



**MINUTES**  
**BEDFORD COUNTY BROADBAND AUTHORITY**  
**AND BOARD OF SUPERVISORS**  
**BEDFORD COUNTY ADMINISTRATION BUILDING**  
**MARCH 18, 2019**

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**5:00 P.M. Special Called Meeting - Broadband Authority**

- a. Discussion and possible action authorizing staff to develop and submit an application for the Tobacco Region Revitalization Commission grant.  
*(Resolution #BA 031819-01)*

*Adjourn the Broadband Authority Meeting*

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**Budget Work Session – BOARD OF SUPERVISORS**

- a. Presentation by School Superintendent Dr. Doug Schuch on the School Board's FY2019-2020 budget *(no documentation)*

*Break for dinner*

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- b. CIP Review
- c. Large Expenditure Categories and Miscellaneous Issues
- d. Revenues

*Adjourn the Board of Supervisors*

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**5:00 P.M. Special Called Meeting - Broadband Authority**

**Authority:** Tommy Scott, Chairman, District 5; Vice-Chairman Andy Dooley, District 6; Edgar Tuck, District 2; Charla Bansley, District 3; John Sharp, District 4; and Kevin Willis, District 7

**Absent:** Bill Thomasson, District 1

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**County Staff:** County Administrator Robert Hiss, County Attorney Patrick Skelley, Chief IT Officer Jeff Marecic, Fire & Rescue Chief Jack Jones, Jr., Fiscal Management Director Susan Crawford, Public Works Director Sheldon Cash, Human Resources Director Dawn Fields, EDA Chairman Mickey Johnson, Lieutenant Kevin Adams, Commissioner of the Revenue Julie Crease, Economic Development Director Traci Blido, and Executive Assistant Brigitte Luckett

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Chairman Scott called the meeting of the Bedford County Broadband Authority meeting to order and turned the meeting over to County Administrator Hiss.

Mr. Hiss explained that the resolution before the Authority this evening would grant staff permission to develop and submit an application for the Tobacco Region Revitalization Commission grant in the amount of \$1,045,540 in support of the County's broadband project.

**Supervisor Sharp made a motion to approve Resolution #BA 032519-01.**

**WHEREAS**, on February 6, 2019, the Bedford County Broadband Authority signed agreement with Roanoke-based Blue Ridge Towers (BRT) for an estimated \$3.5 million project to develop a county-wide wireless broadband network; and

**WHEREAS**, on February 6, 2019, the Bedford County Broadband Authority signed agreement with Roanoke-based Blue Ridge Towers (BRT) for an estimated \$3.5 million project to develop a county-wide wireless broadband network; and

**WHEREAS**, the Bedford County Broadband Authority has so far committed \$1.5 million to the broadband project; and

**WHEREAS**, on March 18, 2019, the Bedford County Broadband Authority met and discussed the opportunity for Bedford County to submit a Tobacco Region Revitalization Commission (TRRC) grant due March 21, 2019 to assist in completing the project to bring broadband internet service to unserved and underserved parts of the County.

**NOW, THEREFORE, BE IT RESOLVED**, by the Bedford County Broadband Authority that the Authority does hereby authorize County staff to develop and submit a grant application to the Tobacco Region Revitalization Commission seeking funding for the broadband project.

**Voting yes: Mr. Tuck, Mrs. Bansley, Mr. Sharp, Mr. Scott, Mr. Dooley and Mr. Willis**

**Voting no: none**

**Absent: Mr. Thomasson**

**Motion passed.**

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**Supervisor Sharp made a motion to adjourn the Broadband Authority.**

**Voting yes: Mr. Tuck, Mrs. Bansley, Mr. Sharp, Mr. Scott, Mr. Dooley and Mr. Willis**

**Voting no: none**

**Absent: Mr. Thomasson**

**Motion passed.**

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**Board of Supervisors Budget Work Session**

**Board:** Tommy Scott, Chairman, District 5; Vice-Chairman Andy Dooley, District 6; Edgar Tuck, District 2; Charla Bansley, District 3; John Sharp, District 4; and Kevin Willis, District 7

**Absent:** Bill Thomasson, District 1

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**County Staff:** County Administrator Robert Hiss, County Attorney Patrick Skelley, Chief IT Officer Jeff Marecic, Fire & Rescue Chief Jack Jones, Jr., Fiscal Management Director Susan Crawford, Public Works Director Sheldon Cash, Human Resources Director Dawn Fields, EDA Chairman Mickey Johnson, Lieutenant Kevin Adams, Commissioner of the Revenue Julie Crease, Economic Development Director Traci Blido, and Executive Assistant Brigitte Luckett

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Chairman Scott called the work session to order and turned the meeting over to School Superintendent Dr. Doug Schuch, School Chief Financial Officer Randy Hagler, and School Board Vice-Chairman Jason Johnson.

Dr. Schuch noted that the other six members of the School Board were not in attendance because they are hosting the annual meeting of the Virginia School Boards Association at Liberty Middle School. Dr. Schuch stated that he and his staff have enjoyed working with the Board and County staff over the last two budget cycles. He said the School Board unanimously adopted their budget on February 21, 2019.

