

A BUDGET WORK SESSION OF THE BOARD OF SUPERVISORS WAS HELD ON THE 18th DAY OF MARCH IN THE YEAR TWO THOUSAND TWO OF OUR LORD IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING AT 9:07 A.M.

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IN RE: ROLL CALL

Mr. Davis re-convened the meeting, which was continued from March 11, 2002.

Julian T. Lipscomb	Present
Rebecca M. Ringley	Absent (arrived at 9:24 a.m.)
James H. Burrell	Absent
Dean E. Raynes	Present
W. R. "Ray" Davis, Jr.	Present

A quorum was present.

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IN RE: BUDGET REVIEW

Mr. Ellyson reviewed with the Board several items that had been recently accomplished, including funding of LiveScan and cleaning of the carpet in the Old Courthouse.

Discussion was held about the pay rates of the refuse site workers, their long hours, and the fact that these part time employees are the only county employees that many of the taxpayers ever see. The Board directed that the new budget include an increase of \$1.00 in the hourly pay rate for those employees at the 618 site effective July 1, 2002. The Board further directed that an additional increase of \$.50 in the hourly pay rate shall be given to **all** refuse site workers together with any raise given to county employee, to be effective on their anniversary date.

Mr. Ellyson also advised the Board that, because of low use, the County has been asked to pay \$790 for the pay phone that is located outside the Treasurer's Office. Mr. Lipscomb suggested that the telephone be relocated near the corner of the new parking lot, which should increase its use. There has also been a request to install a phone line in the Courtroom of the Old Courthouse. Mr. Ellyson will check to see how much it will cost to move the pay telephone, as well as the possibility of installing a phone line in the Courtroom of the Old Courthouse.

Mr. Ellyson also reported that the Cost Allocation Plan will cost \$2,500, an increase of \$500. VaCo has reported an increase of 7% - 10% in the automobile liability insurance premiums. Health insurance premiums will increase by 13 ½ % rather than the 3% included in the budget.

Mr. Ellyson reported that the difference between expected revenues and the budget requests is currently \$839,411. This would result in an 8.4% tax rate increase. This does not include any new personnel positions, other than the paid EMTs, nor does it include the \$251,953 requested by the School Board, nor the additional \$160,000 shortfall anticipated by the Schools. None of the department requests have been adjusted. He also reported that a one-cent increase in real estate tax would produce approximately \$99,404.

Mr. Ellyson reviewed some of the items that he and Mary Altemus listed as possible reductions in the budget requests in order to decrease the deficit.

The first item was to exclude funding for the six new firefighter/EMTs from this year's budget. The one-year cost for 6 full time EMTs is estimated to be \$228,684, based on starting pay of around \$29,000 per year. Discussion regarding the new Fire Station was held and, based upon the architect's projection that it will take 10 - 13 months to build the new Fire Station, it was decided not to include the firefighter/EMTs, or their equipment, in this year's budget, as the County would not be ready to hire them until after the Station is finished. That will reduce the shortfall by \$231,000. This will also give the County time to ensure that the amount budgeted will cover the cost of six fully trained firefighter/EMTs.

Mr. Davis reported that Mike Haurand from Grand Metro, the low bidder on the Fire Station, had indicated that his company could build both the Fire Station and the Vehicle Maintenance Facility for under budget, if he did them at the same time. The design-build process was discussed, as well as the fact that the County would have to wait 60 days for approval from the State, would have to have an on-site engineer, and would have to advertise. Mr. Ellyson was asked to speak with Sandy Warner in James City County who has had some design-build projects.

Discussion was held regarding the request for a secretary for Parks and Recreation, and it was decided to budget the sum of \$10,000 for part-time help and encourage Marcy to use high school students or bus drivers. That will save the cost of a full-time secretary and the accompanying expenses that were included in her budget. It was the general opinion that Parks and Recreation may need a full-time maintenance person once all of the new sites are up and running, but for the time being, it was suggested that someone talk with Marcy to see just exactly what her maintenance needs are, and then consider using Public Works staff, or School janitorial services and consider some kind of reimbursement. It was suggested that Marcy consider a user-fee in her start up plans for the Park. Some grant funding for Warreneye may be available in that it will part of the Civil War Trails system.

