

**HALIFAX COUNTY BOARD OF SUPERVISORS
BUDGET WORK SESSION
County Administration Building
Board of Supervisors Meeting Room
1050 Mary Bethune Street
Halifax, Virginia
March 6, 2023 / 3:30 PM**

CALL TO ORDER

Chairman Short called the meeting to order at 3:30 p.m.

ATTENDANCE

Board members attending were: Vice Chairman G. Ricketts, Supervisor L. Roller, Supervisor D. Throckmorton, Supervisor H. Pannell (arrived at 3:55 p.m.), Supervisor S. Brandon (arrived at 3:34 p.m.), and Mr. W. Smith, Tiebreaker.

Board members absent were: Supervisor R. Duffey, and Supervisor W.B. Claiborne.

Staff members attending were: Scott Simpson, County Administrator; Stephanie Jackson, Director of Finance; Otis Vaughan, Director of Buildings & Grounds; Olivia Epps, Strategic Programs Coordinator; and Charlene Hendricks, Executive Administrative Assistant.

News reporters attending: Miranda Baines, The Gazette Virginian.

Review of the FY2024 Staff Recommended Budget

Mrs. Jackson presented the County staff recommended budget to the Board members. She discussed the Supplemental Information on page 1 and stated 1 penny on Real Estate tax generates \$404,500, 1 penny on Personal Property generates \$36,000, and 1 penny on Machinery and Tools generates \$14,500. It was noted there is a \$75 Solid Waste Disposal Fee. She discussed other tax rates, which are at the maximum as allowed by State Code, and the comparison list of locality tax rates. The County is below the average Real Estate rate compared to neighboring localities, close to the average for Personal Property, and below the average for Machinery and Tools.

The FY2024 Budget Priorities are listed on page 2, the Table of Contents is listed on page 3, the General Fund Directory is page 4 and alphabetized with the page numbers for the appropriate departments. Mrs. Jackson said the County Administrator's Budget Letter highlights the significant funding arrangements which were funded and not funded throughout the budget cycle. There is also a Summary Sheet for the recommendation from County staff, including the total revenue and expenses, which are balanced at \$244,674,092.

Mrs. Jackson discussed the significant increases and changes for the General Funds as follows:

- Current Taxes for Personal Property – Last year due to the pandemic and lack of available new vehicles, there was an increase in used vehicle prices. Mrs. Jackson said Board members agreed

to fund additional Personal Property Tax Relief to help our citizens; however, based on the current amounts billed in the current year, there is approximately \$8.5 million in Personal Property revenue for next year, and it is anticipated that number will trend to approximately \$8.2 million. The numbers will continue to be monitored as the Commissioner works through the Personal Property book.

- Delinquent Personal Property Taxes – The Treasurer is using various new methods of collection resulting in an increase of \$100,000.
- Penalties and Interest – There is an increase of \$100,000 due to the new collection methods for delinquent taxes. The Treasurer is having at least one land sale per year. It was noted a new third party is being used to televise the sales for more exposure.
- Local Sales & Use Taxes – There is an increase of approximately \$450,000 based on the most recent fiscal year and looking at upward trends for what is anticipated for next year.
- Business License Taxes – There is an increase in the amount of \$50,000 due to more business licenses being issued. Mrs. Jackson said part of the increase is due to solar facilities, and the other part is due to businesses' growth and the amount of receipts being claimed on business license tax returns.
- Taxes on Record & Wills – These items are recorded in the Circuit Court Clerk's Office and have been trending upward over the last two years.
- Meals Tax Revenue & Transient Lodging Tax – Mrs. Jackson said both line items are moving in a positive direction and trending upward. She noted some of the increase being seen is due to the Blue Ridge Rock Festival, which was held in September 2023.
- Building Permits (Solar Permit Fees) – There is an upward trend due to solar facility fees and the new construction of homes, modular homes, commercial expansions, and new commercial buildings. Mrs. Jackson said even with inflation higher, interest rates, and the cost of building materials, building permits are being issued.
- Interest on Bank Deposits – There is a placeholder of \$100,000. Mrs. Jackson stated interest rates have increased so there is an increase in the earnings on the interest for monies in the bank.
- Waste Collection/Disposal – There is a slight increase in fees that are paid at the transfer station for people that tip their garbage. There is also an increase in the Solid Waste Disposal Fee of approximately \$25,000 based on actual billing and trends.
- Overpayment and Refunds – These line items have not been budgeted in the past and the delinquent tax sale proceeds are for both items. Mrs. Jackson said since the Treasurer does have these processes in place and she is using them multiple times each year, it is appropriate to include these in the budget.
- Opioid Settlement – There is a reserve placed on the expense side because the funds can only be used for certain purposes.
- Local Sales Tax 1% - Schools – Mrs. Jackson said the funds can only be used for school projects. She explained the transfer process and how it will be used to pay the new debt service on the 2022 VPSA borrowing.
- Reimbursement for SWCD Salaries – SWCD reimburses the County for the actual cost of employee salaries.

