

May 30, 2006

The Carroll County Board of Supervisors held a Recessed Meeting on Tuesday, May 30, 2006 in the Board Meeting Room of the Carroll County Governmental Center.

Present were: Sharon F. Nichols, Chairman
Glenna Myers, Vice-Chairman
W. Jeff Evans
L. J. Jones
Joseph H. Early, III
Ralph J. "Bob" Martin, Jr.
Gary Larrowe, County Administrator
Ronald L. Newman, Assistant Administrator
Bradley Dalton, County Attorney

Mrs. Nichols called the meeting to Order at 7:20 p.m., thanked everyone for coming and then asked Mr. Larrowe to lead in prayer and the pledge of allegiance.

SCHOOL BUDGET DISCUSSION

Mr. Larrowe informed the Board that the first item would discussion of the school budget.

Dr. McBride told that there had been discussions with members of the Board and presented potential adjustments to the budget. He told that originally the salary compensation had been proposed at an increase of 4% plus a step. He told that this had been adjusted to an increase of 3.25% plus the step with the difference being used to start a Student Assistance Program to focus attention on education, mentoring, and after school programs. He told that this would need to be studied to use the funds wisely. He stated that students would be involved with visitation at local businesses and the students would be encouraged to attend college visitation programs. He told that the Carroll County High School model would grow e-commerce and involve youth in economic development while helping students increase their abilities and become more aware of the community and community involvement. He told that some of the things being offered are unique and will need to grow.

Mrs. Nichols stated that at the last meeting the budget was voted down but that the School Board had research and found \$350,000 in savings which is about 2.5 cents on the tax rate that can be given to the taxpayers. She stated that they had come up with good ideas.

Mr. Larrowe told that he had talked with Delegate Carrico about what the State was doing with schools. He told that Delegate Carrico said the State wanted to make sure the localities where funding education. Mr. Larrowe then stated that the efforts by the Board and the School Board had been

May 30, 2006

extraordinary in trying to move the County forward. He told that there would be programs that would be challenging but that would be followed by others in the State. He told of a presentation to a business prospect who asked several questions about the school system and told that this was a normal question by businesses. He told that this business was interested in the entrepreneurial program that the school system has helped to grow.

Mr. Early asked that the budget numbers be reviewed.

Mr. Larrowe told that the total school budget would be \$41,370,369 with local funding of \$11,390,599 and a carryover of \$222,173 for an increase in local funding of \$865,621.

(Order)

**APPROVE CARROLL COUNTY SCHOOL BOARD FISCAL YEAR
2006-2007 OPERATIONAL BUDGET**

Upon motion by Mrs. Myers, seconded by Mr. Early, and passed, the Board adopted the Carroll County School Board fiscal year 2006-2007 Operational Budget at \$41,370,369 which included \$11,390,599 in local funding and \$222,173 carryover.

Note: Mr. Evans told that he had contacted the Commonwealth's Attorney for an opinion concerning potential conflicts of interest and asked Mr. Larrowe to provide copies of the opinion to the Board.

Mr. Jones, Mr. Early, Mr. Martin, Mrs. Myers, and Mrs. Nichols voted Yes on the above motion.

Mr. Evans voted No on the above motion.

Mr. Martin stated that under an abundance of caution, he declared that he was an employee of the Carroll County School System but that this decision did not affect him any more than it did any other citizen and therefore he was able to vote fairly, objectively, and in the best interest of the County.

Mrs. Myers stated that she did not have a contract but was an employee of the Carroll County School System but that she did not have a conflict and was able to vote fairly, objectively, and in the best interest of the County.

May 30, 2006

Mr. Jones told that he did not like the way the State mandates what the County does in order to get funds but stated that the County could not afford to lose \$2M.

Mr. Evans stated that he hated to see the County lose money and commented that the County was being held hostage by the State. He told that he had went through the school check register and there were several petty checks with no way to really know how much was spent. He told that it was troubling as a citizen to not know how the tax money was spent. He stated that when the lottery was put in place it was for the schools but the people had been lied to by the people in Richmond. He told that the problem with the budget amount was that there was a need to learn to operate within the budget. He stated that government can strong arm citizens by taxing to get more money. He stated that he did not see a control in the spending.

