

June 27, 2016

The Carroll County Board of Supervisors held their regular monthly meeting on, June 27, 2016 in the Board Meeting Room of the Carroll County Governmental Center.

Present were:

Joshua A. Hendrick
Rex L. Hill
Bob Martin
Phil McCraw
Robbie McCraw

Mr. Hendrick called the meeting to order at 6:30 p.m.

Mr. Hendrick lead in invocation and pledge.

APPROVAL OF AGENDA

Upon motion by Mr. Martin, seconded by Mr. Robbie McCraw and passing, the Board approved the agenda.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Not Present
Mr. Martin	Yes

(Order)

SCHOOL APPROPRIATION

Upon motion by Mr. Phil McCraw, seconded by Mr. Hill and passing, the Board approved an increase in the appropriation for the School Instruction Budget in the amount of \$575,502. The Basic Aid funds were increased based on the March 31 ADM.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Not Present
Mr. Martin	Yes

(Order)

CARE OF PRISONERS TRANSFER

Upon motion by Mr. Phil McCraw, seconded by Mr. Hill and passing, the Board approved a budget transfer to cover increases to Care of Prisoners. The County has experienced increased costs at the New River Jail due to increased utilization.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Not Present
Mr. Martin	Yes

(Order)

COMMISSIONER OF THE REVENUE

Upon motion by Mr. Phil McCraw, seconded by Mr. Hill and passing, the Board approved a budget transfer to the Commissioner of Revenue Salaries and wages and Health Insurance. Salary and wages were under budgeted due to an error in the budget process. The COR staff had received an increase during the consolidation of the Assessor's Office and it was not included in the position master during the budget process. The Health Insurance is an adjustment for changes elected during open enrollment.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Not Present
Mr. Martin	Yes

(Order)

PERFORMANCE BOND

Upon motion by Mr. Phil McCraw, seconded by Mr. Hill and passing, the Board approved an additional appropriation for a performance bond collected from Snow Ridge Development in the amount of \$183,354.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Not Present
Mr. Martin	Yes

(Order)

APPROVAL AND APPROPRIATION OF FY17 BUDGET

Mr. Hendrick told that we have the presented budget and the rates were set higher to give more options as far as funding the budget. He told that the two scenarios are in front of you. He told that we had the original presentation and then Fran presented the PPTRA so the other option is \$0.02 real estate and nothing on personal property.

Mr. Martin told that the Board needs to keep an eye from two months ago forward. He told that we need to try avoiding borrowing money because we have to pay it back with interest.

Mr. Hendrick told that an increase in the personal property was going to cause a general increase in the tax ticket and it will be greatly above that due to the decrease in the Governor Assistance Fund and he believes it would be less burdensome to balance the budget with \$0.02 on real estate.

Mr. Phil McCraw told that last year we dropped our real estate levy \$0.02 and maybe that was not the thing to have done. He told that if we go back up it will put it to where it was last year.

Mr. Martin asked if you would rather be shot and executed that way or hung. He told that bottom line is either way there is not any good choices.

Mr. Martin made a motion to approve and appropriate FY17 budget.

Mr. Hendrick told that in short it is the budget as presented with a \$0.02 increase on real estate.

Mr. Hendrick told that we do not have to have a second to proceed and asked for discussion.

Mr. Hill told that this is going to \$0.69, correct.

Mr. Hendrick told that it is going to \$0.68. He told that currently we are at \$0.66.

Mr. Martin told that last year it was at \$0.68 and we lowered it and it was a mistake.

Mr. Phil McCraw told that he was part of that as he was on the budget committee. He told that trying to help the taxpayers out he didn't think it was a mistake, but in retrospect maybe it was.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	No
Mr. Hill	No
Mr. Robbie McCraw	No
Dr. Littrell	Not Present
Mr. Martin	Yes

Mr. Hendrick told that the motion dies.

Mr. Phil McCraw told that we have to pass a budget tonight. He told that he is going to be bluntly honest, he doesn't think anyone wants a tax increase. He told that sadly enough it looks like we have to do something.

Mr. Martin asked if there are any of those combinations that have been laid out that Board members would consider or are we looking at zero.

Mr. Hendrick told that he can tell you why he doesn't have a problem voting for an increase because he stood here in 2011, campaigned in 2011 and he said in five years we are going to be in a crunch. He told that everyone knew this was coming if you looked at the numbers. He told that the debt has been piled up and this is nothing this Board done, it was started 10 years ago. He told that it is just not QSCB or PSA it is all debt combined.

