

May 3, 2022

At the special meeting of the Board of Supervisors of Prince Edward County, held at the Court House, thereof, on Tuesday, the 3<sup>rd</sup> day of May, 2022; at 5:30 p.m., there were present:

Beverly M. Booth  
Pattie Cooper-Jones  
J. David Emert  
Robert M. Jones  
Odessa H. Pride  
Jerry R. Townsend  
James R. Wilck

Absent: Llew W. Gilliam, Jr.

Also present: Douglas P. Stanley, County Administrator; and Crystal Baker, Finance Manager.

Chairman Pride called the special meeting to order.

Chairman Pride stated:

*Due to the COVID-19 Emergency, the Prince Edward County Board of Supervisors is operating pursuant to and in compliance with its "EMERGENCY CONTINUITY OF OPERATIONS ORDINANCE." Effective August 1, 2021, the Board has re-opened meetings to in-person participation by the public; however, there could still be limited available seating. Citizens are strongly encouraged to participate in meetings through in-person participation, written comments, and/or remote participation by calling: 1-844-890-7777, Access Code: 390313 (If busy, please call again.) Additionally, citizens may view the Board meeting live in its entirety at the County's YouTube Channel, the link to which is provided on the County's website.*

The Prince Edward County Board of Supervisors strongly encourages citizen input and engagement in our County government. Due to COVID-19, the Board of Supervisors, Planning Commission, and other County committees, boards, etc. are operating pursuant to the following protocols for public input and public participation.

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Public Participation and Public Hearing comments and information regarding the limited number of seats for in-person participation at County meetings are coordinated through Karin Everhart, Deputy Clerk to the Board of Supervisors, as follows:

- In-Person Participation:** While county meetings have re-opened to the public, there could still be limited seating, if social distancing is needed. To enter the Prince Edward County Courthouse, unvaccinated and vaccinated individuals are required to wear a mask at all times and socially distance. Based on the uncertainty of social distancing requirements, the exact number of seats available in the Board/Planning Commission meeting room is uncertain. The County appreciates the public's patience as staff continues to adapt to the public safety recommendations and guidelines of the Virginia Department of Health and the CDC.
- Written Comments:** Please limit word count to no more than 500 words. Comments must be received by 2:00 p.m. the day of the meeting.

- a. **Mailed:** Board of Supervisors (or Planning Commission)  
P.O. Box 382, Farmville, VA 23901.
- b. **E-Mailed:** Board of Supervisors: [board@co.prince-edward.va.us](mailto:board@co.prince-edward.va.us)  
Planning Commission: [info@co.prince-edward.va.us](mailto:info@co.prince-edward.va.us)
3. **Remote Participation:** Citizens may participate remotely during the meeting. To call in to the meeting, please dial: **1-844-890-7777**. When prompted for an Access Number: **390313**. Citizens may provide comments during Public Participation and/or for a specific Public Hearing on the agenda. Citizens are encouraged to pre-register with the County Administrator's Office at 434-392-8837 by 2:00 p.m. the day of the meeting. Callers must be on the line and ready to speak when called upon by the Chair. Please state your name and district of residence. Based upon the # of speakers, the Chair will determine the time allotted to each speaker.
4. **County YouTube Channel:** Citizen may also view the monthly Board of Supervisors meeting live at the County's YouTube Channel: (link is also on County website under Meetings & Public Notices.)  
<https://www.youtube.com/channel/UCyfpsa5HEjIWejBSc5XwplA/featured> .

Chair Pride offered the invocation and led the Pledge of Allegiance.

In Re: Budget Work Session

Mr. Stanley reported the State is not likely to have their budget until June; the County needs to move forward with its budget and get it advertised. He reviewed the schedule with a budget advertisement date of May 10, 2022; he said the public hearing on the School and County budgets and County tax rates will be held May 31, a work session and the adoption of the tax rates will be held June 7, and on June 14, the Approval of Appropriations Resolution will be considered.

Mr. Stanley said prior to the meeting with the School Board last week, the Budget had no increase, which meant no increase on operating [funds] for the Schools. There is \$250,000 in the Capital Improvement line [to go to] the Elementary School Remediation Project. Discussion was held on the Personal Property Assessment and Rates, and direction from the Board is needed regarding the donation requests.

Mr. Stanley stated that the budget, without any School operating increase and including an estimated 5% increase for Comp Board salaries, we anticipate being approximately \$232,831 short to balance the County budget. He proposed the County use the fund balance for one-time capital purchase items that are included in the budget. He said while the County doesn't want to use the savings account to pay the daily operating costs, but it could be used to address capital projects: paving at the landfill, replacing the

Scalehouse, construction vehicle for Solid Waste, General Properties vehicle and plow, and for Planning for Professional Services which is the required review of the Comprehensive Plan which must be done every five years. Following discussion, the Board concurred.

Mr. Stanley said the School Superintendent presented three options for an operating budget increase; Mr. Stanley reviewed the options based on the more-conservative House budget. He reiterated currently, there are no additional operating funds in the draft budget but there is \$250,000 in the fund set aside for the Elementary School.

