

April 28, 2005

The Carroll County Board of Supervisors held an Adjourned Meeting on Thursday, April 28, 2005 in the Board Meeting Room of the Carroll County Governmental Center.

Present were: Brian E. Spencer, Chairman
 Glenna Myers, Vice-Chairman
 L. J. Jones
 Sharon F. Nichols
 Joseph H. Early, III
 W. Jeff Evans
 Craig E. Teller, County Administrator
 Ronald L. Newman, Deputy Assistant Administrator
 Bradley Dalton, County Attorney

Mr. Spencer called the meeting to Order at 5:05 p.m. and asked Mr. Evans to lead in the prayer and the pledge of allegiance.

CITIZENS TIME

Mr. Olen Gallimore told that he had been a logger in Carroll County for over 30 years. He stated that some people were talking that AmerLink was getting special treatment to get them here. He told that he was in favor of having them here and told that it would bring the price of logs up for everyone. He commented that if the County was giving property it needed to know that the company would be here for a while.

Ms. Connie Beamer told that she had lived in Carroll County for 15 years. She told that she heard that at Exit 14 there is land being given away to local businesses in exchange for special favors but had not been advertised.

Mr. Teller stated that no property has been given away or sold without proper notification.

Ms. Beamer asked where the notice would be found.

Mr. Teller told that it could be found on Chillsnet, his office bulletin board, the Carroll News, and the Gazette.

Ms. Beamer asked if enterprise zone incentives were being offered.

Mr. Teller told that he would be glad to discuss this with her and told that this has been in the paper.

April 28, 2005

Ms. Beamer told that in the past she had sold and built log homes. She told that she restored log homes now. She stated that she had a concern that she had seen an advertisement in the paper for a 20-year lease at the Farmer's Market to build a tourist information center but now AmerLink was doing this and she had not seen this advertised. She asked if this had been properly advertised.

Mr. Teller stated that the County was dealing with two facets. He told that one was a tourist information center and log home sales. He stated that localities did not do RFP's for economic development and that the property was being offered for 200 jobs.

Ms. Beamer told that there would have been more interest if it had been advertised for a 99-year lease to set up a sawmill and build log homes.

Mr. Spencer told that the County had more property in the Industrial Park and would be glad to locate a company there. He told that any business can come and the County will be glad to show the property and talk to them.

Ms. Beamer stated that the taxpayers should be notified since it is their property. She commented that there should be a public press release.

Mr. Teller stated that if a company comes into the County and says it will create 200 jobs the County will find property to give them.

Ms. Beamer asked if there was something in the lease to hold them responsible if they don't perform.

Mr. Teller stated that it was not a lease but told that there were provisions. He told that by being in the enterprise zone the company can apply to the State for 30% of the construction investment up to \$250,000 and is entitled to a tax rebate in the County over 10-years for \$150,000.

Ms. Beamer stated that this was \$15,000 per year out of the taxpayers pocket. She told that the original RFP asked for an Appalachian style log home but now 2 or 3 models were being built. She asked if the lease was for 20 or 99 years.

Mr. Teller stated that it was not in the RFP for a 20-year lease but invited a broad range of proposals.

Ms. Beamer stated that the original project was supposed to be a community project to give local businesses and persons opportunities to work together on the project. She then asked if the contractor was a licensed contractor and why things like selling bricks were not done.

April 28, 2005

Mr. Teller told that there were plenty of opportunities for donations and volunteers.

Ms. Beamer told that she would like to know who done the research on the company and what research was done. She stated that she knew the company history and it was not good. She told that she had customers call and tell her they had paid a deposit to AmerLink and couldn't get the deposit back when the land would not perk or for other reasons. She commented that others like Turman should have been given the same opportunities.

Mr. Teller told that Mr. Turman was given the opportunity.

Mr. Early stated that Mr. Turman was a friend of his and that he had begged Turman's to come and build the Tourist Information Center.

Ms. Beamer told that there were 25,000 log homes built last year and that there were over 300 log home manufacturers. She stated that it takes about \$5M to build a sawmill that will employ 200 people and AmerLink's budget is \$3M. She told that the public needed more notice before the County entered into a 99-year lease. She told that the County would be liable since sharing a building with AmerLink and stated that she did not want to pay for lawsuits for someone getting hurt on the AmerLink side. She then asked who the holders are of Harlingen Holdings.

Mr. Dalton replied that this was a corporation with shareholders and the County did not know who the shareholders are.

Ms. Beamer stated that AmerLink is used in North Carolina but in Virginia they have a holding corporation with un-named shareholders. She then asked for the resignation of Mr. Teller and Mr. Early.

Mr. Ricky Felts told that he ran a lumber company in Pinnacle but lived in Carroll County. He stated that Carroll County is in debt enough. He told that he would like to see some projections and commented that if AmerLink is doing one-third of what they say he would be surprised. He told that the figures did not add up. He told the Board not to give away the farm to get an industry that would not produce.

Mr. Tim Tolbert told that he had reviewed all the agreements. He told that he was reiterating the Turman comments in the letters. He stated that AmerLink was getting incentives that other log home manufacturers did not get. He stated that some medium size log home companies have went out of business and that there would be a zero sum gain because the result would be the loss of jobs at other businesses such as Turman Log Homes.

With no one else to speak, Citizens Time was closed.

April 28, 2005

**PUBLIC HEARING – ECONOMIC DEVELOPMENT LAND
TRANSFER**

Mr. Spencer called the Public Hearing to Order at 5:36 p.m.

Mr. Teller told that the purpose of this Public Hearing was to hear public comment concerning the proposed transfer of 32 acres to AmerLink and its holding company. He told that AmerLink had been around for 23-years and had been using Harlingen Holding. He then opened the floor for comments.

Mr. Jim Belcher told that he was part owner of Turman Log Homes. He stated that he felt AmerLink was being given something to compete with them and this was giving AmerLink an unfair advantage. He told that Turman Log Homes had invested \$2.3M in the log home business and was just getting started. He told that the incentives given AmerLink will help to put Turman out of business.

Mr. Olen Gallimore stated that the competition was needed. He stated that he had been told that all the timber would be cut but commented that he had been to the same farm 3-4 times to harvest timber. He told that he did not know if there was enough timber to do what was wanted to do. He commented that Turman had the chance to get his foot in on this and told there was an advertisement in the Gazette about the display home. He told that a couple of months after the advertisement AmerLink accepted the deal. He told that there were people who could investigate the company if that had not been done.

