

April 10, 2019

The Regular Meeting of the Rockingham County Board of Supervisors was held on Wednesday, April 10, 2019, at 2:00 p.m. at Spotswood High School, Penn Laird, Virginia. The following members were present:

PABLO CUEVAS, Election District #1  
SALLIE WOLFE-GARRISON, Election District #2  
RICK L. CHANDLER, Election District #3  
WILLIAM B. KYGER, JR., Election District #4  
MICHAEL A. BREEDEN, Election District #5

Also present:

LOWELL R. BARB, Commissioner of the Revenue  
L. TODD GARBER, Treasurer  
MARSHA L. GARST, Commonwealth's Attorney

RENEE A. REED, School Board Member, Election District #3  
DR. OSKAR SCHEIKL, School Superintendent

LISA B. GOODEN, Registrar  
STEPHEN G. KING, County Administrator  
THOMAS H. MILLER, JR., County Attorney  
CASEY B. ARMSTRONG, Assistant County Administrator  
RHONDA H. COOPER, Director of Community Development  
PATRICIA D. DAVIDSON, Director of Finance  
KIRBY W. DEAN, Director of Parks & Recreation  
ANN MARIE FREEMAN, Director of Court Services  
JEREMY C. HOLLOWAY, Fire & Rescue Chief  
JENNIFER J. MONGOLD, Director of Human Resources  
TERRI M. PERRY, Director of Technology  
PHILIP S. RHODES, Director of Public Works  
JUSTIN S. MOYERS, Deputy Finance Director  
JESSICA G. KILBY, Deputy Clerk  
DONALD F. KOMARA, Residency Administrator  
Virginia Department of Transportation  
C. BURGESS LINDSEY, Assistant Residency Administrator  
Virginia Department of Transportation

In addition, the following were present for the Budget Hearing:

JACKIE LOHR, School Board Member, Election District #1  
DR. CHARLETTE E. MCQUILKEN, School Board Member, Election District #4  
JAMES L. JUNKINS, Emergency Communications Director  
CHERYL Y. MAST, Schools Chief Financial Officer

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**CALL TO ORDER**  
**WELCOME**  
**PLEDGE OF ALLEGIANCE**  
**INVOCATION.**

Chairman Breeden called the meeting to order at 2:03 p.m.

Mr. Robert Dansey, Spotswood High School Principal, welcomed the Board and students. Spotswood High School Student Zachary Krumm led the Pledge of Allegiance and Supervisor Chandler provided the invocation.

Supervisor Kyger provided a brief overview of local government for Spotswood High School students. He introduced the Board of Supervisors and asked that staff provide a brief description of their job duties during their staff report.

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**APPROVAL OF MINUTES.**

On motion by Supervisor Wolfe-Garrison, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board approved the minutes of the regular meeting of March 27, 2019.

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**RECOGNITION – SPOTSWOOD HIGH SCHOOL GIRLS’ VARSITY BASKETBALL TEAM.**

Administrator King read the following resolution:

**RESOLUTION**

**WHEREAS**, the **Spotswood High School Girls’ Varsity Basketball Team** brought great honor and esteem to Rockingham County by winning the Group AAA State Championship which was held at Virginia Commonwealth University in Richmond, Virginia on March 7, 2019; and

**WHEREAS**, the Spotswood Trailblazers earned a berth in the Virginia High School League State with dominating wins in both the District and Regional tournaments; and

**WHEREAS**, the Spotswood Trailblazers, under the tutelage of Head Coach Chris Dodson, defeated Lord Botetourt (47-42) in the semifinals before defeating Hopewell High School (66-56) in the championship game to end the season as state champion, compiling an outstanding 28 - 1 record; and

**WHEREAS**, Coach Dodson, after winning his fifth state title, was named Virginia Group AAA Coach of the Year; and

**WHEREAS**, junior forward Stephanie Ouderkirk was Virginia Group AAA Player of the Year and First Team All-State and First Team Region 3C, senior forward Nakaila Gray was First Team All-State and First Team Region 3C, junior guard Alexis Bennington-Horton was Honorable Mention All-State and Second Team Region 3C, and junior guard MacKenzie Freeze was Second Team Region 3C; and

**WHEREAS**, the Spotswood High School Girls’ Varsity Basketball Team comprised of Emerson Adkins, Abigail Branner, Kayci Carrier, Kelsi Diehl, Madisyn Forloines, MacKenzie Freeze, Nakaila Gray, Avery Hansbrough, Alexis Bennington-Horton, Mariah Justice, Stephanie Ouderkirk, Emma Seekford, Mary Ruth Shifflett, Rebekah Weaver, head coach Chris Dodson, assistant coaches D.J. Johnson, Mike Jenkins, and Chris Trout, team manager Matthew Miller, and athletic trainer Sarah Hudson are to be congratulated for their dedication and hard work in accomplishing these accolades.

