

March 5, 2020

**Virginia:**

AT A SPECIAL CALLED MEETING of the Nelson County Board of Supervisors at 2:00 p.m. in the Bridge Room located on the fourth floor of the Nelson County Courthouse, in Lovingston Virginia;

Present: Thomas D. Harvey, North District Supervisor – Chair  
Jesse N. Rutherford, East District Supervisor  
J. David Parr, West District Supervisor  
Robert G. Barton, Jr., South District Supervisor  
Stephen A. Carter, County Administrator  
Grace Mawyer, Administrative Assistant/Deputy Clerk  
Candice W. McGarry, Director of Finance and Human Resources

Absent: Ernie Q. Reed, Central District Supervisor – Vice Chair

**I. Call to Order**

Mr. Harvey called the meeting to order at 2:20 PM with four (4) Supervisors present to establish a quorum and Mr. Reed being absent.

**II. FY20-21 Budget Work Session**

Mr. Carter noted the draft budget is balanced at \$37,714,610 in total revenues and expenditures. No increase(s) in local taxes or fees are proposed in the budget, and specific outlays for FY20-21 include:

- 1) A three percent (3%) compensation increase for employees and/or the final one-third (1/3) in funding for the compensation (pay) study completed in 2016.
- 2) \$741,842 in capital outlay initiatives. Mr. Carter noted the majority of these outlays are for public safety purposes. Mr. Harvey asked for Mr. Carter to elaborate on this, and Mr. Carter noted \$300,000+ is for fire and rescue vehicles, \$239,000 is for the radio console upgrade, \$15,000 is for the Buck's Elbow Tower equipment replacement, and upgrades to the Emergency Communications Center.
- 3) Total unobligated, contingency funding (recurring and non-recurring) of \$1,623,507. Mr. Carter noted that just over \$700,000 is in recurring revenue, and about \$822,000 is non-recurring, which Staff projects a balance at the end of this year of just over \$800,000, and they have carried it forward to next year. He added that the recurring revenues are the difference between what we've projected in total revenues for next year versus total expenditures, so there's about \$700,000 less in expenditures than revenues, as Staff has estimated. Mr. Harvey noted that non-recurring should be used on one-time items such as capital improvements, because recurring is for ongoing operations.

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4) Maintain(s) School Resource Officer Funding at \$207,131.

Mr. Carter noted that a new maintenance position has been proposed to be added; historically, the department has had 3 people, and it currently has 2 people. He recognized the high workload of the department, adding that if there is a position we really need right now, it is that one.

Mr. Carter noted that Staff has not yet received anything from the School Division. He has reached out to Dr. Eagle who indicated that to date, the range is between \$850,000 and \$1.2 million in additional local funding that the School Board will be requesting. Mr. Carter noted that he wrote back to Dr. Eagle stating that, based on the budget for next year as constructed, the County cannot sustain that level of increase.

Mr. Harvey noted that he met with Janet Turner-Giles, Chair of the School Board, on Tuesday, and the meeting went well. He stated that he explained some things to her and feels they made improvement, adding that he told her there is no need in coming to the Board of Supervisors with a tremendous increase in their budget, operations-wise.

Mr. Carter concurred and noted the problem is that the projected growth of local revenues for next year, across the board, is less than half a percent, and this has been the trend for the last few years. He stated that if all the money we have that recurs is just over \$700,000, subject to the Board reducing anything on the County side, we would not be able to sustain operations without tax increases.

Mr. Carter added that school enrollment is continuing to significantly decline, and nothing is being done about it. Mr. Harvey noted that this was also discussed in his meeting with Ms. Turner-Giles. He noted the decrease in enrollment is decreasing funding from the State and asked how we are supposed to sustain that. Mr. Carter noted that the State funding is going to likely be reduced in the neighborhood of \$400,000-\$500,000 next year. If the County did what the State does, which is basing local funding on enrollment, using this year's outlay to the School Division and the projected reduction in enrollment for next year, the County's reduction would be \$1.2-\$1.6 million.

Mr. Harvey noted that Ms. Turner-Giles discussed bringing tourism into the county and also the need to bring people into the county, to which he noted that he disagrees with. Mr. Carter stated he has indicated to Dr. Eagle that is a dynamic that is almost impossible to deal with. He added that he has looked at the Weldon Cooper population projections for the county for many years, and the only reason the county is sustaining a population of about 15,000 is that some people are moving in, but more people are passing away than the number of children being born here. The only reason our population is sustaining itself is because some people move in, but they're not moving in with a lot of kids. Mr. Rutherford noted there is also a culture change, and the average starting age of a family is higher now.

