

February 26, 2018

The Carroll County Board of Supervisors held their budget monthly meeting on, February 26, 2018 in the Board Meeting Room of the Carroll County Governmental Center.

Present were:

Rex L. Hill
Dr. Tom Littrell
Bob Martin
Phillip McCraw
Robbie McCraw
Joe Webb
Steve Truitt, County Administrator
Nikki Cannon, Assistant County Administrator
Steve Durbin, County Attorney

Mr. Robbie McCraw called the meeting out of recess at 6:00p.m.

Mr. Martin led in invocation and pledge.

Mr. Robbie McCraw welcomed everyone and told it is good to see everyone tonight.

(Order)

FY19 BUDGET DISCUSSION

Mr. Truitt told not all of the work on the revenue side is done but our focus tonight will be on expenditures. He told that we have two strong man budgets to present to you tonight, we can take either one of these as an anchor and make adjustments or take either one and dive down as deep as you want. He told that one is the initial budget and it resulted from the current status of revenue discussions and how much revenue we should use. The current fund balance is one of the reasons we are coming up with this initial budget, we are not in compliance with that and we are aware and taking steps to do that. The overall financial position of the county is a popular topic and he would like to show that although it is not where we want it to be, it is improving and if we continue to what we have been doing it will continue to improve. It also addresses some of the things we have been dealing with such as spending trends on items that are difficult to predict. The second budget he is going to call a goal budget and that is based on a recommended course of action for discussion and we can anchor around either one of these approaches and is based on continuous judicious cuts. If we can a goal is to preserve the current level of services provided, we don't have to do that but we can look. Prudent spending which we already do and continue rehabilitation of the fund balance are in this budget. The initial budget has some key assumptions, none of the delinquent taxes would be budgeted toward FY19 expenditures, no contingencies would be included so if something breaks I would have to come back to you. It also includes no CIP investment, at least not until the money shows up then we can take it and spend it how you see fit. There will be no merit raises so the staff won't like that but he wants to send a message that we are serious but he doesn't think the amount of money that it saves makes that big of a difference but the psychological message is important and no COLA adjustments for the same reasons. He realizes the State does this different so this might be evening something out that has already happened. We will continue to look for cuts where we can find them and he has looked through all the departments and he doesn't see the ones that are sitting around eating bon bons and doing nothing. We have talked about hard billing but it is really firm billing, if you can't pay we are going to ask that you request not to pay whereas now you can just say I ain't paying, he thinks that subtle difference will result in double digit increase in collections. He told this is the same level or reduced funding of the schools and that is not a done deal and that includes the CIP items and we are also saying nobody wants a tax increase. He told that it comes out for 2019 a little over \$41.6 million. The spending difference is shown on a graph below in the slide. When we decide before we finish tonight he hopes that we take a starting point and take data from everyone. He told we can look at service levels, staffing levels and his take on that is to continue to not fill vacant positions as we have been doing. We have filled a couple part time but in general we are not and we are starting to feel it, I don't know if

we are really all that fat. We will continue to look for ways to reduce debt like we did with refinancing the building. We took all the contingency and Economic Development is out but he would like to put a little back in. One member of this Board asked for all of the charitable deductions with the exception of one be removed, we haven't done that yet but it is something we can look at. We can talk about what the price of gas is going to be. We talk a lot about how we got here and I want to point out if you go back over last 10 years we used to run under \$40 million and the single thing that put us over was the QSCB debt and in the same time frame we bought some land and buildings and started a gas company. In 2014 we took back Woodlawn School and have been paying for it ever since, the next year we got Lovell Creek and the voting machines and then the first QSCB was the next year.

Mr. Martin told that was the \$15 million we got from the state.

Mr. Truitt told this doesn't change a thing but it is educational. It shows that real efforts are being made to improve.

Mr. Martin told the red line in 2014 we did a lot of things that saved, the Natural Gas reduced things.

Mr. Truitt told that it was great but it cost us a lot of money. On the revenue side the amount we billed went up steadily but our collections are going down. There is \$5 million out there that belongs to you that we could do a number of things with, we can rebuild our fund balance do a little CIP and possibly do a little business with. We know it is frustrating for us to come and say we need additional money but some things there is no rhyme or reason to and showed the slide with the jail costs. At some point you would think that place would be full, part is because there are more court dates than there used to be. What he is trying to gauge is would you rather have something like the initial budget or the goal budget, his own preference is that we should budget fairly but aggressively and we have taken some steps to do that. He would like a fair amount of the back taxes should be put towards the management of 2019 and a budget with no contingencies is the message that we want to send or not. That would be his preference but we are here for your preference. On the remaining back taxes, put that in the fund balance. Once you are satisfied with the fund balance, he doesn't know that we have to get there all in one year then you can get a new fire truck or work on the schools. He would like to spend a little money on travel one of these day. When he does go somewhere he is working for you guys without spending your money. He would like to get more aggressive.

