

April 26, 2016

Virginia:

AT A CONTINUED MEETING of the Nelson County Board of Supervisors at 3:00 p.m. in the Old Board of Supervisors room (#420) located in the Nelson County Courthouse, in Lovingson Virginia.

Present: Constance Brennan, Central District Supervisor
Thomas H. Bruguere, Jr. West District Supervisor
Allen M. Hale, East District Supervisor – Chair
Larry D. Saunders, South District Supervisor
Stephen A. Carter, County Administrator
Candice W. McGarry, Administrative Assistant/Deputy Clerk
Debra K. McCann, Director of Finance and Human Resources

Absent: Thomas D. Harvey, North District Supervisor – Vice Chair

I. Call to Order

Mr. Hale called the meeting to order at 4:04 PM, with four (4) Supervisors present to establish a quorum and Mr. Harvey being absent.

I. FY16-17 Budget Work Session

Ms. McCann first reviewed the budgetary changes made at the previous work session on April 19, 2016 as follows:

<i>Changes from 4-19-2016 budget work session:</i>		
Expenditure Changes:		
Agencies:		
PVCC	Delayed Capital Contribution Until FY18	-27,076
TJSWCD	Funded Full Request	\$1,575
Library	Funded Request Except Added PT Position	\$20,779
OAR	Funded Increase Requested for Local Probation	\$83
EDA	Reduced Funding	-\$2,500
CVSBDC	Reduced Funding Based on Proportion of Beneficiaries	-\$2,500
CASA	Funded Full Request	\$1,000
Net Total:		-\$8,639
Budget Impact:	Addition to Recurring Contingency	8,639

Contingency:	Recurring	\$1,326,831
	Non-Recurring	<u>\$662,400</u>
		\$1,989,231

A. Staff Follow Up

Staff reviewed the following items:

TJEMS Council:

Mr. Carter noted that he had contacted the TJEMS Director to have him explain why Nelson was paying more than anyone else and he was provided with an answer by email that afternoon. He noted that in summary, the loss of funding would be harmful and they helped with grant funding and he mentioned the grant monies that they had helped the County garner over the years. Mr. Carter added that it was not a good answer and he had asked him to provide the funding matrix used that he had referenced in the email. He added that he thought they had just moved everything forward and were asking Nelson to pay more than anyone else. Mr. Carter then related that the new Director, Mr. Joyce, had noted that nothing had been done in Nelson in the past two (2) years and fewer than five (5) had received training over that period.

Supervisors then agreed by consensus to reduce their funding to a proportionate share. Ms. McCann noted that this would be 10.6% for a total of \$9,473. She explained that this was from calculating the percentage of total beneficiaries that were in Nelson and applying it the total funding. She noted that she took their number of beneficiaries for Nelson compared to the total and came up of 10.6% from localities. This meant the reduction to request funding was (\$10,156).

EDA:

Ms. McCann noted that the EDA had a bank balance of \$31,000 and that their expenditures to date were \$2,500 paid for stipends, mileage, and a VA Risk Liability Insurance policy that costs \$300 per year. She added that they had six (6) meetings per year plus \$300 for the insurance for a total of \$3,131. It was noted that their regular meetings were quarterly.

Staff noted that the EDA had been funded at \$2,500 at the last meeting and they agreed by consensus to change it to \$3,100.

NCCDF:

Mr. Carter noted he could not speak specifically to them and JABA, however there was an interrelationship between the two that was not fully understood. He noted that JABA was

April 26, 2016

paying \$58,000 in rent to them; however it was not reflected in their budget. He added that there was some relationship there that could potentially result in less funding for one or both. He clarified that they were partners in the Nelson Center and then also operated distinctly from one another. Ms. McCann noted that all of the rent money flowed through the Nelson Center LLC and not the Community Development Foundation. Mr. Carter noted that their rental income was shown at \$127,000 and collectively \$134,000 was paid per year; however there was a Physical Therapy practice in the lower floor and he questioned that income. Mr. Carter supposed that it appeared that the Foundation could be more self-supporting and if they dug deeper, they would know more. He further noted that the project cost was \$2 Million; however the debt shown was less than \$900,000. He noted that in the first five years, they were paying rent of over \$10,000 per month and now it was \$14,000 per year on about \$225,000 which was less than the rent they were getting.

