

A SPECIAL MEETING OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 29<sup>TH</sup> DAY OF MAY IN THE YEAR TWO THOUSAND THIRTEEN IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING IN NEW KENT, VIRGINIA, AT 8:00 A.M., HAVING BEEN CONTINUED FROM MAY 21, 2013.

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IN RE: CALL BACK TO ORDER

Chairman Davis called the meeting back to order.

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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.

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IN RE: FY14 BUDGET

Before the Board for consideration were Ordinance O-02-13 amending Appendix A – Fee Schedule (public hearing held May 13, 2013); Ordinance O-03-13 establishing tax levies for the 2013/2014 Tax Years (public hearing held May 13, 2013); the Administrative Recommended Capital Improvement Plan (CIP) for FY2014 – 2018; and the proposed FY14 Budget (public hearing held May 13, 2013).

County Administrator Rodney Hathaway reviewed that after the budget work session on May 21, there were some issues where there appeared to be consensus and others where there were still some questions. Those items on which there seemed to be agreement included the deferral of the financial software project in the CIP from FY14 to FY15; to fund County employee salary increases in the sum of \$225,000; to continue to fund the Operational Medical Director in the sum of \$20,000; to continue membership in the Virginia Association of Counties; and to eliminate the legal assistant position and use the savings of \$58,857 towards additional funding to the Schools. Among the issues still undecided were whether to give the Heritage Library an additional \$20,000 towards its lease costs, for a total of \$40,000; whether to keep the New Kent Elementary Needs Assessment for \$350,000 in the CIP for FY14; and whether to give the Schools additional funding of \$75,000 or \$100,000. He explained that in order to give the Schools additional funding of \$75,000, it would also require the delay in hiring of the Financial Assistant position until October 1, 2013. He reported that the Sheriff's Office was expecting approval of a grant application that would provide funding towards a new School Resource Officer position, and \$25,000 of the funding that had been proposed for that position could be redirected to the Schools to bring that total to \$100,000. The last undecided item was whether or not to budget for the Board members to attend the annual VACO conference at a cost of \$800 each.

Mr. Evelyn advised that he was fine with funding \$40,000 for the Library's lease and an additional \$100,000 for the Schools. He addressed the issue of the need for additional elementary classroom space and explained that recent new construction figures received by the Board from the State Department of Education the previous week had been misleading and it appeared that a new school would cost closer to \$20 million. He indicated that it was his opinion that since the County had to spend money to restore the Historic School anyway, it should move forward to renovate it for classroom space and dedicate two of the

four cents of the proposed real estate tax increase towards the project. He indicated that he felt that funding for the VACo annual conference should remain in the budget because the conference provided informative sessions and networking opportunities.

Mr. Davis was in agreement about the benefit of the VACo annual conference and said he felt that the County should be represented, suggesting that perhaps only two or three members attend.

Mr. Burrell agreed that at least two representatives from New Kent should attend. He advised that he agreed with Mr. Evelyn's comments and with everything that Mr. Hathaway had proposed, which included giving the Schools an additional \$100,000 and earmarking two cents of the tax rate increase for the Historic School renovation.

Mr. Tiller advised that he supported funding for three members to attend the VACo conference, the additional funding for the Library, and additional money for the schools. He added that as an additional way to save money, he was going to voluntarily reduce his Board salary by \$100 per month for FY14, and if things picked up during the year, he'd revert to taking his full salary next year.

Mr. Davis reminded that the Debt Service Reserve fund would be depleted in a few years and the Board would have to find a way to make that up.

Mr. Stiers confirmed that he was in favor of an additional \$100,000 for the Schools, \$40,000 for the Library, and dedicating two cents of the real estate tax increase for the renovation of the Historic School. He indicated that he would rather wait until the economy improved to give employee salary increases instead of raising taxes to do it, and proposed to cut one penny from the suggested tax rate increase.

Mr. Hathaway noted that the State had mandated a 3% pay increase for Constitutional Officers, General Registrars, and Department of Social Services staff, starting in August.

Mr. Davis commented that it wasn't right or fair to give School system employees a raise and not the County employees, who worked long and hard and "didn't leave us". He spoke about how New Kent had to compete with jurisdictions paying higher wages for firefighters and deputies, and he did not want to raise taxes. He said he felt that the Board had done a good job in keeping the tax rate low in the face of growth issues.

Mr. Evelyn spoke about how several vacant positions had been left unfilled.

Mr. Burrell stated that he still felt strongly about giving all employees the same amount, rather than a raise based on a percentage. Mr. Hathaway distributed a handout on that scenario and pointed out that option would require a separate public hearing. He explained that Mr. Burrell's suggestion of a flat payment would affect only current employees and would do nothing to adjust the pay scale and could impact recruitment. County Attorney Michele Gowdy stated that she had spoken with county attorneys in some other localities and everyone agreed that there would still be a potential for a claim of discrimination with Mr. Burrell's option.