Mr. Ray Shepherd told that he worked for Turman Log Homes. He told that AmerLink was going to use white pine but stated that no sawmill can buy just one species because a load of logs had different types and the sawmill has to buy what is on the load. He told that if someone sells white pine to one company then the other companies will not buy the other logs. He then asked the Board to do an evaluation stating that this can't be done for what AmerLink says. He told that they had to be practical with the costs and commented that homework needed to be done and look at the numbers. He stated that support should be given to the ones in the County. He told that Turman was attracting and creating jobs with a \$2.5M investment and 15 employees. He told that a sawmill with a \$10-12M investment employs 75 people and stated that the numbers had to add up.

Mr. Ricky Felts asked if the State and County asked the people who was in the business about what was going on. He stated that Turman was telling the Board right.

April 28, 2005

Ms. Connie Beamer told that the homepage of AmerLink talks about affordable homes and that they pay better. She asked what incentives there were getting that would help them do this. She stated that Turman and Felts sell logs cheaper than AmerLink.

With no other person to speak, the Public Hearing was Closed at 5:48 p.m.

(Order)

REQUEST ECONOMIC DEVELOPMENT GRANT

Upon motion by Mr. Evans, seconded by Mr. Early, and passed unanimously, the Board approved a request that the Industrial Development Authority transfer funds in the amount of \$72,960.00 received from the sale of the 11.31 acre Beaver Dam tract to Carroll County as an economic development grant.

(Order)

APPROVE OF CLAIMS

Upon motion by Mr. Evans, seconded by Mr. Early, and passed unanimously, the Board approved the General County claims as presented this day and as evidenced by check numbers 73949-73993.

NEW FLAG POLE

Mr. Teller told that a new flag pole for the Old Courthouse had been donated because the old flag pole looked pathetic. He told that the shipping of the pole was a \$2000 value but was being given to the County for \$400 and asked approval to process a check in the amount of \$400 to B & B Construction.

AUTHORIZE CHECK – B & B CONSTRUCTION

Upon motion by Mr. Evans, seconded by Mrs. Myers, and passed unanimously, the Board authorized processing a check in the amount of \$400 to B & B Construction for the shipping of a new flag pole for the Old Courthouse.

OLD HILLSVILLE ELEMENTARY SCHOOL COMMITTEE

April 28, 2005

Mr. Teller told that two Board members needed to be appointed to a committee to study what should be done with the old Hillsville Elementary School.

Mr. Early stated that he recommended Mr. Spencer.

(Order)

APPOINT COMMITTEE – OLD HILLSVILLE ELEMENTARY SCHOOL

Upon motion by Mr. Evans, seconded by Mr. Jones, and passed, the Board appointed Mrs. Myers and Mrs. Nichols to the committee to study what should be done with the old Hillsville Elementary School.

Note: Mrs. Myers and Mrs. Nichols Abstained on the above motion.

SCHOOL BUDGET DISCUSSION

Mr. Teller told that the proposed School Board budget was given at the last meeting. He told that the committee recommended a lesser amount that did include the \$29,000 gap for Mountain View.

Mrs. Nichols stated that several positions would have to be cut and told that she was concerned about the tutoring positions such as AmeriCorp where there is matching funds required.

Dr. McBride stated that this was on the list of possibilities.

Mrs. Nichols stated that the young person would get \$4800 in school vouchers to return to school so this helped the student and the AmeriCorp worker. She commented that it was a good program.

Mr. Spencer commented that \$1.7M is staggering and asked if \$389,905 would prevent lay-offs.

Dr. McBride told that \$389,905 was what it would take to fund the Operational Budget at the same level as 2004-2005. He told that the School Board challenge is to reduce the budget if level funding came to be. He told that \$1,100,000 cuts were from instruction personnel and stated that \$389,905 would be helpful but would not prevent some staffing changes. He told that level funding would demonstrate that the Board was not willing to go beyond the cuts made last year. He stated that \$550,000 would be saved if they did not buy the buses.

April 28, 2005

Mr. Jones asked how much carryover would be for this year.

Dr. McBride told that they always try to carry over some especially to protect the nursing program. He told that the nursing program was funded with grants and State funds.

Mrs. Myers asked if level funding would keep most programs.

Dr. McBride stated that there still would be a \$1.3M reduction.

Mr. Spencer asked if AmeriCorp and after school buses would still be offered.

Dr. McBride told that the list would have to be reviewed with the School Board and that the final decision would be the School Board's.

Mr. Evans told that he heard the same story last year. He stated that the money is scarce but the nurses are still there and the buses still run. He told that he never had so many people calling and letters written when people don't appear to know what the facts are. He stated that other teachers had expressed the opinion that there are ways to streamline the budget. He told that he did not see where the School Board had brought any back to the County at the end of the budget. He told that he would like to work together and give what is needed but there had to be cut backs somewhere.

Dr. McBride told that the funding goes back to the level of support in 2000. He told that the State money had went up during this time but they look at it as a partnership. He stated that Carroll County spends 70% of the average per capita as is spent across the State. He told that compensation was a concern to the School Board.

Mr. Jones asked what the salary increase would be.

Dr. McBride told that it was 3% across the board and that the State was supporting 1.75%.

Mr. Evans asked if it would not be a time for persons making over \$50,000 to not take a raise so lower paid employees could get a raise.

Dr. McBride told that he would work hard for folks not to lose their jobs. He told that the AmeriCorp folks receive a living allowance that flows through the School Board but they are not employees of the School Board. He told that if the local portion was not put up those folks most likely would not be part of the program. He told that for the teachers he would work hard for no one to

April 28, 2005

lose their job and told there would be others that leave for other jobs or retire that would leave a vacancy.

NEW RIVER WATER AUTHORITY

Mr. Jones asked what the Authority thought of the County staying in.

Mr. Teller told that this had not been discussed with them until he got the sense of the Board. He told that the cost is \$6M with the thought that was something the County could not afford.

Mr. Spencer asked Pubic Service Authority Director Ray Hill is the cost was \$500,000 per year.

Mrs. Nichols asked if there would be a time down the road the County would be grant eligible.

Mr. Dalton told that if the County left the Authority and then did become grant eligible it could attempt to get back into the Authority. He told that the County could buy water from the Authority but stated it would probably be at a higher rate than it would be if the County stayed in the Authority.

Mr. Teller told that the Authority had ongoing expenses that would have to be paid and that \$75-100,000 would need to be added to the budget.

Mr. Dalton stated that the Authority had voted to allow the County to withdraw and that Wythe County and the Town of Wytheville had voted to allow this also.

