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April 30, 2025

**MEMO TO:** CSPDC Executive Committee  
**FROM:** Ann W. Cundy, Executive Director  
**SUBJECT:** May 6, 2025, Executive Committee Meeting (Rescheduled from 4/21/25)

The Executive Committee of the Central Shenandoah Planning District Commission will hold a **VIRTUAL** meeting on **Tuesday, May 6th at 5:00 p.m.** RSVP to Kimberly Miller at 540-885-5174 ext. 101 or email [kimberly@cspdc.org](mailto:kimberly@cspdc.org).

Virtual Meeting Link (via Teams): [Join the meeting now](#)

Meeting ID: 267 180 393 541 1

Passcode: Gk7LL2Dr

## Agenda

1. Call to Order
2. Consideration of October 21, 2024 Minutes\*
3. Public Comment
4. Auditor Procurement (EC Memo 25-01)
5. Discussion of Virginia Retirement System (EC Memo 25-02)
6. Discussion of FY26 Budget (EC Memo 25-03)
7. Other Business
8. Adjournment

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\*Action Needed



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**Minutes**  
**Central Shenandoah Planning District Commission**  
**Executive Committee Meeting**  
**Virtual**  
**May 6, 2025, 5:00 p.m.**

**Member Jurisdiction Representatives**

	<b>City of Buena Vista</b>		<b>City of Waynesboro</b>		<b>Staff</b>
✓	Tyson Cooper	✓	Terry Short, Treasurer	✓	Ann Cundy
	<b>City of Harrisonburg</b>		<b>Highland County</b>	✓	Kimberly Miller
	Laura Dent	✓	Henry Budzinski, Vice Chair	✓	Donnie Kern
	<b>City of Lexington</b>		<b>Rockbridge County</b>		
✓	Frank Friedman, Chair		Jay Lewis		
	<b>City of Staunton</b>				
	Sharon Angle				

**Call To Order**

The Executive Committee meeting of May 6, 2025, was called to order at 5:00 p.m. by Chairperson Frank Friedman via virtual meeting platform.

**Consideration of Minutes**

Chair Friedman presented the minutes from October 21, 2024. The Executive Committee meeting minutes were approved unanimously.

**Public Comment**

Chair Friedman opened the floor for public comments. There were no public comments.

**Auditor Procurement (EC Memo 25-01)**

Chair Friedman called for discussion of Auditor Procurement. Ms. Cundy stated that the CSPDC's contract with Brown and Edwards expired in December 2024. An RFP was issued for auditing services, and Brown and Edwards was the sole respondent. Following the Commission's procurement policy, staff contacted another firm, Robinson, Cox and Farmer, to inquire if there were any issues with the RFP that prevented them from submitting a proposal. The company confirmed there were no issues with the RFP but indicated they lacked capacity to take on additional work due to strong business conditions.

Staff proceeded with contracting Brown and Edwards, which Ms. Cundy noted was beneficial given their established working relationship with Mr. Kern, Mr. Sagui (the accountant), and herself. Mr. Kern and Mr. Sagui have already met with the Brown and Edwards team to prepare for the summer audit.

Chair Friedman confirmed this was an informational item requiring no action by the Executive Committee. No questions were raised regarding the auditor selection.

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### **Discussion of Virginia Retirement System (EC Memo 25-02)**

Chair Friedman called for discussion of VRS transition. Ms. Cundy provided a comprehensive overview of the proposal to transition from the current Money Purchase Pension Plan to the Virginia Retirement System.

#### Background

Ms. Cundy explained that since the CSPDC's inception over 55 years ago, the organization has not participated in Social Security and has maintained its own FICA replacement Money Purchase Pension Plan along with a voluntary 457B plan. This arrangement has hindered recruitment efforts, particularly for candidates from state agencies or local governments who have existing VRS service and are reluctant to lose those years of service.

#### VRS Scenarios Presented

VRS staff provided two joining scenarios:

Scenario 1: Join VRS with employees earning VRS service going forward only. This would involve a \$3,000 study cost but would not allow employees to purchase prior service years.

