**BOOK 38**
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# AMHERST COUNTY BOARD OF SUPERVISORS

**Board of Supervisors**

Tom Martin, Chair
District 1
L.J. Ayers III, Vice-Chair
District 3
Claudia Tucker, Supervisor
District 2
Drew Wade, Supervisor
District 5
David W. Pugh, Jr., Supervisor
District 4

## MINUTES

**February 21, 2023**

Meeting Convened - 5:30 PM

**County Administrator**
Jeremy Bryant, Interim

**County Attorney**
Mark Popovich

## I. Call to Order

At a Budget Workshop meeting of the Amherst County Board of Supervisors held on February 21, 2023 at 5:30 p.m., the following members were present:

BOARD OF SUPERVISORS:
Tom Martin, Chairman
L. J. Ayers III, Vice-Chair
Claudia D. Tucker, Supervisor
Drew Wade, Supervisor
David W. Pugh, Jr., Supervisor

ABSENT: None

STAFF:
Jeremy S. Bryant, Interim County Administrator
David R. Proffitt, Deputy County Administrator
Mark Popovich, County Attorney
Kristen Freeman, Clerk

Chairman Martin called the meeting to order at 5:30 p.m.

**NOTE: All Board of Supervisors' meetings are now being streamed live on Facebook and on YouTube.**

## II. Discussion

### A. Revenue Projections

Jeremy Bryant, Interim County Administrator, presented the Board with a presentation on Revenue Projections. **(SEE ATTACHMENT 1)**

### B. Proposed Budget

Operating Budget - Chair Martin asked staff to provide a breakdown by departments on the loss of 43 employees in the last year. Supervisor Tucker asked what the grant match was for the 6 SRO positions. Mrs. McBride stated that last year the Board agreed to allow the Sheriff's Office to apply for a grant to cover six School Resource Officer positions (SROs) and that each year the county portion to fund those positions is roughly $134,000.00

Revenue - Supervisor Pugh asked about the cigarette tax. Mrs. McBride stated those figures were on the worksheet that was attached, and that amount is still running at about $410,000.00 to $415,000.00.

Supplemental Budget - No comments were made by the Board.

Capital Improvement Plan (CIP) - No comments were made by the Board.

### C. FY2024 Health Insurance RFP Results and Committee Recommendation

Linda Felix, Human Resources Director, addressed the Board regarding the RFP for Health Insurance. Mrs. Felix asked the Board to authorize County staff to move forward with contracting with the medical, dental and vision providers recommended by the Health Insurance RFP evaluation committee.

By motion of Vice-Chair Ayers and with the following vote, the Board authorized County staff to move forward with contracting for FY2024 employee health insurance with PCHP for employee medical insurance at a negotiated 17% increase over FY2023 costs; with Delta Dental Premier at a flat renewal rate for employee dental insurance; and with Anthem Vision for employee vision insurance at no increase in cost.

AYE: Mr. Martin, Mr. Ayers, Mrs. Tucker, Mr. Wade and Mr. Pugh
NAY: None
ABSENT: None

## III. Adjournment

By motion of Vice-Chair Ayers and with the following vote, the Board adjourned at 6:00 pm.

AYE: Mr. Martin, Mr. Ayers, Mrs. Tucker, Mr. Wade and Mr. Pugh
NAY: None
ABSENT: None

Tom Martin, Chair
Amherst County Board of Supervisors

Jeremy Bryant Interim County Administrator

Attachment 1

AMHERST

Perfect Slice of Virginia

# FY 2024 Revenue Projections and Budget

# Revenue Projections

- Minimal growth in Real Estate Tax Revenues
  - Amherst reassesses every 6 years – 2020 was the last one
  - Amherst has missed the bubble for inflated real estate values such as those being seen in Lynchburg
  - Veterans receive 100% homestead exemption now (no real estate tax paid on primary home)
- Leveling off of development related permits
- Increased Federal and State assistance for DSS
- Incremental growth for most other revenues

