

**BOARD OF SUPERVISORS
REGULAR MEETING
JUNE 8, 2010**

At the regular meeting of the Board of Supervisors of Floyd County, Virginia, held on Tuesday, June 8, 2010 at 8:30 a.m. in the Board Room of the County Administration Building, thereof;

PRESENT: David W. Ingram, Chairman (entered the meeting at 11:20 a.m.); 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.

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

The Opening Prayer was led by Vice Chairman Gerald.

Supervisor Gardner led in the Pledge of Allegiance.

The minutes of May 11, 2010 and May 19, 2010 were presented to the Board for review and approval.

Supervisor Gerald noted that on page 3 of the May 11, 2010 minutes, it should be listed as Vice Chairman instead of Chairman, in two instances.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and carried, it was resolved to approve the minutes of May 11, 2010 as amended, and May 19, 2010 as presented.

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

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

On a motion of Supervisor Allen, seconded by Supervisor Clinger, and carried, it was resolved to approve the monthly disbursements and additional disbursements as presented.

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

Sheriff Shannon Zeman next appeared before the Board. He reported: Presented a copy of the monthly report and commented that the ones that come in the Board packs are the ones that are actually generated from the system, which I call real numbers, the real transports, real criminal warrants, civil papers. This report is generated from the telephone but gives you a good idea about the kind of things that people call in and ask for. There is some difference in the numbers. Couple of things to let you know about. We have two new employees; the dispatch position and road position have been filled. We were able to hire a young man right out of the academy, he is already on the job, started last week. We're glad to have those filled. Talking about reports, if you look at the report in your packet, as always, the numbers usually are low in the winter, as it gets warm weather, they generally increase. They are up to 1040 this month and that usually increases all the way through the summer. Couple of other things. Want to thank Dan for working with Fran to finish up one USDA grant and we're starting on another one that might help us with some vehicles. I will tell you that I had four vehicles in the shop yesterday. The gas report this month showed that out of ten patrol cars, six of them have between 115-122,000 miles on them, another year of that and we'll be into some real numbers. I know Dan understands the vehicle problem but I think we'll soon be having some catastrophic stuff happening. Wanted to keep you aware of this. We do all we can to keep them running. Thank Dan for working with Fran on these grants. I also want to thank Terri too. It is about like that picnic table, hiring new employees, working things out in the budget, she's always right there for us and works with us so well.

Supervisor Gardner noted that a vehicle replacement schedule would be helpful for another budget season. We need to replace as we can so everything doesn't wear out at the same time.

Sheriff Zeman – we did that once and the Board agreed to replace them at 125,000 miles but we haven't been able to do that for a while, and I understand why. We average 24,000 miles/year/patrol car; they put a lot more miles on them. The other vehicles average about 10-12,000/year/car. Those cars naturally will not wear out as fast. By the time we get through the next cycle, they will have 150,000. But by the time we get through the next budget cycle, and we're able to purchase new vehicles, how many miles will they have on them then? We can usually get between 160-180,000 miles before we start having major trouble with transmissions and the front end getting loose. Where we are still running two officers on the 2nd and 3rd shifts, that is helping with our mileage and costs. I'd rather have more officers than cars but we're getting to a point that they are wearing out.

Clerk of Court Wendell Peters – I have received approval for a grant from the Library of Virginia to fix up a couple of record books in the amount of \$3935. That gives you an idea too of how much it costs to fix a book but this is cheaper than some I've had. I'm not allowed to accept the grant unless the Board does a resolution in support of the grant.

On a motion of Supervisor Clinger, seconded by Supervisor Allen, and carried, it was resolved to accept the grant from the Library of Virginia in the amount of \$3935, for the Clerk of Circuit Court of Floyd County.

Supervisor Clinger – aye

Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye
Supervisor Ingram – absent

Agenda Item 8a – Subdivision plats as approved by Agent for May 2010. Mr. Campbell commented that there was an error on the last page of the report and he presented a corrected copy. He reported that 22 new lots were created from January – May 2010 with only 7 being standard subdivisions. For 2009 in the same time frame, 79 new lots were created with 49 being standard subdivisions. In 2008, 57 new lots were created with only 9 being standard subdivisions. In 2010, 13 family divisions have been approved, compared to 29 last year in the same time frame. Overall activity is down for the current year.

Agenda Item 8b – Appointment to New River Highlands Resource Conservation & Development Area. Mr. Campbell reported that he had contacted Mr. Jeff Walker per the Board’s request to ascertain his interest in the position. Mr. Walker was very interested in the position and attended one of the meetings to learn more and was willing and enthusiastic about being appointed.

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and carried, it was resolved to appoint Mr. Jeff Walker to the New River Highlands Resource Conservation and Development Area Board of Directors.

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

At 9:00 a.m., the Vice Chairman called for the Public Comment Period.

