

AT A MEETING OF THE MIDDLESEX COUNTY BOARD OF SUPERVISORS HELD
ON THURSDAY, APRIL 13, 2023, IN THE BOARD ROOM OF THE HISTORIC
COURTHOUSE, SALUDA, VIRGINIA:

Present: Wayne H. Jessie, Sr., Jamaica District
Don R. Harris, Saluda District
John B. Koontz, Jr., Hartfield District (via phone)
Reginald A. Williams, Sr., Harmony Village District
Lud H. Kimbrough, III, Pinetop District

Matthew L. Walker, County Administrator
Ann Marie Ricardi, Assistant County Administrator
Heather W. Lewis, County Attorney
Tammy-Lynn Gilbert, Deputy Clerk

CALL TO ORDER

Mr. Kimbrough called the meeting to order at 7:05 p.m.

ROLL CALL

Attendance was taken by Ms. Ricardi with the following roll call: Mr. Williams – Present, Mr. Koontz – Present (via phone), Mr. Harris – Present, Mr. Jessie – Present and Mr. Kimbrough – Present.

Mr. Koontz joined the meeting via phone. Mr. Kimbrough asked Mr. Koontz to state the reason for attending electronically. Mr. Koontz stated he was on an immersion trip with the Christ Church school students. Mr. Kimbrough said the Board needed to have a majority vote to approve Mr. Koontz' participation by electronic means.

A roll call was taken by Ms. Ricardi to approve Mr. Koontz' participation by electronic means: Mr. Harris – Aye, Mr. Williams – Aye, Mr. Jessie – Aye and Mr. Kimbrough - Aye. The vote was unanimous to allow Mr. Koontz to participate electronically. Mr. Kimbrough asked for the minutes to reflect why Mr. Koontz was participating electronically and to reflect his location. Mr. Koontz identified his location as the Appalachian Trail in Berryville, Virginia, and he was on a trip with the Christ Church school students. Mr. Koontz was now a voting member of the Board and there was a quorum.

**PRESENTATION OF PROPOSED COUNTY BUDGET, INCLUDING
SCHOOL BUDGET AND PROPOSED COUNTY TAX RATES**

Mr. Walker discussed the work that goes into preparing the budget and provided a brief explanation of the new expedited process. He also said there were no approved State budget amendments, and it could be as late as June before the State's budget is finished.

REVENUE

Mr. Walker started by announcing there would be no real estate or personal property tax increases and the tax rates would remain the same.

He said there is an increase in investment revenue due to the Treasurer, the Board of Supervisor and staff partnering to work through reinvesting reserves in higher yielding accounts, T-bills and the Local Government Investment Pools (LGIP) and offers a 4.5% interest.

Mr. Walker proposed a high deductible health insurance plan called the Health Pathways program for county employees, potentially using up to \$247,000.00 of the remaining ARPA funds to initiate employee Health Savings Accounts to support transition to a High Deductible insurance plan. He said open enrollment will be May 2, 2023 – May 16, 2023 and will have additional information for the Board after that time.

Mr. Walker explained the reason for the 18% budget increase is largely due to the \$4.2 million to fund capital improvements. He said that \$3.1 million will be for the County's capital improvements and \$1.1 million for the School's portion of capital improvements.

Mr. Walker said the budget includes a potential 7% cost of living adjustment for school and county employees but said if the state fails to act on their budget amendments, the default cost of living adjustment will be 5%.

EXPENDITURES

Mr. Walker explained that the \$247,000.00 in ARPA funds show as non-departmental expenses and once the health insurance selection rate is set, the funds will be distributed through a line-item transfer. He said another portion of the increase is the \$146,000.00 for the sewer capital improvement reserves to increase the amount from \$854,000.00 to one million, largely due to the increased interest rates.

Mr. Walker discussed the Board of Supervisors budget at \$62,000.00 which increased due to health insurance and professional services such as the PR firm, he added that since the Board decided not to use the PR firm, the money will be moved into contingencies if the Board chooses to do so.

Mr. Walker continued his review stating that the Registrar's increase is due to the elections and primaries this year and also mentioned the Museum's request for \$12,000.00 to cover a part-time position. He discussed providing the library with \$15,000.00 for a second library director position. Mr. Walker also discussed the Cooperative Extension requesting the County's help to share the costs of a 4-H officer. He said the position was no longer funded by the State. He discussed shared funding with Essex County and recommended the County proceed with a shared 4-H position with Essex County.

Mr. Walker reported that there have been substantial increases in the county's capital improvements, with a 501% increase for the county and a 159% increase for the schools. He said the monies are not part of the operating budget and are being funded by reserves and fund balance. He said things affecting the school budget are \$7 million in state funding, an estimated increase of \$496,000.00, \$977,000.00 in federal funding, an estimated increase of \$122,000.00, and a proposed increase in the local contribution to the schools of just over a million at \$1,000,005.00. The net school general fund increases to \$1.575 million for a total of \$21,329,121.00. The school food is \$756,000.00, and the total school textbook fund is \$152,000.00, which is fully funded by local sales. The proposed school capital improvements are \$1.1 million, stating the schools have an ongoing LED lighting replacement program and a roofing system replacement at the elementary school for \$800,000.00. The county capital improvements include \$500,000.00 for the sheriff's office construction at the Puller Center and \$250,000.00 for the Cooks Corner Buddy Park Project, \$320,000.00 for the Rappahannock central Elementary School repair and renovation and \$2 million for the county wastewater collection system project.

Mr. Kimbrough opened the Public Comments at 7:37 p.m.

Mrs. Debra Miller voiced her concerns with administrative issues on the website. She also discussed personal property taxes and mentioned concerns with the \$37 million budget not decreasing. She mentioned the fund balance and said using the fund balance cannot be done every year to balance the budget and keep tax rates the same.

Ms. Dawn Moore discussed concerns with using J.D. Power for vehicle assessments. She also mentioned her concerns with HRSD managing the sewer system. She said the County needs to do more for the business in the County.

Mr. Kimbrough closed the Public Comments at 7:47 p.m.

As a reminder, Mr. Walker stated the Board could not vote on the Budget until 7 days after the public hearing.

ADJOURN

A motion to adjourn until the Budget Adoption meeting on April 20, 2023 at 7:00 p.m. was made by Mr. Jessie and seconded by Mr. Williams and carried by the following roll call: Mr. Koontz – Aye, Mr. Harris – Aye, Mr. Williams – Aye, Mr. Jessie – Aye and Mr. Kimbrough – Aye.

Lud H. Kimbrough, III, Chairman
Board of Supervisors