

BOARD OF SUPERVISORS MEETING MINUTES OF APRIL 8, 2013

At a special meeting of the Pulaski County Board of Supervisors held on Monday, April 8, 2013 at 6:00 p.m. in the Board Room of the County Administration Building, 143 Third Street, NW, in the Town of Pulaski, the following members were present: Joseph L. Sheffey, Chairman; Charles Bopp, Vice-Chairman; Andy McCready; Ranny O'Dell; and Dean Pratt.

Also present were Peter Huber, County Administrator; Robert Hiss, Assistant County Administrator; Diane Newby, Finance Director; and Gena Hanks, Clerk.

1. Welcome and Call to Order

Mr. Sheffey explained the purpose of the meeting was to receive comments from agencies/department representatives regarding FY 14 budget requests.

Mr. Sheffey also advised citizen comments regarding the proposed real estate tax increase had been allowed at the March 25, 2013 public hearing. Therefore, there was no "Citizen Comment" section on the April 8<sup>th</sup> budget work session agenda.

Mr. Sheffey also apologized to the agencies that were represented at the March 25, 2013 Board meeting at which a three-minute time limit was provided, rather than the five minutes allowed for an individual representing a group or agency.

2. Budget Considerations

a. Follow-up on April 1<sup>st</sup> Work Session Items

Mr. Huber presented revised revenue and expenditure tables indicating that a four-cent increase will be required to fund the items added to the budget during the April 1, 2013 work session. Mr. Huber also explained the "tentative" column reflecting the changes requested by the Board, noting additional changes include corrections for personnel changes that have taken place since the start of the budget process. Mr. Huber also described expenditure charts describing county support for schools and constitutional officers.

Mr. Huber advised county staff recommendation was for a six-cent increase in the real estate tax rate.

Mr. Sheffey noted a ten-cent increase had been advertised; however, the Board had recognized that a ten-cent increase was not feasible and had directed staff to present a proposed budget which would allow for a less than ten-cent increase.

b. Concerns from Affected Agencies

1. Goodwill Industries

Ms. Lee Williams, Senior Director of the Work Training Services for Goodwill, expressed appreciation to the Board for their work on the budget. Ms. Williams described the services provided by Goodwill Industries, as well as provided a listing of surrounding localities serving the Goodwill Industries. Ms. Williams further described the history of the Goodwill Industries store in Pulaski County, and provided specific details regarding the costs to serve individual recipients of services.

Mr. McCready inquired if participants are eligible for Medicaid. Ms. Williams responded the participants were not eligible for Medicaid, but rather were on a "waiting list". Mr. McCready inquired if the current Goodwill Industries store is "owned" by Goodwill Industries and if property taxes are paid by Goodwill Industries. Ms. Williams responded the store is owned by Goodwill Industries and property taxes are paid by the same.

Ms. Mindy Boyd also provided details regarding the history of the Goodwill Industries store.

Mr. McCready described the sharing of sales tax with the City of Radford for the area in Fairlawn where the current Goodwill Industries store is located.

Mr. Sheffey inquired as to why Montgomery and Pulaski counties were the only surrounding localities providing funding to Goodwill Industries. Ms. Williams advised the budget requests were submitted too late to be considered by the other localities.

2. Pulaski County Education Association

Mr. Steve Lavery described concerns over the raising of real estate taxes being categorized as a request for teachers' salaries, when some of the options displayed contained projects other than teachers' salaries. Mr. Lavery also expressed concern over the continued loss of quality educators by Pulaski County and requested the Board work to provide a more competitive benefits package.

3. Literacy Volunteers of America

Ms. Janet Kester, new Program Director for Literacy Volunteers of America, requested the Board reconsider the proposed cut in funding. Ms. Kester provided a detailed summary of the services provided to area residents and described the partnership that had been formed with NRCC.

4. Brain Injury Services

Ms. Susan Myorga, Case Manager, thanked the Board for supporting Brain Injury Services and asked the Board to reconsider the proposed funding cuts and consider the original \$5,000 requested funding. Ms. Myorga provided several scenarios involving brain injury victims and advised there were currently three children in Pulaski County being serviced by the Brain Injury Services organization.

Mr. Sheffey inquired as to the services that are provided by Brain Injury Services with the funding that is provided by the County. Ms. Myorga advised the funding allows for more grant opportunities.

Mr. McCready advised that if the full funding request is provided to Brain Injury Services, that Pulaski County would be tied with Roanoke City for providing the highest amount of funds.

Ms. Myorga offered to provide the Board additional information related to the services provided to Pulaski County residents.

Ms. Debbie Mohay inquired if the Board would consider a funding request from a newly formed group. Mr. Sheffey advised the Board meeting was an opportunity for agencies/departments currently receiving funding to address the Board and further advised the timeframe had passed for agencies to request county funds for FY 14. Mr. Sheffey also provided the timeline for the current budget process.

Ms. Mohay inquired if the County would assist in her group's effort to seek 501C non-profit status. Mr. Sheffey and Mr. McCready suggested Ms. Mohay contact the County Administrator's office to make the request.