Scenario 2: Join VRS with the option for employees to purchase prior CSPDC service. This requires actuarial studies for each employee to determine how much prior service can be purchased using their existing Money Purchase Pension Plan balance. The cost ranges from \$10,500 to \$21,000 depending on participation.

#### Key Considerations Discussed

- Joining VRS requires participation in Social Security
- The organization cannot maintain two primary retirement plans simultaneously
- The Money Purchase Pension Plan would need to either be frozen or dissolved
- VRS membership is an irrevocable decision (the "Hotel California" analogy was noted)
- Individual employees would have one year to decide whether to join VRS

#### Committee Discussion

Mr. Tyson inquired about costs, specifically whether the quoted fees were one-time or ongoing expenses. Ms. Cundy confirmed the actuarial study costs are one-time fees, but noted that ongoing annual VRS participation costs were not yet determined, but she will inquire about those fees.

Mr. Short provided strong support for the transition, noting:

- VRS participation would make CSPDC competitive with other employers in the region,
- The hybrid VRS plan, while not as generous as older VRS plans, provides stability and professional money management,
- The transition would benefit employee retention, and
- Suggested considering a minimum service threshold (3-5 years) for actuarial studies to manage costs.

Chair Friedman noted that of the current 14 employees, many are relatively new, with several having less than three years of service, which could make the transition more cost-effective.

#### Committee Decision

Chair Friedman asked for objections to moving forward with Scenario 2 and dissolving the Money Purchase Pension Plan. Hearing no objections, the Executive Committee provided consensus to proceed with exploring VRS Scenario 2.

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Ms. Cundy agreed to:

- Determine ongoing annual VRS participation costs
- Work with VRS to establish cost parameters based on service thresholds
- Maintain transparency with staff throughout the process
- Report back to the Committee with additional information

#### **Discussion of FY26 Budget (EC Memo 25-03)**

Chair Friedman called for the FY26 budget discussion. Ms. Cundy introduced the topic, noting that the budget had continued to evolve positively since the materials were mailed on April 14th. She turned the presentation over to Mr. Kern.

#### Budget Overview

Mr. Kern presented the revised FY26 budget totaling \$10,000,081 in revenues and expenses, representing a significant increase from the previously distributed \$5.7 million figure. The increase is primarily due to the Bath-Highland broadband project, which comprises 42% of the total budget.

#### Key Budget Components

- Bath-Highland Project: \$4.3 million remaining to be drawn down, including \$3.8 million in federal funds and \$522,000 in local ARPA funds.
- Salary Increases: 3% cost of living adjustment with merit increases for qualifying staff.
- Major Equipment: IT upgrades including SonicWall firewall replacement nearing end of useful life, and computers that need to be updated to run Windows 11.
- Facility Improvements: Tree maintenance and other building-related expenses.
- Interest Income: Conservative 2-3% projection for investment returns.

#### Financial Management Strategies

Mr. Kern reported that \$1.5 million in cash was moved from the operating fund to the Virginia Investment Pool (VIP) to:

- Protect against potential EDA funding losses (currently \$140,000 at risk).
- Exceed FDIC insurance limits safely.
- Generate additional interest income (approximately \$30,000 projected).

#### Budget Rates and Policies

- Built with 57% fringe rate and 47% indirect rate (pending DOI approval).
- Moved 50% of auditing fees to programs to lower indirect cost pool.
- Goal to maintain healthy 35-45% indirect rate.

#### Revenue Challenges

The budget conservatively excludes EDA funding (\$140,000) due to ongoing federal agency reviews. Ms. Cundy clarified this was a conservative approach rather than confirmation of funding denial.

#### Questions and Discussion

Chair Friedman inquired about interest rate assumptions. Mr. Kern confirmed the conservative 2-3% projection, with Chair Friedman supporting the conservative approach of budgeting low and achieving higher returns rather than the reverse.

Chair Friedman confirmed this was a discussion item for Executive Committee review prior to full Commission approval on June 16th. No action was required by the Executive Committee.

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**Other Business**

Ms. Cundy reported on one additional item: plans to work with the SouthEast Regional Directors Institute (SERDI) to update the agency's strategic assessment. She noted that the current assessment is 12 years old and recommended updating it given the significant staffing and operational changes over the past 12-18 months.

