

At a **budget work session** of the Southampton County Board of Supervisors held in the Board Room of the Southampton County Office Center at 26022 Administration Center Drive, Courtland, Virginia on April 6, 2011 at 6:30 PM.

SUPERVISORS PRESENT

Dallas O. Jones, Chairman (Drewryville)
Walter L. Young, Jr., Vice-Chairman (Franklin)
Walter D. Brown, III (Newsoms)
Carl J. Faison (Boykins-Branchville)
Anita T. Felts (Jerusalem)
Ronald M. West (Berlin-Ivor)
Moses Wyche (Capron)

SUPERVISORS ABSENT

None

OTHERS PRESENT

Michael W. Johnson, County Administrator (Clerk)
Sandi Plyler, Information Technology Manager
Lynette C. Lowe, Finance Director

Chairman Jones called the meeting to order. After the *Pledge of Allegiance*, Supervisor Faison gave the invocation.

Mr. Johnson announced that tonight's first budget workshop would be brief, as was typical. He wanted to share a PowerPoint presentation regarding the FY 2012 draft budget, and discuss some key points. He would then ask that they take the budget book home and review it, and be prepared to come back next Wednesday night and work on it. He noted that this was a first draft and he expected changes to be made. He thanked Mrs. Lynette Lowe, Finance Director, who had worked nights and weekends, and Mrs. Susan Wright, Administrative Secretary, who copied and assembled the budget books.

Mr. Johnson noted that the draft budget was good, not great, but definitely better than last year. We were beginning to see signs of slight economic recovery. General property taxes were coming in 2% to 3% above projections in FY 2011 and the trend was expected to continue in FY 2012. Spending remained down – almost \$4.7 million less than budgeted in FY 2010. Overall, this year's draft budget was \$215,709 less than last year.

Mr. Johnson presented the following PowerPoint presentation:

Presentation of the Fiscal Year 2012 Draft Budget

Wednesday, April 6, 2011

6:30 p.m.

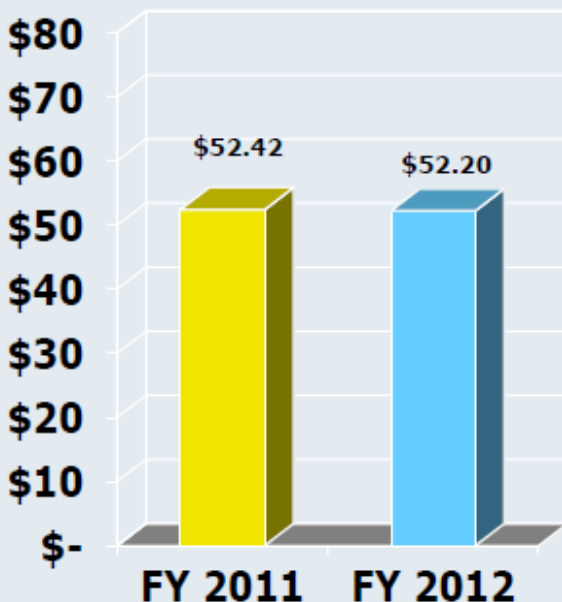


Budget Approval Process

February 1, 2011	Budget request forms issued
February 22, 2011	Budget request forms returned
March 28, 2011	Advance public comment received
April 6, 2011	County Administrator's draft budget presented
April 13, 2011	Budget work session – department presentations
April 20, 2011	Budget work session
April 25, 2011	Regular session (draft budget finalized)
May 16, 2011	Public hearing on proposed budget
May 18, 2011	Budget work session (if necessary)
May 23, 2011	Board adopts FY 2012 budget
May 23, 2011	Board adopts CY 2011 tax rates

Total Budget – All Funds

Millions



FY 2011 \$52,416,658

FY 2012 \$52,200,949

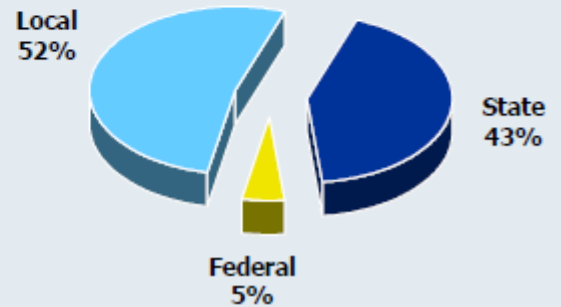
Decrease \$ 215,709

Budgetary Decrease
(0.41%)

