

March 27, 2018

**Virginia:**

AT A CONTINUED MEETING of the Nelson County Board of Supervisors at 4:00 p.m. in the Bridge Room located on the fourth floor of the Nelson County Courthouse, in Lovingston Virginia.

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

Absent: None

**I. Call to Order**

Mr. Bruguere called the meeting to order at 4:05 PM with all Supervisors present to establish a quorum.

**II. FY18-19 Budget Work Session**

Mr. Carter advised he had followed up with the Commonwealth Attorney who had related that he had asked the State Compensation Board to make his part time clerical position full time; however he did not think it would be approved. He added that he also sent over case data confirming increased felony charges from last year.

Mr. Carter then reported that follow-up information from JAUNT had been received relative to the Mid-day Routes as follows:

MIDDAY

Weekday Midday service to Charlottesville:

This service is door-to-door and is available to residents throughout Nelson County as capacity allows. The service begins at 7:30 and arrives in Charlottesville around 10:00 am. The service typical leaves Charlottesville around 4:00pm. Service Offered: Monday and Friday

Fare:

- \$3.25 each trip
- \$2.25 for passengers with disabilities and those age 60 and older.

Ms. McCann noted their projected beneficiaries for FY19 was 15,200 and was declining, and could be related to them not offering as many routes.

Mr. Rutherford related that he thought he had been told that if a locality did a certain thing, that he could not recall, then anyone within 1,000 feet of a primary road would get service and this was done through federal monies that other counties were getting. Staff noted being unaware of that scenario and Ms. McCann noted that year-to-date through January, JAUNT reported they had provided 9,022 trips. She noted that she thought they counted one-way passengers to get this number; such that there may be 16,000 beneficiaries but maybe only 8,000 trips.

Staff and Supervisors then continued to review the Expenditures for Capital Outlay & Non-recurring Expenses beginning at E911 (CAD & Microwave Network Upgrade) as follows:

	<b>FY18 Projected</b>	<b>FY18 Budget</b>	<b>FY19 Requested</b>	<b>FY19 Revised</b>	<b>FY18 to FY19 Change</b>	<b>%</b>
<b><u>Capital Outlay &amp; Non- Recurring Expense</u></b>						
Transfer Station Excavator	\$120,250	\$100,000	\$0	\$0	-\$100,000	-100.0%
Comprehensive Plan update			\$10,000	\$10,000	\$10,000	
Large scanner (Planning Dept.)			\$7,100	\$7,100	\$7,100	
Crozet Tunnel (grant)	\$0	\$2,870,933	\$2,870,933	\$2,870,933	\$0	0.0%
Transfer to Courthouse Project	\$60,000					
Library Renovations & Repair	\$32,683	\$127,297	\$0	\$0	-\$127,297	-100.0%
29/151 Corridor Study	\$18,721	\$18,722		\$0	-\$18,722	-100.0%
Emergency Services Vehicles	\$113,330	\$393,000	\$765,388	\$765,388	\$372,388	94.8%
Animal Control isolation kennels & scale	\$6,905		\$0			0.0%
Generator upgrade (Rockfish School)	\$0	\$0	\$45,000	\$45,000	\$45,000	100.0%
E911 (CAD & Microwave Network upgrade)	\$346,000	\$346,000	\$569,500	\$569,500	\$223,500	64.6%
Active E911 Subscription			\$3,800	\$3,800	\$3,800	100.0%
<b>Subtotal Capital Outlay</b>	<b>\$1,154,835</b>	<b>\$4,312,898</b>	<b>\$4,271,721 -\$41,177</b>	<b>\$4,271,721 -\$41,177</b>	<b>-\$41,177</b>	<b>-1.0%</b>

**E911 (CAD & Microwave Network upgrade):**

Ms. McCann noted the Computer Aided Dispatch system (CAD) upgrade cost to be \$200,000 and the microwave network upgrade costs to be \$369,500. She noted that the microwave network had been installed in February 2012 and was critical to the functionality of the simulcast radio system. She noted the current system would not be supported after 2019 as the router and software had been discontinued with no updates available.

