

March 13, 2018

Virginia:

AT A REGULAR MEETING of the Nelson County Board of Supervisors at 2:00 p.m. in the General District Courtroom located on the third floor of the Nelson County Courthouse, in Lovingson Virginia.

Present: Thomas D. Harvey, North District Supervisor
Jesse N. Rutherford, East District Supervisor
Ernie Q. Reed, Central District Supervisor
Thomas H. Bruguire, Jr. West District Supervisor – Chair
Larry D. Saunders, South District Supervisor –Vice Chair
Stephen A. Carter, County Administrator
Candice W. McGarry, Administrative Assistant/Deputy Clerk
Debra K. McCann, Director of Finance and Human Resources
Sandra Shackelford, Director of Planning and Zoning
Phillip D. Payne, IV, County Attorney

Absent: None

I. Call to Order

Mr. Bruguire called the meeting to order at 2:10 pm, with all Supervisors present to establish a quorum.

- A. Moment of Silence
- B. Pledge of Allegiance – Mr. Saunders led the Pledge of Allegiance

II. Consent Agenda

Supervisors considered Item E. Separately from the Consent Agenda as follows:

Mr. Bruguire asked Mr. Rutherford to read aloud item E. **R2018-10** and Mr. Rutherford did so. Mr. Saunders then moved to approve resolution **R2018-10**, Same Page 2018, “What We Talk About When We Talk About Anne Frank” by Nathan Englander and Mr. Rutherford seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion and the following resolution was adopted:

E. Resolution – **R2018-10** Jefferson Madison Regional Library – “ Same Page 2018”

RESOLUTION R2018-10
NELSON COUNTY BOARD OF SUPERVISORS
SAME PAGE 2018:
“WHAT WE TALK ABOUT WHEN WE TALK ABOUT ANNE FRANK”
BY NATHAN ENGLANDER

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WHEREAS, Same Page provides citizens with the opportunity to read and discuss a single book within their community by an author appearing at the Virginia Festival of the Book; and

WHEREAS, the Jefferson-Madison Regional Library invites all book lovers to participate in Same Page, which will be held throughout March 2018; and

WHEREAS, the library's goal is to encourage all residents of Central Virginia to read and discuss "What We Talk About When We Talk About Anne Frank" by Nathan Englander; and

WHEREAS, the book is a collection of eight stories that explore themes such as trust, neighborliness and the Jewish identity; and

WHEREAS, Same Page is generously funded by the Friends of JMRL, and supported by the Art and Jane Hess Fund of the Library Endowment and the Virginia Festival of the Book;

NOW, THEREFORE BE IT RESOLVED, by the Nelson County Board of Supervisors that March 2018 is hereby designated Same Page month and all residents are encouraged to read "What We Talk About" during this time.

Mr. Harvey then requested that Item F. Resolution **R2018-11** be considered separately and Supervisors agreed by consensus.

Mr. Harvey then moved to approve the consent agenda less item F. **R2018-11** and Mr. Saunders seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion and the following resolutions were adopted:

A. Resolution – **R2018-06** Minutes for Approval

**RESOLUTION R2018-06
NELSON COUNTY BOARD OF SUPERVISORS
APPROVAL OF MEETING MINUTES
(February 13, 2018)**

RESOLVED, by the Nelson County Board of Supervisors that the minutes of said Board meeting conducted on **February 13, 2018** be and hereby are approved and authorized for entry into the official record of the Board of Supervisors meetings.

B. Resolution – **R2018-07** FY18 Budget Amendment

**RESOLUTION R2018-07
NELSON COUNTY BOARD OF SUPERVISORS**

March 13, 2018

**AMENDMENT OF FISCAL YEAR 2017-2018 BUDGET
NELSON COUNTY, VA
March 13, 2018**

BE IT RESOLVED by the Board of Supervisors of Nelson County that the Fiscal Year 2017-2018 Budget be hereby amended as follows:

I. Appropriation of Funds (General Fund)

<u>Amount</u>	<u>Revenue Account</u>	<u>Expenditure Account</u>
\$811.04	3-100-002404-0001	4-100-031020-5419
\$811.04		

II. Transfer of Funds (General Fund)

<u>Amount</u>	<u>Credit Account (-)</u>	<u>Debit Account (+)</u>
\$6,000.00	4-100-999000-9901	4-100-013010-1010
\$4,300.00	4-100-999000-9901	4-100-013020-1003
\$300.00	4-100-999000-9901	4-100-013010-5201
\$2,700.00	4-100-999000-9901	4-100-013010-5401
\$4,700.00	4-100-999000-9901	4-100-013010-5413
<u>\$1,000.00</u>	4-100-999000-9901	4-100-013010-5501
\$19,000.00		

C. Resolution – **R2018-08** Endorsement of VCA Grant – Wintergreen Performing Arts

**RESOLUTION R2018-08
NELSON COUNTY BOARD OF SUPERVISORS
VIRGINIA COMMISSION OF THE ARTS
FY18-19 CREATIVE COMMUNITIES PARTNERSHIP GRANT
(FORMERLY LOCAL GOVERNMENT CHALLENGE GRANT)**

BE IT RESOLVED, by the Nelson County Board of Supervisors that said Board endorses the County's submission of an application to the Virginia Commission of the Arts for 2018-2019 Creative Communities Partnership Grant funding (formerly Local Government Challenge Grant).

BE IT FURTHER RESOLVED, said application includes a local match of \$4,500.00 to be confirmed upon formal adoption of Nelson County's Fiscal Year 2018-2019 Budget by the Board of Supervisors.

D. Resolution – **R2018-09** Endorsement of Drinking Water Quality Fund Grant – Piney River 3

**RESOLUTION R2018-09
NELSON COUNTY BOARD OF SUPERVISORS**

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**ENDORSEMENT OF GRANT APPLICATION
THE VIRGINIA DEPARTMENT OF HEALTH-OFFICE OF DRINKING WATER
DRINKING WATER STATE REVOLVING FUND PROGRAM**

WHEREAS, Nelson County has received several Notices of Violation for disinfection by-products (DBP) non-compliance; and

WHEREAS, the Virginia Department of Health-Office of Drinking Water has a Drinking Water State Revolving Fund (DWSRF) Program, to fund drinking water projects; and

WHEREAS, the Nelson County Board of Supervisors has favorably reviewed project planning materials for submitting a funding application;

NOW THEREFORE, BE IT RESOLVED, the Nelson County Board of Supervisors does hereby endorse an application to seek funding from the DWSRF for the Piney River System DBP Compliance Project, and

BE IT FURTHER RESOLVED, that the County Administrator is hereby authorized to initiate a funding application for this project and to sign any and all documents to apply and, with the prior review and approval of the Board, to accept such funding as well as enter into any associated agreements with the Nelson County Service Authority in remedying said DBP non-compliance.

III. Public Comments and Presentations

A. Public Comments

1. Daniel Rutherford, Commonwealth Attorney

Mr. Rutherford noted he wanted to provide the Board with a one-year update. He noted completion of a prosecution in the County where an individual plead guilty to possessing cocaine and methamphetamine resulting in a possible sentence of 15 years to life. He noted that the individual funneled money back to his place of origin from dealing and selling over a kilo of meth per week. He advised that the Skyline Task Force apprehended the cartel and the case had ended in the new courtroom. He then thanked the Board for their ongoing support. Mr. Rutherford then noted the ongoing drug problem in the County and stated that felony cases had doubled from 2016 with 321 felony cases prosecuted in 2017. He added that the number of felonies he was prosecuting was growing and his office had indicted more for racketeering than the Charlottesville federal courthouse. He then thanked the Board for the funds they had provided his office in the last year.