Draft Fiscal Year 2012 Budget

Revenue Sources

State	\$22,303,849
Federal	2,423,908
Local	<u>27,473,192</u>
TOTAL	\$52,200,949



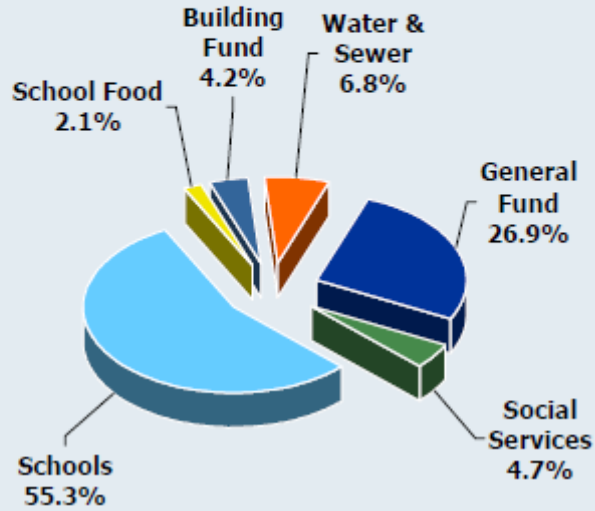
Draft FY 2012 Budget

REVENUES	FY 2011	FY 2012	Variance	Percent Change
General Property Taxes	\$ 17,324,205	\$ 18,435,314	\$ 1,111,109	6.4%
Other Local Taxes	1,552,849	1,594,349	41,500	2.7%
Permits, Fees, Licenses	112,690	105,050	(7,640)	-6.8%
Fines & Forfeitures	560,238	589,000	28,762	5.1%
Interest	45,000	35,000	(10,000)	-22.2%
Charges for Services	413,526	396,664	(16,862)	-4.1%
Miscellaneous Revenue	751,612	752,055	443	0.1%
Transfer - General Fund Reserve	867,861	1,404,394	536,533	61.8%
Transfer - Inmate Enterprise	145,380	160,000	14,620	100.0%
Other County Sources	525,000	403,600	(121,400)	-23.1%
Enterprise Fund	2,818,403	1,952,259	(866,144)	-30.7%
Building Fund	2,020,299	1,645,507	(374,792)	-18.6%
State Revenue	22,952,246	22,303,849	(648,397)	-2.8%
Federal Revenue	2,327,349	2,423,908	96,559	4.1%
	\$ 52,416,658	\$ 52,200,949	\$ (215,709)	-0.4%

Draft Fiscal Year 2012 Budget

Expenditures

General Fund	\$14,024,977
Social Services	2,446,506
Schools	28,892,027
School Food	1,072,600
Building Fund	2,210,971
Water & Sewer	<u>3,553,868</u>
	\$52,200,949