Mrs. Nichols thanked the School Board for working diligently with the Board. She stated that the children would be getting something out of this and told she was sorry that the County employees could not get the same raise but indicated they would be getting 2% toward VRS.

Mr. Larrowe asked that reports be given to the Board on the new programs.

(Order)

**APPROVE CARROLL COUNTY SCHOOL BOARD FISCAL YEAR
2006-2007 CONSTRUCTION FUND BUDGET**

Upon motion by Mr. Early, seconded by Mr. Jones, and passed unanimously, the Board approved and appropriated the Carroll County School Board fiscal year 2006-2007 Construction Fund Budget at \$2,086,896.

(Order)

**APPROVE CARROLL COUNTY SCHOOL BOARD FISCAL YEAR
2006-2007 FOOD SERVICE FUND BUDGET**

Upon motion by Mr. Early, seconded by Mrs. Myers, and passed unanimously, the Board approved and appropriated the Carroll County School Board fiscal year 2006-2007 Food Service Fund Budget at \$1,997,546.

(Order)

May 30, 2006

**APPROVE CARROLL COUNTY SCHOOL BOARD FISCAL YEAR
2006-2007 TEXTBOOK FUND BUDGET**

Upon motion by Mr. Early, seconded by Mr. Jones, and passed unanimously, the Board approved and appropriated the Carroll County School Board fiscal year 2006-2007 Textbook Fund Budget at \$419,285.

(Order)

ADOPT HOMELAND SECURITY FUNDING RESOLUTION

Upon motion by Mr. Evans, seconded by Mrs. Myers, and passed unanimously, the Board adopted the Homeland Security Funding Resolution authorizing Gary Larrowe, County Administrator, Ronald Newman, Assistant Administrator, and Joe Roma, Emergency Services Coordinator, to sign all necessary documents to apply for and secure Homeland Security Funding.

COUNTY BUDGET DISCUSSION

Mr. Larrowe told the Board that by the end of the meeting they needed to approve a budget that could be advertised for Public Hearing. He then told that additional revenues for expected grants was shown. He told that there was a change in the expenses for Virginia Tech Extension due to the position being part-time without the VRS. He stated that Governmental Telephones had been increased because he had met with the company and the numbers were erroneous because the County would still have to pay the Sprint bill.

Mr. Early commented that the Board had 3 or 4 options but did not make a decision on a phone company.

Mr. Larrowe told that since the first payment on the Regional Water debt was not due until October 2008 there was a \$200,000 savings there. He told that the grants for the Information Technology and the Carter Building were shown on the expense side. He told that fuel for the Carter Building would be \$8000 but only \$4000 had been put in the budget awaiting Board advice. He told that there was a business plan that was moving forward and told that activities such as the chimney repair would be taking place.

Mr. Evans asked what finances were coming into the Carter Foundation. He stated they had been there for a long time and had been asked to take over the building.

Mr. Larrowe stated that the goal was to wean them off and make this the terminal year.

Mr. Evans stated that the \$4000 could be used other places in the budget.

May 30, 2006

MOTION TO REMOVE CARTER BUILDING FUEL FUNDING

A motion was made by Mr. Evans, with a second by Mr. Jones, to remove the funding for fuel for the Carter Building from the proposed budget.

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

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

Mr. Larrowe told that the changes discussed by the Board at the last meeting had been made. He then presented information concerning the EMS budget. He told that the true EMS budget was \$699,879 with an expected revenue of \$480,000 for a difference of \$219,879. He told that this was \$66,803 above what the Board had allowed. He told that if the turn-out gear were removed the difference would be \$35,503. He stated that revenues would be reduced drastically if EMS goes to part-time. He told that Diversified had indicated that if the billing were increased to the point it should be there would be an increase in revenues of \$63,000 so there would be an actual reduction in the amount needed to subsidize EMS.

Mr. Dalton asked if the increase was just an increase in the aggressiveness of collection.

Mr. Larrowe told that it was an increase in the rates.

Mr. Dalton asked if this was an across the board increase.

Mr. Larrowe told that Diversified had even calculated in no payments and slow payments.