2. Eleanor Amidon, Afton

Ms. Amidon referenced a February 15th memo whereby the Planning Commission was being asked to consider policy changes and she wanted to make note to the Board regarding those. She began by noting that she thought if the Board deemed changes were necessary, there were better ways to accomplish their goals. She noted the proposed changes and that each one should be considered from many viewpoints and angles. She added that she thought that generalizing the code which was the object of the proposed changes allowed for unthought-of uses and the current code served the county better. She noted with the proposed changes, there was too much wiggle room for unintended consequences and the county should keep clear distinctions within the code and be wary of adding by right uses.

Ms. Amidon then noted that she was specifically concerned about public utility contractor yards being added which could lead to utilization by the ACP as it had in Buckingham County. She noted that with construction in Nelson scheduled for 2019, they needed to learn more from Augusta County.

Ms. Amidon then advised that she preferred the use of a Special Use Permit process versus changing the Code to make it easier for outside developers to do what they want. She then asked the Board to think carefully about all of the ramifications of changes to the zoning code.

3. Wayne Parent, Roseland

Mr. Parent noted that he was in favor of including Rhue Hollow on the unpaved priority list. He asked that the Board keep them on the list and noted that the last .40 miles had eleven (11) homes, which was twice as many in the last five years. He added that traffic was increasing, the road wash boarded quickly, and was a dust bowl at times. He asked the Board to consider keeping it on the list and giving it a high priority.

4. Joe Williamson, Arrington

Mr. Williamson noted he was a retired school system behavior specialist and he was there to promote the need for funding of school security. He added that the schools were very porous although they did have an intercom system in all schools and staff was trained. He noted they also had a key card system; however still had issues with people propping doors open. He noted that the High School housed a Resource Officer; however he could not be replicated and more were needed in the other schools. He then urged the Board to fund more School Resource officers and to support the School Board's budget measures for school security.

Following public comments, Mr. Carter introduced Chuck Miller, the new Building Code Official and noted his previous education and work experience.

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B. VDOT Report

Mr. Austin distributed a new list noting it was the same as the list provided in March except for the addition of Embly's Gap and some other potential routes to be added as follows:

**NELSON COUNTY
RURAL RUSTIC PRIORITY LIST- FY18/19 -FY 23/24
DRAFT**

	ROUTE NAME	FROM	TO	LENGT	TC- VPD	NOTES
1	654 FALLING ROCK DR	1.0 M.I.E. RTE 657	RTE 661	1.90 Mi.	127 FUNDED FY 18/19	\$380,000
2	814 CAMPBELL'S MT RD	0.99 Mi. N. RTE 56	1.99 Mi. N. RTE 56	1.00 Mi.	109 FUNDED FY 18/19	\$200,000
3	617 BUCK CREEK RD	0.23 Mi. N RTE 29	DEAD END	1.40 Mi.	140 FUNDED FY 18/19	\$280,000
4	625 PERRY LANE	ROUTE 623	DEAD END	2.00 Mi.	118 FUNDED FY 19/20	\$400,000
5	653 WILSON RD	RTE 655	RTE 710	2.83 Mi.	60 FUNDED FY 20/21	\$461,675
6	645 AERIAL DR	RTE 646 E	RTE 646 W	0.20 Mi.	55 FUNDED FY 20/21	\$40,000
7	721 GREENFIELD DR	RTE 626	0.50 Mi. N RTE 626	0.50 mi.	51 FUNDED FY21/22	\$100,000
8	666 JACK'S HILL RD	2.57 Mi. W RTE 678	1.82 Mi. W RTE 678	0.75 mi.	50 FUNDED FY21/22	\$150,000
9	628 RHUE HOLLOW RD	Route 764	DEAD END	0.60 MI.	60	\$44,00
10	794 RHUE HOLLOW LANE	RTE 628	DEAD END	0.20 MI.	60	\$40,000
11	678 Embly's Gap	2.06 Mi. N Rte. 676	Rte. 666	1.64 MI.	110	\$320,000

Estimated cost /mile \$175,000-\$225,000
Six Year Plan Estimated Unpaved Road Allocation

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Mr. Austin noted that they were beginning work on the first three priorities and would start on the 4th; therefore those needed to remain in the same order and the Board could re-arrange priorities five through thirteen.

Mr. Rutherford noted that High Peak Lane in Shipman was a potential addition and Mr. Austin noted he would look at the Route number and traffic count.

Mr. Bruguere asked if VDOT would be going back to clean up debris in the right of ways and Mr. Austin noted they had contracted crews to do that. He added that it would get done either by them or VDOT.

Mr. Saunders noted that he thought Cedar Creek Road should be finished with it only having a mile left. Mr. Austin noted the whole road to be 4 miles; however 1 mile would do up to the last houses there.

Mr. Austin and Supervisors discussed holding a public hearing in April or May and Mr. Austin noted he had tentative budget allocations and unpaved road funds by year which were similar to last year.

Mr. Rutherford noted High Peak Lane was Route 650 and had a traffic count of 100 vehicles per day. Mr. Austin questioned the mileage of unpaved road and noted he thought it to be 1.6 miles but would need to confirm that.

Mr. Reed, Mr. Saunders, and Mr. Rutherford had no VDOT issues.

Mr. Harvey suggested that VDOT re-evaluate right of ways that had dead pine trees leaning towards the road. Mr. Austin noted that they caught those as they were noticed and if the Board or citizens could provide locations, they would look at them. He added that they could be reviewed if they were provided with locations.

Mr. Bruguere noted that at the St. James Church Road intersection where the church was located, there was standing water on both sides that needed to be addressed. He added it was not draining and needed to be ditched somewhere and it was getting worse.

Mr. Austin then re-inquired about a public hearing on the SSYP and Mr. Bruguere suggested it be done in April. Mr. Austin asked about the priorities and asked the Board to add several routes in order to use all of the funding. He added that Carter Hill Road would get a new count and he thought it may be over the 50 VPD threshold now.

Mr. Bruguere noted he thought that Campbell's Mountain ought to be added.

Mr. Austin then introduced new VDOT employee Chris Busch.

C. Presentation - TJPDC Potential Planning Grant for Lovingson Revitalization

Mr. Will Cockrell, Director of Planning at Thomas Jefferson Planning District Commission (TJPDC) noted they were enthusiastic about helping the County explore what CDBG grant options may be available for Lovingson. He noted that DHCD had open submission through September and that the TJPDC would do the grant application at no cost to the County. He noted there would be no commitment to do the planning grant and the County could decide not to move forward. Mr. Cockrell noted that the TJPDC had done work with the County in 2006 on a similar study; however at that time, there was not enough properties in disrepair to qualify for a revitalization grant. He noted that much had changed since then such as the development along Route 151 and the reinvestment that had occurred in Lovingson. He added that he had spoken to someone at DHCD who thought Lovingson would be a great project.

Mr. Bruguere asked if they would work with property owners and have them involved as well and Mr. Carter advised that would be part of the process if the planning grant was awarded. He added there would be public meetings especially if it resulted in a Community Development Block Grant.

Mr. Rutherford noted that this had been discussed and there was a lot of excitement about seeing what options there may be and he was also very excited about the opportunity. Mr. Carter advised that the real workload would be carried by TJPDC staff and there was no expense to the County.

Mr. Rutherford then moved to allow TJPDC to start the process of soliciting a CDBG Planning Grant for Nelson and Mr. Reed seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion.

IV. New Business/ Unfinished Business

A. Buck Creek Village/Lane – Dedication of Sight Distance Easement (**R2018-12**)

Ms. Sandy Shackelford, Planning and Zoning Director reported that this request involved the proposed subdivision off of Buck Creek Lane where the road was not wide enough to have site distance for the subdivision entrance. She noted that VDOT had asked for additional sight easement to be dedicated with a commitment to keep it clear in order to maintain the required sight distance. She added that because it was a secondary road, VDOT required the County to accept the easement.

