

VIRGINIA:

At a recessed meeting of the Washington County Board of Supervisors held Thursday, January 20, 2011, at 6:30 p.m., at the County Administration Building in Abingdon, Virginia the following were present:

PRESENT:

Dulcie M. Mumpower, Chair
Odell Owens, Vice Chair
Phillip B. McCall
Nicole M. Price
Kenneth O. Reynolds
Joseph C. Straten

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

ABSENT:

Thomas G. Taylor
Lucy E. Phillips, County Attorney

1. Call to Order

The meeting was called to order by Ms. Dulcie M. Mumpower, Chair of the Board, who welcomed everyone in attendance.

Ms. Mumpower noted that Supervisor Tom Taylor had another commitment and would not be attending the meeting.

Mr. McCall apologized for missing the Board's Annual Meeting on January 11. He thanked Board members for their thoughts and prayers for his brother. He reported that his brother remains in the hospital and is not doing well.

2. Invocation and Pledge of Allegiance

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

3. Approval of Meeting Agenda

Mr. Reeter requested to amend the agenda to add a presentation of proposed initiatives and objectives for FY 2012 and FY 2013 that will benefit the citizens of Washington County. He explained no decisions are requested on the initiatives at this time. Mr. Reeter stated he will make the presentation only if time permits.

On motion of Ms. Price, second by Mr. Owens, the Board acted to approve the Agenda with the following amendment:

Tentative Item 6:

Presentation of County Administrator’s Proposed Initiatives and Objectives for FY 2012 and FY 2013

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

4. Matters Continued from January 11, 2011 Annual Meeting

a. Consideration of Appointments to Committees and Advisory Boards for Calendar Year 2011

1. County Emergency Services Committee

On motion of Mr. Owens, second by Ms. Price, it was resolved to reappoint Supervisors Dulcie Mumpower and Phillip McCall to the County Emergency Services Committee for Calendar Year 2011.

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

2. Joint County Planning & Land-Use Committee

On motion of Ms. Price, second by Mr. Straten, it was resolved to reappoint Supervisor Phillip McCall to the Joint County Planning & Land-Use Committee for Calendar Year 2011.

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

3. Appointments to County Redistricting Review Committee

On motion of Mr. Straten, second by Ms. Price, the Board acted to appoint Curt Pomrenke to represent the Wilson Election District on the County Redistricting Review Committee for Calendar Year 2011.

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

b. Consideration of Various Annual Appointments by the Board of Supervisors, Calendar Year 2011

1. Appointment of Board Representative to People, Inc. of Virginia

On motion of Mr. Reynolds, second by Mr. Owens, it was resolved to appoint Supervisor Phillip McCall as the Board Representative to the People, Incorporated of Southwest Virginia Board of Directors for Calendar Year 2011.

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

5. Worksession on Fiscal Year 2011-2012 (FY12) County Operation Budget

a. Preliminary Overview of FY 12 Budget Issues

Mr. Reeter and Mr. Seamon addressed the Board and provided an overview of the FY 12 budget issues.

Mr. Reeter reported the administrative division department heads and constitutional officers made excellent budget presentations earlier in the week. The final presentations are scheduled for Friday, January 21. He explained that Deputy County Administrator Nadine Culberson has done an exceptional job this year getting the administrative staff to rethink their budget requests. Ms. Culberson was asked to initiate a zero based budget process for the administrative division departments. As a result, the department heads have achieved remarkable goal setting objectives. Mr. Reeter advised the Board there would be a substantial increase in the narrative material from administrative departments and basically for all budgetary requests.

Mr. Reeter reported on the Joint School Budget Committee meeting held on January 13. He explained the Board will receive the School's budget information at their joint meeting with the School Board on January 27, 2011.

Mr. Straten (member of the Joint School Budget Committee) explained the school system is anticipating a \$4,000,000 shortfall in revenues needed for operations. Some preliminary cuts have been made. Approximately \$600,000 could be saved if buses are not purchased in FY 2012. He further explained the School Board has not made a decision on the \$1,500,000 from the federal government. If the School Board injects this amount along with some additional cuts, the short fall could be reduced to about a \$1,000,000. Mr. Straten stated it will take some severe cuts in order to get to this amount. At this time, the School Board has not made a formal budget request to the County.

Mr. Straten next explained the Board is faced with identifying sources of additional revenue to address issues such as the school's shortfall. He noted the proposed increase in the Transient Occupancy Tax can only be used for tourism related issues. Mr. Straten proposed the Board consider having a meals tax referendum placed on the ballot for the next general election. Additionally, he proposed the Board reconsider the Love's Travel Center project, and pursue liquor by the drink referendum. Without liquor by the drink, the County will never attract high end restaurants. Mr. Straten further explained a comment he hears from county citizens is they are adamant that the school system be funded at all costs. In some cases, the same citizens oppose the meals tax and liquor by the drink. Unfortunately, it can't be both ways. The Board as a group is going to have to figure out other sources of revenue.

Discussions ensued among the Board and Mr. Reeter concerning a meals tax and liquor by the drink referendum.

Mr. Seamon provided some very preliminary revenue estimates, and explained the County Treasurer, the Commissioner of Revenue and he is scheduled to meet on January 27 to begin preparing revenue projections for FY 2012.

Mr. Reeter reported the Community Services Act (CSA) notified the County of their intent to request level funding in FY 2012. He explained this is good news because for the last several fiscal years the local contributions to CSA have been a major budgetary issue for the County.

Discussions ensued among the Board, Mr. Reeter and Mr. Seamon regarding the revenue sharing agreement on the Highlands Shopping Center, the decline in revenue growth generated from real estate taxes, and decline in revenue generated from other existing sources.

