

**MINUTES
KING WILLIAM COUNTY
BOARD OF SUPERVISORS
WORK SESSION OF APRIL 11, 2016**

A meeting of the Board of Supervisors of King William County, Virginia, was held on the 11th day of April, 2016, beginning at 7:00 p.m. in the Board Room of the County Administration Building, with the following present:

Stephen K. Greenwood, Chairman
Travis J. Moskalski, Vice-Chairman
William L. Hodges
David E. Hansen
Robert W. Ehrhart II

K. Charles Griffin, County Administrator
Daniel M. Stuck, County Attorney
Amanda Six, Director of Financial Services
Bobbi Langston, Deputy Clerk to the Board
Victoria Rowsey, Executive Assistant – Operations

RE: CALL TO ORDER

The Chairman called the work session to order at 7:00 p.m. The members were polled:

W. L. Hodges	Aye
T. J. Moskalski	Aye
D. E. Hansen	Aye
R. W. Ehrhart II	Aye
S. K. Greenwood	Aye

RE: PROPOSED WORK SESSION AGENDA

a. Proposed Community Event – Alison Fox, Parks and Recreation Manager – Ms. Fox presented details to the Board for a proposed community event, namely County Fest, to be hosted by the Parks and Recreation Department in conjunction with the Virginia Cooperative Extension. The proposed event will be held on the grounds in front of the Colonial Courthouse. The second year held at this location and hopefully will continue to be an annual event for the County. She explained the event will be funded by adopted fees for vendors and sponsors, as well as funds in the special events budget for the department. She briefly reviewed the planned main events such as live music; fundraisers by organizations; blood drive hosted by Virginia Blood Services; video and interactive games; and McGruff the Crime Dog. Key players for this event are the sponsors, community partners and vendors. The Parks and Recreation Department will execute the responsibilities related to arts, crafts, local businesses and public information; food concessions;

children's activities; traffic control and security; parking and shuttles; music and entertainment; programs; t-shirts; and maintenance.

General comments were made by Board members regarding the event which included the types of sponsors and the size of the booth spaces.

Ms. Fox feels County Fest is a great opportunity for local businesses and organizations to reach out to the community. She asked for any feedback from Board members regarding this event be directed to her. She noted a proposed resolution to authorize this event will be presented for Board consideration during their April regular business meeting.

b. Job Description for Emergency Management Coordinator – Ken Griffin, County Administrator – Mr. Griffin said the implementation of the recently adopted fire and rescue study has begun and the first significant step in that adoption is Board consideration of a pay per call basis for EMS and fire calls. The draft budget for Board discussion has that approach in which a significant amount of the compensation to each department would be provided only on a pay per call basis, one of the principle recommendations of the fire management study. Other recommended items in the study call for a well-run county managed operation, in which the county has significant control and oversight over the five volunteer departments ensuring their efficient and timely operation. This involves executing agreements between the county and each of the volunteer departments that would require certain things be done, to include an annual audit for each department.

Continuing, he said this comes at a time when the current Emergency Management Coordinator, Chris Bruce, has chosen to leave his position with the county. He noted each of the things that we wish to accomplish this year in improving the operation of our volunteer fire and rescue operations are significant. He explained the proposed job description, to fill this vacated position, includes the requirements that are necessary for the person to properly be able to supervise, provide oversight, direction, and leadership, and to have the respect of the volunteer operations. He said relative to the county human resources system this position grades out to be a grade of 36 and he feels it is appropriate to hire at the starting salary of this grade. He would like to move ahead with advertising this position as quickly as possible and recommends an interview panel that will involve a couple Board members in this

process; along with other professionals and county staff. He feels it is critical this position be filled quickly.

Supervisor Hodges asked for clarification that the Board vote was to accept the fire and rescue study.

Mr. Griffin restated the Board voted to accept the study.

There was a lengthy discussion on some of the particulars of the information provided such as position to be hired at-will or contract employment; certification requirements; employment background check; appropriate number of participants for interview panel; King William County residency requirement; grade level appropriate; and notification of changes to neighboring localities. Concerns were expressed of where the extra funding will come from for the recommended grade level. Several Board members voiced the necessity of mutual aid agreements between the county and each organization as a requirement for continued funding. Some Board members have strong reservations of how the departments will receive the agreement concept.

