

May 23, 2013

Virginia:

AT A REGULAR 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.

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

Absent: Thomas D. Harvey, North District Supervisor

I. Call to Order

Mr. Bruguere called the meeting to order at 7:12 PM with four Supervisors present to establish a quorum and Mr. Harvey being absent.

- A. Moment of Silence
- B. Pledge of Allegiance – Ms. Brennan led the Pledge of Allegiance

II. Public Comments

1. Marta Keene, CEO of JABA

Ms. Keene introduced herself as the new CEO of Jefferson Area Board for Aging (JABA) and thanked the Board for recognizing the needs of seniors in Nelson County. She then introduced her coworkers in attendance, Ginger Dillard and Frances Mitchell. Ms. Keene then shared some statistics for Nelson County on seniors; noting that almost 10% of seniors were living at or below the poverty level and that 24% lived alone; which was an increase from 2010. She then noted that JABA would provide services for over 900 citizens of the County. Ms. Keene then distributed a packet about JABA being a resource for seniors. She concluded by noting that she would like to collaborate with the Board on meeting the County's needs going forward.

III. Public Hearing – FY13-14 General Fund and Other Fund Budgets

Ms. McCann gave the following budget presentation:

Budget Funds:

- General Operating Fund

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

Ms. McCann noted that there are eight funds that comprise the overall county budget. The primary fund is the general fund which often supports other funds as is the case with the School Fund and the Debt Service Fund. She noted that the remaining funds are generally project oriented such as the Courthouse Project Fund or a fund may relate to an enterprise operation such as Piney River water & sewer operations.

GENERAL FUND BUDGET COMPARED TO FY12-13

■ FY12-13	\$35,460,057
■ FY13-14	\$34,682,969
■ <u>Decrease</u>	-\$777,088
■ % Change	-2.19%

Ms. McCann noted that compared to the current year budget as amended (through 2/13), the proposed FY14 General Fund budget reflects a decrease of approximately **\$777 thousand which** is an approximate **decrease of 2%**. She noted that the decrease was primarily due to the near completion of a communications project addressing narrow banding radio requirements (-2.6 million).

Significant Revenue Factors

- **Moderate increases in Real Estate and Personal Property tax collections. There is no change in tax rates for 2014.**
- **Growth in revenue from meals tax is anticipated to generate an additional \$110,763.**
- **Growth in court fines is expected to generate an additional \$115,000.**
- **Decrease in non-recurring financing proceeds and projected carryover utilized in the proposed budget.**

Ms. McCann noted that there was no change to real estate and personal property tax rates but collections reflected moderate increases. She noted that revenue from the Meals Tax and Court fines was also expected to increase.

She then noted that overall revenues reflected a decrease which was primarily due to the receipt of financing proceeds for the county's radio project in the current year which were not recurring in the upcoming fiscal year (\$1.4 million reduction). She also noted that ambulance billing collections also reflected a decrease attributed to the decline in call volume and difficulties in obtaining patient information from UVA Hospital.

Local Revenue

■ FY13 Budget	\$27,210,725
■ FY14 Projections	<u>\$27,757,755</u>
■ Overall Increase	\$547,030
■ Percent Change	+2.0%

Ms. McCann noted that FY14 local revenue makes up 80% of the total General Fund budget. She noted that the primary source of local revenue was general property taxes (\$22,425,173) which accounts for 81% of all local revenue. She noted that the FY14 budget reflected a 2% budgetary increase, \$547 thousand in local revenue primarily due to increased real estate and personal property tax collections, meals tax, and court fines.

State Revenue

■ FY13 Budget	\$2,978,888
■ FY14 Projections	<u>\$3,754,844</u>
■ Overall Increase	+\$775,956
■ Percent Change	+ 26.05%

Ms. McCann noted that State revenue makes up 10.8% of the total General Fund budget in FY14 as compared to 8.4% in FY13. She noted that the largest sources of state funding within the General Fund included Compensation Board funding for Constitutional Offices and state support of public assistance and social services programs. She added that next year's budget reflects an overall increase of \$775 thousand primarily due to the anticipated award of Transportation Alternative funds for phase 1 construction of the Crozet Tunnel Project.

Federal Revenue

■ FY13 Budget	\$ 870,406
■ FY14 Projections	<u>\$ 822,894</u>
■ Overall Decrease	-\$47,512
■ Percent Change	-5.46%

Ms. McCann noted that federal revenue makes up 2.4% of the total General Fund budget and that generally, federal sources included social services funding, the payment in lieu of taxes relative to national forest located in Nelson (from the U.S. Bureau of Land Management) and various federal grants. She added that the decrease reflected here was due to fluctuations in various grant funding (Blue Ridge Railway Trail-no new awards). She then noted that full entitlement (Payment in Lieu of Taxes Program) was authorized by the federal government's enactment of the Emergency Economic Stabilization Act of 2008. (Guaranteed through 2012).

