

VIRGINIA: A REGULAR MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS  
HELD IN THE GENERAL DISTRICT COURTROOM OF THE COUNTY  
GOVERNMENT CENTER ON MAY 1, 2014 AT 7:00P.M.

PRESENT: SUPERVISOR ERNEST L. BLOUNT, CHAIRMAN  
SUPERVISOR JUDY S. LYTTLE, VICE-CHAIR  
SUPERVISOR JOHN M. SEWARD  
SUPERVISOR KENNETH R. HOLMES  
SUPERVISOR GIRON R. WOODEN, SR.

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR  
MR. WILLIAM HEFTY, HEFTY & WILEY, COUNTY ATTORNEY  
MS. TERRI E. HALE, FINANCE DIRECTOR  
MS. RHONDA RUSSELL, DIRECTOR OF PLANNING  
MS. TRACY TERRY, CHIEF ANIMAL CONTROL OFFICER  
MRS. BILLIE JEAN ELMER, UNIT DIRECTOR, COOPERATIVE EXTENSION  
MRS. VALERIE PIERCE, DIRECTOR, SURRY SOCIAL SERVICES  
MRS. SOPHIE PIERCE, DIRECTOR, OFFICE ON YOUTH  
MR. ERVIN JONES, DIRECTOR, PARKS AND RECREATION  
MR. LLOYD HAMLIN, SUPERINTENDENT, SURRY SCHOOLS  
MS. REBECCA HICKS, FINANCE DIRECTOR, SURRY SCHOOLS  
MS. ELSIE M. DENNIS, SCHOOL BOARD MEMBER  
DR. MARION H. WILKINS, SCHOOL BOARD MEMBER  
MS. LAURA P. RUFFIN, SCHOOL BOARD MEMBER  
MS. AUDREY BYRD, SCHOOL BOARD MEMBER

**CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE**

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

**CONSENT ITEMS**

1. Approval of April 3, 2014 Minutes, Board of Supervisors
2. Approval of May 2014 Accounts Payable:

	Accounts Payable	Additional	Total
General Fund	\$77,860.96	\$163,541.75	\$241,402.71
Debt Service	\$0.00	\$0.00	\$0.00
Capital	\$13,604.01	\$134,729.66	\$148,333.67
Water & Sewer	\$19,030.25	\$106.76	\$19,137.01
CSA	\$39,413.04	\$7,353.83	\$46,766.89

Indoor Plumbing	\$0.00	\$0.00	\$0.00
Juror Payments	\$0.00	\$990.00	\$990.00
<b>Totals</b>	<b>\$149,908.26</b>	<b>\$306,722.00</b>	<b>\$456,630.28</b>

### 3. Appropriation Requests:

<b>School System - May 2014</b>	Instruction	\$825,000.00
	Admin./Health	\$40,000.00
	Pupil Transp.	\$75,000.00
	Operation/Maint.	\$85,000.00
	Food Serv.	\$40,000.00
	Debt Service	\$0.00
	Capital Projects	\$0.00
	Technology	\$40,000.00
	<b>Total</b>	<b>\$1,105,000.00</b>
<b>Dept. of Social Serv. - May 2014</b>		<b>\$180,000.00</b>

Supervisor Lyttle made a motion that the Board approve the Consent Items as enumerated. Supervisor Seward seconded the motion. Supervisors Blount, Wooden, Holmes, Lyttle and Seward voted affirmatively to approve the motion.

## PROGRESS REPORTS

### 1. VDOT

#### A. Crater Rural Transportation Committee Regional Prioritizing

Ms. Rhonda Russell, Director of Planning and Community Development, reported that the Crater Planning District Commission (CPDC) had asked localities within the region to prioritize the top 24 rural transportation projects listed in the region's Rural Transportation Plan. The Surry County Highway Transportation Safety Commission, during its March 12, 2014 meeting voted to rank the priorities listed in Surry as follows:

1. **Moonlight Road** (St. Rt. 627) 0.43 mi. from VA 10E to 0.5 mi. S of VA 10 – Widen road, improve ditches, and straighten curve.

Cost: \$1,709,250.00

2. **Beaverdam Road** (St. Rt. 626) /Hollybush Road (St. Rt. 618) intersection – Install pavement markings including edge lines, centerline and stop bar; repave the depression on NE corner.

Cost: \$250,000.00

3. **Hog Island Road** (St. Rt. 650) 6.56 mi. from VA 617 to river - Install no passing (W14-3) and horizontal alignment (W@) signs at appropriate locations.

