

Regular Meeting, Wednesday, February 13, 2013, 7:00 p.m. Government Center, Verona, VA.

PRESENT: Jeffrey A. Moore, Chairman
Larry J. Wills, Vice-Chairman
David R. Beyeler
David A. Karaffa
Marshall W. Pattie
Tracy C. Pyles, Jr.
Michael L. Shull
Timmy Fitzgerald, Director of Community Development
Jennifer M. Whetzel, Director of Finance
Patrick J. Morgan, County Attorney
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 13, 2013, at 7:00 p.m., at the Government Center, Verona, Virginia, and in the 237th year of the Commonwealth....

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Chairman Moore welcomed the citizens present.

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The following students at CSVR Governor’s School, led us with the Pledge of Allegiance:

William “Hunter” McCray, a senior, at Fort Defiance High School, is on the Electric Vehicle Team at the Governor’s School, and is on the Debate Team at Fort Defiance High School. He hopes to attend Virginia Tech and major in Engineering. Sam Carter, a senior, at Fort Defiance High School, is also on the Electric Vehicle Team at the Governor’s School and is on the Academic Team. He hopes to go to N.C. State and study Mechanical Engineering.

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Tracy C. Pyles, Jr., Supervisor for the Pastures District, delivered invocation.

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MATTHEW SPONAGLE – INTRODUCTION

Mr. Wills introduced Mr. Sponagle, a new employee in the Agricultural Extension Office. He will be the Livestock Specialist. Mr. Sponagle said that he was born and raised in Highland County and graduated from Virginia Tech in 2010. He looked forward to the interaction with the agriculturists and farmers in Augusta County.

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ROAD ABANDONMENT

This being the day and time advertised to consider a request to consider abandonment of a portion of old Route 664, located in the South River Magisterial District.

Patrick J. Morgan, County Attorney, advised that in the late 30’s, early 40’s, part of Route 664 was relocated. The old route was never formally abandoned. To be considered tonight is if VDOT is going to be asked to abandon that portion of Route 664, which was displayed on the screen in red. The old Route 664 is entirely on the Lowery property. On September 5, 2012, they asked that the road be abandoned. As required, advertisement was placed twice in newspaper and three notices were posted along the route that was to be abandoned. He noted that it was obvious that the road has not been used in many years. An issue had been brought to Mr. Morgan’s attention late this afternoon of a waterline that goes through that area. A question has been raised whether or not if there is an easement that can remain or by abandoning the road it may cause the waterline to be removed. He has done some research and felt that it could be owned by the Augusta

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ROAD ABANDONMENT (cont'd)

County Service Authority. If that were the case, it will be protected under the provisions of § 33.1-163 of the State Code. If it is a private line, there may be problems. He asked that the public hearing be held tonight and then the matter be tabled until the next meeting to give him time for further research.

The Chairman declared the public hearing open.

Hestel Lowery, of Mount Torrey Road, reiterated that the road was closed between 1939 and 1940. He bought the land in 1991 from family members. Brenneman Engineer surveyed the property and told Mr. Lowery that the road could be closed because the State did not need it. He said when excavation began, he was advised to notify VDOT to determine what could be done. When completed, VDOT approved. Since 1991, he thought everything was taken care of; in 2012, he learned that the road had not been technically closed. He said that he has been paying taxes on the property and had asked Mr. Beyeler if the road could be closed. As far as the waterline, he noted that Mr. Lunsford was given a life-time right to work on the waterline as long as it did not have to be replaced. If replacement is required, fifteen feet was available on his property to place a new waterline.

Morris Henderson, of Windy Acres Lane, said that he owned both sides at the bottom of Mount Torrey Road entrance. It had been his parents property since 1954. Since the upper portion of the road was closed, traffic had been directed through his property. He pointed out that there had never been any notification of the road closure. He noted that there was undeveloped land in that particular area and expressed concern of development occurring in the future causing heavier traffic.

Roger Willetts, on behalf of Mr. Lunsford, agreed that there is a water right-of-way going through the Lowery property. When first researched, he learned that the State stopped using the piece of road that is being considered tonight in 1938 or 1939. He noted that in those days, condemnation was not obtained; the property was just taken by prescriptive easement; therefore, there is not a deed. By prescriptive easement, when the road was stopped being used, it was understood to be abandoned. Mr. Lunsford received the right to place a waterline in 1969, which was prior to the time that Mr. Lowery bought the property. Mr. Willetts expressed his concern that by abandoning the road could have an impact on Mr. Lunsford's water right-of-way. Mr. Willetts suggested that he and Mr. Morgan determine additional language to be inserted in the resolution, to be approved by the Board, to not impair the existing waterline.

There being no other speakers, the Chairman declared the public hearing closed.

Mr. Beyeler noted on the map that the property, indicated in red, was abandoned. Also, from the red line all the way down to Mount Torrey Road was abandoned. Going back on Windy Acres Lane, there was an old right-of-way that used to go all the way through to Route 624. When the new road was built, that was when they abandoned the whole section. He agreed that it needed to be determined if the Service Authority was responsible for the waterline.

Mr. Beyeler moved, seconded by Mr. Shull, that the Board table this item until February 25, 2013, Staff Briefing.

Mr. Pattie asked Mr. Henderson to indicate on the map the location of his property.

Mr. Wills asked why only a section, not the entire portion, of the road was abandoned if there was a written right-of-way all the way through. Mr. Beyeler explained that the rest of the road serves more properties. The red line shows that VDOT will not approve because of the site distance. Mr. Wills asked that if it was a state road, why VDOT is not maintaining it. Timmy Fitzgerald, Director of Community Development, said that the road

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ROAD ABANDONMENT (cont'd)

has not been maintained since the new Mount Torrey Road was built. The reason for not abandoning the complete road is because it still remains a public right-of-way and would provide access to those residents. If abandoned, deeded right-of-way easements would be required. Currently, it is a public right-of-way that can be used to get back to the property.

Mr. Pattie asked Mr. Henderson if he preferred the road to be closed or to be state maintained. Mr. Henderson did not want to see someone else be burdened of maintaining the road.

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Beyeler and Pyles

Nays: None

Motion carried.

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MATTERS TO BE PRESENTED BY THE PUBLIC

Larry Roller presented a picture to the Board indicating a "Pot of Gold" in Augusta County called Agriculture. The picture is in the Middle River District showing a rainbow on the Walker Farm.

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MILL PLACE PARKWAY – INDUSTRIAL ACCESS ROAD

The Board considered a resolution to VDOT requesting that the Commonwealth of Transportation Board provide Industrial Access Road funding to construct an extension of Mill Place Parkway.

Mr. Fitzgerald advised that the resolution to be considered tonight is for an Industrial Access Road project in Mill Place Parkway. This is an application to apply for Industrial Access Road funds through the Virginia Department of Transportation to extend Mill Place parkway from its current location at the cul-de-sac potentially out to the property line with the City (based on cost) for future economic development activity in the area.

