

A REGULAR WORK SESSION WAS HELD BY THE NEW KENT COUNTY BOARD OF SUPERVISORS ON THE 27TH DAY OF APRIL IN THE YEAR TWO THOUSAND TWENTY-TWO IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING IN NEW KENT, VIRGINIA, AT 9:00 A.M.

IN RE: CALL TO ORDER

Chairman Thomas W. Evelyn called the meeting to order and welcomed everyone.

IN RE: ROLL CALL

Thomas W. Evelyn, Chair	Present
C. Thomas Tiller, Jr.	Present
Patricia A. Paige	Present
Ron Stiers	Present
John N. Lockwood	Present

All members were present.

IN RE: COURTS SALARY SUPPLEMENTS REQUESTS

New Kent Juvenile and Domestic Relations Court Clerk Kelly Wiggins and New Kent General District Court Clerk Rachel Mills distributed folders containing letters of support, position requests, job descriptions and a variety of case load, revenue and salary statistics. Ms. Wiggins and Ms. Mills wished to provide additional information in support of their budget requests for County-funded salary supplements. Ms. Mills reported she had been with the New Kent General District Court since September 2021 and noted the County had grown at a rapid rate over the past few years. Employees in her office were brought in at \$32,000 and there was no opportunity for advancement. They relied on state raises which had been nonexistent in recent years, the cost of living was rising and their salaries were not reflecting this. Her staff included two fulltime and two parttime salaried employees and overtime pay was not available. She listed various duties of her staff and noted they were frequently referred to as "The Peoples' Court." They were often dealing with people who were not having their best day and they tried to help them but it was difficult when constantly training new employees. She reported the Clerk's position in other courts was a managerial position but because New Kent was small, she was also sitting in court, working the front counter, answering phone calls and bookkeeping. She drew attention to a list of local fines and interest paid to the New Kent Circuit Court as well as local court costs paid to the New Kent Treasurer over the past two years. She reported that according to the Code of Virginia, this funding could be used to provide supplements to court staff salaries. She noted the General District Court had the same retirement system as the Circuit Court so supplements could be handled the same way as those currently provided to Circuit Court staff. She stated the County considered them to be County employees and they were involved in other areas such as participating in the annual New Kent University. Since taking her position, all new staff had been hired with many leaving for better pay with the Supreme Court or other localities. She turned the floor over to Ms. Wiggins.

Ms. Wiggins reported she had been the Juvenile and Domestic Relations Court Clerk since January 2000 and had moved from Allegheny County to accept this position. She had previously worked as a Deputy Clerk and had found the only way to move up was to move to another locality. She reported their jobs were extremely difficult at times and customers had become more difficult over the years. As Ms. Mills had stated, they were often dealing

with people who were having their worst days. Duties in her office were similar to those of Ms. Mills but also included juvenile and domestic relations aspects such as crimes against juveniles, juvenile crime, domestic issues, custody, visitation and child support. She drew attention to case numbers for 2020 when they had supposedly been closed. They had been open every day with the exception of one week when they had closed for COVID. They had continued serving the public, taking in filings and holding limited court hearings but had not received hazard pay. The County and the Sheriff's Office had taken care of their PPE (Personal Protective Equipment) needs which had been greatly appreciated. She reported the starting salary for a Grade 8 Deputy Clerk was \$32,000 which was barely over \$15 an hour while custodial staff at Rosie's Gaming Emporium were starting at \$15 an hour. The Clerk's position was a very complicated educated position and not something that one could just walk into expecting to serve the public. Training required a minimum of six months and clerks often used the position as a stepping stone to another court with promotion opportunities. There was no room for upward mobility in New Kent unless the Clerk resigned. There was no compensation for good performance or merit raises and they were paid what the state wanted to provide. In years where budget expectations had not been met, there had been no raises and everyone was struggling to survive with high gas and food prices. She stated they would like to become a part of the County and reported there were 33 courts within 23 counties in Virginia who were receiving salary supplements from their localities. She also reported they did not receive overtime and were not compensated for extra hours worked. If their cars were in the parking lot after hours it was usually because they had sent Deputy Clerks home because there was no funding for overtime. In addition to her position, there was one fulltime employee and one wage employee and the absence of any one of them made for a difficult day. She closed by stating Ms. Mills and she were asking the County to provide salary supplements for their offices. She further stated they were open to either receiving supplements by providing a 1099 or by the same process the Circuit Court was currently paid. She didn't want to sound like she was complaining and noted she loved her job, loved the County and loved living in New Kent. They expressed appreciation for the Board's consideration and entertained questions.

Mr. Evelyn asked for confirmation that there was no money budgeted for overtime. Ms. Wiggins confirmed and noted the money she did receive was used to pay the wage employee for two days a week. She noted there was work to be done at the end of the court day such as updating case information and financial reporting. They often remained after other employees left at 4:30 because there was no overtime funding. Ms. Mills also noted she received a budget for a wage employee but had passed it to King William and Charles City because she did not have space for an additional employee.

