

VIRGINIA: County of Lee, to-wit:

At the Recessed Meeting of the Lee County Board of Supervisors in the Third Floor Conference Room of the Lee County Courthouse on June 1, 2012 at 4:00 p.m. thereof.

MEMBERS PRESENT: Charles Slemp, Jr., Vice-Chairman
Carl Bailey
Jason Crabtree
Larry Mosley

MEMBERS ABSENT: Tina Rowe, Chairman

OTHERS PRESENT: Dane Poe, County Administrator

OTHERS ABSENT: C. M. Callahan, Jr., County Attorney

MEETING CALLED TO ORDER

The meeting was called to order at 4:07 p.m.

INTERVIEWS FOR BUILDING CODE OFFICIAL

CLOSED SESSION

It was moved by Mr. Bailey, seconded by Mr. Mosley, to enter Closed Session pursuant to Section 2.2-3711 A.1., discussion, consideration or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of any public body. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Bailey, Mr. Crabtree, Mr. Mosley, Mr. Slemp

It was moved by Mr. Crabtree, seconded by Mr. Bailey, to come out of Closed Session. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Bailey, Mr. Crabtree, Mr. Mosley, Mr. Slemp

CERTIFICATE OF CLOSED SESSION

It was unanimously agreed as follows.

WHEREAS, the Lee County Board of Supervisors has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a Certification by this Lee County Board of Supervisors that such Closed Meeting was conducted within Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Lee County Board of Supervisors hereby certified that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from Closed Meeting in 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 Lee County Board of Supervisors.

The Vice-Chairman called for a ten minute recess.

The Vice-Chairman called the meeting back to order and then turned the Chair's seat over to Tina Rowe, Chairman, who entered the meeting during the ten minute recess. School Board members Mike Twigg and Don Williams also joined the meeting.

BUDGET WORKSHOP

Ms. Rowe stated she appreciated the presence of two of the School Board members and members of the public for the budget workshop. She further stated that since this meeting was specifically for dialogue between the two boards, there would be no time set aside for public comment. She then opened the budget workshop discussion.

The County Administrator advised there had been no significant changes in the proposed budget since the Board's last meeting. He stated that major issue at this time was school funding.

Ms. Rowe asked if the School Board had any additional information to provide to the Board.

Denise Lambert, School Board Finance Officer, distributed an updated list of items that are or are not in their proposed budget at this time.

Mr. Bailey asked if Ms. Lambert had a categorical budget proposal.

Ms. Lambert stated she did not have categorical totals at this time.

Ms. Rowe asked if the budget proposal had been updated to reflect the current changes.

Ms. Lambert stated the proposed budget had not been adjusted.

Mr. Crabtree stated that regardless of what the Board of Supervisors appropriates to the School System, the School Board determines how it is spent, whether schools are closed and if classes have to be consolidated. He stated the Board of Supervisors had no authority to make those decisions.

Ms. Rowe asked if the \$586,000 that has been requested would keep all schools as they now are with no classes combined.

Mr. Twigg stated it would depend on the number of staff that retires and whether there are existing employees to fill those positions.

Ms. Rowe asked if any schools had been told they would have combined classrooms.

Mr. Twigg stated they had not.

Mr. Crabtree asked if the additional cost of the VRS change would be a recurring cost each year.

Ms. Lambert stated it would be a recurring cost but that fully implementing the change in the first year would actually save approximately \$1 million when compared to the five year phased approach.

Mr. Crabtree asked if there had been additional retirements since the budget committee meeting.

Ms. Lambert stated they had received 39 retirement applications to date.

Mr. Bailey stated the Board needed accurate estimates in order to make their decision on local funding to the School System.

Mr. Twigg stated the School Board needed an estimate of funding from the Board of Supervisors in order to complete their budget process and offer contracts to personnel who may not be retained otherwise.

There was a discussion on the effects of American Recovery and Reinvestment Act funding over the past few years.

Mr. Slempp asked when teachers would be notified of a cut in pay.

Mr. Twigg stated that teachers pay would not be cut. He stated there were some changes such as the elimination of \$3,500 supplements to department directors for additional duties.

Mr. Williams stated that no base salaries had cut, but that additional payments had been cut or eliminated.

Mr. Mosley asked what the salary differentials are for advanced degrees and whether an employee gets a supplement for each additional degree.

Ms. Lambert stated that a Masters degree receives \$1,250, an Ed. S. receives \$1,500, and a Doctorate receives \$2,000. She stated that an employee obtaining all three degrees would receive all three supplements.

Ms. Rowe asked why the budget had been increased so dramatically for fuel costs.

Mr. Twigg stated that fuel was high and estimated to go higher when the budget was first developed.

Ms. Rowe asked what would happen to any savings if fuel does not increase.

Mr. Twigg stated that any surplus in funds would be used to purchase other needed items such as buses or furnace replacements.

There was a general discussion on budget savings, carryover funds, and the purchasing process.

Mr. Crabtree stated he could not understand how some line item expenditures were considerably over budget for the current year.

Ms. Lambert stated that some line items would be impacted by additional funding received during the year.

Ms. Rowe asked if the proposed increase in electric charges included a cushion the same as fuel costs.

Ms. Lambert stated they had a \$100,000 credit applied to the current year due to a meter that was billed at an erroneous rate.

There was a discussion regarding the comparison of line item expenditures for several years and building maintenance and overhead costs even though student populations are declining.

Ms. Rowe stated that comparing line item costs for several years would be good but the Board of Supervisors did not have a copy of actual expenditures for prior years by line item.

