

Issue Analysis Form

Date: April 24, 2018
Item: Public Hearing – FY2019
Lead Department(s): Budget
County Administration /
Finance
Contact Person(s): Betsy Drewry, Finance
Director



Description and Current Status

The budget is submitted to assist the Board of Supervisors in making policy decisions that are geared to meet the challenges of the community, as well as lend itself to public scrutiny through input from taxpayers and the media. The Budget is also designed to incorporate extensive financial controls and pursue goals of efficiency and effectiveness by balancing short-term and longer-term community interests.

Ultimate approval of the annual Budget is seen as one of the most important actions of the Board of Supervisors. The Budget serves as a financial roadmap for what programs and services are offered in Prince George County.

The Budget is balanced in accordance to State Code and is proposed to reflect accurate revenue and expenditure projections with the best information that is available at the time of presentation. Furthermore, it is proposed to continue providing a high level of service to the citizens and businesses of Prince George County.

The County Administrator's budget was proposed to the Board of Supervisors on February 27, 2018. The budget called for a 5¢ increase in the real estate tax rate to 91¢ from \$0.86 per \$100 of assessed value **exclusively for the construction of a new elementary school**. The Personal Property and Machinery and Tools Tax Rates remained unchanged from FY 17-18 at \$4.25 and \$1.50 per \$100 of assessed valuation respectively.

There was a proposed increase of 5% in water rates and a 7.5% increase in sewer rates. The Public Utility is a self-supporting enterprise fund. The rate increases are needed to maintain existing utility systems and infrastructure, and to cover expected cost increases in sewer services purchased from multiple service providers.

Public Hearings were held for both the tax and utility rates on April 10, 2018 and the proposed rates were approved **with the exception of the real property rate which was deferred until April 24, 2018**. The real property rate approval was deferred to allow the board additional time to examine the timeline of the proposed new elementary school and to further evaluate available resources for operations.

Highlights of the proposed FY2018-19 budget included:

1. Funding of **Employee Health Insurance** Increase.
2. Funding for partial implementation of a **Salary Study** for County employees - \$200,000.
3. Full funding of the Memorandum of Understanding (**MOU**) between the County and **Public School Division**.
4. General Fund **Equipment, Vehicles & Projects**:
 - a. Six (6) Vehicle Purchases - \$174,330
 - b. Maintenance Projects for County Buildings - \$300,000
 - c. Various Information Technology Projects, Software & Upgrades - \$181,250
 - d. Burrowsville Playground - \$29,229
 - e. Fencing for Scott Park Field #6 - \$21,715
5. **Utility Capital Improvements** totaling \$1.47 Million
6. **Capital Improvement Projects and Debt Issuance** for various initiatives including:
 - a. New Elementary School
 - b. Route 156 Water Main Extension
 - c. Food Lion Water System Upgrades
 - d. Self-Contained Breathing Apparatus
 - e. Real Estate Assessment Software Replacement
 - f. Scott Park Concession & Restroom Facility
 - g. County Building Security and Entrance Improvements
 - h. Fire & Crew Buildings Security/Entrance Systems
 - i. Police Vehicles
 - j. Police Boat (Grant Local Match)

No pay increase or new positions were proposed for County employees or departments for FY2019. The board continues to evaluate details of the proposed FY2019 budget and consider revisions to the proposed budget at work sessions held (or to be held) on

March 7 March 20 April 3 April 18

At the April 18 budget work session, staff will be make recommendations for:

- 1) the fine tuning of revenue projections from state and local sources;
- 2) potential shifts of resources to allow for:
 - a. a County staff pay increase;
 - b. to improve sworn police officer pay in FY2019; and
 - c. to consider funding **some** of new positions and pay adjustments requested by Department Heads

Government Path

Does this require IDA action? Yes No

Does this require BZA action? Yes No

Does This require Planning Commission Action? Yes No

Does this require Board of Supervisors action? Yes No

Does this require a public hearing? Yes No

If so, before what date? Public Hearing should be held at least 7 days prior to approval of the budget (April 24 Public Hearing; with budget adoption proposed on May 8, 2019)

Yes No

The public hearing was appropriately advertised one time at least 7 days prior to the public hearing. Ad was circulated in *The Progress Index* on April 11, 2018. A copy of advertisement is attached.

Fiscal Impact Statement

The budget as proposed by the County Administrator on February 27, 2018:

RE Tax Increase of 5¢ - \$1,250,000 for new elementary school [estimated annual debt payment for \$29.1M school is approximately \$1,893,088]

Overall budget of \$116,804,395 which is \$2,786,161(2.44%) more than FY18

General Fund budget of \$56,046,727 which is \$2,491,376 (4.65%) more than FY18

Excluding the 5¢ RE tax increase, General Fund increase is \$1,241,376 (2.32%)

These totals and percentages will change with final approved Board budget for FY2019.

County Impact

The adopted budget will become the financial roadmap for operations and capital improvements for FY2019.

Notes

No action will occur following this public hearing. The board may not adopt/approve the budget for at least 7 days following this public hearing (per *Code of Virginia* §15.2-2506). Consideration of budget for adoption is proposed for May 8, 2018.

