

Virginia:

At the recessed meeting of the Board of Supervisors held at the Charles City County Government Administration Building thereof on **Tuesday, May 20, 2020, at 5:30 p.m.** in the 224th year of the Commonwealth and 386th year of the County.

PRESENT: William G. Coad, Chairman
Gilbert A. Smith
Lewis E. Black, III

RE: CALL TO ORDER

Meeting was called to order by William G. Coad.

RE: ADOPTION OF THE AGENDA

Michelle Johnson stated this evening we are here for a public hearing on the FY2021 budget.

Motion was made by Lewis Black to adopt the agenda as presented. Motion carried unanimously.

RE: PLEDGE OF ALLEGIANCE

Michelle Johnson stated the next item on the agenda is the Pledge of Allegiance. The Pledge of Allegiance was said in unison.

RE: WOW (BOIP – Internet Service Provider Agreement)

Rhonda Russell stated last week I presented a proposal on Wireless on Wheels and BOIP. Wireless on Wheels is remote satellite locations for Internet access to our constituents in the county. This project came out of an article that was published about Louisa County had launched a similar project. She stated she is working on having the proposed agreement tweaked to address the uniqueness of our community and our needs. The proposed locations for the wireless on wheels project would be Harrison Park, Chickahominy Tribal Center, and Mount Zion Baptist Church. She reviewed the terms of the proposed agreement which will include a \$300 monthly fee that would be borne by Charles City County. At the end of the term of the subscription, the equipment would belong to Charles City County. Two items are still outstanding, they will not be significant issues in our negotiations. There is a definition in the proposed agreement that says duration of inaccessibility, this is when our internet services are not usable as a result of some type of activity, like a storm. That would be prescriptive in the contract that if there was no internet service provided, then there will be a credit against that \$300 monthly subscription rate. Staff is

also asking for monthly information about the usage and uploads and download speeds at the three sites. And the reason or the rationale for that is if the sites are not used actively by our constituents. It's breaking down to a rate of about \$100 per wireless on wheels unit at each location, then we wouldn't be able to discontinue all three of them or them individually. And with that, we asked that members of the board conditionally approved the agreement with those provisions to additionally negotiate those two items.

Lewis Black asked if we cancel then want to reactivate our service, how long will it take for service to be reactivated? Rhonda Rusell stated she doesn't believe it will take a long time to reactivate.

Motion was made by Lewis Black to approve the proposed agreement based on the continuing negotiation of the two items presented. Motion carried unanimously.

RE: FY2021 BUDGET

Michelle Johnson stated tonight is to continue the conversation of the FY2021 Budget. After a brief overview of the budget, the Board will open the public hearing. She informed all attendees of the virtual meeting that there is a hand signal at the bottom of your screen that you can wave your hand to speak. After the presentation the Chairman will open the public hearing, each individual will get three minutes to speak, then we will close out the public hearing after all comments.

Michelle presented changes made to the budget since the April 28, 2020 meeting. She stated the majority of departments are going to see level funding for FY2021. For the Fire/EMS Department, the staff is proposing three firefighters to provide the coverage needed for the County. Staff is also recommending to add one Communications Officer to the Sheriff Department to assist with the influx of calls with Fire/EMS. Staff is proposing to continue the refurbishment of the recreation facilities upgrades and necessary repair projects plan for several parks and facilities. The FY21 budget is \$16.3 million in General Fund Revenue.

Michelle gave an overview of the FY21 stating the General Fund will experience a decrease of \$70,562 compared to the FY20 Budget. Fire/EMS will receive an increase of \$116,347, Social Services will receive an increase of \$50,192, the County CIP will increase by 1,363, School CIP will decrease \$115,000, Utilities will increase \$483.00, and the school will receive \$5,700,089 level funding. FY21 Projected Revenue is \$16,300,000, which is \$69,343 decrease compared to the FY20 Budget.

