

**BOARD OF SUPERVISORS
REGULAR MEETING
JUNE 9, 2009**

At the regular meeting of the Board of Supervisors of Floyd County, Virginia, held on Tuesday, June 9, 2009 at 8:30 a.m. in the Board Room of the County Administration Building, thereof;

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

The Chairman called the meeting to order at 8:30 a.m. with the reading of the handicapping statement.

The Opening Prayer was led by Chairman Ingram.

Chairman Ingram led in the Pledge of Allegiance.

Mrs. Mary Turman, Treasurer, appeared before the Board. She presented the invested cash and cash in office report as of June 9, 2009.

Mrs. Morris presented the revenue/expenditure summary and balance sheet as of May 31, 2009. She reported that, at 92% through the fiscal year, General Fund revenue collections are at 86% and expenses at 87%. Working on final year-end close out and request that the Board set a meeting at the end of June to approve final bills/transfers.

Sheriff Shannon Zeman appeared before the Board. He reported: I'm here today in reference to the letter dated May 12 concerning the reduction in funds to the Sheriff's Office, \$21,000. I know it is after the deadline as far as responding to the State, but I feel like I had to discuss the impact that this was going to create on the Sheriff's Office. In the five years that I've been Sheriff, I have dealt with growth in two ways. We try to have good structure in the Sheriff's Office, supervision, motivation, recognition. The second thing is we have part-time employees, I have five. I'd like to take a few minutes to explain this to you. Every day that Officer Turman or Officer Smith are working the road, someone is being paid back either holiday, annual or comp time. If I lose this funding, it would mean that not every day, but during the time these employees are off for comp time or whatever, we'll be back to one employee, one man working the road. It has been the late 80's, early 90's since we've had that. The other part-time employees work in the office. The Administrative Specialist has worked on grants, if you'll remember all the part-time money used to be used for administration. We did away with that to try to deal with the growth and put the part-time working the road. If you'll think back about the overall budget, this is just \$21,000. The 7% that was cut from the State, we tried to work with the County to deal with that. That was put back into the budget, except for \$6000 that was not restored from the County. The 10% that was cut from my budget was for vehicles, Task Force and overtime. The total of all these cuts, I know you only have a certain amount but if we don't

figure out a way to keep these part-time employees, they are just barely keeping us above water. We answer more calls and do more each year, and we just can't hardly keep up. This is going to put us back to having one officer per shift, not always. This morning I sat down and came up with our overtime, sick leave, comp time, etc. You can see, if you study this, the first page, our average hourly rate is \$14.83. Our average overtime rate is \$22.25, so you can see that's why I try to use as much part-time help as I can. If you look at sick leave or annual leave and the holidays, these two positions are not paying back all the time; these are positions that can work so the officers don't. All our employees work to fill the shifts, my Chief Deputy, Investigators. When we talk about holiday time, this is based on 11 holidays, the State likes to give extra holidays. The State's theory is that you save money when you close offices. That works for some offices, but not me. One holiday can create over 200 hours of holiday time. If my folks don't get to take off that day, I have to figure out how to pay it back some other day. I feel like the Sheriff's Office in Floyd gives more than 100%. All the officers are trained in first aid, communications, etc. The dispatchers help with transports, upstairs in Fran's office when times are slow. Basically I can't operate without the part-time. I am here today to ask you to figure out how to fund this \$21,000. Without it, we're in trouble. Don't just think about the \$21,000, it is about all the cuts that are happening to me, and this one breaks the camel's back. There will have to be some reductions in services. There will very definitely be a loss of manpower and response time, officer safety. I would like a decision today as to whether you can or can't so at least I can figure out how to deal with this.

Supervisor Gerald – the \$21,000 would solve all your problems, right?

Sheriff Zeman – temporarily.

Supervisor Gerald – how long will it help you?

Sheriff Zeman – if we keep growing like we're growing, we're going to have to have more police officers down the road. I'm not saying I'll be back to you next month with a request, but I will in the next budget cycle. Even if you look at these grants, yes, we can get lots of equipment and that is a good motivator for the young officers and it helps as far as technology and not having to ask for equipment. We can't get bodies. The very last thing that we applied for, and you all agreed to that, don't get me wrong, the Board has helped me in the past. We can't get people. In the budget process, we talked about vehicles, but we have to have men and women to get out here and answer the calls. I can't really answer your question Mr. Gerald, this is just the way that I'm dealing with growth right now.

Supervisor Boothe – you do understand that it is not this Board doing this, it is the State. I understand your problems. Have you heard anything through your Sheriff's Association? Since we got numbers from the State, they are talking about a revenue shortfall in April, May and June. Have you heard anything coming down the pike?

Sheriff Zeman – no. As you know, this is a 2-year old issue that we're dealing with today. I have to come to you.

Supervisor Boothe – yes we know that. But sometimes you'll hear things before we do. The last round of cuts we took them all from one area and helped all the other departments.

Sheriff Zeman – and that was a good move, you still saved money by doing that.

Supervisor Boothe – but it was a gamble, taking all the money from CSA, luckily it worked.

Sheriff Zeman – I am not only asking you for the money, but reporting to you the impact that this has on our community. The society that we live in today, you all have to live in this community too.