Dr. Schuch highlighted two sections of their budget, beginning with the one-to-one initiative. He said the schools started issuing Chromebooks to students in grades six through twelve, and had a long-range, multiple-year plan to do so. Dr. Schuch stated that they did not design any computer labs for the new Liberty Middle School, as the plan was to have each student have their own laptop. He noted that this has been a successful plan, and the multi-year plan was upgraded to accelerate the timeline to get laptops to the students.

Dr. Schuch then moved to the 5% cost of living adjustment they have recommended for all the teachers and support staff. He said this is mainly designed to address the teacher shortage, and to retain and attract good teachers. He clarified that the 5% represents the total of the State of Virginia's portion of the raise combined with Bedford's portion. Dr. Schuch said this would also improve the starting teacher's pay. He noted that they are receiving an additional \$2.1 million more in funding from the State (compared to past year), and a majority of those funds are for the raise.

In response to a question from Vice-Chairman Dooley, Dr. Schuch said the School Board has requested an increase of \$2.6 million to cover the County's portion of the 5% raise. There followed a brief discussion between Dr. Schuch, Vice-Chairman Johnson, Mr. Hagler, and the Supervisors to answer clarifying questions regarding the teacher's raise and the Chromebook roll-out.

There being no further discussion regarding the School Board's budget, Mr. Hiss turned the meeting over to Fiscal Management Director Susan Crawford and Public Works Director Sheldon Cash for a review of the Capital Improvement Plan (C.I.P.).

Ms. Crawford reminded the Board that at their C.I.P. meeting in November 2018, they were given a draft C.I.P. for 2020 through 2024; a project overview and a funding strategy were also provided to the Board at that time. Since then, the Board has approved several projects for which funding was not included in the C.I.P., so staff has gone back and made funding adjustments; some projects necessary in FY19 have also been added. She said that if no changes are made to the draft C.I.P. being discussed this evening, the amount of fund balance being used in FY20 is \$6.7 million, or an increase of \$3 million over the draft from the November meeting. Mr. Hiss, Ms. Crawford, and Mr. Cash then reviewed the changes to November's draft, briefly detailing the reasoning behind some of the changes. Throughout their presentation, they answered clarifying questions from the Board regarding the C.I.P.

Staff acknowledged they did not understand the Board's previous direction regarding funding the projects for the Public Schools in the C.I.P., and would make the necessary adjustments.

Supervisor Bansley asked that the \$350,00 earmarked for the expansion and planning of the Forest Library instead be used for the Huddleston Elementary School HVAC (which was already slated to be a project in FY21). She said the expansion was not necessary, as the Parks and Recreation facility on the other side of the woods from the Library has a meeting room people can use. More discussion followed, during which Supervisor Sharp said the Supervisors can always try to encourage the School Board to prioritize things, but in the end they cannot micro-manage the School Board. Supervisor Willis commented that if the Board sees that there is a particular project in the School system, they could certainly manage it just like a Courthouse project, etc. It would be a project Public Works would undertake, bid out, and do the work. Supervisor Tuck said anyone who has children in Huddleston Elementary knows the system is close to failing. He said regardless of what the Supervisors agreed to regarding funding for school maintenance funds last year, if the HVAC fails at this school he is not just going to let them sit in the heat and the cold; it's going to have to be dealt with. Chairman Scott said the School Board has to be responsible for managing their funds; if they don't properly allocate their funds and then the Board of Supervisors has to bail them out, what has been accomplished? In response to a question from Supervisor Bansley, Supervisor Sharp said the Board can only allocate funds to the Schools based on category or in a lump sum; the Supervisors can make recommendations, but cannot dictate how the money is spent. Chairman Scott requested more detail regarding the reasoning for the Forest Library expansion. Supervisor Sharp said there needs to be discussion regarding taking on \$6 million in debt for the joint fleet maintenance facility.

Ms. Crawford said this was all good information from the Board, and stated that if the Board would like to give staff a list of the projects they need greater detail on, we will be happy to get that information to them.

Chairman Scott said we need to discuss the Body Camp gym, and possibly making it the maintenance facility; he said this would be better than just letting it sit there. Mr. Cash said if this is what the Board wants, staff can research the viability of making it happen; we just need direction from the Board. Supervisor Tuck said he believes this would be covered in the space needs study.

Mr. Hiss stated that what he is hearing in this discussion is that there are a lot of capital projects that are facility-based which we may not be 100% confident about. He said the space needs will assist in determining design and construction needs, as well as the appropriate timing for these projects.

Ms. Crawford asked if the Board wanted to remove the \$350,000 from the Forest Library expansion planning and push it to the next year. She noted that Mr. Cash has said that \$100,000 may cover a space needs study for Social Services, Administration, the Library, Fleet Maintenance, and Public Safety; the remaining \$250,000 would be kept in fund balance. The Board seemed to concur with Ms. Crawford's suggestion, though no formal concurrence was requested by the Chairman.

Ms. Crawford then briefly reviewed the funding summary she had distributed to the Board (all documentation distributed at the work session will be kept on file for public review in the County Administration office). In response to a question from Vice-Chairman Dooley, Ms. Crawford said we will cease making reversion agreement payments of \$750,000 to the Town of Bedford in either 2028 or 2029.

