

HENRY COUNTY BOARD OF SUPERVISORS MINUTES

April 2, 2009 – 5:00 pm

The Henry County Board of Supervisors held a meeting on April 2, 2009, at 5:00 pm in the Fourth Floor Conference Room of the County Administration Building, King's Mountain Road, Collinsville, Virginia. The purpose of the meeting was to present the FY '09-'10 County Budget. The following Board members were present: Chairman Debra Buchanan, Vice Chairman H. G. Vaughn; Jim Adams, Paula Burnette, Jim McMillian and Tommy Slaughter.

Staff members present were Benny Summerlin, County Administrator; Tim Hall, Deputy County Administrator; George Lyle, County Attorney; Susan Biege, Administrative Assistant; Jimmie Wright, Director of Finance; Mr. Darrell Jones, Deputy Director of Finance; and Mrs. Susan Reynolds, Human Resources/Public Information Director.

Mickey Powell of the Martinsville Bulletin and Ron Morris of B-99 Radio Station were present.

Chairman Buchanan called the meeting to order and stated the meeting is a continuation of the Board's March 24, 2009 meeting. The meeting was then turned over to Mr. Summerlin for presentation of the FY '09-'10 Proposed County Budget.

Mr. Hall stated on Thursday, April 9, 2009, Governor Kaine with his Cabinet Secretary will be in town and the Board is invited to a luncheon with the Governor on April 9th at 11:30 am at the Virginia Museum of Natural History.

Mr. Summerlin then gave an overview of the Discussion and Analysis for Fiscal Year -2009-2010 Proposed Operating Budget for the County of Henry and Capital Improvements Plan.

“There is no law of progress. Our future is in our own hands, to make or to mar. It will be an uphill fight to the end, and would we have it otherwise? Let no one suppose that evolution will ever exempt us from struggles. ‘You forget,’ said the Devil, with a chuckle, ‘that I have been evolving too.’ ”

William Ralph Inge

“The future ain’t what it used to be.”

Yogi Berra

Were there a “Pick the Philosophers” bracket for March Madness, one could assume that William Ralph Inge would be a No.1 seed and Yogi Berra would be a No. 16 seed. Yet each of them has captured this moment in time for Henry County, in his own inimitable style.

We are where we are, for better or worse, and we are there as a community through no fault of our own. The phrase “world economy” has been part of Henry County’s vocabulary since the mid-1990s; the rest of the country is finding out what we’ve known for years.

Yet it is really up to us to deal with our present and plan our next steps, isn’t it? Mr. Inge tells us that we are not entitled to progress, yet its possibilities are ours to craft. Mr. Berra tells us that the view of the future isn’t a particularly enticing one. Maybe it isn’t, but we still have one to plan for and to embrace. We can make it better than it looks, and we have the responsibility to do so.

The cover of this proposed 2009-2010 Henry County Budget captures our past, present and future in one snapshot.

In the foreground you see the work on the new shell building in the Patriot Centre. The \$3.5 million, 100,000-square foot building is targeted for completion later this year and already has sparked interest from several industries. This effort reflects what our future may hold, and we are optimistic that it will be a positive future.

In the middle you can see the steel going up at the RTI site. The company is building its new facility at full speed these days, with

production expected to begin sometime in 2010. This part of the picture shows what our present is – a cutting-edge company that produces titanium primarily for the aerospace industry. RTI is closer than ever to fulfilling the promise it made to hire 150 employees and provide more than \$100 million in capital expenditures.

At the top of the picture in the distance, you can see the VF facility, which we commonly refer to as Nautica. This project came to Henry County nine years ago and the company has been one of our best corporate citizens since then. The company and this facility are weathering all that the economy is throwing their way, and they continue to produce quality items and employ quality people.

VF/Nautica stands as an example of what can be accomplished with determination, stubbornness, and hard work. The cover image captures that same attitude in our present, symbolized by the RTI building, and the future, symbolized by the new shell building. Regardless of what we face, we must prevail. There is no option.

