

Special Called Board of Supervisors Budget Meeting (Thursday, June 22, 2023)
Northumberland County, Virginia

Members present:

Ronald L. Jett (virtually), James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann

Other Staff Present:

Mr. Luttrell Tadlock, County Administrator
Mr. Drew Basye, Assistant County Administrator
Ms. Morgan Wilson, Executive Assistant
Mr. Robert Headley, IT Administrator

1. Call to Order

Procedural: A. Meeting Call To Order 5:00 p.m.

The special called meeting was convened by Chairman Haynie and held at the Northumberland Courthouse located at 220 Judicial Place, Heathsville, VA 22473.

Action: B. Remote Participation

Mr. Haynie indicated that he had received a request by Mr. Ronnie Jett to participate in the meeting tonight by electronic communications from a remote location due to a personal medical condition. Mr. Haynie indicated that he had approved such participation under the County's adopted remote participation policy and ask that the Board of Supervisors ratify this decision to allow Mr. Jett to participate remotely.

Motion to ratify Mr. Haynie's approval and to allow Vice Chairman Jett to participate via zoom during the meeting as allowed under the Board's adopted remote participation policy.

Motion by: Thomas H. Tomlin, second by: James W. Brann.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann

2. County Administrator Items

Action, Information: A. Budget Discussion

County Administrator Tadlock provided the Board with an update related to the capital outlay request from the Electoral Board. Mr. Tadlock reached out to Mr. Heller who indicated that the \$14,500 additional monies is for emergency purposes in the event they need to purchase equipment unexpectedly. The Electoral Board also offered a reduction of \$3,000 in their printing line item, so Mr. Tadlock provided the Board with an updated cut list that reflected this reduction. The updated cut list can be accessed in board docs.

County Administrator Tadlock explained to the Board that the total reductions in the budget thus far total \$1,916,174.00. He received some information from the school this afternoon related to some items that the school board suggested to reduce, so this information was provided to the Board.

Mr. Tadlock was also asked to provide different scenarios for the school budget, so the Board took this time to review the different scenario funding options.

Chairman Haynie motioned to approve the operation budget for the School Board in the amount of \$20,911,890 with the seven categories totaling as follows:

Instruction - \$15,196,989
Administration & Health - \$1,222,415
Pupil Transportation - \$1,369,756
Operation & Maintenance - \$2,063,264
Facilities - \$50,500
Other Debt Service Transfers - \$7,859
Technology - \$1,001,107

Supervisor Brann asked where those numbers were in comparison to last year's budget approval for the School Board.

Chairman Haynie stated that would give the school the same amount of local monies they were given last year. He acknowledged that the school would also be receiving an additional \$76,839 from the state and that he had no issue with this. Additionally, he stated that the school would remain under categories with quarterly appropriations. This would require no increase in the real-estate tax rate.

County Administrator Tadlock informed the Board that the school budget would need to be increased by \$76,839 to reflect the monies given by the state. Mr. Tadlock stated that if the \$76,839 is added to the instruction line item, the line item would total \$15,273,828 and the total budget would be \$20,988,729.

Chairman Haynie amended his motion to include the modifications suggested by Mr. Tadlock.

Supervisor Tomlin asked Chairman Haynie if he was assuming there's sufficient funds already in their budget for their salary increase (5% plus the 1.25% step).

Chairman Haynie stated he remembered seeing \$1.8M in their budget that could cover the cost of the 5% plus the step.

Supervisor Long believes the Board needs to be fair and ensure the school has enough money to give their staff a raise. He asked Mr. Tadlock if there was enough in the budget to provide this raise?

County Administrator Tadlock explained that the school division indicated that the 5% raise plus the step totaled \$1,033,729. Mr. Tadlock also explained that the Board had previously asked what the local cost would be for a 5% raise for the school division and that would be \$529,282.

Supervisor Tomlin asked where Chairman Haynie referenced the \$1.8M from the school's budget.

