

**BOARD OF SUPERVISORS
REGULAR MEETING
DECEMBER 12, 2017**

At a regular meeting of the Board of Supervisors of Floyd County, Virginia, held on Tuesday, December 12, 2017 at 8:30 a.m. in the Board Room of the County Administration Building thereof;

PRESENT: Case C. Clinger, Chairman; Joe D. Turman, Vice Chairman; J. Fred Gerald, Linda DeVito Kuchenbuch, Lauren D. Yoder, Board Members; Terri W. Morris, County Administrator; Cynthia Ryan, Assistant County Administrator.

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

Agenda Item 2. – Opening Prayer.

The Opening Prayer was led by Supervisor Gerald.

Agenda Item 3. – Pledge of Allegiance.

Vice Chairman Joe Turman led in the Pledge of Allegiance.

Agenda Item 4. – Approval of minutes of November 21, 2017.

On a motion of Supervisor Kuchenbuch, seconded by Supervisor Gerald, and unanimously carried, it was resolved to approve the minutes of November 21, 2017 as presented.

Supervisor Gerald – yes
Supervisor Kuchenbuch – yes
Supervisor Yoder – yes
Supervisor Turman – yes
Supervisor Clinger – yes

Agenda Item 5. – Approval of December 2017 monthly disbursements.

On a motion of Supervisor Turman, seconded by Supervisor Yoder, and unanimously carried, it was resolved to approve the December 2017 monthly disbursements and additional bills as presented.

Supervisor Kuchenbuch – yes
Supervisor Yoder – yes
Supervisor Gerald – yes
Supervisor Turman – yes
Supervisor Clinger – yes

Agenda Item 7.a. – Subdivision plats as approved by Agent for November 2017.

received one bid proposal. It was from EMI Security. As you recall we don't have this budgeted, but you asked me to obtain bids. The monitoring would be done through the Dispatch Center.

Supervisor Kuchenbuch said she would like to see more than one bid.

Ms. Morris answered we did get a reply back from Citizens Telephone that said they didn't feel like they were in a position yet to be able to bid on it. I advertised in *The Roanoke Times* also.

Supervisor Kuchenbuch said there has to be more than one company doing this stuff in southwest Virginia. Where is EMI located?

Ms. Morris replied Stuart.

Supervisor Kuchenbuch conceded that is a local company, but still...

Ms. Morris explained they have to be Department of Criminal Justice certified. That takes a lot for the companies to get.

Supervisor Yoder asked if we are doing the exterior cameras on the Courthouse. Do you have how far they extend in coverage?

Ms. Morris responded I feel like they are similar to what we had put up during the rally. When I was up there that day, I had my vehicle parked in the Administration back parking lot and they could see the license tag from the Courthouse cameras.

Vice Chairman Turman said they can get a wide-ranging view.

Supervisor Yoder said I want to make sure we have good coverage.

Supervisor Kuchenbuch stated I want this building to be as safe as possible for everybody who works in this building. Anything we put on this building, I want it to be the max so that everybody in this building is safe. I also want that for our Courthouse entrances. But I am a little troubled by cameras that are going to be focused down the street on people who are walking up and down to The Country Store and The Village Green. The fact that your license plate could be seen from a camera set up on the Courthouse...I know we are in a weird space and time in our world. I am all for safety. I am all for security, but I don't want it to get so wide-ranging. Maybe we should get one or two fewer cameras? I just have trouble with someone coming to The Country Store being on our cameras. I know we won't use it in a way that will be detrimental to them.

Supervisor Yoder asked if we would just be covering our property? It would be the Courthouse parking lot.

Chairman Clinger said we could focus them down.

Sheriff Craig said I have had some minimal discussion with Will [Mayor Griffin]. Before we look at trying to cover things from the Courthouse, I would definitely present myself to him and ask where he would like to come onboard with this, if any.

Supervisor Kuchenbuch asked if he was surprised that there was only one bid?

Sheriff Craig replied that he wasn't surprised. Around here there aren't as many security systems. In Northern Virginia or in the Tidewater region there might have been 30-40 bids, maybe more. I don't know.

Chairman Clinger described it as a niche market.

Supervisor-elect Coleman said they have gotten a lot of the business around here lately.

Supervisor Yoder said I think this is important. There have been times when it would have helped to have some type of surveillance. It also helps employees against false accusations, especially officers being accused of excessive force.