Mr. Griffin explained we want the volunteer organizations to continue to stay strong, viable, and independent operations in exchange for the county to provide significant funding to each of them. An agreement that spells out the responsibilities of the departments such as establishing policies and procedures, guidelines, audits, performance reporting, and purchasing procedures is necessary. The county will have a more active involvement in terms of supervision, oversight, and coordination of the departments and in doing so, we hope to see the response performance improve, as well as, where other improvements are needed.

A discussion was had on whether to move forward with the advertisement of the position as presented by the County Administrator.

Chairman Greenwood asked for guidance from the County Attorney and asked if the Board can make a motion and take a formal vote on this matter during a work session.

Mr. Stuck explained the County has a very extensive personnel policy and this position has a current established classification in that policy. The grade 36 that the County Administrator is recommending is also in that policy. The policy gives the County Administrator the authority to establish the grades for positions. He is required to bring those established grades to the Board at budget time with any changes that

occur in the last year. He can only establish those positions if it is within authorized funding. He noted this position will probably not be filled much before July 1st and in theory the money is available to offer at the grade proposed. He noted some vacancy money will also be available for use. However, should the Board not approve the budget the position would have to be terminated, which the County Administrator has the authority to do so under the policy. The County Administrator can dismiss an employee within the probationary period for no reason at all, certainly lack of funding is a reason. He said from a legal stand point the County Administrator does not need authorization from the Board on this matter. He feels the County Administrator is simply looking for Board opinion and advice on how he proposes to proceed, and should there be a huge objection by the Board then he will not do it that way. He said a vote from the Board is not required on this matter.

Supervisor Greenwood said it sounds the County Administrator has the go ahead.

Mr. Griffin thanked the Board and understands all the concerns and will take them to heart.

Supervisor Hodges asked for clarification that Mr. Griffin is going to advertise the position.

Both Supervisor Ehrhart and Mr. Griffin confirmed the position will be advertised.

c. Continuation of Budget Discussions, Ken Griffin, County Administrator and Amanda Six, Director of Financial Services – Mr. Griffin said a number of items related to the budget were given to staff at the last work session for more detail. He said Ms. Six has done an excellent job and is ready to present that analysis. He said they are also ready to discuss any other items of interest with regards to the revenue and expenditures.

Ms. Six, Director of Financial Services, introduced Mr. Tom Shipley, the Director of the Pamunkey Regional Library.

Mr. Shipley addressed the Board and provided a presentation with additional information on the submitted budget request from the Pamunkey Regional Library. He noted Ms. Audrey Mitchell, appointed Regional Library Board member representing King William County, was present. He added that Ms. Rebecca Townsend also serves

on the Library Board representing King William County. He further explained the Library Board consists of ten members appointed by the participating localities of King William, Hanover, King and Queen and Goochland. Ten branches are operated throughout the regional system. The information presented included performance measures; quarterly average material circulation, computer circulation, and Wi-Fi use for the Upper King William branch and the West Point branch for FY15. He briefly gave details of each of the items presented. He pointed out that the branches are open for many hours to cover the needs of the public. The Library system employees 110 part time and 30 full time employees. He also reviewed the regional shared expenses and the State aid received by the organization.

Some of the questions and comments made by Board members on particulars of the information provided were in reference to the hours of operations at each location; the need for better internet accessibility in the King William branch; average salary and benefits for staff; and how adjusted funding support effects the number of hours of operation.

Chairman Greenwood thanked Mr. Shipley for the additional information provided.

Continuation of Budget Discussions – Continuing, Ms. Six said over the past two weeks she has made some adjustments in expenditures as directed. She explained the budget adjustments she was able to find total approximately \$57,630. The majority of the adjustments came from the Regional Jail and the transfer to the CSA fund. She said this still leaves adequate money, based on the current year projections, but pulls them down a little tighter; there is some risks with that but she feels they are not down to a reasonable level. She does not recommend cutting them any more without planning to be prepared in the event usage goes up. Her recommendation is to take the found funding and appropriate it with conditions in the contingency line item, and if needed throughout the year be contingent upon Board approval before any is expended. She suggested that with so many pending things it may be wise to put it someplace else with some conditions of Board approval.