COUNTY OF PRINCE GEORGE NOTICE OF PUBLIC HEARING PROPOSED ANNUAL FISCAL PLAN FOR THE YEAR ENDING JUNE 30, 2019

Notice is hereby given pursuant to Section 15.2-2606, Code of Virginia (1960, as amended), that the Prince George County Board of Supervisors will conduct a public hearing for the purpose of receiving comments on the proposed Prince George County Annual Fiscal Plan (the "Budget") during its regular meeting of Tuesday, April 24, 2018, beginning at 7:30 p.m., in the Boardroom of the County Administration Building, Third Floor, 6602 Courts Drive, Prince George, Virginia, for the Fiscal Year beginning July 1, 2018 and ending June 30, 2019.

A brief synopsis of the FY 2018-2019 Budget appears below. The contemplated expenditures for all purposes as contained in this budget are for informative and fiscal planning purposes only and should not be deemed to be an appropriation. No monies shall be paid out, or be available to be paid out, for any contemplated expenditures in this budget unless and until there has first been an appropriation of such contemplated expenditures by the Prince George County Board of Supervisors.

A copy of the proposed FY 2018-2019 budget may be examined in the County Administrator's Office, Third Floor of the County Administration Building, (804) 722-8600, 6602 Courts Drive, Prince George, Virginia, during the hours of 8:30 a.m. to 5:00 p.m., Monday through Friday. It is available online at <http://www.princegeorgecountyva.gov>. The hearing is open to the public. All persons desiring to be heard will be given an opportunity to comment on the proposed budget within such reasonable time as determined by the Board of Supervisors.

ANTICIPATED REVENUE:	Proposed FY18	Adopted FY18
Local Sources	\$ 56,447,382	\$ 82,201,166
State Sources	51,433,228	51,326,800
Federal Sources	9,623,767	9,175,739
Other Sources	400,000	1,311,530
Total Anticipated Income:	\$ 116,804,396	\$ 114,018,234

ESTIMATED EXPENDITURES (net of transfers):	Proposed FY18	Adopted FY18
Administration	\$ 1,208,768	\$ 1,167,013
Constitutional Officers	2,284,022	2,308,998
Community Development	1,168,378	1,218,568
Financial Services	2,161,568	2,068,883
Operations	3,676,305	3,697,412
Public Safety	10,804,484	9,959,494
Social Services	4,066,638	4,110,637
Other	29,566,344	28,008,964
Community Connections	1,003,088	1,001,285
LOSPAP	175,600	175,600
Education	66,566,894	66,423,047
Adult Education	915,125	885,677
Economic Development & Tourism	1,781,112	1,732,466
Stormwater	442,000	442,000
W&S Water & Sewer Fund	8,278,908	7,548,968
Capital Projects	475,010	475,932
Debt Service	9,294,657	8,051,178
Special Welfare	15,000	15,000
(less Transfers)	(26,694,226)	(26,289,468)
Total Anticipated Expenditures:	\$ 116,804,396	\$ 114,018,233

The levies, per \$100 of assessed valuation, which appear below, are the County Administrator's proposed for the Fiscal Year beginning July 1, 2018 and ending on June 30, 2019.

	Proposed FY18	Adopted FY18
Real Estate	\$0.91	\$0.98

The levies, per \$100 of assessed valuation, which appear below, are the amounts proposed for the Calendar Year beginning January 1, 2018 and ending on December 31, 2018.

Tangible Personal Property	\$4.25	\$4.25
Machinery & Tools	\$1.50	\$1.50
Tangible Personal Property / Mobile Homes	\$0.91	\$0.98

By Authority of
Percy C. Ashcraft
County Administrator

19-000-0000

TRUSTEE'S SALE

12208 South Crater Road
Petersburg, VA 23803

In execution of the Deed of Trust dated August 28, 2008, and recorded as Instrument Number 080003728, of the Prince George County land records the undersigned Substitute Trustees will offer for sale at public auction on **April 19, 2018 at 1:00 PM** at the main entrance of the Property located at 12208 South Crater Road, Petersburg, Virginia 23803, the following property:

ALL that certain tract or parcel of land, with the improvements thereon and appurtenances thereto belonging, lying to the west of U.S. Route 301 in Rives District, Prince George County, Virginia, containing 3.6324 acres more or less and designated as Parcel "B-1" on that certain plat entitled "Plat Showing Division of Parcel 'B' As Well As Other Property Owned by Desco Corporation and Designated on This Plat as Parcels 'C', 'D' & 'E' (Only a Portion of 'E' is Shown) Rives District, Prince George County, Virginia Surveyed for Desco Corporation" made by George Whitman, Surveying, Land Planning, dated April 9, 1987 and recorded in the Clerk's Office, Circuit Court, Prince George County, Virginia in Plat Book 19, page 4.

