

THE REGULAR MEETING OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 9th DAY OF MAY IN THE YEAR TWO THOUSAND ELEVEN OF OUR LORD IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING IN NEW KENT, VIRGINIA, AT 6:00 P.M.

IN RE: CALL TO ORDER

Chairman Evelyn called the meeting to order.

IN RE: INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. Burrell gave the invocation and led the Pledge of Allegiance.

IN RE: ROLL CALL

Thomas W. Evelyn	Present
David M. Sparks	Present
James H. Burrell	Present
Stran L. Trout	Present
W. R. Davis, Jr.	Present

All members were present.

IN RE: CONSENT AGENDA

The Consent Agenda was presented as follows:

1. Approval of Minutes
 - a. March 18, 2011 semi-annual meeting with Senior Staff
 - b. March 30, 2011 work session
 - c. April 6, 2011 special budget work session
 - d. April 11, 2011 special joint meeting with the School Board
 - e. April 11, 2011 regular business meeting
2. Miscellaneous
 - a. Resolution R-15-11, showing support of existing funding structure for the Urban Area Security Initiative (UASI) program
 - b. Resolution R-16-11 proclaiming May 2011 as Older Americans Month in New Kent County
 - c. Creating of Fund 207, School Grant Fund
 - d. Managed Pharmacy Benefit Services Agreement and First Amendment (NACo Prescription Discount Card Program)
 - e. Road Name Additions (Preservation Office Park):
 - i. Guild Alley
 - ii. New Chipping Lane
3. Refunds
 - a. \$12,950 to Ray A. Williams Construction Co. for double payment of Sewer Connection Fee and Connection Availability Fee
 - b. \$4,933.09 to Lakeside Concrete Enterprises, Inc. for duplicated business property asset
4. FY11 Supplemental Appropriations

- a. Funds received for gifts and donations, \$1,626.80
- b. Additional Social Services funds, \$8,441.00
- c. Funds received for insurance proceeds for various accidents, \$569.00
- d. Funds received for DMV stop fees in the Treasurer's Office, \$1,800.00
- e. Funds received for charge card fees in the Treasurer's Office, \$482.00
- f. Program income received to date for FY11 from CDBG Plum Point grant, \$622.58
- g. Funds received by Extension from outside sources for sponsorship of programs, \$1,001.50
- h. Funds received from Verizon Wireless for the cell tower rent at the Rt. 618 landfill not budgeted in FY11, \$36,000.00
- i. Funds to purchase airport fuel, \$8,000.00
- j. Byrne Justice Assistance grant funds 11-M1160LO10, \$2,370.00
- k. Grant funds for satellite phones -- re-obligation amount -- mobile satellite radios grant, \$2,705.00
- l. Sheriff's asset forfeiture funds, \$1,100.00
- m. Allocation of the 2010 Urban Area Security Initiative grant (CFDA #97.008) from the National Preparedness Directorate, US Dept of Homeland Security – Proj. Title – Communications \$156,000.00
- n. Allocation of the 2009 Central Virginia Urban Area Security Initiative grant (CFDA#97.008) from the National Preparedness Directorate, US Dept. of Homeland Security, \$100,000.00

Total Supplemental Appropriation:
\$(320,717.88) Total
\$ 311,617.88 Money In / Money Out
\$ 8,000.00 From Fund 97 fund balance
\$ 1,000.00 From Fund 210 fund balance

- 5. FY11 Inter-Departmental Budget Transfers
 - a. *Schools*: \$7,988.16 from School contingency to O7M-Tech Online Content
 - b. *Schools*: \$510.91 between Prior Year Lottery/Construction and Renovations/Improvements Facilities for bathroom renovation and installation of sound system at New Kent Elementary
 - c. *Public Utilities*: \$10,000 from Chickahominy Contract Services to Parham Landing Contract Services (sludge pumping)
 - d. *CSA*: \$988 from Technical Support, Lease/Rental Equipment, Mileage, Travel and Food & Service Supplies to Computer Replacement Fund
 - e. *Human Resources*: \$650 from Clerk of the Board to Human Resources
- 6. Treasurer's Report: Cash as of March, 2011, \$40,511,555.79

Mr. Davis moved to approve the Consent Agenda as presented and that it be made a part of the record. The members were polled:

David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: CITIZENS COMMENT PERIOD

Chairman Evelyn opened the Citizens Comment Period.

There being no one signed up to speak, the Citizens Comment Period was closed.