Ms. Paige asked if they had the opportunity to go before the Supreme Court regarding wages. Ms. Wiggins reported they were not allowed to go to the Supreme Court without the permission of Supreme Court Executive Secretary Karl Hade. Ms. Paige stated the Board was hearing from many that they were losing employees and gas and food were going up. She stated employees knew what their salaries and benefits were when they were hired and asked if they could take their fight anywhere else. They had letters of support from various County offices but nothing from the state or the Supreme Court and she asked if anyone was fighting at the state level. Ms. Wiggins reported representatives of the Professional District Courts Association were going before the General Assembly each year. She did not know where their request had gone this year but the most recent update had suggested it was not hopeful. Referencing letters in the folder, Ms. Paige asked if these individuals had also sent letters to the state. Ms. Wiggins reported her judge had and she thought the General District Judge had also sent letters. Ms. Mills noted she was finding that employees would take these entry-level positions and after getting experience, leave for courts with

opportunities for advancement. Ms. Wiggins reported the Clerk in larger courts was a managerial position handling Human Resources and running the schedules and deputy clerks were handling pre-court and post-court functions. She also reported she had hired several employees who had thought the pay and benefits were great only to decide later that they had issues with the types of cases. She reported Juvenile and Domestic Relations Court employees often experienced secondary trauma as a result of the impact of cases. She added that people do terrible things to each other and it was the Clerk's responsibility to help them get where they needed to be for the judge to address their case.

Mr. Evelyn asked if there were two Deputy Clerk's positions with salaries of \$36,500. Ms. Wiggins reported she had one Deputy Clerk in her court who was paid \$36,500 and had been with the state for twenty years. Mr. Evelyn noted he understood the difficulty with no opportunities for advancement. He asked Ms. Wiggins and Ms. Mills if they were requesting a supplement for partial income for the Deputy Clerk positions. Ms. Wiggins noted the request not only included Deputy Clerk positions but also the Clerk positions. Ms. Mills noted again that the Code of Virginia provided for salary supplements to come from local funds and information on the payments made by the courts to the Circuit Court and the County on a monthly basis had been provided. Mr. Evelyn thanked Ms. Wiggins and Ms. Mills for the information and stated the Board would take it into consideration.

IN RE: NEW KENT COUNTY REFUSE & RECYCLING PRESENTATION

General Services Director Rick Stewart distributed copies of a presentation as well as copies of Ordinance O-03-07 adopted by the Board on August 13, 2007 and Ordinance O-22-07 adopted on December 10, 2007. Both Ordinances amended New Kent County Code Chapter 58 – Solid Waste. Mr. Stewart thanked the Board for the opportunity to meet. He noted he would not be asking the Board for additional money but did want to make them aware of upcoming cost increases in regard to refuse and recycling. The current hauling and disposal contract would expire soon and Central Virginia Waste Management had secured a new contract but the cost would increase annually by 49% (\$169,098.96). He noted refuse and recycling was perhaps the most utilized service the County was providing and he wanted to develop ways that would allow the County to continue to offer this service as a no cost/no pay service for residents. The presentation contained information on current costs as well as expected future costs, photos of daily operations at the Route 618 refuse site and five proposed mitigation strategies. He reported approximately one third of all solid wastes deposited at the Route 618 site was construction and demolition debris. He reviewed the five suggested strategies to mitigate some of the additional costs including:

1. Ordinance enforcement/No CDL (Construction, Demolition and Land-clearing) waste - He noted an ordinance had been in place since 2007 addressing this issue but had not been enforced. The ordinance clearly stated construction, demolition or land-clearing debris would not be accepted at any refuse sites. The pictures provided indicated these debris were being brought to Route 618 on a daily basis. Most of this was coming from contractors and there was no way to know the origin of the waste.
2. Standardizing days/hours of operation - Days and hours of operation varied from site to site with some sites closed on select days and some remaining open later than others. This was causing confusion.
3. Elimination of premium wages paid to attendants by closing sites on all County recognized holidays.
4. Closure of all sites on Mondays.
5. Transitioning E-recycling from Route 618 to semiannual grant-funded events.

Mr. Stewart reviewed potential cost savings associated with each of these strategies. Strategy 1, enforcement of the ordinance alone was estimated to save \$47,591 annually. Strategies 2 through 5 combined would save \$58,560. Standardizing hours of operation by opening all sites from 8:00 a.m. to 6:00 p.m. would yield a \$2,888 savings. Closing on holidays would yield \$11,232 and closing on Mondays would yield \$29,952. Addressing E-recycling with grant-funded events would save \$14,578. With the expected operational cost increase being \$169,098.96, these strategies would still leave \$62,858 of expenses to be addressed. He noted there was still work to do and this would be a big change but he didn't know of any other way for the County to keep these services free to residents. He pointed out information in the presentation on other localities and noted many were using pay to dump. If New Kent entertained pay to dump as an option, there would also be issues because the cost of installing scales as well as how fees would be collected would need to be considered. Current staff was composed of mostly parttime minimum wage employees and performance could be an issue. He again noted this would be a big change but he was at a loss as to how to keep services free without taking these steps. He entertained questions.

Referencing Mr. Stewart's report that one third of the solid waste collected at Route 618 was construction and demolition debris, Mr. Lockwood asked how the County would differentiate and would certain materials just not be accepted. He also asked if contractors would not be allowed to bring in loads of debris. Mr. Stewart reported the current ordinance indicated they would not accept any construction or demolition debris. Mr. Lockwood suggested eliminating these types of debris would solve the issue of determining the source of the debris. Mr. Stewart noted the next option for dumping this type of debris would be the Charles City Landfill which was eleven miles away and was a pay to dump service. Mr. Evelyn cautioned Supervisors that if this passed, they should be expecting phone calls. Mr. Stiers noted none of the Supervisors who had been serving in 2007 were serving the citizens today and he wasn't sure if that had anything to do with this ordinance.