Mr. Kerry Whitlock, Little River District – did have the privilege of representing that district for eight years in complete fairness in dealing with the public. My comments are going to be more toward the budget than anything else and specifically in one area. That is the re-evaluation that we went through was strongly slanted toward land. At the present time, it appears that land is declining in its price simply because people don’t want land anymore because it is not going up in value as fast as it was. Also, the amounts that they have to buy sometimes is prohibitive to getting financing. What I would like to see the Board do is put the fairness back in the situation; go with a re-evaluation as tax areas are sold like other Counties do. This would get it back in line so we wouldn’t be paying higher on that than it is valued. Also, I would like to see forest and open space put into our land use formula, our ordinance. Simply because we have people that have forest land that cannot qualify under the present plan. We have people going into conservation easements that are already getting that privilege. Going into land use you do pay a fee for the plot and additional plots that you do have. Under the present conservation plan, they do not have to pay that. We’ve got some that have been in the land use program that have gone into conservation easements and that money is never recovered by the county, it is technically wrote off. My contention is that I understand people putting land into

conservation easements and I do think it is a good program. But once it goes into a conservation easement, it is very hard to use that land for the public good other than trying to grow a crop where they can sometimes make a profit, sometimes you don't. The agricultural economy now is carrying quite a bit of the tax burden of the County simply because of reassessment. When you set your levy this time, you cut it back 25% which basically house owners got a tax break. House and lot got a tax break. If you owned land that was equal to the house and lot, you might of got a tax break or broke even. Now, land does not demand services in the County, people do so I would like to see those two things considered, brought up, brought to a public hearing and I just want the two items discussed. I don't want to have a public hearing on the whole land use thing because I think the other two are valuable for keeping the farm economy in the County. Two other items in the budget that I think should not be funded by the budget anymore. One of them is trash, solid waste. I know you are starting to pull green boxes from certain areas. I think we could go to the cram box type situation like Montgomery County uses, especially like over here at Riner. We could move three times the trash for the same amount of money that we do one time with the trucks that we got. I think that could be privatized and I believe you could operate much more efficiently because that would get you into the position where you could do better recycling, get you to 50% or better. Because recycling with the way you are doing it now is a haphazard situation that you're using. Also, I do believe that the Recreation Authority has had the authority over the last twenty years to raise total fees for itself. Now, I understand that we did put money in when they had a debt, that's good, helped them get started. But I do think they can raise fees somewhere along the way because you've already raised fees along the way, you should put in a meals tax, you put in a lodging tax for these bed and breakfasts. I do disagree with not giving \$500 to the thing that went on in Town because those funds would come from that category. Also, I do think that what I've brought before you are good ideas to get the balance back into the equation. People come here questioning the sight distance on their re-evaluations. Well, gentlemen, you have right now set up a situation where the spread between what demands the services and what pays the services is widening. We were somewhere around \$1.35, it is approximately over \$1.50 now. Patrick County down here, did a re-evaluation on theirs last time. 58 cents is what the farming public is paying and houses/lots are demanding \$1.75. That is not sustainable to keep your agricultural and forest land and your viewshed like Floyd County has got. Thank you.

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

Agenda Item 8c – Appointment to Montgomery-Floyd Regional Library Board, 1 appointment, 4 year term. Mr. Campbell commented that one letter of interest was received from the incumbent.

On a motion of Supervisor Allen, seconded by Supervisor Gardner, and carried, it was resolved to reappoint Ms. Ann-Margaret Shortt to the Montgomery-Floyd Regional Library Board for a four year term.

Supervisor Clinger – aye
Supervisor Gardner – aye
Supervisor Allen – aye
Supervisor Gerald – aye

Supervisor Ingram – absent

Agenda Item 8d – Appointment to VASAP Advisory Board, 1 appointment, 1 year term. Mr. Campbell reported that a letter of interest was received from the incumbent.

On a motion of Supervisor Allen, seconded by Supervisor Gardner, and carried, it was resolved to reappoint Mr. Doug Thompson to the VASAP Advisory Board for a one year term.

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

Agenda Item 8e – Appointment to Floyd County Social Services Board, 4 year terms, Little River, Locust Grove and Burks Fork Districts.

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and carried, it was resolved to reappoint Mr. James Richards to the Floyd County Social Services Board for a four year term, representing the Locust Grove District.

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

Consensus of the Board was to re-advertise the other two positions.

Agenda Item 8f – Proclamation in recognition of 20th Anniversary of Americans with Disabilities Act.

On a motion of Supervisor Clinger, seconded by Supervisor Allen, and carried, it was resolved to adopt the proclamation as presented in recognition of the 20th Anniversary of Americans with Disabilities Act (Document File Number _____).

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

Agenda Item 8g – Resolution to pick up employee's contribution to VRS for Plan2 employees. Mr. Campbell commented under the last session of the General Assembly, the State legislature approved various changes as related to VRS. One significant change that was approved was the establishment of what they call Plan 2. After July 1, 2010, employees hired with no previous VRS service, will have to pick the 5% member contribution. This applies to all State employees, all school system employees as well as local government employees. The Board has to give this consideration and you have the option to pick up a part or all, or none of

the 5% and return the response to VRS. With existing employees, the County picks up the entire 5%, which is what the majority of localities do in the State. I think you started this in lieu of a pay raise for a couple of years. With this change, the State will not be picking up the 5% and other local governments may do the same. This does not affect existing employees hired prior to July 1, 2010. The deadline for responding is June 30, 2010.

