

VIRGINIA:

A FY2020 Budget Work Session of the Lancaster County Board of Supervisors was held in the Administrative Building Board/Commission Meeting Room of said county on Thursday, April 11, 2019.

Members Present: Ernest W. Palin, Vice Chair
Jack D. Larson, Board Member
William R. Lee, Board Member
Robert S. Westbrook, Board Member

Member Absent: Jason D. Bellows, Chair

Staff Present: Don G. Gill, County Administrator
Crystal Whay, Clerk to the Board and
Building/Land Use Assistant

Mr. Palin called the meeting to order at 6:00 p.m.

CONSIDERATION OF A SUPPLEMENTAL RESOLUTION TO THE \$2 MILLION LEASE BOND AUTHORIZING RESOLUTION APPROVED AT THE MARCH 28, 2019 REGULAR MEETING

Mr. Palin asked Mr. Gill to explain the issue.

Mr. Gill stated that, at the Board of Supervisors' March 28th Regular Meeting, they approved an authorizing resolution for a \$2 million dollar lease bond note for various capital improvement items. He stated that the Board chose the financing that night, so the resolution that was adopted was not specific. He stated that the County's Bond Counsel, Dan Siegel, has asked that the Board of Supervisors approve this supplemental resolution, which specifies the collateral and the term of the ground lease. He stated that the Economic Development Authority will meet on Tuesday, April 16th to approve their part of this issue. He stated that closing is possibly expected before April 25th, which is the Board's next regular meeting.

SUPPLEMENT TO RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LANCASTER, VIRGINIA, ADOPTED MARCH 28, 2019
WHEREAS, the Board of Supervisors of the County of Lancaster, Virginia adopted a resolution at its regular meeting on March 28, 2019 (**the "Authorizing Resolution"**) relating to a lease revenue bond to be issued by the Economic Development Authority of Lancaster County, Virginia (**the "Authority"**) for school and parks project and now desires to supplement such resolution as follows:

1. The Leased Property (as referenced in the Authorizing Resolution) from the County to be leased to the Authority is the Sheriff's office and correctional facility which is authorized to be leased to the Authority under a ground lease for a not to exceed term of 15 years.
2. All other actions and provisions in such Authorizing Resolution are hereby ratified, adopted and confirmed.
3. This resolution shall be immediately effective.

Adopted this 11th day of April, 2019.

CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Clerk of the Board of Supervisors of the County of Lancaster, Virginia hereby certifies that the Resolution set forth above was adopted during an open meeting on April 10, 2019, by the Board of Supervisors with the following votes:

Mr. Lee made a motion to Adopt the Supplemental Resolution to the \$2 Million Dollar Lease Bond Authorizing Resolution.

VOTE:	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye

BUDGET CONSIDERATION

Commissioner of the Revenue

Marlon Savoy, the Commissioner of Revenue, stated that she was requesting an additional \$500.00 in each of two categories in her budget. She stated that the first category was postage due to the increase in postal rates. She stated that the second category was conventions and education. She stated that she had a new employee that she would like to take advantage of some of the classes that the Commissioner's Association offers. She stated that, because of the distance of some of the classes, lodging would be

required for one or two nights. She stated that, other than those two categories, her budget remains the same as last year.

Mr. Larson stated that Mrs. Savoy, as well as Mr. Thomas, before her, have always done a good job at keeping the budget tight. He stated that he had noted in FY 18 that in the conventions and education category, \$1,600 had been approved and \$1,400 had been used. He stated that, this year, \$2,100 was being requested. He stated that he understood about putting the new employee through training and wanted to know of the remaining conferences, how many were mandatory.

Ms. Savoy replied that the Commissioner's Association requires four core courses that are mandatory to become certified and there are three elective courses for the new employee.

Mr. Larson asked about anybody else in Mrs. Savoy's office.

Mrs. Savoy replied that she was required to take a course every year and her other employee was required to take a course every three years.

Social Services

Edna Davenport, the Social Services Department's Director, stated that her budget was the same for local dollars. She stated that she does not know what the state's contribution will be yet. She stated that if anyone was interested in becoming a foster parent, that they contact her office for more information.

