AT A SPECIAL JOINT MEETING OF THE BOARD OF SUPERVISORS AND THE SCHOOL BOARD OF THE COUNTY OF MONTGOMERY, VIRGINIA HELD ON THE 30th DAY OF MARCH, 2015 AT 6:00 P.M. IN MULTI-PURPOSE ROOM #2, MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT:	William H. Brown	-Chair
	Mary W. Biggs	-Vice Chair
	Gary D. Creed	-Supervisors
	M. Todd King	
	Christopher A. Tuck	
	Annette S. Perkins (arrived 6:35 p.m.)	
	Matthew R. Gabriele (arrived 6:40 p.m.)	
	F. Craig Meadows	-County Administrator
	L. Carol Edmonds	-Deputy County Administrator
	Ruth Richey	-Public Information Officer
	Vickie L. Swinney	-Secretary, Board of Supervisors
	James E. Lyons, III	-Chair, School Board
	Gunin Kiran	-Vice-Chair School Board
	Jamie Bond	-School Board Members
	Penny Franklin	
	Marti Graham	
	Joseph Ivers, Jr.	
	Sarah Woolsey	
	Brenda Blackburn	-Superintendent, MCPS
	John Staten	-Assistant Superintendent for Operations
	Lois Graham	-Assistant Superintendent for Curriculum & Instruction
	Brenda Drake	-Public Information Officer/School Board Clerk

CALL TO ORDER AND OPENING REMARKS

Chair Brown called the meeting to order and welcomed those in attendance. Chair Brown and School Board Chair Lyons expressed appreciation for the opportunity for the two boards to meet jointly.

INTO WORK SESSION

On a motion by Christopher A. Tuck, seconded by Mary W. Biggs and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into work session for the purpose of discussing the following:

1. Update on FY 16 Budget
2. Update on County finances/borrowing capacity
3. Review of School Board's Capital Priorities
4. Update on Surplus School Properties
5. Accomplishments/Achievements

The vote on the forgoing motion was as follows:

AYE	NAY
Gary D. Creed	None
M. Todd King	
Mary W. Biggs	
Annette S. Perkins	
Christopher A. Tuck	
Matthew R. Gabriele	
William H. Brown	

Update on FY 16 Budget

County Proposed FY 16 Budget:

The County Administrator provided the following update on the FY 16 Budget:

County Requests	$4,781,475
School Requests	$3,924,543
Total	$8,706,018
New Undesignated Revenue	$(2,710,570)
Shortfall	$5,995,448

The 2015 Reassessment was effective January 1, 2015. The property value increase due to reassessment is 2%, $7.30 billion to $7.46 billion. State laws allow 1% of the value increase from general reassessment to be retained which is $743 million. The revenue neutral real estate tax rate would be 88 cents. In the proposed budget, the tax rate remains at 89 cents. By keeping the tax rate at 89 cents, it must be advertised as a tax rate increase of one cent.

Undesignated Revenue:

1% value due to the 2015 Reassessment	$.07 million
1 cent increase from 88 cents to 89	$.07 million
Growth from new construction	$.04 million
Total	$1.8 million
Net of all other revenue changes	$.09 million
Increase in undesignated dollars	$2.7 million

It is recommended to allocate the increase in undesignated dollars as follows:

- Schools $1.98 million
- County $.068 million
- School Capital $60,000
- County Capital $30,000

The public hearing on the advertised real estate tax rate and advertised budget is scheduled for April 9, 2015 and the Board of Supervisors is scheduled to vote on the tax rate and budget on April 20, 2015.

School Board FY 16 Budget:

Brenda Blackburn stated the School Board's Needs-Based Budget totals $101,809,009. The State revenue for Montgomery County schools in FY 15-16 will increase approximately $700,000, which in order to receive this money the Schools must provide a local match of $311,000. The Board of Supervisors has proposed to appropriate $1.9 million in new money to the School Operating Budget. Even with the additional county funds, the school budget still has a $1.5 million budget gap.

Ms. Blackburn reported a total of 89 positions (62 teachers and 27 classified employees) have been eliminated since state revenue has been reduced. The Schools have seen a decrease in state funding and are operating with $12 million less in revenue since the economic recession.

Update on County Finances/Borrowing Capacity

The County Administrator reported that debt capacity is the amount of money the county can borrow while staying within prudent financial guidelines. Bond agencies ratings take into account localities amount of debt and ability to pay. In 2008, Montgomery County was upgraded to AA by S&P Bond Agency and its rating affirmed in August 2014. In 2010, Montgomery County was upgraded to Aa2 by Moody's and its rating affirmed in November 2011. These ratings are in the 2nd Tier level, which ranks as "Very Strong" investment grade.

The County's current debt capacity does not allow for the County to borrow any more money. It will be the Year 2024, with 2/3rd of the debt paid, before the County can consider borrowing.

Review of School Board's Capital Priorities

Dr. John Staten, Assistant Superintendent for Operations, made a presentation on the School's Capital Maintenance Project Plan and Capital Improvements Program.

