

March 27, 2019

The Carroll County Board of Supervisors held a Budget meeting on, March 27, 2019 in the Board Meeting Room of the Carroll County Governmental Center.

Present were:

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

Mr. Hill called the meeting to order.

**TREASURER – BONITA WILLIAMS**

Ms. Williams told what I have given you all is the collections that were approved June 30<sup>th</sup> of last year for FY18 and then I have given you one that is current. Then Steve sent this one which is your board request. On the 18, right now we are in a collection period for personal property. After that collection period then July 1 the DMV stops start and this gives them notification that this will happen. I think we have got the bugs worked out on that. On last years bottom line we collected of the budgeted amount 101%. You can look at March, April, May, June which was the collection last year for delinquent personal property and I added everything together. We brought in \$1,567,322.40 so we are in that right now. Current, it is pretty much you all get these in the board reports, it is what you look at each month so I went ahead and printed it to date, well through February. The one where the Board requested, that is through yesterday and it shows the total collections on the line items they gave us and it shows where you did the minus amount. There is \$452,569 on your delinquents if you take that minus amount off for rejuvenation. We are hoping that goes different. About all I can tell you is right now I think we are looking at probably \$1.5 coming in before the end of the fiscal year. I am going to state that I think the problem in the cash flow is where you are paying the debt service to the schools and then their appropriation amount. There is a big amount that is paid in May which comes to about \$2 something and there is another in July. It is about \$4 million that is getting transferred. If there is anyway they could do that debt service at a different time it would really help.

Mr. Hill asked what if we changed appropriations and did it quarterly. Would that make a difference.

Ms. Williams told they have due dates on the debt service.

Mr. Hill told typically we do one appropriation, if we did it quarterly what does that do.

Ms. Williams told we try to do it monthly and they work with us. Last year we held off on their actual appropriation and gave them the debt service. I guess talk to Tammy Quesenberry.

Ms. Cannon told they would have to refinance the debt in order to change the date.

Mr. Hill asked if they have a debt service fund that has cash in it like PSA.

Ms. Cannon replied no they don't have a reserve.

Ms. Williams told we have a schedule that we go by, I didn't print that out but I can email it. In July on their regular appropriation, not counting their debt service, we give them \$937,000. We give them \$1.67 million on their debt service.

Mr. Robbie McCraw asked if that is July.

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Ms. Williams replied yes. In May we give them \$1.56 on debt service and then the \$937,000. If they have to refinance I don't know but they have to have the debt service money.

Mr. Hill asked how state funds come in.

Ms. Williams told they come in monthly.

Mr. Hill told that ours don't come in monthly, they just spend when they need it.

Ms. Williams told we give it to them and they write it out. On the debt service I do know that those payments are due at that time. That is the only thing I see that would help. I did not fill out an estimate on the 2020, I don't have anything yet on that from the Commissioner.

Mr. Hill asked if you mean the funding coming from the state.

Ms. Williams replied no, on our taxing. This is on revenue, these are budgeted amounts I gave you not actual. Last year you all took actual and budgeted from that. That is what is on the books not the budgeted amount.

Ms. Cannon asked if this is what is in our accounts receivable as of this date or is it a budgeted amount.

Ms. Williams told that is a budgeted amount. We did it by the line items. We gave you what is outstanding at this time on the budget. We didn't go into 999.

Ms. Cannon told so you just gave what was outstanding here.

Ms. Williams replied pretty much because you have it by line items.

Ms. Cannon told the request is actually what is the accounts receivables for real estate, property and machinery and tools, that is what the request was.

Ms. Williams replied so it shouldn't be by line item, it should be by the 999 accounts.

Ms. Cannon told you receive the delinquent real estate revenue in that account for that account receivable.

Ms. Williams replied right but its not the 999 these are budgeted amounts. When it is under this line item it is budgeted amounts. You all put line items in there.

Ms. Cannon replied I understand there is a line item. The accounts receivable that is for real estate when you collect it would go into that line item. That is why that line item is there because that is the line item that it would be reported in.

Ms. Williams replied so last year you all went back and put 20 years taxes back on the books pretty much, what was already passed. When you pull it back in the 999 accounts.

Ms. Cannon told we basically put an estimate in there for what was outstanding in accounts receivable.

Ms. Williams told you can roll your eyes all you want to Steve, I caught it.

Ms. Truitt replied excuse me.

Ms. Williams replied umhum excuse me. So if you are wanting the 999 accounts which is what is on the books and you are going to go back and going to pull 5 years and 20 years, is that what you are wanting to do. And how much do you estimate it at.

Ms. Cannon told I think the overall, there was only about \$2 million that is budgeted in the budget document when you back out the rejuvenation fund balance. So we are not basing expenditures off of the accounts receivable.

Mr. Hill told the \$4 million was just put at the bottom so as it come in.

Ms. Williams told so that is why you put the minus amount in.

Ms. Cannon replied yes.

Ms. Williams asked why don't you just do it in the tax. Why put the minus amount in. In a revenue line item, of course I didn't agree with it last year you know that. You never put a minus amount in a revenue line item.

Ms. Cannon replied okay.

Ms. Williams replied I mean really you shouldn't. I contacted all my Treasurers and all localities and they don't do it that way. As far as twice a year tax collection, I have never said yay or nay on that, it is your all's decision and Grayson County doesn't do twice a year. They made two separate collection dates. The collect personal property in July and real estate in December.

Mr. Truitt asked on these amounts on the front page where you are talking about the percentage of collection, what percentage was budgeted verses the amount that was billed.

Ms. Williams replied I don't know I didn't do it. I didn't budget those.

Mr. Truitt told you know how much was billed so if you could just furnish those numbers so we could compare the budget verses what actually went out. That would be interesting.

Ms. Williams told you should have those numbers.

Mr. Truitt replied so should you.

Ms. Williams replied I should so I will pull them out and get them for you. So, how much percentage are you budgeting of the actual.

Mr. Truitt told when you say you collected 101% of what you planned to collect, did you plan to collect 88%.

Ms. Williams told this is the budgeted amount that you all did. That is the budgeted amounts that were collected. The percentage of the budgeted amounts, not your actual.

Mr. Truitt told that is not the question I am asking.

Ms. Williams replied what is your question.

Mr. Truitt told I am asking, these budgeted amount regardless of who put them wherever they ended up, what percentage is that of the amount that was actually billed to the taxpaying public.

Ms. Williams replied those amounts, how do you all budget them.

Mr. Truitt told we try to get guidance from you.

Ms. Williams replied I don't project those. Those are done by the Commissioner of Revenue.

Mr. Hill told that is the numbers we use, correct.

Ms. Cannon replied yes we use the numbers provided by the Commissioner of Revenue. We typically budget a percentage of that usually about 96% of the total, for real estate. Personal property is lower.

Mr. Hill told there is still a section for delinquent but not what was in there before. We moved the rest of that down to the bottom.

Ms. Cannon replied yes. It is in the document right now the way it was last year waiting for guidance from everyone on how they want to see it.

Ms. Williams told used to years ago, your delinquent amounts were budgeted lower. What was collected above that was your bank. So when you had unforeseen at the end of the year those amounts carried you though but that has been changed.

Mr. Hill told we need to get it as realistic as possible. As close as possible for whatever percentage. We want to make it as accurate as possible. It is difficult with CSA and stuff like that but we have moved in that direction. Try to get it as accurate as possible, what we are going to collect and what we are going to spend. I have some other things that we need to do on our other budget but how close has this been. Its been better than it has been, I don't know.

Ms. Williams replied on the collections of the budgeted or the actual.

Mr. Hill replied on the budget.