She noted several questions were received about the vehicle replacement cycle for the Sheriff's office. Currently the office has 27 vehicles and placing them on a 3 vehicle per year replacement plan puts them on a 9 year replacement cycle. Each

vehicle is driven approximately 21,000 miles per year, this is a significant amount of mileage by the time they are replaced; standard is 107,000 miles in 7 years. These vehicles are primary mode of transportation and workspace for the deputy's and operating in a safe environment is necessary. She explained they have a long drive from one end of the county to the other performing their daily job, and then a long transport time to the regional jail.

Sheriff Walton clarified vehicles are currently being replaced at 160,000 to 180,000 miles.

Chairman Greenwood asked the Board members if there was desire to review the budget adjustments individually. He noted that in the last meeting it was stated any ideas for cuts would be entertained. Supervisor Hansen and Supervisor Ehrhart each have prepared a list.

Supervisor Hansen stated the proposed budget, in his opinion, is beyond the amount of money that the county expects to receive during FY16. He feels the FY17 budget must be cut by 5% with no money taken out of the reserves to cover the shortfalls. He does not consider this proposed budget level funding, it is money that is being taken out of the reserve funds to cover the shortage of revenue. He said the year over year increase in revenue is projected to be about 44.41%, the FY17 debt services is \$77,991 less than the service was in FY16, and feels those are areas of concern. He said that instead of labeling the suggested items as a reduction or increase; he says "no increases, none", which includes no pay increases for the employees in the County. By his calculations, he believes the budget savings could be \$311,432. He also proposes no money to economic development.

Chairman Greenwood is interested in looking at a two-time employee bonus versus a raise.

Mr. Griffin explained that because of the requirements of how we have to present the budget the FY16 salary figures for the basis of comparisons are artificially low, and do not include the compression adjustments that the Board made at the very end of the budget process.

Ms. Six explained that the employees in the constitutional offices get the same raise that county employees receive, and the raises for those employees are included

in the budget. She further explained the specific raise for the five Constitutional Officers' is dependent on the Compensation Board.

Supervisor Moskalski asked for clarification that the Compensation Board did approve a 3% raise this year. Ms. Six confirmed they did, for mid-year.

Ms. Six assumed cuts would be operational and not from salaries.

Supervisor Hansen has reservations that the tax rate can be brought down and still meet all obligations.

Supervisor Ehrhart suggested in lieu of a 2% raise a one-time bonus be given to employees. Typically full time employees would get \$1,000, and part time employees \$500. This would prevent additional increases for VRS and other ancillary type costs that the county would incur if a raise is provided.

Supervisor Moskalski asked if numbers have been run on this option.

Ms. Six said the upfront costs with a bonus is typically higher.

Chairman Greenwood said morale is down, one person has left, and he wonders what else is going to happen. He explained the compression adjustment that was made last year was to bring county employees in line with other localities. He noted the years before the compression adjustments were made means those employees were getting paid less; so if you think about it that way they have been underpaid all those years.

Consensus of the Board is in favor of an employee raise rather than a bonus.

Supervisor Ehrhart said we are close to reducing all department operational expenses by 2%, not including salaries. These cuts include \$20,000 for the Regional Jail.

Several comments were made on the cut to Regional Jail request which included usage numbers are down this year and that no further cuts should be made to this agency.

Supervisor Ehrhart suggested reducing membership fees and dues for staff and also reducing convention and education for Board of Supervisors. He said there seems to be consensus to look at this. He advocates freezing and eliminating all vacant positions, aside from the Emergency Coordinator position as he feels this is important.

Ms. Six stated the salary and benefits for the vacant position in her office is approximately \$67,000. All other vacant positions are essential, Emergency Management or Sheriffs' deputies.

Chairman Greenwood asked if the vacant position in the Finance Department could be filled as a part time position.

Ms. Six stated there is a number of things going on in the Finance office that the current staff is trying to keep up with. She further explained this vacant position is a place holder.

Mr. Griffin added that the Finance Director has been putting in extreme hours to compensate for the vacant position. He said in light of a number of things we have placed on that office, such as the number of financial, human resources, and procurement duties, he feels the position needs to be filled.

Consensus of the Board is to leave the position in the Finance Department open to fill.

Supervisor Ehrhart feels that given the discussions Board consensus is to require some type of mutual aid agreements with fire and rescue organizations before disbursement of money in FY17.

Supervisor Moskalski does not fundamentally disagree with tying funding to mutual aid agreements and cooperation with the plans and procedures that this new person develops. Filling this position and getting the agreements in place is going to take time. He does not agree with cutting off all funding to the departments and feels the timeline might be a bit harsh.