Chairman Haynie confirmed that he was getting this information from the audit.

Supervisor Tomlin stated that if those monies were left over, they should have been placed back into the County budget. Mr. Tomlin asked County Administrator Tadlock to locate the carryover figure from the school.

County Administrator Tadlock explained that on page 164 of the audit pdf file it shows the County of Northumberland contributed \$326,394 to the school operating fund because they went over the appropriation amount. Therefore, the County did not receive any funds back from the School Division. Mr. Tadlock continued to page 165 of the pdf and explained that there were Title monies in the negative because they did not receive all the monies they had budgeted. The Title monies are what the school is actively trying to obtain reimbursements for this year. Mr. Tadlock then referenced page 168 of the pdf because this also confirms that the County paid additional monies to the school. Lastly, Mr. Tadlock referenced page 170 that shows each category's final budget numbers versus the monies that were actually spent last year. The school had underspent some monies in certain categories, so Mr. Tadlock explained that he believed this was tied to the ESSER funds that the Board appropriated towards the end of June in fiscal year 2022.

Supervisor Tomlin referenced page 133 of the audit and stated that the federal government funds show a total of \$4.7M that have not been reimbursed yet, so he asked if these monies would be returned to the County.

County Administrator Tadlock confirmed that the federal monies would be coming back to the County.

Motion to approve the operating budget for the School Board in the amount of \$20,988,729 with the seven categories totaling as follows:

Instruction - \$15,273,828
Administration & Health - \$1,222,415
Pupil Transportation - \$1,369,756
Operation & Maintenance - \$2,063,264
Facilities - \$50,500
Other Debt Service Transfers - \$7,859
Technology - \$1,001,107

Motion by: Richard F. Haynie, second by: James W. Brann.

Final Resolution: **Motion Failed**

Aye: Richard F. Haynie, James W. Brann

Nay: Ronald L. Jett, James M. Long, Thomas H. Tomlin

Action, Information: B. Approval of the FY24 School Board Budget

Motion to approve the FY24 School Board Budget in the amount of \$21,653,715 which increases the local funding by 5% (\$664,986) with no real-estate tax increase. The 5% increase will be placed under the instruction category and the school will remain under categorical spending with annual appropriation.

Motion by: Thomas H. Tomlin, second by: Ronald L. Jett.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Thomas H. Tomlin

Nay: Richard F. Haynie, James W. Brann

Supervisor Tomlin stated if the school needs to transfer these monies, they can request the transfer from the Board.

Action, Information: C. Board of Supervisors' Salary Adjustment

Motion to approve the proposed Board of Supervisors' annual compensation of \$10,000.00 annually starting January 1, 2024. The vote on the motion was passed by a roll call vote as follows:

James W. Brann- Aye Richard F. Haynie- Aye, Ronald L. Jett- Aye, Thomas H. Tomlin-Nay, James M. Long-Nay

Motion by: James W. Brann, second by: Richard F. Haynie.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, Richard F. Haynie, James W. Brann

Nay: James M. Long, Thomas H. Tomlin

Supervisor Long believes the Board is abusing their power by giving themselves a raise instead of giving the organizations more funding for things they need.

Chairman Haynie stated that the Board hasn't had a raise since 2007. Mr. Haynie explained that all other Boards have been given raises so the Board of Supervisors should receive one too.

Action, Information: D. County Salary Scale Adjustment

Supervisor Tomlin asked if there is any plan to deal with salary compression.

County Administrator Tadlock explained this is why efforts have been made to get the adjustment done this year because the County is looking at a 5% salary increase for employees and the salary scale would be adjusted by 3% so it doesn't coincide with the same amount.

Motion to approve the adjusted salary scale for FY24 that reflects a 3% adjustment.

Motion by: Richard F. Haynie, second by: Thomas H. Tomlin.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann

Action, Information: E. Adoption of the FY24 County Budget

Motion to approve the FY24 County Budget in the amount of \$48,670,434.