Mr. Teller stated that if the Board decided not to withdraw it should be final.

Mr. Spencer stated that he did not want to withdraw but the County did not have the money.

Mr. John Adams, Adams-Heath Engineering, presented the Board with a cost comparison of remaining in the Authority versus the County building its own water treatment plant. He told that if the County developed its own system it would cost more than it would to stay in the Regional Authority. He told that the annual operating expense of their own plant would be what hurt the most.

Mr. Early asked when it was anticipated that the County would need more water sources.

April 28, 2005

Mr. Adams stated that additional sources would be needed this summer and that would be done with wells.

Mr. Evans asked the cost of developing a well.

Mr. Adams replied it would be approximately \$100,000 for drilling and construction.

Mr. Jones asked what would happen if there were a dry spell.

Mr. Adams told that the total effect of the last dry spell would be realized in 2-3 years.

Mrs. Nichols asked how many wells would be needed in the next two years.

Mr. Adams told that there would be three additional wells from the Little Vine/Whitetown system that would help but told that how many was needed would be determined by how much the wells decrease.

Mrs. Nichols asked what the cost was of a well if it didn't have water.

Mr. Adams replied between \$6000 to \$12,000.

Mr. Evans asked how many wells the County had.

Mr. Adams stated there were 28 and some of these were the first wells.

Mr. Early asked if the Big Reed site was the site for the County plant.

Mr. Adams replied that it was and that it was a good site.

Mr. Early commented that the operational cost was what hurt.

Mr. Adams stated that this is spread out between three making the Regional better.

Mr. Early asked what the up-front cost would be to remain in the Regional Authority.

Mr. Teller told that there were ongoing legal and engineering costs that \$75,000 would probably cover.

Mrs. Nichols asked how long it would take to build the regional project.

Mr. Adams stated that \$7M also connected all the systems except Tower Road and Cana.

April 28, 2005

Mrs. Nichols asked how far down the road the regional project would be.

Mr. Adams replied 8-10 years.

Mr. Jones commented that over the next 2-3 years the cost would not be as much.

Mr. Adams stated that there would be the cost of the plant and the line from Austinville.

Mr. Jones commented that if the County could get an industry it would help with the revenue and told that if the County grows there would be a need for something besides wells.

Mr. Spencer asked what the annual expense would be when the plant was in full operation.

Mr. Adams told that the County would also be funding connecting lines to the other systems to be ready to accept water from the plant as soon as the plant was operational.

Mr. Dalton asked what the estimated cost was of running a well for one year.

Mr. Hill told that the total for all wells is the labor of 2 people, and other things such as electricity. He told that one well on Beaver Dam had been lost, one on Island Creek had been lost, and one on Route 58 near the insurance office had been lost with the water turning muddy. He told that the east side of Town was in the worst shape. He told that it cost \$45,000 to drill and test 3 wells and that in recent years 5 dry holes had been drilled. He stated that he did not think the lines to the regional plant or lines to a County plant could be built without being grant eligible.

Mr. Early commented that the County needed to be grant eligible.

Mr. Evans stated that this would affect industry as well.

Mr. Adams stated that the County was not as far away from being grant eligible as before.

Mr. Early asked what the rate increase would be to get grant eligible.

Mr. Hill replied \$2.50 per month.

April 28, 2005

Mr. Spencer stated that this was for homes but it was \$160,000 for Magnolia.

Mr. Hill stated that the County was going to continue to grow and would need water.

Mr. Jones commented that the regional project was cheaper in the long run.

Mr. Evans asked what could change that would make the regional cost go up as comparable to a County plant.

Mr. Adams stated the normal increase in the cost of living that all face.

Mr. Early stated that if something could change for Magnolia and since the County was not that far away from being grant eligible it made the regional project more attractive. He stated that he liked spreading the liability over more players.

Mr. Teller told that the rate would cover the cost plus expenses. He stated that if Magnolia did not pay the \$160,000 it had to come from somewhere.

Mr. Adams told that if Magnolia were pulled out of the factor, the rate needed to be grant eligible will be reduced so rates may have to raise a little more to meet the expenses. He told that based on the numbers he would recommended going with the Regional Authority.

Mr. Teller told that there would be some legal fees but that he felt the Authority would allow the County to stay in. He told that he was worried about the general fund 2-3 years down the road.

Mr. Early stated that the cost would be there anyway if the County built its own plant.

(Order)

APPROVE COUNTY REMAINING IN THE NEW RIVER REGIONAL WATER AUTHORITY

Upon motion by Mr. Early, seconded by Mr. Jones, and passed unanimously, the Board approved for the County to remain in the New River Regional Water Authority.

April 28, 2005

REGIONAL ECONOMIC DEVELOPMENT MEMORANDUM OF UNDERSTANDING

Mr. Teller told that Galax and Grayson County had proposed all three localities joining together to hire and fund Mr. Tom Elliott as the regional economic development director with the office located in the Crossroads Institute. He told that funding for the first year would be from a grant from the Solid Waste Authority. He told that Carroll's share would have been \$29,000.

Mr. Early asked if there was money in the budget for Gary Larrowe. He told that for this position the County would pay one-third and Virginia Tech would pay two-thirds and asked if that was part of this.

Mr. Teller told that this was different from the Gary Larrowe situation.

Mr. Jones stated that he would be for this if it was located in Carroll County.

Mr. Spencer told that Carroll County had areas to market plus the incubator would be at Crossroads.

Mr. Evans commented that it did not cost this year but a decision would have to be made next year.

Mr. Jones stated that looking down the road it would be better to hire an economic developer.

Mr. Evans agreed and stated it would just be more money spent that didn't need spending.

Mrs. Myers stated that it was free the first year and then a decision could be made.

Mr. Early told that with the way it was structured, Mr. Elliott would answer to the Authority and Carroll had two members on the Authority so he will have Carroll's interest at heart. He told that he could not think of a better place for a client to come than Crossroads. He stated that this was a good idea and should be done.

(Order)

APPROVE REGIONAL ECONOMIC DEVELOPMENT MEMORANDUM OF UNDERSTANDING

April 28, 2005

Upon motion by Mrs. Myers, seconded by Mr. Early, and passed, the Board approved the Regional Economic Development Memorandum of Understanding.

Note: Mr. Jones and Mr. Evans voted No on the above motion.

Mrs. Nichols asked when this would start and when the year would end.

Mr. Teller replied July 1.

