

**HENRY COUNTY BOARD OF SUPERVISORS
MINUTES**

**Annual Planning Session
February 7, 2012 – 3:00 pm**

The Henry County Board of Supervisors held its annual Planning Session on February 7, 2012 at 3:00 pm at the Public Safety Training Center on DuPont Road, Martinsville, VA. The following Board members were present: Jim Adams, Chairman; Tommy Slaughter, Vice Chairman; Debra Buchanan, H. G. Vaughn, Joe Bryant and Milton Kendall.

Staff members present were Benny Summerlin, County Administrator; Tim Hall, Deputy County Administrator; George Lyle, County Attorney; Darrell Jones, Director of Finance; Richard Stanfield, Assistant Director of Finance; Susan Reynolds, Director of Human Resources/Public Information Officer; Dale Wagoner, Director of Public Safety; Lee Clark, Director of Planning, Zoning and Inspections; and Cecil Stone, Building Inspector.

Also present were Debbie Hall of the Martinsville Bulletin; Ron Morris of B-99; and Sheriff Lane Perry and Lt. Colonel Steve Eanes, Henry County Sheriff's Office.

CALL TO ORDER

Chairman Adams called the meeting to order as a continuation of the Board's January 24 meeting.

CONSIDERATION OF FY 2010-2011 COUNTY AUDIT – ROBIN JONES, CREEDLE, JONES AND ALGA, CERTIFIED PUBLIC ACCOUNTANTS

Robin Jones of the CPA Firm Creedle, Jones, and Alga presented the FY 2011 Henry County Audit. Ms. Jones said the audit was a "clean opinion" which means there were no material issues with it. Ms. Jones said that the County's fund balance was \$28,686,792, with \$15,792,167 in uncommitted funds. That was an increase of more than \$5.6 million in the fund balance over the previous year. Ms. Jones said the County's "report card" would be an A plus.

On a motion by Mr. Vaughn and a second by Mr. Bryant, the Board voted 6-0 to accept the audit report.

PLANNING SESSION 2012

Mr. Summerlin introduced Diane Akers with ComBiz Solutions, who would lead the Board through the Planning Session. Ms. Akers began with an ice-breaker activity for the Board and staff.

Mr. Summerlin presented a review of the current year budget and previewed the FY 2012-13 budget process. He began with a series of slides prepared by Franklin County for its budget process that compared surrounding localities' tax rates. Those slides indicated that Henry County was a low-tax locality.

Mr. Summerlin showed the Board that the 2011-12 budget balanced without spending reserves and that the County's Bond rating is Aa3 by Moody's, which is considered "very strong" and second-highest category. The Virginia Code says Henry County can incur up to \$291.5m in debt, but the County's debt is actually \$30.9 million. Of that number, the school System's share \$19.1m and the County's share \$11.8m.

Mr. Summerlin reviewed several economic development announcements from 2011 and then looked at where the next budget cycle may go. He indicated concerns over the level of aid from the Commonwealth; General Assembly action on taxation issues, including Machinery & Tools/BPOL; reduced local revenues; and budget impact issues such as increases in the Virginia Retirement System contribution, health insurance increases, and a maintenance contract for the County's radio system.

Mr. Summerlin also reminded the Board that the County's four-year reassessment will take effect January 1, 2013, and that could result in lower values for property in the County. He also told the Board he would not recommend spending any carry-over funds from the FY 2011 budget until the budget process for FY 2013 is complete. Some general discussion ensued over the budget outlook.

UPDATE ON HENRY COUNTY EMS PROGRAM – DALE WAGONER

Mr. Wagoner presented an update to the Board concerning the EMS program. He pointed out that last year the Board decided to supplement the volunteer system in place by hiring four paid personnel. He updated the Board on the impact of that shift, which he described as a positive one.

Mr. Wagoner's report reviewed the program's goals and accomplishments.