On a motion of Supervisor Allen, seconded by Supervisor Clinger, and carried, it was resolved that the Floyd County Board of Supervisors VRS Plan 55131 will follow the VRS Plan2 plan with new hires after July 1, 2010 picking up the 5% member contribution.

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

There was no report from the Town Manager.

Mr. Carl Ayers, Social Services Director, was in Richmond for a meeting and had no report this month.

Agenda Items 8h and 8i – Mr. Campbell requested that the Board schedule public hearings for grant applications to USDA for school bus purchase and to Rural Development for equipment for the Sheriff's office.

On a motion of Supervisor Allen, seconded by Supervisor Clinger, and carried, it was resolved to authorize the County Administrator to advertise for public hearings on July 13, 2010 at 3:00 p.m. for a grant application to USDA for school bus purchases and at 3:15 p.m. for a grant application to Rural Development for equipment for the Sheriff's Office.

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

Agenda Item 8j – FY11 budget approval. Mr. Campbell commented that the Board had held their required public hearing on the budget and tax rates. The tax rates and budget could now be approved or more discussion could be held, as long as everything is approved before June 30. Consensus of the Board was to hold discussion until the entire board was present.

Dr. Harvey Barker, Director of the New River Valley Community Services Board, next appeared before the Board. Reverend Richard Gregory, one of the Floyd County's representatives on the Board, also was present.

Dr. Barker – I wanted to take a few minutes to give you an idea of who we are and what we do in Floyd County. We've been around since 1969. We are the public agency that provides mental health services, substance abuse services, and services for individuals with mental

retardation, which is now called intellectual disabilities. Names have changed a lot over the years. We are in the Code of Virginia. Actually, the Code says to provide emergency mental health services and mental health case management services. Those are the two required services in the Code of Virginia. There are 40 community service boards in the State of Virginia and they range from ones that serve a small single jurisdiction like Dickenson County, which has 5-6000 people. To Fairfax County, which serves 2 million people. Some of the boards are single jurisdictions actually working for the city like the City of Virginia Beach or Fairfax County employees. Most of the community service boards around the State are multi-jurisdictional like us; we serve the entire New River Valley. We're probably right in the middle in regards to size, budget size and population size. In Floyd County, I want to give you some idea of the things that are happening with our service. We actually moved, about a year ago, into some renovated space at Cross Creek. That has been wonderful, great new space. As you can imagine with the economy the way it is, family stress, mental health issues are on the rise. Every single program that we have right now, the requests for services have increased, every single program. In spite of two years of budget cuts from the State, we've actually attempted to bring in and serve more individuals. In your handouts, I have an organizational chart to give you an idea of how we're organized. There are also specific numbers served for the 3rd quarter of the year, for Floyd County and information about our funding. In speaking about Floyd County, I want to share what we've done specifically this year. In our emergency services program and crises program, this is basically responding to mental health or substance abuse emergencies in your community. We are either called in by local law enforcement, family members, nursing home, or other agencies; we served 177 individuals through March in Floyd County, which includes both children and adults. We are divided up into child/family service programs and adults, long term rehab programs and adult acute services, meaning short term services. With the child and family programs in Floyd County, we actually have two clinicians working in our clinic and also in the community. They've already served 168 different individuals, children and their families, this year so far. These clinicians are also doing work with Headstart and are in the high school on a weekly basis. We also have two full-time case managers. What the case managers do is to work with children and families who are at serious risk of either going to a psychiatric hospital or a long-term residential placement. We're working with increasingly difficult families and situations with children who have serious mental health issues and substance abuse problems. One of the things that we're definitely seeing is that substance abuse is pretty well involved with most everything that we do. I would say that about 60-70% of the children and adults served actually have some type of substance abuse involved. One interesting thing that happened this past summer, you have a trend developing with your kids called "sexting". Kids are using their mobile phones to take nude pictures of themselves and passing them around. The problem, while there are lots of problems with this, is that it can be child pornography. These kids are really at risk of some serious legal charges. Back in the summer, there were 8-10 kids picked up doing that. The juvenile court services unit, instead of putting them into detention or probation, would actually divert them to us. We didn't know quite what to do. We did a lot of research and found some sources and programs to work with the kids to help them develop some healthy boundaries and relationships, to look at the consequences of their behavior, and keep them out of the detention center. This is not the kind of program that you think we would be involved with, but again, it is working as a community with the court services unit, to keep the kids in the community and hopefully prevent further problems. On the adult side, we have an adult psychiatrist that comes over twice a month and a nurse that comes

