

The Council of the Town of Culpeper convened in special session at 7:00 p.m. with Mayor Pranas A. Rimeikis presiding. Present: Calvin L. Coleman, Duke M. duFrane, F. Steve Jenkins, Michael T. Olinger, James C. Risner, Robert M. Ryan, Christopher H. Snider, and William M. Yowell Council Members; Jeffrey B. Muzzy, Town Manager; Kimberly D. Allen, Town Clerk; Lisa D. Hutcherson, Deputy Town Clerk; Robert H. Thornhill, Jr., Public Works Director; Mark Bly, Light & Power Director; Jennifer Landreth, Acting Treasurer; Ronald Mabry, Budget Consultant; Chris Hively, Environmental Services Director; Chris Jenkins, Police Captain.

**Proposed FY2010 Budget**

**NOTICE OF PUBLIC HEARING ON PROPOSED FY2010 BUDGETS**

In accordance with §15.2-2506 of the Code of Virginia, 1950 as amended, a public hearing on the Town’s proposed FY2010 budgets will be held by the Town Council on May 27, 2009 at 7:00 p.m. in the County Board of Supervisor’s meeting room located at 302 N Main St., Culpeper, VA. Every citizen shall have the right to attend and state their views thereon. A brief synopsis is as follows:

	Operating	Capital	Total
General Fund	\$12,372,019	\$ 6,274,740	\$18,646,759
Water	3,037,627	1,199,773	4,237,400
Wastewater	4,094,009	17,292,924	21,386,933
Light & Power	10,618,998	2,081,856	12,700,854
Cemetery	435,260	N/A	435,260
Parking Authority	208,455	N/A	208,455
<b>Total</b>	<b>\$30,766,368</b>	<b>\$26,849,293</b>	<b>\$57,615,661</b>

The proposed budgets are based on the current tax rates, fees and charges, except for the following changes, effective July 1, 2009:

- An increase in the Real Estate Tax rate from \$.09 per \$100 of Assessed Value to \$.11 per \$100 of Assessed Value. This rate change is part of a partial Tax Equalization due to reassessment of real estate in the Town of Culpeper.
- The Light & Power Fund budget reflects a proposed 5% increase to all non-fuel electric rates plus a \$0.50 per month increase to the basic charge to all electric customers.
- The Light & Power Fund budget reflects a proposed meter service fee for all electric meters set after June 30, 2009. The fees will be as follows:
  1. Residential - \$100
  2. Small general service and medium general service - \$333
  3. Large general service - \$580
- The Water Fund budget reflects a proposed 5% rate increase plus \$0.25 basic charge to all water customers.
- The Wastewater Fund budget reflects a proposed 5% rate increase plus \$0.25 basic charge to all wastewater customers.
- An increase in the Tax Rate for Southridge Special Tax District from \$.10 per \$100 of Assessed Value of Real Estate to \$.12 per \$100 of Assessed Value of Real Estate.

- An increase in the Tax Rate for Lafayette Ridge Special Tax District from \$.07 per \$100 of Assessed Value of Real Estate to \$.08 per \$100 of Assessed Value of Real Estate.
- Various Fees, Rates and Fines associated with the operations of Town Government are proposed for change and a detailed listing of all Fees, Rates and Fines, including those proposed for change, are available for viewing as part of the complete Proposed FY2010 Town of Culpeper budget.

A detailed and complete copy of the FY2010 Budget is available at the Municipal Building, in the Town Clerks Office, located at 400 S. Main St., Suite 101, Culpeper, VA, Monday thru Friday, 8:00 a.m. to 5:00 p.m. or online at our website: [www.culpeper.to](http://www.culpeper.to).

The public hearing is being held at a facility believed to be accessible to persons with disabilities. Any person with questions on the accessibility should contact the Town Clerk at 400 S. Main St., Culpeper, (540) 829-8240.

Ron Mabry, Financial Consultant gave a brief presentation on budget assumptions for FY10 (copy of presentation in meeting packet) and reported the following:

- This was a maintenance budget which kept base operations in tact without planning for upgrades or replacements for critical items.
- Provided partial tax equalization due to loss of revenue from real estate assessments.
- Does not include merit or cost of living adjustments for staff.
- Does not provide any expansion of existing programs or services.
- Does not provide a solid waste capital equipment replacement fund.
- Does provide for level funding for Outside Agencies and groups; Company 11 not funded due to the late filing of their request.
- Restores funding for the position of Assistant Town Manager.
- Restores original personnel plan concept for Town Engineer and Town Planner.
- The 2008 Total Real Estate Assessment Value was \$1,611,644,700 and the 2009 Total Real Estate Assessment Value was \$1,279,295,678. The difference in revenue with the lower assessment would be (-\$299,114).
- The tax equalization required to maintain the same real estate tax rate revenue level was 2.4 cents and council directed a partial tax equalization of 2 cents, from \$.09/\$100 to \$.11/\$100.