Goal: Preserve the volunteer rescue squads

Actual: by all accounts, exceeded expectations:

- Rescue Squads are given first opportunity to run call
- Career service complements volunteer system, not replace it
- Allows opportunities for volunteers to partner with career staff to optimize patient care
- Improved revenue recovery by volunteer squads
- Reduces administrative burden on volunteers
- Preceptor/mentoring opportunities (2,136 hours in '11)

Goal: Utilize paid personnel to cover service gaps

Actual: by all accounts, exceeded expectations:

- Improved response times
- Greatly improved availability of Advanced Life Support (available 24/7/365).
- Assisted on 2,767 of 6,216 total calls

Goal: Operate in a way that does not expect new revenues

Actual: by all accounts, exceeded expectations:

- Expected to exceed revenue projections
- Has not negatively impacted revenue to volunteer rescue squads
- Collaboration has reduced expenses – central supply, oxygen, and fees to billing agent
- Established consistency in billing

Mr. Wagoner showed the Board that each of the County's volunteer rescue squads reaped additional revenue through the new soft-billing system over what they'd done in the past with the exception of the Fieldale-Collinsville Rescue Squad. However, Mr. Wagoner said the F-C squad had an unusually high collection rate that year, and if their two-year average were used, then the squad's revenue under soft billing was higher.

He presented slides indicating that the first year will produce \$115,000 in excess revenue over expenses. He then presented a proposal that would use that extra money to hire an additional four paid personnel to further augment EMS coverage, particularly in the western and northern parts of the County where current coverage is lacking.

Mr. Wagoner proposed that the additional paid personnel would primarily be based at the Bassett Rescue Squad but would be located in other squads as needed. Mr. Wagoner added that this proposal was discussed with current captains at the squads and all were supportive.

General discussion on the proposal ensued. Mr. Summerlin indicated he planned to include the new paid personnel positions in the upcoming budget, and the Board members indicated they were supportive.

BRIEFING ON NEW STORMWATER REGULATIONS AND LOCAL OBLIGATIONS – LEE CLARK

Lee Clark, director of Planning, Zoning and Inspections, briefed the Board on new stormwater regulations that will impact Henry County. Mr. Clark told the Board that the Department of Conservation and Recreation, which manages the stormwater regulations for the Commonwealth, will provide localities the opportunity to manage their own programs effective July 2014. Localities are asked to inform DCR by March 2012 if they plan to take over their own programs.

Mr. Clark told the Board that DCR would continue to manage programs for localities that did not want to take on the task, but that DCR's focus would not be on

those localities and that could result in significant delays in economic development or land development cases in Henry County. If Henry County chooses to manage its own program, a new employee most likely would be needed because of the technical expertise needed. Mr. Clark assured the Board that if a new employee is hired, there would be plenty of work for that person in addition to the stormwater management duties.

General discussion ensued, and the Board indicated by consensus that DCR should be notified that Henry County will begin to manage its stormwater program when it's required in July 2014. Details on whether to hire a new employee and other issues will be clarified before that date.

REVIEW OF BOARD'S 2011-2012 GOALS AND OBJECTIVES AND CREATION OF THE 2012-2013 LIST

Mr. Summerlin and Ms. Akers reviewed the Board's priorities from last year's Planning Session, and the progress made on those goals. That report included:

Expansion of New College Institute into a four-year university or a branch campus of an existing four-year university.

- *NCI announced in Sept. 2011 that its pursuit of a four-year presence, either as a branch campus or a stand-alone campus, would be changed for the foreseeable future in favor of an alliance with Radford University, Virginia State University, and Virginia Commonwealth University.*

Continued support of the Martinsville-Henry County Economic Development Corporation's efforts including tourism and retail development.

- *The Board fully supported the EDC financially in 2011, and that support helped land four economic development projects: new company ICF International, and expansions from local companies Applied Felts, GS Industries, and Commonwealth Laminating.*

Continued development of the County's industrial sites.

- *Significant progress made on Commonwealth Crossing grading project and the grading of Lot 2 in the Patriot Centre.*

Addressing school facilities and infrastructure needs.