FY 2009 had many noteworthy items and events. Among them:

- The Smith River Sports Complex is scheduled to open in June. This \$8.9 million sports facility has two synthetic fields, four natural grass fields, picnic areas, walking trails, and playgrounds. This generous gift from the Harvest Foundation will be a tremendous attraction for our residents and for our visitors. Henry County provided the 91-acre site and \$140,000 in funding for an access road to the site, to go along with recreational access funding from the Commonwealth of Virginia for the road.
- We are partnering with the Economic Development Corporation to secure master plans for the 1,200-acre Bryant property and the 620-acre ROMA property. Staff anticipates those plans will be unveiled soon at a joint meeting among the Board of Supervisors and the boards of the Henry County Industrial Development Authority, the Henry County Public Service Authority, the Martinsville City Council, and the Martinsville-Henry County Economic Development Corporation. We also received a Congressional earmark of \$800,000 for water/sewer extensions to the ROMA site.
- The County also purchased an additional 110 acres adjacent to the ROMA property, increasing the size of the park to 730 acres and providing better highway access.

- The County's new emergency services radio system, a \$7.2 million project more than 10 years in the planning stage, is being rolled out as we speak and should be fully implemented by June 30. Staff would like to give a nod to Public Safety Director Dale Wagoner, who smoothly managed this incredibly complicated project.
- Mr. Wagoner also was appointed by Governor Tim Kaine to the Governor's Emergency Medical Services (EMS) Advisory Board. The Advisory Board develops, reviews, and recommends policies and practices related to the delivery of pre-hospital care in the Commonwealth, including training standards, ambulance standards, equipment recommendations, grant funding, medical helicopter usage, workforce development, and medical direction.
- Two major public water projects were completed this year. The Chestnut Knob Water Project provides public water to Magna Vista High School and many residents along the corridor, and the line is the first leg of getting public water to the ROMA site. The Pittsylvania County/58 East water sends Henry County water to the Brosville Industrial Park in Pittsylvania County, along with PSA customers along the line, and provides water service to the Bryant property.
- The County worked with the City of Martinsville to institute a fixed-loop public transit system. Piedmont Area Regional Transit, or PART, is seeing a slight increase in ridership over its debut in January.
- We manned two more Convenience Center sites during 2009, and this program continues to draw rave reviews from our citizens. We have staffed five of our seven Convenience Center sites, and each one is cleaner and more customer friendly than ever before.
- The Board and staff worked diligently to recoup the 5B's debt. The company provided a payment of \$275,333 to Henry County in FY '09, including money derived from the settlement of legal action against the company. We are receiving about \$33,000 a month from that legal action, and we received a secured interest in their manufacturing headquarters in Zanesville, Ohio.

- Work continues on the 4.5 mile rail-to-trail project and four associated trail-heads, with right-of-way recently received from Norfolk Southern and Univar. We anticipate this project will be under construction by early fall.
- The second phase of the Fieldale Trail opened March 28, extending the trail by 1.5 miles. A grant from Dominion Resources and project management by the Dan River Basin Association were key components of this project.
- The County's new mapping project, with updated aerial photos, is nearing completion.
- The Board increased the household income threshold for real estate tax relief for the elderly and disabled.
- A contract for architectural and engineering services was awarded for the Virginia Avenue Enhancement Project. Grant funds total \$192,000 to this point, with emphasis on Phase I from Reed Creek Drive to Kings Mountain Road.
- The ongoing drought and subsequent farm losses prompted Governor Kaine to declare Henry County a drought disaster area to help receive federal assistance for farmers.
- We partnered with Franklin County, Patrick County, and Martinsville in a \$1,248,000 Department of Homeland Security interoperability grant. The funds were used for tactical-level communications.
- We received a CDBG grant for the Riverside Drive Neighborhood Improvement Project, which includes rehabilitation of 23 homes and pedestrian safety improvements.
- The Board approved applications to the Literary Fund for \$9.7 million for roof improvements at Fieldale-Collinsville Middle School and Magna Vista High School, and HVAC replacement at Magna Vista.
- Public Safety received \$18,972 from a Health Department grant to purchase 800 smoke alarms and provide installation as part of its fire prevention program.
- The Collinsville Jaycees donated \$46,228 for new playground equipment at Jack Dalton Park. The playground equipment currently at Jack Dalton will be relocated by our Parks and Recreation staff to the Fieldale Ballpark.