Ms. Brennan inquired as to what they were paying in taxes to the County and Mr. Carter noted he was unsure.

Supervisors agreed by consensus to take no action until staff could provide more information.

MACAA:

Staff noted that MACAA had reported that when Head Start funds were contained in the School Budget, it tended to get cut out even though the funds were going to support a school system program. Staff noted that the Schools had some money for Head Start in their budget and it did have some Federal funds attached to it. Mr. Hale then confirmed that it was included in the budget even if they did not approve the increase. Ms. McCann noted that they had provided the following information on Project Discovery:

FY14- 6 graduates enrolled and attended college (one changed plans from attending Christopher Newport University to entering the military, so we are not certain about attendance at CNU).

FY15- 8 of 8 graduates enrolled and attended college the next (this) year.

FY16- 7 of 8 anticipated to enroll; 1 planning to enroll in a trade apprenticeship program.

Ms. McCann noted that the Step to Success program was one that had not been funded by the County in the past.

Ms. Brennan supposed that they would be at risk of losing direct funding if they did not get funding from the County or Schools. Mr. Carter noted that that the cost was \$1,000 per head for Project Discovery as it was benefiting eight (8) students. Ms. McCann then noted what the requested increase was going towards per their budget request.

April 26, 2016

Supervisors agreed by consensus to fund all but the new program; which added \$1,496 more than FY16.

- B. School Funding
- C. Pay Increases

Supervisors considered School funding and pay increases concurrently as follows:

Mr. Hale noted the Schools requested increase and asked for clarification about what the State was doing in terms of raises. Ms. McCann advised that the General Assembly had said that as of December 1st, there would be an increase in pay and it was incorporated into the state budget and would be subject to state revenue recognition. She added that they had approved the 2% raise from December through the rest of the year and this would be for one hundred fifty-three (153) SOQ positions. It was then noted that the Schools had over three hundred (300) employees. She added that \$59,299 in revenue would come from the state to pay for that. Ms. McCann then noted that for all school employees a 1% raise would cost \$175,000 for a full year and 2% would be double that.

Mr. Hale then asked how much 2% would cost for the County and Ms. McCann advised that 1% would cost \$46,000 so 2% would be \$92,000 for County employees.

Mr. Hale then noted that the options were: no pay increases, a pay increase for County only, and pay increases for both.

Mr. Hale then suggested that they start pay increases on December 1st and do a 2% for those School Employees not covered by State funding and the same for County employees.

Ms. Brennan then noted that typically the Board gave the schools money and they did what they wanted. Mr. Carter advised that the Board could ask them to earmark the funding and confirm it.

Ms. McCann then advised that she thought the amount needed to cover the rest of the School employees for a 2% raise in December was $\$204,169 - \$59,299 = \underline{\$144,870}$.

Mr. Carter then noted that the County now paid \$7 Million dollars over the required local effort and was also hit by the high Composite Index.

Supervisors asked for the amount of increases the Schools had gotten over the past few years and Ms. McCann reported that from FY13-14, they received an increase of \$750,000 in operational funding, in FY14-15 they received an increase of \$60,000 in operational funding for the Early College Program (ECP), and in FY15 -16, they had received \$494,377 in operational funding. Staff clarified that this did not include any capital funding provided.

April 26, 2016

Staff noted that for FY17, they had asked for \$755,371 in operational funding, primarily to fund a new pay plan. Ms. McCann noted that the left over fuel funds would be used for capital costs associated with ADA improvements and this was currently included in the budget for next year.

In response to questions, Ms. McCann noted that the schools did not have an increase in health insurance rates. Mr. Hale noted he felt persuaded to keep compensation parallel between the Schools and County.

Ms. McCann noted that the County did have an increase in Health insurance rates that was offset by the VRS rate decrease; which the Schools did not have. She added that they had an increase in their VRS costs of \$86,000.

Mr. Carter then reported that enrollment projections showed a precipitous drop and he was not sure they needed to add new positions. He then referenced the new position that was to be added for a new Alternative Education program.

