

**BOARD OF SUPERVISORS  
ADJOURNED MEETING  
APRIL 27, 2011**

At an adjourned meeting of the Board of Supervisors of Floyd County, Virginia, held on Wednesday, April 27, 2011 at 7:00 p.m., in the Board Room of the County Administration Building, thereof;

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

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

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

Mr. Ed Woodruff, Little River District – I have lived in Floyd County for 26 years and have loved every second of it. I'll go further to say, I don't have any axes to grind, not angry at anybody. David, I used to buy a lot of goat feed, chow and hay from the store up there. Bill Gardner certainly had good deals on calves and things like that. I'm not questioning anybody's veracity. Some of your gentlemen I don't know at all. I also wanted to say the agency where I work, in Salem, a private agency, our salaries have been frozen for two years and I expect that when we start our next fiscal year on July 1, our salaries will be frozen again. Our medical payments will up again this year. I have to take money out of my own monthly salary to contribute to my own retirement plan with the agency. So I understand how that side of it works. These are tough times and I've got to admit, I've worked in Floyd County in the school system, I enjoyed working with the school system, some of the most absolutely dedicated, fine, giving, professional educators I've ever met. I'm emotionally torn about this issue. I am the Chairman of the Tea Party here in the County but I'm not speaking for the Tea Party, I want to make that clear. I'm solely expressing my own thoughts. Some of the things that I'm going to say the Tea Party would not agree with probably if the truth is known. I'm not speaking for them, if I have something on my mind I don't need somebody else to speak for me, I can express myself and am here at the podium to do that. These are tough times in the whole country and in Floyd County. I have some numbers to toss out, probably you're familiar with them, the crowd may not be. These are from March so they will probably be a little off. Unemployment in Floyd County is about 8.6%. There are about 2097 people on food stamps, if there are 15,000 people in Floyd County, that's about 14%. I don't know how many people in Floyd County are on a fixed income. I was able to round up a figure that Medicaid in Floyd County has gone up over last year, about 22%. There are about 40 tracts for foreclosure cases going on in Floyd County. These are tough times in Floyd County, but it is tougher for some people than it is for others. I'm going to say this and I'm strictly speaking for myself. Yeah, my salary has been frozen for two years and will probably be frozen for a third year. My medical has gone up two times in a row. I do have to contribute to my own retirement. But when I look around at other people I

know in other parts of the State and people I know just a couple of counties over, I'm thankful to be working. I could be one of that 8.6%. On the other hand, I've got to say this. I've heard the Sheriff speak, a lot of it I can't understand because I'm not doing it but I can identify with the issues. They're asking to remain functional. I understand that there was an incident that a squad car broke down on the way to a call to back up other deputies, that's pretty bad. That's bad, it is dangerous. The drug issues you read about in the Floyd Press, there are issues. This is our community. You read the things about the Commonwealth's Attorney. They're asking to remain functional. Now, last week when I was listening to comments, I intentionally didn't say anything I just wanted to come listen, that is kind of my style. The lady from the school system mentioned that this is not ready for a vote. We may or may not need a tax increase in Floyd County, that is debatable. The school system, I don't believe the case has been made for certain issues yet. When you look at the figures I gave you at the beginning and we're looking at 2.4% increase to the retirement system, 8% in the medical, I don't think the case has been made for that increase and I'd prefer that you not pass it tonight and ask them to go back and re-present their case and reconsider again.

Mr. Charles Whiting, Indian Valley District – there is an awful expense to maintaining any big entity, Floyd is not big, there is a lot of ground to cover for the Sheriff's Department or others that serve our community. I'm sure many of you in your lives, whether you're businessmen or farmers or retired, recognize that getting from one place to the next is eating up a lot more gas money. Utilities are going up, most of us in the County are on wells or springs but there is nothing that is not very expensive. I'm on a fixed income ever since, I hate to admit this, I was a government worker. It is tough for me. I don't have a lot of options right now. I thought I'd done pretty well with my savings and my plan to live in a rural area, grow a lot of my own food, and cattle rustle, no. Grow my own food and live within my budget. Just the cost of gasoline and admittedly, I have to go to Christiansburg on occasion, or Blacksburg, cultural center of the NRV. It hurts. I am very, very cognizant and make as few trips as possible. I didn't plan as well as thought and I recently had to part with an automobile that I was very fond of, my mid-life crises. So I don't get anywhere as quickly as I once did. I don't think we can afford a lot more right now. Where you can sensibly might, and I'm pointing toward the school system, it is a huge part of the budget. There has to be some way. It doesn't look like you've surrounded yourself with glamorous appointments or appliances unlike your counterparts in Montgomery. But somewhere money has to be cut before you start taking more. I don't think Sheriff Zeman can afford much more austerity. So please look at maybe some other places. Don't hit us with huge increases right now. Anything seems large. Thank you for your time.

