Florence and the County is starting to get reimbursed by FEMA for some of that money. He stated that they could very well have another natural disaster in FY 20.

Mr. Gill stated that Chief Smith has two new line items-Volunteer Programs and Hazmat and Fire Investigations and there is supporting documentation for those line items. He stated that Chief Smith will also address that when he meets with the Board.

Mr. Gill stated that the overall increase for the Public Safety section is \$241,825 and most of that is from the Sheriff's budget and Emergency Medical Services.

Mr. Gill referred to page 35 and Public Works and stated that this is another department that he thought the supervisor should come before the Board. He stated that the pay scale has been altered to pay the employees that have been with the County the longest a higher hourly wage. He stated that they did not take into consideration the holiday pay. He stated that the convenience centers are only closed two days a year on Thanksgiving and Christmas Days. He stated that the convenience center employees work on days that the other County employees have off and that is double time for them.

Mr. Gill referred to the Maintenance Service Contracts line item and stated that there is an increase of \$72,460. He stated that was based on the volume of trash that is generated. He stated that when the economy is doing well, more trash is generated. He stated that they have also been talking about the issue with recycling. He referred to the line item titled Recycling Services and the figure of \$10,250 and stated that was basically what it costs the County to send its recyclables to Right Way Recycling. He stated that, as they have recently learned, there is a worldwide issue with plastics not being wanted as a recyclable anymore. He stated that they have made some changes at the convenience center sites and they will have to change the way they accept recyclables. He stated that Donald Brown, the Solid Waste Supervisor, has been researching other options, such as bundling newspaper the way we do cardboard and selling it. He stated that plastic and glass are becoming normal waste.

Mr. Gill referred to the Health and Welfare section of the budget and stated that the total shows an \$87,763 increase over last year.

Mr. Gill referred to page 41 and the Recreation and Culture section and stated that the YMCA is asking for level funding at \$50,000 this year. He referred to the Historic Resources Commission and stated that \$2000 was budgeted for them last year to receive a stipend when they met. He stated that they have been very diligent about meeting, but they will not accept the stipend.

Mr. Gill referred to the Community Library and the \$10,000 increase over last year's request and stated that the Code of Virginia sections concerning the local funds requirement is included in the supporting documentation. He stated that he was going to ask Jim Cornwell, the County Attorney, his opinion on those codes.

Mr. Gill referred to page 43 and the Department of Housing section and stated that it had been decided to combine Indoor Plumbing/Housing with the Department of Housing. He stated that \$10,000 has been incorporated into the salary for the Department of Housing and \$6,000 as part-time. He stated that this was another department that the Board would probably want to hear from during the budget discussions.

Mr. Gill referred to page 44 and stated that there was a new section to the County budget. He stated that the Broadband Authority, that was formed last year and comes monthly to the regular Board meetings to make a presentation, has made a budget request of the County. He stated that the request is for \$52,500 for FY20.

Mr. Larson stated that he thought the minutes from those earlier meetings reflected that the Broadband Authority would not cost the County a dime.

Mr. Gill stated that he thought the minutes stated that the Broadband Authority would have to request funding just like any other group.

Mr. Larson stated that there were discussions in the minutes where the Broadband Authority said they would not need any money.

Mr. Lee stated that he remembered the same thing.

Mr. Larson stated that he was a big supporter of broadband, but this is their first year and he would like to know why they are making this request.

Dr. Westbrook stated that they will find out about their request during the budget discussions. He stated that the Broadband Authority comes before the Board at every regular meeting to update what they are doing.

Mr. Gill referred to page 44 and stated that the Soil and Water Conservation District is asking for \$5,000 more than they received last year. He stated that part of our last Chesapeake Bay Act review was an agricultural assessment requirement. He stated that there was no one qualified on the County staff to do those agricultural assessments. He stated that the Soil and Water Conservation District has a nutrient plan writer on their staff.

Mr. Larson asked if the state was requiring the agricultural assessments.

Mr. Gill replied yes.

Mr. Larson stated that the state should pay for it.

Mr. Gill stated that the Soil and Water Conservation District may be another entity that the Board would want to come in. He stated that the state has put up grant money to assist with these assessments and the Northern Neck Planning District Commission is applying for that grant. He stated that if they are successful in obtaining that grant, each of the counties in the Northern Neck will have a certain number of the agricultural assessments done. He stated that the Soil and Water Conservation District can do more assessments if needed, but they are tying that to their funding level from each County.

Mr. Gill stated that, overall, there is an increase of \$64,987 for Community Development for FY20.

Mr. Gill referred to page 48 and stated that, concerning schools, last year they were funded by lump sum and not by category. He stated that the schools were funded for a total of \$15,997,841 and this year they are requesting \$16,278,818, which is a \$280,977 increase from last year. He stated that the schools' state funding is down by approximately \$280,000, so the total local request has increased by \$560,000. He stated that those numbers were approved by the School Board on Tuesday night.

Mr. Gill referred to page 51 under Debt Service and stated that the County would probably do another Revenue Anticipation Note this year. He stated that the interest and note fees were budgeted for \$8500 each and the actual numbers were \$22,500 and \$10,500, but that was offset by interest earned, so the net expense for the Revenue Anticipation Note was actually around \$5600.

Mr. Larson stated that they had talked about doing the request for proposals for the next Revenue Anticipation Note themselves, rather than turning to Davenport and Company. He stated that they could call three local banks and ask for their best rate.

Mr. Gill stated that may be doable for the Revenue Anticipation Note, but for something like the land loan, with a bond through the EDA, he thought it should be handled professionally.

Mr. Larson stated that he would like Mr. Gill to handle the next Revenue Anticipation Note request in house.

Mr. Gill referred to a new line item-USDA Greentown/Gaskins Loan and stated that the County had a \$170,000 loan with the USDA to complete the Greentown/Gaskins Sewer System. He stated that the \$170,000 was mainly used to put in the lines along the

road. He stated that it was a thirty-eight year note and there is a \$480 monthly payment. He stated that the loan can be paid off early with no penalty.

Mr. Larson asked about the interest rate.

Mr. Gill replied that he would find out. He stated that he has the amortization schedule and would check on it.

Mr. Gill stated that the Board will see that the debt service figures are down and that is because the Judicial Center has been paid off.

Mr. Gill stated that he had included a line item for the Lease Revenue Bond for \$2 million dollars that will go through the EDA. He stated that he had included interest and the EDA service fee as well.

Mr. Gill stated that the total debt service amount decreases by \$652,789 in FY20.

Mr. Bellows stated that they can wait until Monday to consider their next work session and that will give the members a chance to look over what has been presented.

ADJOURNMENT

Mr. Bellows made a motion to adjourn the meeting until Monday, March 18th at 6:00 p.m.

VOTE:	Jason D. Bellows	Aye
	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye