

VIRGINIA: A CONTINUED MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS HELD
IN THE GENERAL DISTRICT COURTROOM OF THE COUNTY GOVERNMENT CENTER
ON APRIL 28, 2011 AT 7:00 P.M.

BOARD OF SUPERVISORS

PRESENT: SUPERVISOR REGINALD O. HARRISON, CHAIRMAN
SUPERVISOR JOHN M. SEWARD, VICE-CHAIRMAN
SUPERVISOR M. SHERLOCK HOLMES
SUPERVISOR ERNEST L. BLOUNT

ABSENT: SUPERVISOR JUDY S. LYTTLE

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR
MRS. MELISSA D. ROLLINS, DIRECTOR OF FINANCE
MR. JOHN B. EDWARDS, JR., ASSISTANT COUNTY ADMINISTRATOR
MRS. DEBORAH NEE, COMMISSIONER OF REVENUE
MR. ERVIN JONES, DIRECTOR, PARKS AND RECREATION
MR. LLOYD HAMLIN, DIVISION SUPERINTENDENT
DR. SERBRENIA SIMS, ASSISTANT SUPERINTENDENT FOR INSTRUCTION
MRS. MONIQUE BARNES, DIRECTOR OF FINANCE

CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE

The meeting was called to order by Chairman Harrison who then asked for a moment of silence. Following the moment of silence, he asked the citizens to stand and say the pledge of allegiance.

PUBLIC HEARING

Chairman Harrison called the Public Hearing to order at 7:00pm. Mr. Franklin read the statement of the case: to hear comments regarding the proposed School Board FY 2011-2012 Budget. Mrs. Melissa Rollins, Director of Finance, reported that the School Board had adopted the budget at its April meeting. The proposed operating budget is \$16,015,473 which reflects an increase of \$179,220 over the previous year. The budget, as requested by the School Board calls for a local appropriation from the County in the amount of \$11,693,967. A summary of the School System's proposed budget, revenue and expenditures, is as follows:

EXPENDITURES	FY10-11 Adopted Budget	FY 11-12 Requested Budget	Net Change FY 12 over FY 11 Adopted Budget	
			Dollar (\$)	%
Categories				
Instruction	\$10,508,107	\$10,682,844	\$174,738	1.66%
Administration & Health	\$828,621	\$844,084	\$15,464	1.87%
Pupil Transportation	\$1,044,508	\$1,099,141	\$54,632	5.23%
Operation & Maintenance	\$1,779,806	\$1,876,531	\$96,725	5.43%
Technology	\$824,658	\$828,531	\$3,902	0.47%
Food Service	\$585,662	\$598,062	\$12,399	2.12%
Debt Service	\$264,890	\$86,250	\$178,640	-67.44%
Total Operating Expenditures	\$15,836,252	\$16,015,472	\$179,220	1.13%

REVENUE	FY10-11 Adopted Budget	FY11-12 Adopted Budget	Net Change FY 12 over FY 11 Adopted Budget	
			Dollar (\$)	%
Sources				
State	\$3,343,780	\$3,097,069	(\$246,711)	-7.38%
Federal	\$948,821	\$924,289	(\$24,532)	-2.59%
Local Miscellaneous	\$300,000	\$300,000	\$0	0.00%
Local Appropriation	\$11,243,651	\$11,694,114	\$450,463	4.01%
Total Proposed Revenue	\$15,836,252	\$16,015,472	\$179,220	1.13%

(A copy of the 2011-2012 Surry County Public Schools Operating Budget Draft is included as an integral component of these minutes.)

Following introductory comments by Mrs. Rollins, Chairman Harrison invited the public to comment on the proposed FY 11-12 School System Budget.

Mrs. Helen Eggleston (Dendron) addressed the Board speaking in favor of the budget and commended Mr. Hamlin for his sound financial management of the schools. She urged the Board to adopt the budget as presented.

Mr. Mike Eggleston (Dendron) spoke in agreement with Mrs. Eggleston and encouraged the Board to be equally good stewards of the County's funds.

There being no further comments from the public, Chairman Harrison closed the floor for public comments and asked for closing statements from staff and fellow Board members. Supervisor Seward made a motion that the Board take action on the School System FY 11-12 Budget at the May 5th meeting. That motion was seconded by Supervisor Blount; all present voted in favor of the motion.

Chairman Harrison requested a report from the School System addressing future student population trends for the next 5-10 years and stated that a previous study had proven to be quite helpful and accurate in planning strategies for spending. He further stated that the student population had declined from 1,200 to about 900 students presently, and that anticipated future decline could affect funding

decisions. Chairman Harrison reported that the School System was currently spending \$15,000 to \$16,000 per student annually which exceeds the amount spent annually by other districts in the state. There was some brief discussion between members of the Board and School System officials.

