

1. 6:00 P.M. Virtual Meeting Instructions

Documents:

[INSTRUCTIONS FOR ATTENDING THE BOS VIRTUAL MEETINGS.PDF](#)

2. 6:00 P.M. BOSM 4-23-2020 Final Approved Agenda
Final Approved Agenda updated 4-23-2020.

Documents:

[BOSM 4-23-2020 FINAL APPROVED AGENDA 4-23-2020.PDF](#)

3. 6:00 P.M. Revised BOSM 4-23-2020 Agenda Packet Update Final 4-23-2020
Final Revision to the Agenda Packet for the BOSM 4-23-2020 Meeting.

Documents:

[FINAL AGENDA PACKET BOSM 4-23-2020 REVISED 4-23-2020.PDF](#)

Instructions for attending Virtual Board of Supervisors Meetings

Surry County Public Virtual Meeting Room

Please join our meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/447043917>

You can also dial in using your phone.

United States (Toll Free): [1 877 568 4106](tel:18775684106)

United States: [+1 \(571\) 317-3129](tel:+15713173129)

Access Code: 447-043-917

New to GoToMeeting? Get the app now and be ready when your first meeting starts:

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Please remember to mute your computer, tablet, or smartphone during the meeting. This will prevent feedback and unnecessary background noise from interrupting the meeting.

****Public Comments can be emailed to: comments@surrycountyva.gov ****

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**BOARD OF SUPERVISORS VIRTUAL MEETING AGENDA
APRIL 23, 2020 – 6:00 PM
BUDGET WORK SESSION**

Virtual Meeting Instructions

Invocation

Call to Order / Moment of Silence / Pledge of Allegiance/ Agenda Adoption / Roll Call

Budget Discussion: FY 20-21

1. FY20-21 Proposed Operating Budget & Capital Improvement Plan

New Business

1. Memorandum of Understanding: COVID-19 Local Partnership MOU (REVISED 4-16-2020)

Citizens Comments

Board Comments

County Administrator's Report

Adjournment



**BOARD OF SUPERVISORS VIRTUAL MEETING AGENDA
APRIL 23, 2020 – 6:00 PM
BUDGET WORK SESSION**

Virtual Meeting Instructions

Virtual Meeting Instructions
Informational

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Invocation

Call to Order / Moment of Silence / Pledge of Allegiance/ Agenda Adoption / Roll Call

Budget Discussion: FY 20-21

FY20-21 Proposed Budget Discussion
Review and discuss

Documents:

[CA Budget Presentation FINAL 4-23-2020.pdf](#)

Documents:

[CA Budget Presentation FINAL2 4 23 2020.pdf](#)

Documents:

[CA Budget Presentation 04.16.20 Final.pdf](#)

Documents:

[FY 20 21 County Administrators Proposed Budget 4 16.20 Final.pdf](#)

New Business

Memorandum of Understanding: COVID-19 Local Partnership MOU (REVISED 4-16-2020)

Review and approve the MOU between the County and the VA Dept of Health Crater Health District and the referenced addendums.

Revision received April, 16, 2020.

Documents:

[DOC 1_181 Crater District Pandemic MOU April 2020b.pdf](#)

Documents:

[DOC 2_Addendum 1 COVID-19 Local Partnership Agreement Scope.pdf](#)

Documents:

[DOC 3_Addendum 2 COVID-19 JAS CONTACT CASE MANAGER.pdf](#)

Documents:

[DOC 4_181 Business Associate AgreementHIPAA Final.pdf](#)

Citizens Comments

Board Comments

County Administrator's Report

Adjournment

BOARD OF SUPERVISORS AGENDA ITEM REQUEST FORM

Department: Administration

Department Head: Lauren Chapman, Administration

Meeting Date Requested: April 23, 2020

STATEMENT OF THE ISSUE:

Virtual Meeting Instructions

ITEM

Informational

Is this a budgeted item?

N/A

If yes, include budgeted amount Total Project Cost

n/a

n/a

RECOMMENDED ACTION:

Informational

Description of Presented Item

Please see the attachment for instructions on how to participate in the Virtual Meeting and where to send Public Comments.

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BOARD OF SUPERVISORS AGENDA ITEM REQUEST FORM

Department: Administration

Department Head: Lauren Chapman, Administration

Meeting Date Requested: April 23, 2020

STATEMENT OF THE ISSUE:

FY20-21 Proposed Budget Discussion

ITEM

Discussion

Is this a budgeted item?	If yes, include budgeted amount	Total Project Cost
Yes	n/a	n/a

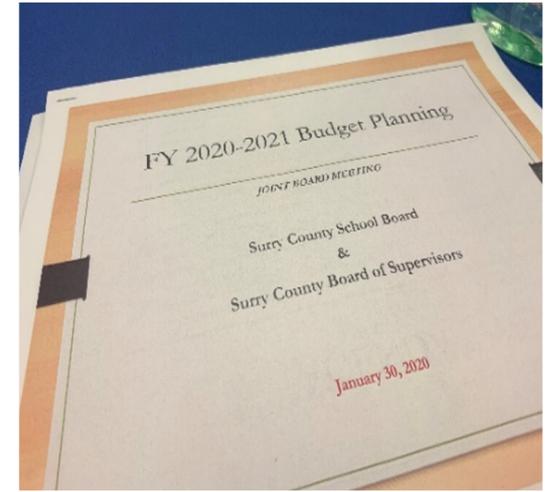
RECOMMENDED ACTION:

Review and discuss

Description of Presented Item

A discussion of the Proposed FY20-21 Operating Budget and Capital Improvement plan presented to the Board at the April 16, 2020 virtual Board of Supervisors Meeting. Please find the original documents presented April 16, 2020 attached for your reference.
<Additional supporting documents will be added prior to the start of the 4-23-2020 meeting per Administration. This agenda item will be updated when documents made available. (4-21-2020)>
Updated Final Documents added 4-23-2020.

- [CA Budget Presentation FINAL 4-23-2020.pdf](#)
- [CA Budget Presentation FINAL2 4 23 2020.pdf](#)
- [CA Budget Presentation 04.16.20 Final.pdf](#)
- [FY 20 21 County Administrators Proposed Budget 4 16.20 Final.pdf](#)



FY2020-21 Budget

Board of Supervisors Work Session
April 23, 2020

County Administrator's Recommended Budget

Recommended Budget was \$1.645 million less than requests

	FY20	FY21	FY21	FY21 NOT
	BUDGET	REQUESTED	RECOMMENDED	RECOMMENDED
PERSONNEL	6,170,269	7,142,351	6,492,797	649,554
PURCHASED SVCS	1,679,096	1,992,231	1,839,603	152,628
MATERIALS & SUPPLIES	357,251	379,477	353,377	26,100
OTHER	971,074	1,008,566	839,716	168,850
OUTSIDE AGENCIES	1,148,394	1,241,165	1,093,774	147,391
CAPITAL OUTLAY	58,350	79,600	55,600	24,000
TRANSFERS OUT	18,094,287	18,815,241	18,339,012	476,229
TOTAL	\$ 28,478,721	\$ 30,658,631	\$ 29,013,879	\$ 1,644,752

FY 21 Requested Personnel Not Included with Proposed Budget

- Sheriff:
 - 6 Deputies
 - Court Security
 - Secretarial Assistant
- Clerk of the Circuit Court
 - Additional pay for staff
- Registrar:
 - Convert Deputy Registrar from part time to full time
- Parks & Recreation
 - Convert Athletic Coordinator from part time to full time
 - Part time maintenance staff
- Economic Development
 - Convert Economic Development Assistant from part time to full time
- Tourism
 - Add second part time Visitor Center representative

Outside Agency Requests

Agency	FY20 Adopted Budget	FY21 Requested	FY21 CA Recommended	FY21 Unfunded
Crater Crim Justice Academy	12,891	13,282	13,282	0
Claremont Fire Department	50,000	63,600	50,000	13,600
Dendron Fire Department	60,000	63,600	60,000	3,600
Surry Fire Department	55,000	63,000	55,000	8,000
Surry Rescue Squad	75,000	84,800	80,000	4,800
Surry Rescue Squad - Ambulance Bill	20,000	20,000	17,000	3,000
Department of Forestry	12,978	12,978	12,978	0
Chesterfield Med Flight	200	100	100	0
Adult Incarceration	200,012	218,868	218,868	0
Juvenile Detention	44,253	43,484	43,484	0
Riverside Criminal Justice Agency	9,230	7,681	7,681	0
HR Metro Medical Response System	1,335	1,317	1,317	0
ODEMSA	850	1,335	808	528
Health Department	209,664	209,664	209,664	0
Surry Free Clinic	8,000	0	0	0
District 19 CSB	66,051	70,120	62,748	7,372

Outside Agency Requests (Cont)

Agency	FY20 Adopted Budget	FY21 Requested	FY21 CA Recommended	FY21 Unfunded
Crater Agency on Aging	4,000	10,000	0	10,000
SSG Improvement Association	44,604	44,604	42,378	2,226
John Tyler Community College	1,313	1,299	1,299	0
Virginia State University	2,500	2,500	1,500	1,000
Blackwater Regional Library	150,154	173,695	142,646	31,049
Crater PDC	6,000	5,717	5,717	0
Hampton Roads PDC	10,000	9,363	9,363	0
Hampton Roads Clean	500	462	462	0
Chowan River Basin	8,767	8,767	0	8,767
Sussex Housing Program	2,000	10,000	0	10,000
Longwood Small Bus Dev Center	2,500	2,700	1,250	1,450
Virginia Gateway Region	41,229	41,229	31,229	10,000
Williamsburg Area Transit	40,000	40,000	20,000	20,000
Peanut, Soil & Water	11,000	12,000	5,000	7,000
James House (new request for FY21)	0	5,000	0	5,000
TOTAL	\$ 1,150,031	\$ 1,241,165	\$1,093,774	\$147,391

Closing Gap Without RE Tax Rate Increase

- Two options for closing gap: Cut expenditures and/or increase revenue
- Options for eliminating 1 cent, 2 cents and all 3 cents of the proposed tax rate increase are shown on next slides
- Surry compares favorably to surrounding communities on other tax/fee rates, and there are options for other taxes and fees
 - Meals Tax (new legislation)
 - Personal Property
 - Machinery and Tools
 - Vehicle License Fee
 - Cigarette Tax (new legislation)

Closing Gap Without RE Tax Rate Increase – Spending Cuts

	Cut from Recommended Budget		
	Three Cents	Two Cents	One Cent
<u>Full time positions</u>			
HR Manager	\$ 80,832	\$ 80,832	\$ -
Special Assistant to the County Administrator	81,436	81,436	-
Sheriff Investigator	66,583	66,583	-
School Resource Officer	64,066	-	-
Vacant Treasurer Clerk	46,455	-	-
<u>Part time funding</u>			
Commissioner of Revenue	\$ 6,162	\$ 2,342	\$ 2,033
Treasurer	-	-	-
Registrar	3,687	1,401	1,217
Clerk of the Circuit Court	14,758	5,608	4,870
Finance	1,116	1,116	1,116
Bldg Inspections	1,236	1,236	1,236
Asst EMS Coordinator	8,362	8,362	8,362
Remove add'l hours for Tourism	3,382	3,382	3,382
Remove add'l hours for Workforce	2,233	2,233	2,233
Reduce PT Sanitation workers to 25 hours/wk	38,301	38,301	38,301
<u>Transfers Out</u>			
Reduce Schools by local share of 2.5% raise	\$ 100,000	\$ 52,985	
Transfer to CSA Fund	\$ 35,000	\$ 7,264	\$ 6,052
Transfer to VPA Fund	25,000	25,000	25,000

Closing Gap Without RE Tax Rate Increase – Spending Cuts

	Cut from Recommended Budget		
	Three Cents	Two Cents	One Cent
<u>Other Cuts to Departments</u>			
BOS	\$ 5,500	\$ 5,500	\$ 5,500
County Admin	3,101	3,101	3,101
Finance	1,000	1,000	1,000
Computer	33,000	33,000	33,000
Registrar	2,000	2,000	2,000
district court	2,300	2,300	2,300
Magistrate	725	725	725
Sheriff	11,500	11,500	11,500
E-911	500	500	500
Animal Control	1,438	1,438	1,438
Maintenance	16,043	7,292	7,292
Econ Dev	500	500	500
Tourism	5,730	5,730	5,730
OOY	6,250	6,250	6,250
Workforce	150	150	150

Closing Gap Without RE Tax Rate Increase – Spending Cuts

	Cut from Recommended Budget		
	Three Cents	Two Cents	One Cent
<u>Additional Cuts to Outside Agencies/Contingency</u>			
Reduce Contingency to \$50K	\$ 50,000	\$ 50,000	\$ 50,000
Surry Rescue Squad	5,000	5,000	5,000
Eliminate funding for JTCC and VCU	2,799	2,799	2,799
Eliminate Transit Service	20,000	20,000	20,000
Improvement Association	2,226	2,226	2,226
Blackwater Regional Library	12,601	12,601	12,601
Eliminate Longwood Small Business Development Ctr	1,250	1,250	1,250
Virginia Gateway Region	10,615	10,615	10,615
Eliminate Peanut, Soil and Water	5,000	5,000	5,000
TOTAL - ALL REDUCTIONS	\$ 777,837	\$ 568,558	\$ 284,279
ADDITIONAL REVENUE:			
Implement Meals Tax	\$ 80,000	\$ 80,000	\$ 80,000
TOTAL CUTS/REVENUE	\$ 857,837	\$ 648,558	\$ 364,279

Closing Gap Without RE Tax Rate Increase – Revenue Options

- New Legislation in final stages allows counties to levy taxes by vote of the Board of Supervisors:
 - Meals Tax – up to 6%
 - Potential Revenue Impact - \$80,000
 - Cigarette Tax – up to 2 cents per cigarette – revenue impact unknown right now
- Other taxes/fees where County is low compared to neighbors:
 - Personal Property Tax – 25 cent increase, to \$4.25 would generate \$130,000
 - Vehicle License Fee - \$5 increase, to \$25, would generate \$33,000
 - Machinery & Tools tax - \$1.00 increase, to \$2.00, would generate \$28,000

TOTAL POTENTIAL REVENUE: \$271,000

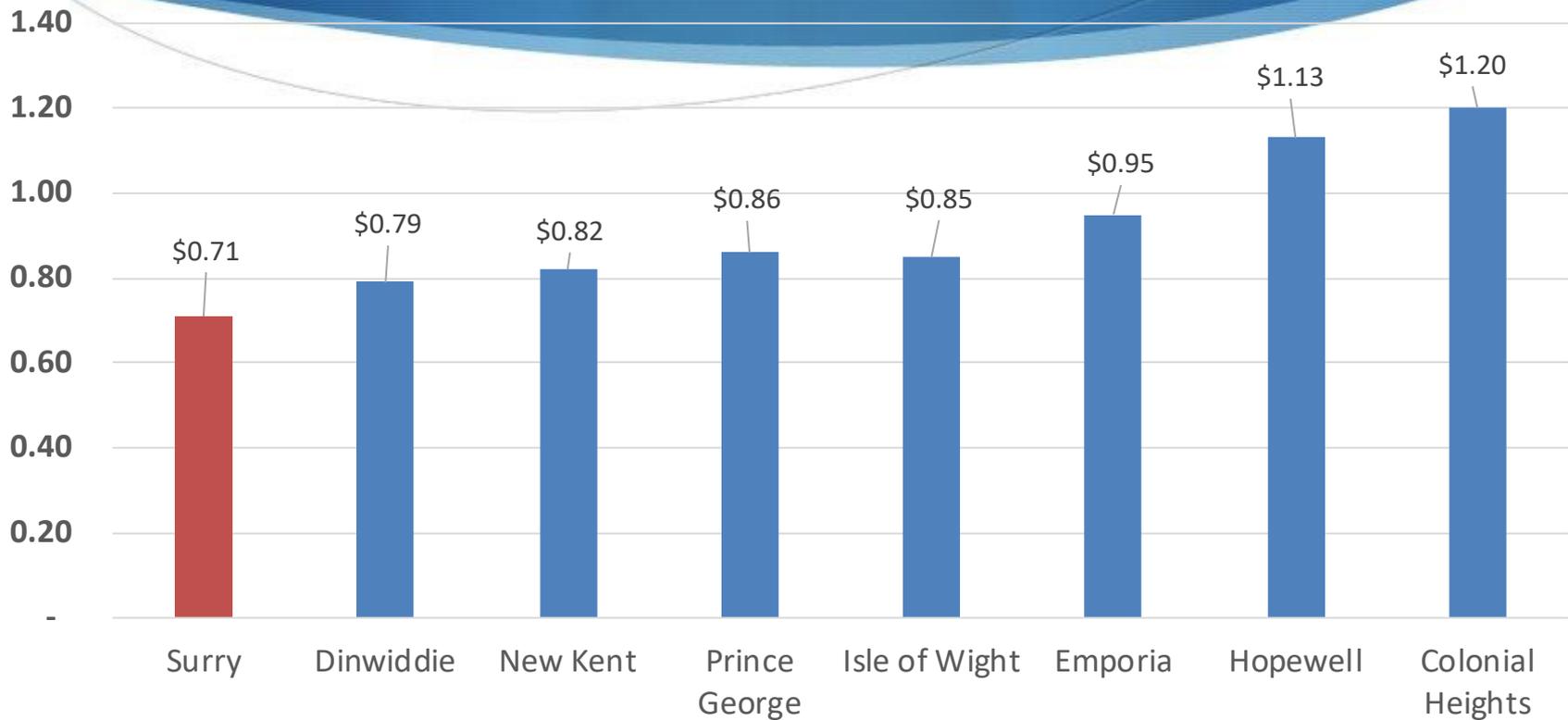
Closing Gap Without RE Tax Rate Increase – Revenue Options

