

HENRY COUNTY BOARD OF SUPERVISORS MINUTES

Annual Planning Session February 8, 2022 – 3:00 p.m.

The Henry County Board of Supervisors held its annual planning session on February 8, 2022, at 4:00 p.m. at the new Adult Detention Center.

The following Board members were present: Jim Adams, Chairman; Joe Bryant, Vice Chairman; Debra Buchanan, Garrett Dillard, Tommy Slaughter, and Ryan Zehr.

Staff members present were Tim Hall, County Administrator; Dale Wagoner, Deputy County Administrator; George Lyle, County Attorney; Darrell Jones, Director of Finance; Richard Stanfield, Deputy Director of Finance, Michelle Via, Human Resources Director; Matt Tatum, Public Safety Director; Suzie Helbert, Deputy Director Public Safety, Brandon Martin, Public Information Officer; Jennifer Gregory, Administrative Assistant; Sheriff Lane Perry, Lt. Colonel Steve Eanes, Captain Eric Hairston, Captain Allen Hall, and 1st Lt. Kelly Redd.

Also present were resident Charles Williams, Bill Wyatt of the Martinsville Bulletin, Callie Hietala of the Henry County Enterprise, Charles Roark of Star News, and Luis Romero of BTW21.

CALL TO ORDER

Chairman Jim Adams called the meeting to order at 3:00 p.m.

TOUR OF THE ADULT DETENTION FACILITY

Lt. Colonel Steve Eanes gave the Board, staff, media, and public a tour of the new adult detention center.

Economic Development Highlights

Mr. Hall updated the Board on Economic Development activities over the past year:

- Radical Sportscars: A UK-based company will locate its first U.S. sales office in the Racing College at P&HCC with 4 employees.
 - Potential to grow into manufacturing and production sectors.
- VF Imagewear: Expansion of Patriot Centre distribution operation.
 - \$10.2 million capital investment and 82 new jobs.
- Schock: German company that manufactures upscale sinks and bathroom products chose Henry County for its 1st U.S. operation.
 - \$85 million capital investment and 355 jobs with wage levels at about \$42,000 per year.
 - Company purchased the Patriot Centre shell building for \$1 million
- Reaching Capacity
 - Increased need to grade additional space at CCBC.

- Received a grant of \$1.03 million from the Virginia Business Ready Sites Program for additional work at CCBC.
 - Increased need for another shell building either at CCBC or the Patriot Centre.
- Extend natural gas to CCBC through Southwestern Virginia Gas Company. Once completed, CCBC will be considered a Tier 5 facility by VEDP, the highest rating available.
- According to the EDC's study of wage levels, our average manufacturing wage has gone from \$16 to \$21 an hour in 18 months.
 - More people working now than anytime since 2008
 - December Unemployment – 2.9%

Broadband

Mr. Wagoner updated the Board on broadband:

- Partnered with the Harvest Foundation and the City of Martinsville to complete a broadband study.
- Partnered with the WPPDC, Patrick County and Franklin County to secure a \$33M grant for broadband.
- Partnered with AEP and RiverStreet Networks to bring broadband to every residence and business that currently has no access to it.

Housing

Mr. Hall updated the Board on housing:

- John Redd Smith project
 - 39 apartments
- Fieldale Elementary School project
 - 26 apartments
- Others to come

Recreation

Mr. Hall updated the Board on recreation:

- Began work on Phase 6A of Dick & Willie Trail
- Groundbreaking of a new trail at the site of the future Mayo River State Park
- \$500,000 ARC grant for Fieldale Rec. Center
- Henry County Fair
- Used grant funds to purchase land and conduct preliminary work for the future Riverview Park

Adult Detention Center

Mr. Wagoner updated the Board on the construction of the new adult detention center:

- Bringing new life to a former brownfield site
- Construction project is on-time and on-budget
- Current operating budget includes funding for three months of operation
- Next budget will need to include full cost of operating

Financial Summary

Mr. Hall updated the Board on financial matters:

- Total Fund Balance Y/E June 30, 2021- \$58,865,227
- Unassigned Fund Balance Y/E June 30, 2021- \$31,779,866
- Exceeding Financial Policy Limits Y/E June 30, 2021 - \$11,449,867
- School Funding FY'22 - \$90,610,832
- Sheriff's Office Funding FY'22 - \$15,937,910
- Public Safety Funding FY'22 - \$3,813,883
- Volunteer Fire & Rescue Funding FY'22 - \$2,426,827

Looking Ahead

Mr. Hall stated Martinsville Speedway is celebrating its 75th Anniversary in 2022. The Board will be updated later on ways the County will celebrate the speedway's milestone.