Mr. Dalton commented that the patient needed to stay in touch with Diversified to keep the account current.

Mr. Joe Roma told that the billing is also for volunteers and that the County is on the low end of the billing.

Mr. Jones asked if EMS was still paying someone \$10,000 to do the drug boxes.

May 30, 2006

Mr. Roma stated that the goal was to do this in-house but that it would take 1-1.5 years to get the license.

Mrs. Nichols asked when this had been applied for.

Mr. Roma replied that he had the paper work and was working with the Government.

Mr. Early asked where the 2005-2006 budget came from.

Mr. Larrowe replied from Mr. Roma.

Mr. Roma told that the EMS Board was in control of the budget last year.

Mr. Martin commented that for basically the same money the service could be full-time.

Mr. Larrowe told that for an additional \$36,000 it can be full-time and if the rates are raised there will actually be a decrease in the County subsidy.

Mr. Early asked how long EMS had been full-time.

Mr. Larrowe told 2 months.

Mr. Early asked if there was any information on an increase in the revenues since becoming full-time.

Mr. Larrowe discussed the cash collections but stated that insurance companies are usually 60-90 days behind. He told that there was an increase in calls and also pointed out that overtime that had to be paid to the part-time employees in order to keep the ambulances running would not have to be paid.

(Order)

APPROVE CARROLL EMS FULL TIME

Upon motion by Mrs. Myers, seconded by Mr. Evans, and passed, the Board approved for Carroll EMS to be full time.

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

Mrs. Nichols asked that a report be given monthly on the number of calls and the finances.

May 30, 2006

Mr. Evans stated that there was no way to know in 2 months how things are going. He told that if the Board had went forward with the prior decision it would have hurt the system and it would have meant firing people.

Mr. Larrowe told the Board that he would be bringing information to them at the June 13 meeting concerning well and septic fees.

Mr. Larrowe told the Board that last year the Cana Trash site experienced a \$10,925 deficit but this year it was \$5786. He stated that the cost of subsidy had decreased but told that as long as there were paid employees it would not be much better. He told that work was being done to raise revenue by doing things such as selling the metal.

Mr. Martin stated that this was a good thing and that he would like to see it expanded to other areas of the County.

Mrs. Nichols suggested looking for grants for this.

Mr. Larrowe told that the County was expecting the litter control grant for next year.

MOTION TO REDUCE AIRPORT FUNDING

A motion was made by Mr. Evans, with a second by Mr. Jones, to reduce the Airport funding to \$10,000 for safety and maintenance with the understanding that the Airport Commission report back to the Board the exact cost of the maintenance of the Airport and if this is not enough to maintain safety the Commission will need to show proof of this and the amount.

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

Mr. Early disclosed that he had an interest in a business located at the Airport but stated that he did not have a personal interest in this issue and that this issue did not affect him any more than it did any other citizen and therefore did not have a conflict with this issue and was able to vote fairly and objectively and in the best interest of the County.

Mr. Evans stated that the reason behind the motion was the Board had not received any information on what things have taken place at the Airport. He told that he had made statements to Mr. Early concerning his involvement with a business and hangar at the Airport. He told that things on Airport property are public business and stated that he objected to Mr. Goad's letter. He told that the comments by the VACo Attorney were opposite Mr. Goad's opinion. He stated that the Airport Commission was not a government

May 30, 2006

but was appointed to represent the localities. He told that he was in favor of a majority of the localities being in control of the Airport.

Mr. Early told that this was a tough budget year and that other departments had been kept at level funding and the Airport should be kept at \$25,000.

Mr. Larowe pointed out that he did have a financial report for the Commission and that he had received an e-mail from Dr. Tom Littrell, Carroll County Airport Commission representative. He stated it was hard to obtain the State and Federal money without the local match.

Mr. Evans told that at the last Airport meeting he asked why Mr. Early had met with the Commission in Closed Meeting concerning becoming an FBO at the Airport. He told that this was further evidence of a conflict of interest. He told that when he asked the question the Commission Chairman confirmed there had been a Closed Meeting to discuss the FBO. He stated that it was a thin line when a Board member could vote on an issue that puts money in their pocket.