Ms. Williams told you are just talking about delinquent. Actually on your request shows the balance of what was budgeted. Which is the \$4.960 and then minus down to \$4.5 which left the \$452 but you have four more months.

Mr. Hill told this looks like it has been more accurate than it has in the past and that is what we want. We would like to collect all \$4 million at one time but we know that is not going to happen because of the circumstances, the collection itself takes a year.

Ms. Williams told we got \$10,000 in this month on the land sale.

Mr. Hill told we are supposed to have around \$100,000.

Ms. Williams told I can check to see if anymore has come in.

Mr. Hill told I knew there was supposed to be something, I got a copy of a letter from an attorney and hadn't checked with you on it. It looks like we are doing okay on that, are there any changes that you recommend. On these percentages, should we increase some of them.

Ms. Williams replied, on the delinquent.

Mr. Hill replied yes. Here you have like 105% on personal property, should we increase that any.

Ms. Williams told the thing of it is, it is really hard to tell what we plan to come in with on personal property. On the delinquent we are looking at \$1.5 on the personal, hopefully to come in before June. You budgeted \$1.86 on delinquent and there is \$1.7 left to collect per the budgeted amount. We are hoping to bring that down by \$1.5 but you are still going to have some there. So, you are wanting me to justify what you are budgeting in delinquent.

Mr. Hill replied no. I just want to try to get as accurate numbers as we can. We don't want to do an unrealistic number. If we set a goal we need to try to meet it and if we don't that hurts us if we base our expenditures on it.

Ms. Williams replied exactly.

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Mr. Hill told that is what hurt us in the past. I'm trying to get good accurate numbers. If we get something we can agree on it will be worthwhile for us all.

Ms. Williams told last year we got some, like you say some were over 100% some were 98% some was 93%.

Mr. Hill asked if there was a total %.

Ms. Williams told the total on everything is 77%, that is budgeted amount.

Mr. Hill told it looks pretty close that we might meet that.

Ms. Williams told I think you will.

Mr. Hill told it looks like it is fairly accurate.

Ms. Williams told those are the reports that you get monthly in your packet. Have you got a projection from the Commissioners.

Ms. Cannon replied I don't think so.

Ms. Williams told I didn't know if they had it ready or not.

Ms. Cannon replied I say I don't think so but I am not for sure.

Mr. Hill told she gave something out at the meeting but it wasn't final. It looked slightly higher.

Ms. Williams told you never collect 100% on taxes. No locality does that.

Mr. Hill told people just don't pay their bills on time or they forget. I did notice one thing, I better not say. Noticed some people on the delinquent tax list that really bothered me.

Ms. Williams told I don't know but I think they might have a sale coming up. I haven't been informed but it seemed like what they are doing and where they are at it will probably be coming up.

Mr. Hill told we have a combination of people who are getting on a payment plan.

Ms. Williams told we have quiet a few and we just knocked some off. We just went through them and if they don't keep up with their payments they can't do it again.

Mr. Hill told I didn't know that. So they get on there one time and if they don't keep it up we take the property.

Mr. Robbie McCraw told that starts the process all over again too.

Ms. Williams told DMV stops are projected for July and real estate delinquent is projected in July also. That is our plan right now. You will be getting that money in then and from the land sale there might be right much. Plus they have a lot of people paying them. We might have gotten more money.

Mr. Hill told it is hard to tell. That is why I am looking at these numbers on delinquent collections. Last year we were still no where near even with us taking people to court because it was set so high.

Mr. Robbie McCraw told this new relief program that the Governor is doing where he is stopping the DMV, will that effect this at all.

Ms. Williams told you can't take their license, you can only stop them from being able to tag a car. They switch their plates. Legislation passed if you go out and I have a DMV

stop and they buy a new vehicle they can not tag the new vehicle until they take care of the DMV stops. That helps more.

Mr. Robbie McCraw told the DMV stops don't prevent them from renewing their driver's license.

Ms. Williams replied no because then you are preventing them from working and paying their bills.

Mr. Hill told we don't want anybody to not be working if at all possible.

Mr. Martin told absolute numbers lie absolute.

Dr. Littrell asked if we are going to publish delinquent tax payers this time.

Ms. Williams told what we do by code of Virginia and this is the way we worked before. Doing it in the spring like was done last year drove the mechanics of the office way off. We have to have it to you 60 days after the close of the year so most of the time what they do when I give you that list, I have to have that listing to you then. Most if they are going to publish will do it at that time and you just do the one listing a year. We have 60,000 accounts for each year.

Dr. Littrell told some localities do that in August.

Ms. Williams replied yeah. It depends on when they get the year closed and different things. You might get it earlier.

Dr. Littrell asked if we plan to do that this time.

Ms. Williams replied yeah, I think you do.

Mr. Hill replied probably like the first of September. That gives us a month after the close.

Ms. Williams told it would have to be after I do the real estate notices which it will fall in line with that to let them know. They are always told that it can be put in the paper.

Mr. Hill told we will hopefully get that in by at least October.

Ms. Williams replied hopefully. If you have any questions I will be glad to help.

Mr. Hill told I was just noticing real estate from 2012 to 2009 is only a difference of \$155,000. That shows you the property rates in Carroll County don't grow much.

Ms. Cannon told that is just what we collected, its not what we billed.

Mr. Truitt told the percentage has been drifting downward of the billed amount that get collected, which we do know.

Mr. Hill told this year it increased.

Mr. Truitt told I believe it did this year. Do we have that list from last October.

Mr. Hill replied I don't know.

Mr. Truitt replied I don't think we do.

Mr. Hill told I thought that is the one we published.

Ms. Adams told that was this month last year because they just contacted me about doing it again.

Mr. Robbie McCraw told we never did get the one last year.

(Order)

**PSA – BUDGET PRESENTATION**

Ms. Jessica Montgomery thanked the Board for inviting them. A couple months ago it was of interest and something you asked to see and we are glad to share that with you. The PSA budget is separated into two separate budgets, water and sewer. Typically we start sharing this with the PSA Board sometimes as early as April and then we usually vote in June. So the breakdown of the revenue and expenditures on the water budget and there are several line items and most are self-explanatory as far as what they are. Service fees are what we charge and collect, hookup fees are for new meter installation, deposits are deposits, fire service fees are for those hotels and industries that have separate fire lines, they are charged a fire service fee and that is based on what the line size is. The state recovery fee, penalties and interest, miscellaneous which will be like for instance the last one was a fire hydrant was knocked over and we ended up collecting back from the insurance. Wythe County reimbursement for the long range water, debt and carry over, transfer from the County which is the New River Regional Water payment and availability fees and other collections. The expenditures there is a little bit more there but it is advertising, contingency, deposits, electrical, board payments, diesel, maintenance, fica, health insurance. They only one that might need explaining is the Town of Hillsville. If we need to purchase water from the Town, we used to need this a lot more but now we don't. We have left it in there just in case. Any questions about those. On the next slide it shows the amounts we have broke down for these. This is what our projected budget looks like, what we are anticipating those revenues being. Any questions about those amounts. We have seen these before and they stay about the same.

Mr. Martin asked if the overwhelming majority of the water that Carroll uses come from New River.

Ms. Montgomery replied yes. New River Regional Water is a big chunk of the water we receive. That is the regional system so it is all the way from Austinville to Cliffview. The other systems we have are Cana, Fancy Gap, Tower Road which comes from Galax and Exit 1 which comes from the City of Mt. Airy.

Mr. Martin told years ago it was more wells.

Ms. Montgomery told we relied on well pretty much entirely until the Regional Water came into place.

Mr. Martin told I always worried about the water table dropping. Cana and Fancy Gap are still wells. We still have wells in the system that we use to reflowinate.

Mr. Hill asked how much water are we using from New River.