Mr. Stanley said that dependent upon the Personal Property, the County could cover Option #2 or #3. He said Personal Property preliminary estimates in most counties in Virginia will see a 20-30% increase in vehicle assessments in 2022 based on NADA values. He said these values need to be entered into the system, and once all values are in, a report can be run that will provide anticipated assessed values. He said that data will not be available until at least June. He said Prince Edward County uses the most conservative “clean loan” value. He reviewed the rates from the surrounding counties in comparison.

Mr. Stanley said for the current year, there is a \$5,250,000 in Personal Property Tax Revenue in the budget. He said the draft budget will include \$5.6 million; he said if there is a 25% increase, the County could see a one-time increase of \$1.3 over the \$5.2 million, or \$962,000 over the \$5.6 million. He said the downside is that we do not know what it will be next year. He said the anticipated revenue increase could fund Option #2 or Option #3 of the School increase; this would keep Real Estate [rate] as-is, and would leave the \$250,000 in the Capital Fund for the Schools.

Mr. Stanley reviewed revenue and population comparisons. He explained the table presented in the Board packet shows value and tax for various vehicles. He said the critical thing is in setting the tax rate.

Supervisor Booth stated some funds are received from PPTRA.

Mr. Stanley then discussed possible solutions to fix the School budget; Option A is to leave Personal Property rates and assessments as they are; Option B is to remove the \$250,000 set aside for the Elementary School project and make adjustments in the Personal Property assessment percentage; and Option C is to remove the \$250,000 Capital funding and provide for School operating funds and make a significant adjustment to the Personal Property assessment; Option D is to level fund the Schools Operating and leave the \$250,000 in Capital Funding. Mr. Stanley said that the Real Estate [tax] generates \$175,000 per penny;

he said he has not proposed any Real Estate increase. He said if the Personal Property [tax] is used, and if the Schools get over the \$800,000 that they anticipate receiving in their draft budget, then they apply it towards the offset, which would allow the County to put the [revenue from the] Personal Property [tax] and put it into the Capital Fund for the Elementary School.

Supervisor Jones said he always would push for a higher Personal Property rate because not everyone owns a home. He suggested using a percentage change instead of 100% on value; Mr. Stanley said the Board can advertise the \$4.50 rate and come back later and look at what the Commissioner of Revenue's office generates for the vehicles. Mr. Stanley said the Board can then review what the State generates, and look at that percentage, but this will at least set the rate.

Supervisor Jones said the Personal Property rate needs to be left as-is, and when the values are figured, then make a decision if it should stay at 100% or decrease it.

Mr. Stanley then reviewed the options for the Schools. Supervisor Townsend recommended Option #2, and to leave the Personal Property rate as it is. Supervisor Cooper-Jones agreed.

Mr. Stanley said to use Option #2, the Personal Property rate would be left as-is, and there would still be a little left. He said it would have to be seen once the Commissioner of the Revenue would get the figures and see what the School delivers. He said Option #2 could be paid for from Personal Property and the question would be how much would be left that could allow a reduction in the assessment percentage to lessen the impact on tax bills for Personal Property. Discussion followed regarding the discussions held the previous week, the need for teachers, and quality programs.

Mr. Stanley said the message that needs to be presented to the School Board is that the Board needs to see more Return on Investment (ROI),

Chair Pride advised all Board members to have a discussion with their district's School Board member. Mr. Stanley said there are data points that can be tracked to make sure the Schools are going in a positive direction.

Supervisor Townsend suggested a letter to the School Board Chair from the Board to communicate the Board's feelings and topics of discussion.

Mr. Stanley led a review of the donation requests.

Supervisor Wilck suggested level-funding all requests.

Mr. Stanley requested direction on the Volunteer Fire Departments' need for a \$5,000 increase for fuel. Discussion followed.

In Re: Pre-Audit Accounting Services

Mr. Stanley said to enable the County to meet the requirements of the Statement of Auditing Standards 115 (SAS 115) issued by the American Institute of Certified Public Accountants, and provide guidance to external auditors on how they should communicate internal control related matters identified in their audit to an organization's financial statements, Prince Edward County will again need to engage professional accounting services to provide a pre-audit scope of work.

In 2020, Mary K. Earhart, PLLC, provided such services. Last year, Ms. Earhart was unable to provide the time commitment for the project given their current list of clients. They would be unable to help until the December/January timeframe which would delay completion of the audit past the November 30 deadline of the Auditor of Public Accounts. The County contracted with VML/VACo Finance to provide services with the goal of completing the audit on-time. Unfortunately, due to the inability of VML/VACo to get the work completed as scheduled, Prince Edward County was not able to complete the audit by December 31. The County staff feel that Mary Earhart provided better service and are pleased that they can meet the County's schedule for the FY 2021-2022 audit.

In total, Ms. Earhart estimates charges at \$30,000 to \$35,000. Her estimate includes possible travel, lodging, and meals. The final cost to the County in 2020 was \$39,385, due to their running into additional issues to resolve.