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The work session was paused for dinner at 6:16 pm, and resumed at 6:51 pm.

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Chairman called the work session back to order, and turned the meeting over to Ms. Crawford for a review of large expenditures and miscellaneous issues. She stated that real property taxes are projected to total \$44.8 million, an increase of approximately \$3 million (7.18% from the adopted FY18-19 budget) if the tax rate remains at \$0.52. This projection takes into account properties in land use, tax relief for the elderly and veterans, and a 96% historical collection rate. She stated that the reassessment was completed in February, and projected the total real estate value of all property in the County to be \$11.1 billion (an increase of approximately \$700 million over the previous year.). Ms. Crawford noted that 7.45% of the County's real estate is completely tax exempt compared to 7.15% in the prior year. The total assessed value of the taxable real property is estimated to be \$10.2 billion as of January 1, 2020. For budget discussion, each penny on the real property tax rate will generate approximately \$861,348. Adjusting the real property tax rate to produce the same amount of revenue as FY2019 would require a reduction from \$0.52 to \$0.4944 (equalized rate). Ms. Crawford stated that such a reduction would require an adjustment of over \$2.2 million in the projected revenues.

Ms. Crawford then stated that personal property tax revenues are projected to be \$14.7 million, which is an increase of \$700,000 (or 5%). She stated that machinery and tools tax revenues are projected to increase \$125,000 (3.36%). Overall, if the tax rate remains at \$0.52, revenues are expected to increase \$4.1 million (6.38%).

Ms. Crawford moved on to a review of local sales taxes, noting that this is the third largest discretionary revenue received by the County. Based on current trends, sales tax revenues are expected to increase approximately \$300,000 (4.92%). She said the utility consumer and consumption taxes are projected to increase \$25,000 and \$5,000 respectively; bank stock taxes are projected to increase \$30,000; recordation taxes are expected to decrease approximately \$50,000; meals tax revenue is projected to increase \$175,000 (just over 11%); and communication sales continues to decrease and is expected to \$175,000 less in revenue compared to last year. Overall, local sales taxes are expected to increase just over \$300,000 (2.38%).

Ms. Crawford stated the combined discretionary revenue of the County is expected to increase \$4.4 million (5.7%) if the real estate tax rate stays at \$0.52. If the rate is set at \$0.50, we will lose approximately \$1,722,000.

There followed a discussion between the Board and staff, during which the Board directed staff to build the budget around an equalized rate. Mr. Hiss stated that staff would work on the budget as directed; he said staff would also bring details of any requested large projects the Board would need to be aware of to make an informed decision when setting the rate.

Mr. Hiss informed the Board that the Personnel Committee would be meeting on Thursday to discuss the requested new positions.

Ms. Crawford commented that the State has approved a 3% raise for all Constitutional Officers and Social Services. A 1% raise for County employees would be approximately \$220,000; when you back out the revenue we would be receiving from the State, it comes to \$160,000; a 3% raise would be \$480,000. Mr. Hiss noted that a pay study was completed and partially implemented in 2016, and there has not been a pay adjustment since that time. He said the economy is doing well locally, state-wide, and nationally; other local governments and the State are giving 3% raises, so it's something that warrants consideration and decision.

Mr. Hiss stated that we do not anticipate any rate increases in our health insurance; this will be covered in more detail at the next meeting.

In response to a question from Supervisor Willis, Ms. Crawford said that she has not been notified of anything for the Sheriff's deputies beyond the 3% raise from the Compensation Board.

Mr. Hiss commented that in the handouts the Board received this evening, it's interesting to note how the reassessment affects different property values. Ms. Crawford said of the 50,086 parcels, 80.76% had less than a \$20,000 increase; over 70% of the parcels had less than a 10% change.

In response to a question from Chairman Scott, Mr. Hiss said the Board would determine when to schedule the public hearing on the tax rate at their next meeting on March 25. The tax rate public hearing will be heard at a separate meeting from the public hearing on the budget.

Vice-Chairman Dooley said he has received a lot of feedback from citizens concerning the funding strategy currently in place for Fire & Rescue Volunteers, and would like to see this revisited. Also, he said

he has asked a lot of citizens their opinion on the tax rate, and not one has asked him to lower the rate. Vice-Chairman Dooley said he has been informed that the Commonwealth Attorney is required to hire another Assistant Attorney, so this need to be taken into consideration as well. He also stated that Virginia is in the top ten in the nation for farmland lost per year, with Bedford losing around 1,000 acres a year. He said he knows development is necessary, but we also need to preserve our farmland. He said two-thirds of the Board voted against an equalized rate, and he questions whether it's the right way to go.

There being no further discussion, Chairman Scott called for a motion to adjourn.

**Vice-Chairman Dooley made a motion to adjourn at 7:23 pm.**

**Voting yes: Mr. Tuck, Mrs. Bansley, Mr. Sharp, Mr. Scott, Mr. Dooley, and Mr. Willis**

**Voting no: none**

**Absent: Mr. Thomasson**

**Motion passed.**