

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD A BUDGET MEETING ON TUESDAY, MARCH 24, 2015 AT 6:00 P.M., IN THE BOARD OF SUPERVISORS MEETING ROOM LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 104, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: Cline Brubaker, Chairman  
Charles Wagner, Vice-Chairman  
Bob Camicia  
Ronnie Thompson  
Leland Mitchell  
C. B. Reynolds  
Bobby Thompson

OTHERS PRESENT: Richard E. Huff, II, County Administrator  
Christopher Whitlow, Deputy Co. Administrator  
Sharon K. Tudor, MMC, Clerk

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Cline Brubaker, Chairman, called the meeting to order.

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Invocation, Supervisor Bobby Thompson.

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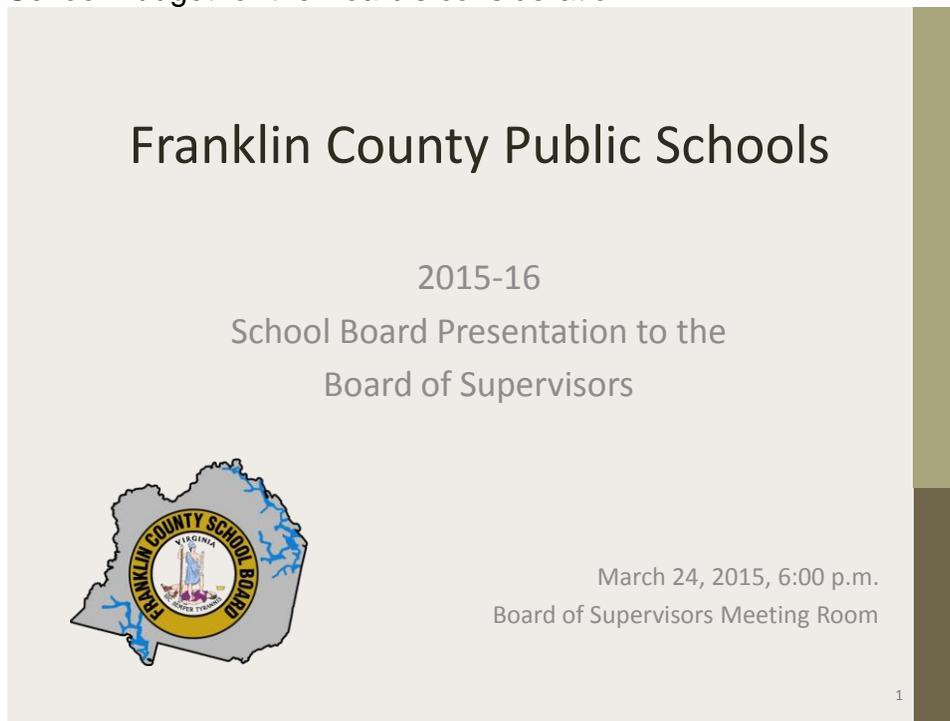
Pledge of Allegiance, lead by Supervisor Charles Wagner.

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**PRESENTATION OF SCHOOL PROPOSED FY'2015-2016 BUDGET**

Ms. Sarah Alexander, Chairperson, Franklin County School Board, shared her thanks for the opportunity to present the proposed school budget and the needs of the children. Our budget impacts and reflects on the day to day services. Ms. Alexander, asked the Board to please make the School Board budget an uncompromised priority.

Dr. Mark Church, Superintendent of Schools, presented the following proposed FY'2015-2016 School Budget for the Board's consideration:



# Enrollment

Franklin County  
Public Schools

Total  
Enrollment:  
7,841

**Pre-K Enrollment/ECSE**

- 318 students

**Elementary and Secondary**

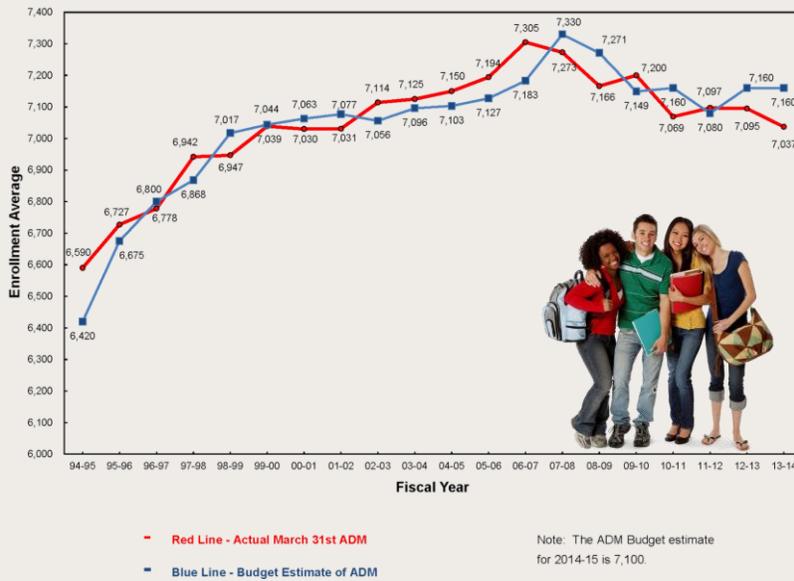
- 7,323 students

**Adult Education**

- 200 students

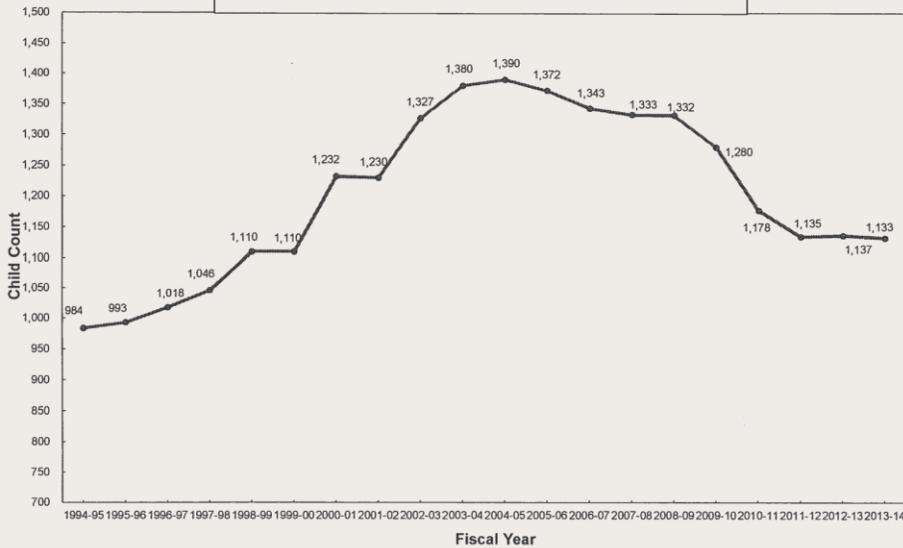
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Changes in Student Enrollment Based Upon ADM on March 31<sup>st</sup>  
1994-95 to 2013-14  
10/7/14



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FRANKLIN COUNTY PUBLIC SCHOOLS  
Changes in Special Education Student Enrollment Based Upon Child Count on December 1st  
1994-95 to 2013-14  
10/07/14



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# Status of Schools

- Snow Creek Elementary and Callaway Elementary have been named Title 1 Distinguished Schools
- #15 top Virginia school division as recognized by [schooldigger.com](http://schooldigger.com)
- \$18,457 collected for the Franklin County United Way Campaign
- \$4.3 million in scholarships awarded to FCHS Seniors in 2013-14
- The Gereau Center received the Virginia Math and Science Coalition "Programs that Work" Stream Award



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	2011-2012		2012-2013		2013-2014	
	Franklin Co.	State	Franklin Co.	State	Franklin Co.	State
Grade 3 Reading	92	86	77*	72*	78	69
Grade 3 Math	69*	64*	70	65*	76	67
Grade 3 Science	92	90	88*	84	91	83
Grade 3 History	90	87	88	87	92	86
Grade 4 Reading	94	88	77*	70*	76	70
Grade 4 Math	79*	70*	79	74	83	80
Grade 5 Reading	96	89	81*	73*	81	73
Grade 5 Writing	90	87	72*	71*	74	71
Grade 5 Math	80*	67*	76	69	78	73
Grade 5 Science	93	88	77*	75*	78	73
Virginia Studies	92	89	93	87	90	85
Grade 6 Reading	95	89	83*	73*	78	73
Grade 6 Math	82*	74*	89	77	84	76
U.S. History I	89	86	94	83	93	81
Grade 7 Reading	92	88	77*	74*	80	76
Grade 7 Math	70*	58*	60	61	74	65
U.S. History II	92	88	86	82	86	81
Grade 8 Reading	92	89	86*	71*	71	70
Grade 8 Writing	85	88	78*	70*	67	70
Grade 8 Math	78*	60*	83	61	84	67
Grade 8 Science	96	92	88*	76*	80	74
Civics & Economics	85	88	89	85	88	83
EOC Reading	93	94	89*	89*	88	90
EOC Writing	91	93	86	87	84	84
EOC Algebra I	79*	75*	73	76	76	79
EOC Geometry	68*	74*	71	76	72	77
EOC Algebra II	72*	69*	77	76	87	82
EOC Biology	92	92	84*	83*	82	83
EOC Chemistry	96	93	94*	86*	95	87
EOC Earth Science	94	90	89*	83*	90	83
EOC VA & U.S. History	83	85	84	86	88	87
EOC World History I	85	84	83	84	89	85
EOC World History II	94	85	92	85	94	86

\*New SOL test based on new standards administered

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## Federal Graduation Indicator (Includes Advanced and Standard Diplomas Only)

	2011 Cohort	2012 Cohort	2013 Cohort
Franklin Co.	80	81	82
State	84	83	85
Virginia On-Time Graduation Rate (includes All Diploma Types)			
Franklin Co.	88	85.4	86.7
State	n/a	n/a	n/a

### Target Areas

- Economically Disadvantaged
- Students with Disabilities



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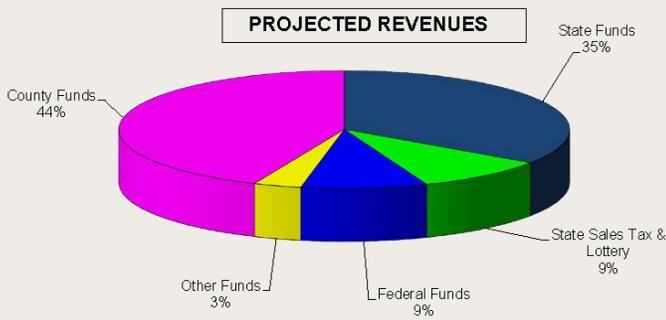
## How the 2013-14 Carryover Funds are Being Used

Funded One-Time Cost-of-Living Payment  
\$443,157

**NOTE:** There is still \$177,335 in Carry Over Funds from 2012-13 that is in reserve for future contingencies.



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Budget Category	Budget 2014-15	Proposed Budget 2015-16	Difference
State Funds	30,302,175	30,399,024	96,849
State Sales Tax & Lottery	8,025,338	8,308,633	283,295
Federal Funds	7,593,712	7,938,479	344,767
Other Funds	2,999,431	2,994,028	(5,403)
County Funds	35,105,223	38,225,233	3,120,010
<b>TOTAL</b>	<b>84,025,879</b>	<b>87,865,397</b>	<b>3,839,518</b>

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## State Revenue Projections for 2015-16

Estimated State Revenues for 2015-16 are \$38,707,657

Increase of \$380,144 from 2014-15



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**Estimated 2015-16  
State Revenues  
Compared to the  
2014-15 Estimated  
Budget Revenues**

Budget Line Item	Revenue Item	Budgeted Revenues 2014-15 ADM=7,100	Estimated Revenues 2015-16 ADM=7,140	Change Increase (Decrease)
9.1	Basic Aid Formula SOQ	18,224,115	18,170,481	(53,634)
9.2	Compensation Supplements	0	324,206	324,206
9.3	Prevention, Intervention & Remediation SOQ	653,437	657,118	3,681
9.4	Gifted SOQ	195,615	196,717	1,102
9.5	Retirement	2,401,486	2,331,306	(70,180)
9.6	Social Security	1,173,690	1,180,302	6,612
9.7	Group Life Insurance	83,240	75,338	(7,902)
9.8	Vocational SOQ	449,498	452,031	2,533
9.9	Special Education SOQ	2,647,045	2,661,958	14,913
9.10a	Foster Home - Regular	101,027	134,554	33,527
9.10b	Foster Home - Sp Ed	166,570	189,159	22,589
9.11a	Vocational State Equipment	15,420	15,420	0
9.11b	Vocational Occup/Tech Ed	26,330	53,986	27,656
9.12a	Sp Ed Homebound	37,338	28,611	(8,727)
9.12b	Sp Ed Regional Program Tuition	530,986	317,364	(213,622)
9.13	Textbooks	400,470	402,726	2,256
9.14	School Food	39,173	39,173	0
9.15	Remedial Summer School	176,978	106,459	(70,519)
9.16	General Adult Education	9,082	60,485	51,403
9.17	School Breakfast	0	13,736	13,736
9.17a	Incentive for Funding School Breakfast	0	5,203	5,203
9.18	English As A Second Language	59,614	56,409	(3,205)
9.19	At Risk	691,161	694,305	3,144
9.20	ISAEF Grants	23,576	23,576	0
9.21	Grants - Educational Technology	466,000	466,000	0
9.22	Reduced Class Size in K-3	851,487	867,097	15,610
9.23	Virginia Preschool Initiative	703,680	703,440	(240)
9.24	Early Reading Intervention	81,809	74,347	(7,462)
9.25	SOL Algebra Readiness	93,348	91,644	(1,704)
9.26	Mentor Teacher Program	0	5,873	5,873
9.27	State Sales Tax	8,025,338	8,308,633	283,295
9.28a	Lottery for Operations - 50%	0	0	0
9.28b	Lottery for Debt Service - 50%	0	0	0
9.28c	Additional Lottery	0	0	0
<b>TOTAL</b>		<b>38,327,513</b>	<b>38,707,657</b>	<b>380,144</b>

Notes: (1) The Budget now includes a 1.5% educators' salary increase (9.2) for 2015-16.  
(2) State funding for Strategic Compensation Grants has been totally eliminated for 2014-15 and 2015-16.