- Reimbursement for WW Moore – There is a budgeted number for the reimbursement from the WW Moore Facility. Mrs. Jackson noted per diems are paid yearly and at the end of the year, they look at a true-up of how much is paid versus utilization. For the last three years, reimbursements back to the County have been received. Based on where we are currently, it is anticipated the number will be approximately \$40,000 next year.

Mrs. Jackson noted there is no solid information coming from the State yet in regards to the Comp Board funded departments, so no updates have been completed for estimates of the revenue. They are showing flat in the current year.

- Carryforward for ARPA Funds – There are funds received which will need to be spent in the next fiscal year.
- Library Rental Payments – Mrs. Jackson stated this is a new line item. In the past, the State used to allow the locality to provide an in-kind contribution letter, and the library would get credit in the State formula for the in-kind contributions. The State is no longer allowing in-kind contributions, so the library will remit a monthly rent payment to the County, and then those payments will go back into their regular budget. It was noted a separate line item is required, and the new expense is in the amount of \$108,000. This is to make sure the library doesn't lose any State funding based on locality contributions.

Mrs. Jackson discussed the Board of Supervisors' budget on page 4 and said any proposed increases for Board compensation will become effective in January 2024, so only six months of the expense is needed in next year's budget.

- County Administration – There are a few small reductions.
- County Attorney – There is no change.
- Financial Services – There is no change in County staff recommendations.
- Commissioner of Revenue – There are small reductions in the budget.
- Assessment – Mrs. Jackson stated next year is a reassessment year. The new assessment will be effective on January 1, 2024.
- Treasurer – Reductions have been applied to Postal Services, Travel, and Office Supplies. Mrs. Jackson said the reductions are based on looking at year-to-date actuals.
- Central Accounting – There is a small decrease in the line item for Printing and Binding.
- Electoral Board – Mrs. Jackson stated there is an increase in the line item for Salary/Poll Officials. She noted with the reimbursements received from the State, \$75,000 is a more appropriate amount for that line item; however, she noted until the election occurs and the expense amount is determined, there is no way to know what percentage will be reimbursed. There is a reduction in the amount of \$2,000 for Coding and Ballot Layout.
- Registrar - There is a small reduction of \$2,000 in the line item for Part-time Salaries and Wages, and a small reduction of \$500 noted for the Telephone line item.
- Circuit Court - The Judge requested an increase in the Salary Supplement for the Administrative Assistant who now serves two judges instead of one. There are also increased funds provided for the Telecommunications line item for the additional Judge being housed. There are reductions in the line items for Travel and Books and Subscriptions.

