BOARD OF SUPERVISORS MEETING MINUTES OF MARCH 7, 2011

At a special budget work session of the Pulaski County Board of Supervisors held on Monday, March 7, 2011 beginning at 6:00 p.m. in 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 Pratt. Staff members present included: Peter Huber, County Administrator; Robert Hiss, Assistant County Administrator; Diane Newby, Finance Director; Shawn Utt, Community Development Director; and Gena Hanks, Clerk to the Board of Supervisors.

Present from the news media were Melinda Worrell of the Southwest Times and Amy Matzke-Fawcett of the Roanoke Times.

1. Welcome and Call to Order

Chairman Sheffey called the meeting to order and advised the purpose of the meeting was to conduct the first of several budget work sessions for the FY 12 budget.

2. Review of Likely Administrative Revisions

Mr. Huber presented "Table E - Expenditure Summary" which details the budget requests by line item. He indicated Capital Improvements requests were also included as a part of the Expenditure Summary. Mr. Huber noted the summary had not been reviewed by leadership staff or the constitutional officers. Mr. Huber also advised the total of the overall requests were $7.8 million more than anticipated revenues.

Mr. Sheffey inquired if the state had provided budget information. Mr. Huber advised he was expecting information to be provided by the state within the week following the Board meeting.

Mr. Huber described the various Capital Improvements requests, noting only critical services or equipment needs had been left in to the overall budget.

Mr. Akers referenced the Capital Improvements request related to the "Water Access Park – Rt. 114/NR Bridge" and requested county staff to consider the potential for Virginia Tech contributing towards the maintenance costs associated with maintaining he area for open water diving.

Mr. Huber explained the increase in overall Personnel and Training costs was due to staff recommendation to gradually implement the compensation study which had been performed in July 2008.

Mr. Hiss provided a history of the Compensation Study and noted the figures provided by staff to implement parts of the study needed further research by county staff. Further, staff recommended employees affected by the

implementation of the study to include those employees who are not at the top of the salary scale, with longevity (years of service) of the employee to be factored into the determination.

Mr. Sheffey inquired as to the date when the last cost of living increase had been provided to employees. Mr. Hiss advised the last increase was in 2008, at which time employees were provided a 1½% cost of living increase, plus a $500 flat amount.

Ms. Newby presented a spreadsheet detail various options available to the Board, should the Board desire to provide a cost of living increase, and the costs associated with the options. Ms. Newby offered to provide the Board with any additional information related to cost of living increases which may include a flat amount.

Mr. Pratt inquired as to whether or not there has been an official increase in the cost of living. Staff offered to research the matter and provide an update to the Board.

Mr. Sheffey requested staff contact other localities to determine if cost of living increases are being provided to employees and provide the Board with an update at a future budget work session.

By consensus, the Board indicated a desire to provide an across the board cost of living increase to employees for FY 12, with consideration to implementation of the Compensation Study next year.

Board members discussed the method used for replacement of fire trucks, the current inventory of vehicles owned by the county, and the number of fire and rescue volunteers. The Board indicated a desire to continue to provide support to all fire departments, with an emphasis to be placed on providing quality services at reduced costs.

3. <u>Discussion of budget alternatives</u>

a. <u>Virginia Retirement System – Payment Options</u>

Mr. Huber advised the state will be giving employees a 5% pay increase combined with a requirement that the employees pay their 5% portion of VRS costs. He noted that while the pay raise is negated by the VRS costs, this approach does increase the salary amount on which retirement benefits are calculated (average salary over highest three years).

Ms. Newby advised the county currently pays both the employee and employer share which is 13.77% of the employees salary.

b. Tax Rate Adjustments

Mr. Huber advised he did not anticipate a recommendation for an increase in tax rates. By consensus, Board members indicated no desire to raise revenue through a tax rate increase.