Ms. Montgomery told we use about 500 to 700 a day.

Mr. Martin replied a thousand.

Ms. Montgomery replied yes.

Mr. Hill asked if we are limited on the amount we can use, like 21%.

Ms. Montgomery told there is a cap but we are no where close to that.

Mr. Hill told to hook up where we could use that throughout the county we would have to go over the mountain to use in Cana.

Ms. Montgomery told that would be virtually impossible.

Mr. Hill replied so it is pretty much limited to the top of the mountain.

Ms. Montgomery replied yes just because of the pressures. The next slide is a visual and the percentages are in order from highest to lowest and explained those. Any questions about revenues.

Mr. Martin asked do you think we are okay with the revenues for the future.

Ms. Montgomery told we have kept the what we anticipate the service fees to be the same and that is something the committee has been looking at playing with. Nest is expenditures. This is the table that breaks down the proposed budget on expenditures. There shows the water purchase that we anticipate, \$314,000.

Mr. Martin replied from Wythe County.

Ms. Montgomery replied from Regional. We get that at \$1.25 per 1000. I think it is anticipated to stay the same. We haven't really looked at it yet.

Mr. Truitt told that is at the next meeting.

Ms. Martin asked if we still do fluoride treatment.

Ms. Montgomery told the fluoride is added at that plant.

Mr. Martin replied good. It cuts down on cavities.

Dr. Littrell replied it does.

Ms. Montgomery told this is another visual representation of the expenditures.

Mr. Hill asked if the water purchase is from Mt. Airy.

Ms. Montgomery told that it includes Mt. Airy as well.

Mr. Hill asked if it includes Wythe.

Ms. Montgomery replied yes, Regional Water and Tower Road. Now we move on to sewer. It is broke down the same way. The totals and the revenues that are projected for this year are shown in the next slide.

Mr. Martin told on sewer revenue, there is not a meter for that so do you base it on the water consumption.

Ms. Montgomery replied yes. Sewer is based on the water meter and it is assuming that what goes in comes out. For the folks that have sewer only we charge a sewer flat fee.

Mr. Martin told he thinks that is pretty standard with other localities.

Ms. Montgomery told there are a couple of sewer meters and they are industries where they recycle or reuse water and they want credit for that.

Mr. Hill asked if penalties is where we are doing collections for people who are not paying their bills.

Ms. Montgomery replied yes, exactly.

Mr. Hill asked if we count the time we do that going to court and that sort of thing. Do we put that on the penalties.

Ms. Montgomery replied no.

Mr. Hill asked if there is a way that can be done. Just throwing it out there, there should be a fee.

Ms. Montgomery told at this point we charge nothing.

Mr. Hill told the attorneys when they do it they get their monies worth. Maybe when we do it, something to think about.

Mr. Robbie McCraw told maybe a flat fee.

Ms. Montgomery told we probably need to ask the attorney, we will look into it.

Mr. Martin told the paperwork will probably be a pain.

Ms. Montgomery told we have the expenditures for sewer as well. The TOH is Town of Hillsville where we pay back. I think most of the others the name explains it. If you have any questions I will be glad to explain.

Mr. Martin told the good thing is relatively speaking our system is pretty new overall.

Ms. Montgomery told it is fairly new. It is crucial to keep the maintenance up to date. There is a lot of moving parts especially in sewer. Things happen and when these pumps go out we can't go to Lowes and get a replacement. We have to have stuff ready and we have to pay big money for a lot of these pumps just to be pulled such as the ones at Austinville and Pleasant View. They are in the ground and they are huge pumps. Its big money if we don't maintain the pumps and motors. It is a lot of money to put into it but the money to replace is way more. The older systems are the ones you have to maintain.

Mr. Martin told I think the Town has a lot of problems because of age.

Ms. Montgomery told age is a huge factor.

Mr. Hill asked if you have a general loss because of the Training Center.

Ms. Montgomery told it is \$60,000 a year. It was a big hit for us.

Mr. Hill told if we lost any businesses it would be close to the same thing depends on the size of the business.

Mr. Phillip McCraw asked what TOH is.

Ms. Montgomery told it is Town of Hillsville. Things that are listed here are just like they are online and they are included in each board packet. We want to use the same terminology that we have there so it all makes sense. The last slide is a map that shows the district and what water and sewer lines are there. Sewer is hard to see because they are under. Our budget is cut and dry but any questions you have just let us know. Call the office or I think each of you have my cell.

Mr. Martin told it is a positive that we have a large water and sewer system in place. It is necessary item for business.

Ms. Montgomery replied I would say our restaurants and hotels, our schools and the majority of our citizens are happy with the services.

Mr. Hill asked if we charge the school.

Ms. Montgomery replied yes.

Mr. Hill told so we pay them and they pay you but that's the way it should be. I am sure some state money goes through as well.

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Mr. Martin told I have always been impressed with the job you have done in PSA and your employees. I am for one appreciative of the job you continue to do and your staff.

Ms. Montgomery told we are blessed with wonderful staff. People who will jump in a ditch when it is 20 degrees to make sure water is flowing and sewer doesn't over run.

Mr. Robbie McCraw told I do have a suggestion and this comes from seeing some of the issues that come up. I know you have someone over maintenance who looks over the stuff and he does a great job of keeping it running. It needs to be locked out somehow at some of these locations to where others can't put their hands on it and create problems. I am speaking from seeing some of the things that has happened at a couple of the locations, especially with the pumps. That is something that may need to be addressed.

Ms. Montgomery told we have tried numerous times. We have changed locks.

Mr. Robbie McCraw told I understand that.

Ms. Montgomery told we have looked into getting cameras but it is expensive. I don't know what to do. We have had some suspected vandalism at sites.

Mr. Robbie McCraw told I know Stacy is working on getting some VEDs on some of the things that don't have them. That will prevent a lot of it. The ways those are programmed unless you know what you are doing you can't change those programs.

Ms. Montgomery told we have pumps mysteriously turned off when we are supposed to be the only ones with a key. If I could explain that I would.

Mr. Robbie McCraw told I understand that and that's why I say changing these to variable speed drive will help because they can't just be changed.

Mr. Martin asked if they are in a locked building.

Ms. Montgomery told they are locked gates. It is a mystery and then fingers are pointing. Nobody is there 24/7 to see and some are in remote locations.

Dr. Littrell told we could try game cameras, the are affordable.

Ms. Montgomery told I think we actually have one up now. Thank you for that.

Mr. Robbie McCraw told it is just something that he has noticed.

Mr. Hill told a couple things we could probably do, if a company is doing some work they could put their lock on it and put the security part in there.

Ms. Montgomery told we have some of them. For example, Gladeville is gated and Galax accesses that so they lock their lock. Then we have AEP and the last project with DLB wasn't supposed to go on as long as it has and it should have been thought out better.

Mr. Robbie McCraw told you are having to handle more than your scope when that happens too. They are supposed to lock it and they don't or those kind of things.

Mr. Hill told if we put it in the RFPs we can pull a little money back. We certainly appreciate it, good information on where expenditures are and revenue.

Ms. Montgomery replied let us know if anything comes up or if you have any questions.

