

INSURANCE/COUNTY CODE

This budget has increased from \$142,355 last year to \$168,300 this year, representing an 18.23% overall increase. Line item changes from last year include:

- 1) LINE 2600 - UNEMPLOYMENT INSURANCE an increase of \$1,300 (27.7%) based upon rising rates and increased claims.
- 2) LINE 2700 - WORKERS' COMPENSATION an increase of \$5,695 (8.6%) based upon rising rates and the addition of part-time refuse site attendants to the workforce (we'd absorbed this previously without the need for an increase).
- 3) LINE 2800 - OPEB LIABILITY a new line established for the 10-year phase-in of funding for "Other Post-Employment Benefits" (OPEB) liability as approved by the Board in August 2008. As you recall, new Government Accounting Standards Board (GASB) Statement 45 requires all government entities that provide retiree medical benefits (in our case, the benefit of blended rates only) must comply with these accounting rules. An increase of \$16,000.
- 4) LINE 5304 - PROPERTY INSURANCE increased \$2,000 (4.9%) based upon projected premium increases.
- 5) LINE 5305 - MOTOR VEHICLE INSURANCE increased \$950 (8.2%) based upon projected premium increases.

Other lines are level-funded.

- B U D G E T -

E X P E N S E

ACCOUNTING PERIOD 2009/02

	----- Prior Years -----			----- Current Year -----		--2009/2010 Budget Year --		
	Expenditure 2005/2006	Expenditure 2006/2007	Expenditure 2007/2008	Adopted Budget	Actual On 2009/02	Department Request	County Admin Recommends	Adopted Budget
012550 * INSURANCE/CO CODE *								
012550-2300 HOSPITAL PLAN	31,032	27,974	29,452		33,974			
012550-2600 UNEMPLOYMENT INSURANCE				4,700		6,000	6,000	
012550-2700 WORKER'S COMPENSATION		84		66,305		72,000	72,000	
012550-2800 OPEB LIABILITY						16,000	16,000	
012550-3170 COUNTY CODE UPDATE	4,657	898	2,799	2,000		2,000	2,000	
012550-5304 PROPERTY INSURANCE	24,297	27,853	43,921	41,000	42,309	43,000	43,000	
012550-5305 MOTOR VEHICLE INSURANCE	10,668	9,748	9,529	11,550	12,219	12,500	12,500	
012550-5308 LIABILITY INSURANCE	16,130	16,373	17,054	16,800	15,963	16,800	16,800	
--TOTAL DEPARTMENT--	<u>86,784</u>	<u>82,930</u>	<u>102,755</u>	<u>142,355</u>	<u>104,465</u>	<u>168,300</u>	<u>168,300</u>	
TOTAL - * INSURANCE/CO CODE *	<u>86,784</u>	<u>82,930</u>	<u>102,755</u>	<u>142,355</u>	<u>104,465</u>	<u>168,300</u>	<u>168,300</u>	
TOTAL FOR FUND	<u>86,784</u>	<u>82,930</u>	<u>102,755</u>	<u>142,355</u>	<u>104,465</u>	<u>168,300</u>	<u>168,300</u>	
FINAL TOTAL	<u>86,784</u>	<u>82,930</u>	<u>102,755</u>	<u>142,355</u>	<u>104,465</u>	<u>168,300</u>	<u>168,300</u>	



COMMONWEALTH OF VIRGINIA
 VIRGINIA EMPLOYMENT COMMISSION
 703 EAST MAIN STREET
 P.O. BOX 1358
 RICHMOND, VIRGINIA 23218

COUNTY OF SOUTHAMPTON
 P. O. BOX 400
 COURTLAND VA 23837

DECEMBER 1, 2008

ACCOUNT # 0001889575

FED ID # 54-6001618

THIS IS NOT A BILL
TAX RATE NOTICE
 FOR CALENDAR YEAR 2009

FISCAL YRS JUL 1 JUN 30	UNEMPLOYMENT BENEFITS PAID	TAXABLE PAYROLL	FUND BALANCE FACTOR 60%				
2004-2005	8,376.00	1,207,924.54	Included in your tax rate: Base Tax Rate .42% Pool Cost Charge .08% Fund Building Charge .00%				
2005-2006	1,304.00	1,194,790.73					
2006-2007	4,099.28	1,483,998.17					
2007-2008	4,161.00	1,525,406.31					
	17,940.28	5,412,119.75	<table border="1"> <tr> <td>BENEFIT RATIO</td> <td>TAX RATE</td> </tr> <tr> <td>0.3</td> <td>.50%</td> </tr> </table>	BENEFIT RATIO	TAX RATE	0.3	.50%
BENEFIT RATIO	TAX RATE						
0.3	.50%						

SEE REVERSE SIDE FOR EXPLANATION OF THIS NOTICE
Taxable wage base is \$8000.00.

Multiply by .0050
 on your Quarterly Tax Report
 Form VEC-FC-20

EMPLOYER'S STATEMENT OF BENEFIT CHARGES & TAXES PAID

ACCOUNT NUMBER	TAXES PAID	BENEFITS PAID	FISCAL YEAR
0001889575	6,073.57	4,161.00	2007-2008

INQUIRIES REGARDING THIS NOTICE MAY BE MADE BY CALLING OR WRITING THE APPROPRIATE OFFICE LISTED BELOW.

Regarding Tax Rate Questions: (804) 786-3066. For written inquiries, use the address shown in the letterhead, ATTN: Employer Accounts Unit.

