

August 8, 2016

The Carroll County Board of Supervisors held their regular monthly meeting on, August 8, 2016 in the Board Meeting Room of the Carroll County Governmental Center.

Present were:

Joshua A. Hendrick
Rex L. Hill
Dr. Tom Littrell
Bob Martin
Phil McCraw
Robbie McCraw
Nikki Cannon, Interim County Administrator
Steve Durbin, County Attorney

Mr. Hendrick called the meeting to order at 4:35 p.m.

CLOSED SESSION – PURSUANT TO VIRGINIA CODE SECTION 2.2-3711(A1, A3, A5, A7)

Upon motion by Mr. Phil McCraw, seconded by Mr. Martin, and passing, the Board convened a Closed Session for the discussion of personnel, legal matter, as authorized by Virginia Code Section 2.2-3711(A1, A3, A5, A7).

1. Discussion or consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided the teacher makes a written request to be present to the presiding officer of the appropriate board.

3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. For the purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

CERTIFICATION OF CLOSED SESSION

Upon motion by Mr. Phil McCraw, seconded by Mr. Robbie McCraw, and passing, the Board adopted the following Resolution:

WHEREAS, the Carroll County Board of Supervisors convened a Closed Session this date pursuant to an affirmative recorded vote and on the motion to close the meeting in accordance with the Virginia Freedom of Information Act;

WHEREAS, Section 2.2-3711(D) of the Code of Virginia requires a certification by the Board of Supervisors that such Closed Session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Carroll County Board of Supervisors hereby certifies that, to the best of each member’s knowledge, (I) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the Closed Session to which this certification applies, and (II) only such business matters as were identified in the motion by which this Closed Session was convened were heard, discussed, or considered in the meeting to which this certification applies.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

Mr. Hendrick told that it is good to see everyone out tonight.

Mr. Martin lead in invocation and pledge.

(Order)

APPROVAL OF AGENDA

Upon motion by Dr. Littrell, seconded by Mr. Phil McCraw and passing, the Board approved the agenda as amended, adding an additional appropriation request to Board approval.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

APPROVAL OF MINUTES

Upon motion by Mr. Phil McCraw, seconded by Dr. Littrell and passing, the Board approved the minutes of the meeting on July 11, 2016.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes

Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

CONSENT AGENDA

Upon motion by Mr. Phil McCraw, seconded by Dr. Littrell and passing, the Board approved the Consent Agenda.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

SCHOOL ADDITIONAL APPROPRIATION

Upon motion by Mr. Phil McCraw, seconded by Dr. Littrell and passing, the Board approved an additional appropriation in the amount of \$62,500 for Summer Cyber Camp Program.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

HB2 PROJECT

Mr. Hendrick told that we had a discussion with Ms. Hughes from VDOT last month and we need to submit our potential projects to her by August 15th. He told that they need 58 or I-77 or a alternate route to one of those. He told that there were spot improvements on 52 which was submitted last year but not funded.

Mr. Martin told that Rt. 52 from Hillsville to Shorts Creek is becoming a major highway because 77 stays messed up so much. He told that if there is an accident or holiday traffic it throws all the traffic to 52 or 100. He told that there is one major curve where there is a solid rock cliff and the only way a truck can go around is to be over on 2/3 of the road and it is only a matter of time before someone is killed. He told that it is a shame that we are having to look at doing upgrades on things that the state should be taking care of at Ft. Chiswell. He told this would be about 3/4 mile below Shorts Creek Church and the trucks can just not take the curve. He told that if you are talking about statewide significance, it is a blind curve coming north or south.

Mr. Hendrick asked Nikki if she is familiar with the scope of the project last year.

Ms. Cannon told that she is not.

Mr. Hendrick told that he does not know what is within the scope. He told that it may be in it. The project last year was deemed a spot improvement.

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Mr. Martin told that 77 cannot carry the traffic during holidays and if there is a wreck; it is just more than the roads are capable of handling.

Mr. Hill told that he has one on Exit 19 at the west side of Coulson Church to extend the four lane on down to Oak Grove. He told that we have already done it to Wildwood and this would be on the other side of the interstate. He told that it would make development easier. He told that if it was improved at least down to the Airport it would make it easier for the owners to develop and it is probably less than 1000 feet.