weekly. We have a part-time adult clinician that comes here. That group has already served 275 different individuals this year. We have two full-time case managers who are working with individuals with long-term mental illness, trying to keep them in the community and out of the hospitals. We served 106 individuals through March. We got a grant about two years ago to provide services for individuals who were trying to keep out of the criminal justice system. These folks had committed petty crimes and some serious crimes, mainly because of their mental illness or their substance abuse was out of control. Instead of them getting locked in the criminal justice system, this grant was trying to identify these people right after they were arrested, or actually before they were arrested through a program called Crises Intervention Team, where they work with local law enforcement to train them to identify people with a mental illness and keep them from getting arrested and going to jail. This new program that we're doing, in the second stage, after they are arrested, we screen them and identify them and get them into services, with the Judge's approval, prior to getting sentenced. If they follow the program, hopefully it keeps them out of the system. What's happened in Floyd, we've actually had a number of people involved in the program, and now we have a service here two times a week, to serve these individuals. We also have a community crises team and what this is, for example, if an individual with significant mental illness or mental retardation is beginning to decompensate and get out of hand and potentially need to go to the hospital, we send a team out here to come into the home, to try to stabilize the individual, provide medication and support services. We're actually doing this quite often in Skyline Manor, where we have an elderly person who is not doing well, they will call us. Instead of shipping them off to a geriatric psychiatric hospital, we go into the nursing home and provide services there to keep them stable. For individuals with mental retardation, we have both child and adult services. We do a lot of service at Wall Residences. They have a very good service in Floyd County with a lot of homes in the County. This involves taking people out of institutions and trying to keep them in the community. We provide case management for these individuals. We also have our own residences in the County. We have a number of Floyd County citizens who come in for centralized services. We wish we could offer more services. We have a 30 day residential substance abuse program in Fairlawn. People come in during the day for the services. We opened up our office space at the Cross Creek building for the Alcoholic Anonymous groups who had lost their space. We are also providing free space for the Narcotics Anonymous group. We think both of these groups are important for the community so we offered them free space. We have staff involved in your SOS (Suicide Intervention Team) Group. We have staff come in and provide training and consultation to that group. Every single service that we have in Floyd County, as is everywhere else, has a waiting list for every program. One of the things that I wanted to show you, if you look at the chart on the last page of the packet, I wanted to talk a little about our funding and how it affects our services. I'm not coming to you to ask for more money, I just want to let you know what is going on. When Bill was on the board a number of years ago, fees were less than 10% of our budget. Our budget was pretty small then, less than \$1 million. We have a large budget now, over \$30 million. Fees are about 70% of our budget now. What has happened over the years is that we've lost State and Federal funding, at least percentages of the funding. We've had to become more and more of a business; we are a health care business. When 20% of our funding comes from the State, 2% from the combined local governments, 5% from Federal funds, you are looking at about 70% from fees. In order to continue to provide services, we had to completely switch our model, we used to be a grant based system where we got money from State and local governments, now we have to provide services, bill for the services, get the

money in to pay the light bills and salaries. Just like HCA or Carilion or any other health care organization, we are a health care business. We have to compete with other behavioral health care providers in our community. The biggest piece of our fee is Medicaid. Out of this 70% of fee revenue, almost 90% of that is Medicaid. We're probably more influenced by what happens to Medicaid than what happens to actual State dollars from the Department of Behavioral Health. What that means is, a big part of our focus is providing services to individuals who have Medicaid. Medicaid dictates the qualifications for our services, qualifications for individuals providing that service, and our qualifications are the same as the providers for HCA or Carilion. It dictates how services are pre-authorized. We are dependent upon that money coming in from Medicaid to pay those bills. For us to continue to provide services in the New River Valley, as we've lost some local money and State money, we keep becoming more and more dependent upon Medicaid. As you're aware, if you watch what's happening in Richmond and on the Federal level, what is happening to Medicaid is a little scary. Our current administration in Richmond is looking for ways to cut Medicaid as much as possible, not expand it. So as Medicaid services get cut and the fees for those services are cut, it really affects our budget significantly. We do deal with Blue Cross and other insurance companies and private pay. The problem with what is happening with our budget and our dependence on Medicaid has really had a huge impact on who we can serve as we have to bring in more and more Medicaid dollars. The Medicaid dollars is actually the money that is helping to pay for the individuals who don't have any type of third party pay source. In other words, the only money that is actually flexible is the local money that we get and a small amount of State money that subsidizes individuals who don't have a third party payer. You have a lot of folks that don't have third party coverage. The way that we've been able to provide them services is with a little bit of local money, a little bit of State money and the extra money we bring in from Medicaid. The problem with the State money is that most of that money is targeted and dedicated to certain programs like we have a crisis intervention stabilization program. The State money is targeted for those services. Every year that we get more and more dependent on Medicaid, it breaks my heart, but we are less able to provide care for some of the people with the greatest need. So the individuals without any type of payer source are paying \$3-4 fees for services that cost \$60-100 to actually provide. Every year we're able to do a little less of that. That's not what our mission was thirty years ago; we basically served everybody that we could. We got the grants from the State to do that. Now, less and less of the people who are the most needy have the fewest resources, are not even able to be brought into the program or we have to limit, for example, the number of people. That's what's happening. Nationally, the system is based on Medicaid funding.

Mr. Campbell questioned if there are other options in the New River Valley that can fill the gap.