Sheriff Craig said we continue to look at vehicle cameras. We used to get a grant where we got two cameras. That grant has been cut out. I checked into it and it is \$64,000.00 for me to cover 13 patrol vehicles with cameras. Losing that grant and not being able to get that anymore, I have to go back to the drawing board. That is a significant amount of money. It is one of those things when you do get complaints or have people say this or that happened, you could just go back and hit play. The biggest majority of the time cameras protect the people who are your employees.

Vice Chairman Turman said for a time everyone was hollering for cameras and now they say it is a violation of their civil rights.

Supervisor Kuchenbuch asked if the judge had given approval for cameras in the Courtroom?

Sheriff Craig replied he has given approval. I was going to talk to him about it today. I want to sit down and hammer out some things with him for sure. He has already given basically his blessing of it.

Supervisor Yoder asked do you like this system? Is it what you are hoping to get?

Sheriff Craig responded from what I saw during the rally, the camera system is incredible. The cameras had great clarity.

Supervisor Kuchenbuch asked if this company was the one who handled that event.

Sheriff Craig confirmed that it was. I am impressed with the ability to recapture. Covering the jail cells is a must. Our current system is so outdated we have to find special CDs. It is one of those things in today's society where any type of government building can be a

Ms. Morris stated that Kevin [Sowers, Emergency Management Coordinator] left monthly reports for you on Fire and EMS calls.

Supervisor Kuchenbuch asked how often does Lifeguard land?

Supervisor Yoder replied it varies a lot. I've seen them come up for three calls in a day and then go two or three weeks with no calls.

Chairman Clinger said sometimes they call and just put them on standby until they get there and assess the situation.

Supervisor Yoder said in the last year or so I haven't seen it abused. But when you run a call you have to be aware that is a big bill if you decide to fly somebody. It's not something you want to use all the time.

Ms. Morris said I did not make a copy of a service proposal for you for the new chiller, but I would be glad to do so. The County Attorney has reviewed this three times for us. The company has incorporated his suggestions. The proposal would provide 24 hour service. A lot of it can be done remotely when error codes come up. We have a 5 year warranty on the compressor itself. Preventative maintenance would include quarterly coil cleaning, oil analysis, coolant/refrigerant analysis. The first year cost is pretty steep at \$6,200.00. The second year it would drop to \$4,100.00. The chiller itself cost \$28,700.00 and \$13,500.00 to install it. We want to ensure that we take care of it. They did the install over the weekend. Everything was completed yesterday. It needs to sit for 24 hours and then they will start it tomorrow to make sure it is working as it should.

Agenda Item 6.b. – Public Comment Period.

Chairman Clinger called for the Public Comment Period.

Mr. J. L. Fogo, Little River District – As most people are aware, last Monday we had a community forum at the library so that people could have the opportunity to express some concerns they had about the renewable energy resolution passed by the Board a month ago. I just want to say it was a good success. A number of people were there to get information on what the resolution was all about. Concerns ranged from fears of it being aimed at various things such as banning people from using woodstoves to fears of forced changeovers to alternative energies. We addressed that. I really appreciate everyone who showed up, including some members of the Board, people from SustainFloyd and Partnership for Floyd. The panel had several people who had knowledge about renewable energy and were able to answer concerns that were brought up. I just want to let everyone know that we're planning on having more of these meetings, more of these forums for as long as is needed and people have interest. I really appreciate everything the Board has done and everyone who came out to the meeting. We encourage everyone to come out at any time for more information and answering their concerns. Thank you.

think everyone learned some stuff. People opened up their minds a little bit. That's the model moving forward. If we can all come together with our different viewpoints and respect each other's ideas, I envision great success moving forward in this community. Thank you.

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

Agenda Item 6.a. – Constitutional Officers reports.

Sheriff Craig said they are working on getting a person hired to fill the vacancy caused by Roger Dickerson's retirement. The Academy starts January 22 and they will graduate sometime around July. That will be my first time in two years of having a full staff. Hopefully everything goes well from there. I'm looking forward to that. Last year we kept having some issues where they kept pushing the Academy back because they did not have enough people. But this year it appears that we will have enough people. We will have three attending that Academy class.