Mr. Seamon explained there is encouraging news regarding to the state's proposed budget for constitutional offices. There are no major proposed cuts to the state compensation board that would negatively affect the County for FY 2012.

Mr. Reeter and Mr. Seamon reviewed a major budgetary issue pertaining to the Virginia Retirement System (VRS).

Mr. Seamon explained the Governor is proposing reversal of the state's five percent payment of the employee contribution to VRS, and have employees pay their contribution. A three percent raise is proposed for state employees. However, the final outcome of the proposal would mean state employees would receive a two percent pay cut. The Governor's proposal gives localities and school boards the option to make employees pay their five percent contribution to VRS based on a three percent raise being given to employees.

Mr. Seamon explained in regards to the new VRS program, the state gave localities and school boards the option after July 1, 2010 to require new hires pay their five percent contribution. The majority of localities and school boards across the state, however, chose to pay the five percent employee contribution.

Discussions ensued among the Board about the VRS.

b. Board Discussion and Input on FY 12 Budget

Ms. Mumpower opened the floor for discussion and input from the Board on the FY 2012 County Operating Budget.

Comments regarding the budget from Mr. Taylor were distributed.

Mr. Owens explained the County needs a system whereby all businesses and professionals must obtain a license to do business in the County. He stated that Washington County may be the only locality in Southwest Virginia that does not have some form of business license fee. Mr. Owens proposed that if a business license fee were adopted by the County that exorbitant fees not be charged. The primary goal of a business license fee would be to allow tracking of who is doing business in the County, where they are located, and the types of business they are engaged in. Mr. Owens requested the County Economic Development Committee review this proposal.

Discussions ensued among the Board concerning issues pertaining to a business license fee.

The Board directed County staff to research other localities that have a business license to determine what structure they have in place, and to provide a report to the Economic Development Committee on how a business license could be implemented in Washington County. The Economic Development Committee is asked to bring a recommendation to the Board.

Ms. Mumpower explained the Washington County Little League still needs \$25,000-\$30,000 to complete their ball fields. She requested the Board provide additional financial assistance. The County has in prior years contributed \$60,000 to the project, however, costs for the project increased due to survey and right of way issues. The Washington County Little League Program has stated if they could get \$25,000 from the County, they have a business that will contribute \$25,000 over the next three years for a total of \$75,000. Ms. Mumpower asked the Board whether this request should be placed on a future board meeting agenda for action during the current fiscal year, or if it should be made as a budgetary request for FY 2012. Ms. Mumpower explained this ball park serves children in the Tyler and Wilson Election Districts.

Discussions ensued among the Board concerning Ms. Mumpower's proposal. No action was taken at this time.

Ms. Mumpower stated she would check with the Washington County Little League to get an idea of where they are with the project, and if a contribution by the County considered during the budget process for FY 2012 would still meet their needs.

Ms. Mumpower addressed another budget related matter in her district. She explained the High Point/Jonesboro Road areas need better fire protection services and noted that High Point Elementary School is located in this area. Ms. Mumpower asked the Board to begin giving thought to construction of a fire hall in the High Point area to provide quick fire access.

Mr. Owens advised the Board that Steven Rachel has stepped down as fire chief of the Goodson-Kinderhook Fire Department. Michael Hardin is now the fire chief.

At this time, further discussions were devoted to a liquor by the drink referendum, and if it were feasible to have the referendum on the ballot for the 2011 general election.

Mr. Reeter stated that he would have the County Attorney look into the issues and report back to the Board.

Further discussions ensued about the liquor by the drink referendum, a meals tax and the Love's Travel Center.

6. Presentation of County Administrator's Proposed Initiatives and Objectives for FY 2012 and FY 2013

Mr. Reeter addressed the Board and presented the following proposed initiatives and objects for the Board to begin considering:

Initiative: Comprehensive Review of County Revenue Structure

Objective: To evaluate current County revenue efforts and resources (taxes and fees to determine where needs and opportunities may exist to improve and enhance County revenues and where possible to correct inequities and structural issues in the levying and collection of such revenues.

Initiative: Public Communication & Public Relations

Objective: To improve dissemination of timely and useful information concerning the County government's functions and programs to County citizens and to enhance and reinforce a positive public image of the county government and officials.

Discussions ensued among the Board and Mr. Reeter concerning this initiative.

Mr. Owens proposed for the next Public Information Meetings that attendees be provided with a survey to complete. This would give people the feeling they are participating in the meetings and have the opportunity to tell the County what they want.

Mr. Staten discussed with the Board initiatives proposed by Mr. Hammond Hunt regarding public information type meetings.

Initiative: Intergovernmental Relations & Joint Regional Projects

Objective: To improve intergovernmental relations with neighboring localities and to seek and actively pursue one or more joint public projects with neighboring localities where significant benefit to both would be realized.

Mr. Reeter explained the thought is to reach out to the City of Bristol and neighboring counties to identify opportunities to work together on projects that would benefit citizens of the participating localities.

Mr. Reeter explained the proposed initiatives lack goals at this time. This is where the Board’s input and guidance on the proposed initiatives, how to accomplish them, and to establish the units of measure. He asked for the Board to advise him on initiatives they would like added to the above referenced list, or if they wish one of the proposed initiatives to be removed. Mr. Reeter further explained the initiatives will take time, money and resources to accomplish; therefore, a manageable number is recommended.

Discussions ensued among the Board concerning the initiatives proposed by Mr. Reeter. It was consensus of the Board to authorize Mr. Reeter to move forward with the proposed initiatives as he presented.

6. Adjourn or Recess

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

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

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

Prepared by:

Naoma A. Norris, Recording Clerk

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Approved by the Washington County Board of Supervisors:

Dulcie M. Mumpower, Chairman