

March 22, 2012

**Virginia:**

AT A REGULAR SCHEDULED 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 Lovingson, Virginia.

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

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.

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

**II. Public Comments**

Mr. Harvey opened the floor for public comment and there were no persons wishing to be recognized.

**III. Consent Agenda**

Mr. Bruguire asked to remove item B. from the consent agenda to be considered separately. Members concurred and Ms. Brennan moved to approve the consent agenda amended to include items A. and C. Mr. Hale seconded the motion and 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 – R2012-18** Minutes for Approval (Deferred from 3/13/12)

**RESOLUTION-R2012-18**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**APPROVAL OF MEETING MINUTES**  
**(January 10, 2012, January 26, 2012, February 1, 2012, and February 10, 2012)**

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**RESOLVED**, by the Nelson County Board of Supervisors that the minutes of said Board's meetings conducted on **January 10, 2012, January 26, 2012, February 1, 2012, and February 10, 2012** be and hereby are approved and authorized for entry into the official record of the Board of Supervisors meetings.

**C. Resolution – R2012-22 Approval of EMS Council Interest Free Loan Request**

**RESOLUTION-R2012-22  
NELSON COUNTY BOARD OF SUPERVISORS  
APPROVAL OF EMS COUNCIL INTREST FREE LOAN REQUEST  
REPLACEMENT OF NELSON RESCUE HVAC UNIT - STATION I IN FABER**

**RESOLVED**, by the Nelson County Board of Supervisors that the request for interest free loan funds in the amount of \$26,000.00 is hereby approved for the replacement of the HVAC unit at Station I in Faber, Virginia.

**B. Resolution – R2012-21 Support of Rockfish Valley Foundation DCR Grant Application**

Mr. Bruguere noted his opposition to supporting this grant application as the taxpayers' money was not going to Nelson County but rather to a private foundation. He added that he thought it would be different if the County owned or managed it.

Mr. Carter noted that the grant was not exclusive to local Governments, that the Rockfish Valley Foundation (RVF) was eligible, and that they were not requesting matching funds be paid by the County.

Mr. Hale added that the Board has also supported other DCR efforts by private entities and it was noted that the County did manage and maintain the DelFosse trail. He noted that this particular trail was used by alot of folks and was not to benefit a single property owner. Ms. Brennan reiterated that the funds were not going to be privately used, the trail was for public use, and would promote tourism and recreation.

Mr. Bruguere continued to maintain that if anyone were getting taxpayers' money, then the municipality should oversee it. Mr. Saunders agreed and stated that he thought it would benefit the public but would more so benefit one part of the County. He added that he hated to see taxpayers' money go to a private foundation.

Mr. Carter noted that the monies would be distributed somewhere and that the state would administer and allocate the funds to some locality. He added it was a competitive application process and the program applications were reviewed by DCR.

Mr. Harvey asked if this grant was in competition with other things the County was doing and Mr. Carter noted it was not but the County had an outstanding grant on the Blue Ridge Tunnel. He added that the County had conferred with DCR and they recommended not applying this year.

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Mr. Peter Agelasto addressed the Board and noted that RVF was started in 2005 and in 2006 the Board supported another application for DCR funds and they were not successful at that time. He noted that DCR has \$1 million dollars to grant and that the Delfosse trail was a motorized trail. He noted that most importantly, the Foundation has been a public foundation since its inception and is run by a Board of Trustees of twelve men and women with three emeritus trustees. He added that they have been approved by the Virginia Museum of Natural History to be an affiliate of them and will be opening on June 16, 2012. He added that they would get exhibits from them, with the first being Living on the Land.

Mr. Agelasto then noted that after having spoken to Synthia Waymack of DCR, the grant application will focus on building a toilet facility and that the need for these was recognized by the state. He noted that second there was too much use of the trail to have maintained the parking lots properly and grant funds would address this. Thirdly he noted that a partnership with Kids in Parks would get families into nature using geocaching and birding to do so. Mr. Agelasto then noted that he has leased these properties to the Foundation and his benefit is seeing it bring value to Nelson County and not to his land particularly. He added that he hoped to see all kinds of trails throughout the County. He concluded by noting that he thought the chances of getting the grant were 1 out of 3 and that DCR has \$240,000 going towards the kind of trail they have. It was noted that there would likely be 40-50 applications for all of the money with 20-30 coming from this area.

