



From the Desk of
Jeff Sili

Spring Newsletter 2019

Spring Newsletter 2019-Board Votes Funding for New Sparta Fire Station

The adoption of the annual budget is an important duty of the Board of Supervisors and one which requires a number of work sessions beginning in February of each year. Going forward in the months ahead, decisions are made how to wisely allocate tax dollars to cover the maximum services for all. The board works hard during budget season to make sure we maintain these services without raising taxes. The success of this endeavor was recognized last year in the Free Lance Star Newspaper when in July of 2018, they reported that Caroline had made a list of the top 10 Virginia counties where property tax monies are spent the most effectively.

Caroline is often compared to other counties in the region, but citizens can better educate themselves on the budget process by understanding the following—One cent of real estate tax in Caroline is equal to or produces \$250,000. On the other hand, one cent in neighboring Spotsylvania County is equal to 1.2 million. This is a big differential. In the past few years, Caroline has ended the budget year with a small surplus and enough money in the “unencumbered balance” to be awarded it’s first ever AA bond rating, an important fiscal tool.

In Constituent Meetings, I am often asked, “What is an unencumbered balance? Does that mean there is a large

surplus in the bank which might be dedicated elsewhere?" The short answer is no. What this means is that the day to day operating money for all the services we provide, like fire and rescue, public safety, the landfill, parks and recreation and many more are safely there in the proper amount in the bank to be drawn upon.

Think of this as you would your own household budget. Instead of getting a pay check every two weeks, imagine if you are paid twice a year. You would naturally have to save money over this period to meet monthly expenses. Since the county bills real estate and personal property taxes twice a year, the operating budget must be maintained even in those in-between months when tax money is not collected. In the past, the county has operated between tax collection time on a line of credit. Careful management has allowed us to move forward without credit, and the interest that goes along with this kind of stop gap measure. So in a nutshell, the county had paid off a 6 million dollar credit card, pays no interest on operations and no longer operates in the red.

I am also often asked at my constituent meetings how schools are funded and the role of the Caroline Board of Supervisors. The cost of public school is shared between federal, state and local governments. Each year at budget time, the Board of Supervisors considers seven broad categories in a budget presented by the School Board. The School Board which is elected separately and autonomously is responsible for all policy and decisions made in the public school system. This is probably one of the least understood aspects of local government. The duties of a member of the Board of Supervisors are much broader and encompass many aspects of day to day life

in the county that affect our residents, from the very young to senior citizens.

If you are interested in how the budget works and specific line items, I do a budget presentation twice a year at my constituents meetings aimed at educating citizens how, why and where their tax dollars are used. Check back on my facebook page (Sili2019) for announcements on the next meeting which will be in the fall of 2019, or e-mail me to be added to my mailing list at jmsili@verizon.net

Adoption of Fiscal year 2020 Budget

Fiscal year 2019-2020 was adopted in May and will cover the period July 1, 2019 through June 30, 2020. The total General Fund Budget for FY 2020 is \$52,884,495. The General Fund is the primary fund for most county operations. The total officially adopted budget however is \$103,319,533, which includes money appropriated to Caroline County Public Schools. The County's Contribution to the School Operating Budget increased by \$912,000 from the previous fiscal year. In 2018-19, it increased from the previous budget by \$400,000 and in 2017-18, it increased by \$447, 430.

Schools represent a large portion of the county budget, and for the last six years the contribution has been increasing significantly. Over and above the \$912,000 appropriated this year, the Caroline Board of Supervisors also supported the schools with \$45,000 in roof maintenance, \$90,000 for the Middle School Gym Floor and other capital improvements for a total CIP of \$254,500. Other monies appropriated to the schools covered five new school buses in the amount of

\$507,690, more dollars to continue leasing buses at \$275,372 and more money to help defray the cost of rising health insurance for school employees, in the amount of \$218,719. Debt Service for money borrowed for school renovations, totals just over 4 million dollars. Last year 29% of the county budget was dedicated to schools. This year, it is just over 48% which is a considerable increase.

In the realm of public safety, the budget also funded three new Firefighter/EMT positions to increase our emergency services coverage county-wide. The budget included 14 sheriff's vehicles and one ambulance as well.

In addition, in the area of public safety, the Board dedicated \$200,000 in start-up money for the new Sparta Volunteer Fire Station. The relocation of the station has been a goal for some time, and so I am pleased with the support of the board on this endeavor. More on this project will be announced in the future.

Due to an ever increasing issue with litter along the roads of our otherwise beautiful county, the Board created a plan to address the issue with a part time Litter Coordinator and part time litter crew of three people. This emphasis not only on aesthetic appearance, but the attraction and retention of business. In addition, we want visitors for tourism events and potential new residents to see our county at its best.

In the area of Business Readiness and Transportation, the budget again set aside money for the Rt. 639 Smart Scale Project which is part of a plan to attract business to the primary growth area. The county will pay cash for its match to the road improvements, instead of entering into a loan, thereby recognizing the income from future

business immediately. The State of Virginia is paying the majority of the cost at this I-95 Interchange at 28 million, while the county in total over the next several years will contribute 6 million. Income from business is what keeps the property tax rate on residents from rising.

The board again contributed \$9,861 in funds to enable Virginia Community Food Connections to continue the EBT program at the farmers markets in Ladysmith and Bowling Green. This program enables recipients to use their federal nutrition benefits at those markets and provides a match to encourage spending on healthy, locally grown produce.

The Board of Supervisors voted also to include a payment to the schools Beta Club toward travel expenses to the annual National competition held in Arkansas this year. That payment was \$10,000.

Another payment of note actually paid from last year's budget was \$20,000 to The Caroline Little League, a program and facility available to children county-wide.

The Budget As a Big Picture And Other Revenue Sources

I am also asked how we have been able to increase funding to the schools and other services to this degree. Although new business announcements will be covered in the Summer newsletter, the recent influx and attraction of new business provides added income which we are able to appropriate to the school budget and other services as well. In addition, our path to fiscal responsibility has enabled the county to pay cash for

many items like school buses and even road improvements to attract new business, all the while paying down years of debt service in a big way. All of these actions are interrelated and add up to new revenue.

Last year the FY 2019 budget funded five new school buses and \$231,851 to cover existing leases in cash. We also had the cash to lease purchase nine new sheriff's cars, a conventional cab fire engine, and a new ambulance. In 2018, the County funded three new full time school resource officers and purchased an additional three new school buses paying cash. Over the last four years we have added 12 EMT/firefighters to our workforce. Although these may look like small examples, the ability to pay cash still reduces the overall debt picture.

These are our budget highlights from 2019-2020. The Fall 2018 archived newsletter also has budget details spanning several years. Again, please feel free to contact me with questions about specific line items or concerns. jmsili@verizon.net or 804 633 9084.

Sincerely,

Jeff Sili