- General District Court – No funding is being provided for the Furniture and Fixtures request. Mrs. Jackson said those items can be covered with the remaining funds from the Courthouse budget. Also, there are no funds included in the Local Salary Supplement line item.
- Magistrate – There is no change.
- Juvenile & Domestic Relations Court – There was a request for additional funds to purchase a shredder, and it was noted funds are available from the remaining budget for the Courthouse project.
- Clerk of Circuit Court – There is no change.
- Courtroom Security – There is no change.
- Commonwealth Attorney – There are small reductions in the Travel and Software Purchase/Maintenance line items. The reduction in the Software Purchase/Maintenance line item is due to the number of licenses which are required for next year.
- Drug Prosecution – There is a small reduction in the Lease/Rent of Copiers line item, which is based on actual expenditures.
- Sheriff – There is \$20,000 provided for Part-time Salaries and Wages based on what the prior two year's actuals are and what is currently trending. There is a reduction in the amount of \$2,000 for the Telephone line item. Mrs. Jackson discussed the motor vehicle insurance and noted the line item is based on the current actual vehicles and what the anticipated cost is for next year. The Police Equipment line item was reduced by \$10,000 based on actuals and needs for next year.

The Vehicle Expense line item increased in the amount of \$10,000, and Mrs. Jackson commented the Sheriff's Department and Public Works are impacted the most by the change in the cost of fuel. She stated \$15,000 is being provided for In-Car and Body Cameras because after speaking with the Sheriff and looking at the current budget year, some of those expenses can be afforded in the current year. There are no additional funds being included for compensation for the Sheriff's Deputies because the County is in the process of conducting a compensation survey and any discrepancies will come from the survey results.

Supervisor Throckmorton asked if there are any grants available now through the Department of Criminal Justice Services for police equipment. He asked if the Sheriff's Department uses that type of funding. Mrs. Jackson verified the Sheriff's Department can receive those grants when they qualify and explained the process in detail.

- Volunteer Fire Department – Mrs. Jackson stated there is a new request in the amount of \$50,000 for Fire Training Grounds Repairs/Maintenance. She said the amount of \$25,000 is more appropriate for the first year in order to determine how successful participation will be for the program, which will include testing hoses, ladders, firetrucks, air packs, and other apparatus. Feedback will be needed from the Emergency Services Coordinator as to how successful the program is and the number of departments served.
- Ambulance & Rescue Services – Funding is being provided at the request of the Rescue Squad. Mrs. Jackson discussed the line item for contribution to Other Rescue and said there was a request in the amount of \$20,000 for Cluster Springs EMS, which is not being included in the line item because verification is needed on several things which need to be done prior to them receiving County funding. There was an increase in funding to Turbeville and North Halifax by the same percentage as the Rescue Squad.
- Forestry - There is no change.

- Corrections – An updated number has been received from the Regional Jail Authority for the per diems. There is a slight increase of approximately \$12,000 in the department's request.
- Building Inspections – There is a slight increase in the line item for Worker's Compensation based on actuals for the current year. All other items are funded for next year. Mrs. Jackson commented next year is a code change year, so there will be some additional training and books, and other supplementary materials that will need to be purchased.
- Animal Control – Funds are not being provided for an additional full-time shelter employee. An additional \$6,000 is being provided for a part-time employee for a total budget of \$15,000. Funds are also being provided for Body Worn Cameras.
- Medical Examiners – There is no change.
- Emergency Services – There is a line item for Special Ops/Cert. A request was made to purchase tires that need to be replaced on several trailers. Mrs. Jackson noted funds are available in the current year for the purchase of those tires. The line item for ID System (Bridgeway Solutions) is a recurring cost of \$1,500 per year; however, this year the cost increased to approximately \$2,700. A new system was acquired with no recurring usage fees. The purchase was made in the current year's budget.
- Public Works – Level funding was provided for most items. There is a separate line item for Part-time Salaries for 1 Compaction Site. There was an increase for Vehicle Expenses due to the cost of fuel.
- Buildings and Grounds – Additional funding is being provided for Part-time Salaries and Wages due to the increase in the minimum wage, which went into effect on January 1, 2023. There is also an increase to the line item for Electricity based on the year-to-date actuals and where all of the buildings are currently trending. There are additional funds being provided in the Equipment line item for the request to purchase a mower.
- Health Department – There is no change.
- Community Services Board – Mrs. Jackson said an increase in the amount of \$10,000 has been made each year over the last several years in an effort to close the gap.
- Area Agency on Aging – There is a request in the amount of \$10,000 being provided.
- Community Colleges – The requests from Danville Community College, Southside Community College, and SVHEC are being provided.
- Recreation – There is a request for the purchase of a mower and after looking at State Contract and speaking with the Director about the specifications, the amount of \$22,000 is more appropriate.
- Library – Mrs. Jackson said the \$108,000 matches the revenue previously discussed on page 3. She noted the County provided half of the increase that the library requested.
- Planning & Zoning – There is an increase to Board Compensation, which is effective January 1, 2024, so only half of the original amount requested is needed. Mrs. Jackson noted the same thing applies to the Board of Zoning Appeals because of the effective date.
- Industrial Development Authority – Mrs. Jackson said their request is provided in full.
- Community Action – There is a request in the amount of \$15,000 for a food pantry. This request qualifies for ARPA funding, and it is noted in the letter from the County Administrator.