Mr. Karaffa moved, seconded by Mr. Wills, that the Board adopt the following resolution:

RESOLUTION

WHEREAS, the Augusta County Board of Supervisors desires to develop property for the purpose of economic development use located off of Mill Place Parkway Route #901 in the County of Augusta, Virginia, for the purpose of economic development within the Mill Place Commerce Park; and

WHEREAS, this property is expected to be the site of new private capital investment in land, building, and manufacturing equipment which will provide substantial employment; and

WHEREAS, the existing public road network does not provide for adequate access to this property and an access road improvement project is necessary and

WHEREAS, the County of Augusta hereby guarantees that the necessary environmental analysis, mitigation, fee simple right of way and utility relocations or adjustments, if necessary, for this project will be provided at no cost to the Economic Development, Airport and Rail Access Fund; and

WHEREAS, the County of Augusta acknowledges that no land disturbance activities may occur within the limits of the proposed access project prior to appropriate notification from the Department of Transportation; and

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ROUTE 636 (cont'd)

1. The Board hereby adopts this declaration of official intent under Treasury Regulations Section 1.150-2 and declares that the County intends to reimburse itself with the proceeds of Indebtedness for Expenditures made on, after or within 60 days prior to the date hereof with respect to the Project, except that Expenditures made more than 60 days prior to the date hereof may be reimbursed as to certain de minimis or preliminary expenditures described in Treasury Regulations Section 1.150-2(f) and as to other expenditures permitted under applicable Treasury Regulations.

2. The maximum principal amount of Indebtedness expected to be issued for the Project is \$10,500,000.

3. This Resolution shall take effect immediately upon its adoption.

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Beyeler and Pyles

Nays: None

Motion carried.

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STREET ADDITION

The Board considered Community Development's and VDOT's recommendations to adopt resolution for acceptance of the following street into the Secondary Road System in accordance with VDOT request (South River District):

- 1. Ellis Farm, Unit 2

Mr. Fitzgerald displayed property and advised that it now has occupancy to allow for it to be brought into the State system and noted that all inspections have been done.

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

ELLIS FARM, UNIT 2 - 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.

WHEREAS, VDOT Form AM-4.3 is hereby attached and incorporated as part of the governing body's resolution for changes in the secondary system of state highways.

BE IT RESOLVED, that the Virginia Department of Transportation is hereby requested to add the following streets in **ELLIS FARM, UNIT 2**, into the secondary road system of Augusta County pursuant to Section 33.1-229 of the Code of Virginia (1950) as amended:

Benz Road (State Route #1614)
From: 0.01 miles west of Route 1615 (Kolb Circle)
To: 0.31 miles west of Route 1615
Length: 0.31 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 Plat Book 1, Instrument 120009310, Pages 8369 and 8370, recorded October 30, 2012.

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.

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STREET ADDITION (cont'd)

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Beyeler and Pyles

Nays: None

Motion carried.

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FY2013-14 BUDGET INFORMATION SESSION

The Board had a "special" session to solicit public input on the upcoming FY2013-2014 Budget.

Chairman Moore explained that the purpose for this special session is to receive public input. He noted that there has been past discussion that a public hearing is always held late in the budget and that "it is a done deal before we even have a public hearing". He added that Mr. Karaffa had requested this public input session to be held early in the budget process.

Jennifer M. Whetzel, Director of Finance, provided a PowerPoint presentation with the following high-lights:

Virginia Code sets the guidelines . . .

- Sets the fiscal year for localities (runs July through June)
- Sets deadline for presentation of budget to Board of Supervisors (before April 1)
- Sets public hearing notice requirements (advertisement 7 days before public hearing, depending on reassessment year)
- Sets minimum period before budget approval
- Sets deadline for State agencies to provide info to localities after General Assembly session

Schedule:

Department Requests to County Administrator: 2/4/13-2/15/13
(Chairman Moore noted that, at this point, the County Administrator has not received all of the Department Heads requests.)

Board of Supervisors Work Sessions: 3/25/13 (morning) & 3/27/13

Advertise Tax Increase 58.1-3321: 4/10/13

Advertise Budget 15.2-2506: 4/10/13

Public Hearing 15.2-2506: 4/17/13
Special Meeting

Adopt Budget 15.2-2503: 5/01/13
Special Meeting

(Ms. Whetzel noted that the budget can be adopted at the last meeting in April if the Board desires or up to June 30th. Historically, it has been adopted in early May.)

Flow of Information:

Departments → Co. Admin. → Finance → BOS → Public → Final Product

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FY2013-14 BUDGET INFORMATION SESSION (cont'd)

Coordination: Ms. Whetzel noted that the County's Budget is coordinated with outside agencies, such as the Schools, Shenandoah Valley Social Services, and other regional agencies that the County may contribute to. General Assembly is also a factor to enable finalizing revenue expenditure estimates based on what the General Assembly has decided. She noted that General Assembly can reconvene in April.

Survey Results to Date:

- 736 completed (Last year – 801)
- 76.1% are County residents
- 49% have lived in County over 20 years
- 40.7% have children in school
- 77.1% pay RE and PP tax

Is the public satisfied with communication between the County and the public?

Response: 57.9% - Somewhat Satisfied; 14% - Satisfied

How knowledgeable are you of County services?

63.9% - Somewhat knowledgeable of County services; 31% - Very knowledgeable

How would you rate the Quality of Life in Augusta County?

Response: 62% - Good; 22.5% - Excellent; 1.3% - Poor

Highest priority ranking:

Response: Education – most important (84.3%); Fire Services (57.4%); Rescue (57.4%); Sheriff's Office – (51.2%)

Ms. Whetzel noted that Education and Public Safety are the two most important that respondents consider in Augusta County.

Economic Development/Type of jobs people would like to bring into the County:

Response: Technology-based and professional services (69% and 67%); Manufacturing and Agriculture (59% and 52%)

Schools Priority Ranking:

Response: (Ms. Whetzel noted that the School Board did a survey earlier and those responses were inserted into the County's survey for ranking purposes.)

Employee compensation and improving teacher classroom ratios were the two most important things followed by technology upgrades.

The County will face a 2014 budget shortfall if all current programs are continued at current levels. Which option is the best way to approach the shortfall?

Response: 39% to fund it with 100% new revenues; 23% - 75% revenues; 25% - service reductions; 20% - 50% service reductions; 50% revenues.

What new revenues would you support?

Response: 79% - real estate tax increase; 62% - personal property increase; 68% - increase user fees.

Ms. Whetzel asked the audience to raise their hands if they had filled out the survey. Chairman Moore suggested that those who did not, to do so. "That provides a great input from the people!"

The following people spoke:

John Bright – His taxes have increased so much that he cannot afford a new car or cable television. Rather than increasing taxes, Supervisors should add more business

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FY2013-14 BUDGET INFORMATION SESSION (cont'd)

and industry. He added that his children are home-schooled and that he has not had a pay raise in 9 years. Because of the Fiscal Cliff, his insurance and taxes increased. He stated that if taxes were raised again, the only areas he could afford to cut would be his medical, food and dental costs. He understood the school issues and suggested people volunteering and contributing funds to assist School staff. "Just because your children are in public school and you want the best for them. I appreciate that, but your dreams and desires are not mine. I am somewhat upset about having to fund everyone's wants and needs."