**NOW, THEREFORE, BE IT RESOLVED** that the Rockingham County Board of Supervisors, on behalf of our community, hereby recognizes the **Spotswood High School Girls’ Varsity Basketball Team**, its coaches, team managers, and trainer for the exemplary skill they displayed on the court in these accomplishments, and calls upon the citizens of this community to join the Board in congratulating this outstanding group of young citizens; and

**BE IT FURTHER RESOLVED**, that the Board of Supervisors joins with these players, their coaches and managers in thanking the families of team members for their time and strong support, which helped to make these accomplishments possible.

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On motion by Supervisor Chandler, seconded by Supervisor Wolfe-Garrison, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board adopted the resolution in recognition of the Spotswood High School Girls’ Varsity Basketball Team.

The Board members presented the Resolution to Coach Dodson and team members.

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**TRANSPORTATION DEPARTMENT.**

The Board heard Mr. Komara’s report on the activities of the Transportation Department, including updates to bridge, road and rural rustic projects.

Mr. Komara reported that the recent public hearing for the Friedens Church Road (Route 682) project was well attended and positive. He also noted that the Safe Routes to School public hearing to add sidewalks near Elkton Elementary School went well with positive feedback.

Maintenance items included grading dirt roads and applying calcium chloride, ditching, and asphalt work.

Mr. Komara pointed out that Governor Ralph Northam made an announcement at the end of March regarding legislation passed by the General Assembly for the Interstate 81 Corridor Improvement Plan. Mr. Komara said I-81 improvements in the County will involve six-laning the interstate from Exit 242 near Pleasant Valley Road to Exit 248.

The Spring Transportation Conference and public hearing regarding the Six-Year Improvement Program (SYIP) will be held at Blue Ridge Community College on April 22, 2019, at 4 p.m.

Mr. Komara explained that a revenue sharing project is underway to add dual left-turn lanes on Spotswood Trail (Route 33) at the Spotswood High School entrance. He noted that adding dual left-turn lanes will require two receiving lanes, one of which will flow to the lower parking lot and the other will proceed toward the front of the school.

Supervisor Wolfe-Garrison noted that the potholes on Muddy Creek Road (Route 752) are dangerous, especially for horses. She also pointed out that the shoulder is gone on an area of Switchboard Road (Route 910) just south of Mt. Clinton Pike (Route 726).

Supervisor Kyger asked that Tilghman Road (Route 902) be placed on the list for grading and dust control.

Supervisor Chandler requested a 35 mile per hour speed limit sign be placed on Port Republic Road (Route 253) headed west from Port Village.

Chairman Breeden expressed appreciation for recent shoulder improvements to Rocky Bar Road (Route 754). He also mentioned that he has received complaints that Lumos cable vehicles are blocking some subdivision entrances, making it difficult to enter and exit safely.

In response to a question from a Spotswood High School student regarding the intersection of Slate Road (Route 842) and McGaheysville Road (Route 996), Mr. Komara agreed that it can be difficult to see approaching vehicles at the stop sign. Mr. Komara explained that VDOT obtained roughly seven feet of right-of-way from the landowner, which improved the turn from a 30-degree angle to a 60-degree angle.

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**INTENT TO ADOPT ORDINANCE AMENDMENT – FULKS RUN AND LITTLE NORTH MOUNTAIN PRECINCTS.**

Supervisor Cuevas reviewed a request from the Registrar and Electoral Board to change the location of two polling precincts: 1) the Fulks Run Precinct (103) from the Fulks Run Elementary School to the Chimney Rock VFW Post 9660; and, 2) the Little North Mountain Precinct (108) from the John C. Myers Elementary School to the J. Frank Hillyard Middle School.

On motion by Supervisor Cuevas, seconded by Supervisor Kyger, and carried by a roll call vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CHANDLER - AYE; CUEVAS - AYE; KYGER - AYE; WOLFE-GARRISON – AYE; the Board adopted the following ordinance amendment:

**ORDINANCE  
REPEALING AND RE-ENACTING  
THE FULKS RUN PRECINCT 103  
AND  
LITTLE NORTH MOUNTAIN PRECINCT 108  
PORTIONS OF  
SECTION 6A-6  
OF THE CODE OF ORDINANCES  
OF  
ROCKINGHAM COUNTY, VIRGINIA**

BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF ROCKINGHAM COUNTY, VIRGINIA:

That Section 6A-6 “Precincts and polling places – Establishment and authority” pertaining to Election District No. 1 be and hereby is repealed and re-enacted as follows:

Election District No. 1

	<i>Precinct</i>	<i>Polling Place</i>
101	Broadway	Broadway Fire Department
102	Timberville	Plains District Community Center
103	Fulks Run	Chimney Rock VFW Post 9660
104	Bergton	Bergton Community Center
105	Lacey Spring	Lacey Spring Elementary School
106	Tenth Legion	Mountain Valley-Tenth Legion Ruritan Hall
107	Plains	Plains District Community Center
108	Little North Mountain	J. Frank Hillyard Middle School

All other portions of Section 6A-6 continue as they were, reaffirmed and unaffected.