- Tourism – Level funding is being provided with no increase to the Halifax/South Boston Museum.
- Southside Planning District Commission – There is no change.
- Agriculture Development – There is no change.
- Soil & Water Conservation – Mrs. Jackson previously discussed under Revenues that the County is reimbursed for Salaries & Wages.
- Cooperative Extension – Mrs. Jackson noted the formula is based on the position and the match percentage required.
- General Funds Transfer Out – Mrs. Jackson said each individual fund will be addressed.
- Non-Departmental – The amount of \$1,000 is being provided for Unemployment Claims.
- Fairgrounds – There is no change.
- Debt Service – There are various debts paid by the County including principal and interest for each year. Mrs. Jackson discussed the line item for Reserved for Future Debt Service and said the Board of Supervisors adopted a financial policy agreeing to fund the Debt Service level even when those debt obligations dropped off. Those funds go into a Debt Service Reserve Account that can be used for future debt service and future projects as the County deems appropriate. All of the other amounts in this department are driven by Debt Service and Loan Agreements for those borrowings.
- Health Insurance – There is an increase of 10 percent. Mrs. Jackson stated a proposed Resolution is being presented to the Board of Supervisors as a recommendation from the Finance Committee. She noted County employees have not had an increase for the employee portion of health insurance in four years. Due to the 10 percent increase, employees will pay an additional \$11 per month pre-tax which results in a total of less than \$100 per year after the pre-tax implications.
- Insurance – Property /Other - Mrs. Jackson stated the County has also received an increase for Property Insurance but noted the renewal has not been received yet. There is a placeholder in case there are unanticipated increases.
- Reserve for Fuel Costs – There is a reserve in the amount of \$12,378 for increased fuel costs.
- Salary Increase – There is a recommendation for a 7 percent salary increase for all County employees.
- Compensation Study Results – There is \$100,000 being provided for the results from the Compensation Study, which the Board of Supervisors authorized.
- ARPA/Covid-19 Expense – There is a \$6 million expense, which matches the revenue within the revenue section.
- Reserved for Opioid Expense – There is a reserve for the Opioid Expense, which matches the revenue section.

Mrs. Jackson said these expenses round out the General Fund. She asked the Board members if they had any questions before moving forward. Hearing none, she continued as follows:

- Social Services – County staff recommendation agrees with the department’s request. She noted the transfer is broken down into 2 different line items and said part of it is a CSA match, and the other part is for General Funds.
- 911 Fund – Mrs. Jackson said the County will receive Rental Revenue and 911 Wireless Revenue from the State. She stated funds from a grant will go away next year as soon as all of the equipment is put in. There is a transfer from the General Fund. She explained this is the money that the General Fund puts into the 911 Fund along with the Debt Service Reserve line item to support operations. The transfer which goes from the Debt Reserves pays Debt Service on the new communication system the Board members approved about 5 years ago. The Debt Service will be paid off in FY2025.

Mrs. Jackson said there is a contribution from the Town of South Boston. The Town of South Boston transfers its Communication Tax to support the center. There total for the 911 Fund is \$1,514,369. She noted expenses are slightly less than the current year, so there are no items to be noted in their Operational Expenditure line items.