Mr. Harvey asked if the County was responsible for keeping the sight easement clear and Mr. Carter advised that there was a draft contract that stipulated the subdivision owner was required to maintain it and if they failed to do so, the County could request that VDOT clear the property. He added that in the future, it would be appropriate to have an agreement for that and that Mr. Payne would work on one that would be sure to obligate the subdivision owner long term.

Mr. Harvey then commented that the road was scheduled to be rebuilt and Ms. Shackelford noted that the issue now was that the portion to be maintained was not part of the VDOT right of way. She then noted that the additional area would have to be dedicated and she questioned whether or not that had

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been done before. Mr. Carter advised that he did not recall; however he had spoken with VDOT staff who advised there was not really a regulation requiring this but rather it was historical practice. He added that staff thought the State owned the secondary road system; however VDOT looked at it as the County owned it but they maintained it.

Mr. Harvey supposed it was a prescriptive easement rather than a deeded easement and Mr. Payne noted the road may be a non-prescriptive, fee simple road where they actually owned the land. Mr. Payne noted his immediate response was to question the County holding the easement as he had not run into this before.

Mr. Harvey stated he did not want the County to be responsible for developments and Mr. Carter advised that was the reason for having maintenance agreements should the Board choose to proceed with it.

Mr. Bruguere and Mr. Saunders asked if the developer could be required to keep the right of way clear and Ms. Shackelford responded that they could. Mr. Carter noted the language in the draft easement could be changed to obligate the developer.

Mr. Reed confirmed that VDOT would keep the right of way clear if necessary and he asked what other liabilities there would be if the developer refused to do it. Mr. Carter indicated there were none and that VDOT had said they would keep it clear.

Mr. Bruguere asked if VDOT had required this at the subdivision site review meeting and Ms. Shackelford noted she did not know as that occurred prior to her employment with the County.

Mr. John Hesselbart, Buck Creek Lane resident and Subdivision Developer was present to answer questions. Mr. Bruguere asked if in the negotiations with VDOT, had they indicated that they needed more right of way for sight distance.

Mr. Hesselbart advised that they had studied the engineering plans and said they were acceptable. Thereafter, Jeff Kessler of VDOT introduced the sight distance easement requirement. He noted it had been done for Bold Rock Cidery, however that was on a primary road and was an easement with the State.

Supervisors and Staff briefly discussed the history of the state and county road system; with Mr. Payne noting that the 1928 Byrd Act provided for the state to take over County maintained roads. He added that applied to maintenance of the roads, not ownership. Mr. Harvey then noted that property owners owned to the center of the highway and he questioned how VDOT could improve roads they did not own. Mr. Carter and Mr. Payne advised the roads were public right of way and the actual land ownership was with adjoining land owners; being similar to a fee simple ownership.

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Mr. Hesselbart advised that they could not build the road without VDOT approval and could not create a new subdivision entrance. Ms. Shackelford advised that VDOT wanted a guarantee it would stay cleared and VDOT was asking him to give the easement to the County.

Mr. Bruguere suggested that more time be allowed for more research and Mr. Carter advised they would not resolve who owned the road and Mr. Hesselbart added that they wanted to build the road to the subdivision and he was ready to build the entrance.

Mr. Reed stated it did not make sense to punish the applicant for a technicality they had to deal with and Mr. Harvey agreed; however he noted it was precedent setting.

Mr. Carter advised that if the Board's primary concern was who maintained the easement, the agreement could be reworded to obligate the developer in maintaining the easement and they could word it such that whoever had the property next would be responsible.

Mr. Bruguere noted that use of that language would allow them to complete the road and Mr. Hesselbart noted he had no issue with the language except that the deed was to the owner and not the developer. Mr. Saunders noted it was the same easement as a utility right of way and it would go with the property owner.

Mr. Bruguere noted that reducing the speed limit to gain sight distance had been suggested; however that had been deemed not feasible by VDOT. Mr. Reed added that the demand was made by VDOT and it was clear what was required. Mr. Carter added that the language could be revised so that the developer was required to maintain the easement.

Mr. Harvey reiterated his reservations noting he would like to see the original deed and read that no title report was furnished. He added that he was bothered by the fact that there was no VDOT regulation requiring it and he did not think the Board could make a decision on it yet.

Mr. Bruguere noted a similar situation on a back road with the wildlife preserver; who had to put in a commercial entrance and needed more right of way, however did not have to come to the County. He then asked if they should table the matter until they had more information.

Mr. Harvey advised that they could put a construction entrance in; however the entrance would not be approved until they got what VDOT was asking for. He added that VDOT could deny access to the subdivision but not to an individual's home.

Mr. Carter advised that this was not Mr. Hesselbart's fault and he was just proceeding as he was advised. He noted that the matter could be brought back to the Board at an ensuing work session if so scheduled the following week.

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Mr. Bruguere noted the Board's consensus to table the matter until the agreement could be re-worded and Mr. Carter acknowledged staff would resolve questions of ownership and work on changing the language in the agreement so as to not obligate the County.

B. Warminster Historic District, Dept. of Historic Resources Cost-Share Grant

Mr. Carter noted that the application was on behalf of the Historical Society; but it had to be submitted by the County. He noted that the County applied in 2016 and DHR deemed the district eligible but it was not funded because they had other priorities. He noted the program was a 50% cost share and included the initial inventory of archeology and historic resources denoted on the mapped area from 2016. He added that it was the first step in the nomination process and was more of a reconnaissance survey. He reiterated that DHR had previously indicated there was sufficient basis for historic recognition. He noted that the DHR Coordinator had advised that he did not think the work would cost \$10,000 and they would do much of the work including procurement and grant administration.

Mr. Carter reported that the grant was competitive to some extent and depended on the number of applications submitted. He reiterated that its merits were recognized in 2016 and it was eligible to be funded but it was not funded at that time.

Mr. Saunders asked if property owners had been contacted and agreed with it. Mr. Carter advised that there were multiple properties involved whose assets would be identified within the boundary area and if enough were considered significant, they would qualify for a district. He added that six assets had been identified by the ACP Section 106 report; however it was not considered extensive enough and could not be used.

Mr. Harvey asked if the district could be designated without property owner approval and it was noted there would be informational sessions if it went forward, there would be meetings with owners to inform them, and if owners did not want to participate, they could opt out. Mr. Carter note that happened in the Norwood Wingina project and if there were not a sufficient number of historic assets identified, the district would not be approved.

Mr. Bruguere asked about the Rockfish Rural Historic District and Mr. Carter advised they did have public meetings and property owners were notified.

Mr. Rutherford noted that his understanding was the value of participating was that property owners could solicit grant funding if they were part of the historic district. Mr. Carter noted an outcome was district recognition and soliciting federal tax credits.

Mr. Harvey reiterated that they should know if the property owners were interested before doing anything. Mr. Saunders asked if a public hearing on the Norwood District was done to see who wanted to participate and Mr. Carter advised that was not done at that time but may have been done before proceeding for nomination to the State and Federal registers.

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Mr. Rutherford then moved to proceed with the Warminster Historic District cost share grant and submit it to DHR and Mr. Reed seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion. Mr. Harvey and Mr. Saunders indicated they hesitantly voted for the motion and wanted property owners to be aware.

C. FY19 Employee Health Insurance Benefits **(R2018-13) (R2018-14)**

Ms. McCann noted resolutions for consideration included approval of health insurance benefits for employees and then a resolution permitting Board members to be covered by the County's health insurance plan.

