

July 30, 2009

At a special called meeting of the Board of Supervisors of Prince Edward County, held jointly with the School Board of Prince Edward County, in the Prince Edward County Board of Supervisors Room, at the Courthouse, thereof, on Thursday, July 30, 2009, at 5:30 p.m., there were present:

Board of Supervisors

William G. Fore, Jr., Chairman
Howard F. Simpson, Vice Chairman
Robert M. Jones
James C. Moore
Lacy B. Ward
Mattie P. Wiley

Absent: Sally W. Gilfillan, Charles W. McKay

School Board

Russell L. Dove, Chairman
Osa Sue Dowdy
Harriett Fentress
Susan S. Lawman
Linda L. Leatherwood
Ellery Sedgwick
Lawrence C. Varner

Also present: Wade Bartlett, County Administrator; Sarah Elam Puckett, Assistant County Administrator; Dr. Patricia Watkins, Division Superintendent, and Cindy Wahrman, Division Director of Finance.

Chairman Fore called the Board of Supervisors to order at 5:30 p.m., as a Special Called meeting. Mr. Dove called the School Board to order.

Chairman Fore said, "Let me start off by thanking Chairman Dove and the members of the School Board for accepting the invitation to meet with us this afternoon. I also want to acknowledge the public that's in attendance, and acknowledge the many citizens who have contacted me and, as I have found out, many other Board members, concerning the main issue that we are here to discuss today. And that issue is the school personnel policy.

Each of you seated here has an agenda; we only have three items that we have to talk about. For the benefit of the public in attendance, I will list these for you. They are the introduction to the Interim School Superintendent, an update on the School Personnel Policy, and a financial outlook on the 2010 State and County budgets.

Mr. Dove, I'll turn the meeting over to you and let you introduce the new superintendent, if you will.

Mr. Dove, Chairman of the Prince Edward County School Board, said, “Okay, this is Mr. Stanley Jones, I’m going to introduce him to some and present him to others. He’s formerly from Caroline County; he served in Caroline as superintendent from 2002 to 2008, and he’s going to be filling the role of superintendent for us after Dr. Watkins does her final act today. For at least six months, he’ll be with us for at least six months, maybe longer. Mr. Stanley Jones.

Mr. Stanley Jones, Interim School Superintendent, said, “Thank you and I’m proud to be here. I started out next door – if I may?”

Mr. Dove said, “Go ahead.”

Mr. Jones continued, “ - in Buckingham County, after returning from Viet Nam in ’71. I stayed there for three years with Mr. Harris at the middle school. I got the call to come back home; in Caroline, I’ve been [a] bus driver, teacher, assistant principal, principal, assistant superintendent and superintendent in my home. I’m a retired colonel of the United States Army and I just love these hills and this area. Living in flat land, you don’t see mountains, and when I come here, I just feel charged. Happy to be here and I told people of the School Board I’ll use my experience and we’ll hold things together, and won’t let anything bad happen to your school system, I promise you that.”

Chairman Fore said, “Mr. Jones, it’s a pleasure to welcome you, and I thank you for being here this evening. Thank you very much.

“Before we begin discussing the school personnel policy, I want to make a short statement and I want to pre-empt the statement by saying that I’m speaking on my own behalf, and not for the entire board. I see the issue concerning the personnel policy as primarily a financial and an equity issue for the County. I think we all agree the current policy places a tremendous unfunded financial liability on the taxpayers of the county; I think we can all agree to that in the beginning. Since this issue has become public, I have received numerous phone calls and have been approached by many of our folks, our constituents, who want to discuss the matter. The overwhelming majority of these people have expressed their concern that the policy is too liberal and places too great a financial burden on the county taxpayers. Now, I realize that there’s information the Board – the Prince Edward Board – the Board of Supervisors has not had access to. And we’re here today to listen, and we’re here today to ask questions. The equity issues concern the

county's policy, and not only the county employees, but it also concerns the employees of the constitutional offices and the employees of the courts.