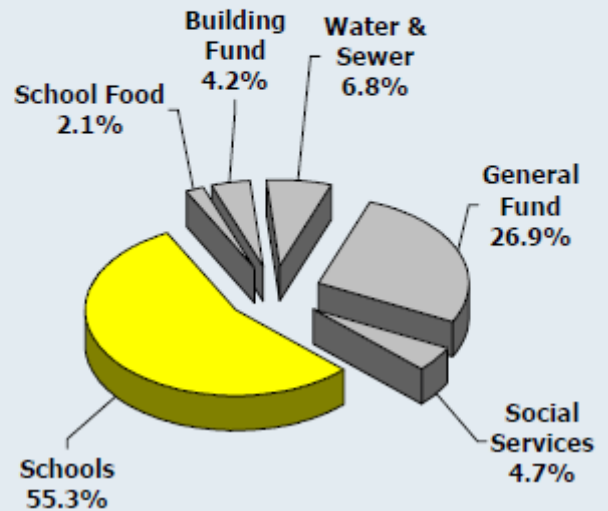
Draft FY 2012 Budget

PROPOSED EXPENDITURES	FY 2011	FY 2012	Variance	Percent Change
General & Financial Administration	\$ 1,982,902	\$ 2,200,344	\$ 217,442	11.0%
Judicial Administration	1,554,580	1,726,487	171,907	11.1%
Public Safety	6,125,271	6,307,286	182,015	3.0%
Public Works	2,669,647	2,578,191	(91,456)	-3.4%
Health and Welfare	504,643	567,631	62,988	12.5%
Parks, Recreation, Culture	296,934	272,836	(24,098)	-8.1%
Community Development	433,464	353,102	(80,362)	-18.5%
Non-Departmental	34,000	19,100	(14,900)	-43.8%
School Fund	29,177,735	28,892,027	(285,708)	-1.0%
School Food	1,093,000	1,072,600	(20,400)	-1.9%
Public Assistance Fund	2,472,840	2,446,506	(26,334)	-1.1%
Building Fund	2,585,763	2,210,971	(374,792)	-14.5%
Enterprise Fund	3,485,879	3,553,868	67,989	2.0%
	<u>\$ 52,416,658</u>	<u>\$ 52,200,949</u>	<u>\$ (215,709)</u>	<u>-0.4%</u>

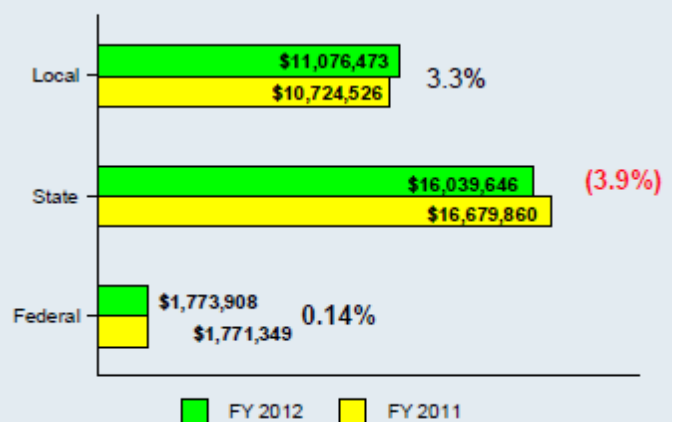
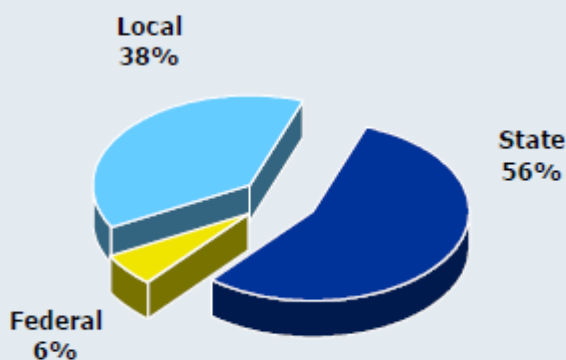
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FY 2012 School Budget Revenue