Ms. McCann reported that the County was experiencing a 9% increase in health insurance premiums at an annual cost of \$77,000. She added that the renewal was due to Anthem by April 1, 2018 and the cost was included in the draft FY19 budget. Ms. McCann related that the County tended to have increases in opposite years as the schools and it was based on claims experience; and the County had significant claims in 2017. Mr. Carter added that the premiums were based on previous years' experience and there had been at least one very significant claim. Ms. McCann advised that there was a stop gap in place so that any claim that exceeded \$100,000 did not count in the experience rating. She noted that the health insurance plan was procured by the state and because it was a larger group, the costs were better than the County going out on its own. She added that the base rates and offerings were better for being in the state pool. Ms. McCann also noted that Dental and Vision rates were based on the whole pool and Medical was based on the County's experience. Mr. Carter reiterated that the County was insulated by being in the larger pool and there had been years of no increases.

Mr. Reed then moved to approve **R2018-13**, FY19 Health Insurance Employer Contribution Amounts and Mr. Rutherford seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion and the following resolution was adopted:

**RESOLUTION R2018-13
NELSON COUNTY BOARD OF SUPERVISORS
FY19 HEALTH INSURANCE EMPLOYER CONTRIBUTION AMOUNTS**

WHEREAS, the local government participates in the Local Choice health insurance program and the premiums for fiscal year 2018-2019 have increased by 9%;

BE IT RESOLVED by the Nelson County Board of Supervisors that the local government's employer contribution amounts for health insurance are hereby established for coverage beginning July 1, 2018 as follows:

Active Employees				Active Employees			
Key Advantage 250C	Employee	Employer	Total	Key Advantage 250P	Employee	Employer	Total
Individual	\$0	\$705	\$705	Individual	\$0	\$689	\$689
Dual	\$416	\$888	\$1,304	Dual	\$387	\$888	\$1,275
Family	\$833	\$1,071	\$1,904	Family	\$789	\$1,071	\$1,860
Key Advantage Expanded C				Key Advantage Expanded P			
Individual	\$69	\$705	\$774	Individual	\$53	\$705	\$758
Dual	\$544	\$888	\$1,432	Dual	\$514	\$888	\$1,402
Family	\$1,019	\$1,071	\$2,090	Family	\$976	\$1,071	\$2,047
Retirees				Retirees			
Key Advantage 250C	Retiree (before supplement)			Key Advantage 250P	Retiree (before supplement)		
Individual	\$705			Individual	\$689		
Dual	\$1,304			Dual	\$1,275		
Family	\$1,904			Family	\$1,860		
Key Advantage Expanded C	Retiree (before supplement)			Key Advantage Expanded P	Retiree (before supplement)		
Individual	\$774			Individual	\$758		
Dual	\$1,432			Dual	\$1,402		
Family	\$2,090			Family	\$2,047		
Retiree Medicare Plans				Retiree Medicare Plans			
Advantage 65(dental & vision)	\$201			Advantage 65	\$169		

Ms. McCann advised that the second resolution authorized coverage of Board members which had been requested in December. She noted that because of the County’s plan year, they could not be added until the beginning of the next one.

Mr. Bruguere asked if it were put in place now; would it be there for future elected officials and Ms. McCann advised it would. She then noted that they should consider that at the end of their term, the insurance would end whereas employees could stay on the plan through COBRA coverage.

Ms. McCann then noted the cost was \$8,460 per individual and if on Medicare, they would still have to take a regular policy. She added that there was an open enrollment period and anyone electing coverage would have to be submitted to Anthem by May 1st for enrollment. She added that if they wanted to proceed with it, they needed to be able to meet that timeframe.

Mr. Saunders then moved to put off considering this until the following year and Mr. Harvey seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion and the resolution was deferred.

D. Authorization for Public Hearing – Proposed Amendments to County Code; Ch. 3,
Article 2- Dogs Running at Large and Lifetime Dog Licenses **(R2018-15)**

The Board was provided the following draft Ordinance containing two options regarding handling of complaints:

New Section

Running at Large Prohibited

- (a) It shall be unlawful for any dog to run at large in the county.
- (b) For the purposes of this section, a dog shall be deemed to "run at large" while roaming, running or self-hunting off the property of its owner or custodian and not under its owner's or custodian's immediate control. However, a dog shall not be considered at large if during the hunting season it is on a bona fide hunt initiated by its owner, or during field trials or training periods when accompanied by its owner.
- (c) Any person who permits his dog to run at large shall be deemed to have violated the provisions of this section.

(d) **OPTION 1**

Upon receipt of a complaint, the Animal Control Officer shall investigate and, if satisfied of the truth of the complaint, issue a warning, in writing, to the owner or custodian of the dog that any future violation shall result in criminal proceedings. Following the warning, the first violation hereof shall be a Class 4 misdemeanor and a second and subsequent violation shall be a Class 1 misdemeanor. Criminal proceedings pursuant to this section may only be initiated by an Animal Control Officer or other law enforcement officer.

OPTION2

Upon receipt of a complaint, the Animal Control Officer shall investigate and, if satisfied of the truth of the complaint, issue a warning, in writing, to the owner or custodian of the dog that any future violation shall result in a civil penalty or criminal proceedings. Following the warning, the first violation hereof shall result in the imposition of a \$150.00 civil penalty. Any person summoned or issued a ticket for the violation may make an appearance in person or in writing by mail to the treasurer prior to the date fixed for trial in court. Any person so appearing may enter a waiver of trial, admit liability, and pay the civil penalty established for the offense charged. Imposition of civil penalties shall not preclude an action for injunctive, declaratory, or other equitable relief. A second and subsequent violation shall be a Class 1 misdemeanor. Proceedings pursuant to this section may only be initiated by an Animal Control Officer or other law enforcement officer.

- (e) Any dog observed or captured while unlawfully running at large may be seized and impounded by an Animal Control Officer or other law enforcement officer.

Sec.3-28 Amount of License Tax

The annual license tax shall be collected as follows:

- (a) Spayed or neutered dogs: \$5.00. [\$10.00 is maximum]
- (b) All sexed dogs: \$7.00. [\$10.00 is maximum]
- (c) Kennels:
 - 10 dogs or less: \$25.00 [\$50.00 is maximum]
 - 11 to 20 dogs: an additional \$50.00 [\$50.00 is maximum]
 - 21 to 30 dogs: an additional \$50.00 [\$50.00 is maximum]
 - 31 to 40 dogs: an additional \$50.00 [\$50.00 is maximum]
 - More than 40 dogs: an additional \$50.00 [\$50.00 is maximum]
- (d) Lifetime dog license: \$ 50.00 [\$50.00 is maximum]
Such a license shall be valid only as long as the dog's owner resides in the issuing locality and the animal's rabies vaccination is kept current.
- (e) No license tax shall be levied on any dog that is trained and serves as a guide dog for a blind person, that is trained and serves as a hearing dog for a deaf or hearing-impaired person, or that is trained and serves as a service dog for a mobility-impaired or otherwise disabled person. As used in this section, "hearing dog," "mobility-impaired person," "otherwise disabled person," and "service dog" have the same meanings as assigned in §51.5-40.1 of the Code of Virginia.

Mr. Carter noted the draft Ordinance provided for the prohibition of dogs running at large and lifetime dog licenses. He noted that there were two options regarding the handling of complaints of dogs running at large and both options could be published for public hearing and one chosen thereafter.

Mr. Bruguiera stated that in light of recent complaints, the County needed to make people more responsible for dog ownership and he noted it was not a leash law; but was meant to keep dogs on their owner's property. Mr. Payne noted that Stoney Creek had a leash law and that was more restrictive.

Mr. Saunders asked if the Option 2 penalty could be changed after the public hearing and Mr. Payne noted that the fine could not exceed \$150 per State statute. He added they could petition their state delegates to increase it.