Ms. Cannon read the scope of last year's project and it does not include what Mr. Martin is talking about.

Mr. Robbie McCraw told that he thinks something at Exit 1 to relieve some of the congestion down there.

Mr. Hendrick told that he had some conversations with Ms. Hughes about that and Dan Huff has developed a sketch to take it from 2 lane to 3 lane on 620 and it looked pretty good. He suggested extending the turning lane on 77 south.

Mr. Phil McCraw told that needs to be done. He told that Exit 1 needs to be addressed badly.

Mr. Robbie McCraw told that he knows there is a sign for no tractor trailer traffic past McCraw Road but who sets that or enforces fines. He asked if it is something that the County can do an ordinance on.

Mr. Phil McCraw told that they are following GPS.

Mr. Hendrick asked if there are signs saying do not follow GPS.

Mr. Robbie McCraw replied no.

Mr. Hendrick told that he has been places where they have signs that say do not follow GPS.

Mr. Phil McCraw told that there is one going to Hot springs. He told that maybe we can get VDOT to put some signs up.

Mr. Hill asked if we can contact Google.

Ms. Cannon told that we tried several years ago to get them to change the route for truck traffic but it wasn't successful.

Mr. Hendrick told that he asked about 100 and those are not bad compared to 52. He asked if we want to put a priority on them and have VDOT pick the best.

Mr. Phil McCraw told that he would love to see Exit 1 done because of safety and economic development.

Mr. Robbie McCraw told that we should give these three to VDOT and let them choose.

Mr. Hendrick told that 620 would be way down on the list, Exit 1 and 52 he doesn't know enough about. He told that we have put enough money into the 620 interchange and it doesn't hit on our accident list.

Mr. Phil McCraw told that with the discussion he has heard he thinks 52 and Exit 1 are the two that need to be put forward to VDOT.

Mr. Hendrick replied so just do two. He told that he would do 52 and Exit 1.

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Mr. Hendrick asked Nikki to provide that information to VDOT. He told that some of the Do Not Follow signs would be good if you can ask about that even if we need to buy them and help put them up.

(Order)

INTERNET SERVICE AVAILABILITY

Mr. Justin Barnard told that Nikki had asked him for a map to see where internet availability was. He told that both the state and federal governments have websites that show where it is available. He told the FCC requires the information from the communication providers and they give it to state and federal governments. He told that they ask where they have service and it is only as detailed as a census block which does not guarantee that internet service is available to everyone in that census block. He told that from his own personal situation, he lives off Coon Ridge Road on Brandy Lane and he does not have internet available through Comcast, but it is available on Wildcat and they are in the same census block. He told that you will find this throughout the county but you will not know specifically until the customer calls the provider for their address. He showed a map of the census block.

Mr. Phil McCraw ask what the qualifications are to be in a census block that has internet.

Mr. Barnard told that the qualifications would be up to the communications provider.

Mr. Phil McCraw told that you mentioned Lambsburg and he has a lot of people mention that to him.

Mr. Barnard told that it is probably whether they see a profit margin.

Ms. Cannon told that sometime it is not even a question of distance. She told that all her neighbors have CenturyLink but the circuits are full and they don't have any more bandwidth.

Mr. Durbin told that it is market driven and it is common through rural America.

Mr. Phil McCraw told that our problem as elected officials is when the folks see something on the national news that says the government is going to provide internet access, but then you get into private providers.

Mr. Barnard told that there is a satellite option out there that provides internet to anyone.

Mr. Phil McCraw says the problem is when they hear the government is going to provide, they don't understand why they have to put in a satellite to get it.

Mr. Robbie McCraw told that it showed Floyd County and that they had service there.

Ms. Cannon told that it is Citizens. She told that we have Citizens fiber that runs through Carroll County, but it has no connections to it.

Mr. Robbie McCraw asked if Citizens is just an internet provider.

Mr. Barnard told that they provide phone as well.

Mr. Robbie McCraw asked if they just don't reach out to that area.

Ms. Cannon told that it is a line they are using for back haul.