Mr. J. C. Holden, Locust Grove District – I just got a few short things to say about the meeting the other night that I'd like to remind you of, see if you saw it the way I did. That is, that most of the people that were for the tax increase were to gain from it. It looked like they were all teachers and they were going to benefit, or maybe they weren't. The ones that weren't for it wasn't getting anything out of it, we're putting in. I think that while it appeared that it equal with the people that were at the meeting, the ones that were for it were a larger percentage teachers and the others were citizens in the County. The majority of other citizens in the County that weren't there, I think you'd find were against it. There were a couple of things that didn't come out that I didn't understand. Somebody handed me a paper before I got there that there was another \$40,000 added to Arbogast's salary or something, I don't know but I'm sure ya'll

know if that was the case, we should have heard something about that. The other thing was I don't think a lot of the people, I talked to an elderly lady that called me this evening; she said tell them we older people can't handle this. A lot of people don't realize that if you don't pay the personal property tax, you'll lose your right to drive, your right to a driver's license, because you can't use the DMV. You can't go to the DMV and get your tags; you can't renew your drivers license until that is paid. So it is kind of like a debtor's prison, when they locked you up and you couldn't get out until you paid the bill, but you couldn't make any money in there, so you had to get somebody to bail you out and you were an indentured servant. This seems somewhat like what the school system was trying to get us to be. Holding us hostage for teaching our kids. It came out a little bit like if you don't give us this money, the kids are going to leave here stupid, we're not going to teach them anything. But I'm sure that the teachers that taught us when we were in school, as long ago as it was, they cared about the kids. I know that one of my teachers cared so much about me, she'd drive all the way down to my daddy's house to tell my daddy that I wasn't doing good. I hated to see her coming. It like to wore that old peach tree out up there. But she would tell me that she did it because I love you J.C. And daddy said I'll whip you because I love you. Between the two of them, they like to loved me to death a few years ago. But they cared about us. There wasn't a lot of money. They taught us to read without all the other stuff, I guess they still want you to learn your ABC's and arithmetic in the 1<sup>st</sup> and 2<sup>nd</sup> grades. Some of the stuff they go overboard on. Really, it is a hardship on a lot of people if they can't pay their taxes and can't use the DMV, so they lose all their privileges.

Mr. Al Pierce, Indian Valley District – I've looked through the budget and the first line I looked at it said that they had 70.5 teachers budgeted here. You go back into the package and it shows 59 teachers allocated. Divide it straight out without knowing what each teacher makes, that's \$582,000 right there that they have no use for. Then they got a speech teacher, \$40,700, paid by Federal money last year. Federal money has gone dry too so they want us to pick it up. Our money has gone dry too so how can we pick it up? Fuel, they got \$40,000 extra but they show nowhere in the budget where their fuel increase is. It is not in there at all. The loan that I've heard so much about, they've put that on your backs, \$109,715, for us to pay instead of out of their money. You've got a maintenance supervisor, \$49,999; I don't think I know of any maintenance supervisor in a school system that starts out at that salary. I've asked if this was audited before it came to you, nobody can confirm if it was or was not. You cannot take a one number line or a line like this and tell me you know what the hell is in a school budget. Because you don't know what teachers are being paid across the board. They've got all these different salary ranges and you cannot go back and back up that number. No number on there can you back up without the support for it. Until you get this audited or the supporting documentation and go through and verify that it matches this, then you don't have anything to vote on really. Any good auditor would tell you that this is a bunch of crap. Thank you.

Ms. Sandy Beland, Thunderstruck Road – I'm here to just speak in general about some of the information that I received. We're one of your basic middle income families, we're both State employees, we've had no raise in four years with the exception of a one time bonus that we received last year that went toward education expenses for our older daughter. We have one in elementary school and one in college. If you look at the situation, we're just like most everybody else. We're fortunate to have our jobs but the salary has not changed but expenses are going up so it has put everybody in a crunch. What we had to do was cut back on our expenses