Regarding Delinquent Tax Rate: (804) 786-3061. For written inquiries, use the address shown in the letterhead, ATTN: Auditing Unit.

Regarding Benefits Paid: (804) 786-6921. For written inquiries, use address P.O. Box 2249, Richmond, Virginia 23218-2249
 ATTN: Benefit Payment/Charge Unit.



VIRGINIA MUNICIPAL GROUP SELF INSURANCE ASSOCIATION

P.O. Box 71420, Richmond, VA, 23255

1-800-963-6800 (Phone); 1-804-968-4662 (Fax); www.vmlins.org

WC ESTIMATED BILLING REPORT

RECEIVED JUN 05 2008

Member Name: Southampton County

Member Address: P.O. Box 400
Courtland, VA 23837

Policy Period: 07/01/2008 to 07/01/2009

Policy Number: P-2008-2009-VMGSIA-0265-1

Classification	Code	Estimated Payroll	Rate 2008	Manual Premium
Waterworks Operation	7520	\$226,117	2.75	\$6,218
Sewage Disposal Plant Operation	7580	\$238,093	2.41	\$5,738
Police Officers & Drivers	7720	\$2,764,442	2.39	\$66,070
Clerical	8810	\$1,583,274	0.16	\$2,533
Attorney	8820	\$382,716	0.11	\$421
Hospital - Veterinary	8831	\$34,859	1.23	\$429
Nursing - Home Health	8835	\$45,269	2.47	\$1,118
Building - Operation by Owner	9015	\$119,815	2.39	\$2,864
Garbage, Ashes or Refuse Collection	9403	\$327,604	5.84	\$19,132
Municiple, Township, NOC	9410	\$187,244	1.57	\$2,940

5,909,433
Total Manual Premium \$107,463

Minimum Premium of \$100 may apply.

Experience Modification 1.03

Estimated Modified Premium \$110,687

Premium Discount \$16,824

1st Dollar Premium \$93,862

Deductible Modifier 0.000

RMMG Credit \$0

Total Estimated Premium \$93,862

* Employers Liability Included \$1,000,000/\$1,000,000/\$1,000,000

Mr. Boomershine introduced himself to the Board. He distributed paper copies of his presentation. He informed that GASB was proposing a new accounting standard that all government entities providing medical benefits to retirees must comply with, effective June 30, 2009. The current accounting standards were "pay-as-you-go", which ignored the cost while the employee rendered service, and recognized the cost only after an employee retired. GASB argued that this delayed recognition shifted the "costs" from one taxpaying generation to another. The new standard would change from "pay-as-you-go" to accrual accounting. He noted that while this was a new standard for government entities, it had been a standard for the private sector for a number of years. With the new standard, you would book actuarial cost as an expense on financial statements. Liability would be accrued on financial statements – actual contributions vs. expense (not actuarial accrued liability). There were several key financial statement components associated with the new standard:

- Annual Required Contribution (annual expense)
- Annual OPEB Cost (annual expense)
- Net OPEB Obligation (balance sheet liability)

Mr. Boomershine explained that Southampton County's cost associated with funding this new standard was estimated at \$160,000 to be phased in \$16,000/year for the next 10 years. The funding would come from the general fund and be set up in a transfer to a trust fund.

Mrs. Julia Williams, Southampton County Finance Director, concurred that the accounting change would be reflected on the financial statements. Southampton County was prepared to phase in the required funding. She was working with Mr. Boomershine to make the transition.

Mr. Boomershine clarified for the Board that the true cost of medical benefits was higher for retirees than active employees. However, the lower premiums paid by retirees were not a reflection of the true higher cost because retirees were blended with active employees in order to keep premiums low. This was considered a benefit or perk for the many years of service a retiree had worked for the government entity.

Supervisor Brown commented that this was really an unfunded mandate.

Mr. Boomershine clarified for Supervisor West that the retiree medical coverage they were speaking of was coverage for retirees under the age of 65 before the retiree was eligible for Medicare.

Mr. Boomershine stated that the County must approve the change no later than June 30, 2009.

The Board did not see any need to wait on approving it.



Vice-Chairman Young moved, seconded by Supervisor West, to authorize the 10-year phase-in of funding for OPEB liability. All were in favor.

Moving forward, Mr. Johnson announced that Mr. Joe Hines of the Timmons Group was here tonight to provide a progress report on master-planning activities associated with development of the Turner Tract Industrial Park. Completion of the Phase 2 cultural resources survey was anticipated later this month. The most substantial finding thus far had been a small unmarked cemetery located approximately 400' south of the existing residence on the site – with minor adjustments to the access road, we would be able to avoid disturbing it. We would, however, want to construct a fence around it to protect it in the future. With approval last month of the Comprehensive Agreement for Courtland wastewater improvements, we would need to discuss the proposed route for the sewer line that would serve the Park. In addition, rather than investing in additional water wells, the possibility of extending water service from the Agribusiness Park to the Turner Tract was being evaluated. If we could negotiate an increase in our permitted withdrawal from DEQ, and resolve the fluoride issue, this would provide a long-term source of water for the entire Courtland Planning area, and eliminate our future reliance on the City of Franklin and/or individual wells. Ultimately, this would depend on our ability to work it into the overall project budget, which was limited by the amount of proceeds from bonds issued in 2006. He noted that he hoped the Board was pleased with the concepts presented. We had worked very closely with the