Mr. Carter noted that County staff attended a regional workshop that DCR sponsored on the next VA Outdoors Plan and proposed to include this trail in the plan among others.

In response to questions, Mr. Agelasto noted that the planned restroom would be handicapped accessible and at the outdoors plan meeting he asked the staff of DCR if someone could look at the trails to see if they were handicapped accessible.

Mr. Hale then moved to approve resolution **R2012-21** In Support of Rockfish Valley Foundation Application for Funding to Virginia Department of Conservation and Recreation, Virginia Recreation Trails Fund Program. Ms. Brennan seconded the motion and there being no further discussion, Supervisors voted (4-1) by roll call vote to approve the motion with Mr. Bruguiere voting No and the following resolution was adopted:

**RESOLUTION-R2012-21**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**IN SUPPORT OF ROCKFISH VALLEY FOUNDATION**  
**APPLICATION FOR FUNDING TO**  
**VIRGINIA DEPARTMENT OF CONSERVATION AND RECREATION**  
**(VIRIGNIA RECREATION TRAILS FUND PROGRAM)**

**WHEREAS**, the Nelson County Board of Supervisors supports efforts to provide its citizens and the general public opportunities for public outdoor recreation; and,

**WHEREAS**, the 2002 Nelson County Comprehensive Plan (Chapter 6-Greenway Plan) calls for trails along the Rockfish River and in the Nellysford area; and,

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**WHEREAS**, the Rockfish Valley Foundation is working to enhance and enlarge the trail system it created and has managed for public use at Spruce Creek Park and the Rockfish River trails in Nelson County since 2006; and,

**WHEREAS**, the improvements proposed by the Rockfish Valley Foundation will enhance the ability for citizens and tourists to access the natural and historic resources of the Rockfish Valley; and

**WHEREAS**, the Rockfish Valley Foundation has requested the support of the local government of Nelson County for an application for funding by the Foundation to the Virginia Department of Conservation and Recreation's (DCR) and Trails Fund Program.

**NOW THEREFORE BE IT RESOLVED**, by the Nelson County Board of Supervisors that said Board supports the application of the Rockfish Valley Foundation to the Virginia Department of Conservation and Recreation Trails Fund Program and, further, requests that the Department give favorable consideration to the Foundation's grant request.

#### **IV. New/Unfinished Business**

##### **A. 2012 Reassessment of Real Property (R2012-23)**

Mr. Harvey noted that the options for the Board were to pass the proposed resolution or take no action. He added that he thought that the draft resolution hit the nail on the head.

Mr. Bruguere noted that if the only foreseeable penalty was that the County would pay the difference in assessments if the plaintiff won the case it did not seem like it would be a large outlay unless they came in mass. Mr. Harvey also noted that the burden was on the taxpayer to prove their case.

Mr. Saunders stated that he felt strongly that the 2012 reassessment was done incorrectly as was outlined in the proposed resolution. He added that he was concerned about the cost of doing another reassessment; however it may not be as burdensome as the increased tax rate that would be paid by the citizens if the values were kept. He noted that the lowered values were a concern for some if they were trying to sell property etc. but that he thought there were too many issues and it was haphazardly done.

Ms. Brennan noted that she initially felt that the reassessment ought to be accepted but as time has gone on and evidence has surfaced that shows overwhelming inconsistencies, she is now confident the Board will do the right thing.

Mr. Hale noted that this has been one of the most difficult decisions the Board has been faced with and as others have pointed out, the process failed. He added that any reassessment would have mistakes and values that were too high or too low but this was a failure of the process. He noted that there was no equity in the opportunity for citizens to challenge their assessments. He added that property values have fallen everywhere and the Board may be postponing the inevitable increase in tax rates in the next two years; however the reassessment process did not provide fairness to all citizens of the County.

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Mr. Bruguere noted that he was especially upset because he helped to recommend the hiring of the company, but then who knew. He added that given the fact that Northumberland had the same issues with the same company, he felt better that the Board was on the right track if it was not accepted. He noted that it may be burdensome on staff to use the current one and he would go along with adopting the resolution.

Mr. Harvey stated that the whole system was flawed; the County paid approximately \$16 per parcel and the process does not allow a lot of time. He stated that he thought that the biggest failure by the company was that they used a boilerplate system and tried to make every property fit that. He added that they relied too much on this and did not differentiate between properties. He then cited another issue as there being big differences in properties sold and their assessments.