## CARROLL COUNTY PUBLIC SERVICE AUTHORITY (PSA)

- 2019/2020 budget is included in this presentation
- PSA budget consists of 2 separate budgets
  - Water budget
  - Sewer budget
- The PSA board typically approves the budget for each fiscal year in the June meeting

## PSA WATER BUDGET

### Revenues

- Service fees, hook-up fees, deposits, fire service fees, state fee recovery, penalties, interest, misc., Wythe co. reimbursement debt (long range water), carryover, transfer from county, availability fees and other collections

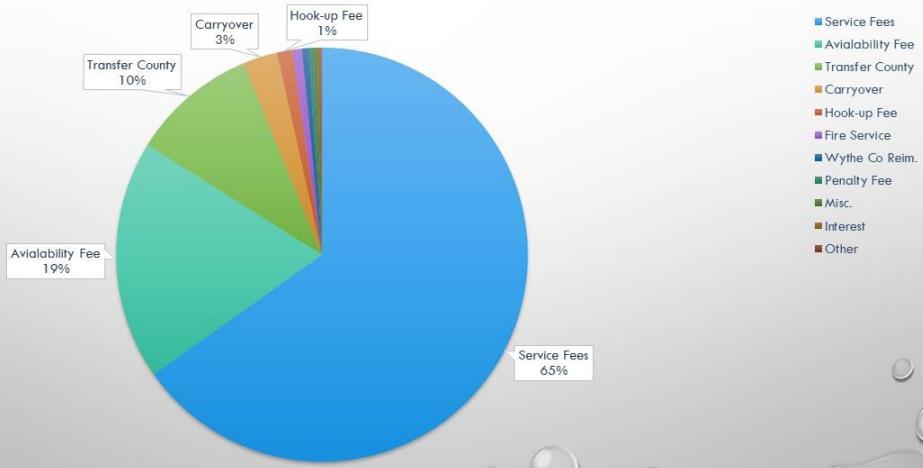
### Expenditures

- Advertising, contingency, audit, chemicals, compensation board, deposits refund, diesel, electrical, equipment/maintenance, FICA, fuel, health insurance, insurance deductible, lab testing, legal, liability, Miss Utility, office supply, operation supply, personnel contingency, postage, salary, tank maintenance, telephone, TOH supplies (water purchase from TOH-if needed), tools and equipment, travel, tuition, unemployment insurance, uniform, vdh fee, vehicle maintenance, vehicle expense, VRS expense, water purchase, worker compensation insurance and debt payments

## PSA WATER REVENUES

| Item                                     | Amount             |
|--|--------------------|
| Service Fee                              | \$1,914,200        |
| Hook-up Fee                              | \$35,000           |
| Fire Service Fee                         | \$22,000           |
| State Recovery Fee                       | \$11,500           |
| Penalty Fee                              | \$10,000           |
| Interest Fee                             | \$8,000            |
| Misc                                     | \$10,000           |
| Wythe County Reim Debt LRW               | \$16,000           |
| Carryover                                | \$70,000           |
| Transfer from County (NRRWA-County debt) | \$289,353          |
| Availability Fee                         | \$548,972          |
| Other Collections                        | \$2,000            |
| <b>Total Revenue</b>                     | <b>\$2,937,025</b> |

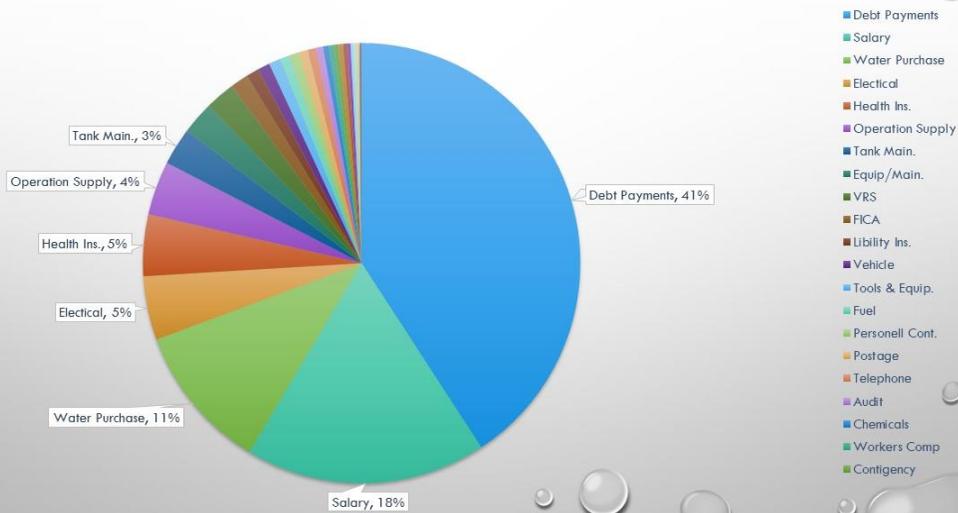
### PSA WATER REVENUE



### PSA WATER EXPENDITURES

| Item                      | Amount    | Item                           | Amount             |
|---------------------------|-----------|--------------------------------|--------------------|
| Advertising               | \$1,000   | Postage                        | \$20,000           |
| Contingency               | \$10,000  | Salary                         | \$517,775          |
| Audit                     | \$15,153  | Tank Maintenance               | \$80,000           |
| Chemicals                 | \$12,000  | Telephone                      | \$18,000           |
| Compensation Board        | \$7,500   | TOH Supplies                   | \$1,000            |
| Deposit Refund            | \$3,000   | Tools & Equipment              | \$25,000           |
| Electrical                | \$136,500 | Travel                         | \$1,500            |
| Equipment and Maintenance | \$70,000  | Tuition                        | \$2,000            |
| FICA                      | \$38,601  | Unemployment Insurance         | \$700              |
| Fuel                      | \$21,000  | Uniforms                       | \$7,000            |
| Health Insurance          | \$131,814 | VDH fee                        | \$11,500           |
| Insurance Deductible      | \$5,000   | Vehicle Maintenance            | \$10,000           |
| Lab Testing               | \$16,000  | Vehicle                        | \$26,000           |
| Legal                     | \$3,000   | VRS                            | \$63,929           |
| Liability Insurance       | \$28,000  | Water Purchase                 | \$314,000          |
| Miss Utility              | \$1,200   | Workers Compensation Insurance | \$11,000           |
| Office Supply             | \$5,000   | Debt Payments                  | \$1,187,353        |
| Operation Supply          | \$115,000 | <b>Total Expenditures</b>      | <b>\$2,937,025</b> |
| Personnel Contingency     | \$20,500  |                                |                    |

### PSA WATER EXPENSES



## PSA SEWER BUDGET

### Revenues

- Service fees, hook-up fees, deposits, penalties, interest, misc., carryover and availability fees

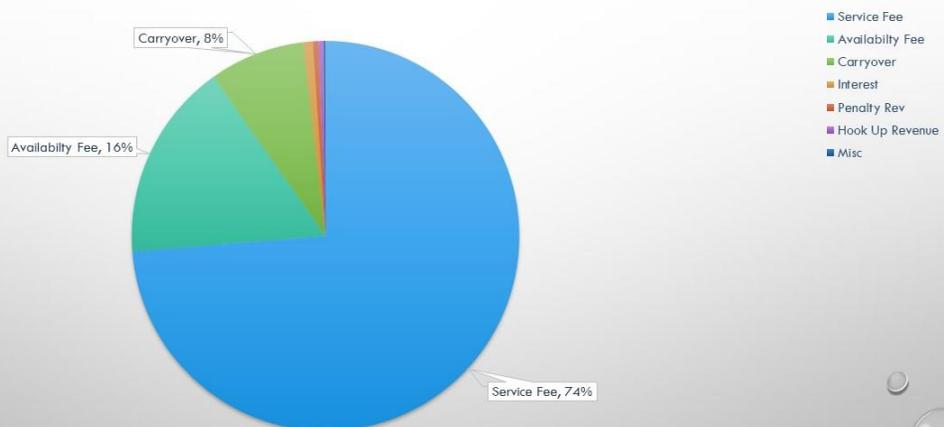
### Expenditures

- Contingency, audit, chemicals, compensation board, deposits refund, electrical, equipment/maintenance, FICA, fuel, health insurance, lab testing, miss utility, office supply, operation supply, personnel contingency, postage, pump and haul, salary, telephone, TOH supplies (sewer treatment in TOH), tools and equipment, vehicle maintenance, VRS expense, sewer treatment (Galax), worker compensation insurance and debt payments

