

June 23, 2008

The Carroll County Board of Supervisors held a Special Meeting on June 23, 2008 in the Board Meeting Room of the Carroll County Governmental Center.

Present were: W.S. "Sam" Dickson, Chairman  
David V. Hutchins, Vice-Chairman  
Wesley G. Hurst  
Dr. Thomas W. Littrell  
N. Manus McMillian  
Gary Larrowe, County Administrator  
Ronald L. Newman, Assistant Administrator

Mr. Dickson called the meeting to order at 7:05 p.m. and asked Mr. Hutchins to lead in prayer and the pledge.

Mr. Dickson thanked the Maintenance Department for the work on the entrance. He told that the Board was missing Mr. Jackson tonight because his daughter is having surgery. He asked that they be in each one's prayers.

Mr. McMillian told that Hurley Vernon, a former Board member, had passed away and would be at Oak Ridge Church tonight and the funeral would be tomorrow.

(Order)

**APPROVE MAINTENANCE DEPARTMENT TRANSFER**

Upon motion by Mr. Hutchins, seconded by Mr. McMillian, and passed, the Board approved to transfer \$50,000 from Maintenance of Social Services Building line item 043050-7000 to Maintenance of Other Properties Capital Outlay line item 043100-7000 for paving done at Cana Trash Site and EMS building.

VOTES

Mr. Jackson Not Present  
Mr. Hurst Yes  
Mr. Hutchins Yes  
Mr. Dickson Yes  
Mr. Littrell Yes  
Mr. McMillian Yes

(Order)

**APPROVE LITTER CONTROL FUNDS APPROPRIATION**

Upon motion by Mr. Hutchins, seconded by Mr. McMillian, and passed, the Board appropriated \$716.00 received from the sale of metal collected during the May cleanup to Litter Control Program Grant line item 042020-7001.

VOTES

Mr. Jackson Not Present  
Mr. Hurst Yes  
Mr. Hutchins Yes  
Mr. Dickson Yes  
Mr. Littrell Yes  
Mr. McMillian Yes

(Order)

**APPROVE ADDITIONAL APPROPRIATIONS**

Upon motion by Mr. Hutchins, seconded by Mr. McMillian, and passed, the Board approved the following appropriations to balance the following department line items:

012040-3002	Compensation of County Attorney	\$8,262.59
012040-3003	Legal Fees – Other	113.00
012040-5801	Dues and Subscriptions	125.00
033020-7006	Payments to Regional Jail	67,405.50
033030-3009	Care of Juveniles	63,553.24
091500-5899	Bank SC & Deposit Tickets/Wachovia	145.71
091500-5999	Credit Card & Telecheck Fees	19,691.57

VOTES

- Mr. Jackson Not Present
- Mr. Hurst Yes
- Mr. Hutchins Yes
- Mr. Dickson Yes
- Mr. Littrell Yes
- Mr. McMillian Yes

(Order)

**APPROVE HYDRO COOLER EXPENSES**

Upon motion by Mr. Hutchins, seconded by Mr. McMillian, and passed, the Board checks to be written for expenses incurred with the Farmer’s Market hydro cooler project following review of the expenses by Ronald Newman, Pam Smith, and Kevin Semones, with the Board re-approving the checks at their next meeting.

VOTES

- Mr. Jackson Not Present
- Mr. Hurst Yes
- Mr. Hutchins Yes
- Mr. Dickson Yes
- Mr. Littrell Yes
- Mr. McMillian Yes

(Order)

**APPROVAL OF CLAIMS**

Upon motion by Mr. Hutchins, seconded by Mr. McMillian, and passed, the Board approved the General County Claims as presented this day and as evidenced by check numbers 90633-90756.

VOTES

- Mr. Jackson Not Present
- Mr. Hurst Yes
- Mr. Hutchins Yes
- Mr. Dickson Yes
- Mr. Littrell Yes
- Mr. McMillian Yes

**CITIZEN'S TIME**

Ms. Janet Tate asked that the Board have a joint Public Hearing with the Planning Commission for the Subdivision Ordinance because many of the Planning Commission members are new and have not faced hostile crowds. She told that the Ordinance needed to be done. She advised having separate ordinances for campgrounds and recreational vehicles rather than jointly with mobile home parks. She told that the website should contain contact information for people on committees and the website calendar should be updated.

