

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD A BUDGET WORK SESSION MEETING ON TUESDAY, MARCH 2, 2021, AT 3:30 P.M., IN THE BOARD OF SUPERVISORS ROOM LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: Tommy Cundiff
Leland Mitchell
Ronald Mitchell
Lorie Smith
Tim Tatum, Vice-Chairman
Ronnie Thompson, Chairman

ABSENT: Mike Carter

OTHERS PRESENT: Christopher Whitlow, County Administrator
Michael Burnette, Asst. Co. Admin.- arrived @ 4:25
Steve Sandy, Assistant County Administrator
Madeline L. Sefcik, CMC, Clerk

Ronnie Thompson, Chairman, called the meeting to order.

BUDGET WORK SESSION

Brian Carter, Director of Finance and Human Services presented the following PowerPoint.



FRANKLIN COUNTY

**FY 2022
BUDGET WORK SESSION
MARCH 2, 2021**



Current Budget Climate

- State Revenues
 - State revenue fairing better than original projections
 - Governor recommending increase of \$730.2 million in FY 2021-22 biennial budget (restoring back some of the prior year revenue estimates)
 - Increase in School State & Federal Funding
 - Additional \$1.9 million State Funding; includes hold harmless ADM
 - Coronavirus Relief and Recovery Supplemental Appropriation Funding \$6.5 million, or net increase \$6 million in Federal Funding (one-time funding expires in 2023)
 - Minimum of 5% COLA for School SOQ Positions
 - General Assembly Budget Amendment of 5% COLA for state employees and state supported local employees
- Local Revenues
 - Restoration of Revenue from FY 21
 - Modest Discretionary Revenue \$3,079,538

**Revenue Projections as of March 2, 2021 and subject to change



Prioritizing Operating Budget

- Restoration of FY 2021 Reductions
 - COLA
 - Restore Capital Transfer
 - Restore Funding for Parks & Recreation Maintenance and PT Capital Projects Manager positions
 - Restore Some Local School Funding TBD
 - FY 22 Operations & Inflationary Increases 1.1%
 - VRS, Insurance Adjustments
 - Minimum Wage Increases
 - Maintenance Service and other Contractual Obligations
-



Compensation & Benefits

- ❑ Market-based Pay RFP for All Employees
- ❑ COLA
 - ❑ 3% requires \$664K (offset by state revenue of approx. 20%)
 - ❑ 5% would require \$1.1 million (offset by state revenue of approx. 20%)
- ❑ 2.4% Health Insurance increase \$100K
 - ❑ Health plan significantly modified last year to absorb increase of 7.8% or \$185K
 - ❑ Elimination of KeyCare 500 Plan and addition of High Deductible Health Plan w/ HSA
 - ❑ Employees shared in and absorbed premium increases resulting in a net reduction in take-home pay
- ❑ Minimum Wage Increases \$120K or \$60K 1/2 Year
 - ❑ \$11/hour effective January 1, 2022
 - ❑ Increases to \$12/hour effective January 1, 2023
 - ❑ Gradual increase to \$15/hour effective January 1, 2026

Proposed 2020-2021 Medical Contributions

12 Pay periods during year

Scenario 1 (rev 1/24/20): Employees pay same percentages by tier as current KeyCare 30 plan
Assumes 10% of employees with single coverage and 10% of employees with dependent coverage enroll in the HDHP