- Revenue changes already included in Proposed Budget:
 - Sheriff Fee for Courtroom Security – increase from \$10 to \$20
 - Estimated revenue - \$10K
 - Planning Fees (various)
 - Estimated revenue - \$15K
 - EMS Ambulance Billing Recovery - \$23K – (insurance recovery)
 - BLS from \$450 to \$500
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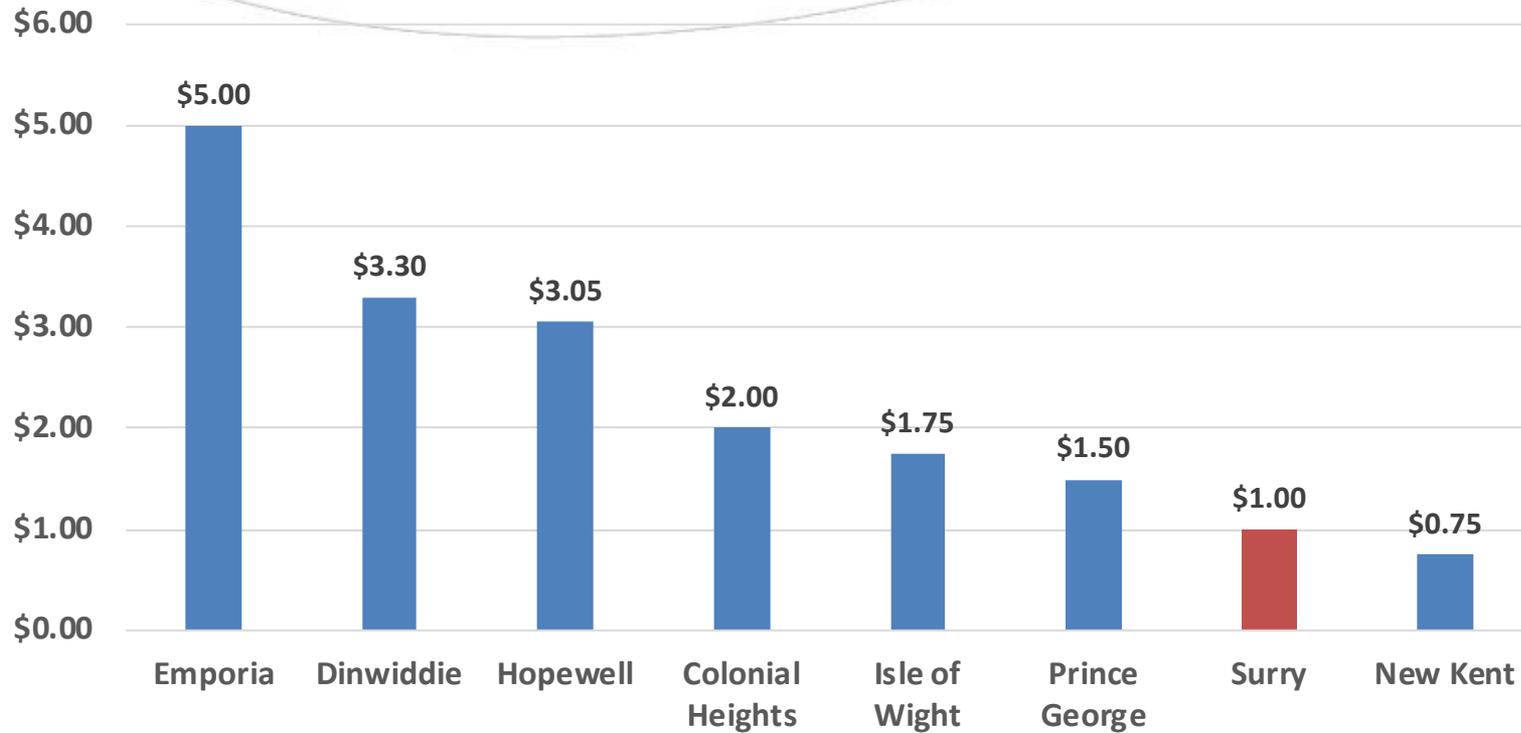
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- Real Estate Tax Rate increase is least regressive and has least impact on Surry County Citizens, as Public Service Corporations generate over 2/3 of increased revenue
- Meals tax would compare favorably to surrounding communities, and revenue would be generated in part by visitors

Real Estate Tax Rate Per \$100 of Assessed Value



Machinery and Tools Tax



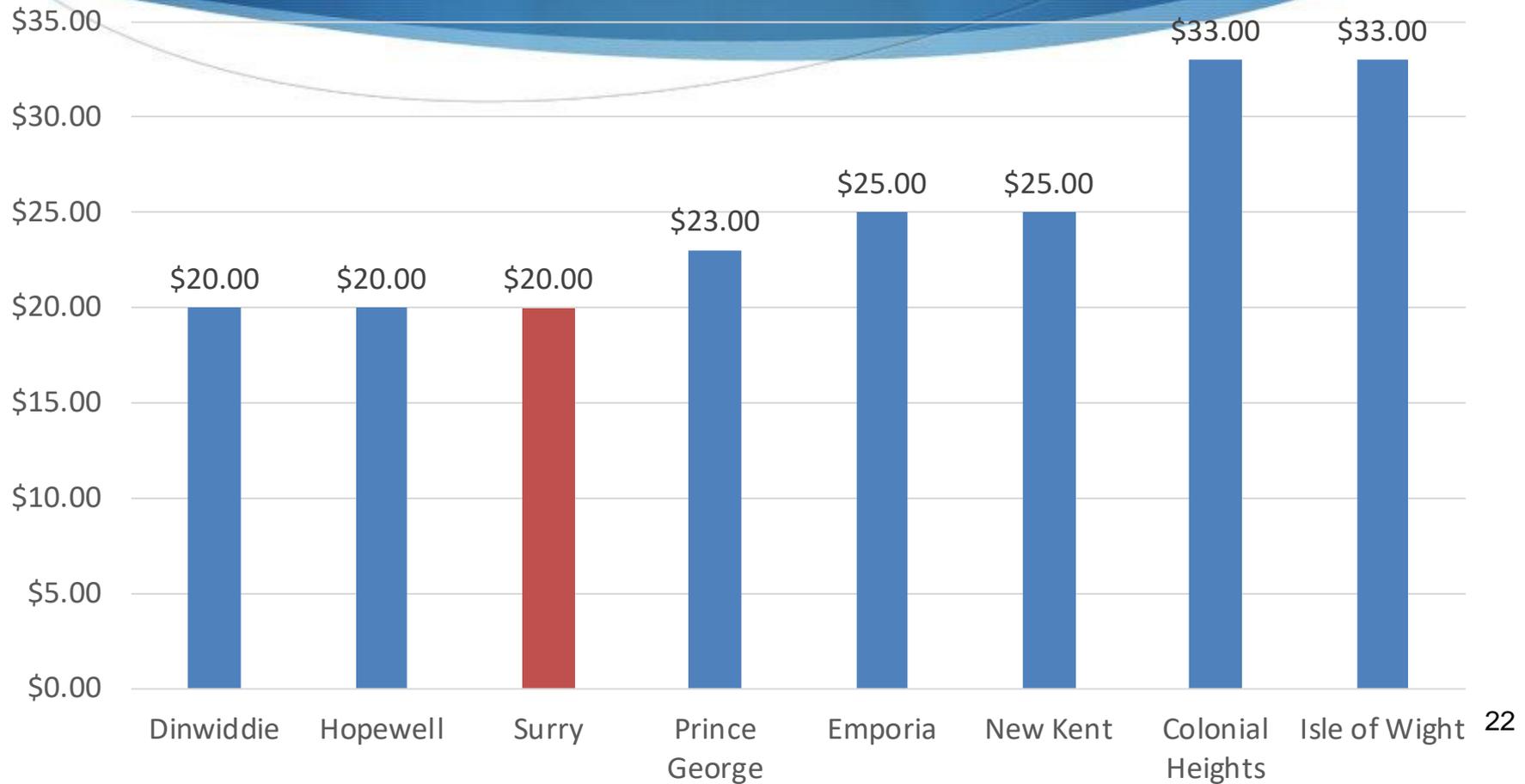
Personal Property Tax Rate Vehicles and Business



Meals and Hotel Tax Rates



Motor Vehicle License Fee (Under 4,000 lb)



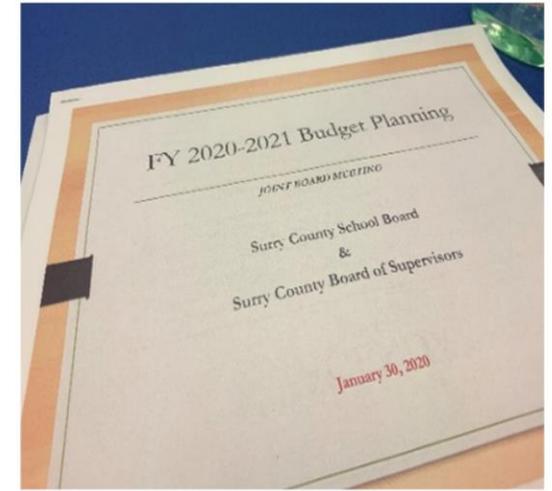
Feedback Requested from Board

- Which options to close gap have consensus of Board?
- Taxes and Fees to advertise for Public Hearing?
- Any services being provided by County that can be considered for reduction or elimination?

Next Steps

<u>Date</u> Subject to Change	Day	Action Item
April 23, 2020 ⁽¹⁾	Thursday	<ul style="list-style-type: none"> 6:00 P.M. - Budget Work session #1 with the Board of Supervisors
April 24, 2020	Friday	<ul style="list-style-type: none"> Release Advertisement for Public Hearing to the Local Paper
April 27, 2020 ⁽¹⁾	Monday	<ul style="list-style-type: none"> <i>Planning Commission considers Proposed Capital Improvement Program at its regular meeting</i>
April 29, 2020	Wednesday	<ul style="list-style-type: none"> FY20-21 Proposed Budget is Published in the Local Paper
May 7, 2020	Thursday	<ul style="list-style-type: none"> Regular Board of Supervisors Meeting Board of Supervisors Conducts Public Hearing on the FY20-21 Proposed Budget
May 14, 2020	Thursday	<ul style="list-style-type: none"> 7:00 P.M. Board of Supervisors considers action on FY20-21 Budget, sets tax rates and adopts Budget Resolutions

(1) Tentative



FY2020-21 Budget

Board of Supervisors Work Session
April 23, 2020

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Closing Gap Without RE Tax Rate Increase – Spending Cuts

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Workforce	150	150	150

Closing Gap Without RE Tax Rate Increase – Spending Cuts

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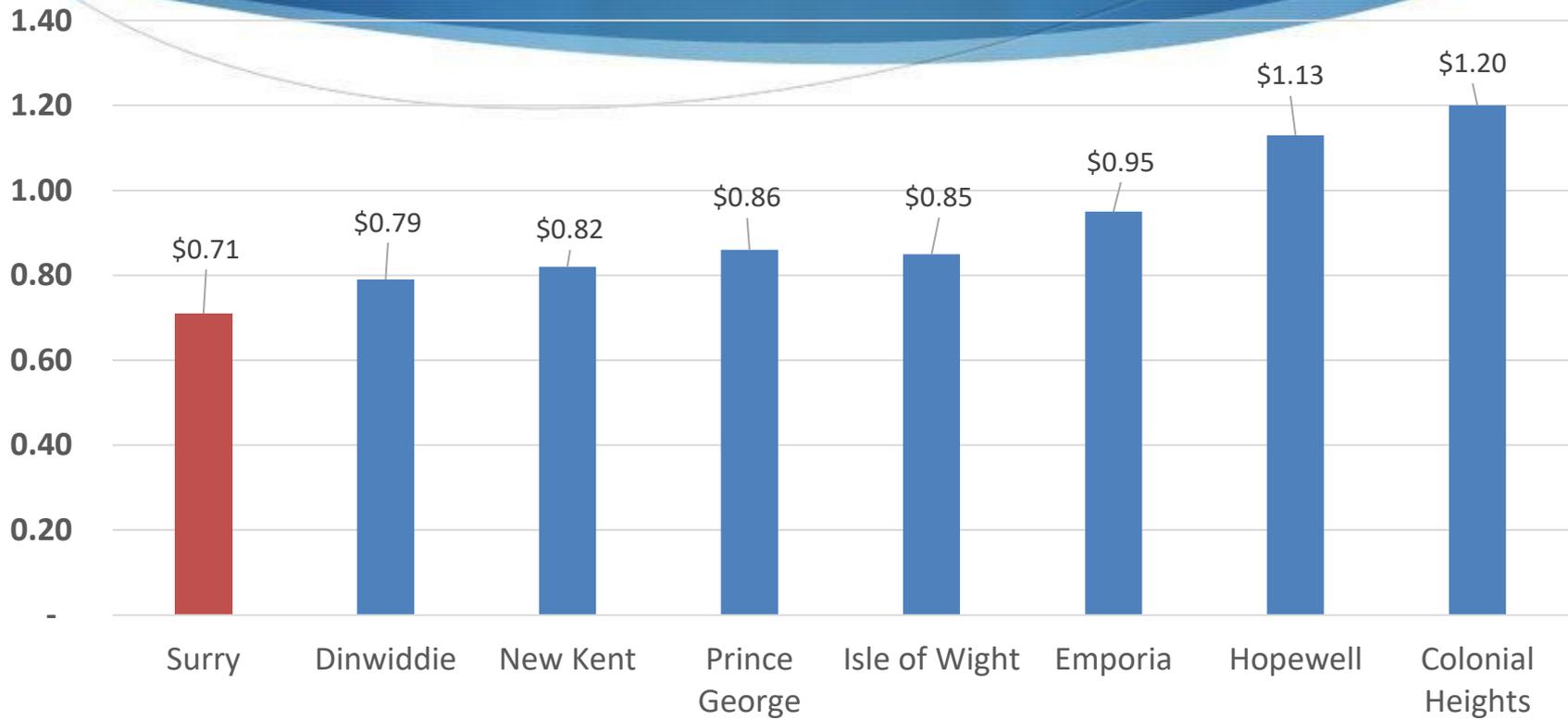
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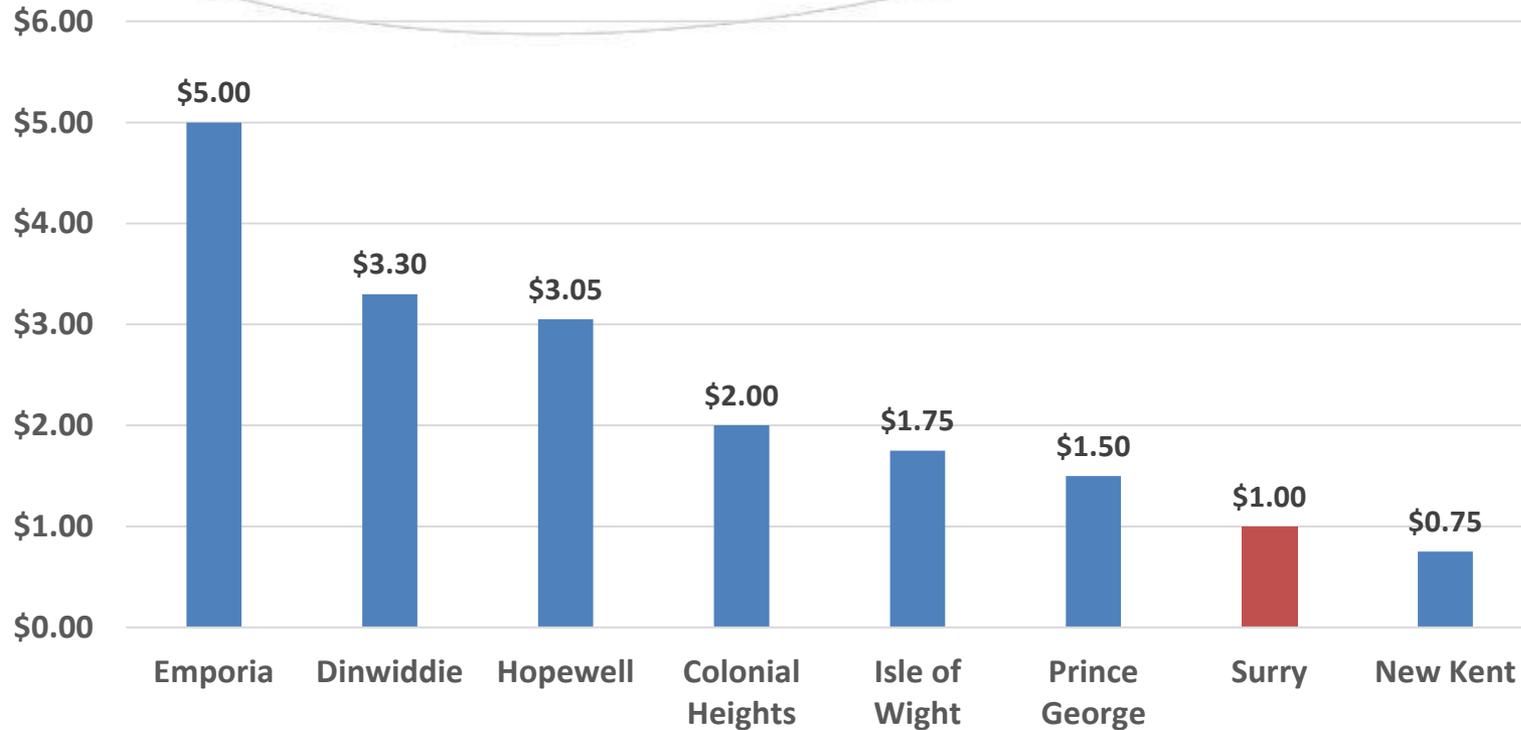
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- Meals tax would compare favorably to surrounding communities, and revenue would be generated in part by visitors

