

March 21, 2013

**Virginia:**

AT A CONTINUED MEETING of the Nelson County Board of Supervisors at 3:00 p.m. in the Board of Supervisors Room located on the second floor of the Nelson County Courthouse.

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

Absent: None

**I. Call to Order**

Mr. Harvey called the meeting to order at 3:05 pm, with all Members present to establish a quorum.

**II. FY13-14 Budget Work Session**

Mr. Carter noted that staff would address questions from the Board, then go through the general fund, and then do schools, compensation, agencies and then categorical considerations.

In response to Board questions, staff noted the following:

*Recurring and Non-recurring Contingency:*

Mr. Carter explained that the contingency containing carry-over from the previous fiscal year was non-recurring; not something to be used for ongoing operations but rather to be used for one-time expenses or buying down debt. He noted that the recurring contingency funds were tax funds that were not obligated that would recur and could be used for ongoing operations. It was reiterated that the non-recurring contingency was \$1,240,176 and the recurring contingency was \$1,375,828 in the current budget and was set aside for the Board's allocation. Mr. Carter added that the School's funding request exceeded the recurring amount but that this was where those funds would come from. He then noted that generally, if these funds were not used within the current fiscal year, then they became nonrecurring contingency funds (carryover) in the next fiscal year. Mr. Carter reiterated that there was no new funding provided to the Schools in the budget at this point and they were starting with level funding.

*Impact of Reassessment:*

Mr. Hale noted that the results of the reassessment could have an impact on the use of these recurring contingency funds. Mr. Carter then related that it was likely that the reassessment would result in property values being at the same lower level as the previous reassessment that was done in 2012. He added that the Board would be looking at this next year and that staff would be asking the Board to

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equalize the tax rate in order to maintain the same level of revenue. Ms. McCann then added that it has been previously noted that the present proposed FY14 budget did assume that the Board would equalize the tax rate because this would impact the second half of the fiscal year's tax collections. She added that the Board could have to make up the difference in this year's budget if they did not equalize it.

Mr. Carter noted that staff would have the Assessors report when they got closer to being done. He added that they had currently assessed approximately 44% of the County's properties and that in September they would be in data checking mode.

Ms. Brennan then suggested that if it was likely that the assessments decreased, the Board should rethink refinancing the courthouse debt for 20 years instead of 15 in order to reserve over \$100,000 for the Board's use. Ms. McCann noted that they did have the ability to change the refinancing term; however they would have to let VRA know as soon as possible even though the refinancing closing date had been pushed to June fifth.

*Revenues:*

Mr. Carter noted some slight changes in revenues due to having received updated numbers from the state on local sales tax etc.

Ms. McCann then reported that overall revenues had increased \$458,000 from this fiscal year, not including grants. Mr. Carter noted that these were available recurring monies for use on the expenditure side.

Mr. Hale then suggested that the tax rate increase that was previously put in place resulted in this cushion and was a source to consider when looking at tax rates. It was noted that the Board could choose to equalize the expected decline in real estate tax revenues using these funds. Ms. McCann then reported that a penny in real estate tax rate was equivalent to \$287,164.

Mr. Carter noted that the Board had approximately \$.05 in funds that could be used to offset a tax rate increase. He added that if they needed \$.25 next year to equalize the revenue, then this would enable them to increase the tax rate by \$.20. Mr. Carter noted that the Board had a lot of nonrecurring money but that did not fix the problem.

*EMS Revenue Recovery:*

Mr. Carter noted that staff was taking a hard look at the revenue recovery program for rescue squad service and noted that other billing companies were being explored. The logistics of how these funds were being collected was briefly discussed. Staff noted that it was not sure if the current billing company was audited, but that one of the issues was that rescue squad personnel were not taking patient insurance information during transport. He added that they were also having problems getting face sheets from the hospitals in order for the billing company to be able to bill insurance companies timely. Members and staff then briefly discussed the timeliness of the billing process and it was noted that there was a lag between getting the transport information, verifying it, and getting it to the billing company. Mr. Carter reported that for example, the January transport data was due to the billing company by the middle of February and this cycle continued on a monthly basis.

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Ms. McCann explained that transports that did not have their insurance information collected got an informational statement from the billing company asking for the patient's insurance information to be sent back to them. In response to questions, Mr. Carter noted that if the patient did not have insurance and could not pay the bill it was written off. Ms. McCann then noted that part of the problem was that some patients that did have insurance were also being written off because they were not sending in their insurance information.

Mr. Carter then explained that all of the rescue squads had Toughbook computers that patient information was gathered on and then transmitted electronically. He added that some were compiling the information longhand and entering it later; which could cause billing delays. He noted that Jaime Miller was tracking all of these submissions and was following up with the squads as necessary.

Mr. Carter noted that these revenues should be up and they were not. It was noted that the call report showed that call volume was only down 100 and some calls and that there were approximately 1,200 transports per year.

The write-off policy was briefly discussed and staff noted that the Board had initially authorized soft billing only.