"Now, I want to break away and say that I want to remind the audience that this is a work session for these two boards, and there will be no opportunity for the public to make any comments. So having said that, I'll turn your attention to the agenda, if you will, and Mr. Dove, the Board would like to start with an update on the school policy – personnel policy, and where we are as of today."

Mr. Dove said, "As of today, we – you've got to realize that our last meeting, we voted to freeze the policy. We'll go back and have a committee to study and see how we should proceed from that, and then we'll go from there. That's – still that's – that procedure we put in place at the last meeting still stands as of today."

Chairman Fore asked, "And what are the instructions for the committee?"

Mr. Dove said, "That hasn't been determined."

Chairman Fore asked, "None?"

Mr. Dove said, "None at this time. We have formed the committee and we will – we will give them instructions when ..."

Dr. Sedgwick said, "[Inaudible] current summary, you might want to read the minutes of the last meeting."

Mr. Dove said, "Okay, at the last meeting on July 8, [2009,] we voted [to] freeze the current leave policy for all employees that [inaudible] on 6/30/09 until the new policy is established. All future leave bills were to be paid in five annual installments. The Board is freezing the application for payments for unused leave until the new policy is established. All future payouts including the annual accumulation will be determined by the new policy. And in considering a new policy, the Board will not allow 100% per diem for employees who currently have fewer than 25 years."

Chairman Fore asked, "Say that last one again?"

Mr. Dove said, "In considering the new policy, the Board will not provide a 100% per diem for employees who currently have fewer than 25 years."

Mr. Wade Bartlett, County Administrator, asked, "Even if they get 25 later?"

[Inaudible]

Mr. Dove said, "As of now, there will be no more 100% per diem, regardless of what we come out when we finish the committee. We know that's going away. What it's going to be, we haven't determined that yet."

Chairman Fore said, "Well, not having given the committee any instructions for their work, or guideline to follow, is it the intent of the School Board to [inaudible] the leave?"

Mr. Dove said, "That's a good possibility, yes. Yes."

Mrs. Lawman said, "We had a committee go off and work on this; it was a group of teachers who had been there from each school, and also people from the maintenance department, food service and so forth. And there was the July 4th weekend, our meeting was coming up. Their schedules didn't meet, like I said it was a holiday weekend, so basically they came back and said they didn't come to any conclusions because they didn't have enough time, and in all fairness, they didn't have enough time. And they asked – part of their recommendation was to freeze it and part of their recommendation was to consider the multiple year payouts, which was a good idea. And put that in consideration and we know this is something we're going to have to study over a period of time, and for them to give us their feedback, and then of course our Board has to come up with its decision, but we wanted their feedback too, because it's about them. They've been loyal to us all these years."

Mr. Dove said, "You've got to realize that the committee is only going to come back with a recommendation."

Chairman Fore said, "I understand that."

Mr. Dove continued, "The Board is going to make the decision."

Chairman Fore asked, "The multi-year payout, explain that?"

Mr. Dove said, "Whenever we decide what the payout would be, whether it would be 75% or 100% or whatever it [would] be, it would be paid out when the employee retires, that amount would be divided into five annual payments, instead of paying in one lump sum."

Chairman Fore said, "Okay."

Mrs. Wahrman said, "That should be beneficial for taxes, for them and the school. Both."

Mr. Bartlett asked, "Have you all had that vetted through any legal issues, like what would happen if the person passed away during that time? I don't know how – how would that have to be handled?"

Mr. Dove said, "All we – we could be looking into all that. Whether that payout goes to the family member or what, I don't know. The school board will be looking into that."

Mrs. Lawman said, "We also have gotten the list from all of the surrounding counties – the whole state – all the – we do have the whole state. All of the policies from the – you know, what they give and some of them have just, you know, a tier of – if you have 15 years, you get such a percentage, 20 years a higher percentage, so we have all of those."

[Inaudible.]

Chairman Fore asked, "What did you pay out this year in retirement?"

Dr. Watkins said, "\$213,250. [Inaudible.] That includes both sick and vacation."