Real Estate Tax Rate Per \$100 of Assessed Value



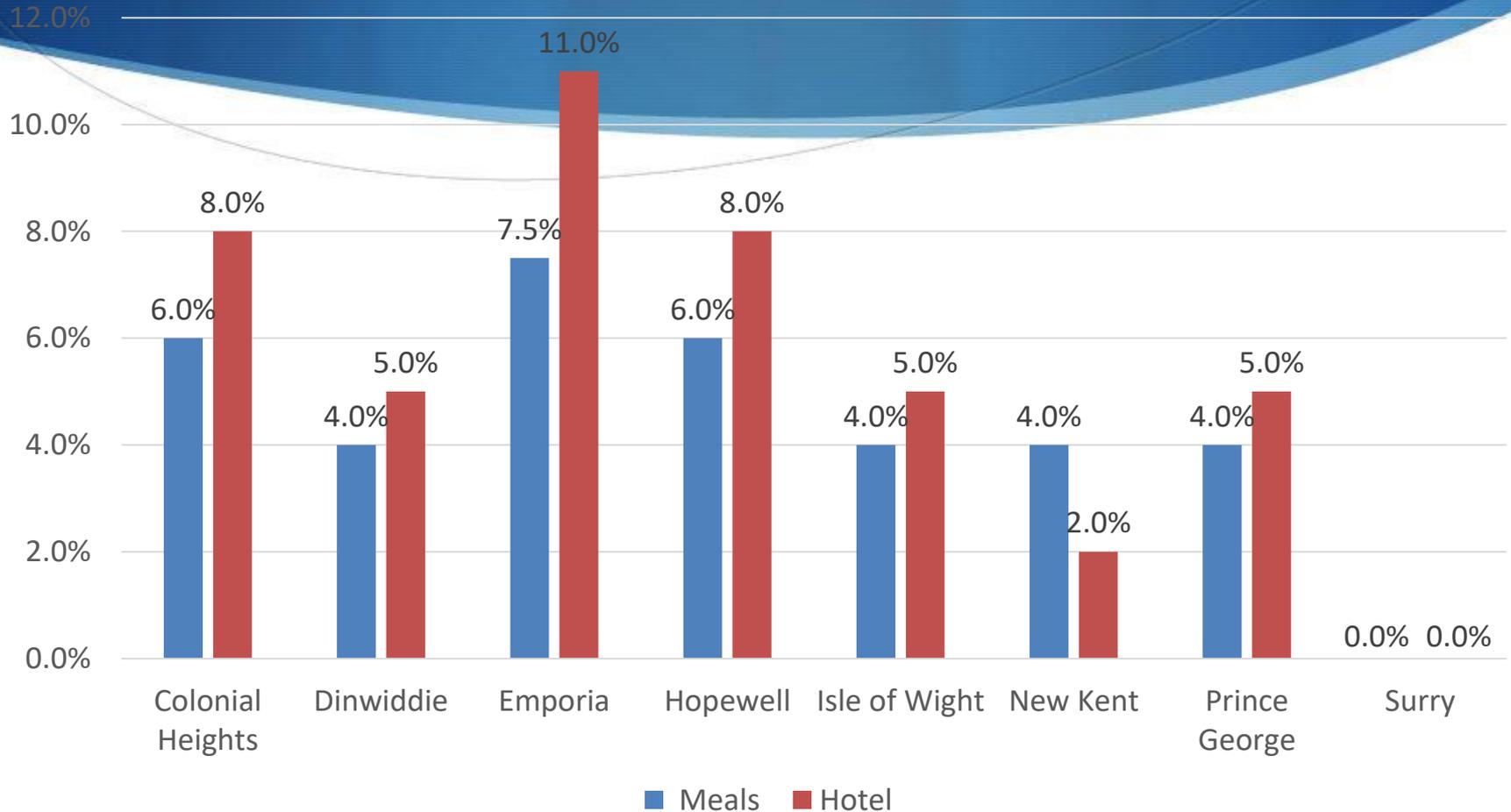
Machinery and Tools Tax



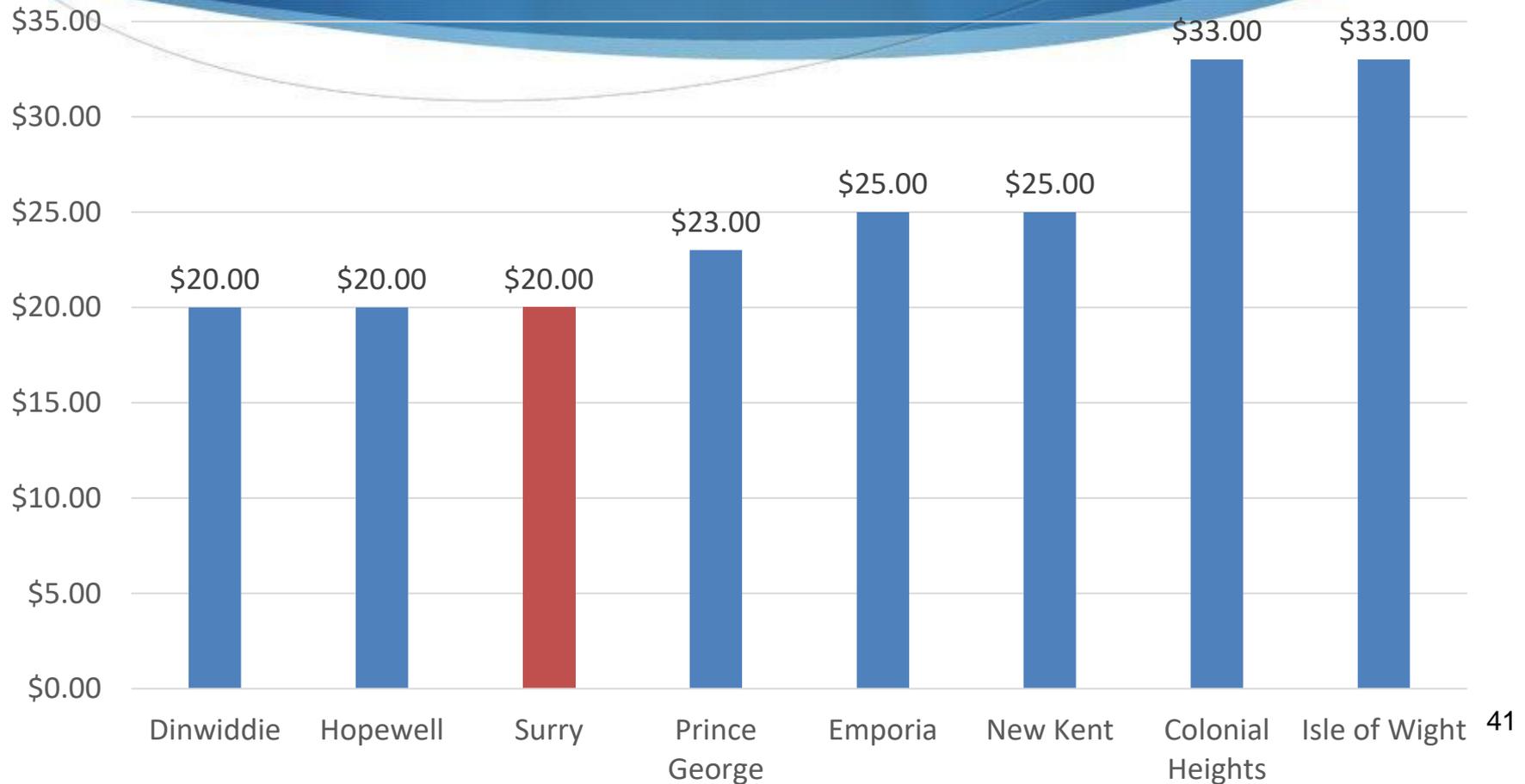
Personal Property Tax Rate Vehicles and Business



Meals and Hotel Tax Rates



Motor Vehicle License Fee (Under 4,000 lb)



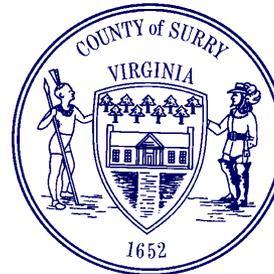
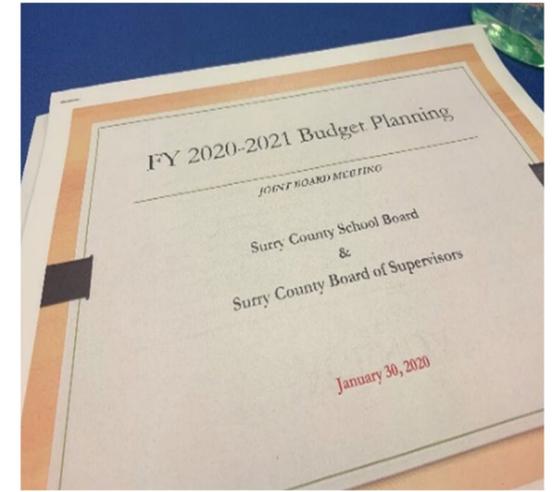
Feedback Requested from Board

- Which options to close gap have consensus of Board?
- Taxes and Fees to advertise for Public Hearing?
- Any services being provided by County that can be considered for reduction or elimination?

Next Steps

<u>Date</u> Subject to Change	Day	Action Item
April 23, 2020 ⁽¹⁾	Thursday	<ul style="list-style-type: none"> 6:00 P.M. - Budget Work session #1 with the Board of Supervisors
April 24, 2020	Friday	<ul style="list-style-type: none"> Release Advertisement for Public Hearing to the Local Paper
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⁽¹⁾ Tentative



County Administrator's Proposed FY 20-21 Budget

Presented to the Board of Supervisors
April 16, 2020

Board of Supervisors Strategic Goals & Priorities

- ♦ “.... strive to maintain a strong commitment towards efficiency and effectiveness in County government and positively impact the public safety, health, education & welfare of the citizens of Surry through effective leadership and fiscal integrity. The Board will encourage the orderly growth and development of the community to enhance the quality of life for the citizens of Surry County”.

Growth & Quality of Life

Fiscal Integrity w/Quality Services

Enhance Relationships

Informed citizenry

Board of Supervisors Strategic Goals & Priorities

Dialogue from the Board of Supervisors and county leadership after the 2020 retreat helped set the framework for a newly defined mission statement for the County.

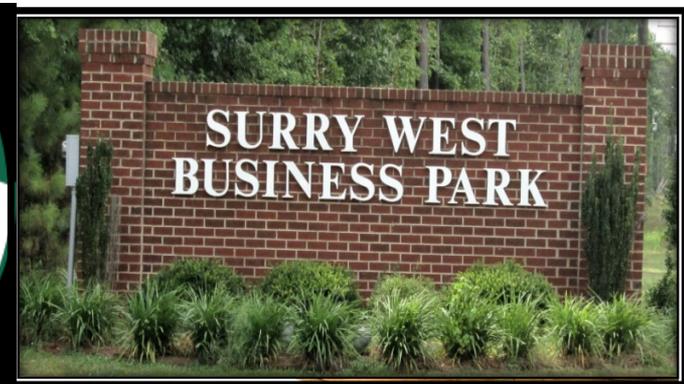
Mission Statement 2020

We will exemplify and work with citizens to achieve unity in the community.

This is essential to maintaining a strong commitment towards efficient and effective operations and to positively impacting public safety, health & wellness, education, and overall quality of life of informed, engaged and participatory citizens and stakeholders of Surry County.

- COMMUNITY**
- ECONOMIC
DEVELOPMENT**
- EDUCATION**
- FISCAL RESPONSIBILITY**
- TRANSPORTATION**

HIGHLIGHTS & ACCOMPLISHMENTS



Highlights & Accomplishments

- ❑ Successful 2020 Retreat Planning Session to include Engagement Day with all Department Heads
- ❑ Adopted a Code of Ethics & instituted Prayer at the BOS meetings aimed to bring unity in the community
- ❑ Increased Civic engagement efforts through enhanced transparency, website and social media, and report dissemination
- ❑ No issues reported -FYE June 30, 2019 Comprehensive Annual Financial Report – GFOA Award for Excellence in Financial Reporting .

Highlights & Accomplishments

- ❑ Surry West Business Park – Tier 4 Ranking Status
- ❑ Grays Greek Designation in the VA Scenic River Programs
- ❑ Successfully administered two large scale utility solar applications
- ❑ SMART SCALE application seeking the inclusion of a sidewalk development project in the Town of Surry
- ❑ SMART SCALE – \$9.6 Mil Grant – Paved Shoulders on Route 31
- ❑ Grand Opening- New Farmers Market Pavilion
- ❑ National Night Out

Highlights & Accomplishments

- ❑ Established a Litter Reduction Jail Diversion Program
- ❑ Improved the Real Estate Tax Relief for the Elderly Program
- ❑ Successful 2019 VOPEX Drill – No Areas for Corrective Action
- ❑ Reinstated the Emergency Operations Team – Whole Community Approach
- ❑ Formed Census Count Committee

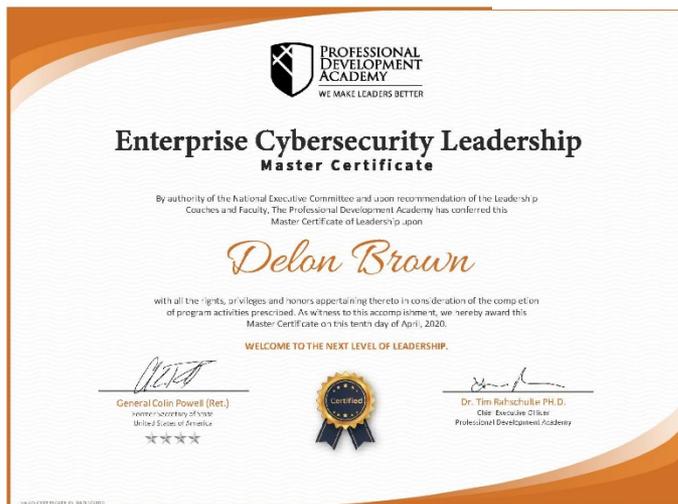
Highlights & Accomplishments

- ❑ Successful Land Diversification Summit
- ❑ Business Appreciation Event
- ❑ Designation as a HEAL Community (Healthy Eating & Active Living)
- ❑ Community Wide Health & Wellness Program
- ❑ New Recreational Activities (Kayaking & Rec Racing) & Robust 4-H Programs & Activities
- ❑ Virginia Telecommunications Initiative- Grant Award - \$2.25 million for Broadband

Highlights & Accomplishments Leadership Development



Judson Smith, Prehospital Care Committee
911 Communications Representative
VDH - Office of Emergency Medical Services



Highlights & Accomplishments

- ❑ Summer Intern- Workforce Development Program
- ❑ Surry West Business Park – NEW BUSINESS ATTRACTION
- ❑ Business Appreciation Event – Recognizing Legacy and Newly Established Businesses
- ❑ State Inspection Animal Control Facilities – No Findings
- ❑ Youth & Family Resources Awarded Niagara Grant for Workforce & Youth Development Programs
- ❑ Facilitated BRAVO TV Visit to Surry County

FY 21 PROPOSED BUDGET – Budget Basis

- ◆ Projected decline in overall revenue projections of 0.7%
 - ◆ Expected decrease in the County's primary revenue source, public service corporation tax, per the estimate from the State Corporation Commission. The decrease is due in part to a sales assessment ratio that is projected to be 99% instead of 100% of actual value
 - ◆ Decrease in projected interest income due to Fed action to slash interest rates in response to COVID-19 economic crisis.
- ◆ Proposed increase of 3 cents to real estate tax rate; no other tax rate increases
- ◆ Proposed increases in certain Planning Fees and Sheriff Fees
- ◆ PPTRA percentage remains at current level of 41% based on assessed values

FY 21 PROPOSED BUDGET – Budget Basis

- ◆ Local funding for Schools increased by \$52,985, or 0.4%
- ◆ Budget is structurally imbalanced without either a tax rate increase or reduction in services
 - ◆ \$840,000 shortfall between ongoing costs and ongoing revenue = 3 cents on the real estate tax rate
 - ◆ This use of one-time revenue to pay for ongoing expenditures is contrary to Board policy and is not recommended
 - ◆ For FY2020-21, a penny on the tax rate would show a revenue increase of approximately \$280,000

FY 21 PROPOSED BUDGET – Budget Basis

- ◆ In total, revenue shortfall and expenditure increases combined totaled \$1,075,200. These amounts were offset by reductions in other areas, for a net shortfall of \$840K
- ◆ Major drivers include:
 - ◆ Unbalanced budget from FY20: \$77,500
 - ◆ Revenue declines in public service corporation and interest income - \$406K
 - ◆ VRS and health insurance rate increases - \$165K
 - ◆ New positions/increased PT hrs for FY2020-21 - \$144,700
 - ◆ Ambulance services contract- \$131K
 - ◆ CSA cost increase due to increased services - \$112K
 - ◆ Jail/other cost increases - \$39K

Budget Basis – Current Tax Rates

Tax Type	Current Rate	Estimate Revenue Per Penny	Percent of Total	Basis of Value
Real Estate-Residential*	\$0.71	\$89,650	31.0%	One cent
Real Estate-Public Service	\$0.71	\$194,632	69.0%	One cent
TOTAL		\$284,282	100.0%	

*Paid by Surry Citizens

PPTRA Relief Percentage – Remain the same at 41%
 Personal Property Tate Rate since 2010 - \$4.00

Assessed Value of Real Property

<u>Year</u>	<u>Assessed Value</u>	<u>Tax Rate</u>
2019	\$949,954,600	\$ 0.71
2018	927,483,200	0.71
2017	923,146,000	0.71
2016*	917,943,500	0.71
2015	890,958,700	0.73
2014	885,879,900	0.73
2013	884,724,200	0.73
2012	878,370,600	0.73
2011	875,984,300	0.73
2010*	872,027,400	0.73
2009	863,002,400	0.70