Mr. Bruguere then moved to approve resolution **R2012-23** Extension of 2012 General Reassessment of Real Property and then read the resolution aloud.

Mr. Saunders seconded the motion and Supervisors voted unanimously (5-0) by roll call vote to approve the motion and the following resolution was adopted:

**RESOLUTION R2012-23  
NELSON COUNTY BOARD OF SUPERVISORS  
EXTENSION OF 2012 GENERAL REASSESSMENT OF REAL PROPERTY**

**WHEREAS**, in regard to the 2012 general reassessment undertaken by appraisers retained by the County, the following shortcomings have been brought to the Board's attention and carefully considered by the Board over the last several months:

1. Unreasonably wide differentials between the sale prices for recently sold properties and the assessed values of the same properties;
2. Irrationally low values for certain valuable commercial properties;
3. Inconsistent classification of dwellings, generally skewed to higher grades unsupported by circumstances;
4. Rigid application of a standard house lot value because of a general location without taking in to account the lot's individual qualities and specific location;
5. Great fluctuation between the values of adjoining lots;
6. The assignment of zero value to some properties and improvements;
7. Notice of the proposed reassessment values never having been received by a large number of landowners; notices of values determined by appraiser recalculation sent too late to allow use of the appeals process;
8. Lack of proper coordination with respect to the software used by the County which among other things, contributed to the notice problem;
9. Some landowners received dramatically revised assessment notices without appropriate explanation; and,
10. According to the Commissioner of Revenue, some errors will be a long time in coming to her attention and some of those errors will be beyond her power to correct;

**WHEREAS**, these matters, taken together, are overwhelming evidence that the 2011 appraisal effort is not sufficiently accurate and dependable to implement as a general reassessment effective in 2012; and

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**WHEREAS**, Virginia Code Section 58.1-3252 permits the County to complete a general reassessment every six years;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board declines either to accept or to implement the 2011 appraisal work as a general reassessment effective in 2012;

That pursuant to Virginia Code Section 58.1-3320, real estate taxes be extended on the basis of the last general reassessment effective in 2008; and

That pursuant to Virginia Code Section 58.1-3252, there shall be conducted a general reassessment within the six years following the 2008 general reassessment.

Mr. David Hite of the Board of Equalization inquired as to what to do about their scheduled appointments and staff suggested having Betty Fortune call them to cancel and staff would provide her with a copy of the resolution.

Mr. Hale questioned how citizens would know of the Board's decision besides reading of it in the paper. He suggested the options were sending out a notice now to all taxpayers noting that the Board would continue with the 2008 assessments and taxes based upon those values or including this information with the tax bills.

It was noted that a separate mailing would cost more than if it were included as an insert in the tax tickets and that these tax tickets would go out in early May.

**B. Ambulance Transport Fees for Revenue Recovery Program (R2012-24)**

Mr. Carter noted that the fees as proposed were developed by Fidelis who is the billing agent for the revenue recovery program and the provided memo explained why the rates were established as is. He noted that this was to ensure that the rates paid would be 30% higher than the Medicare Allowable rates so that private companies paid more than Medicare. He added that the current rates were the original 2006 rates and were set by resolution. He then referred to a spreadsheet that denoted the collections using the new rates at a 55% collection rate as follows:

FEE INCREASE		Suggested	PROJECTED
PROJECTED REVENUE	# CALL	FEES	REVENUE
BLS - Emergency	774	450.00	\$ 348,300.00
ALS - 1 Emergency	456	550.00	\$ 250,800.00
ALS - 2	20	775.00	\$ 15,500.00
SCT - Speciality Care Trans		0.00	\$ -
<b>TOTAL BASE RATE REVENUE</b>	<b>1,250</b>		<b>\$ 614,600.00</b>
MILEAGE	MILES		
Mileage - 32 miles	40,000	13.00	\$ 520,000.00
<b>TOTAL MILEAGE REVENUE</b>	<b>40,000</b>		<b>\$ 520,000.00</b>
<b>TOTAL REVENUE BASE+ MILEAGE</b>			<b>\$ 1,134,600.00</b>
55% collection rate			\$ 624,030.00

Mr. Carter noted that the new revenue would aid in the expansion of the paid EMS program that the Board had established as a priority. He added that Albemarle and possibly Amherst were adjusting their fees and Mr. Bruguere noted that Madison County had rates already higher than Nelson's as shown in the following rate comparison:



EMS Revenue Recovery  
Rate Recommendation  
for 2012.