Jodi Isaacs provided a PowerPoint presentation noting that Augusta County schools did not look desirable. She gave a comparison of local funding with neighboring districts:

Albemarle - \$4,615 more per pupil
 Rockbridge - \$1,672 more per pupil
 Staunton - \$ 894 more per pupil
 Rockingham - \$ 712 more per pupil
 Waynesboro - \$ 453 more per pupil

*Augusta County is \$3,365 per pupil

Ms. Isaacs gave the following "Final Thoughts":

The lack of funds and little support that Augusta County gives our schools is unconscionable. The future of Augusta County is at stake. You will some day have to explain to your grandchildren why their houses are worth so little, why they didn't get accepted into a good college, and why they can't find a job. Funding our schools is imperative for the success of future generations.

Our seniors graduating from Augusta County Schools who plan to attend college in the fall will be at a disadvantage on the first day of classes. The college and university world revolves around, email, Microsoft, Apple and the Web. It's a shame that a large part of the county does not have high speed Internet and that our teachers and students aren't equipped with the latest technology. The district's present computer system is OLD and needs replacing but we have NO MONEY to upgrade. Many of our seniors don't have an email address and have never navigated an email service. Our seniors have not been able to utilize the technology in today's world because Augusta County Schools can't afford to provide it. **You owe those seniors an apology for not supporting education in the 21st century!**

Many may say that Augusta County is a rural community. Yes it is, but have you talked to a young farmer today? Educated farmers use their iPads and smart phones to control and manage their fields. This technology results in better profits and higher yields. Rural communities need 21st century tools to succeed!

I have trust that Dr. Bishop will make sure these added dollars will help increase student achievement. He comes from one of the top performing school districts in the state that has a long-standing reputation for excellence in academics, extra-curricular activities, and leadership development. He knows what it takes to be successful. Please give him the funding to do the job he came to Augusta County to do.

Increasing funding for our schools will produce a work force that is skilled and well educated. These factors will attract new business. This increase in funds will aid in community growth, safety, and quality of life.

Mr. Karaffa made the following comment:

We did increase funding public schools last year to the tune of \$3 million. When the schools came to a request, we met that request. I spoke with Mr. Bright earlier and he told me he had to budget \$800 to teach his daughter her senior year that she is going to spend in home-schooling. We spend \$3,365 per pupil per your slide. We continually put in more money. This Board cares . . .

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Chairman Moore asked that Board members hold their comments until after public comment period is completed.

Georgia Alvis-Long – Augusta County Schools must reduce operational overhead and make better use of facilities.

Edward Long – He referred to last year's discussion regarding Sports to be more important than Education and teachers supporting the discussion. Since 1992, the number of children in the Virginia school system has increased 22%; at the same time, the number of teachers has increased 11%; at the same time, the Administrative personnel has increased 100%. He noted that Augusta County has spent continuously to fund school construction projects. "The problem for education in Augusta County is not per pupil funding." He asked that the Board of Supervisors go to the General Assembly and seek a reduction in the regulations being mandated on local schools.

Dana Mason – Stated that she is the product of the public school system and has "spent the dawning of her golden years trying to unlearn all she had learned (or didn't learn) in public schools".

Dave Mason – Agreed with Dr. Long and did not feel that "more money was the answer". He felt that the Virginia Department of Education has never served the children well. He also suggested a "severing of the Commonwealth from all Washington influence over education in Virginia. Washington has been nothing but a disaster to the educating of our children." He felt that all control of education, including curriculum, should be returned to parents in control of local School Boards. "Government, after all, is the people's property. Educating their children is the unalienable right." He commended home-schoolers in their outstanding achievements in the field of education.

Rick Downs – Against raising taxes. "It's not raising the taxes that does any good. It's spending what money we have in the proper place." He showed a book, "Civics Today," and suggested that it be eliminated from the schools because of it being "left-wing". He noted that the option of private schools is always open.

Tom VanPelt – Reassessment period – "Taxes will go up even if you don't raise taxes. If you do raise taxes, it's a double whammy." Referred to the chart regarding Teacher ratios and salaries and noted that one full-time teacher is for every 15 students; statewide ratio is 18-1. When he went to grammar school, his class size was 30 to 36 students. With regards to salaries, there are schools with two and three assistant principals. He went to a school with 5,000 students with one principal and one vice-principal. He agreed that "they need to work smarter, not more money".

Sandy Garst – Opposed a tax increase. She was confused with equating dollar figures to quality of education. "I'm pretty impressed with the quality of our education in Augusta County." She added, "I'm sure they would like more money. We have a great quality of life in the County. I also believe that if our really exceptional teachers were allowed to teach instead of babysitting, collect data, and regurgitate SOL tidbits, we would attract more exceptional teachers. I propose that the problem is not money. The problem can be traced directly to Federal and State mandates and regulations. We need to get on Richmond. We need to talk to those people! The things that they are mandating are ridiculous. We need to fight the real battle, which is governmental interference in our schools. In the meanwhile, we need to evaluate our educational priorities and work with the budget we have." Ms. Garst said that she would provide the Board with a petition with 268 signatures opposing a tax increase.

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Dr. Chuck Bishop, Superintendent for Augusta County Schools, gave the following comments:

Good evening! Mr. Chairman, members of the Board, Mr. Coffield. I appreciate the opportunity to address you tonight **not** on behalf of the school board but on behalf of the nearly 1500 employees and 10,700 students in grades PK-12 in Augusta County Public Schools.

Public education is under attack by parents, communities and government at all levels. Standards of achievement for students have risen to unprecedented levels as we attempt to serve both the Federal and State governments and their very different accountability systems. Sure, we can walk away from Federal government if you are willing to give up Federal revenues. That's Title I programs that support reading and Special Education programs. That's an option; the State of Connecticut tried to do it. That was one of the things they talked about under the "No Child Left Behind Act". Teachers and principals and superintendents, beginning next year, will have 40% of their performance evaluation based on student achievement. This type of scrutiny is very new to those of us who have entered a profession of serving the community by educating its children. Everyone seems to have a better way for us to educate our students and spend the money that has been provided to us. I am a proud student of the Augusta County Schools and I think I have done fairly well. The Commonwealth of VA has made every effort to devalue public education through various pieces of legislation and reduced funding for several years. I must say that I am appreciative of the efforts of this group to assist on occasion, but more is needed if we truly want to offer not just an adequate system of public education, but one that is outstanding. There has never been a time in my career where our employees have had such overwhelming requirements. Even our instructional aides must now be highly qualified based on Department of Education standards to work with students.

Augusta County Schools had its high water mark with respect to budget during the 2008-09 budget year with a revised budget of nearly \$102 million. I am looking for my other \$23 million since our budget last year was \$116 million. You have a copy of our budget. Since then, we have seen a decrease of more than \$8 million when compared to the revised budget that was adopted by the School Board just last Thursday. The deficit is a bit understated though as the current budget does include nearly \$2 million in one-time Jobs Bill money that was used to provide employee bonuses. Although we have used non-recurring revenues on three occasions to give employee bonuses, they are quickly forgotten as those dollars are used to just make ends meet in many cases. During this unprecedented 4 year stretch, we have lost nearly 100 positions. Many of those have been administrative. Fortunately, the vast majority of those positions were vacated and not replaced which meant that we avoided layoffs. To cover, we have reassigned some staff to the appropriate positions.

