

BOARD OF SUPERVISORS MEETING MINUTES OF FEBRUARY 15, 2010

At a special budget work session of the Pulaski County Board of Supervisors held on Monday, February 15, 2010 beginning at 6:00 p.m. in the Central Conference Room of the County Administration Building located in the Town of Pulaski, Virginia, the following members were present: Joseph L. Sheffey, Chairman; Charles Bopp, Vice-Chairman; Ranny L. Akers; Frank R. Conner; and Dean K. Pratt. Staff members present included: Peter M. Huber, County Administrator; Robert Hiss, Assistant County Administrator; Shawn Utt, Community Development Director; Thomas J. McCarthy, Jr., County Attorney; Diane Newby, Finance Director; and Gena Hanks, Clerk to the Board of Supervisors. Joining later in the meeting was Anthony Akers, Community Activities Director.

Also present were Jim Davis, Sheriff; Dr. Thomas Brewster, Superintendent of Schools; Chris Stafford, Director of School Finance; Joe Makolandra, Director of School Human Resources; Melinda Williams, Reporter, The Southwest Times; Mike Williams, The Patriot; and Angela Clevinger.

1. Welcome and Call to Order

Chairman Sheffey called the meeting to order and welcomed everyone in attendance. He advised the purpose of the meeting was to conduct a budget work session for FY 11.

2. Budget Work Session

Mr. Huber called on School Board staff to provide an overview of the "Estimate of Needs" which was presented to the Board of Supervisors, a copy of which is filed with the records of this meeting. Dr. Brewster and Mr. Stafford provided details regarding the projected budget deficit of over \$3.9 million due to declining state revenues. Mr. Stafford provided specifics regarding potential job losses, consideration to the consolidation of the county's two middle schools, and the School Board's efforts to examine ways to reduce expenditures. Dr. Brewster also advised state regulations related to reporting by the school system has increased.

Mr. Huber described concerns related to differentiating between "one time" expenses and "one time" revenues, noting items that were considered "one time" expenses could likely be taken from the county's reserves; however, budgeting reoccurring expenses without reoccurring revenues would result in the county facing the same budget situation in FY 12. He advised the cost to the county to cover the reduction in funds from the state for the school system would be \$3.9 million.

Mr. Huber provided spreadsheets detailing projected revenues and expenditures and requested the Board of Supervisors provide feedback to county staff on expectations for the budget recommendation.

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Mr. Sheffey expressed concern over the proposed House Bill 613 before the General Assembly which would eliminate the localities ability to charge a machinery and tools tax. Mr. Huber indicated a potential loss of \$2.5 million to the county should HB 613 be approved by the General Assembly. Mr. Sheffey suggested county staff express concerns over the potential passage of HB 613 to the county's legislators, specifically noting the impact on loss of revenues for Pulaski County.

Mr. Huber reviewed in detail the "Draft Budget Plan – Working Paper". He advised the plan was an effort to provide for cost reductions to the FY 11 budget. He also indicated staff was being encouraged to look at opportunities for one time reductions.

Supervisor Akers advised he would be willing to reduce his salary as a Board of Supervisor member by \$600 yearly to assist in the budget reductions.

Mr. Huber indicated he would be willing to reduce his salary and that at least one additional county employee had offered to reduce their salary. He advised it was his intention for reductions in salaries and job losses to be a last resort for meeting the requested budget reductions. He advised that employees will be asked to do things differently than in the past in order to meet the budget cuts.

Discussions were held regarding the potential for a one-day furlough by county employees. Ms. Newby advised a one-day furlough by county employees would save the county approximately \$25,000.

Board members discussed retirement possibilities for employees who are nearing retirement as a means for cost reductions. Mr. Huber advised an incentive plan for employees eligible for retirement was being developed but was not completed at this time. He advised he expected the plan, when developed, would be open to all county employees. Mr. Pratt suggested developing a plan that would be based on years of service by the employee.

Mr. Huber advised the legislators were being encouraged to use modifications to VRS as a way to provide retirement incentives.

Mr. Huber advised that due to the need for tighter budget cuts, it was critical to include an unobligated contingency in the budget. He advised the Board could increase revenues for the county in addition to cutting expenditures. He advised one option by the Board is to increase real estate or personal property taxes. He advised the state's fairest option for increasing revenue would be through the income tax.

