

A meeting of the Botetourt County Board of Supervisors was held on Wednesday, April 15, 2009, in Rooms 226, 227, and 228 of the Greenfield Education and Training Center, in Daleville, Virginia, beginning at 7:00 P. M.

PRESENT: Members: Mr. Don A. Assaid, Chairman
Mr. Don L. Meredith, Vice-Chairman
Mr. Terry L. Austin
Mr. Stephen P. Clinton
Mr. Billy W. Martin, Sr.

ABSENT: Members: None

Others present at the meeting:

Mr. Tony Zerrilla, Finance Manager
Mr. Gerald A. Burgess, County Administrator

The Chairman called the meeting to order at 7:03 P. M.

Mr. Assaid welcomed those citizens who were present at tonight's hearings on the proposed FY 2009-10 County, school, and utility fund budgets and tax rates.

Mr. Burgess then gave an overview of the proposed FY 09-10 budget. He noted that the proposed budget does not expand service levels during the current difficult economic environment. He noted that this budget is indicative of teamwork which is reflective of Botetourt County's values. Mr. Burgess noted that the budget also proposes no layoffs of County employees.

Mr. Burgess then gave a PowerPoint presentation on the proposed budget's expenditures and revenues. He noted that the budget's expenditure breakdown is as follows: 30% General Fund; 58% schools, 10% Debt Service, and 2% Social Services. Mr. Burgess noted that the current FY 08-09 budget consisted of 32% General Fund expenditures. He noted that there is a significant reduction in capital expenditures in the proposed budget.

Regarding revenues, Mr. Burgess noted that the County's various sources of revenues were shown on the displayed graphic. He noted that most of these anticipated revenues are less than previous years, except those monies from the federal government. Mr. Burgess stated that a separate line item indicating the school's federal stimulus fund allocation has been created in order to keep track of these monies.

Mr. Burgess noted that overall departmental expenditures are proposed to increase by 3.1%; 22 of 44 departments will have reduced budgets. He stated that budget allocations for community organizations are proposed to remain flat in the FY 10 budget. Mr. Burgess noted that some organizations, e.g. the Roanoke Valley-Alleghany Regional Commission, requested less funding in the new fiscal year. He stated that the County's total operating expenditures are proposed to increase only 1.3%.

Mr. Burgess noted that the County is also required in FY 10 to return \$238,928 in previously received funding to the State of Virginia as part of the State's budget balancing process. Mr. Burgess also noted that the upcoming budget will be the first full year of the County having to haul trash to the Salem transfer station. He stated that, with these two items removed, the operating expenses for FY 10 will show a small decrease. He noted that the total General Fund expenditures are down 4.7% because of the reduction in capital projects which has a proposed budget of only \$720,000. Mr. Burgess stated that the Department of Social Services also submitted a budget request for flat funding. He further stated that Debt Service is being reduced by 3.3% and noted that revenues are down by only 1.4%. Mr. Burgess noted that net revenue available increased prior to the School budget by \$728,000. Mr. Burgess then stated that \$2.4

million in Fund Balance monies are proposed to be used in FY 10 but that the Fund Balance Policy will be in full compliance with County guidelines.

Mr. Burgess noted that the Utility Fund is now self-sufficient. He noted that the capital expenditures figure is proposed to increase due to the potential purchase of private water systems. He further stated that the total Utility Fund budget is proposed to increase 5% and revenues are estimated to increase by 2.8%. Mr. Burgess noted that it will be possible in early FY 10 to transfer monies to the Utility Capacity Fund to ensure it is in compliance with the Fund Balance Policy.

Regarding the School budget, Mr. Burgess noted that revenues are down except for the federal stimulus funds which are anticipated to be \$1.64 million. He further noted that the proposed school budget shows that their total operational expenditures are down 0.4%. Mr. Burgess noted that the schools are requesting \$21.2 million from the County in FY 10—the same as the current fiscal year's allocation.

