

At a budget workshop meeting of the Giles County Board of Supervisors on Thursday, March 20, 2014, at 3:00 PM in the Giles County Administration Building, 315 North Main Street, Pearisburg, the following were present:

Barbara Hobbs	Chair (Central District) - Absent
Scott Dunn	Vice Chair (Western District)
Richard McCoy	At-Large Supervisor
Larry Jay Williams	Eastern District
Paul "Chappy" Baker	At-Large Supervisor
Chris McKlarney	County Administrator
Richard Chidester	County Attorney - Absent
Missy Bray	Board Secretary

Mr. Dunn called the meeting to order.

## **AUDIT REVIEW**

Mr. Gordon Jones with Robinson, Farmer, Cox Associates presented information regarding the annual audit report. He first referenced the Independent Auditor's Report, which includes an unmodified opinion, which concludes the finances of Giles County are fair and correct. Mr. Jones made note of any findings, to which a response must be composed to address any issues. Mr. Jones stated that the Governmental Accounting Standards Board (GASB) would be issuing a new accounting statement for the coming fiscal year. This change would add the unfunded liability to the books, which will cause an increase in the county debt and could possibly cause difficulty in obtaining loans or increase the interest rates. Members had an issue with this due to the fact that the portion is VRS and is unfunded by the state and not the county. Mr. Jones covered information regarding the general fund in regard to revenue, debt services and operations. Ms. Tickle related that the PSA would be included in the next audit but would be on a separate report as an individual audit.

Ms. Tickle requested guidance on issuing an RFP for audit services. She stated that cost could be asked for in a sealed envelope but could not be considered when awarding the contract. Mr. Jones concurred with that statement and responded that the county could get a contract through the RFP process but would suggest having an extension on a year-by-year basis. He stated that the county would need to issue an RFP if the cost was greater than \$50,000.

There was discussion regarding audits of fire departments in the county and rescue with a rotating schedule in subsequent years. Mr. Jones suggested that those would need to be cash basis audits and could be done during the off season for auditors.

***Mr. Williams moved to conduct a two-year audit of finances on all volunteer EMS and fire services not affiliated or under any town audit process. Second by Mr. Baker. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

## **STORM WATER**

Mr. Bryan Reed related to members that legislation recently passed giving localities without storm water programs to opt out and send control of that program go back to the Department of Environmental Quality (DEQ). Mr. Reed stated he did not see anything negative about opting out, and it would shift the responsibility of telling people they have to pay for that permit back to DEQ. Members were in agreement with opting out of the storm water program and will bring it to a vote once official documentation is requested.

## **BUDGET DISCUSSION**

Mr. McKlarney presented preliminary budget numbers for Fiscal Year 2014-2015 showing a deficit. Members discussed various line items in an attempt to reduce budget numbers. Significant increases in employer contributions with VRS were discussed as well as the increases in the cost of insurance. Members discussed raises and expressed the need for county employees receiving the same percentage of raise as the school employees. Ms. Tickle will make adjustments and bring revisions back to the Board at the next meeting. In addition, members discussed the need for a full-time IT employee for the county.

Mr. Dunn called a recess stating the meeting would reconvene at the recess meeting at 6:30 PM in the General District Courtroom, 120 North Main Street, Pearisburg.

## **RECESS MEETING**

At the recess meeting of the Giles County Board of Supervisors on Thursday, March 20, 2014, at 6:30 PM in the Giles County General District Courtroom, 120 North Main Street, Pearisburg, the following were present:

Barbara Hobbs	Chair (Central District) - Absent
Scott Dunn	Vice Chair (Western District)
Richard McCoy	At-Large Supervisor
Larry Jay Williams	Eastern District
Paul "Chappy" Baker	At-Large Supervisor
Chris McKlarney	County Administrator
Richard Chidester	County Attorney
Missy Bray	Board Secretary

## **CALL TO ORDER/INVOCATION**

Mr. Dunn reconvened the meeting and called it to order. Mr. McKlarney had the invocation and led the Pledge of Allegiance.

Mr. Dunn announced that citizens may sign up with the secretary to speak during the public comment or public hearing sections of the meeting.

## APPROVAL OF MINUTES

***Mr. Baker moved to approve the minutes of March 5, 2014. Second by Mr. McCoy. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

## NEW RIVER JUVENILE DETENTION HOME

Mr. Joe Young presented information to members regarding the upcoming increase in for services at the home. He explained that the numbers were determined on a three-year average, and he expects the numbers to decline if the average usage amounts stay at the current trend. Mr. Young detailed services provided to the youth including schooling, mental health services, counseling and jobs. Mr. Dunn asked if the facility had improved since the increases. Mr. Young stated that security had been improved through the installation of surveillance cameras, and a planning study was in process at Richmond. Mr. McKlarney asked how much the facility had for reserves. Mr. Young responded that the current reserves were at \$170,000-\$175,000, which would allow them to operate the first three months of the fiscal year.