COUNTY ADMINISTRATOR

1. FY 11-12 Consolidated Budget Presentation:

Mrs. Melissa Rollins began her presentation by stating that the Proposed Consolidated Budget, as presented, is based on current tax rates of \$0.73/\$100 of assessed value for real estate and \$4.00/\$100 of assessed value for personal property. The recommended budget is \$27.59 million, which represents a 1.3% increase over the current budget. Combined with the Water and Sewer Fund and Capital Projects Budget, the recommended Consolidated Budget for FY 11-12 is \$30.41 million. The proposed budget for the School System is per the School Board's recommendation in the amount of \$16,015,473 and includes an increase in the local appropriation of \$450,000. ***(A copy of Mrs. Rollins' presentation is included as an integral component of these minutes.)***

Mrs. Rollins went on to explain that the proposed budget included some fee increases for building permits and inspections, water usage, Parks & Recreation building rental, and Animal Control. She also discussed proposed increases to the budget and the basis for those increases. Mrs. Rollins concluded her presentation by briefly reviewing the Capital Improvement Budget for FY 11-12.

Following Mrs. Rollins' presentation, Chairman Harrison asked for comments from fellow Board members. Several members suggested that another budget work session would be prudent prior to the mandatory public hearing. Thursday, May 5, 2011 at 6:00pm was suggested for a work session. Following brief discussion, Supervisor Blount made a motion that the Board schedule a public hearing on Thursday, May 19, 2011 at 7:00pm for consideration of the FY 2011-2012 Proposed Consolidated Budget. The motion was seconded by Supervisor Holmes; there was unanimous approval of the motion.

2. Resolution 2011-09 - Riverside Regional Jail Authority:

Mr. Franklin, County Administrator, reported to the Board that the Riverside Regional Jail Authority has an undesignated reserve of approximately \$9,000,000. In order to balance the budget for the current fiscal year without raising per diem rates to the member jurisdictions, the Authority needs to use \$3,262,075 of that reserve. Because of certain bond covenants, the Authority cannot directly use those reserves, and has been advised by bond counsel that each locality's portion of that amount, based on the percentage of inmate days from that locality, must be transferred to the localities and then the localities must appropriate that same amount back to the Authority. Resolution 2011-09 accomplishes this transfer. There will be no actual transfer of monies, Mr. Franklin advised, and this will not cost the County any additional amount for the

use of the jail. Surry's percentage of the inmate days at Riverside is 1.21% and the amount of the transfer is \$39,483.

The other purpose of the resolution, Mr. Franklin stated, is to authorize an amendment to the Service Agreement to allow the Jail to charge other jurisdictions less to hold their inmates on a contractual basis than Surry and the other member jurisdictions are paying. Because the Jail has expanded, with 50% of the money for the expansion coming from the State, there are currently more beds than local inmates. In order to reduce the cost to the member jurisdictions, the Authority is attempting to rent those unused beds to other jurisdictions in Virginia that are overcrowded. Due to competition for these inmates from other regional jails that have excess capacity, it is necessary in some cases to offer to charge less than the amount the member jurisdictions are paying. The marginal cost for such additional inmates is minimal, and the revenue from these inmates, even at a cost lower than that paid by the member jurisdictions, will reduce the cost of operating the jail for Surry and the other member jurisdictions.

Following a brief discussion, Supervisor Holmes made a motion that the Board approve Resolution 2011-09 for the reasons enumerated. Supervisor Seward seconded the motion; Supervisor Harrison, Supervisor Blount, Supervisor Holmes and Supervisor Seward all voted affirmatively.

3. Report from the Commissioner of Revenue:

Mrs. Deborah Nee, Commissioner of Revenue addressed the Board with regard to citizen inquiries about tax exemptions for disabled veterans and the handicapped. The information provided addresses two classes of vehicles: motor vehicles which have been modified for use by physically handicapped individuals and primary vehicles owned and used by disabled veterans. Mrs. Nee reported on neighboring localities, their interpretation of the Virginia Code §58.1-3506 which addresses the issue. She also provided information regarding loss of revenue if the Board should decide to exempt or reduce the tax rates on these classes of vehicles.

Chairman Harrison thanked Mrs. Nee for the information and suggested that the Board would further consider the matter during the upcoming budget work session.

Mrs. Rollins reported that the proposed FY 11-12 Consolidated Budget contained a change in the fleet tax rate for busses as had previously been discussed by the Board.

4. Request for Public Hearing: Six Year Secondary Road Improvement Plan:

Mr. Franklin introduced correspondence from Ms. Frances Bailey regarding the need for a public hearing to be held in consideration of the Surry County Six Year Secondary Road Improvement Plan.

Supervisor Seward made a motion that the Board schedule a public hearing on Thursday, May 19, 2011 at 7:00pm for consideration of the Six Year Secondary

Road Improvement Plan. The motion was seconded by Supervisor Holmes; all present voted in favor of the motion.

CITIZEN COMMENTS

Mr. Mike Eggleston (Dendron) addressed the Board and asked about the amount of \$25,000 in the proposed budget for the vehicle which was totaled. He was informed that the vehicle had been insured and insurance monies had been received; the \$25,000 was the difference in the cost of replacement. Mr. Eggleston also stated that funding had been included in the budget for land acquisition for a motor service garage for several years, yet the project had never been completed.

Mr. Alfred Bailey (Carsley) appeared before the Board with more information regarding the personal property tax exemption for disabled veterans.

CLOSED SESSION

There being no further comments from the public, Supervisor Seward made a motion that the Board move to Closed Session to discuss the acquisition of real property for public purposes where discussion in an open meeting would adversely affect our bargaining position, Virginia Code § 2.2-3711(A)(3). Supervisor Holmes seconded the motion; there was unanimous approval of the motion.

ADJOURNMENT