

April 30, 2015

At the special meeting of the Board of Supervisors of Prince Edward County, held at the Court House, thereof, on Tuesday, the 30th day of April, 2015, at 7:00 p.m., there were present:

Pattie Cooper-Jones

Calvin L. Gray

Robert M. Jones

Charles W. McKay

Howard F. Simpson

C. Robert Timmons, Jr.

Jerry R. Townsend

Jim R. Wilck

Also present: Wade Bartlett, County Administrator; Sarah Elam Puckett, Assistant County Administrator; and Dr. David Smith, Superintendent, Prince Edward County Schools.

Chairman Simpson called the recessed meeting to order. Supervisor Gray offered the invocation and led the Pledge of Allegiance.

Supervisor Gray announced that, according to the guidelines in regards to voting on the school budget, his wife works for the school but it will not be a Conflict of Interest.

Supervisor Townsend stated his wife is employed by the Prince Edward County Middle School, but will have no impact on his decision regarding the FY16 school budget; there is no Conflict of Interest.

In Re: Fiscal Year 2016 County Budget

Chairman Simpson made a motion, seconded by Supervisor McKay, to set the Prince Edward County real estate tax rate at \$0.47 for FY2015/2016, to level fund the Prince Edward County Schools and to support the extended Summer Camp at the YMCA costing \$23,000.

Supervisor Wilck stated the budget, with those amounts inserted, the tax rate would have to be set at \$0.51

Chairman Simpson stated that at the end of 2016, with his motion approved, there would be \$9,579,167 in the General Fund.

Supervisor Timmons stated the current budget advertised will require \$708,000 from the General Fund balance, and the proposal would increase that to include \$600,000 and would require a total of \$1.3 million from the Fund balance.

After some discussion, Supervisor Gray called for the question.

Supervisor Jones stated the County must keep in mind \$2.5 million is obligated for the landfill cell that is expected to be closed, and some of the other money in the General Fund is not available for operating expenses. He said it takes \$5 million to carry the County until taxes are collected. He said the \$0.47 rate will make it very close and next year there will be a tax increase.

Supervisor Timmons stated that still requires \$1.3 million from the Fund balance; if the Schools are level funded, he suggested returning the real estate tax rate to \$0.51 and not spend down the General Fund. Discussion followed.

Supervisor Wilck stated there has been a consistent reduction in students over the past few years and next year is uncertain.

Supervisor Timmons asked Dr. David Smith, Superintendent of Prince Edward County Schools, the impact on a loss of local funding of \$150,000.

Dr. Smith stated only the School Board can make that determination, but that any cuts would mean reductions in personnel and services. He stated nine positions would need to be eliminated; 69 positions were eliminated in the past five years.

Chairman Simpson amended his motion to set the Prince Edward County Real Estate Tax Rate at \$0.49 for FY 2015/2016, to level fund the School budget and level fund the YMCA.

Supervisor Wilck made a substitute motion, seconded by Supervisor Timmons, to set the Prince Edward County Real Estate Tax rate at \$0.49 and to increase funding to the Prince Edward County Schools in the amount of \$150,000.

Supervisor Timmons made a substitute motion, seconded by Supervisor Wilck, to level fund the Prince Edward County Schools, set the Real Estate Tax Rate at \$0.51, and the YMCA remains as was discussed with no funding provided for the expanded summer program; the motion failed:

Aye: Pattie Cooper-Jones
Robert M. Jones
C. Robert Timmons, Jr.
Jim R. Wilck

Nay: Calvin L. Gray
Charles W. McKay
Howard F. Simpson
Jerry R. Townsend

Chairman Simpson then called for a vote on Supervisor Wilck's substitute motion to set the Prince Edward County Real Estate Tax rate at \$0.49 and to provide additional funding to the Prince Edward County Schools in the amount of \$150,000; the motion failed:

Aye: C. Robert Timmons, Jr.
Jim R. Wilck

Nay: Pattie Cooper-Jones
Calvin L. Gray
Robert M. Jones
Charles W. McKay
Howard F. Simpson
Jerry R. Townsend

Chairman Simpson then called for a vote on his amended motion, seconded by Supervisor McKay, to set the Prince Edward County Real Estate Tax Rate at \$0.49 for FY 2015/2016, to level Local funding the School budget at \$8,317,182 and level fund the YMCA to include \$23,000 for the expanded summer program; the motion carried:

Aye: Calvin L. Gray
Robert M. Jones
Charles W. McKay
Howard F. Simpson
Jerry R. Townsend

Nay: Pattie Cooper-Jones
C. Robert Timmons, Jr.
Jim R. Wilck

In Re: Adoption of FY16 School Budget

Supervisor Cooper-Jones moved, seconded by Supervisor Timmons, that the FY16 Prince Edward County School Budget be approved as follows:

School Fund – The total for the School Fund is \$24,337,426, of which \$8,317,182 is local revenue as a transfer from the County General Fund.

School Cafeteria Fund – The total for the School Cafeteria Fund is \$1,088,427 of which \$0.00 is local revenue as a transfer from the County General Fund.

This provides for an overall FY 16 Prince Edward County School Budget in the amount of \$25,425,853.

The motion carried:

Aye: Pattie Cooper-Jones
Calvin L. Gray
Robert M. Jones
Charles W. McKay
Howard F. Simpson
C. Robert Timmons, Jr.
Jerry R. Townsend
Jim R. Wilck

Nay: None

In Re: Adoption of the FY16 Prince Edward County Budget

Supervisor Jones made a motion, seconded by Supervisor Townsend, to adopt the Resolution to Approve the FY 16 Prince Edward County Budget; the motion carried:

Aye: Pattie Cooper-Jones
Calvin L. Gray
Robert M. Jones
Charles W. McKay
Howard F. Simpson
C. Robert Timmons, Jr.
Jerry R. Townsend
Jim R. Wilck

Nay: None

A Resolution to Approve the FY 16 Prince Edward County Budget

WHEREAS, it is the responsibility of the Prince Edward County Board of Supervisors to approve and control the fiscal plan for the County of Prince Edward, Virginia for Fiscal Year 2016 (FY 16); and

WHEREAS, on March 24, 2015 the County Administrator submitted to the Board of Supervisors the Proposed FY 16 Budget; and

WHEREAS, the Board of Supervisors has conducted a total of nine meetings / work sessions on the FY 16 County Budget; and

WHEREAS, the Board of Supervisors has received citizen input on the proposed budget and proposed tax rates at a duly advertised Public Hearing held April 21, 2015; and

WHEREAS, it is the intent of the Board of Supervisors that departments and agencies shall adhere to the budgeted funds in accordance with departmental budgets presented by the County Administrator and amended by the Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Prince Edward, that the FY 16 Budget for Prince Edward County of \$51,277,461 is hereby approved and effective July 1, 2015.

In Re: Adoption of 2015 County Tax Levy Ordinance

Supervisor Cooper-Jones made a motion, seconded by Supervisor Townsend, to adopt the Tax Levy Ordinance; the motion carried:

Aye: Pattie Cooper-Jones
 Calvin L. Gray
 Robert M. Jones
 Charles W. McKay
 Howard F. Simpson
 C. Robert Timmons, Jr.
 Jerry R. Townsend
 Jim R. Wilck

Nay: None

An Ordinance to Impose Tax Levies For Calendar Year 2015

Whereas, the Prince Edward County Board of Supervisors establishes the levies for the County of Prince Edward, Virginia; and

Whereas, for calendar year 2015, beginning January 1, 2015 and ending December 31, 2015, the Board of Supervisors has duly advertised and on April 21, 2015 held a public hearing on the subject tax levies;

Now, Therefore, Be It Resolved, by the Board of Supervisors of the County of Prince Edward that the following tax levies be, and hereby are, imposed for the calendar year 2015:

Levy	Nominal Tax Rate (per \$100 of assessed valuation)	Value Used for Assessment Purposes	Effective Tax Rate (per \$100 of assessed valuation)
Real Estate	\$0.49	Fair Market Value	\$0.49
Mobile Homes	\$0.49	Fair Market Value	\$0.49
Merchant's Capital	\$0.70	100% of Original Cost	\$0.70
Tangible Personal Property – Motor Vehicles	\$4.50	N.A.D.A. Guide, Loan Value	\$4.50
Tangible Personal Property – Business Furniture & Fixtures	\$4.50	20% of Original Cost	\$0.90
Tangible Personal Property – Heavy Equipment	\$4.50	20% of Original Cost	\$0.90
Machinery & Tools	\$4.20	10% of Original Cost	\$0.42
Farm Machinery & Equipment	\$0.00	----	\$0.00

Additional Special Levy – Poplar Hill CDA District Only

Levy	Nominal Tax Rate (per \$100 of assessed valuation)	Value Used for Assessment Purposes	Effective Tax Rate (per \$100 of assessed valuation)
Poplar Hill CDA Real Estate Special Levy	\$0.25	Fair Market Value	\$0.25

In Re: School Renovations – Performance Contract

Mr. Bartlett stated as authorized in *Chapter 6.1 of Title 11 of the Code of Virginia* the School Board entered into a Performance Based contract with Honeywell to conduct an energy audit of the Schools. Honeywell has completed the Technical Energy Audit and presented their findings to the School Board. The Technical Energy Audit shows that \$5,090,482 of facility improvements can be funded through this program. These improvements could be funded from energy savings which are estimated to be \$212,166 in year 1 and escalate 3% each year to a total of \$311,573 in year 15, plus an infusion of capital of \$250,000 in years 3-15 of the debt schedule. The capital infusion would be obtained from funds made available by the retirement of an existing 1997 Virginia Public School Authority Bond (VPSA) on July 15, 2017. The debt payment of that VPSA bond in Fiscal Year 2016 is \$268,750. On April 22, 2015, the Prince Edward County School Board voted unanimously to request funding approval for Performance Contracting school renovations.

Mr. Bartlett said the next step in the process is to authorize Honeywell to issue an RFP to lenders for a 15-year lease that will be subject to annual appropriations. The County's Bond Attorney and Financial Advisor are both comfortable with this contracting and financing mechanism. They will work with Honeywell to ensure the widest dissemination of the RFP and will review all leasing documents to ensure they meet Virginia procurement and financing requirements.

Mr. Bartlett stated that as the governing body ultimately responsible for the funding of any financing instrument, Honeywell is requesting the Prince Edward County Board of Supervisors authorize the issuance of the RFP. Such action will not bind Prince Edward County into any lease agreement at this time. Once the responses to the RFP are received, Honeywell and the County's Financial Advisor and Bond Counsel will review them and make a recommendation to the County. Then the Board of Supervisors will make a final determination in regards to this project.

Supervisor Cooper-Jones made a motion, seconded by Supervisor Gray, to authorize Honeywell to issue a RFP on behalf of Prince Edward County to obtain Lease Financing for a 15 year term for \$5,090,482 to accomplish the renovations spelled out in the Technical Energy Audit; the motion carried:

Aye: Pattie Cooper-Jones
Calvin L. Gray
Robert M. Jones
Charles W. McKay
Howard F. Simpson
C. Robert Timmons, Jr.
Jerry R. Townsend
Jim R. Wilck

Nay: None

On motion of Supervisor McKay, seconded by Supervisor Townsend, and adopted by the following vote:

Aye: Pattie Cooper-Jones
Calvin L. Gray
Robert M. Jones
Charles W. McKay
Howard F. Simpson
C. Robert Timmons, Jr.
Jerry R. Townsend
Jim R. Wilck

Nay: None

the meeting was adjourned at 7:33 p.m.