Mr. Mabry reviewed the FY10 projected general fund revenues and FY10 proposed general fund expenditures of \$12,372,019 and reviewed the FY10 Budget Summary:

• General Fund total (operating & capital) =	\$18,646,759
• Water Fund total (operating & capital) =	\$ 4,237,400
• Wastewater total (operating & capital) =	\$21,386,933
• Light & Power total (operating & capital) =	\$12,700,854
• Cemetery total (operating & capital) =	\$435,260
• Parking Authority (operating & capital) =	\$208,455
Total operating and capital	= \$57,615,661

Mr. Mabry reported on the FY10 proposed rate and fee changes:

- 5% increase to all non-fuel electric rates plus a \$0.50 per month increase to the basic charge
- Meter service fee increase – residential \$100, small general service and medium service - \$333 and large service \$580
- 5% increase plus \$0.25 basic charge to water customers
- 5% increase plus \$0.25 basic charge to wastewater customers
- Tax increase for Southridge special tax district from \$0.10/\$100 to \$.12/\$100
- Tax increase for Lafayette Ridge special tax district from \$.07/\$100 to \$.08/\$100
- Increase in various fees, rates and fines associated with the operations of town government

Town Manager Muzzy reported that given the state of the economy, he was pleased to be able to present council with a balanced budget. The FY10 Budget is maintaining the same level of service but cautioned that in the future, it could become problematic in terms of capital replacement and employee efforts. He thanked council for attending all the budget work sessions.

### **Public Hearing - Proposed FY2010 Budget**

### **NOTICE OF PROPOSED REAL PROPERTY TAX EQUALIZATION**

Pursuant to Town Code §23-2, the Town of Culpeper proposes the following real property levy tax equalization for Fiscal Year 2010:

1. **Effective Rate Increase:** The Town of Culpeper proposes to adopt an equalized tax rate of \$0.11 per \$100 of assessed value. The difference between the prior year tax rate and the proposed rate would be \$0.02 per \$100, or 22 percent. This difference will be known as the “effective equalized tax rate increase.”
2. **Proposed Total Budget Decrease:** Based on the proposed real property tax rate and changes in other revenues, the total budget of the Town of Culpeper will be less than last year’s by 3.9 percent.

A public hearing on the increase will be held by the Council of the Town of Culpeper on **Wednesday, May 27, 2009 at 7:00 p.m.** in the County of Culpeper Board of Supervisors meeting room at 302 North Main Street, Culpeper, Virginia.

Example: In 2008 a property assessed at a value of \$100,000.00 had a real estate tax bill of \$90.00. If in 2009 the property assessed at a value of \$80,000.00 there will be a Town real estate tax bill of \$88.00, causing a minimum decrease. If in 2009 the property assessed at a value of \$110,000.00 there will be a Town real estate tax bill of \$121.00, causing a slight increase.

Information concerning the real property rate equalization is available at the Municipal Building, in the Town Manager’s Office, located at 400 S. Main St., Suite 101, Culpeper, Virginia, Monday thru Friday, 8:00 a.m. to 5:00 p.m. For questions, please call Jeffrey Muzzy, Town Manager, at (540) 829-8250.

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Mayor Rimeikis declared the public hearing on the budget open and requested anyone wishing to address Council to do so.

Dave Lochridge, 1013 Ridgemere Lane questioned the hiring of an assistant town manager stating that in March 2008, council created the public information officer position utilizing funds from vacant positions. In August, the Interim Town Manager reported that the assistant town manager’s position was indefinitely vacant and in February 2009, a council member commented that some town and county staff was not as busy as they used to be. He asked if an assistant town manager was hired, would there still be a need for the public information officer.

There being no one else to address council, Mayor Rimeikis closed the public hearing.

**Public Hearing - Proposed FY2010 Equalization Tax Rate**

Mayor Rimeikis declared the public hearing on the budget open and requested anyone wishing to address Council to please do so.

There were no speakers; therefore, the public hearing was closed.

**Continued Review of the Proposed Budget**

Mayor Rimeikis commented that council had the option to further review the budget this evening or schedule a work session for next week, or take action at the June meeting.

Council Member Jenkins stated he preferred moving on to the June meeting and felt the budget process for this year was one of the easier formats he's participated in. He commented he appreciated the work of council and staff.

**ADJOURNMENT**

Council adjourned at 7:16 p.m.

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Clerk

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Mayor