The FY 2022-2023 Budget includes \$85,000 for auditing services (12240-3120). It is anticipated the RFC contract for the audit will be approximately \$45,000 which will leave ample funding to cover the proposal from Ms. Earhart.

Supervisor Cooper-Jones made a motion, seconded by Supervisor Wilck, to hire Mary Earhart, PLLC, for the provision of Pre-Audit Accounting Services and authorize the County Administrator to execute the Letter of Engagement; the motion carried:

Aye: Beverly M. Booth  
Pattie Cooper-Jones  
J. David Emert  
Robert M. Jones  
Odessa H. Pride  
Jerry R. Townsend  
James R. Wilck  
Absent: Llew W. Gilliam, Jr.

Nay: (None)

In Re: Other Items

Mr. Stanley said that at the meeting April 12, the Board authorized staff to work with the Commonwealth Regional Council (CRC) to apply for funding through the Virginia Department of Health (VDH) for grant funds for the Sandy River Project, up to \$1 million. Mr. Stanley requested the Board to amend that authorization and take off the \$1 million limit. He said there is a potential, because of the federal ARPA funds flowing to the state, that they might approve a project like Sandy River and provide the financing and forgive 25%-50% of the total project costs, if qualified. He added that because it is Prince Edward County, and could include the Town of Farmville as a back-up water source, and could include the towns of Burkeville and Crewe, and Nottoway County plus three state facilities, the project could get significant support from the State.

Supervisor Emert made a motion, seconded by Supervisor Wilck, to rescind the \$1 million cap on the grant application; the motion carried:

Aye: Beverly M. Booth  
Pattie Cooper-Jones  
J. David Emert  
Robert M. Jones  
Odessa H. Pride  
Jerry R. Townsend  
James R. Wilck  
Absent: Llew W. Gilliam, Jr.

Nay: (None)

Mr. Stanley said the Department of General Services has been meeting several times a week; DGS is handling the water negotiations for Behavioral Health, the Geriatric Hospital, and the Nottoway Prison. He said they have the funding from the state to be able to come up with a water source. He said part of that will ultimately help with construction of the pipeline as we develop the Sandy River project. He stated that as we negotiate with Prince Edward County Infrastructure, which is the PPEA Agreement, and with DGS. Once we have the Memorandum of Understanding (MOU) with DGS, this will give the Board more comfort

in that, the State can pick this option and, moving forward, with the three state facilities, this provides the customers requiring 700,000 gallons per day with DGS, 40,000 (gpd) in Burkeville and 270,000 (gpd) in Crewe. He said this will allow the County to work on the Interim Agreement with the PPEA.

Mr. Stanley stated that at next week's meeting, there will be six public hearings. One of them is the revised public hearing on subdivision exemptions. Mr. Stanley presented information to make sure the Board is clear on the implications. He stated that previously, the proposed amendment would allow an exemption on a lot larger than 25 acres from the subdivision ordinance. He said subsequently the Board has asked that it be lowered to five acres. He said that when a lot is exempted, it does not need to have Health Department approval or to be perked; but also, it does not need VDOT approval, which would determine that the piece of land would have sight-distance to ensure safety. He said once that lot is created, VDOT has to give that lot an entrance; they will dictate the place on the lot. The agricultural exemption has nothing to do with density; the same number of lots can be created. He said an unintended consequence would be the issue about assessments; if a lot is un-perked, its value is approximately 50% below a perked lot. Discussion followed. Mr. Stanley said the risk would be on a buyer; the buyer would have to know be if it would allow a standard drain field at a cost of \$15,000 or an alternative system at a cost of \$30,000. The buyer would also have to know if the VDOT entrance is substandard.

Mr. Love said this is not a rampant problem; he said this is a created loophole to help the agricultural community. There have been three instances in the past three years. He said this issue is greatly misunderstood, and presented an example. Mr. Love said that if there is a named subdivision, this option will not be available.

Mr. Stanley stated there is language in the ordinance to prevent it being circumvented, but if a developer does it, they are saving money. Mr. Love said there is no law on a sale that a lot has to be perked; that is between the buyer and seller. Mr. Love said this is the only time it gets checked. Discussion followed.

Supervisor Emert questioned the values for the exemption or reduction on real estate taxes for people that are handicapped; Mr. Stanley said the values were increased last year to \$125,000. Discussion followed. Mr. Stanley said the state cap can be increased; last year there were only two or three households that did not qualify under the new values.

On motion of Supervisor Emert, seconded by Supervisor Cooper-Jones, and adopted by the following vote:

|      |                     |           |
|------|---------------------|-----------|
| Aye: | Beverly M. Booth    | Nay: None |
|      | Pattie Cooper-Jones |           |
|      | J. David Emert      |           |
|      | Robert M. Jones     |           |
|      | Odessa H. Pride     |           |
|      | Jerry R. Townsend   |           |
|      | James R. Wilck      |           |

Absent: Llew W. Gilliam, Jr.

the meeting was recessed at 7:01 p.m. until Tuesday, May 10, 2022 at 5:30 p.m. at the Prince Edward County Board of Supervisors Room, 111 N. South St., Farmville, Virginia.