

AT A SCHEDULED BUDGET MEETING OF THE ROCKBRIDGE COUNTY BOARD OF
SUPERVISORS HELD IN THE ROCKBRIDGE COUNTY ADMINISTRATIVE OFFICE BUILDING
AT 150 SOUTH MAIN STREET, LEXINGTON, VIRGINIA
ON THURSDAY, FEBRUARY 24, 2022 AT 5:30 P.M.

BOARD MEMBERS PRESENT: D. E. LYONS
R. W. DAY
L.E. AYERS
D.B. MCDANIEL (virtually)
A.J. "JAY" LEWIS, II.

COUNTY ADMINISTRATOR: SPENCER H. SUTER

CALLED TO ORDER:

Chairman McDaniel called the meeting to order.

County Administrator Spencer Suter conducted a roll call of the Board members present. Chairman McDaniel attended virtually while the other members attended in-person.

Supervisor Day provided an invocation for those who wished to participate and then led in the Pledge of Allegiance.

Mr. Suter shared the following announcement:

"Per the governor of the Commonwealth of Virginia Executive Order 72, persons who have been fully vaccinated for Covid-19 are not required to wear a mask."

Opening Comments:

Chairman McDaniel apologized for not being available in-person to attend the meeting. He then commended Mr. Suter, John Montoro and staff

for their enormous amount of work, time and effort in putting together the draft budget. He stated that the draft budget being presented was only a preliminary budget and subject to change as there are a number of unknowns being worked through.

Mr. Suter also thanked John Montoro with the VML/VACO Finance Division for stepping in to assist the County, sharing his experience and guidance along the way.

Presentation on the FY2023 Draft Budget:

Mr. Suter advised that the Finance Committee had met several times to discuss the draft budget. He also shared that he had met with individual departments to review their budgets and some were able to be reduced. Mr. Suter noted that the Board was provided budget details for each department in their budget binders and he would do his best to keep those updated throughout the process. He asked that Board Members share any thoughts or suggestions a member of the Finance Committee.

Mr. Montoro then presented a draft budget spreadsheet that detailed current numbers. That document showed current total revenues at approximately \$50,778,354, equivalent to \$1.2 million more than last year. It also showed expenditures at approximately \$51,911,442, equivalent to \$2.3 million more than last year. He explained that this leaves a gap of approximately \$1.1 million. Mr. Montoro explained that the expenditure figures included an increase in the VRS retirement percentage and an estimated 10 percent increase in health insurance.

Mr. Suter noted that the 10 percent added increase to health insurance was an estimate that was provided by the One Digital, the County's benefits consultant. He stated that the consultants did not anticipate that percentage increasing, but it could potentially be decreased.

Mr. Montoro then noted that the draft included an increase in the initial school division request of \$244,000.

Chairman McDaniel noted that he had discussed this increase with the Superintendent of the schools and these numbers could be changed depending on the decision made by the House, Senate, and Governor Youngkin. He added that the preliminary numbers were based on what former Governor Northam had provided. Chairman McDaniel advised that there is potential to not need the increase depending on health insurance percentages.

Mr. Montoro then noted that the preliminary numbers do not include potential increase to personal property revenues as vehicle values continue to increase by more than 40 percent.

Mr. Suter advised that he was working with the Commissioner of the Revenue to develop scenarios to run through with the Finance Committee as well as the Cigarette Tax.

Supervisor Lewis shared that there is no doubt vehicle values are appreciating. He added that this is the part in the budget cycle where it is hard to predict what will come forth from the General Assembly.

Mr. Suter noted that the current gap in the budget will be reduced once an estimated number is added for collection of the cigarette tax. He then added that one item not included in the current budget is salary

increases for County staff. He noted that initial estimates from an external salary survey could be in the neighborhood of \$600,000. Another item not included, was increase to the 911 budget of approximately \$277,000 that would include annual radio system maintenance. Mr. Suter noted that this number could potentially be reduced following discussion with the 911 Board. Should the Board proceed with adding the increase to the 911 Board's budget, and the increase to salaries, the gap would be increased to approximately \$2 million.

Mr. Montoro then reviewed each departments draft budget figures.

Mr. Suter again encouraged the Board to reach out to a member of the Finance Committee or himself if the have any additional questions or concerns.

Chairman Lyons again commended Mr. Suter and Mr. Montoro for their efforts in producing the draft budget thus far.

Adjournment:

Supervisor Lewis moved to adjourn. Supervisor Ayers provided the second, and the motion carried by the following roll call vote by the Board:

Ayes: Lewis, Ayers, Day, Lyons, McDaniel
Nays: None
Absent: None
Abstain: None