2/13/2012

VIRGINIA CLIENTS	Region	Date Rates Set	ALS 1				Suggested Fee	ALS 2			
			2012 Allowable	Current Rate	Variance to Allowable	25% above allowable		2012 Allowable	Current Rate	Variance to Allowable	25% above allowable
Airport Authority (MWAA)	No VA	1/12/2012	\$ 413.20	\$ 550.00	\$ 136.80	\$ 516.50	\$ 613.14	\$ 775.00	\$ 161.86	\$ 766.43	
Albemarle County	Central	2/1/2010	\$ 413.20	\$ 450.00	\$ 36.80	\$ 516.50	\$ 613.14	\$ 550.00	\$ (63.14)	\$ 766.43	
City of Manassas Park	No VA	7/1/2011	\$ 413.20	\$ 500.00	\$ 86.80	\$ 516.50	\$ 613.14	\$ 700.00	\$ 86.86	\$ 766.43	
Greater Manassas Vol	No VA	1/1/2006	\$ 413.20	\$ 450.00	\$ 36.80	\$ 516.50	\$ 613.14	\$ 550.00	\$ (63.14)	\$ 766.43	
King George County	No VA	8/1/2007	\$ 413.20	\$ 450.00	\$ 36.80	\$ 516.50	\$ 613.14	\$ 550.00	\$ (63.14)	\$ 766.43	
Lower King and Queen	No VA	6/1/2011	\$ 413.20	\$ 550.00	\$ 136.80	\$ 516.50	\$ 613.14	\$ 750.00	\$ 136.86	\$ 766.43	
Madison County	Central	11/1/2011	\$ 413.20	\$ 550.00	\$ 136.80	\$ 516.50	\$ 613.14	\$ 775.00	\$ 161.86	\$ 766.43	
Manassas Fire Rescue	No VA	1/1/2006	\$ 413.20	\$ 450.00	\$ 36.80	\$ 516.50	\$ 613.14	\$ 550.00	\$ (63.14)	\$ 766.43	
Nelson County	Central	1/1/2007	\$ 413.20	\$ 415.00	\$ 1.80	\$ 516.50	\$ 613.14	\$ 530.00	\$ (83.14)	\$ 766.43	
Orange County	Central	2/1/2012	\$ 413.20	\$ 550.00	\$ 136.80	\$ 516.50	\$ 613.14	\$ 775.00	\$ 161.86	\$ 766.43	
Page County	Central	11/1/2008	\$ 413.20	\$ 500.00	\$ 86.80	\$ 516.50	\$ 613.14	\$ 600.00	\$ (13.14)	\$ 766.43	
Pamplin Volunteer	Central	3/15/2008	\$ 413.20	\$ 450.00	\$ 36.80	\$ 516.50	\$ 613.14	\$ 600.00	\$ (13.14)	\$ 766.43	
Warren County	Central	1/1/2012	\$ 413.20	\$ 550.00	\$ 136.80	\$ 516.50	\$ 613.14	\$ 775.00	\$ 161.86	\$ 766.43	