- Grant Fund – There is one new line item being included in the County staff recommendation, which is a supplement for the Crime Victims Grant. Their grant received a notice stating 10 percent of its funding is going to be reduced. The amount totaled \$6,922, which is being funded by the County, so the grant program can continue to operate as it has in the past.

Mrs. Jackson said the other line items are self-sufficient because they don’t receive any matched monies from the County with the exception of the Commission for the Arts grant. The County receives \$4,500 from the State, and a local match is required in order to receive the grant.

- Local Drug Court – The match from the General Fund is in the amount of \$31,300. Mrs. Jackson said this is also a match, which is required by the grant in order to receive the grant funds for the program.
- Improvement Council – This grant is funded 100 percent by its own grant.
- Victim Witness Program – The County is providing additional subsidy, so the program can continue to operate as it has in the past.
- Commission of Arts – Mrs. Jackson said this is the \$4,500 matched by the County to provide \$5,000 each to the Little Theater Program and The Prizery.
- Community Corrections – This grant is funded 100 percent by its own grant.
- Drug Court – Mrs. Jackson stated a portion of the County match funds in the amount of \$31,300 is allocated here.
- Supreme Court - The County did not receive the Supreme Court Drug grant this year, so there are no expenditures listed.
- Tobacco Commission Grant Expense – It is anticipated the County will receive approximately \$1 million in Tobacco Commission grants.
- VATI Broadband Grant Expenses – It is anticipated the County will receive additional grants that will need to be expended in the next fiscal year.

Mrs. Jackson asked if the Board members had any questions on the Grant Funds. Hearing none, she moved forwarded as follows:

- Airport Fund – This fund is self-sufficient. Mrs. Jackson stated it generates approximately \$103,600 in revenue, and the expenses equal out to the same amount.
- School Fund – Mrs. Jackson said this is the latest information the School System has provided and noted that currently the transfer from the General Fund is still included at \$16.3 million. She stated there are various numbers from the different versions of the Entitlement Calculator, but for planning purposes, the amount from the Governor’s version of the Entitlement Calculator is being used.
- Capital Fund – The amount included here represents various monies that transfer in. Mrs. Jackson said there is \$600,000 from the General Fund, which represents the 25 cents that the Board raised back in 2018 to support Capital Expenditures. There is the carryover of the debt proceeds for the high school project, and the County staff recommendation to use \$235,000 of the Capital Investment Plan allocation. There is \$200,000 for Broadband System costs, \$103 million for the high school project borrowing, \$225,000 for the Collection Centers, \$250,000 for a Front Loader for the Public Works Department, \$60,000 for a Skid Steer for the Public Works Department, and \$100,000 for the Volunteer Fire Department Capital project.

Mrs. Jackson stated there is no funding provided for the Outdoor Fit Gym at Edmunds Park because there is not enough information available for the project at this time.

- Other Funds – Mrs. Jackson discussed the revenue and expenditures for Courthouse Maintenance Fund and the Law Library Fund and noted those amounts match. The Airport Capital Fund is funded solely by Federal and State grants, and she explained various construction projects are projected for next year. She noted the Heritage Committee Funds are also included.