This ordinance shall be effective from the 10th day of April, 2019.

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**COUNTY ADMINISTRATOR'S STAFF REPORT.**

The Board received and reviewed Administrator King's staff report dated April 5, 2019.

Administrator King reviewed a proposal included in his staff report concerning the construction of a new courtroom in the General District Courts building and renovations to the Sellers building for the Chief Magistrate's office.

On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CHANDLER - AYE; CUEVAS - AYE; KYGER - AYE; WOLFE-GARRISON - AYE; the Board authorized the County Administrator to enter into a contract with Harman Construction for \$260,000, to complete Phase 3A of the General District Courts building and for the Chief Magistrate's office renovation.

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**COUNTY ATTORNEY'S STAFF REPORT.**

County Attorney Miller indicated staff found certain issues related to the health and safety of some short-term rentals in the County. He requested authorization to allow staff to review the issues and present recommendations to the Board for possible solutions.

By consensus, the Board authorized County staff to review short-term rental concerns and provide a recommendation to the Board.

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**ASSISTANT COUNTY ADMINISTRATOR'S STAFF REPORT.**

The Board received and reviewed Mr. Armstong's Economic Development report dated April 10, 2019.

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**FINANCE DIRECTOR'S STAFF REPORT.**

The Board received and reviewed Mrs. Davidson's staff report dated April 3, 2019.

Mrs. Davidson reported that there were two items included in her staff report for consideration. She pointed out the cost to repair the vehicles on the surplus list would be greater than the actual value of the vehicles. Mrs. Davidson also noted that staff will work with the Clerk of the Circuit Court to determine an acceptable starting bid for the surplus safe from the Circuit Court building.

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Supervisor Cuevas addressed the banking services proposal, which closed March 8. He reported that after the proper interview process, staff recommended United Bank.

On behalf of the Finance Committee, on motion by Supervisor Cuevas, seconded by Supervisor Chandler, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CHANDLER - AYE; CUEVAS - AYE; KYGER - AYE; WOLFE-GARRISON - AYE; the Board authorized staff to enter into a contract with United Bank for banking services, for a period of three years, with the option of an additional two-year renewal.

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On motion by Supervisor Cuevas, seconded by Supervisor Kyger, and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CHANDLER - AYE; CUEVAS - AYE; KYGER - AYE; WOLFE-GARRISON – AYE; the Board declared the following items surplus to be disposed of through the public surplus auction website:

Items to Declare Surplus – April 2019

Description	Quantity
2002 Ford Explorer 4x4	1
2004 Ford Explorer 4x4	1
2003 Ford Explorer 4x4	1
2004 Ford Explorer 4x4	1
2013 Ford Taurus	1
2014 Jeep Compass 4x4	1
2007 Ford Explorer 4x4	1
2008 Ford Escape Hybrid 4x4	1
2004 Chevrolet Blazer 4x4	1
2002 Dodge Ram 1500 2x4	1
Safe	1

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**HUMAN RESOURCES DIRECTOR’S STAFF REPORT.**

The Board received and reviewed Mrs. Mongold’s staff report dated April 10, 2019.

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**RECESS.**

Chairman Breedon recessed the meeting at 2:58 p.m., for dismissal of the high school students.

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**PUBLIC WORKS DIRECTOR'S STAFF REPORT.**

The Board received and reviewed Mr. Rhodes’ staff report dated April 10, 2019.

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**COMMUNITY DEVELOPMENT DIRECTOR'S STAFF REPORT.**

The Board received and reviewed Ms. Cooper’s staff report dated April 10, 2019.

Ms. Cooper stressed the importance of the upcoming Six-Year Improvement Program (SYIP) Public Meeting on April 22 at Blue Ridge Community College. She noted that Administrator King sent a letter to Dixon Whitworth encouraging not only the US 11 North Southbound Lane Sidewalk project, but also the US 33/Route 620 Turn Lane project.

Ms. Cooper pointed out that there is a lot of competition for the funding, therefore, staff intends to attend to impress upon the Commonwealth Transportation Board the importance of the projects.

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**TECHNOLOGY DIRECTOR'S STAFF REPORT.**

The Board received and reviewed Mrs. Perry's staff report dated April 2019.

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**FIRE AND RESCUE CHIEF'S STAFF REPORT.**

The Board received and reviewed Chief Holloway's staff report dated April 2019.