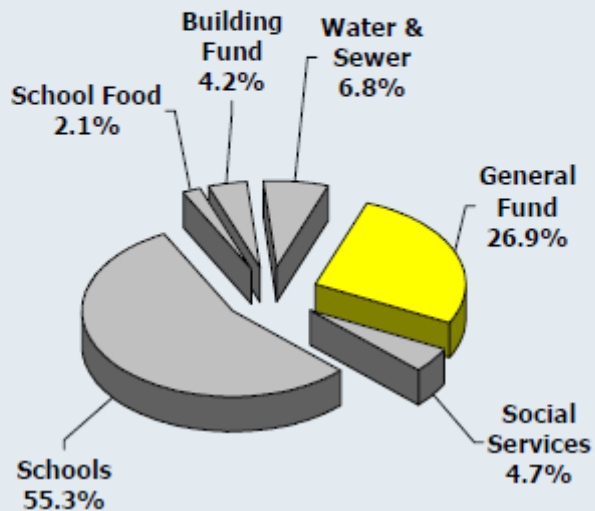
FY 2012 Public Schools Budget

EDUCATION	FY 2011	FY 2012	Variance	Percent Change
Instruction	\$ 15,994,521	\$ 15,950,784	\$ (43,737)	-0.3%
Administration	1,127,693	1,220,657	92,964	8.2%
Pupil Transportation	2,769,046	2,818,191	49,145	1.8%
Operation & Maintenance	3,384,271	3,392,690	8,419	0.2%
School Food (Benefits)	133,888	129,818	(4,070)	-3.0%
Facilities	154,026	154,026	-	0.0%
Debt Service	401,967	409,236	7,269	1.8%
Technology	2,889,828	2,524,381	(365,447)	-12.6%
Textbooks	104,509	78,175	(26,334)	100.0%
State Technology	206,000	206,000	-	0.0%
Other State Programs	252,137	245,661	(6,476)	-2.6%
Federal Programs	1,759,849	1,762,408	2,559	0.1%
	<u>\$ 29,177,735</u>	<u>\$ 28,892,027</u>	<u>\$ (285,708)</u>	<u>-1.0%</u>

Draft Fiscal Year 2012 Budget

Expenditures

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FY 2012 General Fund Budget

GENERAL & FINANCIAL	FY 2011	FY 2012	Variance	Percent Change
Board of Supervisors	\$ 205,636	\$ 188,732	\$ (16,904)	-8.2%
County Administrator	308,486	307,871	(615)	-0.2%
Commissioner of the Revenue	259,968	286,717	26,749	10.3%
Property Assessment	180,000	211,212	31,212	17.3%
Treasurer	271,389	274,817	3,428	1.3%
Delinquent Tax Collection	5,000	5,000	-	0.0%
Accounting	220,007	211,721	(8,286)	-3.8%
Data Processing	208,081	312,012	103,931	49.9%
Insurance/County Code	177,820	227,800	49,980	28.1%
Registrar	146,515	174,462	27,947	19.1%
	<u>\$ 1,982,902</u>	<u>\$ 2,200,344</u>	<u>\$ 217,442</u>	<u>11.0%</u>

FY 2012 General Fund Budget

JUDICIAL	FY 2011	FY 2012	Variance	Percent Change
Circuit Court Judge	64,771	34,890	\$ (29,881)	-46.1%
General District Court	22,166	22,839	673	3.0%
Magistrates	658	908	250	38.0%
Clerk of Circuit Court	467,645	472,498	4,853	1.0%
Sheriff - Bailiff	378,194	388,181	9,987	2.6%
Courthouse Security	70,154	239,975	169,821	242.1%
Commonwealth's Attorney	481,781	497,105	15,324	3.2%
Victim-Witness Program	69,211	70,091	880	1.3%
	<u>\$ 1,554,580</u>	<u>\$ 1,726,487</u>	<u>\$ 171,907</u>	<u>11.1%</u>

FY 2012 General Fund Budget

PUBLIC SAFETY	FY 2011	FY 2012	Variance	Percent Change
Sheriff - Law Enforcement	1,642,095	1,647,790	\$ 5,695	0.3%
Enhanced 911	162,433	163,880	1,447	0.9%
Wireless 911	45,256	46,022	766	1.7%
School Resource Officer	49,656	50,528	872	1.8%
Volunteer Fire Departments	281,790	301,647	19,857	7.0%
Volunteer Rescue Squads	914,799	929,278	14,479	1.6%
State Forestry Service	23,367	21,730	(1,637)	-7.0%
Sheriff - Detention	2,565,629	2,657,239	91,610	3.6%
Probation	104,472	102,701	(1,771)	-1.7%
Inspections	122,253	131,379	9,126	7.5%
Animal Control	99,988	141,519	41,531	41.5%
Medical Examiner	500	500	-	0.0%
Emergency Services	113,033	113,073	40	0.0%
	<u>\$ 6,125,271</u>	<u>\$ 6,307,286</u>	<u>\$ 182,015</u>	<u>3.0%</u>

FY 2012 General Fund Budget

PUBLIC WORKS	FY 2011	FY 2012	Variance	Percent Change
Streetlights	\$ 45,987	\$ 45,987	\$ -	0.0%
Assign-A-Highway	52,320	54,379	2,059	3.9%
Refuse Collection	677,074	715,488	38,414	5.7%
Refuse Disposal	1,424,772	1,274,300	(150,472)	-10.6%
Buildings & Grounds	469,494	488,037	18,543	3.9%
	<u>\$ 2,669,647</u>	<u>\$ 2,578,191</u>	<u>\$ (91,456)</u>	<u>-3.4%</u>