## Federal Funds Increases in 2015-16

### Increase in Federal Revenues

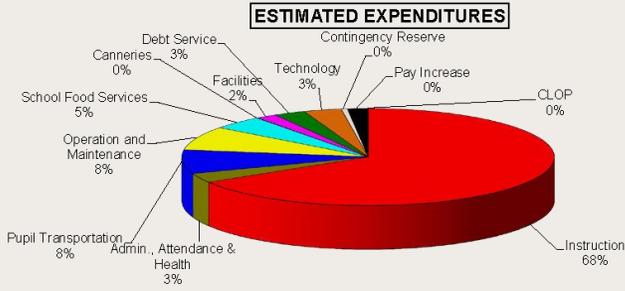
**\$344,767**

Increase in Medicare Reimbursement for Special Education	\$ 111,154
Increase in School Food-NSLP and School Breakfast	157,546
Increase in Title VI-B	138,459
Reduction in Other Program	<u>( 62,392)</u>
<b>Total</b>	<b><u>\$344,767</u></b>

## Revenues

REVENUES:	ASR 2006-07	ASR 2007-08	ASR 2008-09	ASR 2009-10	ASR 2010-11	ASR 2011-12	ASR 2012-13	ASR 2013-14
Sales Tax Receipts	\$7,137,762	\$7,212,325	\$6,853,079	\$6,736,265	\$7,076,588	\$7,372,437	\$7,878,448	\$7,702,404
State Funds	31,357,763	32,319,307	36,317,273	30,024,648	27,982,411	28,527,735	29,771,189	<b>29,820,222</b>
Federal Funds	6,471,685	6,302,183	6,587,267	11,205,243	7,952,304	9,233,569	7,506,330	7,113,917
County Funds	26,282,411	28,597,038	29,605,140	28,771,993	33,491,571	29,922,649	34,062,793	<b>34,933,528</b>
Other Funds	3,124,816	3,302,932	3,419,621	3,413,842	3,036,769	3,652,458	3,397,607	3,762,510
Loans & Bonds	390,906	2,979,838	6,980,645	1,603,258	295,568	0	0	0
Adjustment for Beginning & Ending Balances	39,216	161,418	261,054	374,632	3,982	57,193	112,437	17,502
<b>Total Revenues</b>	<b>\$74,804,555</b>	<b>\$90,875,041</b>	<b>\$90,024,079</b>	<b>\$82,129,879</b>	<b>\$79,839,189</b>	<b>\$78,766,041</b>	<b>\$82,728,804</b>	<b>\$83,350,083</b>

2010-11 – Additional County Funds for Operations	- \$1,831,895
2011-12 – Additional County Funds for Operations	- \$ 0
2012-13 – Additional County Funds for Operations	- \$ 0
2013-14 – Additional County Funds for Operations	- \$1,351,517
2014-15 – Additional County Funds for Operations	- \$1,464,198
2015-16 – Anticipating Additional Funds from County	- <b>\$ 331,118</b>



Budget Category	Budget 2014-15	Proposed Budget 2015-16	Difference
Instruction	56,813,216	58,240,445	1,427,229
Admin., Attendance & Health	2,685,952	2,743,685	57,733
Pupil Transportation	5,960,955	6,989,369	1,028,414
Operation and Maintenance	6,926,054	6,977,039	50,985
School Food Services	3,972,897	3,959,547	(13,350)
Canneries	51,168	53,857	2,689
Facilities	1,337,000	1,585,000	248,000
Debt Service	2,650,459	2,402,459	(248,000)
Technology	2,469,958	2,873,048	403,090
Contingency Reserve	443,157	464,780	21,623
Proposed Pay Increase	0	1,576,168	1,576,168
COLP Payment	715,063	0	(715,063)
<b>TOTAL</b>	<b>84,025,879</b>	<b>87,865,397</b>	<b>3,839,518</b>

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## Expenditures

EXPENDITURES:	ASR 2006-07	ASR 2007-08	ASR 2008-09	ASR 2009-10	ASR 2010-11	ASR 2011-12	ASR 2012-13	ASR 2013-14
Instruction	\$50,181,417	\$51,985,403	\$54,608,095	\$54,040,042	\$52,031,961	\$52,827,087	\$54,766,477	\$55,070,812
Administration, Attendance & Health	1,959,362	2,109,801	2,346,974	2,268,658	2,103,044	2,152,215	2,481,742	2,328,131
Pupil Transportation	5,518,066	6,126,242	6,334,879	5,807,733	5,982,831	6,349,209	6,727,149	6,792,460
Operation & Maintenance	6,578,704	6,538,182	6,783,094	6,815,114	6,872,791	6,582,939	7,073,995	7,160,775
School Food Services & Canneries	3,436,243	3,721,645	4,109,754	4,164,752	3,961,493	3,977,704	4,116,494	3,766,097
Facilities	2,130,362	4,465,781	9,474,803	3,011,875	1,897,967	685,204	1,657,988	2,258,711
Debt Service	2,182,459	2,825,770	3,157,001	3,102,097	3,032,396	2,942,210	2,812,516	2,641,963
Technology	2,817,946	3,102,217	3,209,479	2,919,608	3,956,706	3,249,473	3,092,443	3,331,134
Contingency Reserve	0	0	0	0	0	0	0	0
Total Expenditures	\$74,804,559	\$80,875,041	\$90,024,079	\$82,129,879	\$79,839,189	\$78,766,041	\$82,728,804	\$83,350,083

2008-09 – Facilities - \$6,980,645 for Windy Gap

2012-13 – Facilities - \$1,219,268 spent on the Accelerated 5-Year Capital Projects Plan

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## Revenue and Expenditure Totals for 2006-07 to 2013-14

2006-07.....	\$74,804,559
2007-08.....	\$80,875,041
2008-09.....	\$90,024,079
2009-10.....	\$82,129,879
2010-11.....	\$79,839,189
2011-12.....	\$78,766,041
2012-13.....	\$82,728,804
2013-14.....	\$83,350,083

2008-09 – Windy Gap

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## Change in Composite Index

- Composite Index of Local Ability-to-Pay for FCPS changed from 0.4181 for 2012-14 to 0.4138 for 2014-16
- This results in a decrease in local ability-to-pay for FCPS of 0.43 points or \$32 more per student than what our current State funding provides for in 2013-14
- Net result is that FCPS will experience a State revenue increase of \$227,200 each year for 2014-15 and 2015-16.



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## Issues that are Driven by State Mandates

- 1.15% Pay Increase (Employee Pays Additional 1.00% Retirement) \$189,741
- 1.50% Pay Increase \$938,295

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## Issues that are Driven by School Metrics & Initiatives Directed to Reverse Trends

- Graduation Rate/Dropout – alternative school, expanded career and technical offerings/choices, SAS, Pre-K – ECSE Program
- Drop Out Rate Special Ed – revamp SPED Coordinator and added Assistant Director position
- Decline in School Ranking – keyboarding skills, technology enhanced questions
- Increasing Discipline Issues – additional administrators, guidance counselors, social workers
- Need to Hire a BCBA - Autism Training of Staff
- Grants
- Healthy Franklin County Initiative
- Pro Social Skills Education



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# Issues that are Driven by Economics

- Salary Increase (Cost-of-Living – Adjustment or Step)
- Healthcare Premiums Increase
- School Bus Replacements
- Revised Pay Scales for LPN's and Paraprofessionals (T/A's)
- Staff Retention/Competitiveness



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Regional Comparison of 10-Month Bachelor's Degree Teachers' Salaries for 2014-15

Step	Franklin County	Bedford County	Botetourt County	Floyd County	Henry County	Pittsylvania County	Roanoke City	Roanoke County	Salem City
1	35,943	37,627	39,116	37,813	39,496	38,211	39,932	36,720	43,000
2	36,587	37,627	39,989	37,813	39,882	38,211	39,711	36,720	43,000
3	36,958	37,627	40,465	37,813	39,995	38,211	39,711	39,600	44,109
4	37,329	37,627	41,411	38,192	40,336	38,211	39,711	39,600	44,109
5	37,701	37,627	42,357	38,192	40,677	38,211	39,748	39,600	44,109
6	38,071	37,973	43,336	38,192	41,017	38,153	39,986	39,600	44,329
7	38,442	38,321	44,294	38,495	41,132	38,635	40,206	40,988	44,551
8	38,813	38,671	45,255	38,692	41,246	38,847	40,462	41,807	44,771
9	39,184	39,024	46,213	38,707	41,359	39,060	40,757	42,403	44,991
10	39,556	39,380	47,171	38,813	41,585	39,272	41,573	42,666	45,863
11	39,927	39,741	48,321	38,876	41,813	39,484	41,814	43,022	46,810
12	42,562	40,177	49,471	38,977	41,826	39,696	42,214	43,620	47,513
13	45,632	40,621	50,622	39,108	42,040	39,909	43,058	44,218	48,225
14	48,701	41,068	51,773	39,209	42,154	40,122	43,532	44,811	48,966
15	51,248	41,519	52,923	39,448	42,382	40,334	44,334	45,483	49,516
16	57,155	42,098	54,074	39,696	43,243	40,653	45,612	46,081	50,175
17	57,155	42,710	55,907	39,858	43,493	40,911	47,162	46,660	50,642
18	57,155	43,326	57,526	40,206	44,313	41,290	48,105	47,278	51,517
19	57,155	44,020	57,526	40,523	45,108	41,608	51,836	47,876	52,204
20	57,155	44,724	57,526	40,979	45,562	41,926	54,432	48,541	52,897
21	57,155	45,441	57,526	41,514	46,552	42,244	55,520	49,139	53,601
22	57,155	46,168	57,526	42,053	46,812	42,563	56,631	49,738	54,314
23	57,155	46,907	57,526	42,604	47,381	42,881	56,631	50,336	55,036
24	57,155	47,657	57,526	43,160	47,949	43,199	56,631	50,935	55,767
25	57,155	48,419	57,526	43,931	48,631	43,517	56,631	51,600	56,509
26	57,155	49,193	57,526	44,710	50,024	43,836	57,658	52,199	57,262
27	57,155	49,981	57,526	45,597	50,744	44,367	58,829	53,490	57,977
28	57,155	50,781	57,526	46,361	56,260	48,066	58,829	55,333	58,703
29	57,155	51,592	57,526	47,231	56,260	47,976	58,829	57,821	59,436
30	57,155	51,923	57,526	48,113	56,260	49,780	59,048	60,510	60,179
31	57,155	52,755	57,526	49,000	56,260	50,310	60,226	61,574	60,179
32	57,155	52,755	57,526	49,178	56,260	50,842	61,434	62,236	60,179
33	57,155	52,755	57,526	50,153	56,260	51,373	61,434	62,236	60,179
34	57,155	52,755	57,526	51,067	56,260	52,010	61,434	62,236	60,179
35	57,155	52,755	57,526	51,963	56,260	52,010	61,434	62,236	60,179
36	57,155	52,755	57,526	52,553	56,260	52,010	61,434	62,236	60,179
37	57,155	52,755	57,526	52,553	56,260	52,010	61,434	63,300	60,179
38	57,155	52,755	57,526	52,553	56,260	52,010	61,434	63,300	60,179
39	57,155	52,755	57,526	52,553	56,260	52,010	61,434	63,300	60,179
40	57,155	52,755	57,526	52,553	56,260	52,010	61,434	63,300	60,179
41	57,155	52,755	57,526	52,553	56,260	52,010	61,434	64,633	60,179
42*	57,155	52,755	57,526	52,553	56,260	52,010	61,434	64,633	60,179

Lifetime Earnings: #1 2,149,650; #2 1,922,630; #3 2,203,101; #4 1,844,078; #5 2,021,216; #6 1,858,325; #7 2,174,155; #8 2,143,655; #9 2,311,816

Rank Colors: #1 (Green), #2 (Blue), #3 (Purple), #4 (Orange), #5 (Yellow), #6 (Light Blue), #7 (Light Green), #8 (Light Purple), #9 (Light Orange)

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## Prioritized Order of School Budget Funding Issues

1. VRS Phase-in of Employee Paid Retirement - \$189,741
2. 1.70% Minimum Move-Up-One-Step Pay Increase - \$1,354,901
3. Additional Spanish teacher for FCHS - \$57,889
4. Additional \$1,000 pay increase for Teacher Assistants and Licensed Practical Nurses - \$221,267
5. Additional Business teacher for FCHS - \$57,889
6. Additional Seventh Grade English teacher for BFMS - \$57,889
7. Additional Seventh Grade Mathematics teacher for BFMS - \$57,889
8. Additional Seventh Grade Instructional Coach for BFMS - \$66,462
9. Three additional Social Workers (SAs) - \$167,187
10. Employee Group Health Insurance increase of 9.5% - \$285,000
11. Additional Behavior Analyst/Specialist - \$ 83,104
12. Additional Art and Music teacher - \$103,630
13. Two additional elementary Physical Education teachers - \$103,630
14. Twelve school bus replacements - \$1,174,328
15. Additional Administrator for BFMS (discipline) - \$103,125
16. Two additional ITRT's - \$111,458
17. Planning for Focused Usage of Technology - \$70,000
18. Email archiving system - \$70,000
19. Contingency Reserve for schools - \$177,335

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Comparison of Employee Count as of September 30, 2014

	Employee Count 9/30/14	Employee Count 9/30/2013	Employee Count 9/30/2012	Employee Count 9/30/2011	Employee Count 9/30/2010	Employee Count 9/30/2009	Employee Count 9/30/2008
Teachers	597	585	591	598	601	619	626
Teacher Assistants	176	162.5	162.5	154	143.5	144	144
Driver's Ed Instr.	2	2	2	2	2	2	2
Principals	20	20	20	20	20	21	21
Asst. Principals	8	7	8	9	10	11	11
Clerical/Print Shop	68	67	69.5	70	69.5	73	73
Guidance	25	23	23	23	22	22	22
Librarians	16	16	16	16	16	15	15
Cafeteria Monitors	15	15	17	17	22	22	20
Reading Tutors	12	12	12	12	12	12	11
Parent Resource Coor.	1	1	1	1	1	1	1
Bus Driver Trainer	1	1	1	1	1	1	1
Asst. Superintendent	1	1	1	1	1	1	1
Superintendent	1	1	1	1	1	1	1
Coordinator of Student Serv	1	1	1	1	1	0	0
Volunteer Coordinator	0	0	0	0	0	1	1
Psychologists	3	4	4	4	4	5	5
Occup. Therapist	3	3	3	3	3	3	3
Nurses	22	22	21	20	20	19	18
Nutritionist	0	1	1	1	1	1	1
Food Service Workers	73	73	78	78	84	86	86
Custodians	77	78	78	81	81	84	83
Safety Officers	5	5	5	5	5	5	5
Technology Services	9	8.5	10	10	10	10	10
Bus Drivers	129	133	135	140	135	139	145
Purchasing	3	2	2	2	2	3	3
Mechanics	10	10	10	10	10	11	11
Maintenance	16	15	16	14	14	15	15
Cannery	4	4	4	4	4	4	4
Coordinator of Food Serv	1						
Directors/Supervisors	19	17	17	17	17	19	20
Bus Assistants	17	14	15	16	20	24	23
	1335	1304	1325	1331	1333	1374	1382
School Board	8	8	8	8	8	8	8
Total Employee Count	1343	1312	1333	1339	1341	1382	1390
Part-Time	112	105	119	132	152	149	165
Full-Time	1231	1207	1214	1207	1189	1233	1225

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## FCPS Annual Salary Adjustment

Note: Even with some assistance with health insurance costs, employees with the family plan still lost ground from 2009-10 to 2011-12.

