BOARD OF SUPERVISORS
STAFFORD, VIRGINIA
MINUTES
GENERAL FUND REVENUES AND EXPENDITURES
BUDGET WORK SESSION
FEBRUARY 22, 2022

CALL TO ORDER – A work session of the Stafford County Board of Supervisors was called to order by Crystal Vanuch, Chairman, at 4:00 p.m. on Tuesday, February 22, 2022, in Meeting Room ABC, George L. Gordon, Jr. Government Center, 1300 Courthouse Road, Stafford VA.

ROLL CALL – The following members were present: Crystal Vanuch, Chairman; Pamela Yeung, Vice Chairman; Meg Bohmke; Thomas Coen; Darrell English; Monica Gary. Absent: Tinesha Allen.

Also in attendance were Frederick J. Presley, County Administrator; Rysheda McClendon, County Attorney; Cheryl Giles, Deputy Clerk; Julia Homes, Assistant Deputy Clerk; various staff members; and other interested parties.

Ms. Vanuch stated that they would review the General Fund revenues and expenditures, working with Budget Director Andrea Light. Ms. Vanuch said that the easiest way to do these meetings typically is to allow Ms. Light to go through each and every slide, because their questions would likely be answered on the next slide. She suggested that Board members jot their questions down until she finishes her presentation, and she is excellent at anticipating what will be asked.

1. GENERAL FUND REVENUE AND EXPENDITURE REVIEW

Budget Director Andrea Light stated that the purpose of this meeting was to look at the proposed FY23 budget for General Fund revenues and provide the Board with sufficient information to advertise the tax rates. Ms. Light said she will ask the Board to do that on March 1 as part of their 3 p.m. session. She stated that the advertised tax rate is not the set tax rate and represents the highest tax rate the Board can adopt without going back to advertising and holding a second public hearing. She said they would also navigate some of the Open.gov online proposed budget book and how that navigation works.

Ms. Light said that beginning with the General Fund revenues, staff would first provide comparative information from other jurisdictions; the calendar year 2022 is proposed, and none of the other comparative jurisdictions have adopted budgets yet, with a number of them not having proposed budgets yet. She said that as they go through the budget process, they will continue to update the chart and provide it to the Board and the public. She noted that most of the comparative localities were showing a drop in real estate tax revenue, with the exception of Hanover, which has maintained that rate for more than a decade. She said that Stafford and Spotsylvania were dropping about 9% from adopted to proposed; Prince William was about 6%.

Ms. Light stated that economic and market impacts continued to be significant as they put the budget together, and the unemployment rate was now at about 2.5%, which was very low, but they were still seeing increases in inflation—with the consumer price index (CPI) being the highest it has been in more than 20 years. She said in the second chart on the righthand side, the gray areas represent recession times and significantly higher inflation than in the last recession. She stated that real estate exonerations, often referred to as tax relief, continue to be a large driver in Stafford County. She noted that the County has a very diverse base, including 12.9% of residents being veterans; the chart provided shows the effective real estate exonerations from 2013 to proposed 2023, with the majority being 100% disabled veterans. She said that due to the state's unfunded mandate with this group of citizens, Stafford is projecting a loss of 6.6 cents of real estate revenue; these year-over-year increases started at about 3% in 2013, up to 33% most recently.

Ms. Light reported that there are a number of five-year financial plan pressures due to increasing populations; High School #6 was one representation of growth in the County and the need for additional school facilities, at a cost of $150 million with an additional $14.7 million in offside costs. She noted that it was anticipated that the County would issue $123.9 million of debt for this project over the remaining five years of this plan, and over $10 million in debt service related to this that relates to about a 4.9-cent increase on the tax rate. She said that school enrollment projections continue the pressures of growth and ensuring adequate staff while increasing per-pupil expenditures to ensure students are successful, and that is reflected in this plan and the $41 million increase over five years, or approximately 18.9 cents on the tax rate.

Ms. Light stated that the budget also includes positions for public safety and general government to keep up with growing demands and to meet some of the measures of the standards of cover are about $18.3 million, or 8.5 cents on the tax rate.