Mr. Bruguere noted that there were a number of stand-bys and transport refusals causing expense that was not reimbursed. Mr. Carter added that there was a "frequent flyer" problem but that this was down from previous years. Mr. Carter then noted that the County had never tried to implement a collection program thus far.

The Amherst County revenue recovery program was mentioned and Mr. Carter reported that Ms. Miller had spoken with them regarding their program and that at one point; they were only getting 3% collections with the same billing company as the County. Ms. McCann noted that the company had an incentive to collect since they were paid 6%-7% of collections.

Mr. Carter noted that he had mentioned to Region 2000 that they should consider doing the ambulance transport billing for the region and they were going to discuss it. Staff noted that it would be more expensive to do this in house.

Mr. Carter then explained that the current billing company was procured through cooperative procurement through Fairfax County's RFP. He added that staff was looking at who else has this with another billing company that the County could use in order to speed up the procurement process. Mr. Carter added that Albemarle County was having similar problems with the same billing company and also with getting face sheets from UVA Hospital.

In response to Ms. Brennan, Mr. Carter noted that it was unsure whether or not Sequestration was going to affect the County and he noted that if there were an impact it would probably be on the Schools and Social Services; but this was to be determined.

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Expenditures:

Mr. Carter noted a large increase in the E-911 budget; which was primarily due to the radio project and associated equipment and system maintenance agreements. Ms. McCann noted that the maintenance agreement cost was going from \$120,000 in the current year to \$175,000 next fiscal year.

Mr. Carter noted that the proposed budget only reflected \$180,000 for school buses that was set aside last year and there were no operational increases presently shown.

Members and staff briefly discussed school transportation and it was noted by Mr. Bruguere that no report on school transportation was received last year; which was confirmed by Mr. Carter. Members and staff reiterated concerns that there were a lot of buses on the road with minimal ridership. Mr. Harvey noted that this was explained last year and that they had to have the number of buses running that would work for maximum capacity. He added that in the afternoons there were more students picked up from the High School and Middle School and in the mornings there were all ages on the buses. He noted that timing was a factor and that members needed to understand that they would see empty buses in the afternoon, and that they should look at these in the mornings.

Mr. Hale suggested having David Johnson, the Director of Transportation for the Schools come to report on this and it was noted that staff should go through Dr. Collins to arrange this.

Staff then noted that reasons for expenditure changes were included on the spreadsheet provided and Ms. McCann briefly reviewed these. She noted that the staff bonuses given in the current year affected a change in most departments.

County Attorney:

It was noted that Phil Payne had requested that the County pay \$1,630 for the cost of books, conference expenses, and association dues. Following brief discussion, the Board agreed by consensus that these were business expenses and not the County's responsibility, and these were zeroed out. Mr. Carter noted that the County has used his legal services a lot for Broadband out of necessity.

Board of Equalization:

Staff noted that the Board of Equalization would need to be established in November/December.

Treasurer:

Ms. McCann noted that that the Treasurer had requested funding for an online bill pay service that provided access to assessment information and billing history etc. Ms. McCann added that the current BAI system was another option but may be more expensive; however it should be looked at also.

Members noted that assessment information was now available through GIS and staff noted that the proposed software would mainly provide a convenience to citizens. Members agreed to come back to this item.

*Finance:*

Ms. McCann noted that maintenance agreements on financial software and hardware were down.

*Technology:*

Ms. McCann noted a \$7,200 increase in computer equipment which included replacing the firewall that was at the end of its life and the san server. Ms. McCann noted the inclusion of a GIS parcel maintenance increase that stemmed from needing to redo parcel lines on the maps per citizen reports. Mr. Carter clarified that when the GIS was done, the data was dumped and then inconsistencies were identified which were now being resolved.

*Land Use:* Included wages for field visits this year.

*Board of Elections:*

Ms. McCann reported that there were no primary expenses included and that the rent for the Registrar's space was included with all other rents in the Buildings & Grounds budget.

Mr. Carter then reported that the Registrar's relocation had been submitted to the Department of Justice and that she needed to move by April 22nd or would have to wait until after the primaries were held. He then noted that staff had been looking at her Internet connection and running the fiber on poles would cost \$3,100 and a wireless solution would cost \$8,000. He added that the building was served by DSL; however her office could not be served by it per Verizon. Members then questioned whether or not the building owner could help offset this cost and Mr. Carter noted it was possible. He then added that staff was going with the fiber option at this point. He clarified that currently, there was no fiber going down Front Street and that this may also be a benefit to others wanting to connect to the network. He related that the outside plant company would install the fiber and BRI or Lumos could provide the services.

Ms. McCann then advised the board that \$3,000 could be cut out of the postage expense, due to office relocation notices going out this fiscal year and not next.

*Courts:*

Ms. McCann noted that this was where court appointed attorneys were paid from and it included Court Services, VJCCA and Clerk's expenses. She noted that 90% of compensation for these departments comes from the State.

*Commonwealth Attorney:* Members left this budget as presented.