The Growing for Gifts campaign we had with the beards, the troops have been relentless on me to keep these beards. I've had some good feedback from the community. I actually haven't had any negative feedback at all. This started off as something that Chad [Harris] and Justin [Coleman] looked into as a morale booster for our troops. We looked at it as a fundraiser; what could we do to give back to the community. I didn't envision what was going to happen. I thought we would raise \$400.00-\$500.00 for kids and pull 3 or 4 kids off of the Angel Tree. Twenty-five employees joined including the Commonwealth Attorney's Office. Just from my staff we raised \$1,800.00 for gifts for children. In addition to that, because of the one newspaper article, people in the community decided to donate also. Outside donors came to another \$2,300.00. Blue Ridge Café was a huge supporter of this. Whitney Peterson found out what we were doing and thought it was a neat idea so she went around to the patrons of the Blue Ridge Café. She presented \$1,730.00 to me for Floyd County Cares. Floyd County Homemakers Willis Club helped out with numerous others who made donations. We are very thankful for even the \$10.00 donation we received. Every little bit counted. With that we were able to purchase gifts for 27 young people in our community. Of those 27 we probably averaged around \$150.00+ per child. Twenty of those young people received bicycles from us. This was an incredible thing. We didn't get to meet these individuals, but I have no doubt it helped change some of these young peoples' lives. I encourage everybody in this room to go out and pick somebody off of the Angel Tree or just buy a gift for somebody you don't know and give it to them. I can say who knows who is getting the better end of that deal.

The transition with Southern Software seems to be going well with our CAD software and records management software. Right now we are in the training phase. Once this ball got rolling, it's full steam now. We are shooting for January 22 for the switchover. Most every officer in this department has dreamed about this for the last 15 years, of getting rid of the system we had. It is finally getting ready to come true. Most people complain about change. We've heard zero complaints from officers and dispatchers looking at this new system. Everybody is extremely excited and eager to make the switch on January 22.

The Board has always been incredible supporters of the Sheriff's Office. There are two of you to whom we would like to present a plaque and a patch of the Sheriff's Office. Case

winter. Whatever you can do to keep some of these heavily traveled roads with gravel would be much appreciated. Merry Christmas to everybody.

Vice Chairman Turman said the culvert replacement on Hope Road is nice. I would appreciate it if you would give a little extra attention to that hill at the end of the pavement to the top. I showed David [Clarke] some pictures. It is pretty brutal up there. The ditches are deep on either side, which is not your fault it is where it washed out, but they don't have much road to travel on. I appreciate what all you've done. You did a great job on the snow.

Supervisor Yoder said he wanted to publicly thank VDOT for the work they did on Diamond Knob Road. I have a lot of people who are really excited about that. One passing zone on Rt. 221 still hasn't been added back. It is between Kings Store Road and River Ridge Road. The crosswalks in town still need to be focused on. There is a stop sign down on the intersection at Jacks Mill Road and Hummingbird Lane. I appreciate the snow removal

Chairman Clinger said thank you again. You did a great job. Parkview Road is 55 mph because it is unmarked. But with all the people pulling out from H&V, we need a speed study to get that looked at. Several times it has been close down through there. Please look into that.

Supervisor Kuchenbuch said back to the meeting on January 22 at the Town Hall is to discuss the crosswalks in town. As we have just passed the one year anniversary of losing Monty Leitch, I am glad we have continued to move forward. I know for some it hasn't been fast enough. I am appreciative that the public will have the opportunity to come in and see all the work that has been done to try and make it a safer place.

Agenda Item 6.d. – Mr. Bob Smith.

Mr. Bob Smith, Indian Valley District – Mr. Smith thanked everyone for being here today, especially to Case [Chairman Clinger] and Fred [Supervisor Gerald]. We are going to miss you guys. It has my humble little name on there but I represent a group named Floyd Concerned Citizens. I would like to ask all the people who came with me today to stand. I have some prepared remarks and I have others who want to speak. We will make use of the 15 minutes and move on. I am going to ask Mr. Vest to come up and I will have a summation at the end.

Mr. Dan Vest, Locust Grove District – I am one of the 70% that work outside the County for a living. It is a big deal for us to come and speak, whether it is at 7:00 p.m. at night or 9:00 a.m. during the day. I want you guys to know that. It is no fault other than the way our economics is in this County. We need to work on that. The main thing I want to talk about is clean, renewable energy.

