



WORK SESSION MINUTES
BEDFORD COUNTY BOARD OF SUPERVISORS
BEDFORD COUNTY ADMINISTRATION BUILDING
MARCH 5, 2013

5:00 P.M. – WORK SESSION

Board of Supervisors: John Sharp, Vice-Chairman, District 4; Bill Thomasson, District 1; Curry Martin, District 2; Roger Cheek, District 3; Annie Pollard, District 6; Tammy Parker, District 7

Absent: Steve Arrington, Chairman – District 5

Staff: Mark Reeter, Frank Rogers, Carl Boggess, Judge Louis Harrison, Toni Pierce, Chief Jack Jones, Jr., Susan Crawford, Marci Stone, Janet Blankenship, Cheryl Dean, Krystal Hullette, Sheldon Cash, Eric Rice, Sergei Troubetzkoy, Lynn Scott, Captain Mike Miller, Sheriff Mike Brown, Tim Wilson, Traci Blido, Michael Stokes, Ricky Gardner and Brigitte Petersen

Vice-Chairman Sharp welcomed everyone and turned the meeting over to Mr. Mark Reeter, County Administrator.

Mr. Reeter stated that while he has had an overview of the budget, he is in a learning curve at this stage and requested that Mr. Frank Rogers, Deputy County Administrator, continue to present the budget progress to the Board.

Mr. Rogers reminded the Board of the remaining upcoming budget meetings. He then moved to an overview of follow-up items from the February 25 budget work session, which included an amended budget summary to reflect deducted vacancy savings and answers to Supervisors budget questions from the previous the meeting.

Mr. Rogers stated that revenues are projected at \$88,080,000 million, while expenditures, after staff adjustments, are \$88,815,097 million. He said that once the vacancy savings are removed, the General Fund is \$128,053 to the good. However, the proposed budget includes two positions related to reversion at the request of the Sheriff's department (a School Resource Officer and an Animal Control Officer), as well as a 14% increase in health insurance, a 3% employee raise (effective August 1, per the

State), and funding the Volunteers request to increase staffing for 14-5 brings the potential deficit to \$997,361.00.

Strategies recommended by staff to get the County to a balanced budget proposal comprise of utilizing the remaining balance of the Health Insurance Trust fund to apply towards the health insurance increase; funding vehicle replacements out of Fund Balance; using EMS funds to pay the debt service on the Group Homes, and moving Fire and Rescue over to that location. This bring the budget \$132,090.00 back into the black.

Mr. Rogers then began reviewing the questions staff received from the Supervisors at the last budget meeting. In response to a question regarding payroll cost, Mr. Rogers stated that salaries and benefits come to a little more than \$22 million (after vacancy savings it's \$21 million). The County's most recent health insurance experience reflects that, as of January 2013, the fourth quarter loss ratio (claims to payments) for Bedford was at 103.1%; the target range for the provider is 75-80%.

Supervisor Sharp asked if we knew why the expenses are going up at a faster rate than the premiums are increasing. Mr. Rogers responded that there are a handful of employees who are costly claimants that drive up the overall experience. He clarified that this is the reason you have insurance – the major incidents. Additionally, 3-4% in extra fees and charges are also a factor due to changing health care legislation. Supervisor Thomasson requested more history from staff with regard to the loss ratio.

Mr. Rogers said (in response to a question regarding why taking Medic Unit 14-5 to 24/7 staffing had been increased to \$300,000.00 from \$150,000.00) that the \$300,000.00 was based on using 12 hour shifts. This is what the County currently does with its paid rescue staff; if the Board decides to move to 24 hour shifts, we can bring the amount back down to \$150,000.00. Mr. Rogers reiterated that it was the Volunteers that requested the career staffing. Currently, 14-5 has career staffing weekdays from 6:00 p.m. to 6:00 a.m.

Supervisor Pollard said she hasn't seen any plans from the departments for next year. Mr. Rogers replied that he would encourage plan development with the Board's involvement; it would be misguided on staff's part to develop a plan without some direction from the Board. Knowing the Board's reasonable expectations would be necessary to create a balanced plan, and said this is a conversation that can and should be had, but we all need to be at the table. Supervisor Pollard noted her perspective that it should be staff's responsibility to bring to the Board something showing what they are hoping to accomplish; Mr. Rogers said that is certainly doable, but it would be helpful to have both parties coming together around the development of a plan so it is well-rounded. Staff can show the needs from a staff perspective, with the Board supplying what they are hearing from a constituent basis and policy level.

In response to a question from Supervisor Parker, Chief Jones clarified that the request would bring 24 hour paid staff coverage to Medic Unit 14-5, which already has paid staffing 12 nighttime hours

a day, Monday through Friday. This request would bring paid staffing 24 hours a day, 7 days a week, in addition to the volunteer staffing already in place. In response to a question from Mr. Reeter, Chief Jones confirmed that currently there are a number of volunteer agencies in that area, which are the same volunteers that have come forward with this request.