IN RE: CARD READER FOR JUVENILE AND DOMESTIC RELATIONS DISTRICT COURT
CLERK'S OFFICE

Before the Board for consideration was a request from the Juvenile and Domestic Relations District Court to purchase a card reader for the courtroom entrance door and the transfer of unused funds from another Capital Improvements Plan project.

Court Clerk Kelly Douglas explained that originally the door between her office and the courtroom had not been included in the card reader system installed for the other doors because there were no plans to use the courtroom when court was not in session; however, the courtroom was being frequently used for mediation and other court-related services. She indicated that she was proposing that the \$2,683 needed for the purchase could be transferred from unused funds in another CIP project, where she had been able to purchase a new shredder for an amount that was less than what had been budgeted.

Mr. Davis noted that only one bid had been received for the purchase. County Administrator Cabell Lawton explained that it was important for the new card reader to fit in with the existing system and he had deemed the purchase from the current vendor as a sole source procurement.

Mr. Burrell moved to authorize the purchase of a card reader for the door between the courtroom and the Juvenile & Domestic Relations Clerk's Office and to approve the transfer of \$2,683.00 from unused funds in CIP line item 4-7-94200-3010 to cover its costs.

The members were polled:

James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: CLOSED SESSION

Mr. Sparks moved to go into Closed Session for discussion of award of public contract pursuant to Section 2.2-3711A.30 of the Code of Virginia involving the award of a public contract involving the expenditure of public funds. The members were polled:

Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Thomas W. Evelyn	Aye

The motion carried. The Board went into Closed Session.

Mr. Sparks moved to return to Open Session. The members were polled:

W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
Thomas W. Evelyn	Aye

The motion carried.

Mr. Burrell made the following certification:

Whereas, the New Kent County Board of Supervisors has convened in a Closed Session 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 2.2-3712 of the Code of Virginia requires a certification by the Board that such Closed Session was conducted in conformity with Virginia law;

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

The Chairman inquired whether there was any member who believed that there was a departure from the motion. Hearing none, the members were polled on the certification:

David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: ELECTED OFFICIALS' REPORTS

Mr. Trout spoke about the recent New Kent Wine Festival as well as some upcoming events and the fact that residential brush was being accepted at the Main Refuse Site on Route 618.

IN RE: STAFF REPORTS

There were none.

IN RE: DISTRICT APPOINTMENTS

Mr. Davis appointed David Ward as a District Five representative to the Transportation Safety Commission to serve a four-year term ending December 31, 2014.

The members were polled:

James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: NON-DISTRICT APPOINTMENTS

Mr. Evelyn appointed Will Wallace as an at-large representative to the Purchase of Development Rights Committee to serve a three-year term ending June 30, 2013.

The members were polled:

Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: MEETING SCHEDULE, PART ONE

The Board discussed the need for another work session on the budget and agreed to devote the first part of its May 25 work session to that subject.

The meeting was recessed until 7 p.m. when it was resumed for public hearings.

IN RE: SECONDARY SYSTEM SIX-YEAR PLAN

Before the Board for consideration was Resolution R-14-11 approving the Secondary System Six-Year Plan (SSYP) for FY12-17 and the Construction Priority List for FY12.

Sherry Eagle, Program Manager, Virginia Department of Transportation (VDOT) reviewed that she had met with the Board at a prior work session at which time the Board had set its priorities and authorized a public hearing on the SSYP and the Priority List. She reminded the Board that the purpose of the public hearing was to get input from the public, and thereafter she was asking that the Board adopt the SSYP and the Construction Priority List as it had been advertised.

It was noted that New Kent's budget for FY12 was \$66,000. Ms. Eagle reviewed that the Priority List included projects on Dispatch Road/Route 613 and Henpeck Road/Route 665, as well as some "cost centers" for pipe installation, engineering, survey services, rights-of-way, and some future bridge money. She explained that although the Stage Road project was still showing up on the Priority List, it was complete and going through "financial closeout" after which time it would be removed.

The Chairman opened the Public Hearing. There being no one signed up to speak, the Public Hearing was closed.

It was confirmed that the projects on the Priority List had not changed from previous years.

Mr. Sparks moved to adopt Resolution R-14-11 approving the Secondary System Six-Year Plan for FY12-17 and the FY12 Construction Priority List, as presented. The members were polled:

W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
Thomas W. Evelyn	Aye

The motion carried.