Mr. Assaid then reviewed the procedures for conduct of public hearings. He asked that all speakers state their name and address, limit their comments to the item under consideration, speak for no more than five minutes, and do not duplicate the comments made by others.

Mr. Assaid then opened the public hearing on the Botetourt County School budget for FY 2009-10, and the Botetourt County General Fund and Utility Fund budgets for FY 2009-10.

Dr. Tony Brads, Superintendent of Schools, thanked the members of the Board of Supervisors who served on the School Budget Committee (Mr. Assaid and Mr. Martin) for their input and support throughout the budget process. He stated that the committee had to deal with an overwhelming reduction of funds from the State of Virginia. Dr. Brads stated that there will be tracking issues associated with the stimulus monies and this is why these funds were listed separately in the school budget. Dr. Brads stated that these funds will not be available each and every year and the schools may have to come back to the drawing board. He stated that, before the stimulus monies were made available, the school system was considering budget reductions of \$1.7 million.

Dr. Brads stated that they are very concerned about future budget revenues. He stated that the school system only asks for what they need and appreciate the Supervisors' support and favorable consideration of the school budget as presented.

Mr. Assaid then thanked Dr. Brads and his staff for "recognizing the handwriting on the wall" in this year's budget development process.

Mrs. Kathy Graham Sullivan, School Board Chairman, also thanked Mr. Assaid and Mr. Martin for participating in the school budget process. She stated that their input was valuable during this tenuous budget's development. Mrs. Sullivan stated the proposed budget maintains current staffing levels and the quality of education expected in Botetourt County. She noted that education is a priority in the County and she again thanked the Board for their assistance in this process.

Mr. Frank Hayes, Program Director of Brain Injury Services of Southwest Virginia, then thanked the Board and County staff for supporting the various social services agencies in this area and maintaining the current levels of budget funding in FY 10. He stated that the County's support is valuable to maintain their services. Mr. Hayes then noted that Mr. Raleigh Gilchrist, Case Manager, and Mr. Mike Huffman, who has received services from their organization, were also present at tonight's meeting.

Mr. Hayes thanked the Board for their support over the years and noted that this assistance has been appreciated. He stated that they also appreciate the efforts of the County to provide support to various social services agencies in the Roanoke Valley during these tough economic times.

Mr. Assaid thanked Mr. Hayes for his comments and noted that the Brain Injury Services organization provides services to many County residents and this work is greatly appreciated.

After questioning by Mr. Assaid, it was noted that there was no one else present to speak regarding the School, General Fund, or Utility Fund budgets for FY 2009-10. The public hearing was then closed.

A public hearing was then held on the proposed tax rates for the 2009 calendar year as advertised. Mr. Assaid noted that there are no changes being proposed in the County's tax rates. Mr. Assaid then read the tax rates as follows: Machinery and Tools--\$1.80; Mobile Homes--\$0.65; Personal Property--\$2.55; Public Utilities--\$0.65; and Real Estate--\$0.65.

After questioning by Mr. Assaid, it was noted that there was no one present to speak regarding the proposed tax rates. The public hearing was then closed.

Mr. Burgess then stated that there was fantastic cooperation from all County departments this year. He noted that department heads agreed to hold positions open and to deter unnecessary travel expenses in order to save money. Mr. Burgess stated that he appreciated all of their work.

Mr. Burgess then noted that Mr. Austin and Mr. Clinton have served on the General Fund Budget Committee for many years and have extensive knowledge of the various aspects involved in development of the County's budget. He noted that they "keep the staff on their toes" throughout this process and their work is appreciated.

Mr. Assaid stated that he also appreciates the work done by Mr. Austin and Mr. Clinton on the budget committee. He noted that their work is very conscientious.

Mr. Assaid then stated that the FY 09-10 budgets and tax rates will be considered for adoption by the Supervisors at their April 28 regular meeting.

There being no further discussion, the meeting was adjourned at 7:19 P. M.