Mr. Carter noted that the School Division is projecting around 1567 students next year, which is about 100 kids less than this year. The State is projecting around 1400 students, and for FY22-23, they're projecting 1300 students. He added that historically, if those numbers come to pass, we will have lost about 900 kids in a 10-12 year span.

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Mr. Barton noted that a community is really dependent on young people, and young people will determine the quality of life in this county in the long run. He stated that we need to be a community that's attractive to young people, and this could mean more affordable housing or better recreational facilities. He added that we're still talking about quality of life in Nelson County, and we're not talking about making this a retirement community. He stated we need to make this place attractive to all kinds of people and not limit the way we are looking at things.

Mr. Harvey noted that one thing the Board will be addressing in this budget is a major increase in improvements to recreation in the county. Mr. Barton noted that these kinds of improvements will reflect in attitudes.

Staff provided the Board with the following written overview of the FY 20-21 General Fund Budget:

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**FY20-21 Draft General Fund Budget as of March 5, 2020**

**\$37,714,610 Balanced Budget**

**Summary**

**FY20 EOY Projections:**

FY20 Projected Revenues:	\$44,287,544
FY20 Projected Expenditures:	<u>\$43,404,585</u>
FY20 Carryover:	\$ 882,959

**FY21 Proposed Revenues and Expenditures (Including Staff Changes):**

FY21 Estimated Revenues:	\$37,714,610
FY20 Estimated Expenditures:	<u>\$37,714,610</u>
Difference:	\$ 0

**Maintenance of 2019 (Current) Tax Rates Per \$100 of Assessed Value:**

Real Property & Mobile Home Tax	\$ .72
Tangible Personal Property	\$3.45
Machinery & Tools	\$1.25

FY21 Total Revenue Growth:	<b>-14.5% (\$6,390,752)</b>
FY21 Total Expenditure Growth:	<b>-14.5% (\$6,390,749)</b>
FY21 Revenue Growth Less Capital Projects & Non-Revenue Receipts:	<b>-0.1% (\$54,831)</b>
FY21 Expenditure Growth Less Capital Projects:	<b>0.8% \$302,288</b>

**FY21 Contingencies & Reserves:**

Recurring Contingency (FY21 Revenues Exceeding Expenditures):	\$740,548
Non-Recurring Contingency (FY20 Carryover):	<u>\$882,959</u>
<b>Total Contingencies:</b>	<b>\$1,830,639</b>
School Resource Officer Reserve:	\$207,132

Ms. McGarry noted that the \$882,959 carryover is the amount that becomes the nonrecurring contingency for next year's budget.

She also noted that the FY21 Total Revenue Growth and Expenditure Growth are at -14.5% mostly due to 2 large capital projects being completed in FY20: the Blue Ridge Tunnel Project and the Library Project. If these are removed from the equation, then FY21 revenue growth is projected to be -0.1% and the expenditure growth is 0.8%.

Mr. Harvey asked about the School Resource Officer Reserve. Ms. McGarry noted we have 3 out of the 4 positions filled currently, and the \$207,132 maintains the 4 positions. She added that what Staff has been doing is holding that money in the Reserve, and as they need it during the fiscal year, we transfer it into the Sheriff's Department budget. She noted that it may make sense to keep doing it this way considering the amount of turnover in that department.

Mr. Parr asked for clarification on the (\$54,831) FY21 Revenue Growth Less Capital Projects & Non-Revenue Receipts and the \$302,288 FY21 Expenditure Growth Less Capital Projects. Ms. McGarry stated that this is the growth compared to this current year, FY20, in other words, what we're projecting for FY21 and how it compares to the FY20 amended budget.

Ms. McGarry then reviewed FY21 expenditures:

**FY21 EXPENDITURES (Including Staff Changes)**

*Note: Funding for the School Division was included at the same level as FY20 pending a formal request from the School Board.*

<b>FY21 Total Expenditures:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$44,105,362	\$37,714,610	(\$6,390,752)	-14.5%
<b>FY21 Total Expenditures Less Tunnel and Library Projects:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$37,412,322	\$37,714,610	\$302,288	0.8%

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Net Departmental Operational Changes Requested:	\$229,052
Departmental Capital Outlay Requests (Dept. 91050):	<u>\$383,739</u>
Total:	\$612,791
Total Staff Reductions: (\$59,149)	
Recommended:	<u>\$553,642</u>