Mr. Phillip McCraw told that the guy that presented closing two precincts would be a good savings, I would get shot.

Mr. Truitt told that if he were you he would not vote for that.

Mr. Robbie McCraw told that he thinks a hybrid is what we need to look for, a combination of everything in general but we still need to be pretty tough on some things. How fast will our return come in on these delinquent taxes.

Mr. Truitt told gauging from the response before there has been a name in the paper, he thinks it will be pretty fast.

Mr. Robbie McCraw told from reading on the Virginia website after property is sold it takes about a year to collect any money.

Mr. Durbin told once it is referred there is a process, the first thing would be to send out letters and you get about 20% at that stage and the closer and closer you get the more you collect. He told 9 months to a year is a realistic time frame.

Ms. Cannon told that the collections have crept up over the last couple of weeks.

Mr. Robbie McCraw told they have been very busy the last two weeks. He told our delinquent tax that is owed is just tax and doesn't include the property value.

Mr. Truitt told it is just tax but he is not sure if that includes the penalty's.

Mr. Robbie McCraw told looking back at what was sold in August that property brought nothing.

Ms. Cannon told on the last page of your revenue sheet there is delinquent real estate sale, there is \$48,000 from the Clerk of Court from the sale in 2014. She told the court has to hold that for 2 years she thinks.

Mr. Truitt told that it goes to the original property owner but if it is not claimed it comes to the County.

Mr. Martin told when he grew up you paid your bills and he wants to see the county pay their bills and build up surplus to carry us over and he doesn't like having a blue zillion in surplus because it looks like we have overtaxed.

Mr. Truitt told we are required to have ½ of a blue zillion or 10 %.

Mr. Martin told he doesn't like all this stuff hanging over him.

Mr. Hill told we have to continue on collecting delinquents, it is going to take a while it will be spread out over 2 or 3 years just what we have done this year.

Mr. Truitt told the other half of what we need to do is not let it become delinquent in the first place, it is not okay to budget 80%.

Mr. Robbie McCraw told that he agrees, he thinks we should do it all.

Mr. Martin told it is not a personal thing. He told he is not out to get anybody and he has always tried to operate on that premise. He told he has asked Sheriff Gardner a ton of questions but he is not out to get him.

Mr. Hill told that he thinks as the taxes come in we put some in our fund balance and as priorities come in we work on those items. He told that we just can't stop doing certain things like Economic Development, that cuts our throat.

Mr. Truitt told that he has been trying to make his own money through the IDA but you can't count on that and there is a certain amount for deals that we have already done.

Mr. Robbie McCraw told that he really likes the idea of the firm EMS billing.

Mr. Truitt told that Mr. Lineberry has done an excellent job already and even though our spending has increased he has done a tremendous job on that.

Mr. Robbie McCraw told that at the last Fire Chiefs Meeting they discussed billing for Fire calls and there is an ordinance that says we can do that but it has never been enforced. He told there are mixed feelings about it, some feel like it will cut into their fundraising. He told he doesn't see where that will be different from volunteer rescue. He told if you bill insurance they are gonna pay and he thinks it is something we need to look at. He told that Hillsville has run 50 or 60 calls last year and that is a lot of revenue.

Mr. Webb told he was on Hillsville for 20 years and they looked after each other. He told people don't want to volunteer anymore but you still have to get the job done. He told if the money is out there and it can be collected without putting any more hardship on the people that had the fire loss.

Mr. Robbie McCraw told that we need to make sure we educate the people so they know we are not going after them, it will be from the insurance company.

Mr. Martin asked how much money do we need in reserve so we don't have to establish a line of credit.

Ms. Cannon told to not issue a revenue anticipation note we need at least a million.

Mr. Robbie McCraw told we are looking at needing \$7 to \$8 million.

Mr. Truitt told we would need a little over \$8 million.

Mr. Hill told that doesn't get us a reserve that just gets us the fund balance.

Mr. Truitt told that would save us the money on the revenue anticipation note which we are going to go ahead and pay off because we are not getting direction and we don't need it.

Mr. Robbie McCraw asked if that is monthly.

Ms. Cannon told it is \$47 a day.

Mr. Martin told we came up by raking out the chicken house to pay the jail so looking at what is coming up what do we need to do.

Mr. Hill told we are going to have more than the jail. Do we need to keep the million.

Mr. Truitt told that we may not have enough without doing an adjustment on both sides.

Mr. Robbie McCraw asked what CSA is going to be.

Ms. Cannon told we have a Public Hearing in March and it is roughly \$1.1 and an increase in the revenue of about \$700,000 so about \$400,000.

Mr. Martin told if we can collect unpaid taxes we need to pull in about \$400,000.

Mr. Phillip McCraw told that PSA, A stands for authority and the Supervisors putting \$1 million into it, is there any way that we have any control over slowing down their spending, they are looking at another grant. He told that we need to get our feet on the ground and see where we stand.

