

June 9, 2014

The Carroll County Board of Supervisors held their regular monthly meeting on, June 9, 2014 in the Board Meeting Room of the Carroll County Governmental Center.

Present were: David V. Hutchins
 W.S. "Sam" Dickson
 Dr. Tom Littrell
 Joshua A. Hendrick
 Phil D. McCraw
 Bob Martin
 Gary Larrowe, County Administrator
 Nikki Cannon, Assistant County Administrator
 Jim Cornwell, County Attorney

Mr. Hutchins called the meeting to order at 3:41p.m.

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

Upon motion by Mr. 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).

Mr. Cornwell explained the purpose for entering Closed Session as listed below. Discussion, 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.

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.

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.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes

June 9, 2014

Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

CERTIFICATION OF CLOSED SESSION

Upon motion by Mr. Dickson, seconded by Mr. Hendrick, 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. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

Mr. Hutchins thanked everyone for being here.

Mr. Dickson lead in invocation and pledge.

Mr. Hutchins told that is good to see our friends from the Sheriff's Department, Fran and Mike. He told that he thinks everyone is aware of the State budget dilemma and the fact that we are 1/3 of the way through the month making it difficult on all departments. He told that they have also heard that the deficit has gone from \$350,000 to \$1.3 billion and last fall we had a surplus so it is amazing that we can go from a surplus to a deficit. He told that as part of that we have a public hearing for a tax revenue anticipation loan in board approval.

June 9, 2014

(Order)

APPROVAL OF AGENDA

Upon motion by Mr. Hendrick, seconded by Mr. Martin and passing, the Board removed the Commissioner of Revenue from the agenda because Ms. McPherson is working on a draft MOU right now.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

APPROVAL OF MINUTES

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved the minutes of the meeting on May 5, 2014 and May 12, 2014 as previously distributed to the members of this Board.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

APPROVAL OF PAYROLL

Upon motion by Mr. Hendrick, seconded by Dr. Littrell, and passed unanimously, the Board approved the payroll for June 2014 and did authorize the Chairman and Clerk, along with Bonita M. Williams, Treasurer, to sign checks for the July payment of salaries and wages for all County officials and employees as previously budgeted by the State Compensation Board and this Board of Supervisors.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes

June 9, 2014

Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

CONSENT AGENDA

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

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

VRS MEMBER RESOLUTION

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved the VRS Member Resolution.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

VRS EMPLOYEE RESOLUTION

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved the VRS Employee Resoution.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes

June 9, 2014

Dr. Littrell Yes
Mr. Martin Yes

(Order)

SCHOOL VRS RESOLUTION

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved the School VRS Resolution.

VOTES

Mr. Hendrick Yes
Mr. McCraw Yes
Mr. Hutchins Yes
Mr. Dickson Yes
Dr. Littrell Yes
Mr. Martin Yes

(Order)

SWA LETTER

Mr. Hendrick told that he wants to make sure that everyone knows what it is for. He told that obviously it is going to BRCEDA and in part of their funding is using roughly \$650,000 of Industrial Access Funds through VDOT which has to be secured with a bond or letter of credit and that is what this is for. He told that when VDOT is finished with the bond then that money will come back to the Solid Waste Authority and council requested that the letter be done.

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved the Solid Waste Authority Letter.

Mr. Cornwell told that just for the record all three localities contribute to the Carroll Grayson Galax Solid Waste Authority and they have agreed to reloan some of that money to be held in escrow.

VOTES

Mr. Hendrick Yes
Mr. McCraw Yes
Mr. Hutchins Yes
Mr. Dickson Yes
Dr. Littrell Yes
Mr. Martin Yes

(Order)

BRIDGE NAMING RESOLUTION

Mr. Hutchins told that we have the correct bridge resolution and the one that is in the Board packet is not correct and has the wrong name on it. He read the correct resolution to be passed and told that copies are available.