*Sheriff's Department:*

Staff noted that Part time speed enforcement was reduced because historically, this was left at a minimal amount and then once they saw how the revenue was coming in, this was adjusted accordingly. It was reported that they have made a substantial request now; wanting to increase revenues from \$180,000 currently in the budget to \$410,000 to cover new expenditure requests.

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Members and Staff discussed the number of deputies currently employed and how this affected their request for more deputies. Mr. Harvey indicated he was fine with approving their request if their revenues covered the costs. Ms. McCann noted the impending responsibility to offer health insurance if part time employees worked more than 30 hours per week and she suggested that the Board may want to limit this.

Some members noted that they wanted to see them have insurance since their lives were on the line. Mr. Carter then advised that this cost was not factored in and that the Board would have to be cognizant of this going forward and could not treat one group of employees differently than another. Members noted that there were more associated costs with full time employees than part time employees.

Members then decided that the department must make the revenue number or some of the approvals for expenditures would be rescinded. They also decided to hold off on funding for three extra cars and they would reevaluate this in January as they thought it best to stagger the purchase of new cars more. Mr. Carter then noted that Sheriff Brooks has been consistent on bringing in revenue.

Ms. McCann then advised the Board that a fourth security person would be doing other things since it only took three to provide the needed coverage and the Board noted that they were okay with this because it gave the department some flexibility.

*Public Safety and Emergency Services:* Ms. McCann noted adjustments were in salaries and training.

*EMS Council:*

Ms. McCann noted that the difference for next year was more funds for reimbursable expenses. Mr. Bruguiere then asked if the Council had provided a letter requesting funds for incentives and Ms. McCann noted that it had not been included in their budget request. Ms. McCann then located the letter in the agency book and advised that \$2,000 per agency had been requested. Mr. Hale noted that Faber Fire Department had provided monies for this in the past but it had been discontinued.

Ms. McCann noted that the Council had \$10,313 cash on hand and would use \$2,500 to help fund an EMT class that would be taught in the county. She added that they had used \$7,668 of the \$10,000 given for supplies to purchase fuses and foam for the Fire Departments and to cover an overage on costs budgeted for Volunteer Appreciation Day.

Mr. Harvey then noted that the rescue squad and fire department budgets were done based on expenses incurred over a twelve month period. Members then discussed devising a means for the fire and rescue agencies to provide more consistent reporting; with them possibly providing their year's worth of receipts for expenses, or giving all of the agencies the same accounting software program to use. Ms. Brennan then noted that she would like to see if there were economies of scale that could be realized from this and they would do this as a good thing for the squads. Mr. Hale suggested that the burden of this should fall on the EMS Council.

Mr. Carter then noted that any accountability measures for staff to take needed to be directed by the Board and Mr. Harvey suggested that they work from the inside out not from the outside in on this.

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Mr. Carter then noted while he was not being critical of the rescue agencies, it had been difficult to get them to use the Toughbook computers even when they were free and training was provided by the County. He added that there was still one agency not cooperating.

Mr. Bruguire and Mr. Harvey discussed facilitating a meeting between the EMS Council and the Board and Mr. Harvey suggested that the meeting be with the Captains and the Board only. Mr. Bruguire then noted that the issue to be discussed was helping the agencies buy vehicles. He added that they were having special meetings to evaluate every squad's vehicles and their needs.

Mr. Harvey then noted that it was already in the Board's plan to fund rescue vehicles and Mr. Bruguire noted that the discussion was how they could fund a fire truck per year.

Mr. Carter then recommended that the Board get a detailed proposal from the Council on this and Mr. Harvey suggested that maybe the County could use the interest free loan fund to do this and then replenish it over time. He added that there was no reason for rescue squads to buy rescue vehicles. Mr. Carter then added that Grant Massie was researching the grants for EMS vehicles and he thought that local governments were eligible. He noted that if so, the County should apply every year.

Mr. Harvey noted that they needed to discuss what types of fire vehicles were needed in the county and needed to be practical about it. Mr. Hale added that he thought the Board recognized the difficulty in the ability of Fire Departments to purchase new trucks and they should look into this. Mr. Bruguire added that the EMS Council wanted to analyze who needed what and decide. Mr. Harvey suggested that they needed to set a standard and also that they had pump tests done and the County needed to pay for these tests.

Members decided that Mr. Harvey and Mr. Bruguire would go to the meeting on this and Mr. Saunders reiterated Mr. Carter's suggestion that they present a proposal on this to the Board.

Members then noted that the Council needed to update the loan process and Mr. Carter advised that staff could help to write this up; however no direction was given.

Meeting with the EMS Council was again discussed briefly; with members reiterating that they needed to discuss who needed vehicles first and then Mr. Harvey and Mr. Bruguire would advise the Council together at their upcoming special meeting.

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

There was no other business discussed by the Board.

### **IV. Adjournment**

At 5:16 PM, Ms. Brennan moved to continue the meeting until 6 PM on Thursday, March 28<sup>th</sup> for a budget work session 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.