FY 2012 General Fund Budget

HEALTH AND WELFARE	FY 2011	FY 2012	Variance	Percent Change
Health Department	\$ 304,000	\$ 304,000	\$ -	0.0%
WTCSB	68,944	68,944	-	0.0%
Senior Services	13,000	13,000	-	0.0%
Comprehensive Services Act	117,159	180,147	62,988	53.8%
STOP Organization	1,540	1,540	-	0.0%
	<u>\$ 504,643</u>	<u>\$ 567,631</u>	<u>\$ 62,988</u>	<u>12.5%</u>

FY 2012 General Fund Budget

PARKS, RECREATION, CULTURE	FY 2011	FY 2012	Variance	Percent Change
Community Concert Association	\$ 5,500	\$ 5,400	\$ (100)	-1.8%
Rawls Museum Arts	13,787	14,000	213	1.5%
Historical Society	24,750	24,750	-	0.0%
W.C. Rawls Library	252,897	228,686	(24,211)	-9.6%
	<u>\$ 296,934</u>	<u>\$ 272,836</u>	<u>\$ (24,098)</u>	<u>-8.1%</u>

FY 2012 General Fund Budget

COMMUNITY DEVELOPMENT	FY 2011	FY 2012	Variance	Percent Change
Planning	\$ 281,388	\$ 202,319	\$ (79,069)	-28.1%
Economic Development	100,000	100,000	-	0.0%
Soil & Water Conservation	9,911	9,768	(143)	-1.4%
Cooperative Extension	42,165	41,015	(1,150)	-2.7%
	<u>\$ 433,464</u>	<u>\$ 353,102</u>	<u>(80,362)</u>	<u>-18.5%</u>

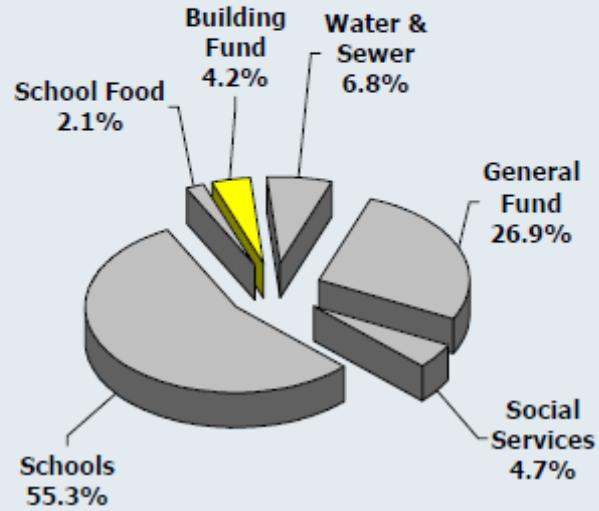
FY 2012 General Fund Budget

NON-DEPARTMENTAL	FY 2011	FY 2012	Variance	Percent Change
Revenue Sharing w/ Franklin	\$ 34,000	\$ 19,100	\$ (14,900)	-43.8%

Draft Fiscal Year 2012 Budget

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Social Services	2,446,506
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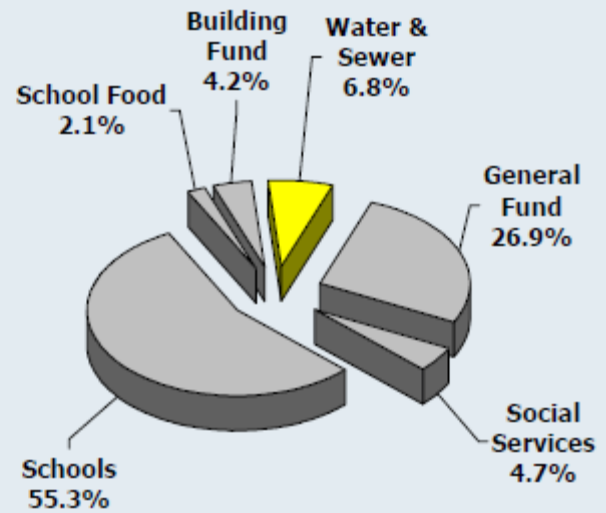
Building Fund Highlights Uses of Funds