Supervisor Pollard asked if this meant Forest had no volunteer unit. Chief Jones said there is not an agency named "Forest Rescue Squad". Goode, Campbell County and Boonsboro cover the area, with Bedford assisting at times. These are the same agencies that made this request. In response to a question from Supervisor Thomasson, Chief Jones confirmed that Campbell County has been assisting with coverage, but that has not been adequate, which is why these agencies have come forward.

Supervisor Thomasson asked where the volunteers fit into this equation. Vice-Chairman Sharp reiterated that it was the volunteers that brought the request to the Board. Over the years, these requests have come before the Board and the Board has addressed them. He said the difference now is that the recovery funds from EMS Services are not enough to cover this request.

Vice-Chairman Sharp asked Chief Jones how many paid staff are currently providing coverage in the County. Chief Jones replied that on daylight tours there is a unit in Montvale, Stewartsville, Moneta and Forest; at night, staff is centrally located in Bedford and in Moneta. Vice-Chairman Sharp said the area the request is for has a high population density, covering portions of Districts 3, 4, 5 and 7. Supervisor Pollard commented that it would cover everyone's district except hers and Supervisor Thomasson's. Vice-Chairman Sharp responded that her district already had paid staff coverage from the other units that were approved in the past. He said there are lives at risk, and if there is anything that is a priority of local government, it's emergency services. When someone dials 911, they have an expectation that someone is going to come. Vice-Chairman Sharp noted his concern that the Board wants to delay and deliberate this just because some districts already have paid staff in place. The Volunteers have recognized that citizens aren't getting the response they need in emergency situations. He said this request was made back in the fall, and it's still being discussed; this is a priority and he will not back down from that.

Supervisor Pollard said she didn't disagree with that, and asked if Campbell County got an allotment of volunteers from Bedford. Chief Jones said they were given much less than the agencies that are organic to Bedford County. Vice-Chairman Sharp commented that he had asked the same question in committee meetings previously, and we get good value from what we give to Campbell County.

Mr. Rogers said we are doing everything we can to grow and support the volunteer base, but this request comes from that volunteer base. Supervisor Thomasson said he has heard there is animosity between some of the volunteers and the paid staff. Mr. Rogers said he had heard rumors of the same thing and that's troubling, as each time the Board has approved the paid staff it has been at the request of

the volunteers. We are now in a place where we are trying to meet the request and in so, doing, some volunteers are discouraged from participating as they might have previously. We need to strike a balance – this is a request from the volunteers, but at the same time does it support the volunteers? Mr. Rogers said this is a policy determination for the Board to make.

Supervisor Martin asked if the paid rescue staff was the reason the health insurance was increasing; Mr. Rogers responded in the negative. Chief Jones added that the paid staff is covered through Virginia Rescue (the Department of Treasury); we have almost complete immunity to malpractice, and the volunteers fall under the Good Samaritan Law.

In response to a question from Supervisor Parker, Ms. Crawford stated that 60% of career staff is paid for by EMS recovery fees. Supervisor Pollard said she had hoped for some kind of incentive for the volunteers, perhaps in the form of fuel reimbursement since they pay for the gas they use to respond to calls out of their own pockets. Chief Jones agreed, and said he would love to submit any number of potential programs.

Supervisor Thomasson asked if he was correct in stating that volunteers are paid \$5 per call; Chief Jones responded in the negative. Chief Jones said his department can come up with a number of different things to propose incentives. Vice-Chairman Sharp commented that, ideally, whatever is offered wouldn't be a taxable event. There followed a brief discussion between staff and members of the Board regarding how the taxes would be applied, or not applied, to volunteers incentives

Mr. Reeter asked if there had been any brain-storming sessions with the volunteers to come up with incentives. Vice-Chairman Sharp said that he didn't think that would be advisable until the Board had established funding parameters; Chief Jones concurred.

Vice-Chairman Sharp commented that the more active volunteers we have, the less paid staff we will need to add; Chief Jones agreed. He said there can and should be a balance. In response to a question from Supervisor Martin, Chief Jones said we have 600 volunteers and clarified that this number represents how many people are on the roster, not how many answer and run calls. Supervisor Martin said he ran calls as a volunteer for 20 years because he enjoyed helping people, and because he thought he was looking to the future of the County. He thought he wouldn't have to pay for rescue squads, but now if he calls for emergency assistance he's looking at a bill. Chief Jones clarified that the patient isn't charged – the invoice is sent to the insurance provider and the patient is not billed any out-of-pocket expense. Supervisor Martin noted the insurance provider will raise premiums to cover their costs.

Vice-Chairman Sharp said the key is to get our entire 600 volunteers active, as then the County would be covered. Chief Jones agreed, saying that implementing the duty roster concept would be a step towards that goal. He said there will always be a paid staff/volunteer balance, but there are ways to shore up the volunteer system between staff, the Board and the volunteers.

Mr. Rogers stated that Supervisor Pollard earlier noted that she wanted to see a plan in the budget that provided incentives to the volunteer base, and this seemed to have the consensus support of the Board. He suggested following Mr. Reeter's suggestion regarding having a conversation with the volunteers on this issue. Vice-Chairman Sharp reiterated that he would like whatever we decide on to not be a taxable event. Mr. Reeter said dwindling volunteerism is a problem nationwide; we need to start by assessing motivational incentives by opening the dialogue with the volunteers.