Ms. McCann advised that the CAD was 10 years old and would not be supported after 2020. She noted that the CAD was used by Dispatchers to track calls and to document incidents and the County had gotten a PSAP grant of \$75,000 to offset its costs. She added that the new CAD system would be one that was compatible for both dispatch and the Sheriff's Department.

Staff then noted that the CAD replacement would happen quickly; however there was the potential for the upgrade to the microwave network to be started and cross fiscal years. Mr. Carter then added that he was concerned that the phone system would not get done in the current year as a vendor had been chosen and staff was trying to find cooperative procurement that could be used to make the purchase. He noted that the County currently did not use Voice Over Internet Protocol (VOIP) which may be less expensive.

Mr. Carter then noted that the bad thing about technology was that the equipment aged out and became unsupported; forcing users to upgrade. Mr. Rutherford asked if the County had its own servers and Mr. Carter advised the County did and that IT staff was investigating the use of cloud storage.

No changes were made by the Board.

**Active E911 Subscription:**

Ms. McCann advised that the Fire Departments had requested this and it was a digital system that sent information about calls instantly to cell phones. She added that Dispatch had a monitor and would be able to see where everybody involved in the call was. Mr. Harvey noted that with the system, they could see directions to the incident move by move, respond to incidents, and those involved in the incident could communicate via the app rather than over the air on radios. Ms. McCann noted the amount shown would be an annual fee.

No changes were made by the Board.

	FY18 Projected	FY18 Budget	FY19 Requested	FY19 Revised	FY18 to FY19 Change	%
<b>General Fund Contingency</b>						
General Fund Contingency from recurring revenue	\$0	\$449,994	\$0	\$0	-\$449,994	-100.0%
General Fund Contingency (non- recurring revenue)	\$0	\$311	\$1,727,200	\$1,727,200	\$1,726,889	555269.8%
<b>Subtotal Contingencies</b>	<b>\$0</b>	<b>\$450,305</b>	<b>\$1,727,200</b>	<b>\$1,727,200</b>	<b>\$1,276,895</b>	<b>283.6%</b>
<b>Comparisons to FY18 Budget</b>			<b>\$1,276,895</b>	<b>\$1,276,895</b>		

**General Fund Contingency from recurring revenue:**

Ms. McCann noted that the budget did not currently contain any contingency from recurring revenue. She noted that \$449,994 was carried forward from last year and spent this year on capital items which were one-time costs such as the fire and rescue vehicles.

**General Fund Contingency (non-recurring revenue):**

Ms. McCann noted that the Non-Recurring contingency reflected the proceeds from the sale of the nursing home and those funds were currently unallocated.

No Changes were made by the Board.

<b>School Funding Requested</b>	FY18 Projected	FY18 Budget	FY19 Requested	Staff Changes	FY19 Revised	Change	%
Transfer to School Nursing	\$235,000	\$235,000	\$245,000	-\$10,000	\$235,000	\$0	0.0%
Transfer to School Fund (Local only)	\$15,435,887	\$15,435,887	\$15,435,887		\$15,435,887	\$0	0.0%
Transfer to School Capital (Buses)	\$162,000	\$162,000	\$340,000	-\$340,000	\$0	-\$162,000	-100.0%
Transfer to School (Facility Improvement)	\$400,000	\$400,000	\$0		\$0	-\$400,000	-100.0%

<b>SUBTOTAL SCHOOL FUNDING REQUESTED</b>	<b>\$16,232,887</b>	<b>\$16,232,887</b>	<b>\$16,020,887</b>	<b>-\$350,000</b>	<b>\$15,670,887</b>	<b>-\$562,000</b>	<b>-3.5%</b>
<b>COMPARISONS TO FY18 BUDGET</b>			<b>-\$212,000</b>		<b>-\$562,000</b>		

**Transfer to School Nursing:**

Staff noted the FY19 request was \$245,000 and staff had level funded it at \$235,000. Mr. Bruguire asked why the line item was not in the school budget and staff noted that it was; however it was a transfer to them because they paid for it. Mr. Carter advised that the County could save money on the County its side with this. Ms. McCann added that the schools did receive state funding for school nursing and it had been separated out because the Board wanted to ensure the funds were spent for that.