COUNTY BUDGET DISCUSSION

Mr. Teller presented the Board the following budget review:

April 27, 2005

MEMORANDUM TO BOARD OF SUPERVISORS

SUBJECT: FY 05-06 BUDGET REVIEW

As you begin review of the County's budget for the coming fiscal year, I want to provide you with some general information that I hope will give you some perspective and help you to make better decisions regarding our financial future.

In a nutshell, we are proposing a balanced budget with no increase in real or personal property taxes and no increase in County debt. This is bare-bones budget that makes the very most out of our tax revenues.

Comparison to FY 04-05 – Non-School Spending

The draft FY 05-06 County General Budget (excluding schools) presented to you is **\$1,213,302 less than this years' approved budget!** This represents an **overall 5.88% decrease in spending** by the County government, despite rising costs. I am proud of the efforts by my staff and our Constitutional Officers to cut expenses to the bare minimum, make smart purchasing decisions, and generally spend the taxpayers' money as if it were their own. We have made great strides over the last year to improve our financial health.

April 28, 2005

In comparison to other counties throughout the state, Carroll County can be proud of what we accomplish with our tax dollars. In per capita spending for County operations and maintenance, we are the lowest in the region. Carroll County spends \$1689 per capita for operations and maintenance in comparison to \$1946 in Wythe County, \$1915 in Pulaski, \$1821 in Grayson, and \$1777 in Floyd. Our County administration operates on approximately \$3 million dollars less than neighboring Wythe County, which has about the same population. With cuts and efficiencies we have instituted in FY 04-05, I believe that we are operating as efficiently as possible. The bottom line is that your County Government is a bare-bones operation that accomplishes a great deal with relatively few tax dollars and you should be proud of this.

Reserve Funds

You will note that our budget has a reserve fund of only \$100,000 for emergencies or unexpected funding requests. This \$100,000 is well within the margin of error in estimating our budget and should not be considered a true reserve. We need to work to increase our reserve fund over time to at least several million dollars in order to avoid having to borrow in anticipation of revenue each year and to properly prepare for the unexpected.

Recreation; Community and Economic Development

In comparison to surrounding counties, Carroll County spends very little for parks and recreation, community development initiatives, and economic development. For example, Carroll spends \$13.87 per capita for parks and recreation in comparison to \$25.18 in Wythe County and \$27.51 in Grayson County. We spend \$19.83 per capita for community development in comparison to \$52.62 in Wythe County and \$26.33 in Grayson County. I would strongly recommend against further budget cuts in these areas and would recommend increasing our spending in the future in order to improve our economic competitiveness and quality of life for our citizens.

Salaries and Wages

Over the years we have created a very inequitable situation where our lower paid employees have fallen far behind what employees in the school system and private sector are paid. Consequently, the Budget Committee is recommending that we address this inequity in FY 05-06 and use the money we would normally use for across-the-board raises to give targeted raises to those who are underpaid. Our goal is for our lower-paid employees to make what a comparable employee in the school system would make. Essentially,

April 28, 2005

FY 05-06 will be a catch-up year, ending the "Second-class" status that our employees have been relegated to over the years.

As for your highest paid employees, we are not proposing any raise this year – there is no raise proposed for me or Mr. Newman.

County Debt

With the pay-as-you go policy I recommended and you adopted last year, our debt situation will continue to slowly but steadily improve, with less and less of our tax revenue having to go to debt service. I strongly recommend that you retain this policy and "stay the course." Additionally, we are in the process of refinancing a large portion of our debt for the County Complex, which will save us \$43,000 per year over the next nine years.

School Spending

The School System has presented a budget of \$38,626,648, which represents a 7.2% increase over last years budget of \$36,036,399. The County's draft budget would fund the schools at \$36,866,575. Although \$1,760,072 less than what the School System is requesting, our proposed County budget would still leave the schools with \$830,176 more than last year, considering state and federal revenues, or a 2.3% increase over last year. (It is important to note, however, that of the increase in federal and state funds, \$520,268 comes from three new/expanded federal grants and cannot be diverted for other purposes.)

The County does not have an additional \$1,760,072 to give the School System without a substantial tax increase. It is important for everyone to realize that the entire County Budget, minus school funds, is only \$13,513,634. This amount funds our Sheriff's Office, Treasurer, Commissioner of Revenue, the judicial offices and courts, the Regional Jail, Social Services, Health Department, Library, animal control, senior citizens' centers, regional planning and economic development programs, and all the many other basic county services. Out of the \$13,513,634, roughly \$1,500,000 is actually within the control and discretion of the Board of Supervisors, and of this amount, only a few hundred thousand could realistically be cut without cutting an essential program or service.

Our draft County Budget proposes to give our School System \$10,135,023 from County funds, which is \$882,918 less than last year, but exceeds the minimum required by the state. Moreover, the Superintendent of Schools has advised that they would not lose state matching funds. The \$882,918 reduction

April 28, 2005

in local funding represents 2.2% of the School System's proposed \$38,626,648 FY 05-06 budget.

Our School System is our greatest asset. Nothing stated above should indicate that we should not do our very best as a county to provide additional funding to the School System in future years. Unfortunately, in FY 05-06, it is not possible to provide additional funding without a substantial tax increase.

Fire and Rescue

With the cooperation of our volunteer fire and rescue departments, we have taken some bold steps to contain the cost of these vital programs, without sacrificing basic services. Our proposed budget would reduce Fire and Rescue spending by \$140,889. We can be exceptionally proud of the work our volunteers do and the bargain this represents for our citizens.

Our Future

I strongly recommend that the Board begin planning for FY 06-07 and make some important decisions now. April/May 2006 will be too late to consider a number of options that could be taken this year that would either avoid or greatly reduce a tax increase for FY 06-07. Remaining on the road to better financial house will require careful planning and some difficult decisions.

Sincerely,

Craig E. Teller
County Administrator

Mrs. Myers asked what was in the budget for part-time in the Administrator's Office.

Mr. Teller replied \$10,000.

Mr. Jones commented that there was an increase from the last time.

Mr. Teller told that there was discussion of a person to cross train. He told that Rhonda Bowman would cross train and that a receptionist would be hired at \$18,000.

April 28, 2005

Mr. Jones asked why there was the need to hire someone with the new phone system.

Mrs. Myers stated that the \$18,000 needed to be taken out and use what had in the office.

Mrs. Nichols stated that if the person discussed by the Board was not going to be second in command they should not get a big raise.

Mr. Teller told that this employee had been given additional duties and had saved the County a lot of money over the last year. He stated that there needed to be some raise.

Mr. Jones commented that this person was no longer doing the EMS billing.

