A SPECIAL MEETING (BUDGET RETREAT) OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 8TH DAY OF NOVEMBER IN THE YEAR TWO THOUSAND TWELVE AT THE NEW KENT FORESTRY CENTER IN PROVIDENCE FORGE, VIRGINIA, AT 12:00 NOON

IN RE: CALL TO ORDER

Chairman Burrell called the meeting to order.

IN RE: ROLL CALL

Thomas W. Evelyn	Present
C. Thomas Tiller, Jr.	Present
James H. Burrell	Present
Ron Stiers	Present
W. R. Davis, Jr.	Present

All members were present.

IN RE: SCHOOL BOARD FY14 NEEDS

School Board Chair Gail Hardinge called the School Board meeting to order. Present were Leigh Quick, Dean Simmons, and Gail Hardinge (Brett Marshall arrived during the meeting). School staff present included Superintendent Robert Richardson, Jr. and Director of Finance & Budget Ralph Westbay.

School staff presented ten-year enrollment projections that reflected a 2013 enrollment estimate of 3,010 students, 50 more than the 2,960 enrolled for 2012.

Mr. Westbay reviewed ten possible School capital projects suggested for submission to the County in the upcoming budget cycle. Dr. Richardson pointed out that School Board members had not yet had a chance to review the proposed projects and that these projects might not be the final ones adopted by the School Board.

The first request was for $370,672 in FY14 for bus/car replacements. It was explained that school buses were on a 15-year replacement cycle and the School Board historically purchased four buses each year and this request would continue to maintain that cycle. Dr. Richardson clarified that of the 60 buses “on the road”, 52 were assigned to regular routes and the others were used for activity routes and to fill in when the route buses were taken off line for repairs or maintenance. Mr. Westbay indicated that the 2013 price per bus was estimated at $370,000 for FY14, a 5% increase over the $353,000 cost in 2012. Dr. Richardson indicated that most of the bus fleet was diesel.

The second request was for $94,000 in FY14 for a mobile classroom at New Kent Elementary School (NKES) which was reported to be “busting at the seams”. It was explained that with the increase in kindergarten enrollment, there will be a need for one more classroom, and this would be the first mobile unit at NKES. $10,000 of the request was for site work needed at the school.

The third request was for $70,000 in FY14 to complete expansion/renovation of the middle school for a 1,000-student capacity. Dr. Richardson explained that the County had appropriated $280,000 for 2012 for converting the existing art room into three to four classrooms, which was underway, and that another $70,000 would be needed to “finish it out". He indicated that this project would eliminate, in the short term, the use of the existing trailers at the middle school term but those units would be needed in the future.

The fourth request was for $50,000 in FY14 for landscaping and drainage pipe relocation at George Watkins Elementary School (GWES). It was explained that when GWES was connected to County water and sewer, the septic drain fields were abandoned and some exposed pipes resulted in a safety issue, and it was their plan to complete the project over two summers, with another $50,000 requested for FY15. It was confirmed that this price was an estimate only and that the project would go through the proper bid process.

The fifth request was for $84,000 for FY16 for a sixth mobile classroom at GWES. It was noted that site work would not be needed for this placement.

There was discussion regarding the possibility of leasing the mobile classrooms instead of purchasing them.

The sixth request was for $5,000,000 in FY14 for the first year of a planned three-year $12 million project to renovate NKES. Dr. Richardson explained that NKES was the "oldest building we have" and many of that school's systems had exceeded their life expectancies. He reported that the cost was based on figures received from the Department of Education of $200 per square foot for a renovation. Mr. Burrell spoke about whether this was a remodeling or a renovation. Dr. Richardson advised that it was a combination and that their figures did not make a distinction. County Administrator Rodney Hathaway commented that the cost of the project was a concern as there may not be enough funds in the CIP to pay for it, and asked about the possibility of the project being broken down into five or six phases instead of three. Dr. Richardson indicated that they would need to "ask the architectural engineering folks" to see how that would work, but felt it might front load some of the architectural and engineering costs to get that information.

