

May 23, 2012

**Virginia:**

AT A CONTINUED MEETING of the Nelson County Board of Supervisors at 2:00 p.m. in the Board of Supervisors room located on the second floor of the Nelson County Courthouse in Lovingston, Virginia.

Present: Allen M. Hale, East District Supervisor  
Constance Brennan, Central District Supervisor  
Thomas H. Bruguere, 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  
Dr. Roger Collins, School Division Superintendent

Absent: None

**I. Call to Order**

Mr. Harvey called the meeting to order at 2:05 pm with all Supervisors present to establish a quorum.

**II. FY12-13 Budget Work Session**

Members agreed by consensus to consider item IIIA prior to this item of business.

Dr. Collins in attendance noted that the School System was anxious to get their contracts out as they had lost several teachers this week to neighboring counties. Mr. Bruguere noted that they should give County residents priority if they were qualified to fill these positions and Dr. Collins noted that they considered all applicants equally.

Dr. Collins was then asked to overview the new positions being requested within the revised funding request and he noted the following:

One of these positions was a technology position to perform computer support. He then noted that the High School position was due to a state mandate to teach financial literacy. He noted that the freshman class had to have this class in order to graduate. He then noted that the Elementary position requested was because a teacher at Rockfish had taken educational leave and they had hired someone else in the position and wanted to retain them to keep teacher/student ratio small.

Dr. Collins then further explained that all graduates were now required to have a financial literacy course starting with this year's freshman class. He added that the position would teach three (3) classes a semester and six (6) over the year. He noted that the person would be licensed in something else so that they could use them elsewhere as well; possibly in business education.

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Ms. Brennan inquired as to whether or not this person could be the new gifted position also and Dr. Collins noted that the part time gifted coordinator needed a part time assistant to meet the SOQ mandate. With regards to the financial literacy requirements he noted that there were 130 students in each class to be taught and that they were trying to get ahead of it. He noted that he has looked into whether or not Nelson could offer this online; however only a limited number of schools could do this and those that signed up first would be eligible.

He then reported that the Language Arts teaching position requested was to maintain teacher/student ratios of 1/21.

Dr. Collins then noted that they were losing students at the High School and that the March ADM was around 1930. He added that it had peaked at 2018 and was now around 1930 not counting pre-k students.

Members questioned whether or not more kindergartners were coming in and Dr. Collins noted that they had more now than at this time last year and that he was not sure of the incoming numbers today.

Mr. Hale then noted that he was looking at the bottom line of funding for schools and Ms. McCann noted that she had given them what was resubmitted by the schools. Mr. Hale then noted that the funding in the spreadsheet included additional funding of \$246,190 and the shortfall was revised to be \$1,200,689. He then noted that to fully fund the School's request, the Board would have to add a difference of \$954,499 to the \$12,651,608 for a total of \$13,606,107. Ms. McCann noted that this would reduce the recurring contingency to \$541,499 and the nonrecurring contingency would remain \$723,546.

Mr. Hale then noted that he was concerned about having to do another tax rate increase just following the one they just did. He noted that the VRS increase was substantial and with a stable school population, he noted that he was not sure if he was willing to authorize additional positions if it would force the County into another tax increase.

Mr. Carter noted that each year becomes more challenging and that the Board had to raise taxes to make it all work. He added that the School Board was doing the best they could to make the school system the best it could be; however he was not sure the County could sustain million dollar increases every year. He added that the 1% raise was not even a full percent raise. He then questioned that if they had retirements and assuming these were senior positions; where were those savings being reapplied in relation to the five new positions.

Mr. Carter then noted that the Board was being asked to consider the revised request and if they fully fund it then it would be for the 5% VRS, the 1% raise, and the five (5) new positions.

Mr. Harvey suggested that if the schools were funded at \$13,606,107 million that they could put the lights on the two (2) ball fields. Dr. Collins noted that he would have to look at that and get good estimates. He and members then briefly discussed if they would also get lights on the tennis courts.

Dr. Collins then noted that the high school bleachers could be replaced with smaller sets and Mr. Carter suggested that the Board could consider these as add-ons at any point using their contingency funds.