Motion by: Thomas H. Tomlin, second by: James M. Long.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann

Supervisor Tomlin asked what the reduction is in comparison to the budget that was advertised.

County Administrator Tadlock explained the reduction is \$4,781,336.

Action, Information: F. Approval of FY24 Tax Rates

Motion to approve the following resolution to set the FY24 tax rates.

**R E S O L U T I O N
BUDGET ADOPTION FY 23**

After careful examination of the budget estimates, **BE IT RESOLVED AND ORDAINED** by the Board of Supervisors of the County of Northumberland, Virginia that there be and is hereby levied for Fiscal Year 2023-2024 a tax of \$0.61 per one hundred dollars of assessed valuation of taxable real estate located in this County and public service corporations, based upon the assessment thereof fixed by the State Corporation Commission and duly certified. Be it further resolved that there be and is hereby levied for the year 2023, a tax of \$3.60 per one hundred dollars of the assessed valuation at a 35% assessment ratio per NADA on all taxable motor vehicles as defined in Sections 58.1-3503(A)(3), 58.1-3503(A)(4), 58.1-3503(A)(5), and 58.1-3503(A)(9) of the Code of Virginia in order to offset recent and temporary appreciation in vehicle value caused by the COVID-19 Pandemic, and a tax of \$3.60 per one hundred dollars of the assessed valuation at a 40% assessment ratio of NADA on all other taxable personal property; that there be and is hereby levied for the year 2023, a tax of \$3.60 per one hundred dollars of the assessed valuation at a 25% assessment ratio for the 1st year and 10% depreciation each year thereafter (minimum of \$150.00 valuation) of all machinery & tools used in a trade or business physically located in the County of Northumberland; that there be and is hereby levied for the year 2023, a tax of \$1.00 per one hundred dollars of the assessed valuation at 50% assessment ratio of original cost of all inventory on hand as of January 1, 2023 in any mercantile business located in Northumberland County;

BE IT FURTHER ORDERED that such taxes, when and if appropriated by the Board of Supervisors of this County, shall be used to defray county charges and expenses and all

necessary charges incident to or arising from the execution of the lawful authority of the Board of Supervisors of Northumberland County.

BE IT FINALLY ORDERED that this resolution is hereby adopted on June 22, 2023.

Motion by: Thomas H. Tomlin, second by: James M. Long.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann

Action, Information: G. Appropriation of Funds for FY24

Motion to approve the appropriations resolution with total appropriations of \$41,261,218.

FISCAL YEAR 2023/2024 APPROPRIATIONS RESOLUTION

WHEREAS, the Northumberland County Board of Supervisors has heretofore prepared a budget for information and fiscal planning purposes only; and

WHEREAS, it is now necessary to appropriate sufficient funds for the contemplated expenditures as are contained in the budget.

NOW, THEREFORE, BE IT RESOLVED, by the Northumberland County Board of Supervisors that the budget for fiscal year 2023/2024 is approved and appropriations for the aforementioned funds are made as follows, subject to terms and conditions outlined within this appropriation resolution:

Operating Budget

Board of Supervisors	\$	434,328
County Administrator	\$	505,569
County Attorney	\$	72,000
Legislative Audit	\$	75,711
Commissioner of Revenue	\$	428,540
Assessor	\$	50,000
Treasurer	\$	499,546
Electoral Bd./Officials	\$	162,315
Voter Registrar	\$	163,955
Information Technology	\$	465,831
Circuit Court	\$	97,280
Witness Protection	\$	67,261
General District Court	\$	5,520
Juvenile & Domestic Relations	\$	86,342
Clerk of Circuit Court	\$	448,485
Commonwealth's Attorney	\$	412,247
Sheriff	\$	2,947,644
Fire Suppression/VFD	\$	654,711
Ambulance/Rescue	\$	2,000,857
Regional Jail	\$	-