## SEWER REVENUES

| Item                 | Amount             |
|----------------------|--------------------|
| Service Fees         | \$916,000          |
| Hook-up Fee          | \$5,000            |
| Penalties            | \$6,000            |
| Interest             | \$10,000           |
| Miscellaneous        | \$2,000            |
| Carryover            | \$98,850           |
| Availability Fee     | \$204,732          |
| <b>Total Revenue</b> | <b>\$1,242,582</b> |

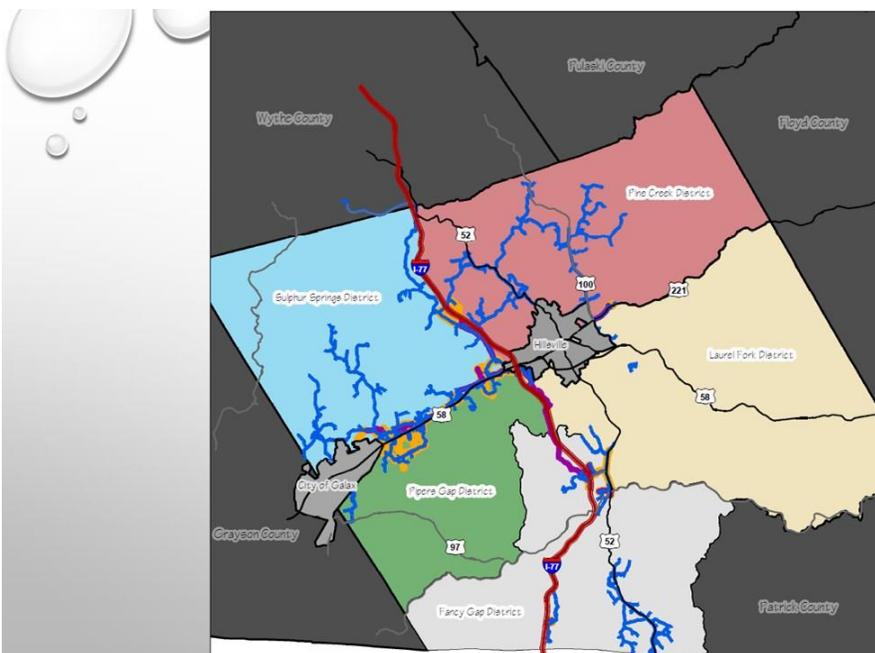
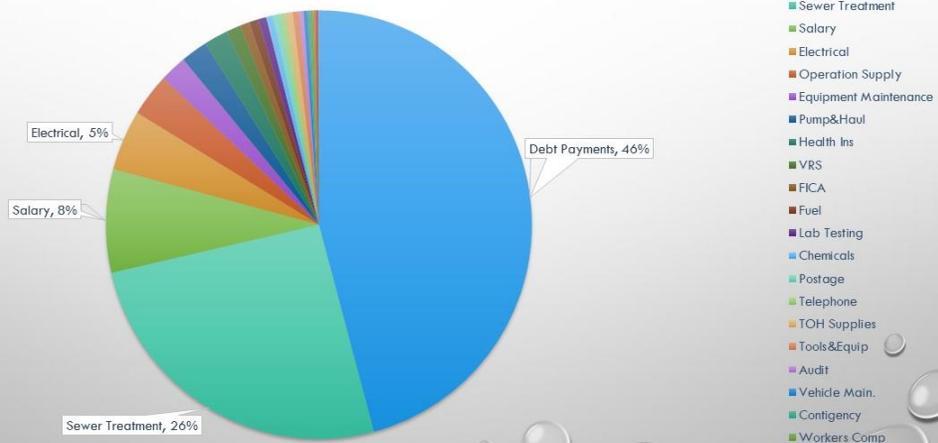
## PSA SEWER REVENUE



## SEWER EXPENDITURES

| Item                  | Amount   | Item                           | Amount             |
|-----------------------|----------|--------------------------------|--------------------|
| Contingency           | \$2,000  | Postage                        | \$5,000            |
| Audit                 | \$3,000  | Pump & Haul                    | \$20,000           |
| Chemicals             | \$5,000  | Salary Expense                 | \$77,000           |
| Compensation Board    | \$1,800  | Telephone                      | \$5,000            |
| Deposits Refund       | \$500    | TOH Supplies                   | \$260,000          |
| Electrical            | \$45,000 | Tools & Equipment              | \$5,000            |
| Equipment/Maintenance | \$20,000 | Vehicle Maintenance            | \$3,000            |
| FICA                  | \$7,100  | VRS                            | \$11,000           |
| Fuel                  | \$7,000  | Sewer Treatment                | \$252,352          |
| Health Insurance      | \$18,000 | Workers Compensation Insurance | \$2,000            |
| Lab Testing           | \$6,000  | Debt Payments                  | \$452,730          |
| Miss Utility          | \$200    | <b>Total Expenditures</b>      | <b>\$1,242,582</b> |
| Office Supply         | \$1,900  |                                |                    |
| Operation Supply      | \$32,000 |                                |                    |

## SEWER EXPENSES



(Order)

**PROPOSED SCHOOL BUDGET**

Mr. Hill asked if anyone wanted to start off on the School budget. No one has really got to look at it good.

Ms. Cannon replied no, we just got it this morning. It is an increase of \$782,749.

Mr. Hill asked if that includes teachers raises.

Ms. Cannon replied yes. I think the increases are attributable to health insurance, their health insurance rate increase, the portion of the 5% employee compensation raise that wasn't covered under SOQ.

Mr. Hill asked how much is that do you know. What are we required to pay, its not for every school employee.

Ms. Cannon replied no, it is only for the teachers that qualify under the Standard of Quality.

Mr. Martin told that is very detailed. There is a report and it outlines how many or what you are required to have. I think it breaks it down to so many students and you get 10 month or 11 and you might get a half time secretary.

Mr. Robbie McCraw told if it is a position that is over that SOQ they are not supposedly getting a raise, correct.

Ms. Cannon replied everybody is getting a raise.

Mr. Hill told so they are giving to everybody.

Ms. Cannon replied everyone is getting a 5% raise. The SOQ will be reimbursed from the state, the rest will be reimbursed locally.

Mr. Hill asked if we can divide that out. So our required is 2% just for the SOQ positions, correct.

Ms. Cannon replied I thought it was 5%.

Mr. Hill told the state pays a portion of it.

Mr. Robbie McCraw told that was his understanding too.

Mr. Hill told they are paying 3% and we are required to pay 2 for them to get the full 5%.

Mr. Robbie McCraw told that's the way I read the bill. I may have misunderstood it.

Mr. Truitt told that could be right. The amount of that \$783,000, something like ½ million is the health care and \$230,000 is. We will go back and get the break out for you but whatever that percentage is, that is the amount that it adds up to for those employees.

Mr. Hill told that is why I sent that email out about how many principals, how many teachers. Since 2010 we have lost over 300 students. Have they eliminated teacher positions. That is something we should look at going forward anyway.

Mr. Martin told I am not here to speak for the school system but they were not filling positions at a certain point.

Mr. Hill told 2 years ago I did that chart. If you look and see where Carroll County is over and above the required local effort. You will see no other county is Southwest Virginia paying more over that amount than we do.

Mr. Martin asked if this is current.