- *Since the 2011 Planning Session the school system is on its third Superintendent, after Dr. Anthony Jackson announced his departure in July and interim Superintendent Dr. David Martin completed his tenure in January. Dr. Jared Cotton, the new Superintendent, has been on the job only since January 17 and significant dialogue on this and other school matters is either ongoing or yet to be scheduled.*

Addressing transportation needs and improvements.

- *The PART bus system, a partnership with the City of Martinsville, continues to have record ridership. The Board also worked with the Commonwealth Transportation Board to shift the proposed route for Interstate 73 to a friendlier route for existing businesses.*

Endorsing regional cooperation.

- *Henry County continued its strong cooperative efforts with the City of Martinsville, including the PART bus system, 9-1-1 communications, Parks and Recreation programming, Social Services, etc. The biggest joint venture, the revenue-sharing agreements in the Patriot Centre and CCBC, are beginning to show promise. Tourism staffs from M-HC, Franklin, and Patrick met recently on joint marketing efforts for Philpott Lake*

Addressing Community pride/appearance

- *These issues continue to trouble staff and the Board. We have made several changes at our Convenience Center sites regarding collection of recyclables, electronics, etc., and they appear to be paying off. The litter problem along our roads and highways continues to be significant; however, through our partnership with the City of Martinsville's Sheriff's Office, 4,672 bags of trash were picked up last year.*

Improving the viability of the EMS system

- *Public Safety Director Dale Wagoner delivered this report as a separate part of the Planning Session. However, the revenue enhancement project has exceeded our projections.*

Addressing needs for jail space

- *No progress on this issue in 2011. However, our jail population has decreased in the past 12 months. This reflects a national and state trend.*

Continuing to address collection of delinquent taxes.

- *The Board receives a monthly update on this issue at its regular Board meetings. The County Treasurer and our outside collection firm both report progress.*

Ms. Akers then led the Board and staff through a process to identify the five top priorities from that list, and to create a list of seven new priorities moving forward. From those lists, the Board and staff were asked to create a combined new list of 10 priorities for 2012-2013.

The combined new list of 10 priorities for 2012 included:

- Development of industrial sites
- Support for the Martinsville-Henry County Economic Development Corporation
- Job creation and capital investment
- Tourism/marina project
- Retail development
- Expansion of water and sewer infrastructure, particularly in areas surrounding Martinsville Speedway, the Smith River Sports Complex, and the Blue Ridge Airport
- Raise the educational levels, both high school and college, of residents, with an added emphasis on career and technical education
- Growth of EMS program
- Improving Community appearance/litter issues

General discussion followed on the list and how to accomplish the goals. Ms. Buchanan indicated she'd like staff to pursue any available grants to assist with tire cleanups and collections. The Board and staff also concurred that there should be a true emphasis on litter pickups, including a week-long Litter Week that could include media campaigns, Smith River cleanups, and school curriculum designed to bring attention to the importance of clean communities.

Mr. Adams thanked Ms. Akers for her assistance with the Planning Session.

CLOSED MEETING

On a motion by Ms. Buchanan and a second by Mr. Slaughter, the Board voted unanimously to enter closed session:

- §2.2-3711(A)7 for Consultation with the County Attorney re: Pending Legal Matters.
- §2.2-3711(A)3 for Consultation with the County Attorney re: Acquisition/Disposal of Real Estate.
- §2.2-3711(A)5 for Consultation with the County Attorney re: Discussion of As-Yet Unannounced Industries.

On a motion by Ms. Buchanan and a second by Mr. Slaughter, the Board left Closed Session. Mr. Hall certified the Board on its actions in Closed Session.

On a motion by Mr. Slaughter and a second by Mr. Bryant, the Board voted 6-0 to approve and appropriate a tax refund of \$65,782 to JHS Master Capital LLC on real estate in the County that was erroneously assessed.

On a motion by Mr. Kendall and a second by Mr. Vaughn, the Board voted 6-0 to sell the former Irisburg Elementary School to New Beginnings Worship Center for \$135,000.

There being no further business to discuss, Ms. Buchanan moved to adjourn at 8 p.m., seconded by Mr. Slaughter and unanimously carried.