Building Inspections	\$	168,038
Animal Control	\$	386,553
Medical Examiner	\$	350
Emergency Services	\$	234,113
Street Lights	\$	18,360
Solid Waste	\$	1,526,173
Refuse Disposal	\$	20,000
General Properties	\$	468,030
Sanitary District	\$	433,552
Local Health Services	\$	243,970
Community Serv. Bd.	\$	62,341
Dept. of Social Services	\$	2,595,735
Light Street Project	\$	-
Education- School Food Service	\$	654,681
Education- Adult Education	\$	-
<i>Public Schools</i>		
6100-Instruction	\$	15,938,814
6200- Administration and Health	\$	1,222,415
6300- Transportation	\$	1,369,756
6400- Operation & Maintenance	\$	2,063,264
6600- Building & Site Improvements	\$	50,500
6700- Debt Service	\$	7,859
6800- Technology	\$	1,001,107
Rapp. Comm. College	\$	9,565
Recreational Programs	\$	50,000
North. Co. Pub. Library	\$	260,490
Planning	\$	301,829
Callao Bus. Dist. Revit.	\$	25,000
Economic Developm't	\$	39,754
N.N. Planning Dist.	\$	9,500
Soil & Water Conserv.	\$	15,000
Forestry	\$	5,700
Wetlands Board	\$	21,542
Coop. Ext. Program	\$	71,120
Capital Projects	\$	2,407,964
Total Operating Budget		
Appropriations	\$	41,261,218

TERMS AND CONDITIONS

1. All appropriations are declared to be maximum, conditional and proportionate appropriations. This makes the appropriations payable in full in the amounts named herein, if the aggregate revenues collected and other resources available during the fiscal year beginning July 1, 2023 ending on June 30, 2024 for which appropriations are made, are sufficient to pay all of the appropriations in full; otherwise, the said appropriations shall be deemed to be payable in such proportion as the sum of all realized revenue is to the total amount of the revenues estimated by the Board of Supervisors to be available for appropriation in the fiscal year beginning on July 1,

2023 and ending on June 30, 2024. Funding is also subject to the General Assembly approving the State budget.

2. No department, agency, or individual receiving appropriations under the provisions of this resolution shall exceed the amount approved for that department, agency, or individual by the Northumberland County Board of Supervisors.

3. Any nongovernment agency/entity shall submit within 90 days of the agency's/entity's budget end date a financial audit or statement to the Board of Supervisors explaining the use of County funds contributed to their agency/entity. This audit/statement shall satisfy any County auditors requirements and be submitted annually.

4. The Board of Supervisors reserves the right to change at any time during the fiscal year beginning July 1, 2023 and ending on June 30, 2024 compensation provided to any officer or employee and to abolish any office or position, except for such office or position as it may be prohibited by law from abolishing.

5. The County Administrator is authorized to establish purchasing policies and procedures to assure that expenditures are made within the appropriations defined within this Resolution and to initiate emergency spending reductions to decrease expenditures in light of decreased actual revenues.

6. The amount appropriated to fund contemplated expenditures for the Northumberland County School Board is approved on an annual basis by the seven categories; 6100 - Instruction, 6200 - Administration and Health, 6300 - Transportation, 6400 - Operation & Maintenance, 6600 Building & Site Improvements, 6700 - Debt Service, and 6800 - Technology. As permitted by state statute, the School Board is authorized to transfer funds between categories only with approval of the Board of Supervisors.

7. No expenditures shall exceed the appropriation established by the Northumberland County Board of Supervisors unless a supplemental appropriation is approved in advance of the expenditure.

8. Any request to increase the overall appropriation to any department, agency or organization as appropriated by this resolution must be made to the Board of Supervisors by written request.

9. The County Administrator may increase appropriations for the following items of non-budgeted revenue that may occur during the fiscal year:

- a. Insurance recoveries received for damage to County vehicles or other property for which County funds have been expended to make repairs.
- b. Refunds or reimbursements made to the County for which the County has expended funds directly related to that refund or reimbursement.
- c. Additional, unbudgeted grants received during the fiscal year for which there is sufficient revenues to defray expenditures.