Moving on to emergency management vehicles, Mr. Rogers, stated that at the last meeting the Board had requested specifics on the recent Emergency Management vehicle purchases and on the 2 requested in FY14. He stated that in FY12, a Tahoe with 185,000 miles was replaced and a second Tahoe with 110,000 miles (which also had ongoing maintenance issues) was also replaced. The FY14 request is for replacement of a 2005 Ford Explorer with 139,000 miles and replacement of a 1995 ½ Ton 4x2 (which had 39,000 and was originally sourced from State surplus, but is no longer operational). Mr. Rogers briefly reviewed with the Board an itemized list of all the vehicles that were included in the \$560,000 proposal figure.

Mr. Reeter asked if the replacement costs included equipping the vehicles; Mr. Rogers responded in the negative. He said there is a line item for the Sheriff's department that covers this called "maintenance and up-fit"; average up-fit costs run \$7-\$7,500. Vice-Chairman Sharp questioned why the old equipment could just be moved to the new vehicle. Mr. Reeter said the equipment typically won't transfer unless the new car is the exact same make and model of the old one.

Vice-Chairman Sharp asked why the School Resource Officer needs a police car; he asked if we couldn't just reimburse for mileage instead. Sheriff Brown responded that the SRO needs a vehicle because he is a sworn officer in the County and he makes arrests that he has to transport from the school. Vice-Chairman Sharp then asked why another officer couldn't make the transport instead of the SRO leaving the school. Sheriff Brown replied that the SRO may have to leave for a number of reasons, including attendance in court; additionally, the SROs are responsible for more than one school, and when school is out they are on regular patrol.

In response to a question from Supervisor Pollard, Mr. Rogers stated that the money from County vehicle sales go back into the General Fund (vehicle replacement fund). In response to a question from Vice-Chairman Sharp, Mr. Rogers said that since staff switched the sale of vehicles from local auctions to GovDeals, we've recouped a lot more funds. Supervisor Pollard asked why Parks & Recreation needed a new truck. Mr. Rogers replied that it was the truck the maintenance crew uses to move movers, mulch and other equipment. Supervisor Pollard requested pricing on bidding out the park mowing that is currently handled by the Parks and Recreation staff; Supervisor Thomasson and Vice-Chairman Sharp concurred.

Supervisor Cheek noted that the Parks and Recreation staff does more than mowing the parks. They prep fields for games, etc., and there's a whole lot more involved than just mowing grass. There followed more discussion on how this is a good example of the Board and staff needing to work together on a plan that shows what staff knows needs to happen and what the Board expectations are for any given department.

Supervisor Parker asked if all the allotted vehicle funds for FY2013 had already been spent; Mr. Rogers replied in the negative, stating that not all the vehicles had been purchased yet.

With regard to how long will EMS funds be able to cover the \$328,438.00 annual debt service for the Group Homes, Mr. Rogers stated that the proposal would be for three years. At approximately \$990,000.00, which is roughly 40% of the remaining debt, the General Fund would still have to figure out how to handle the \$1.4 million that remains, but it really comes down to whether the Board is in favor of having Fire and Rescue relocated to the Group Home facilities. In response to a question, Mr. Rogers said that while it is true that Fire and Rescue will need to make site renovations (which the department does have available in the EMS 'reserve for future' pot), renovations may be necessary no matter who ends up moving in. He said that he has also had an inquiry into leasing the space, so he is awaiting further news on that development. He also reiterated that this strategy was developed with the idea of balancing the budget. If the Board may have other preferential uses for the space, then another way to pay the debt service will need to be established. Mr. Reeter said the problem is that the County is saddled with 15-year debt for an anticipated 15-year use that instead ended in 6 years. Vice-Chairman Sharp pointed out that this is because the State pulled the plug on the funding on the Group Homes.

Both Vice-Chairman Sharp and Supervisor Cheek voiced their support for the proposal regarding the relocation of Fire and Rescue to the Group Homes. Vice-Chairman Sharp pointed out that we are already deep into the budget cycle; there's not a lot of time to come up with any other funds that can cover the debt service. In response to a suggestion from Supervisor Pollard, he stated that he does not have any issue with the Buildings and Grounds Committee being involved, but for the time being this a reasonable proposal.

Supervisor Martin said the proposal is a win-win – Fire and Rescue needs a new facility, they need the training area and they have the money.

Supervisor Pollard asked which buildings Fire and Rescue would be taking over. Mr. Rogers responded they would occupy the Administration building and one of the cottages, while Parks and Recreation would handle programs at the gym. Supervisor Pollard stated she thought it should remain multi-use. Mr. Rogers explained that it was initially controlled by one department when it was part of the Group Homes; Parks and Recreation will be managing it, booking in programs and events, etc., but they will not be excluding anyone from using it.