Supervisor Gardner – how many part-timers do you have?

Sheriff Zeman – five.

Supervisor Boothe – cut how many?

Sheriff Zeman – we have about \$30,000 in part-time so I'll only have \$9000 to deal with what we've been dealing with, with \$30,000. I don't know if I would do away with what position, I'll have to prioritize. I would probably have to get rid of all five.

Supervisor Gardner – what do you do to try to limit comp time?

Sheriff Zeman – calls dictate that, calls for service. If someone is sick, we try to cover that. You look at these numbers, you see what we spend for these part-time people, that's only a small portion of it. We pick up the slack. Between what it takes to run the Sheriff's Office, like today I'm down here, but if I have to, I'll be answering calls. We answered 12,000 calls for service last year which doesn't include court days, civil paper, warrants, and transports. It continues to grow and it doesn't grow manpower-wise. We've tried to take what we have and stretch it as far as we can. This is as far as it can be stretched.

Supervisor Boothe – compared with Comp Board numbers, are we in compliance with what they recommend?

Sheriff Zeman – yes, 1/1500. Hopefully with the new census, we can get another officer. When they changed it from 1/2000 to 1/1500 a few years ago, that was great, but they didn't provide the funding to go with it. It took several budget cycles for us to get that. I could take an officer out of the Drug Task Force and take up for this. I'm sure you're thinking, well you have two investigators. I've tried that in the past, to put them in the rotation. If they have a case, it doesn't get any attention while they're working the road. I do have personnel that do certain things, like investigation, the school resource officer, she helps in the summertime. I have an officer paid by the Domestic Violence Grant; he works the road and does the domestic violence also. I have one officer assigned to civil process, the road deputies help him stay caught up. I appreciate your consideration.

Chairman Ingram – these cuts have been hard on everybody. We will discuss it later in the day.

The minutes of May 12, 2009 were presented to the Board for consideration and approval.

On a motion of Supervisor Boothe, seconded by Supervisor Gardner, and unanimously carried, it was resolved to approve the minutes of May 12, 2009 as presented.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

The monthly disbursements were presented to the Board for review and consideration. A list of additional disbursements was also presented for the Board's approval. Questions and discussion followed.

On a motion of Supervisor Allen, seconded by Supervisor Boothe, and unanimously carried, it was resolved to approve the monthly disbursements, plus additions, as presented.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

At 9:00 a.m., the Chairman called for the Public Comment Period. After no comments from the audience, the Chairman declared the Public Comment Period closed.

Mr. Donald Hart, President of the Virginia Association of Counties, next appeared before the Board. He commented: I want you to know how honored and privileged I am to be in Floyd County. I wanted you to know that personally, from me. You have a beautiful County. I come to you from the Eastern Shore, across the Chesapeake Bay, when you get to the Bay, keep on going and you'll run into us, into Accomack County. I've been a member of that Board for 29 years. I'm the oldest member in seniority but I'm still the baby, the youngest at 53. That tells you about the other eight and make your own conclusions about that. I started when I was 24 years old. A little bit more about me. I have four kids, married, my son is 30, he's making a career out of the Air Force. He's served in Iraq and other parts of the Middle East. He's back in the States now. I have three daughters, the oldest is 28, the middle daughter is 15 and the baby is 6. So I stay pretty busy with all that going on. I do want to bring you greetings from Accomack County this morning. We have a board of nine. Your meetings are so nice and calm, I'm sure they are not all like this, but I wish ours were. You know how to run a good meeting. Our last meeting we had over 300 people there, so we have some big issues going on, especially with zoning. Some of the same issues that you have, the Sheriff, VDoT, we're going through the same things. I want you to hear something from me. Floyd County is very important to the State of Virginia and VACo. Sometimes it is good to hear from others. I wanted you to hear it from