Ms. Light stated that because Stafford reassesses every other year, there was always a lot of discussion about the effective tax rate and other tax rates. She explained that the effective tax rate is required by the code of Virginia done in a reassessment year and triggers the need to advertise. She said that anything above 101% of an effective tax rate, which is calculated at 78 cents, would mean they would have to advertise a tax rate increase. She stated that this provides a uniform calculation across the Commonwealth, and the effective tax rate provides a false notion of a flat tax bill because the reassessments change; one person's tax bill could go up and one person could go down, depending on the value of their property—because the reassessment intends to disperse values equally and fairly.

Ms. Light said that the effective tax rate does not include any consideration of increases in exonerations or delinquencies. She stated that the increase in exonerations and tax relief specifically for 100% disabled vets, at 6.6 cents in 2023 and continuing to grow at a rate the County can't seem to catch up with. She said this was also calculated on a calendar year, and the code of Virginia requires that localities look at the base year from January of the prior year to the base year of this year to make that calculation. She noted that revenue projections were done on a budget year, so they are looking at growth, exonerations, and changes in delinquencies.

Ms. Light reported that a 78-cent tax rate, there would be a $9.75 million negative budget variance in FY22, and the FY22 budget assumes a flat tax rate of 97 cents but only an increase in values of 6.5%. She noted that the County's values went up 21%, so significantly more than the 6.5% budgeted. She explained that this would create $23.2 million less than the proposed budget, which currently has about $13 million in real estate revenue, and this would erode the base of revenues another $10 million and would reduce the debt capacity by over $15.5 million, jeopardizing some of the CIP projects over the 10 years that the Board may want to consider.

Ms. Light stated that a budget-to-budget real estate tax rate keeps the revenue relatively flat from budget year to budget year, and staff's projection is about $182 million in FY 22; at 83 cents, they get to about $182 million in FY23. She explained that this distributes the tax burden based on the real estate assessments and includes changes in exonerations and delinquencies, while including increases in new construction. She said that in FY22 at 83 cents, there is a $4.2 million negative budget variance, so they would be short revenues by about $4.2 million, based on those assumptions for the FY22 real estate revenues. She added that in FY23, there would be $13 million less than the proposed budget.

Ms. Light reported that this estimates about a $9 million reduction in debt capacity over the 10 years, and the Board would have to make decisions about what projects and what amount are included in the CIP. She stated that with the proposed tax rate, the County Administrator will propose a tax rate annually to ensure they can continue operations, fund initiatives, and meet the Board's strategic plan. She said that recommends that the Board advertise at 88.5 cents because they can go lower but not higher without readvertising and holding another public hearing. She stated that the 88.5 cents becomes the ceiling from which they would they would start to work on the budget; that rate has a positive variance in FY22 of almost $1.8 million and it does fund increased service levels.

Mr. Presley clarified that in his presentation, he referenced the 88.5-cent rate that the median price house in Stafford would see about a $259 increase in their tax bill; staff went back and found that was in error because they had used the average tax bill instead of the median—the average tax bill would actually be $422 more at the 88.5 rate with the proposed budget.

Ms. Light reported that the slide does provide the change in the tax bill annually, so even at the effective rate, they estimate that it's about $16 annually at 83 cents, so that would be budget to budget and ensures the same amount of revenue in FY23 as projected in FY22. She noted that one cent on the real estate tax rate is about $2,175,000; and this is the figure used to make those calculations.

Ms. Light stated that at the Board retreat, they had discussed adding a fire tax levy to help with the standards of cover report that the Fire Rescue Department had provided. She explained that this works like real estate, so a penny on the tax rate is a penny on the fire tax levy. She said that because it's an ad velorum tax, it's on real estate and can be inversely related to the real estate tax rate—so if they want to go up a penny on the fire tax levy but not increase the budget, they could come down a penny on the real estate tax levy. She noted that all constituents would see the same net effect and would have the same bill; this is not included in the FY23 proposed budget, but staff will bring it to the Board on March 1 to discuss if they would like to advertise a rate at $3.3. million for Fire and Rescue, their increase from FY22 to FY23, or about 1.5 cents; a 12-member crew is about 0.7 cents.