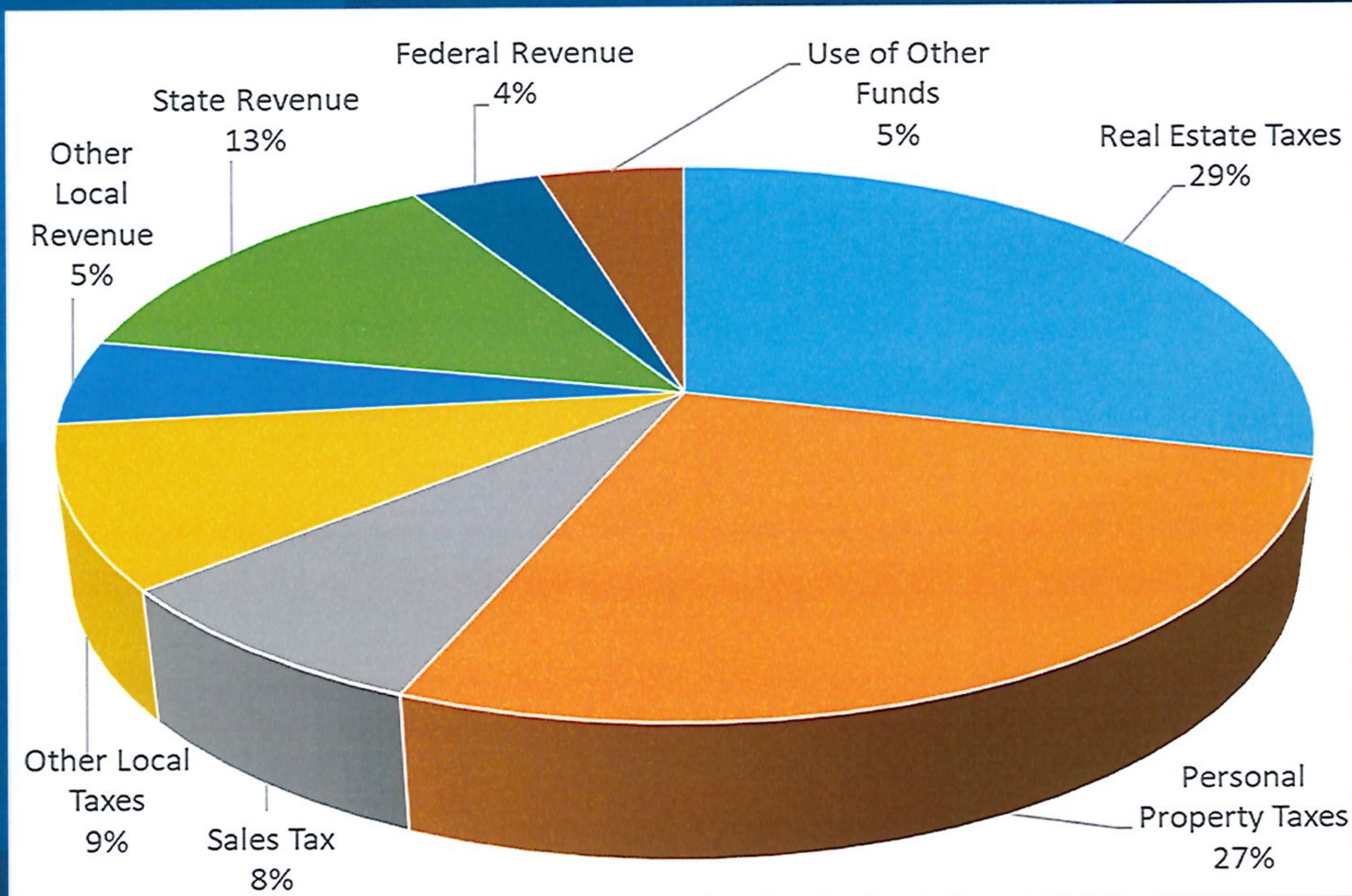
# Revenue Projections Assumptions

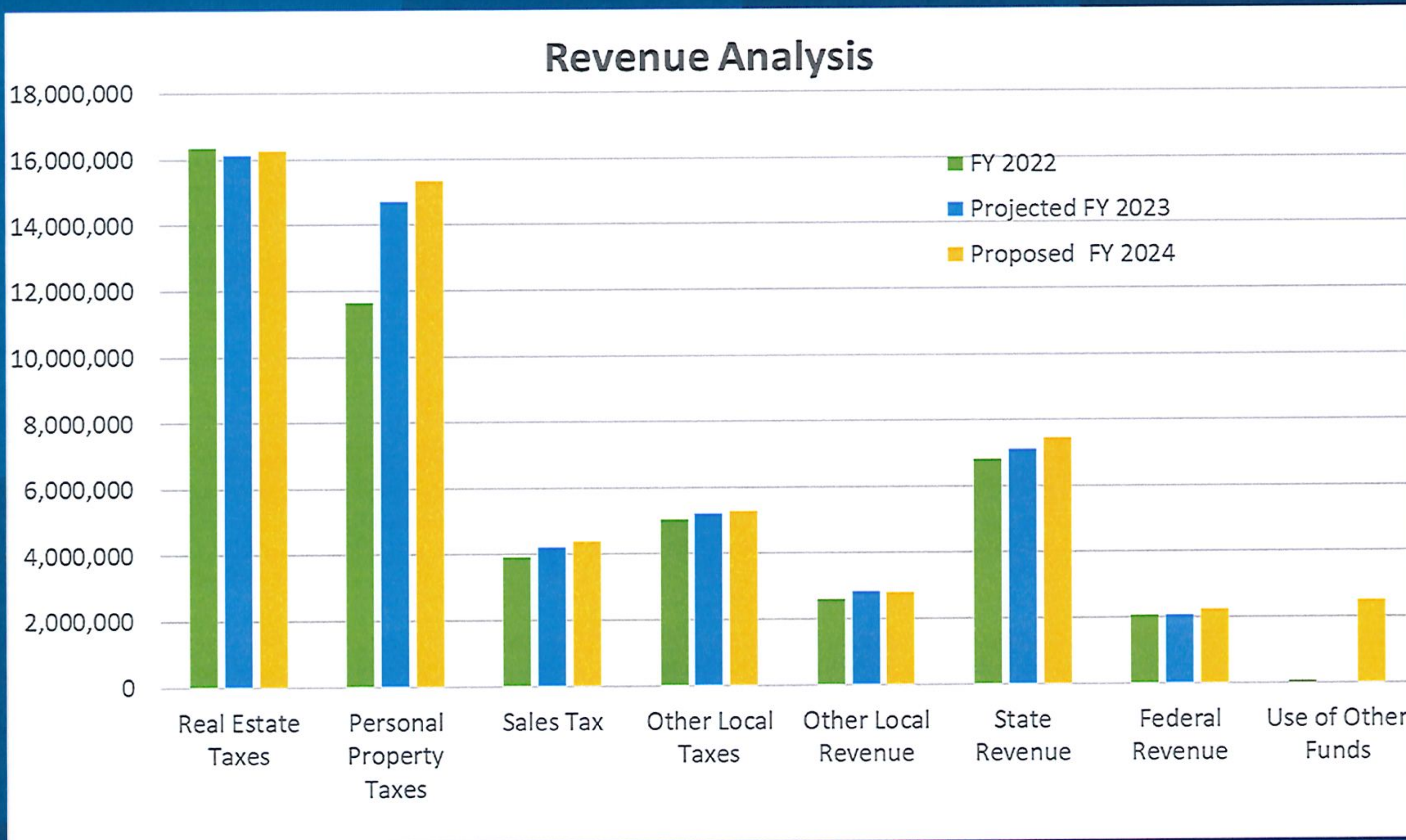
- Personal Property Tax revenue growth of 3%
  - Used vehicle values are still somewhat inflated
  - Due to inflated values, an 80% ratio for the values is proposed
  - It is anticipated that values will reach a new normal in 2024.
  - Rates should be evaluated in the next budget cycle.