Mr. Cornwell told that the Planning Commission has sent the Subdivision Ordinance with changes to the Board for review and asked that it be referred to them for a Public Hearing. He told that the reason for a separate public hearing is it gives a chance for things to be vented and there might be changes that need to be worked out.

Mr. Larrowe told that work is being done on the redesign of the website and the updated information will be part of that.

**PUBLIC HEARING – TRANSFER OF WATER-SEWER ASSETS TO PUBLIC SERVICE AUTHORITY**

Mr. Dickson opened the public hearing at 7:20 p.m. and Mr. Cornwell told that purpose to the hearing.

With no one to speak the public hearing was closed at 7:22 p.m.

(Order)

**ADOPT RESOLUTION AUTHORIZING TRANSFER OF WATER AND SEWER ASSETS TO THE PUBLIC SERVICE AUTHORITY**

Upon motion by Dr. Littrell, seconded by Mr. Hutchins and passing, the Board approved the following resolution:

**RESOLUTION AUTHORIZING  
TRANSFER OF REAL AND PERSONAL PROPERTY**

**WHEREAS**, because of loan requirements to the Carroll County Public Service Authority, the Board of Supervisors of Carroll County has been requested to transfer to the Carroll County Public Service Authority all sewer collection facilities or systems and water supply facilities or systems owned by Carroll County in order that the Carroll County Public Service Authority may own, maintain and operate such systems; and,

**WHEREAS**, a Public Hearing, duly advertised, concerning the disposition of such systems and the real property involved therein was held on the 23<sup>rd</sup> day of June 2008 at 7:00 p.m. by the Board of Supervisors of Carroll County in order to determine to make such transfer.

**NOW, THEREFORE BE IT RESOLVED**, that all right, title, and interest of the County of Carroll in and to any real or personal property owned the County of Carroll constituting of sewer collection facilities or systems, including but not limited to sewer lines, pump stations and all structures, equipment, goods, or real property what so ever functionally related thereto including easements and parcels of real estate; and, all of Carroll County's right, title, interest, in and to any water supply facilities, water distribution lines, and related equipment and easements located in or near such property, including easements and parcels of real estate, shall be and are hereby

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transferred and conveyed to the Carroll County Public Service Authority with Special Warranty to own, operate and maintain. The Carroll County Public Service Authority shall obtain the consent to such transfer of any lender which may be involved in such systems.

This Resolution shall be effective immediately.

The Chairman of the Board of Supervisors of Carroll County is hereby authorized to execute such documents as may be necessary to carry forth the intent of this Resolution.

Adopted this, the 23<sup>rd</sup> day of June 2008.

VOTES

Mr. Jackson Not Present  
Mr. Hurst Yes  
Mr. Hutchins Yes  
Mr. Dickson Yes  
Mr. Littrell Yes  
Mr. McMillian Yes

**ROBINSON, FARMER & COX**

Mr. Corbin Stone told that the Accounting Standards Board had been involved since Enron. He told that SAS 112 had created more space between auditors and staff and told that there will probably be more comments concerning internal controls for FY 08. He told that GASB45 will not go into effect until July 2009 for Carroll County and the County would have to decide if it needs to make personnel changes to get below the threshold. He told that the General Fund revenue was 21 million in 2003 and 31 million in 2007. He told that the trend is that the revenues have increased over expenses and that in FY07 the fund balances increased \$5 million. He told that the County paid the debt service early so this would make that figure \$4.3M. He told that other factors were the real estate taxes were higher, the County has EMS charges, the interest is higher, and the County received 2 payments from the City of Galax. He told that the 2007 fund balance is just under \$10.7 million and it is a position that most counties would like to be in. Mr. Stone told that the total debt including PSA is \$53 million and that the per capita is in line with similar size localities. He told that he has looked at the Treasurer's report through May and he expects growth in revenues and that the County will have a surplus at the end of the year. He told that funds held for others are not included in the fund balance.

Mr. Dickson told that he can't find the fund balance on the audit.

Mr. Stone told that it is Exhibit 5 in the Audit Report and Exhibit 1 & 2 include assets including the building and Exhibit 5 pertains to liquid assets.

Mr. McMillian asked about the \$1.3 million that was used to balance last year's budget.

Mr. Stone told that it was replaced by year end.

Mr. Larowe told that it was good planning to have money on hand with the tough economic times.

