

Board of Supervisors - May 3, 2018 Regular Meeting

The Wise County Board of Supervisors met in a Regular Meeting on Thursday, May 3, 2018 @ 6:00 PM in the School Board Education Center located at 628 Lake Street, Wise, VA. The following members were present:

Honorable Dana G. Kilgore – Chair
Honorable Robert E. Robbins, Vice-Chair
Honorable J. H. Rivers
Honorable John Schoolcraft
Honorable Robert R. Adkins
Honorable Steve Bates
Honorable Fred Luntsford
Honorable Bobby Cassell, members of said Board and
David L. Cox – Interim County Administrator
Karen T. Mullins – County Attorney
Annette Underwood – Executive Secretary

PRAYER

Bob Adkins led in prayer.

PLEDGE

All led in the pledge of allegiance to the flag.

MINUTES

A motion was made by Robby Robbins, seconded by J. H. Rivers, to approve the minutes as presented. The motion was unanimously approved.

AGENDA

A motion was made by Robby Robbins, seconded by John Schoolcraft, to approve the agenda as presented. The motion was unanimously approved.

ROADS AND HIGHWAYS

None

IN RE: SCHOOL BOARD FY 2018/19 BUDGET

A large group of teachers and other school personnel were present in support of raises for the teachers.

Superintendent of Public Schools Greg Mullins voiced his appreciation to the Board for its continued support of the school system, which allows additional funding to provide a better education for Wise County students. He explained that there has been an increase in student needs due to loss of employment in our area, and an increase in students with disabilities. This budget includes a new pay scale starting at \$35,660 for new teachers and caps at \$56,660 after 30 years of services. A bonus of \$1,000 would be given to teachers at the top of the scale. Plans are also included to proceed with some

capital improvements projects that have been set aside for some time. He asked that the Board consider level funding the school.

Beth Shupe, Finance Director for Wise County Schools, provided a power point presentation on the proposed FY 2018/19 school budget. She reviewed revenues and expenditures by line item for a total budget of \$60,529,851, which includes a 4% raise for teachers.

Supervisor Bates asked if County funding for the schools is cut, how would that affect the school budget?

Mr. Mullins stated that the last option would be to cut salaries. Some cuts could include reducing the number of elementary school aides.

Finance Administrator Cox stated that Ms. Shupe does a great job managing the school system funding. However, the school system has \$4M that has been allocated for the schools that have not been drawn down, and this fiscal year is almost over. Mr. Cox said he realized that there is a need for some of that money but with the information he has, there will be a surplus for this year.

Supervisors Rivers and Schoolcraft supported level funding for the schools. Mr. Rivers noted that the school construction debt would not begin until FY 2019/20, and he felt that this year the schools should be level funded.

Chair Kilgore stated that if the school system would return its unspent County funds, there would be no problem level funding the school. She further explained that the County is facing the annual cost for the school construction debt, and if money is not set aside for this debt there will not be sufficient funds to make that payment.

Supervisor Robbins said the County just raised tax 2 cents and will have to raise taxes 10 to 12 cents over the next four years to make this school construction debt payment if things continue as they are. He felt that there is sufficient funding in the school's budget to fund the teachers' raises and to cut \$500,000 local funding would not place a burden on the schools. This would allow the County to set aside money for the school debt payment.

IN RE: COUNTY FY 2018/19 BUDGET

Finance Administrator Cox provided a power point presentation on the County's proposed FY 2018/19 Budget.

