

Regular Meeting, Wednesday, February 11, 2009, 7:00 p.m. Government Center, Verona, VA.

PRESENT: Larry C. Howdyshell, Chairman
Gerald W. Garber, Vice-Chairman
David R. Beyeler
Wendell L. Coleman
Tracy C. Pyles, Jr.
Jeremy L. Shifflett
Nancy Taylor Sorrells
Patrick J. Morgan, County Attorney
Dale L.Cobb, Director of Community Development
Jennifer M. Whetzel, Director of Finance
John C. McGehee, Assistant County Administrator
Patrick J. Coffield, County Administrator
Rita R. Austin, CMC, Executive Secretary

VIRGINIA: At a regular meeting of the Augusta County Board of Supervisors held on Wednesday, February 11, 2009, at 7:00 p.m., at the Government Center, Verona, Virginia, and in the 233rd year of the Commonwealth....

* * * * *

Chairman Howdyshell welcomed the citizens present and reminded them to remove their hats and turn off their cell phones.

* * * * *

The following from the CSVR Governor's School led us with the Pledge of Allegiance:

Claire Trainum, an 11th grader at Fort Defiance High School, plans on attending University of Virginia to study Marketing. In her spare time, she is the Varsity Soccer goal keeper at Fort Defiance and she plays tennis.

Chris Ott, a senior at Wilson High School, plans on attending Virginia Tech to pursue a degree in Biology and go into medicine. He plays tennis, snowboards, lifeguards, and is on the Waynesboro Rescue Squad.

* * * * *

Gerald W. Garber, Supervisor for the Middle River District, delivered invocation.

* * * * *

MATTERS TO BE PRESENTED BY THE PUBLIC

Chairman Howdyshell presented the public hearing rules and noted that 3 minutes was allowed for each speaker.

REASSESSMENT

The following spoke in opposition of the 2009 Reassessment:

Larry Weeks, David Gordon, Marshall Pattie, Page Graves, Henry Duff, Mike Barlow

These speakers asked that the 2005 Reassessment be used instead of 2009. They asked for the methodology used by Blue Ridge Mass Appraisal and asked to be educated on the process. Mr. Gordon asked that the Board of Supervisors freeze the assessment and tax rate and to adopt an ordinance restricting the increase of assessments at no more than 1.5 percent a year (to restrict the growth as to what the cost-of-living is). Mr. Pattie, speaking for 60 farmers, pointed out the plight farmers are facing despite their increased values because of reassessment. Mr. Pattie stated that these farmers had a 137 percent increase in their reassessments, but had to deal with declining prices for their products and increased costs to maintain cattle. Mr. Graves told Ms. Sorrells that he did not appreciate her statement of "blaming the Yankees" for

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE PUBLIC (cont'd)

REASSESSMENT (cont'd)

the increase of assessments and taxes. "If they want to pay \$10,000 an acre, increase their taxes; don't increase mine." Mr. Barlow also felt that blaming out-of-towners was offensive. He asked when the finished contract was received. Chairman Howdysshell stated that the process began two years ago. Because of the economic situation, a 3-month extension to March 31, 2009 was granted. Mr. Pyles clarified that the assessment was supposed to have gone out in the fall and that it had been mentioned in the Board of Assessors minutes to postpone until after the election. Mr. Duff felt that the Headwaters penalties and road issues needed to be addressed while considering the assessments.

David Shiflett, a New Hope farmer and Chairman of the Augusta County School Board, asked that the reassessment process play out. He stated that the county schools are projected to get \$1.3 million less in county money next year and asked that the Supervisors restore county funding in the 2009-10 school budget to the same level it is in the current year. "We, as citizens, have entrusted you as Board members. At the end of the day it is your responsibility to look at the assessments, to look at the tax rate, to make an equitable judgment as to the needs of the County and the needs of the citizens and make a determination at that point in time as to what the taxes will be." Mr. Shiflett said that the combination of an expected cut in state money and county money "will affect the quality of education we are able to provide," and mentioned that county schools are looking at layoffs and reduction of salaries.

Chairman Howdysshell asked that those in the audience who were concerned about the reassessment to stand. Approximately 100 stood. He thanked the audience for being respectful at tonight's meeting.

* * * * *

BIG READ MONTH - PROCLAMATION

The Board considered proclamation of the Big Read Month by The Community Foundation of the Central Blue Ridge.

Christiana Shields, Grants Manager of the Community Foundation of the Central Blue Ridge, announced that the Foundation received a matching grant from the National Endowment for the Arts (NEA) to promote throughout the month of March events around The Maltese Falcon throughout Staunton, Waynesboro and Augusta County. The Foundation will be purchasing 1,500 books for distribution. Information was distributed to the Board. She added that there would be a kick-off event February 26th, at the Mill Street Grill at 5:00 p.m.

Ms. Sorrells added that a special exhibit was at the Smith Center in Staunton, called "Curious Crimes of Augusta County, Staunton, and Waynesboro". "This is a wonderful program – second year in a row – It's just a great thing to have the community reading and thinking about issues."