In response to a question from Supervisor Parker, Chief Jones said the two facilities they currently use were mobiles formerly from the School system and they've been in them for approximately 10 years. They have 2 classrooms and a conference room that are used for EMT and fire service training, as well as dispatcher and other training. There is also one set of quarters for the senior medics (field officers) for their 24 hour shifts; it's one room for the office and bunk room, plus a bathroom. He said they used to utilize space at CVCC, but their programs there have picked up and room availability is very limited. Fire and Rescue deals with frozen pipes, sporadic heat, slipping and falling issues in the parking lot, and one of the units has an area that serves as both the kitchen and the bathroom, which is of course not the most healthy situation. The new space will provide consistent areas for classroom training, an emergency operations center, etc. Supervisor Parker said the Administration building at the Group Home campus is large – shouldn't it be enough for their needs? Chief Jones responded that it doesn't provide living quarters for the 24-hour medics; additionally, having dedicated classrooms instead of having to move equipment, chairs, etc., to whatever space can be found to use will enhance training and enable us to offer training, resources and outreach to larger groups of volunteers. Supervisor Thomasson asked what would be done with the mobiles the department currently uses; Chief Jones stated that they cannot be repurposed due to their condition, but the Sheriff may want the main unit as he is also in dire straits for space as well. In response to a question from Supervisor Parker, Chief Jones reiterated that the funds for this move come from the "reserve for future" fund.

Mr. Rogers reminded the Board that he has also had a non-profit entity that may want to lease some of the space, and that the Sheriff, the Registrar and the Commonwealth Attorney have expressed need for space as well. However, when seeking financial solutions to balance the budget, moving Fire and Rescue is the option that will cover the debt service. Supervisor Martin said this is one of the better ideas he's heard of. There followed a brief discussion regarding the updates that would be needed to make the building usable, such as fiber optic cabling. Vice-Chairman Sharp received consensus from the Board in favor of moving Fire and Rescue to the former Group Homes facility.

Mr. Rogers then discussed a handout in response to an earlier request from the Board to break down vacancy savings by department, position and the amount per position, which together total \$862,000.00. He noted that the current year's vacancy savings was \$771,000.00. He said he has left in Fire and Rescue's "recruitment/retention"; it was left vacant last year, but has been move back into the budget with the proposal that the Board fill it this year. Vice-Chairman Sharp asked if this position was to support volunteers; Mr. Rogers replied in the affirmative, stating that this position, coupled with providing a better training facility, would enhance the volunteer system.

The Board took a break from 6:40 p.m. to 7:11 p.m. for dinner.

Mr. Rogers moved the discussion to the new position requests, which he said that (except for the positions related to reversion) were not included in the budget. He pointed out that the CSA truancy position was the result of several conversations he had with Judge Harrison. The Judge feels there is a need for additional prevention, as the real value for the position as it deals with children in need of services. Getting to these children at the earliest point in the system with a responsible party who would coordinate the State resources for them, intervening at an early enough point in the process to avoid further trouble down the road. Over the past few years, the Truancy Review Team has done tremendous work in stemming the tide of truants that come before the court. Judge Harrison has envisioned a model very similar, where a committee and a process for the children would be in place to address issues before they escalate. The truancy case load is huge, with 80-100 cases a year; this would be an additional prevention system for kids in the system. Mr. Rogers said he fully supports it, but noted there are not sufficient funds to include it. He then turned the meeting over to Judge Harrison.

Judge Harrison stated that about 70% of his docket is age 14 and up. He said he would like to have someone who works with kids in first to third grade (6-8 year olds), as they've had more success with families at that age and it's much less expensive than dealing with problems after they've reached their teen years.

Mr. Rogers commended Judge Harrison for always being willing to come off the bench and talk about community solutions to problems rather than just dealing with problems from the narrow confines of the law. He has a very strong prevention mindset, which we'd all love to embrace.

Mr. Rogers said this position would be in the department of Youth and Family Services so that it's not consumed by State agencies work load. Our Youth and Family Services department is well run, with a high degree of accountability, so if the Board wants to move ahead with the position this is where staff suggests it is best located. In response to a question from Supervisor Cheek, Mr. Rogers confirmed that there is no State reimbursement for this position.

Vice-Chairman Sharp commented that it seems the argument for this position is pay me now or pay me later system. It seems to him that this position could pay for itself by eliminating costlier problems down the road, but we wouldn't see the return on investment for this position for a number of years.

Supervisor Martin said he was in support of this position because if you're going to guide a child in the right direction, it's at an earlier age. Mr. Rogers agreed, but reiterated that it's a matter of funding the position. He said the departments forward their requests for new positions in good faith and he felt that the Board ought to see the requests. He openly acknowledged that he has not funded these requests in the proposed budget, with the exception of the two reversion positions. He said he needed the Board to hear the requests and let him know if they wanted any of them in the budget. He again stated he endorsed

this position and fully supported the Judge's concept as a cost-avoidance strategy, but can't draw that savings back in a linear sort of fashion. The purpose tonight is to give the Board the requests with staff on hand for these departments to speak to any questions the Supervisors may have. If the Board sees a need for staff to build some of these positions into the budget, staff can receive that direction at subsequent work sessions.