Mr. Truitt told we are under no obligation as a Board to become the moral obligator on any new debt that they want to incur, they would have to come and ask first. He told with respect to what they have already spent, it is what it is. He told that we may be able to find better ways to pay for it. He told that the person you appoint to that Board should be very frugal. He told those are difficult decisions to make because everybody needs water and you are never going to break even.

Mr. Hill told he noticed it went up about \$42,000 this year on the debt and asked if it was going to continue to go up.

Ms. Cannon told that it went down this year and they did a rate increase last year and passed some of that down to the Board. She told she did have conversation on whether that would be possible for this year and she thinks they are looking at a reduction in the revenue from the closing of the Training Center that is significant and at this point what is budgeted is 100% of the agreements that we have already signed on.

Mr. Hill asked if we can't do them like we do the citizens and make them continue to pay.

Mr. Truitt told they will have to continue to pay but the volume will be down.

Mr. Robbie McCraw told they will go back to a minimum usage fee.

Mr. Phillip McCraw told that we have people paying a non-user fee and part of their taxes to pay that and we have people in the county that haven't got it and will be years

before they get it and his neighbor told him that the judge told him the Supervisors was the cause of him having to pay the non-user fee. He told that it worries him that we just keep on digging the hole deeper. He told if we told the people the truth that has water what they would have to pay they would say unhook me.

Mr. Hill asked if you had heard anything at all from the School Board.

Mr. Truitt told they have heard something from us.

Mr. Hill asked if they didn't have a budget meeting, he can't find anything on the website.

Mr. Robbie McCraw told that they supposedly had a meeting and approved it.

Ms. Cannon told she thinks they are approving it on March 26th.

Mr. Truitt told we had a private meeting and we were pretty far apart.

Mr. Martin told there was an email from the Treasurer about personal property unpaid.

Mr. Robbie McCraw told that she actually responded to him today. He told that he asked what she was trying to explain in the email and she said that she can't pull that from there and we can't publish anything that is delinquent in 2017 yet and he told her that was no problem if we needed to manually pull it out we would. He told we can still do 2016.

Mr. Truitt told the larger issue in his view is she needs to give the list even if we can't publish it.

Mr. Robbie McCraw told that is basically what he said when he spoke to her.

Mr. Hill told we should be able to look at see the dates.

Mr. Durbin told that you are entitled to go into the Treasurer's Office and inspect the books at any time so that is the county's information except certain things that are confidential but what you are asking for, you are entitled to.

Mr. Hill told he thinks we should go ahead and send a letter now for August just to get that list as well.

Mr. Durbin replied absolutely.

Mr. Robbie McCraw read the email that the Treasurer sent and she said you cannot post 2017.

Mr. Durbin told that he doesn't agree with that, if it is delinquent it is delinquent. He told that if it may not have been delinquent enough to sell.

Mr. Robbie McCraw told that after reading everything it becomes delinquent on December 6 on that year and we can demand payment at that time. He told he thinks we are being courteous.

Mr. Martin asked if you can publish with a disclaimer.

Mr. Durbin told that he has seen other counties do that.

Mr. Robbie McCraw told that we have been more than patient and she has until 10:00 Friday.

Mr. Martin asked what are your recommendations or what direction should we proceed at this point. He told it sounds like on real estate our ducks are lined up but he is not sure about personal property.

Mr. Truitt told that personal property is a little different but you have already passed the resolution and if we do those things, actually he is expecting to see a bigger increase on the personal property, our performance on that is terrible one of the worst in the State. He told that we can get better at it. He told the answer to him is we have a good plan we just need to execute it and the personal property we need to do whatever way works best. He told we have lots of ways to interact with Bonita and her staff we just need to encourage her to use the tools that are available and if she does we will almost move from 60% to 80%. He told that is not going to cure every problem that we have.

Mr. Robbie McCraw asked what makes it so hard to do anything with personal property.

Mr. Truitt told that we just can't sell it.

Mr. Durbin told that we have such great leverage with real estate, you can't leave with the real estate so you can find it and it has some value. He told on personal property sometimes it doesn't have any value if you seize it. He told he recommends the DMV stops.

Mr. Robbie McCraw told from what he has heard there is a lot of personal property that has been sold and it hasn't showed up and is still in the system. He asked if they are still liable for that.

Mr. Durbin told that they have to demonstrate that they sold it.

Mr. Hill asked if we would be better off to get a collection agency to deal with the personal property after a certain date.

Mr. Durbin told that some counties do that, you may want to look at it. He told that he would like to see what you get with the tools you have because they are not being used.

Mr. Hill asked if we need to set that up now.

Ms. Cannon told that it is a tedious process you have to reenter the list each year.

Dr. Littrell told that he doesn't think it comes as a surprise that this has been a gravel in his craw for many years. He told that it has probably been 8 years ago he talked to Jr. Young in Grayson County and they have a formula and plan that they do every single year where they send out notices and publish in the paper. He talked to our Treasurer about doing that but never got anywhere.

Mr. Hill told that they have someone to do the mailings so it is less manpower.