Ms. Sorrells read the following Proclamation:

THE BIG READ MONTH
In Augusta County, Virginia

PROCLAMATION

WHEREAS, an initiative of the National Endowment for the Arts, The Big Read is designated to bring communities together through literature: and

February 11, 2009, at 7:00 p.m.

BIG READ MONTH – PROCLAMATION (cont'd)

WHEREAS, The Big Read aims to address the critical issue of declining literacy reading in America; and

WHEREAS, aided by a strong sense of community and passion for the arts, Augusta County, Staunton, and Waynesboro is one of 208 communities nationwide chosen by the NEA to participate in The Big Read program; and

WHEREAS, *The Maltese Falcon*, written by Dashiell Hammett, is the book upon which activities such as lectures, book discussions, and other special events are based; and

WHEREAS, due in large part to the dedication of the Community Foundation of the Central Blue Ridge, the Augusta County Public Libraries, the Staunton Public Library, and the Waynesboro Public Library, the citizens of Augusta County, Staunton, and Waynesboro have joined together through literature to make The Big Read a success;

NOW, THEREFORE, I, Larry Howdysshell, Chairman of the Augusta County Board of Supervisors, do hereby proclaim the month of March 2009 to be

THE BIG READ MONTH
In Augusta County, Virginia

Ms. Sorrells moved, seconded by Mr. Coleman, that the Board adopt the proclamation.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

PARKS AND RECREATION MATCHING GRANT – VERONA ELEMENTARY PTA

The Board considered (A) recommendation of Parks and Recreation Commission to award a grant in an amount not to exceed \$13,074.50 for an addition of playground equipment to their existing equipment; and (B) approval of grant agreement.

Funding Sources:

Beverly Manor Recreation Account	#80000-8021-41	\$4,357.83
Middle River Recreation Account	#80000-8022-37	\$4,357.83
North River Recreation Account	#80000-8023-27	\$4,357.83

Kathy McQuain, Assistant Director of Parks and Recreation, advised that the Parks and Recreation Commission met last month and recommend approval of a grant to the Verona Elementary PTA to extend their playground equipment and was available to answer questions.

Mr. Garber moved, seconded by Mr. Shifflett, that the Board approve the request.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

February 11, 2009, at 7:00 p.m.

AGRICULTURE INDUSTRY BOARD

The Board considered recommendations of the Agriculture Industry Board as it relates to the regional resolution regarding agricultural development, large animal mortality disposal, and Invasive Species Program.

Jason Carter, Animal Science Extension Agent, Unit Coordinator, advised that the three recommendations of the Agriculture Industry Board are as follows:

1. That the Augusta County Board of Supervisors adopt a resolution to provide in-kind support for the development of a Shenandoah Valley Regional Agricultural Development initiative in response to a presentation that was made last fall sponsored, in part, by Augusta County from New York in the Hudson Valley area. All of the counties in the Shenandoah Valley, with the exception of Augusta and Rockingham, at this point, has passed this resolution offering in-kind support of this concept with no commitment of time, finances, or personnel.
2. That Augusta County explore the feasibility of large farm-animal composting at the Augusta Regional Landfill as a service to the Virginia Department of Transportation. At this point, VDOT has no resource under the permitting of the Landfill to dispose of large farm animals. There would be a pilot project at the Landfill to explore the resources that it would take to manage that operation. Many farmers had relied on Valley Proteins for disposal of dead cattle; however, Valley Proteins will no longer provide that service after February 28th. The Landfill may offer this service if it can be managed reasonably. The AIB has suggested that \$760 be earmarked for the total cost of the investigation. County Administrator reported that funding was in the AIB budget.
3. Elimination of the Augusta Invasive Species Program.

Mr. Beyeler asked if Shenandoah Valley Partnership approved the first recommendation. Mr. Carter advised that the Shenandoah Valley Partnership is seeking the Board of Supervisors' approval to move forward. Ms. Sorrells clarified that the meeting that created this resolution took place last year. There were representatives from most of the counties in the Valley; Shenandoah Valley Partnership was there, as well. It was the consensus that, rather than every county being separate, and because of Shenandoah Valley Partnership was already doing economic development, it would make sense to work together. Mr. Coleman questioned if financial support would be required in the near future. Ms. Sorrells stated that the initiative came from the Shenandoah Valley RC&D Council. They saw a model at work in the Hudson Valley and invited them to give a presentation. She emphasized that there was no connection with New York.

Mr. Beyeler moved, seconded by Mr. Garber, that the Board adopt the following resolution and approve the recommendations:

RESOLUTION

WHEREAS, the Board of Supervisors of the County of Augusta is aware of the importance of the agriculture segment in the county's economy; and is dedicated to sustaining and growing the agriculture development sector in Augusta County; and

WHEREAS, the Board of Supervisors of the County of Augusta is committed to exploring a regional approach to agriculture development, that would include the retention, enhancement diversification and expansion of our agricultural sector; and

WHEREAS, this initiative could be pursued working with the Shenandoah Valley Partnership; to serve as a regional coordination point for this program; and

February 11, 2009, at 7:00 p.m.