Mr. Lockwood asked why the Board would pass an ordinance and not enforce it and noted it did no good to have an ordinance that could save some money and not enforce it. He reported the New Kent Clean County Committee had been looking at hosting another full-blown recycling event. A supplemental grant had been received and they were considering hosting two events a year which could potentially eliminate the need for E-recycling at Route 618. These recycling events had been well received by the community.

Mr. Stiers noted appreciation for Mr. Stewart's efforts to find ways to save money. He also reported he had received many compliments about General Services staff members since Mr. Stewart had taken over the department. He noted some residents had reported receiving assistance from refuse site attendants with offloading household waste and had noted how much it had been appreciated.

Ms. Paige, who served as Chair of the Central Virginia Waste Management Authority, reported the contract was going to the lowest bidder and some of what was driving up the cost was the lack of landfills. She also noted the County was at the mercy of recycling vendors and this gave them an opportunity to increase prices. She suggested the Board take additional time to think about enforcing the existing ordinance and consider moving forward with implementing Strategies 2, 3 and 4 as a one-year pilot. She agreed that every site having different days and hours was confusing. She had checked with five other localities and had learned that when offices were closed for holidays, refuse sites were also closed. She also felt having two to three designated E-recycling events a year where unlimited electronics would be received could eliminate the need for E-recycling at Route 618. She suggested the Board try these three recommendations for a year and see how

much could be saved. She stressed the need to reduce costs so New Kent would not be like other localities who were charging residents to dump trash.

Mr. Evelyn stated he was concerned about closing all sites on Mondays and suggested residents would throw trash on the road if sites were closed. He reported he frequently heard from residents that the only benefit they received from the County was the ability to dump trash. He did agree with getting all sites on the same operating schedule. Mr. Stiers stated he didn't want the schedule to be confusing for citizens and noted agreement with a standardized operating schedule. He was concerned about the sites being closed on holidays and reported residents often used holidays as an opportunity to clean up and haul away trash. Ms. Paige stated her ask was for a pilot to standardize hours/days of operation, close all sites on Mondays and use the Clean County Committee recycling events for E-recycling. She also noted the importance of having a campaign to inform the citizens so they would know what to expect. Mr. Lockwood asked if she was suggesting the Board move forward with items 2 through 5 and not touch the ordinance at this time. Ms. Paige confirmed. Mr. Lockwood noted agreement.

Mr. Stiers noted it had been said costs were going up as a result of the lack of landfills. Ms. Paige noted it was more than the lack of landfills. It was also the cost of getting the refuse to the landfills including the price of fuel, difficulty finding people to work and the increasing minimum wage. Mr. Stiers reminded everyone that when solar farms reached their life expectancy, the solar panels would go into landfills. Ms. Paige stressed that the County had to look at every possible way to continue delivering this service for free while keeping the costs in mind. Mr. Evelyn indicated he could support the 5th strategy (E-recycling) and having more consistency in operating hours but noted that while \$58,000 was a lot of money, in the scheme of the County budget, it was pennies on the dollar. He stated there would be phone calls if any of the other strategies were approved. He asked what the savings would be if all sites were open from 8:00 a.m. to 6:00 p.m. seven days a week. Mr. Stewart indicated he did not have that information but could get back to him. Mr. Evelyn asked what closing one day a week would do and noted everyone would still have the same amount of trash. Mr. Stewart reported being closed one day a week would provide an opportunity for more cleanup and repairs at the sites. Some of the work was hard to do when sites were open and Mondays had been selected as the day for all sites to be closed because most of the County-recognized holidays would fall on a Monday. Ms. Paige noted standardizing operating hours would eliminate confusion and she would be willing to give up enforcing the ordinance and closing sites on holidays. She indicated she would like to make a motion. Mr. Stiers asked how a motion to violate an ordinance could be made. Ms. Paige stated her motion would not include the ordinance. County Attorney Brendan Hefty stated the ordinance could not be changed today and the Board could not take a vote to violate it. Ms. Paige again stated her motion would not include the ordinance. Mr. Hefty indicated that would be fine. Mr. Stiers asked when the changes would go into effect. County Administrator Rodney Hathaway stated that ideally the changes would go into effect on July 1, 2022 but not sooner than June 1, 2022 because time would be needed to post notices at all sites and do outreach through social media.

Mr. Tiller asked how sites would be cleaned on closed days if employees were also off on those days. Mr. Stewart indicated the reported savings did not include the Refuse and Recycling Supervisor who would be responsible for the cleanup and repairs. Mr. Tiller asked if this work would be performed on holidays. Mr. Stewart indicated the Supervisor would be a fulltime benefited position and would be off on holidays. Mr. Tiller stated if the Board approved this and the closed days were for cleanup, he would like to see big improvement. He frequented the Route 618 site and trash was always around the fence and dumpsters.

The sites were unsightly and he hoped there would be significant improvement. Mr. Evelyn noted the County was growing and had been operating the same refuse sites for many years. He suggested another site was needed in the Bottoms Bridge area. He questioned closing one day a week when sites were already frequently closing early because they were at capacity. He stated the decision was at the pleasure of the Board.

Ms. Paige moved to adopt proposed mitigation strategies to address refuse and recycling costs including standardizing days/hours of operation at all sites, closing all sites on Mondays and transitioning E-recycling from Route 618 to regularly scheduled grant-funded events. These changes would become effective not earlier than July 1, 2022. The members were polled:

C. Thomas Tiller, Jr.	Nay
Patricia A. Paige	Aye
Ron Stiers	Aye
John N. Lockwood	Aye
Thomas W. Evelyn	Nay

The motion carried.

