

THE BOARD OF SUPERVISORS HELD A WORK SESSION PRIOR TO THE
REGULAR MEETING ON THE 12TH DAY OF FEBRUARY IN THE YEAR TWO
THOUSAND ONE OF OUR LORD IN THE OLD COURTHOUSE AT 4:00 P.M.

IN RE: ROLL CALL

Julian T. Lipscomb	Present
Rebecca M. Ringley	Present
Dean E. Raynes	Present
W. R. "Ray" Davis Jr.	Present
James H. Burrell	Present

IN RE: PRESENTATION -- Mr. John Montoro, Cherry, Beckaert & Holland,
presented the audit management letter to the Board.

Mr. Montoro gave an overall review of the County's financial statements and made a few recommendations. With regard to segregation of duties for cash receipts and cash in banks, the same person oversees and has access to cash receipts, transfers, funds, initials investment transactions and performs the monthly bank reconciliations for all bank accounts. This results in lack of proper segregation of duties between cash receipts and bank functions. Mr. Montoro stated a possible way of avoiding this was to segregate the responsibilities so that one person does not control a complete cycle of transactions such as receipts, deposits and monthly reconciliations. There was discussion about having bank reconciliations performed by the Accounting Department. Mr. Jones, Treasurer, stated he did not agree and would not agree to this. Mr. Jones stated his office hopes to be caught up completely by the end of February.

Mr. Montoro also discussed the cafeteria operations of the New Kent County School Board. New Kent is one of the very few localities without a centralized cafeteria operation. He recommended the County consider centralizing its cafeteria operations and transfer the accounting for cafeteria funds to the school board. Centralized cafeteria operations would allow for increases efficiencies in menu planning, bulk purchasing, personnel management and financial reporting. It would also eliminate duplicate accounting systems and would reduce internal control risk by subjecting cafeteria operations to the same centralized internal controls available for other funds.

Mrs. Ringley asked Mr. Montoro how much extra work the GASB 34 regulations would cause for our County -- Mr. Montoro stated probably 10% more.

Along the lines of prompt financial record keeping, there was discussion about whether or not individual invoices needed to be reviewed both by the County Administrator and the Chairman of the Board. Chairman Lipscomb stated it was a very time consuming process to review every individual invoice of the County. Mrs. Ringley stated she did not want to completely eliminate the Chairman from reviewing individual bills. Chairman Lipscomb voiced his opinion that the invoices were voluminous and he felt it was only

necessary to sign the check registers, of course occasionally performing spot checks on the invoices. Mr. Emerson stated the County has two check runs per month and the invoices are voluminous. They are reviewed by the Director of Accounting, Mr. Emerson and the Chairman. By the time this process is completed, many of the invoices can be late. He stated he reviews the check register but also has certain statements he does not allow department heads to sign, he signs them himself. There are two registers - one with detail and one with the straight amount. Along these lines, Mr. Montoro suggested an annual vendor review -- just review the list of vendors to be sure all vendors are recognized.

IN RE: PRESENTATION -- Mr. Bob Boynton of Boynton, Rothschild, Rowland Architects made a presentation regarding the vehicle maintenance facility and fire and rescue facility.

Mr. Bob Boynton presented information on the proposed vehicle maintenance facility. He showed the Board members drawings of the 4-bay facility. Mr. Emerson stated the school folks had wanted a deeper facility but Mr. Boynton felt the expanding capabilities would be more beneficial if the facility were wider, not deeper. Mr. Boynton talked about the pros and cons of having a metal building as opposed to a brick building. He suggests not building a total metal building -- possibly masonry several feet up and then metal. There are different combinations at varying costs of \$550,000, \$600,000 and \$650,000.

As to the proposed fire station, Mr. Boynton stated he definitely would not go with a full metal building as a fire station takes more abuse than a vehicle maintenance facility. He also stated a drive-through building would be more efficient than a pull-in building.

Mrs. Ringley made a motion to go into closed session for discussions relating to the acquisition (or sale) of real property for public use pursuant to §2.1-344(a)(3) of the Code of Virginia.

The members were polled:

Rebecca M. Ringley	Aye
Dean E. Raynes	Aye
W. R. "Ray" Davis Jr.	Aye
James H. Burrell	Aye
Julian T. Lipscomb	Aye

The members came out of closed session at 5:40 p.m.

Mrs. Ringley stated:

Whereas, Whereas, the New Kent County Board of Supervisors has convened a closed meeting 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 2.1-344.1 of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law;

Now, therefore, 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 meeting requirement by Virginia law were discussed in closed meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Board.

Rebecca M. Ringley	Aye
Dean E. Raynes	Aye
W. R. "Ray" Davis Jr.	Aye
James H. Burrell	Aye
Julian T. Lipscomb	Aye

After coming out of closed session Mr. Emerson asked the Board if they would like him to have Mr. Boynton give a very preliminary look into what it would cost to re-work the Board Meeting room. The consensus was it would be a good idea to take a look at doing just that.

IN RE: ADJOURNMENT

Chairman Lipscomb adjourned the work session to the regular meeting at 6:00 p.m.