## LOCAL GOVERNMENT CHALLENGE GRANT

Mr. McKlarney related information to members for a Local Government Challenge Grant proposed by the Giles Arts Council. The matching funds will be raised by the Council, and the county will be used as a conduit for the funding if the grant is approved. The proposed grant would be used to create an outdoor mural at the Newport Recreation Center.

***Mr. Baker moved to approve the Local Government Challenge Grant as presented. Second by Mr. McCoy. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

## PUBLIC COMMENTS

**Ms. Tina Munsey** – Ms. Munsey addressed members concerning the cost of a new water hook up in the Broad Hollow area. She stated that she and her mother had assisted the county in getting people to sign up for the water when the project had started. Ms. Munsey related that the lines had been run previously and the box was already in place leaving only the meter to be installed when she had the water turned on. She requested that members reduce the amount of the hook up stating that she had already paid \$1,000 of the cost. Ms. Munsey related that she would be appreciative of any reduction members would be willing to allow. Mr. Williams stated he did not feel it was fair to charge the whole amount. Mr. Dunn stated he understood her position but felt that the policy should be adhered to. Mr. McKlarney related that he could compile numbers and bring them back to the Board at a later date. He also related that the policy had been put into place recently based on the fact that there was a cost associated with placement of the lines and meter housings initially. Mr. McCoy requested that members look at the numbers and contact Ms. Munsey with a decision prior to the remainder of the bill coming due. Members were in agreement.

## SCHOOL BOARD APPROPRIATION

***Mr. McCoy moved to appropriate funds in the amount of \$2,114,156 for the school board for April, 2014. Second by Mr. Baker. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

## SOCIAL SERVICES APPROPRIATION

***Mr. McCoy moved to appropriate funds in the amount of \$190,000 for Social Services and \$80,000 for CSA for April, 2014. Second by Mr. Baker. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

## PAYMENT OF WARRANTS

***Mr. Baker moved to appropriate funds in the amount of \$632,478.66 for payment of warrants as presented. Second by Mr. McCoy. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

## PUBLIC HEARING

### **Proposed Giles-Craig Communications Franchise**

Mr. Dunn opened the public hearing. Mr. Chidester related that the proposed franchise for Giles-Craig Communications, Inc. is for a cable television system and is very similar to the franchise granted to SuddenLink. Mr. Dunn asked for any questions or comments. Hearing none, he closed the public hearing.

***Mr. McCoy moved to approve the franchise ordinance for Giles-Craig Communications, Inc. as presented. Second by Mr. Baker.***

**Discussion** – Mr. Williams inquired about the amount the franchise would generate. Mr. Chidester responded that it would depend on how many customers were served. He also related that the franchise provided free service to Eastern Elementary Middle School

***Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

### **VDOT Six-Year Plan**

Mr. David Clarke provided information to members regarding the proposed Six-Year Plan including information on allocations for the next five years. He stated that the projects are listed by priority. With changes in transportation funding, localities are expecting an increase in secondary construction and unpaved road money starting in 2015. Mr. Clarke stated with the changes, localities would no longer be restricted by the 200 car count limit for unpaved roads. He asked that members read through the plan and approve or pass a resolution once adjustments were determined. There was some discussion on the roads listed including

Hilltop, Goodwins Ferry, Route 635 turn lane, Skyview, Curve Road, and Penvir Bridge. Mr. Clarke related that he had just received information that an additional \$213,000 had been moved to supplement the Penvir Bridge project for a total of \$676,000, and he is exploring other options for funding.

Mr. Williams asked what the deadline is for revenue sharing and stated there are several short streets within town limits that are not surfaced. Mr. Williams also asked if other projects in the plan had to be completed first if a revenue sharing project was added to the plan. Mr. Clarke stated the others did not have to be completed first. Mr. McKlarney related the VDOT web page was showing a deadline for revenue sharing in November 2013 for the current fiscal year, which is the most recent call for application listed. Members agreed to discuss the plan further at a later date and return with a decision.

Mr. Dunn asked for any comments or questions regarding the Six-Year Plan. Hearing none, he closed the public hearing.

## **APPOINTMENTS**

***Mr. Baker moved to reappoint Mr. Kevin Belcher to the New River Community Criminal Justice Board. Second by Mr. McCoy. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

## **EGGLESTON WATERLINE**

Mr. Williams asked if any information had been received regarding Eggleston water. Mr. McKlarney related an email had been received stating that except for the extension of the water distribution pipe having a diameter of eight inches or less and serving less than 15 residential customers can be done without approval. Mr. Williams reported he had received a request to hook to public water in the Eggleston area from a resident that built a house but could not hit water when drilling a well. There was some discussion on regulations and costs as well as easements that would need to be obtained. Mr. Williams stated the person is willing to pay a portion. Mr. McKlarney stated it will take some time to obtain permits and easements. He estimated that materials would run approximately \$12,000 - \$15,000, with an estimated \$20,000 total. Mr. McCoy suggested the county pay for the materials and the resident pay to have it put in. Members were in agreement to see what the resident would be willing to pay and approve staff recommendation.