The seventh request was for $3,000,000 in FY15 for the first year of a $28,500,000 three-year project to build a new elementary school to open in the fall of 2016. Mr. Burrell suggested that there would be substantial savings if the School Board could identify a plan it liked and purchase the plans rather than pay for a new design. Dr. Hardinge indicated that the School Board had done something similar to that with the high school and it was something that they could consider.

Dr. Richardson did point out that a new elementary school would also have an impact on the School's operating budget, adding approximately $1,357,200 in recurring annual costs.

The eighth request was for $284,000 in FY18 for tennis court restoration and the ninth for $135,000 in beyond FY19 for a press box and scoreboard replacement at the high school.

Regarding the funding outlook, it was reported that early indications suggested there would be an approximate $109,400 net decrease in State and Federal revenue for FY14 and an increase in expenditures of $1,176,000, for a $1,285,400 potential FY14 local budget request.

IN RE: HISTORIC SCHOOL RENOVATIONS, PART 1

The two Boards discussed the renovations of the South Building of the Historic School campus, and the plan that was recently adopted by the Board of Supervisors.

Dr. Richardson stated that due to concerns and observations made at a recent School Board meeting, he would like to open up the floor to comments from the School Board members, regarding the needs of the School Board office and process.

Ms. Quick indicated that although there were concerns about the location of file storage and a bathroom, she was more concerned about the process than the product. She reflected that the two Boards had a "history of doing things together" and she was not sure why this project had "become such a bone of contention".

Mr. Davis commented that the County had considered and addressed the needs of the School Board office and frankly he could not "see what the whole problem was". He spoke about not knocking any more holes in the walls and trying to maintain the authenticity of the building.

Ms. Quick responded that although there were some concerns about the files remaining confidential in the area planned, the School Board was more upset that it had not been "a part of the conversation". Mr. Davis reminded that the County owned the building and was doing the work, just like it had done for other projects.

Mr. Marshall commented that he understood that the County owned the building but he wanted to know why they had not been permitted to be involved or been allowed to attend the meetings with the contractor, and why it had not been a collaborative process.

Mr. Davis remarked that the County had "run into the same problem" with the Library and that was why "they are not there". He added that the County met with the School Board to determine its needs and tried to address those where it could, but that the "process could be stopped at any time".

Dr. Hardinge commented that they realized that certain things were non-negotiable and they "couldn't get everything they wanted", and they would live with that; however, the School Board had wanted a collaborative process and it was their general sentiment that the "people who live in this space would have an opportunity to have a voice" and being good stewards didn't necessarily mean "cutting people out of the dialogue". She added that this was a "detour" from how the two Boards generally worked together and it was as if the Board of Supervisors didn't care what the School Board thought. She reported that according to the minutes from the last joint meeting, the School Board made a request to be involved in the process four or five times, and the Board of Supervisors never responded.

Mr. Burrell took offense at Dr. Hardinge's statements and the comments from a recent School Board meeting as reported in a local newspaper. He stated that the Schools were "getting just about everything they wanted" and he emphasized that the Board of Supervisors had the School's concerns and needs at heart and had not neglected their requests, but were responsible to the taxpayers. He remarked that the past couldn't be changed and asked what the School Board wanted.

Mr. Simmons commented that the School Board could "work with the product" but the problem was the process, where they had been excluded from explaining their requests and why they had not been included.

There was discussion regarding the request for a restroom in the superintendent's office. Dr. Richardson explained that the issue was not specifically that he wanted it in his office but he did not want it in his administrative assistant's office because he did not think the path to any restroom should be through someone's office, and he would rather have it eliminated than have it in her office.

There was discussion regarding the cost of the restroom in either location and School Board members advised that where they wanted the restroom was over a crawl space and should not cost any more.