Revenues

- General property taxes are stable
- Coal Severance has decreased
- Sales tax are stable
- Recent Tax increase – Real Estate 2 cents and Pers. Property 2 cents
- Other revenue marginally unfavorable vs. 2018
- No state budget yet – Using 2018 numbers
- Reduced schools budget by \$457,927

Expenditures

- No debt increase for schools in FY 2019 – Will be increase in FY 2020
- VRS increase from FY 2018 – New rate is 11.22%
- Health insurance increase of 5.1% (Employees absorbing their portion of increase)

- Slight increase in capital outlay expenses
- Increase in several other departments (Mandated or required)
- \$185,289 increase in Landfill cost mainly due to debt service on landfill expansion (VRA)
- No COLA included for County employees... No raises for County employees

Significant Expenditures

General fund budget amounts over \$1M

- \$14,774,944 –Wise County Schools – All local funded
- \$10,276,761 – Social Services – Approximately 80% funded by state and local
- \$4,961,547 – Law enforcement & 911 (Approximately \$2.5M funded by state)
- \$3,205,768 – Regional Jail – All local funded
- \$3,124,989 – Landfill & collection costs – all local funded
- \$1,125,715 – Commonwealth Attorney (\$743K funded by state)

Other information

The Wise County School Board approved the school budget and requested level local funding

Mr. Cox recommended that the Board maintain the decrease of \$457,927 due to sufficient state funding to fund teacher increases and the need to save fund balance for school debt service.

He also added that efforts be made to decrease costs in all county department in the coming year.

Mr. Cox reviewed the following notes for the Board:

- The total draft school funding is \$14,774,944 (\$457,927 decrease from FY 2018) This amount is \$850K from operations, add to debt service of \$42K and a \$350K projected carryover for capital outlay
- This amount is 53% of general property tax revenues and 29.7% of the draft total budget
- The debt service payment increases in FY 2020 by another \$663K and another \$696 in FY 2021 with the possibility of another increase due to increase rates if Literary Loans are not available
- He reminded the Board that the County refinanced debt in 2015 to allow for economic development and time to adjust for larger principal payments

Mr. Cox reviewed the projected Wise County School funding by the Board of Supervisors for FY 2015 – FY 2021

He reviewed the Wise County School operational funding by funding source for FY 2014-FY2019
Proposed budget

He noted that the Board has the option of making additional cuts that could be added to debt reserve and/or public safety.

PUBLIC EXPRESSION

Billy Bartlett, a business owner in Wise, voiced his support for an increase in teacher wages. He said a raise for them will be revenue for the County. He asked the Board not to cut the school funding for FY 2018/19.

Walter Crouse, a resident of Hurricane, made the following comments:

- Wise County citizens cannot afford a tax increase
- School enrollment has decreased due to job losses
- Need to bring jobs back to the US
- Consolidate purchasing for schools and county
- Justify job positions
- Everyone recycle... residents, schools and businesses.... For a better recycling rate

Paul Clark, a resident of BSG, voiced his support for an increase in teachers' salaries. Teachers are a good investment for the County and students. He asked that the school budget be level funded.

Tammy Caldwell stated that she has been a teacher for 19 years, and with her salary it is hard to make ends meet, which has caused her to get a second job. The lack of salary increases over the years has placed a burden on teachers. She was in support of the salary increase.

There being no further comments, the public expression period was closed.

IN RE: CONSENT AGENDA

A motion was made by Bob Adkins, seconded by Robby Robbins, to approve the consent agenda as follows:

IN RE: RESOLUTION HONORING CENTRAL HIGH SCHOOL FORENSICS TEAM

Approved the resolution honoring the Central High School Forensics Team for winning the State of Virginia High School League Group 2A Forensics State Championship 2018

RESOLUTION # 2018

(Said resolution is on file in the County Administrator's Office)

IN RE: RESOLUTION HONORING EASTSIDE HIGH SCHOOL FORENSICS TEAM

Approved the resolution honoring Eastside High School Forensics Team for winning the State Title Championship in Forensics

RESOLUTION # 2018

(Said resolution is on file in the County Administrator's Office)

IN RE: RESOLUTION VRS ALTERNATE RATE

Approved the resolution certifying to the VRS Board of Trustees that Wise County agrees to pay the Alternate Rate of 11.22% effective July 1, 2018

RESOLUTION # 2018

(Said resolution is on file in the County Administrator's Office)

IN RE: VDOT SECONDARY SIX-YEAR PLAN & SECONDARY SYSTEM CONSTRUCTION BUDGET

Approved setting a public hearing on June 14, 2018 at 6:00 PM in the School Board Education Center in Wise for a joint public hearing between VDOT and the Wise County Board of Supervisors on the proposed secondary Six-Year Plan and on the Secondary System Construction Budget for FY 2019/20

The motion to approve the consent agenda was unanimously approved.