Dr. Barker – not really, there are a few out-patient programs. The Mental Health Association has a counseling program that serves those with no insurance. The problem is that it is just an out-patient program; they don't serve those with very serious mental illnesses. They have about a 40 person waiting list. The New River Valley doesn't have all the programs like larger cities might have like Medical United or other agencies that work on a sliding scale, or other types of family services that urban areas have. So, there's not much of a safety net out there and that is what is happening. It's scary when you look at it on the one hand, the Obama administration health care reform, whether you like it or not, is supposed to expand the eligibility

for Medicaid so many of the people that right now don't have any kind of insurance are going to be eligible for Medicaid coverage by 2014. Virginia is ranked 48th or 49th in the country for Medicaid eligibility. That's another problem. It is a positive thing on the Federal end but on the State end, our current State government is looking for ways to cut Medicaid. And another problem is that when Medicaid cuts their reimbursement rates, there are fewer and fewer providers who will accept Medicaid. We are one of the few providers in the New River Valley that actually take Medicaid. There are a lot of forces out there that are making it difficult to provide services. I do want to tell you what we have been able to do though, in the last two years, we have been cut over \$600,000 in State funds. In the last two years, while other places have been cutting, we've actually expanded services by hiring 50 new staff, without any new State or local dollars. What we did is expand our programs that are heavily dependent upon Medicaid funding, which are greatly needed services. Every time we expand our programs that rely on Medicaid it also brings in a little extra money to serve people who don't have insurance. We just don't know how much longer we can keep doing that. At the same time, we brought in around 9% more clients than we did the year before, this year 4%, and we're trying to balance our budget with increased costs for health insurance and electricity, we haven't had salary increases in two years. We try to balance everything but still provide services to the community. We just got notified this past week that we're projected to lose another \$260,000 in Medicaid revenue because the last General Assembly made some cuts in a couple of the Medicaid services that we were doing a lot of. So now we'll have to figure out how to come up with that lost revenue. We're going to figure out how to do it but it will be on the backs of our staffs. We all have specific productivity standards to meet because if we don't provide a good quality service to people, they won't come in, and we also have to provide enough services to cover our bills. We're a public agency but we're also a health care business. We did ask our local governments for a 2% decrease this year.

Mr. Dean Gall, Department of Conservation and Recreation, next appeared before the Board. He commented: I am also on the New River Land Trust Board, so I'm wearing a couple of different hats today. We are proposing to have a meeting later this summer. What we would like to do at this meeting is invite you as a board to support this meeting along with the Department of Conservation & Recreation and the New River Land Trust. As a preface to this, at various meetings, a number of us have noticed that there are a lot of different government agencies and non-government agencies that have plans to do activities in their localities. As time goes on, there seems to be more and more of these groups. All of them have a strategic plan or some type of plan for each locality and Floyd County is certainly no different. We were proposing to have a meeting so that everybody is somewhat aware, particularly on the natural resource and land use side, to see how they influence each other and how they can be supportive of each other, and what their goals are. There are probably 20 different organizations that are having some influence on the outcome/future of the County. It was made aware to us at one of the meetings we had, a non-government group that was working with us had no idea of what we were involved with, what our department does, and our goals in various localities. So we would like to propose that this summer, that the Board of Supervisors co-host a meeting with our department and the land trust to get these groups together.

Mr. John Eustice, Executive Director of the New River Valley Land Trust – beyond what Dean has already said, we also realize that you are in the middle of revising your Comprehensive

Plan. I've been to a number of meetings and one of the issues is the land use in Floyd County. There is a struggle sometimes to get certain members of the community out to talk about land use issues, the rural character of Floyd, what is the future of Floyd going to look like? All the groups that Dean mentioned are working on land related issues but it is also critical for those entities and the County revising its Comp Plan to get their traditional ag community involved to get feedback as to what they see as things that are changing, things that are occurring, what they see as strategies to help maintain that rural character, maintain certain ways of life, etc. Our intent in having this meeting is to target those folks through the Dairymen's Association, the Farm Bureau, the Young Farmers group, the Planning Commission, Ms. Martin, your staff person here, Cooperative Extension – Jon Vest, to bring all those people in to have a meeting. I'm with the land trust but I want to emphasize that this is me; it is not intended to talk about conservation easements, that is not the focus. The focus would be to talk about land use and the future of Floyd County, and try to find some common ground. What do people see, what do they want the future to look like, what do they see changing, what are their concerns about what is changing, what things need to stay the same. Whether it is the Department of Conservation, the Department of Forestry, USDA, New River Land Trust, or other entities, they need to hear from the landowners of Floyd County, the traditional ag community. I'm sure that the County in revising its Comp Plan would like to get as much feedback from that community as possible. We would love to have representation from the Board at the meeting, and from the Planning Commission. We would like to have the County co-sponsor with us. We think it would give us better support to get all these important people to the table, particularly the traditional ag community. We know that you have groups such as Sustain Floyd and the Partnership for Floyd, and they would be invited, but they are very active and vocal groups, and we don't want that to be the focus of this meeting, we want the focus to be the traditional ag community with representatives from a variety of groups. I have a draft proposal written up for the Board's information. DCR has limited funding to provide a lunch for the small group. We were hoping for a date in mid-July with a 2/3rds of a day meeting. We would hope that this meeting would be complimentary to the meetings that the Planning Commission will have in each community of the County. We would also be glad to come back and update the Board as to our findings from the meeting.