# FY 2024 Revenues

| | |
|---|---|
| Real & Property Taxes | $ 31,573,800 |
| Other Tax Revenue | 9,642,400 |
| Permits, Fees & Charges for Service | 1,943,300 |
| State Revenue | 7,428,750 |
| Federal Revenue | 2,239,000 |
| Other Revenue | 1,400,035 |
| Use of Fund Balance | 1,930,353 |
| | $ 56,157,638 |

# FY 2024 Revenues




Revenue Analysis
18,000,000
16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
FY 2022
Projected FY 2023
Proposed FY 2024
Real Estate Taxes
Personal Property Taxes
Sales Tax
Other Local Taxes
Other Local Revenue
State Revenue
Federal Revenue
Use of Other Funds

# Personal Property Tax Rebate

**FY 2023**

- 20% tax reduction
- 1% = $118,391 of tax revenue
- $2,367,820 returned to citizens
- Only for vehicles and motorcycles

**FY 2024**

- 3% growth
- 20% reduction in values
- Each 1% of additional tax rebate = $137,413
- $2,748,260 would be returned to citizens
- Only for vehicles and motorcycles

# Budget Challenges for FY 2024

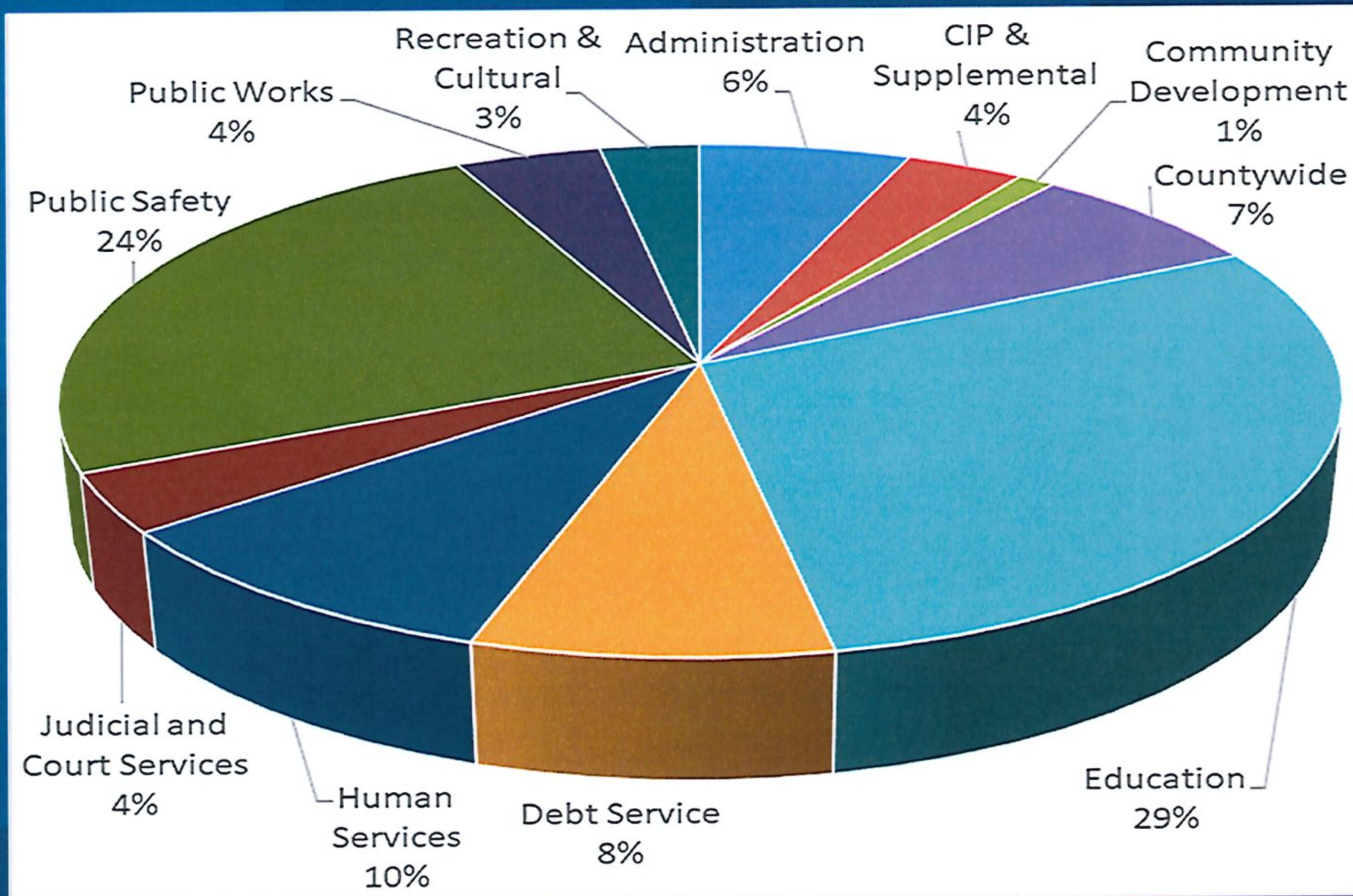
- Include a Market Study adjustment for staff based on changing to a 40 hour work week
- Include a 7% COLA for staff to match state supported positions
- Include an 18% increase to school support
- Not raise any taxes
- Increase in costs anticipated after a 7% increase in CPI(consumer price index Dec. 2022)