IN RE: NEW KENT COUNTY DESIGN-BUILD PROCEDURES

County Attorney Brendan Hefty reported the Code of Virginia allowed Design-Build as an alternative method of procurement to the standard Design-Bid-Build method. Design-Build would allow for both designing and building a public project at the same time and by doing so make the process faster. Design-Build had been the process used for Fire Station #5 next to the Visitors and Commerce Center. Code required localities to have a procedure for Design-Build which was consistent with that of the Department of General Services. Mr. Hefty reported New Kent's policy had not been updated since 2017 and state policy had been updated since then. He reported some technical amendments, none of which were major substantively, had been made to the policy. The policy still included a two part practice which involved issuing a Request for Quotes, getting companies to submit to the request and then selecting from those to issue a Request for Proposals and then selecting the company based on the best value. He stated this was a good method which Fire-Rescue would like to use for the construction of Fire Station #4. He again noted the proposed technical changes would make County policy consistent with that of the state and, if adopted, staff could move forward with issuing a solicitation. He entertained questions.

Mr. Tiller moved to approve the amended New Kent County Design-Build procedures based on the new requirements set forth in Section 2.2-4380 and 2.2-4382 of the Code of Virginia. The members were polled:

Patricia A. Paige	Aye
Ron Stiers	Aye
John N. Lockwood	Aye
C. Thomas Tiller, Jr.	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: ROADSIDE LITTER PICKUP AND REMOVAL SERVICES CONTRACT

County Administrator Rodney Hathaway reported the County had advertised an Invitation for Bid for roadside litter pickup and removal services after the previous contractor could no longer fill the terms of their contract. Two proposals had been received and staff was recommending the County enter into a contract with Pro-Star Enterprise, Inc. which had submitted the lowest bid. Pro-Star had submitted a rate of \$69 per mile for two-sided roads and \$109 per mile for roads with a center median for an average of \$89 per mile. This was more than the previous contractor but he believed the price had been the reason the previous contractor could no longer fulfill their contract. He believed the prices offered by Pro-Star were reasonable and reported Pro-Star had considerable experience working with VDOT for roadside litter pickup and also mowing services. He entertained questions.

Mr. Lockwood pointed out the contract called for litter pickup three times a year and the next pickup would be August. The previous contractor had done a sweep through the County to fill its last obligation and he had received many complaints regarding the quality of that work. He suggested Pro-Star should begin work in May or June prior to the start of the VDOT mowing season. Ms. Paige noted she had questioned VDOT at a recent Board meeting regarding whether or not they would be picking up trash prior to mowing and they had indicated they would. She suggested if the County did an earlier pickup and VDOT did another prior to mowing the grass, it may not be necessary for a pickup in August. Mr. Hathaway reported the schedule was flexible and he would coordinate with VDOT. They were gearing up now for the first mowing and he suggested the first County-funded pickup should be after VDOT's first mowing. Mr. Evelyn noted agreement and reported receiving similar complaints as Mr. Lockwood. Mr. Stiers asked for the total cost per cleanup. Mr. Hathaway reported it would cost a little over \$25,000 per cleanup. The contract also provided for on-call services and he encouraged Board members to report areas in need of attention. Mr. Stiers noted it had been mentioned that Pro-Star also provided mowing services. Mr. Hathaway confirmed but noted mowing was not a part of this contract.

Mr. Lockwood moved to authorize the County Administrator to execute the proposed contract with Pro-Star Enterprise, Inc. for Roadside Litter Pickup and Removal Services. The members were polled:

Ron Stiers	Aye
John N. Lockwood	Aye
C. Thomas Tiller, Jr.	Aye
Patricia A. Paige	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: NEW KENT PERSONNEL POLICIES AND PROCEDURES MANUAL UPDATE

County Administrator Rodney Hathaway reported he would be presenting in the absence of Human Resources Director Karen Wiscott who was attending a conference. Before the Board for consideration were proposed changes to the Personnel Policies and Procedures Manual. Many of the changes were the result of changes to state and federal laws since the manual had been adopted in January 2020 and provided consistency with current practices. He briefly reviewed a summary of changes including the following:

1. Removing all references to Compensatory Leave (Comp Time). The Board had previously discussed the elimination of comp time which was referenced numerous times throughout the manual.
2. Holiday Impact on Overtime Calculation language was clarified.

3. A section on Front-loaded Holiday Leave In Lieu of Recognized County Holidays was added. This provided flexibility for employees required to work on holidays to take holiday leave on other days throughout the year. Details on which departments would be eligible as well as who within those departments would be considered exempt were included. Recouping holiday leave at separation, if applicable, was also added to the Separation section.
4. Servicemember Family and Medical Leave policy language was added. A spouse of a military servicemember was now entitled to certain protections under the Servicemember Family and Medical Leave Act.
5. Military Leave work days were amended from 120 hours to 21 work days to reflect the Federal change.
6. Court Leave policy was amended to include the addition and definition of unlawful detainer (i.e., eviction) proceedings for an employee's absence from work.
7. Timekeeping policy was updated to include information on submission of timesheets in NovaTime. NovaTime was a new online timesheet submission/leave management software which had not been in use in 2020.
8. Reporting Problems with Your Pay policy was added. This section included details on reviewing your paystub, accurately reflecting time for non-exempt employees, salary reductions for exempt employees if applicable and how to report policy violations.
9. The section on Media Used to Communicate Delayed Openings/Closings was updated to include Facebook, Instagram and Twitter.
10. The Additional Holiday and Overtime Procedures section was removed due to redundancy with the On-Call section.
11. The Paydays section was amended to include the following statement, "Employees hired after 2010 are required to participate in direct deposit. If a bank account is not available, a Pay Card will be issued."
12. The section on Sick Leave was amended to reflect a maximum payout of \$2,500 for eligible employees hired on or after January 1, 2009. These payouts would be uniform with those for employees hired prior to January 1, 2009.
13. Page numbers were updated, the table of contents and definitions of terms were updated, terminology was edited for consistency and grammar was corrected.