Mr. Robbie McCraw asked if the people in Dugspur reached out to them or is it something that they could bring to that section of the county.

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Ms. Cannon told that people could ask them to but her feeling is they want to keep it for back haul which is why there is no current connection.

Mr. Martin told that for somebody to know for sure is going to have to make application to a provider.

Mr. Barnard told that they would have to call the provider and give them specifically where you live and he is sure they will have a technician respond. He told that this is just an overall picture of where it is generally available. He told that there are some surveys that the citizens can go to and hopefully lawmakers will look at that.

Mr. Hendrick asked what options do we have if any to aid in expansion of services, short of grants. He told that he knows the Wired Road is always looking.

Ms. Cannon told that the intention of Wired Road was to install last mile into rural areas that are not currently covered. She told that one of the challenges is a lot of the times the connection is wireless and the reliability can be questionable. She told that right now they are trying to get a fiber connection to get a more reliable system. She told that if you have sight line to one of our towers you should be able to contact Wired Road for internet service.

Mr. Hendrick asked if the fiber is connected from Hillsville to Galax does that make it easier to take it down 52 or 100.

Ms. Cannon told that she hates to answer that question off the top of her head. She told they have a tower off of Deerfield. There are options out there from the Wired Road.

Mr. Hendrick told that his question is what can we do as a locality to aid in what is provided. He told that basically the providers won't give us any information above what is provided to the FCC so short of trying to partner with a provider to receive grant funding to expand services. What it will boil down to is the money to put the lines in.

Mr. Phil McCraw told that was a private sector deal.

Mr. Hendrick thanked Justin for the information being presented.

FINANCE UPDATE

Ms. Cannon stated she was asked to present what cash flow situation is and what revenue expenditures look like. I'm starting with the report provided in your Board Packet every month. What we're looking at is a historical revenue minus expenditures every month beginning in July to June of every year 2009-2017. As you'll see, our graph always runs the same; and I would imagine if you've actually looked at most governments across the state of Virginia, they are going to look pretty similar as well. One thing that is specific to Carroll County is we have a lot of our debt service payments that are due in July, most localities' insurance is due in July and those are one-time payments due in July. From July to September, we typically will need around 6 to 7 million dollars to get us to the point where we're collecting taxes and our revenue cash flow starts to change and that's when we're start to increase about October. The Treasurer's Office sends out tickets in September and people start paying in October and into November with the due date in the beginning of December. I just want to highlight to you that normally the tickets go out in September but the Commissioner's Office does not have to have the book to the Treasurer for 90 ninety days after the levy is set, and we set the levy on June 27, so the book is not due until September 27. They have also had some legislative changes in the Commissioner's Office that the Commissioner has come an updated you on. The book might be a little later this year, the cash might be a little later this year and our tide will start to change in later November this year depending on when we can get those tax tickets out. It's not an unusual scenario for us; we have always, since I have been here at least, had the cash reserves in the bank to cover those shortfalls. We have run into a situation now where it is not necessarily like that so I wanted to highlight to you the cumulative cash flow which is basically revenue minus expenditures showing 2.1 million up until 2011 when the tide changed in 2012 with \$293,000 and 2013 we

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started to end each year in the red up to and including 2014 with a shortfall of about 4 million. That's a significant hit to the cash in one year which of course, some of you may remember that there were some large purchases of property that year in a concerted effort for economic development to bring jobs to this community. Sometimes you have to invest in the community in order to do that. That being said, the cash spent over the last 7 years is minus 1.7 million dollars including 2016. The first QSCAB payment came out in 2016 so when you look at that 2.4 million dollars when you take off 1.5 you can see where we're trying to control cost and implement measures to get us to the point where we were in 2009 with the last Revenue Anticipation Note that the county has had up until maybe now.

Mr. Martin interjected that Mr. Hendrick had pointed out seeing our financial situation deteriorating over the last 5 years and expected cash flow problems.

Ms. Cannon stated that this is not new information and pointed out that each month the financial report in the Board Packet reflects lower cash flow numbers over each fiscal year. In the last three years' budget presentations, it was that we have allocated all of the resources that we can because we were running out of options. The only options you have is to eliminate services or increase taxes.

