

MINUTES
JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS
BUDGET WORK SESSION
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
April 17, 2018
3:00 PM

A. CALL TO ORDER

Ms. Larson called the Board of Supervisors Meeting to order.

Ms. Sadler called the Board of Directors Meeting to order.

ADOPTED

MAY 08 2018

B. ROLL CALL

Board of Supervisors

Michael J. Hipple, Powhatan District

P. Sue Sadler, Stonehouse District

James O. Icenhour, Jr., Vice Chairman, Jamestown District

John J. McGlennon, Roberts District

Ruth M. Larson, Chairman, Berkeley District

William C. Porter, Interim County Administrator

Adam R. Kinsman, County Attorney

Board of Directors

Michael J. Hipple, Vice Chairman, Powhatan District

Ruth M. Larson, Berkeley District

James O. Icenhour, Jr., Jamestown District

John J. McGlennon, Roberts District

P. Sue Sadler, Chairman, Stonehouse District

M. Douglas Powell, General Manager

C. BOARD DISCUSSIONS

1. Budget Discussion

Mr. Porter noted Mr. Jason Purse, Assistant County Administrator, would give a presentation on the relationship between the budget, the Strategic Plan and its initiatives as well as a follow-up from Fire and Police based on citizens' comments.

Mr. Purse noted the Strategic Plan had been implemented into the budget as

much as possible. He cited seven goal areas were identified in the Strategic Plan, which included information from the long-term plan for incorporation into the budget. He cited the sustainable long-term water supply as an example of what the budget would address.

Mr. Doug Powell, General Manager, JCSA, noted the Longhill Road Project was a new Capital Improvements Project (CIP). He explained the County's cost would be reduced as the project would be done in conjunction with the Virginia Department of Transportation (VDOT). He cited another CIP project that JCSA would do with VDOT in the same way at a later date.

Mr. Purse noted the Longhill Road Project met some of the Strategic Plan goals and addressed infrastructure issues that had been identified as budget needs. He cited opportunities like Longhill Road could be incorporated into the long-term plan. He mentioned JCSA's water meter replacements that support the modern infrastructure and benefit citizens. He stated exceptional public service, particularly Fire and Police, have been addressed as the County prepares for the new Fire Station 6 and additional firefighters.

Mr. Ryan Ashe, Fire Chief, addressed the Board noting the opportunity for 18 additional firefighters to be added prior to building the new fire station in Fiscal Year 2023. He cited projected retirees, overtime and other budgetary and staffing concerns. He noted a multi-year, phase-in plan that addresses retirees, new hires and maintenance of staff.

Mr. Purse noted Goal No. 5 and maintaining a safe environment for the County's citizens with regard to resources to sustain that safety. He explained the operational initiatives did not specifically address the additional firefighters nor the station, but emphasized the long-term need for these resources. He noted the budget document was a 10-year one with emphasis on the first two years in the budget cycle addressing projects with the most community need. He stated the Police also have major needs coming in the next two years.

Mr. Brad Rinehimer, James City County Police Chief, addressed the Board regarding the addition of a sixth police zone. He noted the additional zone would help alleviate the number of calls and response time.

Mr. McGlennon noted Police and Fire new hires and training are additional expenses of the first year. He stated hiring was generally part of the overall Operating Budget that rolled forward so this would show a differential impact for new staff hiring that would level out after that initial year.

Chief Rinehimer noted that new hire cost for the first year was approximately \$135,000 with the second year reduced almost half.

Mr. Purse noted each division within the Budget had notes to help the Board understand the departmental goals and objectives to reach those goals. He noted a modern infrastructure technology improvement that had been made, but did not have a particular strategic initiative attached to it.

Ms. Suzanne Mellen, Director, Financial and Management Services, addressed the Board regarding the proposed budgets from the County

Administrator. She noted there would be changes. She asked if questions or information would be required from the Board prior to the next work session.

Mr. Porter noted options could be created that would be available to the Board pending the decision on the amended Senate Bill 942.

Mr. Icenhour said he would like to see a separation of the budget in the absence of revenue from Senate Bill 942 with basic revenue and basic expenses. He noted he would like to see money spent on non-recurring items in the Budget and not on recurring Budget items.

Ms. Sadler stated she was thinking along the same lines. She noted a supplemental page indicating the difference of the revenue from the Bill to show clarification in the Budget.

Mr. McGlennon questioned the impact of lost funding if the legislation for the Bill went away. He noted the elimination of the Grocery Tax and a shift in revenue regarding the dollar amounts.

Mr. Hipple noted his concerns about a tax cut and then a return. He cited constituent concerns and emphasized a central location for citizens. He noted the central location would eliminate additional properties that could be sold to bolster the community.

Mr. Icenhour stated the contingency of the revenue from the Bill and the impact of taxes on the citizens if the Bill disappeared. He noted a tie to the sales tax revenue.

Mr. McGlennon noted a 20-year-old promise to eliminate the car tax. He further noted the reduction impacts the state's ability to fund education and other areas.

Ms. Larson asked Mr. Porter about absorption into the Operating Budget regarding Fire and Police.

Ms. Mellen noted absorption of recurring expenses into the Budget while identifying other non-recurring expenses. She stated examples of budgetary shifts to allow for the absorption, citing the number of police vehicle replacements over the next two-year budget for Fiscal Year 2019-2020. She noted one-time items could be identified as opposed to recurring items. She indicated the school funding would remain in the recurring expense as part of the sales tax.