Mr. Griffin said we will move as quickly as possible towards this goal. He understands the desire of the Board is for a comprehensive agreement between the county and each department and the expectation of each of them to follow new policies and procedures.

Supervisor Moskalski feels there is consensus to say once we have agreements in place that signing and complying with those agreements would be a condition of future funding.

Supervisor Ehrhart personally feels if we give out money in FY17, without having something in place to hold people accountable, it is going to be similar to what we have now.

Supervisor Moskalski reminded everyone that the Finance Office already manages the operational budget for King William Fire and Rescue.

Mr. Griffin said starting with day one of the new fiscal year and adoption of the budget as suggested, half of the funding for each department will be on a per-call basis. He further stated that if you don't make the call, you don't get the funding.

Supervisor Moskalski said some departments may not be able to operate under this way of funding. He further stated that we might be putting them in a position where they cannot run calls for one reason or another. Again, he does not fundamentally disagree with the concept but feels there will be a problem with the timeline trying to compact that in way too little time, given the current vacant position and not knowing how long it will take to fill. Also, we do not have a draft demo of the agreement. He suggested putting a date of the end of the calendar year 2017, as opposed to the start of FY17; this would give half of the fiscal year for insurance and continuity of their ability to operate. He speculated that this will put some serious pressure on the new employee and on the departments to let them know we are serious about getting these agreements.

Supervisor Hansen agrees there should be a timeline put in place but paid in quarters because these volunteer fire departments have been doing this for many years. He added that if you cannot run on a 90 day budget then there are some issues.

Supervisor Moskalski said the budget for King William Fire and Rescue is entirely coming through the county and feels if we do not advocate then they do not get anything. He feels if agreements are not in place because the position has not been filled, or 15 days before, that is not enough time.

Supervisor Hansen said we have given them a great incentive to get onboard with an agreement.

Supervisor Hodges asked if most of the departments already have mutual aid agreements.

Chairman Greenwood clarified we have nothing in writing.

Mr. Griffin said the departments do backup each other quite well, that is why we have had the coverage as good as it has been, despite the gaps that occur. We do

not have a formal agreement with each department, which is the recommendation of the fire study.

Supervisor Ehrhart said we need to resolve the money at some time but conceptually agree in terms of requiring mutual aid agreements.

Mr. Griffin said he prefers to have agreements between the County and each individual department.

Supervisor Hodges agrees on breaking up the funding but not shutting down a department.

Supervisor Ehrhart asked for details for the basis for \$90 per call. He feels the primary station should get one amount and if you have to travel further you should get more.

Ms. Six said the total amount of funding was divided by the projected amount of calls, that number came out to \$90. She said level funding the departments, but redistributing the funding based on who actually answers the calls, was used.

Supervisor Ehrhart said that the per-call is the multiplier to come up with the total amount.

Supervisor Moskalski said these are projected numbers.

Ms. Six said basically if you average out the number of calls projected times \$90 that is the amount of funding that was allocated to the volunteer departments last year. If you reduce the allocation overall to all departments that would reduce the total amount, but each department is going to receive less.

Supervisor Ehrhart feels we should not be looking at maintaining or increasing funding for fire and EMS if we are also conceptualizing a contract with LifeCare to pick up additional EMS calls.

Supervisor Moskalski said the proposed spending is \$10,000 less than FY16.

Supervisor Ehrhart said there doesn't seem to be consensus on this item.

Supervisor Moskalski has always been open to changing how we ultimately allocate per call. He said given what we are facing he would have a hard time justifying to his constituents why we cut the fire department. He is having a hard enough time explaining why we are not able to cover 24/7.

Supervisor Hansen hopes these issues will be remediated when the position is filled.

Supervisor Ehrhart moved onto the next item on his list, VPPSA. They asked for a 2% raise on the budget request. He suggests they are level funded.

Mr. Griffin explained VPPSA did not supply a raise to their employees last year, in part because two counties did not provide their employees a raise, King William and King and Queen; VPPSA passed the proposed raise. We can certainly talk about reducing the funding but they will probably suggest reducing hours at one or more of the convenience centers.

Supervisor Ehrhart is okay with that. He asked what King and Queen was doing this year with respect to VPPSA.

