



MINUTES

BEDFORD COUNTY BOARD OF SUPERVISORS

BEDFORD COUNTY ADMINISTRATION OFFICE

FEBRUARY 3, 2014

5:00 P.M. BUDGET WORK SESSION

Board of Supervisors: John Sharp, Chairman – District 4; Tammy Parker, Vice-Chairman, District 7; Bill Thomasson, District 1; Curry Martin, District 2; Steve Wilkerson, District 3; Steve Arrington, District 5 (*arrived at 6:10 p.m.*); and Annie Pollard, District 6

Staff Present: Mark K. Reeter, Frank J. Rogers, Carl Boggess, Susan Crawford, Kevin Leamy, Traci Blido, Krystal Hullette and Brigitte Petersen

Chairman Sharp called the Board of Supervisors to order and turned the meeting over to County Administrator Mark Reeter.

Mr. Reeter stated that this evenings meeting would cover budget revenues and a presentation on the new stormwater regulations.

Deputy County Administrator Frank Rogers began with a review of the meeting schedule for the budget, noting that consideration had been given to the Treasurers request for the timetable to work with her schedule to distribute and collect on the tax tickets. He then moved on to a review of budgeted local revenues, noting that Town taxes had been incorporated into the information being distributed to the Board this evening. Mr. Rogers noted a projected decrease in property taxes based on initial information from the ongoing reassessment; a slight increase on personal property taxes and recordation; a slight decline in sales tax; and a small increase in machinery and tools taxes, as well as build permits. He quickly reviewed a variety of numbers culminating in a \$440,000.00 lower local revenue projection from last fiscal year. In response to a question from Supervisor Thomasson, Mr. Rogers stated that this projection does not include final reassessment numbers.

Mr. Rogers moved into a review of the Commonwealth Revenues, which include the car tax relief, recordation taxes, comp board reimbursement and categorical aid such as welfare administration

and public assistance. Mr. Rogers noted that there is not a lot of local latitude in these funds, and they are expected to increase approximately \$245,000.00.

Mr. Rogers stated that Federal revenues are expected to remain level, and staff is not projecting any of the payment in lieu of taxes (for the national forest land), but there is legislation in the works that would assure this funding would return. He said there is a projected decrease in Federal funding for the public assistance program through the Department of Social Services.

Mr. Rogers stated that the grand total revenue shows a decrease of \$511,643.00 over where the County sits in its current budget (including the funds pulled from the Health Insurance Trust Fund to offset the insurance increase). He noted that proposals from private insurance providers will be in at the end of this month, and at that time we will know where we stand with rate increases.

Mr. Rogers stated that the FY2014 budget utilized \$860,000.00 from Fund Balance (\$500,000.00 for the vehicle replacement fund, with the remainder used for the Group Home debt). If we do not utilize the Fund Balance, and considering that revenues will be down, we are looking at a decrease of approximately \$1,400,000.00 in available revenue going into this next budget cycle.

In response to a question from Supervisor Thomasson, Mr. Reeter stated that staff has a proposal on the Group Home that will be presented to the Building and Grounds Committee. Mr. Rogers provided a brief history of the Group Home, and explained that due to the State's feeder system drying up, it now sits empty.

Mr. Reeter noted that as of the beginning of the current fiscal year, \$13.1 million was available as a Fund Balance for use. Since July 1, 2013, \$105,000 was appropriated for the Montvale Park; \$207,000 was used to acquire the Domestic Violence Shelter; \$293,000 was appropriated for the Regional Radio system; and \$2.4 million to build the New London substation. He said he anticipates recommending to the Board moving \$1.785 million of the Fund Balance out of funds that would be at the Board disposal and into a restricted or designated fund balance, and increasing the Fund Balance policy from 10% (which is what is in place now) to a 12% policy of funds held in reserve. Mr. Reeter said the reason is to set the stage to shore up the County's position to finance the School project. He said this would make the Fund Balance \$8.39 million. He noted that Regional Radio, FY15 capital improvement projects, etc., will take the available fund balance down to \$3.390 million for FY15.

Chairman Sharp asked if the expense of the purchase of the Domestic Violence Shelter would be slightly offset by the fact that the County would no longer be making a monthly lease payment on the property. Ms. Crawford responded in the affirmative, but noted that the lease payment had not been more than \$2,500 per month. Mr. Rogers noted that the County has also received some grant funding for the radios. Chairman Sharp asked if the reason for increasing the restricted funds from 10% to 12% was to

create a cushion in case we find ourselves in a 'Detroit-type' situation; Mr. Reeter answered in the affirmative, and confirmed the funds would be accessible if needed by the Board.