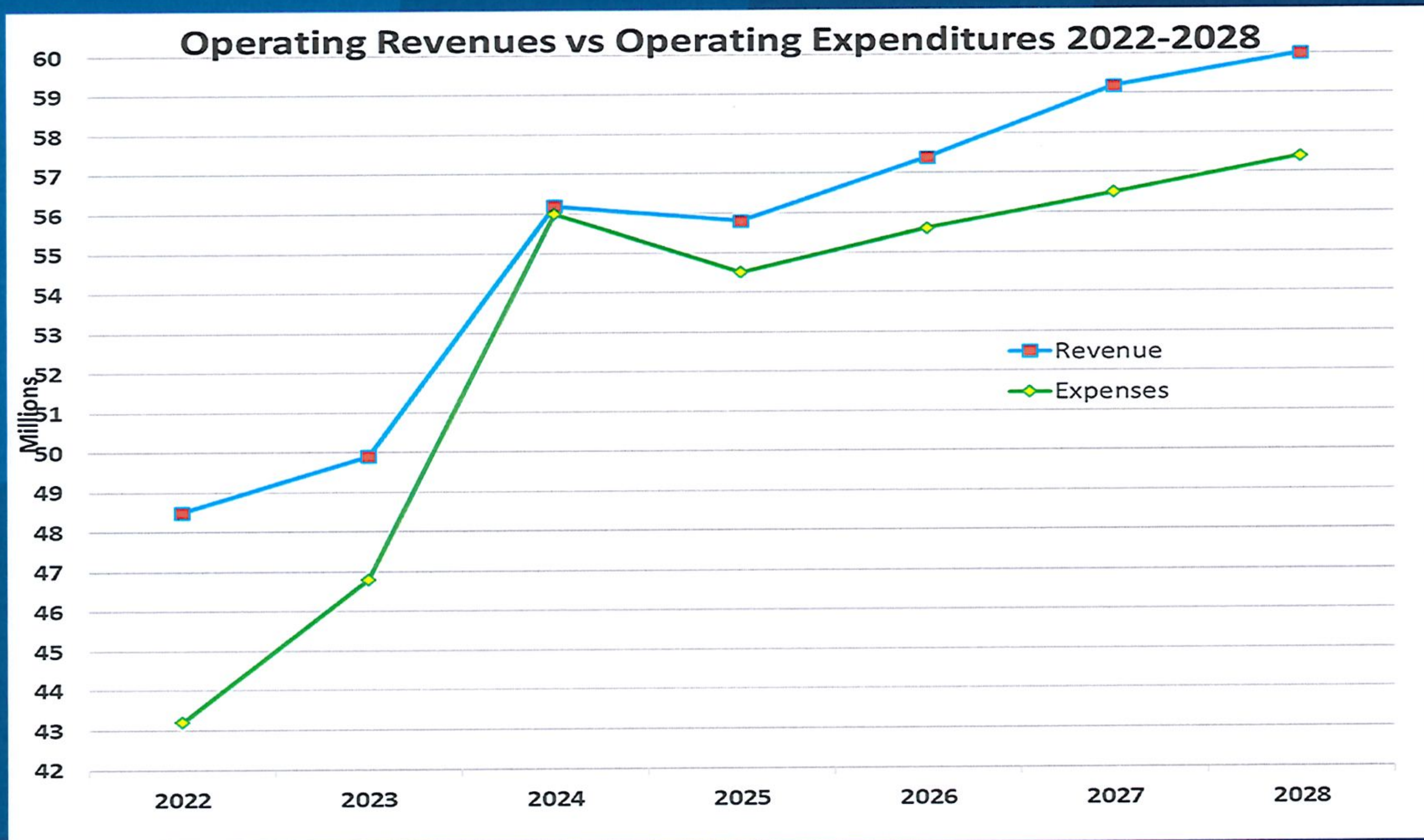
https://www.bls.gov/regions/southeast/news-release/consumerpriceindex_south.htm