Mr. Griffin said he does not believe King and Queen is proposing any cut to VPPSA and added they are proposing a raise to employees this year.

Supervisor Hansen agrees with level funding VPPSA. He does not support a 2% increase.

Chairman Greenwood asked if VPPSA increased their requested budget just by the 2% raise.

Ms. Six said it does appear the amount of increase covers the cost of a raise, but they do provide a lot of detail about what they are spending, where they have saved, and where they have increases. Mathematically it works out very closely but they have mentioned there have been increased costs in monitoring and a few other places. She thinks it is a combination of the cost of doing business at VPPSA. The major increases is the cost to run the transfer stations and the cost for disposal. She added that engineering and monitoring went up \$150 and this is an operational component.

Chairman Greenwood asked if a calculation of the cost per hour analysis was available.

Mr. Griffin stated he has asked for the analysis but he has not received a response yet. He is not certain that the response will be to cut hours at the transfer stations but is guessing that will be their response.

Supervisor Hodges does not support cutting VPPSA.

Supervisor Moskalski also does not support cutting VPPSA.

Chairman Greenwood is interested in looking at cutting hours at the centers.

Supervisor Ehrhart moved to the next item on his list, Pamunkey Regional Library. He asked for consensus on maintaining the Library at or below \$400,000.

Supervisor Hansen supports below \$400,000.

Ms. Six confirmed a 2% cut would equal \$8,150.

Chairman Greenwood is willing to look into a 2% cut option. He clarified this cut would equal closing 2 branches 3 hours a week each.

Supervisor Hodges said he does not see where this is going to help anyone. People use these services to study for college, this is their money we are allocating. He said from the additional information provided it appears the libraries are pretty busy. He does not agree with a cut.

Chairman Greenwood said there is already a consensus to cut the Library.

Consensus of the Board was to cut the Regional Library request by 2%.

Supervisor Ehrhart moved to the next item on the list, Bay Transit proposed \$15,000 budget request. He suggests lowering to \$12,000 for discussion purposes.

Chairman Greenwood does not agree because this equals a 20% cut.

Supervisor Moskalski does not agree. He said we have already seen this affects this service in an impactful way.

Chairman Greenwood suggested a 10% cut.

Supervisor Hansen also suggested a 10% cut, adding at least it would be a cut. He commented on the number of times he has driven by one of the vehicles and it has been empty or only one person riding.

Chairman Greenwood has had the same complaints. However, he feels a 20% cut is too much.

Supervisor Ehrhart moved to the next item on the list, Arts Alive currently budget request of \$5,000.

Supervisor Hodges does not agree with a 50% cut.

Ms. Six reminded the Board that a 50% cut will cost Arts Alive \$5,000 and saves the County \$2,500.

Supervisor Hansen thought they receive a matching fund and if we give them \$2,500 they still get \$2,500 from the match.

Ms. Six said that is correct, but if we cut \$2,500 then they are going to lose \$2,500 in State funding, so instead of getting \$10,000 they are going to get \$5,000.

Chairman Greenwood feels it should be 10%, only \$500, at least it is a cut. He said the County Attorney confirmed that someone can donate \$500 to the county and the organization would get the full match. He feels if we are looking at cutting 10% from one we should look at cutting from all.

Supervisor Ehrhart suggested a \$2,500 cut.

Chairman Greenwood said these cuts should be consist and feels 10% is enough. He said all of this stuff is non-essential, we could cut all of it but we are not.

Supervisor Moskalski does not agree with a cut to Arts Alive.

Supervisor Ehrhart suggested a \$1,000 cut, however there was no consensus. He agreed with a \$500 cut.

Consensus of the Board is to cut the requested budget from Arts Alive by \$500.

Meeting Recessed – at 9:05 p.m. Chairman Greenwood declared a recess for a ten minute break.

Meeting Reconvened – at 9:15 p.m. the meeting was reconvened in open session by order of the Chair.

Supervisor Ehrhart continued with the next item on the list, Quin Rivers. He said the request was for \$1,000 and they came before the Board to request for additional funding. He asked for consensus of level funding for Quin Rivers.

Supervisor Hansen agrees with reducing everything if we are looking at 10%; \$100 cut shows we are going in the right direction. He has concerns with the administrative costs for this organization.

Chairman Greenwood said the request is for \$4,000, so that is a big cut.