AGRICULTURE INDUSTRY BOARD (cont'd)

WHEREAS, Augusta County will consider being a part of this initiative after entering into detailed discussions of the possible program parameters and funding level requirements; and

NOW, THEREFORE, BE IT RESOLVED, that the Augusta County Board of Supervisors:

- 1. Hereby desires to support further discussion about a possible regional agriculture development program, possibly part of the Shenandoah Valley Partnership; and
- 2. Augusta County will participate in the discussions outlined above.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

STREET ADDITION

The Board considered Community Development's recommendation to adopt resolution for acceptance of the following street into the Secondary Road System in accordance with VDOT request:

- 1. Ivy Ridge Townhouses, Section 3 (South River District)

Dale L. Cobb, Director of Community Development, advised that this street addition is off of Route 631 in Fishersville, in Ivy Ridge Townhouses, Section 3, consisting of approximately 400 feet to be taken into the Secondary Road System.

Mr. Beyeler moved, seconded by Mr. Coleman, that the Board adopt the following resolution:

IVY RIDGE TOWNHOUSES, SECTION 3 - STREET ADDITION

WHEREAS, that the County and the Virginia Department of Transportation have entered into an agreement on August 26, 1996, for comprehensive stormwater detention which applies to this request for addition.

BE IT RESOLVED, that the Virginia Department of Transportation is hereby requested to add the following streets in **IVY RIDGE TOWNHOUSES, SECTION 3**, into the secondary road system of Augusta County pursuant to Section 33.1-229 of the Code of Virginia (1950) as amended:

<u>Roxbury Drive</u>	
From:	0.01 miles south of the Intersection of St. Ives Drive, Route 1160
To:	0.10 miles south of the Intersection of St. Ives Drive, Route 1160
Length:	0.09 miles

AND FURTHER BE IT RESOLVED, that the Board does guarantee the Commonwealth of Virginia an unrestricted right-of-way of 50 feet with necessary easements for cuts, fills, and drainage as recorded in Instrument 070009481, Plat Book 1, Page 7016, recorded August 15, 2007.

AND FURTHER BE IT RESOLVED, that the Virginia Department of Transportation will only maintain those facilities located within the dedicated right-of-way. All other facilities outside of the right-of-way will be the responsibility of others.

February 11, 2009, at 7:00 p.m.

STREET ADDITION (cont'd)

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

AGRICULTURAL AND FORESTAL DISTRICT

The Board considered additions/deletions to Middle River and Middlebrook. Recommend referring to Agricultural and Forestal District Advisory Committee and Planning Commission.

Mr. Cobb reported two requests to be referred to the Agricultural and Forestal District Advisory Committee and Planning Commission for recommendation to the Board of Supervisors:

1. Peggy Wonderley would like to add two pieces of property into the Middle River Agricultural and Forestal District (260 acres).
2. Ernest vonArnswaldt would like their property withdrawn from the Middlebrook Agricultural and Forestal District in order to apply for a Special Use Permit for a dog kennel.

Ms. Sorrells asked for the acreage in Middlebrook. Mr. Cobb was unsure of the acreage. Ms. Sorrells asked why a Special Use Permit was not allowed. Mr. Cobb said because of the standards in the current ordinance, you can only have agricultural uses. The definition of agricultural animals does not include dogs.

Mr. Garber questioned whether the correct procedure was being followed. Mr. Cobb confirmed that the procedure was correctly being followed. He stated that to add to the district did not cost anything; to withdraw from the district cost \$500, which has been paid.

Mr. Garber moved, seconded by Mr. Beyeler, that the Board approve the request.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

SURPLUS EQUIPMENT

The Board considered request to transfer surplus equipment to Valley Vocational Technical Center.

John C. McGehee, Assistant County Administrator, reported that Valley Vocational Technical School is planning on adding a Firefighter I program for the 2009-2010 school year. It is their understanding that two surplus items are available: 1) a 1979 Seagrave Pumper; and 2) old Squad truck 108. It has been stressed that this equipment can be used at the school, but cannot be put on the road. Mr. McGehee advised that Interim Chief Holloway has informed him that they will be receiving an engine donated from Weyers Cave Fire Department that will meet their training needs.

February 11, 2009, at 7:00 p.m.

GENERAL ASSEMBLY UPDATE (cont'd)

working with the legislators and General Assembly, Augusta County was able to get the speed limit for rural rustic roads lowered to 35 m.p.h. for safety purposes on the limited paving jobs. In working through the National Association of Counties (NACo), Augusta County monies that were paid in lieu of taxes on federal lands were fully funded for the first time because of the Public Lands Committee (\$300,000).

Mr. Beyeler added that they were told at the meeting that you have 10 days to decide what is to be done; if a decision is not made, it reverts back.

The Board accepted presentation as information.