### 2009-10

- No Salary Increase
- No Cost-of-Living Increase
- No Step Increases
- Health Insurance Increase--\$400 per year

### 2010-2011

- No Salary Increase
- No Cost-of-Living Increase
- No Step Increases
- Health Insurance Increase--\$0 per year

### 2011-12

- No Salary Increase
- Cost-of-Living Payment--\$200 Part-time, \$400 Full-time
- No Step Increases
- Health Insurance Increase --\$400 per year

### 2012-13

- 1.15% Salary Increase
- No Step Increases
- Health Insurance Increase

### 2013-14

- 1.5% Salary Increase to Cover 1.0% in Employee Paid VRS Contributions
- 2.50% Salary Increase and Move-Up-One-Step
- Health Insurance Increase

### 2014-15

- 1.15% Salary Increase to Cover 1.0% in Employee Paid VRS Contributions
- No Cost-of-Living Increases
- Cost-of-Living Payment - \$500 part-time; \$1,000 full-time

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## Issues Driven to Save Future Dollars

- Focused Use of Technology – on-line learning and electronic texts, BYOD
- Modernize Employee Group Health Insurance Plans – Adjust:
  1. Raise Deductibles - \$4,000 Deductible Plan Offered
  2. Co-pays
  3. Prescription Plans
  4. Additional Specific Deductibles
  5. Encouraging Wellness - YMCA
- Move Toward Paperless System
- Energy Reduction – Saved Over \$200,000



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# FCHS Federal Graduation Rate AMO

- All Students - YES
- Gap Group 1 - Students with Disabilities, English Language Learners, Economically Disadvantaged Students (unduplicated) - YES
- Gap Group 2 – African-American Students - YES
- Gap Group 3 - Hispanic Students - TS
- Asian - TS
- Economically Disadvantaged - NO
- Limited English Proficient - TS
- Students with Disabilities - YES
- White - YES



TS = Too Small

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## State vs Federal Graduation

- Virginia: Cohort graduation rate adjusted for student mobility and flexibility for limited-English proficient students and students with disabilities. Recognized by Board of Education as official graduation rate for high schools, school divisions and the commonwealth.
- Federal: Cohort graduation rate including only Standard and Advanced Studies diplomas in the numerator with no flexibility for limited-English proficient students and students with disabilities.

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## 2015 RTI Data - Division



	K	First	Second	Third	Fourth	Fifth	Totals	%
<b>Tier 1 - Class Configuration for CORE Instruction</b>								
<b>Reading</b>	561	571	545	532	517	545	<b>3271</b>	
<b>Math</b>	564	574	557	533	520	543	<b>3291</b>	
<b>Tier 2 - Class Configuration for Intervention (Number of students on Tier 2)</b>								
<b>Reading</b>	39	40	62	40	41	18	<b>240</b>	7%
<b>Math</b>	35	32	33	36	48	25	<b>209</b>	6%
<b>Tier 3 - Class Configuration for Intervention (Number of student on Tier 3)</b>								
<b>Reading</b>	24	36	47	39	21	21	<b>188</b>	6%
<b>Math</b>	24	27	35	34	21	23	<b>164</b>	5%

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# Outside Services Statistics

- LIFES Academy
- Blue Ridge Autism Achievement Center (BRAAC)
- Rivermont School
- Minnick Education Center
- HopeTree Academy
- The Hughes Center
- Grafton
- Building Blocks
- Albert C. Tyler Village of ChildHelp East
- Newport News Behavioral Health Center
- Liberty Point Academy
- United Methodist Family Services
- Mountain Youth Academy (Tennessee)
- Devereaux (Florida)



2008-09..... 2 students  
 2009-10.....2 students  
 2010-11.....2 students  
 2011-12.....25 students  
 2012-13.....30 students  
 2013-14.....37 students  
 2014-15....43 students

Note: LIFES Academy was under FCPS until the end of the 2010-11 year and was not considered as an outside placement.

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# Free & Reduced Lunch Percentages

School	Grade Span of School	2008-09 Total	2009-10 Total	2010-11 Total	2011-12 Total	2012-13 Total	2013-14 Total	2014-15 Total
Boones Mill	Pre-K, K-5	28.4	30.3	30.5	29.8	33.5	32.5	40.1
Burnt Chimney	Pre-K, K-5	38.4	40.9	41.3	46.9	44.9	43.8	47.2
Callaway	Pre-K, K-5	47.6	57.2	53.8	55.7	60.3	59.0	58.3
Dudley	Pre-K, K-5	38.7	37.8	46.2	42.7	47.5	45.7	46.4
Ferrum	Pre-K, K-5	50.8	53.4	59.4	59.2	61.5	62.2	61.4
Glade Hill	Pre-K, K-5	54.0	60.9	61.8	64.1	61.2	58.6	59.9
Henry	Pre-K, K-5	56.6	61.0	57.2	61.5	60.0	60.5	55.3
Lee M. Waid	Pre-K, K-5	61.1	60.6	65.9	64.3	65.0	62.9	62.3
Rocky Mount	Pre-K, K-5	71.3	69.4	67.2	70.5	70.9	71.7	71.7
Snow Creek	Pre-K, K-5	65.1	68.7	68.2	68.8	72.3	67.0	63.0
Sontag	Pre-K, K-5	69.1	71.9	74.0	73.0	74.4	73.9	73.9
Windy Gap	Pre-K, K-5	-----	41.6	37.9	42.5	40.7	43.0	40.5
BFMS- East	6	45.3	50.5	49.1	50.4	52.1	51.3	52.6
BFMS- West	7 <sup>th</sup> - 8 <sup>th</sup>	46.7	45.9	47.1	47.1	49.9	48.5	49.5
Gereau Center	8 <sup>th</sup>	47.1	53.1	47.3	46.1	46.9	48.4	48.2
FCHS	9 <sup>th</sup> - 12 <sup>th</sup>	39.0	41.3	42.7	42.0	42.4	41.3	42.1
<b>Total</b>		<b>46.4</b>	<b>48.9</b>	<b>49.9</b>	<b>50.2</b>	<b>51.3</b>	<b>50.6</b>	<b>54.5</b>



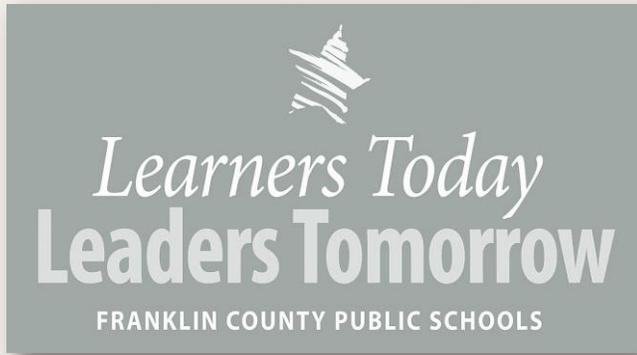
Note: Rocky Mount and Sontag Elementary students receive free breakfast and lunch through the Community Eligibility Program (CEP).

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**Education is the key to success!**

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Thank you for being with us tonight!

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**FRANKLIN COUNTY SCHOOL BOARD  
SUMMARY OF THE PROPOSED 2015-16 SCHOOL BUDGET  
PUBLIC HEARING TUESDAY, MARCH 17, 2015**

**INTRODUCTION** - The Division Superintendent and the Franklin County School Board have the responsibility to inform the residents of the County and the members of the Franklin County Board of Supervisors about the educational needs of the Franklin County Public Schools. Copies of detailed school budgets will be available to the public on-line, in the County Library and in the School Board Office by March 13, 2015. The Franklin County Board of Supervisors has the responsibility of making a funding decision relative to the projected financial needs of the school division.

Virginia state law requires that a public school budget be developed with details on ten expenditure categories covering (1) Instruction; (2) Administration, Attendance & Health; (3) Pupil Transportation; (4) Operation & Maintenance; (5) School Food Services; (6) Canneries; (7) Facilities; (8) Debt Service; (9) Technology and (10) Contingency Reserve.

This proposed budget which totals \$87,865,397 for 2015-16 includes a total proposed net increase of \$3,839,518 from an adjusted total of \$84,025,879 for 2014-15. This proposed budget has already been reduced during the period from November 2014 into March 2015 as the School Board and School Administration and Staff have worked to develop it.

The proposed 2015-16 school budget includes requested additional County Funds for Operations totaling \$3,817,895 as included in the following schedule:

**Proposed Revenue Budget for 2015-16 – County Funds for Education**

County Funds Total for 2015-16 (Adjusted)	\$35,105,223
Additional County Funds for Operations	691,290
Additional County Funds for Canneries	0
Debt Service Reduction for 2015-16	(248,000)
County School Capital Funds	880,000
County School Capital Funds from	
Debt Service Drop-offs	705,000
School Carryover Funds-Energy Reserve Fund	260,640
County School Capital Funds for School Bus Purchases	340,000
Carryover of County School Capital Funds for School Bus Purchases	26,300
School Carryover Funds for Contingency Reserve	<u>464,780</u>

County Funds–Total Requested for 2015-16 **\$38,225,233**

The School Board respectfully requests that this budget be considered for funding in its entirety.

**Major Budget Issues:** The major components of the proposed increase in the overall 2015-16 school budget relate to the following items:

**State-Mandated Expenditure Increases** – The State is mandating the following expenditure increases: VRS phase-in pay raise of 1.15% / employees pay an additional 1.00% of their retirement - \$189,741.

**Other Major Budget Increases:** Other major increases included in the budget are as follows: a proposed minimum 1.70% cost-of-living move-up-one-step pay increase, costing \$1,354,901 (including fringe benefits); estimated possible increase in employer share of group health insurance premiums - \$285,000; additional instructional staffing - \$970,152 (2 FCHS teachers, 3 Social Workers, 1 BCBA, 1 Administrator for BFMS, 3 BFMS teachers, 1 Art teacher, 1 Music teacher, 2 elementary PE teachers and 2 ITRT's); additional pay increase for TA's and LPN's - \$221,267; school bus replacements - \$1,174,328; focused use of technology - \$70,000; and an e-mail archiving system - \$70,000.

The following is a brief summary of each budget category:

**1.0 INSTRUCTION** – This category includes funding for several of the items listed above under State-Mandated Expenditure Increases and Other Major Budget Increases. Other major increases in this section include additional tuition paid for regional schools - \$261,373; purchased instructional services - \$39,137; additional instructional staffing of 2 FCHS teachers, 3 social workers, 1 BCBA, 1 administrator for BFMS, 3 BFMS teachers, 1 art teacher, 1 music teacher and 2 elementary PE teachers - \$858,694. The overall net increase in the instructional category of the budget is \$1,427,299 from an expenditure of \$56,813,216 in 2014-15 to a proposed expenditure of \$58,240,445 in 2015-16.

**2.0 ADMINISTRATION, ATTENDANCE & HEALTH** – Administrators, secretaries, school nurses and psychologists are included as a mandated part of this section of the budget.

The budgeting of School Board members salaries, attorney fees, state and local audits, required legal advertising, health insurance, consultant fees, association dues, retirement, social security, division medical supplies, travel and supplies are also in this part of the budget.

For 2015-16 an overall increase of \$57,733 is proposed going from a total expenditure of \$2,685,952 in 2014-15 to a proposed expenditure of \$2,743,685 in 2015-16.

**3.0 PUPIL TRANSPORTATION** - Bus drivers, bus monitors, mechanics, part-time garage employees, the routing coordinator, the secretary, the bus driver trainer and the supervisory personnel are included in this category.

There are 26 school buses in the fleet which are twelve years in age or older and 30 that have been driven more than 140,000 miles. This is an improved situation compared to last year and several years ago. Capital outlay includes \$1,174,328 to purchase 12 replacement buses. The cost of gasoline and diesel fuel is estimated to decrease by \$78,771 mainly from declines in the estimated price of diesel fuel.

The overall increase in the pupil transportation category for 2015-16 is \$1,028,414 from an expenditure of \$5,960,955 in 2014-15 to a proposed expenditure of \$6,989,369 in 2015-16. The projected per pupil daily cost of bus transportation is \$5.44 (based upon a 180-day year and 7,140 students in ADM).

