V I R G I N I A:

At a recessed meeting of the Washington County Board of Supervisors held Tuesday, May 30, 2006, at 6:00 p.m., at the County Administration Building in Abingdon, Virginia the following were present:

PRESENT:

Kenneth O. Reynolds, Chairman
Jack R. McCrady, Jr., Vice Chairman
Phillip B. McCall
Dulcie M. Mumpower
Odell Owens
Paul O. Price
Anthony S. Rector

ABSENT:

Lucy E. Phillips, County Attorney

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1. Call to Order

The meeting was called to order by Mr. Kenneth Reynolds, Chairman of the Board, who welcomed everyone in attendance.

2. Invocation and Pledge of Allegiance

Supervisor Phillip McCall gave the Invocation and led the Pledge of Allegiance.

3. Approval of Agenda

On motion of Mr. Owens, second by Mr. Rector, it was resolved to approve the agenda as presented.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

4. Review of Tentative Budget Adjustments from May 25 Worksession

Accounting Manager Mark Seamon provided the Board with a summary of revenue and expenditure adjustments made to the recommended County Operating Budget for FY 2006-2007 at the May 25, 2006, budget adjustment worksession.

Mr. Seamon reviewed the Capital Reserves Account in detail with the Board. Mr. Seamon explained that this account is not operating revenue and functions as a savings account for major projects. Normally, adjustments to this account do not affect the uncommitted contingency balance.

Discussions ensued concerning the Capital Reserves Account.

5. Review, Adjustment and Tentative Approval of FY 2006-2007 County Budget (*continued from May 25 Recessed Meeting*):

a. General School Fund:
   (1). Depts. 61100-69999-Classroom Instruction
b. School Textbook Fund:
   (1). Dept. 61100-Instruction
c. School Construction Fund:
   (1). Dept. 66000-Facilities
d. School Cafeteria Fund:
   (1). Dept. 65100-Cafeteria Operations

The Board devoted substantial discussion to funding for Washington County Schools. The Board discussed the issue of it being the responsibility of the School Board to make cuts to the school budget and should be done before the budget is submitted to the Board of Supervisors. Board members expressed their disappointment that the School Board was leaving the cuts to be decided by the Board of Supervisors. Board members further discussed that the School Board should do a better job in detailing the budget.

The proposed $797,400 increase in local funding was discussed. Board members expressed concern that the FY 2006-2007 school budget was built on the increase in State funding, which they are not guaranteed to receive. The Board expressed their support for adjustments to teachers' salaries and stated that the majority of teachers spend hours outside of school time on lesson plans, grading papers and other school related matters. The Board expressed their support for a quality of education for the children of Washington County and that it is not their intent to take any action that would have an adverse affect on education or teachers' salaries. It was proposed that the Board of Supervisors and School Board schedule a joint meeting for the purpose of discussing the concerns of the Board of Supervisors.

Discussion ensued concerning the money that the School System returns to the County at the end of the fiscal year.

After lengthy discussions regarding the school system budget for FY 2006-2007, the following action was taken:

On motion of Mr. McCrady, second by Mr. Rector it was resolved to decrease local funding by $500,000 and approve the following funds totaling $72,569,825:

School Operating General Fund – Fund 312 $67,742,337

(Depts. 61100-69999 – Classroom Instruction)
School Textbook Fund – Fund 215 ***$989,555***
(Depts. 61100)
School Construction Fund – Fund 316 ***$220,000***
(Depts. 66000)
School Cafeteria Fund – Fund 317 ***$3,617,933***
(Depts. 65100)

The vote on this motion was as follows: (7-0)

Mr. McCall ***Aye***
Mr. McCrady ***Aye***
Mrs. Mumpower ***Aye***
Mr. Owens ***Aye***
Mr. Price ***Aye***
Mr. Rector ***Aye***
Mr. Reynolds ***Aye***

e. Capital Improvement Fund:

(1). Dept. 94900 – Capital Reserve Account

It was consensus of the Board to revisit this department at the end of the worksession meeting.

f. General Fund:

(1). Dept. 31200 – WCSO-Sheriff's Office

Supervisor Dulcie Mumpower addressed the Board explaining that she had requested at an earlier budget adjustment worksession that the Sheriff's Department determine if they could get through the next fiscal year with purchasing fewer vehicles than requested. Mrs. Mumpower explained that the Sheriff's Department has told her they do not feel they could afford for the Board to cut the vehicle purchase line item and that they attempt to get an extra six months out of their vehicles.