- Debt Payments
 - Radio System (\$322,172)
 - New Industrial Park (\$840,928)
- Fire & Rescue Capital (\$484,500)
- Sheriff's Office Vehicles (\$120,122)
- Earmarked for Future Debt Service (\$352,997)
- Other Projects (\$ 90,252)

Draft Fiscal Year 2012 Budget

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Enterprise

System Revenues

	FY 2011	FY 2012	Increase (Decrease)
Water service fees	\$ 326,700	\$ 305,000	\$ (21,700)
Sewer service fees	795,000	774,000	(21,000)
Penalties/Interest	33,000	33,000	-
Reconnection fees	6,600	6,600	-
Debt Service payments from Narricot	10,215	10,215	-
Transfer-In from General Fund (Debt)	342,091	1,165,531	823,440
Transfer-In from General Fund (Operations)	325,385	436,078	110,693
Use of capitilized interest from Series 2008	1,646,888	823,444	(823,444)
	<u>\$ 3,485,879</u>	<u>\$ 3,553,868</u>	<u>\$ 67,989</u>

System Expenses

	FY 2011	FY 2012	Increase (Decrease)
Sewer system operations	\$ 841,622	\$ 992,833	\$ 151,211
Water system operations	598,130	572,059	(26,071)
Sewer system debt service	1,905,155	1,848,007	(57,148)
Water system debt service	140,972	140,969	(3)
	<u>\$ 3,485,879</u>	<u>\$ 3,553,868</u>	<u>\$ 67,989</u>

Proposed Tax Levies

	<u>FY 2011</u>	<u>PROPOSED FY 2012</u>
REAL ESTATE		
General	\$0.76/\$100	\$0.79/\$100
Public Service Corporations	\$0.76/\$100	\$0.79/\$100
PERSONAL PROPERTY		
General	\$5.00/\$100	\$5.00/\$100
Machinery & Tools	\$2.40/\$100	\$2.40/\$100
Mobile Homes	\$0.76/\$100	\$0.79/\$100
Public Service Corporations	\$5.00/\$100	\$5.00/\$100
Merchants Capital	\$0.50/\$100	\$0.50/\$100
Farm Machinery	\$1.95/\$100	\$1.95/\$100
Farm Machinery/Single Product	\$1.25/\$100	\$1.25/\$100
Construction Machinery	\$2.40/\$100	\$2.40/\$100
Motor Carriers	\$2.40/\$100	\$2.40/\$100

Reserve

<u>Fiscal Year</u>	<u>Budgeted</u>	<u>Appropriated</u>
2000	\$1,043,015	\$200,000
2001	343,393	75,000
2002	776,238	0
2003	675,701	0
2004	811,560	27,569
2005	824,488	0
2006	754,144	0
2007	351,676	0
2008	745,929	0
2009	1,515,564	189,574
2010	1,102,671	0
2011	867,861	TBD
2012	1,404,394	

Mr. Johnson shared the following key points with regard to the proposed FY 2012 Budget:

- State and federal revenues will decrease by another \$551,838 in FY 2012;
- Annual debt service will increase by \$400,694 – a 3 ¢ increase in the real estate tax rate is incorporated, as planned;
- Includes a 2% cost of living increase for all full time employees (including Schools and Social Services) effective in November;
- Includes full funding to Southampton County Schools;
- Incorporates funding for costs associated with the *Line of Duty Act* and OPEB (unfunded mandates);
- Includes \$108,000 for purchase of Courthouse security equipment and another \$78,000 for part-time personnel to monitor the security checkpoint;
- Provides 5% increases to Volunteer Fire Departments and Rescue Squads and an additional \$4,000 each to Sedley and Newsoms for First Responder EMS;
- Includes funding for a second full-time Animal Control Officer;
- Reclassifies and reassigns Mrs. Wright to the Data Processing department to assist with an ever-growing IT work load – also provides for replacement and maintenance of key IT equipment.

The Board commented that their first glimpse of the budget was very good – much better than last year. They commended Mr. Johnson, Mrs. Lowe, and staff for their hard work in preparing the budget.

There being no further business, the meeting was adjourned at 7:15 PM.

Dallas O. Jones, Chairman

Michael W. Johnson, Clerk

April 6, 2011

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