Dr. Hardinge commented that for some reason, this process had been very different from "any process we ever had" and the School Board was asking the Board of Supervisors to recognize that, and they hoped that if and where there was any project that impacted their employees or students, they be allowed to collaborate. She added that if the School Board had been allowed to participate in the meetings with the contractor, then many of these questions and issues could have been addressed.

Mr. Hathaway reported that the contract was in final negotiations and construction could begin by the end of the next week. He and County Attorney Michele Gowdy reported that the location of the superintendent's restroom had been addressed with the builder, but they would check back with him again on the request.

There was discussion regarding the tech closet, the boardroom and its capacity, and the sprinkler system.

The Board suggested that County staff would follow up with the contractor on the issues discussed and determine the impact of any cost increase. Mr. Burrell suggested that either Mr. Hathaway or Ms. Gowdy communicate to the School Board through Dr. Richardson.

Dr. Richardson commented that the best individual "to answer some of these questions that would prevent having to spend more money" was School Maintenance Director Tim Pollock, who was very familiar with the building and they would be happy to share him as a resource.

It was confirmed that the Historic School was already connected to County water and sewer.

The School Board adjourned its meeting and its members departed.

IN RE: ANNUAL FINANCIAL STATUS REPORT

Ted Cole of Davenport and Company, the County's financial advisor, briefed the Board on its financial status, in both the general fund and the utility fund.

His first presentation included an overview of the County's existing debt profile, examined where the County stood with respect to its debt policies and other key ratios, and provided perspective on both debt capacity and debt affordability. He noted that debt service, both County and School, would decline until 2029 when it would be retired. He reported that as of June 30, 2012, the outstanding tax-supported debt totaled $60,308,356 (Schools $53,438,849 and County $6,869,507).

He reviewed that the County had adopted a policy that established a minimum pay-out ratio of 50%, and of the $60 million in debt, the County will have paid off 53% by 2022 (year 10 of 20), which met the policy.

He reported that based on 5-year average growth of 2.22% and 10-year average growth of 3.15%, with an assumed growth in out-years of 2.22%, the debt per capita in FY2013 would be $2,924, and would decrease over time.

He advised that the existing ratio of debt to assessed value was 2.31% for FY2013. He cautioned that although this ratio complied with County policy that this ratio not exceed 4.5%, the County might want to consider changing it.

He next spoke about how much of the annual budget was used for debt service each year. He noted that County policy was that it would not exceed 12%, and that ratio for FY13 was 11.03%. He suggested that remaining in compliance with this policy would likely limit how much more debt the County could take on in the future.

He clarified that New Kent had the capacity to take on new debt and still be compliant with its policies; however, debt capacity was not the same as debt affordability.

Mr. Cole reviewed that New Kent's current Fund Balance Policy stated that the County's unassigned fund balance must reflect a balance not to exceed 15% of the total budget of General Fund revenues, as reflected in the budget document ending June 30 of the current year, and that all amounts in excess of the 15% minimum were to be transferred to the Capital Projects Fund no later than December 31 annually. He confirmed that New Kent continued to be in compliance with that policy and it was expected that approximately $1.8 million would be moved over to the CIP at the end of 2012.

He reviewed the County's debt service and how it was paid for, based on the premise that there would be no new debt. He indicated that the existing Debt Service Fund was drawn down annually by $300,000, and that drawdown would continue until that fund was depleted in 2017, after which time the County would need to find additional revenues to make up for that. He emphasized that taking on any new debt would have an impact on the real estate tax rate.