Cost: \$125,000.00

4. **Colonial Trail East /VA 650 Mount Ray Drive/Hog Island Road intersection** – Install advance intersection warning signs (W2 series) on VA 10E; install pavement markings on northbound Mount Ray Drive. Cost: \$165,000.00

Supervisor Seward made a motion that the Board authorize approval of the ranking and authorize correspondence to the CPDC expressing the same. The motion was seconded by Supervisor Lyttle and unanimously approved.

## **PUBLIC HEARING**

### 1. FY 14-15 Proposed Consolidated Budget & CIP

Chairman Blount called the Public Hearing to order. Mr. Franklin stated that the public hearing was being conducted to receive public comments regarding the Proposed Consolidated Budget for Fiscal Year 2014-2015.

Ms. Terri Hale, Director of Finance, presented the Board with a brief overview of the FY 14-15 Budget and Capital Improvement Plan. She reported that this is a balanced budget with no increase in taxes, fees or use of the fund balance. The total proposed budget is \$49,594,106 which includes a school fund budget of \$15,889,173, a social services budget of \$1,889,069, a debt service fund of \$1,603,127, and a capital fund of \$6,250,000. *(A copy of Ms. Hale's presentation is attached as an integral component of these minutes.)*

Chairman Blount opened the floor for public comments.

Ms. Vanessa Scott (local teacher and President of the Surry County Education Association) addressed the Board to report that the School System had produced good SOL scores and that in order to keep good teachers, the schools would need to give teachers a raise.

Mrs. Helen Eggleston (Dendron District) addressed the Board to ask whether a reassessment was planned for this fiscal year. Ms. Hale responded that it was not, but that a reassessment would have to be done in FY 15-16. Mrs. Eggleston stated that an earlier reassessment would be preferred, although she felt that the proposed budget was, otherwise, a good budget.

Ms. Geraldine Bailey (Bacon's Castle District and Principal of Surry Elementary School) urged the Board to support the School Board's budget and stated that an inadequate budget would negatively impact student instruction.

There being no additional citizens wishing to address the Board with regard to this issue, Chairman Blount closed the floor. There was no staff summary or comments by the Board.

Supervisor Lyttle made a motion that the Board meet at 7:00 pm on Thursday, May 8, 2014 in the General District Courtroom to take action on the FY 14-15 Proposed Consolidated Budget. The motion was seconded by Supervisor Holmes; Supervisors Blount, Seward, Wooden, Lyttle and Holmes voted affirmatively.

## 2. VDOT Six-Year Secondary Road Plan & Resolution 2014-11

Chairman Blount called the Public Hearing to order. Mr. Franklin stated that the public hearing was being conducted to receive public comments regarding the VDOT/Surry County Six Year (FY 15-20) Secondary Road Improvement Plan.

Mr. Rossie Carroll, Williamsburg Residency Administrator, addressed the Board to provide a brief overview of the proposed plan. The plan includes an average of \$23,130 annually over the next six years to fund construction projects relevant to the County's secondary roads.

Chairman Blount opened the floor for public comments.

Mr. Mike Eggleston (Dendron District) addressed the Board to express concerns regarding the condition of Rt. 617.

There being no additional citizens wishing to address the Board with regard to this issue, Chairman Blount closed the floor. There was no staff summary or comments by the Board.

Supervisor Seward made a motion that the Board authorize Resolution 2014-11 adopting the Six Year Secondary Road Improvement Plan as presented. Supervisor Wooden seconded the motion which passed with unanimous support.

## 3. Ordinance 2014-01 Animal Control Fees

Chairman Blount called the Public Hearing to order. Mr. Franklin stated that the public hearing was being conducted to receive public comments Ordinance 2014-01 which would amend the Surry County Code §12-4 to increase certain Animal Control fees and to establish a fee for adoption of a dog or cat.

Ms. Tracy Terry, Chief Animal Control Officer, addressed the Board with a brief summary of proposed fee increases and reported that the increases were considered necessary to offset increasing costs of the Animal Control Department.

Chairman Blount opened the floor for public comments.

Mr. Mike Eggleston (Dendron District) spoke in support of Ordinance 2014-01 stating that the shelter should not be operating at a deficit.

There being no additional citizens wishing to address the Board with regard to this issue, Chairman Blount closed the floor. There was no staff summary or comments by the Board.

Supervisor Seward made a motion that the Board adopt Ordinance 2014-01 as presented. The motion was seconded by Supervisor Holmes and passed with unanimous approval.

#### 4. Ordinance 2014-02 Renaming the Industrial Development Authority

Chairman Blount called the Public Hearing to order. Mr. Franklin stated that the public hearing was being conducted to receive public comments Ordinance 2014-02 which would amend the Surry County Code §2-194 and §2-195 to change the name of the Industrial Development Authority of Surry County to the Economic Development Authority of Surry County.