Change in Real Property
Assessed Value Over
Ten Year Period
9.1%

*Reassessment Year

Assessed Value of Other Property

Fiscal Year	Personal Property	Machinery & Tools	Public Service
2019	\$ 56,830,130	\$ 2,255,765	\$ 1,892,813,173
2018	54,401,525	2,366,490	1,927,140,899
2017	53,527,229	2,876,946	1,937,479,967
2016	51,381,116	2,228,648	1,785,663,243
2015	50,593,919	2,246,971	1,807,206,155
2014	49,970,173	2,192,651	1,824,746,203
2013	50,293,488	1,733,938	1,783,632,381
2012	50,829,529	1,720,460	1,671,151,050
2011	49,490,806	2,023,995	1,554,628,083
2010	47,762,566	2,220,830	1,478,178,593
2009	53,042,606	3,058,587	1,514,744,019

Change Over a 10 Year Period

Personal Prop =
+ 6.6%

Machinery &
Tools =
-36%

Public Service =
+20%

Impact of Proposed 3 Cent Tax Rate Increase

Home Assessed Value	Tax at 71 cents	Tax at 74 cents	Difference	Monthly
\$ 140,000.00	\$ 994.00	\$ 1,036.00	\$ 42.00	\$ 3.50
150,000.00	1,065.00	1,110.00	45.00	3.75
175,000.00	1,242.50	1,295.00	52.50	4.38
200,000.00	1,420.00	1,480.00	60.00	5.00

GENERAL FUND HIGHLIGHTS



Supervisor Calhoun-Easter
Social Distancing Greetings



PGEC Broadband
Community Meeting



Professional Services
Mr. Woodard & the
Maintenance Team



Surry Garden Club
At the Pavilion

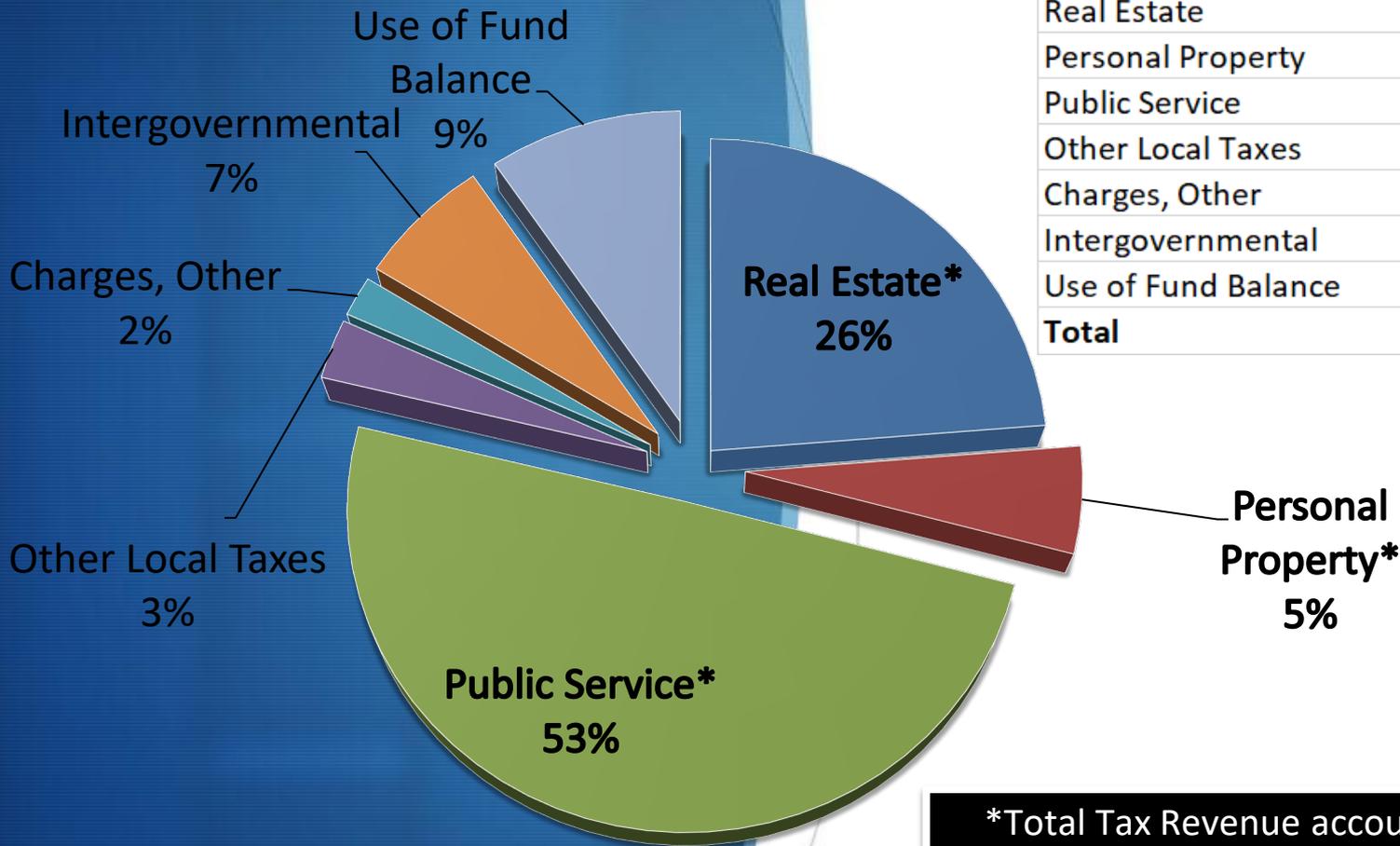
General Fund Highlights

- ◆ **BALANCED BUDGET ALL FUNDS - \$58,815,986**
- ◆ **Proposed General Fund of \$29,013,879 including transfers to other funds of \$18,339,012**
- ◆ Public Service Corporation taxes - \$14,402,732; projecting a 99.0% ratio
- ◆ School Funding (including cafeteria) - \$12,492,985; FY20 local share request was \$12,692,985, an increase of \$252,985 or 2.0%.
- ◆ VPA Funding - \$500,000 – VPA Request was \$776,229

General Fund Highlights, Continued

- ◆ Contingency of \$100,000 – consistent with prior years
- ◆ Virginia Retirement System (VRS) rates increase by 39%
- ◆ Health insurance premiums are increasing by 4.8%
- ◆ Recommended new positions:
 - ◆ HR Manager
 - ◆ Codes Compliance Officer
 - ◆ Part-time hours for Farmers Market, Tourism, Workforce to support Economic Development activity in Surry
 - ◆ Special Asst to County Administrator to replace unfunded Asst. County Administrator position

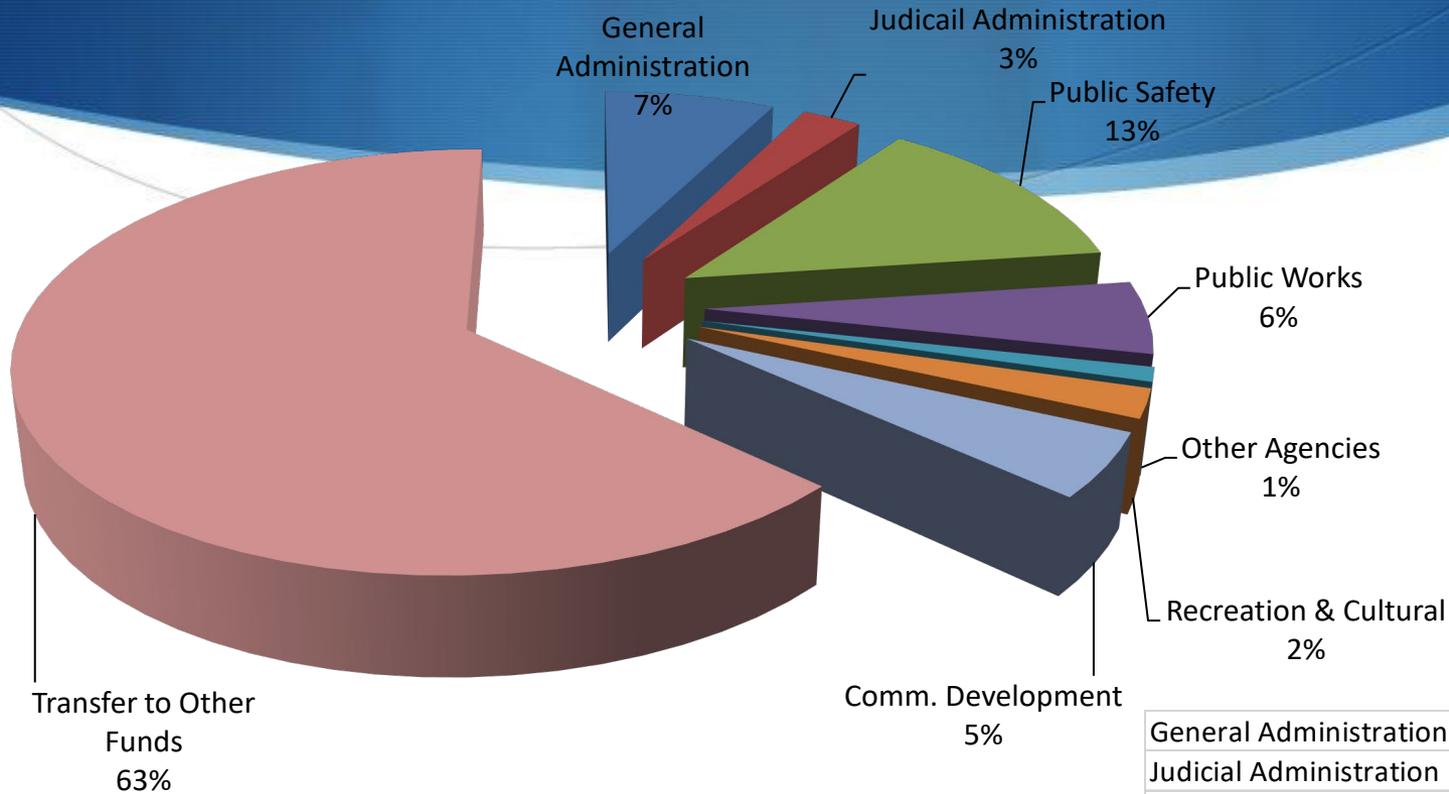
Revenue by Source



Real Estate	\$ 6,883,944
Personal Property	1,562,801
Public Service	14,402,732
Other Local Taxes	875,000
Charges, Other	590,685
Intergovernmental	1,933,701
Use of Fund Balance	2,765,016
Total	\$ 29,013,879

*Total Tax Revenue accounts for 87% of total revenue

Components of General Fund Expenditures



Budget net of transfers = \$10.67 mil,
of which 59% is personnel related
costs

General Administration	\$ 2,142,343
Judicial Administration	747,387
Public Safety	3,734,952
Public Works	1,639,693
Other Agencies	321,589
Recreation & Cultural	653,497
Comm. Development	1,435,406
Transfer to Other Funds	18,339,012
Total	\$ 29,013,879

Proposed Local Revenues

Revenue Type	FY20 Adopted	FY21 Budget	\$ Change	% Change
Property Taxes	\$ 22,051,589	\$ 22,964,476	\$ 912,887	4.1%
Other Local Taxes	710,000	760,000	50,000	7.0%
Permits, Licenses	32,800	32,800	0	0.0%
Fines & Forfeitures	45,000	40,000	(5,000)	-11.1%
Use of \$ & Property	478,526	187,626	(290,900)	-60.8%
Charges for Services	74,150	78,450	4,300	5.8%
Misc. Revenue	249,325	250,810	1,485	0.6%
Recovered Costs	200	1,000	800	400%
Total Local Revenue	\$ 23,641,590	\$ 24,315,162	\$ 673,572	2.8%
				66

General Fund

Proposed Intergovernmental Revenues

Revenue Type	FY20 Adopted	FY21 Budget	\$ Change	% Change
State:				
Non-Categorical Aid	\$ 752,907	\$ 742,907	\$ (10,000)	-1.3%
Shared Expenses	1,008,751	1,008,751	0	0.0%
Categorical Aid	186,355	182,043	(4,312)	-2.3%
Total State Revenue	\$ 1,948,013	\$ 1,933,701	\$ (14,312)	-0.9%
Federal:				
Categorical Aid	\$ 4,000	\$ 0	\$ (4,000)	-100.0%
Total State/Federal	\$ 1,952,013	\$ 1,933,701	\$ (18,312)	-0.9%
Total Revenue*	\$ 25,593,603	\$ 26,248,863	\$ 655,260	2.6%

*excludes use of reserves

Proposed Changes in Positions

- ◆ New Full Time Positions Requested:
 - ◆ Human Resources Manager
 - ◆ Codes Compliance Officer
 - ◆ Special Asst to County Admin
replaces unfunded Asst. County
Admin position
- ◆ Additional Part Time Hours:
 - ◆ Farmers Market
 - ◆ Tourism - +4 hrs/wk
 - ◆ Workforce - +4 hrs/wk

PERSONNEL OPERATING BUDGET IMPACT	
New positions/hours	\$144,700
VRS/Health Insurance Increase	165,000
Total	\$309,700

General Fund, Proposed Expenditures

Function	FY20 Budget	FY21 Budget	\$ Change	% Change
General Administration	\$ 2,115,592	\$ 2,142,343	\$ 26,751	1.3%
Judicial Administration	738,956	747,387	8,431	1.1%
Public Safety	3,458,404	3,734,952	276,548	8.0%
Public Works	1,660,277	1,639,393	(20,584)	-1.2%
Other Agencies	336,132	321,589	(14,543)	-4.3%
Recreation & Cultural	788,006	653,497	(134,509)	-17.1%
Comm. Development	1,214,104	1,435,406	221,302	18.2%
Trans to Other Funds	18,477,652	18,339,012	(138,640)	-0.8%
General Fund Total	\$ 28,789,123	\$ 29,013,879	\$ 224,756	0.8% ⁶⁹

FY21 Proposed Expenditures, Other Funds

Fund Type/Name	FY20Budget	FY21 Budget	\$ Change	% Change
General Fund (from slide 12)	\$ 28,789,123	\$ 29,013,879	224,756	0.8%
Debt Service Fund 700	\$ 2,121,267	\$ 2,123,391	\$ 2,124	0.1%
Special Revenue:				
VA Public Assistance Fund 201	1,848,625	1,849,501	876	0.0%
Comp Services Act Fund 204	150,064	470,677	320,613	213.7%
School Fund 205 (incl cafeteria 207)	16,290,805	16,837,802	546,997	3.4%
Indoor Plumbing Rehab Fund 400	11,730	11,730	0	0.0%
Economic Development Fund 601	80,000	80,000	0	0.0%
Capital:				
Capital Fund 200	3,118,000	8,165,016	5,047,016	161.9%
Enterprise:				
Utilities Fund 800	142,750	162,850	20,100	14.1%
Fiduciary:				
Special Welfare Fund 350	38,640	42,852	4,212	10.9%
Asset Forfeiture	25,000	25,000	0	0%
Agency on Aging Fund 390	\$ 32,288	\$ 32,288	\$ 0	0%
TOTAL BUDGET	\$ 52,648,292	\$ 58,815,986	\$ 6,167,694	11.7%

DEBT SERVICE HIGHLIGHTS

- ◆ Budget = \$2,123,391
- ◆ County Debt Service - \$1,864,836
- ◆ School Portion of Debt Service - \$235,555
- ◆ Anticipated New Borrowing in 5 Year CIP = \$13.8 million

Debt Service is in Compliance with County Policies:

- ◆ Net bonded debt shall not exceed 3% of the assessed valuation of real and personal property.
- ◆ General fund debt service expenditures should not exceed 12% of annual general fund expenditures. The County should maintain a target of 10% for this ratio.

Budget Impact on Fund Balance

- ◆ Current fund balance policy permits spending only up to 25% of general fund expenditures.
 - ◆ Based on FY21 Budget of \$29.0 mil, $25\% = \$7,253,470$
- ◆ Total fund balance is expected to decline in FY20 due to planned use of fund balance for budget but will be above policy guidelines. We propose to fund \$2,765,016 of the FY21 proposed capital projects General Fund balance, with the remaining \$100,000 from ongoing revenues, directed to large maintenance projects. The Schools are projected to return \$500,000 in FY20, which will offset the use of fund balance.

