

AT A BUDGET WORK SESSION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE 17TH DAY OF APRIL 2013, AT 4:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

**A. CALL TO ORDER**

**B. ROLL CALL**

John J. McGlennon, Chairman, Roberts District  
Mary K. Jones, Vice Chairman, Berkeley District  
James G. Kennedy, Stonehouse District  
James O. Icenhour, Jr., Jamestown District  
M. Anderson Bradshaw, Powhatan District

Robert C. Middaugh, County Administrator

A Moment of Silence was observed in recognition of the tragedy at the Boston Marathon.

**C. BUDGET WORK SESSION**

The budget work session began with a discussion of the School budget.

Superintendent of Schools Dr. Steven Constantino introduced new staff: Mr. Marcellus Snipes, Senior Director of Operations, and Ms. Betsy Overkamp-Smith, Director of Public Relations and Community Involvement.

Ms. Ruth Larson, Chairman of the School Board, provided a brief overview and recognized Dr. Scott Burchbuckler, Assistant Superintendent, stating that this would be his last budget with the School system as he has accepted the job of Superintendent of Schools in Essex County. Ms. Larson stated that the State continues to underfund education and the budget contains a 3 percent salary increase for employees.

Dr. Constantino stated that they had reduced the budget by \$1.2 million since the joint retreat. He stated that they will continue to operate the adult education program and will continue the nursing program to allow currently enrolled students to finish, but will not accept new students into the program. He also clarified that they are not taking significant funds from special education.

Dr. Burchbuckler thanked the Board for its support and recognized the County staff that he has worked with. He reviewed a PowerPoint presentation that was shared at the joint retreat and stated that the budget increases \$3.3 million over the current year.

Mr. McGlennon thanked Mr. Burchbuckler for his integrity and transparency and wished him well. He thanked Dr. Constantino and the School Board for their responsible budget. He said the cost effectiveness and benefit of adult education is great. He suggested that the Legislative Program include a request that the State assess and fund adult education.

Mr. Kennedy asked about the State's 2 percent salary increase.

Dr. Burchbuchler stated that the State contributed \$300,000 for the increase, but it costs the Schools \$1.6 million.

Mr. Kennedy called the James City Service Authority (JCSA) Board of Directors into session. The Board then began reviewing the JCSA budget.

General Manager Mr. Larry Foster introduced Ms. Stephanie Luton, Assistant General Manager. Mr. Foster noted the budget includes no rate increase although a 5 percent increase was planned. The budget does include a 3 percent salary increase and \$400,000 for the Mirror Lakes Dam. He stated that water demand is flat, but expenses are not. He said that a rate increase or a change in the rate structure may need to be considered next year.

Mr. McGlennon thanked Mr. Foster for his work. He said from a policy perspective, it was great news that the demand curve was bending.

Mr. Icenhour asked about new hookups.

Mr. Foster said there has been an increase in connection fees.

Mr. Icenhour asked about the regional sewer study and the groundwater withdrawal permit.

Mr. Foster said that he thinks the State will ask about the use of the surface water that the JCSA can purchase from Newport News.

The JCSA meeting adjourned at 4:47 p.m.

Ms. Sue Mellen, Assistant Director of Financial and Management Services, reviewed information on debt management.

Mr. Middaugh concluded that all of the indicators are heading in the right direction and show that debt is declining.

Ms. Mellen reviewed revenues and stated real estate and personal property equate to 64 percent of total revenues. She stated sales, meals, and lodging taxes are estimated to increase 3 percent.

There was discussion about the timeshares being rented for more short-term stays, which may be contributing to the increase in lodging taxes.

There was also discussion that while revenues are increasing, they are still not back to the peak levels in 2007 and 2008.

Mr. McGlennon mentioned that in the future he would like to explore the possibility of a fixed fee for bigger boats. He said he did not think the changes made to the boat tax increased the number of large boats in the County.

Mr. Bradshaw stated that he would like for the County to contribute \$15,000 for the dues to the Hampton Roads Economic Development Alliance (HREDA) that is currently funded completely by the Economic Development Authority (EDA).

Mr. Middaugh referenced the errata sheet that showed changes the Board had made to the budget. He stated that the changes resulted in \$29,000 more in available funds which could be used to fund the \$15,000 contribution to the HREDA without affecting the overall budget.

Mr. McGlennon said the EDA had been encouraged in the past to take on some of these types of expenses as resources became scarcer. He asked if the County is receiving value for its contribution and asked what the EDA would do with the additional funds if the County contributed to the HREDA.

Mr. Bradshaw said the EDA is operating on reserves and the amount is too small to make a substantive difference. He said it highlights the need to discuss the issue.

Mr. Kennedy asked for an update on the EDA's activities.

Mr. Russell Seymour, Director of Economic Development, said the EDA has some expenses related to marketing, Mainland Farm, and the incubator.

Mr. Kennedy also mentioned that EDA funds were used to fund incentives for Owens Illinois.

Mr. Icenhour asked if the County was putting money into something with little or no control if the County contributes funds to the EDA.

Mr. Middaugh said the HREDA is the mechanism the State uses to funnel prospects to the region and there is no alternative.

Mr. McGlennon said the EDA should not worry about resources. He said that if the Board feels something is worthwhile the Board will fund it.

Mr. McGlennon concluded the consensus was to contribute additional funds to the EDA.

The Board discussed tourism and events.

Mr. Kennedy said he would like to see more events that would bring people to the County during different times of years.

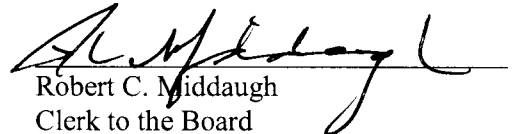
Mr. McGlennon said he liked the idea and that the County has \$110,000 undesignated for tourism. He said he believes the County should be a facilitator to increase the number of events, but not the organizer. He said the County could provide seed money for these types of initiatives. Mr. McGlennon said the County should make sure a plan is developed for this money.

Mr. Kennedy asked about the Williamsburg Area Transit Authority (WATA's) trolley service.

Mr. Doug Powell, Assistant County Administrator, said that the consensus of the Board of Directors of WATA was to eliminate the trolley route to address revenue shortfalls. He said the trolleys will be redeployed to other routes.

Mr. Bradshaw made a motion to adjourn.

On a roll call vote, the motion passed 5-0.



Robert C. Middaugh  
Clerk to the Board

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