Discussions ensued among the Board. The Board tentatively approved Dept. 31200-WCSO Sheriff's Office at the May 15 meeting and took no further actions.

(2). Dept. 31720 – WCSO-School Resource Program

Substantial discussions ensued among the Board concerning the request for an additional school resource officer. Subsequently the following action was taken:

On motion of Mr. Rector, second by Mr. Owens, it was resolved to modify Department 31720, WCSO-School Resource Program by adding $40,622 to Line Item 1400-Comp.-Deputies and to tentatively approve County Administrator's recommended FY 2006-2007 budget for Fund 001-Department 31720, WCSO-School Resource Program in the amount of $121,637.

The vote on this motion was as follows: (6-1)

Mr. McCall ***Aye***
Mr. McCrady ***Aye***

Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Nay***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

A ten-minute recess as taken at this time.

(3). Dept. 32200 – Volunteer Fire Department
(4). Dept. 32300 – EMS Departments

The Board discussed at length the budgets for the volunteer fire departments and the emergency medical services (ems) departments.

Supervisor Dulcie Mumpower addressed the operational funding for the Washington County Fire and Rescue. Mrs. Mumpower explained that this Department is funded considerably less for operations than the other departments and would like the Board to consider bringing this Department's operational funding in line with the other departments.

Supervisor Odell Owens requested that the Board consider additional funding for the Goodson Kinderhook Fire and Rescue Department. Mr. Owens explained that the majority of growth in the County is in the areas served by Goodson Kinderhook Fire and Rescue and the Washington County Fire and Rescue.

Supervisor Jack McCrady recommended that each fire and ems department be given an additional $5,000.

Further discussions ensued among the Board. A primary issue of concern discussed was paid personnel for the departments and fairness in funding for all of the fire and ems departments that serve the County with all Board members agreeing that a systematic approach to funding is needed. There was some discussion devoted to the County moving toward a system where one request for funding for fire and ems would be made through the County Director of Emergency Services. The Emergency Services Director works closely with the fire and ems departments and is in better position to decide how much funding each of the departments should receive.

After further discussions the following action was taken:

On motion of Mr. Rector, second by Mr. McCrady, it was resolved to modify Departments 32200, Volunteer Fire Departments and 32300, EMS Departments by increasing the following line items totaling $83,000:

Volunteer Fire Departments:

Line Item 5001	***Wash Co Fire and Rescue-Operation***	***$5,000***
Line Item 5005	***Abingdon Fire Department-Operations***	***$5,000***
Line Item 5009	***Meadowview Fire Department***	***$5,000***
Line Item 5013	***Glade Spring Fire Department – Operations***	***$5,000***
Line Item 5017	***Damascus Fire Department - Operations***	***$5,000***
Line Item 5021	***Saltville Fire Department - Operations***	***$1,000***
Line Item 5025	***Goodson-Kinderhook Fire and Rescue***	***$5,000***
Line Item 5029	***Mt. Rogers Fire and Rescue-Operation***	***$1,000***
Line Item 5033	***Brumley Gap Fire Department - Operations***	***$5,000***

Line Item 5037	***Green Springs Fire Department-Operations***	***$5,000***
Line Item 5041	***Clinch Mountain Fire Department-Operations***	***$5,000***

EMS Departments:

Line Item 5001	***Wash Co. Fire and Rescue***	***$5,000***
Line Item 5025	***Goodson-Kinderhook Rescue***	***$5,000***
Line Item 5029	***Mt. Rogers Rescue Squad***	***$2,000***
Line Item 5060	***Saltville Life Saving Crew***	***$2,000***
Line Item 5064	***Bristol Life Saving Crew***	***$2,000***
Line Item 5068	***Glade Spring LSC***	***$5,000***
Line Item 5072	***Valley Rescue Squad***	***$5,000***
Line Item 5076	***Damascus Rescue Squad***	***$5,000***
Line Item 5080	***Wash Co. Life Saving Crew***	***$5,000***

The vote on this motion was as follows: (6-0-1)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Abstained***
Mr. Rector	**Aye**
Mr. Reynolds	***Aye***

(5). Dept. 32400 – Fire & Rescue Facilities/Equipment

On motion of Mr. Rector, second by Mr. McCrady, it was resolved to modify Department 32200, Volunteer Fire Department by adding $50,000 to the fire truck rotation and to modify Department 32300, EMS Departments by adding $25,000 to the ambulance rotation for the first year of the three-year cycle.