Chief Holloway reminded the Board that staff will conduct a volunteer cleanup day in the Bergton Community on May 4, 2019. Anyone interested in helping can report to the Bergton Fire Station at 8:30 a.m.

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**PARKS & RECREATION DIRECTOR'S STAFF REPORT.**

The Board received and reviewed Mr. Dean's staff report dated April 2, 2019.

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**COURT SERVICES DIRECTOR'S STAFF REPORT.**

The Board received and reviewed Mrs. Freeman's staff report dated April 10, 2019.

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**COMMITTEE REPORTS.**

The Board heard the following reports from Board members and staff.

**CENTRAL SHENANDOAH PLANNING DISTRICT COMMISSION (CSPDC)**

On motion by Supervisor Kyger, seconded by Supervisor Chandler and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN – AYE; CHANDLER – AYE; CUEVAS – AYE; KYGER – AYE; WOLFE-GARRISON – AYE; the Board appointed Steven Schofield to serve as the elected representative to the Central Shenandoah Planning District Commission for a term to expire June 30, 2022.

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**RECESS.**

At 3:22 p.m., Chairman Breeden recessed the meeting for dinner.

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**PUBLIC HEARING – PROPOSED BUDGET FOR THE FISCAL YEAR 2019-2020.**

At 6:02 p.m., Chairman Breeden declared the meeting open for a public hearing pursuant to Section 15.2-2506, Code of Virginia, 1950, as amended, on the Proposed Budget for the Fiscal Year 2019-2020.

**COUNTY OF ROCKINGHAM, VIRGINIA**  
**PROPOSED BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 2019,**  
**PROPOSED TAX RATES FOR THE CALENDAR YEAR 2019**

The proposed budget synopsis is prepared and published for public information and fiscal planning purposes only. The inclusion in this budget of any item or items does not constitute an obligation or commitment on the part of the Board of Supervisors of this County to appropriate any funds for that item or purpose. The budget consists of the estimates and requests of the officers and department heads submitted to the County Administrator, and the Board of Supervisors' proposed level of funding of those requests.

The Board of Supervisors will hold a public hearing to receive public comment on these recommendations on April 10, 2019, at 6:00 p.m. at Spotswood High School, 386 Blazer Dr, Penn Laird VA 22846. This public hearing is being held pursuant to sections 15.2-2506, Code of Virginia, 1950, as amended. All citizens of the County are invited and encouraged to attend and provide the Board with written or oral comments and ask questions concerning the County's proposed FY2019-20 budget, within reasonable time limits that are established by the Board of Supervisors.

A copy of the proposed budget and ordinance changes may be inspected by the public in the Department of Finance, County Administration Center, 20 East Gay Street, Harrisonburg, and in each of the County's branch libraries.

<b>REVENUES</b>				
	<b>BUDGETED</b>	<b>AMENDMENTS</b>	<b>AMENDED</b>	<b>PROPOSED</b>
	<b>FY 2018-19</b>	<b>FY 2018-19</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b><u>GENERAL FUND</u></b>				
General Property Taxes	\$ 89,633,000	\$ -	\$ 89,633,000	\$ 91,983,500
Other Local Taxes	11,741,350	-	11,741,350	12,518,229
Other Local Revenue	11,501,158	-	11,501,158	12,945,190
State Revenue	17,557,677	49,219	17,606,896	17,799,153
Federal Revenue	1,188,472	-	1,188,472	911,014
Balance Carried Forward	1,686,669	7,549,542	9,236,211	1,785,796
<b>TOTAL GENERAL FUND</b>	<b>\$ 133,308,326</b>	<b>\$ 7,598,761</b>	<b>\$ 140,907,087</b>	<b>\$ 137,942,882</b>
Capital Projects Fund	2,550,000	18,331,046	20,881,046	2,110,000
Tourism Fund	-	-	-	290,739
School Capital Projects Fund	5,900,000	1,679,861.00	7,579,861	15,000,000
School Operating Fund	137,427,511	-	137,427,511	142,085,548
School Cafeteria Fund	5,529,935	-	5,529,935	5,594,448
Massanutten Technical Center	5,987,508	-	5,987,508	6,010,013
Asset Forfeiture Fund	115,900	-	115,900	121,400
H'burg Rockingham Soc Services District	19,567,785	-	19,567,785	20,078,778
H'burg Rockingham Children's Services Act	10,208,433	-	10,208,433	11,266,518
Central Stores Fund	45,000	-	45,000	45,000
Self-Funded Health Insurance Plan Fund	30,555,120	-	30,555,120	31,777,325
Water & Sewer Utilities Fund	7,121,125	5,044,583.00	12,165,708	9,583,808
Lilly Subdivision Sanitary District	56,771	-	56,771	54,751
Smith Creek Water & Wastewater Auth	505,414	-	505,414	469,625
Countryside Sanitary District	19,190	-	19,190	20,438
Penn Laird Sewer Authority	29,018	-	29,018	29,011
Solid Waste Fund	4,997,126	1,384,760.00	6,381,886	4,708,399
Laird L Conrad Law Library Fund	50,585	-	50,585	50,585
Economic Development Authority	4,500	-	4,500	4,500
Human Resources Rental Fund	232,774	-	232,774	232,774
Emergency Medical Services Transp Fund	1,460,000	-	1,460,000	1,460,000
<b>TOTAL REVENUES</b>	<b>\$ 365,672,021</b>	<b>\$ 34,039,011</b>	<b>\$ 399,711,032</b>	<b>\$ 388,936,542</b>