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved the Bridge Naming Resolution naming the bridge on US Route 58 West over Little Reed Island Creek as the Harbert F. Edwards Memorial Bridge.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

PHASE III CONSTRUCTION

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved an appropriation in the amount of \$37,433.18 for the Phase III Construction and Renovation Project.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

PUBLIC HEARING NOTICE

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved to hold a Public Hearing during the July meeting for a budget amendment which exceeds 1% of the total budget for the FY2014 budget. It will be held at 5:30 p.m. or as soon thereafter as practical.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes

June 9, 2014

Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

STORMWATER

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved to allow the State to continue to operate the Storm Water Program.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

GAS UTILITY FUND

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved an appropriation for expansion of services, purchase of gas in the amount of \$3,296.00

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

PUBLIC HEARING NOTICE

Upon motion by Mr. Hendrick, seconded by Dr. Littrell and passing, the Board approved holding a Public Hearing during the July meeting if needed regarding the Tax Revenue Anticipation financing.

VOTES

Mr. Hendrick	Yes
--------------	-----

June 9, 2014

Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

PHASE III UPDATE – DENNIS COLE

Mr. Hutchins told that this will be the last report unless something happens that we are not expecting.

Mr. Dennis Cole he told that the project is done. He told that there is a change order on the roofing and those sections are complete and there is one small portion that remains and it should be done within the week. He told that there was some leaking in the fan cool units which are the air conditioners in the high school. He told that there are 79 units and it turns out that 52 of them were identified as potentially having a coil on the inside that was upside down during the manufacturing process. He told that they held a meeting and came up with a resolution and they started today with correcting the coils. He told that they would also be adding a stainless steel drip pan and the work should be completed in 30 days. He told that they don't see any problems with it. He told that the STEM Lab is almost complete. He told that it has been a pleasure working with you gentleman and he has enjoyed it here and he appreciates everything you have done for him.

Mr. Hutchins told that it has been a pleasure and presented him with a small token of appreciation. He told that he appreciates the work that has been done.

Mr. Cole thanked everyone.

(Order)

CSA – MIKE JENNINGS

Mr. Mike Jennings told that he hopes tonight will be on a positive note. He introduced Ms. Jackie Roberts and told that she is the CSA Coordinator. He told that he would be going over the CSA audit and Mr. Larowe is Vice Chair of CPMT and he is the Chair and he is here tonight as the Chairman. He thanked the board for appropriating funds for a full time CSA Coordinator and because of those efforts we did pretty good on the audit. He told that he can't give you a letter grade but if he could he thinks it would be at least a strong B. He told that the only disappointment he has is they put a lot of efforts in the last two or three years to update things. He told that they found eight things and they are all minor. He cited them as observation items and they were mostly internal policy procedures that we can change. He told that there is one thing that had a dollar amount to it and it was \$1998 spent on a service with a vendor and we were under the

impression that we could do it and when we found out that you couldn't we stopped. He told that they have renegotiated with the vendor and it is possible that CSA could say that the improvement plan will be sufficient and we won't have to pay it back. He told that they are doing all of their recommendations. He told that the audit is scheduled every three years.

Mr. Dickson asked if some others had to pay back some money.

Mr. Jennings told that one of our neighbors, Pennsylvania County was one of the earlier ones with \$10.8 million and they negotiated the settlement for misspent funds. He told that we did not have that thanks to the CSA Coordinator, CPMT members and FAPT members.

Mr. Martin told that it mentions that Beth Roper was there with Family Preservation Services and that has been one of the best things to come into the school as long as he can remember.

(Order)

COMMITTEE APPOINTMENTS

Mr. Hutchins told that two of the appointments are re-eligible, Blue Ridge Parkway and WCC.

Upon motion by Mr. McCraw, seconded by Mr. Hendrick and passing, the Board approved to reappoint Amanda Parris to Blue Ridge Parkway and Dick Dalton to WCC.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

Upon motion by Mr. Hendrick, seconded by Mr. Dickson and passing, the Board appointed Mr. Phil McCraw to the Crossroads Board.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Abstain
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

June 9, 2014

Mr. Hutchins told that we will re-advertise for the Library Board appointment.