Despite the dichotomy of belief surrounding the Climate Debate, and the related issue of clean energy, it would make sense to look at the why and wherefore of clean/renewable energy. Although the two are often merged in the thread of debate, they are not actually one and the same. For example, the burning of wood or biomass, although technically a renewable heat source, could hardly be considered clean, as anyone who has ever used a woodstove can testify. Yet it clearly is renewable. Trees and other combustible matter are constantly growing and can

dramatically slow down the economy as so much of the hard earned income of middle America was consumed in a never ending struggle to keep warm and to get to work every day.

As has been mentioned, about 70% are commuting out of the County. At this point we approach a position to actually control worldwide energy markets, a previously unimaginable benefit to the entire world. We owe it to ourselves and to the free people everywhere to seize this opportunity to use the resources with which we have been blessed and allow prosperity to spread here and everywhere. So we all do want to have a clean environment but we also need choices. And until those choices are affordable – and I mentioned this Monday – with this proposal there really wasn't any vehicle for every average citizen to have these renewable, sustainable resources. People are barely able to eat and to put fuel in their cars to go to work. Until there is an actual factual way of achieving these goals, it is kind of difficult to be supportive of a resolution that doesn't address any of the how this will get done part. Thank you.

Mr. Bob Smith, Indian Valley District – As you have heard today, it appears that there are two schools of thought on the subject of climate change and what we can do. In one camp, there are those who look into the future. They see an oncoming wave of severe weather, heat waves and flooding as predicted by scientists using computer models. Based on these projections, they worry about imminent disaster, and place blame on the handiwork of man.

In the other camp, people look back over the span of planetary history. Based on that history they see a future that may bring severe conditions, but believe that since humanity has already survived in the past worse conditions than we see projected, we have full faith that we will continue to survive despite the predations of nature and recurring natural events. As to the cause of such variations and possible future events, we will have to agree to disagree.

However all of us, we believe that we can all agree that clean, renewable and reliable energy is a good and noble objective. But the objective should be a practical one and a fair one. These new energy sources must be economically viable as well. And we believe that the cost of these new sources must be as low, and if possible even lower, than the cost of existing energy sources.

We also believe that the property rights and liberties guaranteed us by God, and recognized by the U. S. Constitution – which I carry with me – cannot and must not be compromised. To this end, we respectfully request that this representative body take our rights and beliefs into consideration, and move to incorporate the tenets of our Addendum to the existing Resolution which you folks have today or adopt an altogether new Resolution. Thank you on behalf of myself and Floyd Concerned Citizens. And Merry Christmas.

Supervisor Yoder asked on the resolution we passed what are the parts that cause concern?

Mr. Smith replied what concerns me and a lot of people is the 100% clean energy. I am an energy guy. I love the fact that you are doing this because it saves more gasoline for my antique cars. The more forms of energy we can get, the better. The main concern is I don't see 100% as a viable goal. I think it should be: if it is 100% and cheaper than what we can do with fossil fuels, that's great. But I just don't see that yet.

Mr. Smith replied I just don't see it as being as reliable as just throwing a switch on a propane tank or natural gas line.

Supervisor Yoder said he wished we had natural gas in Town.

Mr. Smith said that is something we need to encourage. We address that in the resolution as well, to encourage pipes on poles in one end of the County that we can access.

Ms. Wood asked as a point of clarification – I went to the meeting on Monday night – I kept hearing a lot of different things that are not stated in this resolution. A lot of discussion was about school buildings and a coal burning furnace. Now I am hearing some discussion of County buildings. But the resolution is very broad and makes it appear, and I don't know if it is your intent to do County buildings or if you are talking about every resident in the County. Those are two different things. I don't know if you are talking about everything or just the County buildings. It reads like it is everybody in Floyd County – if you are in a trailer, if you are in a tent, if you are in a big house, everybody. So I don't really know what the intent is. That makes a difference. If it is just for the County buildings, that is a whole different kind of discussion. I don't think there would be as much confusion or angst about what you are trying to do.

Supervisor Yoder answered over the months we discussed this it was all based on County-owned buildings.

Chairman Clinger agreed but said I can look at what they said. On the original #2 says supply strategy for our County from fossil fuels...It doesn't say County buildings; it just says County. It gives that impression.

Mr. Vest said I was also at this meeting last Monday night and I asked the question to two current Supervisors and I did not get a response. It concerned me more than anything in this resolution. Will this resolution be used and will the comprehensive plan be modified to reflect this resolution? Will our planning ordinances reflect this resolution as well? That is more concerning than anything, because with planning you get into taxes and how land is assessed and things of that nature. You are talking about cluster developments as well. Will our land be assessed on how many cluster developments can be built on a piece of property? That's tax. That is a tax and that is concerning.