<b>EXPENDITURES</b>				
	<b>BUDGETED</b>	<b>AMENDMENTS</b>	<b>AMENDED</b>	<b>PROPOSED</b>
	<b>FY 2018-19</b>	<b>FY 2018-19</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b><u>GENERAL FUND</u></b>				
General Government Administration	\$ 5,764,472	\$ 69,806	\$ 5,834,278	\$ 6,025,214
Judicial Administration	2,296,488	11,219	2,307,707	2,379,714
Public Safety	32,184,179	418,386	32,602,565	34,152,767
Public Works	3,309,181	129,989.00	3,439,170	3,493,717
Human Services	2,308,139	-	2,308,139	2,572,935
Parks, Recreation & Cultural	2,529,679	31,600.00	2,561,279	2,872,717
Community Development	2,994,646	25,000	3,019,646	2,963,654
Contributions	601,513	-	601,513	687,492
Contingency	250,000	(31,600.00)	218,400	250,000
Other Expenses	29,680	-	29,680	80,000
Transfers to Other Funds	68,679,656	6,944,361	75,624,017	70,213,601
Debt Service – County	2,843,444	-	2,843,444	2,838,563



Debt Service – Schools	9,517,249	-	9,517,249	9,412,508
<b>TOTAL GENERAL FUND</b>	<b>\$ 133,308,326</b>	<b>\$ 7,598,761</b>	<b>\$ 140,907,087</b>	<b>\$ 137,942,882</b>
Capital Projects Fund	\$ 2,550,000	\$ 18,331,046	\$ 20,881,046	\$ 2,110,000
Tourism Fund	-	-	-	290,739
School Capital Projects Fund	5,900,000	1,679,861	7,579,861	15,000,000
School Operating Fund	137,427,511	-	137,427,511	142,085,548
School Cafeteria Fund	5,529,935	-	5,529,935	5,594,448
Massanutten Technical Center Fund	5,987,508	-	5,987,508	6,010,013
Asset Forfeiture Fund	115,900	-	115,900	121,400
H'burg Rockingham Soc Services District	19,567,785	-	19,567,785	20,078,778
H'burg Rockingham Children's Services Act	10,208,433	-	10,208,433	11,266,518
Central Stores Fund	45,000	-	45,000	45,000
Self-Funded Health Insurance Plan Fund	30,555,120	-	30,555,120	31,777,325
Water & Sewer Utilities Fund	7,121,125	5,044,583.00	12,165,708	9,583,808
Lilly Subdivision Sanitary District	56,771	-	56,771	54,751
Smith Creek Water & Wastewater Auth	505,414	-	505,414	469,625
Countryside Sanitary District	19,190	-	19,190	20,438
Penn Laird Sewer Authority	29,018	-	29,018	29,011
Solid Waste Fund	4,997,126	1,384,760.00	6,381,886	4,708,399
Laird L Conrad Law Library Fund	50,585	-	50,585	50,585
Economic Development Authority	4,500	-	4,500	4,500
Human Resources Rental Fund	232,774	-	232,774	232,774
Emergency Medical Services Transp Fund	1,460,000	-	1,460,000	1,460,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 365,672,021</b>	<b>\$ 34,039,011</b>	<b>\$ 399,711,032</b>	<b>\$ 388,936,542</b>

**PROPOSED TAX RATES**

<u>Classification of Tax</u>	<b>Actual 2018</b>	<b>Proposed 2019</b>
Real Estate	\$0.74	\$0.74
Manufactured Home	0.74	0.74
Countryside Sanitary District	0.29	0.29
Personal Property	3.00	3.00
Recreational Vehicles	3.00	3.00
Machinery & Tools	2.55	2.55
Merchants Capital	0.87	0.87
Farm Machinery	0.44	0.44
Consumer Utility Tax, Residential	20% of first \$10	20% of first \$15
Consumer Utility Tax, Non-Residential	20% of first \$100	20% of first \$200

Property taxes are levied for each one hundred dollars of assessed value as of January 1. Property is assessed at fair market value for all classes, except personal property vehicles, which are assessed at loan value, and merchants capital, which is based on 67% of fair market value. Tax rates are effective January 1, 2019.

