

Special Called Board of Supervisors Budget Meeting (Friday, June 21, 2024)
Northumberland County, Virginia

Members present:

James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Other Staff Present:

Mr. Luttrell Tadlock, County Administrator

Ms. Morgan Wilson, Executive Assistant

Mr. Carl Hayden, IT Technician

1. Opening of Meeting 4:00 p.m.

Procedural: A. Call to Order

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

2. County Administrator Items

Discussion: A. Budget Discussion

Action, Information: B. Approval of the FY25 School Board Budget

Motion to approve the FY25 School Board Budget in the amount of \$21,529,064 with the local funding portion totaling \$14,855,244. \$585,828 was set aside for all school employees to receive a 3% salary increase and to cover their health insurance increase. The school will remain under categorical spending with semi-annual appropriations in the amount of \$10,764,532 and quarterly budget reviews will be required.

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

Final Resolution: Motion Carried

Aye: Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Nay: James M. Long

Action, Information: C. Personal Property Tax Advertisement Correction

County Administrator Tadlock stated that the previous and the current calendar year personal property tax rates within the budget resolution are broken out by vehicles, which is at \$3.60 at 35% assessment ratio of NADA (now JD Power) and all other personal property is at \$3.60 at 40% assessment ratio of NADA (now JD Power). Machinery & tools along with merchants capital has varying other rates. While the proposed FY25 budget figures represent the rates as previously stated for the upcoming calendar year regarding the personal property tax, the advertisement of the FY25 budget for the personal property was advertised at \$3.60 at 35% assessment ratio of NADA (now JD Power) for vehicles inadvertently leaving out the \$3.60 at 40% assessment ratio for all other personal property. The advertisement should have contained

the 40% assessment ratio to have covered both vehicles (at the 35%) and all other personal property (at the 40%). Since the advertisement did not include the 40%, we will need to adopt the 35% assessment ratio for now. However, since personal property is based on the calendar year and not the fiscal year, there is time to advertise this matter for a public hearing at the July 11, 2024 meeting prior to the books being handed over from the Commissioner of the Revenue to the Treasurer. County Administrator Tadlock reached out to the County Attorney on this matter for guidance, and as mentioned before this can be advertised for next month's meeting, but the Board cannot take any action for 7 days as required by state code. Mr. Tadlock explained that this is simply to correct how the tax rate was advertised.

Motion to advertise a tax of \$3.60 per one hundred dollars of the assessed valuation at a 35% assessment ratio per JD Power on all taxable motor vehicles and all other personal property at a 40% assessment ratio per JD Power. This public hearing will be advertised to be held on July 11, 2024 at 7:00 p.m.

Motion by: James W. Brann, second by: Chip Williams.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Action, Information: D. County Salary Scale Adjustment

County Administrator Tadlock explained that the salary scale was adjusted last year and they are requesting it shift 1.5% again this year.

Motion to approve the adjusted salary scale for FY25 that reflects a 1.5% adjustment.

Motion by: James W. Brann, second by: Chip Williams.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Action, Information: E. Adoption of the FY25 County Budget

Motion to approve the FY25 County Budget in the amount of \$50,201,732.

Motion by: Chip Williams, second by: AC Fisher, Jr.

Final Resolution: Motion Carried

Aye: Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Nay: James M. Long

Action, Information: F. Approval of FY25 Tax Rates

County Administrator Tadlock stated that tax rate resolution does reflect a 66-cent per \$100 of the assessed value which is a 5-cent increase in comparison to last year's tax rate. This rate does include the 35% on all other personal property tax as mentioned before but a public hearing will be advertised to be held on July 11, 2024 to correct the advertised rate as stated earlier.

Motion to approve the following resolution to set the FY25 tax rates.

R E S O L U T I O N
BUDGET ADOPTION FY 25

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 2024-2025 a tax of \$0.66 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 2024, a tax of \$3.60 per one hundred dollars of the assessed valuation at a 35% assessment ratio per JD Power 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), and a tax of \$3.60 per one hundred dollars of the assessed valuation at a 35% assessment ratio of JD Power on all other taxable personal property; that there be and is hereby levied for the year 2024, 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 2024, 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, 2024 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 21, 2024.

Motion by: James W. Brann, second by: AC Fisher, Jr.

Final Resolution: Motion Carried

Aye: Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Nay: James M. Long

Action, Information: G. Appropriation of Funds for FY25

County Administrator Tadlock reminded the Board that they are looking to appropriate half of the monies now in the amount of \$10,764,532 and then appropriate the other half at a later date. Mr. Tadlock reminded the Board that they chose to have the school remain under categories, so he asked the Board how they would like to distribute the money amongst the categories. Since their budget is being reduced, he asked what category they'd like to reduce or if they want it equally reduced between the categories.

Supervisor Williams asked when the two appropriations would be made.

County Administrator Tadlock stated that the first appropriation would be made today as part of the appropriations resolution. The second appropriation would be in the fall or winter, whenever the Board decides, but it does need to occur before January 1, 2025.

County Administrator Tadlock asked the Board again how they'd like to handle the reduction.

Vice Chairman Brann stated that he believes that needs to be decided by the Superintendent.

Mr. Tadlock explained that the school would have to come back to the Board with how they'd like those monies to be distributed.

Vice Chairman Brann and Chairman Haynie stated that is fine.

Mr. Tadlock informed the Board that the total will temporarily be approved as a lump sum until we receive information on how the school would like the monies distributed amongst their categories.