Mr. Hill told it doesn't have the last 2 years and the reason is the Department of Education doesn't put it on the website or I would have it. How many years are they behind.

Ms. Cannon told it seems like everyone is behind.

Mr. Hill told you would think the Department of Education would be on top of that.

Mr. Martin told this doesn't include debt service.

Mr. Hill replied no. That is just over and above what the state requires us to do. I will send you some more stuff when I am able so it will give you a better idea. Why is it that it is so high, I don't know where the expenditures are going. Also, if you don't mind I am probably going to ask someone from Giles County, they do their own maintenance for the schools. They charge them for it. I know there has been discussion off and on whether we should take over the maintenance and different things like that. Usually what happens is when a school starts falling down we are the last to know about it and they are moving out and building a new one. We need to make sure that those are maintained and we will ask that person to come speak to the Board and see what they do. They do the whole thing, the auto department, the bus garage everything. Whether that saves money, they say it has but it is something we might can look at.

Mr. Martin told the thing that would help me on the budget as much as anything and I appreciate everything everyone is doing but I keep it simple stupid. When I am doodle bugging I do 4 blocks and I do county budget in one block and drop down and put school and drop again and put uncollected taxes and then down one more and its called tax increase. To me those are the only 4 ways unless we buy lottery tickets that we can come up with the cuts or whatever. If I'm drawing more blocks you have to do a revenue block for everyone and then you can do an expenditure and one big block which is what we are going to do for the budget. That is just how I think of it. I've got a sneaking suspicion that if we try to balance the budget taking \$50,000 out of 3 of those areas is not going to do a thing for us. At this point, we do not know what will come in on unpaid taxes and selling property but we have an idea on the county budget and school and we can go with the way it stands and then you look. Right now we have to come up with the money to balance and what are we willing to do to balance it. I don't know what direction we are going.

Mr. Hill replied we are going down, down, down,

Mr. Martin told I guess the easiest way is you could say Steve cut \$500,000 out of the county budget and there would be all kinds of heart attacks. It is hard as a devil for us to cut some of these thing because it is life and death. We are approaching a point where we have to decide what we are doing. You can put in what the County and School is asking but what are we going to do. They are asking for this, what are we going to do.

Mr. Hill asked how much are you willing to go up on taxes.

Mr. Martin told that is the question. There is not but 4 things that we are looking at.

Mr. Hill told we can eliminate the CIP on school and everything for one year.

Mr. Martin told I thought about that.

Mr. Hill told that kicks it down the road. You can do that and we discussed it last year but we didn't institute it but you just take it out of everybody's budget, no CIP. As money comes in you could appropriation for specific items.

Mr. Martin told he could support that.

Mr. Hill told that in itself is not going to do it.

Mr. Robbie McCraw asked what is our required local effort.

Ms. Cannon told I put a number in there based off of the sheet that she sent. It is on page 18.

Mr. Robbie McCraw asked if it came off that worksheet.

Ms. Cannon replied yes and it went up about \$10,000. According to that it was \$7.5 million.

Mr. Hill told it went down \$10,000.

Mr. Martin told we are doing about \$4 million. The required local is \$7.5 but we are above that.

Mr. Robbie McCraw told we are at \$12.034 is what they are requesting.

Mr. Hill told just like that chart, we are paying debt that is not included in their budget of \$4.5 million.

Mr. Martin told if you take that amount could you cut it \$4 million. You could cut to the nub. If that is the case you are probably looking at closing at 2 schools that you will still be doing the debt service on.

Mr. Hill told he has asked, you have got to have vacant classrooms, no we don't have vacant classrooms. Well where did those 300 students go, where are they at. If they do by 11 or 12 by 300 how many classrooms is that.

Mr. Martin told you are right but by the same token it could be 2 or 3 out of this class and 2 out of that class. There are vacant classrooms in the schools.

Mr. Hill told those are being filled with extra chairs.

Mr. Martin told when I had knee surgery and had to take physical therapy I was offered 2 plans. Plan a was to take 3 months for basic rehabilitation. They offered another plan that would have fixed it within a week and if I could stand the pain they could have done it. Bottom line is on this budget if you can stand the pain. In hindsight if we were going to reduce the amount of money we were giving the schools above what we are required we should have been doing it in increments, however, we have not increased the school budget from local for several years.

Mr. Hill told the state has given them more. This time our requirement went down. How does all these other schools get by and do it. If we only pay them \$7 million something is going to happen but how do all the other schools do it. We are in a position that we have to look at every single thing. We are going to have to look at property tax increases, we will have to look at it all. Its about \$240,000 for 1 cent.

Ms. Cannon told it is about 7.5 cents.

Mr. Hill told it is going to be 10 cents.

Mr. Martin told I get a better picture when I do blocks and put in numbers. On the budget we can do a estimation about how much will come in on unpaid taxes.

Ms. Cannon told we have to. We know we have outstanding so its just a matter of what percentage is going to come in.

Mr. Hill told that this takes all that in 2 years and its is gone if we approve both budgets as they were.

Mr. Martin told I am not arguing for or against anything.

Mr. Hill told we need to look at what we can do with this. It is just a request. Every time I have turned in a budget for the state it had more than I needed.

Mr. Martin told personally we can appropriate an amount to the school but we can't say cut that guy and one of those custodians. We can't do specifics. I think their idea of giving everybody a 5% raise.

Mr. Hill told plus they pay their health insurance, the county doesn't do that. And they pay for the retirees health insurance. We don't do that, the state don't even do that, is that correct.

Ms. Cannon replied I don't think I understood what you said. The employees pay for their health insurance at the school.

Mr. Hill asked why they are asking for more.

Ms. Cannon told I think they share and their health insurance went up 12%. I think it is a shared responsibility between the employees and the school.

Mr. Hill told the reason it is higher is because they cover their retirees.

Ms. Cannon replied they do.

Mr. Truitt asked you mean the reason it is higher per person.

Mr. Hill told I am making that assumption. That is what they said last year. Because of the retirees you have an older population.

Mr. Truitt told I think that is true.

Mr. Martin told we are going to have to come up with some big buck items and your food for thought about cutting out CIP.

Ms. Cannon told that will give us some.

Mr. Hill asked if theirs is included in here.

Ms. Cannon told some is included. Looks like \$150,000.

Mr. Robbie McCraw asked what is the \$250,000 for facilities.

Mr. Hill told on page 18 they have \$400,000 under technology.

Mr. Robbie McCraw told there are 2 items that stick out to him and that is total facilities expenditures and they have it as purchase services for \$250,000 and under technology they have \$356,000.

Mr. Truitt told a lot of the technology stuff is covered by grants.

Mr. Martin asked if it would help if we had Tammy Quesenberry or Dr. Perry.

Ms. Cannon told they are going to come present.

Mr. Truitt told Tammy is out today.

Mr. Hill told it would be nice if we could sit down with their board and discuss some of these things. That's what we do. I think they were asked last year. They have them separated in pupil transportation. Is that school buses.

Ms. Cannon told it says additional transportation request to restructure transportation pay scales and increase substitute pay and sick leave of employees \$311,000. That is on page 19.

Mr. Robbie McCraw told that it is in several places throughout.

Mr. Truitt told that is why I was thinking it was closer to \$1 million till I went back and read it again.

Mr. Hill told we give them last year \$200 and they are wanting \$750,000 more than last year.

Mr. Martin told if you draw a graph to the bus driver pay I would say Carroll bus drivers are.

Mr. Hill told their issue was health care and I understand that there is only 2 or 3 that have taken advantage of that. It can't be a big increase there.

Mr. Truitt told I think that number \$58,000 would be about right. I don't know, I shouldn't even say.

Mr. Robbie McCraw told it is hard to sit here and talk about this without having one of them here to tell us.