Mr. Saunders then questioned whether or not the Schools had considered the attrition savings they may have. He noted they may not have known when the budget was developed; however they should know now and this could be a big dollar figure. Mr. Saunders then commented that the Schools never seemed to look to cut anything and then they came to the Board with what they expected to receive. Ms. Brennan advised that they were supposed to present a budget for what they needed. Mr. Saunders noted his displeasure with some of the personnel decisions that they have made.

Mr. Hale then recommended doing a 2% increase and Ms. Brennan added that she thought they should cover the mandatory VRS increase and the 2% raise in December less the state funds. Ms. McCann advised that they would receive \$29,000 more in state revenue for the VRS increase and Ms. Brennan suggested that this be a reduction.

Ms. McCann clarified that the cost was \$86,000 for the mandatory VRS rate increase and they showed a \$29,450 increase in state revenue for VRS.

Supervisors agreed by consensus to have staff provide the figures based on a December 1st increase of 2%, backing out state funds and including the mandatory VRS rate increase (budgeted vs. cost for what the Board was funding). It was noted that \$175,000 was given including all benefits and they should be able to take the seven months of proportionate share.

Supervisors also agreed by consensus to only fund this amount as the maximum for the Schools.

Mr. Carter then asked if the Board was still amenable to considering the County's salary study when it was finished and Supervisors agreed by consensus to look at it; however they

April 26, 2016

were skeptical. Mr. Carter noted that staff was trying to see if the County was within its market area and they would have to decide if it was a comparable market. He advised that Albemarle County had approved keeping their employees at market rate whatever that was. He added that a lot of work had been done and he thought the study results would be informative. Ms. Brennan then confirmed that the Board had asked that it be done and they did want to see the outcome.

D. New Positions

Ms. McCann noted that new positions were requested in the IT and Planning Departments and the Sheriff had requested that a Part Time position be made Full Time.

IT and Planning Positions:

Ms. Brennan suggested hiring a person who could split time in IT and Planning since both departments were working hard and stressed.

Mr. Carter advised that the concept was good; however he did not think it would work in practice because it would be tough to go back and forth. He noted that the IT department was jumping through a lot of hoops with Broadband, radios etc. and the workload was significant. He added that Planning was also busy; however the workload could simmer down a bit. He added that having both positions would be good; however if a choice had to be made, IT was his preference.

Mr. Bruguere agreed that IT was wearing too many hats and he thought if Mr. Massie stayed around he could continue to help the Planning Dept. It was noted that Mr. Massie was reviewing and approving plats, was doing zoning violations, and was part of the critical thinking process on issues. Mr. Carter noted it was hard to say how long he would continue since he had started another venture on the side and the Board asked staff to encourage Mr. Massie to give advance notice if he was leaving.

Mr. Hale then noted that Broadband would not stop demanding attention and that he hoped the Authority would be in a position to pay for this in another year or two; however they were not there yet. Supervisors agreed that when the Authority could fund this position it would. Mr. Carter agreed that they had the authority to make it happen. He then noted that some of the consultant's projections showed that money would flow back to the County from the Authority's operations. He noted that the first phase of the current project was already generating interest from a subdivision in the area and that Ms. Rorrer had met with SCS and they thought that in the next few weeks, they would become a fiber ISP on the network.

Supervisors then agreed by consensus to fund the IT position and not the Planner position at this time. Ms. Brennan noted she agreed that IT needed help. She then proposed that the County put Mr. Massie's 29 hours fully towards the Planning Department and hire a Part

April 26, 2016

Time Recycling Coordinator. She noted that if paid \$15 per hour, it would cost \$16,815. She added that better recycling was needed and Mr. Massie did not have time to work on this. Mr. Carter noted that he did look at recycling some; however most of his time was spent keeping up with convenience center employees and he also did the reporting. It was noted that many citizens did recycle but some were not taking the opportunity to do it. Ms. Brennan noted she would like to see recycling reports from Mr. Massie in the future.

Mr. Saunders then suggested that they defer this decision until they got to the end of the budget work and then decide if it was feasible. Supervisors then agreed by consensus to defer action.

Mr. Hale then commented that the solid waste collection system was an enormous improvement and was working overall very well. Mr. Carter agreed and noted that he thought the committee should meet with staff and get their perspective.