* * * * *

CONSENT AGENDA

Mr. Beyeler moved, seconded by Mr. Coleman, that the Board approve the consent agenda as follows:

MINUTES

Approved minutes of the following meetings:

- Staff Briefing Meeting, Monday, January 26, 2009
- Regular Meeting, Wednesday, January 28, 2009

CLAIMS

Approved claims paid since January 14, 2009.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

MATTERS TO BE PRESENTED BY THE BOARD

The Board discussed the following issues:

Mr. Pyles:

1. Reassessments - E-mail sent out to Board of Supervisors today; information placed in mail slots for Messrs. Garber and Beyeler asking for the following:

- Access to the information used by Blue Ridge Mass Appraisal
 - i. Sales data used
 - ii. Assessments
 - iii. Industrial assessments

He would like to determine what was used in October and what changed to get an understanding of what happened.

Mr. Pyles moved, seconded by Mr. Garber, that the Board authorize the County Administrator to ascertain the information from Blue Ridge Mass Appraisal.

Ms. Sorrells felt that was a logical process to obtain all the details for the Board.

Mr. Shifflett agreed and stated that in his review of the State Code, that Virginia is "very relaxed in how assessments are done".

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler,
Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * *

2. Reassessment Legal Issues – asked that the County Attorney research delay of assessments. Asked if there were other counties refusing to go forward with an assessment and determine what its process was.

Mr. Pyles moved, seconded by Mr. Beyeler, that the Board authorize the County Attorney to research legal issues for delay of reassessment for 2009 and to provide a recommendation at the next Staff Briefing on February 23rd.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler,
Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * *

3. Reassessment In-house Assessment – Asked if a representative from Rockingham County could give a presentation to the Board and give the pros and cons of its process.

Mr. Garber agreed with the concept, but would not like to “mix” it with what Augusta County is doing. We need to sort out what we’re doing. Once we’re done, whatever we do here, then I would like to hear from them to know what to do in the future.”

* * *

Mr. Coleman: Reassessments – Being a liaison for the Board of Assessors, has attended many meetings and made the following comments:

Blue Ridge Mass Appraisal provided for the Board of Assessors at the first meeting an overview of something called “Property Valuation Procedure”. That is basically how they go about doing what they are doing. A comment that I heard made -- certainly, we need to take the process—needs to take into consideration differences within properties, similarities within properties. I am aware that the process does that. It allows for that. Having said that, it is a mass appraisal. Mass meaning that there are 38,818 parcels of property that we contracted with them to go out and look at. And we’re paying them \$14.75 per parcel. In my research with people who do appraisals, and I’ll end up on the conservative side, that you are probably looking at \$200 for someone to come in and actually do an appraisal. For the most part, as we know, they don’t come into my house. They are looking at it from the outside. The people that you may have met left a thing on the doorknob was an opportunity to tell me what they said what I have. This valuation model is a formula-driven system of valued determination using standardized rate and data tables derived from an analysis of the local market. Now, I’ve said to people that I have talked to I would be more than happy to show you the number of sheets with 51 different transactions on each sheet that amounted to 2,312 parcels of property that sold

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

in Augusta County in 2008. In my district alone, 96% of the properties that sold for more than what it was assessed at. That's a fact! I would be more than happy—and it's public information—to share the actual results. Those results come from the Commissioner of Revenue's office. The contractor does not dream those numbers up. They are what they are in terms of what property is doing; what land is doing. There was a tract of agriculture right across from where I work assessed at \$135,000. It sold for \$1.1 million. Yeah, does things like that drive up the overall assessment for all of us? It certainly does. The Board of Assessors was trained by the State Department of Taxation. They came in and actually trained the Board members. The Commissioner of Revenue's office provided the Board of Assessors and Blue Ridge Mass Appraisal with the most up-to-date sales data. As a Board of Supervisors appointed liaison to the Board of Assessors, I was provided the most up-to-date sales data available through December 31, 2008. The spreadsheet that I have right here, tonight, actually shows exactly what Mr. Pyles is asking for. It shows the owner's name, the parcel on the tax map, the address, the acres, the square footage, the month, day and year the property was sold, what the current assessment is, and what they called the ratio in the market. The ratio is the relationship between the assessed value and what the property sold for. Now, the market is the percent of increase that would be necessary to bring the 2005 assessment value up to the 2008 sales price. I'm telling you every time I hear of another sale, every time I read those numbers, it just blows my mind in terms of what stuff is selling for. The order in which I have heard it is land, which is a lot of what we have heard about tonight—what the value of land has done. Then behind that is what commercial property has done. Then following that is residential housing as to what it has done. I just wanted to make you aware. What I have heard tonight is not the house I live in! From what I understand, the Board of Assessors' meetings will conclude by the end of next week. At that point, their plans are to get back together, after hearing from the public. The Board of Assessors does have the authority, in working with the contractor, to communicate, if it's their will, a different result. We, individually and collectively, cannot change your assessment. The law does not allow us to do that.

A gentleman from the audience asked what assessment was used to determine the sales value. Mr. Coleman said that the 2005 assessment was used.

Mr. Garber: Citizen complaint – Elderly landlord received a letter that frightened her about financial concerns such as social security, bankruptcy, and what bad things were going to happen. He felt that this manner was “totally inexcusable”. He emphasized that figures quoted tonight by speakers should be backed up with true facts.