Mr. Martin replied, or cut personnel or expenses or raise revenue.

Ms. Cannon wanted to go into the next phase to show what was being worked on internally. One thing she has mentioned to folks on several occasions because really our primary concern is cash. People talk about fund balance, sometimes they are talking about cash but to an accountant type like me, they are talking about fixed assets and in intangibles that have value but are not cash. What I'm talking about is cash. How much cash do we have in the bank and what's going to sustain us through the years. One of the things I wanted to highlight to you is the Treasurer's Report in your packet. There have been some changes since then, and I have talked about this on several occasions and want to make sure everyone understands how we are working to increase those balances.

On August 3, there was a deposit into the General Fund checking in the Treasurer's office of \$670, 311.16 which is the revenue collected from the PSA on natural gas billings. We left it in the PSA because while that balance is only \$670,311.16 we earned about \$1,000 a month interest on that money. We didn't want to move that money every month when they have a guaranteed interest rate in PSA and we could earn \$12,000 a year. We will also see an additional \$10,000 basically from the gas line purchase agreement with ANG paid to the IDA because they owned the gas line but I will in turn be billing the IDA for that \$10,000 because the Treasurer's Report reflects next month a negative \$27,000 which was basically county investment in the gas line. That \$27,000 was our expenditures for the gas line more than what we received and we're working very hard to get that number down to 0. We're also going to bill them for the additional \$17, 717.42 once the property sale to ANG goes through. That will be a \$700,000 increase to the cash in the county General.

I wanted to highlight some things we are doing in this year's budget, whether you think it's good or bad; it's things we are doing to try and make sure cash flow is where we need it to be. The first option we have is the Laurel Fork Volunteer Fire Department fire truck. We have \$375,000 budgeted for that fire truck in the current budget. Depending on when we can get the specs in and get that truck purchased, I'm now looking at averaging about 6 months of debt service which might be ambitious but if we finance that truck, it will basically save \$353,000 out of this year's budget that we won't have to spend outright. Now, do we want to use debt right now? It's never my preference to fund these things in government because we have an expectation that we're going to have to replace capital and if you're financing all of it you get yourself a little bit behind the eight ball. You're just always going to have a debt service payment but in this situation I think we're ok to do that right now.

The Vanguard incentive for \$200,000 that's budgeted in this county budget; that actually is going to be funded by the IDA. There have been some reserves in the IDA and instead

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of the county paying that incentive out of the county budget, the IDA is going to be paying that. That \$200,000 expenditure in the county budget, we will not be paying.

But as you know, you always have something that unexpectedly breaks. In case anyone doesn't know, the Cannery is closed due to a boiler issue. It is going to cost us \$32,000 to replace that boiler. We only have \$19,500 budgeted in the CIP which will be shifted to the boiler with the remaining balance shifted from the Maintenance budget so we're going to go without something CIP-related in the Maintenance budget which is not unusual for us to shift midstream when we have something break so that the impact on that budget is going to be zero.

We did have a reduction in the Airport. They actually ended up paying one of their debt service payments out of their money market account which is going to save us \$8,000 in our budget. It may not sound like a lot to you but all of these things add up over time.

We've got personnel savings that have occurred from just July and August alone which can be pretty significant and add up over time. Typically, we have that when we have somebody leave, we don't get a position filled almost immediately. We usually have a good month to sometimes 5 or 6 months that the position is vacant which results in savings to the current budget so our total reduction to expenditures just at this point is \$600,000 if we implement those measures.

We increased the tax rate; I know it was not popular amongst people. I don't think anyone wants to see their tax rate go up; I would be the first to raise my hand and say I prefer not to see a tax rate increase but I also would prefer not to be standing here asking you to pass a resolution on a Tax Revenue Anticipation Note as well. From that perspective, we should see and I estimated a collection rate of 94 percent which is typically what's cumulative. With real estate your collection percentage is usually higher so that's another \$400,000 that we should see this year that will directly impact the cash on hand.

