

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD BUDGET MEETING ON THURSDAY, APRIL 1, 2010, AT 6:00 P.M., IN THE COUNTY TRAINING ROOM (B75) LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 104, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: Charles Wagner, Chairman
Wayne Angell, Vice-Chairman
Leland Mitchell
Ronnie Thompson
David Cundiff
Russ Johnson
Bobby Thompson

OTHERS PRESENT: Richard E. Huff, II, County Administrator
Christopher L. Whitlow, Asst. County Administrator
Larry V. Moore, Asst. County Administrator
B. J. Jefferson, County Attorney
Sharon K. Tudor, MMC, Clerk

Chairman Charles Wagner called the meeting to order.

PROPOSED 2010-2011 COUNTY BUDGET WORK SESSION

Richard E. Huff, II, County Administrator, began sharing with the Board the personal property increase scenario for construction equipment.

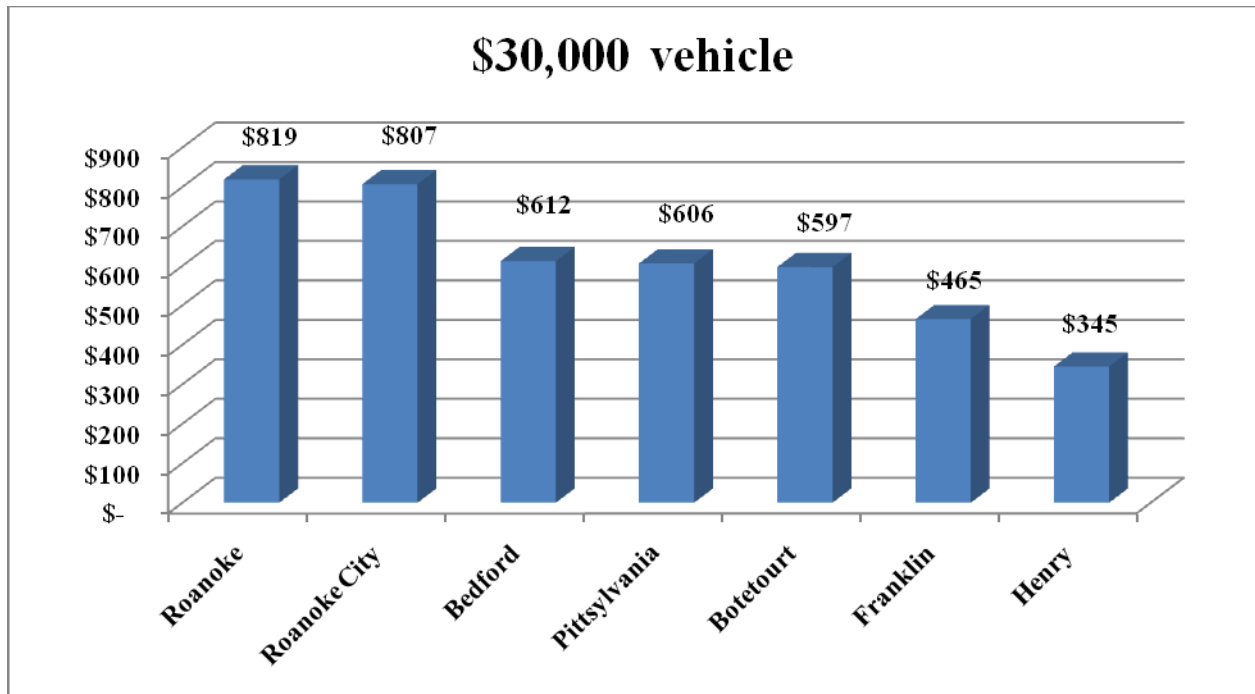
**Franklin County
Personal Property Increase Scenario for Construction Equipment**