Mr. Saunders asked what would happen if the funding was eliminated and Mr. Carter advised that the Schools would have to decide to keep it and fund it with what they had. Mr. Saunders noted that since they had gotten extra funding from the state, now would be a good time to eliminate this funding. Mr. Carter reiterated that the funds were included as a transfer to ensure those funds were specifically used for the School Nurse program. Mr. Harvey clarified that this was for the treatment of students and was not a teaching item.

Mr. Reed noted he thought it would be helpful if it were not shown as a transfer in the future.

Mr. Carter advised that he thought it should be reduced and the Schools should decide if they want to keep it or not since they had greater flexibility going forward. He related his concern that if the County kept funding the Schools at current levels, the Board would have to raise taxes unless something was cut significantly.

Mr. Harvey stated that the Schools were level funded this year and Mr. Carter noted that was because they were getting more state and federal money because of the change in the Local Composite Index (LCI) and they were just keeping it all. He added that the schools were doing much better than the County and the amount of clerical funds in their budget was overwhelming. He added that the only Departments with clerical staff in the County were Planning and Zoning, Building Inspections, and his office; while the Schools had more than one per office.

Mr. Saunders again suggested the funding be eliminated and Mr. Rutherford supposed that the Board was assuming the School Nursing program would be funded with their new funds. Mr. Carter suggested that if school funding were looked at as current funding versus the required local effort, the current funding would be \$8 Million above the requirement. He added that there was the potential for them to make changes if they were required to do so. Mr. Harvey supposed that no school system operated at the minimum required local effort and Mr. Carter advised that a locality he worked at formerly did. Mr.

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Harvey then noted that the County needed a college since localities could count those students which helped the Local Composite Index formula. Mr. Carter advised that it was miraculous that the County's LCI dropped the way it did and Nelson was still in the top ten of localities with the highest LCIs in the State.

Mr. Reed suggested that the program be funded but that the line item in the County's budget be eliminated. Mr. Harvey advised that the County could not put the funds in a line item for the Schools and Mr. Reed clarified that he did not want to give them the impression that they were not funding the school nursing program.

Mr. Carter reiterated that the state funding formula provided approximately \$89,000 in funding for school nursing; however it was never shown in the school's budget and was absorbed therein.

Staff then noted that the Blue Ridge Medical Center managed the school nurse program.

Supervisors then agreed by consensus to revisit this funding with the whole school budget and no changes were made by the Board.

Mr. Harvey commented that he was not sure the \$65,000 the Board approved last year was used for its intended purpose of keeping the FFA position at 12 months. He stated that the Board should get two years of that funding back since they did not really need it.

Mr. Saunders commented that he would like to know why the School Board did not furnish the band with uniforms when they paid for everyone else's. Staff and Supervisors discussed that the football team was provided with theirs and the other sports got one set of new uniforms every seven (7) years and they fund raised to purchase them otherwise. The state of the varsity football program was briefly discussed with it being noted that the youth football program was working hard and hopefully would help the overall program progress.

**Transfer to School Fund (Local only):**

Staff noted that the School budget included a 2% salary adjustment effective July 1, 2018 and a step increase which resulted in a maximum increase of 10% for some employees. Staff noted a decrease in their VRS rate and level health insurance premiums was also included. Ms. McCann noted a projected enrollment loss of 45 students.

Mr. Carter noted that the Schools were not really level funded; however there was no requested increase in local funding because they would be receiving over \$1 Million in new state and federal funding in FY19. He noted that they would not get the same amount of new funds in FY20; and it could potentially be less than \$100,000 more per the biennium budget. Mr. Harvey then noted that the Board had been providing approximately \$500,000 in new local funding every year. Mr. Carter then reiterated that the state funding would not change much from FY19 to FY20 and next year the Governor would submit a

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caboose bill that would recommend changes. He noted this amounted to a budget amendment between biennial budgets.