Mr. Robbie McCraw told that he made it plain that he does not agree with the real estate tax increase. He told that he believes in taking it to personal property or something else because he feels like it is more fair if you hit everybody and not just real estate property owners. He told that they are carrying the burden. He told that he knew it was going to be a big difference with what Fran showed us at the last meeting but he doesn't feel like it is right to take it all from real estate and he doesn't feel like with a clear conscience that he can vote for anything that has a real estate increase.

Mr. Hendrick told that the numbers that Fran presented were based on a \$0.15 increase and those numbers will get worse if it is all done with personal property. He told that instead of a vehicle increasing 40% in one year it could be as much as 60%.

Mr. Phil McCraw asked if it is too late to change his vote.

Mr. Hendrick told that you were on the opposing side so you can bring up a motion.

Upon motion by Mr. Phil McCraw, seconded by Mr. Martin and passing, the Board approved and appropriated the FY17 Carroll County General operating total expenditures of \$41,174,312 for the general fund, and \$ 3,000 for the Law Library fund and appropriate those amounts presented by department. I also ask the Board to adopt the Calendar 2016 tax rates as advertised and heard at our public hearing on May 11th. With

the previously adopted school budget in the amount of \$42,596,998 the total FY 2017 County General Operating and Law Library fund Budgets are \$83,776,310.

Mr. Hill told that he has done some calculations and he figures we are gonna have to borrow money to get us to October, he doesn't know that for sure it depends on how much the other property taxes come in.

Mr. Martin told that used to we would wait until after the 1st of the year but our budget folks should start in July and get a handle on surplus and see what options we have.

Mr. Hendrick told that when talking about funds coming in to the end of the fiscal for taxes and revenue anticipation note, personal property has a lower collection rate than real estate so it has to come up higher to get the same realized. He told that it is possible but from discussions with Nikki hopefully we are not going to have to go down that road. He told that we were almost in the same shape last year.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	No
Mr. Robbie McCraw	No
Dr. Littrell	Not Present
Mr. Martin	Yes

Mr. Phil McCraw told that he voted no the first time and asked to have it brought back up. He told that we can sit here all night, he doesn't want a tax increase and he can't afford it. He told that physically he is probably 20% of what he was 5 years ago. He told like everyone else, he is hurting but it is time to pay the piper. He told that there have been things that have happened that we are going to have to continue to pay for.

Mr. Martin told that you said there are a lot of things that have hit.

Mr. Hendrick told that he has heard QSCB since he started but it did not put the County in the position it is in, but it is part of it. He told that there have been progress and that requires money. He told that the decisions that have been made were to acquire debt and this is the end result. He told the services that we provide that comes at a price. He told some of the items have deferred payments, last year was the first QSCB payment and in order to balance last year's budget that was taking out of our savings account. He told that the discussion is no different, we are just not using surplus. He told that there will be no changes that he for sees in the next 5 years and major debt does not start rolling off the books until 2021.

Mr. Martin told that the positive is we have the debt but we have things in place that could generate revenue at any time like water, sewer and natural gas. He told that there are a lot of school systems that would love to be in our situation. He told that we renovated schools at a very reasonable price.

Mr. Hendrick told that it is always a challenge with economic development, you talk to people who have been in business for 30 years and sometimes you build it and they come tomorrow and sometimes you build it and they come in 20 years but we have facilities that are ready to go.

Mr. Martin told that county citizens have said for years you need to do something to get industry. He told that many of the things are ready to go.

Mr. Hendrick told that these are decisions that have been made and this is the cost.

Mr. Phil McCraw told that you can't point a finger at any one decision that is totally at fault. He told that this is his 5th year on the board and we have been blessed not to have a real estate increase in 4 years. He told that he voted no the first time and didn't want to vote yes but the handwriting is on the wall and one of us had to step up and do the unpopular thing. He told that he doesn't like it but it had to be done.

(Order)

CITIZENS TIME

No one was signed up to speak at citizens time.

(Order)

SUPERVISORS TIME

Mr. Martin told that he met with one of the landowners and his words were there were going to be 20 windmills. He told that depending on how much it cost it could be a revenue boom. He told they have a 100 foot tower that measures wind velocity and they will use it to determine if a windmill is feasible. He said that they were supposed to be starting within 3 years.

Mr. Hill told that he appreciates everyone coming out and listening.

Mr. Phil McCraw thanked everyone for coming and told to have a safe trip home.

Mr. Hendrick told that he appreciates everyone attending.

(Order)

ADJOURNMENT

Upon motion by Mr. Robbie McCraw, seconded by Mr. Phil McCraw and passing, the Board adjourned.

VOTES

Mr. Hendrick	Yes
Mr. Phil McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Not Present
Mr. Martin	Yes

(Order)

Chairman

Clerk