IN RE: COUNTY'S FY 2018/19 BUDGET – SET PUBLIC HEARING

A motion was made by Robby Robbins, seconded by Bob Adkins, to set a public hearing on the County's proposed FY 2018-19 budget for June 14, 2018 @ 6:00 PM.

There were comments among Board members that the Board consider recessing this meeting for further review of the proposed budget for possible adjustments prior to setting a public hearing.

After further discussion, Robby Robbins withdrew his motion and Bob Adkins withdrew his second.

A motion was made by Robby Robbins, seconded by Bob Adkins, to table setting a public hearing on the proposed budget until Thursday, May 24, 2018 @ 6:00 PM in the School Board Education Center. The motion was unanimously approved.

IN RE: BUDGET AMENDMENTS

A motion was made by Bob Adkins, seconded by Robby Robbins, to approve budget amendments #16, #17, #18, #19, and #20 as presented. The motion was unanimously approved.

IN RE: APPOINTMENT SOCIAL SERVICES BOARD

A motion was made by Bob Adkins, seconded by Steve Bates, to table the appointment to the Social Services Board until the June meeting. The motion was unanimously approved.

IN RE: CLOSE SESSION

A motion was made by John Schoolcraft, seconded by Bob Adkins, to go into close session per the following Code sections as permitted by the Code of Virginia:

- Section 2.2-3711(A)(6) Investing of public funds
- (A)(7) Consultation with legal counsel
- (A)(1) Personnel

The motion was unanimously approved.

Following close session, a motion was made by Bob Adkins, seconded by John Schoolcraft, to reconvene the regular meeting. The motion was unanimously approved.

IN RE: RESOLUTION CERTIFICATION FOR CLOSE MEETING

A motion was made by Fred Luntsford, seconded by Bobby Cassell, to approve the resolution certifying that only public matters lawfully exempted from open meeting requirements as were identified in the

motion convening the meeting were heard or discussed by the Board of Supervisors. The motion was unanimously approved by roll call vote.

RESOLUTION # 2018

(Said resolution is on file in the County Administrator's Office)

IN RE: VIRGINIA/KENTUCKY FAIRGROUNDS WATER BILLING

A motion was made by Robby Robbins, seconded by John Schoolcraft, to submit a payment of \$2,803.59 to PSA on behalf of the Virginia Kentucky Fairgrounds outstanding water bill due to water leaks. The motion was unanimously approved.

IN RE: SHERIFF'S DEPARTMENT VACANT POSITION

A motion was made by J. H. Rivers, seconded by Bob Adkins, to authorize the Sheriff's Department to fill the vacant County funded position in his department. The motion was unanimously approved.

IN RE: RESOLUTION OPIOID ADDICTION

A motion was made by Robby Robbins, seconded by J. H. Rivers, to approve the resolution for retaining the services of Greene Ketchum Law Firm for proceedings with Opioid addiction legation. The motion was unanimously approved.

RESOLUTION # 2018

(Said resolution is on file in the County Administrator's Office)

IN RE: RECESS

A motion was made by Bob Adkins, seconded by John Schoolcraft, to recess the meeting until Thursday, May 24, 2018 @ 6:00 PM in the School Board Education Center in Wise. The motion was unanimously approved.

ATTEST:

WISE COUNTY BOARD OF SUPERVISORS

David L. Cox, Interim Clerk

Dana G. Kilgore, Chair