Mr. Rutherford then moved to approve resolution **R2018-15** and Mr. Saunders seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion and the following resolution was adopted:

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**RESOLUTION R2018-15
NELSON COUNTY BOARD OF SUPERVISORS
AUTHORIZATION FOR PUBLIC HEARING
AMENDMENT OF THE CODE OF NELSON COUNTY, VIRGINIA
CHAPTER 3, ANIMALS, ARTICLE 2 DOGS AND CATS
DOGS RUNNING AT LARGE AND LIFETIME DOG LICENSES**

BE IT RESOLVED, that pursuant to §15.2-1427 of the Code of Virginia 1950 as amended, the County Administrator is hereby authorized to advertise a public hearing to be held on April 10, 2018 at 7:00 PM in the General District Courtroom in the Courthouse in Lovingston, Virginia. The purpose of the public hearing is to receive public input on an Ordinance proposed for passage to amend Chapter 3, Animals, Article 2 Dogs and Cats to incorporate provisions pertaining to the prohibition of dogs running at large and the inclusion of lifetime dog licenses.

**E. Resolution – R2018-11 NCCDF Request for Support of Affordable Housing – Fee Waivers
(Deferred from Consent Agenda)**

Mr. Carter noted the request for fee waivers submitted by Mr. Krieger of the Nelson County Community Development Foundation (NCCDF) was in reference to a standing resolution previously adopted by the Board; however Mr. Kreiger was seeking re-affirmation since there were two new Board members.

Mr. Carter advised that Mr. Krieger was asking for waived tipping fees at the Transfer Station for their projects and waived connection fees or a 24-month payment period for those fees for connection of their projects to County owned water and sewer systems. He added this was the same request previously approved by the Board and the resolution for consideration would reaffirm it.

Mr. Bruguiere noted he was in favor of it and it was reiterated the County would be waiving tipping fees on NCCDF projects and also connection fees for water and sewer connections for their clients.

Mr. Harvey moved to approve resolution **R2018-11** and Mr. Reed seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion and the following resolution was adopted:

**RESOLUTION R2018-11
NELSON COUNTY BOARD OF SUPERVISORS
SUPPORT OF AFFORDABLE HOUSING-FEE WAIVERS FOR
NELSON COUNTY COMMUNITY DEVELOPMENT FOUNDATION (NCCDF)
HOUSING REHABILITATION PROJECTS**

WHEREAS, historically the County has demonstrated its affirmative support for affordable housing by working with NCCDF to cooperatively reduce the cost of rehabilitation projects by waiving tipping fees at the transfer station for demolition debris generated by those projects; and

WHEREAS, NCCDF is currently involved in two indoor plumbing rehabilitation projects which will create demolition debris, and waived tipping fees would stretch their available funding as far as possible; and

WHEREAS, in addition, the County previously agreed to waive connection (not installation) fees to County-operated water and sewer systems as part of CDBG or other grant-funded projects, and/or allow a 24-month payment period for connection fees on NCCDF-owned property,

NOW THEREFORE BE IT RESOLVED, that in support of affordable housing efforts, the Nelson County Board of Supervisors does hereby continue to waive tipping fees at the County transfer station for debris generated from NCCDF's demolition of substandard housing as part of rehabilitation projects, and allow a 24-month payment period for connection fees to county-operated water and sewer systems on NCCDF-owned property.

Mr. Bruguere noted that he had spoken to Mr. Krieger about blighted homes in the Shipman area and that he was not sure what the Board could do. Mr. Saunders advised they could do the same as they had for other properties such as the one at the corner of Findlay Mountain Road. Mr. Bruguere noted the ones he was referencing were on both sides of the road going back to the Ryan School Apartments.

Mr. Harvey advised they should have the Building Official look at them and if warranted, declare them a public nuisance.

Supervisors referenced the two dilapidated structures at the Shipman railroad tracks and it was noted that those had been looked at and the difficulty there was access. Mr. Carter noted they would have to build a road and have had several contractors look at it. He added the properties were still owned by someone in Lynchburg who said the County could do what it wanted and then could send them a bill.

Mr. Harvey noted he had one in his district that neighbors had been reporting. Mr. Carter advised the Board that if they were reported, the County could look at them.

V. Reports, Appointments, Directives, and Correspondence

A. Reports

1. County Administrator's Report

A. Courthouse Project Phase II: The project is at a point of final completion certification and acceptance but there are a "few" pending corrective actions (five) that Jamerson-Lewis is addressing that are delaying the project's final acceptance and close out.

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Mr. Carter advised the County was still holding retain-age of \$250,000 until the issues were resolved. He noted those were small things and the process for close-out was the General Contractor certifies completion to the Architect who certifies it to the County and if signed-off on, the County would release the retainage and the warranty period would start.

B. BR Tunnel Project: The Phase 2 Project was submitted on 3-6-18 to VDOT for construction contract award. However, due to an issue with the project's DBE requirement, VDOT has advised the County that the project must be re-bid. This work is in process.

C. Broadband: The NCBA meets in regular session at 1 p.m. on 3-13. Network operations/services are ongoing with no current issues. County staff are endeavoring to begin more constructive discussions with CVEC on the Cooperative's broadband project pertinent to County incentives, use of the County's middle mile network, etc.

D. EMS and Fire Study: Representatives of the Study Team from the Department of Fire Programs are scheduled to present the final study report at the Board's April 10th regular session. County staff have distributed the final study report to local EMS and Fire agencies inclusive of working to facilitate agencies' representation at the 4-10 meeting.

E. FY18-19 Budget: The preliminary FY18-19 Budget is a 3-13 agenda item. Staff will distribute all budget documents at the meeting, overview the budget and submit a proposed work session schedule for the Board's consideration.

F. Piney River 3 Water System (Disinfectant by Product, DBP, Issue): The 3-13 agenda includes a resolution authorizing the submission of a funding application to VDH for the Department's Drinking Water Supply Revolving Fund. The application is being completed by Bowman Consulting and is based upon the Preliminary Engineering Report the County through NCSA commissioned to address the recurring TTHM exceedance(s) in the Piney River Water System. The DWSRF application is due by 4-1. A grant award rather than a loan award is the application's objective but such decisions are made by VDH. A cooperative agreement with NCSA is also a VDH requirement should the project be awarded DWSRF funding.

Mr. Carter noted receipt of a Notice of Violation from VDH that week, he added that the consultants have said the remedy costs would be a maximum of \$150,000. He added that the most recent NOV indicated the County would be getting a consent order.

G. VDOT – Smart Scale: Initiation of project applications to VDOT through TJPDC is pending but in place to proceed once additional input from VDOT-Lynchburg staff is received. The County may have as many as four applications for primary road improvements.

Mr. Carter noted staff would get the Board's authorization and then work with TJPDC to submit applications once the project information was received from Rick Youngblood of VDOT.

H. Go VA: Two potential projects that would pertain to Nelson County are in the application development stage. The first is a regional preliminary assessment of possible business park sites. The second is a training program for brewery, distillery and winery operations that would be facilitated by PVCC. Supervisor Rutherford has been involved in the development of this project.

Mr. Carter noted this was a complicated program that required a partner locality and it was challenging to be successful.

I. Opportunity Zone (Applications): County staff submitted an application to VA-DHCD prior to the 3-2 deadline for “Opportunity Zone” designation of two of the three federal census tracts that encompass Nelson County. The two census tracts are located on either side of Route 29 (see attached map). Opportunity Zones are a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low income urban and rural communities nationwide. The Opportunity Zones program provides a tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds that are dedicated to investing into Opportunity Zones designated by the chief executives of every U.S. state and territory.

Mr. Carter advised there would be 25-33 of these designated in the Country.

