

# 12/15/22 Citizens' Budget Advisory Committee (CBAC)

## Meeting Notes

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

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

**The meeting was brought to order at 9:00 am**

### 1. Welcome

- a. Approval of October 27, 2022 minutes

### 2. Annual Comprehensive Financial Report – Update

- a. Accounting puts together the Annual Comprehensive Financial Report yearly. The department works from July-October to compile the report, which showcases revenues and expenses for the previous fiscal year.

### 3. Maximum Tax Rate FY2024

- a. A real estate rate of 0.91 cents was proposed on December 15, 2022 which is the maximum for FY2024. It is set ahead of time but can always go below the maximum.
- b. General discussion regarding the Federal Reserve's recent rate increase.

### 4. Amendments to FY2023 Budget

- a. Themes at FY2022 year end are very similar to what is in FY2023 adopted budget for tax relief. Real estate is a theme to keep in mind going into FY2024. Real estate assessments are high and they are assessed 12 months behind the market.
- b. Mr. Oakley stated that the County wants to continue the efforts to assist with tax relief, increasing threshold to keep pace with inflation and increasing the BPOL threshold to provide relief to local business owners.
- c. Chesterfield maintains an 8% unassigned fund balance.
- d. Inflationary pressures are impacting healthcare costs. Healthcare for employees will be going up and the County will use some of its surplus to mitigate the impact.
- e. Money is being set aside for inflation related impacts to CIP projects to account for increases above original quotes.
- f. County is also looking at land for parks and fire stations now in advance of the projects
- g. Schools lost state funding and if no actions are taken it would fall to the County to backfill the funding.

- h. Mr. Johnson asked what was the loss of state dollars for schools? Mr. Oakley will have to reach out to schools and provide an update (\$17 million shortfall between FY23-FY24).
- i. Chesterfield is large enough that it can negotiate billing with Virginia Electric and Power Company (VEPCO) and Dominion and there is a surcharge for fuel. Rates have gone up 24% over two years. A recommendation was made to the Board of Supervisors to increase rates outside of process by 7%.
- j. November's referendum had a historic approval rate. County must now meet with rating agencies.
- k. Spring Rock Green is a big portion of the capital and economic development plan and strategy. It is located across from Stonebridge.
- l. Mr. Eudailey asked if all of Spring Rock Green was going to be torn down? Mr. Oakley stated it would be turned into mixed use and multifamily dwellings. One of the four police precincts in the bond referendum is slated to be built there.
- m. District Enhancement Capital Improvement Funds were adopted in 2023 appropriating \$1.1 million dollars per district in year one and \$500,000 in subsequent years. Expenses must be one-time payments.
- n. District Improvement Funds are appropriated annually, in the amount of \$33,500 per district.
- o. Mr. Bondurant asked how many additional turf fields are being added. Mr. Oakley stated that only two schools have been approved and the projects are underway.
- p. Mr. Eudailey asked about how the County not receiving the SAFER grant will impact getting positions filled. Mr. Oakley stated budget surplus is not expected to be as high moving forward. The County is seeing residual federal dollars from CARES and ARPA. Six positions over the next five years was adopted when applying to the SAFER grant with the thought that the County could be receiving funding for 36 positions for 2-3 years and then would be able to ease them into general fund positions.
- q. Mr. Eudailey would be interested in knowing what the current number of positions is to get to the 1.3 staffing factor and he would like an outline of what standards of coverage found in staffing and future needs.

## **5. Highlights from the Parks Annual Update**

- a. Neil Luther is the new Parks and Recreation Director. He has been with the county less than six months.
- b. Parks have a lot of new things in the works assisted by funding between federal and referendum dollars. Harrogate, Winterpark, Falling Creek, and Cogbill park are all under construction. During the pandemic the County heard the requests from residents wanting access to the James River.
- c. Mr. Johnson asked how parks counts people visiting parks. Mr. Oakley stated that the number of cars in and out of the parking lot is how the number is calculated.

- d. Most of the new boat landing is being paid for by Dominion because of the closing of Dutch gap.
- e. Park enhancements running water into Horner park.
- f. Old Beula Elementary is being repurposed as the headquarters for Parks and Recreation. The remaining property is being changed into a park.
- g. The County is developing a second entrance into Henricus with the closing of Dutch gap.
- h. A high focus is being placed on bike and walking paths. Including fall line trail from Ashland to Petersburg and enhancing access to the Appomattox River with the Appomattox River Trail. Fall line trail is a regional effort.
- i. Matoaca Elementary re-use concept proposing something similar to Beula but instead of an administrative building it would be multi family low income homes. Low income homes on Woodpecker Road may be a potential initiative with Housing Opportunities Made Equal (HOME).
- j. Parks concentrating on ADA requirements to make facilities more accessible
- k. Drones have been acquired for lawn cutting and field chalking. A shop vac and power washer have been purchased to clean public restrooms.

#### **6. Future CBAC Schedule**

- a. Mr. Johnson asked what the total amount the county collected FY2022 vehicle property taxes versus the budget. Mr. Oakley will get a number however he does not know if the amount is split between vehicle and business. (All personal property vehicle and business came at a \$21M over the revised budget in FY22 in part due to the rising assessment of used vehicles.)
- b. Mr. Johnson asked how the County been doing with turnover. Mr. Oakley shared that the County has not had an issue with turnover at this time.

**Meeting adjourned at 10:25 am**