Refuse Disposal

Donald Brown, the Solid Waste and Recycling Supervisor, stated that his department was proposing an increase in the maintenance and services category for contractual services, provided by Waste Management, from the current approved amount of \$493,000 to \$565,460 or a fourteen percent increase. He stated that the key factor driving this increase is the increase in municipal solid waste coming into the County's three convenience centers. He stated that the volume of waste received has increased over last year. He stated that they are now averaging about four hundred tons or greater of solid waste per month for all three centers combined. He stated that the hazardous household waste collection days are also getting costlier due to more public participation. He stated that the cost, for the two hazardous household waste days held in 2018, was \$45,599.10.

Dr. Westbrook stated that he predicted that the costs would be even greater in the future because the materials that used to be recycled, will not be anymore, and if they are effective in getting the litter off of the sides of the roads, more of that trash will be going to the convenience centers.

Mr. Larson referred to the repairs and maintenance category and stated that he did not see anything for either resurfacing at the Nuttsville refuse site or repairing/replacing the trash compactor at the Nuttsville site.

Mr. Brown stated that they had two line items for repairs and maintenance and consolidated them into one line item.

Mr. Gill stated that the line item for 3310-repairs and maintenance was adopted in FY 19 at \$5400.00 and it is at zero in FY 20. He stated that the figure of \$5400.00 was added to line item 6007.

Dr. Westbrook asked about the line item for uniform rental and the amount of \$18,700.00.

Mr. Brown replied that figure also includes the expense of safety equipment, such as safety vests and glasses.

Mr. Larson asked if renting uniforms was less expensive than buying uniforms for the employees and having them launder them.

Mr. Gill replied that would be an option.

Mr. Brown stated that they have a contractual obligation with the uniform company until 2022. He stated that the contract had rolled over and no one had signed the last one.

Mr. Larson stated that, if no one had signed it, there might not be a penalty to get out of the contract.

Mr. Gill stated that he would check on it.

Commonwealth's Attorney

Jan Smith, the Commonwealth's Attorney, stated that he was running for re-election and whether he was elected or not, he wanted his office to be in the best position it could for the next four years. He stated that he had three increases to his budget for the upcoming year. He stated that the first one was a part-time salary because of some of the changes in the office. He stated that Lynn Barrett has moved from a clerical capacity to more of a paralegal capacity and is doing legal preparation for the office. He stated that, in her place, they hired a part-time person. He stated that he was asking for an increase of \$1,250.00 to help with that salary.

He stated that he was asking again for an increase for Lynn Barrett in the amount of \$12,600.00. He stated that Ms. Barrett has been employed with the department since 1991. He stated that everyone knew the value of long-term employees. He stated that Ms.

Barrett has undertaken additional responsibilities beyond what had been previously required of her. She has also recently taken more training.

He stated that the other increase is for software. He stated that his office is now using Dropbox for case management. He stated that every piece of paper, report, picture, witness request and other things are scanned into the Dropbox system. He stated that he had personally paid for the software system for the last two years as an experiment. He stated that they have found the software to be extremely helpful and they have lost no documents since they have been using it.

Sheriff's Department and Jail

Patrick McCranie, the Sheriff for Lancaster County, stated that his departments' work load had increased from previous years. He referred to account number 31200, line item 1100 and stated that the General Assembly was giving a three percent raise and he would like the Board to consider giving the deputies another one percent raise. He stated that he would be excluded from the additional raise. He stated that the reason for the request was that recruiting and retaining for Sheriff's Departments was a state-wide problem.

Sheriff McCranie stated that they have six full-time dispatchers and he was asking for a \$1,200.00 pay increase for them. He stated that the reason for that request was that the starting pay for dispatchers in Northumberland County was more.

Sheriff McCranie referred to line item 1200 and stated that, after speaking with the County Administrator and the Accounts Administrator, they would like to start paying their deputies overtime on a monthly basis, instead of a lump sum. He stated that he had asked for an increase, so that they can zero out everyone with accumulated overtime. He referred to line item 1300 and stated that, instead of asking for a full-time road deputy, he was asking for more part-time money to allow them to fill the holes in the schedule as far as road coverage goes. He referred to line item 3310 and stated that he was asking for a little extra money for patrol vehicle repairs, mainly for the Dodge Chargers that they still use. He stated that they were gradually getting rid of them. He referred to line item 5699 and stated that the academy dues increased by \$1,000.00. He referred to line item 8207 and stated that they would like to replace their computers at a rate of three per year and he was asking for an increase of \$5,000.00 there.