All Sources of Revenue

■ Local	\$27,757,755
■ State	\$ 3,754,844
■ Federal	\$ 822,894
■ Non-Revenue Receipts	\$ 580,000
■ Year Ending Balance	<u>\$ 1,767,476</u>
■ Total	\$34,682,969

Ms. McCann noted that local, state and federal revenues together with financing proceeds, transfers from other funds, and year ending balance make up all projected revenue supporting the FY14 proposed expenditures. She noted that Non-Revenue Receipts included the balance of Financing proceeds for the final phases of the public safety radio project (to meet new federal narrow banding standards) and the Transfer In of funds set aside for the purchase of school buses. She added that the year ending fund balance reflected carryover funds allocated for various capital projects and reserves.

She noted that there was \$300,000 in carryover for the Radio Project, \$1,057,476 carryover from unexpended FY13 Contingency (\$977,476 allocated to non-recurring contingency and \$80,000 for demolition of health dept bldg) and \$410,000 other anticipated FY13 carryover (allocated in Capital Outlay for Solid Waste Truck & Emergency Services Vehicles).

Expenditure Highlights:

- **Proposed 3% Employee Salary adjustment**
- **Additional Law Enforcement Positions**
- **Vehicle Replacement**
- **Increased Regional Jail expense**
- **Savings from debt refinancing**
- **Reductions for Reassessment as work nears completion.**
- **Reductions in Capital Outlay**

Ms. McCann noted that significant increases in Operational spending within the proposed budget include:

A 3% salary adjustment proposed for all employees (\$130,000), two additional full time and two part-time positions are proposed for law enforcement (\$115,018), vehicle replacement including 3 police vehicles and 1 motor pool vehicle (\$122,500), and increased Regional Jail costs (\$81,860).

She then noted that significant reductions in expenditures include: Savings from debt refinancing (\$211,249-Courthouse Renovation and Rockfish River Literary Loan), reductions attributed to the near completion of the 2014 reassessment work, and reductions attributed to near completion of the county's public safety communications project implemented to meet federal narrow banding requirements.

Grant Projects

- **Blue Ridge Tunnel restoration**
- **Blue Ridge Railway Trail**
- **Funded with Transportation Enhancement/Alternatives grants from VA Dept. of Transportation.**

Ms. McCann noted that the County has two significant grant funded projects included in next year’s budget:

The Blue Ridge or Claudius Crozet Tunnel restoration project encompasses tunnel restoration and development of access trails (located in Augusta and Nelson counties). The County anticipates award of Transportation Alternative Funding to begin construction of this project which has been included within the proposed budget (\$749,149). The county continues to seek additional funding sources to fully implement this project. (and has established a non-profit foundation to assist with project funding.)

Secondly, the county was awarded funding for Phase 3 of the Blue Ridge Railway Trail which encompasses renovation of the Piney River Depot and weigh station house and a 250 ft. trail extension to the weigh station house located at the eastern terminus of the trail near Tye River.

Local Contribution to Schools

- **School Nursing Program (Level)**
- **School Operations +\$750,000**
- **School Buses \$180,000**
- **Total Contribution \$ 14,506,107**
- **Total Debt 2,264,740**
\$ 16,770,847

Ms. McCann noted that within the General Fund, local Operational funding for Schools (including the nursing program) is proposed at \$14.5 million (\$14,111,107 operations, \$215,000 nursing, & \$180,000) which is a 6.9% increase over the current year. She noted that in addition to this support, the county funds almost \$2.3 million for school related debt (\$2,264,740).

SCHOOL FUND BUDGET COMPARED TO FY12-13

FY12-13	\$24,525,366
FY13-14	\$25,470,920
<u>Increase</u>	\$ 945,554
% Change	+3.86%

***Operations Budget only (excludes debt)**

Ms. McCann noted that the School Fund budget compared to the current year (original budget) reflects an increase of \$945 thousand which is a 3.86% increase. However, this year's local funding provides \$750,000 in new operational funding and \$180,000 for the purchase of new school buses. The proposed budget also reflects an overall increase of \$15,554 in other sources of funding (federal, state, and other).

Ms. McCann added that the denoted budget is less than the advertised budget (\$25,506,610) by \$35,690 due to adjustments in state and federal revenue projections. (State +16,148 salary supplement and Federal -\$51,838) This information was provided after the budget information was submitted to the newspaper.