everywhere we could, we paid off re-organized debt, we've done everything we can to manage what income we have. And basically what I'm asking this Board to do is the same thing for this County that every family has to do. Because we're the ones giving you the money and you need to be spending that money the same way we have to spend it. We don't have any extra money, I don't know anybody in the County, really, that works that does, or those retired that do. Businesses are not giving increases. As far as increases for the future, absolutely, some of those teachers are wonderful people; I would love for them to have a raise. But I don't get a raise, they shouldn't get a raise. We need to be looking at this from the viewpoint of how much income can you actually have to spend. One of my concerns is the article that came out today about borrowing money to pay the debts for six months. I guess the explanation was that you don't have that first six months' taxes. Well, what you're doing is what a family would do living on a credit card until they can pay it off. I can't believe that we've been put in that position. We should not be borrowing money to pay our debts. You should be living on the money that you have. If that means you cut unnecessary expenses, you cut out raises, if that means you reduce job positions if necessary, hopefully nobody gets laid off but if somebody leaves, you don't fill the position. I work at Radford University; our funding has been cut by 15% in the last four years. Plenty of people have retired and left, their jobs have not been filled, and the rest of us have shared the work. We continue to do so because that's what we have to do. That's what I'm asking you folks to do, to learn to live on the amount of money that you have opposed to trying to get more at the worst possible time. As far as a reserve fund, you don't create a reserve fund by taking a big chunk of money at one time, you do it over multiple years.

Ms. Becky Howell, Burks Fork District – I know that our teachers work hard, they work late at night, they work in the summer planning for the next year. But I also know they have college degrees, but a lot of our land owners also have college degrees. A lot of our land owners are farmers and they work 365 days a year. They work in extreme temperatures and bad weather. The cost of a farmer's land and his equipment, livestock and operating expenses far exceeds the cost of a four year degree. Real estate taxes are a significant part of those expenses that those landowners pay. When you buy land or any kind of property, you have to pay income tax on the money that you use to buy that land or other property. Then you have to pay taxes on it every year after that. That is a huge expenditure for landowners. I tried to find some figures to compare. The other thing I could find was going back to 2008, according to the Virginia Department of Education web site, the average Floyd County teacher salary is \$41,896. According to the Mississippi University web site, a report that was prepared in connection with Virginia Tech as a land grant university, the average for a Floyd County citizen is \$26,849. I would like for you all to consider if it is reasonable to impose an increasing tax burden on the lower income people in order to increase the salary of higher income people during a time when all expenses are going up, electricity, food, fuel, everything that we pay for. I would urge you all to not increase the taxes now. When the times get better, maybe everybody can have more but right now is not a good time.

Mr. Joe Montague, Locust Grove District – In the hearing the other night, I didn't try to keep very careful track of the size of the audience and the number of people which spoke. Roughly, as far as we could tell from several people, there were about 60 out of 200-300 people who stood for a tax increase and said they wanted it. Of the speakers, probably about 10 and most of them were feeding at the trough. As I told you at the last meeting, I used the

psychological simile of parasites and the two kinds of parasites, the beneficial ones and the destructive ones. Public employees are parasites; I'm trying with the help of the Tea Party and your help, to keep the good parasites from being destructive parasites. And that's what to happen down the road. After a while, the destructive parasites kill the host and I'm host. What you get has to come out of what I get. I've gone back through your budget to see just what's going to happen with the tax increase. Looking at the figures with your original arrangement of \$0.47/\$100 on the real estate and \$2.70/\$100 on personal property, you've got about \$8 million with your rate. With the \$0.52/\$100 and \$3.45/\$100 you've got about \$9.8 million, that's \$1.8 million difference. Just looking at the school expenses and revenue, there's about \$750,000 that has been spent and not accounted for. I outlined this for you in the previous meeting. If you want some specific numbers, one of the previous speakers spoke about 20 fewer students. That's worth about \$180,000. 59 teachers instead of 70 teachers, that's worth about \$350,000. Bonuses of \$775 for 330 employees is about \$225,000. That rounds out to about \$800,000, that's quite a bit of money not accounted for. One of the things that I'm going to talk to you about later, but I'd like for you to do it tonight. According to the legislature, you can treat the school board budget in two ways: 1) tell them they can't have what they're asking for, change it; 2) comment on expenditures in seven categories, transportation, instruction and so forth. But you have to choose to do that as I understand it. You have a legal right to do, and as I understand it, twice you've been offered this right and you should choose to vote to do it. Now you represent me, I can't get to the school board directly for answers, you can. Fix it so you can do that job. The alternative is to fix it so the school board is an independent taxing authority, I don't think you want it and I sure as hell don't want it, I've seen it before. The other thing is the \$1.8 million between what you get with the \$0.45 on the \$2.70 and \$0.47 and \$0.52, you've got about \$800,000 that got lost somewhere in the school system as I told you. Just scanning the budget, the County Administrator often approves more money than the department requests. My last comment is in talking about expenses in the school system, I've had lots of complaints about how much they get. \$35,000 for a beginning teacher for 1500 hours, the average wages are \$26,000 for 2000 hours. No professional works 40 hours per week. Anybody that is a professional works more than that. I worked 70 hours a week and slept in the plant when I had a job going, 24 hours a day, 7 days a week.