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Mr. Harvey reiterated that he wanted to provide the funding of \$13,606,107 if they could do the lights and Mr. Hale concurred. Dr. Collins noted that in that case he would like to be able to keep the fuel money. Mr. Harvey noted that the County agrees to pay for the fuel and he wanted to leave it there because it fluctuates so much.

Ms. Brennan noted that Dr. Collins should have a chance to look at this to see if they could do it and Mr. Carter agreed that it put Dr. Collins in an awkward position to have to go back to the School Board on this.

Members discussed how this could work and Dr. Collins noted that Title 9 would allow them to do the girls' field first which would be less expensive and then do the boys next as long as there was a plan.

Ms. McCann suggested that if they make the requirement of doing the lights then they could reduce the requested amount by whatever it costs them to do it and they would have to come up with areas to cut. Ms. Brennan noted that she was concerned that they would have to make cuts in areas that they thought they needed. Ms. McCann then suggested that they come up with an amount to allocate towards the lights and if the prices were out of the ballpark then they could revisit it.

Mr. Carter noted that they needed to make a decision about the positions so they could go forward on these.

Mr. Harvey then suggested that they reduce the \$13,606,107 by \$245,000. Mr. Hale suggested that they tackle the light situation in a different line item, such that the County would now handle getting the lights on the fields; which would make it cleaner for the starting number next year. He added that they were increasing local funding to the schools by around one million dollars and Ms. McCann confirmed it would be an increase of \$955,689 over the current year.

The Board agreed by consensus to use this figure for the advertised budget for public hearing; noting that they could amend the budget after it's approved if necessary. Ms. McCann confirmed the local amount for schools to be advertised was \$13,361,107.

Ms. McCann then noted that the Departments left to review were Recreation, Planning, and Tourism. The Board then reviewed these as follows:

Planning and Zoning:

Ms. McCann noted that this department's budget could not be level funded due to the hiring of the Planner for a partial year. Mr. Hale suggested that the budget be level funded as they would not have both positions for a full year in FY13 and it should work out in theory. This reduced the budget by \$31,661. Mr. Carter concurred that this would likely work out over the course of the year.

Recreation:

Ms. McCann noted that the Recreation department increase still included salaries without the 1% raise from this year being transferred in and this was also the case for the Community Development

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department who had also added a 30 her per week employee. She added that these two departments had little variation.

Mr. Hale confirmed that no new positions were being included and Ms. McCann noted that personnel items were to do with Animal Control, Broadband, and custodial staff.

Virginia Cooperative Extension:

It was noted that the funds here went towards salaries and benefits mostly. It was noted that the County pays the rent separately in the Buildings and Grounds budget.

Commonwealth Attorney:

Ms. McCann noted that the request for additional staffing funding by the Commonwealth Attorney was discussed on May 8th and the consensus then was to reconsider it later. She noted that the requested part-time funding amount of \$14,000 was based upon previous use of a special investigator utilized in a high profile murder case and also included part-time funding for a secretary. She noted that Staff reduced this funding by \$9,000 to provide funding for a part time clerical position only and that the current request was for a full time position at a salary of \$23,000. She added that with benefits the total cost would be \$37,012 which would require a budgetary increase of \$31,629.

Ms. McCann then explained that the Commonwealth Attorney had noted that their workload had increased significantly. Mr. Harvey then noted that he and the Commonwealth Attorney had discussed incorporating DUIs into the county code that could generate revenue and Mr. Carter noted that he would have to check as to whether or not this was possible.

Members and staff briefly discussed the State raising the threshold to 40% on the overage of court fines and forfeitures that would be retained by the State.

Ms. McCann then recommended that the Board increase the part time funding but not funding a full time position with benefits.

Mr. Hale recommended allocating \$11,500 for this and Ms. McCann noted that the State Compensation Board would not fund another secretary for just two (2) lawyers.

Mr. Hale then proposed that the Board fund \$11,500 for a part time position, which was half of a full time position and the Board agreed, which added \$6,500 to this budget.

Animal Control Positions:

Mr. Harvey noted the proposal received from the Sheriff to take over Animal Control and Mr. Carter noted that he had initially reviewed it the previous day and his take on it was that it would cost far more for them to do it than for the County to hire someone and make it work. He added that they had asked for a \$10,000 salary increase for the Sheriff, a \$5,000 salary increase for the Captain, and then they would have to send three (3) people to school which may lead to higher salaries. He noted that the

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Sheriff wanted complete control and wanted all of the vehicles restriped. Ms McCann then concurred that this would be much more expensive.