Mr. Davis stated that he would rather give a 2% raise like the Schools to "keep everything on a level playing field" and to help recruitment and retention.

Department Heads in attendance at the meeting were asked to comment on the issue.

Building Official Clarence Jackson commented that he felt that a 2% increase “across the board” would be more even.

Public Utilities Director Larry Dame remarked that he understood that Mr. Burrell was trying to help the lower paid employees, but he significantly depended on his supervisors and it was hard when he lost one of them.

Parks & Recreation Director Kim Turner agreed that a 2% raise for everyone was easier for staff to understand and would not raise issues of inequity with the School System.

Financial Services Director Mary Altemus agreed with the comments made by the other Directors.

Mr. Tiller commented that he felt a 2% increase across the board seemed the “fair way to go”. Mr. Stiers stated that if increases were to be given, he would agree with a 2% raise across the board, but again he did not think it was the time to give raises.

The discussion then turned to the New Kent Elementary School (NKES) Needs Assessment and School Superintendent Robert Richardson, Jr. was asked to speak about that project. Dr. Richardson advised that NKES was 40 years old and still had a lot of its original equipment, including mechanical systems, for which there were no longer any parts available. It was confirmed that the \$350,000 in the CIP for a Needs Assessment was originally intended to cover all of the architectural and engineering work for an \$11 million renovation project similar to what had been done at George Watkins Elementary School. Even though funding for such a project was currently unlikely, he felt that they still needed some expert advice as to what was needed with regard to the roof and the mechanical systems so that they had some solid information with which to plan for the future, as they would rather be prepared and perhaps do some preventative work rather than waiting for a major failure to occur.

Mr. Evelyn commented that he felt \$350,000 was a lot for an assessment and he would prefer to put the bulk of that money into doing some of the work that was needed. Dr. Richardson advised that he felt comfortable that the School Board would understand that concern and be willing to work with the Board of Supervisors to identify work that could be done up front with some of the funds.

Ralph Westbay, the Schools’ Executive Director of Finance and Budget, suggested that if the Board wanted to revisit a lower scope for the study, it should at least get an assessment done on the most critical projects that “would keep us whole”. He indicated that it would be good to get assessments of the HVAC system at both NKES and the Middle School. He remarked that it was difficult to determine what was most critical without some kind of assessment. He agreed that they didn’t need \$350,000 but did need an assessment.

There was discussion about delaying the study for a year or how to reallocate the funds without any quotes and without delaying the adoption of the CIP. Dr. Richardson commented that it made more sense to reapportion the funds after the assessment when it had been determined what needs were the most critical.

Ms. Gowdy advised that she did not think that the suggested changes to the CIP would require another public hearing to be conducted by the Planning Commission.

There appeared to be a consensus to allocate \$30,000 for the assessment and \$320,000 for the renovation work, with the understanding those amounts could be amended during the year as needed.

Mr. Evelyn moved to adopt Ordinance O-02-13, as presented amending Appendix A (Fee Schedule) of the New Kent County Code. The members were polled:

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

The motion carried.

Mr. Evelyn moved to adopt Ordinance O-03-13, as presented, to impose tax levies on real and personal property for the 2013/2014 tax year in New Kent County. The members were polled:

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

The motion carried.

Mr. Evelyn moved to adopt the Administrative Recommended Capital Improvement Plan for FY2013 – 2018, with the following changes: 1. Change the Integrated Software project from \$850,000 in FY14 and \$250,000 in FY15, into a \$1.1 million project for FY15; amend the New Kent Elementary School Needs Assessment to the sum of \$30,000 and add a new project for the Elementary School in the amount of \$320,000. The members were polled:

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

The motion carried.

Mr. Evelyn moved to adopt and appropriate the Fiscal Year 2013/2014 budget as submitted by the County Administrator, with the following changes: 1. Eliminate the legal assistant position in the County Attorney's Office; in the Finance Department, freeze the Finance Manager position until 10/1/3013; reduce the Sheriff's personnel budget by \$25,000 in anticipation of a \$25,000 SRO grant to be received in FY14; increase County funding for Schools by \$100,000:

General Fund	\$15,685,588
Social Services	1,346,234
School Capital	--

Grants	--
Capital Projects	7,433,,895
Human Services	1,737,101
Wireless E-911	129,642
Schools	26,512,144
School Food Service	952,100
Litter Control	--
Debt Service	6,070,393
Airport	304,767
Computer Replacement	165,100
Total Governmental & Schools	\$60,336,964
Water/Sewer	\$5,073,024
Bottoms Bridge Sewer	1,084,253
Total Public Utilities	\$6,157,277
Total Proposed FY2013-14 County Budget	<u>\$66,494,241</u>

The members were polled:

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

The motion carried.

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IN RE:           ADJOURNMENT

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

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

The motion carried.

The meeting was adjourned at 9:05 a.m.