

**COMMITTEE MEMBERS PRESENT:**

Larry Pritchett, Treasurer  
Lori Hayes, Board Member (Call in)  
Mark Cole, Deputy County Administrator  
Julie Elliott, Budget Manager

**OTHER COUNTY STAFF MEMBERS PRESENT:**

Beckie Forry, Chief Accounting Officer  
Dave Ansell, Building Safety  
Jay Cullinan, Fire Chief  
Erika Snodgrass, FREM Business Manager  
Lindsay Leach, Community Engagement & Tourism Manager  
Barbara Verhaalen, Budget Analyst III  
Daniel Brooks, Budget Analyst I  
Mark Cole, Deputy County Administrator  
Ed Dooley, Division Director of Operations  
Debbie Sanders, Interim Director of Economic Development (Call in)  
Kevin Brooks, Director of Parks and Rec (Call in)  
Eddie Tolley, Chief Real Estate Appraiser (Call in)

**School Staff Members Present:**

Prashant Shrestha, School Chief Business Official (Call in)  
Phil Trayer, School Senior Financial Analyst (Call in)

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**New Business:****FY 2022 Draft Carryover Requests (Preliminary Numbers)**

Julie Elliott, Budget Manager, explained that staff would be making a presentation to the Board at their October 25, 2022 meeting about the County's preliminary financial position at the close of FY 2022. As part of that presentation, staff will present a carryover request list for the Board's review and approval.

Mrs. Elliott explained that at the close of each fiscal year, departments submit requests to carry forward funding from the previous Fiscal Year (FY 2022) to the current Fiscal Year (2023). The carryover requests are to meet at least one of the following criteria:

1. Obligated in FY 2022 – Request reflects an expenditure that was included in the FY 2022 Budget and was obligated but not expended before the close of FY 2022.
2. Grant Funded, Restricted, Committed – The request reflects an expenditure that was grant funded, restricted, or committed.

Staff was available to answer questions, but there were no questions from the Finance Committee.

On a motion by Mr. Pritchett, seconded by Mr. Cole, and passed unanimously, the Finance Committee agreed to include the final carryover request listing in the

Preliminary FY 2022 End of Year Financial Report that staff will present at the October 25, 2022 Board meeting.

### **Carryover of Schools' Available State & Federal Grant Funding from FY 2022 to FY 2023**

Prashant Shrestha, School Chief of business Official, reported that at the beginning of the budget process for each fiscal year, Schools' staff estimates grant funds to be received for the year based on prior years' data and the information from grantors at the time. During the year, Schools' Finance staff monitors changes that impact grant budgets. At the end of any given fiscal year, some grants may have carryover due to unspent budget authority from one year to the next. Budget authority to spend grant carryover must be approved each year by the School Board and appropriated by the Board of Supervisors ahead of being spent. These State and Federal funds are restricted for purposes of the grant and can be used only per the approved grant requirements.

The total FY 2022 grant carryover budget and appropriation request is \$717,430. A breakdown of the funding by grant type/purpose was provided.

On a motion by Mr. Pritchett, seconded by Mr. Cole and passed unanimously the Finance Committee recommended this item move forward to the Board for approval of the budget adjustment and appropriation.

### **Budget and Appropriate School's State SOQ Bonus Funding**

Prashant Shrestha, School Chief of Business, reported that on July 15, 2022, Governor Youngkin presented amendments to the 2022-2024 biennial budget that impacted public education in Virginia. The amendments were adopted by the General Assembly on June 17, 2022. One of the amendments is a provision to provide a \$1,000 bonus payment for SOQ-funded instructional and support positions. The state funds in the amount of \$2,327,866 are provided using federal ARPA pandemic relief funds, and need to be paid by December 1, 2022. Mr. Shrestha, also reported that school divisions are encouraged to use additional available funds to provide pandemic bonuses to all other eligible instructional and support positions. He also, reported that school divisions have discretion to determine the amount of the bonus to pay per employee to maximize the use of funds and to promote retention among instructional and support staff.