Ms. Sorrells made the following comments:

I have a couple of comments that I want to talk about:

1. People coming in here and asking to throw out the assessments or roll back the assessments. Let's make it perfectly clear that we are not legally allowed to do that. We all sat up here, took an oath of office. We didn't come into this position to break the law. I have talked to our County Attorney. Weeks ago, I asked him this very question: 'Can a county decide to "throw out" a reassessment? If so, what are the steps that have to be taken? And if a county "throws out" a reassessment, can they simply decide to "roll back" the reassessment and use the previous one that is in place?

His answer to me was as follows. "I can find no authority in the Code of Virginia for the Board of Supervisors to "throw out" an assessment. Concerning the completion of the assessment the Code of Virginia says this and he cited the code which I have here:

[included here even though Mrs. Sorrells did not read it]
§ 58.1-3300. Reassessment record; original filed in clerk's office; copies to commissioner of the revenue and local board of equalization; recapitulation sheets to Department. – As soon as the persons, or officers, designated under the provisions of Article 6 (§ 58.1-3270 et seq.) herein have completed the

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

reassessment, they shall make two copies of such record, in the form in which the land books are made out, and shall certify on oath that no assessable real estate is omitted and that there is no error on the face of such record. Such persons, or officers, designated as aforesaid shall then file the original of such reassessment in the office of the circuit court clerk of the city or county, who shall preserve the same in his office; and he or they shall deliver one copy of such reassessment to the commissioner of the revenue of the city or county and one copy to the local board of equalization of such city or county. For cities having an additional court for the recordation of deeds, one extra copy of such reassessment, embracing real estate the conveyance of which is required to be recorded in the clerk's office of such additional court, shall be made and filed in such circuit court clerk's office.

Such persons or officers shall at the same time forward to the Department of Taxation a copy of the recapitulation sheets of such reassessment.

In lieu of complying with the foregoing provisions of this section, the person or persons appointed by the governing body to perform the annual or biennial reassessment of real estate set forth in §§ 58.1-3251 and 58.1-3253 shall sign the land book attesting to the valuations contained therein resulting from such assessment.

And he said, 'Based on this section, and the others I sent you previously, I think it clear that once the Board appoints an assessor or a Board of Assessors, the only power it has of any affect on the process is to ask for a 90-day extension.' This is what we did. We did not ask for that extension to get beyond the elections. We asked for that extension because in September, you recall what happened to the market. Everything crashed. We felt like, if the only sales that Blue Ridge Mass Appraisal had to use to try to get fair market values of your land, were those before that crash, that your land would be valued too high. So we asked for that extension so that we could get sales all the way up to the end of the year, which we did. We have sales that go up to the very last day of the year so that we could bring your assessment down because the market was going on a downward slide. That is why we asked for the extension. We did that. That is the only thing we are allowed to do. At this point, he says, 'the only thing the Board of Supervisors can legally do is to adjust the tax rate based on the assessment figures.' We are in the middle of a process. That process will culminate with our budget and with our tax rate. We have all committed that it is going down. We can't commit to an exact number until we know what kind of numbers we have coming in, what our needs are, our school needs. We heard about our incredible school needs tonight. We have incredible road needs. We have many many needs that we have to sit down and look at because what we don't want is to cut your services. We don't want you to call 911 and have nobody show up at your house. I don't think anybody on this Board could live with that. So you have to let us go through the process. The process is established by the Code of Virginia. We're working through it. We're trying to make it as fair a process as possible. These things that we are asking for—all the Supervisors are asking and looking at numbers and trying to make this as fair process as possible which culminates in the tax rate in the budget at the end of the process.

2. The other thing I would like to talk about is land use. We've heard a little bit of it bantered about and the first thing that I would say is that Augusta County doesn't do a good job of educating people on what land use is and what land use isn't. First, I want you to see that seal that is up here. That seal has been Augusta County's seal since the 1700s. It is an agricultural scene. It has some Latin words around it that I will get to again in a few minutes. At our last meeting, and in an e-mail to us, one supervisor on this Board made lots of noises about people who are in land use are insulated from paying taxes. 'The people in land use are not paying their fair share.' I don't like those noises. Those noises scare me a lot.

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

Let me explain land use first-- because I think that we in the county do not do a good job of explaining what that is. If you choose to put your land into agricultural production – you make hay, you have livestock, you plant crops – or if you keep your woodland in place then you register with the county and your land gets two assessments: the first is that big assessment value for land – that fair market value based on development prices (the mass appraisal). The second is the land use assessment. The mass appraisal—the farmer who puts his land in land use, doesn't put his house and one acre around it. That's assessed at that full fair market value and his buildings are assessed at the full market value. The valuation of the land if it is in land use is done by a totally different system. So you have that big scary number and then you have that number which is based on the SLEAC index, which is a statewide index. It is not tied to our mass appraisal number at all. It's created by looking at things like drought conditions that have happened. It's created by looking at what soil types are out there. So, if you have an acre of Class I soil, your land may have an assessment fair market value of \$6,000 an acre, but it is \$400 an acre is what you're going to pay tax on. Class 4 soils are \$210 an acre, wooded land is \$350, less than that if it is mountain woodland. You are still taxed at the 58¢ per hundred but on land that is assessed at a far lower value.