(Order)

PUBLIC HEARING – ENTERPRISE ZONE

Mr. Larrowe told that Carroll County has an Enterprise Zone and we will have a loss of ours at the end of this year. He told that we are proposing to combine with Grayson County and City of Galax and working together into one Enterprise Zone instead of three. He told that we have utilized a limited amount of the incentives for employment in the past and we are hoping to use more of that in the future.

Mr. Hutchins told that Enterprise Zones are looked at more favorably if they are regional. He told that individuals are looking at being a lot lower on the scale and it has been discussed with our partners in both the county and the city and he doesn't see the County losing anything from it but we gain two partners. He told that he is not sure that we would be as successful if we did it individually.

Mr. Larrowe told that Mr. Ken McFayden is also here with BRCEA and he is helping to coordinate some of this effort.

Mr. McFayden told that Mr. Larrowe covered everything. He told that applying with Grayson and Galax makes Carroll's application more competitive. He told that there are 30 designations available and the Commonwealth will not award three separate designations to a region that is known for working together regionally.

Mr. Hendrick asked how the boundaries are determined.

Mr. McFadden told that 3800 acres are permitted and they are not all in one place but placed strategically based upon where development is. He told that you are allowed to have three separate regions.

Mr. Hutchins opened the Public Hearing at 5:42 p.m.

With no one to speak the Public Hearing was closed at 5:43 p.m.

Upon motion by Mr. Dickson, seconded by Dr. Littrell and passing, the Board approved the Regional Enterprise Zone application.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

PUBLIC HEARING – BUDGET AMENDMENT FY2014

Ms. Cannon told that anytime you have an amount larger than 1% of your budget you have to have a Public Hearing. She told that you have a summary in front of you and this will be the first of two amendments. She told that there were a lot of adjustments made during the year and this is basically cleaning up.

Mr. Hutchins opened the Public Hearing at 5:46 p.m. and read the purpose of the meeting.

With no one to speak the Public Hearing was closed at 5:47 p.m.

Upon motion by Mr. Hendrick, seconded by Mr. McCraw and passing, the Board approved to allocate and appropriate \$1,199,313 as presented.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

PUBLIC HEARING – WOODLAWN SCHOOL

Mr. Hendrick told that he should have brought this up last month but he has concerns about it going to the IDA. He told that he knows Sam and Tom have looked at different options, none of which are industrial in scale in his opinion, they are more focused on community development. He told that there is a large interest and need for the ball fields to be ran and directed by folks within the County whether that be the Rec Department or the School System. He told that we have put \$200,000 in it this year and he is going to probably assume that the IDA is not going to be able to maintain the building at that level. He told that in his opinion he would like it to remain under the Board and we can still explore options unless there is something that the IDA can do that we cannot. He told that he doesn't want to put it to far out there because the IDA is not going to be running it.

Mr. Hutchins asked staff if the transfer preclude the things that Mr. Hendrick just talked about.

June 9, 2014

Mr. Larrowe told that the IDA ends up taking on projects that have gotten accomplished in the past and one of those things is the need for the gym and fields and that would not stop the usage of that and the IDA would encourage that. He told that we have separated off the building because there was some heating and cooling so that could continue on. He told that this would allow the IDA to put out an RFP for future development outside of the gym and the fields. He told that there are other examples to where this takes place that are not industrial like the Day Care Center. He told that this is not breaking new ground per say it is just another way to handle the project.

Mr. Hendrick told that he knows it is nothing new he would just like to keep it.

Mr. Larrowe told that he suspects the IDA would like for you to keep it.

Mr. Dickson told that as much as he would like to see it go he kind of agrees with Josh that we need to keep it and when we get to a closer point where we might see that it needs to be sold we could transfer it then. He told that we haven't really looked at the other possibilities of the Rec Department and how it could be used. He told that they might get an RFP and parts that we decide need to be there.

Dr. Littrell told that it is his understanding that most County properties are owned by the IDA.

Mr. Larrowe told that the building that we are in currently is owned by the IDA.

Dr. Littrell told that does not preclude them using it for something that we would like for it to be used for.

Mr. Larrowe replied that is correct.

Mr. Hendrick told on GIS this building is showing up being owned by the Supervisors because he looked.