Mr. Cole then focused on the Utility Fund. He identified key utility and credit factors including system size and assessment base (smaller systems may have trouble raising revenues to meet large fixed costs); economy and customer base (a diverse base protects against the loss of large customer and a growing economy/population increase can stress a system's ability to meet capital and operating needs); wealth and income levels (ability to pay higher rates); governance and legal provisions (an independent board often counters politicization of a utility and trust agreements set minimum standards); management (adaptability to regulatory changes and financial constraints, sound staffing practices, established tract record of strong financial management and regulatory compliance); strategic focus (having a multi-year CIP to include current and projected capital needs for asset maintenance and expansion of user base as well as identified funding sources with a balanced mix of debt and pay-as-you-go financing); rates, rate structure and rate-making flexibility (ability and willingness to set/raise rates to a sufficient level to meet all obligations and maintain reserves, reasonableness and affordability of rate levels can affect asset maintenance and expansion of user base); liquidity (systems with large completed and compliant CIPs can afford narrower margins and adequate excess revenues enable systems to cash-fund more capital needs); system capacity ability to support existing customers and future growth (additional needs in near term and long term to meet customer demand/growth affect size and scope of capital programs); debt service coverage (ratio of net operating revenues available to pay debt service needs to meet minimum targets; parity requirement requiring that for every $1 of parity debt service, the County must have $1.15 of net revenues available to pay); and system reserves (cumulative funds available after operations and debt service needs to be established at minimum acceptable level; VRA requires a fund balance of approximate $1.12 million at the end of each fiscal year).

He indicated that currently the County was considering whether to cash-fund or debt-fund the Route 249 waterline extension capital project expected to cost about $1.3 million. He advised that the County had received a funding commitment from the Virginia Department of Health (VDH) for up to $1.249 million at a rate estimated to be between 2.5% and 3.5%, amortized over 20 years. Public Utilities Director Larry Dame explained that this project would extend the County's water line from the Farms of New Kent to Tunstall Road and connect with the water systems at Kenwood/Greenwood and Quinton Estates, saving approximately $80,000 in operating costs each year and substantially increasing fire flows in those communities. He added that this step would also be the "first step to show the state that New Kent was serious about lessening its dependence on groundwater".

Mr. Cole noted that New Kent had increased its rates by 8% between 2007 and 2012 and by 4% in FY2013. He indicated that the County had also increased its connection and availability fees by 8% between 2007 and 2012 but did not increase them in FY13. He reviewed that these increases were made to ensure that the utility system remained independent from the general fund and was self-supporting. He reported that the current bi- monthly rates were $39.23 for water and $54.50 for sewer, with current connection fees being $4,650 water, $9,275 sewer, and $5,075 sewer availability. He reviewed that the impacts of user fee increases of 4%, 6% and 8% for FY14 would result in annual increases of $35.99, $53.99 and $71.99, respectively.

He next provided potential rate increase scenarios of both cash-funding and debt-funding the Route 249 waterline project at 0%, 4%, 6% and 8% increases in user fees. He explained that all of the scenarios assumed natural system growth of 2% per year. It was noteworthy that a 0% increase in rates in both the cash-funded and debt-funded scenarios was below the 1.15x parity required by VRA. He indicated that the 2012 parity was 1.24x.

IN RE: PUBLIC UTILITIES

Public Utilities Director Larry Dame reviewed the public utilities system.

He noted that the County had 13 water systems, 11 of them on groundwater withdrawal permits; 24 wells, 4 elevated storage tanks and 26 ground storage tanks. He explained how each water system required daily, monthly and annual testing, and how combining the systems would reduce the costs. He confirmed that each of the major systems was linked to the County's Supervisory Control and Data Acquisition system (SCADA).

He reported that the Wastewater System consisted of a state of the art treatment plant at Parham Landing, a sequential batch reactor plant that could treat up to two million gallons per day, disinfected by ultraviolet light, and was under extremely strict limits of treatment; five central sewer systems and 25 pumping stations, all connected to SCADA system and linked to the plant. He explained that sludge from the plant was being hauled to Henrico County for treatment and disposal, but New Kent had been requested by Henrico to find another solution.

