

A meeting of the Botetourt County Board of Supervisors was held on Tuesday, April 17, 2018, in Rooms 226-228 of the Greenfield Education and Training Center in Daleville, Virginia, beginning at 7:00 P. M.

PRESENT: Members: Mr. L. W. Leffel, Jr., Chairman  
 Dr. Donald M. Scothorn, Vice-Chairman  
 Mr. I. Ray Sloan  
 Mr. Billy W. Martin, Sr.  
 Mr. Stephen P. Clinton

ABSENT: Members: None

Others present at the meeting:

Mr. Gary Larrowe, County Administrator  
 Mr. David Moorman, Deputy County Administrator  
 Mr. Tony Zerrilla, Director of Finance

The Chairman called the meeting to order at 7:01 P. M.

Mr. Leffel noted that this meeting is to conduct public hearings on the proposed FY 19 County, School, and Capital Improvements Plan budgets and on the proposed tax rates for 2018 as advertised.

Mr. Tony Zerrilla, Director of Finance, then gave an overview presentation on the proposed budget. He stated that there are several components that are reviewed/considered each year during the budget development process including public safety, public education, County infrastructure, community development, economic development, technological efficiency, and fiscal sustainability. He further stated that one of the Board's strategic priorities is economic development and the County has had a few successes with industry locations and expansions over the past few years.

Mr. Zerrilla stated that in order to plan and meet the current and future growth's impact, the County has recently completed a housing study and summit with potential builders/developers, worked with new business partners such as Eldor and Ballast Point, continues to support existing business expansions and the small business sector, is working to redevelop the Exit 150/Gateway Crossing area, and developing Greenfield for future development through new building pad sites and infrastructure. He noted that, to achieve these goals, the budget includes funding for additional resources in the Economic Development Department, use of Comprehensive Plan and County Code enhancements, and funding for economic development programs and initiatives.

Mr. Zerrilla stated that the FY 19 projected General Fund revenues total \$63.2 million which is a 1.7% increase over FY 18. He noted that 81% of this amount is from local revenues, 17% from State revenues, and 2% from federal revenues. Mr. Zerrilla stated that the projected total School Fund revenues for FY 19 is \$33.7 million which is a 2.4% increase over the current budget year. He further stated that all revenues total \$96.9 million (2% increase).

Mr. Zerrilla noted that these revenue increases are from growth in real estate, personal property, machinery and tools, meals, and other local taxes, the realization of public service corporation tax growth from the recent AEP and Roanoke Gas infrastructure upgrade projects, and an increase in interest earnings and Fire/EMS Cost Recovery funds.

Mr. Zerrilla then stated that State revenues in FY 19 are projected to slightly decrease (0.3%) due to the transfer of Department of Motor Vehicle grant funding to the federal revenue category, and a reduction in Comprehensive Services Act reimbursements. He further stated that federal revenues are projected to increase by \$209,000 mostly due to the interest rate

subsidy on the School Energy Savings project and a small increase in Payment-in-Lieu-of-Taxes (PILT) funds.

After discussion, Mr. Zerrilla stated that the projected expenditures for FY 19 are as follows: General Fund--\$33.7 million (1.7% decrease); Debt Service--\$4.7 million (34.6% increase); School Fund--\$58.2 million (2% increase); and Contingency--\$300,000; for a total of \$96.9 million (2% increase). He noted that the school's percentage of total projected expenditures is 60% which is the same as in the current budget. He further noted that the transfer of funds to the Economic Development Authority totals 1% of the projected FY 19 expenditures which is a decrease of 1% from the current budget.

Mr. Zerrilla stated that the proposed budget continues the County's investment in public safety through the allocation of funds for the Sheriff's, Animal Control, and Fire/EMS vehicle replacement programs and continuing the scheduled replacement of self-contained breathing apparatus. He noted that the budget also includes a proposed 2% wage increase for all County employees as of July 1, 2018, and salary adjustments (\$600,000) based on market competitiveness and the recent regional salary study. Mr. Zerrilla stated that the impact of these salary adjustments would be in the second half of FY 19.

He further noted that there is also budgeted funds for capital improvements to County buildings and properties, a replacement plan for portable and mobile radios for Fire/EMS, economic development initiatives at Greenfield, greenway development, historic preservation matching project funds, the matching allocation for the new YMCA in Daleville, and software and hardware technology upgrades.

Regarding school expenditures, Mr. Zerrilla stated that there was an additional \$700,000 in identified needs in the school's proposed FY 19 budget. He noted that approximately \$400,000 in savings from the Energy Performance Audit were included in the School's budget, as was the addition of two new staff positions, a 1 step increase in the pay scale, a 2% salary increase for school administrative personnel, and continuation of the school bus replacement program. He stated that the total County revenue transfer to the schools for FY 19 is \$24.5 million or an increase of 1% over the current fiscal year.