Dr. Littrell told that what he would like to see is take the first million and put it towards the budget then put after that in the fund balance.

Mr. Hill told that we should be okay and the other stuff that comes in then we pass it out.

Mr. Robbie McCraw asked if we have an amount budgeted in for this year.

Ms. Cannon replied no.

Mr. Hill told it doesn't look like any of these funds are going to come in until October at the earliest.

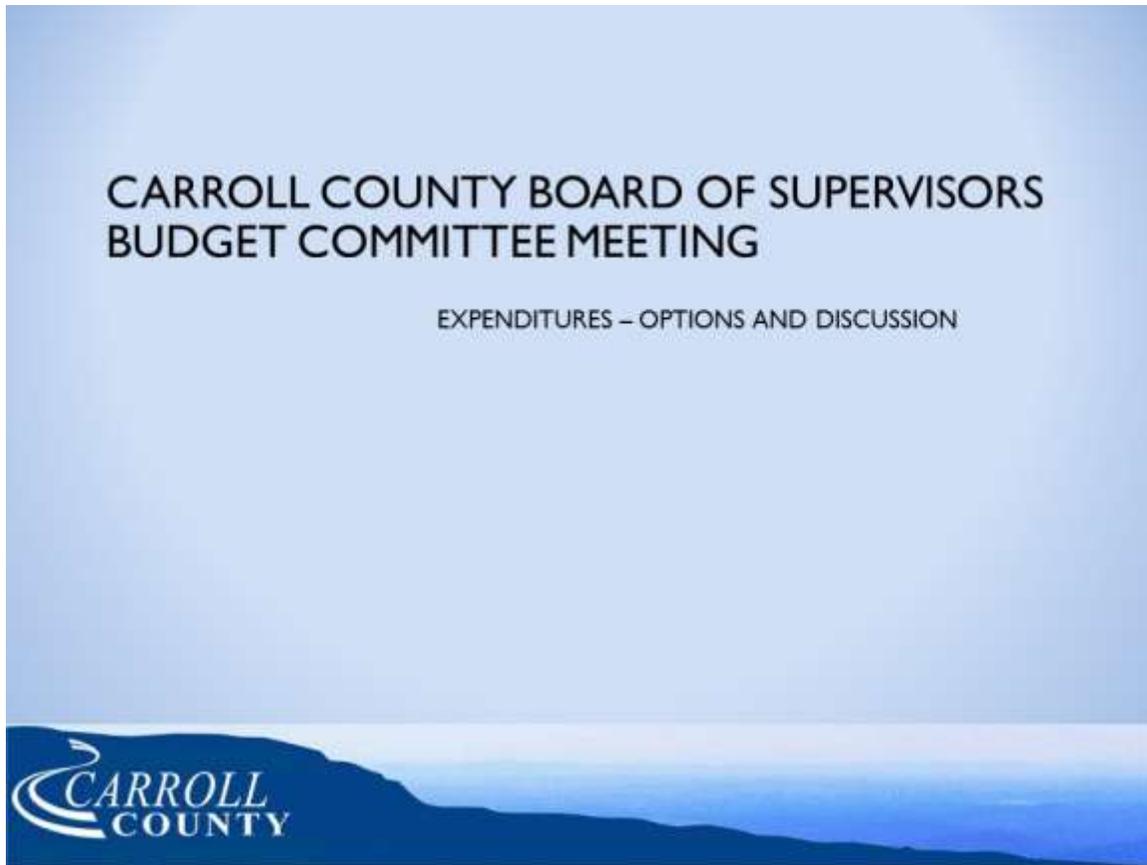
Mr. Truitt told that they are coming in now. He told that we are probably going to come in at budget this year because we budgeted so low.

February 26, 2018

Ms. Cannon told that she doesn't know that we are going to make what is in the budget this year.

Mr. Truitt told it won't be zero. He told as a result of what is happening he thinks it may be more than what we budgeted. He told if it doesn't we will have to figure out something else.

Mr. Martin told that he spoke with Kim Cloud at length today.



Point of Departure

Two "Straw-man" budgets offered for tonight's discussion:

- "Initial" budget based on
 - Current status of revenue discussions
 - Fund balance
 - Overall financial condition of the County
 - Spending trends for unpredictable items such as jail expense and CSA spending
- "Goal" budget based on:
 - Continued judicious cuts
 - Prudent spending, resulting in preservation of current levels of services offered by the Carroll Government
 - Cautious investment in Economic Development
 - Rehabilitation of the fund balance, offering greater freedom of choice and direction for BOS
- Either or neither can be where we end up as we complete our work together