me. That's one reason I'm here. Another reason I'm here is that when I became President of VACo, I found out that quite a number of Counties had never seen the VACo President before at one of their meetings. I think my mouth flew open. I found that very appalling. The President of an Association and especially one as fantastic as this, and one that represents this beautiful Commonwealth and Counties like Floyd, and you don't even visit. I want to make sure that no County will be able to say that after this year. That is my goal. I find it very interesting that it had never been done before. I don't understand it. Even though I come from the far East, as some people say, of course I'm also called a flatlander; I found that out since I've been traveling around the State. They said I'd have trouble out this way, I wouldn't know how to walk or drive, or anything, but I'm doing ok so far. When I got to Lee County, they told me that Virginia doesn't start where I live, it starts out there, that's the beginning of Virginia, right there at the point. So I'm learning a lot. I want you to know that I'm getting back far more than I'm giving. I've got back more than I could ever give Floyd County just in my travel here and appearing before you this morning. I want you to know that you have 94 brothers/sisters in 95 Counties, who stand with you, Floyd does not stand alone. The more united we are, the better. There are 550 Supervisors State-wide who stand with you throughout the State, and that is very important. I do want you to know, that as President, my main goal is to develop a close relationship with other Counties in the State and be accessible to other Counties. I want to keep VACo a highly professional organization and I want VACo to keep working to achieve success. I want to keep it very positive; I don't believe in the glass half empty mess. Also, I want you to know that as I go around, and meeting you here today, I want to tell you something straight from my heart. I'm nothing but a country boy from the Eastern Shore. My mama's family were watermen, my daddy's family were farmers. That's all I am, that's where I came from. My grandfathers, who were important in my life, taught me very important things. One of those things was that a man's word is his bond, a handshake is a contract. I give you my word today, straight from my heart, if Floyd County needs me, on a local, State or Federal level, I will be here. You give me seven hours to get here, but I promise you I'll be here. Floyd County will not stand alone. I give you my word on it. Also, this year, we had a big fight with the General Assembly and the Governor's Office. As you know, we did get ahead in a couple of areas. One of my pet peeves as a Supervisor is unfunded mandates. This year there were no unfunded mandates that came out. There were a couple on the table, and we worked very hard to get them repealed. But, one thing you can talk to your Delegate and Senator about is make sure they know how important it is for those not to pass. Also, we're working with the Governor and any future Governor, I'm hoping, in trying to set this up to urge any Governor to veto any unfunded mandate that comes across their desk. You know when they pass something and don't put up the bucks, it hurts your citizens. Also, another thing that I'm working on this year. I'm squeaking the wheel a lot, I may not get any grease, but they're going to hear me squeaking. An organization of Counties, Cities and Towns. This means a lot to me. The thousands of citizens in this County are being discriminated against because the smallest Town in the State of Virginia is less than 200 people. That small Town has more rights than you do, and all your citizens, just because it is a Town. It has more rights and privileges and can do things that you can't do as a Board without going to the General Assembly on your knees and begging permission and it is not right. So what I'm squeaking about up there is don't take anything from Cities and Towns, just equalize it and let us have the same rights and privileges, raise us up to their level. We may not get it, but we're working on it. If we can't get the whole ball of wax, hopefully we can get a little piece at a time. So hopefully, we'll see some movement on that. Please stay abreast of VACo's benefits,

services and offerings. Stay in communication with them. Please sign up for the VACo e-mail, it's simple and easy. Please serve on legislative committees if you're not already, I know you have a couple who are sitting now. I appreciate that. Those who aren't, please consider doing so. If Floyd County is not at the table, how will anyone know what your citizens think? If you're not there, they won't know. One of the most important ones to me is the Rural Caucus. Please participate in that one if you don't participate in anything else. It used to be in VACo that the urban Counties controlled everything and were very strong, year after year. It has changed. The Rural Caucus, rural Counties like Floyd and Accomack, are gaining prominence, power and getting more influence. Just one example, the last three Presidents of VACo have been from rural Counties. The next two after me are from rural Counties, five rural Presidents in a row. We are gaining prominence, and please participate. The rural Counties need to be one voice and one force, not only in VACo, but also in the State. There's no reason why that people from the Shore shouldn't support things for the people in the mountains and valleys, there's no reason at all. We need to work together and not against each other, fighting together.

The Board expressed their great appreciation for Mr. Hart visiting Floyd County and attending the Board's meeting.

Ms. Korene Thompson, Town Manager, next appeared before the Board. She reported:

1. T-21 Enhancement Grant – moving forward, better than ever. 90% of the submission is ready to go in. VDoT has a new person on board to deal with the grant process and he will be here Friday to review the project.
2. Community Development Block Grant update – we are near close-out for the Village Square project. Participants have done their quarterly reports. One June 18 at 2:00 p.m., the CDBG team will be here to review progress and meet with the Town Council and owners.
3. Loan pool funding – reminder that this funding pool is available through the Town and is not just for the project area. Funding is available in \$10,000 increments. If you know of anyone interested, please have them contact us.
4. Town of Floyd Subdivision Ordinance – review of this ordinance is beginning, mostly to bring it into compliance with State Code changes. The Zoning and Sign Ordinances have been reviewed and approved.
5. Crosswalk update – contracts have been executed and work is almost done. We are trying to find electrical details so we don't have to dig up sidewalks to find conduit.
6. Old Hensley – rain is delaying this project greatly.
7. Warren G. Lineberry Park development – May 23 concert was a big success. Working toward final plans. The stormwater drainage component is the big issue that we're working on now. The Partnership and Park Committee are working hand-in-hand on the plans. June 18 will be the first formal work session with the two groups. This is a County-wide park, not a Town park, so please participate.
8. Town of Floyd budget hearing – will be held on June 18 at 6:30 p.m. Things look very good for the Town. The grants received have helped in the budget balancing.
9. Floyd Town Jubilee – there has been a lot of interest in the event from both vendors and visitors and we're looking forward to it.

10. Rezoning request – we have had a request from Autoville for their lot behind Stellar One to change from R-2 to B-2. This should be no problem since all the surrounding lots are businesses.
11. Public restrooms – we continue to have problems with vandalism, especially in the mens room. The Council is checking into security systems and other options.