The vote on this motion was as follows: (6-0-1)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Abstained***
Mr. Rector	**Aye**
Mr. Reynolds	***Aye***

(6). Dept. 33110 – Southwest Virginia Regional Jail Authority

On motion of Mr. McCrady, second by Mr. McCall, it was resolved to tentatively approve the revised County Administrator's recommended FY 2006-2007 budget for Fund 001, Dept. 33110, Southwest Virginia Regional Jail Authority in the amount of $1,305,106.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	**Aye**
Mr. Reynolds	***Aye***

e. Capital Improvement Fund:

(1). Dept. 94900 – Capital Reserve Account

The Board discussed the Capital Reserve Account at length. County Administrator Mark Reeter explained that approving the budget for Capital Reserve Account does not appropriate money to any of the projects within the Account. Mr. Reeter further explained that each project would come before the Board for approval.

On motion of Mr. Rector, second by Mr. Owens it was resolved to decrease Department 91400, Reserve for Contingencies by $57,714 and to tentatively approve the County Administrator's recommended FY 2006-2007 budget for Fund 001, Department 91400, Reserve for Contingencies in the amount of $242,286. It was further resolved to place the remaining uncommitted reserve balance totaling $500,000 in the County's Reserve for Capital Projects Account.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	**Aye**
Mr. Reynolds	***Aye***

On motion of Mr. Rector, second by McCrady, it was resolved to tentatively approve the County Administrator's recommended FY 2006-2007 budget for Fund 005, Department 94900, Capital Reserve Account in the amount of $3,701,566,

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

6. <u>Reconsideration of Tentative Adjustments Made During Previous Budget Adjustment Worksessions</u>:

Chairman Kenneth Reynolds addressed the Board discussing the proposed Fairview Project. Mr. Reynolds explained that Dr. Jim Moore has given the Town of Abingdon an 18th century historic home and two acres of land near the Southwest 4-H Center and would give another 40 acres of land if the project is developed into a historical tourist destination. He further explained that the Town of Abingdon is giving $12,500 toward the project and that Washington County is being requested to contribute $50,000.

Discussion ensued among the Board. Board members felt they could make a better decision concerning funding once a project plan and more details about the project become available. Therefore, the following action was taken:

On motion of Mr. McCrady, second by Mr. Rector, the Board acted to table the funding request from the Abingdon Fairview Foundation.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

The Board requested that a letter be sent to the Abingdon Fairview Foundation asking for more details on the project.

Supervisor Jack McCrady requested that Department 53500, Senior Services by contributing an additional $4,457 to the Damascus Senior Services.

On motion of Mr. McCrady, second by Mrs. Mumpower, it was resolved to modify Department 53500, Senior Services, by adding $4,457 to Line Item 5906, Damascus Senior Services for a total of $20,000. It was further resolved that the $4,457 would be taken from Reserve for Contingencies.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

a. Consideration of Increase in County Contribution to Employee Health Insurance Premiums

The County currently pays 100% of the health premium for single coverage of the lowest plan offered. For FY 2006-2007, the single premium of the lowest plan offered is $432.00. The current recommended County Budget, excluding the school budget, includes $450.00 per month to pay the employer's contribution of health insurance premiums.

Based upon Mr. Reeter's suggestion, the Board of Supervisors could contribute the total $450.00/ month instead of the $432.00/ month for all employees who have premiums in excess of $432.00 single premium for the lowest plan. This additional $18.00 per month additional contribution would be utilized by over 85% of all employees. Approval of this request would not require any further budget adjustments.

Discussion ensued among the Board.

On motion of Mr. Owens, second by Mrs. Mumpower, the Board acted to contribute an additional $18.00 per employee per month toward health insurance premiums.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

In another matter, the Board discussed the July 4th holiday schedule for employees. Subsequently, the following action was taken:

On motion of Mr. Rector, second by Mr. McCrady, the Board acted to grant July 3 and July 4 as holidays for County employees.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

7. <u>Recess to 5:00 PM June 13 for Joint Meeting with Washington County Industrial Development Authority</u>

On motion of Mr. Rector, second by Mr. McCall, it was resolved to recess to 5:00 PM June 13, 2006, for Joint Meeting with the Washington County Industrial Development Authority.

The vote on this motion was as follows: (7-0)

Mr. McCall	***Aye***
Mr. McCrady	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Price	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

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Prepared by:

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Naoma A. Mullins, Recording Clerk

Approved by the Washington County Board of Supervisors:

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Kenneth O. Reynolds, Chairman