Mr. Akers suggested consideration to reducing at least one revenue source. Mr. Huber expressed concern that reducing even one revenue source through the tax rates could likely affect the expenditures for the upcoming fiscal year.

c. Gradual Implementation of Compensation Plan

This matter was previously discussed by the Board.

d. Efficiency Study

Mr. Huber explained the costs associated with moving forward with an efficiency study. Mr. Huber and Mr. Hiss provided background information related to the study, as well as to the potential for splitting of the costs associated with the study, with the School Board.

Mr. Sheffey noted it was his understanding if the county had accepted the state funding that would have been used towards to the costs associated with the study, the county would have been agreeing to implementing the study. Mr. Huber confirmed that Mr. Sheffey's understanding was correct.

By consensus, the Board indicated the study would be beneficial, if cost effective, and if the Board maintained control over decisions to implement the study and subject to the study being completed in a timely manner. Staff was directed to place the matter on the joint Board of Supervisors/School Board meeting agenda for the March 15th joint meeting.

e. Line of Duty Act

Mr. Hiss described Line of Duty Act is similar to "insurance" for employees and is state mandated. Mr. Hiss also provided a listing of "Future Liabilities" to the county based on the current employment of both full-time and part-time employees as required under the Act. He advised that based on the data provided, the cost to the county would be $21,693, with REMSI cost (without volunteers) to be $10,057 and the

costs to add volunteers to be $2,982.

Board members expressed concern over the lack of input from the localities as to design of program by the state. Mr. Hiss explained the General Assembly has provided localities one year to determine the means of payment either through self insurance of creation of an insurance pool.

4. Additional Budget Questions, Directions for Staff or Request for Additional Information

Mr. Huber requested input from the Board as to any additional information desired by the Board during staffs preparation of the FY 12 budget. He advised efforts were underway to determine the best means of addressing the hydrilla issue.

Mr. Conner suggested better use of the fairgrounds by local talent.

Supervisor Pratt expressed concern over the maintenance needed at the New River Valley Fairgrounds and requested staff provide the Board with a recommendation on the costs associated to an upgrade to the facility.

Supervisor Sheffey requested an update on a request by the Fairgrounds for use of a trailer at the former Newbern Elementary School. Supervisor Pratt advised no official action had been taken by the Fair Association; however, he did not anticipate any issues with the request. Staff was directed to place the matter on the joint Board of Supervisors/School Board agenda for the March 15th meeting.

Supervisor Bopp requested a staff recommendation on the costs associated with upgrading Loving Field, specifically to the score boards and fences. Mr. Hiss advised plans were underway for replacement of the fence at Loving Field in the spring of 2011.

5. Other Matters

- Joint Meeting with School Board Confirmed – March 15th – 7:00 p.m., Pulaski Elementary School

Staff confirmed with the Board of Supervisors that the joint meeting with the School Board scheduled for Tuesday, March 15th at 7:00 p.m. would be held at Pulaski Elementary School. Also, by consensus, the Board advised no meal would be needed for the meeting due to the time being moved from 6:00 p.m. to 7:00 p.m.

6. Closed Session – 2.2-3711.A.1.3.5.7

A closed meeting is requested pursuant to Section 2.2-3711.A.1.3.5.7 of the 1950 Code of Virginia, as amended, to discuss personnel, legal, land acquisition/disposition, and prospective industry matters.

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

Personnel – Pursuant to Virginia Code Section 2.2-3711(A)1 discussion for consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of public officers, appointees or employees, regarding:

- Appointments

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:

- 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 7560

Voting yes: Mr. Akers, Mr. Conner, Mr. Sheffey, Mr. Bopp, Mr. Pratt.
Voting no: None.

Return to Regular Session

On a motion by Mr. Dean, 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. Akers, seconded by Mr. Bopp 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.

13. Adjournment

On a motion by Mr. Bopp, seconded by Mr. Akers and carried, the Board of Supervisors adjourned to its budget work session. The next meeting of the Board of Supervisors will be a joint meeting with the Pulaski County School Board to be held on Tuesday, March 15, 2011 at 7:00 p.m. at the Pulaski Elementary School 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