

**BOARD OF SUPERVISORS
ADJOURNED MEETING
MARCH 17, 2011**

At an adjourned meeting of the Board of Supervisors of Floyd County, Virginia, held on Thursday, March 17, 2011 at 7:00 p.m. in the Board Room of the County Administration Building, thereof;

PRESENT: David W. Ingram, Chairman; J. Fred Gerald, Vice Chairman; Virgel H. Allen, Case C. Clinger, William R. Gardner, Jr., Board Members; Daniel J. Campbell, County Administrator; Terri W. Morris, Assistant County Administrator.

The Chairman called the meeting to order at 7:00 p.m. with the reading of the handicapping statement.

At 7:00 p.m., the Chairman called for the Public Comment Period.

After no comments from the audience, the Chairman declared the Public Comment Period closed.

A work session on the proposed FY12 budget was held next. Mr. Campbell presented highlights of the proposed budget. He commented that there has been no revenue enhancement since 2006 at which time a 15% increase in the real estate rate was implemented. He outlined four options for the Board's consideration:

- 1) Option 1 - draft budget shows a \$0.03 increase on the real estate levy and a \$1.00 increase on the personal property tax. Additional revenue under this scenario adds significant funding for education and the Sheriff's Department. Smaller increases are provided to offices such as the Registrar, Commonwealth's Attorney and virtually all other Compensation Board departments. Fire and Rescue operational budgets are restored to FY10 levels. Library, Health Department and others may see some level of increase. Three percent pay raise for all staff. "Budget Stabilization" fund can be established.
- 2) Option 2 – Do not increase revenue coming into the County; eliminates additional funding for education, Sheriff's Department and all other proposed increases. No compensation increases will be possible (employee discontent will rise and attrition will result), employees have not had a raise for four years. In essence, you would be approving a budget nearly identical to the current spending plan.
- 3) Option 3 – As suggested during your previous work session, consideration of 10 percent across the board cuts. This choice would be very painful. The school system would be decreased by \$669,803 and the Sheriff's Department would see a \$103,524 decrease (Courtroom Security could decrease by an additional \$27,669). All other areas and departments would be impacted to a like degree as education and police. Of course, you could choose to decrease some areas and increase others; however, this strategy will surely create major issues for the county. Increased public discontent could occur if this option is exercised. Staff will be eliminated and services will be scaled back or cut with

implementation being required during a short window of time (before July 1). While this strategy is an option, I truly believe that the outcome would be drastic and very difficult to implement.

- 4) Option 4 – The Board can modify the amount of increase proposed for real estate and/or personal property. You could also establish a different amount (other than 10%) of decrease to be imposed. The possibilities are numerous.

Mr. Campbell further outlined the various revenue and expenditure requests by department and discussed highlights of each department's requests, for the Board's consideration.

Consensus of the Board was to review the draft budget and meet again in the near future to discuss further and come to a consensus on the tax rate for public hearing and for the Commissioner's work for June 5 tax deadline.

On a motion of Supervisor Gardner, seconded by Supervisor Clinger and unanimously carried, it was resolved to adjourn to Monday, March 28, 2011 at 7:00 p.m. for a budget work session.

Supervisor Clinger – aye
Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Ingram - aye