Mr. Larrowe told that the information is correct. He told that it is being paid for by the Board as a transfer to the IDA. He told that the IDA can borrow the funds that are associated and it is very similar to the HVAC at the High School where the Board was the funding source however you had to have a stream of income and that is the reason there were leases involved but the IDA carried on the project.

Mr. Dickson told that the policing of the fields and gym that will still be the Rec Department so why would we give it to the IDA if the Rec Department is still going to be doing it.

Mr. Larrowe told that is the prerogative of the Board. He told that there are some advantages and there are some disadvantages. He told that the Rec Department would continue to use it and they would not know the difference in who owned it.

June 9, 2014

Mr. Hutchins opened the Public Hearing at 5:56 p.m.

With no one signed up to speak, the Public Hearing was closed at 5:57 p.m.

Mr. Martin told that he doesn't see any point to transfer it if the Rec Department is going to be using it. He told that it would probably take about 15 minutes to get together and make a motion to transfer it if some industry wants to buy it.

Mr. Hutchins asked if we would have to have another public hearing.

Mr. Cornwell replied yes and it will have to be advertised.

Mr. Hutchins told that he doesn't see an issue if we do transfer it. He told that if we needed to do something different it would be easier for them to transfer back to us that it would be for us to transfer it to them. He told that if it is there we would not have to do another public hearing. He told that he is in absolute agreement with Mr. Dickson and Mr. Hendrick that we need to retain use of the gym and the ball fields but he doesn't see that changing. He told that eventually we will have to find some funding source to help and the IDA may be better in looking for that but he doesn't see that we are losing a control piece of it.

Mr. McCraw told that he thinks we can still have control over the gym and ball fields if we transfer to the IDA because we have done that in the past.

Upon motion by Mr. McCraw, seconded by Dr. Littrell and passing, the Board approved to transfer Woodlawn School property to the Carroll County Industrial Development Authority.

Mr. Martin told that we have a good working relationship with the IDA so he doesn't see that there will be a problem. He told that his concern was with the Rec Department using it.

VOTES

Mr. Hendrick	No
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	No
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

PUBLIC HEARING – APPEAL OF CODE

Mr. Hutchins read the purpose of the Public Hearing.

June 9, 2014

Mr. Martin asked if they are picking up extra duties does the pay remain the same.

Mr. Hendrick told that was tabled.

Mr. Hutchins told that with the State budget plus she is working on the agreement now.

Mr. Hendrick told that this is just for the code that says Fran's office can assume those duties.

Ms. McPherson told that she is working on a draft for the MOU agreement between the Board and herself with what is expected and what you will provide to her.

Mr. Larrowe told that this was the County Appraiser not necessarily the Assessor's Office the way it was listed in the County Code. He told that this went back to 1982 is when it was established.

Mr. Hutchins opened the Public Hearing at 6:03 p.m.

Ms. Myra Leonard told that her concern as a citizen is the long term financial stability of our County. I do not agree with the proposed action of combining the offices of the commissioner of the revenue and the assessor's office. The commissioner was elected by the citizens of Carroll County to manage and operate the office of the commissioner of revenue and she has done that successfully. Now, the county's proposal is to give her an additional office with additional responsibilities. The citizens of Carroll county elected the commissioner to do her duties—not the commissioner duties and plus another little side office—an office that manages over 33,000 parcels of real estate that the commissioner's office taxes for 29% of the county's total tax revenue—that's 3% more than personal property taxing. If the combining of the two offices was a good idea, I think someone would have come up with this idea when the county budget was sound.

I am also concerned for the one employee from the assessor's office that will be impacted by this merge. The proposed financial savings are presented as one position on paper. How easy it is to move a number from one column to another column on a spread sheet or move a position from one floor of the county complex to another floor. One person may seem insignificant. However, only one person was the first person to walk on the moon, one person discovered penicillin, and right here in our own town, one person could have determined the town council race instead of a flip of the coin. The one employee from the assessor's office by the admission of the commissioner is the only person that knows real estate. The commissioner thinks her employees will have more work, how about this one employee? She will have to train any staff dealing with real estate and will for some time, be the person who answers all questions regarding real estate since she is the only employee who knows real estate. She will be conducting the business of the assessor's office while training 4 employees to think about taxes from a different stand point. Does she not deserve a raise for increased job responsibilities and being the lead real estate employee? Apparently, the commissioner doesn't think the increased work load and knowledge of this employee from the assessor's office merits a

