

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD THEIR SCHEDULED BUDGET WORK SESSION MEETING ON WEDNESDAY, APRIL 13, 2022, AT 1:00 P.M., IN THE ROOM B75 LOCATED IN THE FRANKLIN COUNTY GOVERNMENT CENTER, 1255 FRANKLIN STREET, ROCKY MOUNT, VIRGINIA.

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

OTHERS PRESENT: Christopher Whitlow, County Administrator
Michael Burnette, Assistant County Administrator
Steve Sandy, Assistant County Administrator
Brian Carter, Director of Finance & Human Services
Mike Lockaby, Legal Counsel
Madeline L. Sefcik, CMC, Clerk

BUDGET CONSIDERATION

(RESOLUTION #13-04-2022)

BE IT THEREFORE RESOLVED by the Board of Supervisors to allow Supervisor Leland Mitchell to participate in the budget meeting via telephone.

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

Roll Call was Taken

CONSIDERATION OF ADOPTION OF THE PROPOSED MEAL TAX INCREASE

General discussion ensued as Chairman Thompson welcomed conversations on the topic of the proposed meal tax increase.

Supervisor Carter wanted to know if the \$600,000 was needed for the purchase of a firetruck, or can this be found somewhere else?

Supervisor R. Mitchell asked if there is some money that can be used for capital needs that are already in the budget? Supervisor Tatum agreed.

Both Supervisor Tatum and Cundiff noted they are okay to pass the budget as presented.

County Attorney Lockaby noted that to establish a separate account money be allocated to specific fund and a separate resolution needs to be passed.

Supervisor R. Mitchell said this County has done a really good job at positioning ourselves in a good place to finance the cost of the firetruck. Why don't we explore this option?

Chairman Thompson noted he remembers a time the County did not have a good savings. This is something that he is very proud of and wants to sustain.

Finance Director Brian Carter noted that cash is king and use of surplus general fund dollars is at the discretion of the Board and can be used as one-time purchases.

Supervisor Smith asked what the definition of capital is? Director Carter said projects over \$50,000 and there can also be items that are smaller than \$50,000 but their intent is a larger sum. She believes this discussion is clouded by a CIP that does not appear to be a CIP.

Chairman Thompson asked how much new money is going to the Schools and Social Services? Director Carter noted about \$900,000 for the schools and about \$250,000 for the social services department. Chairman Thompson believes there are some savings here. Chairman Thompson said it is foolish to use fund balance if the budget has money.

Supervisor Carter said if we choose to use fund balance money, it can be replenished with twice-a-year real estate tax collection windfall money. Supervisor Tatum also said this can also be replenished with carry-over.

Director Carter said as revenues increase, so does the required amount of fund balance.

Supervisor L. Mitchell said that he would like to listen to the advice that Davenport, our financial advisors, have given us. He also asked what the balance of other localities have within their fund balance accounts. Supervisor Cundiff agreed.

Supervisor R. Mitchell asked again why this cannot be financed? Supervisor Tatum would like to know the feasibility of doing the project this way? He said if we do not do this, and we do not use fund balance then he knows the only other option is to do 2% meals tax increase. Supervisor Tatum also reminded the Board of the option of a 1% meals tax increase. Are we going to raise the meal tax? Or do we need to find this money somewhere else?

Supervisor Smith would like a Public Safety work session scheduled immediately after we get this budget adopted. We cannot keep making decisions at the 11th hour with a sense of urgency. We need to really look at this rotation schedule.

(RESOLUTION #14-04-2022)

BE IT THEREFORE RESOLVED by the Board of Supervisors to deny the request for the 2% increase to the County's meal tax.

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

Roll Call was Taken

CONSIDERATION OF ADOPTION OF THE COUNTY'S PROPOSED BUDGET

(RESOLUTION #15-04-2022)

BE IT THEREFORE RESOLVED by the Board of Supervisors to balance the budget as proposed for \$183,650,816 using \$642,000 from budget stabilization and \$1 million in unassigned fund balance and to replenish these funds with year-end surplus.

MOTION BY: Tim Tatum
SECONDED BY: Mike Carter
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Carter, R. Mitchell, Tatum
NAYS: Cundiff, L. Mitchell, Smith, Thompson

Roll Call Was Taken

Chairman Thompson vowed he would never vote to use fund balance, and this goes against everything he believes.

Supervisor Smith asked if the Social Services budget increase is something that is state mandated. Supervisor Smith then moved to the school system and asked the Superintendent if this \$900,000 increase

is make or break for the school system. Dr. Cobb's response was yes. The majority of this increase will go towards salaries.

Supervisor R. Mitchell asked why do we have a budget stabilization fund if we do not use that money to stabilize the budget?

(RESOLUTION #16-04-2022)

BE IT THEREFORE RESOLVED by the Board of Supervisors to approve the budget as presented in the amount of \$182,575,816 using \$1,000,000 of budget stabilization fund, authorize staff to approach multiple financial institutions to procure a loan of an amount of up to \$650,000 for engine 3 and use whatever funds we have in carryover to replenish the stabilization fund.

MOTION BY: Ronald Mitchell
SECONDED BY: Tim Tatum
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Carter, Cundiff, R. Mitchell, Tatum, Thompson
NAYS: L. Mitchell, Smith

Roll Call Was Taken

Discussion took place and the Board reached a consensus to schedule a Public Safety work session on May 3rd, 2022 at 1:00 PM to discuss the strategic planning process for the department of Public Safety.

Chairman Thompson recessed the Board until Tuesday, April 19, 2022, for their Regularly Scheduled Board Meeting at 1:30 PM