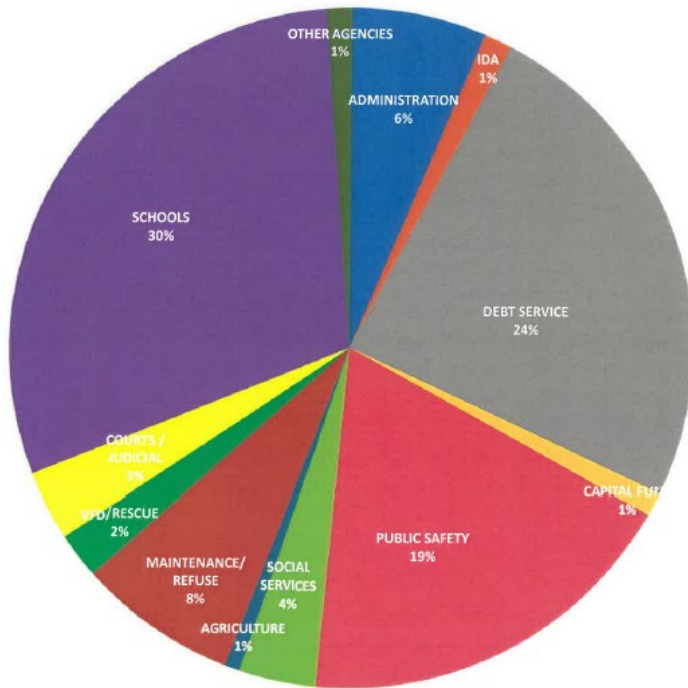
Mrs. Jackson stated these are the details of the County staff’s recommended FY2024 budget. She discussed the Entitlement Calculator and explained the Governor’s proposal from December 2023. She also discussed the House and Senate versions and noted there is also an additional version called Special Session I. There are four versions on the table, which have various amounts of required local funding. The Governor’s proposal is \$16,302,306, the House version is \$16,157,673, the Senate version is \$16,968,436, and the Special Session I version includes \$15,606,525. She said County staff will continue to keep the Board members updated and noted the School System requested Required Local Effort.

Mrs. Jackson discussed the Historical Information and the Governor’s projected numbers for 2024. She said from 2009 to 2024, enrollment dropped by over 1,500 students, which is approximately 26 percent. State funds have increased to about 9 percent, and Required Local Effort has increased to 46 percent during that time frame. She stated Required Local Effort is required. The General Assembly reconvenes in April 2023, and it is anticipated definite information should be available at that time.

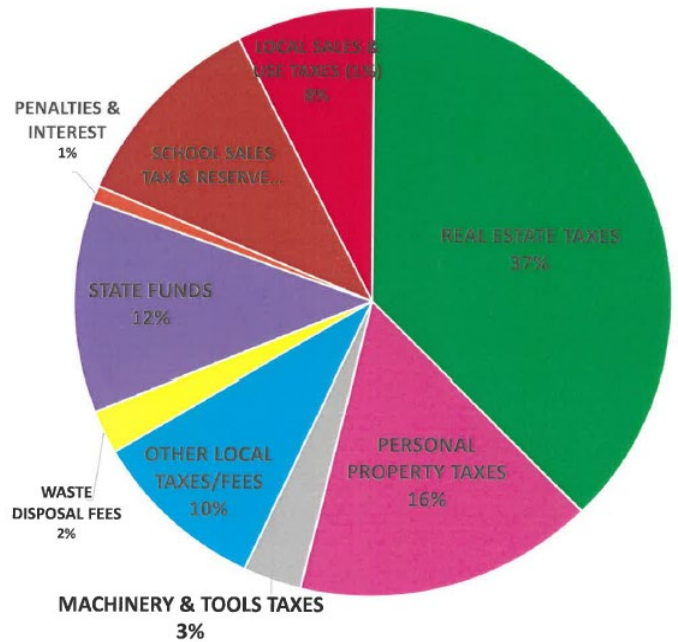
Mrs. Jackson said Tab 4 is a summary of the audited Financial Statements. She stated the General Property Tax revenues have grown by 27 percent and noted there is an increase in Local Revenues. There is almost 70 percent revenue from the State, which is an increase of 11 percent, and Federal Resources have grown exponentially. When looking at the expenditures by Major Government category, General Administration has increased by 25 percent over a 10-year change, Judicial Administration has increased by approximately 36 percent, Public Safety increased by 37 percent, and Public Works increased by 16 percent. Health and Welfare has an increase of 63 percent, Education increased by 1 percent, and Parks and Recreation increased by 5 percent. She noted Community Development went down 31 percent, Debt Service and Non-Departmental are down by 60 percent, and 32 percent for Debt Service. She stated this Debt Service does not include the High School Debt Service, which came online this year.

Mrs. Jackson explained the makeup of General Fund Revenues and stated 37 percent of the total General Fund budget is generated by Real Estate taxes, 16 percent is from Personal Property taxes, 3 percent is generated from Machinery and Tools, 10 percent is generated by Other Local Fees, 2 percent is from Waste Disposal and Collection fees, 12 percent is from the State, and 1 percent in Penalties and Interest. The School Sales Tax is 11 percent, and 8 percent is generated by Local Sales and Use taxes.