Mr. Early stated that it was interesting the Commission could have a Closed Meeting and Mr. Evans know what happened.

Mr. Martin told that 12 years ago a male member of his household got their pilot's license. He told that the lights at the Airport did not work and he had to fly to Dublin to get fuel. He told of flying into fog on the way back in and the trouble with the lights not working. He told that when he went to watch him solo they went to the igloo thing and the carpet was flea infested. He told that there was a person there interested in buying a business here and it turned out to be Governor Allen's pilot. He told that he was in favor of the Airport because it was one of the few things that gives an edge to the exit there and there are thousands of acres there for development. He stated that 12 years ago it was the pits and now it is better. He stated that whoever had done the upgrade had done a good job. He told that the Airport was an edge over everybody else.

Mr. Early told that Brian Spencer had said basically the same thing as Mr. Martin had stated. He commented that business people fly. He then told that he and four others have put a lot of money into the Airport and told it was probably more than had been put in by the localities. He stated that they were able to have an FBO at the Airport according to their lease. He told that people complain about the lack of activity at the Airport and told that he made a presentation to the Airport Commission to bring in a business but the Commission has not acted basically because of the person who fed Mr. Evans the information on the Closed Meeting.

MOTION FOR AIRPORT FUNDING

May 30, 2006

A motion was made by Mrs. Nichols, with a second by Mr. Evans, to fund the Airport at \$20,000 for fiscal year 2006-2007.

Note: Mrs. Nichols stepped down as Chairman to make the above motion.

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

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

Mr. Early disclosed that he had an interest in a business located at the Airport but stated that he did not have a personal interest in this issue and that this issue did not affect him any more than it did any other citizen and therefore did not have a conflict with this issue and was able to vote fairly and objectively and in the best interest of the County.

MOTION FOR AIRPORT FUNDING

A motion was made by Mr. Early, with a second by Mr. Martin, to fund the Airport at level funding of \$25,000 for fiscal year 2006-2007.

Note: Mr. Early, Mr. Martin, and Mrs. Myers voted Yes on the above motion.

Mr. Evans, Mr. Jones, and Mrs. Nichols voted No on the above motion.

Mr. Early disclosed that he had an interest in a business located at the Airport but stated that he did not have a personal interest in this issue and that this issue did not affect him any more than it did any other citizen and therefore did not have a conflict with this issue and was able to vote fairly and objectively and in the best interest of the County.

MOTION FOR AIRPORT FUNDING

A motion was made by Mr. Jones, with a second by Mr. Evans, to fund the Airport \$15,000 for fiscal year 2006-2007.

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

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

Mr. Early disclosed that he had an interest in a business located at the Airport but stated that he did not have a personal interest in this issue and

May 30, 2006

that this issue did not affect him any more than it did any other citizen and therefore did not have a conflict with this issue and was able to vote fairly and objectively and in the best interest of the County.

Mr. Early told that there was a statement by the Chairman that she would be the biggest supporter of the Airport.

Mrs. Nichols told that this is why she made the motion to fund \$20,000.

Mr. Early stated that no other department had been capriciously cut \$5000. He told that they were talking about \$25,000 out of \$61M budget and told that was not much but it made a big difference to the Airport because of the 2% match for funding.

Mr. Evans told that the whole point of his motion is that the Board is responsible for the taxpayer dollars. He told that he had been going to the meetings to find out what was going on.

Mr. Early told that it was interesting that Mr. Evans was on the Mount Rogers Transportation Board and had not attend those meetings but had attended the Airport Commission meetings.

Mr. Evans told that he had not attended the Mount Rogers Transportation Board meetings because he had not been notified of those meetings.

MOTION FOR AIRPORT FUNDING

A motion was made by Mr. Early, with a second by Mr. Martin, to fund the Airport at \$25,000 for fiscal year 2006-2007.

Note: Mr. Early, Mr. Martin, and Mrs. Myers voted Yes on the above motion.

Mr. Evans, Mr. Jones, and Mrs. Nichols voted No on the above motion.

Mr. Early disclosed that he had an interest in a business located at the Airport but stated that he did not have a personal interest in this issue and that this issue did not affect him any more than it did any other citizen and therefore did not have a conflict with this issue and was able to vote fairly and objectively and in the best interest of the County.