# FY 2024 O&M Budget

| | | | |
|---|---|---|---|
| Revenues | | Expenses | |
| Real & Property Taxes | $ 31,573,800 | Administration | $ 3,422,492 |
| Other Tax Revenue | 9,642,400 | CIP & Supplemental | 1,930,353 |
| Permits, Fees & Charges for Service | 1,943,300 | Community Development | 602,266 |
| State Revenue | 7,428,750 | Countywide | 3,957,786 |
| Federal Revenue | 2,239,000 | Education | 16,457,335 |
| Other Revenue | 1,400,035 | Debt Service | 4,457,889 |
| Use of Fund Balance | 1,930,353 | Human Services | 5,423,992 |
| | $ 56,157,638 | Judicial and Court Services | 2,096,049 |
| | | Public Safety | 13,686,993 |
| | | Public Works | 2,348,873 |
| | | Recreation & Cultural | 1,608,071 |
| | | | $ 55,992,099 |
| | | | |
| | | Excess/Deficit | $ 165,539 |

# FY 2024 Expenses




Operating Revenues vs Operating Expenditures 2022-2028
Millions
60
59
58
57
56
55
54
53
52
51
50
49
48
47
46
45
44
43
42
2022
2023
2024
2025
2026
2027
2028
Revenue
Expenses

# Significant Items in Operating Budget

| | |
|---|---|
| Jail & Juvenile Detention Increase | $250,000 |
| Fuel Inflation | $250,000 |
| Health Insurance Increase | $350,000 |
| Market Study Implementation | $924,000 |
| 7% COLA | $1,172,058 |
| Education Support Increase | $2,500,000 |