Ms. Light presented a landing page for the proposed budget book on the Open.gov platform, and she wanted to use it to go through with the Board and any members of the public to help them navigate through the budget book. She said that with "General Fund Revenue Analysis," there was a lot of information that they could use to look at different revenues, how they are projected, and some of the historical trends. She said there is information on local non-property taxes, often called consumption taxes, such as the local meals, restaurant, and food taxes; sales tax; and utility taxes. She said that their sales tax is projected at $22.9 million, a $3.4 million or 17.6% increase; FY21 actuals came in higher than the FY22 budget, and the County is continuing to see collections in FY22 at 16% over the same period last year. She noted that meals tax was projected at $14.7 million—a $4 million or 37.4% increase—due to an increase in tax rate from 5% to 6% as of July 1, 2022 that staff will ask the Board to consider as part of their budget.

Ms. Light stated that cigarette tax has been a declining revenue source, which started in FY22 with the County assuming receipt of about $1 million, and they would actually receive about $600K because of an implementation delay. She added that they project that the revenue will continue to decline. She said that consumer utilities tax is on the gas, utilities, and power that people pay; this continues to be a declining revenue source, and the FY23 budget projects that it will be slightly under FY21 actuals. She said that there are increases in children's services, primarily because of increasing projections of students and the ability to increase those costs. She said shared services are what the County receives from the state for the five elected officials and staff, and Governor Northam had put a 5% increase in his budget, which is reflected in these budget projections.

Ms. Light reported that in charges for services, Planning and Zoning are anticipating reduced site development plan reviews; transfers from other funds assumes an increase in transient occupancy tax (TOT) from 5% to 7%. She said that by the code of Virginia, 3% of the TOT must be available to support tourism only; the remaining amount of 2% comes to the General Fund to support activities like parks and rec and other things that promote tourism. She stated that staff is recommending the tax increase, as many comparative jurisdictions are already at 7% or 8%.

Ms. Light reported that in moving to the General Fund expenditures, starting with commitments for the jail and juvenile center, those increases are starting to align salaries with their court deputies across the region. She said the juvenile center has asked for an increase of 7.5%, with the jail requesting 9.5%, to meet those needs. She stated that with partner agency commitments, the library requested over $500K; this proposed budget reduces that by about $97K, based on the FY22 appropriation of Spotsylvania. She noted that the library is a regional agency, with participants paying based off of circulation levels. She said that Spotsylvania had underfunded their budget last year by about $186K, and per the MOU, those services needed to be cut—and they need to either keep the reduced services or pay the underfunded amount.

Ms. Light stated that the Board also has a list of partner agencies in the book provided to them and what was handed out today. She said that policy requirements for 3R increased by $418K in operating budget contingency increased by $32K. She stated that the slides include links to the table of contents for these categories.

Ms. Light stated that debt service is payment on bonds, like any loan, and in the FY23 proposed budget, there was a change in accounting practice: Virginia Public School Authority (VPSA) does all the loans typically taken for schools, and they will issue refunding credits if there is a better interest rate environment. She explained that Stafford had paid the full debt service for the year, and VPSA issues the refunding credits—but this year, the County is including those as part of miscellaneous revenue. She said in the County, they see increases for master lease, specifically for Fire and Rescue and the Aquia Station rebuild. She said the chart provided shows debt service changes over the next five years, and while in FY23 there is a small amount of savings at about $149K, this would grow to about $53 million at the end of FY27. She said it includes transportation, projects for Fire and Rescue, and the new High School #6.

Ms. Light reported that the budget reflects a salary increase of about 6.5%, and there are increased wages across the Commonwealth. She stated that there is a Minimum Wage Act that would increase pressure and bring wages up to $15 an hour, so the general government and public safety step plan look a bit different but get to 6.5% at the end. She noted that this continues the public safety step plan as adopted by the Board. She said that staff has included the 5% from the Compensation Board, and there is a mandated increase for the Virginia Retirement System (VRS) of about $1.3 million. She mentioned that they do have vacancy savings that bring that to about $1.6 million, and the continuation of Board-approved positions for FY22 is also reflected in the budget, with four full-time and two part-time to full-time conversions. She noted that this restores some of the remaining FY21 budget cuts.

Ms. Light stated that staff has provided comparative jurisdictions' proposed pay changes, with Stafford at 6.5% and other localities with proposed changes are at 5%, 4%, and 4.6%. She said the superintendent has proposed his budget, and the School Board would be approving their budget today to be presented to the Board tomorrow. She noted that the schools' request has a 5% increase for all employees, with a step plan for teachers between 5% and 19%. She stated that there are 32 public safety personnel, including five sheriff's deputies, four communication officers, an animal caretaker, and an evidence technician.

