

At the regular meeting of the Giles County Board of Supervisors on Thursday, June 11, 2009, at 6:30 PM in the Giles County General District Courtroom, 120 North Main, Pearisburg, the following were present:

Richard McCoy	Chairman (At-Large Member)
Paul Baker	Vice Chair (At-Large Member)
Howard Spencer	Western District
Eric Gentry	Eastern District
Barbara Hobbs	Central District
Chris McKlarney	County Administrator
Kevin Belcher	Assistant County Administrator
Susan Kidd	Board Secretary
Richard Chidester	County Attorney

CALL TO ORDER/INVOCATION

Mr. McCoy called the meeting to order. Mr. Baker offered the invocation and led the Pledge of Allegiance.

APPROVAL OF MINUTES

Ms. Hobbs moved to approve the minutes of May 11, 2009. Second by Mr. Baker. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Baker, Mr. Spencer, Mr. Gentry, Mr. McCoy.

CONSTITUTIONAL OFFICERS

Gerald Duncan, Treasurer: Mr. Duncan presented financial information through the end of March, 2009. He reported that the PPTR funds of about \$61,000 were received in May. His office has seen an increase in mailing dog tag reminder notices as a result of General Assembly changes. His office recently issued about 7 DMV stops. They also did something different this year in attaching to dividend refunds from Pembroke Telephone Cooperative. From this they collected about \$27,012 for the county and about \$15,000 for PSA. Mr. Gentry asked about the regulations that allow them to do that. Mr. Duncan said that was allowable if a third party has money for someone who owes taxes or PSA bills. It's similar to a wage lien. Some of this was very old debt they have been trying to collect for many years.

Mr. Duncan said he received a request from PSA for a collection/billing type report. He has that information in the board's report also. Overall, the numbers look pretty good. The county office has started helping his office out by doing some of the maintenance type updates. They have done a good job and it was very accurate and timely. He does appreciate that help.

Mr. Duncan said he had talked to Mr. McKlarney about tax tickets and understood the board wanted the due date as June 30th but interest and penalty would not begin until July 11th. He asked if it would be possible to make taxes due on July 10th to avoid confusion. Mr. Gentry thought they had to be due within the same fiscal year. Mr. Duncan has contacted the auditors and they agreed the county could still count that collection in the fiscal year. Ms. Hobbs asked if the auditors will show it as funds received on June 30th. Mr. Duncan said he thought they could do that and go as far as 60 days into the next year.

Mr. Spencer asked if there were funds left from the sale of the old abandoned church property at Lurich. He had promised any funds from that to the Wolf Creek Ruritan Club. Mr. Chidester said that sale was conducted, but there were no extra funds after the costs of advertising and demolition were taken into consideration. In fact the sale did not cover the cost of going through the process. Mr. Spencer said if there was any surplus money how would he access that? Mr. Chidester stated that the money could not go to some other organization anyway.

Mr. Gentry asked if the PSA information is from July, 2008 through April, 2009. Mr. Duncan said it was for a little longer than that. It started about June 15, 2008.

Anne Chambers, Commissioner: Ms. Chambers spoke to the board concerning an increase in the asset limit on tax relief for the elderly. This year 21 people did not qualify because of the asset level. This includes vehicles, money in the bank, IRA, etc. The limit is now \$35,000. Ms. Chambers has checked with other Southwest Virginia localities and only one (Smyth County) is at \$35,000 and they are requesting an increase. The median level is \$60,000 to \$70,000. Ms. Chambers suggested setting the limit at \$65,000. She also asked that any change be made retroactive to January 1, 2009. The total change in taxes if this is instituted is less than \$3,300.

Mr. Gentry said if this involves 21 people this year, it should remain about level every year. Ms. Chambers said those 21 people qualified on income level but not on asset level. Ms. Hobbs asked how many people did qualify. Ms. Chambers said about 258, but she could get the exact number and amounts to Mr. McKlarney. Mr. Gentry asked her to send information to Mr. McKlarney. Ms. Hobbs asked if it would be a good idea to go ahead and schedule a public hearing. Mr. McKlarney said there was no reason not to. Ms. Chambers said once they change the ordinance to increase the income level it could make this a good program. She did feel the \$45,000 income limit is good and the \$65,000 in assets would be a good limit also.

Mr. Baker moved to go forward with a public hearing at the July recess meeting to amend the ordinance for tax relief. Second by Mr. Ms. Hobbs. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Baker, Mr. Spencer, Mr. Gentry, Mr. McCoy.