Supervisor Hodges suggested to increase the funding to \$2,000. He noted the information presented by the organization showed there is an increase in domestic violence and other services.

Supervisor Moskalski agrees with Supervisor Hodges.

Mr. Griffin said in fairness to the organization the explanation was that staff provides the services to assist the people, not administrators administering them. He further explained this is a human services organization, so staff provides those services.

Supervisor Ehrhart asked if there is a consensus to leave request at \$1,000.

Chairman Greenwood is okay with \$1,000. He said we do not have a consensus to go lower.

Supervisor Ehrhart moved to the next item on his list, the Department of Social Services vehicle request for \$30,000. He feels this is too much. He said the Finance Director explained this is a worse case scenario, is a placeholder, and will not be used if not needed. He noted the Board doesn't have any option to disapprove an invoice. He would prefer someone ask for an additional \$1,000 rather than try to spend it all.

Ms. Six explained she looked at the prices of available vans and the van being replaced is a 2005 model, with close to 180,000 miles. She said on the state contract there is a small vehicle that will hold 12 people, and VJCCCA has had great success with this style vehicle. The contract for this style van is a little over \$27,000 for the current fiscal year. She also looked at other style vans for comparison. She projects the replacement vehicle will be kept for at least 10 years.

Supervisor Ehrhart feels there is no requirement that we need to buy something that big, or brand new. He is not convinced we need that level of transportation and suggested a vehicle of smaller capacity could serve the needs.

Ms. Six said other options may save about \$3,000. She stated we are looking at a vehicle to last 10 years. She speculated the need may be different in 10 years.

Supervisor Moskalski agreed with Supervisor Ehrhart with respect to the vehicle capacity that is needed.

Consensus of the Board is to lower the amount of the request.

Ms. Six explained the funding source for this item is cash and asked for direction to take away \$5,000 from the use of the fund balance or spend on something else; the Board directed to take it away.

Supervisor Hodges does not necessarily agree with buying a used vehicle for the replacement.

Chairman Greenwood clarified the replacement will be a smaller vehicle.

Supervisor Ehrhart moved to the next item on his list, healthcare costs.

Chairman Greenwood advised that a declaration as to personal interest in a transaction form is required to be completed by Board members prior to participating in discussions on certain budget topics.

All Board members confirmed the required declaration as to a personal interest in a transaction form has been previously submitted and is on file with the Deputy Clerk. Each member verbally confirmed that they can impartially and fairly discuss the county health insurance plan.

The Deputy Clerk confirmed that the required declaration forms are on file for each of the Board members.

Supervisor Ehrhart continued and asked for any interest to increase the percentage paid by the Board of Supervisors participating in the county health insurance plan, or to eliminate the healthcare coverage offered to the Board of Supervisor members.

Ms. Six clarified any changes made will take effect on July 1, 2016.

Supervisor Ehrhart asked the question if there is interest in eliminating healthcare coverage offered to Board of Supervisor members.

Supervisor Hansen, Supervisor Hodges and Chairman Greenwood agree with eliminating healthcare coverage for Board of Supervisor members.

Supervisor Moskalski said what he and Supervisor Ehrhart discussed was that voters have the opportunity as to whether they want their district member to have access to that benefit or not.

Supervisor Ehrhart is not for eliminating coverage, but three Board members say yes. He said there is not a need to discuss the percentage option.

Ms. Six clarified there can be no further delineation on paying premiums on the plan. She noted there are retirees on the plan that pay 100% of the premium, however this is not considered the same classification.

Consensus of the Board is to eliminate the health insurance coverage offered to Board of Supervisor members.

Supervisor Ehrhart moved onto the next two items on his list that pertain to economic development. He said currently there is \$10,000 on one line item for economic development and tourism; essentially \$5,000 for the MPPDC and \$5,000 for economic development and tourism. As it stands if the \$10,000 remains it could be used for the EDO which has not been decided upon amongst the Board of Supervisors yet. He explained the \$5,000 for the EDO is seed money for a long term annual

contract that we are putting money into without any guarantee of getting anything back. He does not support this as long as there is no revenue sharing.

Mr. Griffin said the budget proposes \$5,000 for the county to join the EDO. The remaining \$5,000 to be used on an as needed basis if a particular economic development initiative should we need to spend a small amount of money to help the initiative take place. He said the idea is that most of us do not have any ongoing economic development initiative. We all very much want to have economic development and the idea is trying to go it alone, which has proved to be very expensive. The idea is to join together and more effectively could bring about economic development to our region and more effectively access resources that the state provides to encourage economic development. He would said that all the counties in the Middle Peninsula are onboard to do so, except King William, and all of the towns are onboard except Urbanna.