**4.0 OPERATION & MAINTENANCE** - This budget category includes funding for maintenance staff, full-time and part-time custodians, supervisors, a secretary and campus safety officers.

Maintenance contracts, security, electricity, heating fuel, communications including telephone, postage and shipping, water services, sewage disposal, insurance for liability, fire, flood, etc., building materials and supplies for the entire school division are also included in this category. Other expenditures in this category are maintenance contracts for boiler inspections, HVAC units, fire alarm and elevator systems.

Changes in this section also include a decrease in electricity of \$22,185 (Note: The electricity budget has been decreased by a total of \$151,213 in 2014-15 and 2015-16); a decrease in communications of \$19,466; a decrease in heating fuel services of \$67,914; a \$9,682 increase in water and sewer services; and an increase in insurance of \$434.

The total expenditure increase for Operation & Maintenance for 2015-16 is \$50,985. This budget section has increased from an expenditure of \$6,926,054 in 2014-15 to a projected expenditure of \$6,977,039 for 2015-16.

**5.0 SCHOOL FOOD SERVICES** - This budget category is mostly self-supporting. The School Food Services program has full-time and part-time employees. Expenditures for food and supplies have increased by \$89,466 due primarily to increasing costs of food, primarily meats, and supplies.

Replacement equipment is planned for FCHS, BFMS West, Burnt Chimney, and Sontag at a total cost of \$87,825.

The overall decrease in the School Food Services budget for 2015-16 is \$13,350. This section of the budget will decrease from a total expenditure of \$3,972,897 in 2014-15 to a proposed expenditure of \$3,959,547 for 2015-16.

**A.0 NON-INSTRUCTIONAL OPERATIONS – CANNERIES** - This budget is funded by the amounts charged to Patrons of \$19,111 and an appropriation from the Franklin County Board of Supervisors of \$34,746 (increase of \$0). The two canneries are located at Callaway and Glade Hill Elementary Schools and are administered by the School Division. Overall, this budget item will increase by \$2,689 from \$51,168 in 2014-15 to \$53,857 for 2015-16.

**6.0 FACILITIES** - This budget category includes architectural services, site improvements and building improvements. Also included is a proposed five-year School Capital Projects Plan that identifies specific school division needs.

School facility projects totaling \$6,275,540 are listed in an attachment to this handout. Funding for facilities has already been approved in a separate budget request in 2012.

Note: The School Board and the Board of Supervisors jointly approved a five-year school capital improvement plan totaling \$6,275,540 in 2012. The funding consists of \$7,234,744 (\$880,000 + \$399,000 = \$1,279,000 x 5 = \$6,395,000 + \$487,000 + \$352,744 = \$7,234,744). The excess funding of \$959,204 is available to pay any interest that may come due as a line-of-credit is exercised which is estimated to be \$36,891. The estimated remaining balance of \$922,313 will be applied to other future capital projects after advance approval. Some of these projects were or will be started during 2012-13, 2013-14, 2014-15, and 2015-16.

The overall increase included in this budget category is \$248,000 from an adjusted expenditure of \$1,337,000 in 2014-15 to a proposed expenditure of \$1,585,000 for 2015-16. Additional funding for these projects is being handled outside of this budget request.

**7.0 DEBT SERVICE** - This budget category includes all school building mortgages resulting from building programs from past years. Included are principal and interest payments to the Virginia Public School Authority (VPSA), PFLRO loan and the G.O. refinanced loan as well as bond agent fees and bond counsel fees.

The overall decrease in the Debt Service budget for 2015-16 is \$248,000 which results from reductions in principal and interest payments. This section of the budget will decrease by \$248,000 from a total expenditure of \$2,650,459 in 2014-15 to a proposed expenditure of \$2,402,459 for 2015-16. A listing of debt service budget reductions is also attached to this handout.

**8.0 TECHNOLOGY** - This budget category includes funding for the director, secretaries, ITRT's and technical staff. This budget also includes funding for staff development, community instruction, equipment maintenance and software support, internet services, materials and supplies, on-line content software and capital outlay replacement and additional to meet the technology needs of the Division. Major increases in this

budget section include salaries and benefits for 2 additional ITRT's at a cost of \$111,458, focused usage of technology \$70,000 and an email archiving system \$70,000. The total expenditure increase of \$403,090 in 2015-16 for Technology is proposed going from a total of \$2,469,958 in 2014-15 to a proposed expenditure of \$2,873,048 for 2015-16.

**CONTINGENCY RESERVE** – This budget category includes a total request of \$464,780 which is to be derived entirely from carryover funding from 2014-15.

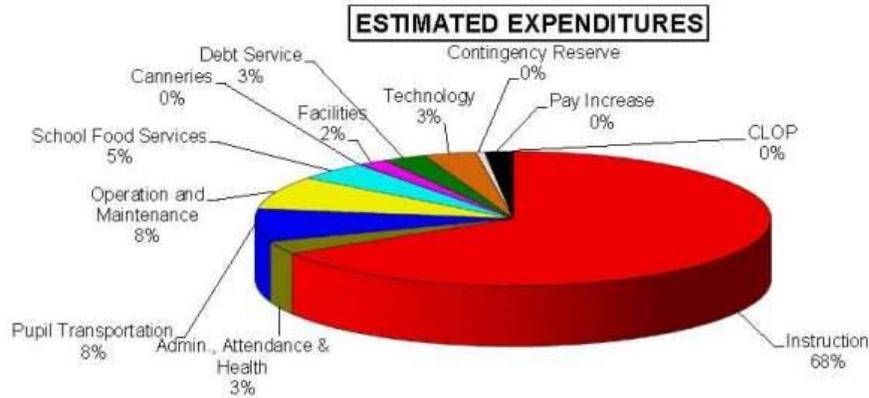
This Contingency Reserve funding is to be used primarily to handle any unanticipated costs that may arise from any particular section of the School Budget. The Division Superintendent and the School Board will meet during early May 2015 to determine how these funds might need to be spent and the amount of funding that is to remain undesignated in this fund. This School Budget total requested funding will have to be adjusted in May 2015 to match with the total funding that is approved by the Franklin County Board of Supervisors for schools. If the funding is not used then it may be requested that it be placed into a reserve and carried forward to future years.

**PROPOSED PAY INCREASE** – This budget category includes funding for a proposed minimum 1.70% cost-of-living move-up-one-step pay increase, costing \$1,354,901 (including fringe benefits), for all of the above budget categories, where applicable. This category also includes an additional \$221,267 for special pay increases for TA's and LPN's.

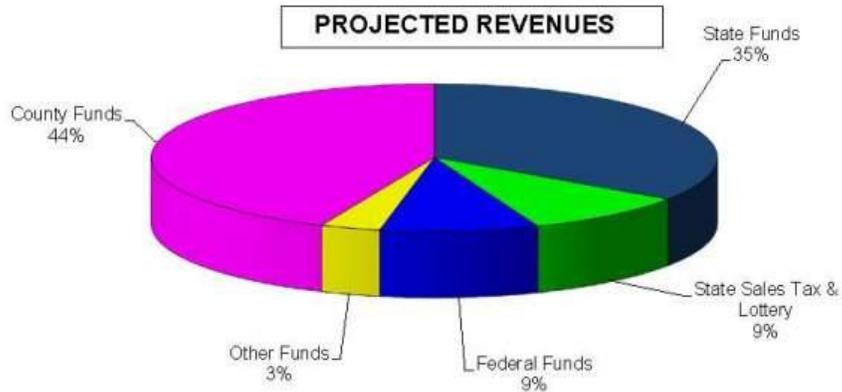
**BUDGET SUMMARY** – A Budget Summary is attached to this handout which details total estimated expenditures and total projected revenues for 2014-15 and 2015-16.

**ADDITIONAL SEPARATE SCHOOL BOARD BUDGET REQUEST** – Franklin County is the fiscal agent for the State's Adult Education Regional Program. Accordingly, we request that this separate budget request totaling \$873,124 be approved for 2015-16. This separate request is attached to this handout.

**2015-16 SCHOOL BUDGET**



Budget Category	Budget 2014-15	Proposed Budget 2015-16	Difference
Instruction	56,813,216	58,240,445	1,427,229
Admin., Attendance & Health	2,685,952	2,743,685	57,733
Pupil Transportation	5,960,955	6,989,369	1,028,414
Operation and Maintenance	6,926,054	6,977,039	50,985
School Food Services	3,972,897	3,959,547	(13,350)
Canneries	51,168	53,857	2,689
Facilities	1,337,000	1,585,000	248,000
Debt Service	2,650,459	2,402,459	(248,000)
Technology	2,469,958	2,873,048	403,090
Contingency Reserve	443,157	464,780	21,623
Proposed Pay Increase	0	1,576,168	1,576,168
COLP Payment	715,063	0	(715,063)
<b>TOTAL</b>	<b>84,025,879</b>	<b>87,865,397</b>	<b>3,839,518</b>



Budget Category	Budget 2014-15	Proposed Budget 2015-16	Difference
State Funds	30,302,175	30,399,024	96,849
State Sales Tax & Lottery	8,025,338	8,308,633	283,295
Federal Funds	7,593,712	7,938,479	344,767
Other Funds	2,999,431	2,994,028	(5,403)
County Funds	35,105,223	38,225,233	3,120,010
<b>TOTAL</b>	<b>84,025,879</b>	<b>87,865,397</b>	<b>3,839,518</b>

General Discussion ensued

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**PRESENTATION OF FY'2015-2016 COUNTY BUDGET**

Mr. Richard E. Huff, II, County Administrator, presented the following proposed FY'2015-2016 County budget, as follows:

It is my pleasure to transmit to you today my recommendations for a balanced 2015-2016 budget for the citizens of Franklin County. I am pleased that I am able to recommend this fiscal plan for your consideration and look forward to the Board's feedback and response to the many difficult decisions that went into this recommendation.

As you know, Section 15.2-2503 of the Code of Virginia, as amended, states that the County budget shall be developed for "informative and fiscal planning purposes only". It serves as a plan for County operations, maintenance, capital outlay, and debt service and may include reserves for contingencies and future capital improvements. The annual budget must contain a complete itemization of all estimated expenditures, revenues, and borrowings and must be approved by the governing body prior to July 1 of each year. Similarly, the School Board Budget must be adopted by May 1 of each year.

The power of the Board of Supervisors to grant or withhold funds is an important means by which it can determine general County policies and the level of services to be offered. Budgeting is a planning process required by law that enables the Board of Supervisors to examine requests for County funds, to anticipate revenue needs, and to make decisions about the priority of programs and level of services to be provided. It is a work-plan expressed in terms of dollars and as such is an important tool of fiscal management.

**Richard E. Huff II**  
**County Administrator**  
**1255 Franklin Street, Suite 112**  
**Rocky Mount, VA 24151**  
**(540) 483-3030**  
**www.franklincountyva.org**

Staff's recommendation for the County's 15-16 fiscal plan totals \$130,586,379. This total represents an increase of only \$794,802 over the current year adopted budget of \$129,791,577 or 0.61%.

The proposed budget can best be described as a maintenance budget. There are no new programs or major expenditure pressures for next fiscal year.

Staff has worked diligently to review and reduce if possible, various departmental budgets and line items.

Operational decreases in the following major categorical areas include:

- General and Financial Administration, 0.13%
- Public Safety, reduction of 3.5%.
- Health and Welfare, 0.93%.
- Parks and Recreation, reduction of 0.76%
- Community Development, 0.63%
- Non-Departmental, 13.7%

Increases in the functional areas include:

- Judicial Administration, 15.7% from the movement of Sheriff Department personnel into the Courts division and additional detention cost.
- Public Works, 3.5%
- Debt, 6.7% for the budgeting of the School debt service reduction included in the School fund for the 14-15 fiscal year.

<u>Expenditures</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Percent of</u>	<u>Increase</u>	<u>%</u>
<u>Functional Area</u>	<u>FY14-15</u>	<u>FY 15-16</u>	<u>Total</u>	<u>(Decrease)</u>	<u>Change</u>
General and Financial Administration	\$4,195,798	\$4,190,231	3.21%	(\$5,567)	-0.13%
Judicial Administration	\$2,256,094	\$2,609,701	2.00%	\$353,607	15.67%
Public Safety	\$14,251,880	\$13,749,495	10.53%	(\$502,385)	-3.53%
Public Works	\$3,545,150	\$3,669,138	2.81%	\$123,988	3.50%
Health and Welfare	\$11,694,429	\$11,585,425	8.87%	(\$109,004)	-0.93%
Parks, Recreation and Cultural	\$1,928,496	\$1,913,925	1.47%	(\$14,571)	-0.76%
Community Development	\$2,883,108	\$2,864,849	2.19%	(\$18,259)	-0.63%
Non Departmental	\$779,077	\$672,373	0.51%	(\$106,704)	-13.70%
Schools	\$82,110,612	\$82,989,882	63.55%	\$879,270	1.07%
Capital	\$3,235,501	\$3,235,501	2.48%	\$0	0.00%
Debt	\$2,887,432	\$3,081,859	2.36%	\$194,427	6.73%
Utilities	\$24,000	\$24,000	0.02%	\$0	0.00%
<b>Totals</b>	<b>\$129,791,577</b>	<b>\$130,586,379</b>	<b>100.00%</b>	<b>\$794,802</b>	<b>0.61%</b>

Although this is considered a maintenance budget there were still a number of concerns and circumstances that set the stage for the budget development this year and provided the framework by which this proposed budget was developed.

Local sales tax (a clear indication of consumer spending) is projected to increase 3% in the FY15-16 proposed budget. Real Estate and Personal Property Taxes are continuing to show steady signs of growth at 0.70% and 5.6% respectively. Interest Income is projected to drop by over \$400,000 from a 1% reduction in the interest rate the County earns on its' investments.