**SALARIES & BENEFITS** *Note: These funds are lumped in the Employee Benefits line and transferred out to departments during the fiscal year.*

**Total Annual Full Time Salaries All County and Constitutional Offices: \$4,344,264**

**Total Annual Payroll is Approximately \$5.9 Million**

FY21 Increase in Benefits Costs (2.38% VRS, 0.03% Group Life Insurance, 0.11% VLDP & 1.5% Health Insurance) *Only applies to FT Employees:* **\$119,687**

FY21 Proposed 3% Salary Increase and final 33% of 2016 market FT & PT employees: **\$192,515**

**FY21 Total Proposed Salary & Benefits Increase: \$312,202**

*\*Note a 1% Salary Increase and final 33% of market study for FT & PT employees= \$88,135*

**New Positions Requested:**

FT Buildings & Grounds (Maintenance)	\$60,409 Salary & Benefits
PT Parks & Recreation Aid	\$ 1,421 Wages & Benefits
PT Parks & Rec Field Maintenance Seasonal	\$10,015 Wages & Benefits
FT Planner Promotion (Placeholder)	\$10,000 Wages & Benefits

Mr. Harvey asked if the \$553,642 total operational change request includes the new maintenance position, and Ms. McGarry stated yes.

Ms. McGarry noted that we previously had a 1.5% health insurance increase, but they have revised that down to zero, so there is no change. This equates to \$10,212 less.

Mr. Rutherford asked for clarification on the “FT Planner Promotion (Placeholder).” Mr. Carter noted that Emily Hjulstrom should be finishing her undergraduate degree in planning by the end of this summer, so Staff would like to promote her to a planning position where she can actually approve things. He stated she would still continue to do clerical responsibilities, but she’s worked very hard to get that degree, and it would be helpful to Dylan to have her as a planner while Dylan is the Director. He noted it is a \$10,000 increase, and it is of course up to the Board to approve.

Ms. McGarry noted that if we do nothing salary increase-wise, we would need to cover about \$110,000 of benefit increases after taking out the health insurance. If the Board approves the 3% proposed salary increase and final 33% of the market study, that is an additional \$192,515.

Regarding the new positions requested, Ms. McGarry noted that a thought Staff has is if the Board approves the new maintenance buildings & grounds position, that position could help with parks and recreation field maintenance. Then, the requested PT Parks & Rec field maintenance seasonal position could likely be reduced or cut out. Ms. McGarry noted that the 2 positions that Staff recommended are the buildings and grounds maintenance position and the planner promotion position.

**New Vehicles Requested:** None (included 2 Sheriff’s Vehicles & Equipment in Motor Pool budget)

Ms. McGarry noted there are no new County vehicles included, but Staff just received the Sheriff’s Office budget, and the Sheriff is requesting 4 vehicles. She stated we have budgeted \$131,872 in vehicles and equipment, and his request amounts to \$191,708 for the 4 vehicles, which are Dodge Durangos.

**COUNTY DEPARTMENTAL OPERATIONS (includes operational transfers)**

<b>FY21 Departmental Operations Expenditures (including staff changes):</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$19,107,307	\$18,592,591	(\$514,716)	-2.7%
<b>FY21 Departmental Expenditures Less FY20 Piney River Debt Payment:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$18,216,257	\$18,592,591	\$376,334	2.1%

Ms. McGarry noted the operational transfers include the transfer to social services, the debt service transfer, Piney River debt and operations transfer, and the transfer to reassessment. She added that the anomaly in this scenario is the Piney River debt retirement payment, which was \$891,000, so with that taken out of the equation, it is a 2.1% increase in departmental expenditures.

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FY21 Departmental Operations Includes:

- Funding for 2 Sheriff's Vehicles and Equipment (included but not requested – no Sheriff's Department budget received)
- New Positions Recommended for funding: \$60,409 including benefits for FT Buildings & Grounds (Maintenance) position and \$10,000 for implementation of a Planner Position that would absorb the current salary and benefits of the Planning Secretary III position
- \$135,000 for anticipated Year 1 of 2 in Reassessment costs for Assessments effective January 2023
- 16.2% \$119,331 increase Regional Jail
- 9% \$42,901 increase in E911 Program
- 6.8% \$33,176 increase for Commonwealth Attorney not including CA pay adjustment
- 10.9% \$25,399 Increase in Parks and Recreation offset by increased revenues
- 19.1% \$11,317 increase in VA Cooperative Extension for FT Agricultural Agent
- Increases in benefits costs of 2.38% VRS, 0.03% Group Life Insurance, VA Long Term Disability Program of 0.11%, and 1.5% Health Insurance (\$119,687) and 33% of 2016 pay study or 3% salary adjustment (\$192,515). Total (\$312,202) FY20 original budget was approximately \$167,000. *Note: These funds are lumped in the Employee Benefits line and transferred out to departments during the fiscal year.*
- 9.3% \$145,000 in Department of Social Services Transfer (funded primarily with State/Federal funds)
- No Transfer of funds proposed for Piney River Debt and Operations; a (\$891,050) reduction
- Various departmental increases and decreases

