

At a regular meeting of the Board of Supervisors of the County of Bedford, Virginia, held at the County Administration Office Building on the 4th day of April 2005, beginning at 5:00 p.m.

Present: Roger W. Cheek, Chairman – Dist. 3, Gary M. Lowry, Vice-Chairman – Dist. 7, Dale Wheeler - Dist. 1, Charles Neudorfer - Dist. 2, Robert L. Bashore – Dist. 4, Steve Arrington – Dist. 5, and Bobby G. Pollard – Dist. 6

Staff Present: Kathleen D. Guzi, Carl Boggess, Susan Crawford, Sheldon Cash, Tommy Mason, and Brigitte Petersen

Chairman Cheek called the meeting to order.

Kathleen D. Guzi, County Administrator, appeared before the Board and stated that the purpose of tonight's meeting was to agree on what would be advertised for the Operating Budget, the Tax Rate, the Nursing Home Rate and the Capital Improvement Plan. She said school financing would also be discussed.

Mrs. Guzi distributed a memo from Carl Boggess, County Attorney, to the Board regarding the E911 tax. The \$2.00 fee currently in place does not cover the cost of the service. She commented that the crucial thing to remember is that the State is attempting to control tax restructuring, which would take away the Board's authority to set certain tax rates (E911 being one of those). 2005 may be the year by which future reimbursements from the State will be based on; this means 2005 is the year to raise taxes (if the County is going to raise taxes) in order to get our "fair share" from Richmond, and in light of the knowledge that Richmond intends to take away some of the taxing authority.

There followed a brief discussion between Mrs. Guzi and the Board members regarding the E911 tax.

Mrs. Guzi then reviewed the Solid Waste Fund (from which staff is recommending to transfer \$400,000 to \$500,000 to help balance the budget), increasing the fee to \$25.00 for vehicle decals, and setting one standard decal fee of \$20.00 for trailers. Mr. Pollard pointed out that the decals fees were a recommendation from the tax committee to collect taxes from those living in the County that do not own real estate. A brief discussion between Mrs. Guzi, Sheldon Cash and the Board members followed.

Mrs. Guzi and Tommy Mason, Budget Analyst, then gave an overview of Expenditures, which included several options illustrating where departments could cut their budgets. Mr. Mason pointed out that while level funding may work in some departments to save money, it would not be beneficial to level fund Social Services as they would also lose revenue from State and Federal sources if their budget was cut. Mrs. Guzi also touched on new proposals in Expenditures such as Electronic Document Storage, Pager/Radio Replacement in Fire and Rescue, Vehicles, Mobile Data Terminals, etc., and explained that in order to balance the budget many of these items had either been reduced or cut out altogether with the idea of perhaps delaying the purchases until the next fiscal year.

There followed a discussion between the Board, Mr. Mason, Mr. Cash, Ms. Crawford and Mrs. Guzi regarding the benefits of each of the options presented.

The Board remained in open session and moved into the conference room for dinner at 7:00 p.m.

The work session was resumed in the Boardroom at 7:30 p.m.

Mrs. Guzi distributed to the Board copies of the budget with revised numbers, reflecting revenue and expenditure adjustments as discussed earlier in the work session (increased E911 tax, increased Decal fees, and reduced expenditures, etc.). New positions presented earlier in Option 1 had also been removed. Mrs. Guzi also stated that staff would need the Board's approval to increase the Nursing Home's daily rate from \$118.00 to 126.00, which is still a very competitive rate compared to surrounding localities.

The Capital Improvement Plan was then reviewed. Mrs. Guzi stated there were several different scenarios tied to the funding of the schools. She commented that it would be important tonight to agree on a five-year CIP that would include school funding. The Board had previously asked the CIP include information on how the CIP would be funded; Mrs. Guzi briefly touched on this issue and prefaced her comments with the statement that the Board would not have to decide on any funding plan tonight, but the funding scenario would clearly dictate the direction taken in the future. For each funding scenario, costs for building new schools, reassessment impact on tax rates, road construction costs, revenue bonds issued as collateral, etc., were discussed, with emphasis given on the fact that staff is working with estimates with regard to future revenue and expenditures which may change in the future. In each scenario, the highest tax rate would be \$.69 per \$100.00 of assessed value.

There was then a discussion between Mrs. Guzi, Mr. Mason and the Board on the CIP.

Supervisor Bashore made a motion to advertise the Capital Improvement Plan showing \$32 million in 2006, \$43 million in 2007, \$12.3 million in 2009, \$2.5 million in 2010, \$11,970,000 in 2011.

The Board discussed the motion prior to taking the vote.

Voting yes: Dr. Bashore

Voting no: Mr. Wheeler, Mr. Neudorfer, Mr. Cheek, Mr. Lowry, Mr. Arrington and Mr. Pollard

Mrs. Guzi then proposed \$20 million in 2006, \$20 million in 2007, and \$25 million in 2010.

Voting yes: Mr. Wheeler, Mr. Neudorfer, Dr. Bashore, Mr. Cheek, Mr. Lowry, Mr. Arrington and Mr. Pollard

Voting no: None

Adopted Unanimously.

Supervisor Pollard made a motion to advertise the proposed new Nursing Home rate as \$126.00 per day.

Voting yes: Mr. Wheeler, Mr. Neudorfer, Dr. Bashore, Mr. Cheek, Mr. Lowry, Mr. Arrington and Mr. Pollard

Voting no: None

Adopted Unanimously.

Supervisor Pollard made a motion to advertise the tax rate at \$.65.

Voting yes: Mr. Wheeler, Mr. Neudorfer, Mr. Cheek, Mr. Lowry, Mr. Arrington and Mr. Pollard

Voting no: Dr. Bashore

Adopted Unanimously.

Supervisor Wheeler made a motion to adjourn the meeting at 9:33 p.m.

Voting yes: Mr. Wheeler, Mr. Neudorfer, Dr. Bashore, Mr. Cheek, Mr. Lowry, Mr. Arrington and Mr. Pollard

Voting no: None

Adopted Unanimously.

Chairman