Supervisor Parker asked if we would be able to access some State funding for this position if it were placed in Social Services instead. Judge Harrison replied in the negative, stating if it goes to Social Services it would become their employee and it wouldn't be designated for this proposal; it would just go under their umbrella.

Mr. Rogers then covered the three position requests from Social Services. Two are frozen positions that the Director of that department has requested funding for; the third is a social worker for \$49,000.00. He said the foster care cases are down, but eligibility claims have increased.

The Sheriff's department has requested 16 School Resource Officers (SROs) and an administrative associate. Mr. Rogers said in light of recent tragic events and with the increasing emphasis on school safety, Sheriff Brown is requesting these positions so there will be an officer in every elementary school. He turned the meeting over to Sheriff Brown.

Sheriff Brown stated that this is a request that probably every sheriff's office and a lot of police departments are receiving right now. He said with the massacre of innocents in Sandy Hook, he believes it is his duty to protect, as best he can, the children in the Bedford County School System. In order to do this, we must have sworn officers in the elementary schools. He said he has thought long and hard, as has every member of his staff, on ways to accomplish this, and they keep coming back to SROs in the elementary facilities. The description of preventive tasks performed at a number of violent incidents prevented by officers proves that the SRO program must be viewed as a preventive program, not a punitive or reactionary strategy, and therefore a moral and legitimate consideration. Sheriff Brown said that shortly after Sandy Hook, we had some students discussing a massacre at Liberty High School. His department investigated it and determined that it wasn't credible; however, it could have been. He recalled that a few weeks after the Columbine tragedy, the Stewartsville High School SRO received information that a student had actually "crossed out" students and teachers. They were able to bring that student in and set up counseling for him. The counselor revealed that the student was both homicidal and suicidal, and that he would have done exactly what he was planning – to kill as many students and teachers as he possibly could. Sheriff Brown noted that this student had access to plenty of weapons and ammunition at his home.

Sheriff Brown stated that since he was first elected in 1996, there have been 58 school shootings around the country; 89 students and 25 teachers have lost their lives as a result. He said he cannot tell the

Board that having SROs in the schools will prevent all incidents, but it gives him the opportunity to stop them before they start. SROs don't get enough credit for the relationships they establish with the students, which is key to being effective. In both of the Bedford County incidents, the SRO got the information first and relayed it to the Sheriff's office. He said that he wouldn't ask for the positions if he didn't feel we needed them.

Supervisor Thomasson asked the age of the Stewartsville student; Sheriff Brown responded that he was in high school at Stanton River (he misspoke earlier and referenced Stewartsville by mistake).

Vice-Chairman Sharp said he appreciated Sheriff Brown making this request. He said over \$800,000.00 is a lot of money, but how much do you put on the life of the kids in the school system. However, he said he knows there has been some debate nationally as to whether there are other solutions besides officers in schools. He suggested allowing concealed carry permit holders who are teachers or administrative staff in the schools to receive additional training and have them bring their weapons to school. He said this is a solution that would cost less than \$800,000.00. There followed a discussion regarding the merits of SROs and armed school staff, and the need to find a balanced solution that protects the County's children.

Mr. Rogers then moved to the two positions related to the reversion requests from the Sheriff's office, one being an SRO and the other an Animal Control Officer for the City; both are currently provided for in the proposed budget. In response to a question from Vice-Chairman Sharp, Sheriff Brown stated the SRO would be for Bedford Middle School. There followed a discussion as to why the County would be required to take over these services if the City is retaining a police department when it reverts to a town. Mr. Rogers clarified that these positions were not written into the reversion agreement. Attorney Boggess noted that the City's school building will be ours and fall under our School Board, so we would be responsible for the SRO.

Mr. Rogers commented that Animal Control is already a County service. Vice-Chairman Sharp asked why we would need a full-time Animal Control Officer if we are only adding 10% more to the County's coverage area. Mr. Rogers replied that we have four Animal Control Officers in the County Sheriff's department. In response to a question to a question from Supervisor Pollard, Sheriff Brown said they could try to provide the same level of service with only the four officers he has now, but they are already stretched thin. Attorney Boggess added that the entire town has a leash law, which is something we don't have in the County, adding to the number of calls that will be received. Vice-Chairman Sharp asked the Sheriff to speak to the City about contributing three quarters of the funding to the position, since the officer would be required to enforce above and beyond what is normally required of County officers. Mr. Rogers suggested the Board have a discussion regarding the level of services that they want

to provide County-wide. Vice-Chairman Sharp stated that he felt Animal Control should enforce County ordinances only; if the City wants additional ordinances covered, then they should have to cover the cost.

Mr. Rogers clarified that the desire of the Board was for staff to let the City know we will maintain our current Animal Control positions and provide the same services to the City that are provided to the County. If the City wants to propose something back, they will need to consider the impact to their budget. Sheriff Brown commented that the four officers we have now are already maxed out on the calls they run; he warned that additional calls are going to stress the situation further. Mr. Rogers reiterated that this position, as well as the City's SRO, are in the Board's proposed budget; the other requested positions are not.