Summary by Fund

■ General Fund	\$34,682,969
■ School Fund	\$25,470,920
■ Textbook Fund	\$320,667
■ Debt Service Fund	\$3,331,008
■ Capital Fund	\$1,497,975
■ Courthouse Project	\$290,000
■ CDBG Grant Fund	\$3,600
■ Piney River Water/Sewer	\$214,270

Ms. McCann noted that these were all of the funds that make up the county budget. She added that she had only discussed the General Fund and the School Fund which were the two the largest components of the budget. She then noted that the Courthouse Project was completed with the exception of work still underway on the Jefferson Building (old Sheriff's office).

In response to questions, Ms. McCann noted that the total County Budget was \$65,847,099 and that Local Funds were \$27,750,000. She added that the transfers of funds from the General Fund to the Schools was sort of double counting but also included state and federal funds. She noted that the General Fund did not include revenues from state, feds and other that were in the School Fund and that only Piney River revenues were in that budget etc. Ms. McCann then noted that if the Board were to back out General Fund transfers, they would get an unduplicated amount of the total budget. She added that just over \$18 million was transferred out of the General Fund.

Mr. Bruguieri suggested that it would be helpful to see local, state, and federal funding broken out by department and Ms. Brennan noted she would like to see how much taxpayer revenue versus fees is.

May 23, 2013

Mr. Hale then noted that he did not think that the employee salary adjustment was discussed in detail and he inquired as to when was the last time that County staff received a salary adjustment, not including the VRS 5% or bonuses.

Ms. McCann noted that employees received a 1% salary increase in FY10-11 and went for three (3) years without a raise. She noted that the cost of a 3% raise was \$130,000.

Mr. Bruguere then opened the public hearing and the following persons were recognized:

1. Dr. Roger Collins, School Division Superintendent

Dr. Collins thanked the Board for its support of students and staff. He added that the school division was getting bids on the approved capital items and that the old bleachers had been removed; with the new ones to be in place by the first football game next year.

Mr. Bruguere noted that he would like to know the cost of the School Security Task Force recommendations as soon as all of the tabletop exercises were completed. Dr. Collins briefly noted some of the things being discussed so far. Mr. Bruguere suggested that the Board may recommend having a joint meeting with the School Board once the recommendations were finalized to see what would be done.

Dr. Collins then reported that the School Board had enacted the new teacher pay scale as recommended; excluding the bonus for performance and the doctoral supplement. He noted that this would put them in the top 50% in the state. He noted that all other employees would receive a 3% pay increase. Dr. Collins then noted that their health insurance cost increased \$330,000 this year and has been kept in the single digit percentage increase range. He noted that the division had applied the funds already budgeted and the employee picked up the rest. He noted that they had extended the Special Education Teacher and Aid contracts to allow them to be able to get students on and off the buses. Dr. Collins added that they were still looking at the early college program but that he was not sure what would work out and they were not able to offer the CATEC program this year.

Mr. Hale noted that there was no doubt that education was the most important and was the largest single component of the County's budget. He added that over his time on the Board, they have been able to increase the level of local funding to the schools; however he was not sure they would be able to do as much after the reassessment comes in.

Dr. Collins then noted that during the scholarship awards night, the students received over \$600,000 in scholarship money from all sources and that \$200,000 was local money. He noted that they would have convocation a week earlier this coming school year on August 6th at 8:30 am.

May 23, 2013

Dr. Collins then noted that testing was going on right now with two new tests being given on Reading and Science this year and all testing being done online. He then invited the Board to attend the graduation of 150 seniors.

Mr. Bruguere commented that if the tuition for the PVCC early college program were County funded, there would be a lot of interest but if not then there wasn't. He added that in this program, students could be working towards getting their High School and Associates degree at the same time. Dr. Collins and Members briefly discussed how Greene County achieved their program. He then noted that for \$30,000 plus, they could get one class through the program and then it might take off. He added that right now, they would need fifteen (15) paying students to implement the program.

2. Robert McSwain, Faber

Mr. McSwain noted that he thought that the Treasurer has done a great job on managing the tax sales. He added that for transparency's sake, it would be nice to have a report on what properties were owned by entities that were tax exempt and why. He noted he thought this was another aspect of the budget review to consider.

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

IV. Other Business

- A. Referral to Planning Commission - Proposed Amendment to Appendix A –Zoning Ordinance, Planning & Zoning Rates, Fees, and Charges (**R2013-34**)

Mr. Carter noted that staff was presenting a resolution to refer the proposed changes to local zoning fees back to the Planning Commission. He added that Mr. Payne had advised that it should be referred back and so this draft resolution was provided in lieu of moving forward with the Board's previously authorized public hearing on June 11th.