Consensus of the Board was to co-sponsor the meeting as presented.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and carried, it was resolved to amend the agenda to add Ms. Paula Alston at 11:00 a.m. to discuss new hours of service for the library.

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

Ms. Paula Alston, Director of the Montgomery-Floyd Regional Library, and Ms. Ann-Margaret Shortt, Board Member, next appeared before the Board.

Ms. Alston – thank you for your time again today. We just wanted to let you know how we've handled the decrease to our budget. What you have in hand is the new schedule. It was with much distress that the Library Board voted on this new schedule at our last meeting in May. The new hours for the Jessie Peterman Library effective July 1. We have eliminated one position and six hours from the schedule. We did look at the statistics carefully, we were keeping daily door counts and we closed the hours that we felt would have the least impact on our patrons and would still allow us to provide them with good service, which is our first priority. This cut took us back to a budget below what we received in 2004. That year, the budget was \$203,000 but a lot has happened in those six years. We've doubled the size of the building and this is an incredible statistic to me, circulation has increased 65% in those six years, from 104,000 items to well over 170,000, which is what we believe will check out this year. So that's an incredible amount of material that goes in and out of that little library. Before I came, they were not keeping accurate count of people who come through the door; we've added door counters now so we're able to do that. This year we expect to have over 85,000 visitors to that library which averages six visits per year for every person that lives in this County. Other than the school building, I can't think of any other County building or service that sees that kind of traffic. We have tripled the number of computers that we offer the public and we substantially increased our speed by adding fiber this year. The collection in the building is a bit over 50,000 items. It was stagnated for many years because of the space in the old building, we just didn't have room, we were shelving as high as we could go. Now we do have the space and we've increased that about 5000 over where we were in 2004. We won't be able to buy as many books next year because of the cut, but the Floyd Endowment has stepped in and are going to give us \$7500 at least this next year, to add to the book budget, to get us through this bad time. That way the number of new items in the building should not be that noticeable to the patrons. We do have a beautiful building, twice the size, and we do thank you for that. If I could make just one point with you today, I would like to stress that we do view ourselves as an integral part of this County and that the services that we provide, we provide to your taxpayers. So this is your library and it does belong to Floyd County. I did want to tell you a little bit about our budget process and see if you have any questions. A majority of our budget does come from you, 78% of it. Floyd's portion of our State Aid is about 13% and the income that we generate from Fines & Copies comes to about 8%. Less than 1% comes from a donation from the Town of Floyd. When the two Counties share an expense, we split that expense 85/15. This formula has been used for the last eight years and is based on circulation. At that time, when we came up with the formula, Floyd's circulation was 15% of our total for the system. It is a bit more than that now, it fluctuates between 19-20%, but we haven't adjusted that formula to date just because it's easy for everybody to remember. We have not been able to give our employees a raise this last fiscal year and we won't again in FY11. At one point, we were asked by the former County Administrator to keep our salaries in line with other Floyd County employees and we've been able to do that, but at some point we would like to give them a wage that can compete with the other counties around Floyd. We fully acknowledge that we are in tough economic times in this County and every other County in the State. We've been hit pretty hard but we can only do as much as we can do with what we're given. The Library Board strongly supports not degrading our level or quality of service to our patrons and felt that this library could simply not absorb a 10% cut and maintain the same schedule that we have. We're looking forward to working with you in the future and we're just looking forward to the future and hope that the next fiscal year will be a little bit better and this is just a momentary bump in our travels.

Supervisor Gardner – you lost the employee through attrition?

Ms. Alston – yes, she resigned before the cuts were announced and we're simply not filling that position and we were saved from having to lay anyone off. It was an easy way out for us.

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

- Graduation was held on Sunday and it was very successful;
- Presented a copy of the summer enrichment activities program;
- Check water system – building has been completed, tank is in, power is being installed. Should have water tests done soon and have both wells on-line before school starts. We used carry-over funds to pay for the project. We will have a 3000 gallon tank to replace the 1000 gallon tank that we now have.
- We are going to replace at Willis and Indian Valley, the well calcite filtering system. We don't need a recurrence of what happened at Check Elementary School.
- School will start again the 2nd Thursday in August.

Chairman Ingram entered the meeting at 11:20 a.m.

The Board recessed for lunch.

The Vice Chairman turned the chair over to the Chairman.

Mr. Tony Weddle, President of the Floyd County Volunteer Fire Department, next appeared before the Board. He commented: Presented letter request to the Board for use of the \$70,000 left over from the tanker purchase for Station #2, to extend the size of the building to house the new tanker.

Supervisor Clinger questioned if this was to house the new pumper truck and is the old one being taken out of the fleet?