Mr. Stone told that the prediction is real estate values will remain flat or grow at a rate less than inflation.

Mr. Dickson asked what the percentage is that the Board needs to have in reserve.

Mr. Stone told that it is 10% of the County & School budget combined and anything above that is additional safety. He told that 10% would cover 5 weeks.

Mr. Dickson asked if there were areas of non-compliance.

Mr. Stone told that if the auditors make any adjustments to the books it is a finding and told that he did send a management letter to Gary Larowe of things that need to be addressed that were not significant. He told that page 68 of the audit contained significant findings and two of these were controls over fixed assets. He told that all localities have seen an increase in findings.

Dr. Littrell asked if the fund balance decreases during the year.

Mr. Stone told that during the fall it would be the lowest and the prediction is that the fund balance will be \$11 million.

(Order)

**ADOPTION OF FY 08-09 BUDGET**

Upon motion by Mr. McMillian, seconded by Mr. Hutchins, and passed, the Board adopted the fiscal year 2008-2009 budget adopted as presented on June 9, 2008 with the total being \$74,802,029.

Mr. Hurst asked if adopting the budget predetermine the tax rate.

Mr. Larowe told that in effect it does, but the Board will still need a motion on the tax rate.

**VOTES**

- Mr. Jackson Not Present
- Mr. Hurst Yes
- Mr. Hutchins Yes
- Mr. Dickson Yes
- Mr. Littrell Yes
- Mr. McMillian Yes

(Order)

**APPROVE APPROPRIATIONS AS PRESENTED JUNE 9, 2008**

Upon motion by Mr. Hutchins, seconded by Dr. Littrell and passed, the Board approved that the following activities are hereby granted an appropriation for the fiscal year ending June 30, 2009 in conformity with the adopted budget and pursuant to the authority granted by Section 58.1-3001 of the Code of Virginia (1950, as amended).

General Fund: To be expended only on order of the Board of Supervisors:

Board of Supervisors	\$763,426
Central Purchasing	5,000
Regional Water Project	482,015
Airport Road Water Project	252,750
Exit 19 Sewer	65,000
Woodlawn Sewer Project	150,000
Exit 1	85,000
County Administrator	328,117
Finance Department	213,456
Resource Development Office	67,965

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Legal Services	50,500
Tourism	206,770
Information Technology	134,904
Commissioner of Revenue	285,325
Real Estate Appraiser	187,609
Treasurer	388,390
Electoral Board	99,507
Registrar	117,798
Judicial Administration, Circuit Court	40,705
District Courts	5,000
Juvenile Court	3,350
Magistrate's Office	500
Clerk-Circuit Court	422,938
Commonwealth Attorney	519,240
Victim Witness	57,882
Sheriff	1,802,537
Vehicle Maintenance	248,765
Courtroom Security	78,011
Volunteer Fire Departments	603,137
Volunteer Rescue Squads	192,500
E-911 Surcharge	327,217
Care of Prisoners	790,955
Youth and Family Services	101,581
Building Inspection	168,554
Erosion & Sediment Control	73,728
Animal Control	87,967
Medical Examiner	800
Emergency Services Coordinator	96,115
Carroll EMS	924,915
Litter Control	25,851
Refuse Collection and Disposal	414,096
Cana Trash Site	58,477
Maintenance, County Complex	434,599
Maintenance of Courthouse	12,600
Maintenance of Carter Building	5,500
Maintenance of Cannery	13,000
Maintenance of Lovells Creek Dam	876
Maintenance of Other Properties	1,980
Maintenance Force	248,568
Maintenance Force – Vehicle	35,265
Maintenance Force – Equipment	15,400
Maintenance Force – Shop	4,025
Maintenance of General Properties	200,700
Garage Emergency Vehicles	2,500
Public Utilities	586,701
Health	225,146
Mental Health and Mental Retardation	124,750
Senior Citizens Programs	66,269
Community Colleges	36,633
Farmers Market	203,006
Recreation	225,730
Swimming Pool	66,396
Carroll-Galax Regional Library	231,183
Planning Commission	7,500
Economic Development	1,524,786
Economic Development Office	143,256
Airport	37,000
Soil and Water Conservation	8,700
Extension and Continuing Education	63,308
Law Library	15,000
Transfer to School Fund	11,547,808

To be expended only on order of the Board of Social Services:

Administration and Public Assistance	\$3,175,452
Comprehensive Services Act	775,000
Hospitalization-State/Local	74,698

School Fund: To be expended only on order of the School Board	43,760,339
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Total Appropriations	74,802,029
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The County Treasurer is hereby authorized and directed to transfer sums as needed from the General Fund to the School Fund to meet the foregoing appropriations.