As a community, we are all blessed to have a dedicated group of professionals who work in our schools every day. And as we are often guilty of saying, we didn't get into this profession for the money, but there is an expectation that you have the financial means to provide for your family. That is becoming increasingly more difficult for our employees. (Dr. Bishop distributed a "Teacher Pay Scenario" handout, noting that it is over a two-year period.) Between January 2011 and January 2013, in regards to Instructional Aide Contract, you can see on Step L on the salary scale what an Instructional Aide would make. Social Security tax went from 4.2 to 6.2; VRS contribution. The balance, if they are in the Family Insurance Plan, at the end of the month in 2011 was \$343; 2013, it is \$187. That's before taxes. The same can be said for the Teacher Contract at the top.

Employees in Augusta County Schools have now gone four years without a raise other than the 5.7% that was given this current year which only offsets the requirement that we pay the 5% contribution to the VA Retirement System. At the same time, the cost of health insurance has continued to increase particularly for those who participate in our family plan. The cost of the basic necessities needed to provide for a family have also increased. It goes without saying that our employees have less money than ever before.

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To add insult to injury, everyone's pay in January was reduced due to the Federal government's failure to extend the middle class tax relief. While that is not the problem of this body, it is pointed out to simply share the impact of how all of our staff is affected by things out of our collective control. The lack of an increase impacts retirement planning for employees as well since the monthly benefit has a direct relationship to salary. A recent study of 11 school divisions along the I81 corridor has Augusta County ranking in the bottom three in salary for teachers at both the master's level as well as the bachelor's level at different parts on each scale. The same salary disparities exist with other classifications of employees when compared to other local divisions. Our staffing, in many ways, is assigned by the SOQ and it is certainly that Standard of Quality and it is far from quality. It is a standard of existence in many ways. So we staff accordingly. If you want a room full of people, we can cut about cutting sports. We can talk about closing schools. We can talk about the 35 fifth-graders in a classroom because 35 fifth-graders is allowed by Standards of Quality.

We know that our bus fleet continues to age. We have been able to purchase a few new buses, with your help, as well as some year-end money. This year, alone, we produced deadhead miles by 70,000 through some re-routing and other things we are doing. We currently have 15 buses that are between year model year 1991 and 1995.

We all know that technology advances are extremely difficult to keep up with. Proficiency in technology use is a must have for all of our students. Additionally, technology serves as a tool to increase productivity and efficiency for staff. Augusta County Schools currently has better than 3500 computers in service. Approximately 70% of those machines are more than 5 years of age.

For the past 4 years, we have not budgeted for any small scale capital projects in our regular operating budget. Sidewalk repairs, fencing repairs, roof repairs, mowing equipment, furniture replacements, security enhancements, etc have only been funded from end of year money.

On January 2, I completed my seventh year as a superintendent in two different school divisions. During that time, I have had the unfortunate task of reducing budgets on five different occasions. None have been pleasant. A recent review of our revised budget of \$93 million indicates that only around 1.8% could be considered discretionary with nearly 80% of our funding supporting personnel. I would ask that as you begin your budget discussions you remember our schools, our staff and our students.

Nicki Hendrickson – PowerPoint presentation given representing Support our Schools (SOS) Coalition. They are asking for the Board to increase revenue and support to Augusta County Schools by increasing the real estate tax rate to 58¢.

Larry Roller – For 22 years, he has had a lot of experience in education: Teacher/Coach/Principal/Assistant Superintendent/Superintendent/Clerk of School Board and JMU. He felt that having elected School Boards, as well as elected Board of Supervisors, "is a built-in conflict. Members of the Board of Supervisors run on the fact that they are not going to raise taxes. Members of the School Board say that we are going to improve the schools," which means you are going to need more money. He agreed with wanting quality of education. He commended the Board on their fiscal responsibility. He noted that the present budget is projecting a year balance of \$37,218,342. He also commended the Board for giving the School Board over \$3 million this past fall. He was unsure of how it was used but hoped it was used in raising teachers' salaries. "If you want good schools, first, you have to hire good teachers."

Terry Kelley – Graduated from Fort Defiance High School. Played sports, which helped him in college. He home-schooled his children. Many sacrifices were made to meet the curriculum. "It doesn't take a village to raise a child. It takes a parent willing to be involved with their children." He disagreed with the SOS Coalition and opposed raising taxes.

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Mark Daugherty – Opposed tax increase for the purposes of education. He collected several signatures in Beverley Manor with the following similar reactions: 1) 75-year-old woman pays higher medical, food and gas expenses and lives on a fixed income; 2) 65-year-old woman says that her husband is retiring in June and they will have a reduced income; 3) 60-year-old man said he did not want his property taxes raised by 1¢. “Money only grows on trees in two locations that I’m aware of. 1) as a fantasy in a person’s imagination; and, 2) at the Federal Reserve in Washington, D.C. In conclusion, money doesn’t grow on trees in Augusta County. I urge the Supervisors to reject proposals for property tax increases and to look hard for budget efficiencies.”

Tommy Kelley – Believes that the school system is broken and problem is not being fixed. He was home-schooled and was involved in sports (Shooting Team). He campaigned with one of the Supervisors (Beverley Manor District) with the promise that taxes would not be raised.

Lynda Bright – Heard whispers behind her tonight that “Home Schoolers make a choice”. “While we did leave far behind and in the dust your money and the Federal money to educate our children, it wasn’t necessarily a choice. In our case, it was a matter of obedience. In truth, money doesn’t make you smarter.”

MaryBeth Swimba – Encouraged all to pull together and felt that Augusta County was a great community. “The most difficult drain on Americans today is coming from the Federal government. The County Schools are doing a great job. We should take a page from State Attorney General Cuccinelli and tell the Federal Government that they have taken enough of our money and that we need to return control to the local government and to the local community.”

Brandy Hatcher – Home-Schooling is excellent; Public Schooling is excellent. Money is not allocated properly. Tasks in the schools are not being delegated properly. Special Needs children should not be cut. Supported having volunteers in the school system. Opposed raising taxes. “Parents need to step up and volunteer and do their part. Support one another. We are a community. This is not a boxing ring. We can agree to disagree, but let’s do it in a loving manner. We need to be examples to our kids.”

Wade Gayle – “We are having a very serious problem in our economy. We are in extremely serious trouble. We are a spiritually bankrupt nation. We need to put God back in our schools. I ask you to be, not like our Federal government, but be people of integrity.”

Chief Kevin Wilkes did not support an increase in taxes.