He indicated that the County's state of the art Reclaimed Water System was innovative in the sense that it was one of the few systems where there was zero discharge to national receiving waters for six months out of the year. He confirmed that it too was connected to the SCADA system and its current customers were Colonial Downs, Brickshire Golf Course and Royal New Kent Golf Course. He reported that the system had generated $32,684.39 in water sales revenue this year and $26,155 in nutrient credits.

He reviewed capital costs for the water systems, which included tank maintenance, as well as proposed interconnections. In addition to the Route 249 water line extension project that would connect the systems in the Farms of New Kent, Kenwood/Greenwood, and Quinton Estates, he spoke about other possible water system interconnections that included Bottoms Bridge with Quinton Park, Woods Edge and Dispatch Station; Colonial Downs with Mini Tree Glen and the Courthouse; Colonial Downs with Farms of New Kent; Bottoms Bridge with Farms of New Kent, all of which would result in a central water system with reduced operational costs. He spoke about how groundwater would not be an option as the County's main water source in the future, and how having a central water system in place would be necessary if water had to be purchased from one of the surrounding localities.

Mr. Dame indicated that he was looking at various options for water sources, including borrow pits which were filled with unconfined aquifer water. He advised that he had requested $155,000 to study such a pit in Providence Forge and spoke about how a permit might not be needed, as it was considered neither surface water nor ground water. He confirmed that the water would have to be treated and that it might provide an opportunity to provide water service to Providence Forge from a line that would then run to Brickshire and on to the Courthouse. He indicated since these pits were considered nuisances and did not have high land values, it might not be a big expense. He asked the Board to approve the amount requested for the study and emphasized that this again would show the State that the County was serious about moving away from its dependence on groundwater.

He spoke about the possibility of using reverse osmosis on water drawn from the Pamunkey River. He indicated that obtaining raw water from one of the Newport News Waterworks reservoirs in New Kent would also be an option, although it would require the construction of a water treatment plant. He confirmed that he had considered the possibility of a reservoir in New Kent but the suggested parcel of land had too many wetlands on it to obtain the required permits.

Moving on to wastewater capital costs, Mr. Dame advised that there was $50,000 in the current CIP to study alternatives for sludge disposal. Other projects included pump station upgrades.

Reclaimed Water System upgrades included $20,000 to do preliminary engineering for an extension of the line to Viniterra golf course. He identified other potential users as Weir Creek Commerce Park and Rappahannock Concrete.

He reviewed that ideally, water and sewer service user fees should pay for operation, maintenance costs and debt retirement, and connection fees should be used to pay for major capital replacement costs, and systems that do not operate this way could end up in financial trouble. He went on to say that the Liberty Landing project, although not popular with residents, had been a part of the Bottoms Bridge groundwater withdrawal permit and had revenue potential of $2.6 million in utility connection fees and over $.5 million in user fees, and if the rezoning application was not approved, there was a potential loss of water allocation on the Bottoms Bridge permit and could have an effect on the renewal of others. Mr. Evelyn commented about how the Liberty Landing project might not be the "right project" and he felt that the State was "tying our hands". Mr. Dame responded that as the County's Public Utilities Director, he felt a responsibility to advise the Board that denial of the project would have a "big impact". He went on to say that small systems like New

Kent's needed new connections to thrive and that "rooftops" resulted in commercial development.

Regarding future water supply, Mr. Dame spoke about how DEQ had communicated that it wanted New Kent off of groundwater, and how the State was pushing localities into working regionally on water supply planning, as well as interconnecting systems and selling off small and remote systems.

Regarding groundwater withdrawal permits, he reported that only 30% of the permitted capacity in Bottoms Bridge was currently being used; only 15% of the Courthouse permit capacity was being used; and that only 8.5% of the Farms of New Kent permit capacity was being used, although the planned interconnection with extension of the Route 249 water line would help that permit.

He compared New Kent's connection fees with those in other localities, and confirmed that he was not requesting an increase in those fees at this time.