Ms. Vanuch noted that for Fire and Rescue, there were field supervisors, three battalion chiefs proposed mid-year, and a north and south ambulance crew at 12.

Mr. Presley reported that the body cameras were part of that initiative recently approved by the Board, with a legal assistant position for the Commonwealth Attorney's Office midyear, an Assistant Commonwealth Attorney midyear, and a paralegal. He said for the Sheriff's Office, there are a field ops sergeant, an administrative specialist, and a records specialist that would be a midyear hire. He noted that those were anticipated to be operational in late winter or early spring of 2023, as it takes a while to get all the equipment in and get up to speed on everything—so the positions are timed based upon that deployment, in conjunction with what the Sheriff's Office has indicated.

Mr. Presley said that for general government, there are 11 positions in the budget: a personal property specialist in the Commissioner of the Revenue's Office; a building maintenance mechanic in Community Facilities; a family services specialist in Social Services (84.5% funded by state and federal revenue); a human resources specialist in Human Resources midyear; an assistant director of information technology and a network engineer in Information Technology; a cultural resource specialist in Planning and Zoning, which would be a priority due to upcoming retirements; a revenue collections specialist in the Treasurer's Office; and a security manager in County Administration, a result of the security task force team outcomes study; and an ERP systems analyst in IT and ERP systems accountant in Finance, moving forward with the new enterprise system for the County as the current outdated system is no longer fully supported by the software company. He noted that this is a major initiative, and the County has been working with a consulting leading up to this, with these positions recommended to do the implementation of the new ERP.

Ms. Light presented charts showing FY20 Actuals, FY21 Actuals, FY22 Adopted, and FY23 Proposed for Public Safety; Community Development; Health and Social Services; Parks, Recreation and Cultural; and Public Works categories.

Ms. Light reported that under Education, this budget meets the superintendent's request for an $8 million increase, which would fully fund moving to the teacher's salary scale; last year, the Board approved one-time emergency funds of $1.5 million to help support bus drivers so the schools can increase those raises. She said that continues this and provides a 5% increase for all other staff and a per-pupil increase. She said that it also increases the MOU for the Public Day School, based on the MOU requirements. She stated that there was also a school transfer for capital projects, which will change year by year based on what those projects are. She said that in this year, they have debt service savings carried forward from FY22 at about $1.8 million to be transferred to the capital projects fund to be used for High School #6 and offset some of the debt service that may have otherwise been incurred.

Ms. Light said that the schools' prior year fund balance of $1.4 million would also be allocated to HS #6, as well as proffers of $403,787 (from the Southgate proffers in the Falmouth District) they can use to repay themselves from Ferry Farm Elementary School renovation. She noted that there were currently no other projects that would expand capacity in that district that would be eligible, so staff feels this is a reasonable use of those funds.

Ms. Light reported that in non-departmental, there is a whole list of items that she would not go through individually. She stated that there is a small increase for countywide training programs run out of the HR Department, and there are also increases for insurance for basic inflation. She said there are capital and one-time projects that include County motor vehicles, going from $100K to $250K, along with an electric vehicle initiative of $476K that would use one-time money of $330K and the remainder coming from debt service savings from FY22 to FY23. She said that the County wants to maintain its base of debt service so they don't have such marked swings in increases.

Ms. Light stated that there are increases in the budget for body-worn cameras; the Commonwealth Attorney has asked for tablets, software costs, and wired outlets, totaling about $73K; and a renovation to accommodate the increasing staffing, anticipating the need for about five new people over the two-year people, which is about $210K. She said the courts are anticipating that they will need video systems and infrastructure, and IT is working with them to narrow down that scope and design, with $600K in this budget set aside for that purchase. She noted that there are numerous things for the Sheriff for continued replacement, community facilities for test-bed HVAC system, and Parks and Rec to provide some striping and laser grading of fields for the Stafford Baseball League World Series. She said there is also PDR increasing to the policy requirement, as well as a transfer to e-summons that is a new fund. She explained that last fall, the Board approved a charge for the sheriff to charge for an e-summons fund for tickets. She said they require software and ongoing costs for that system, and although they anticipate receiving some of those fees, the County is still looking at about $25K per year, with the ongoing cost of about $30K for a one-time cost for the software purchase.