Mr. Rogers next directed the conversation to Enterprise Funds, and Ms. Toni Pierce, Nursing Home Administrator. He said that the Nursing Home revenues are estimated at \$5,286,258.00. There is an increase in costs due to facility needs for replacement furniture and building and grounds maintenance (the building is 5-6 years old). Mr. Rogers commented that he was impressed with the elimination of contract nursing services. In the past couple of years, we've spent approximately \$200,000.00 on contract staff just to meet staffing requirements in the facility. Ms. Pierce has managed to take us out of contract staffing, which is a huge accomplishment from both a cost-centered perspective and a quality of service perspective. He also mentioned that the budget does balance with the current rate structure.

Mr. Rogers said the Nursing Home also needs to proceed with generator replacement. He said there is sufficient cash in the Nursing Home fund to do it; it's a significant cost at approximately \$300,000.00. The generator currently used at the facility was moved over from the former nursing home, and it only powers some computer outlets and emergency lights, etc. He acknowledged that it is not a cheap fix, but it's worth the cost to keep the Nursing Home from losing power. We can move the old generator back to the old building so that in case of an emergency we can have backup power there and use the facility as a cooling station, or some other community use, in the case of another event like last year's wind storm that left the County without power. Ms. Crawford noted that there is approximately \$210,000.00 left from when the new facility was built, but this past year they have been running \$1.7 million above that in cash in checking. Mr. Rogers said staff would gather specifications and estimates on the purchase and installation on a new generator, and keep the Board apprised; no opposition was voiced by the Board.

Under the Solid Waste Fund, Mr. Rogers said he didn't have anything significant to highlight. He said revenues are at \$2.745 million, which includes a beginning cash balance to get his budget jumpstarted.

Mr. Rogers encouraged the Board to take the figures they were given tonight and come back to staff with any questions they may have. There followed a brief discussion between Mr. Rogers and members of the Board clarifying a few details surrounding the requested and vacant positions.

Supervisor Thomasson asked if the Board was going to move ahead on the generators for the Nursing Home. Mr. Rogers reiterated that he's taking it as the consensus of the Board to concur with staff's recommendation to get estimates on the purchase and installation of a generator, and keep the Board apprised. Attorney Boggess interjected that, because of the price, staff would need to formally come back before the Board with the Request for Proposals if the consensus is to move forward with gathering specifications and cost estimates. It was indicated that this was the desire of the Board.

Mr. Rogers reviewed the Capital Improvement Plan(CIP), which used to be funded at around \$4 or \$5 million, but since the downturn it been the place we've gone to make the budget work by not funding CIP. However, in FY13 we had a CIP balance of \$2.71 million, which included funding for reassessment, computer server upgrades, \$150,000.00 towards emergency apparatus, \$64,400.00 fee for Service Revenue, \$89,000.00 for the debt on the Welcome Center, \$100,000.00 for the Governor's Opportunity Fund, \$72,000.00 for the ongoing ground water study and \$2 million for our moral obligation for the water and sewer lines that the PSA ran several years ago.

Vice-Chairman Sharp asked when the moral obligation to the PSA expires. Attorney Boggess replied that it was refinanced this year; Mr. Rogers said staff will get more detail to the Board regarding the term length.

Mr. Rogers said last year we went into Fund Balance for \$5 million; \$2.5 million went to the Schools. The remainder funded the VRS "hold harmless" at \$290,000.00; this left about \$1.17 million available for CIP. He said during the FY13 budget deliberations we had some conversation about how to target those funds, which resulted in proposals for \$50,000.00 reassessment, \$300,000.00 in Public Safety, \$250,000.00 for County buildings, \$200,000.00 for Community Development, \$100,000.00 for Parks and Recreation and \$275,000.00 for I.T. He reiterated that these were all just targeted in conversations, but these funds have not yet been appropriated. In addition, at the end of the budget \$1 million that was not otherwise appropriated and some additional revenues that came in which the Board directed go to CIP. This leaves \$1,177,500 that was targeted but was not appropriated and the additional \$1.2-\$1.3 million that hasn't been appropriated, which leaves \$2.465 million for "Projects to be Determined". He then reviewed the proposed FY14 CIP, which included \$300,000.00 for reassessment, \$50,000.00 at the request of the Commonwealth Attorney for software; and we're expecting \$64,400.00 fee for service, and we have the \$2,000,000 water and sewer phases; this leaves \$271,210.00 for "Projects to Be Determined".

Supervisor Thomasson asked how long the money for PSA was earmarked. Mr. Rogers responded that he wanted to double check before giving an answer so he could be sure he was responding with the right answer on the term.