In 2013, the School Board prioritized projects in the Capital Improvement Program. They identified projects as critical, serious, and important as follows:

Critical:

Christiansburg Area Elementary Project
Christiansburg High School Project
Annual Budgeting for Capital Maintenance Projects (Cardno TEC @$2 million year)

Serious:

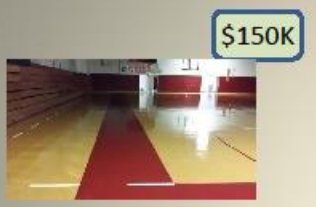
Shawsville Middle School
Alternative School to include Independence Secondary, Rivendell and Phoenix Program
Technology Building (located at the Christiansburg High School)
New Joint County/School System Support Building (technology, facilities, warehouse)

Important:

Blacksburg Area Elementary Project (Gilbert Linkous, Margaret Beeks and Harding)
Athletic Support Facilities (one high school completed by boosters)

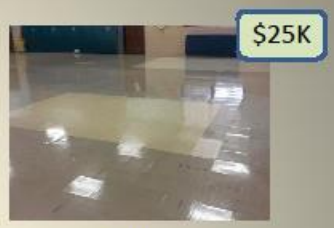
Dr. Staten stated the Capital Maintenance Projects Plan is a work in progress. Projects included in the plan include projects from the CardnoTEc study and from the Schools capital maintenance list. The School Board has prioritized projects into three phases as follows:

Proposed Priority Capital Maintenance Projects
Phase II



SMS
Replace gym floor

GLE, Beeks
Replace electrical panels -CT



Belview
Abate and Replace MP Room floor tile

CHS
Replace Library Windows CT

FBE, HAE, SMS, MBE, Cambria
Repave Parking lots

SMS
Replace gym bleachers

Proposed Priority Capital Maintenance Projects
Phase III

SMS
Replace Electrical Panels - CT

Beeks, CPS, FBE, GLE
Improve Security Fencing

CHS
Replace lockers

CPS
Install new boiler - CT

Belview
Replace Electrical Panels -CT

CES
Replace Electrical Panels-CT

Dr. Staten also provided the School's proposed priority roofing projects as follows:

Dr. Staten also addressed the need to replace mobile units. There are 14 mobile units that are 17 years old. A new mobile unit cost $75,000.

<u>Update on Surplus School Properties</u>

The County Administrator provided an update on surplus school properties as follows:

- Former Blacksburg Middle School – County and Town officials still meeting to discuss the development of this property. Modea was released from their contract to purchase the front 6 acres. Fiddler's Green, LLC still under contract to purchase the remaining 14 acres.
- Former Blacksburg High School – The Town of Blacksburg has expressed interest in acquiring the property to expand Town parks and recreation areas. Currently, the County is allowing the fields for recreational use.

- Former Prices Fork Elementary School - A property is under contract with Taylor Hollow, LLC for $850,000 and should be closing on the property by June 1.
- Former Shawsville Elementary School- The Board agreed to retain this property for recreational use. The County will transfer $74,000 to School Capital Funds.
- Former MCPS Central Office on Junkin Street- This property is scheduled to be auctioned off on April 8, 2015.
- Former Elliston-Lafayette Elementary School – Property sold at auction on July 12, 2013.

Accomplishments/Achievements

The County Administrator provided a few County accomplishments as follows:

- County and Schools health self-insurance merger completed
- County and School Munis financial database merger to be completed July 1, 2015
- InMotion recruited
- TORC Robotics expansion
- LUNA expansion
- Wolverine Advanced Materials expansion
- Public Safety Building construction is coming to an end. It will house the Sheriff's Office and regional 911 center
- Animal Shelter is currently in the startup design and schematics phase

The School Superintendent provided a few School accomplishments as follows:

- Two Montgomery County teachers completed the process to earn National Board Certification from the National Board for Professional Teaching Standard (NBTS), Karen Radford and Jennifer McGlothian.
- Completed the first year of STEM Academy (Science/Technology/Engineering/Math). Two students completed the academy this year with 300 students expressing interesting in enrolling next year. The MCPS Governor's STEM Academy was created to promote student achievement and interest in STEM career fields, and to prepare students for global competitiveness in high-skilled, high-wage, and high-demand STEM careers.
- Last day of school has been scheduled for May 29, 2015.

OUT OF WORK SESSION

On a motion by Christopher A. Tuck, seconded by M. Todd King and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Work Session to return to Regular Session.

The vote on the forgoing motion was as follows:

AYE	NAY
M. Todd King	None
Mary W. Biggs	
Annette S. Perkins	
Christopher A. Tuck	
Matthew R. Gabriele	
Gary D. Creed	
William H. Brown	

ADJOURNMENT

The Chair declared the meeting adjourned to Thursday, April 9, 2015 at 6:30 p.m. The meeting adjourned at 8:35 p.m.