Is that giving the farmer a "tax break"? Absolutely. But the bigger tax break is going to the people who aren't in land use like me. I've got 10 acres that is not in land use. Believe me I feel that inflated land price is because people are willing to pay that. It is the ones who live in Teaverton and Cranberry Ridge and Ridgeview Acres. Here's why. First and most obvious is that we all like to eat and have clothes to wear. The most necessary tool for a farmer to produce those things is land. Without land he can't conduct his business. He can't afford to buy land and pay taxes on land at development prices. Secondly, farming and forests protect our irreplaceable natural resources: clean water and clean air. Augusta County is the only county in the state where no water flows in. It all starts right here and goes to the Chesapeake Bay. No other county in Virginia can say that all their water comes from within their borders. Clean air—that is a natural resource that none of us can do without.

But here's the reason for land use that is harder to figure out but it might be the most important one of all in terms of your pocketbook. Land use keeps everyone's taxes low. Even though a farmer is paying a much smaller pile of money than a non-farmer (and remember they are paying full assessment value on the house and the first acre around the house as well as all of their barns and buildings) he is paying more in taxes than he is receiving in services. In other words that farmland is a net revenue gain for the county. The reason is this: cows don't go to school, sheriff's deputies don't arrest cornstalks, chickens don't read books or need ballfields and if a horse is sick, the farmer calls the vet, not 911.

To put that in reverse: every house is a net loss for the county even though that house is paying far more in taxes than when it was a cornfield. When a farmer signs up for land use, not only is he producing your food and fiber and protecting your natural resources, he is entering into a 5-year agreement with the county that he will not develop that land and increase the tax burden on the county. We know that for five years we will not have to worry about spending additional money on services to that land. If the farmer takes his land out of land use and creates a house lot then he pays a 5-year roll back of taxes at the FULL assessment value, not the land use assessment value.

A person who chooses not to go into land use, chooses to keep his options open to be able to develop that land so they pay a full assessment price because they can turn around and sell it to people who want to put a house on it. And I can tell you at the Spotswood Ruritan last night, I was actually quoting somebody else when I said they were saying it was the invasion of the Yankees that created this. I have a stack of reassessments that I pulled off of here. Every one of these is an assessment for someone who has come into this area in the last five years, paid far more than the assessed value on the property. In many many cases, their new assessment doesn't even touch what they paid for it; and that's what we're talking about is people who have more spending power coming in here saying that Augusta County is a great

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

place to live and they want to stay here and they want to pay for it and they're paying a lot for it. And it is making everybody's land go up in value. It is something we struggle with as a Board. We all have been thinking about this. How do we get this into check? What do we do? It is something that we will continue to struggle with, I'm sure, for a long time to come. But the person who is not in land use has made a choice to keep their land available for development. The person who has put it in land use has made a choice to limit his options.

That said, we have to have houses and people to make Augusta County what it is. Knowing that every house is a tax loss, we can make it less of a tax loss by putting those houses in the right places and concentrating services—fire, water, sewer, improved roads, and libraries. If you concentrate those in the right areas, and you keep your farmland in farmland, then you can make the bang for your buck. You can make that tax rate, whether it is 58¢ or 48¢, you can make it go a lot further. So we don't dilute the spending power of your hard-earned tax dollars.

If we would do away with land use, and I can tell you there are at least six Supervisors on this Board who have no intention of ever doing away with land use, we might as well put the county up for sale and wave the white flag of surrender to Loudoun County. In a few short years there will be no more farming in Augusta County and your tax tickets will be through the roof. This is why we have to make it easier to grow in the right places and harder to grow in the wrong places to get that into check.

In a time when counties in Virginia are getting on the bandwagon to add land use, we should be glad that Augusta County has had this tool in place for a long time. Oh yeah, those Latin words mean "Let us return to the Golden Ages." We can do that. Our future can be as golden as our past. Rest assured, if the six of us have anything to do with it, we will always have land use in Augusta County and we will continue to work hard at finding other ways to make sure that growth and agriculture occur together in the right ways to make Augusta County a better place to live.

Mr. Pyles made the following comment:

Mr. Chairman, Ms. Sorrells was talking about me and I would like to respond to it. I had a call from a farmer who said he talked to another farmer and said that I was against land use and that if I went forward with it, harm should come to me. Not worried about the harm; I'm worried about the misrepresentation of what I said and what I put out. I put out the land use of comparisons not to say that those others should be taken up, but those that were so high shouldn't be that high. When one person pays \$600 for eleven acres in taxes and another pays \$18 for eleven acres in taxes for things that are assessed at essentially the same value, I think if you were having to pay that increase from \$400 to \$600, you might think, 'that's a heck of an increase' and you would be concerned about it. Those 10-11 acres I point out there are no deputies going there for the things, there's no arresting the cornstalks on that land. We have a lot of people that are elderly and just have 5-6 acres. They don't know all the paperwork and they are not earning the revenue to do that. But their land is not costing us anything, either. So the one gentleman that called me, and the property that I put forward—this man sounded to be 80-some years old; he's owned it since 1968, how is he going to afford an increase of a couple hundred dollars a year—a \$20 extra a month? His income isn't going up like that. His expenses are going up quite a bit. And we're going to say, 'oh, yeah, we've got this theory and this philosophy that it says it's this versus the other; that this one is so much'. Land use, I have supported it every time. Not only do I support it—and when Ms. Shrewsbury was here earlier in the year, I promoted that we stick with her present SLEAC standard. I know this very well. I followed it from the time I was on the Board. First type 1 soil was \$800 back in 1997; now it's \$400. That's been cut in half. Okay, that's fine, and I support it. But when we see our other folks who are being asked to spend so much for getting nothing for it, that was