She stated at the Board meeting on May 13th there was some discussion on the tonnage from Waste Management. Tonnage from Waste Management is a large percentage of our revenue. On April 28, 2020, staff projected \$16.4 million for FY21. The budget was based on 2,110 tonnages from Waste Management. Tonight, we have reduced the tonnage to 2,006 with an overall decrease of \$69,000 in revenue compared to FY20 Budget.

Bill Coada stated he sent Michelle an article about declining waste in the United States due to COVID-19. The County has a contract with Waste Management. He asked what is the minimal tonnage the County will receive from them?

Michelle Johnson stated the minimum tonnage the County will receive from Waste Management is 1,500 tons until June 30, 2021. After that time we will revert the contract to the original addendum of 2,000 tons per day. Addendum 11 states that they will give us a minimum of 1,500 tons per day. This is based on Waste Management getting the Richmond transfer station contract. They have been successful in securing this contract for the next five years. CH2M Hill suggested they would not budget below 2,000 tons. They are averaging approximately 2,700 tons per day doing COVID-19, it went down to 2,400 tons. As of last week, it was back up to 2,600 tons per day.

Bill Coada stated the only thing we can be guaranteed is 1,500 tons per day, is that correct. Michelle Johnson stated, yes that is correct. If this board recommends to bring the revenue down to 1,500 tons, staff and I would have to go back and cut \$849,000 from this budget, if we were to do the revenue based on 1,500 tons.

Lewis Black stated he doesn't think we should be too conservative with our budget without projections. 2,000 tons is just fine. Waste is created every day, he thinks we will be fine.

Gilbert Smith asked where would the cuts come from? Michelle stated we would have to go back to the drawing board, this would impact operations.

Bill Coada asked, is it true that we can always cut budgets during the fiscal year, but we cannot increase budgets during the fiscal year. Michelle stated yes, that is correct. She suggested if we see a decline in revenue, staff will be prepared to cut their department budget by 20%. She will also have staff monitor the funds coming in from Waste Management closely.

Gilbert Smith asked that Waste Management provide a monthly report on the tonnage they are receiving, to ensure the tonnage coming in is consistent. Michelle Johnson stated Waste Management sends a weekly report to the County. Staff can start putting the reports in the Board Packet monthly. The Board also asked to be notified immediately if the staff sees a decrease in tonnage.

Michelle stated Fire/EMS will receive an increase of \$116,347 to include three firefighters. Social Services will receive an increase of \$51,726. This is a request for a salary supplement to bring them in alignment with other Social Services within the region. Bill Coada stated the disparity of salaries compared to surrounding localities has caused some problems. He asked Michelle if she knew how much the State reimbursed the County each year. Michelle stated, our auditors, Robinson Farmer Cox does a cost allocation each year during the audit. The support the County provides to Social Services is submitted to the State, the State reimburses the County for those services. The reimbursement the County receives can be between \$46,000 to \$70,000 per year. These funds go into the General Fund.

Michelle reviewed the School budget stating the County will contribute \$5,700,089, level funding from FY20. Lewis Black asked for a comparison of other localities, of

what they are giving their schools. Michelle stated we will look at Surry County, King and Queen, and King William. She also reviewed the School CIP. Staff is recommending for FY21 \$675,856, which is a decrease of \$115,000 from FY20. The totals for their CIP is a 124% increase in Technology, \$308,856; 229% increase in transportation, \$352,000; and a 97.3% decrease in Operating and Facilities, \$15,000.

