

## BOARD OF SUPERVISORS MEETING MINUTES OF FEBRUARY 2, 2005

At a joint meeting of the Pulaski County Board of Supervisors and the Pulaski County School Board held on Wednesday, February 2, 2005 at 6:30 p.m. at New River Community College, Edwards Hall, Board Meeting Room, in the Town of Dublin, Virginia, the following members were present: Joseph L. Sheffey, Chairman; Frank R. Conner, Vice Chairman; Ranny L. Akers; William E. "Eddie" Hale; and Dean K. Pratt. School Board members present included Paul Phillips, Chairman, John Wenrick, Jeff Bain, Beth Nelson and Pam Chitwood. Staff members present included: Tom McCarthy, County Attorney; Peter Huber, County Administrator; Dr. Donald Stowers, School Superintendent; Nancy M. Burchett, Assistant County Administrator; Jean Cox, Jim Sandidge and Ron Nichols, school board staff. Also present was Jack Martin of the Southwest Times.

### 1. Introduction

Following a light dinner, Chairman Sheffey called the meeting to order and thanked those present for their attendance. He then read a statement from the FY 05 county budget document outlining the purpose of the general funds dollars.

School Board Chairman Phillips expressed appreciation for the opportunity to meet and thanked staff for providing the back ground material for this meeting.

### 2. Review of "Building Futures" Plan

School Superintendent Don Stowers reviewed with board members a report on the following items:

- Costs associated with the new Pulaski Elementary School;
- Pulaski County student enrollment data;
- Student enrollment by grade level
- Building Futures Plan for school replacements and/or renovations;
- A recap of the estimated costs associated with the Building Futures Plan; and
- An individual cost estimate for each school in the Building Futures Plan

He further reported that the School Board is ready to proceed in building the next school as called for in the Building Futures Plan to replace Riverlawn School in Fairlawn.

County Administrator, Peter Huber, noted that the expense of the traffic light recently installed at the new Pulaski Elementary School and paid by the school system may be reimbursed up to 50% through Revenue Sharing Funds from the state.

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Supervisor Akers inquired as to the number of Pulaski County students that attend Radford City schools. Dr. Stowers reported he had been unsuccessfully in obtaining this figure from the City of Radford school system.

Supervisor Conner inquired as to the number of home schooled children in the county. School staff advised that this number is approximately 15 to 20 students at the present time.

County Administrator, Peter Huber, then reviewed a detailed spreadsheet reflecting the county's debt service schedule by fiscal year and projects.

### 3. Building Reuse/Staff Space Needs Study

The Boards reviewed a report from the Building Reuse/Needs Study Ad Hoc Committee.

Supervisor Conner expressed concerns about renovating Claremont School when it could not be renovated for school purposes a few years ago.

School Board member Jeff Bain also expressed concerns about renovating Claremont School and advised this would be more "patch work". He cited the new facility at Carroll County as an example of a new modern facility.

Supervisor Akers advised he thought that Claremont was structurally sound but in need of a new roof; however, he emphasized the need to focus on the space needs of all of the departments including the health department, school board staff and the Department of Social Services.

The Board of Supervisors requested staff to request the Building Reuse/Needs Study Ad Hoc Committee to review this matter again and determine the cost of one new facility that would centrally house the offices as opposed to renovating former school buildings.

Staff was also requested to notify School Board members and Board of Supervisors' members of any future meetings of the Building Needs Study Ad Hoc Committee.

County Administrator, Peter Huber, reported the next meeting of the Ad Hoc Committee had been scheduled for February 22, 2005 at 3 p.m. at the County Administration Building.

4. Joint Operations Agreement

County Attorney, Thomas J. McCarthy, Jr., reviewed a draft copy of the Joint Operation Agreement. Also, Mr. McCarthy commended county and school staff for their work on the draft agreement.