- The School Board declared the former Ridgeway Elementary School surplus property and turned it over to the County. The Board is in the process of reviewing proposals to convert the site to private use that best fits the community.
- The County received a planning grant for the South Street Community Development project. An application will be submitted in April for CDBG funds for housing rehab, road improvements, storm drainage, and water and sewer rehabilitation.
- The County partnered with the Commonwealth in a feasibility study of a potential state park along the Mayo River in Virginia to complement the 2,000-acre state park now open just across the North Carolina line.
- We agreed to transfer the historic Henry County Courthouse to the Martinsville-Henry County Historical Society upon completion of work to stabilize the building. This project is being funded by two grants.
- The County and the PSA purchased and renovated the former Bassett Motor Pool for a County Service Center. The facility will be operational by July 1 and refuse collection, parks maintenance, radio shop, Sheriff's impound lot, and other local government functions will be relocated to it. The facility will also be the site of the surplus County auctions, Household Hazardous Waste Day, and other functions.
- The County agreed to extend public sewer to the Corps of Engineers property line near Philpott Lake, contingent on the Corps hooking up its facilities to the system and issuing a Request for Proposals (RFP) for a private marina concessionaire. Final design of the sewer line is under way.
- We took advantage of the mobilization for the RTI Industries project by working with the grading contractor for excess dirt graded from the site. Not only did we use the material on other sites in the Patriot Centre, we also wound up with an additional 15 acres of graded land.
- Public Safety received a grant in partnership with the SPCA for a Pet Emergency Trailer and supplies for statewide mutual aid for large-scale emergencies.

- We received a \$50,000 emergency citizens alerting system grant for the 9-1-1 Center to allow mass notification of citizens by phone of certain emergencies.
- The County's General Fund Balance increased from \$20,570,700 on June 30, 2007 to \$20,873,824 on June 30, 2008. The Undesignated Fund Balance dropped slightly from \$10,406,486 on June 30, 2007 to \$9,948,254 on June 30, 2008. Charts of these funds are included later in this presentation.

Reassessment

A big part of 2009 was the reassessment of Henry County properties. We reassess every four years. Our assessors evaluated 54,255 parcels in Henry County and property values increased an average of 16.5%.

Taxpayers who felt they were treated unfairly appealed their assessment to the Board of Equalization. The Board of Equalization has completed its work and further appeals can be made to the Henry County Circuit Court.

If the budget provides for an increase of greater than 1%, excluding new construction, the Board must hold a public hearing and consider a property tax increase. The Board has indicated it wants to roll the rate back to offset the increased values. The rollback rate is 46.3 cents per \$100 of value. A 1-cent increase on the real estate tax raises \$294,989.

Virginia law allows a fractional tax rate; however, the County Administrator recommends setting the rate at 46 cents and adjusting the special assessment for agricultural and horticultural real estate, to partially offset the revenue loss from not adopting a fractional rate. The Commissioner of the Revenue has the authority to adjust these special assessment rates and agrees with staff that the adjustments should be made, effective July 1, 2009. This would generate an additional \$24,867 in revenue.

Localities are authorized to reduce values on agricultural, horticultural, forest, and open space to discourage development. In 1981, Henry County authorized agricultural and horticultural land for reduced values. Values were set at \$300 an acre for agricultural land and \$425 an acre for horticultural land and those rates have not increased since then. It is staff's opinion that the land in these categories has been undervalued for quite some time.

As defined by code, agricultural use is for land that is either devoted to the bona fide production, for sale, of plants and animals useful to man, or land that meets the requirements for payments or other compensation pursuant to a soil conservation program. Horticultural use is for land that is either devoted to bona fide production, for sale, of fruits, vegetables, and nursery and floral products, or land that meets the requirements for payments or other compensation pursuant to a soil conservation program. A minimum of five acres is required for any parcel to be eligible for either classification outlined above.

