

VIRGINIA:

At an adjourned meeting of the King George County Board of Supervisors, held on Wednesday, the 28th day of April, 2010 at 5:00 p.m. at the Revercomb Administration Building, 10459 Courthouse Drive, King George, Virginia:

PRESENT: Dale W. Sisson, Jr., Chairman
Cedell Brooks, Jr., Vice-Chairman
Joseph W. Grzeika, Member
John P. LoBuglio, Member
James F. Mullen, Member
A. Travis Quesenberry, County Administrator

The Chairman, Mr. Sisson, called the meeting to order.

FY2010-2011 Proposed Budget

The Chairman stated the purpose of the meeting was to review the status of the proposed budget based on discussions held at previous budget work sessions.

Ms. Harper noted that the School Division requested \$34,754,448 for operating revenue for FY2010/2011 and the County proposed \$33,700,000, a difference of \$1,054,448. There was no change in the requested and proposed amount for Food Service.

For the County's operating budget, the proposed revenues total \$61,753,003. Ms. Harper noted that the difference in the revenue totals since the public hearing on the budget was due to a \$38,821 increase in General Property Tax Revenue, a decrease in State revenue of \$1,081 for the CHINS program, and decrease in non revenue receipts of \$36,858. There was no change in expenditure total from that reported at the public hearing on the budget.

The General Fund is projected to end FY2009/10 with projected revenues of \$30,235,847 and projected expenditures of \$29,569,824, resulting in a projected excess of \$666,023.

Ms. Harper also provided additional information on the General Fund Balance noting a proposed change in policy for the undesignated fund balance proposed for the FY2010/2011 budget. Under the current policy, the undesignated fund balance is carried at 15% of the General Fund. The proposed policy would carry an undesignated fund balance of 15% of the total operating budget and a proposed stabilization fund of \$240,000. The Chairman noted that the proposed changes in the undesignated fund balance will be discussed at a future work session.

There was considerable discussion among the Board members regarding the school division budget for FY2010/2011. Mr. Sisson felt there was a majority of Board members support for a \$33.7M budget for the school division as a result of recent work sessions. Mr. LoBuglio disagreed with that amount and stated that he had discussed a \$34M funding level with some of his colleagues. Mr. Brooks clarified that he has always stressed the need for adequate funding for schools, including additional custodial help at the high school and funds to cover the additional cost of health insurance, acknowledging that specific use of funds is a School Board decision. Mr. Brooks stated that he had spoken with Dr Brown by phone earlier in the day as to

whether the School Division could meet its needs with a \$33.7M budget and Dr. Brown responded that the school division would need \$34M to cover the health insurance issue for employees.

Adoption of Fiscal Year 2010/2011 Budget

On a motion by Mr. Brooks, seconded by Mr. Mullen, and by a 3-2 vote, each member voting as follows: Mr. Brooks Aye; Mr. Mullen Aye; Mr. LoBuglio Aye; Mr. Grzeika Nay; and Mr. Sisson Nay, the King George County Board of Supervisors adopted the FY2010/2011 County and School Operating Budgets in the amount of \$62,053,003, changing the School Division's funding request from \$33,700,000 to \$34,000,000.

Prior to the vote, there was an extensive discussion among the Board members relative to comments made by Mr. LuBuglio in an e-mail sent to some constituents regarding support for increased funding for the schools in the FY2010/2011 budget.

Both Mr. Sisson and Mr. Grzeika stated that neither could support the increased school board funding request and had supported the \$33.7M request as discussed in previous budget work sessions and that the \$34M proposed figure was not sustainable without a revenue increase.

Adoption of 2010 Property Tax Relief Rate

On a motion by Mr. Grzeika, seconded by Mr. Mullen, and carried unanimously, each member voting as follows: Mr. Brooks Aye; Mr. Grzeika Aye; Mr. LoBuglio Aye; Mr. Mullen Aye; and Mr. Sisson Aye, the King George County Board of Supervisors established forty-two percent (42%) as the rate of personal property tax relief for Calendar Year 2010.

Schedule Work Session for Capital Improvement Plan for KGCSA and County

Board members will discuss possible dates at the regular board meeting to be held on May 4, 2010.

There being no further business to come before the Board, the Chairman adjourned the meeting on a motion by Mr. Brooks, seconded by Mr. Mullen, and carried unanimously.