The Board of Supervisors will meet on Wednesday, April 24, 2019 at the Rockingham County Administration Center to consider adoption of the budget for fiscal year 2019-20, and to establish property tax rates for the calendar year 2019.

\*For historical reference, the tax rate in 2000 was \$0.71.

By order of the Board of Supervisors  
of the County of Rockingham, Virginia

Administrator King provided the following presentation:

Administrator King stated that one of, if not the, most important tasks for County staff and the Board of Supervisors is to develop and adopt a budget every year. This responsibility is taken very seriously by staff to include department heads, Constitutional Officers, and the Board. Mr. King said the proposed budget has evolved over the past few months, a budget that meets the mandated and identified needs, priorities, and commitments as set by the Board. The clear direction from the Board when entering the FY20 budget preparation, a direction fully understood and supported by County management staff, was that there was to be no increase in the 74-cent real estate tax rate.

#### Rockingham 2020 Plan

In 2015, the Board developed a plan for the upcoming five years (the Rockingham 2020 plan), which included projects and initiatives for digital technology for Schools; school renovation projects; Jail HVAC upgrade; fire and rescue station, apparatus and staffing additions; Harrisonburg-Rockingham Emergency Communications Center Computer Aided Dispatch and Data Management System (CAD/DMS) software upgrade; technology improvements; court expansion, and roadway projects.

Administrator King noted when the 2020 plan was adopted in 2015, it was clear it was a plan, subject to revision based on conditions, changing factors and priorities; it was not a commitment.

The final phase (Phase 5) of the Digital Technology Initiative was completed in FY19 with the deployment of devices to all elementary students. The net fiscal impact of that initiative is approximately \$4 million, annually.

Phase 1 of School renovations is complete; which included renovations to John W. Wayland Elementary School and Pleasant Valley Elementary School, and construction of Rockingham Academy. Debt service for the construction projects had a \$1.5 million annual impact on the County's FY19 budget and for the next 20 years.

Schools agreed to delay Phase 2 of School renovations for a year to allow some debt service to drop off. The debt issuance of \$21 million in the fall of 2019 will have an estimated \$1.5 million debt service payment, to begin in FY21. Administrator King said this is a great example of how the Board of Supervisors and School Board have historically worked together to get capital projects done within the constraints of available resources. He emphasized that the School Board and Board of Supervisors should be commended for carrying out school design, construction, and renovation projects to provide quality facilities that are easy to maintain, with a cost conscious approach. That has been the approach for the past 20 plus years, he said.

The HVAC system at the Jail is the original equipment for the facility that was constructed in the mid-1990's. Funds were included in the FY18 budget (\$2,000,000), in the FY19 budget (\$2,000,000), and proposed in the FY20 budget (\$1,500,000) for these much-needed system upgrades and replacements. Work is expected to be completed this winter. The total project cost is estimated to be \$5,500,000, with funding split between the County and City.

The 2020 Plan anticipated a County-constructed fire and rescue station in the Port Republic – Stone Spring Road area. The Board set aside \$1.2 million in the Capital Projects fund for this project, which was bid this year and is estimated to cost \$5 million. A debt issuance of \$3.8 million is proposed in the fall of 2019. The first debt service payment due in FY21 will be \$450,000. This will have no impact on the FY20 debt service budget.

The budget also includes funding for two positions, EMS Captain and a Training Captain.

The County was awarded Federal SAFER grant funds in FY17 to hire nine new Fire & Rescue employees. Funding for those positions will be the County's full responsibility beginning in FY20 (\$491,136). The Board wisely sought SAFER grant funds only for those positions that were identified as needed. The need for additional personnel in Fire and Rescue is expected to grow in coming years.

The budget included funds to replace a 1985 fire engine currently in use. Funds were not available for this purchase. The County may opt to issue debt for the fire engine along with the debt issuance for the Port Road facility, or may choose to commit to the purchase (place the order) in FY20 but take delivery and make payment in FY21.

Continued technology improvements are funded at \$610,000 in this budget. The move to Microsoft Office 365, an upgrade to the GIS System, an upgrade to new Community Development software, and implementation of new document imaging software are all initiatives the Technology Department is focusing on in FY20.

Administrator King credited the County's Technology Department, citing staff has never implemented a project for the sake of being innovative; but rather technology is used to meet the needs of various departments. Administrator King noted the CAD/DMS software upgrade will be completed later this year. He credited Emergency Communications Center Director James Junkins for his exceptional management of the upgrade.

In the General District Courts building, construction of a small courtroom on the second floor, a full-size courtroom on the first floor, judge's chambers, and a waiting area, should begin this month. This work will be completed this calendar year and funds are included in the proposed budget. The next phase will include adding an additional courtroom on the first floor.

