

June 7, 2012

**Virginia:**

AT A CALLED MEETING of the Nelson County Board of Supervisors at 7:00 p.m. in the Board of Supervisors room located on the second floor of the Nelson County Courthouse in Lovingston, Virginia.

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

Absent: None

**I. Call to Order**

Mr. Harvey called the meeting to order at 7:00 pm with all Supervisors present to establish a quorum.

**II. Public Hearing (Fiscal Year 2012-2013 Budget)**

Mr. Carter noted that the Board would need to consider adoption of the FY13 budget by June 30, 2012 and the Board must wait at least seven (7) days after the Public Hearing before it could be adopted. He added that this would make the earliest potential date for adoption June 14, 2012.

Ms. McCann then presented the following information regarding the FY13 budget that covers July 1, 2012 – June 30, 2012.

Ms. McCann noted that the budget consisted of the following fund groups:

- General Operating Fund
- School Operating Fund (&Textbook Fund)
- Debt Service Fund
- Capital Fund
- Courthouse Project Fund
- Broadband Project Fund
- Community Development Block Grants
- Piney River Water/Sewer Operations

She then noted the comparison of the General Fund Budget between this fiscal year and FY13 as follows:

• FY11-12	\$33,049,113
• FY12-13	\$35,338,610
• Increase	\$ 2,289,497

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- % Change +6.9%

Ms. McCann then reviewed the following relative to FY13 Revenues:

- Increase in real property tax rate is anticipated to generate an additional \$1.3 million in Real Estate tax collections.
- Increase in motor vehicle license fee is anticipated to generate an additional \$135,625.
- Increase in revenue from sales tax.
- Anticipated growth in revenue from meals and lodging tax.
- Increase in ambulance transport fees to support paid EMS

Ms. McCann then noted that the Real Estate tax rate had been increased from \$.55 per hundred to \$.60 per hundred and the Vehicle License Fee had gone from \$30.00 to \$38.75.

Ms. McCann then noted the following relative to Local Revenues:

- FY12 Budget \$25,277,343
- FY13 Projections \$27,195,725
- Overall Increase \$1,918,382
- Percent Change +7.6%

She noted that Local Revenue was 77% of the budget and the primary source was property taxes which comprised 80% of that.

Ms. McCann then noted the following relative to State Revenues:

- FY12 Budget \$3,151,305
- FY13 Projections \$2,972,556
- Overall Decrease -\$178,749
- Percent Change - 5.67%

She added that State Revenues were 8.4% of the total General Fund budget and was comprised mainly of State Compensation board funding and local aid. She noted that there was a reduction in public assistance funding that would be handled by the State and there were also fluctuations in grant funding.

Ms. McCann then noted the following relative to Federal Funding:

- FY12 Budget \$2,086,702
- FY13 Projections \$ 856,886
- Overall Decrease -\$1,229,816
- Percent Change -58.94%

She noted that Federal Revenues were 2.4% of General Fund revenue and was comprised of Department of Social Services funding, Payment in Lieu of Taxes, and Grants. She added that the large decrease was due to the completion of a federally funded regional PSIC grant.

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Ms. McCann then concluded the discussion of Revenues by noting the following totals:

• Local	\$27,195,725
• State	\$ 2,972,556
• Federal	\$ 856,886
• Financing Proceeds	\$ 1,800,000
• Year Ending Balance	\$2,513,443
• Total	\$35,338,610

She added that financing proceeds consisted of funding for the public safety communications system upgrade to meet the federal narrow banding requirement and that the Year Ending balance was comprised of carry forward funds and allocations for reserves.

Ms. McCann then reviewed the following relative to FY13 Expenditures:

- Employee Salary adjustment (6% for VRS employees and 1% for part-time)
- Expanded paid EMS program to provide additional hours of service.
- Communications project to meet federal narrow banding radio requirements for law enforcement & emergency services.

Ms. McCann noted that the salary increase was to cover the VRS mandate for employees to pay 5% towards retirement and was an offset to this mandate. She then noted that the Board was funding enhanced emergency services and funding the mandated radio system upgrade to meet federal narrow banding requirements.