CAPITAL PROJECT HIGHLIGHTS



Five Year CIP - \$19.432 mil

Details can be found in the FY 21-25
Capital Improvement Plan
Document

Funding Sources:

Carryover unspent School Funds

High School Electrical System	\$ 200,000
Fire Supression system	300,000
	\$ 500,000

New Debt:

Mobile Communication System	\$ 5,300,000
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Ongoing Revenue

Major Infrastructure Repair	\$ 100,000
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Fund Balance

Broadband (PGEC)	\$ 1,750,000
Technology Improvements	25,000
Major Infrastructure Repair	101,500
New Gas Pump System	35,000
Medic Unit Replacement	260,000
CAD/RMS System	93,516
	\$ 2,265,016

TOTAL \$ 8,165,016

Capital Improvement Projects

GENERAL GOVT ADMINISTRATION

Broadband (PGEC)	\$ 1,750,000
Technology Improvements	25,000

Total General Administration

\$ 1,775,000

FACILITY MAINTENANCE

Major Infrastructure Repair	\$ 201,500
New Gas Pump System	35,000

Total Public Works

\$ 236,500

PUBLIC SAFETY

Medic Unit Replacement	\$ 260,000
Mobile Communication System	5,300,000
CAD/RMS System	93,516

Total Public Safety

\$ 5,653,516

EDUCATION

High School Electrical System	200,000
Fire Supression system	300,000

TOTAL EDUCATION

\$ 500,000

TOTAL ALL PROJECTS

\$ 8,165,016

Next Steps

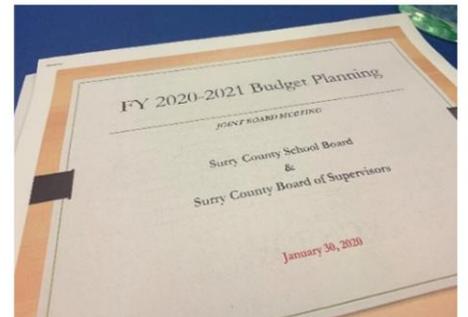
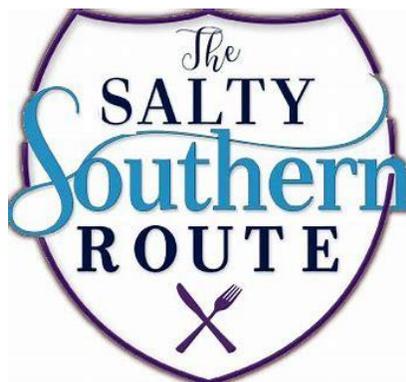
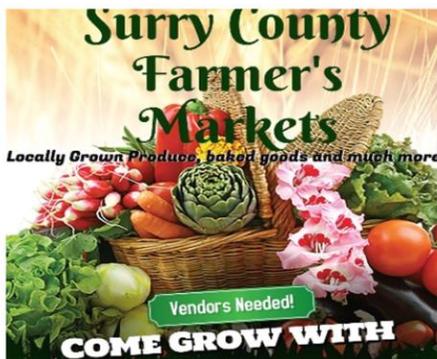
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(1) Tentative



**Surry County
FY 2020-2021**
County Administrator's
Proposed Operating
Budget

FY 2021-2025
Five-Year Capital
Improvement Program





Surry County Board of Supervisors

Robert L. Elliott, Chairman, Claremont District

Michael Drewry, Vice-Chair, Dendron District

Judy S. Lyttle, Bacon's Castle District

Kenneth R. Holmes, Carsley District

William T. Calhoun, Surry District

Acting County Administrator

Melissa D. Rollins

Form of Government

Surry County (County) operates under the traditional, or County Administrator, form of government (as defined under Virginia Law). The Board of Supervisors (Board) is a five-member body, elected by the voters of the Electoral District in which they live. The Chairman and Vice Chairman of the Board are elected annually by its members. Each member serves a four-year term. This body enacts ordinances, appropriates funds, sets tax rates, establishes policies and generally oversees the operation of the County government. The County Administrator is appointed by, and serves at the pleasure of, the Board of Supervisors. As the Chief Executive Officer of the County, he or she is responsible for developing an annual budget and carrying out policies and laws which are reviewed and approved by the Board. The County Administrator directs business and administrative policies and recommends to the Board those methods, procedures, and policies which will properly govern the County.



Pictured: Judy Lyttle, Kenneth Holmes, Chairman-Robert Elliott, William Calhoun, Vice-Chair -Michael Drewry

Department Directors & Supervisors

Carol Swindell

Interim Finance Director

William Saunders

Planning & Community Development

David Harrison

Economic Development

Ray Phelps

Chief of Emergency Management

Stanley Jones, III

Parks & Recreation

Ray Phelps

Chief of Emergency Management

LaJuene Stone

Dept. of Youth & Family Resources

Stacey Williams

Building Official

Rickey Woodard

Maintenance Supervisor

Hermione Slade

Solid Waste & Recycling

LaSonya White

VCE Unit Coordinator

Constitutional Officers and State Officials

Carlos Turner, Sheriff

Jonathan Judkins, Commissioner of the Revenue

Onike Ruffin, Treasurer

Gail Clayton, Clerk, Surry Circuit Court

Sharna' White, Registrar

Janeen Jackson, District Court Clerk

School System & Social Services

*Dr. Serbrenia Simms, Division Superintendent
Valerie Pierce, Director of Surry Social Services*

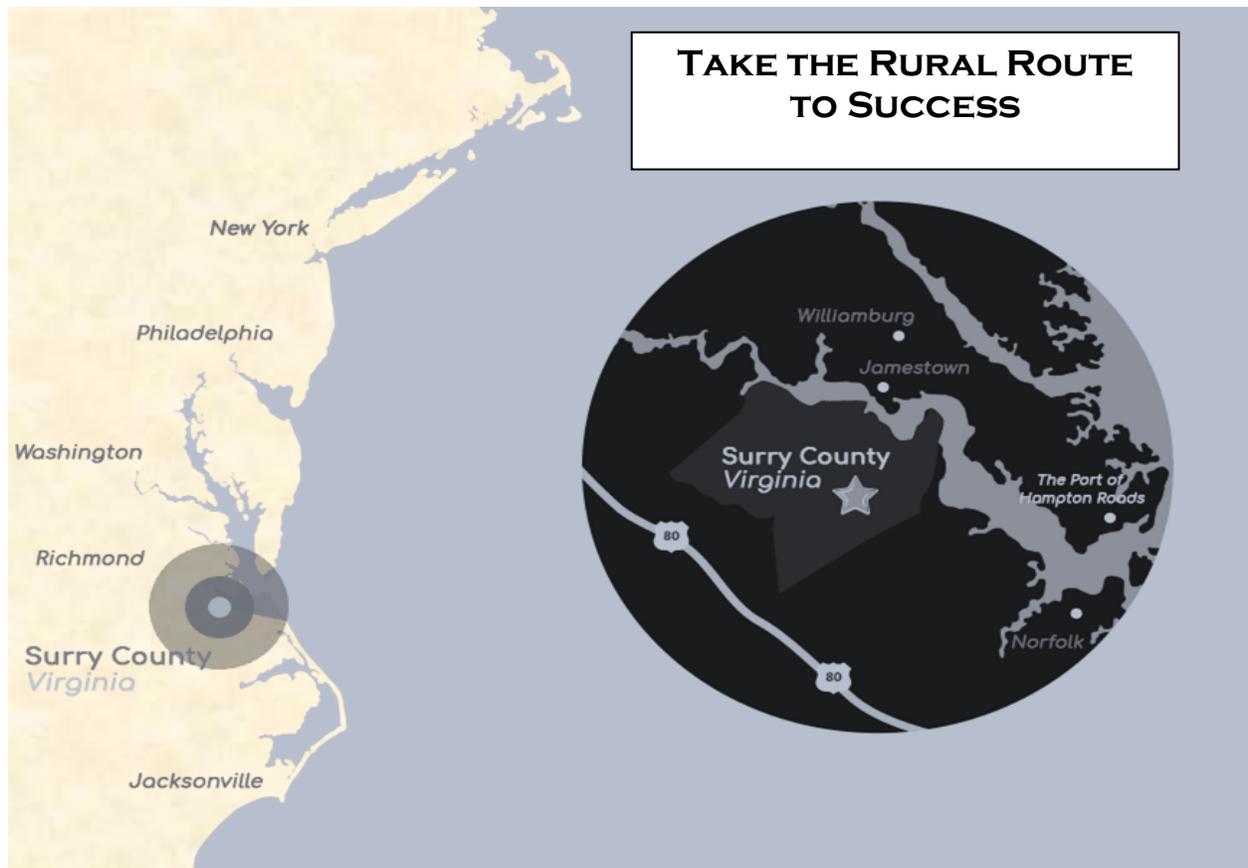
ABOUT SURRY COUNTY

Surry County is a 306-square-mile county located on the James River in southeastern Virginia, with unique location attributes that position it well for energy production, including an existing nuclear facility, and for manufacturing, especially agriculture products such as wood pellets. The county's workforce comes from the Hampton Roads and Richmond MSA to the East and West and from Williamsburg just a ferry ride North. Besides serving as an energy, agriculture and production hub, Surry is popular for residents seeking unique waterfront housing and small town and rural communities.

Surry County is known for its strong economic development potential, passion for the community and rural charm. Nationwide we are known for historical landmarks like Bacon's Castle, Chippokes State Park and nearby Jamestown and Williamsburg. The waterfront location affords access to multiple natural refuges and parks and boat recreation on the river and the newly renovated Grays Creek Marina offers stunning views and access to the onsite Surry Seafood Company, boating, fishing and kayaking. A growing winery location, the county also produces large hauls of peanuts, cotton and soybeans each year for the state.

Known for its passion for community and strong economic development growth potential, Surry's strategic position in the Hampton Roads Region is well-suited for business opportunity.

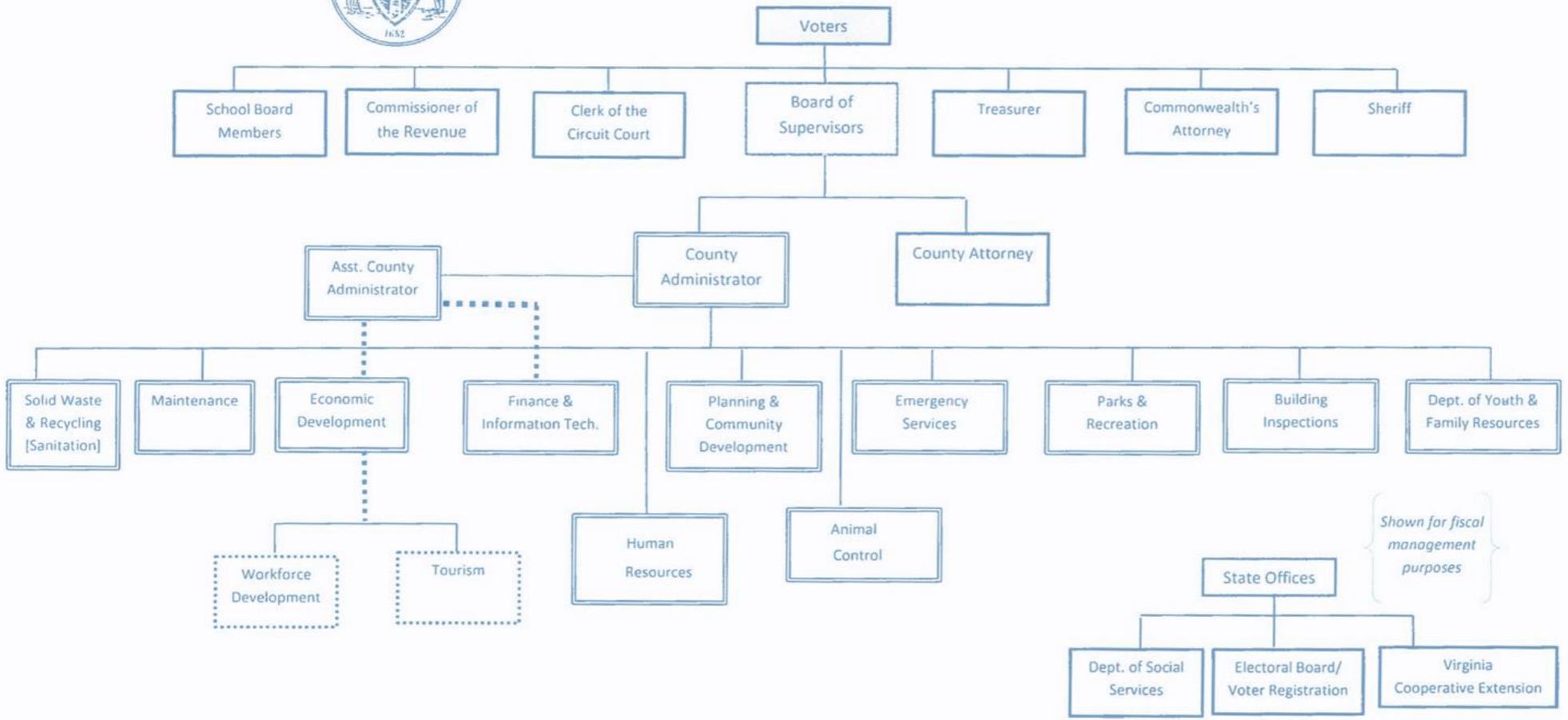
- Direct access to the James River
- 25 miles to Newport News-Williamsburg International Airport
- 50 Miles from Richmond
- 40 Miles from Norfolk
- Close proximity to the Port of Virginia, international airports, railroads and major highways



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Surry County, Virginia Organization Chart



Adopted July 11, 2019

Public Hearings and Work Sessions Schedule

The Board of Supervisors of Surry County invites comments on the Proposed Budget for the fiscal year ending June 30, 2021. As a result of operational changes as it relates to the COVID 19 State of Emergency, comments are accepted as noted below: The Public Hearing is tentatively scheduled for May 14, 2020.

April 16, 2020	Thursday	<ul style="list-style-type: none"> Regular Board of Supervisors Meeting County Administrator Presents FY 20-21 Proposed Budget to the Board of Supervisors School Board Highlights- Proposed FY 20-21 Budget
April 23, 2020 ⁽¹⁾	Thursday	<ul style="list-style-type: none"> 6:00 P.M. - Budget Work session #1 with the Board of Supervisors
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(1) tentative

- Written comments may be emailed to the Office of the County Administrator: comments@surrycountyva.gov. Budget information will be available on the County's website at www.surrycountyva.gov
- After the reopening of County facilities to the public, copies of the Proposed Budget will be available at the County Administrator's Office – Government Center located at 45 School Street, Surry, VA and at the Blackwater Regional Library.

Stay Engaged with the County!

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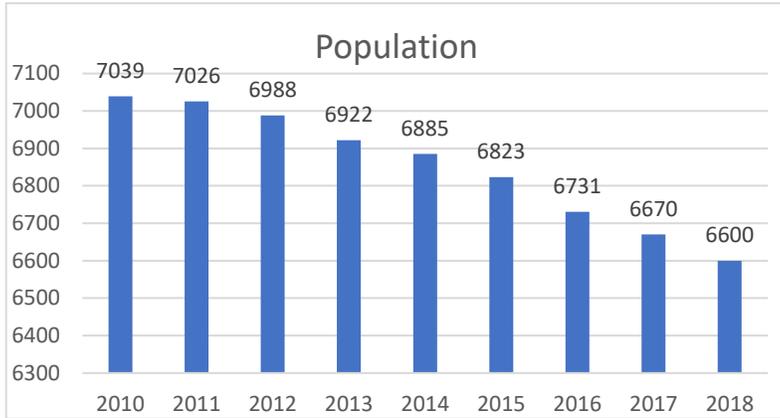
SURRY COUNTY

Budget in Brief

The budget document is being further developed to include revenue and expenditure summaries, departmental discussions CIP, and supplemental documents. The power point presentation and the accompanied narrative is a component to the document.

COUNTY PROFILE

Population



Surry County is home to approximately 6,600 people as of a U.S. Census American Community Survey conducted in July 2018. This is a 6.2% decrease from the 2010 U.S. Census.

The approximate 2018 median age in the County is 49.6 years old. The population is becoming older, on average, as it is all over the country due to the aging of the post-war baby boom generation born between 1946 and 1964. Surry's 2010 median age was 43.5.

Location

Surry is part of the vibrant and growing Hampton Roads region of more than 1.7 million people. The region is recognized as one of the largest Metropolitan Statistical Areas in the U.S. It includes cities of Chesapeake, Franklin, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg, and along with Surry, includes the counties of Isle of Wight, James City, Southampton and York. Centrally located on the east coast, Surry is within an hour's drive to over a million residents and a day's drive to nearly half of the U.S. population.

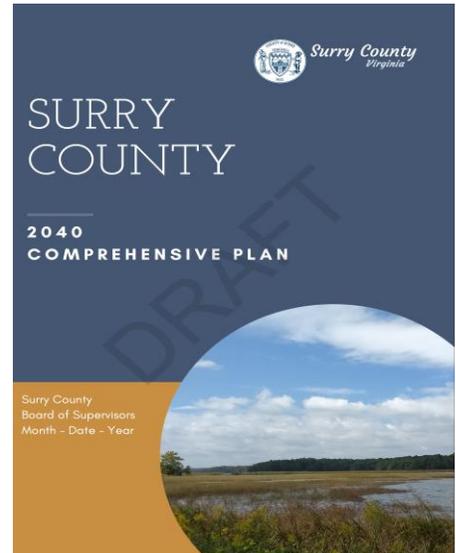


Comprehensive Plan 2020- Opportunity for Growth

Since 1980, every Virginia locality has been required by State law to have a Comprehensive Plan. The purpose of the Comprehensive Plan is to guide growth and development over a 20-year time period by providing the long-range vision, goals, and strategies of the community. Surry County's plan is in **draft form** and was slated for completion at the end of June 2020 (pre-COVID 19); it will serve as a guide to landowners, developers, businesses, citizens and County officials about future land use and other community development decisions.

These are the planned themes of the 2020 Proposed Comprehensive Plan. These themes are consistent with the previous and current strategic initiatives of the Board of Supervisors.

- Preserve Surry's Character
- Grow Surry's Economy
- Enhance Quality of Life for All Residents



Strategic Priorities

The Board of Supervisors responsibilities remain unchanged: “.... *strive to maintain a strong commitment towards efficiency and effectiveness in County government and positively impact the public safety, health, education & welfare of the citizens of Surry through effective leadership and fiscal integrity. The Board will encourage the orderly growth and development of the community to enhance the quality of life for the citizens of Surry County*”.

The Board identified four focus areas in its 2014 Strategic Action Agenda, which continue to be guiding factors in developing County priorities:

- ❖ Promote growth in a manner which protects the County's agriculture, environment, quality of life and historic resources
- ❖ Balance quality of government services with fiscal integrity
- ❖ Enhance relations with the stakeholders of County government
- ❖ Keep citizens informed; encourage openness and participation in government

In February 2020, the Board of Supervisors in a planned retreat to discuss strategic direction and to unify the vision of the County, revealed some common themes from the 2014 strategic agenda: fiscal integrity, quality of life, preservation of rural character, and citizen engagement. An environmental scan from each members' perspective at the 2020 Retreat set the framework for goal setting in the five core areas while maintaining the important priorities set in 2014.