The 2020 Plan also considered road improvement projects to be completed through VDOT's 50/50 Revenue Sharing program, as well as contributions from private developers. The improvement to Massanetta Springs Road from Route 33 to just short of the Conference Center is under construction. Administrator King noted the Reservoir Street improvements are complete and credited Casey Armstrong and Pete Kesecker for overseeing the projects. Additionally, VDOT will begin work this year to add dual left-turn lanes at the entrance of Spotswood High School.

Administrator King pointed out that as suggested during last year's budget presentation, staff recommends taking a break in any County-funded road projects once these projects are complete.

Mr. King displayed a list of alternative justice system programs the County and City have implemented, noting that the Immediate Sanctions Program was discontinued a couple years ago, because it was not effective. The list included funds for a Community Criminal Justice Board (CCJB) coordinator to be shared with the City.

Other funding included twelve replacement vehicles for the Sheriff's Department and two Deputy's; one for Court Services at the County Administration Building and the other for the new Juvenile and Domestic Relations District Court Judge.

Facilities improvements include roof replacements for the Administration Building, Sheriff and Jail Building, and Human Services Building; and HVAC improvements to the Administrative Building units. Administrator King noted that the current HVAC units are 28 years old, and pointed out that the typical life is 20 years.

### Current FY19 Budget

The FY19 budget totaled \$365,672,021. Revenue projections at the end of FY19 from the four major sources are as follows:

	Budget	Projection
Real Estate	\$57,000,000	\$56,650,000
Personal Property	\$15,500,000	\$15,650,000
Machinery & Tools	\$9,700,000	\$11,500,000
Sales Tax	\$6,350,000	\$6,350,000

The County expects FY19 expenses to come in as follows:

	Budget	Projection
General Fund	\$133,308,326	\$133,000,000
School Transfer	\$62,723,163	\$61,000,000

The FY20 General Fund budget reflects an increase of \$4.6 million or 3.48 percent over the FY19 adopted budget. The major revenue increases include:

- \$700 thousand increase in real estate revenue due to new construction
- \$1.3 million increase to machinery & tools tax due to new equipment being added to industry in the County
- \$538,300 increase to consumer utility tax with the proposed change in the amount charged for residential and non-residential customers. The maximum tax for residential customers will increase from \$2 to \$3 per month and the maximum tax for non-residential customers will increase from \$20 to \$40 per month
- \$380,428 increase to the amount the City of Harrisonburg will pay towards their share of court services and Constitutional Officers
- \$241,476 increase to the state's share of Constitutional Officers

Major expenditure increases include:

- \$1.6 million increase to the school operating transfer
- 3 percent salary increase and 4 percent increase to the employer share of projected health insurance claims increases
- \$750,000 County-portion to complete the last phase of the Jail HVAC project
- \$430,472 increase to the Middle River Regional Jail
- Continued support for alternative programs for the justice system
- \$180,000 County-portion of vehicles for Sheriff's department
- \$500,000 funding for Fire & Rescue personnel, two new positions and stipend plan changes
- \$750,000 to perform roof and HVAC maintenance to County buildings
- \$336,805 to support the Children's Services Act

Administrator King stated the FY20 budget proposal maintains commitment to:

- Follow the County's financial policies
- Address the needs for both County and Schools
- Attempt to maintain competitive compensation
- Attempt to minimize the impact on County taxpayers
- Continue progress on the goals and objectives identified in the Rockingham 2020 plan

Mr. King pointed out that good fiscal practice discourages the County from using the fund balance for ongoing expenses. A total of \$1.8 million is proposed to be funded through the general fund, fund balance.

The commitment to fiscal responsibility:

- Sustain the County's AAA bond rating
- Use the fund balance for one-time expenses
- Maintain a lean budget, reduce contingencies and re-evaluate all open positions prior to filling, and remove unneeded positions
- Maintain a healthy revenue stream for the general fund and enterprise funds to support continued operations
- Maintain health insurance rates that responsibly reflect claims projections

The commitment to Schools:

- Increased funding transfer to School operating fund
  - \$64,366,510, an increase of \$1,643,347 or 2.62 percent from FY19
  - Schools represent 46.7 percent of the general fund disbursements
- Phase 2 of school building program

Administrator King provided a slide showing the FY 2018 percentage of actual local expenditures for operations above the required local effort. For 2018, the County was at 158 percent and for 2017 the County was at 147 percent. He said it is good to compare the County's level of funding for Schools compared to other localities in the Commonwealth. The Virginia Department of Education annually performs that comparison when they determine the Required Local Effort in comparison to the actual expenditures for operations for each locality. He pointed out that Rockingham County is eighth on that list for all localities, with only three counties contributing a greater percentage above the Required Local Effort.