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

my point. My point was in reference to Mr. Beyeler's comment that I didn't pay as much taxes as others. Maybe, I shouldn't have as much say, or I don't understand as well as others. What I'm saying is, maybe, the folks who are getting such a break on this, if they had to pay the full burden as some of these others, they would be more in tune to what the folks are saying that their land isn't worth that much. Let's be clear. I have never proposed doing away with land use or not doing it to the best that we can do it. Not only that, two years ago, I went to the agriculture group and said, 'we ought to go to sliding scale zoning so it can be brought down to zero.' I promoted that to that board. Things are different now and I wouldn't do that now. But I did it then to take it off the table. That's my support of that.

Mr. Beyeler personally thanked the audience for being present tonight and made the following comment:

Whether I agree or disagree, we need to hear this. We're in a time when no one knows, basically, what is going to happen tomorrow. We are in a different time, but we are required to do certain things at certain times. I, for one, am willing to continue to go in that direction. I've seen prices all over the place. The ones that I feel the sorriest for are the ones on fixed incomes. Now, I'm going to correct Ms. Sorrells a little bit. She's not all wrong; she's taking it as a whole, but if you have a high priced house out there and you have no children in that house, you are paying your way. If you have one child in there, and they are going to Augusta County schools, it is costing the County \$4,500; so somebody else is helping pay to keep that child in school. I went through that. I had children, too; now, I'm an empty nest; I'm willing to pay it, but, roughly 75%, when you take the school operating and the school capital, it is roughly 75% the total tax we collect. Hopefully, that money is going well. People say, 'hey, they're wasting a lot of money.' Yes, they are; but, yes, they're not. I'm going to talk both sides of the coin. I never will forget the biggest problem this country has is nobody is willing to take responsibility for their own actions. I will never forget when the schoolteacher told me, 'how in the dickens do you expect me to teach a child in school when that child's biggest concern is they don't know where they are going to sleep that night?' That's wrong with this country! Now, the assessment—Blue Ridge Mass Appraisal—and I have heard a lot about Blue Ridge Mass Appraisal recently, they are a local firm. And they've done the tax assessment the last four or five times. Now, one reason that price is at what it is per parcel, is because they have a lot of that data already in the computer. I'm not here to say—and I've had people call me—and when they call me, I look at their assessment and I look at their neighbors, and if there is anything I can find that I think they can argue why their assessment ought to be reduced, I'm willing to help them. I've worked on the assessment board in the early '70s. We made mistakes. They have made some mistakes; but that doesn't say it is all wrong. Again, thank you for coming. I ask you to be patient with the Board. We're feeling the same pain you are. I wish we knew where we were in this recession, or depression, or whatever we're in, but we don't know that. And we're going to have to go one step at a time. But we will get through this and, hopefully, tomorrow will be better than today.

Mr. Shifflett made the following comment:

I spoke with a lot of citizens over the past weeks and I've told them that I think the reassessments are ridiculous. All the sales data and the figures from the Commissioner of Revenue and actual sales from Blue Ridge Mass Appraisal may support it. I'm not denying that, but everyday reality does not support it. I've said it twice that I'm going to lower the tax rate and I am open to discussion of any other legal solution that our County Attorney can come up with that we can enact, hopefully, with some more in-depth analysis so that over next couple of weeks he will be able to provide us with some helpful information that we can use. At this point in time, it would be best, as I have said before, wait until everything is done; once the information is given to us, then we can act on it. I am of the firm belief that you don't raise taxes during times like this. We are in

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

unprecedented times. A lot of folks that have called me wanted to know what they can do to appeal the process. They feel that their sales aren't right; that their assessment is wrong. I had one gentleman that had an acre of ground that his house was on but the rest of it was in a flood plain. I told him he had a clear case of an appeal there and he went. I haven't spoken to him, yet, to see what has happened. I had a lot of folks, you know, that's what the problem is in how do they go about proving that their reassessment is wrong. They are just average citizens that every four years they have to face a giant on this. I've been doing some research and I precluded to it before tonight was that Virginia is very relaxed on its oversight as to how assessment process is done. In an article that I found there were several members of the General Assembly who were appointed to a committee to look at this. This was last year. I've also done research and found that this year there was a Senate Bill sponsored by Republican Senator Frederick Quell on the burden of proof and I'll read it:

'The bill, as proposed, real estate assessments burden of proof on appeal provides that when any assessment of real property is 20% greater than the previous assessment and any appeal of that assessment to the Board of Equalization or Circuit Court, then the burden of proof is on the Commissioner of Revenue or other local assessing official to show that the assessment was accurately computed according to general and accepted appraisal practices.' What that meant was that when you got your assessment and you didn't think it was right, instead of you providing the proof that it was wrong, when you sat in that meeting, they had to prove to you why it was right. Where the 20% came from, I have no idea. Personally, I feel that any increase should be not you that has to prove that is wrong, but whoever done the assessment to prove that they are right. I spoke with Senator Hanger's office on Tuesday to get the status of this bill and I was quite shocked to find out that the bill had died. I also learned that a similar bill sponsored by Republic Delegate John O'Bannon met the same fate during the 2008 session of the General Assembly so you can put two and two together to see where the state is coming from on this. I know that Augusta County's citizens are not the only ones that want something done.

Mr. Shifflett moved, seconded by Ms. Sorrells, that the Board authorize staff draft a resolution asking the General Assembly to amend the State Code in regards to the reassessment of real estate property in which there is an increase over the previous assessment that the burden of proof be provided by the local assessing officials.

Mr. Beyeler pointed out that it was too late for the bill to go through this year. He did not have a problem for it to be placed in the legislative package for the next year.

Mr. Shifflett stated that this bill was actually carried over from the 2008 Session and was conveniently left out at the last Session.

Mr. Coleman supported the motion and added that it had been reflected in previous minutes a request to be sent to the General Assembly to consider a locality like Augusta County the flexibility of a 5-6 year term versus every four years.

Mr. Beyeler asked that if there were anyone in the audience to give some input in how to improve the process and put taxes on things other than real estate. "We do have to have tax to operate the County and the schools."

February 11, 2009, at 7:00 p.m.

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

REASSESSMENT (cont'd)

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * *

MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

Chairman Howdysshell:

- 1. Thank you to the audience for being respectful. "It makes our job a little more pleasurable. It's tough; these decisions are not always made easily."
- 2. Governance Meeting – Waynesboro, Staunton, and Augusta County County Administrator/City Managers/Mayors/Chairman – February 12th.

* * * * *

PARKS AND RECREATION COMMISSION – APPOINTMENT

Mr. Pyles moved, seconded by Mr. Beyeler, that the Board accept the resignation of Rebecca Corns and appoint Rudolph Carson Bazzrea to serve an unexpired four-year term on the Parks and Recreation Commission, effective immediately, to expire December 31, 2010.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

MATTERS TO BE PRESENTED BY STAFF

Staff discussed the following:

- 1. Stimulus Bill – Service Authority, Schools, Library could be considered
- 2. NCRS Flood Control – Toms Branch – funding is in place and ready to bid.

* * * * *

CLOSED SESSION

On motion of Mr. Garber, seconded by Mr. Pyles, the Board went into closed session pursuant to:

- (1) the personnel exemption under Virginia Code § 2.2-3711(A)(1)**
[discussion, consideration or interviews of (a) prospective candidates for employment, or (b) assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific employees]:

A) Boards and Commissions

February 11, 2009, at 7:00 p.m.

CLOSED SESSION (cont'd)

(2) the legal counsel exemption under Virginia Code § 2.2-3711(A)(7)

[consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, and consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel, as permitted under subsection (A) (7)]:

A) Tax abatement

Vote was as follows: Yeas: Howdyshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

CLOSED SESSION (cont'd)

On motion of Mr. Beyeler, seconded by Mr. Shifflett, the Board came out of Closed Session.

Vote was as follows: Yeas: Howdyshell, Sorrells, Garber, Beyeler, Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

The Chairman advised that each member is required to certify that to the best of their knowledge during the closed session only the following was discussed:

- 1. Public business matters lawfully exempted from statutory open meeting requirements, and
- 2. Only such public business matters identified in the motion to convene the executive session.

The Chairman asked if there is any Board member who cannot so certify.

Hearing none, the Chairman called upon the County Administrator/ Clerk of the Board to call the roll noting members of the Board who approve the certification shall answer AYE and those who cannot shall answer NAY.

Roll Call Vote was as follows:

AYE: Shifflett, Coleman, Garber, Sorrells, Howdyshell, Pyles and Beyeler
NAY: None

The Chairman authorized the County Administrator/Clerk of the Board to record this certification in the minutes.

* * * * *

HERSHEY REFUND

Mr. Beyeler moved, seconded by Ms. Sorrells, that the Board authorize a refund in the amount of \$116,610.70 (representing interest only).
Funding Source: CIP Account #80000-8145

February 11, 2009, at 7:00 p.m.

HERSHEY FUND (cont'd)

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler,
Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

ADJOURNMENT

There being no other business to come before the Board, Mr. Garber moved, seconded by Mr. Shifflett, the Board adjourned subject to call of the Chairman.

Vote was as follows: Yeas: Howdysshell, Sorrells, Garber, Beyeler,
Shifflett, Pyles and Coleman

Nays: None

Motion carried.

* * * * *

Chairman

County Administrator