Members briefly discussed this and agreed by consensus to put a hold on deciding on what vehicles to include in the motor pool budget for now too.

Staff recommended the addition of full time Animal Control Supervisor position and possible elimination of the shelter attendant position. Ms. McCann reported that the cost would be \$48,023 for the new position and if the shelter attendant was eliminated the cost savings would be \$14,274. She added that the Animal Control functions would be removed from the Emergency Services Coordinator position and that Staff's position was that the supervisor needed to work from the Animal Shelter.

Mr. Hale suggested that the County hire a qualified and capable Supervisor whose only job was animal control supervision and do the best they could with it.

Staff noted that they currently have two (2) part time Officers and a part time Shelter Attendant now and if they added a full time position it would cost around \$48,023. Members discussed the possible position make up of the department and Ms. McCann recommended that they have two (2) part time ACOs in addition to a full time Supervisor. Mr. Carter concurred and noted that the Supervisor could be on call also and all chip in at the shelter. The Board agreed by consensus to add the full time Supervisors position; which added \$48,023 to the departmental budget.

#### Police Cars:

Staff noted that the Sheriff's Dept had revised their request to include 1 prisoner transport van and 2 police cars with the estimated base cost of \$50,000 for the van and \$25,000 each for the cars. Ms. McCann noted that the complete package with options as quoted was \$63,938 for the van and \$43,571 for the police car.

The Board agreed by consensus to put this on hold.

#### Broadband:

Ms. McCann noted that these two proposed positions had been removed as previously reported. Mr. Carter added that this budget was in a state of coming together and was a moving target right now.

He added that the County had recently spoken to Mid Atlantic Broadband (MBC) - a transport provider that has member internet service providers (ISPs) both wired and wireless and they may want to come into the tower hut in Lovingson to connect to the network. He added that this would facilitate their member ISPs providing services.

#### Custodians:

Ms. McCann noted that staff was recommending to change the part-time custodian to full-time and eliminate the vacant full time maintenance position. She noted that the savings would be applied to

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contractual services to offset the elimination of the maintenance position. The Board agreed by consensus to go with the recommendation and there was no affect on the departmental budget.

Magistrate:

Ms. McCann noted that the Magistrate has requested a budget of \$840 which has not been funded in the past. She noted that the Code of Virginia specifies that quarters, furniture, and equipment should be provided. She added that the request was for equipment, maintenance, and cable connection etc. The Board agreed by consensus to fund the full request; which added \$840 to the departmental budget.

VRA Radio Project Debt:

Ms. McCann reported that based upon the most recent VRA debt schedule for the radio project, \$34,689 would need to be added to the Transfer to Debt Service Fund in order to reflect two interest only payments. She noted this would also change the Debt Service Fund budget. Members agreed by consensus to fund this change.

Information Systems Budget:

Ms. McCann reported that an additional \$7,500 needed to be added to the IS budget for the T-1 circuit to Wintergreen that was mistakenly omitted from the original request. Members agreed by consensus to fund this change.

Delinquent Tax Sales:

Ms. McCann noted that there was a possibility there would be some revenues from this but that Ms. Smythers had indicated that there was \$23,000 up for disbursement next year; however some heirs have come forward. She added that this had been left at zero in the budget. She noted that Ms. Smythers had indicated that there was some threshold that the courts have to abide by to go forward with the sale and that there have been some recent sales that no one has bid on. She added that there was not a lot of excess money in some cases and that the process was serving its purpose in incensing people to pay their taxes.

Agency Budget Review:

Health Department:

Ms. McCann reported that this budget had been level funded and that the reason for the requested increase was to cover the higher lease payment for the new facility. She added that this increase had been adjusted out of the Local Only funding portion of the budget to cover this cost.

Ms. Brennan noted her opposition to reducing the Local Only funding and Mr. Harvey suggested paying the County's share for the rent when it became known.

Mr. Bruguere noted that he would support a reduction because people could get the same care at BRMC. Ms. Brennan then noted how the Health Department had stated that they would handle funding

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reductions. Mr. Carter noted that the County was mandated to share 39% of the state mandated costs and that staff had taken the rent money from the Local Only funding. He noted that it was likely that the new rent would not take affect until July1 and the Board would have some time to rethink this.