Mr. Weddle – we have room to house the new truck but it will crowd us.

Supervisor Clinger – I thought the old one was not serviceable anymore which is why we were replacing it.

Mr. Weddle – no, the old truck is still serviceable and will be kept. The 1969 PTO pumper was scheduled to be replaced in 1991 but we kept it for the simple fact that it works so well with our brush units. It is what is called a pump and roll pumper. The truck is in excellent condition, it costs the County very little in insurance and maintenance, but it pays for itself every time we have a brush fire because it is 750 gallons of water and it automatically runs with our brush units. I have talked with Mr. Campbell about this truck and he is well aware of it. You

could take it to the Bus Garage and maybe get \$15 for it at the surplus sale, but it is worth a lot of money to us, it is not a detriment, it is an asset.

Supervisor Clinger – I'm all for keeping it if it is useful. I was under the impression that it was not serviceable.

Mr. Weddle – I would be the first to say to get rid of it if it wasn't doing its job. It is an excellent truck in rough terrain. I'll give you an example. Earlier in the year we had a mountain fire down in Willis, the only trucks that could get there were our brush units. I called for this truck and we were just on the verge of losing that fire and going over the mountain when that truck got there with 750 gallons of water and refurbed the brush trucks and we stopped the fire. It more than paid for itself then. That's the reason we're trying to hold onto it. We're not trying to keep everything that we have; we just want to use all we can. We certainly appreciate all your support. The new tanker will be used County-wide even though it will be stationed at Station #2. Most of the structure fires that we have now bring the thoughts as to where we will get enough water to fight them. This truck has a 2000 gallon capacity. All stations will use the tanker and it will respond to all fires. It would be good to have another one at the other end of the County but that is a consideration for later years. If we can't stop a fire with 2000 gallons of water, we just go into a defensive mode.

The Board deferred the matter for discussion later in the day.

Agenda Item 8j – FY11 budget and tax rate approval.

On a motion of Supervisor Gardner, seconded by Supervisor Clinger, and unanimously carried, it was resolved to approve the FY11 tax rates as advertised.

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

In discussion of the proposed budget, Mr. Campbell reminded the Board that the total budget was advertised at \$29,023,286. The only remaining item requested was additional part-time funds for the Registrar in the amount of \$4000 or other items that the Board may have concern about.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and unanimously carried, it was resolved to approve the FY11 budget in the amount of \$29,023,286.00 as advertised.

Supervisor Clinger – aye
Supervisor Gardner – aye with noted disclaimer
Supervisor Allen – abstain with noted disclaimer
Supervisor Gerald – aye
Supervisor Ingram – aye

Agenda Item 8k – Petition to abandon State Secondary Route 688 which is now discontinued. Mr. Campbell commented that a required packet of information has been received from five landowners along the discontinued section of right-of-way. This old road goes along Little River just after passing the bridge. The information has been reviewed and it meets all conditions of the County policy. Five of the six landowners are in favor of the abandonment with the 6th landowner having access to his property from State Secondary Route 615 and will not be landlocked. The decision before the Board today is whether to accept the petition and proceed with the public hearing.

On a motion of Supervisor Allen, seconded by Supervisor Gardner, and carried, it was resolved to authorize proceeding according to policy, with a public hearing on August 10, 2010 at 3:00 p.m. for abandonment of a section of State Secondary Route 688, which is now discontinued.

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

Agenda Item 8l – VML/VACo Finance Program Loan Resolution. Mr. Campbell presented a copy of the proposed resolution for the Board’s consideration. He noted that this is a tax revenue anticipation note in the amount of \$3 million, which is lower than previous years’ \$3.5 million amount. The County Attorney has reviewed all documents and made a few changes. The current year’s note has been repaid and the new note will close on July 8 with the first transfer of \$1 million to be made at that time. The remaining installments will be made in \$500,000 increments as needed.

On a motion of Supervisor Allen, seconded by Supervisor Gardner, and carried, it was resolved to adopt the resolution as presented for participation in the VML/VACo Finance Loan Program (Document File Number _____).

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

Agenda Item 8m – Schedule fiscal year end close out meeting. After discussion, it was the consensus of the Board to meet June 30, 2010 at 7:00 p.m.

At 3:00 p.m., the Chairman called for the Public Hearing on Extension of a Non-Exclusive Franchise Agreement with Citizens Cablevision, Inc. to construct, maintain and operate a cable video programming system along public roads and ways within the County of Floyd. Said term of the Franchise Agreement shall be fifteen (15) years.

The County Administrator read the call for the Public Hearing.