Mr. Dennis Wagner, Courthouse District – I'm going to ask the same question that was asked the other night. How many of your in this room want a tax increase? In response to meeting with a number of seniors in this community who couldn't be here tonight, they have expressed to me that 1) they can't afford any more tax increases. At this point already, they're going to have to make a decision as to whether or not they buy groceries or medication. That's all I have to say.

Ms. Debbie Snellings, Courthouse District – I am a Floyd County Public School teacher. Don't hit me (to the crowd). I have lived in the County all my life; my family has lived in this County all their lives. I know how hard it is to pay taxes. A tax increase would also mean a tax increase for me. The one thing that I am afraid that a lot of the people in the County don't understand is that things come from Washington, D.C. that mandate schools to do things. Unfortunately those mandates come with no money. Sometimes mandates come from the State Department that we have to do and they come with no money. The County is left to do the mandates things that are asked for. There are school buses that need to transport children; we

talked about increases of gas prices for us, that's an increase for our school budget. There is an increase in our APCO bills, that's an increase in the County school budget. We allow all children to come into our school doors for us to teach. We do not turn away any children. Not one. They can come from Montgomery County, three new children showed up at Check Elementary today. We are required by the State to pass SOL tests. This county didn't ask for that, our school board did not ask for that, our state said we have to pass those tests or we are not accredited. If we are an accredited school, then our children will not be able to go to college because our children are not attending accredited schools. Schools are not like they were 30 years ago. Thirty years ago you did not have to pass a test. You came to kindergarten maybe 30 years ago; Floyd did not have a kindergarten 30 years ago. Now our kindergarten children have to know their alphabet before they come to kindergarten. Our children have a huge responsibility placed on them, pressure that not one of us knew in school. I am so sorry that it has come to that but we need your support. We need your support in providing the money that the State and Federal government has not provided. Mr. Gardner can tell you, 1975, it was mandated that every special education child be able to attend their public school system. It is mandated. How much money comes from the Federal government for us to do this? 2% of it. The County is left to pick up the rest. I am sorry but that is just how it is. Thank you.

Mr. Bob Smith, Vice Chairman for the Floyd County Republican Party – I'm going to be very brief. I believe it is the consensus of the Republican Party in the County that you vote against a tax increase. It is our belief that low taxes will benefit the community over all. With that said, I will wrap up my comments. Thank you.

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

A work session on the proposed FY12 budget and tax rates was next held. Mr. Campbell provided a brief outline of the budget and the reasons for the proposed increases. He also presented a list of proposed cuts for the Board's consideration if the proposed tax rates are not approved.

On a motion of Supervisor Clinger, seconded by Supervisor Allen, and carried, it was resolved to approve the Floyd County School Board budget by categories beginning July 1, 2011.

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

On a motion of Supervisor Gardner, it was resolved to set the FY12 real estate tax rate at \$0.50/\$100 and personal property at \$3.20/\$100.

Motion died due to lack of second.

On a motion of Supervisor Clinger, it was resolved to set the FY12 real estate tax rate at \$0.50/\$100 and personal property at \$2.90/\$100.

Motion withdrawn by Supervisor Clinger.

On a motion of Supervisor Clinger, seconded by Supervisor Gerald, it was resolved to set the FY12 personal property tax rate at \$2.95/\$100.

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

On a motion of Supervisor Gardner, seconded by Supervisor Gerald, it was resolved to set the FY12 real estate tax rate at \$0.50/\$100.

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

On a motion of Supervisor Allen, seconded by Supervisor Gardner, it was resolved to set the FY12 real estate tax rate at \$0.52/\$100.

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

On a motion of Supervisor Clinger, seconded by Supervisor Gerald, it was resolved to set the FY12 real estate tax rate at \$0.49/\$100.

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

On a motion of Supervisor Gerald, seconded by Supervisor Gardner, it was resolved to set the FY12 real estate tax rate at \$0.51/\$100.

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

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and carried, it was resolved to set the FY12 real estate tax rate at \$0.50/\$100 and the personal property tax rate at \$2.95/\$100.

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

It was the consensus of the Board for the County Administrator to notify the school administration to re-submit a proposed budget for the Board's consideration, by category. Also to move the School Board's \$1,250,000 loan from Debt Service as per the Board's March 8, 2008 decision to not fund this loan.

On a motion of Supervisor Gardner, seconded by Supervisor Gerald, and carried, it was resolved to adjourn to May 5, 2011 at 7:00 p.m. for a budget work session.

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

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Daniel J. Campbell, County Administrator

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David W. Ingram, Chairman, Board of Supervisors