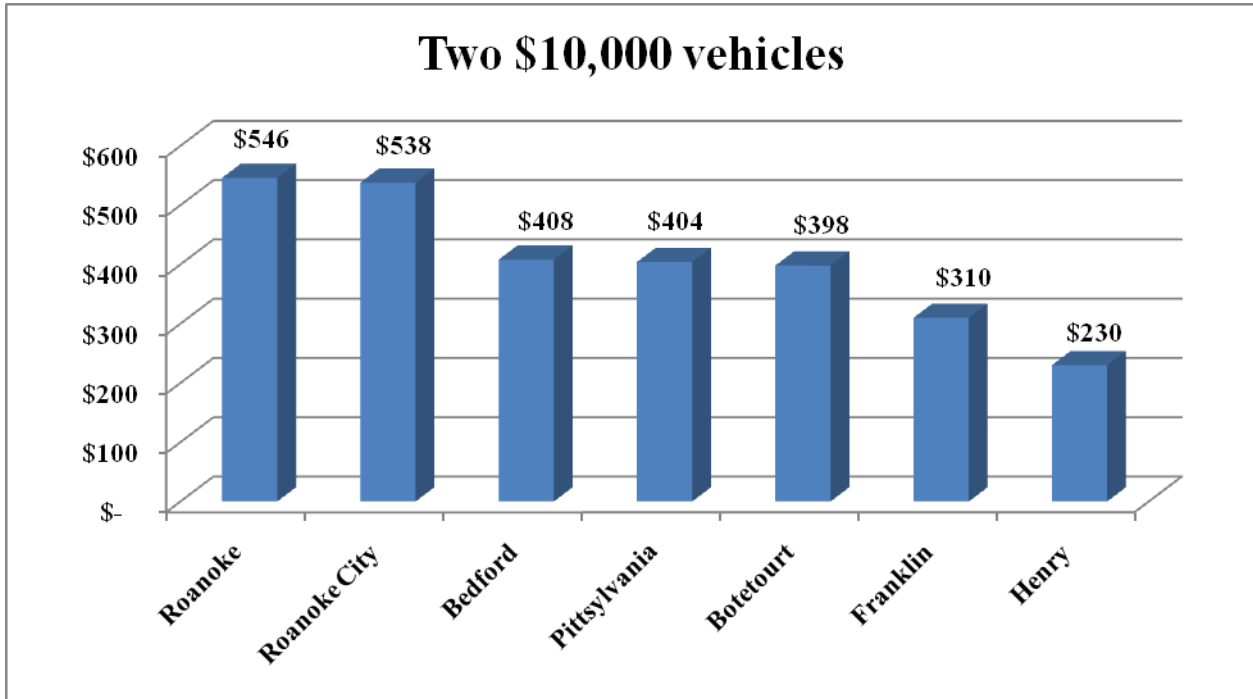
<i>Current Calculations</i>				
	<u>Cost</u>	<u>Depreciation *</u>	<u>Adjusted Value</u>	<u>Current Tax Due</u>
Equipment	500,000.00	0.45	275,000.00	5,197.50
*Depreciation is 25% for the first year, 10% per year thereafter				
Used a three year average age of equipment for this example				

<i>Proposed Increase Scenario</i>				
	<u>Cost</u>	<u>Depreciation</u>	<u>Adjusted Value</u>	<u>Proposed Tax Due</u>
Equipment	500,000.00	0.45	275,000.00	5,747.50
Yearly Increase				550.00
Monthly				45.83

Franklin County Contractor Analysis By Locality						
Total Taxes (excludes Real Estate Taxes) a Contractor Pays in:						
<u>Tax Category</u>	<u>Franklin County</u>	<u>Roanoke County</u>	<u>Roanoke City</u>	<u>Botetourt County</u>	<u>Bedford County</u>	<u>Henry County</u>
Personal Property Equipment Value = \$500,000 (assume 3 years old)	5,747.50	7,000.00	6,900.00	6,375.00	6,375.00	4,224.50
Business, Professional and Occupational License Tax (BPOL) Assume \$250,000 in gross receipts	0.00	400.00	400.00	200.00	0.00	625.00
Total	5,747.50	7,400.00	7,300.00	6,575.00	6,375.00	4,849.50

Franklin County Contractor Analysis By Locality						
Total Taxes (excludes Real Estate Taxes) a Contractor Pays in:						
<u>Tax Category</u>	<u>Franklin County</u>	<u>Roanoke County</u>	<u>Roanoke City</u>	<u>Botetourt County</u>	<u>Bedford County</u>	<u>Henry County</u>
Personal Property Equipment Value = \$500,000 (assume 3 years old)	5,747.50	7,000.00	6,900.00	6,375.00	6,375.00	4,224.50
Business, Professional and Occupational License Tax (BPOL) Assume \$500,000 in gross receipts	0.00	800.00	800.00	400.00	0.00	1,250.00
Total	5,747.50	7,800.00	7,700.00	6,775.00	6,375.00	5,474.50





Mr. Huff shared with the Board a scenario reducing 1 cent from the proposed real estate rate and to increase the personal property to make up the additional revenue needed to balance the budget as follows:

**Franklin County
Real Estate/Personal Property Scenarios
April 1, 2010**

<u>Assessment</u>	<u>Current RE Tax .46</u>	<u>Three Cent Increase</u>	<u>Difference Annually</u>	<u>Two Cent Increase</u>	<u>Difference Annually</u>
\$ 200,000	920.00	980.00	60.00	960.00	40.00
\$ 250,000	1,150.00	1,225.00	75.00	1,200.00	50.00
\$ 300,000	1,380.00	1,470.00	90.00	1,440.00	60.00
\$ 500,000	2,300.00	2,450.00	150.00	2,400.00	100.00
\$1,000,000	4,600.00	4,900.00	300.00	4,800.00	200.00
Personal Property	Current PP Tax 1.89	20 Cent Increase 2.09	Difference Annually	35 Cent Increase	Difference Annually
\$ 10,000	189.00	209.00	20.00	224.00	35.00
\$ 10,000	189.00	209.00	20.00	224.00	35.00
			<u>40.00</u>		<u>70.00</u>

General discussion ensued regarding collection of semi-annual tax collection.

The Board directed staff to revisit the recommended budget and to bring back possible solutions to help eliminate the proposed personal property and real estate tax increase as presented.

Chairman Wagner recessed the meeting until Tuesday, April 6, 2010 @ 6:30 P.M.

CHARLES WAGNER
CHAIRMAN

RICHARD E. HUFF, II
COUNTY ADMINISTRATOR