# Why the Market Increase & COLA

## FY 2022

4% COLA & 5% Comp Board

CPI 1.4%

Prior to market study

## FY 2023

6.5% COLA

CPI 7.0% & 6.5% Health Ins Increase

## FY 2024

7.0% COLA

CPI 7.0% & 17% Health Ins. Increase

https://www.bls.gov/regions/southeast/news-release/consumerpriceindex_south.htm

# Other Considerations

- 2022 had a 17% employee turnover rate(anything over 15% is considered high)
- Based on Virginia Employment Commission information Amherst County unemployment is at almost pre-pandemic levels at 3.7%
- Low unemployment will make it difficult to recruit
- Institutional knowledge of staff will be lost
- Inflation is slowing but still exists
- Need to stay market competitive
- Minimum wage increased to $12/hour in Virginia (creates compression and some equity issues)

# Budget Conclusions

## Schools
Fully funds their request.

## Citizens
Reduced Vehicle values by 80% to not overtax

## Employees
Brings staff to market and implements COLA

## Public Safety
Medic unit funded annually now

SRO match for 6 additional positions

## Recreation
Increases funding for current and new programming

## Savings
Provides close to $200K for savings or unexpected needs

# County Administrator Recommendation

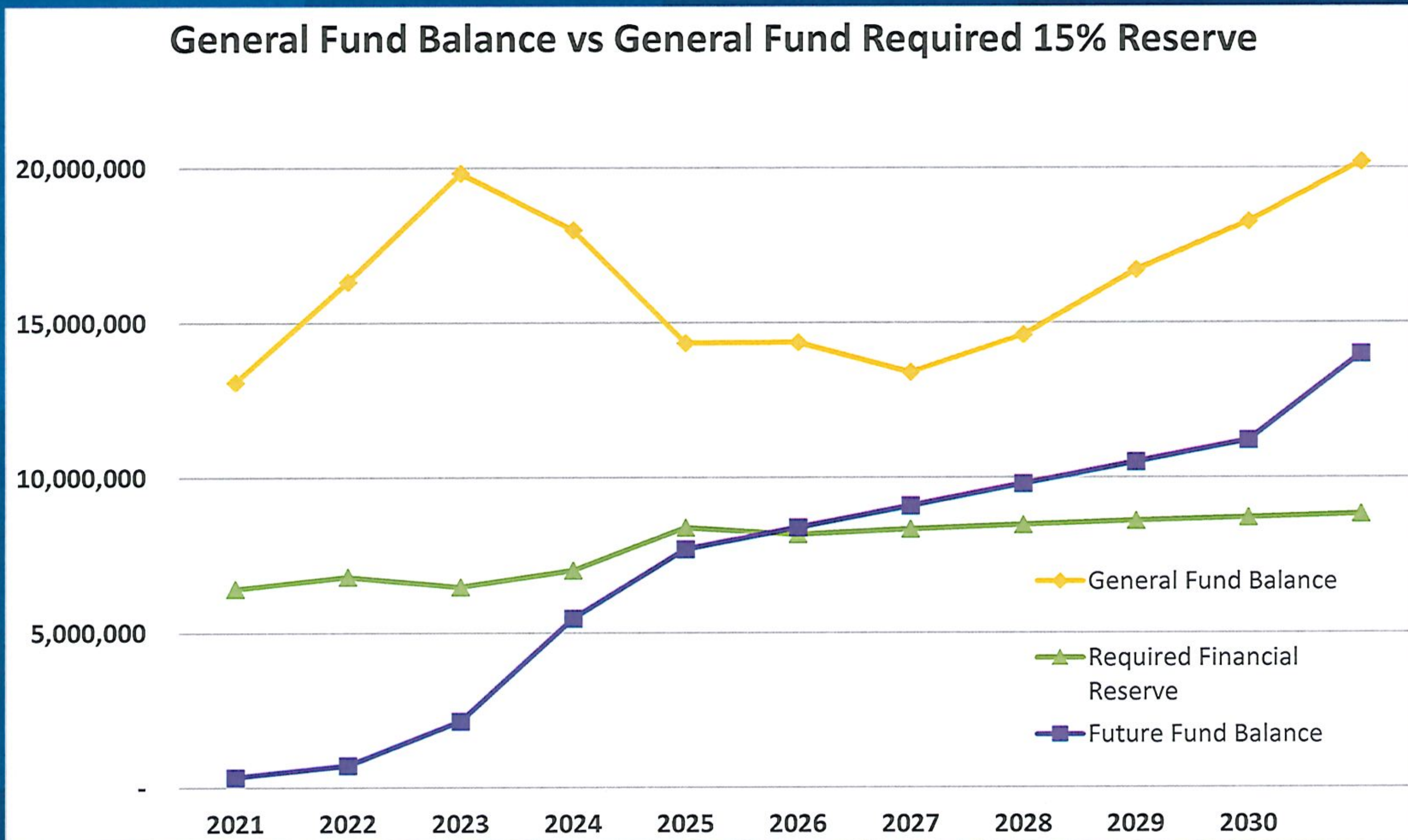
- Include a Market Study adjustment for staff based on changing to a 40 hour work week
- Include a 7% COLA for staff to match state supported positions
- Include an 18% increase to school support ($2.5M)
- No increase to any taxes
- 20% reduction to vehicle values for personal property
- Adding the funding for a medic unit to the annual operating budget
- Funding all one-time CIP and Supplemental projects