June 9, 2014

raise since she specifically did not ask for a raise for this person—the commissioner asked for raises for quote my employees—my office—which is the commissioner’s office—not raises for all of the new combined office employees. One person may not sound like much but what if you were that employee that had dedicated 17 years to improving and modernizing the real estate system in Carroll County to better serve the citizens? How would you feel to lose sick leave, vacation leave, and the opportunity for yearly raises just because it appears the combining of two offices on paper would save money in the short term with unknown impact on the long term real estate taxing in the county? The merge of these two offices will not be a merge---the duties of the assessor’s office and the assessor office employee will be second place to the state mandated responsibilities of the commissioner’s office. Please consider the long term implications to the combining of two very different offices which impact the county’s revenue from very different stand points. In order to tax real estate appropriately and fairly, the assessor’s office is the first step in the process and needs to be a first place county office.

Mr. Hutchins closed the Public Hearing at 6:06 p.m.

Mr. Martin told that he is opposed to the combining of the offices and as Ms. Leonard pointed out Ms. McPherson was elected to that position by an overwhelming majority. He told that the people should have more say so he would have to vote no but he is a small cog in a big wheel.

Mr. McCraw told that he is thinking back to what he has read in the State code and since Fran is working on the agreement he will make the motion that we repeal it.

Mr. Dickson asked if the budget committee help make this decision because of budgetary reasons.

Mr. Hendrick told that is part of it. He told that he has spoke with Fran but not with Sheila and his opinion is it is up to the people working with it which is not him. He told that they looked at it from a number standpoint.

Mr. Dickson told that he voted for the budget as you presented it and he realizes there is money savings in it so how can he turn around now and say no. He told that hopefully Fran will come back with something that we can live with it and maybe she will look at the other person and see that they need a raise and we will try to come up with something.

Ms. McPherson told that when they first started these talks she was asking for her employees and Sheila is not her employee until July 1st and that is why she submitted the package the way she did. She told that Sheila needs to ask for a raise if she wants a raise because she is not her employee until July 1.

Ms. Cannon told that there has been a request to give Sheila a raise prior to July 1 and that happened prior to the supplements of the four additional staff so there has been a request made by Fran for an increase for Sheila.

June 9, 2014

Ms. McPherson replied that she did not leave her out.

Dr. Littrell told that the way that this was published it says would allow and asked if that is the same thing as must.

Mr. Cornwell told that basically you have an ordinance right now that creates an appraiser and if you repeal that ordinance it falls back on the Commissioner of the Revenue.

Mr. Larrowe told that all other localities that he is aware of in southwest Virginia he is not aware that have Assessors Offices separate from Commissioner.

Mr. Dickson told that he was on the Board when they established an Assessor's Office and it was for the purpose of saving money when you had to do an assessment but it never worked.

Mr. Hutchins told that she did it once in 2008.

Mr. Dickson told that we did not stay with it.

Mr. Hutchins told that no one was happy with the results.

Mr. Dickson told that we should have realized it was a mistake and changed it but we didn't.

Upon motion by Mr. McCraw, seconded by Mr. Dickson and passing, the Board approved the repeal of Article V of Chapter 221 of the Carroll County Code.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	No

(Order)

HIGHWAY SAFETY FUNDS

Mr. Dickson stated the following; I asked you in May to look at Highway Safety revenues and talk to some deputies and the sheriff if possible for their opinions concerning my proposed motion. I hope you were able to do this. First of all I would like to say I am not targeting the sheriff's department for any reason other than I see a way of increasing the counties revenue without harm to anyone. Fines and forfeitures in Carroll

June 9, 2014

have increased over the past years and everything collected goes to the Sheriff's department. The budget committee projected revenue from fines and forfeitures at \$1,200,000. Most of this is deputies writing tickets on I-77 but there is other money from fines and forfeitures that come back to the county included in this projection. I hope to have these numbers soon when I find out who has this information.