Motion to approve the appropriations resolution for the FY25 operating budget in the amount of \$43,957,949 with an appropriated total of \$33,193,417. Un-appropriated monies in the amount of \$10,764,532 will be appropriated at a later date.

FISCAL YEAR 2024/2025 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 2024/2025 is approved and appropriations for the aforementioned funds are made as follows, subject to terms and conditions outlined within this appropriation resolution:

Operating Budget

Appropriated Monies

Board of Supervisors	458,588
County Administrator	538,200
County Attorney	72,000
Legislative Audit	98,461
Commissioner of Revenue	451,739
Assessor	450,000
Treasurer	504,461
Electoral Bd./Officials	152,124
Voter Registrar	169,911

Information Technology	571,280
Circuit Court	111,795
Witness Protection	69,854
General District Court	5,520
Juvenile & Domestic Relations	101,002
Clerk of Circuit Court	480,733
Commonwealth's Attorney	447,970
Sheriff	3,366,297
Fire Suppression/VFD	740,161
Ambulance/Rescue	2,360,683
Regional Jail	0
Building Inspections	273,063
Animal Control	441,433
Medical Examiner	350
Emergency Services	322,587
Street Lights	25,500
Solid Waste	1,827,633
Refuse Disposal	20,000
General Properties	545,506
Sanitary District	469,428
Local Health Services	243,970
Community Serv. Bd.	71,675
Dept. of Social Services	2,762,202
Light Street Project	0
Education- School Food Service	724,522
Education- Adult Education	0
<i>*Public Schools</i>	10,764,532
6100-Instruction	
6200- Administration and Health	
6300- Transportation	
6400- Operation & Maintenance	
6600- Building & Site Improvements	
6700- Debt Service	
6800- Technology	
Rapp. Comm. College	9,565
Recreational Programs	55,000
North. Co. Pub. Library	265,515
Planning	313,306
Callao Bus. Dist. Revit.	0
Economic Developm't	41,468
N.N. Planning Dist.	9,500
Soil & Water Conserv.	15,000
Forestry	5,549
Wetlands Board	21,542
Coop. Ext. Program	75,749
Capital Projects	2,738,045

Total Operating Budget Appropriations	<u>\$33,193,417</u>
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Un-Appropriated Monies

<i>*Public Schools</i>	\$ 10,764,532
6100-Instruction	
6200- Administration and Health	
6300- Transportation	
6400- Operation & Maintenance	
6600- Building & Site Improvements	
6700- Debt Service	
6800- Technology	

Total Un-Appropriated Monies	<u>\$ 10,764,532</u>
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Total Appropriated & Un-Appropriated	\$ 43,957,949
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*Board of Supervisors approved the Public Schools Budget in categories but allowed the school division time to place the amounts needed in each category. Amounts for each category will need to be transferred once received by the Board of Supervisors.

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, 2024 ending on June 30, 2025 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, 2024 and ending on June 30, 2025. 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, 2024 and ending on June 30, 2025 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 a bi-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, 2025 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 21, 2024

Motion by: Chip Williams, second by: James W. Brann.

Final Resolution: Motion Carried

Aye: Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Nay: James M. Long

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 2024, 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 40% tax relief;
- Personal use vehicles valued at \$20,001 or more shall only receive 40% 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 21, 2024

Motion by: James W Brann, second by: Chip Williams.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Action: I. Supplemental Appropriation - Sheriff's Department

Motion to transfer funds with a supplemental appropriation from 10-762 (Vehicle Sold Money) to 9103-7029 in the amount of \$4,087.00.

Motion by: Chip Williams, second by: AC Fisher, Jr.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Action, Information: J. Supplemental Appropriation - Sheriff's Department

Motion to transfer funds with a supplemental appropriation from 10-285 (Court Security Fee) to 3102-1004 in the amount of \$32,334.69.

Motion by: Chip Williams, second by: James M. Long.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Information: K. Re-Assessment Office Location

County Administrator Tadlock stated that Assistant County Administrator Basye has been working on where they can have the re-assessment office. He found one location in Callao that is willing to offer the space free of charge for a few months, but after that the County would have to figure something else out. Mr. Tadlock suggested that due to the time frame, it may be best to use the upstairs of the old courthouse for internet and phone purposes.

Supervisor Fisher asked if there was heating and air conditioning upstairs at the old courthouse.

Mr. Tadlock stated there is not and that is a concern. The County would have to provide fans at this time. He reminded the Board that they did receive a quote from Southern Air for that installation.

Vice Chairman Brann asked what the turn around time is to get internet and phone set up in the alternative space in comparison to getting heating and air upstairs at the old courthouse. He stated that it may take the same amount of time.

Mr. Tadlock stated that he'd look into this and get back to the Board with this information.

Supervisor Long asked for an update on the housing assessment meeting.

Mr. Tadlock stated that the County has finalized the contract with DHCD and it's just a matter of setting up a meeting date. He explained that Mr. Davis emailed him earlier this week and he will get back in touch with him once the budget is finalized.

Supervisor Long stated that the County is generating quite a bit of money from cigarette tax.

Mr. Tadlock agreed, stating that the County has received around \$51,000 so far.

Supervisor Long asked if that money was applied to the budget.

Mr. Tadlock stated that the Board asked for those monies be placed in the capital improvement fund.

3. Closing of Meeting

Action: A. Adjournment

Motion to adjourn.

Motion by: James W. Brann, second by: AC Fisher, Jr.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.