Mr. Ellyson also mentioned the problems that Marcy is having with the van used by her Department.

Since the County is not in a position to hire an Emergency Services Coordinator, Mr. Ellyson suggested that the budgeted amount of \$17,300 to support this proposed new employee be removed, and the Board concurred.

Regarding the new position of Building Inspector, the Board inquired whether the new vehicle requested was for this proposed new employee. Mr. Ellyson was asked to check with the department to find out, and if so, the funds for that vehicle will be removed. It was also decided to cut the \$3,000 budgeted for support of the proposed Building Inspector.

Discussion was held about the request for new vehicles and Mr. Ellyson was asked to encourage staff to consider less expensive and more fuel-efficient models (extended cabs S-10s).

The Board decided that the new vehicle requested for the position of Emergency Services coordinator will also be cut.

Under the budget for the Commissioner of Revenue, the \$5,000 requested to support the proposed full-time assessor was removed. Discussion was held regarding whether a full-time assessor would be assigned to the office of the Commissioner of Revenue or whether such assessor would report directly to the Board, and the matter was deferred to a future work session.

In the Planning Department's budget, the sum of \$4,000 for a Workgroup/Fax, \$1,000 for furniture and \$7,000 for ADP equipment, all connected with two proposed new positions of GIS technician and Land Use Compliance Inspector requested in that department, were removed, resulting in a savings of \$12,000.

Mr. Raynes cautioned that the County will need a Land Use Compliance Inspector in order to avoid fines which may be assessed by the EPA regarding the lack of inspections and cleaning of the BMPs. Ms. Ringley reported that RRPDC is in the process of mapping BMPs in this region.

After discussion of its importance and service to the community, the Board decided to fully fund the Office on Youth whose budget requests total \$60,619 and whose State funding has been withdrawn. Mr. Ellyson will look at that budget to see if there are any items that can be cut.

Under the Sheriff's (Animal Control) budget, it was decided to reduce the euthanasia supplies by \$1,000.

Funding for the Salvation Army was reduced from the request of \$7,000 to \$3000.

Under Planning, Board of Zoning Appeals, the request for \$200 for office supplies, \$500 furniture, \$250 equipment, \$2,000 ADP equipment, all expenses connected to a requested new employee, were removed.

The budget for the Office of Economic Development was discussed. Ms. Ringley mentioned that 2 members of the IDA have spoken to her regarding their concerns about Andy Hagy's having taken on another County. Mr. Ellyson reported that Andy's contract expired in March and the IDA extended it through the end of June. There was discussion about having a Deputy County Administrator assume that role in the IDA, along with other duties. The Board decided to keep the Economic Development items in the budget and perhaps use them to fund a Deputy County Administrator for half a year. Mr. Ellyson reported that he has estimated that position would cost approximately \$67,539 (including salary and benefits) per year. The Board decided to carry over only \$139,000 being held for the Regional Economic Development Group.

Mr. Ellyson also reviewed the proposal from Waste Management and asked the Board's permission to allow John Mitchell to sign a contract for New Kent, which has projected savings of \$42,516. Ms. Ringley made a motion to accept the Waste Management Contract. The members were polled:

Julian T. Lipscomb	Aye
Rebecca M. Ringley	Aye
James H. Burrell	Absent
Dean E. Raynes	Aye
W. R. "Ray" Davis, Jr.	Aye

The motion carried.

Mr. Ellyson reported that the proposed cuts totaled \$512,053. Before putting back the \$139,000 for the Regional Economic Development organization, \$60,619 for Office on Youth, \$10,000 for Parks and Recreation, and \$251,963 for the additional School funding, there was an out-of-balance of approximately \$579,321. Mr. Ellyson asked that the Board consider at least a 5-cent tax increase on real estate.

Mary Altemus reported the proposed General Fund revenue to be \$16,110,534, up from last year's \$15,576,099. She also reported that the collection rate had been pushed out from 95% to 97% on current taxes. Any collection of delinquent taxes would be a bonus.

There was a discussion about a meal tax. Mr. Lipscomb reported that one or more owners of New Kent restaurants had agreed to speak out in support of a meal tax. Mary Altemus will get some numbers and information for the Board's consideration at a future meeting when the full Board is present.