Mr. Harvey noted that rent was something that the County had to do and the Board agreed by consensus to leave this in and come back to amend the budget when the actual rent amount was known. This added \$21,035 back to their budget.

Region Ten:

The Board agreed by consensus to level fund this agency.

PVCC:

The Board agreed by consensus with the recommended funding.

TJPDC:

The Board agreed by consensus to level fund this agency.

TJSWCD:

The Board agreed by consensus to level fund this agency and Mr. Carter noted that the County would likely partner with them on storm water management.

Extension:

The Board agreed by consensus to level fund this agency.

Regional Library:

Mr. Carter noted that the Library Board was still meeting on the new draft agreement and it was noted that they fund their Regional costs first then the local costs and any cuts would come out of the local side.

The Board then agreed by consensus to add back \$5,000 to this budget.

TJEMS:

The Board agreed by consensus to level fund this agency.

JABA:

Ms. Brennan noted that she would like to increase the recommended amount by \$5,000. Following brief discussion the Board agreed by consensus to add \$1,902 to make the recommended funding amount \$90,000.

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JAUNT:

The Board agreed by consensus to only cut \$5,000 from their request making the County Contribution \$65,255 plus the Wintergreen contribution for total funding of \$101,002.

MACAA:

The Board agreed by consensus to level fund this agency.

SARA:

The Board agreed by consensus to level fund this agency.

EDA:

The Board agreed by consensus that they should be treated like the other Boards and get paid \$75 per meeting by the County and \$6,720 was added to this budget.

CSBVA:

Mr. Carter noted that Ms. Kelley indicated that this benefits the County the most as compared to the TJPED and the Board agreed by consensus to fund this request of \$7,500.

The Board then agreed by consensus that level funding was okay for the rest of the agency requests and that no funding would be provided for Legal Aide.

Other Fund Budgets:

Ms. McCann reviewed the following:

Debt Service Fund:

Debt service expenditures relative to the General Fund total \$1,086,062 and include debt service, reserve funds, and trustee fees for the following:

- 1) Convenience Centers/Construction & Equipment
- 2) Courthouse Judicial Center (includes pre-payment of \$253,818)
- 3) Radio Project (\$64,246 interest only in FY13)

Debt service expenditures relative to the School Fund total \$2,456,195 and include debt service payments and trustee fees related to the following:

- 1) There is no outstanding debt for Bus leases.
- 2) Tye River Elementary
- 3) Rockfish River Elementary

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- 4) VRS refinancing
- 5) NCHS Renovations/ New Middle School

All debt is supported by a transfer from the General Fund.

#### Capital Fund

Expenditures reflect funding in the amount of \$300,500 that was allocated in FY12 (remains unspent) as a Capital Reserve for the School Division. Also included is an unallocated Capital Reserve in the amount of \$1,197,375.

Revenues generated include only a small amount of interest earnings. The remainder of revenue reflected is the existing fund balance.

Ms. McCann noted that this budget showed reserved funding for two school buses which reduced the unallocated capital reserve.

#### Courthouse Project Fund

The Courthouse Project Fund expenditure budget for FY13 includes the anticipated remaining project costs which include the 10% construction retainage and the Jefferson Building renovation. Other anticipated expenditures include remaining architectural contract, signage, entry display (mitigating requirement relative to tower environmental) and the retaining wall. In FY13, all debt is reflected in the Debt Service Fund budget.

The revenues include the remaining financing proceeds anticipated to be \$387,137 and \$466,689 from the fund balance (amounts previously allocated to the project).

Ms. McCann noted that there may be around \$600,000 left in the fund after designated expenditures and Mr. Carter noted that there would be some expense to fix the old magistrates building that has not been budgeted.

#### CDBG Fund

The remaining balances of two currently active grants will be carried forward in FY13—the Dental Center grant (\$657,008) and the Broadband CDBG grant (\$27,000). Once the Broadband funds are received they will be transferred to the Broadband Project Fund.