Ms. Larson emphasized the importance of public safety and not going backwards in that area.

Ms. Sadler asked about the figures for new hires for Fire.

Mr. Purse indicated that these were known figures due to the anticipation of a new fire station and projected growth, thus the expense had moved forward in its timeline and was not a recurring expense.

Mr. Icenhour asked for a staff priority for the budget to give the Board.

Ms. Sadler asked about Chart A-2 and the cost of the new school buses, a total on the new school entrance design and total operational costs.

Ms. Mellen noted monies had been designated for buses, school entrances and operations.

Mr. McGlennon asked about the redesign for the school entrances.

Ms. Mellen noted the work to be done was at several schools and identified the costs at each. Some were noted under previous year's budgets.

Mr. McGlennon asked for a year-end surplus from the school fund over the past five years for the next budget meeting.

Ms. Mellen noted there was programming to withhold \$600,000 from school surplus for assistance with CIP funding for the next year.

Ms. Sadler asked about the placeholder in the budget for schools.

Ms. Mellen noted the placeholder for high school expansion program and highlighted it to the Board's attention if funds were needed, then the need had been identified. She noted it was in the plan, but not appropriated.

Discussion ensued on this subject.

Mr. McGlennon asked about the trend of personal property taxes over the next few years and assessments.

Ms. Mellen noted the rate of recovery in real estate assessments had been fairly consistent over the years with marginal increase each time. She commented on the steady growth with personal property versus real estate.

Ms. Sadler asked about tourism and revenue and who tracks it.

Ms. Mellen noted all sales tax is collected by the state, which then distributes the 1% of the local share allocated to James City County. She indicated that money goes into a designated separate fund.

Discussion ensued on this subject.

Ms. Mellen noted the overall Operations in the Budget layout had a new look with more detail and visual support. She commented on the consolidation within certain divisions, but noted the Summary pages gave breakdowns on spending.

Mr. McGlennon asked for a membership cost to the Virginia Municipal League. He also noted the funding request from the Williamsburg Arts Commission. He noted that over the past few years, the County had reduced the funding to \$5,000 to the Commission with the City of Williamsburg paying the balance. He requested restoration of the additional \$5,000 to this year's

budget so that both groups would pay equally.

Mr. Icenhour asked about budgeting for membership to the Virginia Association of Counties (VACo). It was noted that membership for VACo was in the budget.

Ms. Sadler asked about the \$10,000 drop for the Community Action Agency.

Ms. Mellen noted the previous year's proposed budget did not include the Neighborhood Basketball League (NBL) with funding. She noted the current proposed budget did not include NBL. She added NBL had requested the funding.

Ms. Larson noted there were some concerns about the league and funding in relation to County participation.

Mr. John Carnifax, Director, Parks & Recreation, addressed the Board regarding NBL. He noted the changes in participation and costs over the years, but said the County did not subsidize other programs like NBL.

Mr. McGlennon asked if there was a possibility to offer the same guidelines and rules for support that applies to other groups.

Discussion ensued on this subject.

Mr. McGlennon asked about the trend line on the ambulance insurance reimbursement for the next meeting. He noted that additional staff is being added to Planning.

Mr. Purse confirmed that point.

Mr. Paul Holt, Director, Planning, noted the staff numbers in that division had changed due to other staffing projects regarding coding and various corridor studies. He mentioned a 15% sustainable increase in the site plans over the past few years in response to community need.

Mr. Purse noted that having some additional resources upfront are beneficial to the long-term goals.

Mr. McGlennon asked about expansion for the Regional Library.

Mr. Porter noted the Board may want to discuss the Regional Library with the City of Williamsburg and a proposed building site.

Discussion ensued on this matter.

Mr. McGlennon noted the Regional Jail expenditures were down, but Colonial Behavioral Health numbers were higher. He asked the Board to consider local funding to mental health facilities over the next few years.

Discussion ensued on other budget concerns.

Ms. Larson asked if enough questions and requests had been presented to move forward in budget options.

Mr. Icenhour asked if answers regarding Senate Bill 942 would be available by Thursday.

Mr. Kinsman replied yes, assuming a one-day session was likely.

Mr. Icenhour asked for email exchanges with options before the next Budget Work Session.

Mr. McGlennon asked about a breakdown on what the average tourist spends while in the area.

Discussion ensued on this matter.

Mr. McGlennon asked about the status of correction on the state's records of sales tax and its direction.

Ms. Mellen explained an automated monthly process was in place with the Commissioner of the Revenue's office and programming to identify anomalies in the data with more accuracy.

Ms. Larson asked about the anomalies and tracking the information.

Ms. Amy Jordan, Director, Economic Development, explained how general data is being mined from sources, such as cell phone location signals, to show retail locations and other information. She noted the services can be costly, but Hilton Head and Charleston have used similar services. She stated it allows for good target data.

Ms. Larson requested a Thursday/Friday follow-up status from Administration on points discussed in the work session.

D. CLOSED SESSION

None

E. ADJOURNMENT

A motion to Adjourn was made by Michael Hipple and the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

1. Adjourn until 4 p.m. on April 24, 2018 for the Budget Work Session

At approximately 4:52 p.m., Ms. Larson adjourned the Board of Supervisors.

At approximately 4:52 p.m., Ms. Sadler adjourned the Board of Directors.


Deputy Secretary