Gilbert Smith asked where does the HVAC system fall in the CIP. Michelle Johnson stated she understands the HVAC System and track will be included in the contract with Energy Efficient Project, a \$4.9 million contract. The \$4.9 million will be financed, which will have to be approved through the Board of Supervisors. Lewis Black stated we have already invested in different phases of the project. Is it possible to encourage them to stay the course? To finish the project we have already started. Michelle stated the County has funded \$4.2 million to the Schools through their CIP for the HVAC System. Staff will reach out to the school and coordinate a meeting. Lewis Black stated he wants to ensure the children have ample heat or air when they return to school, we need to stay the course. Michelle stated a conversation needs to be had. Even though the School Board approved to move forward with the Energy Efficient Project, it has to be approved by the Board of Supervisors. Bill Coad stated he also has some questions on the school buses. The school stated they need to replace six buses, they reported they only use nine buses, the bus list has twenty buses listed. He asked Michelle Johnson to request the School Board get an opinion from their attorney if they can enter into a contract without the consent of the Board of Supervisors. Mr. Coad stated his last question is if the school enter into the contract, where will the 100% funding come from to repay the loan? Michelle stated after she reviews the contract and also has the County financial advisor review the contract, she will give a recommendation.

Michelle Johnson reviewed the County CIP. She stated staff is proposing \$393,000 for the County CIP Budget for FY21. Staff cut \$3.2 million of county projects. This is still an increase of \$51,000 over this fiscal year. Projects have been spread out over several years. The CIP includes HVAC for the Administration Building, roof on the Recreation Center, a vehicle for the Animal Control, Fire/EMS Radio System, and one ambulance. We will be improving playground equipment at Harrison Park replacing the banquet chairs at the social center.

Public Hearing was opened by Bill Coad.

Steve Fuhrmann, 3400 Atkins Road, Providence Forge, Va., stated way back in the olden days 20 to 30 years ago, the Federal Government, and the Federal Reserve had not yet fully brainwashed us into believing that money was paper dollars electronic digits. Let's see the equivalent of and can substitute for real savings, real investment for real work. Engaged in real production of real things and services of real value. Back then, and those long-forgotten days Virginia's periodic revenue reduction crises were met with a requirement. That government managers prepare plans for 5% , 10%, and 15% reductions and expenditures, it remains was bias because, knock, knock; no one knows what might happen. A character and Hemingway's novel, *The Sun Also Rises*, is asked how he went bankrupt the answer, which has become a truism, two ways he answers. Gradually, then suddenly We are still in the early stages of a slow-motion worldwide economic collapse triggered by a bumbling response to sudden viral epidemics, but one

that has been building for decades and will take some time to establish a new level of functioning when that will likely be at a much lower level of economic activity and more local value. Preparing for the county's operations for fiscal 2021 and beyond, now is not the time to project even stable revenues and to propose any increasing expenditures. The very best we can hope for is to have revenues somewhat less than the current year even this whole, of course, is far more optimistic than the obvious massive declines and economic activity as reported daily. County revenue declines may be quite dramatic in the near future. During previous times the economic downturn former Governor Wilder was fond of saying that government was something you assess. Appropriately expend limited public funds for necessities, rather than niceties. Needs must take priorities over wants, it is the moment for us to do the same because Knock, knock. No one knows. Thank you.

Lloyd Carter Sr., 3720 Wayside Road, Charles City, Va., stated being we are talking about income, when will the County start receiving funds from sPower? When can we expect to receive any income from them?

Public Hearing closed by Bill Coad.

RE: EXECUTIVE SESSION:

Motion made by Lewis Black to go into Executive Session to discuss Investment of Public Funds 2.2-3711(A)(6), respectively of the 1950 Code of Virginia. Motion passed unanimously.

Bill Coad thanked everyone for attending, he did not think any actions will be taken in Executive Session. He stated the next meeting will be held Tuesday, May 26, 5:30 p.m.

Motion was made by Lewis Black to return to Open Session. Motion passed unanimously. Motion was made by Lewis Black to certify the Board of Supervisors only discussed public business matters exempted from statutory open meeting requirements identified in the motion to convene to Executive Session. Motion passed unanimously.

There being no further business, the Board **recessed until Tuesday, May 26, 2020, Board of Supervisors Monthly Meeting, 5:30 p.m.**