Mr. Carl Ayers, Social Services Director, next appeared before the Board. He reported:

- Appointment to Social Services Board – I have not been contacted by anyone interested in the position. We will have a re-organizational meeting in July. Supervisor Boothe is the Vice Chairman and will be going off the Board at the end of December. The Chairman has served for eight years and is not eligible for re-appointment.
- APCo rate increase – I am submitting comments from my agency as to the effects of the increase on the citizens that we serve. I have talked with you many times about the problems that people have in paying their bills, especially in the winter months. Summer bills do not seem to cause as many problems. AEP has asked for a 13% increase, with an alternate plan of a 9.6% increase now and the rest in August 2010. This is based on a \$90/month base rate for 1000 kWh. The last increase was 23% and it put a huge burden on our people and we will see more and more termination notices. A public hearing is scheduled at the Wytheville Community College. I would suggest that the Board submit comments as to how the increase will be a hug detriment to our elderly/disabled/improvised population.

On a motion of Supervisor Boothe, seconded by Supervisor Gardner, and unanimously carried, it was resolved to authorize the County Administrator to submit written comments to AEP by June 30, 2009, outlining the Board's opposition to the AEP proposed increases.

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

- CSA Budget – we discussed last month the transfer from Contingency. The State has now paid January, February and March Medicaid expenditures and we did get additional funds from the stimulus funds. The County did not have any bills for that period which significantly helps our financial situation. The transfer will leave us with enough County funds for the rest of the fiscal year. Bills can be paid through September (Federal fiscal year). The DSS budget starts June 1, State budget July 1 and the Federal budget October 1.
- Applications – the month before last, we had leveled off to the previous year's level, this past month we were back up. The unemployment rate for Floyd County has risen to 9.6% from 2.9%.

Agenda Item 8a – Subdivision plats as approved by Agent for May 2009. Mr. Campbell reported that 79 separate lots have been added in the January-May 2009 period, which is an

increase from the previous two years, 57 and 65 respectively. Agricultural lot divisions have dropped off, along with the total acreage down. He and Mr. Bryant continue to meet weekly to process requests.

Agenda Item 8b – Appointment to Building Code Board of Appeals, 4 year term.

On a motion of Supervisor Allen, seconded by Supervisor Gerald, and unanimously carried, it was resolved to appoint Mr. Calvin Conner to the Building Code Board of Appeals for a four year term.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

Agenda Item 8c – Appointment to Floyd – Floyd County Planning Commission, Locust Grove District – defer for interview later in the day.

Agenda Item 8d – Discussion of draft County Carry-Over Policy. Mr. Campbell presented a draft copy of the policy for the Board’s discussion. He commented that there are two main requirements: 1) funds are grant funds; 2) funds are encumbered – either for projects, supplies or contracted work. All requests would be due by June 15 of each year.

On a motion of Supervisor Gardner, seconded by Supervisor Boothe, and unanimously carried, it was resolved to adopt the County Carry-Over Policy as presented; provide copies to all departments for information (Document File Number).

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

Agenda Item 8e – Appointment to Ninth District Development Financing, Inc.

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and carried, it was resolved to appoint Mr. Leon Moore to the Ninth District Development Financing, Inc. Board of Directors for a two year term.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – nay – no reflection on Mr. Moore, feel all positions should be advertised
Supervisor Ingram – aye

Agenda Item 8f – Resolution Authorizing Transfer from Fire/Rescue Fund to General Fund for support of fire/rescue services. Mr. Campbell reported that Robinson, Farmer, Cox &

Associates had completed their report for the FY08 year, which amounted to \$275,591 that needs to be transferred back to the General Fund.

On a motion of Supervisor Boothe, seconded by Supervisor Allen, and unanimously carried, it was resolved to adopt the resolution as presented, entitled “Resolution Authorizing Transfer from Fire/Rescue Fund to General Fund; authorize appropriate transfer of \$275,591.00 (Document File Number _____).

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

Agenda Item 8g – Discussion of ambulance billing policy – acceptance of insurance company payment only. Mr. Campbell reported that only \$15,050 had been collected in this payment category from July 1, 2008 – May 31, 2009.

On a motion of Supervisor Boothe, it was resolved to accept only the amount of public/private insurance company payments for ambulance billing.

Chairman Ingram declined the motion for further discussion.

Chairman Ingram commented that he had been receiving citizen complaints that the billing company is continuing to call citizens for payment past what the insurance companies are reimbursing. Also bills are continuing to be sent to citizens for the same amounts. Staff was directed to contact Diversified Ambulance Billing to remind, again, that this procedure was to be stopped.

On a motion of Supervisor Boothe, seconded by Supervisor Allen, and unanimously carried, it was resolved to accept only public/private insurance company payments for ambulance billing, effective June 9, 2009.

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

Mr. Kenny Bartlett, EMS Operations Manager, appeared before the Board. He reported 50 calls for the month, with 7 cancellations. The response unit had 47 calls, rode in on 8 calls with the volunteers, and assisted with 30 calls with the volunteers. Total calls for both units were 97 for May 2009.

Ms. Myra Grim, EMS Administrative Clerk, next appeared before the Board. She presented her monthly report to the Board. She commented that she and Mr. Campbell had met with Diversified Ambulance Billing concerning percentage of collections, aging, and information on their company reorganization. They are scheduled to meet with them again later this month.

Mr. Don Johnson, Floyd County Rescue Squad, did not attend the meeting.