GENERAL FUND EXPENDITURES



GENERAL FUND REVENUES



Vice Chairman Ricketts asked if the School Sales Tax is replenished every year, and if it is considered as income. Mrs. Jackson stated it is only going to be an income for the next two years and noted it is being included in the aggregate because it goes into the General Fund this year and provides revenue to offset the Debt Service. He wanted to know if it was not included what would the percentage be for the School Sales Tax. Mrs. Jackson verified it would be approximately 9 percent. She explained the transfer from the Reserve Account will fill the gap for two years until the Debt Service drops off and is paid in full in 2026, and then in 2027, those accounts will supplant what this reserve is currently funding now.

The breakdown of the expenditures is as follows: 30 percent is going to the School System, and it was noted this does not include the School Debt Service, and 1 percent is going to Other Agencies. There is 6 percent for Administration Departments, the IDA is at 1 percent, and Debt Service makes up 24 percent of the General Fund Expenditure Budget. Capital Funds is \$600,000, which is transferred annually, which represents 1 percent, Public Safety is 19 percent, Social Services represents 4 percent, Agriculture is 1 percent, Maintenance and Refuse is 8 percent, Volunteer Fire and Rescue is 2 percent, and Courts and Judicial presents 3 percent.

Supervisor Roller wanted to know how much of the Debt Service goes to the School System and how much of it goes to the County. Mrs. Jackson said the School Debt Service is \$10.5 million, and the County is approximately \$2 million.

Mrs. Jackson discussed Tab 5 and said it provides details of the School Debt Service, which is broken down by the fiscal year and borrowing. She stated it provides details for what drops off each year. The new Debt Service for the High School Project is also listed. It was noted from 2026 and 2027, the Middle School project and two new elementary schools will be completely gone after 2027, and then in 2028, those funds will become available to help cover the High School project.

Mrs. Jackson explained the CIP plan and noted the balance carried forward is listed as the projects have been approved. She said in FY2023, there is Additional Contribution PPT in the amount of \$1 million and explained this

is when the Board of Supervisors voted to transfer \$1 million, which was generated from Personal Property tax, to the Capital Fund. She said looking out over the next 5 years, the projects that the County has been made aware of are included in the appropriate year. Next year, \$100,000 has been included towards the Volunteer Fire Department Capital Needs. She stated County staff has received positive feedback from this funding. The Event Center Sewer is being funded through a Debt Service mechanism should the project move forward. She said the Refuse Truck and Skid Steer are included in County staff's recommendation, but the Outdoor Fit Gym at Edmunds Park is not included. It was noted Broadband and Collection Centers are also supported.

Mrs. Jackson stated the Financial Policy Guidelines are included behind Tab 7 for the Board members to reference. She continued to Tab 8 and said there is an Analysis of Pay Increase on page 1 and noted they are compared to Social Security and COLA each year to see where we are trending based on what is provided. Over a 17-year period, it shows County employees received between 33 to 39 percent. She said if you look at the Social Security and VRS for a 16-year total, it is between 36.7 to 42 percent. If you take out the COLA increase, which is highlighted in yellow, the County provided in 2013 and a 2 percent COLA in 2009, County employees have received an increase between 29 to 35 percent. Included in this year's budget is a 7 percent increase for everyone, and it is basically due to everyone having an increase in the cost of living.

Mrs. Jackson said County staff is not recommending any tiered option this year; however, Compensation Options are included. She noted some of the options cost a little more than what the 7 percent does and some of them are less. She stated those options are being provided in case the Board members want to give other consideration. She said the State and School System is providing a flat percentage increase this year. She asked if there is any feedback from the information being provided.

Vice Chairman Ricketts asked if additions from the results of the Compensation Survey are included. Mrs. Jackson said the Compensation Survey would be after the 7 percent.