Regardless of the amount I think it is time for the county to do like our neighboring counties and retain a percentage for general county use. Wythe for one retains 20% and has the lowest real estate tax in the area which is .44 per 100, Floyd (no interstate) is .50 per 100 and as you know Carroll is .68 per 100. Carroll has invested large amounts of dollars recently for school construction and economic development while our revenues have suffered due to a lagging rural economy. Carroll will benefit from these investments I just don't know when, the sooner the better. Meanwhile you heard last month from the budget committee that this year's budget was not an easy process. Mr. McCraw stated it was the tightest budget he had worked on and it had been a tough year. They didn't want to increase taxes because citizens are struggling but the county really needed one. Painful, he said. Mr. Littrell said we all had budget on our minds and all the pennies going out will be a little flatter in the middle where we squeezed them. Mr. Hendricks stated this is his first time on the committee and this budget is interesting and has some lofty goals that will require cooperation from everyone in the county and that doesn't mean just administration; it means all of our constitutionals.

The county administrative office has started this cooperation by not filling vacancies, new needed positions not hired and by combining jobs. Truly, it is time to look for additional revenue that does not harm any department nor raise the tax levy. Another incentive for action to do this is our cash flow analysis which shows a minus \$3,124,631 balance which is the lowest in six years. The county fund balance is down from \$13.7 million to \$10.7 million. This is still a good balance but it is showing a trend downward. On top of this we have a possible public hearing in July regarding a tax revenue anticipation loan and that type of loan hasn't been necessary for several years. I am not targeting the sheriff's department but they have an abundance of funds compared to the other constitutional offices and other county offices. Since Jan. 2012 there has been numerous purchases and to name a few they include many new cars, pistols, rifles, shot guns, new radio system at a cost of close to \$500,000, new uniforms, new equip in cars, new leather, etc. not to mention at least 10 new jobs added in 2 ½ years. I will supply a more detailed list if desired and costs. I can't think of anything that needs replacing for a few years that would exceed the remaining revenue after the county receives their small percentage. I can think of some county needs such as replacing many old school busses that have 250,000 miles and older models without current safety standards such as high padded seats. CCHS students are placed in danger while being outside moving from one building to another. Our rec. dept needs many things, one of which is a water park or at least a large pool. I am not saying the sheriff's department purchases were not necessary but future purchases should be considerably less. I believe the officers that place their life on the line for the citizens should be the best equipped Carroll can afford. I believe they are and I also know Carroll is not a rich county like some in the northern and eastern part of Virginia. When I met with the sheriff and some

June 9, 2014

of his deputies they stated their current needs were more investigators and deputies because many officers didn't have time to take their vacations. I am sure county wide this is a common problem since the Commissioner of the revenue's office is understaffed by 4.59 people and the Treasurer recently stated she is understaffed. The Clerk of Court's office is also short staffed and this possibly caused a bad audit. The need for more employees will join with the many other funding problems that will remain next year. We can add to that a new school debt for \$1.5 million dollars which will also begin next year. I have a plan to lessen the burden on the finance committee but it needs to start now. If the county keeps 15 or 20% of fines and forfeitures revenue we will have at least \$125,000 by next budget time. If we place our fund balance on interest we should receive possibly another \$125,000. Add these together and project the same for 2016 the committee will start with \$500,000 more revenue than they had this year. Will that solve all our problems? NO but it would be a conservative step that harms no department and I am sure we as a group can find other means of revenue that does not rely solely on increasing real estate taxes. Let's show our constituents we are working to avoid what now looks like an eminent tax increase for 2016. With this plan and if revenue projections are close the sheriff's department will still have 8 or 900,000 dollars from fines and forfeitures to use as needed. I will be glad to try and answer any questions you have after motion is made.

Mr. Dickson made a motion to take 15% of the fines and forfeitures money collected in the County.

Mr. Dickson asked if you can call a vote without a second so it can be on record.