Mr. Ford Wirt, Emergency Services Coordinator, next appeared before the Board. He reported:

- Regional Jail – addition still on schedule and under budget with an expected January occupancy. Floyd had 38 inmates the previous month and 36 the past month. Bid was put out for the communication equipment, with an estimate of \$800-900,000. The bid came in at \$584,521.00.
- Presented a proposed vehicle replacement schedule for the Fire Department, for the Board's review.
- Upgrade of equipment at the communication center and mobile radios for the Sheriff's Department – bid request was prepared and advertised. Estimated cost was \$88,000; final bid came in at \$85,099. These are grant funds and would request that the Board approve the bid acceptance.
- Have received notice that grants in the amount of \$60,000 were approved by the Rescue Squad Assistance Fund for equipment. These are 80/20 match grants, with the 20% share coming from the Rescue Squad's Operation/Maintenance funds. The grant would provide for 20 pagers, mobile radios and Zoll monitors.

Dr. Terry Arbogast, School Superintendent, next appeared before the Board. He reported:

- Presented a copy of the School Board meeting highlights from June 1, 2009.
- Presented a request for a supplemental appropriation to the FY10 budget; also included was a carry-over request of \$138,221 to the FY10 budget. He commented that the additional appropriation was for Federal stimulus funds received. There are three sources of stimulus money. The first source is called SFSF, State Fiscal Stabilization Fund, that Stabilization Fund money was included in our budget when we presented it for approval. That helped replace the loss of State revenue, approximately \$800,000, which was presented. That comes to us and we will have to track that money on what we would have cut if we had not received that money. We do have to document those positions or whatever we would not have done, to get that money. That money will come to us automatically. They then came out with two other sources of funding. Funding under what they call IDEA, or special education and another source called Title I funding. All stimulus funding. We already get IDEA Special Ed money and Title I money every year, anyway. This is additional money for those two categories of funding. Special Education, IDEA, is also called Title VIB, same pot of money. Title I has been Title I, working with remediation with students in the area of reading. This is additional money we get. They told us six months ago that we were going to get the money and said we could start spending it on February 17. They didn't tell us how we could spend the money and how much we were going to get. It's kind of hard to spend money if you don't know how much you're going to get. There's another real simple problem, I can't spend a penny unless you appropriate it to us. I can't spend over the budget you've already approved. This is two year money, it is over and beyond, with no local match, money that we get to add to what we are doing. The amount of that money is \$229,031

in Title I, there's a little pot of Title II, \$11,325, Title VIB Preschool, \$15,000, and the bigger pot is the IDEA Special Education \$474,000. Two years we get that money. That's it, it's over with. Whatever we do, we cannot expect the obligation past two years because it's not going to be there. Anything we spend it on we have to recognize that this is one-time expenditures. If we use it for any additional staff, those staff know that it is only for that short period of time unless we have another vacancy that they would be eligible for. We'll use the Title I money to hire some additional remedial teachers to help work in the Title I schools with Title I students. That's the only place we can spend it. Three of our schools are Title I schools. That money has to be spent in those three schools. The IDEA money must be spent working with special education students. So we're going to be adding additional staff to work with special education students in the area of reading. Reading is an area of concern that we have. Even at the high school. Special education students are at all five schools so that money can be spent across the board at all schools. We can buy technology, equipment, instructional materials, hire staff, but all that we recognize is two years and that's all we'll have the money available. That's the total pot of money. We'll spend some of that money this year, and I don't know how much, that's why we put the total amount on there. I don't know how much we'll spend this year and the remaining balance will just carry over in next year's budget as stimulus funds again. No local commitment, no local match, no local anything. We have to account for every penny that we spend. We file for reimbursement to get that money back. That's how we do some of our programs that way already, like Title I. We actually spend the money, file the reimbursement form to the Federal government, they then will put that money back into our account. If you don't appropriate it, I can't spend a penny because I can't spend over the amount appropriated for next year. When we did our budget back in February-March, I didn't have a clue how much the funds would be. I didn't want to put something in there that I didn't know what it was. We didn't know. The other money, the \$138,221, was the State construction carry-over funds that we have not spent in this year's budget. We want to carry this over into next year to continue to use for upgrade to our facilities in the schools. Again, that is State money, there is no local match, and it is clear money that we did not spend this year but need it for next year. We saved it for that purpose. We have to do a boiler upgrade; we have got to do things in certain areas for facility improvements. It shows you the revenue source, and all the figures equal, and it shows you where we'll put the funds on the expenditure side. The total would be \$868,737.00 that needs to be appropriated or less we can't spend it.

Mrs. Morris – so this is additional money over and above the \$789,000 that you already show in the budget?

Dr. Arbogast – the \$789,000 is the money I already mentioned to you. There are three pots of stimulus money. That pot of money has already been approved in our initial budget. That replaced the loss of State revenue. This is a second and a third source of stimulus funds we get. I had that amount of money; the State set the amount back in February. But these two pots, the Title VIB, or IDEA, and Title I money, we didn't know how much they were, so I couldn't include them.

Mr. Campbell – the \$138,221 is already in there.

Dr. Arbogast – that is not in there, no, we took that out if you recall. That is not included in there, it is carry-over money. We did originally have it in there, but you asked us to take it out and bring it back in June as State construction money to carry over.

Supervisor Boothe – the stimulus money is the \$730,516?

Dr. Arbogast – yes, that is correct.