Mr. William Hefty, County Attorney, addressed the Board to inform that the proposed ordinance would only change the name of the Authority. Since the scope of the organization was to assist with economic development in general rather than focus solely on bringing industry to Surry, it seemed a logical step to reflect that in the name of the organization.

Chairman Blount opened the floor for public comments. There being no citizens wishing to address the Board with regard to this issue, Chairman Blount closed the floor. There was no staff summary or comments by the Board.

Supervisor Lyttle made a motion that the Board adopt Ordinance 2014-02 as presented. Supervisor Holmes seconded the motion; Supervisors Blount, Wooden, Seward, Lyttle and Holmes voted affirmatively.

## **PROGRESS REPORTS (Cont'd)**

### **2. Treasurer**

#### A. Investment Letter

Chairman Blount read the Investment Letter provided by Mary H. Shaw, Treasurer, which stated that as of the April 3, 2014 meeting the County had \$21,345,783.50 in the LGIP Fund. Since that report, accrued interest for March 2014 in the amount of \$1978.48 had increased that balance to \$21,347,761.98. Since the last report, \$1,500,000.00 was transferred from LGIP to the General Fund leaving a balance in the LGIP of \$19,847,761.98. As of May 1, 2014 the County

had \$20,355,696.56 in total investments, including one CD valued at \$507,934.58 which matures January 18, 2015.

3. County Administration

A. Presentation: Virginia's Gateway Region

Mr. Franklin reported that Ms. Renee Chapline, President and CEO of Virginia's Gateway Region, was unable to attend this evening and would reschedule her address to the Board during the June 5, 2014 meeting.

B. FY 14 Budget Amendment \$23,379.67 (School System)

Mr. Lloyd Hamlin, Superintendent, requested that the Board consider a budget amendment in the amount of \$23,379.67 to the School System's FY 13-14 operating budget in the Technology category to reflect the E-rate reimbursement received from Verizon.

Supervisor Lyttle made a motion that the Board authorize the requested amendment in the amount of \$23,379.67 to the Technology category and appropriate the funds for expenditure. Supervisor Wooden seconded the motion which passed with unanimous support.

C. FY 14 Categorical Transfers \$100,000 (School System)

Mr. Hamlin requested that the Board consider the School Board's request for categorical transfers. The request would reduce the FY 13-14 budget by \$100,000 in the Instruction category and increase Pupil Transportation by \$50,000, Operation and Maintenance by \$35,000 and Food Services by \$15,000.

Following an extensive discussion of this request as well as the request for carry over funds, Supervisor Seward made a motion that the Board authorize the request for categorical transfers for FY 13-14 as follows:

From: Instruction	-\$100,000
To: Pupil Transportation	\$ 50,000
Operation & Maintenance	\$ 35,000
Food Services	\$ 15,000

The motion was seconded by Supervisor Lyttle and passed with unanimous approval.

D. FY 14 Carry Over Funds up to \$350,000 (School System)

No action was taken.

E. Request for Public Hearing: Tax Exempt Status, Horizon Health Services, Inc.

Mr. Franklin informed the Board that Horizon Health Services, Inc. (HHS) had submitted their request, accompanied by the necessary documentation, for a public hearing in consideration of an ordinance which would exempt the organization from the payment of real estate and personal property tax. Such an exemption is allowed for 501(c)(3) organizations in the Code of Virginia §58.1-3651(B). Mr. Franklin introduced Mrs. Cheryl Ebersole, CEO of HHS, to address any questions Board members may have.

Following a brief discussion, Supervisor Seward recommended that the Fiscal Affairs Committee of the Board meet with representatives of HHS prior to the June meeting of the Board in order to recommend a course of action. Mr. William Hefty, County Attorney, suggested that the Board may consider offering the organization an annual grant in the amount of the tax which would be renewable annually and would not require a change in the County Code or a public hearing. Mr. Franklin instructed staff to arrange a meeting of the Fiscal Affairs Committee.

F. Resolution 2014-09: 100 Years of Cooperative Extension

Mrs. Billie Jean Elmer addressed the Board to request consideration of Resolution 2014-09 which would honor the centennial of the Smith-Lever Act establishing Cooperative Extension. She reported briefly on the history of Cooperative Extension in Surry County and shared some photographs.

Supervisor Holmes made a motion that the Board approve Resolution 2014-09 as presented. Supervisor Lyttle seconded the motion; all present voted in support of the motion.