1

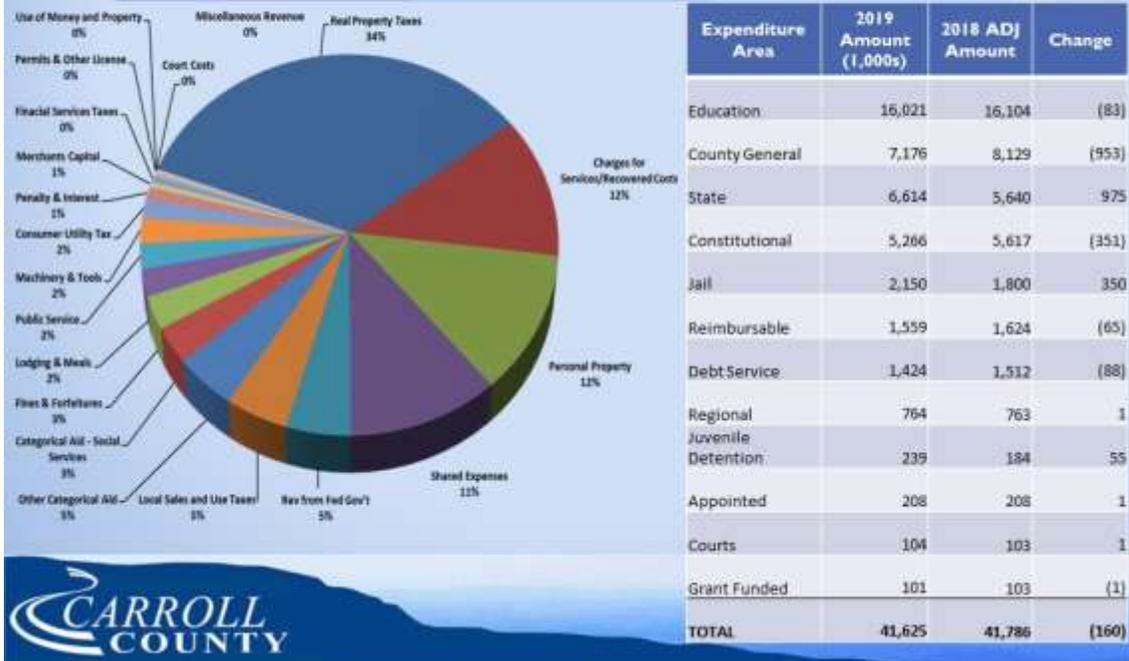
Initial Budget Key Provisions

- NO delinquent taxes budgeted toward 2019 revenues
- NO contingencies included on any budget item (if it breaks, without an appropriation it stays broken)
- NO CIP investment (at least until the opportunity arises to fund it – more on this point later)
- NO Merit raises
- NO COLA adjustments
- Judicious cuts applied through-out County General Budget
- Firmer (not really "hard") billing for CCFR
- Level or reduced funding of Schools (including any CIP items funded by County)
- No Tax Increases

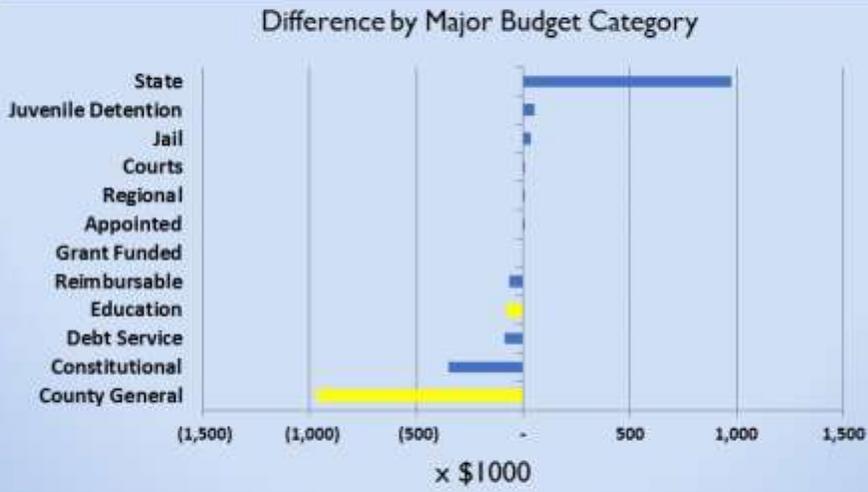


2

Initial Recommendation Revenue and Expenditure Levels



Initial Recommendation – 2018 Adjusted vs 2019 Requested



Everything Is Open for Discussion...

- Service and Staffing Levels (our approach is to continue to not fill vacant full-time positions)
- Continue to look for ways to reduce debt service, such as our refinance of the Government Center this past year (The effects of 2011-2014 large purchases plus QSCB remain)
- Reduced approximately \$500K contingencies and Economic Development (classified as part of CIP)
- Charitable Deductions
- Predictions about the price of gas
- Whatever is on your mind...



