

VIRGINIA: County of Lee, to-wit:

At the Recessed Meeting of the Lee County Board of Supervisors in the General District Courtroom of the Lee County Courthouse on June 23, 2014 at 6:00 p.m. thereof.

MEMBERS PRESENT: Charles Slemple, Jr., Chairman
Larry Mosley
Tina Rowe

MEMBERS ABSENT: Carl Bailey
Jason Crabtree

OTHERS PRESENT: C.M. Callahan, Jr., County Attorney
Dane Poe, County Administrator

OTHERS ABSENT: Jeny Hughes, Administrative Assistant

MEETING CALLED TO ORDER

The meeting was called to order at 6:10 p.m.

PUBLIC HEARING

PROPOSED BUDGET FOR FISCAL YEAR 2014-15

The Lee County Board of Supervisors held a Public Hearing on the proposed County Budget at 6:00 p.m. on June 23, 2014 in the General District Courtroom of the Lee County Courthouse in Jonesville, Virginia. Any citizen of the County is welcome to attend and state their views on this proposed budget.

This summary is prepared and published for information and fiscal planning purposes only. Please be aware that inclusion in the Budget of any item does not constitute an obligation or commitment on the part of the Board of Supervisors of Lee County to appropriate any funds for the item or purpose. A Budget for the Fiscal Year commencing July 1, 2014 will be adopted by the Lee County Board of Supervisors no later than June 30, 2014.

GENERAL COUNTY FUND
ESTIMATED EXPENDITURE

**GENERAL GOVERNMENTAL
ADMINISTRATION:**

Legislative	126,147
Water & Sewer-Prison	1,413,712
General/Financial Administration	288,612
Legal Services	33,725
Auditing	64,500
Commissioner of the Revenue	334,550
Property Reassessment	200,000
Treasurer	263,750
Board of Elections	176,360
Central Garage	135,538

JUDICIAL ADMINISTRATION:

Courts	664,143
Commonwealth's Attorney	443,236

PUBLIC SAFETY:

Law Enforcement and Traffic Control	4,011,900
Fire and Rescue Services	338,893

Enhanced 911	411,266
Inspections	87,655
Other Protections	214,130
Roads	500
HEALTH AND WELFARE	375,499
EDUCATION-MTN. EMPIRE COMM. COLLEGE	18,530
PARKS, RECREATION, AND TOURISM	106,140
LIBRARY	210,978
COMMUNITY DEVELOPMENT AND PLANNING	245,955
EXTENSION OFFICE	55,801
MAINTENANCE OF BUILDINGS	267,931
DANIEL BOONE SOIL & WATER/RC&D PROGRAM	23,500
MISCELLANEOUS AND CONTINGENCY	20,000
SUBTOTAL, GENERAL COUNTY FUND EXPENDITURE	10,532,951
CAPITAL PROJECTS	1,601,864
SOLID WASTE MANAGEMENT	1,395,065
TRANSFERS:	
Debt Service	197,875
Local Share - School Fund	5,023,600
Local Share - Public Assistance/Social Services	1,061,545
GRAND TOTAL GENERAL COUNTY FUND	19,812,900
PUBLIC SERVICES:	
Estimated Social Services Expenditures- State Share	6,205,658
Estimated Headstart Expenditures - Federal	1,283,218
Estimated School Expenditures-Federal, State, & Other	34,268,436
GRAND TOTAL ALL FUND EXPENDITURES	61,570,212
<u>GENERAL COUNTY FUND SOURCE OF REVENUE</u>	
REAL PROPERTY TAX:	
Current Real Estate Taxes	5,177,500
Delinquent Real Estate Taxes	212,000
Land Redemption	100,000
Mineral Under Development	10,000
PUBLIC SERVICE CORPORATION	425,000
PERSONAL PROPERTY TAX:	
Current Taxes	1,445,000
Delinquent Taxes	119,000
PPTRA Reimbursement	798,646