Sheriff PT/FT Position:

Ms. McCann noted that the Department had a part time clerical position funded by the Compensation Board and they were requesting it be made full time; which would be a local expense. She noted that the County was currently paying for the Full Time Clerical position. She clarified that that they currently had one full time and one part time clerical position. Ms. McCann then advised that doing this would cost \$23,000 in addition to what was in the budget of \$12,988. Mr. Carter then suggested that the Board consider putting funding in the Planning Department instead of this one.

Mr. Hale noted that the Board had responded favorably to the Sheriff's previous requests to shift funding to hire personnel.

Ms. McCann noted that the Court Fines and Forfeitures revenues were coming up significantly short and the Board should discuss this before deciding on providing funding for a new vehicle. She reported that under the previous administration, \$116,739, had been brought in during a six months period versus \$64,425 collected in three months under the current Sheriff. She noted that in order to meet the budgeted number for this year, they would have to average \$25,833 per remaining month. She noted that based on their monthly average of \$21,474, the budgetary shortfall would be \$85,888.

Ms. McCann clarified that it was a budgetary shortfall and she was not intending to put it on one Sheriff or the other. Mr. Bruguiere then noted that the Sheriff's Department was not there to make money. Mr. Carter then advised that the Board had an understanding with the former Sheriff that these revenues would support the local-only funding of positions. He added that the Board was funding two (2) additional police and the Security positions were made Full Time with these funds.

Supervisors then agreed by consensus to not fund this position change request.

April 26, 2016

Mr. Carter then added that the departmental vacancy savings should offset the shortfall in the Fines and Forfeitures revenues.

Ms. McCann noted that staff has made Sheriff Hill aware of how this understanding worked and she thought he was relying on Court numbers which were received at a lag and she had advised him that it was coming up short. Mr. Carter reiterated that he had also advised him of the understanding and he was aware of it. He then noted the failed State legislation that would have taken a larger portion of those funds; however it was not approved.

Mr. Bruguere noted that the County did not get anything from State Police tickets because that went to the state. Mr. Saunders noted that running radar was enforcing the law and Ms. Brennan added it was providing safety. It was advised that the Sheriff should work with the County and if he did not like the current understanding; he should come up with something else. Mr. Hale agreed and noted that if he needed to address the shortfall, then he should do so. Mr. Carter advised that the understanding with the previous administration was that if they did not make the budget numbers; those positions previously noted would come off the books.

Mr. Saunders then asked staff to make sure Sheriff Hill knew this and he added that 90-95% of speeding tickets were people from out of state. Supervisors agreed they understood he was new and they should give him some time to work on this.

PT Shelter Attendant:

Although not on the list, Ms. McCann verified with the Board that they had agreed to leave this position in the budget pending a decision to fill it or not by the new Animal Control Supervisor.

E. Other

Sheriff's Department Funding:

Mr. Hale asked for clarification again on the Sheriff Department's salary savings and noted he was still unclear about it. Ms. McCann explained that the department had non-recurring revenue from vacancies and recurring funds from turnover savings relative to supplements that were not being paid. She noted that Sheriff Hill had asked about purchasing a vehicle with these funds. She noted that the Board has funded the purchase of two (2) vehicles in the budget and realistically, they could not logistically purchase and pay for a vehicle within the current year that ended in June. She added that they could carry these funds forward to next year or use it to offset the shortfall in fines and forfeitures in this fiscal year.

Mr. Hale noted that this was a savings in the current fiscal year that has been realized. He added that the Board could leave this as a possible budget amendment if the fines and

April 26, 2016

forfeitures revenues started picking up. Mr. Carter confirmed that these funds were already in the General Fund.

Ms. McCann noted that while the Compensation Board funds have gone to pay for other things in the Sheriff's budget, the County supported his budget significantly over what the Compensation Board did.

Supervisors then reiterated their consensus that new Constitutional Officers got paid the Compensation Board salary and not the salary of the incumbent employee. Ms. McCann advised that the Compensation Board salary did not stay static, it continued to go up. She added that for instance, the new Commissioner of Revenue started at a higher Compensation Board salary than the former one did because it was increased over time.

Remaining Budgetary Items:

Ms. Brennan inquired about capital items and Mr. Carter noted that staff would not present any other capital items and that Supervisors could have a future joint meeting with the School Board on their capital items. Staff noted that the Route 29 Corridor study would be brought back as a capital outlay item in the General Fund budget.