Supervisor Jones asked, "Does – can an individual get sick leave compensation even before they retire, after they accumulate so many hours of leave? Is that – I've heard..."

Dr. Watkins asked, "After retirement?"

Supervisor Jones said, "If they're still employed, and they get – I don't know what the level is, I've heard so many different tales, but once they get to a certain level, then they can collect on time over that?"

Dr. Watkins said, "If the employee is actively employed, he does accumulate sick leave. Any employee that retires, and if they come back on an 80% schedule, does not accumulate sick leave."

Supervisor Jones said, "Okay, but can they still be employed and cash in on some of the sick leave that they've accumulated..."

Dr. Watkins said, "Yes."

Supervisor Jones continued, "...before they retire?"

Dr. Watkins said, "Yes, there is some..."

[Inaudible.]

Mr. Dove said, "That can not be now, there was..." [Inaudible.]

Dr. Watkins said, "Was. In [the] past."

Supervisor Jones said, "Right, yeah, that was the practice before you put a freeze on it."

Mr. Dove said, "That was the practice before we put a freeze on it. Yes."

Mr. Bartlett asked, "So that is frozen right now?"

Mr. Dove said, "That is frozen also."

Chairman Fore asked, "So what you're saying is that an employee could sell to the system sick leave days. Under the old policy. Right?"

Dr. Watkins said, "Under the old policy. And vacation. Either one."

Chairman Fore asked, "Vacation or sick leave?"

Dr. Watkins said, "Yes."

Supervisor Jones asked, "And you all honored sick leave when somebody came from another school system to Prince Edward?"

Dr. Watkins said, "That's statewide. The employee can transfer his sick leave from one school district to another."

Mr. Dove said, "But let me clear that up on a comment that was made earlier. Not tonight, but – no employee can wait until two to three years before they retire and come into Prince Edward and get paid 100% payout. An employee has to be in Prince Edward – in Prince Edward physically for 25 years before they're eligible for this payout. You can't be in another school division and then transfer within four to five years and receive this payout. You have to be in Prince Edward for 25 years. Under the old policy and under any new policy, that's going to be more than likely."

Supervisor Jones asked, "So everybody has to bring 25 years of service to collect .."

Mr. Dove said, "One hundred percent, yes."

Supervisor Jones asked, "But there are lower percentages, on a scale that you .."

[Inaudible.]

Mr. Dove said, "At fifteen – you have to be [there] a minimum of 15 years to receive any payout. We've got an employee left at 14 years, and he didn't get nothing."

Supervisor Jones said, "Okay, that clears up ..."

Mrs. Lawman said, "The exception there was the last superintendent who didn't – that was a different thing."

Mr. Dove said, "That was a different contract." [Inaudible.]

Supervisor Jones said, "That's – 'till we've talked to you all, I just assumed it was handled in the same manner as it had been ..." [Inaudible.]

Supervisor Simpson said, "My next question is what happened last year – year before that – when the superintendent .."

Mrs. Lawman said, "That was a different contract. That's not .."

Chairman Fore said, "That was by contract."

Mr. Dove said, "That was contract, not policy."

Supervisor Jones said, "This policy includes teachers, any personnel – any person has to be there 15 years to get .."

Mr. Dove said, "Any payout."

Supervisor Jones said, "..and then 25 to get the full?"

Mr. Dove said, "Yes."

Dr. Watkins said, "But I would like to say the superintendents in the State of Virginia are not guided by those policies. I just want you to know that."

Supervisor Jones said, "You all do a contract [inaudible] I understand that."

Chairman Fore said, "Okay, Board members, chime in."

Supervisor Jones asked, "What – do you all have any other figures of the amount of payout for years other than '09 by chance?"

Dr. Watkins said, "We do have 2007-2008, 2006-2007, and 2005-2006. Here."

[General conversation.]

Mr. Dove said, "In 2005-2006, the payout was \$62,110.50. [In] 2006-2007, our leave payout was \$87,904.19. [In] 2007-2008, our leave payout was \$95,420.19."

