

Goal for funds: schools, safety

Chesterfield priorities set for additional \$16.7M in budget

BY JEREMY SLAYTON

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Schools and public safety could be the two biggest recipients of Chesterfield County's additional funds for the fiscal year that begins July 1.

Nearly 80 percent of the \$16.7 million increase to the county's fiscal 2013 general fund will be directed to those two high-priority areas, according to a budget proposal presented Monday to the Board of Supervisors.

An additional 17 percent, nearly \$2.9 million, will be set aside in a contingency account pending final budget action by the General Assembly.

The proposed budget calls for an additional \$8.5 million in funding for the school division (a total allocation of \$297.4 million) and an additional \$4.7 million for public safety (a total allocation of \$138.4 million).

"I think it's very important to note the commitment to education," said Dale District Supervisor James M. Holland. "I think we have a great opportunity to do even more as we journey toward excellence in regards to the education and safety."

County budget director Allan Carmody unveiled a \$722.2 million general fund budget — part of a proposed \$1.14 billion total budget — to the board. It is a budget that represents an increase of 2.4 percent from the current \$705.4 million general fund.

A public hearing on the annual financial plan and county tax rates will be held March 14 with adoption slated for March 28.

"The plan outlines a very solid solution, balancing many competing needs within a very limited and finite pool of resources, but it positions the

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Carmody



Holland

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county ... to continue to be a first-choice community," said County Administrator James J.L. Stegmaier.

County officials said last week during a media briefing that the increased revenue is related to growth in such areas as economic development, decreasing vacancy rates, increasing occupancy taxes and an increase in consumer spending.

"A lot of the focus is on housing values, and that's important, but we can't ignore that other two-thirds where there are a lot of good things going on that tie back to the overall improvement in economic fundamentals that we're seeing in the county," said senior budget analyst Matt Harris. "Housing is that last piece we're trying to get firing again."

Also, the proposed budget is balanced within the existing tax structure, meaning the county is not proposing to raise property tax rates.

County officials will continue to stress economic development and sports tourism, two important board initiatives.

The county plans to restructure its economic development department to put a greater staff emphasis on recruiting and landing business. Between 2010 and 2011, new announced investment in the county is up 18 percent.

One recent success in economic development was the announcement in December that Amazon.com would build an \$85 million warehouse facility in the county's Meadowville Technology Park that will bring 1,000 jobs.

There are also some savings set aside in the proposed budget to address compensation, a portion of which would be dedicated to high turnover of non-public- safety personnel, which jumped from 6.6 percent in fiscal 2010 to 10.1 percent in fiscal 2011.

Carmody attributed the higher employee turnover to a softening job market and increased retirements within the county.

The county is discussing how best to address the issue while awaiting a decision from the General Assembly regarding any changes to the Virginia Retirement System.

None of the new revenues will be diverted to increasing compensation.

"I think it's really important to analyze why we have that turnover rate," said Bermuda District Supervisor Dorothy Jaeckle. "We need to make sure that that turnover is because of compensation instead of just assuming it is."

jslayton@timesdispatch.com (804) 649-6861

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