Ms. McCann noted that they would have to have a work session on the Other Fund budgets and they could discuss any other items at that time and then move to public hearing.

Staff noted that the Board could have one more meeting before going to public hearing. Ms. McCann noted that the Other Funds included: debt service, courthouse project, piney river 3, and the capital fund budgets. She noted that a CDBG budget may not be needed if the fiber expansion project finished up this fiscal year.

Supervisors inquired as to when a joint meeting with School Board would be held and staff suggested that it be after the start of the new fiscal year. He noted that the Schools had the funding for the ADA compliance issues and the other funds that would be used this summer. Ms. McCann added that they had budgeted \$325,000 for this; however the work had not been bid out yet and it was unknown how the actual costs would compare to the budgeted funds.

Staff then advised that May 10th would not work for the conduct of the budget public hearing because of the State Code requirements. Supervisors then agreed by consensus to have the final budget work session on May 3, 2016 at 4pm; acknowledging that Ms. Brennan would be absent.

Mr. Carter then noted that Supervisors had a lot of margin with the contingency that was in place. Mr. Hale noted that was a positive thing; however there was the potential for issues to be addressed such as the library. Mr. Carter added that staff was still working on Board retreat items, such as the strategic plan on the corridors.

II. Other Business

A. Land and Water Conservation Fund Request for Letter of Support – Nelson County Land Acquisition

Mr. Hale noted that the property in question was near the Campbell property and Spy Rock. Mr. Bruguere noted that if the property was going in to the National Forest and not into the Wilderness program, he was in favor of it.

Mr. Hale noted he was in favor of the acquisition and noted the property probably would not be developed. It was noted that the property owners were keeping a cabin on it and he was concerned about how much tax revenue would be lost even though the County would get some PILT funds from the federal government.

Mr. Carter noted that the property was valuable; however it was currently in land use and the taxes were about \$700 per year. He added that the annual PILT payment would be about \$770 per year so it would potentially be a wash.

Ms. Brennan noted she was in favor of the transaction and she moved to authorize staff to submit a letter of support for the request. Mr. Bruguere seconded the motion and there being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion.

Introduced: Other Items in Process

Calohill Building:

Mr. Saunders asked for an update on the Calohill building and Ms. McCann noted that the bid solicitation had been done and a non-mandatory meeting was held on the previous Friday with a few in attendance. She added that the bids were due that Friday and the solicitation was sent directly to at least seven contractors. It was noted that the Calohill Drive road potholes had been fixed but it was uncertain who fixed them.

Norwood Boat Landing:

Mr. Saunders asked for an update on the Norwood boat landing project and Mr. Carter advised that per Emily Harper, this was on hold. He added that they had a design and were waiting for input from DCR. He advised that the County would have to get leases on land and the Board would have to fund the building of the launches unless the County got a grant. He added that staff would have to work with VDOT at the Nelson Wayside site.

Supervisors then agreed by consensus that it would be a great thing to get this done and directed Staff to aggressively pursue it.

April 26, 2016

Fencing Laws:

Mr. Bruguiere noted that (after hearing from citizens during the April 12th public comments on this issue), he had spoken to some people who thought that the County's fence in/out laws should be left as is - fence out. Mr. Carter noted that this issue was complicated and Mr. Saunders added that the law said that the ones complaining had to put up the fence. It was noted that Virginia law did provide for localities to adopt a fence in law. Mr. Hale noted that citizens could bring suit for damages done by livestock and Mr. Bruguiere added that most farmers had insurance to cover losses from livestock.

Supervisors agreed by consensus that the issue spoken of by citizens on April 12th was not theirs to solve. Mr. Carter noted that this has been discussed many times in the past and it has been kept the way it is. Ms. Brennan noted her concern was primarily with dogs running at large.

III. Adjourn and Continue Until _____, 2016 at _____ in the General District Courtroom for the Conduct of a FY16-17 Budget Work Session.

Mr. Hale noted that the next budget work session would be held on Tuesday, May 3rd at 4:00 PM.

At 5:45 PM, Mr. Bruguiere then moved to adjourn and continue until May 3, 2016 at 4pm in the Old Board of Supervisors Room and Mr. Saunders seconded the motion. There being no further discussion, Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.