

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD BUDGET WORKSESSION ON TUESDAY, MARCH 31, 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

Cline Brubaker, Chairman, called the meeting to order.

PROPOSED FY' 2015-2016 SCHOOL BUDGET

Sarah Alexander, Chairperson, School Board, thanked the Board for the opportunity to come together tonight to discuss the School Budget. Ms. Alexander stated a proposal would be brought forward tonight for the Board's consideration.

Dr. Mark Church, Superintendent of Schools, shared with the Board a revised listing for School funding, as follows:

Franklin County Public Schools
 Estimated School Budget Funding Issues for 2015-16
 Revised January 26, 2015

The following list consists of some items that may have to be considered for additional funding in the 2015-16 School Budget:

1. VRS Phase-In of Employee Paid Retirement - 1.15% Pay Increase/Employee Pays an Additional 1.00% of Retirement	\$189,741
2. 1.70% Minimum Move-Up-One-Step Pay Increase in 2015-16 ($\$469,392 + \$885,509 = \$1,354,901$)	1,354,901
3. Additional Instructional Personnel	
— a. Spanish Teacher for FCHS ($\$41,313 + \$10,626 + \$5,950 = \$57,889$)	57,889
— b. Business Teacher for FCHS ($\$41,313 + \$10,626 + \$5,950 = \$57,889$)	57,889
— c. Seventh Grade English Teacher for BFMS ($\$41,313 + \$10,626 + \$5,950 = \$57,889$)	57,889
— d. Seventh Grade Mathematics Teacher for BFMS ($\$41,313 + \$10,626 + \$5,950 = \$57,889$)	57,889
— e. Seventh Grade Instructional Coach for BFMS ($\$48,132 + \$12,380 + \$5,950 = \$66,462$)	66,462
4. Three Additional Social Workers (SAs) ($3 \times \$39,595 = \$118,785 + \$30,552 + \$17,850 = \$167,187$)	167,187
5. Employee Group Health Insurance Increase - 9.5% ($\$639 \times 1.095\% = \700) ($\$565 \div \$639 = 88\%$) $\$700 \times .85 = \595 ($\$595 - \$565 = \$30$ Increase $\times 950$ Contracts = $\$28,500 \times 10 = \$285,000$)	285,000
6. Additional \$1,000 Pay Increase for Teacher Assistants (TA's) and Licensed Practical Nurses (LPN's) ($167 + 9 = 176 \times \$1,000 = \$176,000 + \$45,267 = \$221,267$)	221,267
7. One Additional Behavior Analyst/Specialist (BCBA/BCaBA) (Autism) ($\$61,370 + \$15,784 + \$5,950 = \$83,104$)	83,104
8. Additional Art and Music Teacher ($2 \times \$36,482 = \$72,964 + \$18,766 + \$11,900 = \$103,630$)	103,630

	Projected FY2014-15	Requested FY2015-16	
School Revenues			
State Funds	\$ 30,302,175	\$ 30,399,024	\$ 96,849 *
State Sales Tax	\$ 8,025,338	\$ 8,308,633	\$ 283,295
Federal Funds	\$ 7,593,712	\$ 7,938,479	\$ 344,767 **
County Funds for Operations	\$ 30,326,161	\$ 30,039,389	\$ (286,772) ***
County Funds for Capital	\$ 880,000	\$ 880,000	\$ -
County Capital Funds Buses	\$ 340,000	\$ 340,000	\$ -
Local School Funds	\$ 2,999,431	\$ 2,994,028	\$ (5,403)
			\$ 432,736
County Carry Over Request			
Capital Bus Funds unexpended from 2014-15			\$ 26,300
Contingency Reserve unappropriated from 2013-14			\$ 177,000
Energy Fund Reserve unappropriated from 2013-14			\$ 260,640
Projected Carryover for 2014-15			\$ 287,780
			\$ 751,720
Debt Service Roll-off \$705,000 for 5 Yr CIP			\$705,000

* In order to receive the \$96,849 we would be required to match \$469,147

** New federal funds amount to \$91,669 as \$253,098 is carryover from Title VIB

****Projected 2014-15 includes \$617,890 in County Funds given to fund one time CLOP Payment, additional County funds to fund ongoing expenditures \$331,811 (\$30,326,161 - \$617,890 = \$29,708,271 +331,118 = \$30,039,389)*

Funding needed for

VRS Phase-in	189,741
1.7% Move-Up-One-Step Increase	1,354,901
Anticipated Health Insurance Increase	285,000
	<u>\$ 1,829,642</u>

Ways to Fund

Additional State Revenue	96,849
Additional State Sales Tax	283,295
County Revenue	331,118
Anticipated ongoing Energy Savings	179,000
Retirees Dropping off DSIP Program	90,112
Employee Turnover	213,992
	<u>\$ 1,194,366</u>

This would leave us still needing 635,276

Possible Funding Sources

2014-15 Projected Carryover	287,445
Energy Carryover	260,000
Contingency Fund from 2012-13 Carryover	177,335
	<u>724,780</u>

General discussion ensued.

Bill Brush, School Board Member, stated during the Summer of last year, he and Phillip Poff looked at the scale and found 1/3 of the staff (230 employees) were caught at Step 1.

Dr. Mark Church stated should the School Board be granted the requested additional appropriations in the total amount of \$724,780 increase prior to the budget year FY'2015-2016 it would enable them to give their employees a 1.7% raise/Step whichever was greater.

