

VIRGINIA:

At a recessed meeting of the Washington County Board of Supervisors held Monday, March 10, 2008, at 7:00 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
Thomas G. Taylor

Mark K. Reeter, County Administrator
Mark W. Seamon, Accounting Manager
Naoma A. Norris, Recording Clerk

ABSENT:

Lucy E. Phillips, County Attorney

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

Chairman Kenneth Reynolds gave the Invocation and led the Pledge of Allegiance.

3. Approval of Agenda

On motion of Mr. McCall, second by Mrs. Mumpower, 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. Reynolds Aye
Mr. Taylor Aye

4. Statement Concerning Purpose of Recessed Meeting

For the benefit of the audience, County Administrator Mark Reeter stated the purpose of the recessed meeting and invited comments by representatives of departments and agencies that submitted budget requests to the County for FY 2008-2009. Mr. Reeter explained that this is the second of two scheduled hearings to receive agency/department requests for the FY 2008-2009 County Operating Budget.

5. Comment Period Opens

The following individuals representing agencies and organizations seeking funding from the County for FY 2008-09 made presentations before the Board:

Dennis Godfrey, Washington County Commonwealth's Attorney
 Fred Newman, Sheriff of Washington County
 Dr. Mel Heiman, Chairman, Washington County Public Library Board of Trustees
 Jason Berry, Executive Director, Virginia Highlands Small Business Incubator
 Florence Powell, Judge, Juvenile and Domestic Relations Court
 Dexter Peltzer, Executive Director, Abingdon Senior Services
 Linda Sparrow, Member, Board of Directors, Abingdon Senior Services
 Douglas Blackburn, Damascus Volunteer Fire Department
 Lynn Hall, Assistant Chief, Green Spring Fire Department
 Donna Price, representing Holston Mountain Arts and Crafts and Manager of the Cave House Craft Shop
 Tricia Phipps, Washington County Clerk of Circuit Court
 Dr. Alan Lee, Superintendent, Washington County Public Schools
 Melissa Caudill, Director of Finance and Human Resources, Washington County Public Schools

6. Comment Period Closes

There being no further speakers to address the Board, Mr. Reynolds declared the comment period closed.

7. Recess

The Board took a ten minute recess.

8. Review of County Operating Budget Calendar and Consideration of Scheduling of Public Hearing on Proposed and Recommended County Operating Budget

Mr. Reeter explained that historically the next scheduled budget related meeting is the general public hearing. The question is whether or not the Board wishes to proceed with the general public hearing or proceed with worksessions on the budget. Then schedule the public hearing at some point half way through the review process, or after the Board finishes their first review of the budget.

The Board discussed at length the proposed and recommended County Operating Budget for FY 2008-2009. The primary issue discussed was the proposed real estate tax increase due to a major permanent reduction the County is facing in machinery and tools tax revenue, among other revenue shortfalls in areas such as sales tax that are being projected for fiscal year 2008-2009. Mr. Reeter explained that the Board is typically faced with the consideration of an adjustment to the real estate tax rate in the year

before a general reassessment due to a slow down in revenue. Then after the reassessment is completed, the Board generally reduces the real estate tax rate with the hopes that revenue will be sufficient until the next general reassessment.

There were discussions devoted to removing capital project funding for various sports related projects from the proposed and recommended budget and requesting that the Washington County Park Authority finance these projects through a bond issuance. This would reduce the proposed real estate tax rate from \$.61 to \$.58.

The Board talked about the revenue sharing money that would be returned back to the County that has been put aside for the State Route 1717 project, which has now been abandoned by the County and Virginia Department of Transportation due to extremely high construction costs. Mrs. Mumpower proposed that the Board consider earmarking the funds for the new road project for Oak Park Center for Business and Industry. Further discussions ensued concerning the revenue sharing funds.

At this time, the Board discussed the scheduling of the general public hearing on the budget. Several Board members felt it would be good to receive public comment prior to proceeding with the budget adjustment worksessions. Responding to an inquiry from the Board, Mr. Seamon explained that the earliest the Board could schedule the public hearing would be between March 19 and March 25. Mr. Reeter proposed the public hearing be scheduled for March 27, because this date is already tentatively scheduled for the Board to have a budget adjustment worksession. The Board devoted further discussions to the advertisement for the general public hearing and considered the proposed real estate tax rate that should be advertised. Mr. Seamon explained that to fund all requests received by the County it would mean increasing the real estate tax rate to \$.78. He further explained that the recommended County Operating budget is based on a real estate tax rate of \$.61. Mr. Seamon advised the Board that once a tax rate has been published in the public hearing notice that the Board could only make adjustments downward.

Board members discussed issues pertaining to the uncertainty of the State's budget for the next biennium and the affect cuts in funding by the State to education (K-12) and to local governments would have on the County's budget for FY 2008-2009.

After further discussions the following action was taken:

On motion of Mrs. Mumpower, second by Mr. Owens, the Board acted to proceed with the budget adjustment worksessions for the FY 2008-2009 proposed and recommended County Operating Budget scheduled for March 13, March 17 and March 19; and to schedule the general public hearing on the proposed and recommended budget for March 27. It was further resolved to advertise the proposed and recommended County Operating Budget for FY 2008-2009 based on a tax rate of \$.78.

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

7. **Adjourn**

On motion of Mr. McCall, second by Mr. Price, it was resolved to adjourn the meeting.

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

Prepared by:

Naoma A. Norris Recording Clerk

Approved by the Washington County Board of Supervisors:

Kenneth O. Reynolds, Chairman