Mr. Hathaway entertained questions.

Mr. Evelyn asked if department directors had been briefed on these changes. Mr. Hathaway indicated he did not believe the Human Resources Director had met with the departments. He noted the revisions did not include implementing any new policies and would not change any of the County's current operating practices.

Mr. Lockwood moved to adopt the proposed amendments to the New Kent Personnel Policies and Procedures Manual. The members were polled:

John N. Lockwood	Aye
C. Thomas Tiller, Jr.	Aye
Patricia A. Paige	Aye
Ron Stiers	Aye
Thomas W. Evelyn	Aye

The motion carried.

Mr. Evelyn called for a brief recess at 10:12 a.m. The meeting reconvened at 10:21 a.m.

IN RE: PERSONAL PROPERTY UPDATE AND FY23 BUDGET DISCUSSION

Commissioner of Revenue Laura Ecimovic distributed handouts containing information on personal property values and revenue projections. Her office had completed real estate assessment appeals which had been about a third of the usual number of appeals. The Board of Equalization appeal deadline would close later in the week so they would know how many real estate appeals would be moving forward. Her office had received notification from J.D. Power and Associates (source of National Automobile Dealers Association guides) to be expecting an additional 30% to 35% increase in vehicle prices due to the lack of chips. She provided a brief overview of a handout comparing 2021 and 2022 personal property. She noted the total value for personal property in 2021 had been \$307 million compared to \$430 million in 2022. This was a 40% increase but some of the increase was due to growth in the number of vehicles with over 5,500 new vehicles added in the past year. The Commissioners' Association had lobbied the legislature to allow local governing bodies to make an accommodation for these increases. In previous years, the rates for vehicles had to be the same as the locality's general property rate and all other rates could not be higher than the general property rate. The General Assembly had passed legislation giving localities the ability to modify the tax rates on vehicles but this was considered an emergency action which would run through 2024. The handout provided total numbers for the various types of personal property and because business equipment values were not due until May 2, 2022, numbers provided were flat from the previous year.

Ms. Ecimovic drew attention to a handout providing information on the impact of various possible vehicle tax rate reductions. The average personal vehicle value in 2021 had been \$9,374 while the average value in 2022 would be \$11,962 (a 27.6% increase). She reminded the Board that as a result of the number of vehicles increasing, the per vehicle share of the \$2.2 million in Personal Property Tax Relief Act (PPTRA) funding received annually was decreasing. The average personal vehicle, valued at \$9,374 in 2021 and receiving a 31.9% PPTRA credit, had paid \$239.39 at the current \$3.75 per \$100 of valuation rate. In 2022, the average personal vehicle value would be \$11,962 and, with a 24.4% PPTRA credit (reduced due to the increase in the number of vehicles), would pay \$339.13 at the current \$3.75 per \$100 of valuation rate (a 41.7% increase). She suggested the Board take advantage of the General Assembly's enactment allowing the reduction of the personal property tax rate to make citizens whole. Using only vehicles taxed in 2021 and reducing the rate to \$3.00 per \$100 of valuation would result in a tax payment of \$249.77 (a \$10.38/4.3% increase). Reducing the rate to \$2.85 per \$100 of valuation would result in a tax payment of \$231.49 (a \$7.90/3.3% reduction). These figures were based on averages and some values may have gone up considerably more while others were lower. Every \$0.10 on the personal property tax rate on vehicles and motorcycles would generate \$352,606 and would also reduce the PPTRA credit.

Referring back to the first handout, she drew attention to the tax rates used for projecting personal property tax revenue. The rates used per \$100 of valuation had been as follows:

- Mobile Homes - \$0.66 (based on equalized rate)
- Business Equipment - \$3.75 (no change)
- Machinery and Tools - \$0.75 (no change)
- Aircraft - \$0.75 (no change)
- Boats, Campers and Utility Trailers - \$3.25 (recommended reduction from \$3.75)
- Vehicles - \$3.00 (recommended reduction from \$3.75)
- Vehicle Rate for Volunteers - \$1.50 (recommended reduction from \$1.875)

These suggested rates with a PPTRA rate of 30.4% would net \$12,874,235 in revenue. This would be a \$1.79 million increase over the previous year. She suggested much of this was

a result of new vehicles and other new items added over the past year. Reducing vehicle rates further to \$2.85/volunteers to \$1.425 and a PPTRA rate of 32.0% would net \$12,345,215 in revenue. This would still be a \$1.26 million increase over the previous year. Ms. Ecimovic stated that if the Board kept rates as they were, it would result in an effective tax increase. She reported 80% of communities had committed to make some type of reduction and her office was not allowed to reduce assessments. Recognized pricing guides were used and because her office always selected the lowest values, there was no room for reductions. She reported an opinion issued by the Attorney General's Office had stated the only Board authorized to tax based on a percentage of value was the governing body and a few localities were using this approach. Most localities were adopting a temporary reduction in the rate which could only be effective for the next few years unless there was an extension. Only a few localities were taking the windfall. If the Board did nothing, there would be a \$4.6 million increase in personal property revenue for 2022. This would be a significant increase for constituents who were already paying significantly higher fuel prices to commute to and from work. She urged the Board to consider adopting one of the suggested adjusted rates which she felt would make constituents whole.