The Board directed staff to explore and find out about the \$177,335 appropriation in question from 2012-2013 Carryover funds and report back to the Board.

Leland Mitchell, Supervisor, Snow Creek District, asked Dr. Mark Church, if there were insufficient funds from the School carryovers on June 30, 2015, how would the School Board make up the shortfall. Dr. Church stated there would have to be cuts and / or layoffs and the School Board would absorb the difference and they would not come back to the Board of Supervisors for additional funding.

**AUTHORIZATION TO ADVERTISE FY'2015-2016 COUNTY BUDGET FOR PUBLIC HEARING
(RESOLUTION #21-03-2015)**

BE IT THEREFORE RESOLVED, by the Board of Supervisors to authorize staff to advertise for public hearing on ***Tuesday, April 21, 2015 @ 7:00 P.M.*** at the East Auditorium of the Benjamin Franklin Middle School for the proposed Synopsis of FY'2015-2016 County Budget in the amount of \$130,586,379.00 with the following of the proposed tax levies:

On ***Tuesday, April 28, 2015, at approximately 6:00 P. M.***, the Board will meet in the Franklin County Board of Supervisors Meeting Room in the Franklin County Government Center, Suite 104, Rocky Mount, Virginia to consider the adoption of the FY' 2015-2016 budget and to set the appropriate tax levies for local taxation. The following synopsis of the budget is provided for fiscal planning purposes only. No entry in the budget constitutes an obligation on the part of the County until such funds are appropriated by the Franklin County Board of Supervisors.

(THE FOLLOWING REFLECTS REVISED NUMBERS FOR ADVERTISING:

SYNOPSIS OF THE PROPOSED BUDGET FOR FISCAL YEAR FY' 2015-2016

<u>Expenditure Function</u>	<u>Proposed Expenditures</u>	<u>Percent of Budget</u>
General and Financial Administration	\$4,190,231	3.19%
Judicial System	\$2,609,701	1.99%
Public Safety	\$13,749,495	10.48%
Public Works	\$3,669,138	2.80%
Health and Welfare	\$11,585,425	8.83%
Schools	\$83,625,158	63.73%
Recreation and Cultural	\$1,913,925	1.46%
Community Development	\$2,864,849	2.18%
Debt Service	\$3,081,859	2.35%
Non-Departmental	\$672,373	0.51%
Capital Outlay	\$3,235,501	2.47%
Utilities	\$24,000	0.01%
Sub-Total	\$131,221,655	100.00%
Transfers Between Funds	\$40,171,585	
Total	\$171,393,240	

<u>Revenue Function</u>	<u>Proposed Revenues</u>	<u>Percent Of Budget</u>
General Property Taxes/Other Local Taxes	\$59,512,938	45.35%
State Funds – County	\$15,728,816	11.99%
State School Funds	\$39,067,150	29.77%
Federal School Funds	\$8,452,110	6.44%
Local School Funds	\$2,994,028	2.29%
Other County Funds	\$4,831,337	3.68%
Fund Balance	\$635,276	0.48%
Sub-Total	\$131,221,655	100.00%
Transfers Between Funds	\$40,171,585	
Total	\$171,393,240	

COUNTY OF FRANKLIN
PUBLIC NOTICE
HEARING ON SETTING OF TAX LEVIES

In accordance with Sections 15.2-1427 and 15.2-2507 of the Code of Virginia, as amended, notice is hereby given that the Franklin County Board of Supervisors will conduct a public hearing on ***Tuesday, April 21, 2015***, at approximately ***7:00 P. M.*** in the Benjamin Franklin Middle School East Auditorium, Rocky Mount, Virginia.

**A HEARING TO SET TAX LEVIES FOR THE FOLLOWING
CLASSES OF PROPERTY:**

1. Setting a tax levy of \$.55/\$100 of assessed value on real estate, public service corporation property, and mobile homes; pursuant to the authority of 58.1-3200, 58.1-3201, 58.1-3202,

58.1-3203, 58.1-3204, 58.1-3205 of the Code of Virginia, as amended.

- 2. Setting a tax levy of \$2.36/\$100 of assessed value on personal property, pursuant to the authority of 58.1-3500, 58.1-3501, 58.1-3502, 58.1-3503, 58.1-3506 of the Code of Virginia, as amended.
- 3. Setting a tax levy of \$1.89/\$100 of assessed value on personal property, classified as heavy construction machinery, including but not limited to land movers, bulldozers, front-end loaders, graders, packers, power shovels, cranes, pile drivers, forest harvesting and silvicultural activity equipment and ditch and other types of diggers owned by businesses pursuant to the authority of 58.1-3508.2 of the Code of Virginia, as amended.
- 4. Setting a tax levy of \$0.70/\$100 assessed value on machinery and tools based on original cost and declining depreciation over a 7-year period. By the seventh year of depreciation, the effective rate is \$0.28 per \$100 assessed value. This rate is levied pursuant to the authority of 58.1-3507(B) of the Code of Virginia, as amended.
- 5. Setting a tax levy of \$1.08/\$100 of assessed value on merchants' capital, pursuant to the authority of 58.1-3509, and 58.1-3510 of the Code of Virginia, as amended.

MOTION BY: Bob Camicia

SECONDED BY: Charles Wagner

VOTING ON THE MOTION WAS AS FOLLOWS:

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

Chairman Brubaker adjourned the meeting.

CLINE BRUBAKER
CHAIRMAN

SHARON K. TUDOR, MMC
COUNTY CLERK