There were questions about who the Board members could contact about maintenance issues in the County. It was explained that there was a new maintenance superintendent, Chad Baker, in New Kent and although he could be contacted on these issues, the issues should also be reported to the main statewide system so that they could be "added to the queue". It was agreed that Mr. Baker would be a good individual to meet with the Board at its monthly meetings and VDOT staff indicated that they would facilitate that.

Mr. Trout spoke about a detour problem with a project underway on Route 60 at Route 640, and Ms. Eagle indicated that she would report his concerns.

IN RE: PROPOSED FY11/12 BUDGET

Before the Board for public hearings were Ordinance O-06-11 changing certain fees for County services and updating the content of Appendix A (Fee Schedule) in the New Kent County Code; Ordinance O-07-11 to impose levies on real and personal property for the FY11/12 tax year; and the proposed FY11/12 Budget.

Mr. Lawton indicated that his budget presentation would cover all three issues. He noted that proposed revenues and expenditures for FY12 were in the amount of \$53,302,919, covering general government, capital improvements, social services, schools, and debt service, and was an increase from FY11 of about \$3 million.

He explained that the budget was developed based on operating within existing resources, no tax increases, no new borrowing, and no major expenditure commitments that would obligate the County in future years, in light of the economy and uncertainty of State funding. He reported that the proposed budget did not fund \$471,000 in personnel requests and represented a reduction of \$446,035 in departmental requests; however, there was funding in the budget for an increase in employee compensation equal to a 2% increase, which could be paid out in either raises, bonuses, or a combination of the two.

He reviewed that in the General Fund, there was \$31,902,493 in revenues and expenditures, an increase of \$1,615,072 (5.1%) from FY11. He explained that growth was primarily due to moving Meals Tax revenue (\$525,000) to the General Fund as well as the Meals Tax fund balance (\$350,000), and a projected increase in Real Estate and Personal Property tax revenues of 419,185, an increase in delinquent collections of \$120,150, and moving revenues from Special Events (\$124,200) to the General Fund budget rather than handling those as supplements and appropriating them as they were received (payments from Colonial Downs and other venues for public safety services at events).

He pointed out that the Debt Service fund balance would be sustained through 2016 by appropriating \$300,000 annually for debt service reserve. As a result, the General Fund transfer for debt service was reduced by \$300,000 and, after that transfer, there would be about \$1.2 million in the Debt Service Fund, which would last through 2016. He indicated that should the Board decide to continue this practice, it might want to add more General Fund cash to the Debt Service Fund.

He confirmed that all proposed capital projects would be funded with existing cash reserves on deposit in the CIP fund.

He reviewed that property taxes made up between 60% and 70% of the revenues, and that the \$1.7 million increase over FY11 included the \$350,000 transfer in from the Meals Tax fund balance and an \$539,335 increase in property taxes. He noted that among the major changes in FY12 revenues were an increase in real estate taxes of \$296,014; increase in personal property taxes of \$123,171, and an increase in delinquent collections of \$120,150. He noted that sales tax revenue was projected to decrease by \$118,178, but that all other revenues basically remained static. He explained that revenue estimates had been based on what was billed in December and what was collected, and most assumptions had been based on "where we are in April 2011", adding that he was "still looking for growth if things continue as they have".

He reported that the projected real estate tax revenue was based on a total taxable assessment of \$2.6 billion, a tax rate of 70 cents, and a 97% collection rate and the personal property tax revenue was based upon a taxable assessment of \$101 million, a tax rate of \$3.75, and a 94% collection rate. He confirmed that the Personal Property Tax Relief Act (PPTRA) payment remained the same at \$2,217,883.

He reviewed that one penny on the real estate tax rate had been computed at \$261,166 for FY12, or \$253,331 at a 97% collection rate, and one nickel on the personal property tax rate equated to \$103,133 at a 100% collection rate.

Mr. Lawton reviewed various expenditure items that had been decreased by 5% or more, explaining that the Budget Team had looked at each line item and "tried to be judicious" in its recommendations. Regarding the \$615,020 increase in the CIP projects, he explained that two-thirds of the cash purchases were for replacement purchases of ambulances, law enforcement vehicles, and school buses that had been delayed in previous years. He advised that of the \$2.7 million budgeted for FY12, \$1.6 million would come from local funds. He pointed out that there were no major building projects, and the Public Utilities projects included interconnection of systems and SCADA installation. He indicated that the CIP also included local funds for construction of the north taxiway at the Airport.

He reviewed that the Board's next meeting on the budget was its May 25 work session, at which time the budget could be adopted, but in any event, it was necessary to adopt it by June 30.