Supervisor Boothe – the \$138,221 is the carry-over. That's showing in our budget.

Dr. Arbogast – I don't know what you have. You asked us to take it out and we did. You may not have our budget. We took it out of our budget based on your direction.

Mrs. Morris – we do not have a copy of the School Board's approved budget.

Mr. Campbell – the net effect is the School Board budget will be \$21,924,692.00 which includes the carry-over.

Dr. Arbogast – in my budget I'm not showing the carry-over.

Supervisor Boothe – we should just be showing the stimulus money because we don't approve the carry-overs until the June finalization meeting. We should just show the \$730,516.00.

Dr. Arbogast – if you don't approve the \$138,221, it goes back to the State.

Supervisor Boothe – we consider all carry-overs at the end of June.

Mrs. Morris – have you spent any of the \$730,516 yet?

Dr. Arbogast – no, it has to be appropriated.

Mr. Campbell – have you received it yet?

Dr. Arbogast – no, it has to be spent first, and then the reimbursement forms are filled out to get it back. I cannot begin to spend a nickel until you appropriate it. They haven't even given us the forms to fill out for reimbursement.

Supervisor Boothe – this is just extra money that you will get that you didn't know the amount back in February. It is not in your budget and we have to put it in your budget.

Dr. Arbogast – what we can do the following year is include that in the budget because we'll know the amount.

Mr. Campbell – in looking at the County budget, on the last page, we have the \$21,055,955, which is consistent with their request. They took the \$138,221 out, but we showed it as a potential carry-over, if approved. We already had it in there. Then, the only thing to do is add the \$730,516.00 to account for that. The \$21,055,955 will be increased by \$730,516 for next year. We need to take out the \$138,221 as a separate line item.

Dr. Arbogast – we were told to take it out and we did. If you want me to come back at the end of June and ask for it, I'll be glad to. I didn't know.

Mr. Campbell – we can take it out and approve the budget at \$21,055,955 plus the \$730,516 at \$21,786,471.

Supervisor Boothe – with the understanding that this is Federal money and the budget next year will show at \$21,055,955.00.

Dr. Arbogast – right, we'll start with \$21,055,955. We always do that. The carry-over money is gone, the stimulus money is gone, and we start back at \$21,055,955.00.

Supervisor Gerald – when do you think the stimulus money will be available?

Dr. Arbogast – well, they told us in February it was available, told us the amount available in May, and we still don't have the reimbursement forms, so it is kind of difficult to know. We are just waiting to see how we're supposed to track the money and request the money. We don't have that information yet. Here we are in June, and we don't know. Until I get the money appropriated and get the reimbursement forms, I'm not going to spend any of it. If we don't spend and track it right, they could require us to pay it back and we sure don't want to do that. They tell us that there will be a web site where we have to post how the money was spent.

Supervisor Boothe – do you know the total amount of stimulus funds that you will be receiving?

Dr. Arbogast – I'd have to go back and get the other number that Terri had there in her papers, that's basic aid already approved. You would add the two together. These are Federal monies, even though it is being funneled back through the State and that's where we put the first number. These additional funds we'll show in Federal funds. That makes up the difference in what the State didn't send us.

Mrs. Morris – can you please send us a copy of your approved budget?

Dr. Arbogast – yes, sure. The money that is in the budget already is supposed to come back to us again next year, we just don't know the amount. This is all we get for two years, the \$730,516.00. It will be different next year, but they said it would be similar. I can assure you that we are positioning ourselves knowing that those funds are available only for two years.

Chairman Ingram – considering that this is not going into the budget that you’re working on today, it is in a future budget. It does not have to be done today, it can be done with the approval of the budget.

Dr. Arbogast – this is my request.

Chairman Ingram – what I’m saying is, we don’t have to deal with it right here, right now. We can do it within the entire budget approval process. The \$138,221 will be dealt with when we consider other carry-overs.

Dr. Arbogast – I’ll send you a copy of the budget that the School Board approved showing the carry-over out.

In other information, Dr. Arbogast presented a copy of the Fall/Spring preliminary SOL scores; copy of the summer school programs focusing on reading/math; copy of the summer enrichment camp programs; discussion on the draft cell phone policy.

The Board recessed for lunch.

Mr. Johnny Hurst, VDoT Contract Manager, next appeared before the Board. He reported:

- Patching, mowing, machining, ditching – all worked on in the last three weeks between rains.
- Route 653 – chevrons have been approved for placement in the curve where several accidents have occurred.
- Question concerning setting a County-wide speed limit – Attorney General opinion says that the County does not have the authority to set those limits per Code Section 46.2-1300 – Powers of Localities Authority. Speed limits have to be based upon traffic engineering studies. Supervisor Boothe had questioned this capability because of the safety issues along secondary roads because of lack of mowing.

Supervisor Gardner – nothing to report this month.

Supervisor Boothe – Route 810 – please check for washing; New Haven Road (gravel part) – needs attention from recent rains.

Supervisor Allen – nothing to report this month.

Supervisor Gerald – at the public hearing, I mentioned a bank giving way on Macks Mountain Road and cracking up the pavement; also mentioned a ditch on the same road that needs to be cleaned out because of washing an adjacent neighbor’s driveway and garden.