Supervisor Kuchenbuch said that question was not asked in that way at the meeting. To address it now, if you are talking about your land and you don't do anything with your land...how many acres do you own?

Mr. Vest replied my family owns right around 150.

Supervisor Kuchenbuch continued if you don't do anything with your land except farm it, then nothing really would ever change for you.

Mr. Vest replied the assessment does.

Supervisor Yoder commented I said all along that what is going to drive cleaner energy in general in the United States is the cost factor.

Chairman Clinger added real costs, not subsidized costs.

Mr. Smith agreed you get a grant and it is great for four years and when the grant runs out we are paying.

Supervisor Yoder said at some point either regulations drive the cost up of one particular type or the costs goes down. I've known that pretty well with the businesses I've been in. It can just as easily be regulations that run people out of business. I was reading over the weekend. It seems like every business I get into, there is some new EPA regulation. Starting in January with enough cattle you have to start reporting emissions on cattle. I went to the EPA's website. They don't know how to measure beef cattle on the range. They don't even have a formula. They said use your best estimate to report.

Ms. Howell said on the resolution I think there are a lot of people who think these whereas are accurate, I'm not sure everybody would agree those are accurate. I would like to see it less a global statement that everybody thinks this is going to happen and we are going to have these tremendous adverse impacts. There is not complete agreement on those things so that bothers me too. Defining the County was important to me and the clean, renewable energy is important too because it is hard to get both of those in an economic manner. Thank you.

Vice Chairman Turman stated when I voted for that resolution against my best interests. I won't go into detail as to why I did. I'm a firm believer that God is still in control of this planet. Everywhere I go, even Carroll County, folks ask why did you all do that? I'm afraid it is going to happen as I was afraid of. They are going use this resolution and start making the County do stuff we can't afford to do. We've got a tax base that can't stand any more taxes. I get so aggravated when they just want to keep pushing. I look at these mountains and get to thinking about all these wind turbines. When you look at the thousands of acres of timberland that would be destroyed by bulldozing these mountains to make room for them things. I for one want to keep this county looking like it does. But ever since I have been on this Board, this Board has always looked at what footprint anything we do makes on this County. We have always taken that into consideration. I wish I could take my vote back. I really do. I've gotten a lot of calls on this. Contrary to what some wants to believe, I've spent 38 years of service for this County. I hope to put a lot more in. I have friends all over this County who call me and talk to me. I tell you they are upset about this resolution.

Mr. Smith said we have no problem with energy. It just needs to be economical and it needs to be very specific.

Vice Chairman Turman said I am not going to go out and figure out how much methane my 70 head of cattle are putting into the atmosphere. When I grew up all you heard in school was the coming Ice Age. You look at what NASA put out about the volcanoes...

Mr. Smith interrupted that is where the catastrophic events are coming from, Krakatoa in 1883. We have to go after those Indonesians and Malaysians.

Supervisor Kuchenbuch said we need more time to study.

Vice Chairman Turman said we didn't have any more time to pass the other resolution.

Supervisor Kuchenbuch responded we talked about it for months.

Chairman Clinger said this one just piggybacks on it and doesn't say anything the other one didn't say. It says make Floyd a better place when we leave it as when we got it. The only difference is we are just adding a couple of other things, solidifying property rights...

Supervisor Yoder asked which one are we talking about? I haven't even had a chance to read all of them. Which one are we talking about?

Chairman Clinger replied Resolution version 1.

Supervisor Kuchenbuch said I would prefer that Terri [Morris] to go back and look these over and look at our original one and do the kind of methodical way we worked on the first one and look and see what can go in, explain a little bit more, clean up language.

Vice Chairman Turman said we wanted to do that when we voted on the resolution and you insisted that we vote that day.

Chairman Clinger said even now you are in favor of changing some of the original resolution.

Supervisor Kuchenbuch replied maybe. I've made some notes on mine. I would like more time to think about it.

Chairman Clinger said they are nonbinding. They are living documents. If we are going to go back and look at one, let's look at both at the same time. Mr. Turman made a motion on resolution No. 1, if it gets a second, we'll see how the vote goes.

