

# 6/23/22 Citizens' Budget Advisory Committee (CBAC)

## Meeting Notes

**Committee Members Present:** Mr. Brian Bondurant, Mr. Gene Johnson, Ms. Shelia Walters, Ms. Leah Mills, Mr. Chris Eudailey

**County Staff Present:** David Oakley – Budget Manager; Stephanie Davis – Budget Analyst

**The meeting was brought to order at 9:05 am via Microsoft Teams.**

### 1. Welcome

- a. Approval of March 11, 2022 minutes

### 2. Updates

- a. Track one is filled by the Amazon Fulfillment Center. Current occupants include the Capital One Data Center and Northam Grumman. The Legos manufacturing plant will go across the street, there will also be a solar plant component to the project.
- b. The 2-5-2 salary study was implemented in May ahead of the July 1<sup>st</sup> plan.
- c. Bond referendum question will go to the Board on Wednesday June 29, 2022, and the Circuit Court will receive the information after the meeting.
- d. Mr. Eudailey inquired about what the focus of referendum is, and Mr. Oakley stated that the referendum will be on five areas: police, libraries, fire, parks, and schools. The County's side is \$165 million, and the school's side is \$375 million. In the past, referendums would typically be 50/50 but Chesterfield schools is receiving additional funding.
- e. Mr. Eudailey asked if there is a backup plan if the voters don't go along with the referendum question and Mr. Oakley responded that historically voting is usually in favor, but the County will do what it can with cash and other financing vehicles if the referendum it is not received well by constituents.
- f. A request was made for the complete list of what school's projects will be on the bond referendum. Mr. Oakley will send a list of the items currently in the schools CIP.
- g. Mr. Eudailey asked if there had been further discussions about the meal's tax, and Mr. Oakley will check into the matter because it would need to be added to a ballot. It could be tied to the referendum, but the tax could make the referendum riskier.

### 3. Economic Outlay

- a. Mr. Oakley presented the presentation given to audit and finance committee in June.
- b. FY2022 budget is \$807 million. County budget has been conservative due to the pandemic; however, revenue is exceeding the projection in property, sales, and real

- estate taxes. Local sales tax collection is appearing to slow and may be at the end of the growth period experienced the past few years.
- c. The additional payroll expenses that were incurred due to the early implementation of the pay plan study along with overtime in public safety areas and inflationary pressures are some of the notable expenditures.
  - d. The period of 2014-2022 was an active run of building permit activity post-recession. The County is not seeing a halt, permits are just returning to a prerecession level.
  - e. County gets a competitive price on fuel compared to the typical pump. It is about a dollar cheaper than what is charged at a typical station.
  - f. Chesterfield buys \$4 million dollars in vehicles annually. In FY2022, the County is 10-15 vehicles behind what was planned because of supply chain issues.

#### **4. Plans for Using the Results of Operation**

- a. Used positive results of operation from FY2021 to pay down \$30 million of supplemental retirement for schools.
- b. Boost financial reserves to ensure the County is within policy levels.
- c. There is a movement in County to purchase not lease land, facilities, and equipment.
- d. Economic Development land acquisition initiatives for Spring Rock Green and Adaline Acres.
- e. Ms. Walters asked where the Chesterfield property line is, and Mr. Oakley stated that the eastern side of Chippenham marks the line.
- f. Ms. Walters also inquired about what the new Spring Rock Green property acquisition will consist of, and Mr. Oakley shared that it will be mixed use with business on bottom and residences at the top.
- g. Last year, the County had \$100 million in surplus because of additional funding received through CARES. In FY2022, surplus is expected to be approximately \$65.5 million but factoring in obligated expenses and automatic reserves the net surplus is expected to be approximately \$46.4 million.
- h. Board of Supervisors adopted a policy that surplus in public safety areas needs to go into reserves for future pay plan initiatives.
- i. There has been an influx of veterans in the county and there is money being set aside to assist with their vehicle tax relief.
- j. Reserves will be used to minimize increases in healthcare for staff for both county and schools.
- k. CIP inflation buffer for project overruns.
- l. Mr. Johnson inquired about rebates instead of tax relief because it's easy to take taxes down but not increase them. Mr. Oakley stated he would pass along the suggestion and shared that the purpose behind using reserves for tax relief was to apply relief directly to someone's bill instead of issuing a check.

## **5. Personal Property Study**

- a. Mr. Oakley shared personal property tax collection information for County residents. He explained that most taxpayer's bills did not increase or increased by about \$20. What the Board did with tax relief for vehicles under \$1,500 helped.

## **6. FY2023 meeting planning**

- a. Mr. Oakley went over future meeting topics:
  - i. Referendum
  - ii. CIP
  - iii. Sheriff Leonard opioid program
  - iv. Natalie Spillman state budget update
  - v. Parks and ARPA and CIP projects
  - vi. Community Enhancement land banking and single/double wide trailers on Route 1
  - vii. Citizen Information and Resources coming up against pressures related to COVID and not being able to engage community
- b. Ms. Mills and Mr. Bondurant would like to know more about the opioid program.
- c. Ms. Walters requested an overview of transportation and road challenges in the County. Mr. Oakley shared that all the vehicle registration fees approximately, \$8.1 million in revenue, along with \$3 million in proffer revenue, and \$5 million in general fund state leveraged dollars go toward County roads.

**Meeting adjourned at 10:07am**