The state has increased its' share of funding for K-12 education by approximately \$359,615 which is largely earmarked to offset a 1.5% raise for Standards of Quality (SOQ) instructional and support positions. Federal revenue for School programs is projected to increase \$441,940 or roughly 5.5%. Federal School funds are primarily earmarked for Title I and II, Title VI-B programs and School Food programs.

Of significant note on proposed General Government expenditures are the following:

- Funds an increase of \$101,000 for additional juvenile detention costs.
- Adds \$24,000 to the Registrar's budget for changes in election requirements.
- Funds \$42,000 in additional grant funded positions for Family Resources.

In terms of school funding for FY15-16, I am recommending the following:

- ☞ Local operational funding of \$30,039,389 – an increase of \$331,118 or 1.1%.
- ☞ Debt service funding of \$2,402,459. This amount is a reduction of \$248,000 for the drop in school debt service projected for FY15-16. The \$248,000 is reserved for future School debt service in the County Debt Service Fund and has been earmarked for the School five year capital projects plan which began in FY12-13.
- ☞ Continued School Capital funding of \$880,000 plus \$340,000 for school bus replacement for a total of \$1,220,000. \$880,000 has also been earmarked for the School five year capital projects plan which was started in FY12-13.
- ☞ Level funding for the Canneries in the amount of \$34,746.

Other Highlights in the Budget Include:

Major Capital Improvements proposed for FY15-16:

- Funds \$282,672 for Upgrades of Mission Critical Information Technology Infrastructure Improvements.
- Continues Landfill Monitoring and Groundwater Corrective Action Expenditures as well as engineering consulting work on the old and new landfill.
- Includes \$180,000 for EMS Vehicle replacement and \$250,000 for Law Enforcement vehicle replacement.
- Provides \$200,000 in local economic development funding incentives, an additional \$100,000 for a Business Park set aside and an additional \$100,000 for the Job Creation Fund.
- Includes \$100,000 for shoreline stabilization at Smith Mountain Lake Park as well as the continuation of the \$100,000 annual payment on the Smith Farm.
- Plans for the replacement of voting equipment by setting aside an additional \$50,000 in FY15-16. The accumulated set aside amount in FY15-16 is projected to be \$450,000, the total amount needed to replace this equipment.

The recommendations outlined above require the 2015-2016 Proposed Budget be funded with the following **existing** tax rates:

Real Estate	\$0.55 per \$100 assessed valuation
Personal Property	\$2.36 per \$100 assessed valuation
Personal Property: Heavy Equipment	\$1.89 per \$100 assessed valuation
Machinery & Tools	\$0.70 per \$100 assessed valuation
Merchants Capital	\$1.08 per \$100 assessed valuation
Vehicle License Fee	\$34.25 per vehicle, \$28.50 per trailer and \$25.25 per motorcycle

In closing, I would be remiss if I did not extend my utmost gratitude to the County's staff, who have worked diligently in the preparation of this plan. I would be happy to answer any questions which may have been generated and staff looks forward to working with you over the next several weeks to produce a plan that addresses our fiscal responsibilities for the coming year.

Respectfully submitted,

Richard E. Huff, II  
County Administrator



**Franklin County**  
*A Natural Setting for Opportunity*

## **FRANKLIN COUNTY FY 2015-16 PROPOSED BUDGET**

March 24, 2015

- Pause to remember the tremendous contributions made to our budget processes over the years by former Director of Business and Finance for the School System, Lee Cheatham. Our thoughts and prayers are with his family, friends, and colleagues. Lee, you will be missed!
- Extra special thanks to Ms. Sharon Tuttle and the School Finance staff for their outstanding assistance during Lee's absence.

### **FY15-16 Financial Planning...**



**“We didn’t actually overspend our budget. The allocation simply fell short of our expenditure.”**

**-Keith Davis**

**“It’s easy to meet expenses – everywhere we go, there they are.”**

**-Anonymous**

**Local Tax Rates for 2014-15**

	Franklin	Roanoke City	Bedford Co.	Botetourt	Floyd	Henry	Patrick	Pittsylvania	Roanoke Co
Real Estate Tax Rate	0.55	1.19	0.52	0.72	0.50	0.48	0.48	0.59	1.09
Personal Property Nominal Tax Rate	2.36	3.45	2.35	2.63	2.95	1.48	1.71	8.75	3.50
Personal Property Effective Tax Rate	1.68	2.62	2.00	2.00	2.24	1.12	1.45	2.23	2.66
Boat Tax Rate	2.36	3.45	2.35	2.63	2.95	1.48	1.71	8.75	3.50
Business Real Estate Rate	0.55	1.19	0.52	0.72	0.50	0.48	0.48	0.59	1.09
Machinery & Tools Tax (Effective Rate for Year 1)	0.70	2.07	1.20	0.90	0.93	1.44	1.62	0.45	0.75
Business Personal Property-Heavy Tools & Machinery (Effective Rate for Year 1)	1.89	3.45	1.70	2.63	2.95	1.48	1.71	8.75	3.50
Motor Vehicle License Fee (Vehicle Fee Only)	34.25	20.00	0.00	20.00	25.00	20.00	25.00	38.75	20.00
Landfill Tipping Fees	37.00	48.00	41.00	0.00	55.00	0.00	55.00	41.00	48.00

\*Source: Survey of County Offices

\*\*No Commercial Trash (goes to Salem)

## Comparisons

- Bedford County's Machinery & Tools Tax Rate is 72% higher than Franklin County
- Pittsylvania County's Real Estate Rate is 4¢/\$100 higher than Franklin County + they charge a \$5/month Solid Waste Fee (equivalent to 3¢ on a \$200,000 house)
- Floyd and Patrick Counties' tip fee at the landfill is 49% higher than Franklin County
- Botetourt County's Real Estate Rate is 24% higher than Franklin County + all household solid waste is privatized at an average cost of \$21/month (12.6¢ on a \$200,000 house)
- Henry County's Machinery & Tools Rate is 106% higher than Franklin County
- Roanoke County's Real Estate Rate is 98% higher than Franklin County

## FY15-16 Financial Planning

- Begin by saying there is no tax increase proposed although commitments have been made which will require such an increase in the near future-more on that in a moment
- Financial Planning is not a buzz word, it is a fiscal imperative
- Plan all you possibly can, it has been the uncontrollables that have impacted us so harshly over the last several years
  - Mandated VRS increases, additional inmates in juvenile and adult facilities, across the board state cuts in "Local Aid to the State", reduced state school funding, Social Services caseload growth, and "strings" required in order to receive state funding in prior years

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## FY15-16 Financial Planning

- What does it look like?
    - Funds borrowed for the Burnt Chimney Water Line and water tank which resulted in an economic expansion at Homestead Creamery, and ISO rating drop from 8B/10 to an ISO 4/4Y in Burnt Chimney...without a tax increase during the most significant recession since the 1930's
    - A water and sewer agreement with the Town of Rocky Mount that will provide water & sewer capacity economically to County projects through cooperation rather than independence
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## FY15-16 Financial Planning

- What does it look like?
    - Essig Recreation Center was purchased to house both Aging Services programming and recreational facilities for all ages for \$28/sq.ft or 16% of the County Assessment at the time of purchase
    - 15 Full time Paramedic Firefighters hired since 2005-06 at no cost to County tax payers using insurance billing revenues. Average response times for these full time responders in 2014 was under 12 minutes.
    - \$12.5 million recently borrowed for First Responder Public Safety Radio System upgrade and solid waste collection improvements at 1.73% for 10 years due to County's AA+ bond rating
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## FY15-16 Financial Planning

- What does it look like?
    - Preparations are underway for a Career & Technical Education Center at Franklin County High School. Twice Year Tax collections have been delayed awaiting final planning on this project and are expected to provide \$18 million in one time monies towards the project
    - \$6.3 million in School Capital Projects were financed at 1.5% over 5 years with a Line of Credit and existing funding
    - Planning is underway for a future Business Park to meet the needs of job creation in today's "need to be ready right now" Economic Development recruitment climate
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## FY15-16 Financial Planning

- What does it look like?
    - A new landfill cell built with \$4.3 million in saved capital dollars, alleviating the need for any tax increase for that project.
    - Now it needs to look like we cut and save and reallocate and come up with some funds to take care of our most important asset, our employees, who day in and day out deliver great services to our community...more on that in a moment
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## Budget Conditions for FY 15-16

- Economy Remains Relatively Flat
  - Real Estate Growth Projected at .7%
  - Interest on County Deposits Reduced by \$429,000 due to a New Bank Bid for Deposits
  - Landfill Revenues Projected to Be Down by 12.5%
  - Sales Tax Showing Projected Growth of 3.03%
  - State Revenues Flat Except for Compensation Related Assistance for State Supported Positions (2%-September 1)
  - Regional Jail, Juvenile Detention, and CSA Requirements Remain Volatile
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## FY15-16 Budget Highlights

- Very much a maintenance budget
  - No new General Fund positions, although 12 were requested and justified
  - No New Fees
  - No New Taxes
  - No New Programs
  - General Fund Budget Increases \$495 in total for the year
-

Franklin County Discretionary Revenue Summary					
	Adopted Budget 14-15	Projected Collections 14-15	Proposed Budget 15-16	Adopted to Proposed Increase (Decrease)	Adopted to Proposed Percent Incr/Decr
<b>General Property Taxes:</b>					
Real Estate	35,484,134	35,566,318	35,732,596	248,462	0.70%
Public Service Corp	872,246	966,773	969,067	96,821	11.10%
Personal Property	9,042,197	9,346,919	9,552,887	510,690	5.65%
Machinery and Tool	639,709	688,654	688,654	48,945	7.65%
Merchants Capital	671,124	662,082	675,000	3,876	0.58%
Penalties and Interest	640,000	631,753	632,000	(8,000)	-1.25%
General Property Taxes	47,349,410	47,862,499	48,250,204	900,794	1.90%
<b>Other Local Taxes:</b>					
Sales Tax	4,003,534	4,179,067	4,125,000	(121,466)	-3.03%
Consumer Utility Taxes	973,782	977,674	975,000	(2,674)	-0.27%
County Business License	4,700	4,700	4,700	0	0.00%
Utility License Tax	220,000	230,923	225,000	(5,923)	-2.57%
Communications Tax	2,271,784	2,344,962	2,244,962	(26,822)	-1.18%
Motor Vehicle License Fees	1,876,174	1,876,174	2,024,637	148,463	7.91%
Bank Stock Taxes	128,791	128,791	128,791	0	0.00%
Tax on Deeds	500,000	424,217	425,000	(75,000)	-15.00%
Hotel/Motel/Trans Occ Tax 2%	32,730	34,366	34,000	(366)	-1.08%
Meals Tax	980,000	1,015,706	1,000,000	(15,706)	-1.55%
Other Local Taxes	10,991,515	11,116,580	11,187,090	195,575	1.78%
<b>Interest on Bank Deposits</b>	1,029,323	600,000	600,000	(429,323)	-41.71%
<b>Commonwealth of Virginia Revenues:</b>					
Motor Vehicle Carriers Tax	40,962	42,797	42,500	(297)	-0.69%
Mobile Home Tiling Tax	110,499	75,328	75,000	(35,499)	-32.13%
Motor Vehicle Rental Tax	46,660	50,118	50,000	(118)	-0.24%
Personal Property Tax Relief	2,626,618	2,626,618	2,626,618	0	0.00%
<b>Total Commonwealth Revenue</b>	2,824,739	2,794,861	2,794,118	(621)	-0.02%
<b>Total Discretionary Revenue</b>	62,194,987	62,373,940	62,831,412	636,425	1.02%

## Allocation of Discretionary Revenues

<b>FY 14-15 Original Budget:</b>				
Total School Operating Transfer			29,708,271	
Total School Debt Service Transfer			2,650,459	
			32,358,730	
<b>School Transfers as a Percentage of Discretionary Revenues</b>			52.03%	(\$32,358,730 divided by \$62,194,987)
<b>School Share of New Discretionary Revenue</b>			<b>\$331,118</b>	
<b>Remaining New Revenue for the County</b>			<b>\$305,307</b>	

## FY15-16 Budget Highlights

- Total budget increases only 0.61% or \$794,802
- Uses no non-recurring funds
- Includes an additional \$101,000 for juvenile detention costs
- \$24,000 for additional voting requirements such as cardstock paper ballots (new state requirement)
- Within existing budget funds (savings, cuts, reallocations, reduction of 2 open positions), the budget provides for a 2% salary increase July 1, 2015 for General Fund employees, only the second such increase since 2008 (5% total in 8 years)

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## School Funding

- Operational increase of \$331,118 in new local funds or 1.1%
  - Captures debt drop off of \$248,000 for five year capital plan and plans for these funds in future years to be available for BOS discretion (programmed for new CTE Center)
  - State option for 1.5% increase for SOQ teachers and staff (example-SOQ provides 7.5 elementary principals for Franklin County's 12 elementary schools)
  - Year 4 of 5 for 1% increase for employee share of VRS
  - Schools will likely have to reallocate savings in other areas to cover compensation increases within existing resources just as General Government is doing
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## State Language for Teacher and Support Staff Raises

- Teachers and Support Salary Incentive: Provides \$52.9 million (10.5 months) for the state's share of a 1.5% salary incentive for all funded SOQ instructional and support positions and Governor's School positions
  - Participation is optional and requires a local match – must provide at least a 1.5% increase by January 1, 2016, and would be eligible for the 10.5 months of funding from the state
  - School divisions cannot count the phase-in of the VRS swap as their local match
  - Reflects revenue contingency language
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## State Language for Teacher and Support Staff Raises