Mr. Harvey added that the new funding had more to do with the change in the LCI formula and that would not change again until the next biennium. Mr. Carter confirmed that the new State funding was all attributable to the change in the Local Composite Index. He added that it could be lowered again next time because of the reduction in the County's real estate values. He noted that the County at minimum had to fund the local match of the State's required local effort; which would increase in FY20. Mr. Harvey added that the State only allowed so many positions based on enrollment.

Ms. McCann advised that the State's required local effort was \$7.3 Million and the County was currently providing them with funding of \$15.4 Million; which was roughly \$8.1 Million above what was required. Mr. Bruguere noted the schools had requested at least a million dollars in new money per year since he had been on the Board. Mr. Harvey reiterated that the County had given the Schools \$500,000 per year for quite a few years. Mr. Carter advised that the County was in a funding trap and he would be shocked if the School only asked for \$200,000 next year when a 1% salary increase cost at least \$500,000. Ms. McCann reiterated that the School budget included a 2% cost of living adjustment and a step, which dollar-wise was 1% of their budget. Staff and Supervisors briefly discussed the School's salary scales and it was noted that the entry salary remained the same for eight (8) years because when they only gave a cost of living adjustment, they added a step to the scale.

Mr. Carter suggested that the Board look at the summary on page 40 of the school budget overview document. He added that the school system was excellent; however it was a significant funding concern going forward.

Mr. Rutherford noted that they had found \$207,000 for School Resource Officers with the only other change from the previous iteration being a decrease to the amount shown for the step increase. Ms. McCann confirmed that and noted that they had also added a Nelson Middle School In School Suspension position.

Ms. McCann noted that they were making the Welding Teacher position full time in order to have a certificate program and Mr. Rutherford supposed that they could utilize other partners such as PVCC or CATEC to come down and teach that. He added that he thought the Votech programs were phenomenal, however if a recognized certificate was not obtained, then starting employment wages would be at the bare minimum. He reiterated that when looking at those positions, they should consider utilizing their partnerships. Staff and Supervisors briefly discussed that the cosmetology and food services programs had been previously scrapped. Mr. Bruguere noted the benefit of the former food services programs for some that had gone on to become chefs and added that with the County being tourism driven, those places could be staffed with Nelson people.

Mr. Carter then advised that the easy thing to do would be to provide the level local funding requested; however, they would have a challenge next year on both sides.

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Mr. Harvey suggested that the schools be advised that their budget needed to work for two (2) years. Mr. Rutherford added that they needed to be careful on trusting the State to continue to fund the schools at the same level and they had to be comfortable absorbing it if they did not.

Supervisors then clarified that if they level funded the local transfer, they were still getting an additional \$1 Million in State and Federal funding.

No changes were made by the Board.

**Transfer to School Capital (Buses):**

Staff noted that four (4) buses were requested at \$85,000 each and staff had reduced that funding to \$0 with the thought that it was for the Board's consideration. Funding in the current year was \$162,000.

Mr. Rutherford noted that at the last School Board meeting, they had discussed using unspent capital money for the buses next year. Mr. Harvey noted that those funds were designated to go towards buildings and not for funding school buses. It was noted that \$400,000 in those funds were budgeted for this year and some had been spent already.

Mr. Saunders stated that he had seen several buses at 8am that morning going to the High School with very few kids on them; illustrating his point that the transportation needed to be looked at for efficiencies. Mr. Harvey stated that if they wanted fewer buses, they needed more spares and he would rather replace equal numbers per year. Mr. Saunders stated he thought that some could be cut out and routes consolidated so that they had fewer buses on the road. He added that the Board had asked for that every year and had not gotten it yet. He added that 15-20 years ago, they had more kids and less buses and Mr. Harvey noted that Dr. Comer had said they would consolidate for next year.