Mr. Hendrick told that he can sympathize with Sam looking to find money anywhere possible, he thinks all of us have and Nikki and Gary have too. He told that he told J.B. when they were elected at the same time that it was his money and that is his opinion. He told that it belongs to the Sheriff's Department. He told that it has increased from \$800,000 to pushing \$1.2 per year. He told that the department has worked to raise that number up. He told that if you look at what was requested and what was approved about \$300,000 was cut out of his budget for this year and he is not sure how that is going to impact his budget.

Ms. Cannon told that she would like to go ahead and address that because he is probably wondering what was cut out of his budget. She told that the capital that used to be down at the bottom of the budget has now been moved to department budget and where they had capital improvements that are now in their budget that number has gone down.

Mr. Hendrick told that a lot of the large purchases has come from designating the fund balance which has not affected the revenue stream year to year. He told that in his opinion it is the Sheriff's Office money. He told that he does think that we are going to be in a tighter budget arena next year and the year after that is going to be worse. He told that no one wants to sit here and say we are going to have to raise taxes but it is going to be on the table he can guarantee it unless something changes and he hopes it does. He

June 9, 2014

told that it is tough and he doesn't want to see anything go up or the Sheriff's Department to get cut. He told that he has had those thoughts for the last two years and with the school everyone knew it was coming, he knew it before he was elected. He told that some of the Board then is here now and you should have known. He told that it is time to pay the piper and we are going to have to make some critical decisions.

Mr. McCraw told that he can remember years ago when deputies had to buy their own cars and he remembers when the County started buying them and 24 cars over the past couple years if it hadn't been paid for with fines and forfeitures we would have had a huge tax increase. He told that he is a bullheaded boy from below the mountain and he might think they are going to take my money and he might pick up his phone and say the Board has cut us so I want the radar units off the cars. He told that he has thought about it and that is the way his conniving mind works and he feels like we have an opportunity to work with the Sheriff and come up with a plan and he feels like the Sheriff will work with us.

Dr. Littrell told that he did what Sam had suggested and called the Sheriff to talk to him and the Sheriff expressed some concerns about the possible use of the highway funds for items that were other than safety and he mentioned that he is audited on the way the funds are spent. He told that the Sheriff told that he would be happy to help with activities that involve safety.

Mr. Martin told that if he has to vote on it tonight then he will vote no, however, give it another 30 days and maybe Richmond will decide to do something then everything is on the table. He told that he has some concerns and one is the shortage of investigators. He asked how many people are on duty at night.

Sheriff Gardner told that it depends on if they are on vacation, sometimes two sometimes four.

Mr. Martin told that he has always been opposed to that, if you have a deputy at Laurel and the other is at Ivanhoe and they need help there better be a State Trooper somewhere or we are out of luck.

Mr. Hutchins told that you helped with the communications and at least you can hear someone now. He told that Mr. Dickson will have some rebuttal or at least some comments but he thinks the Sheriff has worked with staff over time on anything we need. He told that we were crunching numbers to afford cars and he is old school but he thinks your department goes out there and focuses on that. He told that he agrees with Mr. Dickson that we need to share and he thinks you do that without any order or any motion. He told that you have told me that you are willing to work with us on things that are related to safety.

Mr. Dickson told just to answer some of the questions; Josh said the staff was added on to raise the number and from what he understands the radar people are overtime so that didn't change anything. He told he doesn't know how we rank but the state will pay

June 9, 2014

100% of the Sheriff's and deputies salaries but they only allow so many and he doesn't know if we have more or less. He told that Phil says if they still have money left, they will have money left. He told that they don't say you have to have a quota it is all for highway safety. He told that he doesn't think they are running more radar to make more money, he thinks people are running faster. He told that Tom says they audit what is spent and we can still take a percentage of that and put enough back in somewhere else and asked Nikki if that was okay.

Ms. Cannon told that if you are increasing the budget by the amount that you are retaining, it seems that it would be a wash.

Mr. Dickson told that David says we spent about \$500 k on the radio which we did and his only problem with that is we got \$1 million grant with Galax and Grayson and it is in court now and if they get it solved and we get a radio system and we already have one. He told he guesses the plan for next year is to raise the tax levy. He told that he is not opposed to a tax increase if we try to save what we can. He told that we can wait until next year in May and try to figure out where we are coming up with the money and he wishes you luck. He told that he will ask for a vote so the people will see who is voting for a tax increase and who is not.