Mr. Early stated that he did not know any other place where someone could be demoted in their job duty and retain their salary.

Mr. Spencer told that this was a personnel issue and should be discussed in Closed Session.

Mr. Dalton told that some things can be in Closed Session and some not and cautioned that the Board would have to be very careful.

Mr. Evans stated that salary is public information. He told that the intent was to bring the pay scale up to comparable with the school system. He told he was involved with this but that it seemed higher than he remembered.

Mr. Teller told that the total was in line with what have had historically with across the board raises.

Mr. Spencer asked about giving a 3% raise to the ones targeted for a raise.

Mr. Jones asked why some were getting no raise and some getting a high raise.

Mr. Teller told that the intent was to get employees up to where a comparable employee would be in the school system.

Mr. Early commented that there was about \$39,000 difference between what the committee discussed.

Mr. Jones told that he would support a 3% raise.

Mr. Teller told that there were custodians making \$16,000 that needed a raise.

April 28, 2005

Mr. Jones replied that those are the ones that should get it.

Mr. Early commented that there are merit raises for those doing extra work and good work.

Mr. Evans made a motion, with a second by Mrs. Myers, to leave anything under \$20,000 with the raise recommended by the budget committee, to give those making between \$20,000 and \$40,000 a 3% raise, and those making over \$40,000 would not receive a raise.

Note: This motion was rescinded to allow for calculation of raises by the Board.

Mr. Early told that the raises were merit based to get people to a comparable standard of living with school employees.

Mr. Teller told that when the committee met it was discussed that the Supervisors had not reviewed this.

Mr. Early commented that now would be giving raises to those not determined to get raises.

Mrs. Nichols asked how much the savings were with the new phone system.

Mr. Teller told it was in excess of \$10,000.

Mr. Jones commented that the stipend should be put back in.

Mr. Teller told that this was not included. He told that the IRS had ruled that those being paid a stipend would have to be paid as an employee with the County paying tax and the employee paying tax on the stipend.

Mr. Jones told that he thought it still should be put back in and that it was a small amount to help with time and gas.

INCLUDE STIPENDS IN BUDGET

A motion was made by Mr. Jones, with a second by Mrs. Nichols, to include stipends in the budget.

Note: Mrs. Myers, Mr. Evans, Mr. Spencer, and Mr. Early voted No on the above motion.

April 28, 2005

Mr. Evans stated that some things needed to be cut but this is a small amount to pay these people.

Mr. Early told that the School Board wants more money, there were salary raises that were being reneged on, and now it was hypocritical to be discussing putting stipends back in when people should be willing to volunteer.

Mr. Evans asked what the \$2000 was for budgeted for the Arts Council.

Mr. Teller told that the Arts Council for the Twin Counties done a lot to encourage adult artisans and educate children.

Mr. Spencer told that the \$2000 also leads to regional money.

Mr. Teller told that the \$2000 is matched to make \$4000.

Mrs. Nichols stated that the Carroll County Chamber of Commerce did not get any funds but there was support for the Galax-Carroll Chamber.

Mr. Spencer told that the contract with the Carroll County Chamber was in lieu of dues and the County was paying for electricity and fuel.

Mr. Teller told that they were given space and utilities free.

(Order)

APPROVE DISCONTINUE PAYING GALAX-CARROLL-GRAYSON CHAMBER OF COMMERCE

Upon motion by Mr. Evans, seconded by Mrs. Myers, and passed, the Board approved discontinuing paying the Galax-Carroll-Grayson Chamber of Commerce.

Note: Mr. Early voted No on the above motion.

Mrs. Nichols stated that she would like to know what they have done for the County.

Mr. Spencer told that they had given the County name out, and had worked with other Chambers to make contacts so groups coming through would spend money in Carroll.

Mr. Evans commented that it is a service that is private and that it should not be up to the citizens to fund but should be up to the businesses.

April 28, 2005

Mr. Early asked if Galax and Grayson contribute.

Mr. Evans replied that we are not Grayson but are Carroll.

Mrs. Myers stated that only one Chamber was needed.

Mrs. Nichols commented that if the Carroll County Chamber was not doing what they should the ones over the Chamber should make them do it.

Dee Lindsey, Chamber member, told that the Chamber was more active than it had been in the past. She told that they were promoting buy local and had done a lot of work with the flea market.

Mrs. Nichols asked if the Board could fund the Carroll Chamber.

Mr. Evans told that it should be funded by local businesses.

Mr. Jones told that Cana Rescue Squad had received a \$40,000 grant and asked if they were going to get any help.

Mr. Teller told that the County did not need any more ambulances.

Mr. Early told that the committee had discussed taking out the Cana Trash site.

Mr. Spencer told that Ricky Dowdy had been keeping records of when the site was being used so the Board could look at altering the hours.

Mr. Early stated that he had no problem keeping it open and keeping a close watch on it.

Mr. Jones told that it was put there to help clean up the County.

Mr. Teller told that the Cannery was not included due to thinking the Board would accept the proposal for private operation.

Mr. Jones asked if there would be a part-time person needed.

Mr. Teller replied no.

Mr. Evans asked what hours it would be available to public usage.

Mr. Teller told that was not known yet but it could serve most of the customers.

April 28, 2005

AIRPORT FUNDING

A motion was made by Mr. Jones, with a second by Mr. Evans, to decrease funding to the Twin County Airport from \$40,000 to \$20,000.

Note: Mrs. Myers, Mr. Spencer, and Mr. Early voted No on the above motion.

Mr. Evans, Mrs. Nichols, and Mr. Jones voted Yes on the above motion.

Mr. Early asked Mr. Teller to explain the obligations of the County to the Airport.

Mr. Teller told that the Board had agreed to make payments on the site preparation for the hangar up to the personal property tax collected on airplanes. He told that the Board voted to include \$20,000 to match the Tobacco money. He told that the \$40,000 was for general operation and did not include any payment on the loan.

Mr. Early told that the Commission did go through a funding formula to determine funding. He told that if the County cut the funding in half the other localities would have a problem funding and the Airport would not be able to operate.

Mr. Evans asked about raising the hangar rates.

Mr. Early told that even if these were doubled it would not be much. He told that there was a full time manager who was doing a good job and that the purpose of the airport was to attract business to Carroll County.

Mr. Spencer told that a \$1M grant had been received to help with paving. He told that one of the first questions a company asks is how close is the County to an airport that can handle the day-to-day needs of a business. He told there was a 6-month delay in building Shoney's due to having to fly to Dublin and drive back due to not having refueling here at that time.