Executive Director Jim Younquist from SERDI has agreed to conduct the assessment for \$5,000 in FY2026. Ms. Cundy noted this would provide a strong foundation for updating the agency's strategic plan, which is now six years old.

She also reported on her attendance at the SERDI annual conference, describing it as an excellent professional development opportunity specifically designed for regional commission executive directors.

**Adjournment**

There being no further business to come before the Committee, the meeting was adjourned at 5:50 p.m.

Respectfully submitted,



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Kimberly Miller, Commission Clerk



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August 11, 2025

**MEMO TO:** CSPDC Executive Committee  
**FROM:** Ann W. Cundy, Executive Director  
**SUBJECT:** August 18, 2025 Executive Committee Meeting

The Executive Committee of the Central Shenandoah Planning District Commission will hold a meeting on Monday, August 18<sup>th</sup> immediately following the regular Commission and CSDC Annual Meetings. RSVP to Kimberly Miller at 540-885-5174 ext. 101 or email [kimberly@cspdc.org](mailto:kimberly@cspdc.org).

## Agenda

1. Call to Order
2. Consideration of May 6, 2025 Minutes\*
3. Public Comment
4. Officer Elections\*
5. Discussion of Virginia Retirement System Exploration (EC Memo #25-03)
6. Other Business
7. Adjournment

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*\*Action Needed*



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**Minutes**  
**Central Shenandoah Planning District Commission**  
**112 MacTarny Place, Staunton, VA**  
**Executive Committee Meeting**  
**August 18, 2025, 8:05 p.m.**

**Attendance**

	<b>City of Buena Vista</b>		<b>City of Waynesboro</b>		<b>Staff</b>
✓	Tyson Cooper	✓	Terry Short	✓	Ann Cundy
	<b>County of Augusta</b>		<b>Rockingham County</b>	✓	Kimberly Miller
	Pam Carter	✓	Rachel Salatin		
	<b>City of Lexington</b>		<b>Rockbridge County</b>		
✓	Frank Friedman		Chris Slaydon		
	<b>City of Staunton</b>				
✓	Sharon Angle				

**Call To Order**

The Executive Committee meeting of August 18, 2025, was called to order at 8:05 p.m. by Chairperson Frank Friedman.

**Consideration of Minutes**

Chair Friedman presented the minutes from May 6, 2025. The Executive Committee meeting minutes were approved unanimously.

**Public Comment**

Chair Friedman opened the floor for public comments. There were no public comments.

**Officer Elections**

The Executive Committee conducted officer elections for the upcoming 3-year term:

**Chair:** Frank Friedman expressed his interest in continuing to serve as Chair. Mr. Short moved to support the nomination, which was approved without objection.

**Vice Chair:** Chair Friedman nominated Tyson Cooper to serve as Vice Chair. The nomination was approved without objection.

**Treasurer:** When asked by Chair Friedman, Terry Short agreed to continue serving as Treasurer. The nomination was approved without objection.

**Secretary:** After brief discussion, Rachel was nominated and agreed to serve as Secretary. The nomination was approved without objection.

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### **Discussion of Virginia Retirement System Exploration (EC Memo #25-03)**

Ms. Cundy provided an update on the VRS exploration process, noting significant developments since the May Executive Committee meeting. She reported that after sharing the agency's employee census and Money Purchase Pension Plan details with VRS staff, VRS revised their recommendations that substantially changed the evaluation of previously discussed options.

#### **VRS Staff Findings**

VRS staff, after reviewing CSPDC's unique situation with their FICA replacement plan and significant employer contributions, advised against **Scenario 2** (dissolving the Money Purchase Pension Plan and having employees purchase VRS service with their accumulated funds), calling it a "terrible deal" for employees with any tenure. Due to state code restrictions, employees would only be allowed to purchase a limited amount of service, with excess Money Purchase Pension Plan contributions having to be placed in a low-yield (approximately 4%) savings account that is not actively managed. Additionally, these excess funds would be forfeited if an employee leaves public employment.