In summary, Mr. Zerrilla stated that the FY 19 budget is balanced with no tax increases proposed for the third consecutive year. He noted that the budget includes \$211,000 in funding for the first year of the 2020 real estate reassessment process. Mr. Zerrilla noted that, in addition, the budget considers redeployment of some personnel to other departments, funding for economic development performance incentive payments to Ballast Point and Eldor, and efforts toward employee compensation competitiveness with area jurisdictions.

Mr. Zerrilla stated that the budget development process began in November. He noted that the Board will take into consideration any public comments made at tonight's hearing and, if agreeable, it is anticipated that the budget and tax adoption resolutions will be considered by the Board at their April 24 regular meeting.

Mr. Leffel then opened the public hearing on the proposed FY 18-19 General Fund, School, and CIP budgets as advertised.

Ms. Debbie Bonniwell, Chief Executive Officer for Blue Ridge Behavioral Healthcare (BRBH), then stated that they are the local community services board for the 5 Roanoke Valley localities which was created under Title 37 of the Code of Virginia. She noted that they provide

mental illness, intellectual/developmental disabilities services, and substance abuse services to adults and children in the Roanoke Valley.

Ms. Bonniwell noted that Mrs. Donna Henderson and Dr. Carol Geiger, who represent the County on their Board of Directors, were also present at this meeting, along with Mr. Mark Chadwick, BRBH's Chief Financial Officer.

Ms. Bonniwell stated that the Board had been presented with a packet of information regarding their request for \$55,288 in funding from the County for FY 19. She noted that this is the local 10% match request ratio as required by the Virginia Department of Behavioral Health and Developmental Services. Ms. Bonniwell stated that the proposed FY 19 County budget allocates \$40,000 to BRBH and they would appreciate any increase in funding toward this 10% (\$55,288) matching amount.

After discussion, Ms. Bonniwell stated that BRBH has had to request a waiver from the State each year in which they do not meet their local funding matching requirement figure and this has resulted in increased scrutiny of their organization by the State.

She further noted that for each \$1 budgeted by the County, its citizens receive \$28.25 in services from BRBH. Ms. Bonniwell stated that with the \$38,743 budgeted by the County in FY 18, BRBH provided \$1.1 million in direct costs to the County's citizens.

Ms. Bonniwell thanked the Board for the opportunity to address them at this hearing and she and the other BRBH representatives present would be glad to address any questions from the Board. She then thanked the Board for their consideration of their full funding request.

Mrs. Donna Henderson of Henderson Lane in Troutville, stated that she is proud to have served as a County representative on the Blue Ridge Behavioral Healthcare Board of Directors for the past 19 years. She noted that BRBH serves Botetourt County's citizens in all areas of mental health, developmental disabilities, and substance abuse disorders. Mrs. Henderson stated that they also provide services to the County's youth through the Roanoke Area Youth Substance Abuse Coalition (RAYSAC) program.

Mrs. Henderson stated that she is requesting that the Board provide BRBH with the increase in funding as per their November 2017 request; however, they would be thankful for any allocation possible.

After discussion, Mrs. Henderson stated that the Board of Directors' members receive no stipend or mileage reimbursement—"this is a volunteer job." She noted that they want the services to the citizens to be honored. Mrs. Henderson further noted that she has supported BRBH to the best of her ability and feels that they have a wonderful system in place to help the citizens of the Roanoke Valley.

She further noted that they are also having to deal with the impacts from the current nationwide opioid epidemic.

After questioning by Mr. Martin, Ms. Bonniwell stated that the Roanoke Valley is one of the areas of the State with a higher number of opioid overdoses based on increased emergency room visits. She further noted that they have a program for mothers with babies who are addicted to opioids which has been successful and they have a lot of drug prevention activities and programs underway. She noted that they have a drug take-back program scheduled for later this month and a monthly "revive" program which offers training for use of the overdose reversal drug. Ms. Bonniwell stated that this is an effective way to stem some of the opioid deaths.

The Board then thanked Ms. Bonniwell and Mrs. Henderson for their comments.

Mr. Leffel then noted that a School Board member was also present at this public hearing.

After questioning by Mr. Leffel, it was noted that there was no one else present to speak regarding this matter. The public hearing was then closed.

A public hearing was then held on all proposed tax rates for the 2018 calendar year as advertised.

After questioning by Mr. Leffel, it was noted that there was no one present to speak regarding this matter. The public hearing was then closed.

Mr. Leffel stated that the Board's consideration of adoption of these proposed budgets and tax rates will be held on Tuesday, April 24, 2018, at 2:15 PM in Rooms 226-228 at the Greenfield Education and Training Center.

Mr. Martin noted that he will not be in attendance at the Board's April 24 meeting due to the scheduled State Corporation Commission's public hearing in Richmond on the proposed AquaVirginia rate increase.

There being no further discussion, on motion by Dr. Scothorn, seconded by Mr. Sloan, and carried by the following recorded vote, the Board adjourned the meeting at 7:23 P. M. (Resolution Number 18-04-01)

AYES: Mr. Sloan, Mr. Clinton, Mr. Martin, Mr. Leffel, Dr. Scothorn

NAYS: None

ABSENT: None

ABSTAINING: None