G. Resolution 2014-10: National Travel & Tourism Week

Ms. Pat Bernshausen, County Administration, addressed the Board to request consideration of Resolution 2014-10 in recognition of National Travel and Tourism Week, May 3-11, 2014. She reported national and state tourism statistics and stated that visitor expenditures in Surry County had grown by 2.5% from 2011 to 2012.

Supervisor Seward made a motion that the Board authorize Resolution 2014-10 recognizing National Travel and Tourism Week. The motion was seconded by Supervisor Lyttle and unanimously approved.

H. Request for Public Hearing: Rezoning App. 2014-01, CUP 2014-01

Ms. Rhonda Russell, Director of Planning and Community Development addressed the Board to request a public hearing to consider comments relevant to Rezoning Application 2014-01 and CUP 2014-01, applications by Mr. L. Byrd as follows:

**Rezoning Application No: 2014-01** An application by L. Byrd to rezone a  $\pm 1.02$  acre parcel from Agricultural Rural District (A-R) to Vacation Residence District (R-2) to permit a Two-Family Dwelling. The property is located on the North side of Colonial Trail East, beginning  $\pm 2,100'$  East of the intersection of College Run Drive/SR635 and Colonial Trail E./SR10, with  $\pm 105'$  of frontage along Colonial Trail E./SR10 and average depth of  $\pm 420'$ . The ax Parcel Identification Number is 42-26L.

**Conditional Use Permit Application No 2014-01** An application by L. Byrd to permit a two-family dwelling a  $\pm 1.02$  acre parcel zoned Agricultural Rural District (A-R). The property is located on the North side of Colonial Trail East, beginning  $\pm 2,100'$  East of the intersection of College Run Drive/SR635 and Colonial Trail E./SR10, with  $\pm 105'$  of frontage along Colonial Trail E./SR10 and average depth of  $\pm 420'$ . The property is also the subject of Rezoning Application No. 2014-01 a request to rezone the property to Vacation Residence District (R-2). The Tax Parcel Identification Number is 42-26L.

Mr. Byrd was present to address any concerns of Board members.

Supervisor Lyttle made a motion that the Board authorize the advertisement and scheduling of a public hearing as requested with regard to Rezoning Application 2014-01 and CUP 2014-01 for Thursday, June 5, 2014 at 7:00 pm in the General District Courtroom of the Surry County Government Center. The motion was seconded by Supervisor Holmes and passed with unanimous support.

I. Broadband Implementation Proposed Resolution 2014-12

Ms. Russell informed the Board that Resolution 2014-12 had been drafted by the County Attorney which would designate the Surry County Broadband Authority as the agent for the Surry County Board of Supervisors for the oversight and management of County owned fiber assets.

Supervisor Lyttle made a motion that the Board authorize Resolution 2014-12 designating the Surry County Broadband Authority as the agent for the Surry County Board of Supervisors for the oversight and management of County owned fiber assets. Supervisor Wooden seconded the motion; Supervisors Blount, Seward, Holmes, Lyttle and Wooden voted affirmatively.

I. FY 14 Budget Amendment \$141,956 (CSA)

Ms. Terri Hale, Director of Finance, reported that when the FY 14 Budget was adopted the allocation of state pass-thru dollars had not been finalized for the Comprehensive Services Act (CSA), which

provides (primarily) mandated services for at-risk children and families. Therefore, the adopted CSA budget was underfunded in both state and local dollars. Also, the state recently approved, based on current case load, a supplemental appropriation. Ms. Hale requested that the Board approve a supplemental appropriation to the FY 14-15 CSA Fund budget as follows:

State Funds	\$ 119,250
Local Funds	<u>\$ 22,706</u>
<b>Total</b>	<b>\$141,956</b>

Supervisor Lyttle made a motion that the Board authorize a budget amendment totaling \$141,956 for the FY 14-15 CSA budget. Supervisor Holmes seconded the motion which passed with unanimous approval.

K. Surplus Equipment

Mr. Franklin informed the Board regarding additional out-of-service vehicles which had been submitted by the Sheriff's Office to be declared as surplus equipment. *(A listing of surplus vehicles is attached as an integral component of these minutes.)*

Supervisor Holmes made a motion that the Board declare the vehicles enumerated as non-useable surplus and authorize County staff to remove them from the County's inventory. The motion was seconded by Supervisor Seward and passed with unanimous support.

L. Appointment: Social Services Board

No action was taken.

M. Appointment: Planning Commission

No action was taken.

N. Blackwater Regional Library Board of Trustees

No action was taken.

O. Appointment: John Tyler ASAP

No action was taken.

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

None.

**CITIZEN COMMENTS**

Mrs. Helen Eggleston (Dendron District) appeared before the Board and presented materials related to the dissolution of the Town of Dendron.