Supervisor Pollard asked Mr. Rogers to go back to the slide that showed \$100,000.00 going to Montvale. Mr. Rogers clarified that it was actually just \$100,000.00 for Parks and Recreation; it was never discussed how it would be divided out. Supervisor Pollard asked if we had \$500,000.00 last year, of which we gave \$250,000.00 to the Schools for something. Mr. Rogers replied that was the additional revenue and said we had approximately \$500,000.00; we gave the Schools \$250,000.00 and the County got \$250,000.00. Supervisor Pollard said she thought \$100,000.00 was supposed to go to the Montvale Park and \$100,000.00 to the Moneta Park. She said the County was also supposed to give Montvale Park approximately \$70,000.00, which was borrowed from the park back almost 20 years ago. Mr. Rogers stated that \$100,000.00 was targeted for Parks and Recreation, and then the Board has the \$1.288 million which represents the funds that weren't appropriated out and the \$250,000.00 (left over from that \$500,000.00) that that needs to be applied to projects – that hasn't been done yet.

To clarify where these figures came from, Mr. Rogers reviewed the Board's actions during the budget process last year. Supervisor Pollard stated she was sure \$100,000.00 was appropriated for both Montvale and Moneta, although this happened during a work session that it was discussed; she said she realized that they didn't take a vote. Mr. Rogers said there had been a lot of conversation around Parks and Recreation, specifically around the payback. At the staff level, he said they have been bringing the Parks and Recreation payback issue forward for a couple of years, but staff has not been directed by a majority of Supervisors to pay back the Parks. He said the value of the payback to the Parks would have been \$77,055.00 to Montvale, \$50,160.00 to Stroobants and \$81,000.00 to Falling Creek. He said this represents funds that were taken away from various park projects and applied towards the purchase of Moneta Park. He said those specific park projects never got lump-sum payments back in those amounts; Supervisor Pollard has for a number of years said we should pay the parks projects back. Mr. Rogers said the conversation last year revolved around whether they should pay back all of them or just Montvale; why pay back Stroobant when we don't anticipate doing anything with it; should we only pay some back and not all. From a staff level, Mr. Rogers said he wished we could pay them all back to clean it up and move on; on the other hand, we'd be putting \$50,000.00 in lean budget times into something that we don't need. He said it's the Board's call, but this is the conversation that we've had for a couple of years.

Vice-Chairman Sharp said he recalled those conversations, but he doesn't think it ever came to a conclusion. He said he gets requests in his district all the time since it doesn't even have a park, which seems odd since it's the most densely populated part of the County. He said he has had a request from the Farmers Market for a picnic shelter, similar to the one at Falling Creek and Montvale, out where the

walking trail is so it can be used by the Market, library patrons, etc. Vice-Chairman Sharp said he feels this is a reasonable request, but only if we're spending money in the park area and he's doesn't know how much we're spending in Parks and Recreation.

Supervisor Pollard stated her opinion is that we have had these parks since she's been on the Board, and prior to that. In Montvale, there is one picnic shelter; there are weeds growing and the park is not usable. She wants to see the park made usable; she's not requesting anything elaborate, but there have been requests for a walking trail, a bathroom facility, play sets and a picnic shelter. She said we should take enough of this money to fix that park, and we should put the picnic shelter in Forest for those people. Moneta has requested a bathroom facility; she said they have some donations and have asked for funds to complete that project. She said she knows we have administrative needs, but everything we've done since she's been on the Board takes away from things. She said the citizens have requested these things and they're paying the bills.

Mr. Rogers said that if staff had their druthers, of the \$100,000.00 that was put aside for Parks and Recreation and the targeted that has not been appropriated, most would say it should go to Montvale. However, as Supervisor Pollard pointed out last year this would not be the "payback", it's the \$100,000.00 that would have gone to the park because we wanted to develop it; the \$77,000.00 would have been over and above that in terms of the payback. From a staff perspective, Falling Creek Park has some money left in that project and it's pretty far along. Moneta has the benefit of having some civic volunteers coming to the table and moving that project forward on contributions. He said Montvale has gotten done to a point where it's hanging on the edge, but to Supervisor Pollard's point it just looks unfinished. Supervisor Pollard suggested paying back the \$77,000.00 that was borrowed; Mr. Rogers pointed out that the Board has appropriated more than \$77,000.00 over the years to Montvale Park. Supervisor Pollard said that has nothing to do with the \$77,000.00 that was borrowed. Mr. Rogers said this has been discussed from a number of perspectives, so staff just needs direction from the Board on how they want staff to proceed.

Vice-Chairman Sharp stated if the \$77,000.00 had been in there it would probably already have been spent to do the things that we're being asked to do. Supervisor Pollard said it's not going to do everything, and she's asking for enough money to use for CIP. She said she argued this same point last year when we gave money to the school; she didn't want to give the school all of it because we have needs too. She said we haven't put anything in CIP for parks or County Buildings since she has been on the Board. Mr. Rogers commented that we've cobbled together a little bit of money, but for all intents and purposes we've zeroed out CIP. She said we have the opportunity to do something about these things and she wants to put the picnic shelter in Forest, money to the Moneta and Montvale for the bathrooms

and fix the picnic shelter, put in a walking trail and playground equipment at Montvale. She said we've spent a fortune on grading at Moneta, which is something Montvale Park didn't even need.