## **EXECUTIVE SESSION**

***Mr. McCoy moved to go into Executive Session as permitted by Virginia Code 2.2-3711, A(30) contracts. Second by Mr. Baker. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.***

***Mr. McCoy moved to certify that in the closed session just concluded, the Board discussed nothing except the matters specifically identified in the motion to convene and lawfully permitted to be discussed under the provisions of the Virginia Freedom of***

**Information Act cited in that motion. Second by Mr. Baker. Approved unanimously by roll call vote – Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.**

#### **RESOLUTION TO GOVERNOR AND GENERAL ASSEMBLY**

Mr. McKlarney related that he had been contacted by Delegate Yost regarding a request to pass a resolution. The proposed resolution would urge the Governor and General Assembly to pass a clean and timely budget. Mr. McKlarney stated that he had also added language to the proposed resolution for the Governor to reconsider the exclusion of funding for pay increases for teachers. A copy of the resolution is attached at the end of these minutes.

**Mr. McCoy moved to approve the resolution to the Governor and General Assembly requesting the passing of a clean and timely budget. Second by Mr. Baker. Approved unanimously (4-0). Voting YES: Mr. Dunn, Mr. Williams, Mr. McCoy, Mr. Baker.**

No further business was introduced. Mr. Dunn adjourned the meeting. The next meeting is scheduled for Wednesday, April 2, 2014, at 3:00 PM in the General District Courtroom, 120 North Main Street, Pearisburg, Virginia.

APPROVED:

\_\_\_\_\_  
Vice Chair

ATTEST:

\_\_\_\_\_  
Clerk

Larry "Jay" Williams  
Eastern District Supervisor

Barbara Hobbs  
Central District Supervisor

Scott Durn  
Western District Supervisor

## County of Giles



## Board of Supervisors

315 North Main Street  
Pearisburg, Virginia 24134

Paul "Chappy" Eaker  
At-Large Supervisor

Richard McCoy  
At-Large Supervisor

### RESOLUTION

*Urging the Governor of Virginia and the Virginia General Assembly to timely pass a clean budget*

Adopted at a meeting of the Giles County Board of Supervisors on this 20<sup>th</sup> day of March, 2014.

WHEREAS, each year the foremost duty of the Virginia General Assembly is to pass a budget or budget amendments that serve as Virginia's financial blueprint for each fiscal year; and

WHEREAS, Virginia is consistently recognized for its sound fiscal management and budgetary practices as illustrated by its AAA bond rating and the strong bond ratings of many local government divisions throughout the Commonwealth; and

WHEREAS, the County of Giles is currently in the process of developing and adopting its budget for the upcoming fiscal year; and

WHEREAS, the Giles County Board of Supervisors relies on the timely passage of a budget to allocate funding to local government services and make policy and hiring decisions for the upcoming fiscal year; and

WHEREAS, 16,928 residents of Giles County depend on county government to provide critical services such as education and public safety; and

WHEREAS, failure to pass a timely budget will result in uncertainty for the County of Giles, which receives over 46% of its funding as direct aid from the Commonwealth; and

WHEREAS, the Giles County School Board relies on the timely passage of the state budget in order to set its budget and make staffing decisions, which includes teacher contracts; and

WHEREAS, interruption of the provision of educational services to county students will have a significant negative impact on students and families, and

WHEREAS, the interruption of public safety services would likely result in the loss of property, serious injury, or loss of life for county citizens, and

WHEREAS, critical mental health services to county residents are provided via funds that flow from the state budget through county, and

Telephone (540) 921-2525

Fax: (540) 921-1846

WHEREAS, the Virginia General Assembly adjourned sine die on Saturday, March 3, 2014, without adopting a budget for the two year biennium beginning July 1, 2014, be it


RESOLVED by the Giles County Board of Supervisors, that the Governor of Virginia and the Virginia General Assembly are urged to pass a budget as soon as practicable to ensure the continued functioning of state and local governments; and, be it

RESOLVED FURTHER, that the issue of Medicaid Expansion under the Affordable Care Act should be decoupled from budget negotiations and considered in a separate legislative session to facilitate prompt passage of a state budget; and, be it

RESOLVED FURTHER, that the Giles County Board of Supervisors does hereby request that the Governor and General Assembly reconsider their current budget proposal which does not include increases in pay for Virginia's teachers.

RESOLVED FURTHER, that the Giles Board of Supervisors shall transmit copies of this resolution to the Honorable Terence R. McAuliffe, Governor of the Commonwealth of Virginia and the members of the Virginia General Assembly so that they may be apprised of the sense of the Giles County Board of Supervisors in this matter.

Report of Vote:	YES	NO	ABSTAIN	ABSENT
Barbara Hobbs	_____	_____	_____	<u>  X  </u>
B. Scott Dunn	<u>  X  </u>	_____	_____	_____
Paul W. Baker	<u>  X  </u>	_____	_____	_____
Jay Williams	<u>  X  </u>	_____	_____	_____
Richard McCoy	<u>  X  </u>	_____	_____	_____

APPROVED:  
  
Vice Chair, B. Scott Dunn

ATTEST:  
  
Administrator, Chris McKlarney