The County has 27,029 acres in land use categories. This results in a reduction of \$99,429 in property tax; at the 46-cent rate, taxes are reduced by \$84,698. It is recommended that the value for agricultural property in land use be increased from \$300 per acre to \$500 per acre, and horticultural property in land use be increased from \$425 an acre to \$625 an acre. These adjustments would create the increased tax revenue of \$24,867 mentioned earlier. Land use values can only be adjusted during years of reassessment.

Without increasing the land use value, property owners enrolled in land use see a property tax decrease every time the tax rate is reduced. The rate went from 60 cents in FY 2002 to 54 cents and now to 46 cents. Land use values can be set at the same time as other tax rates in the budget adoption process.

Where Do We Go From Here?

Even with the many positive events outlined earlier, the losses outnumbered the gains in FY 2009. Job layoffs at many prominent employers and many smaller businesses had a huge impact on the unemployment rate and the psyche of our citizens. Our unemployment rate in January 2008 was 7.5%, with 24,534 people employed out of a workforce of 26,528. In January 2009 our rate was 13%, with 23,169 people employed out of a workforce of 26,627. The real difference now is that this problem is a global one, unlike the old days when it seemed only Henry County and Southern Virginia was dealing with these issues.

As we proceed down this path, it is painfully obvious that none of this will be easy. As Mr. Inge states above, this is an uphill fight – but what other kind of fight is there for the citizens and the companies of Henry County? We have trekked uphill for more than 10 years, and we are accustomed to the demands of such a journey.

These demands will not lessen in FY 2010, and probably not in FY 2011 either. FY 2010 shapes up as the most difficult year facing Henry County since your County Administrator took over his assignment in 2002. There is no easy path forward, and whatever road we choose will be a bumpy ride.

Before jumping into the details of this proposed budget, staff would like to acknowledge the impact that our retiring Director of Finance, Jimmie Wright, has had on this community and this County since joining our staff in 1976. Jimmie worked diligently on this budget proposal, just as he has on countless budgets in years past. His dedication and diligence to the task at hand is unmatched. We wish Jimmie well in his retirement, and we welcome Darrell Jones as the new Director of Finance.

Proposed FY 2009-10 County Budget

There are no easy answers and no simple solutions to the quagmire in which we find ourselves. The global economy is a mess, the Commonwealth's economy is stagnant, and the locality is following along too. Staff could at least be somewhat optimistic if we knew when the bottom was coming, but we do not. As we look 12 months into the future, and put ourselves in the position of drafting a budget for FY 2011, we can't see any significant improvement either.

The majority of the County's revenue comes from property taxes and aid from the Commonwealth. With no increases in real estate, a reduction in personal property values, and significantly less aid from the Commonwealth, significant reductions must be made to align expenses with revenue. For the first six months of FY 2009 we thought we were doing relatively well, as revenues remained fairly steady. However, we began to see a decline around January 1, and it continues today.

As you know, the County made mid-year budget adjustments in February for FY 2009 that totaled \$912,000. In crafting this budget proposal, staff worked on the premise that a deficit of \$1,102,323 had to be absorbed for FY 2010. We worked from that number and added a little more so we could provide some cushion should the downturn worsen. However, should the decline be steeper than what we've considered, another round of mid-year budget cuts could be needed.

Staff is presenting a budget for FY '10 that totals \$117,516,572. When compared to the FY 2009 Proposed Budget of \$127,756,265, this year's budget represents a reduction of \$10,239,693, or 8%, from the FY 2009 budget. Staff recommends no tax increase for FY '10, for the same reason as expressed in years past – our residents simply cannot afford it.

We have not included pay raises for employees. Staff recommends that the County continue to cover the single-subscriber health insurance costs, which will rise 4.7% in FY '10. Staff also recommends that County employees be given a one-time gift of an additional vacation day, to be taken with the approval of their supervisor, to thank them for their hard work in such trying times.

Staff recommends a local contribution to the school system of \$17,077,895 for FY '10. That is a decrease of \$374,063 from FY 2009 and is a proportional cut of the \$1,102,323 anticipated shortfall. This is the same amount of funding requested by the School Board in its budget dated March 23, 2009; staff appreciates the School Board's consideration of these trying times and its willingness to work together on these issues.