Mr. Tiller pointed out that Mr. Cole's presentation had indicated that growth could stress a small utility system, which contradicted Mr. Dame's statements that Liberty Landing was needed. Mr. Dame explained that the infrastructure was already in place for Liberty Landing and that Mr. Cole's comments related to growth that might occur where there was no infrastructure.

Mr. Burrell asked if Mr. Dame planned to sell the surplus generators that would no longer be needed if the Route 249 water line extension was completed. Mr. Dame commented that he would be "looking to salvage everything I can".

Mr. Stiers asked if the Route 249 water line extension project would result in increases in the water bills for certain customers. Mr. Dame advised that it would not, as it would be a central system with equal rates. He also confirmed that residents along the extension line would not be required to connect.

IN RE: FY14 REAL PROPERTY VALUE OVERVIEW

Commissioner of the Revenue Laura Ecimovic provided information on 2013 values and current market conditions that might impact the 2014 Reassessment. She advised that her office was "constantly monitoring numbers" even though 2013 was not a reassessment year. She advised that it was difficult to predict where sales might be in 2013 as the market has been less than consistent. She indicated that new home sales prices continued to outperform existing home sale prices in 2012, but the volume appeared to be near 2011 levels. She explained that foreclosures and foreclosure-related sales continued to be an influence in the residential market, comprising 27.78% of sales in 2012 and 28.94% in 2011, where that historical average in New Kent had been below 1%.

He reported that the 2012 Real Estate Tax Book showed totals of $2,256,869,000, which would resulting in tax revenue of $18,280,638.92. She explained that with 2013 being a non-assessment year, new construction would be the primary change in the assessment rolls and might be slightly above recent years with a few commercial projects underway. She reminded that new construction was pro-rated and completion of those projects would have a 2013 tax influence.

She estimated 2013 tax revenues, based on the current rate of $0.81 per $100 value and total land values of $2,281,858,877, at $18,483,056.90. She added that sales prices were running close to existing values.

She summarized that she felt revenues were stable, that with some new things on the horizon there would be some supplements, that she saw some leveling out but no improvement on foreclosure numbers, and that mortgage lending seemed to be in the $200,000 range, with existing home sales losing out to new home sales.

Mr. Davis commented that he had received no complaints from his constituents on their tax bills. Ms. Ecimovic confirmed that it had been a quiet reassessment year with very few appeals. She indicated that there were 60 bank-owned properties in New Kent and the taxes on those properties were paid by the banks.

IN RE: ECONOMIC DEVELOPMENT

Mr. Hathaway gave an update on economic development activities. He advised that New Kent was on the “short list” of potential sites for a new warehouse and distribution project. He reported that New Kent often “came up short” on site readiness and that the Economic Development Authority was looking at a whether it might be able to partner with some private developers to put up some funding for preliminary engineering work. He indicated that if New Kent could have a “virtual site” with no guesswork, it would narrow the risk for a potential project. Board members agreed that was a good way for the EDA to spend its money. There were references to EDA dwindling funds.

Mr. Hathaway advised that it had established a subcommittee to look into this possibility and that there might be three or four owners of large tracts who might be interested in such a partnership.

IN RE: FY14 BUDGET

Mr. Hathaway reviewed that FY13 adopted budget revenues equaled expenditures at $53,179,141, with a tax rate of $0.81 and departmental expenditure cuts totaling $820,400. He noted that real estate values declined 17.82% which had equated to a $3.2 million reduction in tax revenues. He recounted that the adopted tax rate was one penny below revenue neutral rate of $0.82; there had been health insurance and Virginia Retirement System (VRS) rate increases for both retirement and group term life, and 5% for 5% employee raise/contribution resulting in an average $10 reduction in employee take home pay. He pointed out that the School budget had reflected a $2.7 million deficit and the County increased funding for education by $1 million, leaving the Schools to absorb a $1.7 million deficit.

He reported that property and local taxes comprised 80.4% of General Fund revenue sources.