Supervisor Wiley asked, "Mr. Dove, can you give me 2005 again, please?"

Mr. Dove said, "2005 was \$62,110.50 [In] 2008-2009, the leave payout was \$213,250.76."

Supervisor Jones said, "And then the \$45,361.09 is – that's frozen? Right? People applied for it but ..."

Mr. Dove said, "There were people that applied for it after seven – after this school year, but three of those – several of those individuals have rescinded their retirement."

Supervisor Jones said, "Okay. Do you have any idea of how much indebtedness has accumulated as of now that is on the books, I guess you'd say?"

[General conversation.]

Mr. Dove said, "Yes I do. If every employee right now that is eligible for the employees that have 15 through 24 years, at 30% per diem, we would allow \$225,752.66. Retirees with 25 years or more of service – if we paid out at 100% per diem like the old policy, we would allow \$1,252,199.35. For a total of \$1,477,952.01."

Supervisor Jones asked, "In previous years when you all paid this money out, what line item did this money come out of?"

Dr. Watkins said, "In previous years, there was a line item in the budget to compensate for retirement. [Inaudible] leave buy-back, so there's a line item."

Mr. Bartlett asked, "How much was spent over the last few years on – this was on – did that include the buy-back, or is that a separate amount each year?"

Dr. Watkins said, "Separate. This is just the leave."

Mr. Bartlett asked, "How much was the leave buy-back where they had over – and this includes sick and vacation, when we say leave its all encompassing? Okay."

[General conversation.]

Mr. Dove said, "In 2005-2006, a grand total of \$122,343.20. In 2006-2007, it was \$103,632.29. [In] 2007-2008 school year, [the] total was \$163,038.85."

Supervisor Jones asked, "What was the '05-06 figure, I'm sorry?"

Mr. Dove said, "\$122,343.20."

Chairman Fore said, "I'm not sure that I know where to go from here without .."

Mr. Bartlett asked, "When would you anticipate the committees being formed up? Maybe sometime next month?"

Mr. Dove said, "Sometime within the next month."

Mr. Bartlett said, "You all will make whatever direction you're going to tell them to [inaudible] and look at it for a while."

Mr. Dove said, "And they'll go in and do their – and then we'll look over the material we got, because we'll be formulating our own scenarios and we'll compare, and go from there."

Supervisor Simpson asked, "Who is going to write your personnel policy?"

Mr. Dove asked, "What do you mean, who's going to write it?"

Supervisor Simpson said, "That's our personnel policy book right there. And that's what you need – something to go by. Personnel policy book where when you hire somebody, you give it to them, and say these are the rules and regulations that the School Board expects you to go by."

Mr. Dove said, "We have a policy."

Dr. Watkins said, "We do have one. We do have one."

Supervisor Simpson said, "But it doesn't include this stuff ..."

Dr. Watkins said, "We do have a personnel policy, it's called the employee handbook. All the policies are in there. I guess the question is what – who is going to write the revised leave policy, and I guess the Board and the Chairman will determine, I guess, who is on the committee, and how that will be written."

Supervisor Jones said, "On the budget, on page 23, where you all have all the benefits and fixed charges, I assume the category that this money comes out of is 'Other Benefits'?"

[General conversation.]

Chairman Fore said, "Any of the Board members have any questions that they want to ask? We're at a point that, because the committee hasn't functioned yet, that the only thing that we have is information that is pertinent in dollars to the unfunded obligation that the County has, which is – it's kind of serious."

Mr. Dove said, "Mr. Fore, we realize that, that's why we're taking the steps we are."

Chairman Fore said, "I understand. I understand, and my only comment to that is, we're two years behind."

Supervisor Jones said, "One other question I've got – I assume this is – these benefits are not written into the teachers' contracts? No. It's just the policy of the school?"

Mr. Dove said, "No. It's school policy."

Supervisor Jones said, "So if something was changed, you obviously don't have to worry about waiting till contract expiration date or whatever before you change it."