Mr. Bruguiere suggested that they have Dr. Comer and David Johnson come in and explain things at their next work session. Mr. Carter noted that they had provided answers to the Board's questions last week and that their numbers showed that 86% of students were riding the buses.

Ms. McCann noted that the County had proposed to have the TJPDC do a transportation study at a cost of \$25,000 and it was not approved. Mr. Harvey then stated that the deal had historically been that the Schools concentrated on educating the kids and the buildings and school buses were the Board's responsibility.

Ms. McCann explained that the school budget did not include buses but ultimately the funds had to go through their budget which explained why it was a separate transfer from the County to the Schools.

Mr. Harvey noted the high cost to transporting kids out of the county who were expensive to educate.

Supervisors agreed by consensus to leave the funding for the buses at \$0 and no change was made by the Board.

**Transfer to School (Facility Improvement):**

Staff noted that the school's Capital Plan totaled \$5,374,539 for the Board's consideration and review. Mr. Carter noted that their operating budget had a footnote that indicated the FY18 \$400,000 in capital funds were not included and he added that they have spent some of it. Mr. Harvey noted they had agreed that all of those funds would go towards capital improvements.

No changes were made by the Board.

Supervisors and Staff then briefly discussed the following items:

**JMRL Proposed Bookmobile:**

Mr. Reed commented that he would rather see money spent on the library itself than for the proposed bookmobile. It was noted this was approximately \$9,000.

**Paid EMS Services:**

Mr. Harvey advised that he had met with Curtis Sheets to discuss the Paid EMS services and he had advised that the staffing and program was okay the way it was currently running.

*EMS Services Study:*

Mr. Carter noted that comments on the EMS study from the Emergency Services Council had been distributed and he inquired if the Board would like to form a task force to look at the study recommendations.

Mr. Harvey stated he did not like the boilerplate study that was received and he noted they had to have volunteers buy into it and agree with it. He added that he did agree with some of the recommendations. Mr. Carter noted that the study team had taken a hard look at it and he asked if the Board wanted to have a presentation from the study panel.

Supervisors agree by consensus that a presentation by the panel was not necessary.

Mr. Harvey noted that he wanted a good evaluation done of their equipment and that was not done. He added that until the 25-30 year old trucks were out of service, the County would continue to have to fund the purchase of new ones. Mr. Carter then advised that the ESC President, Danny Johnson was putting together a replacement schedule and he thought the volunteers had done a good job on commenting on the study.

Mr. Harvey suggested that the ESC Council and Department Chiefs be engaged and Mr. Carter asked how they wanted to move forward from the study and comments. Mr. Harvey suggested having an open session on it for the broader public and then having another meeting just with the Captains.

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Mr. Harvey then noted that the Lovington Fire Dept. had good numbers and everyone else was struggling. He suggested that their model needed to be copied. Mr. Bruguere noted that they worked a lot of accidents on Route 29 and Mr. Harvey acknowledged that people lost interest if there were not many calls.

Mr. Carter then suggested having a working group come up with budgetary recommendations. Mr. Harvey noted that the County was putting out a lot of money to the volunteer agencies and he did not want to see them lose their independence. Mr. Carter advised that taking on a totally paid program right now would cost a lot more money and if the Board were interested in doing that, it should evolve over time. Mr. Harvey stated that he thought things were working very well right now.

**Employee Pay Adjustment:**

Mr. Carter advised that the \$150,000 in the budget would fund a 1/3 partial pay study adjustment and a 2% cost of living adjustment for those not eligible for the pay study adjustment or a 3% cost of living adjustment for all employees and constitutional offices.

Ms. McCann advised that another option to consider was a 2% cost of living adjustment for all employees and then anyone with a tenure of ten years or more would also get a step increase of 2.5%. She advised that option could also be done within the \$150,000 in budgeted funding. She then explained that it was the people that had been with the County the longest that were the ones most out of line with the market. She noted that the County tended to have to offer people more in pay to come and so they were closer to market than those that had been with the County for a while; which meant they were the most out of line. She reiterated it was just another option to consider.