- ❖ **COMMUNITY (DEVELOPMENT, ENGAGEMENT, OPPORTUNITY)**
- ❖ **ECONOMIC DEVELOPMENT (BUSINESS RETENTION & EXPANSION, HEALTH & WELLNESS, WORKFORCE & TOURISM PROMOTION)**
- ❖ **EDUCATION (RENEWED RELATIONSHIPS, COLLABORATION AND SHARED ACCOUNTABILITY)**
- ❖ **FISCAL RESPONSIBILITY (ACCOUNTABILITY AND TRANSPARENCY, FISCAL POLICIES)**
- ❖ **TRANSPORTATION (OPPORTUNITY THAT EXIST)**

Community - Surry County's unique historic assets, natural environment, rural charm, strong family roots, homegrown hospitality, sense of serenity and security and attractive landscape will be preserved while considering growth opportunities including revitalization of main corridors and other beautification efforts. Community engagement initiatives and activities will be broadened to keep an informed, engaged and participatory citizenry; recognizing the population trends, the county will work through the comprehensive plan to develop key strategies to help reverse adverse trends, fill community business gaps and identify programs and services for the aging population.

Economic Development – The County will identify areas in the County “ripe” for development and continue to identify ways to capitalize on the County's agri-tourism and niche/specialized farming industries. The County will lead in building regional, state and national partners in identifying business and growth opportunities suitable and or unique to Surry County; business growth will afford opportunities to work with existing and new corporate partners to enhance workforce opportunities. Broadband implementation will continue to be supported as the cornerstone of educational, quality of life, business growth, and overall quality of life improvement. Health and wellness will be an integral component of enhancing the economic and social well-being of the entire County.

Education – Continue to recognize and engage with the School System as a vital partner in the vision and goal setting of the County (i.e. shared accountability). Develop means to highlight the successes and achievements of the School Division county-wide and to brand the “educational system” as a desire to locate, work and do business in Surry County. Support and collaborate on joint facility planning and educational opportunities such as technical programs and internships aimed to prepare students for an advanced and competitive workforce.

Fiscal Responsibility – Continue to balance quality of government services with fiscal responsibility; solidify tax dollars with services needed and desired for a wholesome quality of life and delivery of quality services. Continue to develop transparent communication tools on fiscal matters. Continue practices that ensure strong financial management.

Transportation –Identify the potential opportunities of the proximity of Route 10, 31 and Route 40 in Surry County to major thoroughfares and expanded highways as Interstates 95, 64 and Route 460 and to waterways, rail and the Ports of Virginia and Richmond. Collaborate with VDOT and state legislators on

potential for expansion of route 10, the County's major highway; begin dialogue on transportation needs in the county over the next 10-20 years (i.e. bridge); seek development opportunities as a result of main infrastructure that has been installed along Route 31. Create a bicycle/pedestrian plan to provide a safe route and alternative transportation nodes to connect the Town of Surry to various activity centers such as the James-Town Scotland Ferry.

Dialogue from the Board of Supervisors and county leadership after the 2020 retreat helped set the framework for a newly defined mission statement for the County.

Mission Statement 2020

*We will exemplify and work with citizens to achieve **unity in the community**.*

This is essential to maintaining a strong commitment towards efficiency and effectiveness in how we operate and to positively impacting the public safety, health & wellness, education, and overall quality of life of informed, engaged and participatory citizens and stakeholders of Surry County.

Budget Overview

Budget Amendment Process

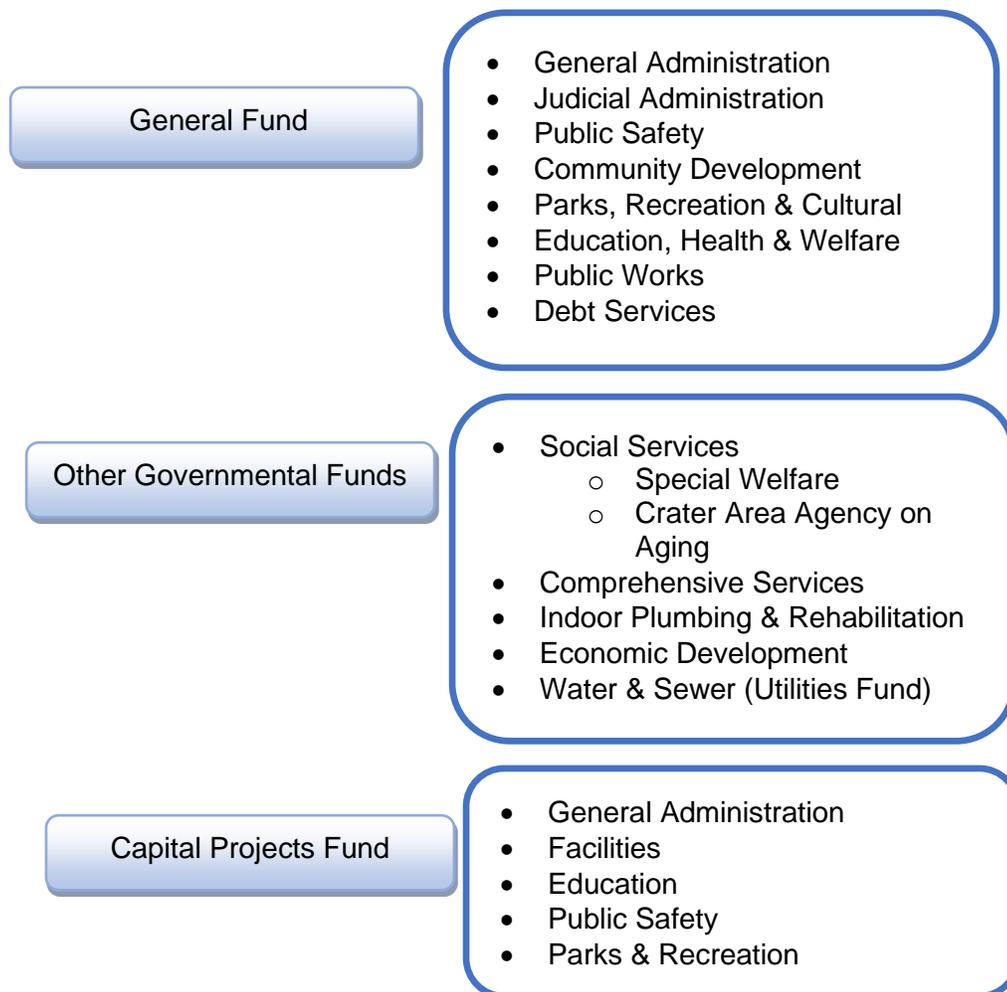
The budget may be amended in one of two ways. If the amendment would change total revenues, then the governing body must formally approve the transfer of funds from one appropriation group to another. The recommendation going forth is that this will be done via an appropriation resolution. In certain instances, as outlined in the State Code, a public hearing may be required before the governing body can take action.

The County Administrator is authorized to transfer funds between departments within an appropriation group or between budget line items within a particular department throughout the year to manage operations. The County Administrator is authorized to apply for an accept grants requiring a local match up to \$5,000.

Budget Organization

The General Fund of the County is divided into functional areas, General Administration, Judicial Administration, Public Safety, Community Development, Parks, Recreation & Cultural, Education, Health & Welfare and Public Works. Each department within a functional area has its own budget; for example: Sheriff & Emergency Medical Services (EMS) are within the functional area of Public Safety. The budget format presents expenditures by functional area and departments within a specific function.

Structure of County Funds



Explanation of Governmental and Other Funds

- General Fund - The general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund due to legal, contractual, statutory or financial management requirements. It is funded through taxes and other revenue sources.
- Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- Capital Projects Fund - Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary funds).
- Debt Service Fund - Used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.
- Economic Development Fund –Money in the Fund reflects a transfer in 2016 to dedicate financial resources toward economic development. Planned uses of the fund could include, but are limited to business incentives, professional services, property acquisition, etc.
- Comprehensive Services Act Fund (CSA) The CSA Fund is used to account for the revenues and expenditures related to services provided to at-risk youth and families. Revenue is derived from the state and local funding. CSA services are administered by the Family Assessment and Planning Team (FAPT) who works directly with you and families to refer cases to the Community Policy and Management Team (CPMT) for approval. The fund mandates a local share for CSA expenditures.
- Special Welfare/Agency on Aging – A part of the VPA fund used to account for activities associated with specific groups as senior population; special revenue funds are used where legal or contractual requirements restrict the use of resources to specific purposes.
- VPA Fund – Virginia Public Assistance Fund (VPA) supports the activities of administration of the health and welfare services in the County. Services are provided to the needy individuals and their families. It is supported with federal, state and local funds.
- Indoor Plumbing Rehabilitation (IPR - Special Revenue Fund)- The Department of Housing and Community Development (DHCD) program with the County to provide 0% forgivable loans to eligible participants for the installation of indoor plumbing to owners of substandard housing where indoor plumbing is non-existent or where the existing plumbing has failed ended in 2016. The IPR Fund reflects program income received from prior recipients to continue projects until Funds are depleted.
- Water & Sewer – used to account for activities specific to maintenance of the County’s water system and sewer collection activities. It is considered an Enterprise Fund where operations are supported by user charges financed and operated similar to a private business. The Fund should be self-supporting.
- School & Cafeteria Fund – the component unit School Board as identified in the County’s CAFR as a unit of the primary government; it is defined by having a fiscal dependence on the primary government. It supports activities association with Education of K-12 students; the cafeteria fund supports the operations of the food service programs.

Monetary transfers are made from the general fund to the following funds: Capital Projects, Virginia Public Assistance, School and Cafeteria, Comprehensive Services, Economic Development, Debt Service and the Water & Sewer/Utilities Fund.

Budget Directives, Performance Measurement, and Monitoring

The County Administrator sets the stage to the departments at the beginning of the budget cycle the tone and the focus of the overall budget. This information is based on guidance from the Board of Supervisors.

Operational initiatives are provided by each department and are presented on each department's budget page. Also included in the departmental sections are the key performance measures.

The budget is monitored through the monthly financial management reports. These reports indicate actual financial results compared to budget. These reports are reviewed by the user departments, Finance, and County Administration.

Budgetary control is maintained on a line-item basis. Purchases of goods and services are generally accomplished by the use of a formal purchase order. Funds are encumbered based on purchase orders to best ensure funds are reflect as obligated and are not available to be spent.

Operating and Capital Budgets

The Operating Budget includes expenditures that are generally of a recurring nature and are appropriated for one year only. It provides for the provision of all County services, but does not result in major physical assets for the county. Year-to-year changes in the Operating Budget are expected to be fairly stable and represent incremental changes in the cost of doing business, the size of the County and the types and level of service that are provided. Resources for the Operating Budget generally come from taxes, user fees, and intergovernmental payments that typically recur from year to year.

The Capital Budget on the other hand, includes one-time costs for projects that may last several years. The projects result in major physical assets in the county and may include projects associated with public safety, general government administration, parks and recreation, public works and education. Wide fluctuations are expected in the Capital Budget from year to year depending on the phasing of projects. Resources for the Capital Budget generally come from bond sales, grants, other one-time sources and transfers from the Operating Budget to support capital projects. Capital projects may produce ongoing operating costs and such is reflected in the operating budget of the perspective department. (Example: a new building will require electricity and such costs will be in the Maintenance Dept. operating budget).

Fiscal Policies

A fiscally efficient government is one of the strategic goals of the Board of Supervisors. Financial policies provide a framework for the County's departments to make sound financial decisions, promote fiscal transparency, and to ensure compliance with prevailing local, state and federal laws and regulations.

While the County's current policies require a refresh and formal adoption by the Board of Supervisors, the below standards are recognized as effective financial practices.

- The County will establish and maintain an internal control structure and accounting practices to ensure compliance with Generally Accepted Accounting Principles (GAAP).
- An independent firm of certified public accountants will perform an annual financial and compliance audit according to generally accepted auditing standards in the United States of America; Government Auditing Standards issued by the Comptroller General of the United States; Specifications for Audit of Counties, Cities and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the Uniform Guidance. The financial statements and the results of the audit will be presented annually to the Board of Supervisors.
- The County will annually seek the GFOA's Certificate of Achievement for Excellence in Financial Reporting.
- The County Administrator will propose a balanced and a five-year Capital Improvements Program that are linked to the County's Strategic Plan and Comprehensive Plan. The Board of Supervisors shall adopt the first year of the Capital Improvement Plan as the Capital Improvement Budget.

- The CIP will include both school, general government, and utility capital needs; it will provide a description and estimated cost for each project.
- A diversified revenue system, inclusive of state and federal funds as well as user fees for services that support specific programs.
- Financing recurring expenses from recurring revenue sources and not rely on non-recurring revenue to fund on-going, operating expenditures.
- The County shall maintain a budgeting control system to monitor actual-to-budget performance, and shall take immediate corrective action if revenue and expenditure estimates project a year-end operating deficit.
- At least quarterly, the County will publicly publish financial information including budget to actual performance. A monthly report has been provided.

Debt Management

In consultation with the County's financial advisor, financing for the County's five-year Capital Improvements Program shall:

- Consider a five-year forecast of revenues and expenditures.
- Include an evaluation of pay-as-you-go projects and debt financing.
- Avoid financing if the term of the indebtedness exceeds the expected useful life of the project.
- When feasible, bundle capital projects to limit the number of borrowings as well as to reduce the costs of issuance by achieving greater economies of scale.

The County shall maintain the following standards regarding debt:

- Net bonded debt shall not exceed 3% of the assessed valuation of real and personal property.
- General fund debt service expenditures should not exceed 12% of annual general fund expenditures. The County should maintain a target of 10% for this ratio.

Fund Balance (Reserves) – The county shall maintain a fund balance position that meets the County's needs and challenges and mitigate current and future

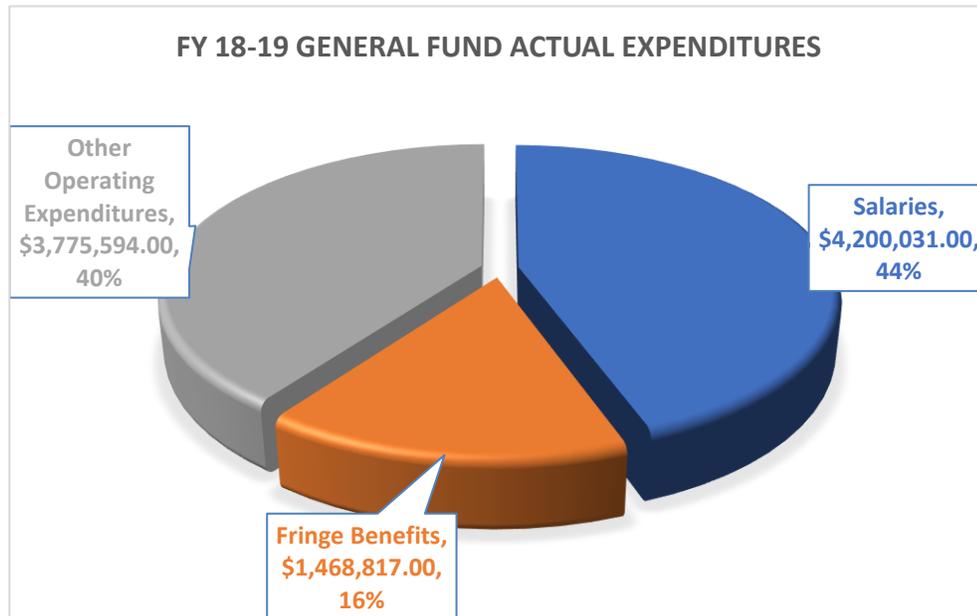
- The County shall maintain a General Fund Unassigned Fund Balance at the end of the fiscal year in an amount no less than 25% of annual general fund revenues, not including transfers.
- Monies in excess of 25% may be considered to supplement pay as you go capital outlay or remain in the undersigned fund balance to be used for other purposes as authorized by the Board of Supervisors.
- The County should not use fund balance to finance current operations as it is not sustainable.
- The use of the General Fund's Unassigned Fund Balance may be necessary from time to time to meet unexpected events including, but not limited to: catastrophic (emergency funds in the event of natural or man-made disasters); financial opportunity (to enhance the well-being of Surry County; Following any use of fund balance that draws the balance below the minimum funding level, the Board of Supervisors will adopt and timeline to replenish the balance to its minimum funding level of 25%.

Cash and Investments

- The County shall follow the Cash and Investment Policies established by the Treasurer, a Constitutional Officer of the Commonwealth of Virginia. Such policies shall be reviewed and updated annually, and be in accordance with all applicable laws and regulations.
- The Treasurer will provide the Board of Supervisors, at least monthly, with a report of investments held by the County.

Expenditure Composition of the General Fund (Excluding Transfers Out to Other Funds) Where is the Money Spent

FY 18-19 actual expenditures of the General Fund were \$9,444,444. To get a better understanding of where general fund dollars are spent, a review of actual expenditures for FY 18-19 is shown below. As with most governments, personnel cost represents most general government expenditures.