10. All appropriations that are not encumbered or expended prior to June 30, 2024 will lapse and the balance shall become part of the General Operating Fund Balance.

11. The County Administrator may increase or reduce revenue and expenditure appropriations related to programs funded all or in part by the Commonwealth of Virginia and/or the federal government to the level approved by the responsible state or federal agency.

12. The County Administrator may appropriate both revenue and expenditures for donations by citizens or citizen groups in support of County programs. Any remaining unencumbered balance of a restricted donation at the end of the fiscal year will be reappropriated into the subsequent fiscal year.

13. The County Administrator may appropriate revenues and expenditures for funds received by the County from asset forfeitures for operating expenditures directly related to drug enforcement. The outstanding balance of these funds shall not lapse but be carried forward into the next fiscal year.

14. Any reimbursement for travel expenses outside the county must be pre-approved by the County Administrator.

Adopted: June 22, 2023

Motion by: Thomas H. Tomlin, second by: James M. Long.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann

Action, Information: H. Approval of Personal Property Tax Rate (PPTR)

Motion to approve the following resolution on personal property tax relief.

PERSONAL PROPERTY TAX RELIEF

WHEREAS the Personal Property Tax Relief Act of 1998, Va. Code §§ 58.1-3523 *et seq.* (“PPTRA”), has been substantially modified by the enactment of Chapter 1 of the Acts of Assembly, 2004 Special Session I (Senate Bill 5005), and the provisions of Item 503 of Chapter 951 of the 2005 Acts of Assembly (the 2005 revisions to the 2004-06 Appropriations Act, hereinafter cited as the “2005 Appropriations Act”); and

WHEREAS these legislative enactments require the County to take affirmative steps to implement these changes, and to provide for the computation and allocation of relief provided pursuant to the PPTRA as revised; and

WHEREAS these legislative enactments provide for the appropriation to the County, of a fixed sum to be used exclusively for the provision of tax relief to owners of qualifying personal use vehicles that are subject to the personal property tax on such vehicles.

NOW THEREFORE BE IT RESOLVED by the Board of Supervisors that: Qualifying vehicles obtaining situs within the County during tax year 2023, shall receive personal property tax relief in the following manner:

- Personal use vehicles valued at \$1,000 or less will be eligible for 100% tax relief;
- Personal use vehicles valued at \$1,001 to \$20,000 will be eligible for 45% tax relief;
- Personal use vehicles valued at \$20,001 or more shall only receive 45% tax relief on the first \$20,000 of value; and
- All other vehicles which do not meet the definition of “qualifying” (business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for any form of tax relief under this program.
- In accordance with Item 503.D.1., the entitlement to personal property tax relief for qualifying vehicles for tax year 2005 and all prior tax years shall expire on September 1, 2006. Supplemental assessments for tax years 2005 and prior that are made on or after September 1, 2006 shall be deemed ‘non-qualifying’ for purposes of state tax relief and the local share due from the taxpayer shall represent 100% of the tax assessable.

Adopted: June 22, 2023

Motion by: Thomas H. Tomlin, second by: James M. Long.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann

3. Closing of Meeting

County Administrator Tadlock made the Board aware that the courts would be closing on Monday July 3, 2023, although the holiday is on Tuesday, July 4, 2023. He asked if the Board would be interested in closing the County offices on July 3, 2023, in addition to July 4th.

Supervisor Tomlin asked if the state is closing on July 3rd.

Mr. Tadlock stated that he has not seen anything from the state at this point.

The Board agreed to keep the County offices open on July 3, 2023 to remain consistent with the state as stated in their bylaws.

Action: A. Adjournment

Motion to adjourn.

Motion by: Thomas H. Tomlin, second by: James M. Long.

Final Resolution: Motion Carried

Aye: Ronald L. Jett, James M. Long, Richard F. Haynie, Thomas H. Tomlin, James W. Brann