(Order)

**RESOLUTION TO PROVIDE LOCAL AID TO THE COMMONWEALTH**

Upon motion by Mr. Hutchins, seconded by Mr. McMillian and passing, the Board approved the following resolution:

Mr. Hutchins told that this lets the Commonwealth know that they are neglecting their duties and passing the burden on to local taxpayers that should be born by the Commonwealth.



**Resolution to Provide Local Aid to the Commonwealth**

Adopted by Carroll County, Virginia

June 23, 2008

**WHEREAS**, the General Assembly chose to respond to shrinking revenue growth by shifting to local governments the responsibility for reducing \$100.0 million of core services; and

**WHEREAS**, the Governor signed into law this \$100.0 million appropriation reduction for local governments in the 2008-2010 biennium without identifying the programs to be reduced; and

**WHEREAS**, these reductions are in addition to those made by the General Assembly and approved by the Governor affecting law enforcement, elementary and secondary education, profits from the Alcoholic Beverage Control Enterprise Fund and distributions of wine liter tax collections, constitutional offices, the upgrade of wastewater treatment facilities in conformance with water quality standards and goals, and farmland preservation to name but a few; and

**WHEREAS**, the \$100.0 million reduction will likely be carried forward into future biennia forcing city and county governments to choose between raising taxes or reducing services;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Carroll County Board of Supervisors does hereby support the recording of this intergovernmental revenue reduction from the Commonwealth as **Local Aid to the Commonwealth**; and

**BE IT FURTHER RESOLVED THAT**, this recording on all financial records shall be shared with the delegation, the Governor and local news media so that citizens understand the decisions made by this governing body in response to the Commonwealth’s choice to delegate their constitutional obligation to local governments.

	Name	Date
Clerk		Date

**VOTES**

- Mr. Jackson Not Present
- Mr. Hurst Yes
- Mr. Hutchins Yes
- Mr. Dickson Yes
- Mr. Littrell Yes
- Mr. McMillian Yes

(Order)

**INTERGOVERNMENTAL RESOLUTION**

Upon motion by Mr. Hutchins, seconded by Mr. Hurst and passing, the Board approved the following resolution.

**CARROLL COUNTY BOARD OF SUPERVISORS  
 CARROLL COUNTY PUBLIC SERVICE AUTHORITY  
 INTERGOVERNMENTAL RESOLUTION**

**WHEREAS**, the Carroll County Board of Supervisors are working diligently to stimulate economic growth and toward the creation of jobs; and

**WHEREAS**, the Carroll County Public Service Authority is working on several infrastructure projects that will assist with this economic growth; and

**WHEREAS**, the Carroll County Board of Supervisors realize the need for additional assistance for the Carroll County Public Service Authority to complete these projects.

**NOW, THEREFORE, BE IT RESOLVED** that the Carroll County Public Service Authority has requested, and the Carroll County Board of Supervisors has agreed to contribute a County employee’s time to the Carroll County Public Service Authority until such time as mutually agreeable between the Carroll County Board of Supervisors and Carroll County Public Service Authority.

**BE IT FURTHER RESOLVED** that an additional County employee with GIS skills will be transferred as an employee of the Carroll County Public Service Authority to assist with customer service and data entry as well as continuing to work with GIS issues.

VOTES

Mr. Jackson Not Present  
Mr. Hurst Yes  
Mr. Hutchins Yes  
Mr. Dickson Yes  
Mr. Littrell Yes  
Mr. McMillian Yes

**ADMINISTRATOR'S TIME**

Mr. Larrowe told he echoed the same thoughts of working with Mr. Goad on getting the word out on things going on in the County. He invited the Board to the Customer Service Training on June 24<sup>th</sup> and told that the Department of Business Assistance is helping with the training. He told that the County employees focus on getting the job done, but maybe don't always have the skills to deal with the public.

Mr. Dickson told that he appreciates the effort on this and told that the public needs a friendly face.