Mr. Crabtree stated that fewer students in the system should result in cost savings in some way.

Mr. Crabtree asked why salary expenditures for the current year were so low in percentage to the amount budgeted.

Ms. Lambert explained that July, August and September payrolls would all be written on June 30.

Several other issues were discussed regarding various line items in the budget to provide clarification to the Board of Supervisors. There was a general discussion on whether any solid proposals existed to reduce costs in future years. There were several ideas discussed but no definite plan was put forth. The discussion also included the introduction of more intramural sports at the middle school level to reduce travel and other expenses. Throughout the discussion the need to place the focus on the students was emphasized. There were also several comments on the benefits of more communication between the two boards.

Mr. Crabtree asked for confirmation that the increase in local funding due to the change in the composite index was not included in the additional \$586,000 that was being requested but was in addition to that amount.

Ms. Lambert stated that he was correct and the increase in local funding due to the composite index was included in the Required Local Effort and the \$586,000 was in addition to that increase in local funding.

The Board Members thanked the School Board budget committee members for their work to date in reducing their proposed budget.

Ms. Lambert stated that in addition to the budget committee, all members of the

School Board had been involved in trying to determine ways to reduce their budget expenses.

Mr. Crabtree asked how retirements in December affected the cost savings.

Ms. Lambert advised that savings for those positions would not be seen until the following year in most cases.

Mr. Williams stated that some employees were not eligible for retirement until December.

There was a discussion on whether another meeting would be beneficial and whether updated numbers would be available.

Ms. Rowe asked what effect decisions of the Board of Supervisors would have on whether non-tenured employees would be rehired.

Mr. Twigg stated the School Board needed to know how much funding they had in order to make further decisions on staffing levels.

Mr. Poe asked if there was no expected carryover of textbook funds, why was there such a large balance in the May expenditure report.

Ms. Lambert stated they had recently ordered additional textbooks but did not know the total amount of expenditures for the year.

Mr. Bailey requested a categorical breakdown of the proposed budget.

Ms. Rowe requested an updated expenditure report at the next work session.

The Chairman called a ten minute recess.

The Chairman called the meeting back to order.

REPORTS AND RECOMMENDATIONS OF THE COUNTY ADMINISTRATOR

ROSE HILL PLANNING GRANT PARTNERS AGREEMENT

It was moved by Ms. Rowe, seconded by Mr. Bailey, to approve the agreement between the County, the Redevelopment and Housing Authority, the Public Service Authority and the LENOWISCO Planning District Commission for the Rose Hill Planning Grant project. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Bailey, Mr. Crabtree, Mr. Mosley, Ms. Rowe, Mr. Slemp

VCIN NETWORK CONNECTION CHANGE

It was moved by Mr. Crabtree, seconded by Mr. Mosley, to approve a change in the Virginia Criminal Information Network connection before June 30 in order to receive state reimbursement of approximately one-half the cost. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Bailey, Mr. Crabtree, Mr. Mosley, Ms. Rowe, Mr. Slemp

BUDGET ISSUES

Mr. Poe advised that most budget work was complete with the exception of updated insurance costs and possibly a few other minor adjustments. He provided a copy of the current salaries of county employees. He also advised that he was working on an updated salary classification and scale proposal to be submitted at a future date. He advised that a 1% increase in all full-time county-funded salaries would cost approximately \$8,600.00 and a similar increase in part-time salaries would cost approximately \$1,700.00. Based on follow-up information from the Commonwealth's Attorney office indicated the need for approximately \$4,000.00 in capital outlay costs for the FY2012-13 year. He also advised that additional conversations with the Commissioner of the Revenue and Cumberland Partners has yielded a proposal to digitize approximately one third of the tax maps each year over a three year period with an estimated cost per year of \$30,000.00.

COMMISSIONER OF THE REVENUE OFFICE DUES

Mr. Crabtree requested that additional funding be included in the Dues and Memberships line item in the Commissioner of the Revenue budget.

PART TIME DISPATCHER FUNDING

Mr. Crabtree also asked if there were any funds for part time dispatchers in the event they are needed.

Mr. Poe suggested that some of the funds currently budgeted for full time dispatchers be moved to part time status as he does not believe all the funding will be needed for new full time positions.

CLOSED SESSION

It was moved by Mr. Crabtree, seconded by Mr. Bailey, to enter Closed Session pursuant to Section 2.2-3711 A.1., discussion, consideration or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of any public body. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Bailey, Mr. Crabtree, Mr. Mosley, Ms. Rowe, Mr. Slemp

It was moved by Mr. Mosley, seconded by Ms. Rowe, to come out of Closed Session. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Bailey, Mr. Crabtree, Mr. Mosley, Ms. Rowe, Mr. Slemp

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HIRING OF BUILDING CODE OFFICIAL

It was moved by Mr. Mosley, seconded by Mr. Slemp, to hire Roger Williams as Building Code Official. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Mosley, Mr. Slemp

VOTING NO: Mr. Bailey, Mr. Crabtree

ABSTAINING: Ms. Rowe

It was moved by Mr. Crabtree, seconded by Ms. Rowe, to recess until June 11, 2012 at 5:00 p.m. at the Airport Terminal Building. Upon the question being put the vote was as follows.

VOTING AYE: Mr. Bailey, Mr. Crabtree, Mr. Mosley, Ms. Rowe, Mr. Slemp

CHAIRMAN OF THE BOARD

CLERK OF THE BOARD