Sheriff McCranie referred to the jail account number 33100 and line item 5130 and stated that they had some issues with the septic system and have since changed vendors.

Mr. Lee referred to the Sheriff's Department's overtime account and asked if he was just trying to wipe the slate clean.

Sheriff McCranie replied yes and then still have enough to pay overtime on a monthly basis.

Emergency Medical Services

Matt Smith, Chief of Emergency Medical Services, stated that he had two changes from the original budget that he had submitted. He referred to account number 32301, line item 5220 and stated that he had increased it to reflect actual costs. He stated that the major increase that he felt was most important is in line item 1100-salaries. He stated that he had proposed a new payscale and had included in his documentation to the Board, a regional payscale study. He stated that Lancaster County is in last place. He stated that this area does not have a big provider pool to pick from and a lot of other localities were trying to counter offer his employees. He stated that his proposal included an increase across the board and then dedication pay for long-time employees. He stated that his employees have asked for an increase in the County's contribution for the family plan for health insurance.

Chief Smith referred to line items 1200 and 1300 and stated that overtime has been difficult to control because everything was so unpredictable. He stated that the overtime line item is overspent and climbing.

Dr. Westbrook referred to line item 6011-uniforms and asked about the \$7,000.00 figure.

Chief Smith replied that they purchase the uniforms on their own, but a lot of that expense was because new uniforms were needed because some of the employees had old ones that needed to be replaced. He stated that the employees launder their own uniforms.

Mr. Lee asked Mr. Gill if the EMS employees had the same insurance plan as the other County employees.

Mr. Gill replied yes.

Mr. Lee asked if he was hearing about insurance costs issues from other staff members.

Mr. Gill replied that the employees would like to see a larger County contribution to health insurance premiums to help assist with dependent and family coverage options. He stated that, currently, the County covers the total cost for the employee only on the high deductible health savings insurance plan. He stated that the mindset of past Boards was that they would entirely fund one option for health insurance.

Dr. Westbrook referred to the salary increases and asked Chief Smith if he hoped that would stem the tide of people leaving to go to other localities for more money.

Chief Smith replied that the increases he was proposing would put Lancaster County in the middle range of what other localities have projected. He stated that he

hoped that it would also attract some new employees as well. He stated that they are currently two full-time ALS positions down.

Mr. Gill stated that they have hired additional part-time employees, but the problem is that the part-time people are full-time somewhere else and there is a limited pool.

Mr. Palin asked how this was affecting the coverage.

Chief Smith replied that was why the overtime increases were happening.

Chief Smith referred to account number 32310, line item 8203 and stated that he had increased that by \$10,000 to reflect the actual cost of this year's plan for the public safety radios.

Chief Smith referred to account number 32403 and stated that account and line item 6014 covers things such as the volunteer squads. He stated that he added line items 6017 and 6018 to show, in more detail, where the money is going. He stated that he lowered the amount in line item 6014 to offset the changes. He stated that line item 6017 covers the CERT training system and line item 6018 covers the replacement and upgrade the fire investigations equipment.

Mr. Larson referred to page 29 and asked Chief Smith if he tracked those grants.

Chief Smith replied that the only grant that they have a local match requirement on is in account 32304. He stated that with everything else, they were in the stages of closing out.

Mr. Larson stated that he was not asking about local matches, but rather was that portion that comes from whomever is the granting authority done on a reimbursable basis.

Chief Smith replied yes. He stated that the only one that was not listed is REPP, which is the money that comes from Lancaster County being within the boundary of the Surry radiation. He stated that once they make the request, the check is cut for \$750.00.

Mr. Larson asked if Chief Smith had any difficulty with submitting the proper documentation for reimbursements.

Chief Smith replied that some of the dates come up quickly, but for everything that they have submitted so far, the County has been reimbursed.