Ms. McCann then noted the following relative to active Grants:

- Blue Ridge Tunnel restoration
- Blue Ridge Railway Trail
- Funded with Transportation Enhancement grants from VA Department of Transportation

Ms. McCann noted that these were funded by the Virginia Department of Transportation and that staff was actively pursuing other funding sources for the Blue Ridge Tunnel restoration.

Ms. McCann then noted the following relative to the Local Contribution for Schools:

• School Nursing Program	(Level)
• School Operations	(+\$955,689)
• Total Contribution	\$ 13,576,107
• Total Debt	\$ 2,456,195
	Total Funding \$ 16,032,302

She noted that this was a 7.6% increase was almost a million dollars in new local funding and included a reduction for capital projects, which lessened the increase. She added that the 5% VRS mandate and offsetting 6% raise also applied to School employees.

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Ms. McCann then noted the following relative to summarizing the budget by fund:

-School Fund	\$24,525,366
-Textbook Fund	\$526,645
-Debt Service Fund	\$3,542,257
-Capital Fund	\$1,497,875
-Courthouse Project	\$853,826
-Broadband Project	\$1,487,738
-CDBG Grant Fund	\$684,008
-Piney River Water/Sewer	\$208,669

Ms. McCann noted that in the School Fund, there was a small increase in State funding and a small decrease in Federal funding due to fluctuations in Federal carry over amounts.

She then noted that the Courthouse Project was substantially complete except for the Jefferson Building and that the Broadband Project would be complete in late summer or fall.

Mr. Hale then clarified that the School System would also get a 5% and 1% raise and Ms. McCann confirmed that they would also get a total raise of 6%.

Upon the conclusion of the presentation, Mr. Harvey opened the public hearing and the following persons were recognized:

1. Katie Harvey, Afton

Miss Harvey noted that she was a student at Rockfish Elementary School and that the schools needed more money.

There being no other persons wishing to be recognized, the public hearing was closed.

Board members then thanked staff for their hard work and noted that the County has a good budget that was fiscally sound.

### **III. Other Business (As May Be Introduced if All Members are Present)**

#### *Introduced: Budget Adoption*

Ms. McCann inquired as to when the Board would want to adopt the budget. She noted that it had to be done by June 30, 2012 and that the next regular meeting was on June 28, 2012 and would be okay. She added that staff would ask the Board to consider appropriating it then as well.

Mr. Bruguere noted that he would not be at the June 28<sup>th</sup> meeting and members noted that they could decide this at the meeting on Tuesday the 12<sup>th</sup>.

Ms. Brennan inquired as to the likelihood that any agency numbers would change and Mr. Carter noted that staff did not intend to revise these but it was up to the Board and he added that the budget could be

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amended at any time. He noted that he had spoken to the Health Department regarding relocation etc. and that budget may be amended after it was adopted if necessary.

*Introduced: Public Comments*

Mr. Harvey asked if there were any public comments to be considered and no one in attendance wished to be recognized.

*Introduced: Crozet Tunnel Foundation*

Mr. Hale distributed information on the Crozet Tunnel Foundation; which was a Summary Fact Sheet to be used for public information.

*Introduced: Employee Matter*

Mr. Carter noted to the Board that the funeral service for Ms. Harper's husband was that upcoming Saturday and that staff had sent a card, food and hibiscus tree on behalf of the Board and staff.

*Introduced: Heath Department Move*

Mr. Saunders inquired about the scheduled Health Department move and Mr. Carter noted that the current date that the new space would be ready was October 1, 2012. He noted that they have not negotiated a lease yet and he was concerned that the cost of the lease may exceed what was thought. He added that the lease had to be finalized and approved by the Health Department, Blue Ridge Medical Center, and the County.

#### **IV. Adjournment**

Prior to adjournment, Mr. Saunders echoed the sentiments of appreciation for the hard work by staff on the budget.

At 7:25 PM, Ms. Brennan moved to adjourn and Mr. Hale seconded the motion. There being no further discussion, Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.