The budget request for legal services was discussed, up \$40,000 from last year, having more than doubled since 2000. There were also discussions about the possibility of hiring a full time attorney rather than continuing to contract with one. The Board decided to reduce this budget request to \$100,000, the same amount as last year.

The Board next discussed the items in the budget of the Commissioner of Revenue. A \$4,000 cut has been suggested in the part-time salary budget (from \$18,000 to \$14,000) and \$4,000 from ADP equipment.

Funding for the Schools was also discussed. Mr. Davis suggested giving teachers the same 4.1% pay raise proposed for County employees. He also suggested increasing steps on the high end as an incentive to keep long-term teachers. Ms. Ringley indicated that a salary study was performed which brought County employees to market rate, and she felt the Schools are attempting to do the same thing with this proposed 6% raise. Mr. Davis stated his opinion that if everybody else's budget was being cut, there should be some cuts in the School's budget as well. After much discussion, the Board decided to leave in the additional \$251,963 but not to consider funding the projected \$160,000 shortfall from the State.

Mr. Ellyson stated that it was his opinion that most people are expecting a tax increase this year, considering the economy and the State cut backs, and that this might be the best year to increase taxes.

Mr. Ellyson indicated that the County could manage with \$200,000 in contingency. He also reported that the Board can authorize that funds be moved out of Capital Improvement Projects, as well as from project to project. He and Mary will go back and see what else can be taken out. Mr. Ellyson was asked to consider a \$.79 tax rate and see if he can get the budget to balance. A 2-cent increase would realize approximately \$200,000.

After discussion about items in the Airport budget, it was recommended that instead of funding \$15,000 for a hangar repair study, the sum of \$5,000 be included to hire a carpenter through Public Works to perform some hangar repairs. Mr. Ellyson was asked to look into that.

A discussion was held on the new request of \$5,000 from Meals on Wheels. There are currently 2 routes being serviced in New Kent. Recipients pay for their meals, and Senior Connections pays for those who cannot afford the service. The Board decided to reduce that item to \$2,500.

Mr. Ellyson was asked to look at increases requested by any of the service agencies and consider reducing those items to the current year's amounts.

The Board decided to fund the Mental Health Board at its last year's amount, as well as the Health Department.

The Board decided to include the amount for the renovations to the HVAC at the Courthouse, in the Capital Improvement Projects, but not to proceed with that project until there are problems with the system.

Regarding the Extension Service, Mr. Ellyson reviewed a recent request regarding the proposed water-testing program to be offered in Charles City, New Kent, James City County and York County. The Board decided to add the cost of the program of \$1,000 to the Extension's budget.

Mr. Ellyson was asked to provide pay off dates and other information regarding the debt.

The Board decided to omit the budget requests for paving work at Route 612 and 634 for this year.

Regarding the Fire Station, the Board decided to leave in the budget the sum of \$100,000 to equip the fire station and the sum of \$250,000 (a decrease from \$400,000) for additional costs of construction.

Ms. Ringley also reported that the RRPDC was taking open applications for CDBG grants, which may be an option for development of the infrastructure in the Talleyville area. The key to obtaining these grants is that employees must be of low-to-moderate income. Mr. Lipscomb will check with the proposed businesses and it was suggested that George Homewood contact Jackie Stewart to follow up on this possibility. It was also reported that the Talleyville area might also be eligible for some of the industrial grants, and Andy Hagy is looking into that possibility.

Mr. Davis reported that Rappahannock Community College had written regarding re-appointments to their Board. The Board agreed to reappoint Sylvia Hathaway if she is willing to serve another term.

There was some discussion about the agendas for the April work session and Board of Supervisors meeting, and the possibility of scheduling a closed meeting at 5:00 p.m. on that date.

Mr. Ellyson also reviewed the proposed Corrective Action Agreement with the Department of Conservation and Recreation, as well as the Modification to the Chesapeake Bay Preservation Act Competitive Grant Agreement, and the Board authorized him to sign both Agreements.

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IN RE: ADJOURNMENT

There being no further business, Ms. Ringley moved that the meeting be adjourned. The members were polled:

Rebecca M. Ringley	Aye
James J. Burrell	Absent
Dean E. Raynes	Aye
Julian T. Lipscomb	Aye
W. R. "Ray" Davis, Jr.	Aye

The meeting adjourned at 1:12 p.m.