Mr. Hale then moved to approve resolution **R2013-34** Referral of Amendment to Nelson County Zoning Ordinance to Nelson County Planning Commission (Zoning Fees) and Ms. Brennan seconded the motion.

Mr. Hale noted that had the Planning Commission recommended these changes initially, this could have been avoided and Mr. Saunders noted that these increases were a long time in coming.

Mr. Carter noted that these increases had been brought forward by staff previously and that staff was working on revising them and now thought they were ready to go forward.

There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion and the following resolution was adopted:

May 23, 2013

RESOLUTION R2013-34
NELSON COUNTY BOARD OF SUPERVISORS
REFERRAL OF AMENDMENT TO NELSON COUNTY ZONING ORDINANCE
TO NELSON COUNTY PLANNING COMMISSION
(ZONING FEES)

WHEREAS, the Nelson County Board of Supervisors (the Board) has received and reviewed in public session conducted on May14, 2013 a staff report on the fees presently approved for use in the administration of Appendix A-Zoning (Nelson County Zoning Ordinance) of the Code of the County of Nelson, Virginia; and,

WHEREAS, the staff report found that the present fees applicable to Appendix A-Zoning are considerably less than the actual expenses incurred by Nelson County in the administration and processing of zoning applications for which payment of a fee is required; and,

WHEREAS, the Board finds that the present zoning fees should be considered for amendment to address in part the inadequacy of these fees with respect to the actual expenses incurred by the County to administer and process applications pursuant to Appendix A-Zoning.

NOW, THEREFORE, BE IT RESOLVED by the Nelson County Board of Supervisors, pursuant to the applicable provisions of Chapter 22, Planning, Subdivision of Land and Zoning of the Code of Virginia, 1950 with specific reference to §15.2-2285 of said Code, that amendment of Nelson County's present zoning fee(s) schedule be referred to the Nelson County Planning Commission for review and to report the Commission's findings and recommendations to the Board in accordance with Chapter 22 of the Code of Virginia.

BE IT FURTHER RESOLVED, by the Board of Supervisors that the Board herewith requests that the Nelson County Planning Commission limit its review to the following fees and also limit adjustments to these fees as proposed herein below unless the Commission should determine that additional recommendations to the Board are necessary:

<u>Fee Type</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Special Use Permit	\$45	\$200
Rezoning	\$25	\$300
Variance	\$25	\$150
Appeal	\$25	\$150

LASTLY, BE IT RESOLVED by the Board of Supervisors that the Nelson County Planning Commission's ensuing report on the Board's request herein also encompass an amendment to Appendix A-Zoning of the Code of the Count of Nelson, VA to provide

May 23, 2013

for the establishment of a complete schedule of fees (current and as may be amended) within said Appendix A – Zoning.

Introduced: Additional Budget related Requests: Chamber of Commerce Letter Regarding Small Business Development Center funding and DSS

Mr. Carter reported receiving a letter from the Chamber of Commerce asking for more funding for the Small Business Development Center (SBDC). They noted they were concerned about being able to provide services in the county and would like \$5000 in funding.

Ms. McCann also noted that the Department of Social Services (DSS) would need additional funding for implementing a 3% raise on July 1st. She noted that they had gotten state funding for a 3% raise starting on August 1st.

Ms. Brennan reported that she had been contacted by the Chamber about the letter and that a couple of citizens have confirmed that the SBDC seminars were very valuable. She then proposed that the Board fully fund their \$7,500 request and Ms. McCann noted that they were currently funded at \$3,750 within the proposed budget.

Mr. Bruguere noted that Ms. Kelley had advised him that \$5,000 was sufficient to keep the SBDC going at the same capacity and he recommended this.

Ms. McCann reported that \$7,500 had been funded in the past and that this was their full request for FY14.

Ms. Brennan reiterated that the Board had the money to fund the full request and she moved that the County fully fund the SBDC in FY14 for a total of \$7,500.

Mr. Hale seconded the motion and Ms. McCann reported that this would be an additional amount of \$3,750 added to the budget.

There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion.

Introduced: Montebello Fish Hatchery

Mr. Bruguere reported that the Montebello Fish Hatchery was to be closed for the months of June and July for cleaning as a measure of disease prevention.

IV. Adjournment

At 8:15 pm, Ms. Brennan moved to adjourn and Mr. Hale seconded the motion. There being no further discussion, Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.