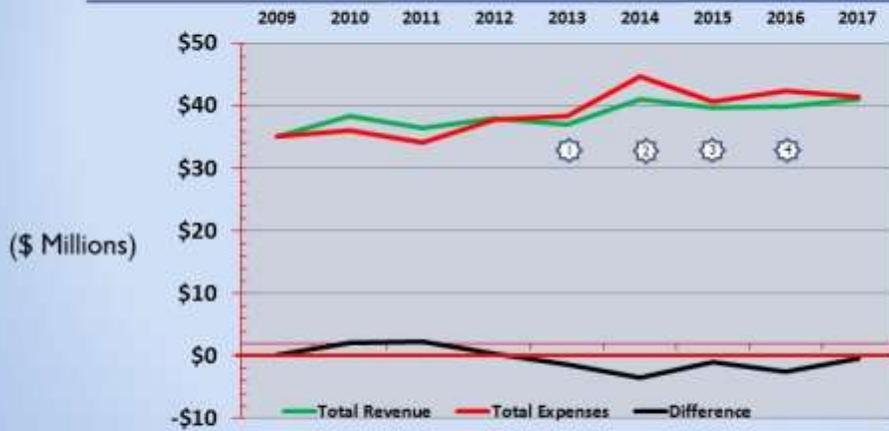
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A Few Comments about "How we Got Here"

Changes in Revenues and Expenditures 2009 - 2017



- 1 - Economic Development Projects (purchased land/buildings); Gas Utility Fund - \$1.75M
- 2 - Phase III construction financing on Schools (\$3.8M); Woodlawn School Received; Economic Development Projects
- 3 - Voting machines; Maintenance Lovell's Creek
- 4 - Farmer's Market; QSCB repayment (out of Fund Balance per BOS)



Meanwhile, Tax Billings Increased Steadily but Collections Did Not Keep Pace

CC Treasurer's Office
Personal Property Actual Billings & Collections
as of November 30, 2017

Tax Year	Tax Ticket Billing	Tax Collected	Tax Balance	Percentage Collected
2012	4,445,789.50	4,399,712.55	47,081.11	94.46%
2013	4,461,366.48	4,175,818.29	286,128.17	93.54%
2014	4,384,119.10	4,287,217.58	97,397.82	97.81%
2015	5,614,586.24	5,121,728.48	492,858.34	91.23%
2016	5,815,786.47	5,085,281.95	737,202.51	87.44%
TOTALS	24,950,894.77	22,846,626.77	2,102,576.90	91.87%

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CC Treasurer's Office
Real Estate Actual Billings & Collections
as of November 30, 2017

Tax Year	Tax Ticket Billing	Tax Collected	Tax Balance	Percentage Collected
1987	4,057,213.00	4,053,333.94	3,882.00	99.90%
1988	5,864,195.00	5,857,803.90	6,364.04	99.89%
1989	6,867,484.00	6,856,389.89	7,103.19	99.86%
1990	8,327,420.80	8,120,894.10	2,044,445	97.51%
1991	8,991,158.40	8,584,482.12	4,069,218	95.52%
1992	9,758,151.80	9,749,269.31	8,212.50	99.82%
1993	9,891,587.92	9,880,387.42	10,330.50	99.85%
1994	9,841,180.92	9,823,809.09	16,374.23	99.83%
1995	9,919,108.81	9,896,361.31	23,287.24	98.71%
1996	12,358,100.87	12,124,700.07	23,350.90	98.13%
1997	12,349,559.24	12,300,947.18	44,612.09	99.64%
1998	14,029,275.77	13,849,728.08	81,349.89	98.99%
1999	14,233,834.97	14,044,419.87	87,114.90	98.71%
2000	14,348,611.93	14,108,315.84	140,239.09	98.02%
2001	14,327,758.42	14,149,480.12	178,278.30	98.76%
2002	14,347,194.34	14,119,480.21	227,358.07	98.42%
2003	14,053,708.15	14,136,489.78	287,039.34	97.80%
2004	15,665,784.10	15,108,368.12	388,110.20	96.46%
2005	14,393,267.21	13,894,484.99	498,951.41	96.49%
2006	14,851,875.19	13,839,187.96	854,833.17	94.51%
TOTALS	213,718,759.88	212,834,534.50	2,094,225.38	99.57%

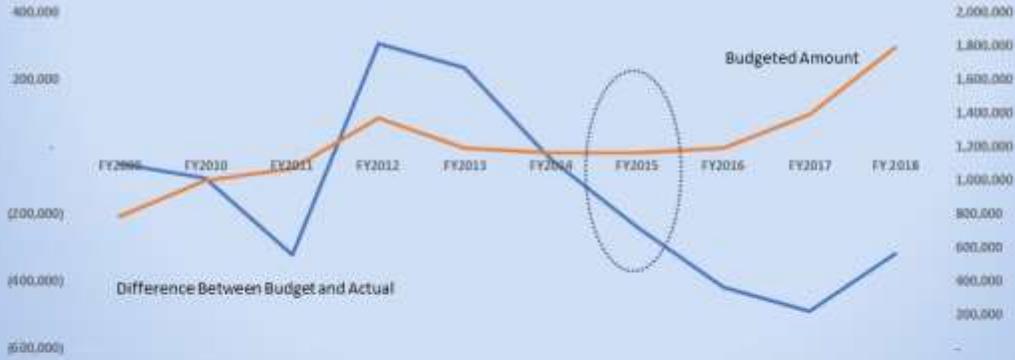
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Through Tax year 2016, approximately \$5M is potentially available to address out Counties Fiscal issues. The assumptions we make about these funds is integral to a responsible approach toward expenditures.