So when you take the almost \$700,000 that we're transferring from the PSA into the Carroll General Fund, the reductions in expenditures and increases to the revenue, that net change alone is 1.7 million dollars. There are some things that we can't quantify. If anyone's been around me in a meeting as of late, you will hear me talking about my enthusiasm for sometime in mid-September when we should be hearing from the SCC on what we are going to receive on taxation of the gas line. When the IDA sold that gas line, it became taxable assets which is going to then be tax revenue to Carroll County. I have no idea what that number is. Fran and I have kicked it back and forth but neither of us feel comfortable enough to guess because it's very easy to be wrong. It may not be a lot. In my book right now, a lot is not a really big number. Also, something else that we can't quantify is the collection of delinquent taxes. I'm hoping that we end up with some great collection efforts over the next year.

I want to discuss some other options to increase cash reserves in fiscal year 2017. We are always looking to sale something now. We have had some incredible results from selling on GovDeals as opposed to doing it at public auction so every time we have a piece of equipment that's surplus we're looking to sale it and capture that revenue back to the county.

Continued reduction of operating costs; she'll hate that I pointed it out, but we have a lady at the table here who worked really hard to negotiate new rates with the cell phone carrier to save us money and I think the number that we captured should be a \$5,000 savings to this year's budget just on our cell phone fees.

Concerted efforts on collection of delinquent taxes in the Treasurer's office; we actually budgeted \$10,000 for DMV stops for collection of personal property taxes. It's a good way to get people to come in and pay their bills. When you can't go and renew your registration at the DMV, people tend to get upset and come in immediately so hopefully we can get that underway. One of the barriers to that from my understanding is that there was a fee associated with putting the stop on. You can pass that on to the customer but the Treasurer's office didn't have any way to charge it. We set up a line item for DMV stops. Hopefully, they will start implementing that collection practice.

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Sale of real estate property; we've gone through I think two tax sales since I've been here. It's a very successful way to get your revenue, get your delinquent taxes paid. Also, there has been consideration of utilizing a collection agency which we do on the sale of real estate currently.

We are also working on some other projects that there will be some natural cost-savings to such as implementation of mandatory direct deposit for any of you who are still getting a paper check. We're going to be saving money in toner, in check stuff; we're going to save money in man hours where we have people stuffing envelopes right now. We have an option for e-stubs where people can go online to get their paystubs making it a more automated process.

Mr. Hill asked Ms. Cannon if she needed a motion.

Ms. Cannon said we have been working on this for quite some time. There may be some who do not like that option. We are going to provide a computer for even those who don't have access because not everyone who works for the county obviously has a computer or desk and may not have one at home.

Implementation of the new phone system and allocation of usage by department; currently we are allocating charges by department based on the number of phone lines you have not based on the number of long distance calls you have or the length of those. We didn't have a recording feature in our current phone system that had any reporting features but now it's going to report which department is using that and we do have a lot of outside locations and agencies that are on our phone system so it may be currently a county cost when really it's associated with another agency altogether. I think if memory serves me right we bill at least 5 outside agencies for phone usage, maybe 7.

Reassessment notices are predicted to go out in October so obviously when we talk about what's going to be impacting our future and the direction we're going in; the reassessment is a big part of that.

Also, even something as minor as implementation of new software at Carroll County Fire and Rescue to provide more efficient scheduling of part-time help which right now is a very manual process allowing for a lot of human error especially when you're dealing with emergency services and you've got to get somebody in and in now. We end up paying a lot of overtime. There are going to be some efficiencies built in down at CCFR; scheduling is not the only feature of that software. There are a couple of other features that I think are really going to improve efficiency. I am anxious to watch that budget over time. From that perspective, while it may appear in light of the request for a Tax Revenue Anticipation Note, my instinct, and I don't want to speak for anyone else but I have talked to a few other people that are closely related to the cash function here at the county. Our feeling is that we need to have it in place just for peace of mind, but we're hopeful that we won't have to use it. And if we don't have to use it, we're not going to use it obviously because we don't want to have an interest charge on something that we don't need. If all the stars line up correctly, we won't need it; but there are surprises that happen in government and budgeting is just that. It's a forecast and a model, and you can't budget for every outcome that happens in any given year.

Mr. Martin asks if in the near future there will be a surplus where we can breathe easier.