# Next Meeting/Next Steps

- Finalize reoccurring Supplemental projects
- Any open questions

- School budget presentation March 21, 2023
- Finalize the budget by March 28, 2023

# Questions?


General Fund Balance vs General Fund Required 15% Reserve
20,000,000
15,000,000
10,000,000
5,000,000
-
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
General Fund Balance
Required Financial Reserve
Future Fund Balance

# Appendix A – CIP FY 2024 Projects

| | | FY 23-24 |
|---|---|---|
| ADA Sidewalk Coolwell | $ | 50,000 |
| Master Plan- Parks & Recreation | $ | 150,000 |
| 1-ton Truck | $ | 105,000 |
| PS Director Truck - 800 | $ | 93,750 |
| Water Truck | $ | 125,000 |
| Trackhoe | $ | 300,000 |
| Coolwell Basketball Court | $ | 62,000 |
| Access Road Coolwell | $ | 115,000 |
| Monroe Parking Lot Expansion | $ | 77,000 |
| Paving Warrick Barn | $ | 84,000 |
| Ballfield Machine | $ | 63,000 |
| Paving 60 East | $ | 107,000 |
| Boom Axe | $ | 105,000 |
| Riveredge Park Phase 3B | $ | 1,000,000 |
| Sheriff Command Center | $ | 150,000 |
| Museum Hamble Center | $ | 55,000 |

| **Funding Sources** | | FY 23-24 |
|---|---|---|
| Grant /Financing | $ | 950,000 |
| ARPA funding | | |
| Recurring funds needed | $ | - |
| Reserves - Parks | $ | - |
| General Fund Unassigned Fund | $ | 1,691,750 |
| **Total Financing** | $ | 2,641,750 |

# Appendix B – Supplemental Projects (one-time)

| | |
|---|---|
| Microsoft Office upgrade to 2021 | $ 33,550 |
| Coolwell Security Camera | $ 20,000 |
| ADA Ramp - Thrashers | $ 20,000 |
| Comm. Dev. - Front Counter Window | $ 4,685 |
| Snow Plow/Salt Spreader | $ 13,000 |
| DSS-Vehicle | $ 12,068 |
| Code Enforcement Drone | $ 18,000 |
| General Dist Office Remodel | $ 32,000 |
| Coolwell Pavilion Electrical Imp. | $ 4,300 |
| Monroe Center Backstop | $ 20,000 |
| Maintenance Boat | $ 35,000 |
| J&D Waiting Area Seating | $ 26,000 |

**Total Funded**
**$238,603**