Why are Some Items So Difficult to Budget?

Its not for lack of effort or analysis...Our experience with the Jail is a good example



IS SOMETHING LIKE THE "GOAL"
BUDGET DESIRED?

HOW TO GET FROM THE "INITIAL
RECOMMENDATION" TO THE GOAL?

The Way Forward (a Recommendation)

- Budget aggressively but fairly for collection of **both** current and back taxes
- Include a **fair** (based on recent collection history), but **conservative** amount of back taxes in FY 2019 Revenue
- Restore reasonable contingencies to budget as well as previously approved Economic development expenditures
- Add contingencies to volatile, difficult to manage and difficult to forecast items
- Put the remaining back taxes collected towards Fund Balance rejuvenation
- When we are satisfied with the level of fund balance improvement, reinstate highly prioritized CIP as it becomes available
- Continue to mind the pennies and look for largest ROI possible on whatever economic development activities we undertake



10

DISCUSSION

CLOSED SESSION – PURSUANT TO VIRGINIA CODE SECTION 2.2-3711(A1, A5, A7)

Upon motion by Mr. Martin, seconded by Mr. Hill, and passing, the Board convened a Closed Session for the discussion of personnel, legal matter, as authorized by Virginia Code Section 2.2-3711 (A7, A8).

Mr. Durbin explained the reasons for entering Closed Session.

7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. For the

purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

VOTES

Mr. Webb	Yes
Mr. Phillip McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

CERTIFICATION OF CLOSED SESSION

Upon motion by Mr. Webb, seconded by Mr. Phillip McCraw, and passing, the Board adopted the following Resolution:

WHEREAS, the Carroll County Board of Supervisors convened a Closed Session this date pursuant to an affirmative recorded vote and on the motion to close the meeting in accordance with the Virginia Freedom of Information Act;

WHEREAS, Section 2.2-3711(D) of the Code of Virginia requires a certification by the Board of Supervisors that such Closed Session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Carroll County Board of Supervisors hereby certifies that, to the best of each member’s knowledge, (I) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the Closed Session to which this certification applies, and (II) only such business matters as were identified in the motion by which this Closed Session was convened were heard, discussed, or considered in the meeting to which this certification applies.

VOTES

Mr. Webb	Yes
Mr. Phillip McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

BUDGET DISCUSSION

Mr. Martin asked if we need another budget meeting.

Mr. Truitt replied yes and the main reason is the biggest budget item we have left is the relationship with the school and that is not done yet.

Mr. Hill asked if they gave us a number on the ADM.

Ms. Cannon replied no sir. She told they haven't got the information from the State yet and they were waiting on that. She told that she thinks they are basing it on 3600 students.

Mr. Hill told a bunch graduated in December.

Mr. Martin told that they were projecting about 18 to graduate.

Mr. Truitt told that some were in lower grade levels which is interesting.

Mr. Martin told that he can tell you from substituting in other state but about 80% of the behavior in school that Carroll County has and another was about 50%. He told the discipline system is excellent in the schools.

Mr. Robbie McCraw told that we need to decide if we want to do the initial budget, the goal budget or a hybrid style budget. He told that we need some recommendations.

Mr. Hill told that he likes the numbers we have here. He told Tom was talking about the million dollars, was you going to put that in the CIP.

Dr. Littrell told you can put it where you want to but if it is collected we ought to be able to spend it. He told if we are serious about collecting we should be able to spend it.

Mr. Robbie McCraw told that he thinks we are making motions toward doing that and being diligent about that. He told he agrees if we are able to get it we should be able to use it.

Mr. Truitt told what we are hoping to do is get authorization to take some of it, a lot will be CIP because Economic Development is actually CIP and we can take the first one or two most important things in the CIP and another thing would be to put back the contingencies like the ones we used this year to get through.

Dr. Littrell told Economic Development would be an excellent one to put towards.

Mr. Truitt told that there is some Economic Development that is already spent and he has been trying to pay with those things through IDA but that will run out. He told the new deals are even more important.

Mr. Hill told that he thinks Economic Development is the most important.

Mr. Robbie McCraw asked if we need a motion.

Mr. Truitt told we just need direction.

Mr. Robbie McCraw told that he know Bob says he likes spending time with us but not as much as with his wife but it is important for all of us to be a part of the budget process. He told we need to be very aware of the budget and there is no better way to get that other than education from staff.

Mr. Hill told he would like a quarterly update on where we are with the budget starting in Octobers so we know where we stand.

Mr. Robbie McCraw told that he is going to help Rex out a little bit, on these charitable contributions he would like for us to have more information on these.