Supervisor Ingram – nothing to report today – appreciate attention to Route 653.

Mr. Hurst – there is a traffic study being done from a request you all had last month, but I failed to write down the route number.

Supervisor Allen – there is a bad hole at the Sandy Flats/Poor Farm Road intersection.

Mr. Hurst – sounds like a place where a pipe is collapsing and needs replacing.

Supervisor Boothe – maybe we can consider in our legislative requests, some of the maintenance of roads.

Mr. Hurst – we have been approved to do one mowing swipe County-wide on secondary roads. We had first only been approved for mowing of intersections.

Mr. James Cornwell, County Attorney, next appeared before the Board.

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and carried, it was resolved to go into closed session under Section 2.2-3711, Paragraph A.5, discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – nay
Supervisor Boothe – aye
Supervisor Ingram – aye

On a motion of Supervisor Boothe, seconded by Supervisor Gerald, and unanimously carried, it was resolved to come out of closed session.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

On a motion of Supervisor Boothe, seconded by Supervisor Allen, and unanimously carried, it was resolved to adopt the following certification resolution:

**CERTIFICATION RESOLUTION
CLOSED MEETING**

WHEREAS, this Board convened in a closed meeting on this date pursuant to an affirmative recorded vote on the motion to close the meeting to discuss prospective business or industry in accordance with Section 2.2-3711, Paragraph A.5 of the Virginia Freedom of Information Act;

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby certifies that, to the best of each member's knowledge (1) only public business matters lawfully exempted from open

meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the closed meeting to which this certification applies; and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting to which this certification applies.

Before a vote is taken on this resolution, is there any member who believes that there was a departure from the requirements of number (1) or number (2)? If so, identify yourself and state the substance of the matter and why in your judgment it was a departure.

Hearing no statement, I call the question.

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

This Certification Resolution was adopted.

Mr. Cornwell reported that the Economic Development Authority has been working on revising the covenants/restrictions for the Commerce Park. In doing that work, we came across a document executed in 1995 related to that property. That was done between the Board of Supervisors and IDA, in which the Board of Supervisors assisted the IDA in purchase of the property. One of the provisions of the agreement provided that it was to expire automatically on December 31, 1999 and upon expiration, and absent renewal, the Authority was to convey the property back to the Board. We know that has not happened. You also know, since that time, the IDA, now EDA, has conveyed property out of that, with this Board of Supervisors' consent. In order to make the documents consistent and to remove any doubt concerning the IDA's ability to convey the property, I would like to recommend to the Board and EDA, that there be a motion to amend this agreement.

On a motion of Supervisor Gardner, seconded by Supervisor Boothe, and unanimously carried, it was resolved to amend the Agreement between the Board of Supervisors of Floyd County, Virginia and the Economic Development Authority of Floyd County, Virginia, dated May 5, 1995 to remove the automatic termination date of December 31, 1999; ratify and approve all conveyances by the Industrial Development Authority of Floyd County, Virginia, or Economic Development Authority of Floyd County, Virginia for portions of the Floyd County Commerce Center, since that date; leave all other portions of the Agreement in full force and effect; authorize Chairman to execute same (Document File Number _____).

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

On a motion of Supervisor Gardner, seconded by Supervisor Boothe, and unanimously carried, it was resolved to go into closed session under Section 2.2-3711, Paragraph A.1, discussion of prospective candidates for boards or commission.

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

On a motion of Supervisor Boothe, seconded by Supervisor Gerald, and unanimously carried, it was resolved to come out of closed session.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

On a motion of Supervisor Gerald, seconded by Supervisor Allen, and unanimously carried, it was resolved to adopt the following certification resolution:

**CERTIFICATION RESOLUTION
CLOSED SESSION**

WHEREAS, this Board convened in a closed meeting on this date pursuant to an affirmative recorded vote on the motion to close the meeting to discuss personnel in accordance with Section 2.2-3711, Paragraph A.1 of the Virginia Freedom of Information Act;

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby certifies that, to the best of each member's knowledge (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the closed meeting to which this certification applies; (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting to which this certification applies.

Before a vote is taken on this resolution, is there any member who believes that there was a departure from the requirements of number (1) or number (2)? If so, identify yourself and state the substance of the matter and why in your judgment it was a departure.

Hearing no statement, I call the question.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

Agenda Item 8c – Appointment to Floyd – Floyd County Planning Commission, Locust Grove District.

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and carried, it was resolved to appoint Ms. Karla Turman to the Floyd – Floyd County Planning Commission, Locust Grove District, for a four year term.

Supervisor Gardner – aye

Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – nay
Supervisor Ingram – aye

Agenda Item 8h – Setting of meeting date for fiscal year end close-out. Consensus of the Board, after discussion, was to set June 29, 2009 at 7:00 p.m. for the year end close-out meeting.

Agenda Item 8i – Appointment – Floyd County Social Services Board, 4 year term, Indian Valley District. Mr. Campbell reported that there had been no responses to the advertisement for letters of interest. Consensus of the Board was to re-advertise for the third time.