Supervisor Ehrhart feels Gloucester and Essex are more likely to land those initiatives because they have considerable infrastructure, such as water and sewer capacity in place to attract those types of entities.

Mr. Griffin said King William County also has water and sewer in the core development area; we also have natural gas and some very prime parcels. He feels if we could attract the right developer or investor here it would create a significant number of jobs.

Supervisor Hansen is curious how we get out of this if we wish, he doesn't want to end up with another airport authority situation.

Mr. Griffin agrees and understands. He said this is an important consideration in what he would bring to the Board.

Supervisor Ehrhart asked if there is consensus to leave the \$10,000 to cover the EDO and the economic development tourism, remove it, or put in two separate line items with a clear purpose. Once again, he is for striking this item absent revenue sharing.

Supervisor Moskalski stated the EDO is still taking shape and further discussions of the organizational bylaws will be had at a meeting later today. He supports leaving the line item since this is still in the development stages. He feels we

would do well to see how it plays out and represent what we think we need to see in an organization like this for continued discussions.

Mr. Griffin stated the county cannot join the regional EDO without Board approval.

Chairman Greenwood understood from the County Administrator that this organization was open to revenue sharing.

Mr. Griffin feels this would be the case for a significant project that took significant effort of the regional authority to attract. He said talks included that the counties would only be willing to spend the extra money it would take to attract that large business if they all would get some of that additional revenue that would result. The \$5,000 gets the organization started and maybe that is one of the good things that would come out of it, that we have the opportunity to try and attract a very large employer to our region and will be handled on a case by case basis.

Consensus of the Board is to split the \$10,000 line item into two items with clear distinct.

Supervisor Ehrhart moved on to the next item on his list, school appropriations. He asked if there is support to make a reduction in the schools request by the amount of \$750,000.

Consensus of the Board is not to reduce the school request by \$750,000.

Supervisor Ehrhart asked if there is support to make a reduction in the amount requested by the schools by \$500,000.

Consensus of the Board is not to reduce the school request by \$500,000.

Supervisor Ehrhart asked if there is support to make a reduction in the amount requested by the schools by \$400,000.

Consensus of the Board is not to reduce the school request by \$400,000.

Supervisor Ehrhart moved onto the next item and asked if there is an acknowledgement, need or desire to bring assessment in-house in the future. In his opinion, this will ultimately result in potential costs for assessing in-house versus contracting out. He is aware this is not a budget item but feels it will conceptually turn into a budget in the future.

Consensus of the Board is to look at this later this year and incorporate in the next year budget.

Supervisor Hansen asked for clarification of the assessment cycle.

The County Attorney noted the Board adopted a four year cycle but it can be delayed up to a maximum of six years. He also noted the Board can order an assessment in any given year.

Supervisor Ehrhart moved onto the next item on his list, instituting hard billing EMS calls. He understands the county is currently using an outside agency to bill the insurance company for recovery costs at a rate of 7%. He performed some research on this item and believes there is potential savings.

Ms. Six stated the contract with the company would need to be reviewed for terms and conditions, along with collection rates. She believes their rate to collect appears to be lower, so even if you did not change anything with how you are billing (soft vs hard), conceptually you should gain more revenue. She feels this is a good thing to review.

Supervisor Moskalski is not a huge fan of hard billing for various reasons. However, he supports looking into this.

Supervisor Hodges feels the costs are going to be tremendous.

Ms. Six suggested this could be tied to the agreements with the organizations and a continuity for the Board to decide to make a part of them.

Mr. Griffin said the recovery rate needs to be looked at, and stated we have a good rate with the current service.

Consensus of the Board is to look into the possible savings.

Supervisor Hansen asked for clarification of hard billing.

Supervisor Moskalski explained when an individual is billed for an EMS call a certain amount of times and there is no response then no further attempts are made to collect. He feels a problem with hard billing is people not calling for service when needed. He mentioned he has heard of a med-flight organization hard billing some people without insurance and they are bankrupting people. He expressed we don't want to get in that business.

Supervisor Ehrhart moved on to the next item on his list, support of preparing a resolution to eliminate forested land use exemption.