Mr. Early told that there was \$2M in federal money to help with the facilities. He stated that fuel is cheaper here and lots of planes refuel here to. He told that to get more taxes there was a need for more hangars.

Mr. Teller recommended adding at least \$50,000 and up to \$75,000 to the Regional Water Project Expense. Line item 011030-7007 was put at \$75,000.

April 28, 2005

Mr. Evans asked if funds would be required for Woodlawn Sewer.

Mr. Teller told that funds had not been provided for the PSA. He stated that to do projects the PSA would have to borrow funds.

SALARY AND BENEFITS

With a majority consensus, the Board approved the following salary and benefit increases for fiscal year 2005-2006:

	Current	Approved	Increase
Administrator	65000	65000	0
Dep. Adm./Operations	35029	36079	1050
Dep. Adm./EMS	57507	57507	0
Finance Officer	26000	30000	4000
Asst. Finance Officer	24569	26000	1431
Community Development	26000	26000	0
Receptionist	0	0	0
Resource Officer	40000	40000	0
Assessor	34062	35083	1021
Assessor Technician I	20691	21311	620
Assessor Technician II	18384	18933	549
Asst. Registrar	22484	22484	0
Judge's Secretary	24000	24000	0
Victim Witness Director	34218	34218	0
Building Official	30000	30000	0
Building Inspector	21829	26000	4171
BO Secretary	20691	20691	0
Animal Control Officer	29337	31000	1663
Recreation Director	37391	37391	0
Recreation Secretary	17849	23500	5651
Recreation Specialist	15000	15000	0
4-H Technician	18384	22000	3616
Farmer's Market Director	43346	44646	1300
Farmer's Market Asst. Director	23856	24571	715
Farmer's Market Staff	17533	20033	2500
Library Manager	19656	24000	4344
Library Staff	15474	15474	0
Maintenance Director	37391	42391	5000
Maintenance Asst. Director	28308	31138	2830
Maintenance Grounds Keeper	21563	21563	0
Maintenance Staff I	18059	20500	2441
Maintenance Staff II (pt to ft)	13104	19500	6396
Maintenance HVAC	26683	27484	801

April 28, 2005

Janitorial Director	20935	25000	4065
Janitor/Maintenance	20325	21500	1175
Janitor – Sch Bd floor	16918	19500	2582
Janitor – SS/Health	16918	19500	2582
Total Salary Increase			60503
Benefit Increase			11677
Projected VRS increase for all county employees			5446
Total Salary and Benefit Increase			77626

Salaries for Tourism Director (30000) and Tourism Assistant (25000) will be funded from Tourism Revenue.

Part-time employees will receive a 4% increase.

Note: Mr. Early objected to the decrease in the proposed salary increases as proposed by the budget committee for the Deputy Administrator for Operations, Assessor, and Maintenance Director, and to the deletion of the position of Receptionist.

Mr. Early asked for the differences in the duties between the employees listed on lines 2 and 3 that warranted a \$17000 difference.

Mr. Evans stated that not all of the Board was agreeable to the job titles.

Mr. Early stated that the actual difference was \$21000.

Mr. Evans told that when started the employee on line 3 did not carry this title and that he did not disagree with the pay.

Mrs. Myers stated that she did not disagree with the pay either.

Mr. Teller told that after the adjustments there would be a \$23,839 difference that would have to be taken from somewhere and told it could be taken from the Board Reserve.

Mr. Jones asked with the big tax increase where all the money had gone.

Mr. Teller replied that the budget showed this.

Mr. Spencer commented that revenues were down and that the food tax was down.

April 28, 2005

Mrs. Nichols stated that eating out is a treat for families now.

Mr. Spencer told that the only fund in the budget that had money set aside was for the landfill closure and that it should be there.

Mrs. Myers stated that it would help to cut the funding to the Airport to \$30,000.

Mr. Spencer told that the recommendation had been \$40,000.

Mr. Evans told that the line had been held on the schools and the Board should cut where it could.

Mr. Spencer told that he did not see any way to increase the school budget by \$389,905 without raising taxes.

(Order)

APPROVE AIRPORT FUNDING REDUCTION

Upon motion by Mr. Evans, seconded by Mr. Jones, and passed, the Board approved reducing the funding to the Twin County Airport to \$25,000.

Note: Mr. Early and Mr. Spencer voted No on the above motion.

ARTS COUNCIL FUNDING

A motion was made by Mr. Evans, with a second by Mr. Jones, to remove the \$2000 funding for the Arts Council.

Note: Mr. Evans voted Yes on the above motion.

Mrs. Myers, Mr. Spencer, Mr. Early, Mrs. Nichols, and Mr. Jones voted No on the above motion.

SCHOOL BOARD OPERATIONAL BUDGET

A motion was made by Mr. Evans, with a second by Mr. Jones, to approve the Carroll County School Board fiscal year 2005-2006 Operational Budget at an amount of \$36,866,576.

Note: Mrs. Myers, Mr. Evans, and Mr. Jones voted Yes on the above motion.

Mr. Spencer, Mr. Early, and Mrs. Nichols voted No on the above motion.

April 28, 2005

Mr. Spencer told that this was too severe.

Mr. Early stated that he agreed.

Mr. Spencer told that he did not want to see the taxes increased but thought the County would pay later for the programs that were cut.

Mrs. Myers told that the people could not pay more taxes.

Mr. Early told that the increase in the taxes would be \$10 on an average house.

Mr. Spencer stated that on an \$80000 house at 2 cents it would be \$16.00.

Mr. Early stated that this was \$16.00 that was important to people.

Mr. Spencer told that the Board in the past had built some nice schools but with that comes a high debt. He told that he was in awe that the County had the same tax rate as Grayson County with the Carroll County debt being \$58M and the Grayson debt being \$6M.

Mr. Evans stated that it was not a good thing but there would have to be some things cut to be good stewards of the money.

Mr. Early told that one of the most important things is the education of the children. He told that the education given to the children will be there all their life.

Mr. Jones commented that the waste could be cut out and still have enough.

Mrs. Nichols asked if there was anything the School Board could reduce.

Mr. Reginald Gardner, School Board Chairman, presented a handout showing that with level funding the School Board could probably save most of the current positions including the Americorp Program and Alternative Education Program, keep the current school resource officer position, and continue to operate activity buses for after school activities. It stated that it would not allow the purchase of any additional buses or keep all of the current positions with some positions being cut through attrition. He told that there would still have to cut some positions but hoped that could be done through retirement and told that cuts would have to account for increased costs.