MOBILE HOME TAX:	
Current Taxes	74,000
Delinquent Taxes	9,750
MACHINERY AND TOOLS	592,500
MERCHANTS CAPITAL	72,500
BUSINESS PROPERTY	216,000
PENALTY AND INTEREST	267,000
SALES TAX	1,295,000
BANK FRANCHISE	58,000
MOTOR VEHICLE TAX	561,000
TAX ON WILLS	2,500
AMUSEMENT TAX	200
HOTEL/MOTEL TAX	1,800
COAL SEVERANCE TAX	10,000
OIL AND GAS SEVERANCE TAX	8,000
ANIMAL LICENSES	1,500
TRANSFER FEES	700
BUILDING PERMITS	15,000
COURT FINES-LOCAL	3,000
RENT-BUILDING	57,533
INTEREST AND EARNINGS	25,000
COMMONWEALTH'S ATTORNEY FEES	3,000
SHERIFF'S FEES	2,000
COURTHOUSE MAINTENANCE FEES	5,500
COURTHOUSE SECURITY FEES	28,000
SALE OF MAPS, SURVEYS	200
ZONING FEES	4,500
CONTRACTOR'S LICENSE FEES	12,500
WATER & SEWER FEES	1,475,992
MISCELLANEOUS REVENUES	122,875
PAYMENT IN LIEU OF TAXES	172,900
MOBILE HOMES TITLING	78,000
ROLLING STOCK	110,000
RECORDATION FEES	18,000
COMMONWEALTH'S ATTORNEY EXP.	377,306
SHERIFF EXP.	1,402,203
VICTIM/WITNESS ADVOCATE GRANT	49,446
DOMESTIC VIOLENCE GRANT	36,056
SCHOOL RESOURCE OFFICER GRANT	56,250
REGISTRAR EXP.	34,250
COMMISSIONER OF REVENUE EXP.	113,039
TREASURER EXP.	86,709
ELECTORAL BOARD	5,764
CLERK EXPENSES	293,301
UTILITY TAX	452,000
STATE TELECOMMUNICATIONS TAX	430,000
EMERGENCY SERVICES	80,000
CLERK'S FEES	56,000
RENTAL TAX	2,150
OTHER CATEGORICAL AID	10,000
TIPPING FEES	140,000
REIMBURSEMENTS	97,000
TOTAL GENERAL FUND	17,313,070

REVENUE

PUBLIC ASSISTANCE-SOCIAL SERVICES	6,205,658
SCHOOL FUND REVENUES (FEDERAL,STATE,OTHER)	34,268,436
HEADSTART	1,283,218
MISCELLANEOUS PROJECT GRANTS	299,830
RURAL DEVELOPMENT LOAN PROCEEDS	1,300,000
TRANSFER FROM RESERVE	900,000
GRAND TOTAL ALL REVENUES	61,570,212

The Chairman opened the floor for public comment.

Melanie Jorgensen, Lonesome Pine Regional Library, addressed the Board about the cuts being made to the Regional Library. She stated that the Library has had seven years of level funding, which means no raises and increases in many expenses. With level funding the part time workers were going to have to be reduced from 32 hours to 28 hours, and close on Saturday mornings. If the Library has to take a cut of \$11,104, they will have to further cut the part time employees and the hours at the Libraries.

Ruth Gilliam, Lonesome Pine Regional Library, asked if there was any way possible to fund the Library back to level funding to keep the doors open like they are right now.

Ms. Rowe asked if the funding from Lee County stays in Lee County.

Ms. Jorgensen stated that the local boards pay the salaries, the other funding is from the state and that funding is based on the proportion, square footage and population.

Donna Stanley, Planning District One Behavioral Health Services, stated that they provide services to Lee, Wise, Scott and the City of Norton, in conjunction with Frontier Health. She added that they serve approximately 1,500 Lee County residents and provided roughly 49,360 services. She asked the Board to consider continuing level funding this year.