PUBLIC COMMENTS

Ellen Woodyard: Ms. Woodyard thanked the board members for reducing the tax rate for citizens. Her comments were about the use of tax dollars. She spoke on behalf of the Concerned Citizens of Giles County. Ms. Woodyard presented questions to the board concerning wages and benefits for an employee who worked for Hammering in the Hills. Hammering in the Hills was overseen by the Partnership. In addition, Ms. Woodyard stated that the Partnership used county equipment at the request of Mr. Spencer. Another county employee was hired part-time to cover for the employee who was working with Hammering in the Hills. Ms. Woodyard also noted that the county put \$10,000 in escrow for Hammering in the Hills. She noted that in 2008 the minutes indicate that the board was asked to think about changes to the Hammering in the Hills program that time, Mr. Spencer told the board the grant was running out. She asked how much Hammering in the Hills paid the county for that position. It was confirmed that the county paid those salaries. The minutes indicate the salaries would be paid back to the county. Ms. Woodyard said they also need to include the money for equipment and projects. She asked if the county had requested a financial statement and if not, why not. She asked if steps have been taken to get the money repaid. Ms. Woodyard said Mr. McCoy's letter indicated the county has no authority or control over the Partnership conducted its business. She disagreed with that and stated that the funds received by the Partnership were county tax dollars.

PAYMENT OF WARRANTS

Ms. Hobbs moved to appropriate funds in the amount of \$358,178.53 for payment of warrants as presented. Second by Mr. Gentry.

Discussion: Mr. Gentry asked about money for the school projects. Mr. McKlarney said that could be approved at the meeting on the 18th. Proposals are being prepared and look very favorable.

Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Baker, Mr. Spencer, Mr. Gentry, Mr. McCoy.

APPOINTMENTS

Mr. Gentry moved to reappoint Howard Spencer for a two-year term as the county's representative to the Ninth District Development Financing Board of Directors. Second by Mr. Baker. Approved unanimously (4-0). Voting YES: Ms. Hobbs, Mr. Baker, Mr. Gentry, Mr. McCoy; Mr. Spencer - abstained.

PUBLIC HEARING

Mr. McCoy opened the public hearing. Mr. McKlarney stated this was a public hearing on the 2009-10 budget and to establish the tax rate for 2009-10. The tax rate can be approved at this meeting, but the budget cannot be approved until 7 days after the hearing. Mr. McKlarney read the proposed tax rates into the public record (attached).

Mr. McKlarney explained how the board arrived at the figure of 52¢ for the tax rate. Using total assessed value for the county, this averages to a 24% increase in total assessment. However, there is reduction in those values as a result of land use. After deducting that amount, the total assessed value is divided by 100 and divided through into the current amount collected from real estate taxes (\$5,304,265) and consider the collection rate to arrive at 52¢. If you just consider the 24% increase, some people have said the rate would be 48¢. That would be correct, but you also have to take into consideration the reduction in taxes as a result of land use. Mr. McKlarney explained that the 52¢ amount would result in generation of exactly the same amount of revenue from real estate taxes as the county collected last year. The result for individual tax payers will vary based on the actual rate of assessment increase. Some people will see increases and other will actually see a decrease in real estate taxes this year. Mr. McKlarney noted that in comparison to surrounding counties Giles is lower than most on Machinery/Tools, lower than all in Personal Property and only Wythe County is lower on Real Estate.

Mr. McKlarney also discussed the budget proposed for 2009-10. The total is \$50,113,273. He noted that Public Service Corporation taxes have increased as a result of the reassessment. The state looks at what the sales prices are versus what the assessed values are. Prior to doing this reassessment, the tax rate had dropped to 82%. These are taxes collected from AEP, Columbia Gas, the telephone companies, etc. They were only paying 82% of the value and with this reassessment, those will go back to 100%. That increase will offset reductions anticipated in personal property taxes. Those actual numbers will not be available until September but they have been estimated as closely as possible in this budget. Other taxes will remain roughly the same. Mr. McKlarney noted that education does represent the largest expenditure category at \$27,604,838. County operations are \$2,481,000, Economic Development \$386,000 and Law Enforcement \$3,869,000. Mr. McKlarney also reviewed other advertised expenditures (attached). The debt service is \$872,000 - that is exclusive of school board debt service and is only for county related projects. He also noted that all capital improvement expenditures have a revenue source associated with them.

Mr. McKlarney said he received news today that the PILT (Payment in Lieu of Taxes) funds will increase about \$40,000 over what is budgeted. These are taxes paid by the federal government to localities for National Forest land in the county.

