

January 16, 2007

At the reconvened meeting of the Board of Supervisors of Prince Edward County, held at the Court House, thereof, on Tuesday the 16th day of January, 2008, at 5:30 p.m., there were present:

William G. Fore, Jr.

Sally W. Gilfillan

Robert M. Jones

Charles W. McKay

James C. Moore

Howard F. Simpson

Lacy B. Ward

Mattie P. Wiley

Also present: Wade Bartlett, County Administrator; Sarah Puckett, Assistant County Administrator; James Ennis, County Attorney; Sharon Carney, Director of Economic Development and Tourism; and Mable Shanaberger, Treasurer.

Chairman Fore called the meeting to order.

In Re: Closed Session

Supervisor McKay made a motion that the Board convene in Closed Session to discuss the expansion of an existing business, where no previous announcement has been made, pursuant to the exemptions of Section 2.2-3711(A)5 of the *Code of Virginia*. The motion carried:

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

The Board returned to regular session by motion of Mr. Moore and adopted as follows:

Aye: William G. Fore, Jr.
Sally W. Gilfillan
Robert M. Jones
Charles W. McKay
James C. Moore
Howard F. Simpson
Lacy B. Ward
Mattie P. Wiley

Nay: None

On motion of Mr. Simpson and carried by the following roll call vote:

Aye: William G. Fore, Jr.
Sally W. Gilfillan
Robert M. Jones
Charles W. McKay
James C. Moore
Howard F. Simpson
Lacy B. Ward
Mattie P. Wiley

Nay: None

the following Certification of Closed Meeting was adopted in accordance with the Virginia Freedom of Information Act:

WHEREAS, the Prince Edward County Board of Supervisors convened a closed meeting 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 this Board of Supervisors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Prince Edward County Board of Supervisors hereby certifies that to the best of each member's 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 the motion convening the closed meeting were heard, discussed, or considered by the Prince Edward County Board of Supervisors.

In Re: School Board Appointment

Mr. Moore made a motion to accept the recommendation of the Citizens Committee and appoint Mrs. Harriett E. Fentress to the Prince Edward County School Board for District 301, with a term ending June 30, 2008. The motion carried unanimously:

Aye: William G. Fore, Jr.
Sally W. Gilfillan
Robert M. Jones
Charles W. McKay
James C. Moore
Howard F. Simpson
Lacy B. Ward
Mattie P. Wiley

Nay: None

In Re: Appointment to Planning Commission

Chairman Fore said that because the Board representative's term on the Planning Commission runs concurrent with the Board member's term, an appointment to the Planning Commission was necessary.

Mr. Moore made a motion to reappoint Mr. Jones to the Planning Commission as Board of Supervisors' representative.

Mr. Ward asked how long Mr. Jones served on the Planning Commission. Mr. Jones said he had served on the Planning Commission since 1988, which was prior to his serving on the Board of Supervisors. Mr. Ward stated he felt it was healthier if the Board members rotate from time to time.

Chairman Fore called for the vote; the motion to reappoint Mr. Jones to the Planning Commission carried:

Aye: William G. Fore, Jr.
Sally W. Gilfillan
Robert M. Jones
Charles W. McKay
James C. Moore
Howard F. Simpson
Mattie P. Wiley

Nay: Lacy B. Ward

In Re: FY 07 County Audit

Matthew McLearen, CPA with Robinson, Farmer, Cox, reviewed the independent auditor's report, including the unqualified opinion, which is a clean opinion, without qualifications on the financial statements. He said the compliance opinion was also included and was required for all entities that receive more than \$500,000 in Federal funding in any given fiscal year. He said an unqualified opinion on the Federal awards was included, as well as a report on internal controls, which was now required for all governmental audits, and no material weaknesses or significant deficiencies were issued.

Mr. McLearen then reviewed internal control recommendations that had been found during the audit. He said several items would need to be corrected in order to bring the County's financial operations into compliance with the new SAS 112 standards, which placed emphasis on internal controls:

- Payment for building permits be made in the Treasurer's office
- Segregation of human resources and payroll processing functions
- All grants accepted by the Board of Supervisors and the budget adjusted accordingly
- All collection of County funds offsite should be evaluated for proper controls that all funds be held in a locked safe and remitted to the Treasurer weekly
- Central accounting function and general ledger maintenance be segregated from the Treasurer's functions; recommended central accounting and general ledger maintenance be performed in the County Administrator's office

Mrs. Gilfillan asked if there would be more changes in the future. Mr. McLearen said there would be, and auditors would be required to evaluate in more depth in the future. He said the policies and procedures would be reviewed and a risk assessment done, with emphasis on the departments that handle local funds. He told the Board the changes began in May 2007 and these additional changes are necessary due to the SAS 112. He added not making the changes would adversely affect the County's ability to borrow and to receive Federal funding [grants] in the future, and it would also affect the bond rating.

Mrs. Gilfillan asked why these changes were not required five years ago. Mr. McLearen said the larger organizations and corporations were required to incorporate internal controls first. Mr. Jones said civic and religious organizations were required to make the changes as well.

Mr. Ward said he appreciated the separation and outline of the issues, and asked Mr. Bartlett if there was anything that was pointed out that could not be corrected.

Mr. Bartlett said all of the issues could be corrected, and that some would require action by the Board. He said there would be some changes in personnel or duties at minimal cost to the County. Mr. Ward said the Personnel Committee was better able to assign changes in duties.