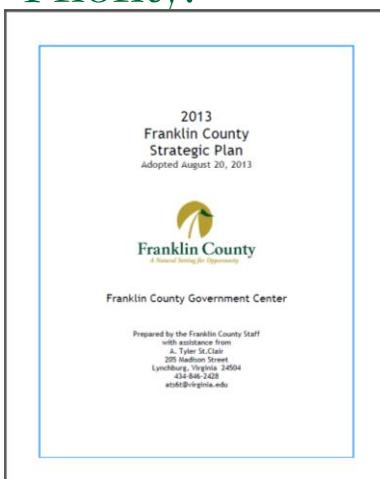
- Explanation: (This amendment provides \$52.8 million the second year from the general fund for instructional and support positions the state's share of a 1.5 percent salary increase for funded SOQ instructional and support positions. Although state funding is calculated based on 1.5 percent with an effective date of August 16, 2015, the local required match is based on an average of 1.5 percent with an effective date of no later than January 1, 2016, and divisions must certify that a minimum 1.5 percent increase will be provided to employees by this date. The amendment specifies that in meeting the salary increases to be eligible for this incentive funding, school divisions may not include any increases that were provided in fiscal year 2016 to offset the cost of required member contributions to the VRS. Furthermore, this allocation is contingent on the state revenue forecast performance pursuant to the provisions set out in Item 467.0.1.)
-

Franklin County Schedule of Local School Funding						
	FY14-15 Original Budget	FY15-16 School Request	Difference Request to Orig Budget	FY15-16 County Admin Recommended	Difference Orig Budget Co Adm Rec	Percent Increase
School Operating Fund:						
County Funds for Operations	\$29,708,271	\$33,111,308	\$3,403,037	\$30,039,389	\$331,118	1.11%
Local School Funds (Cafeteria, etc)	\$2,999,431	\$2,994,028	(\$5,403)	\$2,994,028	(\$5,403)	-0.18%
State School Funds	\$38,707,535	\$39,067,150	\$359,615	\$39,067,150	\$359,615	0.93%
Federal School Funds	\$8,010,170	\$8,452,110	\$441,940	\$8,452,110	\$441,940	5.52%
	\$79,425,407	\$83,624,596	\$4,199,189	\$80,552,677	(\$1,127,270)	1.42%
Funds for School Debt Service	\$2,650,459	\$2,402,459	(\$248,000)	\$2,402,459	(\$248,000)	-9.36%
Cannery Funds	\$34,746	\$34,746	\$0	\$34,746	\$0	0.00%
Total School Budget (includes Adult Regional Program)	\$82,110,612	\$86,061,801	\$3,951,189	\$82,989,882	\$879,270	1.07%
School Capital Fund:						
County CIP Funds for School Capital	\$880,000	\$880,000	\$0	\$880,000	\$0	0.00%
County Debt Service Reserve (Funds for 5 Year School CIP)	\$457,000	\$705,000	\$248,000	\$705,000	\$248,000	54.27%
County CIP Funds for School Bus Replacement	\$340,000	\$340,000	\$0	\$340,000	\$0	0.00%
	\$1,677,000	\$1,925,000	\$248,000	\$1,925,000	\$248,000	14.79%
<b>Rollover Funds Requested by the Schools - not Recommended by the County for the following reasons</b>						
		FY15-16 School Request				
Energy Reserve Funds - already held in the County Capital Fund		\$260,640				
School Bus Carryover - already held in the County Capital Fund		\$26,300				
School Carryover Funds - exact amount not known until June 30, 2015		\$464,780				
<b>Total Local Funds Request from the Schools to the County (Includes Operating and Capital)</b>		\$38,225,233				

## CIP Highlights

- \$250,000 to replace 10 of the 20 requested vehicles with more than 125,000 miles on Law Enforcement emergency vehicles
- \$282,672 for mission critical information technology infrastructure
- Includes \$180,000 for EMS vehicle replacement
- Level funds \$400,000 in local economic development funding including job creation and site development funding
- Includes \$100,000 for shoreline stabilization at Smith Mountain Lake County Park
- Plans for the replacement of voting equipment by adding an additional \$50,000 bringing the total set aside to \$450,000 (state mandated, no funding)
- \$100,000 payment (year 7 of 10) for Smith Farm which goes to VWCC Scholarships for Franklin County High School and Home School students
- \$880,000 for School CIP Projects (year 4 of 5 year plan)
- \$340,000 for School Bus Replacements

## With Limited Resources, What is the Priority?



- **FRANKLIN COUNTY BOARD OF SUPERVISORS STRATEGIC OUTCOME AREAS**
  - INFRASTRUCTURE
  - SCHOOLS
  - ECONOMIC DEVELOPMENT/JOB CREATION
  - FINANCIAL STABILITY
  - STAFFING NEEDS
  - MANAGED GROWTH

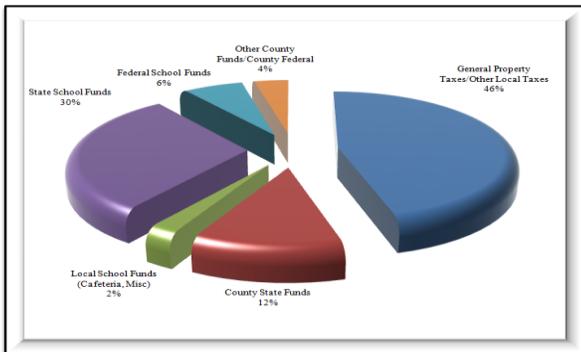
# Future Concerns

Franklin County - Analysis of County Only Future Debt														
Proposed Radio System Capital and Maintenance Costs Shown Together, Includes Career and Technical Center														
FY	Existing Debt Service/Available Funds			Future Proposed Borrowings					Additional Funds Required	Equivalent RE Pennies Required	Cumulative Tax Increase (6)	Total Funds Available	Addition to (Use) of Reserve	Cumulative Debt Reserve Balance
	Debt Service (1)	Recurring Debt Reserve	Total Funds Available	Landfill (2)	Radio System Capital & Operating (3)	Career & Technical Center (5)	2016 Business Park (4)	Total Proposed Debt Service						
14-15	\$4,610,232	\$211,866	\$4,822,098					\$4,822,098			\$4,822,098	\$211,866	\$2,892,877	
15-16	\$4,052,525	\$521,081	\$4,574,506		\$1,365,625			\$5,940,131	\$1,118,033		\$4,574,506	\$521,081	\$3,414,858	
16-17	\$4,008,336	\$1,234,551	\$5,232,887		\$1,570,704			\$6,817,659	\$6,236,789	\$993,902	\$5,232,887	\$993,902	\$2,420,956	
17-18	\$3,829,286	\$1,003,601	\$5,232,887		\$1,570,388	\$1,750,000		\$6,677,659	\$7,797,333	\$2,564,446	Two Cents \$1,271,548	\$6,504,433	(\$1,292,898)	\$1,128,058
18-19	\$3,171,216	\$2,061,671	\$5,232,887	\$423,095	\$1,570,628	\$1,767,500		\$6,677,659	\$7,580,498	\$2,347,211	One Cent \$1,907,322	\$7,140,209	(\$459,889)	\$668,169
19-20	\$2,975,419	\$2,557,608	\$5,232,887	\$423,095	\$1,570,686	\$1,783,750		\$6,677,659	\$7,300,419	\$2,867,532	\$1,907,322	\$7,140,209	(\$166,210)	\$221,959
20-21	\$2,841,841	\$2,391,046	\$5,232,887	\$423,095	\$1,570,902	\$1,798,750		\$6,677,659	\$7,282,337	\$2,049,450	\$1,907,322	\$7,140,209	(\$142,128)	\$383,831
21-22	\$2,059,405	\$3,173,482	\$5,232,887	\$423,095	\$1,571,117	\$1,812,500		\$6,677,659	\$6,513,776	\$1,280,889	\$1,907,322	\$7,140,209	\$626,433	\$1,012,264
22-23	\$2,045,233	\$3,187,654	\$5,232,887	\$1,109,469	\$1,570,860	\$1,875,000		\$6,677,659	\$7,248,221	\$2,015,334	\$1,907,322	\$7,140,209	(\$108,012)	\$904,252
23-24	\$1,244,776	\$3,088,111	\$5,232,887	\$1,109,469	\$1,570,252	\$2,033,750		\$6,677,659	\$6,665,886	\$1,721,999	\$1,907,322	\$7,140,209	\$534,323	\$1,438,575
24-25	\$1,228,070	\$4,004,817	\$5,232,887	\$1,109,469	\$1,570,285	\$2,208,750		\$6,677,659	\$6,764,153	\$1,531,266	\$1,907,322	\$7,140,209	\$376,056	\$1,814,611
25-26	\$1,089,758	\$4,143,129	\$5,232,887	\$1,109,469	\$2,047,15	\$2,273,750		\$6,677,659	\$5,325,351	\$92,464	\$1,907,322	\$7,140,209	\$1,814,858	\$3,629,489
26-27	\$1,076,853	\$4,156,034	\$5,232,887	\$1,109,469	\$2,047,15	\$2,433,750		\$6,677,659	\$5,472,466	\$239,559	\$1,907,322	\$7,140,209	\$1,667,763	\$5,297,252
27-28	\$697,091	\$4,335,796	\$5,232,887	\$1,109,469	\$2,047,15	\$2,583,750		\$6,677,659	\$5,242,684	\$9,797	\$1,907,322	\$7,140,209	\$1,897,525	\$7,194,777
28-29	\$696,446	\$4,356,441	\$5,232,887	\$1,109,469	\$2,047,15	\$2,723,750		\$6,677,659	\$5,382,099	\$49,152	\$1,907,322	\$7,140,209	\$1,758,170	\$8,952,247
29-30	\$5,232,887	\$5,232,887	\$2,804,313	\$2,047,15	\$2,853,750			\$6,677,659	\$6,510,437	\$1,277,550	\$1,907,322	\$7,140,209	\$629,772	\$9,582,719
30-31	\$5,232,887	\$5,232,887	\$2,381,218	\$2,047,15	\$2,873,750			\$6,677,659	\$6,107,342	\$874,455	\$1,907,322	\$7,140,209	\$1,032,867	\$10,615,586
31-32	\$5,232,887	\$5,232,887	\$2,381,218	\$2,047,15	\$2,788,750			\$6,677,659	\$6,022,342	\$789,455	\$1,907,322	\$7,140,209	\$1,117,867	\$11,733,453
32-33	\$5,232,887	\$5,232,887	\$1,694,844	\$2,047,15	\$2,803,750			\$6,677,659	\$5,390,968	\$118,081	\$1,907,322	\$7,140,209	\$1,789,241	\$13,522,694
33-34	\$5,232,887	\$5,232,887	\$1,694,844	\$2,047,15	\$2,813,750			\$6,677,659	\$5,500,968	\$128,081	\$1,907,322	\$7,140,209	\$1,779,241	\$15,501,935
34-35	\$5,232,887	\$5,232,887	\$1,694,811	\$2,047,15	\$2,693,750			\$6,677,659	\$5,240,935	\$8,048	\$1,907,322	\$7,140,209	\$1,899,274	\$17,201,209

Notes:  
 (1) This is total County & School Debt - assumes School debt drop off will be used for debt retirement in year 16-17 and not additional capital projects.  
 (2) Proposed borrowing of \$3,750,000 million in FY17-18 - annual debt service of \$936,451 @ 5% for 12 years.  
 These estimates are based on the most recent engineering estimates that have been provided to the County and also based on current DEQ and EPA regulations which are subject to change as we go forward.  
 FY22 Borrowing of \$5.3 million for 10 years at 5% = \$686,374.  
 FY20 Borrowing of \$9 million for 7 years at 5% = \$1,694,844.  
 (3) The County has borrowed \$12.5 million at 1.78% for 10 years. Yearly maintenance cost of \$204,715 begin in FY16-17.  
 (4) Proposed borrowing of \$9 million at 3.75% for 20 years.  
 (5) Total Project is \$50 million less one-time windfall of \$18 million for twice a year tax collections = \$32 million at 5% for 25 years.  
 (6) One Penny on the Real Estate Rate generates \$635,774.

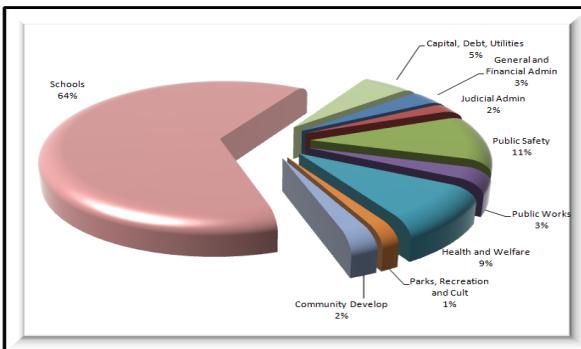
**NOTE: FY16-17 is a reassessment year and twice year tax collections should be considered for FY17-18**

## PROPOSED 2015 - 2016 COUNTY REVENUES (Net of Interfund Transfers)



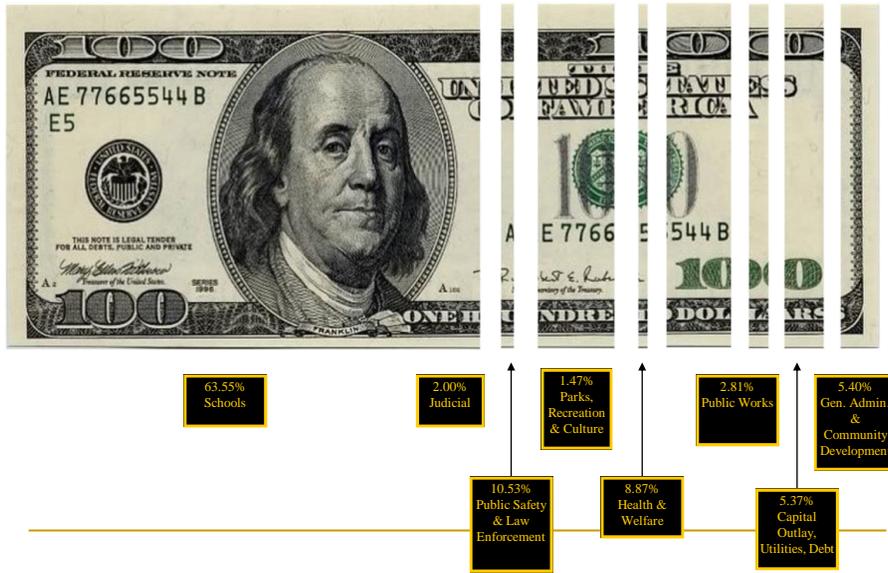
	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	Dollar Change	% Change	Percent of Total
General Property Taxes/Other Local Taxes	58,390,138	59,512,938	1,122,800	1.92%	45.57%
County State Funds	15,580,032	15,728,816	148,784	0.95%	12.05%
Local School Funds (Cafeteria, Misc)	2,999,431	2,994,028	(5,403)	-0.18%	2.29%
State School Funds	38,707,535	39,067,150	359,615	0.93%	29.92%
Federal School Funds	8,010,170	8,452,110	441,940	5.52%	6.47%
Other County Funds/County Federal	6,104,271	4,831,337	(1,272,934)	-20.85%	3.70%
<b>Totals</b>	<b>129,791,577</b>	<b>130,586,379</b>	<b>794,802</b>	<b>0.61%</b>	<b>100.00%</b>