Ms. Hobbs said she thought it was important to note that the capital improvement projects do not happen until the funding stream for those is available. Mr. McKlarney said that was correct. Some of those projects will carry through four or five budget years before they are done. They have to be in the budget if the funding is anticipated. Some may not be funded in this fiscal year or some may only receive a portion of the funding. They will not be done though until funding is received. Mr. McCoy accepted comments from the public on the budget and tax rate proposed.

Larry Blankenship: Mr. Blankenship thanked the board for lowering the tax rate to 52¢. This reassessment, Mr. Blankenship's opinion, was the worst Giles County has ever had. Values were up 24% and nationwide they are down 17%. That means a 41% increase for Giles County.

Mr. Blankenship noted that recreation revenue was \$475,000 and expenditures were \$734,847. That is \$259,847 spent without money coming in. He asked where that money is coming from. Mr. McKlarney said it comes from tax revenue in the general fund. Mr. Blankenship asked if that amount is the subsidy for Castle Rock. Mr. Blankenship said he was just interested in where that \$259,000 was coming from. Mr. McKlarney noted that Castle Rock is subsidized approximately \$100,000 and the Wellness Center at about \$35,000. The remainder of those funds are given out to the towns to assist with their recreational programs.

There were no other comments and Mr. McCoy closed the public hearing.

Mr. Gentry moved to accept the resolution to set the tax rates as presented (changing real estate to 52 and modifying the due date for 2009 to July 10th). Second by Mr. Spencer. Approved unanimously (5-0 Voting YES: Mr. McCoy, Mr. Gentry, Mr. Baker, Mr. Spencer, Ms. Hobbs.

SENIOR CENTER

Ms. Hobbs said she was not planning to make a recommendation to the board. She has met with several senior citizens and just wanted to bring up what they want through the Senior Center. They recommend having a part-time active 5-6 person advisory board to suggest activities and programs to a director. This should be a board encompassing and representing all of Giles County's seniors. They would also like to have a gathering place and a place for programs - a comfortable place for companionship and learning. Program suggestions - some they think should be going on but they would leave that up to a director - are painting, bingo, and trips (especially enjoy short day trips but sometimes space on the county bus is limited and a charter bus makes it prohibitive). They like educational and informational programs like the ones on fraud alerts, scams, driver's education. They suggested cooking classes like "Cooking for One" and holiday or seasonal cooking. They enjoy game and puzzle days and quilting. They do understand there needs to be a focus to involve more men at the Senior Center and in activities. Ms. Hobbs said she felt there were probably more female than male senior citizens in the county, but she was not sure how you would get the numbers for that. The group did find it was important to make people aware there is not a fee associated with coming to the center other than for special classes. There is a great use of the Senior Center but some of that seems to be just other groups meeting there. Ms. Hobbs said that was not all bad though. If a group feels at home there then they feel comfortable using it for a meeting. Other things mentioned were they don't want all "planned" events. They thought the calendar should show some days for just dropping in to read, visit, to make or meet friends. Other things suggested to get men involved were courses on lawn care, landscaping, and plumbing. They also suggested forming a walking club where people could bring lunch, meet and walk about an hour then have lunch together.

Mr. Gentry asked if there was any mention of the trips for swimming in Blacksburg. Ms. Hobbs said that was brought up by the people she talked to. She said she understood the county has a proposal from the Area Agency on Aging and they need to look at that before making a final decision. At this time, she felt they need a director at the Senior Center and an advisory board.

The board agreed to table further discussion until the June 18th meeting. Mr. Gentry noted there were only two members left on the advisory board. They should hold off on that until they decide which way they are going to go. Ms. Hobbs said she thought the advisory board was necessary and it needs to be appointed by this board so they can go out and talk to the people. Mr. McCoy said they would look at this again on the 18th and consider the proposals and recommendations.

EXECUTIVE SESSION

Ms. Hobbs moved to go into Executive Session under Section 2.2-3711, for A1 Personnel and A7 Legal for Contracts. Seconded by Mr. Spencer. Approved by the following vote: Mr. Baker, Yes; Mr. Gentry, Yes; Mr. McCoy, Yes; Mr. Spencer, Yes; Ms. Hobbs, Yes.

Mr. Spencer moved to return to regular session and only personnel and contracts were discussed. Seconded by Mr. Gentry. Approved by the following vote: Mr. Baker, Yes; Mr. Gentry, Yes; Mr. McCoy, Yes; Mr. Spencer, Yes; Ms. Hobbs, Yes.

The board agreed to hold a meeting on June 30th at 6:30 PM to close out the fiscal year and also to hold a public hearing on moving the Narrows polling location.

No further business was introduced. Mr. McCoy adjourned the meeting until the recess meeting scheduled on Thursday, June 18, 2009 at 6:30 PM in the Giles County General District Courtroom.