After much discussion, staff was directed to revise the Joint Operation Agreement draft to include the establishment of sub-committees for each function with the Board of Supervisors and the School Board to meet on an as needed basis to review the sub-committee recommendations.

5. Health Insurance Options

Assistant County Administrator, Nancy M. Burchett, reviewed with the Boards the following guiding principals which staff proposed to use pertaining to any upcoming short and long-term decisions regarding employee health insurance options:

- Make insurance available to all employees based on general percentage of employment (full-time = full coverage, half-time = half coverage) to include, if at all possible school bus drivers and other part time permanent employees;
- Continue to provide employees with catastrophic health care coverage;
- Communicate and increase employee responsibility in utilizing their health care benefits;
- Implement fairness between classes of covered groups (full-time employees, part-time employees, retirees) and levels of coverage (single through family)
- Take advantage of regional and federal alternatives such as possible health savings plans or health reimbursement plans; and
- Institute an employee wellness program to curtail long-term increases

Further, Ms. Burchett reviewed the following 2005 anticipated decisions of both boards pertaining to employee health care coverage:

- A possible reduction in employee benefits in order to curtail continued cost increases to both the employees and the employers;
- Consider dual options of coverage for employees to chose from (expensive, high coverage and less expensive catastrophic only coverage) with standardized employer support;
- Participation by Board representatives at a February 7, 2005 NRV Consortium meeting and presentation of employee health care issues by Thomas MacKay of Palmer & Cay Consultants to both boards in the near future; and

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- Treatment of retirees beginning January 1, 2006 when Medicare prescription drug program becomes available.

Discussion was then held on recent proposals received by the NRV Consortium for employee health insurance in particular a direct proposal from Anthem. Staff noted this proposal was very competitive for both the county and the schools, however, if accepted, would mean withdrawing from the Consortium. In addition, the plan benefits proposed by Anthem were less than those benefits currently offered by Southern Health.

Mr. Huber advised the Boards of a March 1, 2005 deadline for members of the Consortium to notify other members if they are withdrawing or considering withdrawal from the Consortium. Further, staff noted the date of April 1, 2005 as the date the Consortium members had approved as the date the Consortium will have final approval from all members on the plan benefits and vendor or vendors for employee health care coverage for FY 06.

The Board of Supervisors and the School Board indicated no support at this time for withdrawing from the NRV Consortium.

The following School Board members agreed to participate in the February 7, 2005 NRV Consortium meeting: Jeff Bain and Beth Nelson. Board of Supervisors Chairman, Joe Sheffey, and Board member, Ranny Akers, also agreed to attend this meeting if their schedules allowed.

The Boards directed staff to invite Thomas MacKay of Palmer & Cay to attend the next joint meeting to make a presentation on the overall employee health insurance issues.

### 6. Budget Projections

At this time Peter Huber, County Administrator, reported that preliminary local revenue projections for FY 06 indicated an increase in local revenues of only \$127,852 above FY 05. He requested suggestions from School Board and Board of Supervisors' members on the budget process for FY 06.

Supervisor Hale requested staff to review again the impact of a Business & Professional License tax in lieu of the present Merchants Capital tax and provide a report to the Board of Supervisors.

Staff was also requested to provide a report to the School Board and the Board of Supervisors on local taxes currently being collected to include information that indicates whether the tax amount imposed is the maximum amount allowed by state law.

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School Board member Jeff Bain indicated that the School Board was considering an efficiencies audit for the school system in the future.

7. Scheduling of Next Meeting

The Boards agreed to set the next joint meeting for Wednesday, March 2, 2005 at 6:30 p.m. with dinner to be provided at New River Community College, Edwards Hall, Board Room.

8. Adjournment

It was moved by Mr. Hale seconded by Mr. Akers and carried, to adjourn.

Voting yes: Mr. Hale, Mr. Conner, Mr. Sheffey, Mr. Akers, Mr. Pratt.

Voting no: None.

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Joseph L. Sheffey, Chairman

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Peter M. Huber, County Administrator