VIRGINIA CLIENTS	Region	Date Rates Set	BLS				Suggested Fee	2012 Mileage			
			Allowable	Current Rate	Variance to Allowable	25% above allowable		2012 Allowable	Current Rate	Variance to Allowable	25% above allowable
Airport Authority (MWAA)	No VA	1/1/2012	\$ 356.73	\$ 450.00	\$ 93.27	\$ 445.91	\$ 7.28	\$ 9.50	\$ 2.22	\$ 9.10	
Albemarle County	Central	2/1/2010	\$ 356.73	\$ 350.00	\$ (6.73)	\$ 445.91	\$ 7.28	\$ 8.25	\$ 0.97	\$ 9.10	
City of Manassas Park	No VA	7/1/2011	\$ 356.73	\$ 400.00	\$ 43.27	\$ 445.91	\$ 7.28	\$ 10.00	\$ 2.72	\$ 9.10	
Greater Manassas Vol	No VA	1/1/2006	\$ 356.73	\$ 300.00	\$ (56.73)	\$ 445.91	\$ 7.28	\$ 7.50	\$ 0.22	\$ 9.10	
King George County	No VA	8/1/2007	\$ 356.73	\$ 350.00	\$ (6.73)	\$ 445.91	\$ 10.40	\$ 9.00	\$ (1.40)	\$ 13.00	
Lower King and Queen	No VA	6/1/2011	\$ 356.73	\$ 450.00	\$ 93.27	\$ 445.91	\$ 10.40	\$ 13.00	\$ 2.60	\$ 13.00	
Madison County	Central	11/1/2011	\$ 356.73	\$ 425.00	\$ 68.27	\$ 445.91	\$ 7.28	\$ 13.00	\$ 5.72	\$ 9.10	
Manassas Fire Rescue	No VA	1/1/2006	\$ 356.73	\$ 300.00	\$ (56.73)	\$ 445.91	\$ 7.28	\$ 7.50	\$ 0.22	\$ 9.10	
Nelson County	Central	1/1/2007	\$ 356.73	\$ 320.00	\$ (36.73)	\$ 445.91	\$ 10.40	\$ 8.02	\$ (2.38)	\$ 13.00	
Orange County	Central	2/1/2012	\$ 356.73	\$ 450.00	\$ 93.27	\$ 445.91	\$ 7.28	\$ 13.00	\$ 5.72	\$ 9.10	
Page County	Central	11/1/2008	\$ 356.73	\$ 400.00	\$ 43.27	\$ 445.91	\$ 7.28	\$ 10.00	\$ 2.72	\$ 9.10	
Pamplin Volunteer	Central	3/15/2008	\$ 356.73	\$ 350.00	\$ (6.73)	\$ 445.91	\$ 7.28	\$ 9.00	\$ 1.72	\$ 9.10	
Warren County	Central	1/12/2012	\$ 356.73	\$ 425.00	\$ 68.27	\$ 445.91	\$ 10.40	\$ 13.00	\$ 2.60	\$ 13.00	

Mr. Carter reported that Fidelis stays on top of this and that Staff has relied on them to suggest changes to rates. Members and Staff briefly discussed the differences in ALS1 and ALS2 designations and it was noted that the Code allowed for this differentiation and that there were more advanced procedures listed for ALS 2. Mr. Carter read the definitions of ALS 1 and ALS 2 from the state code which indicated that ALS 2 was more extensive and required more training than level 1. He noted that he could not speak to the differentiation in EMS personnel. He then added that the Board should strive to bring in paramedics for the expansion of the paid crew; however they would not have these in every instance.

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It was then noted that the documentation that providers complete would have to adhere to the level of service listed for billing purposes.

Ms. Brennan then stated that she hoped this would help the Board to provide needed services in the County and Mr. Harvey noted that he hoped it would hinder the frequent flyers and also help to improve EMS services in the County.

Mr. Carter reported that the regulations did address frequent use as far as charging and that it could be looked at as criminal activity and could be grounds for an OIG audit of the program.

Mr. Carter then reported that the current collection rate was around 60%. He noted that the County did have a lot of write offs due to problems with getting insurance information timely enough to timely process the payments from insurance companies. He added that this has been reduced substantially but the County still has those that don't have insurance. Ms. McCann clarified that after three months, outstanding balances were written off as the County was using a soft billing policy and they were not pushing collections. It was noted that the County's goal was to improve the collection rate but that a stricter collection policy may be needed to increase it.

Members and Staff discussed that there may be many on Medicaid and some that were working but did not have insurance.

Mr. Carter noted that the billing agent was submitting claims and the key was for the insurance information to be collected at the time of transport.

Ms. Brennan then moved to approve resolution **R2012-24** Emergency Medical Services Establishment of Fees for Revenue Recovery Program as presented and Mr. Bruguiere seconded the motion.

Mr. Harvey inquired as to whether this meant that the squads would get the additional mileage they have been asking for and it was suggested that this was a separate issue, but was a discussion that was imminent.

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 R2012-24**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**EMERGENCY MEDICAL SERVICES**  
**ESTABLISHMENT OF FEES FOR REVENUE RECOVERY PROGRAM**

**RESOLVED** by the Nelson County Board of Supervisors, pursuant to Section 13.1 (Fees for Emergency Ambulance Service), subsections (c) and (d) of Chapter 13 (Emergency Services), Article 1 (Emergency Ambulance Service) of the Code of the County of Nelson, Virginia that the following fees be and are hereby established and approved by said governing body for the provision of emergency

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medical services by paid and volunteer emergency medical services entities operating within Nelson County, Virginia.

