

VIRGINIA:

A FY 2017 Budget Work Session of the Lancaster County Board of Supervisors was held in the Administrative Building Board/Commission Meeting Room of said county on Tuesday, May 10, 2016.

- Members Present: William R. Lee, Chair
Ernest W. Palin, Jr., Vice Chair
F. W. Jenkins, Jr., Board Member
Jason D. Bellows, Board Member
B. Wally Beauchamp, Board Member
- Staff Present: Frank A. Pleva, County Administrator
Don G. Gill, Planning and Land Use Director
Crystal Whay, Building/Land Use Secretary

Mr. Lee called the meeting to order at 5:30 p.m.

BUDGET CONSIDERATION

Bonnie Haynie, Treasurer, referred to George Bott’s comments and questions sheet and stated that Mr. Bott has asked what was the basis for the general property taxes figure of \$16,145,800 on the synopsis page. She stated that the figure is made up of not only real property taxes, but also public service, personal property, mobile home, machinery and tools, merchant’s capital and penalties and interest.

Mrs. Haynie stated that at last week’s budget work session a question was asked about what companies in Lancaster County paid the machinery and tools taxes. She stated that she had a list of six companies that pay that tax and they are: American Diesel, Truss Systems, Rappahannock Record, Two Rivers Communications, Manufacturing Techniques Inc. and UPS.

Mr. Pleva referred to the DUI fees that were discussed at the last meeting and stated that he had not heard back as to how a fee attached to that would be collected. He stated that it could possibly be a civil penalty or restitution.

Mr. Beauchamp stated that it was his understanding that it is part of an ordinance.

Mr. Pleva referred to the expenditures and stated that it had been requested at last week's meeting to put in a larger number for the County Attorney, so that was changed from \$40,000 to \$150,000 to more accurately reflect the actual expenditure.

Mr. Pleva stated that a question was asked last week about whether or not the new election equipment had been purchased and it has been.

Mr. Pleva stated that he had sent out an email to the other localities in the Northern Neck based on the Board's questions concerning contributions to organizations.

Mr. Pleva asked the counties about their funding to the Soil and Water Conservation District. He stated that Richmond and Westmoreland Counties are planning to contribute \$12,000 each and Northumberland County has \$15,000 budgeted for them.

Mr. Pleva asked the counties about their funding to Med-Flight and stated that both Westmoreland and Richmond Counties were contributing zero, while Northumberland County would be giving \$400. By consensus the Board decided that category would have a zero figure.

Mr. Pleva asked the counties about their funding for the Northern Neck Middlesex Free Health Clinic. He stated that Richmond County is giving \$10,000, Westmoreland is giving \$5,333.33 and Northumberland County is not sure about what they are giving this year, but have been asked for \$78,840.

Mr. Beauchamp stated that he had spoken to the Chairman of the Free Health Clinic Board and the issue concerning the director's salary was incorrect.

Mr. Pleva stated that he asked the other counties about their contributions to the Northern Neck Food Bank for the upcoming fiscal year. He stated that Richmond County is giving \$1,000, Westmoreland County is giving zero and Northumberland County did not fund the request last year and it may be on the list to cut this year as well.

Mr. Bellows stated that the Food Bank is requesting a lot more from Lancaster County than the other surrounding counties.

Mr. Jenkins suggested denying the request.

Mr. Pleva stated that he asked the other counties about their funding for the Dahlgren Heritage Museum. He stated that all three counties said they were not providing funding this year.

Mr. Beauchamp stated that he suggested Lancaster County do the same. He stated that he is all for tourism, but that organization does not have a good track record for the County.

Mr. Bellows stated that he thought what they were doing with the Town of Kilmarnock far exceeds what the Dahlgren Heritage Museum could do for tourism in Lancaster County.

Mr. Pleva stated that he asked the other counties about a possible tax increase for the upcoming fiscal year. He stated that Richmond County is going to have a tax increase of 3 cents on real property taxes. He stated that Westmoreland County is going up 8 cents-3 cents for the reassessment rate equalization and 5 cents to balance the budget. He stated that Northumberland County has not finalized their budget, but the thinking is that the rate may be bumped up a few cents. He stated that Middlesex County did not raise taxes, but they cut school funding.