Advertising	\$36,817	Cost for legal ads
Agency Contributions (Except Fire & Rescue)	\$606,052	Agency Breakdown Provided in Budget Document; includes all contributions except fire and rescue
Auditing	\$42,819	Auditing services and cost to produce financial reports
Boards and commissions	\$6,365	Compensation to Various Boards and Commissions appointed by the Board
Building Repairs	\$255,748	Repairs to several government buildings; this amount will fluctuate; breakdown of buildings and facilities maintained by the County is included in the budget document
Communications	\$109,959	Verizon telephone, monthly fees for mobile devices including IPADs, internet services
Contractual Services	\$286,313	Interim administrator services, comprehensive plan consultant, maintenance service contractors, emergency services contracts (instant alert, generator maintenance, EMS radio maintenance county-wide including fire and rescue agencies, utility marking services

Contributions to Public Safety Volunteer Agencies	\$248,580	Quarterly contributions to the volunteer fire and rescue squad; the rescue squad is paid 7% of the monthly fees collected from ambulatory billing services as administrative costs
Convention & Education	\$72,454	Cost to attend trainings to include travel, mileage, meals, conference registration; some revenue recovery is associated with this expense
Detention/Prisoner Care	\$229,146	The cost for prisoner care in Riverside Regional Jail (\$184,892) and Crater Youth Detention for the youth population (\$44,754)
Electricity Services	\$155,212	The cost for Dominion and PGEC electrical services for all County Buildings
Fuels	\$114,170	Vehicle fuel for all County fleet vehicles and marina fuel
Indexing/microfilming	\$17,792	The annual cost for microfilming and indexing circuit court records
Legal Fees	\$89,132	Cost paid to the County attorney for legal fees
Maintenance Contracts	\$246,367	Information technology (\$97,000) associated with county copiers, printers, financial software system, municode, postage meters, phone system maintenance
Mileage	\$4,802	Reimbursement for use of personal vehicles during business travel
Motor Vehicle Insurance	\$33,896	Motor vehicle insurance (VA Association of County Pooled Insurance Program)
Office Supplies & Equipment	\$78,826	Office supplies and equipment for all departments
Paid Rescue Squad Services	\$447,568	Contract service cost to provide 24/7 paid rescue services; fee recovery for FY 19=(\$193,000) or 43%
Parks Special Activities	\$11,600	Cost for special annual activities as fireworks and Pow Pow
Professional Services	\$278,799	Interim Finance Services from vacant salaries, election officers, salary study fee, county administrator search fee, parks and rec sports officials; the majority of the cost is for sanitation landfill monitoring and remediation services; this line item will fluctuate
Property Insurance	\$43,002	Property insurance for all county buildings (VA Association of Counties Pooled Insurance Program)
Rent for Office Space	\$12,552	Rent paid to the Commonwealth Attorney for use of space and to the Victim Witness Program; a small portion (\$300) is for facility rental used during elections
Uniforms	\$17,240	Cost associated for uniforms (Sheriff, Public Works, EMS and Animal Control)
Veterinary services	\$13,352	Cost for medical services for the care of animals
Waste Disposal at Landfill	\$111,616	Cost for disposal of waste at the landfill; the county pays the tipping fees

Water & Sewer	\$12,532	Paid to the Town of Surry for water utilities
Other Operating Expenses	<u>\$192,883</u>	Other expenses not identified above
Total Primary General Operating Expenditures	\$3,775,594	TOTAL AMOUNT SPENT FOR OPERATING THE GENERAL FUND EXCLUDING PERSONNEL IN FY 18-19

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SECTION A

BUDGET MESSAGE & FINANCIAL SUMMARIES



"The Countrie it selfe, I must confesse is a very pleasant land, rich in commodities; and fertile in soyle..."
Samuel Argall, ca. 1609

Board of Supervisors

Robert Elliott, Chair
Michael A. Drewry, Vice-Chair
Timothy Calhoun
Judy S. Lyttle
Kenneth R. Holmes

Melissa D. Rollins
Acting County Administrator

April 15, 2020

Dear Members of the Board of Supervisors:

I am pleased to present the Fiscal Year (FY) 2021 Proposed Budget Operating Budget and the Five Year (FY 21-25) Capital Improvement Program (CIP) for Surry County. The proposed operating budget for all funds is \$58,815,986. Of this amount, the CIP is \$8,165,016. This reflects a \$6,167,694 or 11.7% increase over the FY 2020 adopted budget.

The proposed budget reflects the Board of Supervisors' strategic planning initiatives for community and economic development and sustains operations while supporting Education. Leadership and county-wide discussions over the past several years have focused on the need for reliable, high-speed broadband, new business development and job creation, while recognizing the challenge of the County's population decline. Revenues to support all the areas of government [administration, public safety, community development, education, recreation, health & welfare, capital improvements] and to sustain the quality services desired by citizens are relatively stable; however, the full impact of the recessionary conditions created by the COVID-19 shutdowns are unknown. Not all priorities can be met given limited resources.

The FY 2021 proposed budget was developed with constraints but overall maintains operational service levels for County departments. The priorities executed in the proposed budget includes funding for major broadband initiatives executed in FY 19-20 to help build a healthy and diverse economic base, provide opportunities for education, support business retention and expansion and enhance overall quality of life.

The budget includes a proposed tax rate increase of \$0.03 from \$0.71 cents per \$100 of assessed value to \$0.74 cents. The additional revenue from the increase is \$852,838 (\$583,895 public service) (\$268,943 real estate from taxpayers). The County's real estate tax rate has remained level at 71 cents since 2016, when it was reduced from the prior amount of 73 cents as a result of the reassessment. Since that time, revenue increases have been modest while the cost of maintaining existing service levels to the community has steadily risen. County department budgets have remained mostly level except for benefit cost increases.

The proposed FY 2020-2021 Annual Operating Budget and the FY 2021-2025 CIP were developed to advance the Board of Supervisor's strategic vision of enhancing the quality of life for the

citizens for Surry. Key management considerations in the formulation of the budget were:

- Limitation of annual increases in operational expenditures to current commitments in personnel
- Consideration to added costs slated to enhance the ability to provide quality services
- Cost containment – reductions where possible based on historical spending patterns

Balancing the Budget: Budget Development, Challenges & Opportunities

Finding the funding to do everything desirable or even necessary is a major fiscal challenge. There are a limited number of ways to address the issue: albeit unfavorable- taxes may be raised; services may be cut, reduced, or less expensive service delivery mechanisms developed. In developing the Proposed FY 2021 Budget, I looked critically at current budget levels and service priorities and made reductions in several areas, most notably in the support provided to outside agencies. Further, given the recessionary conditions created COVID-19, I am regrettably unable to recommend any salary increases for County employees this year. This budget containment strategy is consistent across the region. The good news is that no furloughs or other reduction in workforce is proposed. Even with these cost containment strategies, we are facing a shortfall of \$840,000 and cannot maintain core service levels without additional tax revenue. I am therefore recommending a 3 cent or 4% increase in current real estate tax rate of \$.71/\$100 of assessed value. It should be noted that this tax rate increase will also apply to Public Service Corporations (PSC), and because Surry’s budget is heavily dependent upon PSC taxes, 69% of the revenue generated from this tax rate increase will come from PSC revenue, with 31% coming from other assessed real estate in the County.

The FY20-21 Budget was prepared while starting with several challenges, including an economy heading into recession, Virginia Retirement System (VRS) rate increases of 39%, and an increase in state mandated costs for Children’s Services Act (CSA) services.

The major differences and budget drivers from FY 2020 to FY 2021 include:

FY 2021 Major Operating Budget Drivers

Item	Amount	Explanation
<u>Major Revenue Declines:</u>		
Decline in Public Service Corp Revenue	\$ 131,000	The sales assessment ratio is below 100%
Decline in Interest Income	275,000	Fed action related the economic meltdown due to COVID-19 have driven interest rates close to 0%
Unbalanced budget from FY20	77,500	The FY20 Budget was adopted using \$77,500 of FB for ongoing costs
	\$ 483,500	
<u>Major Expenditure Increases:</u>		
VRS Increase	\$ 20,000	The former County Administrator granted pay increases outside of the pay plan adoption
Health Insurance	135,000	The VRS Retirement rate increased by 39%
	30,000	Health insurance rates increased by 4.8% overall

Unbudgeted Ambulance Billing Costs	131,000	Prior Administrator hoped to re-bid and/or look for alternatives to lower costs, but
		but no options to do so currently exist
HR Manager	81,000	New position
Codes Compliance Officer	58,000	New position
Increase in Clerical Staff Hours (Tourism & Workforce)	5,700	Additional hours to support County Economic Development efforts
Jail cost increase	19,000	Contractual cost increase
	\$ 479,700	

All Funds

The summary of all funds is shown in the table below:

FUND	FY 2019-20	FY 2020-21	CHANGE	
	ADOPTED	PROPOSED	\$	%
GENERAL	28,789,123	29,013,879	224,756	0.8%
CIP	3,118,000	8,165,016	5,047,016	161.9%
VPA	1,848,625	1,850,501	1,876	0.1%
CSA	150,064	470,677	320,613	213.7%
TASK FORCE	25,000	25,000	-	0.0%
SPECIAL WELFARE	38,640	42,852	4,212	10.9%
AGENCY ON AGING	32,288	32,288	-	0.0%
INDOOR PLUMBING	11,730	11,730	-	0.0%
ECONOMIC DEVELOPMENT	80,000	80,000	-	0.0%
DEBT SERVICE	2,121,267	2,123,391	2,124	0.1%
WATER & SEWER	142,750	162,850	20,100	14.1%
TOTAL COUNTY FUNDS	\$ 36,357,487	\$ 41,978,184	\$ 5,620,697	15.5%
SCHOOL OPERATING	15,772,305	16,324,802	552,497	3.5%
SCHOOL CAFETERIA	518,500	513,000	(5,500)	-1.1%
TOTAL SCHOOL FUNDS	\$ 16,290,805	\$ 16,837,802	\$ 546,997	3.4%
TOTAL - ALL FUNDS	\$ 52,648,292	\$ 58,815,986	\$ 6,167,694	11.7%

Budget Development Process

This year, budget meetings were held to clarify department requests and to assist performance measure development, with a goal of aligning services with the mission of the County. Further development of the budget document will include established departmental goals and objectives, performance measures and fiscal year highlights and accomplishments. Budget communication provided to all departments and organizations indicated that revenue growth was flat and therefore resources would be limited. To this extent, not all requests have been funded:

- ❖ **Social Services:** Partial funding of the requested local appropriation
- ❖ **Education:** The budget funds \$53,000 of a \$253,000 request
- ❖ **Various Departments:** Funding requests for two new positions and additional part time hours
- ❖ **Public Safety Sheriff:** Funding request for additional deputies (6), courthouse security (1.5 positions) and one (1) administrative position
- ❖ **Organizations:** **Reductions in funding** for a number of external agencies and organizations
- ❖ **Various Departments:** Only necessary line item increases are recommended
- ❖ **Capital Project Requests:** Continuation of projects previously included in the Five-Year CIP, most notably replacement of the Public Radio System and the Broadband investment. Deferment of desired projects to FY 21-22.

The County received \$2.2250 million in competitive state grant for Broadband Implementation. The County's local match requirement is \$2.2250 million.

Combined with the \$5.13 mil of Rural Community Connect Fund received by PGEC for Surry County (2101 homes), all of Surry will have access to reliable, high speed broadband, slated for completion by the end of November 2021.

To put the local match dollars into perspective; funding this initiative is equivalent to nearly eight (8) cents in tax revenue.



Summary

The proposed budget was prepared in the midst of (COVID-19) on our local economy. Since that time, federal, state, and local governments have been working diligently to prevent the spread of this disease by educating our citizens, encouraging social distancing, restricting or closing non-essential businesses, cancelling large gatherings, and issuing Executive Orders in Virginia for residents to Shelter in Place and other protective guidance. The impact on our local economy is not known at this time and obviously budget development has been impacted by the pandemic. All citizens are encouraged to do your part as we get through this unprecedented challenge.

Included in the budget document that follows is a listing of FY 2019-2020 Highlights and Accomplishments of the various County departments evident of the County's ongoing commitment to provide outstanding services to the citizens of Surry. Further details about the proposed budget including major changes from the current fiscal year are addressed throughout the document. Budget estimates are again being conservatively projected in an effort to improve overall financial reliability, especially in the wake of uncertainty. It deserves emphasis that the proposed spending plan and tax rates are preliminary. Next is the Board of Supervisors budget work sessions followed by public hearing and further consideration until adopted.

I am truly humbled by the opportunity afforded me by you to serve the citizens of this wonderful county and being entrusted with the enormous responsibility for preparation of the County's financial plan. Preparation of this budget proposal resulted from a team effort by all departments and school division leadership. It has resulted in some less than favorable expenditure reductions, the inability to fund some requests, and other decisions; despite these challenges we are all confident that the County will come out stronger and more fiscally stable. With continued forward-thinking, creative strategic planning and a renewed commitment to collaboration and unity, we will be better able to seek the opportunities ahead for the good of the community. I would like to recognize and express my sincerest gratitude to the County's Leadership Team throughout the budget process and through the challenges of the COVID-19 operational change, Ms. Carol Swindell, Interim Director of Finance for her dedication to the budget process and for the support of the Board of Supervisors during the COVID-19 event, which necessitated flexibility in our operations while maintaining services to the community. I look forward to working with you throughout the remainder of the budget process.

Respectfully Submitted,



Melissa D. Rollins
Acting County Administrator

BOARD OF SUPERVISORS AGENDA ITEM REQUEST FORM

Department: Administration

Department Head: Lauren Chapman, Administration

Meeting Date Requested: April 23, 2020

STATEMENT OF THE ISSUE:

Memorandum of Understanding: COVID-19 Local Partnership MOU (REVISED 4-16-2020)

ITEM

Consent

Is this a budgeted item?

N/A

If yes, include budgeted amount Total Project Cost

N/A

N/A

RECOMMENDED ACTION:

Review and approve the MOU between the County and the VA Dept of Health Crater Health District and the referenced addendums.

Revision received April, 16, 2020.

Description of Presented Item

Agenda Note: Please find the attached MOU between the County of Surry and the Virginia Department of Health-Crater Health District (CHD) in response to the COVID-19 Pandemic. The MOU is between the 8 member localities of the CHD to provide mutual aid response during the COVID-19 Event.

The agreement requests aid for manpower or equipment to assist with contact tracing of known or suspected COVID-19 cases, or other non-fire and rescue service matters related to mitigating the effects of the COVID-19 pandemic disaster. Related documents as it pertains to contact tracing procedures and HIPPA protection requirements are included as addendums to the MOU.

- [DOC 1_181 Crater District Pandemic MOU April 2020b.pdf](#)
- [DOC 2_Addendum 1 COVID-19 Local Partnership Agreement Scope.pdf](#)
- [DOC 3_Addendum 2 COVID-19 JAS CONTACT CASE MANAGER.pdf](#)
- [DOC 4_181 Business Associate AgreementHIPAA Final.pdf](#)



Healthy People in Healthy Communities
www.vdh.virginia.gov

VIRGINIA DEPARTMENT OF HEALTH
Crater Health District
301 Halifax Street
Petersburg, Virginia 23803

MEMORANDUM OF UNDERSTANDING (MOU)

MOU Number: CTR-20-022.181-COVID19

- I. **PARTIES TO THE AGREEMENT:** This Memorandum of Understanding is entered into by Surry County, 45 School Street, Surry, Virginia 23883, hereinafter called the "Locality" and Crater Health District through the Department of Health, 301 Halifax Street, Petersburg, Virginia 23803 hereinafter called the "Department."

WHEREAS, the Department desires to enter into an Agreement with the Locality to provide manpower or equipment to assist with contact tracing of known or suspected COVID-19 cases, or other non-fire and rescue service matters related to mitigating the effects of the COVID-19 pandemic disaster from another party to this Agreement and;

WHEREAS, the locality desires to perform such services;

THEREFORE, in consideration of their respective undertakings, the Department and the Locality hereby covenant and agree to the following terms.

- II. **PERIOD OF AGREEMENT:** From execution date of CRATER HEALTH DISTRICT signature on last page through March 8, 2021 and may be renewed upon written agreement of both parties for 4 successive one year periods, under the terms of the current agreement, and at a reasonable time (approximately 90 days) prior to the expiration.
- III. **PURPOSE:** On March 12, the Governor of the Commonwealth of Virginia declared a state of emergency related to the global COVID-19 pandemic; and the parties hereto desire to secure to each other the benefits of mutual aid in situations involving services related to the COVID-19 pandemic, including, but not limited to, contact tracing, but specifically excluding fire and rescue services, which are for most signatories covered by separate agreements; and the directors of emergency management for each city and county that is a party hereto are authorized to enter into this agreement by § 44-146.19(D), Code of Virginia, 1950, as amended.

IV. SCOPE OF SERVICES: Contact Tracing services and other designated emergency planning/response services to address the Coronavirus pandemic (See Addendum 1 for general emergency support agreement and Addendum 2 for scope of work).

V. COMPENSATION: State total aggregate of contract including all renewal years and breakdown of services. No monetary funding will be exchanged for the emergency services/support provided by Locality.

Contract Value: \$0.00 with four (4) one year renewal periods.

Total Aggregate estimated to be \$0.00

VI. FEDERAL AWARD INFORMATION:

There will be no exchange of federal funds between the parties, but the Department will track all information and submit federal reports as required.

Monitoring: The Department will monitor the Locality to evaluate the progress and performance of the program/services. The Locality shall furnish the Department on request information regarding payments claimed for services under this contract. The Department and Federal personnel shall be provided access to all program-related records and facilities under reasonable request.

The Locality shall retain all books, accounts, reports, files and other records relating to the performance of the contract for a period of five years after its completion. All accounting records must be supported by source documentation and retained in order to show for what purpose funds were spent. All such records shall be made available and produced for inspection when required by the Department.

Time and Effort Reporting: The Locality shall comply with time and effort reporting as required by the Federal Office of Management and Budget (OMB) Circular A-87 (Cost Principles for State, Local and Indian Tribal Government). All employees paid in whole or in part from grant funds should prepare a timesheet indicating the hours worked on each specific project for each pay period. Based on these time sheets and hourly payroll cost for each employee, a statement indicating the distribution of payroll charges should be prepared and placed in the appropriate files and shall be made available for inspection when required by the Department. The Locality shall retain all books, reports, files and other records relating to time and effort reporting for a period of five years after completion.

APPROPRIATIONS: The Locality acknowledges the understanding that this Agreement is subject to appropriations and constraints by the State or the Federal government budget.

SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the locality desires to subcontract some part of the work specified herein, the locality shall furnish the Departments names, qualifications and experience of their proposed subcontractors and shall assure compliance with all requirements of the contract.

INTEGRATION AND MODIFICATION: This Agreement constitutes the entire understanding of the parties as to the matters contained herein. No alteration, amendment or modification of this Agreement shall be effective unless in writing and signed by the duly authorized officials of both The Department and Locality.

CONFIDENTIALITY OF PROPRIETARY INFORMATION, DUPLICATION AND DISCLOSURE: The Locality agrees that proprietary information disclosed by the Department to the Locality for the purpose of a Memorandum of Understanding shall be held in confidence and used only in the performance of the contract. No item designed for or by the Department shall be duplicated or furnished to others without prior written consent. All products and materials including but not limited to papers, data, reports, forms, records, materials, creations, or inventions relating to this contract are sole and exclusive property of the Department. All such materials shall be delivered to the Department in usable condition at any time requested by the Department.