Mr. Evelyn thanked Ms. Ecimovic for the report and agreed the increase in revenue at current rates would be huge. He opened the floor for Board member questions.

Referencing Ms. Ecimovic's earlier comments indicating the Board could only reduce vehicle rates for a limited period of time, Ms. Paige asked if rates set this year would be for the duration or would this need to be considered each year. Ms. Ecimovic noted the Board had the opportunity to set the personal property rates every year just as they did with real estate but noted New Kent's personal property rates had not changed in many years. She also reported her office was ready to mail out assessment notices and would like to include a cover letter explaining actions the Board would be taking. The rates would be at the Board's discretion and the suggested levels would make this year's bills close to those for the prior year. Mr. Evelyn noted there would still be a substantial increase in revenue due to the increase in the number of vehicles. Ms. Ecimovic agreed and noted no growth would be given up by reducing the personal property rate. There had been approximately 5,500 new vehicles and 200 campers added the previous year. She reported a \$4.3 million assessment reduction had been included. Her office knew there would be some adjustments and with values so high, they did not know if this would be a typical adjustment year. They were considering offering drive through clinics for staff to be able to review the actual condition of vehicles where the condition may not be considered average.

Mr. Lockwood asked if Ms. Ecimovic was calling the suggested \$3.00 rate the equalized rate. Ms. Ecimovic suggested it would be the equivalent even though that was a term used for real estate and stated the equalized rate was always what made the constituents whole or produced the same amount of revenue for the locality. Mr. Lockwood stated that at the \$3.00 rate, most people would receive the same bill for the same vehicle as they had the previous year. Ms. Ecimovic noted the bill would be close and possibly a little higher. Mr. Lockwood asked if she was comfortable that at the \$2.85 rate most everyone's bill would be flat to the previous year. Ms. Ecimovic stated the bills would probably be a little less at the \$2.85 rate. She pointed out the \$2.85 rate was used because it came the closest to the previous year's PPTRA rate. Mr. Lockwood stated in a normal situation people would expect the value of their vehicles to go down each year as opposed to the current situation where old vehicles are becoming more valuable. Ms. Ecimovic agreed and noted people were accustomed to the value going down or staying the same. New Kent's rate had not changed for many years and for the past five or so years, residents had been paying the same or a little more because they had lost PPTRA due to growth. Ms. Paige stated the world knew old

vehicles were worth more and were seeing commercials offering high prices for used vehicles. She added vehicle owners had to have an expectation that the tax bill would be somewhat higher. Mr. Lockwood noted if the Board reduced the rate to \$3.00 to equalize the cost for vehicles owned the previous year, they would still net almost \$1.8 million in additional revenue. Ms. Ecimovic agreed. Mr. Stiers noted the recommendation also included cutting the rate on boats, campers and utility trailers. Ms. Ecimovic confirmed and noted the recommendation was to cut rates for those categories to \$3.25. She also noted 1,258 new boats, campers and utility trailers had been added since the previous year.

Mr. Evelyn thanked Ms. Ecimovic for this information and noted the Board would consider this when moving forward with the budget. He turned the floor over to County Administrator Rodney Hathaway for an update on the FY23 Budget.

Mr. Hathaway distributed information on several possible options for the FY23 Budget. Summing up the previous report from Ms. Ecimovic, he noted that at the \$3.00 rate, an additional \$1.8 million in personal property revenue would be generated. There had been some assumptions in regard to personal property tax in the budget recommendation initially presented in March. Those same assumptions, including a personal property revenue increase of \$1,563,933, were included in the information and recommendations distributed. At the \$3.00 option, there would still be approximately \$200,000 in additional revenue that had not been included in his recommendations. If the decision was to drop to the \$2.85 option, it would be necessary to make approximately \$300,000 in cuts. The handout included three budget options. The first column was the original recommendation based on a proposed \$0.69 tax rate. Direction received at the Budget Retreat had indicated the Board was not comfortable with the proposed \$0.69 rate and staff should come back with a \$0.67 rate. The second column was based on the requested \$0.67 rate. The third column was based on a \$0.68 rate and included Sheriff's Office requests for additional staffing.

Reviewing the recommendation based on \$0.67, Mr. Hathaway note this option would set aside \$1,275,992 to implement the findings of the recently conducted salary study. Mr. Evelyn noted he would like to get a feel from the Board on the suggested \$3.00 personal property tax rate before Mr. Hathaway went further with the budget presentation. Board members were all in agreement to consider the recommended \$2.85 or \$3.00 rates. Mr. Hathaway noted the main change from the option based on \$0.67 and the option based on \$0.69 would be personnel. With the \$0.67 option, all deputies and Sheriff's Office positions would be removed as well as Fire-Rescue Lieutenant upgrades. Minimum wage adjustments would also be removed and addressed in the salary study implementation. Additional revenue had been identified as a result of updated real estate number but that additional revenue had been eaten up quickly with the addition of a new Planning Director position. He pointed out that the only difference in the \$0.67 option and the \$0.68 option was that four Patrol Deputy positions, a School Resource Officer position (possibly to be grant funded), a Dispatcher position, upgrading a Sheriff's Office Administrative Assistant from parttime to fulltime and \$60,760 in other costs necessary to support these positions. He suggested the Board was leaning toward the \$0.67 or \$0.68 option but noted the additional penny in the \$0.68 option would not fully fund the previously mentioned additional positions. The funding for salary study implementation was reduced to \$1,171,271 with this option. With the new numbers just received from Ms. Ecimovic, there would be an additional \$200,000 for the budget. He reminded the Board that New Kent Schools had originally requested an additional \$2 million and his original proposal had been to provide an additional \$1.8 million in funding. That additional funding had been reduced to \$1.2 million and he suggested the Board may want to consider providing additional funding for schools.