## PROPOSED FY 15-16 COUNTY EXPENDITURES (Net of Interfund Transfers)



	FY14-15 Adopted	FY 15-16 Proposed	FY 14-15 / FY 15-16 Difference	% Change	Percent of Total
General and Financial Admin	\$4,195,798	\$4,190,231	(\$5,567)	-0.13%	3.21%
Judicial Admin	\$2,256,094	\$2,609,701	\$353,607	15.67%	2.00%
Public Safety	\$14,251,880	\$13,749,495	(\$502,385)	-3.53%	10.53%
Public Works	\$3,545,150	\$3,669,138	\$123,988	3.50%	2.81%
Health and Welfare	\$11,694,429	\$11,585,425	(\$109,004)	-0.93%	8.87%
Parks, Recreation and Cult	\$1,928,496	\$1,913,925	(\$14,571)	-0.76%	1.47%
Community Develop	\$2,883,108	\$2,864,849	(\$18,259)	-0.63%	2.19%
Schools	\$82,110,612	\$82,989,882	\$879,270	1.07%	63.55%
Capital, Debt, Utilities	\$6,926,010	\$7,013,733	\$87,723	1.27%	5.37%
<b>Totals</b>	<b>\$129,791,577</b>	<b>\$130,586,379</b>	<b>\$794,802</b>	<b>0.61%</b>	<b>100.00%</b>

***Proposed FY 2015-2016 County Expenditures***



***Proposed FY 2015-2016 County Revenues***



**March 2015**

February 2015							April 2015						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28
29	30	31					29	30	31				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

April 2015						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31 <small>6:00PM - 9:00PM School Board Work Session (if needed) (Gov. Center BOS Meeting Room)</small>	1	2 <small>6:00PM - 9:00PM Budget Work Session (if needed) (BOS Meeting Room)</small>	3	4
5	6	7 <small>6:00PM - 9:00PM Budget Work Session (if needed) (BOS Meeting Room)</small>	8 <b>BUDGET &amp; TAX LEVY AD</b>	9	10	11
12	13 <small>Budget Ads to be in N...</small>	14	15	16	17	18
19	20 <small>Budget Ads to be in N...</small>	21 <small>1:30PM - 5:30PM BOS Meeting (Gov't Cr BOS Meeting Room) 7:00PM - 9:00PM BOS Public Hearing (RMC-East Auditorium)</small>	22	23	24	25
26	27	28 <small>6:00PM - 9:00PM Adoption of County Budget (Gov't Cr BOS Meeting Room)</small>	29	30	1	2

Sincerest Appreciation to County Staff for Their Hard Work in the Development of This Budget & Presentation !!

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**CORRECTION OF WESTERN VIRGINIA WATER AUTHORITY-WATER LINE EXTENSION**

Richard E. Huff, II, County Administrator, requested the Board to amend a resolution from the Tuesday, March 17, 2015, meeting where he mistakenly referenced the water line extension for St. Rt. 122 when it should have been along Jubal Early Highway, St. Route 116.

**(RESOLUTION #17-03-2015)**

BE IT THEREFORE ORDAINED, by the Board of Supervisors to **amend Resolution #16-03-2015** to specify the water line extension should have been along Jubal Early Highway, State Route 116 rather than State Route 122.

MOTION BY: Charles Wagner

SECONDED BY: Ronnie Thompson

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

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**COUNTY ADMINISTRATOR RECRUITMENT UPDATE**

Richard E. Huff, II, County Administrator, gave the Board an update on the County Administrator Recruitment. Mr. Huff shared with the Board a memorandum of the Community/Position Profile and Recruitment Schedule, as follows:



Springsted Incorporated  
1564 East Parham Road  
Richmond, VA 23228

Tel: 804.726.9750  
Fax: 804.726.9752  
www.springsted.com

## MEMORANDUM

TO: The Honorable Cline Brubaker, Chairman and Members of the Franklin County Board of Supervisors

FROM: John A. Anzivino

DATE: March 24, 2015

SUBJECT: Draft Community/Position Profile

Attached, please find a copy of a draft Community and Position Profile that will be used to assist in recruiting a new County Administrator for Franklin County. The Community Profile has been developed utilizing information from web based materials obtained from the County and a variety of public sources. As such, the profile attempts to provide enough information about the County to allow candidates to gain an understanding of Franklin County, its governmental structure and its desirability as a community in which to both live and work. The Community Profile, as explained during our individual meetings, will serve as our primary recruiting piece and attempts to describe the community as well as we can within the limitations of space allowed.

The Position Profile was drawn using information from interviews with all Board members, discussions with five (5) Constitutional Officers, the County's School Superintendent, the County Attorney and Clerk to the Board as well as fifteen (15) department leaders or directors ranging from human resources to recreation to information technology. In addition, the County and State Code were consulted concerning the duties for the position. The Profile will be used to screen the application materials received from those interested in the position and assist us in narrowing the larger pool to a list of ten (10) semi-finalists for presentation to the Board as part of our work plan. As part of the process, we will conduct in depth interviews and background checks of the top candidates and present a detailed report relative to our findings to the Board for your review and consideration. We will then work with the Board to narrow the candidate pool for initial interviews.

As noted in individual discussions with Board members we have also worked to review salary and benefit levels for other County Administrators in the general area. Based upon our experience in the recruitment area we have developed some parameters for the Board's consideration. These include:

- We believe we should advertise the position's level of compensation as 'negotiable dependent upon education and experience.' We believe that an initial salary range of \$135,000 to \$150,000 based upon the selected candidate's education and experience is realistic within the area given the complexity of Franklin's government, size of the organization and cost of living within the region.
- The County's core benefits package is considered competitive within the region as evidenced by our research. We would recommend that the new County Administrator be provided the core package of benefits now received by County employees with certain exceptions. These include:

Public Sector Advisors

- A reasonable automobile allowance, or use of a public use vehicle, which is all inclusive of full operating expenses (fuel, maintenance, insurance, etc.) included, as a negotiated monthly amount
- A possible transfer and increased amount of leave earned based upon years of experience in the chosen candidate's professional career
- A reasonable technology allowance (cell phone, iPad/computer, etc.)
- A reasonable amount of deferred compensation negotiated with the candidate selected for the position
- Relocation benefits to be negotiated based upon the candidate's current location and within defined limits based upon the candidate. This will be a one-time expense which may include moving expenses, temporary housing payments, payment for house-hunting trips and other expenses related to the candidate's relocation.

As you will note, we have included the statement concerning salary, noted above, within the Position Profile to ensure that a broad, but informed, pool of candidates based upon the County's profile is obtained and so that the Board will have latitude in your discussions with the finalists. In addition, I would also like to both outline and discuss the interview process in more detail since we will be moving to that stage of the selection process in the not too distant future.

So that we may keep the process moving along, it is anticipated that the Board will review the profiles and forward any comments within the next week. When comments are received and the final copy is completed, I will forward finished versions to the County via e-mail and we will begin advertising and recruiting for the position.

While I have begun to make contacts with potential candidates that I am familiar with in the Commonwealth and throughout the region, after I receive Board comments at the upcoming meeting, we can formally advertise the position immediately thereafter with a thirty (30) day period for recruitment and advertising. We will provide a report to the Board with recommended candidates for interview no later than the week of May 4 with interviews to begin soon thereafter. The schedule developed going forward is an aggressive one and one which will require that the Board be available during the weeks noted to make some decisions and to conduct interviews.

As we had in the past and at the Board's request we would propose the following schedule:

<b>Franklin County, Virginia Recruitment Schedule</b>	
Date	Activity
March 27, 2015 (or earlier)	Receive Board Comments on Draft Profiles
March 30, 2015 (or earlier)	Advertising/Recruitment for County Administrator's Position Initiated
April 30, 2015	Deadline for Receipt of Résumés and Application Materials
Week of May 4, 2015	Report on Candidates Presented to the Board
Week of May 4, 2015	Board Determines Which Candidates Identified in Report are to be Interviewed
Week of May 11, 2015	Initial Interviews with Selected Candidates
Week of May 18 or thereabouts	Second Round Interviews (if needed)
Week of May 25, 2015	Candidate Selected/Employment Offer Tendered
Week of June 1, 2015	Board Names New County Administrator

I appreciate the Board's cooperation to date and will be happy to address any concerns and answer any questions you may have at our upcoming meeting.

**Franklin County, Virginia  
County Administrator CAO Survey 03 16 2015**

Community	Population <sup>(1)</sup>	Current Salary	Yrs in Position	Vehicle Provided	Vehicle Avail for Personal Use	Vehicle Allowance	Deferred Compensation	Health Insurance	Leave Different from Other Employees	Professional Memberships Provided	Moving Expenses	Additional Information
Campbell County	55,235	\$141,000	<1	No	No	\$6,000/yr	No	Yes	Yes	Yes	No	Leave is given as lump sum at start of year
Carroll County	29,883	\$125,516	9.5	Yes	No	No	No	Yes	Yes	Yes	No	Accrues 2 days of leave per month
Giles County	16,925	\$125,792	20.0	No	No	No	No	Yes	No	No	No	
Henry County	52,617	\$132,582	2.5	No	No	\$500/month	No	Yes	No	Yes	N/A	
Montgomery County	96,207	\$167,200	5.5	Yes	No	\$500/month	No	Yes	No	Yes	\$7,000	
Pittsylvania County	62,426	\$130,000	1.0	Yes	No	No	No	Yes	Yes	Yes	N/A	Leave accrual is specified in contract and addressed annually
Pulaski County	34,507	\$130,542	15.0	No	No	No	No	Yes	No	Yes	No	
Roanoke County	93,524	\$177,007	<1	No	No	\$6,000/yr	\$16,986/yr	Yes	No	Yes	\$12,500	

Source: 2013 U.S. Census Bureau Estimate



## Franklin County, Virginia

*is seeking a highly  
qualified leader to  
serve as its next...*

## County Administrator



# Franklin County

*A Natural Setting for Opportunity*

### Community Profile

#### Overview

Settled in the foothills of the Blue Ridge Mountains at the southern end of the Roanoke Valley is Virginia's seventh largest county, Franklin. Often referred to as the "Land Between the Lakes and the Blue Ridge" the County's 683 square miles are located along the Blue Ridge Parkway between the famous Smith Mountain Lake and Philpott Lake. With Franklin's mountains and waterways, the area is known as an outdoor paradise for activities such as fishing, camping, cycling, boating and hiking. Formed in 1785 and named for Benjamin Franklin, the County gained its territory from surrounding Henry, Bedford and Patrick counties and was home to prominent African American educator, Booker T. Washington, whose birthplace is designated as a national monument. Franklin's history dates back to the Sioux Native American tribe that first settled its land in the 1600s until the first English settlers arrived in the 1740s. After its settling, the area became a prominent location for tobacco and dairy production across the state, and became a manufacturing hub for munitions supplied to the Revolutionary Army from its mined iron and copper. Today, the County has a population of 56,335 (2013 U.S. Census estimate) and contains two incorporated towns, Boones Mill and Rocky Mount – which also serves as the county seat. During the peak periods of growth during the 2000 -2010 period, Franklin County was the fastest growing Virginia county west of Charlottesville. In addition to its low costs of living, Franklin offers extensive natural resources and a skilled workforce, thanks to the County's efforts to form partnerships with Ferrum College and the Franklin Center for Advanced Learning and Enterprise. The County is continuing to see growth in economic development opportunities annually, with Edelmann Technology, a German equipment company, announcing in January 2015 that it will locate its North American headquarters in Franklin. In addition, companies such as the Homestead Creamery, Ply Gem Windows and Trinity Packaging house operations in Franklin. New life science product



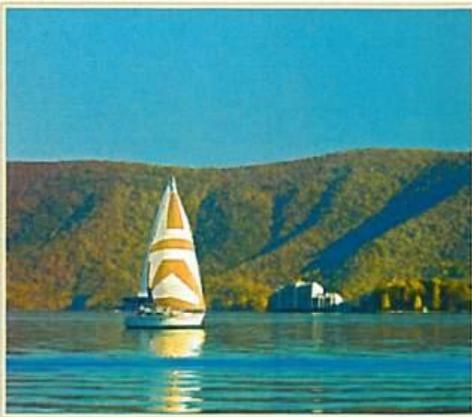


companies, such as McAirLaid's and Solution Matrix have recently located their U.S. headquarters and production facilities to the County. Overall, Franklin County offers great promise as a growing commercial hub in western Virginia that has a commitment to its workforce, values its historical past, unique location and embraces what the future has to offer the area.

The County is situated in the Roanoke Metropolitan Statistical Area (MSA) as an optimal location, with three states, West Virginia, Tennessee and North Carolina, within minimal driving distance. The County is just eight miles south of Roanoke, a popular location in Virginia offering historical sites, outdoor activities, and shopping opportunities. The Virginia state capital of Richmond is 170 miles northeast of Franklin and Greensboro, North Carolina is just 70 miles away. Franklin is conveniently located between Interstates 81 and 40, both of which connect to major highways north and south of Franklin, thus placing the County within an easy day's drive to all major Mid-Atlantic markets. The nearest major airport, Roanoke-Blacksburg Regional Airport (ROA), is just 19 miles away and supplies 50 arrivals/departures daily, providing nonstop service to nine (9) major cities that offer connecting flights domestic and internationally. The County is also within convenient access (60miles) to Piedmont Triad International Airport in Greensboro, North Carolina, a domestic and international airport operating seven major airlines.