On a motion of Supervisor Turman, seconded by Supervisor Gerald, and carried, it was resolved to adopt Resolution version 1 in conjunction with the Clean Energy resolution previously passed (Document File Number 955).

Supervisor Gerald – yes
Supervisor Kuchenbuch – no
Supervisor Yoder – abstain
Supervisor Turman – yes
Supervisor Clinger – yes

Agenda Item 6.e. – Mr. Scott Wickham; Robinson, Farmer, Cox Associates; presentation of FY17 audit.

Mr. Wickham, the Partner-in-Charge of the FY17 Floyd County audit, provided a written audit presentation to each Board member. Thank you all for having me here today to discuss the results of the audit. We wrapped up right at the end of November and I am here to present the

On page 100 is the opinion on Uniform Guidance; it used to be A-133. This is the opinion on federal programs. As part of our audit we do testing at social services, school board and a little bit of testing at the County just to make sure you are in compliance. This is a clean opinion. Everything came back great on the federal testing.

Mr. Wickham directed everyone's attention to the written audit presentation.

On page 2 I have some trend information for you that might be helpful as you get into budget season to look at trends as you move forward. On the right side you have your compounded annual growth rate. The general property taxes have grown by about 3.82%. Total local revenues have grown by about 3.50%, which is heavily because of property taxes. Total revenues are 3.24%, which is actually higher than most localities I'm seeing. That is a credit to the staff of getting grants that are available. It still goes to show a little bit of the trend I am seeing across southwest Virginia. Local governments are having to support themselves more. The taxpayers are having to pay for their services more because State and federal governments are cutting their budgets. That is definitely the trend I am seeing, particularly in the last several years. That is something to take into account as you go through your budget process.

On the expenditures it shows an increase of about 4.00% per year in general government administration. There was a decent increase this year. The equipment purchase for elections was the driving factor in the increase. There was also some increase in public safety which was the purchase of the fire truck. There was some increase in community development from incentives provided and renovations to the Innovation Center. If you compare this to Exhibit 5 in the audit report, I moved the refunding payment out of the debt service down to other financing sources. It is supposed to be reported as debt service in the audit report, but I pulled it down here so that your debt service was more comparable from year to year. I looked at some numbers across the State. Due to the timing we don't have 2017 numbers throughout the State yet, but I do have 2016. I looked at expenditures per capita for some regional areas. Floyd County's total expenditures per capita per the APA – which will include your portion of the regional entities you participate in – but it shows Floyd County \$2,168.00 per capita; Carroll County at \$2,675.00; Patrick County at \$2,379.00; and Franklin County at \$2,259.00. Right around this area you are actually the lowest per capita. That shows you are doing a great job managing your expenditures.

On page 3 we have a calculation of your operating reserve. We look at the fund balances on hand and the cash balances on hand and the total expenditures to come up with a percentage of operating expenditures. Your total expenditures including debt this year were about \$18.9 million. The School Board's total expenditures were about \$20.9 million. When you take out the contribution that is in your expenditures of about \$6.5 million, you come back to \$33.3 million total operating expenditures for the County. About 30% of that is on hand in fund balance. That is a pretty good number to be at. That is kind of my target is 30% and you are right there. It is a good healthy position to be in. If you have some projects you plan to go into going forward, you may still want to look at building some more fund balance to pay for those out of cash. But that is a decision you will have to make. But you are in a good position currently to do those things.

investments to kind of summarize it. On the bottom of this page is a chart. You report the total of the three in your financial statements. The County has their portion. The School Board shows both pieces of the teachers' pool and the non-professional employees. They expect to make 7%. If they make 8% you see how much of a decrease there is in that liability. It is very significant. You know the market. It is not you are going to make 6% or 7%, it is 14% or 2%. It is all over the place. Just know how much of an estimate that is. If they don't make the 7% they want, which is what has happened in the past, that is why there is such a liability currently because they didn't make the rates they wanted and they lost money, I did hear that 2017 was a good year for them so I hope this liability will be coming down.

On page 10 and 11 as part of that new liability the APA asked us to do some additional procedures to test the VRS system to make sure employees' salaries are accurate, their hire dates were accurate, and to make sure they are getting the proper retirement first of all. And second to make sure the numbers they are using to do this calculation are accurate. That is what we are required to do. We send this report to the State as required. This is a clean opinion. Everything came back great in testing both here at the County and with the School Board.