VII. TERMS AND CONDITIONS:

A. AUDIT:

The Locality shall retain all books, records, and other documents relative to this agreement for five (5) years after the duties have been completed and project is closed; or until audited by the Commonwealth of Virginia, whichever is sooner. The Department, its authorized agents, and/or state auditors/compliance agents shall have full access to and the right to examine any of said materials during said period.

B. APPLICABLE LAWS AND COURTS:

This contract shall be governed in all respects by the laws of the Commonwealth of Virginia, without regard to its choice of law provisions, and any litigation with respect thereto shall be brought in the circuit courts of the Commonwealth. The agency and the locality are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The locality shall comply with all applicable federal, state and local laws, rules and regulations.

D. BACKGROUND CHECKS:

1. The CRATER HEALTH DISTRICT may require validation of staff background check for Locality staff assigned to any resulting agreement.
2. In the event of any staff turnover or staff reassignments, the Locality shall notify the Crater Health District and shall submit the appropriate validations of an appropriate background history for any proposed new staff member. This shall be in addition to the requirement to provide the required credentials information. The CRATER HEALTH DISTRICT may remove any Locality employee that the Contract Administrator feels threatens the health or safety of staff, security of the facility, or quality of the service provided by the Locality.

E. CANCELLATION OF AGREEMENT:

The both parties have the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon thirty (30) days written notice. In the event the initial contract period is for more than 12 months, the resulting contract may also be terminated by the both parties, without penalty, after the initial 12 months of the contract period upon thirty (30) days written notice to the other party. Any contract cancellation notice shall not relieve the Locality of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

F. CHANGES TO THE AGREEMENT:

The parties may agree in writing to modify the scope of the Memorandum of Understanding. An increase or decrease in the scope to the memorandum of understanding resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Memorandum of Understanding.

G. CONFIDENTIALITY OF PROPRIETARY INFORMATION AND PERSONALLY IDENTIFIABLE INFORMATION:

The Locality assures that information and data obtained as to proprietary information and personal facts and circumstances related to patients or clients will be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual's and the Department's written consent and only in accordance with federal law or the Code of Virginia. Localities who utilize, access, or store proprietary information or personally identifiable information as part of the performance of an agreement are required to safeguard this information and immediately notify the Department of any breach or suspected breach in the security of such information. Localities shall allow the Department to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Localities and their employees working on this project may be required to sign a confidentiality statement.

H. RENEWAL OF AGREEMENT:

1. This agreement may be renewed by the Commonwealth upon written agreement of both parties for four successive one year periods, under the terms of the current agreement, and at a reasonable time (approximately 90 days) prior to the expiration.
2. This Agreement shall remain in effect until superseded, amended, or rescinded in writing by one or more participating signatory parties. However, it shall remain in effect for all remaining signatory parties unless or until it is terminated in writing by the remaining parties.
3. This Agreement shall be effective for each party immediately upon its signature, Important Note: The agreement is not effective until all parties have signed.

I. CONFIDENTIALITY OF HEALTH RECORDS:

By signature on this agreement, the Locality agrees to comply with all applicable statutory provisions and regulations of the Commonwealth of Virginia and in the performance of this agreement shall:

1. Not use or further disclose health records other than as permitted or required by the terms of this agreement or as required by law;
2. Use appropriate safeguards to prevent use or disclosure of health records other than as permitted by this agreement;
3. Report to the Department of Health any use or disclosure of health records not provided for by this agreement;
4. Mitigate, to the extent practicable, any harmful effect that is known to the Locality of a use or disclosure of health records by the Locality in violation of the requirements of this agreement;
5. Impose the same requirements and restrictions contained in this agreement on its subcontractors and agents;
6. Provide access to health records contained in its records to the Department of Health, in the time and manner designated by the Department of Health, or at the request of the Department of Health, to an individual in order to afford access as required by law;
7. Make available health records in its records to the Department of Health for amendment and incorporate any amendments to health records in its records at the Department of Health request; and
8. Document and provide to the Department of Health information relating to disclosures of health records as required for the Department of Health to respond to a request by an individual for an accounting of disclosures of health records.

J. ANTI-DISCRIMINATION: By submitting this agreement the Locality certifies to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the *Virginia Public Procurement Act (VPPA)*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia, § 2.2-4343.1E*).

- K. ANTITRUST:** By entering into an agreement, the Locality conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said agreement.
- L. ASSIGNMENT OF AGREEMENT:** An agreement shall not be assignable by the Locality in whole or in part without the written consent of the Commonwealth.
- M. DEFAULT:** In case of failure to deliver goods or services in accordance with the agreement terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources. This remedy shall be in addition to any other remedies agreed by both parties.
- N. NONDISCRIMINATION OF LOCALITIES:** A bidder, offeror, or Locality shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.
- O. WHISTLEBLOWER PROTECTIONS:** Congress has enacted the whistleblower protection statute 41 U.S.C. Section 4712 to encourage employees to report fraud, waste, and abuse without repercussions. This statute applies to all employees working for localities, grantees, subcontractors, and sub grantees in accordance with this agreement. All localities, grantees, sub grantees, and subcontractors for federal grants and contracts are required to:
1. Inform their employees in writing of the whistleblower protections under 41 U.S.C. Section 4712 in the predominant native language of the workforce, to include the specific requirements of the statute, and
 2. Include this term and condition in any agreement made with a subcontractor or sub grantee.
The employees' rights under 41 U.S.C. Section 4712 shall survive termination of this agreement.

P. CONTINUITY OF SERVICES:

- a.) The Locality recognizes that the services under this contract are vital to the Agency and must be continued without interruption and that, upon contract expiration, a successor, either the Agency or another locality, may continue them. The Locality agrees:
 - (i) To exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor;
 - (ii) To make all Agency owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the contract to facilitate transition to successor; and
 - (iii) That the Agency Contracting Officer shall have final authority to resolve disputes related to the transition of the contract from the Locality to its successor.

- b) The Locality shall, upon written notice from the Contract Officer, furnish phase-in/phase-out services for up to ninety (90) days after this contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the Contract Officer’s approval.

STATUS OF PERSONNEL: Katrina Saphrey, Senior Epidemiologist, has been designated as the Chief of Operations for the Crater Health District Incident Command System Department; and Roxanne Marr-Shears, Business Manager, has been designation as the Contract Administrator for this Agreement.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be duly executed intending to be bound thereby. This Memorandum of Understanding becomes effective on the date of the last signature and is subject to appropriation by the Board of Supervisors.

County of Surry, Virginia:	VIRGINIA DEPARTMENT OF HEALTH:
By:	By:
Title:	Title:
_____	_____
Name:	Alton Hart, Jr., MD, MPH, Director
Title:	Crater District Health Departments
Date:	Date:

Note: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, sexual orientation, gender identity, political affiliation, or veteran status or any other basis prohibited by state law relating to discrimination in employment.

MOU ADDENDUM 1

for

MUTUAL AID FOR CERTAIN PANDEMIC RELATED SERVICES

Among Designated Localities in the Crater Health District and the Virginia Department of Health

This Agreement is made and entered into as of April 10, 2020, by and among the County of Surry and the Virginia Department of Health; provided, that this Agreement shall be effective for each party immediately upon its signature, regardless of whether or not all parties have signed.

NOW, THEREFORE, it is mutually agreed as follows:

- A. When one of the parties to this Agreement requests aid for manpower or equipment to assist with contact tracing of known or suspected COVID-19 cases, or other non-fire and rescue service matters related to mitigating the effects of the COVID-19 pandemic disaster from another party to this Agreement, that responding party may dispatch, when available, the requested equipment and personnel to aid in the situation. Requests for aid may be made and received directly by and from the county administrators for the counties, the city managers of the cities, and the Director of the Crater District Health Department, his designee, or other Virginia Department of Health official.

The rendering of assistance under the terms of this Agreement shall not be mandatory, but the party receiving the request for aid shall immediately inform the requesting locality/agency if, for any reason, assistance cannot be rendered.

- B. Any dispatch of equipment and personnel pursuant to this Agreement is subject to the following conditions:
- (1) Any request for non-monetary aid hereunder shall include a statement of the amount and type of equipment and personnel requested, and shall specify the location to which the equipment and personnel are to be dispatched. However, the amount and type of equipment and the number of personnel to be furnished shall be determined by a representative of the responding locality/agency.
 - (2) The personnel of the responding locality/agency shall report to the officer in charge of the requesting locality/agency at the location to which the personnel or equipment is dispatched, and shall be subject to the orders and direction of that official. However, the responding locality/agency reserves the right to follow its own safety guidelines while complying with incident objectives. Personnel of the responding locality/agency shall continue to be subject to the applicable rules of conduct, regulations, and policies of their own jurisdiction while acting pursuant to this Agreement.
 - (3) The personnel and equipment of the responding locality/agency shall be released by the requesting locality/agency when the services of the responding

locality/agency are no longer required or when the responding locality/agency is needed within the area for which it normally provides services.

- (4) Responses and/or services shall be provided as determined at the time of need and/or as pre-arranged for certain response areas (i.e. automatic responses).
- (5) Each party to this Agreement is responsible for informing its employees that they must maintain the confidentiality of patient health information in keeping with the rules of the Health Insurance Portability and Accountability Act.

C. Each party to this Agreement waives any and all claims against all the other parties which may arise out of the parties' actions outside of their respective jurisdictions under this Agreement.

Nothing in this Agreement is intended or shall be construed to require any party to indemnify and save harmless the other parties to this Agreement from claims by third parties for property damage or personal injury which may arise out of the activities of the other parties.

D. All equipment used by the responding locality/agency in carrying out this Agreement shall, at the time of action hereunder, be owned by the responding locality/agency; and all personnel acting for the responding locality/agency under this Agreement shall, at the time of such action, be employees of the responding locality/agency.

E. Actions taken and expenditures made pursuant to this Agreement shall be deemed conclusively to be for a public and governmental purpose and all of the immunities from liability enjoyed by a party when acting for a public or governmental purpose within its territorial limits shall be enjoyed by it to the same extent as when such party is so acting, under this Agreement, beyond its territorial limits.

The personnel of any party to this Agreement, when acting hereunder, or under other lawful authority, beyond the territorial limits of their jurisdictions, shall have all of the immunities from liability and exemptions from laws, ordinances and regulations, enjoyed by them while performing their respective duties within the territorial limits of their jurisdictions.

F. All services provided by a party under this Agreement shall be performed without monetary compensation to the responding locality/agency, unless otherwise agreed to.

G. All salaries, pensions, health insurance, disability protection, worker's compensation, death benefits, and other benefits provided to employees of the parties to this Agreement shall apply to the services performed by those employees under this Agreement outside their respective jurisdictions. Unless otherwise agreed to, all these expenses shall be paid by the responding locality/agency, which normally employs such employees. Each locality/agency shall be responsible for following local workers compensation protocol for its employees.

- H. This Agreement is in addition to and is not meant to rescind, supersede, or replace any previous written agreements and oral understandings relating to the provision of mutual aid for fire and rescue and emergency medical services between and among the parties.

This Agreement is not intended to rescind, supersede, or replace any automatic mutual aid agreements or financial agreements for fire and rescue and emergency medical services between and among the parties.

- I. Any of the parties hereto may withdraw from this Agreement by giving thirty (30) days written notice to that effect to the other parties at the addresses shown on the signature pages. Any notice shall be effective if given by registered or certified mail, return receipt requested, or by other receipted delivery.

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Job Action Sheet 004

COVID-19 Contact Case Manager	
Mission:	To support operational activities during the COVID-19 response; to conduct contact interviews using the Crater Modified Contact Interview script; to effectively communicate the purpose of conducting close contact tracing; to help reduce worry, stigma and anxiety; and communicate additional resource needs to the COVID-19 Lead Investigator
Operation	
<ul style="list-style-type: none"> <input type="checkbox"/> Communicate with the COVID-19 Lead Investigator routinely to obtain assignments and coordinate work load/capacity <input type="checkbox"/> Document attempts to contact the close contacts in the Contact Tracing (Case Contact Manager) Google Sheets <input type="checkbox"/> Conduct close contact interview using the Crater Modified Contact Interview script <input type="checkbox"/> Explain isolation/quarantine agreement <input type="checkbox"/> Obtain verbal consent <input type="checkbox"/> Issue quarantine agreement if it is needed for their place of employment (fax, email, or snail mail) <input type="checkbox"/> Answer questions appropriately during interview (if you do not know an answer, communicate that to the COVID-19 Floater) <input type="checkbox"/> Routinely follow-up with the assigned contacts (mid-point, and last day of monitoring period) <input type="checkbox"/> Issue a release from isolation/quarantine letter at the end of their isolation/quarantine if it is needed for their place of employment (fax, email or snail mail) <input type="checkbox"/> Communicate the need for additional resources to the COVID-19 Floater <input type="checkbox"/> Handle VDH issued equipment appropriately and use only for the purpose of this response <input type="checkbox"/> Maintain Google Sheets <input type="checkbox"/> Adhere to Health Insurance Portability and Accountability Act (HIPAA) policies 	



COMMONWEALTH of VIRGINIA
Department of Health

BUSINESS ASSOCIATE AGREEMENT

PRIVACY AND SECURITY OF PROTECTED HEALTH INFORMATION

THIS BUSINESS ASSOCIATE AGREEMENT is made as of April 10, 2020, by the Crater Health District (herein referred to as “Covered Entity”), with office at 301 Halifax Street, Petersburg, Virginia 23803 and County of Surry (here in referred to as “Business Associate”), a corporation, department or other entity with office at 45 School Street, Surry, Virginia 23883.

This BUSINESS ASSOCIATE AGREEMENT (herein referred to as the “Agreement”) constitutes a non-exclusive agreement between the Covered Entity, which administers health services, and the Business Associate named above; and is subject to the approval of the board of supervisors.

The Covered Entity and Business Associate have entered into this Business Associate Agreement to comply with the Health Insurance Portability and Accountability Act (HIPAA). The parties signing this Agreement shall comply fully with the provisions of the HIPAA Rules.

NOW THEREFORE, the parties, intending to be legally bound, agree as follows:

I. Definitions.

As used in this contract, the terms below will have the following meanings:

- a. “Business Associate” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean County of Surry, Virginia.
- b. “Covered Entity” shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean County of Surry, Virginia.
- c. Protected Health Information (PHI): Any information that is created or received by a Covered Entity that relates to the past, present, or future physical or mental health or condition of an individual, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

d. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

II. Obligations and Activities of Business Associate

- a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as required by law.
- b. Business Associate agrees to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware, including breaches of unsecured protected health information, as required at 45 C.F.R. 164.410.
- d. In accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information.
- e. Report to the Covered Entity any security incident of which it becomes aware.
- f. Business Associate shall notify the Covered Entity of a breach of unsecured PHI on the first day on which such breach is known by Business Associate or an employee, officer or agent of Business Associate other than the person committing the breach, or as soon as possible following the first day on which Business Associate or an employee, officer or agent of Business Associate other than the person committing the breach should have known by exercising reasonable diligence of such breach. Notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the breach. Business Associate shall also provide the Covered Entity with any other available information at the time Business Associate makes notification to the Covered Entity or promptly thereafter as information becomes available. Such additional information shall include (i) a brief description of what happened, including the date of the breach; (ii) a description of the types of unsecured PHI that were involved in the breach; (iii) any steps the Business Associate believes individuals should take to protect themselves from potential harm resulting from the breach; and (iv) a brief description of what Business Associate is doing to investigate the breach, mitigate harm to individuals, and protect against any future breaches.

For purposes of this paragraph, unsecured PHI means protected health information that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the U.S. Secretary of Health and Human Services.

- g. Business Associate agrees to provide access, at the request of Covered Entity to Protected Health Information to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.
- h. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, available to the Secretary of the U.S. Department of Health and Human Services for the purpose of determining compliance with the HIPAA Rules.
- i. Business Associate agrees to document and provide to Covered Entity such disclosures of Protected Health Information and information as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.
- j. Make any amendment(s) to Protected Health Information in a designated record set as directed or agreed to by the covered entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy covered entity's obligations under 45 C.F.R. 164.526.

III. General Use and Disclosure Provisions

- a. Business Associate may only use or disclose Protected Health Information as provided in the underlying Agreement.
- b. Business Associate may use or disclose Protected Health Information as required by law.
- c. Business Associate agrees to make uses and disclosures and requests for Protected Health Information consistent with Covered Entity's minimum necessary policies and procedures.
- d. Business Associate may not use or disclose Protected Health Information in a manner that would violate Subpart E of 45 CFR Part 164 if done by covered entity, except for the specific uses and disclosures set forth below.
- e. Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

IV. Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity in accordance with 45 CFR 164.520, to the extent

that such limitation may affect Business Associate's use or disclosure of Protected Health Information.

- b. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.
- c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

V. Permissible Request by Covered Entity

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

VI. Termination

Either party may terminate this Agreement immediately if it determines that the other party has violated a material term of this Agreement. This Agreement shall remain in effect unless terminated for cause with immediate effect, or until terminated by either party with not less than thirty (30) days prior written notice to the other party, which notice shall specify the effective date of the termination; provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under this Agreement before the effective date of termination.

VII. Effect of Termination

Upon termination of this Agreement for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction of Protected Health Information infeasible. Upon agreement that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

VIII. Amendment

Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or of this state relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, the parties shall work in good faith to amend this Agreement in such manner as is necessary to comply with such law or regulation. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate this Agreement by written notice to the other.

EACH PARTY has caused this Agreement to be properly executed on its behalf as of the date first above written.

For: Crater Health District

For: County of Surry

BY: _____
Alton Hart, Jr., MD, MPH
District Director

BY: _____
Print Name:
Title:

DATE: _____

DATE: _____

2015