Enrollment from 10-2019 census	7/1/2019 - Anthem					7/1/2020 - Anthem					
	Enrollment	Monthly			% EE Pays of Total Rate	Enrollment Assumption	Monthly			EE Per Pay Period \$ Change	% EE Pays of Total Rate
		EE	ER	Total			EE	ER	Total		
KeyCare 25						Eliminated					
Employee Only	28	\$154.70	\$359.46	\$514.16	30.1%						
Employee + Child	3	\$348.07	\$423.15	\$771.22	45.1%						
Employee + Children	2	\$487.31	\$592.45	\$1,079.76	45.1%						
Employee + Spouse	0	\$498.90	\$606.57	\$1,105.47	45.1%						
Family	1	\$742.56	\$902.80	\$1,645.36	45.1%						
	34										
KeyCare 30											
Employee Only	128	\$74.64	\$420.50	\$495.14	15.1%	140	\$84.41	\$475.54	\$559.95	\$9.77	15.1%
Employee + Child	47	\$216.47	\$526.22	\$742.69	29.1%	45	\$244.80	\$595.10	\$839.90	\$28.33	29.1%
Employee + Children	43	\$303.05	\$736.74	\$1,039.79	29.1%	40	\$342.71	\$833.17	\$1,175.88	\$39.66	29.1%
Employee + Spouse	36	\$310.27	\$754.30	\$1,064.57	29.1%	32	\$350.88	\$853.02	\$1,203.90	\$40.61	29.1%
Family	44	\$461.81	\$1,122.65	\$1,584.46	29.1%	40	\$522.25	\$1,269.59	\$1,791.84	\$60.44	29.1%
	298					297					
HDHP with HSA											
Employee Only						16	\$63.64	\$598.56	\$422.20		15.1%
Employee + Child						5	\$184.58	\$448.70	\$633.28		29.1%
Employee + Children						5	\$258.41	\$638.20	\$896.61		29.1%
Employee + Spouse						4	\$264.56	\$643.18	\$907.74		29.1%
Family						5	\$393.78	\$957.27	\$1,351.05		29.1%
						35					
Enrollment Total	332					332					
Monthly Costs		\$73,342	\$200,210	\$273,551			\$72,657	\$211,235	\$283,893		
Annual Costs		\$880,098	\$2,402,515	\$3,282,613			\$871,887	\$2,534,824	\$3,406,711		
HSA Contribution \$1000/\$2000									\$54,000		
		assuming 10% enrolled in single coverage and 10% enrolled with dependents									
Total Annual Costs							\$871,887	\$2,588,824	\$3,460,711		
Change from Current					Annually		\$15,789	\$186,309	\$148,098		
							1.8%	7.8%	4.5%		

*FY 21-22 Rates forthcoming at upcoming March 16th meeting



Operating Budget Considerations

<u>Discretionary Revenue</u>	\$3,079,538
□ Restoration of FY 21 School Funding	\$ TBD
□ Restoration of FY 21 Capital / Operating	\$200,775
□ FY 22 Operations & Inflationary Increases	\$1,056,271
□ *FY 22 COLA 3%	\$663,696
	or
□ *FY 22 COLA 5% (state)	\$1,106,000
□ FY 22 Health Insurance Renewal	\$100,000

*Additional State Comp Board Revenue will help offset of approx. 20%

**Expenditure Projections as of March 2, 2021 and subject to change



Other Budget Considerations

- New Positions Requested: 9 Positions = \$511,940
- Ongoing County Capital Needs
- Volunteer Fire/EMS Additional Requests
- Possible 5% COLA for State-supported local employees
- Law Enforcement Starting Pay and Compression



Law Enforcement

- ❑ Law Enforcement Starting Pay and Compression
- ❑ Office of the Sheriff Presentation



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❑ Other Budget Considerations	

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Next Steps

- Budget Calendar
 - March 8, 2021 – School Board Budget
 - March 16, 2021 – Presentation of County/School budgets
 - March 17th – April 6th (*Work Sessions as Needed)
 - April 20, 2021 – Public Hearing on FY 2021-22 Budget and 2021 Tax Rates
 - April 27, 2021 – FY 2021-22 Budget Adoption

General discussions ensued.

Supervisor R. Mitchell stated that he is willing to suggest a tax increase to meet the salary increase request of the Sheriff's Office. Supervisor Tatum wants to look at ways we can get the Sheriff's Office more money, for example dedicated funding from the fees on conceal carry permits. He believes the process is a strain on the Sheriff's Office and the Office should receive some of the benefits.

Supervisor Smith would like to see information on the drug arrests and convictions based on age and the list of employees and how long they have worked for the Office.

Chairman Thompson asked what we expected to learn from the proposed salary market study? He doesn't think much and felt we were just kicking the can down the road on salary increases that we know are needed. Mr. Whitlow responded that the RFP for the pay study needs to have specific outcomes. This will also show a way to assist in the salary issues seen throughout the County.

Mr. Whitlow spoke to the Board and explained the recent Emergency Declaration that was issued within the County for predicted detrimental damage to the County due to ice accumulation and other winter weather conditions. He asked the Board for their support and ratification and rescission of this action.