Ms. Rowe asked how the funding is broken down between the Counties.

Ms. Stanley stated that it is based on population, Lee County provides 27%, Scott County provides 26%, Wise County provides 43% and the City of Norton provides 4%.

Mr. Slempp asked if the State funding is based on the Local funding.

Ms. Stanley stated that they do get State funding, but when the State created the Community Services Board in the Code of Virginia it was 90% State dollars 10% Local dollars.

There was no further public comment on this matter.

The Chairman closed the floor for public comment.

Mr. Poe stated that information on the State Budget is very slow coming; the Governor gave a press conference on Friday to give an indication on what his action on the budget was going to be. He did change some of the appropriations but it is not something that will affect the local budget. He stated that he assumes the budget will come through intact; most of the numbers have made it through already. Most of the numbers that are projected will come through; the Comp Board still does not have anything. He added that the School Board is using an enrollment number 30 higher than the state is using to project their estimates. He expects the funding for the School Board to come down somewhere between \$30,000 to \$32,000. He is hopeful that the State will have a finalized budget by Wednesday, then the School Board would be able to give a final number. If the proposed cuts are reflected in the budget with the additional savings from the School Board it would bring the deficit down to about \$785,000 to come out of reserves.

Ms. Rowe asked when it will be known if there is money leftover in the School's budget.

Mr. Poe stated that any unspent money reverts back to the General Fund, but the School Board will be asking for textbook carry over for next year.

Ms. Rowe asked how the budget is looking for the end of the current fiscal year.

Mr. Poe stated on the County's side, expenditures are going to be less than revenues but not enough to absorb the \$700,000 in additional funding provided to the School System.

Mr. Slempp asked if it would cover at least half.

Mr. Poe stated it would be less than half, and asked if there were any issues with the proposed cuts to the upcoming budget.

Ms. Rowe asked about the savings of \$25,000 on the Convenience Centers.

Mr. Poe stated that amount had been added in prior years for development of a new site on Route 606 near the Pocket.

Ms. Rowe asked if there was any way of knowing what the expenditures are without salaries and benefits, and asked if cutting everything 1% except salaries and benefits would work better.

Mr. Poe stated that the line items are cut to pretty much only cover what is needed. It is almost impossible to work a budget cut like that in this locality.

Ms. Rowe stated that the 5% cuts to the outside agencies are out of their whole budget, and that includes salaries.

Mr. Poe stated that he has never proposed cuts to these agencies before. He stated that the Health Department contacted him and stated they could not say if this was going to affect them since there is no State Budget. The other agencies that were cut were Behavioral Health, the Library, Mountain Empire Older Citizens and Mountain Empire Community College.

Ms. Rowe stated the total from all of those is just a little over \$30,000, and asked if there was some way to find that.

Mr. Poe stated that the reduction in School funding is about what the cut to these five agencies will be, it is just a matter of wanting to reduce the proposed transfer from reserves in that amount or if wanting to keep those agencies whole and take the full hit to reserve. That number can increase or decrease during the course of the year.

Mr. Mosley asked if there could be a supplemental appropriation at a later date and still get the State money now.

Mr. Poe stated that the State could come back and ask if Lee County cut every agency and their entire budget by 5% like they did the Library.

Mr. Mosley stated it is bad enough to take the \$11,000 away, but losing the state match would be worse.

Ms. Jorgensen stated that the Director is writing a waiver letter, and because of that, there is a possibility that the State would say Lee County found some extra money and it would be okay, because the Library is going to be on waiver anyway.

Mr. Mosley stated he would like leave that funding in the budget.

Ms. Rowe agreed with Mr. Mosley and asked that the Administrator look into finding the funds to leave the 5% the other agencies were cut as well.

It was moved by Mr. Mosley, seconded by Mr. Slempp, to recess to Monday June 30, 2014 at 5:00 p.m. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Mosley, Ms. Rowe, Mr. Slempp