

AT A SCHEDULED BUDGET MEETING OF THE BOARD OF SUPERVISORS OF ROCKBRIDGE  
COUNTY VIRGINIA, HELD IN THE COUNTY ADMINISTRATION BUILDING,  
150 SOUTH MAIN STREET LEXINGTON, VIRGINIA,  
ON WEDNESDAY, FEBRUARY 21, 2018, AT 5:30 P.M.

PRESENT: CHAIRMAN D.W. HINTY  
MEMBERS: R.R. CAMPBELL, J.M. HIGGINS, A.J. LEWIS, II,  
D.E. LYONS  
COUNTY ADMINISTRATOR  
AND CLERK TO BOARD: SPENCER H. SUTER  
FISCAL SERVICES  
DIRECTOR: STEVEN J. BOLSTER

**Call to Order:**

Chairman Hinty called the meeting to order at 5:30 p.m.

**Scheduled Budget Meeting #2:**

County Administrator Spencer Suter began the presentation by reviewing the following information with the Board: "Tonight is our first presentation of the draft FY 2019 budget. The budget document Steve will be going over is the result of a great deal of work over the past several months, by internal departments, Constitutional Officers, external agencies and the Finance Committee. The process for this evening will include a brief review of the process so far and the schedule ahead, followed by an overview of revenues and budget requests. As you'll hear from Steve, we have seen some modest increases in many revenue lines, which is helpful, but we were still faced with significant challenges in closing the gap between projected revenues and requested expenditures. Working with the Finance Committee, we have been able to close that gap considerably. We started the initial discussions with a gap of around 2.1 million dollars and have since been able to bring that down to \$855,486. Unless the Board prefers otherwise, we plan to follow the standard process of going through individual budgets on the screen and you can follow along and make any notations you may have on your hard copy. Before Steve begins, I'll call attention to some key points:

- You'll note that County departments under the overall umbrella of the Board of Supervisors have remained generally flat. One major exception that we will discuss is Fire and Rescue, where a significant increase has been posted, with regard to staffing. We'll discuss options when we get to that point.
- Most of the major projected budget increases are from areas outside the Board of Supervisor budgets. Examples include increases in Jail Commission expenditures and in the area of CSA and Social Services.
- In that the Board has not had much time to consider the staffing proposal from Chief Nathan Ramsey presented last week, nothing has yet been added to the budget. The only major change in the budget presented tonight reflects a projected cost for the volunteer agency incentive the Board approved last year (\$237,000). At present, it appears that the expenditure this year will be around \$90,000, so we have put \$100,000 in the budget before you. We have also worked on another staffing option which we'll go over in a little more detail when we get to that budget during review.
- There are three areas of committed or potential debt service increase. These are:
  - 1) Combined courthouse refinancing \$113,000.
  - 2) New debt associated with the RCHS/VOTECH energy savings project \$301,000.
  - 3) Potential new debt for US 60E water/sewer improvements. Estimates for Phase 1 alone range from \$181,000 for a 20-year term to \$215,000 for a 15-year term.
- In that we were able to add to County reserves in the last fiscal year, the Finance Committee is currently recommending use of some General

Fund reserves as a budget stabilization source, in an effort to hold the line on the tax rate.

- In the past, the Rockbridge County Public Schools' operational budget was typically not added into the overall budget until later in the process. This year, we have "soft" request of \$487,000 above the current-year base.
- Finally, while we advocate for them, it is traditional to not include raises in individual budget lines until approved in concept by the Board. A raise for County staff is approximately \$25,000 per 1%. For example, a 2% raise would add approximately \$50,000 to the overall budget.

Given that overview, I'll now pass it on to Steve to get started, unless there are initial questions."

Mr. Bolster then reviewed the full draft budget with the Board, over-viewing anticipated revenues and detailing planned expenditures for each department and agency. Key highlights of the Fire and EMS department budget (32020) included:

- The current Fire Services (32040) and Rescue Services (32050) budgets have been combined into the Fire and EMS department (32020).
- Again, since the Board only just heard the initial presentation from Chief Ramsey on a staffing proposal last week, we have not included that in the budget in your package. What you see in the package is generally the status quo, including maintenance of the current contracted services. The main difference is the reduction in the performance-based funding which was started last year as a pilot program. The amount in the current year budget is \$237,000. Based on tracking so far this year, it appears that only \$90,000 of that fund

will be spent. As such, the Finance Committee agreed to reduce it to \$100,000 in the draft 2019 budget. Please bear in mind that if this program continues, the Board would need to appropriate any additional funds due to the departments above \$100,000. That would be a good thing - reflecting volunteer agencies are meeting first-due calls.

- With regard to staffing options - after last Monday's work session, I asked Nathan to go back and see if he could come up with alternatives. Recall that implementation of his proposed plan would increase overall costs by \$227,000 annually with \$83,000 in startup costs for the first year.
- He has since proposed a lower cost option which would achieve part of the goals but not all. We would replace the existing contracted EMS service with our own staff (8 full-time personnel) and hire cross-trained staff. This would not increase days or hours of operation but would allow for additional control and flexibility of service, as well as add the ability to respond as needed on fire calls.
- Recurring costs would remain much the same as we have now, but there would be about \$53,000 in startup costs to hire and provide turnout gear.

After an extended discussion on the choices to fund potential staffing options related to supplementing volunteer EMS agencies, the Board directed staff to adjust the Fire and EMS budget to fund eight full-time and five part-time County staff in order to provide rescue and firefighting services at locations currently served by a contracted ambulance transport service. The Board directed staff to source the initial purchase of turn-out gear for these new positions from the EMS Revenue Recovery account. Furthermore, the increased funding for paid

County staff would be offset by reducing the contracted services budget line linked to the ambulance transport service, resulting in a minimal overall increase to the FY 2019 Fire and EMS department budget in comparison to the FY 2018 budget.

The Board also directed staff to update the draft FY 2019 budget to include a two percent increase for County personnel, effective July 1, 2018. Furthermore, the Board directed staff to incorporate a two percent increase for Constitutional Officers and their staff, effective July 1, 2018, based on information gleaned from legislative actions proposed at the current General Assembly session. Lastly, the Board gave staff the direction to update the draft FY 2019 budget in preparation for the next scheduled budget meeting on March 12, 2018.

**Adjourn:**

At 8:20 p.m., on a motion by Chairman Higgins, with a second by Supervisor Lyons, the meeting was adjourned by unanimous vote.