(RESOLUTION #01-03-2021)

BE IT THEREFORE RESOLVED by the Board of Supervisors to ratify and rescind the recent emergency of the County declared on 2/17/21 for potentially threatening winter weather.

MOTION BY: Ronnie Mitchell
SECONDED BY: Tommy Cundiff
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Cundiff, L. Mitchell, R. Mitchell, Smith, Tatum, Thompson
ABSENT: Carter

RESOLUTION FOR THE DECLARATION OF A LOCAL EMERGENCY

WHEREAS, the County Administrator-Director of Emergency Services of Franklin County does hereby find:

1. That due to Winter Weather (Ice) Franklin County is facing dangerous conditions;
2. That due to the Potential Winter Weather, a condition of extreme peril to life and property necessitates the proclamation of the existence of an emergency;

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that an emergency now exists throughout said County; and

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said emergency, the powers, functions, and duties of the Emergency Services organization of Franklin County shall be those prescribed by state law and the ordinances, resolutions, and approved plans of the Franklin County in order to mitigate the effects of said emergency.

Dated : 2/17/21

County Administrator/Director of Emergency Services

Christopher L. Shaker

Attest: Madeline L. Rofak
Clerk, Board of Supervisors



RESOLUTION FOR THE DECLARATION OF A LOCAL EMERGENCY

WHEREAS, the Board of Supervisors of Franklin County does hereby find:

1. That due to Impending Winter Weather (Ice/Snow/Freezing Rain), Franklin County is facing dangerous conditions;
2. That due to the Impending Winter Weather, a condition of extreme peril to life and property necessitates the proclamation of the existence of an emergency;

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that an emergency now exists throughout said County; and

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said emergency, the powers, functions, and duties of the Emergency Services organization of Franklin County shall be those prescribed by state law and the ordinances, resolutions, and approved plans of Franklin County in order to mitigate the effects of said emergency.

Dated : 3/2/21 Board of Supervisors

[Signature]

Shawn A. Crigger

Leland Mitchell

Timothy D. [Signature]

[Signature]

Lacey [Signature]

Attest: Madeline L. Rofak
Clerk, Board of Supervisors

**RESCINDING DECLARATION OF LOCAL EMERGENCY
County of Franklin, Virginia**

The Board of Supervisors for the County of Franklin, Virginia does hereby find:

- 1) That the dangerous public safety conditions and peril to life and property caused by the potential effects of a Winter Ice/Snow/Freezing Rain event which necessitated the Declaration of Local Emergency effective 15:30 hours on February 17, 2021, in Franklin County, Virginia, has now abated;

Now, therefore, it is resolved, that an emergency no longer exists in the County of Franklin, Virginia, and the Declaration of Local Emergency is rescinded, effective immediately.

Date: 3/2/21
Time: 9:00 PM

Board of Supervisors:

- 1) _____
- 2) Sharon C. Cuff
- 3) L. Mitchell
- 4) _____
- 5) _____
- 6) Lou Smith
- 7) _____



Attested:
Madeira L. Sefcik
Clerk to Board of Supervisors

OTHER MATTERS BY SUPERVISORS

Supervisor Smith would like to consider a separate Board Meeting to discuss the proposed housing summit and would like to find a time to hear from the housing consultant. She would like to have this meeting in March to give time for planning the large summit in May.

Supervisor R. Mitchell asked Brian Carter to investigate the fire truck rotation and would like to know if that is figured into our budget this year. The answer was yes. He asked if we have the option to borrow money and buy multiple fire trucks in one year. Mr. Carter answered that he will discuss this option with our financial advisors.

Supervisor L. Mitchell suggested the Broadband Authority Meeting meet on Tuesday, March 16th, 2021 at 12:30 pm instead of Monday, March 15th. The Board agreed to have the Broadband Meeting on March 16th at 12:30 pm.

Supervisor L. Mitchell asked the Board what their thoughts were on the provision of financial incentives for solar. The answer was the Planning Commission is doing their due diligence on this topic and is going to address this topic in the future.

Adjournment Thereafter until March 16, 2021, at approximately 1:30 PM for the regularly Scheduled Board Meeting.