Ms. Cannon replied that it is my hope by the end of this fiscal year. And I don't say that naively; I think that if we make a really concerted effort on those delinquent taxes in the Treasurer's office. I think that it could really improve the situation here financially. Any other questions for me, I would be happy to entertain them.

Mr. Martin stated that another factor that enters into that is that the net worth of the county is a whole lot more today compared to like 1974 so the value of the county compared to our debt service is a little misleading so we have to keep an eye on that. Land is selling more today than it was in 1971.

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Dr. Littrell asked what are our delinquent real estate and personal property taxes.

Ms. Cannon asked what are they or how much are they.

Dr. Littrell asked how much are they.

Ms. Cannon replied how much do we have out in delinquencies, about 5 million.

Dr. Littrell asked if she knew if we are going to publish delinquent lists this year.

Ms. Cannon responded that I think we have the last two years. When I say we, it is not normally our office that does that. It is the Treasurer's office, but I think we have done it the last two. We may have already missed that because it's normally done by July or August. I don't know but I can ask; it fell off my radar to be honest with you.

Dr. Littrell told that he could only remember one in the last 2 or 3 years but to me that might be a way of generating some revenue.

Ms. Cannon replied that it is helpful and any cost that we don't have to pay towards the collection which is typically passed on to whoever owes the delinquent taxes so I don't really worry so much about that.

Mr. Martin said it looks like we'd have tax sales almost every year because they drop off in 20 years and just disappears.

Ms. Cannon told that real estate is funny, yes. That's one of our goal set for this year. She told that she can guarantee in September, October and November there were 3 people losing sleep because the cash balance got so low and we need to get to a position where that is not the case. She told that things have been done and she thinks that will help.

Dr. Littrell asked if you pay interest if you don't use it.

Ms. Cannon told that you do not unless you use it.

Mr. Robbie McCraw asked if it is just on the amount you use.

Ms. Cannon told that is correct. She told that she has never had to do a revenue anticipation note and it is one of the easiest things to do. She told that it has to be paid back in full by June 30th.

Mr. Hill asked if there are management things we need to do such as purchasing vehicles and have them delivered in November and December so we are not drawing do so early.

Ms. Cannon told that we try to incorporate that into some of the process like the contributions, if it is over so much you don't get paid until December. She told that it is a good policy to have.

Mr. Hill told that we can do that in the budget process. If someone is wanting a new vehicle we say that they can't get it until December.

Ms. Cannon told that we have done that in County General. She told that everyone gets a little nervous when you do that.

Mr. Hill told that we can do a purchase order and get a later delivery date. He told that he doesn't know how many vehicles the Sheriff's Department is getting but he is just throwing it out there.

Ms. Cannon told that she thinks they have already been purchased. She told that sometimes you can get a better deal and it is advantageous. She told that normally it wouldn't be a problem.

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Mr. Robbie McCraw asked when we usually make large expenditures to the School System.

Ms. Cannon told that they have a big debt service payment in July and they also have a big one in June. She told that now we are transferring based on what the debt service payments are and divide the general operating by 12. She told that the money is all in the same bank account so if we are running a little low we are still okay.

Mr. Robbie McCraw told that the payments are due at a certain time and can't be changed.

Ms. Cannon told that is correct. She told that with USDA you can sometimes plan it out.

Mr. Hill asked what the interest rate on the \$2 million.

Ms. Cannon told that she hates to throw one out there because as soon as this is passed she is putting it out for quotes. She told that we are not alone in this trend.

Mr. Hill told that it is not something we want to get in the habit of either.

Ms. Cannon told that she would rather be alone that with the crowd on this one.

Mr. Martin told that it was a very good presentation. He told that sometimes you forget some of the stuff. He told that he always hears how we need to go after industry but sometimes you have to spend money to get them in here.

Upon motion by Mr. Hill, seconded by Mr. Robbie McCraw and passing, the Board approved the Revenue Anticipation Note Resolution.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

COMMITTEE APPOINTMENTS

Upon motion by Dr. Littrell, seconded by Mr. Martin and passing, the Board appointed Ms. Mimi Leonard to the Galax Carroll Library Board.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

Upon motion by Mr. Hill, seconded by Mr. Martin and passing, the Board appointed Mr. Robbie McCraw to CPMT.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Abstain
Dr. Littrell	Yes

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Mr. Martin Yes

Upon motion by Mr. Robbie McCraw, seconded by Mr. Hill and passing, the Board appointed Donna Ayers to the Alcohol Safety Board.