Christy Breeden – A teacher of Augusta County thanked the Board for its support. She respects Home-School parents for what they do. “I ask that we work together as a community whether we get an increase in taxes, or whether we get additional funding, the teachers of Augusta County are going to be there when school starts each year because we love our students and our community and we need to invest in public education and our community. I have full respect for everyone. I don’t want it to become a public school and a home-school debate. Let’s just work together to find the funding and allocate it the way we can. ”

Chairman Moore personally thanked the public for coming to the meeting and their input.

Mr. Pyles made the following comment:

I think, as I look at this crowd, it’s just flat down the middle. You’ve got, to me, the two ends of the spectrum. One group saying, ‘Heck, no’ on anything and another group

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saying, 'We really need it'. The public is in between. The public is more like that lady in Stuarts Draft by way of Buena Vista that we need to kind of figure this out because everybody is doing the best they can out there. You know, the petitions, they're fine to get, but if you look at our budget survey, the number of people, there were 76% of the group from the County. So we only had like 500 people from the County who responded to the survey. That's less than 1% of the people. The other folks who come in with petitions of 400, or whatever; we've got 73,000 people out there; we have 30,000 homes out there; and they all see things a little bit differently; and all of them are based upon their own particular experience. I think everybody here made good points. You're absolutely right that we've got plenty of taxes. You're absolutely right that there are teachers deserve more than what they are getting. In my household, I have one son who teaches in Staunton, a daughter-in-law teaches at Rockingham, and a young lady who I hope eventually becomes a daughter-in-law teaches at Churchville. I know how much she works and how much she does. We have to figure it all out. Everything out there were valid points. I want to stay away from the Federal government because we can't do anything there. That's another world, but we can do more in Richmond. And we do need your help with that. They asked us to worry your representatives and we should meet with them. Well, we do meet with them! We even hired a lobbyist to try to represent your views and our views there. But when they go to Richmond, they are indifferent to our local needs. They are lead by the party they represent, they are a part of. They are led by special interest groups that are there all the time showing them their facts and figures and whatnot and they forget. All they need to come up with is a reason why they didn't achieve something. They are not out there working hard for your benefit. We have four people in Richmond who represent different parts of this County. I would ask each of you to contact them and say, 'Just do two things. Get rid of two tax credits, one for land preservation and one for historic restoration.' Those two things are over \$200 million that we pay for those things that go to a very select few people and give us very little bang for our buck. We're paying for land we get no value from; \$200 million; we're about 1% of the State's population school enrollment. If we got 1% of \$200 million, that would be \$2 million more for our local schools if they put it to education. Let's just try one thing and see if we can't get that back. The people expect us to look out for their money. We have to have frank discussions with the School Board. We've raised some issues and we need to raise them again. It's not easy. I understand what everybody is up against, but I don't think this is the year at all to do an increase in real estate tax. The assessment is going to come next year. There is going to be a change in value. What is likely to happen is not that the values are going to go up, but they are going to go down because they were so foolish four years ago. They are going to come down and if we set the tax rate at something and start living with that, next year we would have to raise it, again. Let's hold it off. This Board has done a lot of things to try to make it all work. If you go and look at our budget on line, go to page 74, and you will see where we put in for future infrastructure things that we need to do. We dropped that by \$5 million. So we took it from \$5.5 million to \$500,000; we left \$200,000 for Fire and Rescue grants and a few things like that. But we took that \$5 million out and, however, the money comes from, because it is just balloon squeezing, you just pay all of it. In the end, the School Board got \$3 million more dollars. Now, half of it was standard growth. I want you to understand what the \$3 million didn't do any good last year, then \$2.5 million isn't going to do a lot of good this year. What we did, and I think it was Dr. Roller was pointing out the fund balance that we have each year, that's what we've been working with, to a large extent, this year. We can do some more of it next year. I believe the teachers need a raise. The Governor thinks they need a raise. They put up 2%, but because we have more people because we need more people than what they keep changing the rules of what the Standards of Quality are. They keep changing that to their benefit. They—in Richmond. When Dr. Bishop talked about buses, there was a standard that a bus should last 200,000 miles. Then they changed it to 300,000 to reduce the amount of money that they have to fund. They do all these tweaks throughout the system. At the bottom line, is that they have to fund us less. They keep dropping what had been . . . Remember the lottery that was going to save education? All they did was move money from one pocket to another. It's just a lot of games. We try to make it work with everybody. I think that these difficult times will cause us to get the most out of our dollars. We continue to work with the School Board to try and do it. I believe that, you know when they talked about all of our construction, I think there is a construction dividend that is going to be happening for us. The Ladd closure, going into the Wilson, that can save us, you know, I've read different things between \$500,000 and \$1 million a year. I don't know where it is; we haven't seen the budget. That money can be applied straight to the issues of education

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that we didn't have last year. We have some other growth money. There are things that are coming along. We can do another closure that would save us money, I think, if we replaced Beverley Manor Middle School with K-to-7 and 8-to-12 in the western side of the County. Education is not defined by the building. It is defined by the way it goes in there.

One of the things that happen is I believe we have excellent teachers who do excellent jobs. Whether or not they are paid appropriately, is beside the point. It's an issue, but I know the kids that want to do well in Buffalo Gap did well. They got into any college they wanted to get into. We have kids at Harvard, accepted to Yale, Tech, UVA, across the board. They do a heck of a job. We can't lose them. We need to do something better. We've got to find a way to satisfy the folks that say, 'We've paid enough' and satisfy the folks that say, 'We ain't getting enough'. I think there is enough if we work together and try and say, 'If you will make some concessions on how we spend money, and we free up some money that may be sitting in a bank account, that we can make it work for another year and then see what happens'. The big thing that crossed us was the Composite Index. That is going to change to our benefit next year. When they pointed out Albemarle up there that they paid \$4,000, you know why? Because they got a Composite Index that is up to the sky and they have to bring that up so we will get those changes. I think that there are positive things that are happening and were helpful, but we need to get through this year and then face the next year when it comes up.

Mr. Pattie made the following comments:

I have two kids under two right now, which is an exciting time and explains why my voice is a little rough because they always get sick now. Education, to me, when I think about my kids will be going to Fort Defiance and I think that is a critically important part of our role. I went to public education. I certainly respect everyone that is home-schooling. It is just something that my wife and I have chosen that we think that we would probably rather put them in public education. We have some big challenges. If you think about, not just this year, if you think about the next ten years, Augusta County will face a number of challenges in education. Across the State of Virginia, about a third of the teachers can retire in the next ten years. Our public universities don't have the capacity to build out those new teachers. So we have a shortage of teachers coming up in the near future. That is a major issue. In Augusta County, our birth rate is dropping, our attendance at schools is dropping; so we're going to continue to lose money from the State and Federal government. For example, last year we lost about 50 students, depending on how you cut it. We're going to see it continue to decline. One of the things that I requested last year was a Strategic Plan to explain how we are going to improve education in Augusta County. So you have this box on one side—Money—and you have this other side, which I think most of us in this room want, we want better education in our schools, and we have this black box in the middle. At the beginning of this term, we asked our Fire Chief to give us a five-year plan on what he is going to do to organize the County's Fire and Rescue. There are some issues with it, and I think we weren't completely comfortable with certain parts of it, but he gave us a plan. We supported this plan and we're moving forward with that plan. We're going to make adjustments in it and adapt. Last year, I was promised the plan and I've still, yet, to receive that plan. Right now, I'm being asked to fund a black box without explaining how the money is going to be used to fund better education. That is an issue for me. I'm supposed to be accountable to the people. I'm supposed to support education. I have 22 years of education, myself. I'm an educator; I've been teaching for 9 years, now, and I want to support education. This is something that I believe in. This is something that I've dedicated my life to, but I need a plan to support. I've looked at the things that we've done in the past. There are teachers that say we're building too many buildings. I agree with that. Last couple of years, we spent \$18 million to add on to Wilson and we're going to close Ladd. So we spent \$18 million to lose 20 seats in our school system. Not including Ladd, we have about 2,600 empty seats in Augusta County. I would rather see the utilization of our capital so that we can focus on our teachers. Mr. Moore, you mentioned that we're close to a deal on adding a School Administration building here. That is \$3.5 million. That's \$3.5 million that we're taking out of education to build buildings. There's been people talking about adding classroom space to Cassell; adding to Wilson Middle School. We have 400 empty seats in Stuarts Draft Middle School. We could redistrict. There is talking of selling land to fund the Administration Building. We don't know, exactly, what that will bring in, but every dollar we take from there and don't spend it on our education, we're taking away from educational institutions. I am not necessarily for selling Ladd, but if we sold Ladd, we could reduce our capital debt \$2 million over the next three years or so, and we could shift that money to operations to pay for our teachers and to pay for our education. We have a

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debt limit for capital at \$7.2 million. It has been exceeded the last few years. One of the things I brought up a few months ago was we might consider lowering that debt limit and then focusing our money on actual education. At JMU, I see the same problems. We haven't had across-the-board raises in five years, either, but we have beautiful new soccer fields. If you drive by them, they are usually empty. I see a lot of parallels in our current school system and JMU. Again, I'm asking this year, give me a plan; give me something that I can believe in so that I can go to my 10,000 people that I represent and say, 'This is what I'm going to fight for; this is what I believe in because I think this will increase education'. If there is an increase in price, and I can justify it, then I'm supportive of that. But, I have, yet, to see that.

Mr. Wills made the following comments:

Things have changed so much over the last 20 years, but a lot of the arguments haven't. Every year, we hear we need more support for education. Every year, we talk about tax increases. Every year, we say, 'No, we can't do it'. So things haven't really changed. But the one thing that has changed is demands that are being placed on our County from every direction. Often Augusta County gets penalized because of how well we have managed over time. We didn't have a \$4 car rate when the Governor's car tax went into effect. We don't have that big pile of money coming in that some of the other counties have. It was because we managed well. Then when you get in a situation, like we had last year, where it takes \$3 million just to fund VRS because the State government took money from that fund to do other things and was paying a low interest rate while the stock market was coming back up; when we see a 16.7% increase in health insurance, and we haven't raised teachers' pay for so many years; we have given bonuses, but we haven't raised the pay, it's hard to ask our staff, or the teachers, 'Please pay for that increase because the locality can't afford it,' it puts us in a real bind. I haven't made up my mind on what I'm going to do. I haven't seen the budget that the School Board has presented. I haven't seen the budget that our County Administrator will bring forward. I will make no comment, tonight, on which way I will go. I will tell you that I value our employees; I value our school system and what it does. I really feel like that our school system does a good job. I was taken back by the lady who talked about the quality of the education and trying to get support for it. The quality of Augusta County Schools is great. Now, I do admire people who home-school; but, I find it interesting that several have mentioned to us tonight about sports and turn around in the same lobby group in Richmond has to have home-schoolers brought into our sports program and our extra-curricular activities. The other thing I look at that our school system does, and it cost a lot of money, and, yes, we do get some Federal money for it, but is taking care of our Special Needs children. Believe me, folks, that takes money. That takes time, but it is well invested because the parents do not have the capabilities at home to do this. This is not a program we can cut. Some people say, 'It's ridiculous to have one-on-one with some of these children'. Spend time with an autistic child, a severely autistic child, and tell me that it's ridiculous to have one-on-one. I have a grand-nephew that is extremely autistic and probably will have trouble functioning later in life. He has to be one-on-one whenever he is at home. And, yet, we are required by the Federal government and by the State government to do as much as we can, and we should as a society do as much as we can, to make that child as functional as possible. As I said before, I won't commit one way or the other. The only thing I will commit to is to protect our employees and to look at the budget and see if there are items that we can cut. The one thing I will say to you, again, having been on this Board twenty years ago, and been on the School Board for eight years, and come back to the Board just last year, I do know that this system and this County has been running efficiently for many years and sometimes when we get these increases like this, it is very hard to absorb.

Mr. Beyeler made the following comments:

Thank you for coming. At this point, we do not have the County Budget. We do not have the School Budget. To say what we will, or will not, do I don't want to go down that road. I also want to be one who says good things about Augusta County schools. They are not perfect, but they are good schools, and I've had kids in those schools, and they are good. The ones I worry about, and they are in the public schools, are the ones that have no support whatsoever at home. I go back to what a teacher told me one time, 'How in the dickens am I going to teach a kid anything today when they don't even know where

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they are going to sleep tonight?' That's what is wrong with a lot of kids in the public schools and the public schools have to take them. If you want an education in the public schools, and you apply yourself, you will get a good education. My grandkids are part of that results of that good school. Dr. Bishop, I want to thank you for what you are doing. You have done a lot of good things in the last couple of years in Augusta County. Taxes—I'm on a fixed income. I understand that there is no more to draw from. What I've always said is 'Let's cut all the fat, not the muscle, and then we're going to fund the muscle and not the fat'.

Mr. Shull made the following comments:

Thank everyone who came out and your comments. I, too, was educated in Augusta County schools. I came through there when our teachers were teaching 31-32 kids. They were able to do a lot more then because they didn't have the mandates and the requirements that the State and Federal have put on them. It is a continual thing. It's not only in education. We see it in our Fire and Rescue. Government keeps on growing, getting bigger, but it is not for the best. I don't know what the answer is, but I don't know how many and I'm not going to ask for a show of hands whether you are for or against, but when our leaders that go to Richmond have their community meetings, everybody needs to get out and go and let them know what we stand for, what we want them to go down and stand for here. I think that they try, but we are in a rural area, and when you're working against metropolitan areas like Northern Virginia and Eastern Virginia, we get outnumbered a lot of times. I don't know what the answer is there, but we just have to keep trying and do what we can do. We don't have facts and figures before us. Richmond may come out with some better figures, but I kind of doubt it, but we will have to look at what we have and see where we can go. I would like to commend all the teachers that is in this County. I think we still have a good educational system here. We have a lot of problems. A couple of things that were mentioned tonight, I think two of our big problems was prayer and bible reading in schools and discipline. You don't have the discipline there and the parents are not disciplining. The discipline that was taken away from teachers, and Lord only knows I got my share of whippings when I was in school, and it didn't hurt me one bit. You have to train kids discipline. I think a lot of our society, now, when they get out of schools, they are not brought up under discipline; they are not trained discipline; and so it shows when they get in society. I know we're not going to fix everything overnight. It took almost 50 years to get in the situation we are, and we are not going to come out of it overnight. We will try to work with what we have and do the best we can.