APPROVED:

Chairperson

ATTEST:

Clerk

June 11, 2009

**GILES COUNTY
PROPOSED BUDGET – PUBLIC HEARING NOTICE
FISCAL YEAR 2009–10**

The Giles County Board of Supervisors will hold a public hearing on Thursday, June 11, 2009 at 7:00 PM in the Giles County General District Courtroom, 120 North Main Street, Pearisburg, Virginia, to hear citizens and other proposed budget and tax rates for Fiscal Year July 1, 2009–June 30, 2010. Giles County recently completed reassessment, and the tax rate below represents 0% effective real estate tax rate change. The proposed tax rates and budget follow:

Description of Tax and Existing Rate		Proposed Rate for FY 09–10	Effective Change
Real Estate	\$0.63 Per \$1	\$0.52 per \$100 at 100% assessment	NONE
Motor Vehicles	\$1.89 Per \$	\$1.89 per \$100 at 100% assessment	NONE
Personal Property	\$1.89 Per \$1	\$1.89 per \$100 at 100% assessment	NONE
Machinery and Tools	\$0.99 Per \$100	\$0.99 per \$100 at 100% assessment	NONE
Merchants Capital	\$0.79 Per \$	\$0.79 per \$100 at 100% assessment	NONE
Public Service Levy	\$0.63 per \$1	\$0.52 per \$100 at 100% assessment	NONE
Mobile Home Levy	\$0.63 per \$100	\$0.52 per \$100 of assessed value	NONE
Motor Vehicle Decal Fee	\$15.00 per Vehicle	\$15.00 per Vehicle	NONE

The proposed penalty for late payment of taxes is 10% of the unpaid balance not paid on or before the due date. Real estate taxes are due on July 10, 2009 and December 5, 2009. All other taxes are due on December 5, 2009. Ten percent (10%) interest charges are proposed to begin July 11, 2009 and December 6, 2009, following the tax due date. The Giles County recommended budget synopsis is prepared and published for information and fiscal planning purposes only. The inclusion in the budget of any item or items does not constitute an obligation or commitment on the part of the Board of Supervisors of Giles County to appropriate any funds for the item or purpose. The budget has been presented on the basis of the estimates and request submitted to the County Administrator by the several office and department heads of the County. There is no allocation or designation of any funds of the County for any purpose until there has been an appropriation for that purpose by the Board of Supervisors. The budget is for information and fiscal planning purposes only and will not be approved, adopted, or ratified by the Board of Supervisors until at least seven days after the public hearing.

The public hearing is held pursuant to Section 15.2–2506 of the Code of Virginia, 1950, as amended, and is for the purpose of allowing the public to question and comment on the proposed budget. The board will also hold a public hearing on the new Budget Ordinance. All citizens of Giles County are invited to attend and state their views thereon, subject to reasonable time limits as shall be determined by the Board of Supervisors.

BUDGET FY 2009-2010

REVENUE CATEGORY		EXPENDITURE CATEGORY	
Real Estate Taxes	\$5,304,265	Education	\$27,604,838
Public Service	\$1,032,000		
Personal Property	\$1,332,342	County Operations	
PP Tax Relief	\$1,227,860	Public Service - Water /Sewer	
Mobile Home	\$50,000	Systems & Engineering	\$2,481,372
Machinery & Tools	\$2,641,138		
Merchants Capital	\$155,572	Economic Development	\$386,760
Penalties & Interest	\$142,691		
Other Local	\$1,921,611	Courts / Law Enforcement	\$3,869,722
Permits/Fees/Rental	\$87,320		
Use of Money/Property	\$290,495	Tax Collection & Assessment	\$720,605
Charges for Services	\$169,099		
Recovered Costs	\$844,644	Emergency Services	\$424,232
Non Categorical Aide	\$165,280		
Commonwealth Reimbursement	\$3,365,058	Social Services/CSA &	\$3,167,844
Other Categorical Aid	\$396,063	Community Services	
Recreation Revenues	\$475,000		
Industrial Development Authority	\$1,026,044		
Water/Sewer Fees	\$525,000	Debt Service	\$872,120
Schools (State & Federal)	\$20,362,343		
Loans/Grants	\$8,270,500	Recreation	\$734,847
Miscellaneous Revenue	\$127,250		
Delinquent Collection Fees	\$30,900	Capital Improvements	\$9,787,394
Reserve Fund Balances	\$3,636		
General Fund Transfer	\$167,162	Contingency	\$63,539
TOTAL	\$50,113,273	TOTAL	\$50,113,273