Ms. Cannon told that all of the requests that we have to date are in your book behind the Board of Supervisors tab.

Mr. Robbie McCraw told for instance Feeding America, he would like to know how it helps us out because if you go to the website the closest one is in Roanoke with one place in Galax to obtain food from and he would like to have more information how it is helping our citizens out and kind of along the same lines as the Brain Injury. He told that

he looked at the SWVA EMS hasn't been updated since 2016, it still has Mike Mock and how do we benefit from that. He told those are things we should be aware of.

Ms. Cannon told that she has ask any of the agencies that she has talked with to include that. She told the Family Resource Center called on Friday and she told them to include in their request how it is beneficial to Carroll County. She asked Mr. Phillip McCraw if he knew if the Feeding America truck still comes to St. Paul School.

Mr. Phillip McCraw told that he doesn't know.

Mr. Robbie McCraw told that we need to be able to promote it if it is there.

told that he doesn't know.

Ms. Cannon told that she did get 4 in the mail today that have not made it into your books yet.

Mr. Martin told nothing personal, but we contribute \$5000 to Fries Recreation and he would like to know how many people use that.

Ms. Cannon told that we have not actually paid that, they put in a request several years back.

Mr. Hill told that he talked to the guy over that and told him to get his stuff in there and you will get your money but haven't heard anything. He told the other question he has is about contingency, you are talking about putting \$100,000 in.

Ms. Cannon told that it is roughly around \$80,000.

Mr. Hill asked if she could put that under BOS so it is the first thing he sees when he opens the book.

Mr. Robbie McCraw told that it has been tossed around a little bit about billing the Town for part of the assessment, is that something we can do or Commissioners Office. He told that Fran feels like we should be able to bill them \$17,000 for the assessment.

Ms. Cannon told that she was under the impression that they had done that.

Mr. Robbie McCraw replied no. He asked if you all have what you need to proceed.

Mr. Truitt replied, I think so. He told we will produce basically a hybrid budget that has some of the contingency back in and some of the Economic Development back in and we will make an assumption that we can use a reasonable amount of past due taxes. He told we will put that together and present that as a single budget.

Mr. Robbie McCraw told that it sounds good to him.

Mr. Martin asked if we have ever formally hired a legal firm for collection.

Mr. Robbie McCraw told that we talked about RFP and asked if that is something we need to do.

Mr. Truitt replied no. He told we have used this firm in the past and he reviewed the results and it looked exceptional and because we want to break it up you don't want to have more than one firm at a time. He told if you prefer a RFP he can work on one. He told that it doesn't cost us anything directly because they take all of their fees on the collection.

Mr. Hill asked what if it doesn't sell for that.

Mr. Truitt told that if it sells for less that's a bad deal.

Mr. Hill told we don't collect anything but the law firm does.

Mr. Durbin told if you sell it and it does bring then the County gets the money. He told that if it gets to where the property is not worth much and we try to sell it once and the judge doesn't approve it and we sell it again, we adjust our fees. He told that it is still not out of the pocket of the County.

Mr. Truitt asked if we can get a recommended methodology off adjusting fees.

Mr. Durbin told that he would have to talk to the guys that actually do that. He told that it is typically done case by case.

Mr. Truitt told that the last time we did this we got our money's worth and they didn't have the cream of the crop to work with.

Mr. Robbie McCraw told that is what Rex is looking at, he got a copy of the last sale. He told that he feels like the property sold in August were poor choices.

Upon motion by Mr. Martin, seconded by Dr. Littrell the Board appointed Sands Anderson subject to approval from County Administrators Office on fee structure terms for the collection of delinquent taxes.

VOTES

Mr. Webb	Yes
Mr. Phillip McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

Mr. Hill asked if you can see the funds coming in, the revenue as it comes it do you have a spot that you can see somewhere.

Ms. Cannon told that it is difficult with our system but she has been monitoring it daily. She told that she prints the revenue report each day.

Mr. Hill told he wants it compared to last year.

Mr. Robbie McCraw told if Bonita could generate a report.

Mr. Truitt told that we can't see what is current and what is delinquent.

Mr. Martin told if we have the right to ask for things the next step is to tie into the computer system so we have that ability.

Mr. Durbin told that you have the right to inspect.

Mr. Hill told that he would like to be able to look himself.

Mr. Martin told that would be a worthy goal.

Mr. Robbie McCraw told that we should wait and see what transpires between now and Friday and go from there.

Dr. Littrell told that he has had more people congratulate us on our efforts to collect these taxes than anything else he has done on this Board.

(Order)

ADJOURNMENT

February 26, 2018

Upon motion by Dr. Littrell, seconded by Mr. Martin and passing, the Board adjourned.

VOTES

Mr. Webb	Yes
Mr. Phillip McCraw	Yes
Mr. Hill	Yes
Mr. Robbie McCraw	Yes
Dr. Littrell	Yes
Mr. Martin	Yes

(Order)

Chairman

Clerk