Mr. Bruguere asked for confirmation that the pay study adjustment was within the \$150,000 and Ms. McCann reiterated that everyone would get at least 2% and some would get a third or 33.3% of 100% of the pay study amount.

Ms. McCann noted that the other option she described would give some of the Constitutional Office employees a long term benefit as well; however the Officers themselves were excluded. Mr. Bruguere stated it was up to the State to give the Constitutional Officers raises and Mr. Carter advised that the state had given them nothing in the current year and had proposed a 2% raise mid-year of FY19. Mr. Bruguere asked if the Sheriff's Department was getting bumped up like the Virginia State Police were and Mr. Carter advised they were not. He noted they had gotten a one-time increase last year that was based on their years of service.

Ms. McCann advised that the State Compensation Board would not provide their estimates until the end of the budget session. Mr. Rutherford noted he thought he had heard that each officer would get a \$1,000 raise; however no-one else could confirm that. Mr. Carter advised that the preliminary budget was usually the same as the final; however the County would not have it until after April 11th.

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Mr. Carter advised that Constitutional Offices could complete certification programs that would boost their pay. He added that the Treasurer's Office had done that and it had provided them with a 10% increase.

Mr. Bruguere then asked if they funded people in the pay study the 1/3, then everybody else would get 2% and staff confirmed that to be correct. Mr. Reed then noted that if they did 2% across the board that would cost less than \$150,000. Ms. McCann noted that the Schools were doing more and the raise averaged 4% across the board. Mr. Saunders noted that if they did an across the board raise, then they were not getting people any closer to the market study and he agreed that salaries had to be increased in order to attract employees.

Mr. Carter then supposed that the County may be experiencing the same issue as the schools in having a compression factor from having to offer higher salaries for people to come in and higher end employees not moving up. He noted that most senior people working for the County would be paid more elsewhere. He noted that the County was a good place to work and one was well protected unless one really messed up.

Mr. Reed then asked if School Resource Officers were needed at the elementary schools and Mr. Harvey and Mr. Rutherford stated they were. They noted that they needed to be SROs and not just Security Officers so that they would be trained and could check bags, press charges, and also give speeding tickets in the summer. Mr. Carter advised that they could do the DARE program and the Board could retain that funding. Mr. Bruguere agreed they were needed at the elementary schools for protection as much as at the High School.

Mr. Rutherford noted he thought the Behavior Specialist position could be removed if they had the SROs.

Mr. Bruguere brought the conversation back around to the pay study; noting that some needed to be adjusted and he thought they should institute the 1/3<sup>rd</sup> of the pay study and 2% for those not getting the market adjustment. Mr. Saunders noted his agreement; stating they had discussed it last year and did not fund it and he thought it could be done over a three year period.

Supervisors then agreed by consensus to implement a market adjustment for those who needed one according to the study by 1/3 of the full pay study amount and then provide a raise of 2% for those not eligible for a market adjustment.

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

#### *Introduced: Setting the Tax Rates*

Supervisors and Staff discussed meeting the following Tuesday at 4:00 PM and setting the tax rates was also discussed as a potential item of business.

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*Introduced: Go Virginia Application*

Mr. Rutherford then inquired if there was an update on the potential Go Virginia Grant for PVCC and he noted there may be a chance for the Region to vote on that on April 3<sup>rd</sup>. Mr. Carter noted he would go to that meeting and then the applications went to the State. Mr. Rutherford asked if they would vote on it as a Board and Mr. Carter advised he would have to check; noting that the Regional Board may have to endorse it.

**IV. Adjourn and Continue until March \_\_\_\_, 2018 at \_\_\_\_pm, For the Conduct of a Budget Work Session to be Held in the Bridge Conference Room of the Courthouse in Lovingston.**

At 6:02 PM, Mr. Harvey moved to adjourn and continue the meeting until April 3, 2018 at 4:00 PM in the Bridge Conference Room. Mr. Rutherford seconded the motion and there being no further discussion, Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.