Mr. Karaffa made the following comments:

Like everyone up here, we got elected listening to the citizens and campaigning that we were going to represent their interests. I went door-to-door in my district, knocked on doors, and talked to a lot of people. I have listened to a lot of the comments that have come here tonight. What I have to say, not everybody is going to agree with, but that is something we accept when we take this job. We didn't run for these seats to make everybody happy. I have two children in the public school system. I'm getting a firsthand education as a parent of the quality of education going on in Augusta County. Before I begin, I have to admit that the teachers that my children have had have been exceptional. They have been caring; they have been dedicated; they have been knowledgeable. You can tell that they didn't choose to go into the profession for a paycheck. They went into it because it was either a calling or a belief for them that they held. I believe that there are serious problems with public schools. The SOLs I have gotten an education about from my children bringing home paperwork. My daughter brought home a piece of paper that Science was on one hand and Social Studies was on the other. It was a grid. It said Monday, Tuesday, Wednesday, Thursday and Friday, 1, 2, 3, 4, 5. Each one was an SOL block. The question said, 'Who below was an important woman for Women's Rights?' I'm quizzing my daughter, and I said, 'Which one is it?' I read her the name and she said the answer is C; C was Susan B. Anthony. I said, 'What did you learn about Susan B. Anthony in school, today? Oh, just that she was important for Women's Rights. Well, what did she do? We didn't cover that. When is the quiz? Tomorrow.' I feel horrible for the teachers. I'm sure they didn't go to school to teach a block worksheet so that children can sit down and answer questions on an SOL test so that the scores come back well. I am coming increasingly frustrated when I hear about the sinking SOL scores. 'That's all right.' The first year we had those scores; I'm talking about Mathematics; I don't know if anybody saw those scores, but they

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plummeted, especially, in third grade. So the reason for that is a new test. We will adjust system so that we will answer those questions better. It will require more critical thinking and you can't pick A, B, C, or D. You have to fill in the blank. It should have been a huge wake-up call that we have a major problem in teaching our kids to answer in test and we're not teaching them to think. We're not teaching them the facts. My wife and I are blessed that we have resources to provide tutoring so we are supplementing our children's public school education with tutoring on Saturday mornings because we believe in our children's education. I don't fault our local school system for this. I don't fault our Superintendent. He is a very good man. I trust in what he is doing. I don't fault the teachers that I speak to because I go to every single one of their conferences. I fault a system that has been taken over by so-called experts. I think this runs to the heart of what we're talking about. The second problem we have, and I very much appreciate the lady from my neighborhood speaking, because we have a serious discipline problem in our schools. You cannot expect children to be successful members of society by just sending them to public school twelve years and, as somebody told me, expecting after they come back, after they have graduated from high school, that they are going to be well-rounded fully-matured adults ready to enter into society and parents didn't have to do anything. I don't care how much money you think, it's not enough to take the place of a good parent at home; and you'll never be able to supplement enough money to take the place of that. I hope this is a message to our School Board that they don't come back with the thought of closing the Governor's School, again. The Governor's School is a gem in the Valley. When we talk to potential businesses coming out here, people really recognize that. We have a lot of very well-educated kids that go through there. Not to say that we don't have well-educated kids that go through our other schools, but that is an exceptional program and it should be maintained. It is not a huge expense. I would rather see sports programs cut before we lost the Governor's School. I agree with a lot of what Dr. Pattie has said here this evening. The school population is going down. Bricks and mortar schools need to become secondary. I agree with the public comment that the control of our public schools needs to return to the local boards, in terms of the School boards. I very much agree with that. The Federal government and the State government have had their fingers in it for way too long. In terms of taxes, last year we funded \$3 million to the schools in additional revenue to make up for the Composite Index, which I know many people may not understand. It took me almost six months to understand what the heck that thing was and how it worked and it is awful. However, we have consistently, since 2005, increased the overall percentage of the budget revenues that have come into the County, in general, percentage of those have gone into public schools and increased steadily. It went from 42% of every revenue dollar that we got to last year of 46%. I agree very much with what Mr. Pyles said that if you put another \$2.5 million in it, what are the results that we are going to get? I am very much not in the appetite to raise taxes. We do have a reassessment coming up. We are going to see some different numbers. I am on the Reassessment Committee along with Mr. Wills and they are not pretty. We don't influence those values, but we sure heard about what they are looking like. We are going to have an adjustment. I think the last thing the people of Augusta County need this year is to be hit with a tax increase only for us to come back next year and hit them again.

Chairman Moore thanked everyone for coming out tonight and made the following comments:

This is very early in the process. Mr. Beyeler is exactly right. We don't know what the revenues are. We don't know what the expenses are. That's really how the process works. We sit down. Ms. Whetzel gave us a timeline. As we get the expenses, we go through the expenses to see what is available, what can we cut, what do we have, items that we need to discuss. The revenue is something that I think this Board has been very pro-active on. Revenue is something that helps us all. By growth in the County, and we had a great announcement today with McQuay, as we get new jobs, as businesses either expand or we get new businesses that aren't here, now, that's revenue that helps us pay for Fire and Rescue; helps us to pay for Sheriffs; helps us pay for schools; and it is not revenue that comes from the residential taxes. I think this Board is behind that 100%. I think Richmond is coming around that we want to help bring new businesses here and they are supportive of it. Secretary Cheng was here today and he told me that personally. I told him I looked forward to him coming back soon. One comment I will make on schools is I think they do a great job. I think we have a great system. I think

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that everything is not perfect, but I think a lot of it is mandates that comes from Richmond; many of them unfunded. They put restrictions on our school systems on what they have to do and don't help us with the funding to do that. One thing I heard a lot tonight was Federal government. Federal government does this; taxes are too high; they waste money. I agree. I agree 100%. I think they are. I think those guys up there have lost touch with how we're living. I agree with Mr. Pyles. I think, Richmond, to a large extent have lost touch. They need to hear from us. Someone said that we should be contacting them. We have. We just made a trip down there to tell them to make sure they came in mind where they came from and who put them in office. Truly, hearing from you all, their e-mails are all on website. Contact them and let them know what you're thinking. From a local standpoint, I think most of the services that you receive from government are local services. Fire and Rescue protection, we're going through a big thing, you know, when people need services, making sure that they get the services they need and, you know, we need revenue to make sure that we can provide those services. There is a lot of stuff that goes into it. We will have discussions about capital and reoccurring revenue versus fixed revenue. The schools, I think Mr. Pyles is right, there is probably another school that, with the current population, that the schools maybe do something to sort of fill up and that freezes up operating money. On the other side, there are some schools that are almost 40 years old that have the original electrical service panels and stuff that burned at Cassell. To say, well, we can't spend money on schools, you know, you just can't do that when you have 21 schools. You know we bond out the repairs every 20 years. If you are not constantly working on something, then you get yourself in a real problem. I know that none of the kids in Verona, the parents that have kids in Verona would want to see a concern about the safety of their kids. We've got a number of schools that have those 40-year-old electrical panels. There are needs that have to be addressed if they are going to provide education for the kids. It really is early in the process. Hearing from you all, I think I can tell you without a doubt that this Board is open-minded. I think everyone of us look at things individually. We agree on different things and different ones of us agree on different issues. I think that I can tell you, as we go through the process, we will look at the expenses and the revenue and truly try and come up with what we, as a Board collectively, feel is best for Augusta County.