Mr. Lockwood noted he was the one who had requested a budget as close to the \$0.66 equalized rate as possible. He had since spoken with the Sheriff's Office and stated that in this time of cutting funding to law enforcement in general, he would like the Board to move its support to the \$0.68 rate and by doing so, fund more of the requests from the Sheriff's Office. He further stated he would like to see the Board fully fund the Sheriff's Office request including increasing the number of patrol deputies. Although a state budget had not been approved, he felt New Kent could fully fund the Sheriff's Office requests within the funding available at the \$0.68 rate. He noted requests from this department had been put off or drastically reduced in recent years and if the Board was going to increase the rate for any reason, he would like it to be to support the Sheriff's Office. Mr. Tiller noted agreement and added the County was growing faster than any other locality in the State of Virginia and was not keeping up with that growth. He felt this would be an opportunity to catch up and stated that \$0.68 would do more to address staffing needs in the Sheriff's Office as well as some other departments than the Board had been able to do in recent years.

Mr. Hathaway drew attention to the Fire-Rescue Lieutenant upgrades and noted that even though no funding was shown, plans were to move forward with these upgrades. Fire Chief Rick Opett had identified areas where cuts could be made in his department's operating budget and by doing so, free up funding to cover the cost of the Lieutenant upgrades.

Ms. Paige asked if the Board was expected to make a decision today and noted if they were not, she would not fully share her feelings. Mr. Evelyn noted the advertised \$0.69 rate was a \$0.03 tax increase and staff would have some time to continue working with this new information before the Board would make any final decisions. He asked if the public hearing would be at the May meeting. Mr. Hathaway confirmed the budget public hearing was scheduled the May regular meeting and consideration of adoption would be scheduled for the May work session. Ms. Paige stated the "ask" had been to stay at \$0.66 and today she was hearing \$0.68 and on top of that hearing discussion on making personal property whole or equalized to the previous year's revenue. She stated the Board was discussing lowering one part of the taxes while increasing another and she asked if the citizens weren't paying all of the taxes anyway. She questioned what the Board was setting aside and if they were saving for upcoming projects. She also questioned how close available funding in response to the salary study would come to meeting what was needed for current staff. She stated these departments were coming back and asking for more after the budget request deadline. She asked what about the County Administrator, Assistant County Administrator, Finance Director and others who had taken many hours working to develop the budget to be recommended to the Board and the Board coming back saying we appreciate your time and that looks like a good recommendation but go back and do something else. She noted she appreciated all County employees and she cared about those included in the salary study. She also stated she cared about the other departments that were coming year after year saying they needed additional employees and the Board year after year saying "no." She suggested Board members should think about this when they were discussing decreasing personal property rates to make citizens whole while increasing other taxes. She took issue with this and if this was what they were going to do, she suggested they needed to look at another way. She noted there was still time before they would make a decision.

Mr. Stiers noted they didn't have to make a decision today but it seemed like every time the Board met with Ms. Ecimovic and she and Mr. Hathaway had worked together, they were able to find more money. He noted it had been reported if the same rates were kept, there would be an extra \$200,000. If they could find another \$200,000, that would be the equivalent of \$0.01 on the real estate rate. Mr. Hathaway noted he did not think it was possible to find another \$200,000 in the budget. He reported final numbers had not been

available very early in the process of budget development so much of the early work had been based on assumptions. Mr. Stiers asked if the Commissioner's projections at this point were final. Mr. Hathaway indicated he believed they were. Ms. Ecimovic reported real estate figures were final with the exception of changes to potentially be made by the Board of Equalization. She added that personal property numbers were currently in what she considered to be a raw stage. Mr. Stiers questioned what she meant by "raw stage." Ms. Ecimovic reported residents had not received notice of personal property values and once those notices were provided, there would be a period of time for adjustments. She noted personal property was typically a stable environment but that was not the case this year.