<u>Service Level</u>	<u>Fee</u>
1) Advanced Life Support 1	\$550.00
2) Advanced Life Support 2	\$775.00
3) Basic Life Support	\$470.00
4) Mileage (all Service Levels)	\$ 13.00 per loaded mile

Said fees, if approved, shall be effective April 1, 2012 and shall be utilized by Nelson County in its administration of its revenue recovery program which provides financial support for the County's paid and volunteer emergency medical services programs.

### C. FY12-13 General Fund Budget

Mr. Harvey stated that the Board needed to propose a tax rate. He added that they could propose a certain rate and go lower but could not go higher once it was advertised. He then suggested the Board add a nickel to the tax rate and advertise \$ .60, then work through the budget, and hold a public hearing on the proposed rate. It was noted that the tax rate ad would have to go to the paper by Monday.

Ms. McCann then distributed and reviewed the following handout prepared by staff:

#### **FY13 Budget Assumptions/Proposals:**

- 1) Real Estate tax rate of 78 cents (23 cent increase) to approximately equalize FY12 revenue
- 2) Assumes 94% collection rate for real estate tax. In FY12, a collection rate of 93% was used for budgetary estimates.
- 3) Value of one penny on real estate values is \$199,539 (after land use and collection rate adjustment)
- 4) Reallocate Courthouse principal prepayment for the current year and in FY13 budget proposal (\$253,810)
- 5) Level funding proposed for most agencies as in FY12.

#### **Significant Budgetary Changes:**

##### *Expenditures*

- 1) Increases in gasoline costs have been included (\$41,500 Motor Pool & Transfer Station).
- 2) Increases in required Virginia Retirement System costs (\$82,464) for county personnel have been included. An increase of \$500,000 is proposed for the School Fund. This increase should fund Virginia Retirement System rate increases assuming salaries remain flat. Final school figures relative to these costs are pending.
- 3) No funding is currently included to provide new school buses.
- 4) Addition of 2 positions for support of Broadband Network operations (107,890). Budget assumes 100% reimbursement from Broadband Authority. Budget also includes \$100,000 of non-recurring

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revenue to provide start-up support for network operations with anticipation that the network will be self-supporting in future years.

5) Net decrease in the transfer to Debt Service of \$40,999. This results from the new debt for the radio project (+\$204,645), the savings from the 2012 school refunding (-\$145,315), the onetime FY12 allocation of VPSA Refunding savings to School capital improvements (+\$302,686), the reduction in debt service FY12 to FY13 (-\$149,205), and the allocation of courthouse debt principal prepayment for other purposes (-\$253,810).

#### *Revenues*

1) Local Revenues reflect a budgetary increase of \$223,832. This is attributed primarily to real estate tax (+\$118,008), personal property tax (+47,730), local sales tax (+\$41,446), recordation tax (-\$43,803), meals & lodging taxes (+\$96,000), real estate tax sale proceeds (-\$120,000), EMS Revenue Recovery (+\$30,000).

2) State revenues are anticipated to decrease by \$101,429. This is primarily due to the shifting of the daycare programs from local DSS responsibility to the state.

3) Non-revenue receipts are increased by the inclusion of \$1,800,000 in financing proceeds for the radio project. There is also a reduction in transfers from other funds. In FY12, \$600,000 was transferred to the General Fund from the Capital Fund for the radio project and \$44,132 was transferred in from the Reassessment set aside funds. These were non- recurring transfers.

4) Grant funds reflect a decrease of \$1,299,707 primarily due to the completion of the microwave network through a Public Safety Interoperability Communications Grant.

#### *FY13 Budget Considerations (not currently in budget proposal)*

1) Shift all or portion of the NCSA debt service/fire protection to NCSA (Debt-\$162,812/Fire Protection Fee-\$156,000)

2) Further reductions to agencies (i.e. MACAA, Nelson Volunteer Coalition, Dental Voucher program, etc.)

3) Relocation of Recreation and/or Extension to the old General District Court areas in order to reduce rent expense. (FY12 rates for Recreation Rent-\$34,464 Extension Rent-\$19,536)

4) Consideration of increase in ambulance transport fee (BLS-\$320 to \$450/ALS-\$415 to \$550) to pay for night and weekend paid EMS coverage (\$157,684 as proposed by Wintergreen Rescue). Estimated revenue would generate excess funds of \$55,463 which could be applied to EMS Council reimbursements thereby freeing up this amount of funds for other purposes.