Mr. Hutchins told that he is not sure we are voting for a tax increase.

Mr. Dickson told that you are voting to not help it.

VOTES

Mr. Hendrick	No
Mr. McCraw	No
Mr. Hutchins	No
Mr. Dickson	Yes
Dr. Littrell	No
Mr. Martin	No

Mr. McCraw told that he votes not but it is certainly not in expectation of a tax increase.

Dr. Littrell told that he refutes the part about voting for a tax increase.

Mr. Martin told that he can't predict the future and it may be worse than we think and if that is the case then everything is on the table even BOS big paychecks but it may look different in 30 days.

Mr. Hutchins told that we are not voting for a tax increase.

Mr. Dickson replied no we are voting for a way to avoid a tax increase by taking fines and forfeitures.

(Order)

CITIZEN'S TIME

Sheriff J.B. Gardner told that he will make it short and sweet and he is a taxpayer. He told that he thinks that we should sit down and talk and as long as it is safety related he is okay with it.

Mr. Martin asked if he picked up some of the Resource Officers.

Sheriff replied that they do and he doesn't regret that, he would love to have five more. He told that there are things he can do and as long as it is safety related he is willing to help no questions asked. He told that they are absolutely willing to help.

Mr. Martin told that he is glad to see the officers have better looking uniforms and police cars.

(Order)

SUPERVISORS TIME

Mr. Martin told that it seems easy to say we will cut positions and save money but it has been his experience that if you cut one two more are hired. He told that if Fran is short now he wonders about that.

Dr. Littrell told that it has been a successful meeting and he wants to reiterate the cooperation from the Sheriff's Office and they will be helping us out in the future.

Mr. Dickson told that as he stated before he is not targeting the Sheriff's Department and he is not trying to run it he just saw where it looked like they could do that and his willingness to help says there will be some leftover money. He told that purpose is to get the best you can for the least you can. He told that he can understand why you guys go the other way but that was just one idea. He told that he still thinks we need to discuss ways to raise money and we have talked about one before and thinks we need to bring it back again.

Mr. Hendrick told that there is a lot of things he would like to say. He told that he can't stress enough how tight it is going to be over the next couple years. He told that even if you took \$125,000 from fines and forfeitures that is roughly 1/2 cent and that is small when we are talking \$2 million. He told that you had him quoted as lofty goals and we have already got \$200,000 in use of money in the budget and we are banking on it being there starting July 1 and we are also planning on \$1.5 million of delinquent real estate tax collection and we have never done that before. He told that the personal property tax collection is higher than it was last year and those are his lofty goals and there is going to have to be a lot of cooperation between everyone including constitutional offices especially the Treasurer. He told that he really does not want to be

June 9, 2014

sitting in May looking at a hole to get to July so there needs to be a lot of brainstorming and ideas. He told that Nikki starts next year's budget in July and it is not going to be easy.

Mr. McCraw told that Josh made some good points and Sheriff Gardner is a moral, honest and God fearing man and he has no doubt that what he told us he meant and he will stand by. He told that safety is the number one priority.

Mr. Hutchins told that on the debt, speaking as one of three that was there when that occurred the wisdom of the QSCB deal and by the time they were informed about it, it was pretty much a done deal and it was a bad deal and it will put a huge debt on us. He told that there is a piece of good news for Mr. Martin, this morning a letter was sent to call Senate back into session as soon as possible. The senate will convene this Thursday which is the earliest time allowed by the Senate rules so it appears that they may become more serious about getting the budget approved. He thanked Sam and told him that he know how hard he worked. He thanked the Sheriff and Fran and told that we will figure out a way to make it work and our goal is to help you do what you can.

(Order)

ADJOURNMENT

Upon motion b Mr. Hendrick, seconded by Mr. McCraw and passing, the Board adjourned.

VOTES

Mr. Hendrick	Yes
Mr. McCraw	Yes
Mr. Hutchins	Yes
Mr. Dickson	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

Chairman

Clerk