The School Board's budget shows a decrease in revenue of \$3,416,285, or 4.3%, for FY 2010. Also included in the School Board's budget is \$2,922,495 in stimulus package money to be received over a two-year period. County staff understands that most school divisions are budgeting the entire stimulus package amount in FY 2010 and plan to carry over the unspent portion in FY 2011. Our local school division is projecting spending \$1,000,000 of the stimulus funding in FY 2010; if that is the case, its revenue shortfall for FY 2010 will actually worsen by \$1,922,495, to \$5,338,780.

With the School Board's absorption of part of the deficit, the County was left with the rest - \$381,753. The Constitutional Offices were originally projected to receive \$346,507 less in Commonwealth of Virginia funding, but the federal stimulus package to the Commonwealth eliminated that cut. Still, this is just a temporary fix for the Constitutional Offices. Next year they could see the full impact.

Staff has not included any stimulus package funding in this proposed budget except for Constitutional Offices and funding determined by formula to schools for specific programs. It appears the school division has little latitude on how that money can be spent. The County and the Public Service Authority have applied for stimulus funds for specific capital projects, but there isn't enough

information at this time to determine whether those projects will be funded. If they are, the budget can be amended during the year to reflect those projects.

Some other items of note as proposed for FY 2010:

- To improve energy efficiency in public buildings, we have appointed the PSA's new safety manager, Tim Byrd, as the County and PSA Energy Manager. Mr. Byrd will continue his safety manager duties except for the processing of insurance claims, which will now be done by Administrative Assistant Michelle Via.
- Due to declining enrollments in the high school firefighter and EMT programs, the School Board has committed to fund only two half-time instructors in lieu of the two full-time instructors now funded. It is recommended the Board petition the Martinsville Circuit Court for a portion of the assets of the former Martinsville-Henry County Rescue Squad and use that funding to continue the high school programs for FY 2010. The County contributed more funding to the former squad than any other organization other than the United Way over the years.
- Due to the economic conditions it is recommended that the Board appropriate \$25,000 from this year's contingency fund for the Social Services emergency fund. The contingency fund has \$86,710 in unencumbered funds as of the March 24 Board meeting.
- The Assign-A-Highway Coordinator will begin supervising the inmate work crew two days a week at the Service Center to assist in renovations, custodial duties, and cleaning of County vehicles.

Details about our revenue and expenditure projections are outlined below.

Projected Revenues

- General property taxes assumes a collection rate of 95%
- Sales tax is down 13.4% based on year-to-date collections
- Utility tax is down 6.6% based on year-to-date collections
- Business license tax is down 3.4%
- Motor vehicle decals are down 3.2%
- Tax on wills is down 21.8%

- Transient occupancy tax is down 4.3%
- Food and beverage tax is down 3.3%
- Animal licenses are up 53.4% due to new notification requirements
- Building permits are down 47.5%
- County fines are down 22.1%
- Courthouse maintenance fees are up 3.8%
- Courthouse security fees are up 7.9%
- Bank interest is down 70% due to lower interest rates on our deposits
- Rent of property is up 25.6% due to additional lease agreements
- Sales of recyclables is up 73.9% based on year-to-date collections
- Jail reimbursement is up 16.7% due to an under-projection of revenue in FY '09
- Cooperative Extension is up 100% to reflect the City's contribution that increased after the budget was adopted last year
- Miscellaneous refunds are up 12.4% due to increased payments for shared programs or contracted services
- Mobile home titling taxes are down 37.9% to reflect state reductions
- Auto rental tax is down 24.2% to reflect state reductions
- Para-mutual tax is down 14.9% based on year-to-date collections
- Constitutional Offices were level funded by the Compensation Board, but state adjustments during the year and higher than budgeted projections resulted in the following:
 - Commonwealth's Attorney, up 3.6%
 - Sheriff, up 3.5%
 - Commissioner of the Revenue, down .1%
 - Treasurer, up .1%
 - Registrar, down 24.3%
 - Clerk of Court, down 5.4%

Projected Expenditures

All County departments were asked to submit two budgets. One was to reflect their current needs, cognizant of the economic

conditions, and the other was to show a 5% decrease from the current year appropriation. Each budget and line item was carefully scrutinized in developing this budget proposal.