Mr. Rogers summarized the discussion numbers, and asked if there were any questions from the Board. Supervisor Pollard stated that she felt that there should not be a tier in the employee insurance plan that does not require the employee to pay in a share; Chairman Sharp concurred. Mr. Rogers stated that this is vetted every year, and will certainly be considered when the new rates are looked at this year. Mr. Rogers noted that employees do recognize and appreciate the contributions made on their behalf to insurance and VRS. Mr. Reeter concurred, noting that, as a newcomer, he is impressed with how truly cognizant and very aware the workforce of Bedford County is about being good custodians of the resources made available to them. He said he has detected more of a concern to not spend any more than was absolutely necessary to accomplish whatever the task is, and County employees been doing a very good job of getting as much as they can out of every tax dollar.

The meeting was then turned over to Kevin Leamy, Erosion and Sediment Manager, and Carolyn Howard from Draper Aden Associates, for the stormwater management presentation. Mr. Leamy stated that Ms. Howard is helping Region 2000 with their stormwater adoption, and turned the meeting over to Ms. Howard.

Ms. Howard gave a presentation to the Board that touched on the history of the Stormwater Management Act, which began with Federal and then State legislation, became law in 2012 and required localities to act beginning in 2014. She reviewed the deadlines for putting a program in place locally, the technical changes mandated by the Environmental Protection Agency (EPA), and the plan submittal and approval process, answering clarifying questions for the Board throughout her presentation. Ms. Howard noted that these rules only affect new construction and redevelopment, and clarified that agricultural land is exempt. Mr. Leamy outlined the variety of responsibilities that will fall to his department under this program.

County Attorney Carl Boggess commented that while there is currently not a lot of new development, under this idea of common plans of development we will see more of these permanent stormwater agreements that we have in the past. He said that the County will probably have to be more stringent on requiring property owners associations; if bonds are not in place, the County may get stuck with the liability.

More discussion followed, with several Board members voicing their concern that this plan would be difficult to implement and enforce, and expensive for residents. Mr. Leamy clarified that the inspections do not continue indefinitely; once construction is complete and the land is stabilized, there would be no further inspections or fees.

Supervisor Arrington stated that the program was another example of the Federal government overreaching its authority.

Mr. Leamy and Ms. Howard continued to answer questions on various aspects of the regulations of this program, and reviewed the schedule of program fees. Ms. Howard again stressed that this program applies only to new construction, not developments already in place. She gave examples of when a permit would be required and when a property would be exempt, as well as post-construction requirements. Mr. Leamy noted that he works with a regional stormwater committee to ensure Bedford and surrounding localities utilize the same requirements so there is minimal confusion for developers and property owners.

Chairman Sharp said he wants to avoid creating a bunch of property owners associations in the County through ordinances and regulations, which he feels may happen as the County requires developers to leave a certain percentage of green space. Ms. Howard noted that having the green space can in fact save a developer some money if it's in the right place.

The discussion continued regarding the impact of this program on a variety of imagined scenarios, with the Supervisors making it very clear they feel this program will be detrimental to the growth and development of the County, and onerous to individual property owners.

Ms. Howard concluded her presentation by stating that in 2018 she anticipates the regulations to become even more stringent. She said that House Bill 1173 has not been passed yet, and reviewed the seven major elements of change in the rewritten bill that may impact Bedford.

Mr. Reeter stated that the next step would be the actual adoption of a local ordinance to set this program in effect for Bedford County as of July 1, 2014.

In response to a question from Chairman Sharp, Mr. Leamy confirmed that the fee for the County for non-compliance with the stormwater program was up to \$32,500 per day. He said that the County is complying with the minimal requirements from the State, as is the rest of the Region 2000 membership.

Chairman Sharp commented that he felt if the President would disband both the Department of Environmental Quality and the Department of Education, the country would be far better off. Supervisor Arrington said he feels that more regulations are coming in the future that will affect even more people whether they are grandfathered in or not.

There being no further discussion, Supervisor Thomasson made a motion to adjourn; motion passed by acclamation at 7:28 p.m.