J. Personnel: The Department of Finance and HR is currently recruiting the following positions: Director of Parks and Recreation, Solid Waste & Recycling Coordinator, Animal Control Officer and Part-Time Convenience Center Attendant.

Mr. Carter reported that a part time Convenience Center Attendant had been hired and Ms. McCann advised that they had a number of applications for Recreation Director, Animal Control, and a few for Solid Waste Coordinator. She noted that a Convenience Center Attendant was hired to fill one of the Custodial vacancies.

2. Board Reports

Mr. Harvey and Mr. Saunders had no reports.

Mr. Rutherford:

Mr. Rutherford reported attendance of the TJPDC meeting and meeting with Dr. Friedman of PVCC on the world of agricultural, wineries and distilleries. He added he would approach the Board with a new concept in the coming months that involved creating a certification program for those industries.

Mr. Reed:

Mr. Reed reported that the Department of Social Services along with other agencies created Nelson Community Wellness Alliance in response to the rise in Foster Care children due to substance abuse. He

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advised that they were meeting regularly and planned to create a formal organizational 501c3 structure. He added that their long term goal was to create a drug and family court along with assessment and tutoring programs for students.

Mr. Reed then noted events on April 11th and April 12th with a stamp out stigma event on April 11th for those with mental health issues. He reported that on the 12th at 7pm, at the Nelson Center would be speakers from around the region related to mental health and addiction etc. He noted this was a prelude to receive yearly grants for 3 years for \$75,000 to \$100,000 to help with that work. He added that it had made the first round of cuts and if it got through the second round, it would be good for the Board to support it.

Mr. Reed reported attending the March 8th School Board meeting where there was a strong tone on security and safety and he thought they would be seeing some related recommendations. He added that the final draft of the school budget was to be approved on March 26th.

Mr. Reed reported that the Service Authority had a meeting that Thursday with an agenda item of a request from Dominion for the ACP to purchase up to 10,000 gallons of water per day for a year at Wintergreen in order to drill through the mountain. Mr. Harvey added that there were two requests and another for Shipman for 10,000 gallons per day. He noted that the Service Authority currently flushed the Piney River system of 2,500 gallons per day that was not allowed to be on the ground because of chlorine and he was uncertain of how Dominion could use it for their purposes. Mr. Saunders noted that the water was not going into the ground and they would explain it at the meeting.

Mr. Bruguere:

Mr. Bruguere reported that the Planning Commission had a new Chair. He added that one item had been denied by them and the other SUP submitted by Todd Rath had been recommended for denial because he had not started the first phase yet. He noted that he had related having engineer, DEQ, and VDOT entrance issues. He noted the other application was for a campground off of Union Hill that would host six different events for primitive camping and that was deferred until they got more information.

Mr. Rutherford then introduced JABA Coordinator, Danny Harris, also the Nelson Community Senior Center Coordinator. Mr. Harris noted he was from Oregon and had moved to the area in November.

B. Appointments

Ms. McGarry reviewed the following table noting that the Region Ten Board applicant was Peggy Whitehead, former BRMC Executive Director, the MACAA applicant was Arthur Thorn an Afton resident with an accounting and management background, the JAUNT Board applicant was Dian McNaught former MACAA representative, and the Piedmont Workforce Network Council applicant was Melanie Thigpen a Tye River Road resident who was a Cyber Security Analyst with interest in fostering women's interest in STEM careers.

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MACCA Board:

Mr. Harvey moved to appoint Arthur Thorn to the MACAA Board and Mr. Saunders seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion.

JAUNT Board:

Mr. Saunders moved to appoint Arthur Thorn to the JAUNT Board and Mr. Rutherford seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion.

Piedmont Workforce Network Council:

Mr. Saunders moved to appoint Melanie Thigpen to the Piedmont Workforce Network Council and Mr. Harvey seconded the motion. There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion.

C. Correspondence

Mr. Saunders noted correspondence from CSX advising that they wanted the Save the Gladstone Depot group to pay \$20,000 for the depot and the land by the end of March. He noted that Ms. Joanne Abshire had asked if the Board would send them a letter asking for more time or to not have to pay the money. He added that CSX wanted to remove both buildings (the old YMCA and Depot) at the same time and that Creigh Deeds and Mark Warner were supposed to be writing letters also.

Mr. Carter noted having met with CSX's Vice President for State relations and he had indicated that his office was sympathetic to giving them more time; however they had hundreds of those structures and had been directed to get them off of their books. He confirmed that their plan was to tear down the Depot when they came to tear down the YMCA building unless those terms were met.

Supervisors then agreed by consensus to have staff write the requested letter to CSX.

D. Directives

Mr. Rutherford, Mr. Reed, and Mr. Harvey had no directives.

Mr. Saunders:

Mr. Saunders requested to get a copy of the Planning Commission agenda packet by email.

Mr. Saunders inquired about the Special Use Permit for the primitive campground and Mr. Carter advised that the applicant has said they will withdraw their application; however they had not yet done so in writing.

Mr. Saunders inquired about the status of the Lovington Rescue building and Mr. Harvey advised that Lovington Rescue was going to give it to Wintergreen Rescue Squad with it to be transferred to the County at a later date.

Mr. Saunders inquired about the sound system in the courtroom and Mr. Carter advised staff was working on getting the speakers upgraded.

Mr. Bruguieri:

Mr. Bruguieri reiterated his request that the severely dilapidated houses along the road to Ryan School Apartments be evaluated.

VI. Other Business

A. FY18-19 General Fund Budget Overview

Staff provided the Board with the following written overview of the FY18-19 General Fund Budget:

FY18-19 Budget Work Session

Ms. McCann reviewed the following overview of the FY19 General Fund Budget and Mr. Carter advised that a decision on the tax rates would be necessary early on in the process.

OVERALL REVENUES

Overall, General Fund Revenues inclusive of use of fund balance are projected to increase by

\$485,382 (1.2%) over the current FY18 budget. Primary sources of revenue include local, state and federal totaling approximately 40.45 million.

LOCAL REVENUE

General Property Taxes

General Property taxes continue to represent the largest source of General Fund Revenues (60%). The FY19 projection reflects an increase of \$262,601 over the current budget. This increase represents 58% of the overall revenue increase. General Property Taxes include Real and Personal Property, Machinery and Tools tax, and Public Service tax. Also included is delinquent tax collections, penalties, and interest. Tax rates are established on a calendar year basis even though the county budget is presented on a fiscal year basis (July-June). For example, the FY19 budget will include the second half tax billing for calendar year 2018 and the first half billing for calendar year 2019.

Real Estate Tax is the largest source of revenue for the county and is expected to generate 17.3 million in FY19 based on the assumption of no change in the tax rate. This represents a \$449,093 decrease over the FY18 budget amount. The FY18 projection assumes the current tax rate of \$0.72 per \$100 of assessed value. However, the 2018 certified assessment values of real estate declined by 1.55% impacting both FY18 and FY19 revenues from Real Estate tax. The Calendar Year 2017 value of taxable real estate after Land Use deferrals and elderly tax relief is \$2.45 billion (\$2,456,564,818) which generates approximately \$233,374 of estimated collectible real estate tax revenues for each penny of the tax rate. Comparatively, the estimated value of the penny would be \$229,150 for 2018 and \$229,837 for 2019. Current assumptions are 0.3% growth in 2019. Additionally, FY18 delinquent tax collections are anticipated to be steady and reflect a slight decline in FY19 due to the lower tax base for 2018.