Expense reductions were made in most cost centers. These reductions will impact the County's ability to deliver services. The reductions and impact are too numerous to list here, but examples include reduced mowing in our parks, less employee training, less preventative maintenance of our facilities, replacing worn-out equipment and vehicles less often, etc.

Specific items are as follows:

- Assessor's Office is down 29.8% since the four-year general assessment is complete
- Sheriff's Office salary line items are up in some cost centers and down in others to reflect budgeting the positions in the proper cost centers
- Sheriff's Office is replacing 10 vehicles instead of 14 as in recent years. It purchased an additional vehicle during the current budget year
- Level funding is proposed for the annual operating contribution to fire departments and rescue squads
- \$175,000 is proposed for fire truck replacement for the Axton Fire Department and \$95,000 to Bassett Rescue Squad, based on recommendations of the respective associations
- Electrical rate increases are based on the APCo rate increase that began in late 2008
- Fuel costs are generally budgeted at the same level as current year
- Minimum wage increases for part-time positions are set at \$7.25 an hour for July 2009
- A new maintenance position is proposed, to be funded 50/50 with the City, to perform maintenance at the Social Services and Health Department buildings
- Compensation for members of the Planning Commission and the Board of Zoning Appeals reduced by 50% due to fewer cases being heard
- An additional \$10,000 for a litter education grant from the Commonwealth

- \$119,000 in interest on the new shell building, to be reimbursed by the Economic Development Corporation
- The Contingency Fund is projected at \$117,000

Capital Improvement Projects

A very meager capital improvements plan is recommended for FY 2010. This is something that should not become a habit. Continually deferring capital expenditures will have negative long-term consequences.

The following Capital Improvement Projects are recommended for funding:

- \$55,583 for Clerk of Court's imaging equipment, to be paid for with Commonwealth of Virginia funds
- \$34,000 to replace a tractor in Parks and Recreation
- \$30,000 to dredge a pond at the former Henry County landfill
- \$39,000 for computer and file server upgrades
- \$175,000 for a new fire truck for Axton Volunteer Fire Department
- \$95,000 for a new ambulance for the Bassett Volunteer Rescue Squad
- \$294,000 for replacement vehicles for the Sheriff's Office

Outside Agencies

Funding to outside agencies generally was reduced by 5% with a couple of exceptions where reduction of local funds would have resulted in a significant decrease in state and federal funds. Outside agency funding was not reduced last year, nor was it reduced in the mid-year adjustments made in the current fiscal year.

In addition, several community agencies asked to be added to the County budget for funding in FY 2010. Staff has no doubt as to their good work, but budget constraints do not provide opportunity for new partners. The agencies not proposed for funding include:

- Southeast Rural Community Assistance Project
- Virginia Legal Aid Society
- Roanoke River Basin Association
- Smith Mountain Lake 4-H Center
- West Piedmont Better Housing Coalition

Goals and Objectives

Listed below are the Goals and Objectives the Board created at its 2009 Planning Session. It should be noted that this proposed FY '10 Budget does little to implement many of these items, compensate employees fairly, or deliver services desired by the public.

Short-Term Goals

- Strategy for development for ROMA and Bryant properties
- Develop strategy for broadband implementation and funding options
- Position the County to deal with the FY 2011 Budget
- Preserve the County's fund balance
- Secure a new facility for the Social Services department
- Decrease unemployment and increase the number of available jobs
- Continue to pursue the 58 West water project
- Continue to pursue accreditation for the Sheriff's Office
- Continue to address response issues for rescue squads
- Work on stormwater issues and other issues with the South Street Community Development project