Mr. Evans told that there was also a financial problem at 911 and they were looking for an increase. He stated that taxes had been put on utilities and other things.

April 28, 2005

SCHOOL BOARD OPERATIONAL BUDGET

A motion was made by Mr. Evans, with a second by Mr. Jones, to approve the Carroll County School Board fiscal year 2005-2006 Operational Budget in the amount of \$36,866,576 including the local contribution of \$10,135,023.

Note: Mrs. Myers, Mr. Spencer, and Mr. Early voted No on the above motion.

Mr. Evans, Mrs. Nichols, and Mr. Jones voted Yes on the above motion.

SCHOOL BOARD OPERATIONAL BUDGET

A motion was made by Mr. Early to adopt the Carroll County School Board fiscal year 2005-2006 Operational Budget with the local contribution being \$10,440,000.

Note: No action was taken on the motion due to the lack of a second.

Mr. Jones stated that the PSA had been put off and now the Board did not know what that was going to cost.

Mr. Evans stated that the Board didn't make decisions on projects and let the Town run the County business and now are paying the piper.

(Order)

ADOPT FISCAL YEAR 2005-2006 CARROLL COUNTY SCHOOL BOARD CONSTRUCTION FUND BUDGET

Upon motion by Mr. Evans, seconded by Mrs. Nichols, and passed unanimously, the Board adopted the Carroll County School Board Construction Fund Budget for fiscal year 2005-2006 in the amount of \$6,054,670.00.

(Order)

April 28, 2005

ADOPT FISCAL YEAR 2005-2006 CARROLL COUNTY SCHOOL BOARD FOOD SERVICE BUDGET

Upon motion by Mr. Evans, seconded by Mrs. Nichols, and passed unanimously, the Board adopted the Carroll County School Board Food Service Budget for fiscal year 2005-2006 in the amount of \$1,651,027.00.

(Order)

ADOPT FISCAL YEAR 2005-2006 CARROLL COUNTY SCHOOL BOARD TEXTBOOK FUND BUDGET

Upon motion by Mr. Evans, seconded by Mrs. Nichols, and passed unanimously, the Board adopted the Carroll County School Board Textbook Fund Budget for fiscal year 2005-2006 in the amount of \$481,000.00, with the local match coming out of the approved fiscal year 2005-2006 Carroll County School Board Operational Budget.

Mr. Spencer told that he did not want to see taxes go up. He told that the County had a huge debt but that it had been for good things. He told that the increase on \$80000 would be \$24.00.

Mr. Jones stated that the citizens would not like it.

Mrs. Nichols commented that the citizens could not afford it.

Mr. Jones stated that he heard the same thing for 6 years and jobs have not been lost.

Mr. Franklin Jett, School Board member, stated that they had never received back to back cuts. He told that even with retirement they would be losing jobs. He told that the schools needed to be looked at like other industries such as Magnolia or AmerLink. He told that 86% of the budget was for Instruction and commented that the fluff was School Nurses, Art, PE, and Technology.

Mr. Evans stated that land use costs \$400,000 to almost \$450,000. It told it was too late to help this fiscal year but the Board needed to think about next year. He told that he would not vote to increase taxes.

April 28, 2005

(Order)

AUTHORIZE PUBLIC HEARING – REPEAL LAND USE TAXATION

Upon motion by Mr. Evans, seconded by Mrs. Myers, and passed, the Board authorized a Public Hearing to be held on May 17, 2005 at 3:00 p.m. for the purpose of hearing public commented concerning the repeal of land use taxation.

Note: Mr. Jones voted No on the above motion.

Mr. Evans stated that other people's property was just as important as those with lots of land.

Mr. Jones stated that the Board had promised people it would keep land use for 4 years and commented that Board members have lied the people.

SCHOOL BOARD OPERATIONAL BUDGET

A motion was made by Mr. Early, with a second by Mrs. Myers, to approve the Carroll County School Board fiscal year 2005-2006 Operational Budget and increase the local funding to \$10,415,000.

Note: Mrs. Myers, Mr. Evans, Mr. Spencer, Mrs. Nichols, and Mr. Jones voted No on the above motion.

Mr. Gardner commented that anything closer to level funding would help save positions.

Mr. Jett stated that some things like Resource Officer, Activity Buses, Alternative Education, and AmeriCorp are very important.

Mr. Robert Utz, School Board member, told that they would try to save these programs.

Mr. Early told that he had heard of problems with the way the Alternative Education students were dressing and asked that the schools look at this issue.

SCHOOL BOARD OPERATIONAL BUDGET

April 28, 2005

A motion was made by Mr. Evans, with a second by Mr. Jones, to approve the Carroll County School Board fiscal year 2005-2006 Operational Budget with the local contribution of \$10,135,023.

Note: Mrs. Myers, Mr. Spencer, and Mr. Early voted No on the above motion.

Mr. Evans, Mrs. Nichols, and Mr. Jones voted Yes on the above motion.

Mrs. Nichols stated that either taxes were going to have to be raised or the budget adopted as is.

Mr. Spencer told that for the long term it would cost the County if the Alternative Education Program was cut.

Mr. Evans stated that the line had to be held. He stated that the School System could do better with correcting children but the parents did not want that.

SCHOOL BOARD OPERATIONAL BUDGET

A motion was made by Mr. Early to adopt the Carroll County School Board fiscal year 2005-2006 Operational Budget with \$10,415,000 as the local contribution.

Note: No action was taken on the above motion due to the lack of a second.

Mr. Jones told that he would like to give the school what they need but can't see a tax increase. He told that the School Board was going to have to work with what they get.

Mrs. Nichols stated that she could not vote for a tax increase with unemployment so high. She told that she would like to do something for the schools.

Mr. Early told that he had never been in favor of a tax increase. He stated that the County should be proud of the school system but told that he could not see burdening the children with the decisions of prior Boards. He told that he was in favor of continuing the good things the School Board had started but that two cuts in a row would impact the schools for years to come.

Mr. Evans told that when he started in office he thought there would be a lot of things to cut in the County budget. He told that some things are more

April 28, 2005

opinion than fact. He stated that most in the school system are making a good salary but it had always been rough on people living in this area. He told that he brought up land use last year and the Board was not interested in doing away with the special treatment for some.

Mrs. Myers told that she was not for raising taxes but did support the children.

Mr. Spencer told that it was a consensus of 4 votes No on raising taxes so the Board needed to adopt the budget.

Mr. Jones told that about 4 years ago the County held salaries constant. He asked if the school salaries could be held constant so people could keep their jobs.