### Educational Opportunities

Franklin County offers one of the most highly rated public school systems in the Commonwealth of Virginia, with students recognized for outstanding achievement in the areas of English, history, math and science. The County boasts an on-time graduation rate of 86.7% and contains twelve elementary, three middle, and one high school that have 7,481 total enrolled students. In addition, the County includes two private schools. The Roanoke Valley Governor's School for Science and Technology is a premier institute in the area that offers accelerated and Advanced Placement (AP) classes to high performing students with a specialty in the areas of science and technology. For higher education, the County has extensive offerings. The Franklin Center for Advanced Learning and Enterprise, managed by the Franklin County Workforce Development Consortium, was formed to create a "one stop shop" to provide opportunities in employment, training and education to the citizens and employers of Franklin County and the Town of Rocky Mount. The mission of creating this facility was to enhance economic development and the workforce in Franklin through lifelong learning. To name a few, the Center offers higher education courses in writing, math, foreign languages, healthcare, life sciences, and Apple/Microsoft technologies through college satellite locations at The Franklin Center. The Center is currently expanding its course and degree program offerings through partnerships with Virginia Western Community College and Mary Baldwin College.



Additionally, the County is home to Ferrum College, one of Virginia's fastest growing private colleges that offers thirty-three areas of study. Virginia Tech, Radford University, Jefferson College of Health Sciences, and the Virginia Tech Carilion School of Medicine are located within an hour's drive. Other nearby higher education institutions include Hollins and Liberty Universities, as well as Roanoke and Lynchburg Colleges.

### Recreation and Leisure

Franklin's strategic location in western Virginia provides for a diverse selection of exciting recreational activities available to residents and visitors. Popular locations for outdoor excursions include Smith Mountain and Philpott Lakes. Smith Mountain Lake offers 20,000 acres of recreational activities including fishing tournaments, hunting, sailing, boating and windsurfing. Smith Mountain also contains extensive lodging and dining opportunities for guests as well as four golf courses and five tennis courts. Philpott Lake is known as Virginia's best smallmouth bass and trout reservoir and attracts thousands of visitors each year. In addition, the Blue Ridge Mountains border the western portion of the County and offer trails, camping, horseback riding and the natural grandeur of the Blue Ridge Parkway. The Blue Ridge Folklife Festival at Ferrum College, held in October each year, celebrates the heritage of the area with music, food and crafts for the whole family. Franklin County is a haven for hometown music as the Eastern Gateway to the Crooked Road: Virginia's Heritage Music Trail, and home to the region's newest music venue, the Harvester Performance Center. Other attractions in the area include seven farmer's markets, Boones Mill Apple Festival, Smith Mountain Lake Wine Festival and the annual Ramble Weekend (canoe and kayak racing events). Opportunities for retail shopping are found in the Town of Rocky Mount, Smith Mountain Lake and the Roanoke Valley.



The County houses a substantial YMCA, located in the Town of Rocky Mount, with other similar facilities at Smith Mountain Lake and Ferrum College. The various facilities includes indoor tennis courts, racquetball courts, an Olympic-sized swimming pool, skateboard park, weight training areas and indoor gymnasiums. Additionally, Ferrum College offers many cultural programs throughout the year that residents can attend including art gallery viewings, theater plays, recitals, lectures and concerts.

### Healthcare

For health care options, Carilion Health System is the largest system in western Virginia. Carilion Franklin Memorial Hospital, a 37-bed facility offering a 24-hour emergency room, intensive care, dialysis, physical and occupational therapy, cardiac and respiratory services in addition to providing home health and hospice care, and, inpatient and outpatient surgeries is located in the Town of Rocky Mount. Nearby in Roanoke is Carilion Roanoke Memorial Hospital, the only Level I Trauma Center in the surrounding area. The Virginia Tech Carilion School of Medicine and Carilion Research Institute provide area residents with access to some of the nation's leading health care scientists. Other healthcare facilities include the Lewis Gale HCA Regional Health System and various, assisted living and skilled nursing centers. In total, the County and surrounding area have twenty-four practicing physicians, five optometrists, eight dentists, two orthodontists and eight chiropractors.

## Governance and Services

The Board of Supervisors, elected by the County's citizens, serves as the governing body of the County. Franklin operates under the traditional Administrator-Board form of government with the governing body consisting of a seven (7) member board. All Board members are elected to serve staggered 4 year terms. The Chair is elected annually by the Board and serves as the spokesperson for the Board during his or her term.

The Board, in accordance with the legislative authority and responsibility provided by the General Assembly, approves the county budget, sets county tax rates, appoints members of various boards and committees, constructs and maintains county buildings, adopts the county's comprehensive plan, and enforces ordinances for police, sanitation, health and other regulations permitted by state laws.

Franklin County is operating with a Fiscal Year 2015 budget of \$129,791,577 and provides a full range of services from thirty-one different department areas ranging from agriculture and economic development to information technology and social services. The County's real estate tax rate of \$0.55 per \$100 of assessed value is considered one of the lowest in the Commonwealth. Franklin County's underlying credit ratings are among some of the highest in Virginia: Aa2 by Moody's and AA+ by Standard & Poor's, whereby the national rating agencies note the County's very strong budgetary flexibility, performance, liquidity, and fiscal management.

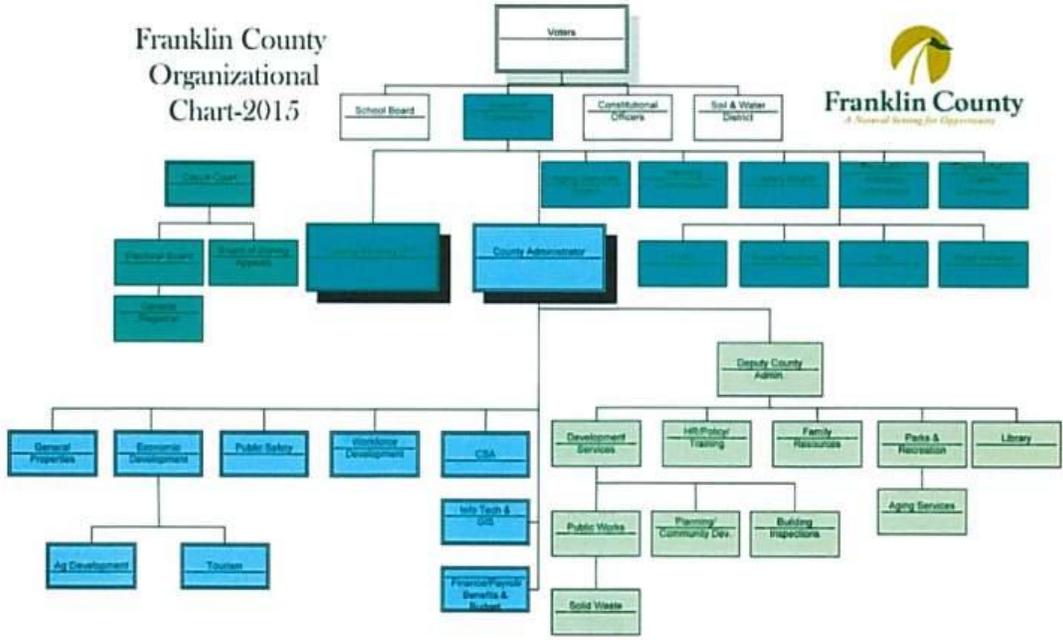
### **The Position of County Administrator**

The County Administrator serves at the pleasure of the Board of Supervisors and directs and supervises the operations of all County departments and agencies which are under the direct control of the Board.

Additionally, the County Administrator serves as the liaison between the Board and the Constitutional Officers, the Judiciary, State and regional agencies. The County Administrator provides administrative support to the Board and is responsible for preparing the County's annual budget and for advising the Board as to the financial condition of the County. The Administrator prepares the agendas for the regular meetings of the Board and submits a monthly report concerning the administrative affairs of the County and other reports as required.

The County Administrator is also responsible for the execution of all resolutions and orders of the Board, and the implementation of the Board's directives. The Administrator assists in preparation of the County's strategic plan and implementation of the plan while ensuring the Board's service and partnership with the citizens and all of its regional partners are maintained.

Franklin County Organizational Chart



To learn more about the County please visit <http://www.franklincountyva.gov/>

## Franklin County, Virginia Core Qualifications of the Ideal County Administrator

### Education and Experience

A bachelor's degree in business or public administration, political science, or related field is required; with a master's degree in a related field preferred. At least ten (10) years of progressively responsible management experience as a Chief Executive/Administrator or Deputy Chief Executive/Administrator in a high performing, comparably sized, growing community, business or non-profit organization with a wide range of duties in operation and management is required. Past experience of the individual must show high levels of performance in areas that include finance and budget, human resources, economic development and maintaining positive lines of communication at all levels.

### Skills and Past Performance

**Administrative ability.** Must have demonstrated a high level of ability in ensuring administrative practices are well-organized and up to date in a changing community or organization. Must be able to analyze systems and provide recommendations with an eye to the future to develop efficient and highly responsive operations for a variety of diverse functions to ensure that they are operating efficiently. Must possess the ability to manage firmly, but fairly, and have the ability to make difficult recommendations and decisions in a timely fashion.

**Board and intragovernmental relations.** Demonstrated ability as a strong relationship builder with solid skills in working with groups such as the Board of Supervisors while managing the County's relationships with its citizens and maintaining and growing relationships with the County's Constitutional Officers and School Division. Understands the Administrator's relationship with the Board of Supervisors in managing the daily operations of the County. Ability, interest and willingness to take time to work with the Board, Constitutional Officers, citizens and various advisory bodies to ensure that they are well informed and understand complex and technical issues is a desired ability. Should be willing to provide an acceptable level of detail and adequately inform the Board on a regular basis so that there are no surprises. Clear and concise written and oral communications with all audiences are essential. Must be willing to challenge the Board and staff with new ideas and be able to accept constructive criticism and to implement needed changes. The successful candidate must be able to present all sides of an issue that affect the County to all parties in a clear, concise and unbiased manner. The individual should be able to participate in development of sound County policies and directives, interpret the County's policies and carry out the intentions and directions of the Board of Supervisors with energy and enthusiasm.

**Budget and finance.** Should have significant experience in successfully managing an operating and capital budget of comparable size and complexity while achieving results in a business-like, conservative manner. Must have a broad view of activities and events external to the County which could impact the County and its future financial condition. Must understand the various methods of maximizing resources, financing options and ensuring a wise use of limited public resources while demonstrating the need for and value of long range financial planning.

**Human resource management.** Should possess solid, high quality skills in managing all forms of relationships and a bright and engaged workforce; providing leadership to department heads but relying on the expertise of staff to carry out assigned functions. Provides the 'big picture' to staff while not micro-managing processes. Must demonstrate a personality that can communicate the Board's goals, needs and directives to employees in a manner which allows for significant 'buy-in'. Must be engaged with and able to lead and motivate County employees under his /her direction to a continuing level of high performance and demonstrate fairness in dealing with staff.

**Community relations.** Must be actively engaged and visible in the community and have the ability to understand the diverse and changing needs of various community groups and private sector entities in Franklin County. Candidate should be able to present a confident image of County government to the community at large.

**Intergovernmental relations.** Familiarity with governmental structure and the ability to relate to, maintain and expand existing relationships with other local governments, regional organizations, the Franklin County school division and state and federal agencies.

**Other Key Characteristics**

- Complete and absolute integrity; ensuring ethical, honest and personable interactions
- A sincere commitment to public service and representative democracy
- Strong financial management skills
- Ability to communicate clearly and effectively, both orally and in writing
- Strategic outlook while paying attention to the details of day-to-day operations
- A commitment to customer service, continuous improvement, and excellence
- Diplomatic and decisive leadership, combining intelligence and common sense with vision, initiative and courage
- A positive, “can-do” attitude that provides an example to others
- Comfort with and understands the role of technology in effective and efficient service delivery
- Ability to work effectively in a diverse and frequently changing environment
- The skills to promote effective team building and consensus on established vision goals and objectives

**Compensation and Benefits**

The salary for the position is negotiable, based upon candidate’s qualifications and experience. Benefits include, but are not limited to participation in the Virginia Retirement System, automobile allowance, vacation and sick leave, group life insurance, medical insurance, professional dues and conference expenses. Moving and relocation expenses may be negotiated with the County. County residency is required within a reasonable time of appointment to the position.

**Application and Selection Process**

Resumes received by April XX, 2015 will receive priority consideration. To be considered, please submit a cover letter, résumé with salary history and five (5) professional references online by visiting Waters & Company Executive Recruitment (WCER) website at <https://waters-company.recruitmenthome.com>. Following the filing date, résumés will be screened by Waters & Company based on the criteria established by Franklin County. The County will review recommended candidates who most closely meet the established criteria and finalists should be interviewed in Franklin during the month of May 2015. For more information, please contact John Anzivino at [richmond@springsted.com](mailto:richmond@springsted.com).



*Franklin County is an Equal Opportunity Employer.*

General discussion ensued.

**(RESOLUTION #18-03-2015)**

BE IT THEREFORE ORDAINED, by the Board of Supervisors to approve the Community Profile handout as presented and to move the schedule up to Friday, May 22, 2015, for the selection of the County Administrator candidate with the range of pay to be modified from (\$135,000) to read \$125,000 to \$150,000 and should staff need to replace current pictures within the profile be authorized to do so.

MOTION BY: Bob Camicia

SECONDED BY: Ronnie Thompson

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

\*\*\*\*\*

Chairman Brubaker recessed the meeting until Thursday, March 26, 2015 @ 6:00 P.M.