5) Even with a 23 cent real estate tax increase for 2012, it is likely that another increase would be necessary in 2013. An additional real estate tax increase (more than 23 cents) may be considered to avoid two consecutive years of tax increases and to maintain services at current levels until the reassessment in 2016.

#### *Other Personnel Considerations (not currently in budget proposal):*

1) Re-evaluate Emergency Services job descriptions

2) Re-instatement of second building inspector position (\$49,044)

3) Change 2 part-time Animal Control Officers to full time (\$35,161)

4) Change 1 part-time Custodian to full time and eliminate vacant full time maintenance position. Savings would be applied to contractual services to offset elimination of maintenance position.

5) Salary Adjustment 1% (County- \$44,000/School- ?? )

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*Tax Rate Timeline:*

- 1) Public Hearing advertisement must be submitted to newspaper on March 26 for publication on March 29
- 2) The earliest the public hearing could be is April 5
- 3) The latest the hearing could be is April 10 which would require the tax rate be set the same night of the hearing.

Mr. Carter noted that staff had done what the Board had directed in allocating the Courthouse debt prepayments back to the budget and have not been able to establish more options than what was handed out. He added that staff would keep working on it and was not ready to give all of the options out presently.

Ms. McCann then explained that primarily in order to put the money back, there was this year's money and then next years. She noted that this year's had gone into the contingency so that was now eliminated in the amount of \$134,573. She added that this reduced police vehicles, reduced support to the Broadband Authority, reduced the transfer to schools in the amount of the debt prepayment leaving an increase of \$246,000 to schools. She noted that she had increased meals and lodging taxes and felt comfortable about this.

She then reviewed the numbers related to the radio debt, the proposed increase in Motor Vehicle License Fees, and noted the value of a penny for 2008 real estate values.

Ms. McCann noted that Staff had discussed the possibility of refinancing the Courthouse debt and would ask Davenport about it. She noted the current Rural Development loan rate was 4.25% to 4.5%.

Mr. Harvey stated that he did not think that an additional \$246,000 would work for the schools and Ms. McCann noted that this was just a starting point after putting the debt money back in.

Mr. Hale stated that he thought Mr. Harvey was correct and that he thought that in terms of advertising the rate, the Board would be wise to advertise an increase of maybe \$.04, which would take care of debt service roughly for two years and then the Board would have to pay for a new reassessment. It was noted that it would be smart to advertise high so the Board had options and it did not mean that the rates would be raised even though they have not been since 2008.

Mr. Hale noted that the burdens of Local Government from the state have increased each year since then and that the state has saved revenue by shifting costs to localities.

Mr. Harvey indicated that he was not in favor of changing the Motor Vehicle License fees and Mr. Carter noted that this would be applicable to everyone that has a vehicle. Ms. Brennan suggested that the Board look at this another time.

Mr. Harvey noted that he could go for \$35 for cars and \$15 for motorcycles. Mr. Carter explained that the rate maximum for cars was \$33 and the rest was add-ons for state EMS fees. He added that because the state authorizes it, localities can charge it also. Mr. Carter then clarified that the \$4.25 was for EMS and the \$1.50 was for vehicle safety inspections. He noted that without these fees, the maximum was

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\$33 and with the fess the maximum would be \$38.75 or \$35.75 if they only added on these fees to the current rate of \$30.

Mr. Carter then advised the Board that they could have rate differentials based on vehicle weights of under or over 4,000 lbs, and if over, the Board could charge a maximum base rate of \$38.

The suggested rates were discussed and Mr. Carter advised advertising \$38.75 and then this could be rolled back. He added suggesting the \$18 for motorcycles.

Mr. Hale then moved to advertise for public hearing a rate increase on Real Estate from \$.55 to \$.60 per hundred, the same rate for Personal Property, and an increase in Motor Vehicle License fees to \$38.75 for cars and \$18 for motorcycles.

Ms. Brennan seconded the motion and there being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion.

Members then agreed by consensus on the Public hearing date of April 10th and to hold a special meeting on the 12th at 2pm in order to set the rates.

Members then agreed by consensus to conduct a budget work session at a continued meeting on April 3, 2012 from 4:00 pm to 5:00 pm.

#### **V. Other Business (As May Be Presented)**

There was no other business considered by the Board.

#### **VI. Adjournment**

At 8:25 pm, Mr. Saunders moved to continue the meeting until April 3, 2012 at 4:00 pm in the Board of Supervisors Room 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.