Broadband Authority

Cassie Thompson, the Chair for the Broadband Authority, stated that everyone in the County wants to get broadband internet off the ground as quickly and efficiently as possible. She stated that they all know the importance of this effort to the economic health of the County and the value of it to our young people. She stated that they are beginning the process in an orderly and structured way and with their budget request, they are asking for the Board of Supervisors to support it financially. She stated that a step-by-step approach is vital to getting a long term project like this done. She stated that their project can be compared to building a house. She stated that, after the land is purchased, a surveyor goes out to put stakes in the ground and identifies exactly where the house should be placed. She stated that an architect will draw some blueprints to show what the house will look like and how it will function. She stated that only when these two activities are completed, can you break ground and begin to lay the foundation.

Mrs. Thompson stated that the Economic Development Authority has agreed to fund their survey and to prepare for the later ground breaking by procuring professional grant writing assistance and by setting up the accounting and management systems the Broadband Authority will need to ensure the integrity of funds that they will receive from the County as well as future federal and state grants. She stated that the Economic Development Authority has given them the resources to put their stakes in the ground and now they needed the County's help to fund the blueprints. She stated that their budget request includes two planning items. She stated that a certified professional engineering report will become the basis for determining all future actions regarding implementation. She stated that legal advice and support will be needed to ensure that their contracting will be sound and that the very specialized aspects of their work that touch on telecommunications law are understood and used to the County's advantage.

Mrs. Thompson stated that another large item in their budget was for advertising in the Rappahannock Record. She stated that they will need to observe all of the applicable requirements to inform the public of their activities. She stated that it will be a significant expense, but one that serves an important public purpose.

Mrs. Thompson stated that they have also asked for funds to purchase two dedicated computers and software. She stated that this will allow them to create and store permanent archives of their work.

Mrs. Thompson stated that the Broadband Authority members are serving without compensation. She stated that they were asking for reimbursement of mileage for business travel outside of the County. She referred to a state planning grant and stated that they applied for the grant in February, but had not received any answers yet.

Dr. Westbrook stated that this request would not be for \$52,500 to go into the Broadband Authority's bank account, but would be money that is available to the Broadband Authority when the time comes, so that they can do what they need to do. He

stated that, by the end of the next fiscal year, if they have not needed the money, then it stays in the general fund.

The Haven

Ellen Yackel, Executive Director of The Haven, stated that her organization provides services to individuals that have experienced domestic violence and sexual assault. She stated that they were requesting an increase in funding this year because there has been an increase of services being provided in Lancaster County.

Mr. Lee asked what was the contribution from the other four counties that The Haven serves.

Ms. Yackel replied the contributions are between \$4,500 and \$7,000.

Dr. Westbrook asked if the amounts are based on the number of people who are served from each county.

Ms. Yackel replied that the amount is not based on any individual number. She stated that Westmoreland County has had a significantly increased number of people served, so their contribution has increased over the years.

Sarah Sichel shared a story of one of their clients who was a domestic violence victim.

Virginia Cooperative Extension Service

Tara Brent stated that she was asking for level funding for FY 20. She stated that the only line item that has increased is the other payments line item that includes salaries. She stated that increase was due to one of their extension agents receiving their master's degree and as part of the salary share that Lancaster County covers, that agent is receiving an increase in salary. She stated that other items have been adjusted to cover that one line item increase.

Bay Transit

Ken Pollock stated that Bay Transit is a public transportation provider for the Northern Neck and the Middle Peninsula. He stated that, last year, they provided 12,501 rides to residents of Lancaster County. He stated that those rides were for people getting to work, to medical appointments and for retail shopping. He stated that his company also transports residents to dialysis appointments out of the County. He stated that Lancaster County is their busiest county in the Northern Neck. He stated that they are making budget requests to all of the twelve counties that they serve. He stated that they were requesting \$60,000 in local funds for this coming fiscal year.

Mr. Larson asked what was the fee for a ride.

Mr. Pollock replied that they charge \$2.00 each way.

Mr. Lee asked why Mr. Pollock thought Lancaster County was the busiest locality in the Northern Neck.

Mr. Pollock replied that Lancaster County was busier because of Rappahannock General Hospital and Wal-Mart in particular. He stated that Kilmarnock is probably the largest center of activity in the Northern Neck, so more people want or need to go there.

Dr. Westbrook asked if Bay Transit was only required to charge \$2.00 per ride.