TOGETHER WITH an easement for ingress and egress to and from Parcel "B-1" across the easterly portion of the Parcel "B-2" which is shown on the aforesaid plat and also is shown on that certain plat, hereinafter called the easement plat, consisting of two sheets entitled "Plat of Certain Property Owned by Desco Corporation and Designating Various Easements, Rives District, Prince George County, Virginia, for Desco Corporation" and "Additional Detail for Plat of Certain Property Owned by Desco Corporation and Designating Various Easements, Rives District, Prince George County, Virginia" made by George Whitman, Surveying, Land Planning and dated June 11, 1987, a copy of which is attached to and made a part of that certain deed from Desco Corporation to Pumpkin's Restaurants, Inc. recorded in Deed Book 297, page 896. This easement shall be for the exclusive benefit of Parcel "B-1" and shall utilize the entrances designated on the easement plat as "Entrance #1" and "Entrance #2" or such different or additional entrances as may be established from time to time along the eastern line of Parcel "B-2". The width and location of this easement shall be as reasonably established from time to time by the owner of Parcel "B-2"; but in no event shall such width or location restrict the reasonable flow of two-way vehicular and pedestrian traffic to and from Parcel "B-1".

TOGETHER WITH all the rights and benefits acquired by the grantor pursuant to that certain lease agreement and deed of easement dated October 11, 2000 among Desco Corporation, grantor and Pumpkin's Restaurants, Inc. recorded as Inst #00004070, BEING the same property conveyed to RAJ, LLC a Virginia limited liability company by deed from Desco Corporation dated October 11, 2000 and recorded in the aforesaid Clerk's Office as Inst. #00004069.

Property Address: 12208 South Crater Road, Petersburg, Virginia 23803.

Tax No.: 430(0A)00-037-0

The property and improvements will be sold in "as is" physical condition without warranty of any kind.

TERMS OF SALE: A non-refundable bidder's deposit in the amount of fifty thousand and no/100 dollars (\$50,000.00) payable by cashier's/certified check required at time of sale except for the party secured by the Deed of Trust. Registration begins at 11:00 a.m. on the date of sale and continues until the sale begins. Risk of loss on purchaser from date and time of auction. Balance of the purchase price must be paid by cashier's check within 14 days from sale date. Except for Virginia Grantor tax, all settlement costs and expenses are purchaser's responsibility. Real estate taxes will be pro-rated to the date of sale. Purchaser is responsible for obtaining possession of the property. If purchaser defaults, deposit will be forfeited and property resold at the risk and cost of the defaulting purchaser who shall be liable for any deficiency in the purchase price and all costs, expenses and attorney's fees of both sales. If trustee does not convey title for any reason, purchaser's sole remedy is return of deposit without interest. This sale is subject to post-sale audit of the status of the loan secured by the Deed of Trust including, but not limited to, determining whether prior to sale a bankruptcy was filed; a forbearance, repayment or other agreement was entered into; or the loan was reinstated or paid off. In any such event this sale shall be null and void and purchaser's sole remedy shall be return of deposit without interest. This communication is from a debt collector.

Old Dominion Trustees, Inc., Substitute Trustee

FOR INFORMATION CONTACT:

BUONASSISSI, HENNING & LASH, P.C.

1861 Willie Avenue, Suite 300

Reston, Virginia 20190

(877) 933-7779

File No. 2583.53205

§ 15.2-2506. Publication and notice; public hearing; adjournment; moneys not to be paid out until appropriated

A brief synopsis of the budget which, except in the case of the school division budget, shall be for informative and fiscal planning purposes only, shall be published once in a newspaper having general circulation in the locality affected, and notice given of one or more public hearings, at least seven days prior to the date set for hearing, at which any citizen of the locality shall have the right to attend and state his views thereon. Any locality not having a newspaper of general circulation may in lieu of the foregoing notice provide for notice by written or printed handbills, posted at such places as it may direct. The hearing shall be held at least seven days prior to the approval of the budget as prescribed in § 15.2-2503. With respect to the school division budget, which shall include the estimated required local match, such hearing shall be held at least seven days prior to the approval of that budget as prescribed in § 22.1-93. With respect to the budget of a constitutional officer, if the proposed budget reduces funding of such officer at a rate greater than the average rate of reduced funding for other agencies appropriated through such locality's general fund, exclusive of the school division, the locality shall give written notice to such constitutional officer at least 14 days prior to adoption of the budget. If a constitutional officer determines that the proposed budget cuts would impair the performance of his statutory duties, such constitutional officer shall make a written objection to the local governing body within seven days after receipt of the written notice and shall deliver a copy of such objection to the Compensation Board. The local governing body shall consider the written objection of such constitutional officer. The governing body may adjourn such hearing from time to time. The fact of such notice and hearing shall be entered of record in the minute book.

In no event, including school division budgets, shall such preparation, publication and approval be deemed to be an appropriation. No money shall be paid out or become available to be paid out for any contemplated expenditure unless and until there has first been made an annual, semiannual, quarterly or monthly appropriation for such contemplated expenditure by the governing body, except funds appropriated in a county having adopted the county executive form of government, outstanding grants may be carried over for one year without being reappropriated.

Code 1950, § 15-577; 1956, Ex. Sess., c. 67; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-162; 1976, c. 762; 1978, cc. 126, 551; 1984, c. 485; 1997, c. 587; 2009, c. 280; 2014, cc. 360, 589.