VOTES

Mr. Hendrick Yes
Mr. Phil McCraw Yes
Mr. Hill Yes
Mr. Robbie McCraw Yes
Dr. Littrell Yes
Mr. Martin Yes

Mr. Hill made a motion to appoint Josh to the MRPDC Transportation Committee.

Mr. Hendrick told that he cannot at this time but he still works with Mr. Sizemore.

Mr. Hill told that he withdraws his motion.

(Order)

COUNTY ADMINISTRATOR POSITION

Mr. Hendrick told that we do not have an announcement. He told that they had hoped to have progressed further in the process. He told that a lot of people are putting time in the think tank to make sure that this is done right.

Mr. Martin told that the fun is gone out of it. He told that it takes time and they are hopeful to get a good person.

(Order)

CITIZENS TIME

No one was signed up to speak.

(Order)

SUPERVISORS TIME

Mr. Martin told that he will be glad to get an Administrator, it will make it easier for all of us. He told that Nikki did an excellent job on the presentation.

Dr. Littrell told hats off to Nikki and thank you for hanging in there.

Mr. Robbie McCraw thanked all the staff for all of the time and effort going into all the functions going on. He told that school starts back this week and asked everyone to remember the teachers, staff and students.

Mr. Hill told that he wanted to let all the staff know he appreciates their work, especially Nikki with all the stuff you have to deal with over the last six months. He told that if he had known now what he did at the beginning it would have still took this long. He told that he thinks it has been a pretty good process.

Mr. Phil McCraw thanked everyone for coming out tonight. He told that he echo's everyone and thanks staff for their work, they are second to none in the state and Nikki did a fabulous job on the presentation.

Mr. Hendrick told that on the finance end of things he feels better even though we just approved a Revenue Anticipation Note, he feels better going forward than he did this time last year. He told that we have made a lot of steps in the right direction and they are not going to play out very easily. He told that he appreciates everyone coming out and

thanked Justin for his work on the internet stuff. He told that he doesn't know what other options we have to assist these folks because we just don't have the funds to put the lines in ourselves. He told that we would be open to ideas on how to help. He told that he has lived in Laurel Fork most of his life and he knows internet is not great. He told that he agrees with Rex on the County Administrator, he thinks due diligence has occurred.

Mr. Robbie McCraw told that with the cannery being down, he has had several people asked about opening on Saturdays.

Ms. Cannon told that we can look at the schedule.

Mr. Robbie McCraw told that he has had people ask about 1/2 day on Saturday always.

(Order)

CLOSED SESSION

Upon motion by Mr. Phil McCraw, seconded by Mr. Robbie McCraw, and passing, the Board convened a Closed Session for the discussion of personnel, legal matter, as authorized by Virginia Code Section 2.2-3711(A1).

1. Discussion or consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided the teacher makes a written request to be present to the presiding officer of the appropriate board.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

CERTIFICATION OF CLOSED SESSION

Upon motion by Mr. Martin, seconded by Mr. Robbie McCraw, and passing, the Board adopted the following Resolution:

WHEREAS, the Carroll County Board of Supervisors convened a Closed Session this date pursuant to an affirmative recorded vote and on the motion to close the meeting in accordance with the Virginia Freedom of Information Act;

WHEREAS, Section 2.2-3711(D) of the Code of Virginia requires a certification by the Board of Supervisors that such Closed Session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Carroll County Board of Supervisors hereby certifies that, to the best of each member's knowledge, (I) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the Closed Session to which this certification applies, and (II) only such business matters as were identified in

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the motion by which this Closed Session was convened were heard, discussed, or considered in the meeting to which this certification applies.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

ADJOURNMENT

Upon motion by Mr. Phil McCraw, seconded by Mr. Robbie McCraw and passing, the Board adjourned.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

Chairman

Clerk