#### **Revised Options for Consideration**

The discussion focused on **Option 1A**, which involves freezing the current Money Purchase Pension Plan rather than dissolving it. This option would allow current employees to choose whether to remain in the existing plan or join VRS while providing new hires with VRS participation. Existing employees would have one year to make their decision, which would minimize disruption to current staff while addressing recruitment challenges.

#### **Committee Discussion**

Mr. Short expressed strong support for Option 1A, stating it would create sustainability for the organization moving forward while addressing recruitment needs for new hires. He noted that this option would provide flexibility for current employees and represent the most practical solution given the organization's unique circumstances. The Committee concurred.

#### **Next Steps**

Ms. Cundy agreed to inform VRS staff that the Executive Committee is most interested in Option 1A and to request written documentation of what Option 1A would mean for all current staff. She will continue working toward a decision by the end of 2025 to take advantage of the current staffing situation, noting that the agency hired nine new employees in 2024.

#### **Other Business**

Chair Friedman acknowledged Sharon Angle's service, thanking her for her role in check signing and other vital functions, particularly noting the challenges of handling these responsibilities remotely.

#### **Adjournment**

There being no further business to come before the Committee, the meeting was adjourned at 8:21 p.m.

Respectfully submitted,



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Kimberly Miller, Commission Clerk



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November 5, 2025

**MEMO TO:** CSPDC Executive Committee  
**FROM:** Ann W. Cundy, Executive Director  
**SUBJECT:** November 12, 2025, Executive Committee Meeting

The Executive Committee of the Central Shenandoah Planning District Commission will hold a meeting on Wednesday, November 12<sup>th</sup> via Microsoft Teams. RSVP to Kimberly Miller at 540-885-5174 ext. 101, or email [kimberly@cspdc.org](mailto:kimberly@cspdc.org).

**[Click Here to Join the Meeting](#)**

## **Agenda**

1. Call to Order
2. Consideration of August 18, 2025, Minutes\*
3. Public Comment
4. SERDI Agency Assessment Final Review (EC Memo #25-05)
5. Discussion of Virginia Retirement System Exploration (EC Memo #25-06)
6. Other Business
7. Adjournment

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*\*Action Needed*



**Minutes**  
**Central Shenandoah Planning District Commission**  
**Executive Committee Meeting**  
**Virtual**  
**November 12, 2025, 5:00 p.m.**

**Attendance**

	<b>City of Buena Vista</b>	<b>City of Waynesboro</b>	<b>Staff</b>
✓	Tyson Cooper	Terry Short	✓ Ann Cundy
	<b>County of Augusta</b>	<b>Rockingham County</b>	✓ Kimberly Miller
	Pam Carter	Rachel Salatin	
	<b>City of Lexington</b>	<b>Rockbridge County</b>	
✓	Frank Friedman	Chris Slaydon	
	<b>City of Staunton</b>		
✓	Sharon Angle		

**Call to Order**

The Executive Committee meeting of November 12, 2025 was called to order at \_\_\_\_\_ p.m. by Chair Frank Friedman via virtual meeting platform.

**Consideration of Minutes**

The minutes from August 18, 2025 were not considered due to lack of a quorum.

**Public Comment**

Chair Friedman opened the floor for public comments. There were no public comments.

**Discussion of Serdi Agency Assessment Final Review**

Ms. Cundy provided an overview of the draft recommendations previously presented at the October Commission meeting. She explained the rationale for having the Executive Committee review these recommendations before presenting them to the full Commission. Discussion focused on implications for agency operations and next steps.

**Virginia Retirement System (VRS) Process**

Ms. Cundy shared insights on the ongoing VRS discussions, noting challenges with unrecorded meetings and the importance of accurate note-taking. She emphasized that VRS participation would strengthen the agency and serve as a strong recruitment tool. Committee members expressed agreement and appreciation for the clarity provided.

Members expressed appreciation for collaborative efforts and acknowledged the contributions of committee members. Mr. Cooper thanked the group for the opportunity to learn more about the Planning District Commission and praised Ms. Cundy for her thorough explanation of the VRS process.

**Adjournment**

There being no further business to come before the Committee, the meeting was adjourned at \_\_\_\_\_ p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Kimberly Miller".

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Kimberly Miller, Commission Clerk