3. Additional Budget Questions, Directors for Staff or Request for Additional Information

Mr. Sheffey inquired as to the county's current bond rating. Mr. Huber advised the current rating was an A3.

Mr. Conner inquired as to how much was the overall increase in revenues due to the county's last tax increase. Mr. Huber advised this could be determined by a review of the reassessment figures.

Mr. Huber reviewed in detail the debt service costs. He indicated his plans are to provide the Board with a recommendation following review of the overall budget.

4. Emergency Declaration

Mr. Huber provided details regarding the need for an official emergency declaration which would make those who sustained financial losses eligible for any federal funding that may become available. He advised no damage was reported to any county buildings as a result of the recent winter weather, other than some minor flooding at the former Gresham School.

Mr. Pratt inquired if staff was monitoring county buildings with flat roofs. Mr. Huber advised discussions with Architect Glenn Reynolds had indicated that most of the buildings with flat roofs could generally withstand up to two feet of snow.

On a motion by Mr. Conner, seconded by Mr. Akers and carried, the Board adopted the following emergency declaration:

Pulaski County

Resolution for the Declaration of a Local Emergency

WHEREAS, the Director of Emergency Management of the County of Pulaski does hereby find:

1. That due to the winter storm event, the County of Pulaski is facing dangerous building collapse conditions throughout the county;
2. That due to the heavy wet snow, a condition of extreme peril to life and property necessitates the proclamation of the continued existence of an emergency;

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NOW, THEREFORE, IT IS HEREBY PROCLAIMED that an emergency existed throughout said county; and

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said emergency the powers, functions, and duties of the Director of Emergency Management and the Board of Supervisors of the County of Pulaski shall be those prescribed by State law and the ordinances, resolutions, and approved plans of the County of Pulaski in order to mitigate the effects of said emergency.

DATE: February 6, 2010

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

Voting no: none.

5. Other Matters

There were no other matters discussed by the Board.

6. Closes Session – 2.103711.A.3.5

A closed meeting is requested pursuant to Section 2.2-3711.A.3.5 of the 1950 Code of Virginia, as amended, to discuss personnel, legal, land acquisition/disposition, and prospective industry matters.

On a motion by Mr. Pratt, seconded by Mr. Bopp and carried, the Board of Supervisors entered a Closed Session for discussion of the following:

Property Disposition or Acquisition – Pursuant to Virginia Code Section 2.2-3711(A)3 discussion for consideration of the disposition or acquisition of publicly held property regarding:

- TMD Building
- Shae Dawn Industrial Park

Prospective Industry – Pursuant to Virginia Code Section 2.2-3711(A)5 discussion concerning a prospective business or industry, or the expansion of an existing business and industry, where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

- Project Windy

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Return to Regular Session

On a motion by Mr. Akers, seconded by Mr. Bopp and carried, the Board returned to regular session.

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

Voting no: none.

Certification of Conformance with Virginia Freedom of Information Act

On a motion by Mr. Pratt, seconded by Mr. Conner and carried, the Board of Supervisors adopted the following resolution certifying conformance with the Virginia Freedom of Information Act.

WHEREAS, the Board of Supervisors of Pulaski County, Virginia, has convened a closed meeting of this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act:

WHEREAS, Section 2.2-3712(D) of the Code of Virginia requires a certification by this Board of Supervisors that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of Pulaski County, Virginia hereby certifies to the best of each members' knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies; and (ii) only such public business matters as were identified in this motion convening the closed meeting were heard, discussed or considered by the Board of Supervisors.

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

Voting no: none.

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7. Adjournment

On a motion by Mr. Akers, seconded by Mr. Bopp and carried, the Board of Supervisors adjourned its special meeting. The next regular meeting of the Board is scheduled for Monday, February 22, 2010 beginning at 6:00 p.m. with a Closed Session and 7:00 p.m. for the regular meeting at the County Administration Building, 143 Third Street, N. W., in the Town of Pulaski.

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

Voting no: none.

Joseph L. Sheffey, Chairman

Peter M. Huber, County Administrator