Tourism Zone Incentives

Mr. Wagoner updated the Board on tourism zone incentives:

- Staff worked with EDC to develop an investor prospectus primarily for hotel investors
- Also working to create tourism zones in Henry County
 - Tourism Zones are similar to Enterprise Zones
 - Virginia Code § 58.1-3851
 - Provides for local tax incentives for tourism related businesses expanding or locating in the County
 - Examples: Lodging, new facilities for dining, certain retail, meeting and sports facilities, event venues, and outdoor recreation area.
- Staff is working on a proposed ordinance for the Board's consideration at a future BOS meeting. A public hearing will be required.

Challenges Ahead

Mr. Hall updated the Board on challenges ahead:

- COVID-19 We are entering a 3rd year of the pandemic. During that time, we've constantly taken the appropriate measures to keep our employees safe while continuing to provide quality services to our citizens. However, it did not come at a cost. We have spent over \$1M from the self-insurance pool on COVID-related healthcare costs for employees. Tremendous amount of direct and indirect consequences as a result of COVID (Overtime pay, employee turnover, delayed response times, etc.)
- Inflation
- Unfunded Mandates
- CSA Costs
- Minimum Wage Increases
- Budget Amendments being considered by the Virginia General Assembly
 - Return jail per-diems to \$8 per inmate from current \$4 per inmate

- Reimbursement for general registrar and electoral board member compensation
- Comp board restoring full funds for unfunded positions in COR and Treasurer's Office
- Bills Still Alive With Negative Impacts
 - SB571 eliminates grocery tax and does not make localities whole
 - SB380 makes partial replacement payments to local school divisions
Impact could be \$1 million to us
 - HB1010 would require localities to hold a referendum if real estate growth exceeds 1% of the previous amount. Senate bill killed.
- Reversion Legislation
 - HB173 got through House; SB85 got out of committee Monday and goes to full Senate on Thursday
- It needs a super majority for the Senate bill to pass
- Human Resources
 - Retention
 - Recruitment
 - Succession
 - Talent Development
- Meeting Future Obligations
 - Reversion Costs
 - Promises Made
 - Sheriff's Office/Public Safety compensation increases during FY
 - Funding Jail Operations
 - School Funding
- Need for New Revenue
 - Meals Tax
 - Real Estate Tax
 - Personal Property Tax
 - Cigarette Tax

Setting Goals for 2022-2023

Mr. Hall asked the Board to work in groups of two to answer these questions:

1. What do you hope we can be in the next year and five years.
2. How do you want us to approach the budget – consider full funding for schools and other large cost centers or something less than full funding?

Mr. Adams and Ms. Buchanan stated we needed to focus on the following:

- Blue Ridge Airport Expansion
- New Shell Building
- Identify New Industrial Park Site
- Expand Utilities up 58 West
- Broadband
- Support Education and Trades

- Mr. Bryant and Mr. Zehr stated we needed to focus on the following:
 - New shell Building
 - Identify New Industrial Park Site
 - Improve Unpaid Tax Collection Efforts
- Mr. Dillard and Mr. Slaughter stated we needed to focus on the following:
 - Healthy Henry County Initiative
 - New Scoreboards at elementary school gymnasiums
 - Recognize Parks and Recreation Champions
 - PSA Expansion
 - Broadcast Board meetings live over internet
 - Pay Raises for All County Employees

Adjournment of Meeting

There being no further business to discuss, Mr. Dillard moved to adjourn the meeting at 7:03 p.m. Mr. Zehr seconded the motion, and it carried by the following vote:

AYES: Adams, Bryant, Buchanan, Dillard, Slaughter, and Zehr.

NAYS: None.

The next regular meeting will be February 22, 2022, at 3:00 p.m. There will also be a joint budget meeting with the School Board at 5:00 p.m.