Mr. Evelyn asked when final salary study numbers would be available. Mr. Hathaway reported he had raw numbers and had developed an implementation plan. The consultant would be scheduled to present the final report at the May meeting. Mr. Evelyn asked if the Board should consider holding another meeting prior to the May public hearing to have an opportunity to discuss the results. Mr. Hathaway noted that would depend on the consultant's schedule and reported they had meetings scheduled with several departments to collect final information. He indicated he could provide Board members with the information he had received. Mr. Evelyn noted the information would not be final if they were still meeting with departments and he felt they would need to have a special meeting. Other Board members agreed. Ms. Paige noted this would make her feel better and she reminded everyone that the Board had committed to do the salary study and staff was expecting something to be done with salaries. Mr. Hathaway reminded the Board that what they would be voting on with the budget would be the set aside amount to be used to address salaries. If they wished to have input in individual salaries, there would be plenty of time for that and it would not be necessary for adjustments to be implemented on July 1st. Mr. Stiers also noted that no matter the findings of the study, it would not be necessary for any differences to be made up in one year. He suggested the findings could be shared with employees and the Board could make a commitment to bring salaries up to the recommended levels in two to three years. He felt if staff saw the Board was making an effort, they would be willing to work with them. Mr. Hathaway reported he felt the Board would be pleasantly pleased to see how the consultant's recommendations compared to the funding set aside to address the findings. He noted he could arrange for a special meeting prior to the adoption of the budget at the May work session. He added that preliminary information had been eye opening and he wanted to get the consultants in front of the Board to give them some insight on the County's pay structure. He added that it had been found that employees were being brought on at good market comparable levels but were not moving through the pay grade structure fast enough. This also needed to be addressed and a plan was being developed. Mr. Evelyn stated they could meet with the consultant at the May work session because they would have to wait thirty days after the public hearing before taking action on the budget. Mr. Hathaway noted the wait time would be fourteen days and the Board could have a special meeting in between the two scheduled May meetings. Mr. Evelyn stated he felt the Board owed this to staff and directors and had made a commitment the prior year to do something about salaries.

Mr. Hathaway reminded the Board they had heard requests from two court clerks earlier in the meeting and these requested increases had not been included in his recommendations. He stated he felt the responsibility was to take care of County employees first and then do what they could for state employees. He was also concerned about where the requests for supplements for state employees would stop. He noted there were other state employees working in the County who may also expect supplements. This had been his philosophy for some time and it was especially difficult when it was known that County employee salaries were behind. He added that these state employees were in a tough situation because he

knew the state was telling them they couldn't do anything for them and they were being told to go back to their localities. He wanted the Board to be aware that no increase was currently in the proposed budget for court clerks.

Mr. Evelyn stated the public hearing on the budget would be May 9th and the real estate rate had been advertised at \$0.69. Staff would have more time to look at the new information received earlier from Ms. Ecimovic.

IN RE: OTHER BUSINESS – CONTINGENCY TRANSFER FOR BACKUP SERVER

County Administrator Rodney Hathaway distributed copies of a Budget Transfer Form and price quotes from the IT (Information Technology) department. IT had submitted a request for a replacement backup network server in the FY23 budget process. This was a big ticket item costing \$161,796 and, although it was an essential component of the County's network, had been cut from the FY23 budget recommendations. In an effort to fund this request and get closer to the \$0.67 rate, he was recommending this equipment be purchased with available funds Reserved for Contingency in the current fiscal year's budget. The vendor had also offered a discount of \$30,000 if a purchase order was received by April 29th. He was recommending the Board take advantage of this discount opportunity and approve a transfer of \$161,796 from Reserved For Contingency to IT Other Operating Supplies. This cost would cover the service for three years. He entertained questions.

Ms. Paige asked if this was a piece of equipment or software. IT Director Jonathan Stanger reported this purchase included an on premises device which would replicate County files offsite into the cloud. The County had used different systems over the years and had started using this solution around 2010 in lieu of backup tapes. A server here would backup on site and then upload to the cloud. Mr. Stiers asked if this cost was for a three-year program. Mr. Stanger reported one, three and five-year options had been provided but the price being discussed was for three years. Mr. Stiers asked if the service could be extended to five years with an additional \$45,000. Mr. Stanger confirmed. He stated the quotes provided were for the device the County was currently using but noted he was always looking for ways to reduce costs. Mr. Hathaway reported he had been hesitant to go with the five-year option because of the speed at which technology was changing. He asked Mr. Stanger for his opinion. Mr. Stanger indicated the only possible problem he saw with the five-year option was the sizing but noted the current device was three times the size of what they had purchased three years ago. He believed there would be enough capacity for the next five years and noted the five-year option did reduce the per year cost significantly. Mr. Lockwood asked if the Board was now considering the five-year option. Mr. Hathaway noted if the Board wished to take action on the five-year option, the transfer would need to be increased to \$207,000. Mr. Evelyn stated he was concerned the service would be antiquated in five years. Mr. Stanger stated he could never guarantee that and although there had been some changes, this was the same technology the County had been using since 2010. The data was brought together on a server, duplicated, encrypted and then uploaded to the cloud. He couldn't promise that something would not come out that would make this useless but he did feel this was a safe option. He had been very concerned when he had learned this item had not been included in the recommended budget. He stressed that the data had to be backed up and regardless of the option the Board selected, he would never be able to work or sleep without a back up solution. Discussions continued on the three and five-year options.

Ms. Paige moved to approve the transfer of \$161,796 from Reserved for Contingency to Information Technology Other Operating Supplies for the purchase of a Barracuda backup server. The members were polled:

C. Thomas Tiller, Jr.	Aye
Patricia A. Paige	Aye
Ron Stiers	Aye
John N. Lockwood	Aye
Thomas W. Evelyn	Aye

The motion carried.

IN RE: ANNOUNCEMENT OF UPCOMING MEETINGS/ADJOURNMENT

Mr. Evelyn announced the next regularly scheduled meeting of the Board of Supervisors would be held at 6:00 p.m. on Monday, May 9, 2022 and the next work session at 9:00 a.m. on Wednesday, May 25, 2022, both in the Boardroom of the County Administration Building.

Mr. Tiller moved to adjourn. The members were polled:

Patricia A. Paige	Aye
Ron Stiers	Aye
John N. Lockwood	Aye
C. Thomas Tiller, Jr.	Aye
Thomas W. Evelyn	Aye

The meeting was adjourned at 11:20 a.m.