Chairman Fore said the financial policy previously presented by Mr. Bartlett made more sense after the review of the audit report. Mr. Simpson asked if any of the proposed changes were not necessary, and if they were required by law. Mr. McLearen said the items presented were critical and required by the auditing standards. Further discussion followed.

Mrs. Wiley said that the Board should take the information the auditor presented and compare with the proposed Financial Policy to bring the County into compliance with what needs to be done.

After another brief discussion, the Board concurred that the Audit Committee would meet on January 28, 2008 at 9:00 a.m. and the Personnel Committee would meet on January 28, 2008 at 10:00 a.m.

Mr. Bartlett said the Financial Policy and the audit were two separate issues, but some areas overlap. He said the Finance Policy would not require additional personnel, but the audit recommendations may. He added there may be changes in duties of the personnel in the Administrator's office, and the Treasurer's office, which would need action or guidance from the Board, and advised that both the audit and personnel issues be looked at simultaneously. He said the functions concerning the Treasurer, such as journal entries and some training would be necessary but there would not be a great amount of change in duties. Mr. Bartlett said the Finance Policy is a separate issue, and the Board could review it as a whole or by committee. Mr. Bartlett stated the proposed Finance Policy was a first step and focused on the budget process initially because the County would soon begin the budget process. He stated once complete, the Finance policy would include debt and cash management, capital improvement plan, a procurement and purchasing plan, and an inventory. He said the Audit Committee could review the Finance Policy and make recommendations to the full Board.

Chairman Fore said the Board agreed the Audit and Personnel Committees would review the audit report with special attention to the internal controls in the Treasurer's office.

In Re: Public Hearing – Amendment to Motor Vehicle License Ordinance

Chairman Fore said in order to institute new rates by March 1, a public hearing must be held and voted on in February. A brief discussion on the proposed tax rates followed.

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

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

advertisement for a public hearing on the Motor Vehicle License ordinance amendment was authorized for the February 12, 2008 Board meeting.

In Re: Tobacco Commission Grant

Sharon Carney, Director of Economic Development and Tourism, said the Board had approved the submittal of a Tobacco Commission Economic Development Grant at the November 14, 2007 Board meeting in the amount of \$151,760 for the February 1, 2008 Economic Development Grant round. She told the Board that as of January 14, 2008, Prince Edward County's available allocation with the Tobacco Commission increased by \$41,750 which brought the total to \$193,510. She asked the Board to amend the previously approved application to request the full amount of the allocation from the Tobacco Commission. She added an increase in grant funding would reduce the amount of local funding required for the project.

A motion was made by Mr. McKay to authorize submittal of a Tobacco Commission Economic Development Grant in the amount of \$193,510 for the February 1, 2008 round, authorize the County Administrator to sign any and all documents associated with the Tobacco Commission Economic Development Grant, and approve the amended Board Resolution in support of the Tobacco Commission Economic Development Grant. The motion carried:

Aye:	William G. Fore, Jr. Sally W. Gilfillan Robert M. Jones Charles W. McKay James C. Moore Howard F. Simpson Lacy B. Ward Mattie P. Wiley	Nay: None
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**A RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF PRINCE EDWARD, VIRGINIA**

**VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY
REVITALIZATION COMMISSION
PROJECT ENDORSEMENT RESOLUTION**

WHEREAS, the Virginia Tobacco Indemnification and Community Revitalization Commission was created to help foster economic development in the tobacco dependent communities of Southside and Southeast Virginia; and

WHEREAS, the County of Prince Edward Board of Supervisors would like to submit a grant application for \$193,510 to the Virginia Tobacco Indemnification and Community Revitalization Commission from the "Economic Development Fund" currently available by February 1, 2008.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Prince Edward, Virginia, does hereby support a grant application to the Virginia Tobacco Indemnification and Community Revitalization Commission for engineering and site development costs of approximately 25 acres +/- at the Prince Edward Industrial Park for the development of industrial sites as an inducement for the recruitment of prospect industries to locate to Prince Edward County; and

BE IT FURTHER RESOLVED that the Board of Supervisors of the County of Prince Edward, Virginia does hereby authorize the Board of Supervisors Chairman and/or County Administrator to sign all necessary grant documents to execute the application, grant reports and grant contract.

In Re: Closed Session

Supervisor Gilfillan made a motion that the Board convene in Closed Session for consultation with legal counsel regarding the provision of water and sewer service to County residents and boundary and revenue issues related to the Town of Farmville, which would be subject to review of the Commission on local Government, pursuant to the exemptions of Section 2.2-3711(A)7 and 15.2-2907(D) of the *Code of Virginia*; and to discuss a prospective industry, pursuant to the exemptions provided for in Section 2.2-3711(A)5 of the *Code of Virginia*. The motion carried:

Aye:	William G. Fore, Jr. Sally W. Gilfillan Robert M. Jones Charles W. McKay James C. Moore Howard F. Simpson Lacy B. Ward Mattie P. Wiley	Nay: None
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Mrs. Gilfillan left the meeting during closed session.

The Board returned to regular session by motion of Mr. McKay and adopted as follows:

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

On motion of Mr. Jones and carried by the following roll call vote:

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

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

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

the meeting was recessed at 8:24 p.m., and will reconvene at 5:00 p.m., February 12, 2008 for a Highway Work session.