The School Board approved the following one-time bonus allocation.

Description	Amount
Total Bonus Cost (Bonus & FICA): <ul style="list-style-type: none"> <li>● Paid to staff who received a paycheck on September 30, 2022 and are active</li> <li>● Contracted Employees would receive \$1,000</li> <li>● Non-Contracted/Hourly Employees would receive \$500</li> <li>● Bonus to be paid to staff on the October 31, 2022 payroll</li> </ul>	<b>\$4.1M</b>

<b>Funding Sources</b>	<b>Amount</b>
State bonus funding	\$2.3M
ESSER/Other (carryover/lapse salary funds)	\$1.8M
<b>Total</b>	<b>\$4.1M</b>

During discussion, Ms. Hayes requested additional information regarding the ESSER funds, specifically for what purpose the ESSER funds are budgeted. Mr. Shrestha explained that the \$1.8M in ESSER funds are available as a result of vacancy saving and that the funding is currently part of the Schools' approved FY 2023 budget. Mr. Shrestha explained that the School Board recently approved the use of the ESSER vacancy savings to fund the gap needed to provide the one-time bonus to all employees. Mr. Shrestha, also explained that no additional local funding is needed to implement the one-time bonus and that the Schools' are looking to only appropriate the \$2.3M associated with the recently approved State funding.

Mr. Shrestha explained that the funds must be distributed to employees by December 1, 2022 and that the School Board approved including the bonus as part of the October 31, 2022 payroll pending approval of the appropriation by the Board of Supervisors.

A motion by Mr. Pritchett was made but there was no second. As a result the Finance Committee made no recommendation. The report will be presented to the Board on October 11, 2022.

### **Budget and Appropriate Additional State & Federal Grant Funding for the Schools'**

Prashant Shrestha, Schools' Chief Business Official, reported Regional Adult Education (Adult Ed) has received an additional State Grant award in the amount of \$15,984 for FY 2023, as well as an increase to two Federal grants included in the FY 2023 Adopted Budget totaling \$18,038

In total the schools are requesting to budget \$34,044 to support the Adult Ed program.

- State - Plugged In VA - \$15,984
- Federal - Adult Education and Family Literacy Act (AEFLA) - \$16,110
- Federal - Integrated English Literacy and Civics Education (IELCE) - \$1,928

On a motion by Mr. Cole, seconded by Ms. Hayes and passed unanimously the Finance Committee recommended this item move forward to the Board for approval of the budget adjustment and appropriation.

### **FY 2022 Budget Adjustment to Amend Allocation of Schools ESSER III Funds**

Julie Elliott, Budget Manager, reported that the Board previously approved a budget adjustment in FY 2022 to appropriate ESSER III funds totaling \$22,682,023 to the Joint Fleet Maintenance Fund. Subsequent to the appropriation, at the November 8, 2021

School Board meeting, a budget adjustment was approved to reallocate the funding to the Schools Operating Fund within the Transportation category.

During the year-end reconciliation process, County and School staff realized the revision from the November 8, 2022 School Board meeting had not been submitted to the County. Mrs. Elliott explained that the budget adjustment is a technical correction necessary to adjust the allocation of the ESSER III funds to reflect the correct appropriation to the Transportation category in the Schools Operating Fund rather than the Fleet Maintenance fund.

On a motion by Ms. Hayes, seconded by Mr. Cole and passed unanimously the Finance Committee recommended this item move forward to the Board for approval of the budget adjustment and appropriation.

**Other Business:**

None.

**Next Finance Committee Meeting**

The next Finance Committee meeting is scheduled for Thursday, October 20, 2022, at 3:30 PM in the Code Compliance conference room at the Merchant Square building.

**Adjournment:**

Mrs. Elliott adjourned the meeting.