Mr. Larrowe told that he does not know the exact time of the redesign of the website, but it is being worked on. He told that part of the hydro-cooler is in and reminded the Board that he would be gone the next few days.

Mr. Dickson told that Mr. Larrowe would be on a mission trip.

**SUPERVISOR'S TIME**

Mr. Hurst told that the Board has worked hard on the budget and they have compared it to other localities. He told that the efficiency ratio with the number of employees is good and the County has to spend money to grow in order to get return on opportunities and to insure companies will want to come to the County. He thanked everyone for coming.

Mr. Hutchins told that County is at a crossroads and has a choice of moving forward or moving backwards. He told that he hears from citizens that the County would not be in this situation if we could attract companies and jobs. He told that the Board has worked diligently and the budget reflects that the County will be moving forward. He told that the County doesn't have a large industrial base to draw dollars from but the Board is working to put in infrastructure such as water, sewer and fiber. He told that it is easy to sit on the outside saying where cuts need to be made but sometimes the state and federal dollars are tied to this money. He told that the budget has been painful.

Dr. Littrell told that it has been painful between the reassessment and the dollars needed. He told that the budget is good for the County and maybe not so for some citizens but it is good to hear about the fund balance. He told that the Board try to please, but know when working on the budget they will not please everyone. He talked about tourism trying to get the tax burden off the taxpayer and stated if the County could get a big box store it would help with this or if the usage of the exits could be increased it would get dollars from travelers rather than the local public.

Mr. McMillian asked everyone to keep Mr. Jackson's daughter in their prayers for a speedy recovery. He told that he could see stress in eyes when discussing approving the budget. He told that the Board has worked diligently to find areas in the budget to cut and they are trying to be good stewards of the County dollars. He told that it is not a popular position. He stated it would be a harder decision if he didn't know they had tried hard to find every cut.

Mr. Dickson told that the Board is 7 days short of 6 months service and they have identified a lot of problems and they are working on them. He told that they have not solved all of them but they have worked on the E&S and subdivision ordinances. He told that the Board would love to have lower taxes but they can't do that and operate the County.

(Order)

**APPROVE PROPERTY TAX LEVIES – CALENDAR YEAR 2008**

Upon motion by Dr. Littrell, seconded by Mr. Dickson, and passed, the Board approved the levies for the tax year 2008 set at \$0.595 per \$100 assessed valuation of real estate, \$1.60 per \$100 assessed valuation of tangible personal property, excluding therefrom such segregated property as set forth in paragraphs (1) and (14) of Section 58.1-3503 of the Code of Virginia (1950, as amended) upon which the rate shall be zero, \$2.30 per \$100 assessed valuation of merchant's capital, and \$1.30 per \$100 assessed valuation of machinery and tools based on the following depreciation factors:

Year Equipment Purchased	Depreciation Factor
1999 and before	30% of cost
2000	35% of cost
2001	40% of cost
2002	50% of cost
2003	60% of cost
2004	70% of cost
2005	80% of cost
2006	85% of cost
2007	90% of cost

VOTE

- Mr. Jackson Not Present
- Mr. Hurst No
- Mr. Hutchins Yes
- Mr. Dickson Yes
- Dr. Littrell Yes
- Mr. McMillian No

Note (Mr. Dickson stepped down as chair to second the motion)

Mr. Hurst told that he is looking at most everyone's problems with the budget and the rates and it comes back to the assessment and how over 30% of the property owners are above average and 20% are way above average. He told that the Board has made a good budget for the County and he is concerned about some of the citizens in the County.

Mr. McMillian told that he agrees 100%. He told that he believes in the budget and work, but is not so confident in the work done before this Board. He told that he has not figured out how the property rates were increased at such a rate with this economy.

Mr. Larrowe told that the No Smoking Policy would be implemented in all of the County controlled buildings and that there are smoking areas outside.

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(Order)

**ADJOURNMENT**

Upon motion my Mr. Hutchins, seconded by Mr. Hurst, and passed, the Board adjourned at 8:27 p.m.

VOTES

Mr. Jackson Not Present

Mr. Hurst Yes

Mr. Hutchins Yes

Mr. Dickson Yes

Mr. Littrell Yes

Mr. McMillian Yes

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W. S. "Sam" Dickson, Chairman

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Ronald L. Newman, Assistant Clerk