Mr. James E. Cornwell, County Attorney, provided the following synopsis of the ordinance: Mr. Chairman, as you and the Board Members are probably aware, Citizens Cable Television presently has a franchise agreement to operate a cable tv system in Floyd County. Their franchise is either up or shortly to be up. They have asked for consideration for basically a renewal extension. Under the Cable Communications Act and the statutes of Virginia, the County has basically two options. One, it can adopt an ordinance in which it sets out the terms and conditions of the franchise and then applicants would have to comply with it. Or, it can have an agreement as applicants come forward who are interested in operating a cable television system in Floyd County. Due to the fact that Citizens already had a franchise agreement, we felt an agreement was the best way to go. You have before you a fifty-one page agreement for cable tv franchise proposed by Citizens Cable Television. It has been reviewed by Citizens and by us. We feel it meet the requirements of the Code of Virginia and the Cable Communications Act. It has certain issues and concerns that were addressed and worked out including some upgrade policies where they will upgrade the system over time and also a provision for Citizens to contribute some money to either the County or School Board in case either wish to put some material on their system such as televising Board meetings or other types of programs. We think it is a good agreement. It is a non-exclusive franchise in case another provider wishes to come in; we would make the same agreement available to them. It only covers cable television services; it is not applicable as to internet or other types of services, only cable television. So far the law has not caught up with the technology. I believe Citizens is here to support the approval of the franchise. As Mr. Campbell indicated it is a fifteen year franchise.

The Chairman called for comments from the audience.

Mr. Greg Sapp, General Manager of Citizens Cable Television – we are a wholly owned subsidiary of Citizens Telephone Cooperative. I do thank you for your consideration today on this cable television franchise. As Mr. Cornwell indicated we have gone back and forth and looked at this, a 51 page document is rather lengthy and somewhat complicated but we appreciate his efforts and Administrator Campbell have undertook on this matter. A few comments for you. Since we took over the franchise in November 2003, at that time we were 680 homes passed, approximately 350 analog subscribers, and was only served two days per week and no local office. At the end of May, we have over 4000 homes passed, 1400 digital subscribers and 200 analog, all backed by 24/7/365 call center support, Monday-Friday technician support and on-call technician support on the weekends and after business hours. We have two office locations in Floyd County to serve our customers. Since taking over the Floyd County cable tv franchise, Citizens added two digital tiers and began with 58 standard definition video channels and signature package of 123 channels in the press package. We broke from the norm for cable tv companies and created two digital packages so our customers had choices. As of June 1 of this year, there were 99 video channels in the signature package with 25 being high-definition channels. There are 203 channels in the Crest package with 32 being high definition. We were one of the first companies in Virginia to offer IP encoded cable tv services. We have a local weather feed on the weather channel as an enhancement and also an enhanced community bulletin board channel. Furthermore, we broadcast various types of recorded local events such as football games, basketball games, parades, etc. Also, we created in conjunction with our parent company, a special value Triple Play package for fire and rescue squad locations in the County, saving them thousands of dollars each year. Since 2003, there has been one price increase and

that was a small increase in 2006 in our analog package. Again, the digital package was started in 2006 and there has not been a price increase since that time. We're very proud of that fact even though every year our programmers pass along price increases to us, now we're paying for local channels that were free for years, but we believe that many of our competitors such as satellite are pricing themselves out of the middle mainstream market. We want our customers to have choices to pick from to meet their budgetary needs. Our future plans would be to continue adding quality programming for our customers, continue to expand and extend our facilities so that video services are available to more customers. That would involve a combination of additional fiber facilities and shortened distances between customers and equipment facilities. We are proud to be a local company serving citizens that we shop with, go to church with, go to school with, etc. and we look forward to providing quality services and support using advanced technology. Thank you for your time and consideration.

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

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and unanimously carried, it was resolved to approve the Non-Exclusive Agreement Extension with Citizens Cablevision, Inc., as publicized, effective June 8, 2010 (Document File Number _____).

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

On a motion of Supervisor Gerald, seconded by Supervisor Allen, and carried, it was resolved to go into closed session under Section 2.2-3711, Paragraph A.1, discussion, consideration, or interviews of prospective candidates for employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of any public body.

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

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

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

On a motion of Supervisor Gardner, 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 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; 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 Clinger – aye

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Ingram – aye

This Certification Resolution was adopted.

Mr. Cornwell commented – a little bit of bad news/good news. We have a tax sale scheduled for June 19. The good/bad news is that we have a tax sale scheduled. The good news is that we only ended up with six properties, the others managed to pay them off. That's good. We're collecting taxes at a pretty good clip. We had 2-3 pieces of property that we had to move, because we anticipate another sale in October. Tax collections seem to be going well. Since there are so few to be sold, that means tax collections are good.

Supervisor Allen – were you holding money from the sales in the past?

Mr. Cornwell – yes, we hold money from past sales. We did pay around \$21,000 to the Treasurer this week. But yes, we do hold money from prior sales to pay costs for future sales so we don't have to come to you for expenses. I can't tell you how much we're holding at this point. I don't charge the County a fee for that, it is charged back to the taxpayer. The Code allows a 20% fee to be charged back to the taxpayer.

Consensus of the Board was to discuss the request for use of funds by the Floyd County Volunteer Fire Department at the Board's June 30 meeting to allow time to consider the matter.

On a motion of Supervisor Allen, seconded by Supervisor Clinger, and unanimously carried, it was resolved to adjourn to Wednesday, June 30, 2010 at 7:00 p.m.

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