Mr. Trout noted that that the \$3 million increase in the budget was mostly due to fund transfers and one-time federal and state funding for schools, and asked if the values of new construction were included. Mr. Lawton advised that revenues were based on what was billed in December, as well as what had been added to the tax rolls since the end of the year. Mr. Trout indicated that since there was an anticipated drop in real estate and personal property tax values between now and the next assessment, the Board needed to keep those lower values in mind.

Mr. Evelyn asked if Mr. Lawton was comfortable with the projected increase in real estate revenue. Mr. Lawton responded that he was, in that the numbers were based on actuals, noting that the amount collected for Business Professional Occupation License (BPOL) taxes was higher than what had been projected.

Mr. Evelyn indicated he had some concern about the projected 94% collection rate for real estate taxes. Mr. Lawton advised that he had spoken with the Treasurer's office and was comfortable with those projections.

It was reiterated that the Board would not be voting on any of the items that were subject to the upcoming public hearings.

The Chairman opened the Public Hearing on Ordinance O-06-11 changing certain fees charged for County services and updating the content of Appendix A (Fee Schedule) in the New Kent County Code. There being no one signed up to speak, the Public Hearing was closed.

The Chairman opened the Public Hearing on Ordinance O-07-11 to impose tax levies on real and personal property for the FY11/12 tax year. There being no one signed up to speak, the Public Hearing was closed.

The Chairman opened the Public Hearing on the proposed FY11/12 Budget.

Doug Dill of 200 Colony Trail expressed various concerns resulting from his review of the proposed budget, including salary increases, funding for a 4-H agent in the Extension Office, cost of annual physicals, utility line maintenance costs, vehicle replacements, and workers compensation costs.

Bart Leader of 5272 Brandon Pines Drive indicated that he agreed with Mr. Trout's statements and he commended Mr. Lawton for developing a "tight budget". He cautioned that the Board needed to "look where our revenues are heading" and be aware of the predicted decrease in real estate values in its planning for future years.

Richard Dawes of 11221 Carriage Road indicated that he shared the comments expressed by the previous two speakers.

John Williamson of 11300 Laurel Road spoke as a volunteer with the Meals on Wheels program, thanking the Board for its continued support of the program. He indicated that there were 57 volunteers delivering meals to residents in New Kent County, and that in the previous year, 5,064 meals had been delivered in New Kent, where 43% of the program participants had income under the 2010 poverty level. He invited the Board members to ride along on the delivery routes and again thanked them for their support.

Steve Miles of 13580 Stage Road asked the Board to support the funding proposed for the school system and also asked for continued funding for Meals on Wheels and offer a ride-along opportunity to any of the Board members.

Several of the Board members advised that they had participated in meal deliveries in the past.

Rev. Milton Hathaway of 9001 Crumps Mill Road spoke on behalf of a local ministerial association. He indicated that he felt the County did a good job in addressing the needs of

its citizens, and he encouraged the Board to support the schools and the budget as proposed.

There being no one else signed up to speak, the Public Hearing was closed.

Mr. Lawton addressed some of the issues that were brought up by Mr. Dill and, along with all of the Board members, offered to meet with residents about the budget and any concerns they might have.

Commissioner of Revenue Laura Ecimovic voiced concerns she had about the increase in the budget, stating that she disagreed with the projected collection rate. She spoke about how it was unrealistic to predict that "people will have the same funds to pay in this economy" and how she felt that the proposed budget was "setting up the County for a potential shortfall". She indicated that she did not think that the budget took into account the reduced revenues resulting from the new Veterans' Exemption Program, the Agricultural and Forestal Program, and the Elderly and Disabled Exemption Program.

There was discussion regarding school bus replacement. School Superintendent Rick Richardson explained that the State-recommended replacement cycle was 15 years and with a fleet of 52 buses, it was necessary to purchase multiple buses each year in order to keep up.

Board members encouraged citizens to attend the May 25 work session, and again invited residents to contact them or the County Administrator regarding any budget concerns.

IN RE: MEETING SCHEDULE, PART TWO

The Chairman announced that the next meeting of the Board of Supervisors would be held at 6:00 p.m. on June 13, 2011, and the next work session at 3:00 p.m. on May 25, 2011, both in the Boardroom of the County Administration Building, New Kent, Virginia.

IN RE: ADJOURNMENT

Mr. Burrell moved to adjourn the meeting. The members were polled:

David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye

The motion carried. The meeting was adjourned at 7:47 p.m.