Mr. Beauchamp asked about the expenditures total to date.

Mrs. Haynie replied that all of the expenditures, revenues and school figures have been updated as of April 30th on the draft budget.

Mr. Palin stated that he would suggest level funding for the Soil and Water Conservation District.

Mr. Jenkins suggested level funding for all non-governmental organizations.

Mr. Pleva stated that the Board did that last year, with the exception of Dreamfields. He stated that they are asking for an increase this year as well as the Community Library.

Mr. Bellows stated that the library was asking for more as a one time gift and the Board of Supervisors would be recognized as a contributing partner.

Mrs. Haynie referred to page 28-the Juvenile Probation and Detention cost center and stated that nothing was budgeted in 2015, but \$7,900 was invoiced and paid and their request this year is for \$10,229.

Mr. Lee asked if Mrs. Haynie would go into the draft budget and level fund all items to see what the numbers are for tax purposes.

Mrs. Haynie stated that she could do that immediately to see what the synopsis page totals would be.

Mrs. Haynie stated that the deficit is approximately \$838,000, not including removing the boat and farm equipment taxes.

Mr. Lee stated that according to the synopsis page, there would still be a deficit with a 4 cent tax increase and a small surplus with a 5 cent tax increase.

Mr. Bellows asked what the projected fund balance was compared to what it actually was.

Mrs. Haynie replied that the projected fund balance for the beginning of FY 16 was \$3,848,476 and the actual fund balance was \$5,293,767.

Mr. Bellows asked what accounted for the large difference in the projected figure versus the actual figure.

Mrs. Haynie replied that the County did not spend as much as anticipated and there were more revenues than anticipated.

Mr. Bellows stated that given the trends, he did not see why there would need to be a tax increase at all this year.

Mr. Beauchamp stated that if boat taxes are being eliminated completely, there should be no tax increase. He stated that a boat is a luxury item and many people in this County cannot afford a boat and should not receive a bigger tax bill.

Mr. Palin stated that he saw an increase in the future because of the elimination of the boat tax.

Mr. Bellows stated that taxes will eventually go up for one reason or another and it does not necessarily have to be associated with the boat tax.

Mr. Pleva stated that they will print out an updated draft budget that includes level funding for the non-governmental organizations, no new non-governmental organization funding, no boat tax and no farm equipment tax. He stated that way the Board could see what the fund balance would look like with no tax increase this year.

FINANCE DIRECTOR

Mr. Pleva stated that Mr. Jenkins, Mr. Beauchamp and himself interviewed candidates for the Finance Director position and have chosen Paul Price. He is currently working out of town, but lives locally. He is not sure about when he can start, but would like a vote to approve offering Mr. Price the position.

Mr. Beauchamp made a motion to approve offering employment as Finance Director to Paul Price.

VOTE:	William R. Lee	Aye
	Ernest W. Palin, Jr.	Nay
	F. W. Jenkins, Jr.	Aye

Jason D. Bellows	Aye
B. Wally Beauchamp	Aye

VOTE: 4-1

Mr. Palin stated that he did not think the position was needed.

OTHER BUSINESS

Mr. Pleva stated that he and Mr. Gill met with Earth Resources, Inc., the contractor who had been awarded the bid for the Windmill Point Boat Ramp and Ben Burton of Bay Design Group to sign the construction contract this afternoon. He stated that they plan to have a small groundbreaking ceremony once some equipment is on site.

ADJOURNMENT

Motion was made by Mr. Beauchamp to adjourn to the next budget work session on Thursday, May 19, 2016 at 5:00 p.m.

VOTE:	William R. Lee	Aye
	Ernest W. Palin, Jr.	Aye
	F. W. Jenkins, Jr.	Aye
	Jason D. Bellows	Aye
	B. Wally Beauchamp	Aye