Supervisor Hodges does not support this item.

Supervisor Hansen believes there is nowhere else to find the funds to support the budget at this point. The forestry tax exemption was quoted anywhere from \$300,000 to \$600,000. He feels this money would go a long way to fill the gaps for the needs of the county residents. He believes the monies could be used for law enforcement, education and many other areas. He feels this is a step that must be taken in order to balance the budget and to get out of the reserve funds. He supports the preparation of a resolution for eliminating the forestry tax exemption.

Chairman Greenwood needs more time to think about this item and does not support preparing a resolution for Board consideration. He is willing to look into this but not directing staff to prepare a resolution to go that route at this time.

Consensus of the Board is to not move forward with the preparation of a resolution.

Supervisor Ehrhart moved to the next item on his list, a real estate tax break to the citizens. He feels the citizens are due a tax break. He advocates for reducing the rate to 90 cents.

Chairman Greenwood has concerns of how we would be able come up with the suggested rate by Supervisor Ehrhart.

Supervisor Hodges does not support a four cent reduction. He has concerns mainly because of the issues with fire and rescue.

Supervisor Hansen does not see how the tax rate can be reduced with the budget presented, unless cuts are made. He is committed to reducing the tax rate and will go where this budget goes, however he does not support this budget unless it reduces property taxes significantly.

Chairman Greenwood is willing to go with another penny cut if we can come up with it. One penny has already found and an additional \$57,000 in cuts. He does not support a four cent cut. He asked the question how it would be possible to reduce this budget significantly. He said \$630,000 was not used from the last year unassigned fund balance, so that is going to put us way higher than the percentage that we need in there. The Finance Director advised the normal balance is 15% to 25%, we are at 23% now.

Supervisor Hodges has reservations with reducing taxes and then coming back and raising them four cents the next year.

Supervisor Ehrhart asked for consensus for a 92 cent tax rate.

Ms. Six confirmed there needs to be approximately \$35,000 more in cuts for a two cent tax reduction.

Consensus of the Board is to look at reducing the real estate tax rate to 92 cents.

Supervisor Ehrhart introduced the last item on his list, support for eliminating the BPOL tax for FY17.

Chairman Greenwood does not feel we have the infrastructure to do this right now. He said if we get rid of this we will have to come up with three cents somewhere.

Consensus of the Board is to not explore this item at this time.

Ms. Six asked for direction to use 92 cents for the tax rate in the proposed resolution for adoption.

The Board directed Ms. Six to come with a plan for a 92 cent tax rate.

Ms. Six confirmed the results from the changes discussed tonight include a 2% cut to VPPSA; Regional Library cut 2%; Bay Transit cut 10%; Arts Alive reduced by \$500; reduce the transfer to the capital fund by \$5,000 and a reduction to the revenue by \$5,000; and a reduction on the State side for Arts Alive, to make sure they are balanced on both sides. Also, elimination of the Board of Supervisors health insurance cost for the employer, and separation of economic development and tourism into two lines.

Chairman Greenwood asked for clarification that the \$90,000 in cuts that were found could be used for reducing the fund balance.

Ms. Six stated this could be used for reducing the fund balance and leaving the tax rate at 93 cents.

Board of Supervisors Work Session of April 18, 2016 (if needed) –

Supervisor Hodges moved to cancel the scheduled April 18th meeting; motion was seconded by Supervisor Moskalski and approved by a consensus of the Board.

Chairman Greenwood advised the next meeting to be held by the Board will be April 25, 2016, when the adoption of the budget and tax rate will be considered. He further explained that the State cut the School Board \$250,000 and the County cut \$60,000 from their proposed budget request. In his opinion, this was amicable and

that is the reason he does not support any further cuts to them. He expressed the need to be frugal with any money that is spent.

Supervisor Hansen asked for clarification from Chairman Greenwood what he supports as a cut to be to the School Board budget.

Chairman Greenwood confirmed the total cuts to the schools, by the State and County combined, was \$310,000 from the recommended budget. He does not support any further cuts to them.

RE: ADJOURNMENT

There being no other business to come before this board Chairman Greenwood adjourned the meeting at 10:05 p.m.

COPY TESTE:

Stephen K. Greenwood, Chairman
Board of Supervisors

Bobbi L. Langston
Deputy Clerk to the Board