Dr. McBride told that the State was supporting a salary increase of 3% in December which was a 1.7% increase starting in July. He told that a 3% raise was in the budget.

Mrs. Nichols asked if the salaries could be held constant except for the State funded portion.

Mr. Early told that there was an announcement of a restaurant locating one mile from the County but the County did not want to make it friendly for that type of restaurant to be in the County.

Mr. Evans stated that 70% of the citizens voted that they did not want this type of restaurant.

(Order)

ADOPT SCHOOL BOARD OPERATIONAL BUDGET

Upon motion by Mr. Evans, seconded by Mr. Jones, and passed, the Board adopted the fiscal year 2005-2006 Carroll County School Board Operational Budget in the amount of \$36,866,576.00 including the local contribution of \$10,135,023.00.

CARTER BUILDING

Mr. Teller told that the County would be receiving \$50,000 for the Carter Building but told that there was a need to go ahead with the work before the money was received. He told that there were good bids of \$25,100 for the new roof and \$14,751 for the painting with the County supplying the paint.

April 28, 2005

Mr. Spencer asked if the Town would be using part of the \$125,000 grant they received toward the painting.

Mr. Teller told that they were going to use \$25,000 toward other repairs.

(Order)

AWARD BIDS – CARTER BUILDING IMPROVEMENTS

Upon motion by Mrs. Nichols, seconded by Mrs. Myers, and passed unanimously, the Board authorized awarding bids in the amount of \$25,100 for the new roof and \$14,751 for the painting of the Carter Building.

FARMER'S MARKET EXPANSION

Mr. Teller told that the County had received a \$160,000 grant for the expansion of the Farmer's Market with \$100,000 designated for paving and \$60,000 designated to increase the retail building by 25 feet. He told that the match on the paving would be \$30,000 and on the building would be \$16,000.

(Order)

AUTHORIZE FARMER'S MARKET PAVING

Upon motion by Mrs. Myers, seconded by Mr. Evans, and passed unanimously, the Board authorized spending the \$30,000 match for paving and gravel for the Farmer's Market expansion.

ECONOMIC DEVELOPMENT LAND TRANSFER

Mr. Dalton told that the Board would need to vote to make the purchase of the Gynn property.

(Order)

AUTHORIZE PURCHASE OF GYNN PROPERTY

Upon motion by Mr. Early, seconded by Mr. Evans, and passed unanimously, the Board approved buying the Gynn property at the agreed upon terms.

Mr. Teller told that AmerLink had contracted with the County that if they don't perform the land reverts to the County.

April 28, 2005

Mr. Evans stated that he would like to see some of the documentation that has been reviewed pertaining to AmerLink.

Mr. Teller told that he had talked with their bankers, the Mayor of Rocky Mount, and had reviewed the Dunn and Bradstreet report.

Mr. Jones asked how much the Gynn land cost.

Mr. Spencer told that the entire farm was \$500,000.

Mr. Teller told that there would be a lease on the Farmer's Market property and if the lease was violated the improvements belonged to the County. He told that if the terms of the contract were not fulfilled within 39 months the property deeded AmerLink would come back to the County. He stated that if the Company went bankrupt it would be hard to get the land back.

Mr. Spencer stated that if the Company did go bankrupt the County would get \$1.4M in cabins that the investment to the County would only be \$320,000 in buying the Gynn property.

Mr. Evans asked if the Company did not perform and create jobs did the cabins come back to the County.

Mr. Teller told that these were separate contracts.

Mr. Evans asked if the contract could be for 20 years rather than 99 years.

Mr. Teller told that he Company is spending \$1.4M on the log homes and have to amortize that over several years.

Mr. Dalton stated that it would be hard to get them to invest \$1.4M on property they were only leasing for 20 years. He told that if the Company went belly up the land would be sold to either another company or the County could buy it back.

Mr. Evans stated that he was concerned with what they are investing based on the comments made tonight.

Mr. Teller told that the Company has promised to build certain facilities and has been in the business 23 years. He told that it was good to be cautious but he didn't want to send the wrong signal to the Company. He told that other localities have built large buildings for Call Centers that are fly by night.

Mr. Spencer told that the County was protected and the land would come back to the County.

April 28, 2005

Mr. Evans told that the big fear was if something did happen. He asked if a 99 year lease could be done at the Farmer's Market could that be a possibility for the Industrial Park property.

Mr. Teller told that it would be impossible to get financing for a manufacturing building on leased property.

Mr. Spencer told that there would be 200 good higher paying jobs and the Company would pay more for lumber. He told that there is risk in doing everything and that the Board had been talking about this for 4months and it was time to transfer the land.

Mr. Early told that there had been a lot of talk about wanting jobs and unemployment but nobody was making a motion.

(Order)

**AUTHORIZE TRANSFER OF ECONOMIC DEVELOPMENT
PROPERTY**

Upon motion by Mr. Spencer, seconded by Mrs. Nichols, and passed, the Board authorized the transfer of 32 acres to Harlingen Holdings, Inc.

Note: Mr. Spencer stepped down as Chairman to make the above motion.

Mrs. Myers and Mr. Early Abstained on the above motion.

SUPERVISORS TIME

(Order)

**REINSTATE RONALD NEWMAN AS ASSISTANT COUNTY
ADMINISTRATOR**

Upon motion by Mr. Evans, seconded by Mr. Jones, and passed, the Board reinstated Ronald Newman to the position of Assistant County Administrator.

April 28, 2005

Note: Mr. Early voted No on the above motion.
Mr. Spencer Abstained on the above motion.

Mrs. Myers told that Keith Grubb had resigned from the Social Services Board and that she would have a new person at the next meeting.

Mr. Early told that there had been a lot of discussion on revenue sources and told that the Board needed to look at this. He stated that the Airport had been unduly picked on tonight and that they would be back needing funding to do important projects.

AIRPORT FUNDING

A motion was made by Mr. Early to restore the Airport funding to \$40,000.

Note: No action was taken on the above motion due to lack of a second.

Mr. Early told that the Airport could not function no what had been allocated.

Mr. Spencer told that the Board had been through a lot and there was a lot of change. He told that they needed to keep in mind to treat each other with respect. He told that he would like to see issues worked out between members and the Board give the citizens what they need.

(Order)

ADJOURNMENT

Upon motion by Mr. Evans, seconded by Mrs. Myers, and passed unanimously, the Board adjourned at 11:27 p.m.

Brian E. Spencer, Chairman

Ronald L. Newman, Clerk