Mr. Rogers reviewed capital funds at the Board's disposal, which assumes the budget is accepted as proposed and \$1.177 million in funds that were targeted last year but weren't appropriated, get appropriated (with \$100,000.00 to Parks and Recreation). This would leave \$1,288,488.00 which was not appropriated and not included in targeted CIP direction, \$271,210.00 FY14 Projects to Be Determined and \$132,190.00 FY14 revenues over expenditures, totaling \$1.7 million in CIP to do something with. From there, there are several things we know we need including the Parks, the Revenue Sharing Road Project at Woodhaven at \$700,000.00, County facilities with structural problems and the Courthouse bell tower that needs to be fixed, a question of power supply to New London and also financial software. He said we did target some money in the \$1.177 million for financial software, but it's out there as a capital need moving forward.

In response to a question from Vice-Chairman Sharp, Mr. Rogers said it will be an estimated \$1 million to get the line to New London, but there needs to be additional conversation on this. We do not yet have an estimate on what it will cost to address the structural issues with the County Administration building.

Supervisor Pollard commented that, while she realizes it is not the fault of anyone here tonight, she has been so disappointed in some of the decisions the County has made, and she said she thinks it goes back to the staff (from prior years). The Administration building, the Group Homes and the Moneta Park are just things we put in money, and we have to fix something that wasn't done right to begin with. She said she doesn't like just putting a bandaid on stuff; Mr. Rogers agreed and said this is no one's best case scenario. He said he understands the frustration; however, in the meantime, we're trying to mend things so we can get to where we need to be, and it's exciting to hear a Board member say that when we do things let's do them right the first time. Mr. Rogers agreed he would rather be putting money into enhancements rather than fixes, but it's where we find ourselves today.

Mr. Reeter said the problem is that we have multiple competing priorities that exceed our resources by a considerable degree. We've got two fundamental problems: first, trying to pick the first among equals and determine which of the most pressing needs is most urgent. Second, where to find the resources that are ample enough to address that number one priority. There are an awful lot of deferred expenses, things that should have been done over a good number of years that for one reason or another were not addressed. We've got a considerable number of issues with regard to capital needs. Hard decisions will need to be made about what comes first, second, third, etc., while understanding that what comes second and third may be years down the road before we can get to it.

Supervisor Thomasson suggested giving staff some direction on prioritizing these projects on a schedule together; Vice-Chairman Sharp concurred, especially with regard to some of the structural issues which he feels should be addressed before they turn into major problems. Supervisor Pollard said communicated her desire to get something done out at Montvale Park, as she was promised a while ago by staff.

Mr. Rogers he was giving the Board this information tonight so they would have enough time to review everything before moving on the budget and hearing from the schools. He said his takeaway from this evenings meeting included vehicles in FY13 versus the funds that were made available (what hasn't been ordered yet); a mowing bid for the regional parks; volunteer incentives for Fire & Rescue; hold off on the request for the additional Animal Control Officer until we know what the City's service level expectations are and whether they will contribute to the pay; details on the PSA moral obligation; and to see if the Parks and Recreation payback can be incorporated in CIP planning for the Board's consideration.

Vice-Chairman Sharp commented that he wants it made clear to the City that our Animal Control Officers do not handle the same types of calls as the City's officers, since the City has ordinances in place like a leash law that we wouldn't enforce because it's not part of the County's ordinances.

Mr. Rogers then distributed to the Board details on the healthcare contribution strategies for their review. Supervisor Pollard asked if the plan that has no employee contribution had the highest enrollment; Mr. Rogers replied that it did, and Vice Chairman Sharp pointed out that that plan also cost the Board a lot less.

Mr. Rogers clarified for Supervisor Pollard that even though the State is giving a 3% raise to certain employees on the pay plan, the Board is not required to give all employees a 3% raise. He said that if the Board opts to not give the raise that is within their purview. The State raise will come down to Constitutional Officers and some DSS employees, but the locally funded positions will not get that raise from the State. He said this is the Board's decision, but if we don't give raises to locally funded positions it will lead to disparities in departments where people doing the same job will not be receiving equal pay.

Supervisor Pollard asked to be provided a range of what the County's lower paid workers receive (such as in housekeeping, CNAs, etc.). She said she doesn't like across-the-board increases.

Mr. Rogers reminded the Board of the VDOT public hearing on the secondary road system on March 13, 2013. Mr. Reeter relayed to the Board that he will not be able to attend the Board's meeting March 11, 2013. He said he is getting oriented in his new position, but since they are already so far along in the budget process he feels it would be best to have Mr. Rogers continue to carry the ball on this to the finish line, and he will pick up leadership for the budget process in the next budget season. He said Mr. Rogers has done an excellent job with the budget and it would be a gross injustice to step in at this point.

Mr. Reeter said that once the Board moved out of the budget season he would like them to consider some kind of retreat so he and the Board could discuss their expectations, prioritization, goals and objectives. He thanked Mr. Rogers, Attorney Boggess and staff for his welcoming reception.

Vice-Chairman Sharp asked if there were any further comments from the Board; there being none, Supervisor Parker made a motion to adjourn, which passed by acclamation at 8:38 p.m.

Chairman