Mr. Dove said, "It's a policy; we can change – Board vote can change policies."

Supervisor Jones said, "I don't think I need to say this but obviously we surely hope you all can do something that will lessen the burden on the county taxpayers to cover this, because as everybody knows,

times are tight. I know it's a disappointment for the teachers and all that look forward to it, but I'm afraid everybody's taking cuts and disappointments and matches of 401Ks and such as that in other sectors of the working people's situations, and it's something that we surely hope you all address."

Mr. Dove said, "We planned on addressing it. We probably wouldn't be here if we hadn't planned on addressing it. That's why we brought up ..."

Chairman Fore said, "Well, I think, you know, what we – in the few minutes that we've talked, that it's been good information, and it's cleared up some of the issues that – some of the questions that I had. And I know that the Board will look forward to your committee – to the work of your committee, and we certainly want to ask you to keep us apprised of what goes on, and if we can offer help and suggestion, please don't hesitate to holler, because this is – as I said, a substantial fund."

Mr. Dove said, "We appreciate that."

Chairman Fore continued, "Wade, do you want to talk a little about the budget at you know it now? The state and the county?"

Mr. Bartlett said, "All right, right, and there's probably more questions than answers right now. We all have seen the latest Governor's announcement that he's directing all of his departments to look at further cuts because the state revenues continue to not meet expectations at an increasingly rapid rate. The good news is, locally, it appears that we've stabilized somewhat, actually it appears the retail sector – if anybody's been downtown on the weekends, it's actually picking up a little bit. But – and for all of our budgets, that's good. Most of all of your budgets come from the state, but it's going to affect some of us on the County side with the constitutional officers possibly being cut, some more of the funding from the Comp Board. Also possibly that infamous state reimbursement could increase. So we just all need to be cognizant of that. We've already cut our budget considerably, so we don't have a lot of places to go in the County budget overall. We almost have no capital items this year, if you recall, in the budget. There's very few at all. So – but we will look at ways we can save, and don't be surprised if we hear something from the state on reducing the revenues that we will get from them on our side. I don't know of anything about the school side; I don't know if you all have heard anything or not from the Board of Education of what they're doing and all. Because we haven't heard from the Comp Board either. But I know they were directed to do whatever that 5-10-15% cut. So I think it would be smart to look at that to make sure that

you may have some contingency funds, and for us also. I haven't done that myself either, so – but I just wanted everybody to know that, that it could affect us here. That's about all I had on that.”

Chairman Fore said, “Okay, Mr. Jones, let me welcome you once again and while we're in the process of welcoming you, we want to say good-bye to Patricia. Patricia, it's been a pleasure knowing you and working with you, and we wish you every success in the future.”

Dr. Watkins said, “Thank you, and likewise, it has been a pleasure to work with you and with this Board, on the School Board. I was very honored and privileged to have the opportunity to work in Prince Edward County Public Schools, it's a very, very special place. But I want to thank the School Board for their leadership and for the guidance, and for their support, and I want to thank you personally and the entire Board of Supervisors for their support. And for embracing the initiative in the school division. I leave the school in very good hands; Mr. Jones is upstanding, has lots of experience, and I know that Prince Edward County Public Schools only will continue to be a great school system. Thank you very much.”

Chairman Fore said, “Thank you and good luck to you.”

Mr. Jones said, “I have her cell number, so I know where she can be reached.”

Chairman Fore said, “You can stay in touch.”

Dr. Watkins said, “We will. We'll stay in touch.”

Chairman Fore said, “This completes the business for which we have assembled. Is there a motion that we adjourn?”

In Re: Adjournment

On motion of Mr. Moore and adopted by the following vote:

| | | |
|---------|---|-----------|
| Aye: | William G. Fore, Jr. Robert M. Jones James C. Moore Howard F. Simpson Lacy B. Ward Mattie P. Wiley | Nay: None |
| Absent: | Sally W. Gilfillan Charles W. McKay | |

the meeting was recessed at 6:02 p.m..