

**PROPOSED CIP FY03
BUDGET WORK SESSION
March 7, 2002**

Present: Board of County Commissioners
Elaine Kramer, Director of Finance
Jeannett Cudmore, Deputy Director Finance
Al Lacer, County Administrator
Phil Rollins, Director, Recreation and Parks
Mr. Carney, Director of Budget and Finance, St. Mary's Public Schools
George Erichsen, Director DPW&T
John Savich, Director, Economic Community Development

Ms. Kramer stated there were two phases to address this evening: (1) bring closure to the CIP for the recommended budget for public hearing and (2) begin the overview of the operating budget. Of importance, debt service under 10% each year was attained.

The projects needing realignment to reach the 10% threshold are: Fire & Rescue, Tourist Center, Chaptico Park Phasing, Mechanicsville Road, public schools ADA Transition, Facilities Maintenance Building, Airport, Mattapany Road, Lexington Park Recreation Center, Elms Beach, and Carver Elementary School.

Commissioner President Randall stated schools are more important than roads and parks. Recommended Carver Elementary not be deferred another year and roads and parks be moved out. Defer Nicolet Park for \$1.1 million, Chaptico Park for \$2.0 million.

Commissioner Guazzo stated Nicolet Park already exists. The north end of the county has no park. Chaptico Park phase one must remain as is. Carver is a big project, however, hard decisions were made on February 25, 2002 when the Board decided to move it out.

Commissioner Mattingly stated the Board has been very supportive of education from the beginning. However, Carver is in good shape – just in a poor area.

Commissioner Anderson recommended Carver not be deferred and move the parks out.

Commissioner President Randall recommended that (1) if Ms. Kramer, Mr. Carney, and Mr. Clements sit down at the table and work out Carver moving on with a shorter construction period which is going to put the children in the school at the same time as construction - but defer the \$2.0 million. Or, (2) if the answer is no, and redistricting will occur twice, a consensus will have to be reached to take monies from Nicolet and Chaptico parks or leave deferral in place. All Commissioners agreed that if (1) was possible, then they would prefer that to happen.

Commissioner President Randall voted take monies from park projects and keep Carver on schedule.

Commissioner Anderson voted for the same.

Commissioner Guazzo stated the budget was now ready for public hearing. Commissioner Raley recommended Carver stay on schedule, defer Nicolet, and leave Chaptico as is. Other possibilities and options encouraged.

Commissioner Mattingly wants to look further and will not commit at this time.

**PROPOSED OPERATING BUDGET FY03
March 7, 2002**

FY2002 - Savings

Ms. Kramer stated that any "savings" should benefit the county – not a specific department. Requests to realign savings or use savings in FY03 will generally be denied.

FY2003 – Revenues

Property taxes increase of 4.7%

Income taxes increase of 3% based on 2 year trend; follow up with State needed regarding their low calculations

FY2003 – Expenses

Cola 2%

Net increase of 4% including merit/COLA

Benefits increase of 10%

Housing Authority as it Relates to the Budget Process

Mr. Lacer explained the requirement for the Board to make a tentative organizational decision this month so the corresponding budget implication can be built into the operating proposal.

John Savich stated \$860,000 is reflected now in the DECD budget. These monies are part federal and part grants.

Objectives:

- Stronger policy making connections between BOCC and Housing Authority
- Integration of housing planning into broader county planning
- Broader focus for housing programs – beyond HUD-funded programs
- Evaluation and possible implementation of new affordable housing tools
- Accomplish the adopted vision

Options and Projected costs:

1. Retain current structure; clarify personnel roles
 - No new costs for staffing
 - \$35,000 for needs assessment
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2. Fully independent Housing Authority with responsibility for its own staff
 - No cost to county
 - Increased costs for office space
 - Housing Authority funds needs assessment of \$35,000
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3. Incorporate broader housing responsibilities into county structure as a new department.
 - \$129,500 in fiscal year 03 for county funded positions, annualized to \$162,000 in future years.
 - \$35,000 needs assessment.
 -
4. Mr. Nicholson (Executive Director SMCHA) recommended additional positions be considered at a total cost of:
 - \$127,871. It would require the BOCC cost share annually or at least \$63,935.50. Such sharing represents an incentive for both entities to secure necessary grant funding.
 - Requests \$150,000 annually be authorized by the BOCC as a joint effort to fund the Homeownership Revolving Loan Fund.

There are pros and cons for each option and discussion followed. Ultimately, the county is trying to improve a structure so actions can take place and integrated into other capital and inter-service planning. Further discussion will ensue in upcoming work sessions.

A zoning ordinance work session will take place on March 25 at 5:00 p.m. with Board and Jon Grimm and John Norris.