The commitment to employees:

- A three percent pay increase for all employees
- Two new Fire & Rescue positions
  - EMS Captain
  - Training Captain
- Environmental Inspector position added in response to demand
- Recreation Maintenance Technician added to service the new Rockingham Park at the Crossroads
- Funds for a four percent employer share of a projected health insurance increase

The commitment to citizens:

- Spend wisely
- Focus on planned, steady growth
- Continue to provide quality education
- Continue to provide quality and timely Fire & Rescue response
- Improved landfill facilities
- Improved water and sewer services

Balancing the Budget

The FY20 proposed budget is balanced at a real estate tax rate of \$0.74 per \$100 of assessed value. No real estate tax increase is proposed. New construction adds 1.23 percent to the real estate tax revenue. The value of one cent on the real estate tax rate is \$760,000 in FY2020.

Mr. King reviewed a graph displaying how reliant the County is on general property taxes, which make up 66.7 percent of the 2020 general fund.

Next, he highlighted the three items included in the proposed General Fund budget of \$137,942,882:

- School Transfer; \$64,366,510; 46.7 percent of the General Fund
- Public Safety; \$31,936,528; 23.2 percent of the General Fund
- Debt service to Schools; \$9,412,508; 6.8 percent of the General Fund

Administrator King emphasized that the County continues to have a positive and professional working relationship with the Constitutional Officers. He said the proposed budget reflects the County's efforts to provide quality service to the citizens of Rockingham County and the City of Harrisonburg in a cost-conscious manner. Mr. King indicated the County continues to be frustrated by the Commonwealth's inadequate level of financial support for Constitutional Officer positions and stated that the Board and City continue to provide supplements for these positions, as is the case for many localities in Virginia.

The budget as proposed requires about \$1.8 million to be taken from the County's general fund reserve to balance, which is offset by one-time items proposed to be funded. Good financial practice dictates that one-time unassigned balances in the General Fund continue to be used to fund capital investments, a pay-as-you-go funding for important capital replacements that are limited in size and are not funded by bonds.

In conclusion, Administrator King stated the County is obligated to spend funds wisely. He reiterated the following:

- Do not increase rates unless necessary
- Lower rates when appropriate
- Look at the future, not just today
- The FY20 proposed budget includes no tax rate increase

Administrator King expressed appreciation to County staff, Constitutional Officers, School staff, the School Board, and the Board of Supervisors for their hard work and for continued great working relationships.

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Chairman Breeden called on the citizens who signed up to speak on the budget.

Dennis Monday, President of Friendship Industries, thanked the Board for its continued support on behalf of the nearly 200 Friendship Industries employees. He stated that Friendship Industries has given back to the community in the tune of \$3.3 million dollars in wages paid to a population that most likely would require some type of service. Mr. Monday urged the Board to continue its investment in Friendship Industries, as it is vital for their program and the people they serve.

Beth Bland, Regional Director of Senior Services for Valley Program for Aging Services (VPAS) in Harrisonburg and Rockingham County, expressed appreciation to the Board for the support received over the years. This past year, VPAS served 1,001 County residents and experienced an increase in the number of Meals on Wheels recipients, transportation requests, and an increase in the number of information and assistance requests. Ms. Bland stated that according to University of Virginia Weldon Cooper Center predictions, 27.4 percent of County residents will be age 60 or older by 2020. She emphasized the importance for continued support of VPAS, in order for the aging population to have the services necessary to thrive and remain independent.

Jeff Germroth, President of the Rockingham County Fair Association and Fair Association Director Rebecca Holloway, applauded the Board for their continued guidance and support. Mr. Germroth noted that the Fair Association is a 51-member, civic-owned organization that provides not only a facility, but also a platform for many local youth and citizens of the County. Director Holloway shared upcoming projects and events for the Fair Association, to include the addition of a new horticulture building in August 2019.

Penny Imeson, Executive Director of the Heritage Museum, home of the Harrisonburg-Rockingham Historical Society in Dayton, provided a brief update of the

events of the Heritage Museum and expressed appreciation to the Board for their support of arts, culture, and education in the community.

Summer Sage, Executive Director of the Harrisonburg Rockingham Free Clinic updated the Board on the activities and programs at the Clinic. Ms. Sage indicated the recent Medicaid expansion allowed for nearly 600 Clinic patients to begin receiving Medicaid services. Ms. Sage indicated there are still 5,000 individuals between ages 18 to 64 that remain uninsured. The Clinic works with these patients for acute and chronic care and helps individuals navigate their medical needs. Ms. Sage expressed appreciation to the Board for its continued support, citing its importance to the needs of the community.

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Chairman Breeden noted the Board of Supervisors will meet on Wednesday, April 24, 2019 at 6:00 p.m., at the Rockingham County Administration Center to consider adoption of the budget for FY2020.

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**ADJOURNMENT.**

Chairman Breeden declared the meeting adjourned at 7:03 p.m.

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Chairman