Long-Term/Continuing Goals

- Emphasize energy efficiency/green initiatives
- Promote community health care resources
- Address jail needs
- Seek federal money for the completion of Route 58 to Interstate 77
- Work with the Corps of Engineers to improve the flow of water through the Smith River
- Initiate a Comprehensive Plan update
- Work to improve "community pride"
- Work to improve our educational facilities
- Support the Martinsville-Henry County EDC and continue to fund its efforts, and support its tourism initiatives
- Push for Interstate 73 corridor as outlined by the Board in 2008
- Continue to pursue delinquent taxes
- Endorse and participate in regional cooperation
- Endorse and participate in cooperative efforts with City of Martinsville

- Continue to support the New College Institute and Patrick Henry Community College
- Continue to support Blue Ridge Airport

Looking to the Future

As we look into the near future with the proposed FY 2010 Budget, we also need to cast a longer eye toward needs on the horizon. Some particularly important items to keep in mind:

1. A resolution is desperately needed in the never-ending saga of the facilities needs of the Henry-Martinsville Department of Social Services. Space issues for the Martinsville-Henry County Health Department also should be a part of a comprehensive plan to meet the human services needs of this community. The County has offered the former Athena building and has offered to fund the upfit required at no cost to the City of Martinsville. The Social Services Board is pursuing a zoning change for the building in order to allow for its use as a human services facility. Staff believes that if this matter is not resolved by the end of the fiscal year, the Board of Supervisors should seriously consider taking appropriate action to ensure the citizens of Henry County receive the help they need in a building that is safe, functional, and adequate.
2. It is recommended that the Board adopt the Martinsville-Henry County Rivers and Trails Recreational Use Plan as the trail and river plan for the County. This will provide a guide for deployment of County resources in this area.
3. Little progress has been made in improving our emergency medical services system. The system continues to deteriorate and our backup service is showing signs of stress. This problem has been studied off and on since the late 1980s. The County is not in a financial position to invest significant resources in much-needed service improvements. The only feasible alternative is for the agencies to bill for services. Research shows that billing by all agencies could generate up to \$1.3 million in annual revenue to support the system. Currently three of the five agencies bill or are planning to bill for services.
4. We need to begin the planning process to address our jail needs. The jail consistently ranks among the most cost-

effective operations in the Commonwealth but it is consistently overcrowded. As of March 31 the jail contained 167 inmates and has 103 beds. The County also has 19 inmates in other facilities.

Following Mr. Summerlin's presentation of the FY '09-'10 Budget the Board took the following actions:

Social Services Emergency Fund

Mr. Adams moved that the Board contribute \$25,000 from this years' Contingency Fund for the Social Services Emergency Fund, second by Mrs. Burnette and unanimously carried.

EMT Resolution

Mr. Adams moved that the Board adopt an EMT Resolution regarding the use of residual assets of the Martinsville-Henry County Rescue Squad to Support Emergency Services Education, second by Mr. Slaughter and unanimously carried.

Advertise FY '09-'10 Budget

Mrs. Burnette moved that the Board advertise the FY '09-'10 Budget on April 12, 2009, second by Mr. Adams and unanimously carried.

CLOSED MEETING:

Mrs. Burnette moved that the Board enter into closed session at 5:50 pm pursuant to Section 2.2-3711A(3) re: Acquisition/Disposal of Real Estate, second by Mr. Vaughn and unanimously carried.

OPEN MEETING:

The Board returned to an open meeting at 5:53 pm on a motion by Mr. McMillian, second by Mrs. Burnette and unanimously carried.

CERTIFICATION OF CLOSED MEETING:

Mr. Hall read the Certification of the Closed Meeting and took a roll call vote affirming that the Board only discussed public business matters lawfully exempted and identified in the motion to enter closed session. Those voting in the affirmative were Mr. Slaughter, Mr. McMillian, Mrs. Burnette, Mrs. Buchanan, Mr. Vaughn and Mr. Adams.

Mr. Vaughn moved that the Board enter into a real estate sales contract with Victory International Ministries pertaining to land, buildings and fixtures formerly known as Ridgeway Elementary School in the Town of Ridgeway, second by Mrs. Burnette and unanimously carried.

There being no further business to discuss Mr. McMillian moved at 6:00 pm that the Board continue the meeting to April 7, 2009 at 5:00 pm, second by Mr. Slaughter and unanimously carried.

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