APPROVED_____ATTEST:_____

William H. Brown
Chair

F. Craig Meadows
County Administrator

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, VIRGINIA HELD ON THE 9TH DAY OF APRIL, 2015 AT 6:30 P.M. IN THE BOARD CHAMBERS AT THE MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT:	William H. Brown	-Chair
	Mary W. Biggs	-Vice Chair
	Gary D. Creed	-Supervisors
	Matthew R. Gabriele	
	M. Todd King	
	Christopher A. Tuck	
	F. Craig Meadows	-County Administrator
	L. Carol Edmonds	-Deputy County Administrator
	Martin M. McMahon	-County Attorney
	Angie Hill	-Director of Financial and Management Services
	Marc Magruder	-Budget Manager
	Ruth Richey	-Public Information Officer
	Judy W. Kiser	-Assistant to the County Administrator
ABSENT:	Annette S. Perkins	-Supervisor

CALL TO ORDER

The Chair called the meeting to order.

PUBLIC HEARINGS

Advertised Real Estate Tax Rate - 89¢ per $100 of Assessed Value

The Chair called the public hearing to order for the purpose of receiving citizen comments on the County's advertised real estate tax rate of 89¢ per $100 of assessed value. He explained that he would call the names of those who had signed up to speak. Each speaker was asked to state their name and address. The Chair asked that all comments be directed to the Chair and members of the Board and not to the audience or to staff. He further explained that since the purpose of the public hearing was to receive citizens' comments, the Board would not be answering questions. The audience was asked to refrain from applauding or commenting between speakers, and that any written statements could be left with the clerk. There will be a second public hearing on the advertised FY 2015-2016 budget at 6:45 p.m., or at the close of the first public hearing.

Richard Workman – 212 Pine Drive, Blacksburg Mr. Workman thanked the Board for adopting a budget last year without a rate increase, and does not believe any county services were negatively affected. He sees the budgets are becoming so large, particularly the school budget, is growing so much each year that it would be a good idea to bring in a consultant to look at it. A budget this large should be a line item review and not just 5 categories. He reminded the Board

that Blacksburg and Christiansburg residents are also facing a proposed 3¢ increase in their taxes. Mr. Workman sees our taxes approaching some of the rates in northern Virginia.

The County Administrator said he would like to clarify that, with the reassessment, the revenue neutral rate would be 88¢, so advertising 89¢ does represent a 1¢ tax increase.

There being no further speakers, the public hearing was closed.

The Chair declared a 9-minute recess in order to comply with the 6:45 p.m. announced start time for the second public hearing.

Advertised 2015-2016 Budget - $175,976,069

The Chair called the public hearing to order for the purpose of receiving citizens' comments with regard to the advertised FY 2015-2016 Budget in the amount of $175,976,069.

Connie Froggatt – 1751 Brush Mountain Creek Road, Blacksburg Ms. Froggatt spoke about the Montgomery County Public Schools' (MCPS) budget. She thanked the Board for their continued support of the schools and thanked the County Administrator for recommending an additional 1.9% for the school budget. She agrees the state is responsible for the major budget cuts, and as a direct result of those cuts last year MCPS lost 11 positions, with 4.5 of those positions absorbed by Blacksburg High School. Ms. Froggatt then referenced the handout she had provided which was taken from a presentation that was made at a recent Board meeting by Fieldstone Development about a proposed affordable housing project in the Town of Blacksburg. The handout listed the types of jobs that would qualify for subsidized housing, assuming a family of four. A sample of local employees who would qualify for the affordable workforce housing were all public service jobs such as police, teachers, and custodians. These are the people who are molding our future, putting a lot of faith and responsibility on them and we expect them to live in subsidized housing.

Marti Graham – 4535 Long Shop Road, Blacksburg thanked the Board for their ongoing support for MCPS and thanked the County Administrator for recommending an additional 1.9% for the school budget. The MCPS budget for 2015 is the same as the 2008 budget, and everyone knows the same amount of money will not purchase the same services and products in 2015. In the past four years the Board of Supervisors has helped by filling the void of the schools' loss of state funds. Some of the void has also been filled by the School Board by reducing school supply budgets, decreasing the number of field trips, etc. MCPS has lost a lot of staff including support staff, teachers, and administrators. Loss of teachers affects the class sizes and the ability of teachers to provide one-on-one instructions and detect any individual problems such as learning disabilities, not understanding material, and the overall quality of education the teachers are able to provide to the students. She urged the Board to expedite the sale of surplus school property. This would make a small dent in moving forward with handling the overdue needs in the Christiansburg school strand. She also asked that the Board consider the $775,000 request from the School Board for capital expenditures.

The County Administrator announced that a budget work session would be included on the agenda for the Board's April 13th meeting. A special meeting is scheduled for April 20th for the Board to consider adoption of the FY 2015-2016 budget and approval of the advertised real estate tax rate of 89¢. Both meetings will begin at 7:15 p.m.

There being no further speakers, the public hearing was closed.

ADJOURNMENT

On a motion by Supervisor Biggs and seconded by Supervisor King, the Chair declared the Board adjourned to Monday, April 13, 2015.

The meeting adjourned at 6:56 p.m.

APPROVED: _____ ATTEST:_____

William H. Brown
Chair

F. Craig Meadows
County Administrator