Agenda Item 8g – APCo Agreement – Mr. Campbell presented draft copies of the General Tariff Agreement and Street Light Agreement that has been negotiated by the VML/VACo Steering Committee, which we support. Those of you who've been on the Board for a while have seen these Agreements before at the last renewal of three years ago. These were negotiated by a consultant and the Steering Committee, which was chaired by Mr. Terpenney, Christiansburg Town Manager. The agreements need to be considered and approved, and will take effect July 1, 2009.

On a motion of Supervisor Boothe, seconded by Supervisor Allen, and unanimously carried, it was resolved to approve the General Tariff Agreement and Street Light Agreement with APCo as presented.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

Agenda Item 8k – Mobile radio system for Sheriff's office – bid award. Mr. Campbell commented that the project was properly advertised and the low bid, from Professional Communications, came in at \$85,099.00. This would be for mobile radios and upgrade of two consoles at the communications center. These are all grant funds that were carried over from last year.

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and unanimously carried, it was resolved to accept the bid from Professional Communications in the amount of \$85,099.00 as per their bid of June 1, 2009.

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram – aye

Mr. Campbell presented a proposed resolution for the Board's consideration, also in relation to item 8j – APCO Agreements.

On a motion of Supervisor Boothe, seconded by Supervisor Allen, and unanimously carried, it was resolved to adopt the resolution as presented, for approval of contracts with APCo for provision of electrical services to Floyd County, effective July 1, 2009; authorization of Daniel J. Campbell to execute said agreements (Document File Number _____).

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

Agenda Item 8l – Commercial Paper loan payoff – Mr. Campbell reported that this program, through VML/VACo Financing Program, can only run twelve months, and we're in the eleventh month of the current year's loan. We need to pay off the principle; the interest is paid during the year on a monthly basis. The principle needs to be paid off within twelve months to avoid arbitrage. It helps the County with the cash flow deficiency during several months of the year. Overall, our budget is not deficient, just several months we have a cash flow deficiency. With Board's approval, would like to wire the payoff amount, either today or tomorrow. Also provided a proposed resolution for the same program for the upcoming year.

On a motion of Supervisor Boothe, seconded by Supervisor Gardner, and unanimously carried, it was resolved to authorize appropriate officials to pay off the current commercial loan with VML/VACo Finance Programs.

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

On a motion of Supervisor Gardner, seconded by Supervisor Boothe, and unanimously carried, it was resolved to adopt the resolution as presented, entitled "Resolution of the Board of Supervisors of Floyd County, Virginia, Approving the Issuance and Sale of its Tax Revenue Anticipation Note in the Maximum Principal Amount of \$3,500,000.00 and Approving the Execution and Delivery of Certain Documents Prepared in Connection Therewith" (Document File Number _____).

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram – aye

Agenda Item 8m – U.S. Department of Energy Stimulus Grant Funding. Mr. Campbell presented a proposed project application for installation of solar energy systems at the Library and Administration Building. The application deadline is June 26, 2009. A local contractor has

worked with him and staff on an application/costs/return on investment to possibly cut down on energy usage/costs. The library installation cost estimate was \$106,000, with a percentage of usage savings offset of \$1316 per year. The Administration building installation cost estimate was \$115,150 with a percentage of usage savings offset of \$1705 per year. He also calculated a 30-year equipment life. After considerable discussion, it was the consensus of the Board to not apply for the grant at this time because of the low return on investment.

Agenda Item 8n – VACo key legislative issues. Mr. Campbell requested that the Board think about some of the issues that they would like to include, for further discussion at next month's meeting. Some issues that were asked to be included were: unfunded mandates; equalization of County/City/Town powers; infrastructure (gas tax increase); speed reduction on secondary roads – County-wide authority. The Board also asked that the previous year's lists be included for discussion purposes.

Agenda Item 8p – Setting of tax rates for FY10.

On a motion of Supervisor Boothe, seconded by Supervisor Gerald, and unanimously carried, it was resolved to set FY10 tax rates at: Real Estate - \$0.60 (Fire Fund \$0.05, General Fund \$0.55); Personal Property - \$2.70 (Fire Fund \$0.27, General Fund \$2.43); Machinery/Tools - \$1.55; Public Service Corporations - \$0.60 (Fire Fund \$0.05, General Fund \$0.55); Merchants Capital - \$3.50; Mobile Homes - \$0.60 (Fire Fund \$0.05; General Fund \$0.55).

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Boothe – aye

Supervisor Ingram - aye

Agenda Item 8o – Approval of FY10 County budget. Considerable discussion followed on the Sheriff's request to restore funding of \$21,000 cut in the Reduction in Aid to Localities directive. Various options were considered and analyzed. Consensus of the Board was that Floyd County could no longer afford to make up State cuts and to be fair to all departments cut, that the Sheriff would have to make the cuts also.

On a motion of Supervisor Boothe, seconded by Supervisor Gardner, and carried, it was resolved to approve the FY10 budget as presented, in the amount of \$31,538,458.00.

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – nay

Supervisor Boothe – aye

Supervisor Ingram – aye

On a motion of Supervisor Gerald, seconded by Supervisor Allen, and unanimously carried, it was resolved to adjourn to Monday, June 29, 2009 at 7:00 p.m. for the fiscal year-end close-out meeting.

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye
Supervisor Boothe – aye
Supervisor Ingram - aye