Ms. McGarry noted the 16.2% increase in regional jail costs, adding that we can expect this to be increasing every year going forward for a little while, as we are having an increase in jail population, and they use a rolling average of multiple years to determine what the increase will be. Mr. Carter noted that historically, up until the last 3 years or so, the County's percentage of prison population to Albemarle/Charlottesville has been about 8%, and we're now approaching 16-20% of that population. The jail is projecting our budget number to be over a million dollars within the next 3 years, and it's at around \$700,000 currently.

Mr. Harvey asked if the County has looked into changing to the Blue Ridge Jail. Mr. Carter noted that Staff has inquired with them within the last 3 months or so, and there are 3 things we'd have to do: pay our way out of Albemarle/Charlottesville Jail, pay our way into Blue Ridge, and then pay their operational costs, which are greater for Nelson than what they are currently. Therefore, it makes no sense to change. He added that the buy-in is around \$400,000, and he's unsure what the cost would be to buy-out of Albemarle.

Mr. Barton asked for the reason of the increased number of people in jail, and Mr. Carter stated it's likely the drug problem in the County. Mr. Barton noted this number seems awfully large and asked if this is comparable to other communities. Mr. Carter noted that our prison population since 1998 has hovered around 6-8%, and it is now approaching 15-20%. It was clarified that it is not 20% of the Nelson County population, but rather that we have 20% of the jail's population.

**CAPITAL OUTLAY & NON-RECURRING EXPENSES** FY21 estimated expense total of \$741,842 shows a decrease of 51.7% or (\$795,547) from the FY20 Amended Budget amount of \$1,537,389 Primarily due to the anticipated completion of the radio system upgrade, CAD System replacement, and microwave network upgrade in FY20.

<b>FY21 Capital Outlay &amp; Non-Recurring Expenses (including staff changes):</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,537,389	\$741,842	(\$795,547)	-51.7%

Ms. McGarry noted that we are not budgeting as many capital projects in FY21.

FY21 Capital Outlay includes:

- Fixed Asset Software \$2,500
- Comprehensive Plan Update \$100,000
- ProVal Server replacement \$26,000
- DVR Servers for Johnson Controls \$15,000
- Buck's Elbow Tower Equipment Replacement\$ 15,000
- Radio Console Upgrade \$239,000
- Emergency services vehicles \$312,794 (80% Faber Rescue/Pumper \$390,993)
- Emergency Communications Center (ECC) upgrades carried over from FY20 \$23,309
- Resurfacing of the Animal Shelter Epoxy Floor \$6,000
- Animal Shelter K-9 Beds \$2,239

Mr. Carter noted that Staff will try to reduce the \$100,000 figure for the comprehensive plan update. Ms. McGarry then noted that there may be the opportunity to do some of the smaller capital outlay items during this fiscal year, and Staff will encourage that if possible.

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**AGENCIES AND NON-DEPARTMENTAL (See Agency Worksheet)** Staff recommended funding \$1,454,716 (\$91,394) less than the requested amount of \$1,546,110 for a net recommended decrease in Non-departmental expenditures of -4.3% or (\$65,790).

**FY21 Agencies & Non-Departmental (including staff changes):**

<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,520,506	\$1,454,716	(\$65,790)	-4.3%

**CAPITAL PROJECTS:**

Both the Blue Ridge Tunnel Project and the Nelson Memorial Library Expansion projects are anticipated to be completed in FY20.

**SCHOOL FUNDING:**

School operational funding remains at FY20 levels pending a formal funding request from the School Board.

Mr. Carter noted that Dr. Eagle has indicated that the School Board should finish working on their budget next Thursday, so Staff should be in receipt of their budget on Friday, March 13<sup>th</sup>.