Mr. Martin told my understanding was they are talking about raising their pay to \$100 a day.

Mr. Robbie McCraw told it is because they can't get anybody to fill the positions.

Mr. Hill told they don't have any problem filling teacher positions. Not to say they don't deserve it. It is difficult to teach.

Mr. Martin told you have 4 years of college tied up. You may can get a better feel from talking to Joe Neil. He is pushing for drivers to get \$100 per day.

Mr. Hill told that is difficult as well. You are off during the middle of the day.

Ms. Cannon told we can go through and identify capital and go through our budget and see what we are left with.

Mr. Hill replied ours or theirs.

Ms. Cannon replied both. Right now we are \$1.8 million out.

Mr. Robbie McCraw asked if that is after the schools request.

Ms. Cannon replied yes.

Mr. Hill asked where is CIP.

Ms. Cannon told I don't know if what they have in their CIP is what they have in their budget book. It may be, that \$250,000 for facilities, I don't know if that was on the CIP they gave to us or if it is different.

Mr. Robbie McCraw told I would be interested to know what all these capital outlays are.

Mr. Hill told if they had it in the.

Ms. Cannon told I think what they do in their budget is separate and distinct from what they request from you all.

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Mr. Hill told that is not working. It should be a line item matching in the budget.

Ms. Cannon told they want it to match in this budget, not in their budget.

Mr. Truitt told our biggest capital outlay is the money we requested for the fair which everyone thinks is important.

Mr. Hill told if we don't put it in the appropriation and we do the county fund and don't do any CIP. Then as money comes in we can do that.

Mr. Truitt told the second biggest is the crates.

Mr. Hill told that is what we are going to have to look at it.

Mr. Robbie McCraw asked if we pull out our CIP what would it be.

Mr. Truitt told about \$220,000. We have already pulled some out.

Mr. Hill told all of those could be put back in as money comes in.

Ms. Cannon told we should be getting the bids on the reassessment soon so we will have a better idea. You have \$300,000 in there now.

Mr. Truitt told I didn't count that as being touchable.

Mr. Robbie McCraw told it is something we are going to have to do.

Ms. Cannon told it may be smaller.

Mr. Truitt told we might be able to get our vendor to do \$150,000 out of this year and do the rest next year. Sooner or later you have to spend it.

Ms. Cannon asked if you include Highway Safety capital.

Mr. Truitt replied no. I count those as self-funding.

Mr. Hill asked if we can talk to the Sheriff about those other positions because that is where all the stuff is coming from. That is not even in here is it.

Ms. Cannon told it is.

Mr. Hill told we need to see if they will do that.

Mr. Robbie McCraw told that is the only thing I know to do. I also ask Teresa about the 2 positions in Social Services. She is under the impression we will only be required to pay the 29%.

Ms. Cannon replied yes, I followed up with her. We have \$100,000 in for the fire truck.

Mr. Robbie McCraw told if we back that up to do what they are working on it wouldn't start till the year after next.

Ms. Cannon replied exactly.

Mr. Hill told that is a commitment we are going to have to make. They are going to have to order these things ahead of time. You remember how long it took to get the one from Laurel Fork here.

Mr. Robbie McCraw told they are working on that program.

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Mr. Truitt told we are not looking at any of the Constitutional stuff. There are vehicles and things like that.

Mr. Hill replied pull that out as well and it will be prioritized. When money comes in we can do it. Does anybody have a better solution.

Mr. Robbie McCraw told I am with you on that. The three positions that was in Carroll Fire & Rescue, did you pull those out.

Ms. Cannon replied they are out. The new column removed any vacant positions and the positions that we were trying to get for Carroll Fire & Rescue. It also changed the amounts you changed on the Senior Centers and it added the Courtroom Security.

Mr. Hill asked what we have in other contingencies.

Ms. Cannon told that nothing is in personnel contingency. Remember I said there was an increase in Workers Comp and I said the next time it will shift into the department so that is where it is not. In other contingency you have \$30,000 and the capital project reserve is \$20,000.

Mr. Hill told take that out and if we need it we can as money comes in.

Ms. Cannon told keep in mind that will necessitate budget amendments for next year.

Mr. Robbie McCraw told we understand that.

Mr. Hill told that is going to have to be in the priority list as well.

Ms. Cannon told the capital box, there is a revenue to offset that.

Mr. Robbie McCraw told it is something he has to have.

Ms. Cannon told the least he can get is 125 but it will change the revenue.

Mr. Hill told that really shouldn't be in the CIP. That is a supply. If we have a revenue lets put it in the supply line.

Mr. Robbie McCraw told or the pass through.

Mr. Hill told we can cut Bob's pay back. I do want to cut the school boards pay back to what ours is.

Mr. Martin asked what they make.

Mr. Hill asked where is that, it is \$28,000.

Mr. Robbie McCraw asked if that is for 5 of them.

Mr. Martin replied I thought their pay was the same as ours.

Mr. Robbie McCraw told it is \$28,800.

Mr. Truitt told the other big number is CPMT.

Ms. Cannon told last time you were going to check on the phone system.

Mr. Truitt told I did and it is a payment for 3 years. It is actually a good price.

Mr. Robbie McCraw told after getting an explanation on that I think its okay.

Mr. Truitt told with the \$250,000 increase to the jail and an increase for CSA. Maybe this year is the year it doesn't go up.

Mr. Hill told we need to push them to do more classes for foster care.

Mr. Robbie McCraw told I would like to have an answer to this. If you look on the foster care they get \$108,000 a year. Shouldn't that in reality go to CSA. That is where I would think because CSA pays for day placements on foster care. I have asked the question to several people and never got an answer.

Mr. Truitt asked if this is for special kinds of counselors.

Mr. Robbie McCraw replied I have no clue.

Ms. Cannon told the school still has to administer the IEP for those kids and it may be for that.

Mr. Hill told if those kids are not disabled in any way it should be under the other area.

Mr. Robbie McCraw told I don't understand.

Mr. Hill told the forestry reserve should be \$10,000.

Mr. Robbie McCraw told it \$1027.

Mr. Hill told that is what they pay in lieu of taxes to the forestry service. It has been averaging around \$10,000. We had to update that one year.

Ms. Cannon replied yes we did.

Mr. Hill told I am glad someone has good memory besides me.

Ms. Cannon told it says the local required effort is \$7,471,162. It is on page 12.

Mr. Robbie McCraw told that is still \$4.5 over what we are required. Plus the debt service of \$4 million.

Mr. Hill asked what is that this year.

Ms. Cannon replied \$4,557,000.

Mr. Martin asked how much is outstanding in unpaid property tax.

Mr. Hill replied \$4 million.

Mr. Robbie McCraw told she said \$4.5.

Ms. Cannon replied no, those are budgeted amounts. That is not receivable amounts.

Mr. Martin asked what is the receivable amount.

Ms. Cannon told it is closer to \$6.2. That is real estate and personal property.

Mr. Hill asked when we put this at the end last time did that include personal property.

Ms. Cannon replied yes.

Mr. Hill told I think we need to keep that there so we know. I don't care if it is positive or negative or just a number just so we know what it is. We should have a place when it comes in that it goes off.

Ms. Cannon told you can't do it that way because it is a budgeted number. What will make that number recognizable is when your revenue is more than your expenditures.

Mr. Truitt told then you will have to do an adjustment to balance the budget and we can put it somewhere you can see it.

Mr. Robbie McCraw told if it is an adjustment because we are bringing in delinquent taxes I don't care a bit.

Mr. Martin told while we are comparing Carroll to other counties is there uncollected tax money high or is it in the middle.

Ms. Cannon told we can do a survey and request it.

