

February 4, 2013 Clarke County Board Of Supervisors
 FY2014 Budget Work Session
 Meeting Room AB 10:00 a.m.

At a budget work session of the Board of Supervisors of Clarke County, Virginia, held in Meeting Room AB, 2nd Floor Berryville Clarke County Government Center, 101 Chalmers Court, 2nd Floor, Berryville, Virginia on Monday, February 4, 2013.

Board Members Present

Barbara J. Byrd; J. Michael Hobert; Beverly B. McKay; John R. Staelin

Board Members Absent

David S. Weiss

Constitutional Officers Present

Donna Peake, Tony Roper

Staff Present

David Ash; Tom Judge; Annette Gilley; Lora B. Walburn

Others Present

Val Van Meter

1) Call to Order

Chairman Hobert called the meeting to order at 10:07 am.

2) FY2014 Budget Discussion

Tom Judge, Director – Joint Administrative Services, lead the discussion. Highlights include:

– Personal Property:

- FY2014 tax rate currently projected at \$4.23.
- It is the Board's practice to use any increase in assessed property value to decrease the rate back to the previous \$4 value.
- Sales tax information will be adjusted as more information is received.
- Changes in aid to localities are reflected in revenue increases.
- Clerk of the Circuit Court revenue shows increase but is offset through payroll processing by Joint Administrative Services.
- Gang Task Force grant funding was eliminated. This grant funded a position in the Sheriff's Office.
- Victim Witness Program:
 - Grant Funding V-Stop and Crime Victims:
 - Funding is based on calendar year.
 - Funds were cut in half.
 - Future funding is dependent action specific to the Violence Against Women Act.
 - Commonwealth's Attorney is seeking additional funding from the locality to offset the lost funds.
- Real Property:
 - Review by Annette Gilley and Donna Peake resulted in a reduction in actual taxable value of property.
 - Donna Peake, Commissioner of the Revenue, explained that the real estate short fall originated last year in her FY2013 estimate when she used figures taken from the wrong report. She advised that real property would be less than estimated for rest of this year impacting FY2014.
 - Tom Judge concurred with Ms. Peake noting that the problem affected FY2013 and FY2014 and collections for FY2013 will be less than budgeted.
 - Supervisor Staelin opined that logically one would expect an increase giving the one cent tax increase for FY2013.
 - Mrs. Peake advised that she had used the wrong value to make land use adjustments affecting approximately 16 properties.
 - Mrs. Peake anticipates a net increase of approximately \$4 million on assessed real property values from properties going out of land use.
 - Tom Judge will research the last five years of assessed value in an attempt to establish a pattern.
- Real Property Public Services Corporations:

- This line item includes railroads, electric companies, and telephone companies.
- Machinery and Tools:
 - Steady decrease in valuations.
 - Donna Peake will coordinate with Jesse Russell a request to Berryville Graphics to supplement its submission with a plan.
 - Donna Peake to follow up with Georgetown on donation in lieu of taxes request.
 - The proposed solar facility is not included; no action on the property at this time.
- Penalties:
 - Treasurer indicates FY2013 should be consistent with FY2012.
 - Treasurer is currently pursuing sale for delinquent real property taxes.
- Delinquent Percentages:
 - Explore and modify accordingly.
- Penalties and Interest:
 - Adjust items for FY2013.
- Sales Tax:
 - Proposed FY2014 shows a 3 % increase over projected FY2013.
 - Current projections include figures through January 2013.
 - Adjustments will be made throughout the process.
- Communications Increase:
 - Adjust budget from \$469,000 to \$450,000.
 - This revenue comes from the State; Joint Administrative Services does not have access to the underlying data.
- Recordation Tax:
 - Five-year high is FY2012 at \$219,515.
 - Set FY2014 at \$230,000.
- Building Permits and Zoning and Subdivision Permits:
 - Check with Brandon Stidham, Planning Director, and Gary Pope, Code Official.
- Court Fines and Forfeitures:
 - The State has established a cap.
- Courthouse Security Fees:
 - Unchanged.
- Recycling Rebate:

- FY2014 will be the last year for rebate at this number.
- Rebate is calculated on tonnage.
- Tax on Deeds:
 - Further research needed - seems inconsistent with Recordation Taxes.
- Spay and Neuter Fund:
 - This line item reflects the State contribution.
- Distribution of Fire Funds:
 - County acts as “pass through” or fiscal agent between the state and fire companies.
- Comp Board:
 - It is believed that the State will return Aid to Localities.
- Office of the Treasurer
 - Verify estimates with the Treasurer.
- Payment in Lieu of Taxes:
 - This line item includes payments from the federal government for Mt. Weather and the Appalachian Trail.
 - Georgetown payment estimate is currently included but will be moved to Donations in Lieu of Taxes.
- Non-taxable Exempt:
 - This item includes churches, Project Hope, Blandy Experimental Farm / State Arboretum, etc.
- State-Mandated Salary Increase for Educators:
 - HB1500 was approved by the House and now goes to the Senate.
 - Chairman Hobert advised that this was a very technical amendment.
 - Chairman Hobert and Supervisor Staelin have personally spoken to legislators regarding HB1500.
 - Delegate Minchew will be conferring with Delegate May to see if his letter of request was granted.
 - The salary increase for School employees will cost \$292,000.
 - Tom Judge was instructed to provide the total cost of a 2% increase for all County employees.
- Northwestern Regional Jail:
 - An additional \$154,000 is requested in the FY2014 budget for increased operating expense.

- Clarke's utilization is rising.
- Reopening a closed portion of the facility is under consideration to address the rising jail population.
- Bond Refinance:
 - Northwestern Regional Jail Authority plans the refinance of an earlier bond issue.
 - The refinance will include approximately \$860,000 for capital project items for chiller replacement and a new telephone system.
 - Add this item to the Work Session agenda.

3) Adjournment

There being no further business to be brought before the Board at 11:39 am Chairman Hobert adjourned the FY2014 Budget Work Session.

Next Budget Work Session

The next FY2014 Work Session is set for Monday, February 11, 2013 at 10:00 a.m. in Meeting Room AB, 101 Chalmers Court, 2nd Floor, Berryville, Virginia.

The FY2014 Budget Finance Committee will meet with the School Finance committee at 8 am, Wednesday, February 6.

ATTEST: February 4, 2013

J. Michael Hobert, Chair

David L. Ash, County Administrator

Minutes Recorded and Transcribed by:
Lora B. Walburn
Deputy Clerk, Board of Supervisors