Mr. Martin asked if it was true that Independence and Fries had cut their funding to the Airport.

May 30, 2006

Mr. Larrowe told that he did not have that information.

Mr. Early told that it was true.

Mr. Evans told that at the last Commission meeting Mr. Larry Bartlett had commented that the Commission might not be giving the proper information to the localities.

Mr. Larrowe told that he would do what was reasonable and necessary to get Dr. Littrell to come to a meeting or get information from him.

Mr. Martin commented that there had not been any action to remove the amount from the Airport funding line item.

Mr. Dalton commented that at the end of the meeting the Administrator would be asking for preliminary approval of the budget and absent other action the funding stands at \$32,000.

Mr. Early told that he was impressed with the improvements made at the Cana Trash site and he applauded Ricky Dowdy and his crew. He told that other areas were in need as well. He asked that other initiatives be looked at to see if they could help the site break even. He stated that he had no intention of removing this from the budget.

Mr. Evans asked what the tax rate would be at this point as the budget stands including the school budget.

Mr. Larrowe told that with the addition of EMS the difference between revenues and expenses stands at \$1,724,423.80 which would be 11.97 cents on the tax levy so that would round to 12 cents.

Mr. Evans asked when the last tax increase occurred.

Mr. Newman told that it was in 2002 or 2003 and was 2 or 3 cents.

Mr. Larrowe told that approximately half of the increase was education related.

(Order)

APPROVE AIRPORT FUNDING

Upon motion by Mrs. Myers, seconded by Mr. Early, and passed, the Board approved funding for the Twin County Airport at \$25,000, level funding with the current year, for fiscal year 2006-2007.

May 30, 2006

Note: Mr. Early, Mr. Martin, Mrs. Myers, and Mrs. Nichols voted Yes on the above motion.

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

Mr. Early disclosed that he had an interest in a business located at the Airport but stated that he did not have a personal interest in this issue and that this issue did not affect him any more than it did any other citizen and therefore did not have a conflict with this issue and was able to vote fairly and objectively and in the best interest of the County.

MOTION TO RESTORE GALAX-CARROLL-GRAYSON CHAMBER OF COMMERCE FUNDING

A motion was made by Mr. Early, with a second by Mr. Martin, to restore the funding of \$3100 to the Galax-Carroll-Grayson Chamber of Commerce, now known as the Twin County Chamber of Commerce, for the fiscal year 2006-2007.

Note: Mr. Early and Mr. Martin voted Yes on the above motion.

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

Mr. Evans told that \$3100 may not be a lot but the Board didn't have the money so it would just be charged to the taxpayer with the taxpayers having no input. He told that the County voted against liquor by the drink and now the County wanted to support a group that is all about drinking.

Mr. Evans then asked about the revenue plan and the changes at the Recreation Park.

Mr. Larrowe explained that there would be a sharing of an employee with the Farmer's Market and the Recreation Department was doing bus trips and planning other activities.

Mrs. Myers asked what it cost for a child to play ball.

Mrs. Nichols told that it was \$30 for an adult and would be less for a child.

Mr. Evans commented that a way needed to be found to help the financial standing.

(Order)

May 30, 2006

AUTHORIZE BUDGET ADVERTISING

Upon motion by Mr. Martin, seconded by Mr. Early, and passed, the Board authorized advertising the Carroll County fiscal year 2006-2007 budget as presented and discussed with the changes made with the tax rate increase of 12 cents.

Note: Mr. Early, Mr. Martin, Mrs. Myers, and Mrs. Nichols voted Yes on the above motion.

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

Mr. Martin asked if anything had been done formally on twice per year tax collection.

Mr. Larrowe told that his sense was this would be discussed in June.

Mrs. Nichols commend Nicholas Burnette and all other kindergarten graduates.

(Order)

ADJOURNMENT

Upon motion by Mr. Early, seconded by Mr. Jones, and passed unanimously, the Board adjourned at 9:37 p.m. until their next regular meeting to be held June 13, 2006.

Sharon F. Nichols, Chairman

Ronald L. Newman, Assistant Clerk