Ms. McGarry then reviewed FY21 revenues:

**FY21 REVENUES**

**FY21 Revenues All Funding Sources:**

<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$44,105,362	\$37,714,610	(\$6,390,752)	-14.5%

**FY21 Revenues All Funding Sources Less Tunnel & Library Projects and Non-Revenue Receipts:**

<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$36,866,482	\$36,811,651	(\$54,831)	-0.1%

Mr. Harvey asked for the reason why revenues are projecting a decrease of 0.1%. Ms. McGarry noted there are some decreases in local revenue. Mr. Carter noted one example is that Staff estimated the Sheriff's fines and forfeitures at about \$175,000, and that's projected to bring in \$60,000-\$70,000

currently by the end of June, so this will be way under what Staff estimated. He added that this number over the last several years has declined from over \$300,000 to less than \$75,000 projected by the end of the year. Mr. Harvey asked what would cause this, and Mr. Carter stated they are not writing as many tickets. Ms. McGarry noted there are also some decreases in state and federal revenue as well.

**FY21 LOCAL REVENUE**

<b>FY21 Total Local Revenue:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$31,949,134	\$31,994,371	\$45,237	0.14%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$31,872,473	\$31,994,371	\$121,898	0.38%

<b>Real Estate Taxes:</b> The COR has not yet provided actual Book Value information for 2020; FY21 is estimated using a growth rate of 0.7582% and a collection rate of 99.1% applied to the actual 2019 Book Value and the estimated 2020 Book Value.			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$17,819,027	\$17,844,479	\$25,452	0.1%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$17,705,456	\$17,844,479	\$139,023	0.78%
<b>Personal Property &amp; Mobile Home Tax:</b> The COR has not yet provided actual Book Value information for 2020. FY21 tax revenues are estimated using a growth rate of 101.7%, a current tax collection rate of 98%, and a prior tax collection rate of 3% applied to the actual 2019 audit collections less the Personal Property Tax Relief amount of \$1,708,030, in order to estimate 2020 and 2021 Tax revenue.			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$5,950,018	\$5,888,743	(\$61,275)	-1.0%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$5,860,095	\$5,888,743	\$28,648	0.49%

Mr. Carter noted that per the audit tables, we are hitting 99-101% in collection rates because delinquencies are factored in.

Ms. McGarry noted that the real estate taxes collected don't change a whole lot from year to year, whereas personal property and mobile home taxes can fluctuate a lot more. She added that as soon as Staff receives book values from the Commissioner, they will reevaluate these numbers. She noted that Staff was fairly conservative in their estimates.

The following estimates affected the overall increase in **FY21 Estimated Local Revenue** as compared to the FY20 Amended Budget:

- 0.1% or \$25,452 increase in Real Estate Tax revenue. Total FY20 Real Estate Tax revenue of \$17,844,479 yields a per penny tax rate equivalent of **\$247,840**.
- -1.0% or (\$61,275) decrease in Personal Property and Mobile Home Tax revenues.
- 1.1% or \$7,926 increase in Motor Vehicle License Fees.
- 4.2% or \$27,128 increase in Meals and Lodging Taxes.
- 900% or \$99,000 increase in Land Use Application Fees. 2021 is a re-application year.
- -10.8% or (\$16,031) decrease in Building Permit Fees.
- -61.1% or (\$110,000) decrease in Court Fines and Forfeitures.
- 22.6% or \$95,000 increase in EMS Revenue Recovery funds.
- Local Sales Tax, Late Tax Penalty and Interest, Business Licenses, and Recordation Taxes are expected to be relatively flat or have a slight decrease.

Ms. McGarry noted that land use applications are \$50 each, and it is 25 cents per acre for any new applications.

**FY21 STATE REVENUE** (Updated State revenue & Compensation Board reimbursements are pending)

<b>FY21 Total State Revenue:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$7,447,211	\$3,906,152	(\$3,541,059)	-47.5%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$7,652,723	\$3,906,152	(\$3,746,571)	-49.0%
<b>FY21 Total State Revenue Less Tunnel Project:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$4,111,006	\$3,906,152	(\$204,854)	-0.05%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$4,023,738	\$3,906,152	(115,586)	-0.03%

The following were notable estimates that affected the overall decrease between **FY21 Estimated State Revenue** and FY20 Amended Budget:

- -5.5% or (\$34,886) in Non-Categorical State Aid such as Motor Vehicle Carriers Tax, Mobile Home Titling Tax, Tax of Deeds, and Communications Sales and Use Tax.
- 51.1% or \$18,895 increase in State Reimbursement for the State Board of Elections due to expected full reimbursement of Registrar’s Salaries.
- 10.2% or \$48,792 increase in Public Assistance & Welfare to provide for a Medicaid expansion position.
- -8.8% or (\$4,832) in anticipated Wireless E-911 Funds.
- -62.0% or (\$2,069,405) in State Blue Ridge Tunnel Grant Funds.
- Other changes in Categorical State Aid (mostly grant funds) will be appropriated as received in FY20. This includes Asset Forfeiture proceeds, Four for Life Grant funds, Fire Program Funds, and

other various grants. *Note that Victim Witness Grant funds are being split between State and Federal fund budget categories as of FY21 to account for those sources. This split is 25% State and 75% Federal.*

**FY21 FEDERAL REVENUE**

<b>FY21 Total Federal Revenue:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,056,342	\$911,128	(\$145,214)	-14.6%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,101,350	\$911,128	(\$190,222)	-20.9%
<b>FY21 Total Federal Revenue Less Tunnel Project:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$806,342	\$911,128	\$107,786	13.0%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$858,842	\$911,128	\$52,286	6.48%

The following estimates affected the overall increase between **FY21 Estimated Federal Revenue** and FY20 Amended Budget:

- 10.2% or \$73,188 in Public Assistance and Welfare. Estimate is provided by the Department of Social Services.
- 100% or \$52,500 in Victim Witness Grant funds now being accounted for as federal revenue in FY21. Funds are split 25% State and 75% Federal.

**FY21 NON-REVENUE RECEIPTS:**

<b>FY21 Non-Revenue Receipts:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,656,169	\$20,000	(\$1,636,169)	-98.8%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,664,492	\$20,000	(\$1,644,492)	-98.8%
<b>FY21 Total Non-Revenue Receipts Less Library Project Bond Proceeds:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$77,177	\$20,000	(\$57,177)	-71.4%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$85,500	\$20,000	(\$65,500)	-76.6%

**FY21 Non-Revenue Receipts** (Insurance recoveries, cancelled checks, bond proceeds, and transfers from other funds) decreased primarily due to the expected completion of the Nelson Memorial Library expansion project and full use of the FY20 budgeted bond proceeds secured to finance the project. Additionally, the estimated FY21 insurance recoveries were reduced from the FY20 Amended budget amount, however additional funds are anticipated to be appropriated as received in FY21.

**FY21 YEAR ENDING BALANCE**

<b>FY21 Year Ending Balance:</b>			
<u>FY20 Amended Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,996,506	\$882,959	(\$1,113,547)	-55.8%
<u>FY20 Projected Budget</u>	<u>FY21 Estimated Budget</u>	<u>\$ Change</u>	<u>% Change</u>
\$1,996,506	\$882,959	(\$1,113,547)	-55.8%

**FY21 Year Ending Balance (Prior Year Funds)** consists of FY20 Revenues that exceed FY20 Expenditures by \$882,959 and are referred to as Carryover funds.

Ms. McGarry noted that the \$882,959 carryover from FY20 becomes the non-recurring pot of money on the expenditure side.

After Ms. McGarry finished the overview, Mr. Carter noted to the Board that Staff did not propose a tax increase, but if the Board is considering one, they would need to get that out soon because the Commissioner and Treasurer will need to know. Ms. McGarry checked the schedule and noted that the Board would have to have a public hearing on that before the April 14<sup>th</sup> meeting.

Ms. McGarry noted as the Board starts reviewing the departmental budgets, Staff can have a department head come in to the meeting to further explain a request, if the Board wants additional information.

**III. Other Business (With the Consent of the Entire Board of Supervisors)**

There was no other business considered by the Board.

**IV. Adjournment**

Supervisors discussed the next meeting date. It was noted that their next regular meeting is on Tuesday, March 10<sup>th</sup>, and since the agenda is fairly short with no evening session, they could spend more time on the budget at the end of the meeting, if they so choose. Mr. Rutherford noted that at some point, it may be worth it to spend a whole day to work on the budget as opposed to several afternoon sessions. Mr. Rutherford then suggested the next work session to occur on Thursday, March 12<sup>th</sup> at 2:00 PM. The Board agreed by consensus to meet to discuss the budget at 2:00 PM on Thursday, March 12<sup>th</sup> pending formal continuation of the regular session on March 10<sup>th</sup>.

At 3:40 PM, Mr. Rutherford moved to adjourn and Mr. Parr seconded the motion. There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion and the meeting adjourned.