5. Fine Arts Center (FAC)

Mr. Gary Hancock, representing the Fine Arts Center, introduced members of the Fine Arts Center Board. Mr. Hancock thanked the Board of Supervisors for providing funding to the FAC and requested the Board consider the full funding requested by the FAC.

Mr. Hancock described the services provided by the FAC, and the difficulties faced by the FAC in raising funds, if the Board of Supervisors does not provide full funding. Mr. Hancock also provided information related to the status of the investment by the FAC in the old Rutherford building, which will be the future home of the FAC. Mr. Hancock provided the purpose and mission and goals and objectives of the FAC for the upcoming year.

Mr. McCready described the challenges faced by the Board of Supervisors in making decisions related to agency funding, as well as the difficulties in evaluating raising taxes in the community.

Mr. Hancock shared a copy of the NRV Magazine in which the local FAC was featured.

c. Additional Requests

Mr. Huber reported previously missed funding requests from the Christiansburg Institute for \$1,000 and from the Pulaski County Humane Society for \$1,205.

d. Setting of Real Estate Tax Rate

Mr. Sheffey provided information from the recent Board work sessions related to the budget and advised that while the advertised real estate tax increase was for ten-cents, county staff was recommending a six-cent increase.

Mr. Huber described efforts in working with the Agency on Aging and Commissioner of Revenue to determine the impact of a tax rate increase on the elderly.

Board members discussed the method used to inform citizens of the potential eligibility of the Tax Relief for the Elderly and Disabled benefit.

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Mr. Huber advised the Agency on Aging could be requested to assist in notifying residents of the tax relief program, as well as placing notice on the county's web site and through the local news media.

Mr. Sheffey requested the notice be placed on the utility billings, as appropriate, prior to the April 1<sup>st</sup> deadline each year. Mr. McCready suggested consideration to also placing the notice on the tax tickets.

Mr. McCready described the county's position as an employer and the challenges faced by Pulaski County (and other localities) as a result of the Affordable Care Act, which forces local governments to make changes in health care for employees, and the resulting need by the Board of Supervisors to assist the School Board in providing quality insurance to school employees.

Mr. McCready also described the School Board's request for funding to address a 2% pay increase for teachers. Mr. McCready further described the added burden faced by Pulaski County in the 2013 budget through the state's requirement that localities assume the VRS responsibility.

Mr. McCready reiterated that the Affordable Health Care Act will adversely affect Pulaski County financially and Pulaski County must comply with the laws passed by the State and Federal government.

Mr. Sheffey advised that the County Administrator had recommended a six-cent increase in the real estate tax rate.

Mr. Pratt thanked Mr. McCready for the comments describing the issues to be addressed through a rate increase. Mr. Pratt also advised the Board would need to address the immediate issues facing the county related to improving and maintaining county buildings.

Mr. O'Dell advised of receiving a number of calls from constituents in opposition to raising taxes and described his previous commitment to the citizens to not increase taxes.

Mr. Sheffey described his long standing service as a Board member, as well as his service on the VACo Steering Committee. Mr. Sheffey also shared concerns over the state's funding towards schools not being adequate or sufficient to fund public education.

Mr. Sheffey commended the local school system for their efforts in providing quality education and also expressed his desire for the Board to address capital improvement needs.

#### Real Estate Tax Rate Increase

Mr. Pratt provided a motion to approve a five-cent increase in the real estate tax rate, with the motion being seconded by Mr. McCready.

Before a roll call by the Clerk to the Board, Mr. McCready advised that should the Board approve a five-cent increase, it would be his desire to not have an increase in real estate taxes in 2014. Mr. McCready also described the efforts by county and school staff in working through the issues facing both the schools and the county in addressing insurance regulations.

The motion and second were approved by the Board for a five-cent increase in real estate taxes on the following roll call vote:

Voting yes: Mr. McCready, Mr. Sheffey, Mr. Pratt.

Voting no: Mr. O'Dell, Mr. Bopp.

### 3. Other Matters

Mr. Hiss advised of an upcoming Civil War Committee meeting.

Mr. Huber extended an invitation to the Board of Supervisors on behalf of Registrar Kathy Webb for the Board to tour the new Registrar's Office at 5:30 p.m. on Monday, April 15, 2013, just prior to the budget work session scheduled at 6:00 p.m. at the County Administration Building.

### 4. Adjournment

On a motion by Mr. O'Dell, seconded by Mr. Bopp and carried, the Board adjourned its special meeting. The next meeting of the Board will be held on Monday, April 15, 2013 beginning with a tour of the Registrar's Office at 5:30 p.m. followed by a budget work session at 6:00 p.m. in the basement floor conference room of the County Administration Building.

Voting yes: Mr. McCready, Mr. O'Dell, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: None.

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The next regularly scheduled Board meeting will be held on Monday, April 22, 2013 beginning with a Closed Session at 6:00 p.m. and the regular meeting at 7:00 p.m., with said meeting to be held at the County Administration Building, 143 Third Street, NW, Board Room, in the Town of Pulaski, Virginia.

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Joseph L. Sheffey, Chairman

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Peter M. Huber, County Administrator