#### Piney River Water/Sewer Enterprise Fund

In FY13, this budget reflects a reduced cost in the area of maintenance and repairs. This reduction is attributed to the grinder pump inventory (purchased with remaining project grant funds) and is based on actual FY12 expense. Other changes include an estimated 4% increase in water and sewer charges.

Receipts for water and sewer fees are projected to be approximately \$100,000. Fees for connection and installation are projected to be \$27,700 (assumes 2 new water and sewer connections). Expenses are

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anticipated to exceed revenues by \$80,969. This shortfall is covered by a transfer from the General Fund in the amount of \$45,000 and anticipated fund balance at year end (\$35,969).

Mr. Carter suggested appointing a committee to look at the Service Authority taking this over. Members then suggested that staff work with NCSA on this and then bring it forward for the Board's consideration.

### Broadband Project Fund

The Broadband Project Fund budget includes \$1,378,188 in expenditures relative to completion of the network build. Grant funds provide support to the project in the amount of \$698,255. The balance of the project is supported with local funding (FY11 carryover) dedicated to the project. Incremental start-up of network operations is anticipated to begin in the summer. Operational expenses are projected to be \$109,550. Initially, the network is anticipated to generate \$30,900. The budget includes a \$50,000 transfer from the General Fund of non-recurring revenues to support early stages of operation. The FY12 budget also included startup funds which are shown as year ending balance that will also support first year operations.

This budget may need to be amended as the year progresses. Contracts for network operation and outside plant maintenance have not been finalized and are significant operational expenses.

Mr. Carter noted that this budget was a work in progress as things were uncertain on the operating budget.

Following discussion of the Other Funds, the Board agreed by consensus to have staff prepare the budget hearing advertisement reflecting the changes made up through that day.

### **III. Other Business**

#### **A. Authorization to Award and Execute 2014 Reassessment Contract (R2012-34)**

This item of business was considered prior to item II.

Mr. Carter noted that staff and the Commissioner of Revenue had interviewed two (2) firms – Pearson's Appraisal Company and Wampler Eanes Appraisal Group. He noted that Wampler Eanes had ranked higher than Pearson's, the Commissioner had performed the background checks and Wampler Eanes had come highly recommended. He added that they had the most extensive experience in using the Proval system that the County uses. He noted that Wampler Eanes would charge \$15.95 per parcel and Pearson's per parcel charge was \$17.90. Mr. Carter noted that he has worked with Wampler Eanes some but not extensively; however he recommended them.

Ms. McGarry then noted that the assessors would work out of County offices and would do the data entry directly into the Proval system with there being no need for data conversion. Members noted that if the Commissioner of Revenue was happy with the selection then they were happy. Staff then confirmed that she was completely in favor of hiring Wampler Eanes and could not be there in person to endorse them as she was on vacation.

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Members and staff discussed the possibility that they could reuse the photographs taken by Blue Ridge Mass Appraisal Company however, it was noted that there were issues with those photos being improperly linked to the proper records and Wampler Eanes related that they did not feel comfortable relying on someone else's work. Mr. Carter added that the two principals of the company have worked in the County previously with Wingate Appraisal Company and were very familiar with the County.

Mr. Bruguere then moved to approve resolution **R2012-34** Authorization to award and execute 2014 Reassessment Contract with Wampler Eanes and Mr. Hale 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 (R2012-34)**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**AUTHORIZATION TO AWARD AND EXECUTE**  
**2014 REASSESSMENT CONTRACT**

**BE IT RESOLVED**, by the Nelson County Board of Supervisors that the County Administrator is hereby authorized to award and execute a contract with Wampler Eanes Appraisal Group Ltd. in the amount of \$15.95 per parcel, not to exceed a total of \$275,000.00, to conduct the 2014 general reassessment of real property.

Mr. Bruguere then suggested that the Board and staff look into performing reassessments of property in house in the future.

**B. *Introduced : Courthouse Punch list***

In response to questions, Mr. Carter noted that the Courthouse punch list was coming along and that there may be some things that they cannot fix. He added that he would discuss things with Randy Vaughan and noted that Blair seemed to be attentive and were supposed to be done with the list by June 19th.

He added that there were conduits full of mud that were being repaired and that the County would have to have another conference with everyone to confirm that the items had been addressed and if not what to do.

**IV. Adjournment**

At 4:15 pm, Mr. Bruguere moved to adjourn the meeting 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.