Mr. Hill told the best way is to do a FOIA.

Ms. Cannon told most counties put their stuff on the internet.

Mr. Hill told the total is still owed to us and that's what we need to do CIP. Otherwise we are getting to the point where we will have to do something.

Ms. Cannon told it looks like there is \$680,000 worth of CIP in the school that I can tell. That does not include the purchase services. I don't know what that is. That is just in their document alone.

Mr. Hill told it shouldn't be this difficult to figure out. We got less basic school aid, more sales tax receipts and it looks like everything else is less.

Mr. Robbie McCraw told until we can get some definite answers from them I don't know what we can do. Go through it and make a list of questions.

Mr. Hill told that number shouldn't go up.

Mr. Truitt asked what number are you talking about.

Mr. Robbie McCraw replied the local county fund. The \$783,000. That would make our numbers work out or get us close.

Ms. Cannon told we would still be out \$300,000.

Mr. Robbie McCraw told it would be closer.

Mr. Hill told I don't even know what is required for the pay increase for teachers. For them to get the total 5% we have to come up with 2%. What if we decide to fund starting in January. I don't know how the law reads but if you could put it off a while it would save some. Or just do the SOQ's, that's an option.

Mr. Martin told this is something Steve Durbin needs to be here to go into, however, I would like to go into Executive Session to discuss a potential legal matter and get the information to you so you are aware. This is information that came about, I asked Steve Truitt to check out something and in the process of getting Steve Durbin to check it out he stumbled across something else.

Mr. Hill asked if it is something you can pass out to us. We can't, my understanding we have to advertise for closed session.

Mr. Truitt told we can pass it out, we can't go into closed session. He did all this work. I asked him to do some things at Bobs request.

Mr. Martin told several years ago, I remember when it was voted in some where on the ballot you could choose the kind of government you wanted and 4 chose to go with County Board form of government. One was Carroll, one was Grayson, one was Scott and the other was Russell. Steve Durbin is on the VACO working on revisions to the Supervisors Manual. In the process of him working on that he stumbled across some

information pertaining to these 4 counties. Something that is available to us that nobody else has. If you read the bottom section we have a few more aces in the deck than other folks. If the unpaid taxes situation doesn't get better we may be walking down this road.

Mr. Hill told a year ago we were in this position and the money hasn't come in yet. Whatever we do now, it is a year.

Mr. Martin replied I know but we can't afford to drag around on it.

Mr. Hill told we discussed that we didn't want to sell all the property at one time.

Mr. Martin told we need to have our process lined up for a year down the road.

Mr. Hill told we have worked on the real estate part but we have not got to personal property.

Mr. Martin told if we have to go through torment over this stuff, I would like to see some other people catch a little grief too. If your game wardens were causing you grief then I would say they would catch some grief. It is a tool that we didn't know we had.

Mr. Robbie McCraw told he has one other thing he would like to give to you all. In my daily job I was up here talking to Kim and she says we have not had an increase in building fees since 2005 and we don't have anything for cell towers. She says most places charge a premium for a cell tower. I looked at all our surrounding counties and we do need to adjust our rates. There is also an ordinance because it was attached with their fee schedule for Patrick County. It looks like Grayson has some of the best prices on their rates. Their Building Official is on the state board.

Mr. Hill told I think Joe has already asked Durbin to look into the cell towers.

Mr. Truitt told I will be happy to reach out to Grayson to see.

Mr. Robbie McCraw told I go in these places and get permits and it is a whole lot cheaper to get in Carroll. I go to Wythe County and it is \$140 and here it is \$40.

Mr. Martin asked if it would be possible to do an ordinance where a mobile home has been abandoned for over a year. An older mobile home where we could address that situation.

Mr. Robbie McCraw told there is a mobile home ordinance in Carroll. There is also a state ordinance where if it is older than 1978 it can't be moved, it has to be torn down.

Mr. Truitt told we don't even had a distressed property ordinance and I think that is where you start. We can check into it.

Mr. Robbie McCraw told right now it has to become a health hazard before we can do anything about it.

Mr. Benny Robinson told if it still has wheels on it and a hitch it is a mobile home. If it does not have wheels and does not have a hitch, it is a permanent residence.

Mr. Truitt told it isn't home until you take the wheels off.

Mr. Hill told that is the way it is.

Mr. Truitt told I am just kidding around. I'm sure you are right, that wasn't my implication.

Mr. Martin told if they move a mobile home they yank the axels.

Mr. Robbie McCraw told they do now. They used to leave them. They make them now with the tongues are bolt on. I saw one today that needs to be distressed.

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Dr. Littrell told that one thing that is kind of a mute point for us but I found it of interest, in Alaska the county sets the tax rate and the schools have a separate rate. If it goes up you can see which body is making it go up. I'm not sure if we can do that here.

Ms. Cannon told we can't, they would have to change the constitution of the state.

Mr. Hill told if we say we are increasing the tax rate 2 cents to cover the cost of education, we can do that.

Dr. Littrell told when you get their tax ticket it breaks it down what goes to where.

Mr. Robbie McCraw told North Carolina does it with fire service.

Mr. Hill told we can do the with fire.

Dr. Littrell told the only other thing I would bring up is the report we got from the Treasurer, I don't understand it. What I want to see is what we collect and what is delinquent in each year. The 101% collection.

Mr. Martin told I am glad somebody else was confused.

Dr. Littrell told if we bill out \$6 million and we collect \$4 million, that is what I want to know for each year. This to me was worthless.

Mr. Hill told it tells what revenues come in. I can look at this and see what has come in. If all of these don't come in then the problem you have excluding the \$4 million is your expenditures are based on this. If these don't come in you are going to be short. That is how I look at this. It doesn't include, and all we are putting in is delinquent for a year.

Mr. Martin told I would like to see the numbers like you Dr. Littrell.

Dr. Littrell told when you say we have collected 101%.

Mr. Hill told that is what is budgeted.

Ms. Cannon told we are budgeting low. We are not budgeting what we actually bill.

Mr. Hill asked if you can find anything about the school.

Ms. Cannon told Tammy is out of town.

Mr. Martin told people don't like paying taxes and I understand that. I pay mine but then I get hit with double penalty because people don't pay their taxes. I have to make up for what wasn't turned in. I think of poor old mom, she hollered the first day she got her tax ticket so we had to take her in.

Mr. Hill told we have School Board April 8<sup>th</sup>. They are coming to present. Could we do April 3<sup>rd</sup> if they can come answer questions.

Mr. Robbie McCraw told the BOS and PSA committee meets on the 3<sup>rd</sup>.

Mr. Hill asked about the 4<sup>th</sup>. If we can get someone from School Board to come down. Does that work for everybody.

Mr. Robbie McCraw replied yes and try to get somebody from the school.

Mr. Hill told if they can't be here there is no reason to do it. We really need that.

Ms. Adams asked if we are cancelling tomorrow.

Mr. Hill replied yes. We have covered pretty much everything we can cover.

Mr. Phillip McCraw told I can take you to one or two mobile homes that have been around a long time, well landscaped and well maintained. I can take you to some that has been here 2 years and the condition of them should be destroyed.

Ms. Cannon asked if everyone got their new budget documents.

(Order)

**ADJOURNMENT**

Upon motion by Mr. Robbie McCraw, second by Mr. Martin and passing, the Board adjourned.

VOTES

|                    |             |
|--------------------|-------------|
| Mr. Webb           | Not Present |
| Mr. Phillip McCraw | Yes         |
| Mr. Hill           | Yes         |
| Mr. Robbie McCraw  | Yes         |
| Dr. Littrell       | Yes         |
| Mr. Martin         | Yes         |

(Order)

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Chairman

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Clerk