Mr. English asked for clarification on the expense for that item.

Mr. Presley explained that the state police use the e-ticket system so when they go up and write the ticket, it can be shared across localities—and this uses the exact same system so they can share information, which Stafford currently cannot. He noted that this was the cost to do that.

[Inaudible 0:51:50–0:52:30]

Ms. Light said that the [veterans tax relief program] was growing at a fast pace.

Ms. Vanuch stated that a lot of the regulations were relieved during the Trump administration to backfill back applications for service-connected vets that had decisions pending, so now there are a lot more people being granted the 100% service-connected rating. She added that they were also moving into the area.

Mr. Presley said the County has actually been told that realtors promote the program and the benefit, so they are actually using it as an incentive to come here; the projection for next year is $14.5 million.

Mr. English commented that they have to make up those revenues.

Mr. English also asked if the tax rate of 78 cent is if they kept everything status quo.

Ms. Vanuch responded that it's a +1%.

Mr. Presley clarified that it was not: it was the amount of revenue the county collects, but it does not take into account the growth in those exonerations, delinquencies, and new construction. He said when you factor those things in, to get to the same amount of money they had for this coming budget year—not accounting for inflation or any of the additions staff just presented—that would be 83 cents. He commented that the 83 cents is really the budget-to-budget rate of what they are looking at.

Ms. Vanuch said that wasn't how it was presented two years ago, because they had the effective rate, which was .98, and the equalized rate at .97. she asked why it was different now than it was two years ago.

Ms. Light responded that it was the increase in exonerations they are seeing, as it is a large jump in the last few years.

Ms. Bohmke stated that the philosophy doesn't change, so this didn't make sense to her.

Commissioner of Revenue Scott Mayusky explained that the effective rate calculation is spelled out in code, so that does not change from one reassessment cycle to the next. He said that what Ms. Light referred to in the 83-cent slide were budgeting issues unique to Stafford County that impact revenues—and they can change from cycle to cycle. He noted that 10 years ago, they didn't even have the disabled vet relief, so the exonerations were nothing, in the hundreds of thousands and not $14 million. Mr. Mayusky said that those things change from budget cycle to budget cycle, but the effective rate formula does not change.

Mr. Mayusky explained that if they go to 78 cents for their effective rate, that's a 1% increase or about $2 million more; if the vet relief increases by $4 million, they're $2 million in the hole.

Ms. Vanuch said that it's still a tax increase at 83 cents.

Mr. Mayusky pointed out that of all the rates, the only one spelled out in code is the effective rate; they have used equalized rate in the past, where the median tax stays the same—and that's about 77 because you just back out the 1% from the effective rate.

Ms. Gary said there were a few places where it said to restore budget, and she wondered if they were just going back to a previous budget for the sake of it or whether there have been assessments to determine whether they need to go back to that same number.

Ms. Light explained that in the FY21 budget year, when they had 13 work sessions because of COVID, there was a 10% reduction to all departments across general government except for public safety for the Sheriff's Office and Fire and Rescue. She said they have looked at both their FY21 spending, their FY22 spending, and their FY23 requests, to make sure that these departments would still need those funds.

Ms. Yeung said that when the house value goes up, the veterans exoneration amount also goes up, and the County is assuming that amount they cannot pay. She asked when the County was planning on addressing that and "freezing it." She wondered what they have and what they can do, if anything.

Mr. Mayusky responded that there's really nothing they can do because it was a constitutional amendment.

Ms. Yeung asked why Stafford was being promoted for it exclusively.

Mr. Mayusky replied that it was all over the state, and he has called real estate agents and made sure they knew it was available elsewhere. He emphasized that it's only going to get worse, and down 95 across from CarMax on the lefthand side is a veteran's hospital. He said they've spoken with the VA and want the Fredericksburg region to be a hub for veterans, and there is no local authority to do anything with the program.

Ms. Yeung commented that there need to be funds for this from the federal government.

Mr. Mayusky agreed, stating that he has been working for years now with Senator Richard Stewart, back to Bob Thomas and Josh Cole, and they are striving for a reimbursement concept that will get some money back to the County—but it's been tough going.

Ms. Yeung said that she has some contacts in the federal government.

Mr. Mayusky responded that it's a state issue and they created the problem, so he is not sure that the feds will do much with it.