Public Service tax is levied on the real estate and personal property owned by railroads, utilities, pipelines, and other businesses required to register with the State Corporation Commission (SCC). Public Service Corporation assessments are prepared by the Virginia Department of Taxation and the SCC. The Department of Taxation conducts an annual statewide sales study of real property to determine current fair market values. A ratio is established comparing the results of the annual sales study to locally assessed values which is then applied to public service values prepared by the SCC. Although the reassessment reflected lower values, it is anticipated that commercial values will remain steady. Public Service tax is expected to generate \$850,000 in FY19 which reflects no change from the FY18 budget amount.

Personal Property Tax is levied on vehicles and other tangible non-real estate property. Qualified vehicles are eligible for a pro rata share of personal property tax relief (PPTR) which the state provides to the county as a fixed payment of \$1.7 million. Personal Property tax collections and the tax relief payment from the state in FY19 are projected to increase by 3.6% from the FY18 budget amount. In addition to the state tax relief payment, collections in FY19 are anticipated to be \$3.9 million. The tax rate for calendar year 2017 is \$3.45 per \$100 of assessed value. The FY19 budget assumes no change in the tax rate.

Mobile Home Tax is levied on manufactured homes not classified as real estate. Mobile Homes are assessed as tangible personal property, yet taxed at the real estate property tax rate. Mobile Home tax is expected to generate \$30,000 in FY19 which is no change from the FY18 budget amount.

Machinery and Tools Tax is levied on certain business equipment used in manufacturing and certain other commercial activities. This tax is anticipated to generate \$50,000 in FY19, an increase of \$20,000 over the FY18 budget. Machinery and Tools Tax represents approximately 0.2% of overall General Property Taxes. The statutory tax rate is \$1.25 per \$100 assessed value based on original cost. However, an assessment ratio is applied to the value as follows:

Tax Years	Ratio (%)	Effective Rate per \$100
1 to 5	40	\$0.50
6 to 10	30	\$0.38
11 to 15	20	\$0.25
16 plus	10	\$0.13

Late Tax Penalties and Interest is anticipated to generate \$335,000 in FY19 which is a 4.7% increase from the FY17 budget. A ten percent penalty is charged the day after the due date and ten percent annual interest is accrued beginning 25 days after the due date. Delinquent property tax collections are reflected in the budget within each category of tax. Delinquent real estate collections are anticipated to be about \$801,507 in FY18 and \$789,954 in FY19. Personal Property delinquent collections are anticipated to be approximately \$438,931. Together delinquent tax collections and associated penalty and interest make up 6.4% of all General Property Taxes.

Other Local Revenue

In addition to property taxes, local revenue generally includes other local taxes (utility, vehicle license, recordation, meals, and lodging), permits and license fees, court fines and fees, interest earnings, and various recovered costs. Other local revenue is expected to generate almost \$5.8 million in FY19 which is an increase of \$119,015 over the FY18 budget amount. The most significant factor in the increase relates to an increase of \$80,000 in meals tax receipts expected in FY19.

STATE REVENUE

State revenues, excluding non-recurring grants, are anticipated to increase by \$225,764 in FY19 from the FY18 budget amount. State revenues include non-categorical aid from motor vehicle carrier’s tax, mobile home titling tax, deeds tax, and communications sales tax. Non-categorical aid is anticipated to generate \$625,000 in FY19 which is a decrease of \$7,000 from FY18 reflecting small declines in motor vehicle carrier’s tax and communications sales and use tax.

Categorical state aid primarily provides for at risk youth programs (CSA) and public assistance and welfare programs administered by the local Department of Social Services. Changes in funding for these programs is the most significant factor contributing to the overall increase expected in state revenues. The County expects to receive \$1,595,178 in categorical state aid in FY19 which is an increase of \$228,706.

State shared expenses represent the State’s share of activities that are considered to be a shared state and local responsibility. Shared responsibilities include Constitutional Offices and the Registrar/Electoral Board. Constitutional Offices include the Sheriff, Commonwealth Attorney, Commissioner of Revenue,

Treasurer, and Clerk of the Circuit Court. State shared expenses are expected to be \$1.4 million which is subject to change pending receipt of finalized amounts from the state Compensation Board.

FEDERAL REVENUE

Federal revenue, excluding non-recurring grants, is expected to provide \$735,732 in FY19. This is a \$81,599 or 12.5% increase over the FY18 budget amount. Federal funding includes payment in lieu of taxes and public assistance and welfare. Payments in lieu of taxes have historically been received for forest land located in Nelson County. These funds must be approved during the federal budget process. Federal funds are also received for public assistance and welfare programs and are the largest source of ongoing federal funding. The increase in federal revenue is primarily attributable to the increase in public assistance funds.

STATE AND FEDERAL GRANTS

In FY19, the county expects to receive \$2,941,296 in non-recurring grants from state and federal sources. This reflects a decrease of \$116,219 from the FY18 budgeted amount. Grant awards for the Crozet Tunnel restoration project make up 95% of the total grant revenue currently anticipated. Grants are generally not budgeted until they are awarded. Some grants may be awarded mid-year and amended into the budget at the time of award.

TRANSFER FROM OTHER FUNDS

The county conducts a reassessment of real property values every four years. The cost of conducting the reassessment impacts two fiscal years. In the two fiscal years that there is no reassessment expense, the county sets aside funding to assist with upcoming reassessment expense. The FY18 budget included \$89,851 from the set aside for reassessment expenditures and \$168,000 from the Capital Fund for emergency vehicles. No transfers from other funds are included in the FY19 proposed budget.

USE OF FUND BALANCE

The FY19 proposed budget anticipates the use of \$2.7 million in fund balance which is an increase of \$663,083 from the FY18 budget. This increase is primarily attributed to receipts of the sale of the nursing home facility in FY18 that are carried forward as non-recurring contingency in FY19. Additional carryover from unexpended contingency funds and other anticipated carryover from FY18 revenues is included in the FY19 budget for use towards capital projects.

OVERALL EXPENDITURES

Overall, recommended expenditures in FY19 are increasing by \$485,382 or 1.2%. Total recommended expenditures for FY19 is \$40.45 million as compared to the current FY18 budget of \$39.9 million. The graph below reflects the allocation of FY19 expenditures between the various categories of expense. Transfers is by far the largest category of expense which includes funding for the School Division and Debt Service.

FY19 EXPENDITURES

Government Administration 4.6%, Judicial Administration 1.9%, Transfers (out) 46.4%, Refunds 0.1%, Public Safety 12.9%, Public Works 5.0%, Welfare Programs 7.8%, Community Development 1.8%, Agency & Non- Departmental 5.4%, Capital Outlay 10.6%, Transfers (out) 46.4%, Contingency 4.9%

Government Administration

Government Administration includes the Board of Supervisors and the following departmental operations: 1) County Administration 2) County Attorney 3)Commissioner of Revenue 4) Treasurer 5) Finance & Human Resources 6) Technology 7) Land Use Panel 8) Board of Elections and 9) Registrar. Overall, governmental administration expenditures are recommended at \$1.84 million which reflects a decrease of \$278,596 from the FY18 current budget. This decrease is primarily attributed to reassessment expense in FY18 that will not reoccur in FY19. However, a set aside for the next reassessment is included in the budget as a transfer out.

Judicial Administration

Judicial Administration includes operational expense for General District Court, J&D District Court, Court Services Unit, Circuit Court, and the Commonwealth Attorney. Judicial Administration expenditures for FY19 are recommended at approximately \$760,000 which is a decrease of \$85,592 over the FY18 budget. The decreases are primarily attributable to a reduced estimate for Court Detention Home services and asset forfeiture proceeds that are not included in the FY19 draft budget. The unexpended asset forfeiture proceeds will be re-appropriated at the beginning of FY19 once the balance of funds is reconciled at year end.