Mr. Mike Eggleston (Dendron District) addressed the Board to further express concerns regarding the condition of roadways in the County.

Mr. John Stokes (Surry District) spoke in support of Horizon Health Services, Inc.'s request for tax exempt status.

**ADJOURNMENT**

There being no further business before the Board, Supervisor Seward made a motion to continue the meeting to Thursday, May 8, 2014 at 7:00 pm. in the General District Courtroom of the Surry Government Center. Supervisor Lyttle seconded the motion which passed with unanimous approval.

# Surry County, Virginia

FY15 Proposed Budget  
Public Hearing May 1, 2014  
At-A-Glance

# FY15 Proposed Budget, All Funds

<b>Total Proposed Budget</b>			<b>\$ 49,594,106</b>
General Fund	\$	23,231,312	
Debt Service Fund		1,603,127	
Virginia Public Assistance Funds (3)		1,959,085	
Comprehensive Services Fund		187,630	
School Fund		15,219,445	
Cafeteria Fund		669,728	
DEA/Task Force Fund		25,000	
Indoor Plumbing Fund		11,415	
Economic Development Fund		80,000	
Capital Fund		6,250,000	
Utilities Fund	\$	357,364	

# General Fund Highlights

- Balanced budget with no increase in taxes, fees or use of fund balance
- Public service corporation taxes reduced by \$500,000 based on Department of Taxation reduction estimate of 2.9%
- General Fund increase of \$614,735, or 2.8%; includes contingency of 225,000
- Fire & rescue departments are level-funded at \$231,000
- Salary increase of 3% for general government employees -- \$111,708
- 8.8% increase in health insurance premiums; employer increase in ranges from \$31 to \$54/person/year to comply with Local Choice 80% requirement (total additional cost approximately \$54,900)
- \$50,000 included to enforce the existing property maintenance ordinance, which will be recovered by the property owner, if possible
- One part-time animal control position upgraded to full-time at \$40,699; vacant positions are included
- Two sheriff's office vehicles are included -- \$55,500
- Increase in new Surry Library branch of \$48,003
- Other outside agencies increased by \$34,056, or 3.1%

# General Fund Revenues

		FY15 Proposed		FY14 Adopted
Local	\$	21,393,402	\$	20,934,927
State		1,747,518		1,755,110
Federal		90,392		72,035
Total	\$	23,231,312	\$	22,762,072

# School, VPA Funds Highlights

- Proposed school fund budget (including cafeteria fund) = \$15,889,173, which is \$159,757, or 1.0% more than the current year
- Increased local funding of \$305,886 to \$12,000,000 (request was \$13,658,705, an increase of \$1,964,591, or 16.8%)
- Reduction in state revenue of approximately of \$132,000
- Proposed social services budget = \$1,889,069, which is \$48,575, or 2.6% more than current year
- Level funded at \$748,906 local dollars (request was \$883,844, an increase of \$134,844, or 18.0%)
- Cost Allocation Plan federal revenue included at \$58,000

# Affect on Fund Balance

- FY13 total fund balance was \$13,630,145
- Auditors recommend a fund balance equal to 20% of the total budget. For the FY15 proposed budget this would be \$9,918,821. BUT – given the potential volatility of public service corporation taxes, the county's financial advisor recommends at least \$1,000,000 in addition to this amount.
- Current fund balance policy permits spending up to 25% of governmental fund expenditures (less capital expenditures funded by bond proceeds). In the FY13 CAFR this amount was \$8,093,311, approximately 60% of the current fund balance.

# Capital Improvements Plan (CIP)

Project	Amount	Local	Grant	State	Long-Term	Total
		Funding	Funding	Funding	Debt	Funding
Water Upgrades	\$ 1,500,000				\$ 1,500,000	\$ 1,500,000
Rescue Squad Building	1,500,000				1,500,000	1,500,000
Marina Project	1,000,000				1,000,000	1,000,000
Surry Sewer Expansion	750,000	50,000	\$ 700,000			750,000
SCHS HVAC Infrastructure	500,000	500,000				500,000
Broadband Project	500,000	100,000		400,000		500,000
Visitors Center	250,000				250,000	250,000
Park Multi-Modal Study/Improvements	125,000	125,000				125,000
Facility Stabilization/Restoration	75,000	75,000				75,000
Technology Improvements	50,000	50,000				50,000
<b>Grand Total, Project Expenditures</b>	<b>\$ 6,250,000</b>	<b>\$ 900,000</b>	<b>\$ 700,000</b>	<b>\$ 400,000</b>	<b>\$ 4,250,000</b>	<b>\$ 6,250,000</b>