On pages 12 and 13 we noted a few minor issues. I don't see anything too significant. The Sheriff bank account has \$103,100.00 which is an unusual situation. The court order gave them a check at the end of the year. They didn't have anywhere to put it and they opened a bank account and put it in there. In July they wrote a check back to the State for their portion of the seized funds. They've done as the court order asked, but we think with that amount of money the Treasurer probably should have opened that account. I don't think it is too big of a deal going forward. I mention it because it is a large dollar amount. There is nothing of concern there essentially. I have spoken with Darin [Boothe] at the School Board about fuel procurement and credit card receipts. I think those will be taken care of and they were very minor.

On pages 14 through 16 is our letter to governance where we report different things to you. Towards the bottom of page 14 there are several estimates there. Again, your typical estimates – allowance for doubtful accounts, depreciation, standard items there. We also mention the net pension liability that we just talked about. There are quite a few estimates involved with that. We also report if we had any issues with management during the process. Everybody is great to work with. I enjoy coming down here to work. It is a nice trip and everybody is very helpful. I really appreciate that. I send a lot of emails and ask for a lot of things, but everybody is very helpful at all the places we work here. It is pretty much a clean letter there. To summarize I feel very confident with the audit here. I think that things are in good shape. I was really happy with the audit as we went through it. I think it is a good audit.

Chairman Clinger asked if most of the VRS came from the State level? We fund at a level that they tell us to fund each year. We have never been delinquent on our payments.

Mr. Wickham agreed, correct.

Chairman Clinger said we have always contributed. It is just they base our liability on their projected earnings and they over project so they can spend more or not put in as much in certain years.

constantly impressed with your level of commitment to service and what you have so selflessly given to the community you live in. I was talking one day in our Joint Subcommittee about things and Case [Chairman Clinger] said one thing he looked forward to were the open dates. I think you said you had 4 or 5 days in the month that weren't consumed with a meeting.

Chairman Clinger said February last year I only had 4 days free of meetings and planning. This year I only have Valentine's Day, a birthday, and that's it.

Mayor Griffin said that is something I don't think our community really gets is how much giving goes on with you guys. Monetarily it's a joke. You are not getting paid to do what you are doing. I know that is not the reason any of us do what we do. But if there is that belief out there that people are in this for the money, it's pretty comical. Fred [Supervisor Gerald], Mike Patton passes on his gratitude for the years of service with the Regional Commission he had with you. We wish you well.

Mayor Griffin continued Case [Chairman Clinger] I look back to the time when I stepped into Town government; there was no reaching across the table. We didn't really have communication at all. When things came down we didn't know about it. I remember picking up the phone and having a casual conversation with you and we asked each other why that was. Neither of us had an answer. We said let's make it better. I look at the things that have happened from the formation of the Tourism Board, which is collaboration between us and the County. I look at this Joint Subcommittee and if you expand the search out to the State, I don't think you'll find very many communities that have what we have here. The Board of Supervisors, EDA, the School Board, and the local Town come together and exchange ideas and kind of check everything at the door and say let's just talk about stuff and see how we can help each other. It's pretty phenomenal. It's the way it should be in a community like ours, or really any community. It all ought to be community service and not politics driven. I think you guys have done a very nice job trying to keep it that way. Sincerely I thank you. Our Town Council thanks you.

We started this thing a couple of years ago now where we said with all the negative stuff out there we needed some feel good moments. We decided as a Board to start recognizing people in our community for their input and for the value they give. We've had recognition with the ladies at the Floyd Baptist Preschool. Think of all the people those ladies have touched. Coach Beale. Mr. Crenshaw. We've had several of those just simply to pull them out in the public and officially say thanks. We wanted to do the same thing today with you Fred [Supervisor Gerald] and you Case [Chairman Clinger]. We have a small token for you that we commissioned from Emily Williamson when Lance Turpin retired. It is of our stoplight. She did such a great job that we decided to use that going forward to give out to people. We had one prepared for you Case [Chairman Clinger] and you Fred [Supervisor Gerald]. Thank you.

Chairman Clinger said you and I came on at the same time and I think a lot of that is we were friends beforehand. We took down that barrier between the two.

Mayor Griffin said we have done the things to secure that it goes on.

Chairman Clinger said I hope it does continue even after both of our tenures.