Public Safety

Public Safety includes operational expense for the Sheriff, Public Safety (Emergency Services), Emergency Services Council, E911 Program, Forest Fire Service, Paid EMS, Regional Jail, Building Inspections, Animal Control, and Medical Examiner. Public Safety expenditures for FY19 are recommended at \$5.2 million which is an overall decrease of \$116,188 from the FY18 budget. These decreases are attributable to reduced E911 Maintenance Contract cost and asset forfeiture proceeds that are not included in the FY19 draft budget. As previously noted, the reconciled year-end balance of proceeds will be re-appropriated in July. The EMS Council budget also reflects a decrease recognizing Nelson Rescue's decision to dissolve.

Public Works

Public Works includes operation expense for Waste Management, Building and Grounds, and the Motor Pool. Public Works expenditure for FY19 are recommended at just over \$2 million which is a \$108,908 decrease from FY18. This decrease is attributed to reduced fuel and repair expense for Waste Management. The Motor Pool budget also reflects a decrease due to a reduced number of vehicle purchases. Funding is included for two police vehicles (three were purchased in FY18).

Welfare Programs

Welfare programs includes operation expense for the department of Social Services and programs for at risk youth (Children’s Services Act/CSA). The overall budget for FY19 reflects an increase of \$341,830. This increase is primarily attributed to significantly increased CSA expenditures.

Recreation & Community Development

Recreation and Community Development includes operation expense for Recreation, Planning, and Tourism/Economic Development. The overall budget for FY19 reflects an increase of \$7,046. Planning Department expenses for legal/technical assistance for floodplain applications is the primary factor for the overall increase.

Agencies & Non-Departmental

Agencies and other Non-Departmental expense as proposed will increase by 146,159. Most agencies were level funded and no new agencies received funding. The increase reflects funding for salary adjustments. The proposed funding of \$150,000 would provide for an overall 3% pay adjustment or allow for pay study salary adjustments (33% of pay study salary adjustment or 2%, whichever is higher).

Capital Outlay

Capital Outlay expenditures in FY19 are expected to decrease by \$41,177 from the FY18 budget. The following capital expense is proposed for FY19.

Crozet Tunnel Project	\$2,870,933
Comprehensive Plan	\$10,000
Emergency Services Vehicles	\$765,388
Active E911 Subscription	\$3,800
CAD Replacement	\$369,500
Microwave Network upgrades	\$200,000
Rockfish Generator upgrade	\$45,000
Large Scanner (Planning Dept.)	\$7,100
Total Capital Outlay	\$4,271,721

Refunds

Revenue refunds are anticipated to remain at \$30,000 in FY19.

Transfers

This category of expenditure reflects funds moved to various other accounting funds and is by far the largest category of expenditures. Transfers are proposed for the 1)Debt Service Fund 2)Broadband Fund 3)VPA (Social Services) Fund 4)Piney River Water/Sewer and the 5)School Fund. Overall Transfer

Expenditures in FY19 are proposed at approximately \$19 million (excluding Social Services which is discussed in the Welfare Program section) which is a decrease of \$656,288 from FY18.

Changes in Transfers are denoted in the chart below.

Fund Group	Change
Broadband	-\$100,000
Debt Service	-\$79,288
Reassessment Set-Aside	\$85,000
School Operations (No Change)	0
School Buses (For Board	-\$162,000
School Capital (For Board	-\$400,000
Overall Decrease	-\$656,288

Reassessment Fund

Expenditures to finish paying for the 2018 reassessment were incurred in FY18. Since no cost will be incurred for reassessment in FY19, funds will be set aside in FY19 for the next reassessment (2022).

Broadband Fund

In FY18, the budget included a transfer of \$200,000 to the Broadband Fund. This support has been reduced to \$100,000 in FY19.

Debt Service Fund

The transfer to the Debt Service Fund is proposed to decrease in FY19 by \$79,288. This is primarily attributed to the pay-off of the VRS (School Early Retirement Incentive) debt in May, 2018.

School Fund

The School Division requested level operational funding due to anticipated increases of \$974,670 in state and federal revenue. Additionally, the preliminary School Board request is for the purchase of 4 buses costing \$340,000. The proposed budget does not currently include funding for buses or capital improvements. School funding (operations and capital) remains as a consideration for the Board during the budget process.

Contingency

The draft budget reflects no Recurring Contingency Reserves. The non-recurring contingency reserve reflects a balance of \$1,727,200 (proceeds from the sale of the nursing home facility received in FY18).

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Mr. Carter advised the Board that staff was presenting a balanced budget, no tax increases were proposed, and no changes to the School Budget, all subject to the Board's review. He suggested that the Board schedule work sessions noting there would be challenges and staff was prepared to take questions.

Supervisors indicated they were ready to proceed with work sessions and staff noted that if the Board wanted to change tax rates, they would need to decide that quickly so the Commissioner and Treasurer could be informed.

Mr. Bruguere inquired about any progress made in valuing the properties that needed to be valued and Mr. Carter advised it had not yet been done, however once they were valued they would be added to the tax base. Ms. McCann estimated the gain in taxes to be greater than \$60,000 with the cost to value the properties being \$16,000.

Mr. Saunders suggested the Board review the land use program as some gains could possibly be made there. Mr. Carter advised that the Commissioner was aggressive in reviewing it and had indicated she would begin using an income form for land use applicants in order for them to maintain program eligibility. Mr. Saunders inquired if they still made farm visits and staff noted that they did review new applications and could visit farms whenever they chose. It was noted that all applications had to be renewed every six (6) years and took several weeks to review. Mr. Carter added that 25% of land in the County was in the land use program. Mr. Bruguere added that the land use panel reviewed every new application and used GIS and Google Maps as well as visiting properties. He supposed that there was probably a lot of fallow land getting land use designation. He advised that management plans were required elsewhere for forest properties. Mr. Carter agreed that a more aggressive approach should be taken and Mr. Harvey noted his agreement; however he noted at times that was not beneficial in keeping development from occurring. It was noted that the minimum acreage for the program was 5.0 acres for grassland and 20.0 acres for trees. Mr. Carter noted that requiring the income form would be a good first step in improving the program and Mr. Bruguere added that it was up to the Commissioner to look at those properties. Mr. Carter advised that he had asked the Commissioner if the land use values used could be increased; however he was unsure that would happen.

Mr. Saunders noted he would like to know how many buses, how many kids per bus, and how many spare buses etc. that the school system had. Ms. McCann advised that they had provided a listing of the bus fleet ranking them by condition. Mr. Bruguere suggested that they could ask the Transportation Director.

Mr. Carter noted that the General Assembly had adjourned without a budget and the schools could get more funding. Mr. Harvey noted that his intent was not to reduce their budget to offset the new state funds. Mr. Carter then advised that staff had not received any request from the schools on school resource officers or safety etc. Mr. Harvey stated that he thought the Board should decide school funding first and see what was left and Mr. Saunders disagreed.

Mr. Carter noted that the County's side of the budget had a \$1.1 Million reduction and approximately \$600,000 had been cuts.

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Mr. Bruguere noted that in terms of school security he thought the schools were secure if their protocols were followed; people had to be buzzed in and they could see the actual person through cameras. He added that all schools should follow protocols and another resource officer may be necessary for the elementary schools. Mr. Saunders commented that they could spend \$100,000 on improvements and still have problems as nothing was 100% foolproof.

Supervisors then agreed by consensus to schedule a work session on Thursday March 15th at PM.

VII. Adjournment, No Evening Session - Special Use Permit #2018-01 – Retail Store/Restaurant – Deferred by Applicant

At 4:45 PM, Mr. Harvey moved to adjourn and continue the meeting until Thursday, March 15, 2018 at 4:00 PM and Mr. Rutherford seconded the motion.

Supervisors and Staff agreed on meeting in the Bridge Conference Room on the 4th floor of the Courthouse in Lovington.

There being no further discussion, Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.