Mr. Coen said when they've talked about adjusting for inflation, he assumed that these numbers were derived before the Russia-Ukraine situation, and it would be helpful to adjust those moving forward. He also asked staff to send him information on the Bay Consortium as mentioned on Slide 25. He said that the Board had asked Mr. Mayusky to provide the positives and negatives of shifting from the June/December timeframes.

Mr. Mayusky said that staff would have to work with the Treasurer's Office over the summer, as they couldn't make a change that dramatic in the budget process, but they would work on a plan with County administration.

Mr. Coen asked for an update with the used vehicles that had been in the parking lot and what happened to them.

Mr. Coen also asked if the issue he was working with Mr. Mayusky on would come back at a future meeting.

Mr. Mayusky said he would have figures to Ms. Light by the next budget meeting.

Ms. Bohmke said that there were not proposed tax rates provided for all the comparative jurisdictions, as they were probably not available yet, and she asked staff to update the Board on that slide as well as the previous slide mentioned. She said that regarding debt service, there was going to be a carryforward of $1.8 million to support HS #6, and she wondered if that was reflected on Page 17 under "Debt Service Changes over Five Years."

Ms. Light confirmed that it is reflected in those debt service savings that they would build into that ramp-up, so creating a base and staying at their FY21 or FY22 base of debt service savings, debt service costs help them go to the next year and start seeing increases, they won't be as significant.

Ms. Bohmke clarified that she was trying to determine whether staff already accounted for the $1.8 million of debt service carried forward, in the Slide 17 that shows the debt service.

Ms. Light clarified that it was accounted for and agreed to provide the year that was reflected in and footnote it in the information.

Ms. Bohmke said that staff also mentions $1.3 million in vacancy savings, but she only sees $298K.

Ms. Light explained that that's an increase in vacancy savings; in FY22, there is $1,250,000, and they have a total about $1.55 million for vacancy savings in FY23.

Ms. Bohmke commented that the Private Day School is $327K, which she recalls is their biggest in a long time, and she asked what was creating the increase.

Ms. Light stated that they look at the school each year and look back five years to average the growth pattern, and then do up to a 2% increase for the cost for providers. She said that they do that every year together and can provide some historical information to look at the increases in both budgets and actuals over the past five years.

Ms. Donna Krauss stated that last year, their actual costs were $4.8 million; the year before that was $4.9; this year, they project $4.8 million.

Ms. Bohmke asked why they would need such a big increase if they are projecting $4.8 but have it at that level this year.

Ms. Krauss explained that there was a cap in the General Assembly session for private rates at 2.5%, and that was a sunset clause. She said that they were [inaudible] that for regional and base rates for part of the study, and they included a 2.5% inflationary rate to ensure they had enough to cover costs. She noted that it really depends on how many kids are there at any given time.

Ms. Bohmke commented that partner agency amounts were a huge increase at 18%, and this was not acceptable to her. She said that she would like to drill down on those and could do that at another time, noting that Ms. Krauss does an excellent job with partner agencies.

Ms. Vanuch said that regarding the negative balance of $9.75 million, she recalled a presentation where they talked about carryover funds from the audited FY21 fund balance. She asked how much was available that was unallocated, as she was wondering where that might be placed.

Mr. Presley mentioned that those would be considered one-time funds.

Ms. Vanuch stated that she understood that and could possibly use it to address the negative balance or to finance some of the debt service.

Ms. Bohmke asked for an updated status on all of the money from FY21.

Ms. Light said that staff could provide that as part of their questions and answers so they have accurate information, and some of it has been programmed into the CIP to reduce debt service.

Ms. Bohmke stated that to her this was the most important thing the Board needed to understand—how it got there, where it goes from here—because that is a significant amount of money the taxpayers need to know about.

Mr. English agreed.

Mr. Coen said that he would like that information to reflect future savings if it were assigned to debt service now. He asked if staff had heard any more from the schools' audited budget and their carryover from last fiscal year.

Ms. Light responded that they do have the schools' information, which is incorporated in the document, and staff would highlight that going forward.

Ms. Yeung asked if the CIP items were already accounted for, in terms of ones that the Board has seen at meetings such as their retreat.

Ms. Light said that they are in the proposed CIP, and that's part of the budget work sessions the Board would have in March. She noted that they are also on Open.gov now and viewable.

