At a special meeting of the Board of Supervisors of Prince Edward County, held at the Court House, thereof, on Tuesday, the 19th day of April, 2011; at 3:00 p.m., there were present:

Howard M. Campbell
William G. Fore, Jr.
Don C. Gantt, Jr.
Robert M. Jones
Charles W. McKay
Howard F. Simpson
Jim R. Wilck
Mattie P. Wiley

Also present: Wade Bartlett, County Administrator.

Chairman Fore called the special meeting to order for the purpose of a work session for the upcoming budget year. He

**In Re: Budget Work Session – Donation Requests**

Chairman Fore led a review of the donation requests; consensus was made to level-fund all requests with the following exceptions:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Piedmont Soil &amp; Water District</td>
<td>$ 6,840</td>
</tr>
<tr>
<td>SVCC</td>
<td>$ 5,203</td>
</tr>
<tr>
<td>Youth Empowerment Center, Inc.</td>
<td>$ 5,000</td>
</tr>
<tr>
<td>Chesterfield County Med-Flight</td>
<td>$ 0</td>
</tr>
<tr>
<td>Mary E. Branch Community Center</td>
<td>$ 0</td>
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Supervisor Gantt suggested a contingency fund be set aside for potential crises in the districts; discussion followed. The consensus of the Board was to discuss the topic in further detail at a later meeting.
In Re: Request from STEPS, Inc.

Mr. Wade Bartlett, County Administrator, advised the Board of a request for a donation / loan from STEPS, Inc. STEPS, Inc. was awarded a CDBG grant for improvements to the STEPS building.

Ms. Sharon Harrup, CEO of STEPS, Inc., reported the Federal Energy Grant, through Mines, Minerals and Energy, granted $668,000 total for heating, cooling and energy retrofit. In order to do the lighting, it would cost $734,568, which is $66,500 more than the grant funds. She stated Trane offers customers advance discount pricing which would provide an up-front savings of $15,300. Ms. Harrup stated reimbursement of the $668,000 would take ten (10) days, leaving a $66,500 shortage. She said the match for the grant is the demolition work; the manpower would pull all the equipment from the building, and sell or recycle all of the metal, potentially providing approximately $30,000-$50,000 in proceeds. She then said there would be a $21,000 shortfall, which the STEPS, Inc. Board would cover. Ms. Harrup requested the Board consider a loan of $734,568 to enable STEPS, Inc. to advantage of the advance discount pricing.

Ms. Harrup stated the STEPS, Inc. building would then provide a 45,000 square foot convention center which would be available for trade shows, expos and would provide another job training component.

After further discussion, Supervisor McKay made a motion to grant a $734,568 loan to STEPS, Inc. to be reimbursed from the Federal Energy Grant funds; the motion carried unanimously:

Aye: Howard M. Campbell
     William G. Fore, Jr.
     Don C. Gantt
     Robert M. Jones
     Charles W. McKay
     Howard F. Simpson
     Jim R. Wilck
     Mattie P. Wiley

Nay: None

In Re: Budget Work Session – County Departments

Mr. Bartlett stated the proposed budget is level-funded throughout. He said various projections were made and increases taken into account, such as electric costs up by 16%; fuel costs are up approximately 42% from a year ago. Mr. Bartlett added additional funding is recommended in the Technology budget for the purchase of software to put the tax information online and allow online tax payments, and software to provide updates for the Commissioner of Revenue, Treasurer, and Accounting/General Ledger. He said it is also required to put real estate information online.
Supervisor Wilck questioned the Virginia Retirement System (VRS) raising costs or localities; Mr. Bartlett stated the General Assembly votes on each locality which is studied separately.

Mr. Bartlett stated funding of $113,000 is necessary for a bonus or raise.

Supervisor Gantt suggested a 1.5% salary increase and a 1 – 1.5 % bonus to be given in December. Discussion followed.

Supervisor Jones questioned how many employees were “single” as opposed to those using the family plan of the County health insurance. Discussion followed.

Mr. Bartlett stated the costs for insurance are almost level with what they had been four years ago. There had been a 13% decrease in costs, and last year, the rates increased approximately 14%.

Supervisor Simpson made a motion to keep the county health insurance at the current levels, with the Key Advantage Expanded and Key Advantage 250.

Supervisor Gantt made a substitute motion to table the issue until the next Board of Supervisors meeting.

Supervisor Campbell excused himself from the room due to a possible conflict of interest.

After some discussion, both supervisors withdrew their motions.

In Re: Revenues and Tax Rates

Mr. Bartlett stated the Machinery & Tools tax could be returned to $4.20, and named several taxes that the County could impose that it does not. Discussion followed on the proposed tax rates.

On motion of Supervisor Gantt and adopted by the following vote:

<table>
<thead>
<tr>
<th>Aye:</th>
<th>Nay:  None</th>
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the meeting was recessed at 5:16 p.m. until April 20, 2011 at 7:00 p.m.