A review of property tax revenues reflected revenues in FY11 of $22,011,087, FY12 of $22,551,142, and FY13 of $22,982.516.

He reviewed local taxes, major General Fund expenditures, Recycling revenues, and transfers to other funds.

He reported that a new $25 million school could add 14 cents to the real estate tax -- seven cents for debt service and seven cents for operations, based on an assumption of no growth.

Stalled revenue growth and economy were also identified as budget challenges.

He spoke about employee compensation, benefits and under-staffing, all of which were taking a toll on employee morale. There was discussion regarding raises versus bonuses. He reviewed Cost of Living and merit increase histories for both School and County employees (showing that increases had not kept pace with cost of living increases) and indicated that it was expected that the Governor would suggest a 2% increase for State employees.

He reminded that an additional $300,000 would be required in FY17 for debt service, as pointed out earlier by Ted Cole, unfunded mandates were increasing, and the current CIP fund balance would be challenged to meet expected requests.

He reported that based on an interest rate of 3.5% over 20 years, with one penny equating to $220,000, debt service on a $5 million loan would equate to 1.6 penny on the tax rate and 8 pennies for a $25 million loan.

He reviewed the proposed FY14 budget calendar. It was noted that the School Board was required to adopt its budget by April 1 and Mr. Evelyn suggested that the two Boards should meet again before the School budget was adopted.

The Board discussed suggested budget priorities that included employee raises, utility projects, and additional firefighters. It was agreed that a new fire chief be hired before new positions were determined.

There was discussion regarding the possibility of hiring a procurement officer who would report to the Assistant County Administrator or could be Assistant County Administrator, as well as the need for a surplus property policy. Mr. Hathaway advised that there were funds in contingency for FY13 if the Board wanted to move forward to fill that position.

There was discussion regarding the need for new accounting software. Mr. Hathaway reported that there had been CIP funding for a needs analysis that was underway, that would look at the existing Bright system and what other systems might be more appropriate. He warned that a new system could cost between $1.1 and $1.2 million and he wanted to make sure that the Board was comfortable moving forward with the needs assessment before a firm was hired. There was discussion regarding the Bright system and its future, as well as the problems that might result in data conversion. There was consensus to move forward with the assessment.

Mr. Hathaway spoke about the request for a new school and extensive school renovations, which could result in a large tax rate increase all at one time, or the Board could consider increasing the rate a few cents a year beginning in 2014. He suggested that this was something that the Board could start thinking about as the budget process unfolded.

IN RE: CLOSED SESSION

Mr. Tiller moved to go into Closed Session pursuant to Section 2.2-3711A.7 of the Code of Virginia for consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, and pursuant to Section 2.2-3711A.5 of the Code of Virginia for discussion concerning a prospective business or industry. The members were polled:

Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
James H. Burrell	Aye

The motion carried. The Board went into closed session.

Mr. Evelyn moved to return to open session. The members were polled:

C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
James H. Burrell	Aye

The motion carried.

Mr. Evelyn made the following certification:

Whereas, the New Kent County Board of Supervisors has convened in a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by the Board that such closed session was conducted in conformity with Virginia law;

Now there be it resolved that the Board hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from open session requirements by Virginia law were discussed in closed session to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Board.

The Chairman inquired whether there was any member who believed that there was a departure from the motion. Hearing none, the members were polled on the certification:

Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
James H. Burrell	Aye

The motion carried.

IN RE: HISTORIC SCHOOL RENOVATIONS, PART 2

There was discussion regarding the request from the School Board that Tim Pollock be invited to all of the meetings with the contractor. There was consensus that Mr. Pollock be allowed to attend, as long as it did not interfere with the contractor doing his job.

IN RE: ADJOURNMENT

Mr. Stiers moved to adjourn the meeting. The members were polled:

W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
James H. Burrell	Aye

The motion carried. The meeting was adjourned at 4:37 p.m.