Mr. Pollock replied that the \$2.00 fee was not a requirement. He stated that, if they change their fares, a public hearing would be required. He stated that they try to keep the fares affordable.

Youth Club of Lancaster County

Travis Pittman stated that the Youth Club continues to improve its facilities. He stated that, currently, they have approximately 200 children registered in the little league program and they serve close to 3,000 children a year. He stated that they are asking for level funding this year.

Mr. Larson asked if the high school teams play there.

Mr. Pittman replied yes. He stated that both the varsity and junior varsity teams for the middle school and high schools play at Dreamfields.

Lancaster Community Library

Alice Cooper stated that the library holds over 600 meetings a year in its two meeting rooms. She stated that, after the library moved from its School Street location, its size tripled, but so did the operating expenses.

Ms. Cooper referred to fundraising and stated that, in the Commonwealth of Virginia, there is a state code that limits the amount of fundraising income that can be in a public library's budget. She stated that their library is currently in violation. She stated that the Library of Virginia manages this and notified them in February to let them know that they were out of compliance by \$96,000.00. She stated that they have been allowed five years to come up to the required levels. She stated that they were proposing to the County to have a step for the next five years of \$10,000, in addition to their annual funding request. She stated that the Lancaster Community Library would make up the rest of the difference with its endowment.

Mr. Larson stated that he and Ms. Cooper had previously spoken about this matter and about fundraising. He stated that they talked about how important it is for an entity

like the library, which is a wonderful place, to get people to support it through fundraising. He referred to the excess funds from fundraising that Ms. Cooper had mentioned and stated that those funds should be put into the endowment fund and drawn from there instead of coming to the County for additional money.

Ms. Cooper stated that they do that too.

Mr. Larson stated that he understood that there was not a limitation on the endowment fund. He stated that the library does a good job at fundraising and he did not understand why excess fundraising money could not be put into the endowment fund and drawn down from there. He stated that the library should not try to limit its fundraising.

Ms. Cooper stated that they regularly contribute to the endowment.

Mr. Larson stated that there was an old saying that your problem cannot become my problem. He stated that there must be more creative ways of dealing with the issue.

Mr. Lee asked about any restrictions on what they can draw from the endowment.

Ms. Cooper replied that it was 4.5 percent based on a twelve quarter average and they were close to that.

Dr. Westbrook asked if that was something set by the library that could be changed.

Ms. Cooper replied that it was a policy of the library.

Dr. Westbrook stated that in reading the letter from the Library of Virginia he had read that the requirement to receive grants and aid is that the library has local operating expenditures of at least fifty percent of the median statewide local operating expenditures per capita, two-thirds of which must be from taxation or endowment. He referred to Ms. Cooper's letter and stated that there was a statement that the Code of Virginia requires that two-thirds of a public library's local operating budget be derived from taxation and endowment. He stated that what Ms. Cooper's letter said was opposed to what the letter from the Library of Virginia said. He stated that there has to be a ceiling because it cannot keep going on year after year. He stated that what the Library of Virginia has done, in his opinion, sounded like extortion. He read the letter in part "local operating expenditures from taxation or endowment for any library or library system shall not fall below that of the previous year and in cases where the budgets of all departments of local government are reduced below those of the previous year, the library's state grant and aid would be reduced." He asked Ms. Cooper if she believed that the library was a department of the government. He stated that, after reading the statements from the Library of Virginia, it seems as if someone believes that the library is a department of the government. He read another part of the letter "the library would be ineligible for any federal funds if local funds are reduced below that of the previous year." He asked Ms. Cooper if the library receives federal funds.

Ms. Cooper replied that they receive \$3,500.00 a year in federal funds.

Dr. Westbrook stated that as long as the library keeps its funding at the same level, they won't lose out on federal funds. He stated that the library can increase the endowment because it is one or the other and not both together when talking about taxation and endowment. He referred to the 4.5 percent of the rolling twelve quarter average and stated that was a standard that the library has set and he thought it was disingenuous when Ms. Cooper says that the Lancaster Community Library is out of compliance by \$96,675.00 and there are two options, to increase local funding by that amount or increase local funding by \$19,335.00 annually for the next five years. He stated that there was a third option and that was that the library does it on its own with the endowment and no increase from the County would be necessary.