Ms. Vanuch noted that the Governor recently put out information about historic funding for schools across the state, and she would like to understand the level of funding from the state to the schools this year—as that may completely change their approach to funding mechanisms. She said that she didn't know how they would identify the schools, perhaps prioritizing those in high-growth localities, and also what they would fund in terms of teacher pay increases.

Ms. Bohmke stated that the House came up with $500 million for schools and renovation, and the Senate came up with much higher numbers—but she didn't think either would pass. She said that even if they did pass, the money would go to Shenandoah and Southwest Virginia, and Stafford's schools are in much better shape than those here in Stafford.

Ms. Vanuch suggested that they put together a letter as a Board delegation in support of that part of the budget, with an emphasis that high-growth locality cost to compete numbers are not equitable to what they should be in Stafford County, and this is one way to offset taxpayer costs.

Ms. Yeung agreed and said that there were schools like Drew had issues. She also said that the series of meetings were set last year, but she would appreciate having the meetings pushed back about a half hour later to accommodate her schedule and possibly other Board members too.

Ms. Vanuch explained that they used to be from 1 to 2 p.m., so all the staff had to stay after, and they were running on a skeleton crew to avoid all the overtime.

Ms. Gary stated that she has been on the phone with some of their Delegates, and they have been very supportive, so doing that letter as soon as possible would be a good idea.

Ms. Vanuch stated that Mr. Toigo could draft it and send it over to the legislative committee.

Ms. Light reported that staff was not asking for anything from the Board at this point, and this was the start of the budget to provide revenue and expenditure information. She said the schools would be coming tomorrow, with a follow-up scheduled for February 24 if needed.

Mr. Presley said they needed to decide that soon to get it in process.

Ms. Vanuch said she wasn't sure what Board members felt might be significant to bring back, and otherwise, they could bring it back to their regular meeting on March 1, at which they advertise the tax rate and it gets advertised.

Ms. Krauss asked Ms. Light to explain the Q&A process.

Ms. Light explained that the questions staff hasn't been able to answer on the spot here, staff will disseminate them to the staff members who can best answer them, then provide answers back to the Board each week—probably every Friday or Monday. She emphasized that all of their questions would be answered.

Ms. Vanuch stated that staff also folded in individual questions sent by Board members.

Ms. Bohmke noted that if the question comes back worded differently than intended, Board members can just let Ms. Light know directly.

Ms. Bohmke also stated that she will not have enough time to explore the Board docs and have a conversation with staff and colleagues by Thursday.

Ms. Vanuch asked how busy the Infrastructure and CEDC meetings were and if they were pertinent items.

Mr. Presley responded that staff could take a look at those and perhaps cut them down to a half hour each, then push other items off to the next month, and do an hour on the budget work session prior to going into their regular meeting.

Ms. Gary suggested that they put something out about the advertised tax rate so that it causes less anxiety with citizens.

Ms. Vanuch responded that it doesn't work and a newspaper will pick it up and just generate confusion because people don't understand it.

Ms. Gary suggested just something easily shareable online.

Ms. Vanuch said that has been done in the past, but people still get confused.

Ms. Vanuch commented that she would like to get some things from the budget to try to get the tax rate as close to the effective rate as possible, and what that looks like.

Ms. Bohmke noted that the north and south ambulance crews were noted as 12, and she wondered if that meant six on each.

Mr. Presley clarified that it would be six in the north, six in the south, for three shifts.

Ms. Yeung asked about the "poor" and "good" coverage rates, and whether they were funded the same as they request them.

Ms. Vanuch stated that she was referring to the Fire and Rescue study provided at the Board retreat, and what was built into the CIP were the most immediate needs.

Ms. Light said that she could make the comparison with the standards of cover as part of the Q&A.

Mr. Coen said if they did the fire tax only for new crews, etc., versus a general fire tax, and what that would look like if it offset the tax rate.

Ms. Gary stated that she had met with Chief Cardello and asked him to provide some more breakouts of options for flexibility because it's such a big ask, and they would be coming back with that information.

ADJOURNMENT

At 5:28 p.m., Chairman Vanuch adjourned February 22, 2022 Stafford County Board of Supervisors Budget work session.

Frederick J. Presley
County Administrator

Crystal L. Vanuch
Chairman