The Chairman called for a five-minute break at 9:45 p.m.

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WAIVERS/VARIANCES - NONE

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CONSENT AGENDA

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

MINUTES

Approved minutes of the following meetings:

- Staff Briefing Meeting, Tuesday, January 22, 2013
- Regular Meeting, Wednesday, January 23, 2013

CLAIMS

Approved claims paid since January 9, 2013.

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Beyeler and Pyles

Nays: None

Motion carried.

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MATTERS TO BE PRESENTED BY THE BOARD

The Board discussed the following issues:

Mr. Wills: Attended Grottoes Fire and Rescue Banquet and received a Certificate of Appreciation for the Board’s continued support. He noted that Grottoes never turned over to 2nd due.

Mr. Beyeler: Road Abandonment – if not resolved, asked that the Board view the property.

Mr. Karaffa:

- 1. Attended Company 10 Banquet – “Nice event!”
- 2. DAIKIN MCQUAY – RESOLUTION

Mr. Karaffa moved, seconded by Mr. Wills, that the Board adopt the following resolution:

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF AUGUSTA COUNTY, VIRGINIA**

WHEREAS, Augusta County wishes to recognize the importance of business and industry in making our economy diverse and prosperous; and

WHEREAS, Daikin McQuay is an integral part of our community and for more than 50 years has administered its innovative culture beyond the confines of the Verona facility; and

WHEREAS, Daikin McQuay strives to keep a worldwide reputation for EXPERTISE and KNOWLEDGE of its products; and

WHEREAS, Daikin McQuay values INTEGRITY in its operations, by delivering professional services with a focus on customer objectives; and

WHEREAS, Daikin McQuay values QUALITY and recognizes the importance of providing its customers with cost effective products, resources, and solutions; and

WHEREAS, Daikin McQuay is COMMITTED to and demonstrates SUSTAINABILITY PRACTICES for its customers, community and the environment; and

WHEREAS, Daikin McQuay values INNOVATION by using creativity, teamwork and continuous improvement on products and services that enhance environmental responsibilities as a pioneer in the manufacturing industry.

NOW THEREFORE, BE IT RESOLVED THAT THE BOARD OF SUPERVISORS OF AUGUSTA COUNTY, VIRGINIA publicly expresses its appreciation to Daikin McQuay for the exemplary manner in which it has applied the above stated values within its organization and to the community through involvement and participation. Daikin McQuay high standards serve as a role model to all business and industry. The Board further wishes continued success and prosperity for the entire Daikin McQuay team.

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Beyeler and Pyles

Nays: None

Motion carried.

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MATTERS TO BE PRESENTED BY STAFF

Staff discussed the following:

1. VACo/VML Local Government Day – “Positive discussion with Delegates and staff.” Information distributed to Board.
2. ASAP – State is looking at realigning Alcohol Safety local groups (currently, Augusta County, Staunton, and Waynesboro). Roanoke is trying to relocate Lexington, Buena Vista and Rockbridge from their region because of the cost to operate a satellite operation in Lexington.
3. Governance Meeting – Thursday, February 28th, at 12:00 noon. Asked for input from the Board. Mr. Wills mentioned Delegate Landes had put in a Bill that had money available to study the consolidation of school systems and asked that that be looked into to determine if it would be a benefit to our communities.
4. Sales Ratio Analysis provided by the State indicates our 2011 ratio was 102.94%. Noted that this is based upon 418 home sales. The actual sales were compared to the assessments; assessment values were higher than the sales.
5. Waynesboro Tourist Information Center – Possible closure of Afton Mountain TIC due to utility issues with landlord. Searching for a suitable new location.
6. Fields of Gold – Grant received. PDC to manage grant.
7. VHDA financing requests for low-to-moderate housing will be on future agenda.
8. Mr. Fitzgerald discussed the following:

- a. Route 636 – Shared Use Path

It had been anticipated that a Shared Use Path would be created in Phase II of the project, which would be the second two lanes built at a later date.

During the review process, it was learned that VDOT requires that the Shared Use Path be put on the first two lanes built. He noted that Exit 91 will have a Shared Use Path. The Mary Baldwin site will have pedestrian accommodations. The cost of the Shared Use Path is \$423,000; a Third-Party Inspection is required at the cost of \$160,117, totaling \$583,117 from the Wayne VDOT completed projects account. He noted that there will be reserved money for contingencies as needed in the VDOT Secondary Road Funds account. Chairman Moore added that they had met with Mr. Kiser from VDOT and determined that with Exit 91 having a Shared Use Path from Expo Road toward the Hospital, VDOT felt Route 636 needed it on their project.

Mr. Karaffa moved, seconded by Mr. Wills, that the Board approve the change order to add an 8-foot-wide Shared Use Path to Route 636 at a cost of \$423,000, with funding coming out of the existing State Secondary Funds of completed projects within the Wayne District and to approve the transfer of \$160,117 of the existing State Secondary Road funds of completed projects within the Wayne District to complete third-party inspection and other administrative costs.

Chairman Moore added that there could be other third-party items that might occur. Instead of coming back every time for approval, there should be available funding.

Vote was as follows: Yeas: Karaffa, Shull, Wills, Moore, Beyeler
and Pyles

Nays: None

Abstain: Pattie

Motion carried.

* * *

February 13, 2013, at 7:00 p.m.

MATTERS TO BE PRESENTED BY STAFF (cont'd)

- b. Property Addressing – Currently, the Board is informed of issues before going before the Ordinance Committee. Regarding addressing, the normal process is that the property owner is provided a Building Permit, a footer is dug; an inspection is made and footer is GPS and an address is issued. The current County Code indicates that a Building Permit is not supposed to be issued until the address is received. The current process works well and Mr. Fitzgerald has asked for permission for this to be reviewed by the Ordinance Committee to revise the ordinance to get in line with current practice.

Mr. Karaffa moved, seconded by Mr. Pyles, that the Board authorize that street addressing be reviewed by the Ordinance Committee.

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Beyeler and Pyles

Nays: None

Motion carried.

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CLOSED SESSION

On motion of Mr. Wills, seconded by Mr. Karaffa, 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

- (2) **the economic development exemption under Virginia Code § 2.2-3711(A)(5)**
[discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of its interest in locating or expanding its facilities in the county]:

A) Industrial Prospect (s)

On motion of Mr. Beyeler, seconded by Mr. Pyles, the Board came out of closed Session.

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Beyeler and Pyles

Nays: None

Motion carried.

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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