Chairman Clinger said I was in agreement with the original part. Personally I would like to see her report before spending \$13,500.00 more. I think it would be better for you to see what her report is. You won't complete phase one until the end of this month, but you want us to pay for phase two. I think it is better to get phase one and look it over. You said it was two separate ones so we don't have to do one to get the other.

Mr. Beegle confirmed that and said the idea was to move from phase one right into phase two so we would hopefully be done with this by the end of February. We can wait if you want to. We have been very satisfied with her efforts and what she has provided to us so far, which is why we wanted to move forward with it.

Chairman Clinger said see what the results are and make sure it is what the Board wants to project out there in a marketing plan and what the strengths are. That is my opinion.

Supervisor Kuchenbuch asked has the EDA as a whole been really, really pleased with her work?

Mr. Beegle replied yes, absolutely.

Supervisor Yoder asked if we agreed to spend the money would it have to come out of Contingency? Where does that stand? Do you know?

Ms. Morris answered after approving the transfer for the video equipment today you have \$138,061.00.

Ms. Ryan added there is also a large unknown expense possible for DSS.

Supervisor Kuchenbuch agreed that is a big cloud.

Supervisor Yoder asked if there would be any bad effect if we waited a month? What would be the downside?

Mr. Beegle responded that it just halts the process. We just want to keep the ball rolling. I don't know that it will create any serious negative effects. It is just the next process and we want to move forward with phase two. We feel like based on the information we've gotten from her that phase one will be a favorable report and something that we can use. But I don't see a huge downside by waiting.

Supervisor Yoder said I was impressed when we went to that meeting. I'm glad we are working toward trying to identify our assets.

Mr. Beegle agreed and added he wished we had done this ten years ago. I think it is really going to give us some direction and ability to make decisions moving forward. I think it will be a good decision-making tool for us.

Supervisor Yoder said economic development should be one of our primary objectives here.

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

Supervisor Gerald – yes
Supervisor Kuchenbuch – yes
Supervisor Yoder – yes
Supervisor Turman – yes
Supervisor Clinger – yes

On a motion of Supervisor Gerald, seconded by Supervisor Turman, 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; Real Property in accordance with Section 2.2-3711, Paragraph A.3; and Consultation with Legal Counsel or staff members in accordance with Section 2.2-3711, Paragraph A.7 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.

Supervisor Kuchenbuch – yes
Supervisor Yoder – yes
Supervisor Gerald – yes
Supervisor Turman – yes
Supervisor Clinger – yes

The Board recessed for lunch.

Agenda Item 6.h. – Closed Session continued – Personnel 2.2-3711 A.1.

On a motion made by Supervisor Kuchenbuch and seconded by Supervisor Turman, and unanimously 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 Gerald – yes
Supervisor Turman – yes
Supervisor Clinger – yes

Agenda Item 7.e. – Appointment to the Floyd County Economic Development Authority, four-year term.

On a motion of Supervisor Kuchenbuch, seconded by Supervisor Yoder, and carried, it was resolved to appoint Ms. Joy Gardner to the Economic Development Authority for a four year term.

Supervisor Gerald – no
Supervisor Kuchenbuch – yes
Supervisor Yoder – yes
Supervisor Turman – no
Supervisor Clinger – yes

Agenda Item 8. – Old/New Business continued.

Ms. Morris asked if the Board was interested in the service proposal for \$6,241.00 on the new chiller at the Courthouse? The proposal is for five years and the cost drops after the first year. We have a five-year warranty on the compressor. We should not need a transfer from Contingency to do this. We should have enough in the Maintenance Service line.

Chairman Clinger said they can also do some of the work remotely.

On a motion of Supervisor Yoder, seconded by Supervisor Kuchenbuch, and unanimously carried, it was resolved to approve the service agreement with Johnson Controls on the courthouse chiller, as presented and authorize the County Administrator to execute same (Document File Number 956).

Supervisor Gerald – yes
Supervisor Kuchenbuch – yes
Supervisor Yoder – yes
Supervisor Turman – yes
Supervisor Clinger – yes

Agenda Item 9. – Adjournment.

On a motion of Supervisor Kuchenbuch, seconded by Supervisor Turman, and carried, it was resolved to adjourn to Wednesday, January 3, 2017 at 9:00 a.m. for a reorganizational meeting.

Supervisor Gerald – no
Supervisor Kuchenbuch – yes
Supervisor Yoder – yes
Supervisor Turman – yes
Supervisor Clinger – no