Mrs. Jackson referred the Board members to page 1A, which includes additional supplemental information for the Sheriff's Deputies and E911 Dispatchers. The E911 Dispatchers did not submit a request this year but that information is being included to show the starting salary comparison. On average, Dispatcher's starting pay is approximately \$36,000; however, it was noted \$35,000 is the starting pay for Dispatchers in Halifax County. She said the County is more in line than compared to previous years. The Sheriff's Deputies starting salary is \$40,000 and additional funds are provided after successful completion of FTO. After those additional funds are received, the average pay is approximately \$42,000, which is competitive with surrounding localities.

Mrs. Jackson said the Sheriff's Department is the only department that requested Operational Vehicles for FY2024. On page 2, Supplemental Information of Vehicle Age and Mileage is provided. She stated great strides are being made in acquiring a newer fleet and emphasized those vehicles are running throughout the entire County 365 days per year.

Page 3 contains the 2022 Financial Statement Analysis for the Rescue Squad. Mrs. Jackson said it is an informational item for the Board members and stated updates are provided each year.

Mrs. Jackson stated the Board of Supervisors need to confirm the tax rates to be advertised. She noted if there are any items not included in the proposed budget which they would like to see funded, a tax increase would need to be considered. If the Board members are satisfied with the proposed budget, then the tax rate can be advertised level with the current year. She requested feedback from the Board members.

Chairman Short commended Mrs. Jackson and County staff for presenting a balanced budget.

Vice Chairman Ricketts said the unknown will be the School Funding from the State. He asked if a small increase in tax rates is needed to allow for any additional Required Local Match funding. Mrs. Jackson said there is approximately \$3 million in carryforward funds for the schools to allow for those additional funds, if necessary.

Supervisor Roller stated last year Personal Property tax revenue increased due to the cost of vehicles, and the Board members voted to provide relief to the citizens. He said he is still receiving complaints and asked if it is a possibility to provide the same relief again this year. Mrs. Jackson said there are two different processes. The

Board of Supervisors set the tax rate, which has been \$3.85 for \$100 of assessed value, and then in August, the Board will set a Personal Property Tax Relief Rate based on the amount of assessment for qualified vehicles. Citizens receive relief on the first \$20,000 of assessment for personal use only and noted no relief is provided to business vehicles. Last year, the relief provided was approximately 43 percent, which was much higher than in the previous years and typically the percentage is around 20 percent. The thought process was to take an additional \$2 million from tax revenues received, and combining it with the State Tax Relief monies, and then taking the total \$3.5 million allocating that to provide PPTRA for qualifying assessments. The Tax Relief was set in August based on the total qualified assessments provided by the Commissioner of the Revenue.

Supervisor Roller stated if less funding is needed for the Required Local Match with the School System, could some of the funding be allocated to providing relief for the citizens on the Personal Property Tax Rate. He asked if the Tax Rate could be lowered once it is advertised and Mrs. Jackson verified that is correct. Mrs. Jackson stated she does not anticipate there will be a definite answer by the Board of Supervisors Regular Meeting on April 3, 2023. She said if the amount for the School System is less than what is included in the recommendation, the Board members could consider allocating those funds to the Personal Property Tax Relief for the 2023 tax year.

Mrs. Jackson asked if everyone is in agreement with the 7 percent salary increase for County Employees, or if they would like to consider anything different. Vice Chairman Ricketts said it appears to allow for a competitive stance with neighboring localities, and Supervisor Roller concurred.

Supervisor Pannell asked if the Compensation Survey is included in the proposed budget. Mrs. Jackson verified there is a line item in the amount of \$100,000 for the survey. He wanted to know who would receive the \$100,000. Mrs. Jackson verified those funds would go to whoever is recognized in the study as needing any additional compensation to make their salary more of a market rate for the years of service in the position they currently hold. He asked how many County employees will receive a \$7,000 increase due to the Compensation Survey, and Mrs. Jackson verified 3 employees should qualify for the \$7,000 increase. She stated the matter will be discussed during Closed Session at the Regular Board Meeting tonight.

Hearing no additional questions or discussions at 4:48 p.m., Chairman Short called for the meeting to recess until 6:30 p.m.