Ms. Cooper stated that the community would not get the same services.

Dr. Westbrook stated that there was going to be a limit in what the local government can give. He stated that they have to think about what is coming in the future. He stated that they cannot keep funding all of the non-governmental organizations like they have been doing. He stated that these are organizations that can raise their own money.

Mr. Lee asked if there were any restrictions on the library's endowment.

A gentleman associated with the library stated that they were using standard financial guidelines. He stated that they have added approximately \$400,000.00 to the endowment this year.

Ms. Cooper stated that they had been fairly stable on the endowment draw for several years.

Mr. Larson stated that there was one other thing that troubled him. He referred to the citizens in the audience that were present to support the library and asked how many were residents of the Town of Kilmarnock. He asked the residents if they knew that their town does not want to be a part the community library. He stated that the Town of Kilmarnock contributes zero to the library.

Ms. Cooper stated that they were in discussions with the Town of Kilmarnock currently.

Mr. Larson stated that did not count. He stated that the community library is within the town limits and helps to contribute to the businesses there as well as serving its residents and yet, does not give a dime to the library. He stated that he did not think the library should continue coming to the County for increases when the town contributes nothing.

Northern Neck Free Health Clinic

John O'Shaughnessy stated that he was present because Jeanne Nelson, the Executive Director, was recovering from surgery. He stated that, in 2018, the clinic served 613 Lancaster County residents. He stated that they make requests from the five counties that they cover, per a formula, and their goal is to try to have those funds support twenty-five percent of the annual operating budget. He stated that their request from Lancaster County for the upcoming fiscal year was \$136,286.00. He stated that the clinic reduces the number of non-emergency room visits, helps keep the working poor healthy and in the workforce, provides sports physicals, dental services and much more. He stated that the free health clinic was critical to the community and for some people, there is no other option except an emergency room visit.

Mr. Larson stated that he saw the value in the free health clinic, but asked if the formula Mr. O'Shaughnessy referenced was in a memorandum of understanding between the free health clinic and the County.

Mr. O'Shaughnessy replied that he did not know that answer.

Mr. Larson stated that the free health clinic was asking for a thirty-six percent increase from last year.

Mr. O'Shaughnessy stated that they wished it was not a thirty-six percent increase, however the demands from the community are increasing. He stated that they are trying to recruit medical professionals, such as a dentist and cannot get one.

Dr. Westbrook stated that all of the non-governmental organizations they hear from say that they provide essential services to the community. He stated that, unfortunately, there is only so much money to go around.

Mr. O'Shaughnessy stated that all of the organizations provide unique services. He referred to the Community Services Board and stated that they don't do what the free health clinic does.

Mr. Palin asked how has Medicaid expansion affected the clinic.

Mr. O'Shaughnessy replied that was a great question because it was something that they were struggling with. He stated that about two-thirds of the Lancaster County patient population are now eligible for Medicaid since its expansion. He stated that access is still an issue and some Medicaid patients are assigned to providers that are located a great distance from where the patient lives.

Dr. Greg Lockhart explained Medicaid expansion. He stated that many Medicaid eligible patients cannot find a doctor locally because many doctors in the local area are not accepting new Medicaid patients. He stated that the free health clinic is taking care of those patients because they have nowhere else to go. He stated that there are more

requirements of providers than ever before and all of it costs more money. He stated that their fund raising has increased and they want the County to help participate with them to help the citizens who need the care.

Dr. Westbrook asked how the fee schedule was determined.

Dr. Lockhart replied that patients come to the free health clinic for free for medical care. He stated that the pharmacy cost is \$3.00 per prescription and that is optional. He stated that the dental patients pay on a sliding scale based on their ability to pay.

Mr. Larson asked if potential patients were required to provide financial statements, such as tax returns that would show their income.

Dr. Lockhart replied that every potential patient undergoes financial screening to ascertain that they are below 250 percent of the minimum poverty level for the state of Virginia. He stated that everyone is screened every year.

Adjournment

Mr. Lee made a motion to adjourn the meeting until Thursday, April 25, 2019 at 7:00 p.m.

VOTE:	Ernest W. Palin, Jr.	Aye
	Jack D. Larson	Aye
	William R. Lee	Aye
	Robert S. Westbrook	Aye