

PULASKI SERVICE AUTHORITY BOARD OF DIRECTORS
January 13, 2015

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, January 13, 2015 at 9:00 a.m. in the Board Room of the County Administration Building, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following Board members were present: Doug Warren, Chairman; Dave Dean; Dennis Setliff; Nancy Burchett; and Fritz Streff.

Staff members present included: Peter Huber, County Administrator; Anthony Akers, Interim Assistant County Administrator; Jared Linkous, County Engineer; Debra Boyd, PSA Collections Clerk; Melody Taylor; and Gena Hanks, Clerk to the Board, joined the meeting as it was in progress.

Dr. Warren called the meeting to order and welcomed those present.

1. Citizen Comments

Brenda Blackburn inquired if the PSA had a plan to address situations where citizens are receiving garbage service, but are not paying for the service. Ms. Blackburn referenced previous reports by staff of the mailing of 3,500 letters to non-paying customers, and suggested there were 600 non-paying PSA customers. Dr. Warren advised a collections update was on the agenda and a report will be provided at that time.

2. Follow-up Items

A. Collections Update

Mr. Huber reviewed the summary provided in the BoardDocs agenda. Ms. Boyd described the overall collection process, noting she anticipated completion of the entire county within three to four months. Mr. Huber advised that the ability to readily conduct future audits of this type is being put in place.

Dr. Warren inquired if staff visited properties to determine account status for properties. Ms. Boyd advised of having visited some properties, as well as having Deputy Radcliffe to visit properties.

Ms. Burchett inquired if the set-off debt program included water and garbage. Ms. Boyd advised the set-off debt program did include water and garbage.

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B. Update on Water Intake

Mr. Linkous advised there had been little progress due to inclement weather and the recent holidays, noting that design work is underway, with plans to advertise construction in the spring of 2015.

3. Action Items

A. VRS Returning to Work after VRS Retirement Policy

On a motion by Mr. Setliff, seconded by Dr. Streff and carried, the Board adopted the following policy, subject to same approval by the Board of Supervisors at its January 26, 2015 meeting:

RETURNING TO WORK AFTER VRS RETIREMENT POLICY

Pulaski County follows the Virginia Retirement System (VRS) policies and rules pertaining to an employee returning to work after retirement from VRS as follows:

After an employee retires from the county under VRS retirement service, the employee can work for any employer that does not participate in the Virginia Retirement System (VRS) and continue to receive VRS retirement benefits. If the employee returns to covered employment with a VRS participating employer, the employee will then become an active VRS member again and VRS retirement benefits will stop.

The Commonwealth of Virginia, including all state agencies and public colleges and universities, is considered one employer. Public school divisions are considered separate employers. Pulaski County, Pulaski County Public Service Authority and the Pulaski County Department of Social Services are considered one VRS employer since these employees are reported to VRS under one VRS employer code.

In some cases, an employee can work in a non-covered position with a VRS participating employer and continue to receive VRS retirement benefits. If an employee does return to non-covered employment with the employer from which the employee retired, the employee must have a bona fide break in service of at least one full calendar month from the employee's retirement date. This break must occur over a period the employee normally would work. Periods of leave with or without pay do not count toward satisfying this break in service. Further, a VRS participating employer can make no verbal or written offer of reemployment before an employee retires under VRS. The employer and the employee must certify that no such pre-arrangement has been made on the Application for Service Retirement (VRS-5).

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Definition of Covered and Non-Covered Employment

Covered employment is a full-time permanent, salaried position with an employer that participates in VRS. Some part-time permanent, salaried state positions also are covered under VRS.

Non-covered employment is a part-time position with a VRS participating employer. Non-covered positions do not provide eligibility for VRS benefits. Part-time positions typically require less than 80% of the hours of comparable full-time permanent positions. Some full-time positions may be considered non-covered if they are temporary and require less than 80% of the hours per year that would be considered full-time and permanent for that position.

Interim Appointments

In some cases, retirees can work in an interim position for up to six months without interruption in VRS retirement benefits. Examples include working in a vacant position while the employer recruits for a full-time permanent employee or while the incumbent is on leave. VRS requires that the employer discuss with VRS any possible interim appointment of a VRS retiree prior to their hiring. Further, the requirement of a bona fide break in service as described above also applies to interim appointments.

Approval of Hiring a Retired VRS Employee:

It shall be county policy that prior approval from the County Administrator is required before the hiring a retired VRS employee.

Maximum Hours of a Retired VRS Employee Returning to Work:

It shall be county policy that a retired VRS employee, returning to work for the county, shall be paid on an hourly basis, and shall only be allowed a maximum of 80% of the comparable hours of a full-time employee or not more than 32 hours per week inclusive of any leave time or hours worked on holidays that the employee may have taken or earned during that work week. Paid hours for a VRS retiree shall not exceed 32 hours per week.

Annual Leave & Sick Leave Benefits of a Retired VRS Employee Returning to Work:

It shall be county policy that annual leave and sick leave benefits may be allowed to a retired VRS employee. The accrual rates shall be based on the number of hours the retired VRS employee works and pro-rated at the same rates of other employees not working a full forty(40) hours per week.

Health Insurance Benefits of a Retired VRS Employee Returning to Work:

It shall be county policy that a retired VRS employee shall be eligible for county health insurance coverage only if they are scheduled to work more than twenty-nine (29) hours per week and are employed in a permanent part-time position. Further, health insurance benefits

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awarded to a retired VRS employee shall be in accordance with Affordable Care Act rules and regulations.

Other Benefits of a Retired VRS Employee Returning to Work:

It shall be county policy that other benefits such as paid holidays, birthday leave, etc., may be allowed for retired VRS employees per the same benefit policies as for other part-time employees.

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.
 Voting no: None.

4. Consent Items

On a motion by Mr. Dean, seconded by Ms. Burchett and carried, the Board approved the following items of consent as noted:

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.
 Voting no: None.

A. Minutes of Previous Meeting

The Board approved the minutes of the December 9, 2014 meeting, as presented.

B. Balance Due and Lien Reports

The Board reviewed and accepted the following balance due and lien reports:

Current Balance	651,649.46	519,978.16	485,465.35	-504,152.65
Over 30 Days	82,086.74	83,512.60	92,696.89	70,233.17
Over 60 Days	41,937.57	23,767.01	57,359.34	60,524.42
Over 90 Days	1,122,805.85	1,136,643.73	1,140,882.37	1,124,981.77
Total	1,898,479.62	1,763,901.50	1,776,403.95	751,586.71
Liens Filed	1,346,855.59			

Details of Accounts Delinquent for 90 days or more

Detail by type of customer and level of service billed for

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	Garbage & Water	Sewer Only	Garbage Only	Total
Residential	\$ 67,180.57	\$ 72,743.80	\$ 756,466.21	\$ 896,390.58
Commercial	\$ 1,795.28		\$ 52,430.92	\$ 54,226.20
Nonuser	\$ 174,364.99	See breakdown below		\$ 174,364.99
Total	\$ 243,340.84	\$ 72,743.80	\$ 808,897.13	\$ 1,124,981.77

Detail by type of customer and active, inactive and non-user accounts

	Inactive	Non User	Active	Total
Residential Water	\$ 58,585.62	\$ 31,207.58	\$ 8,594.95	\$ 98,388.15
Commercial Water	\$ 1,761.36		\$ 33.92	\$ 1,795.28
Residential Garbage	\$ 53,345.41	\$ 14,224.30	\$ 703,120.80	\$ 770,690.51
Commercial Garbage	\$ 41,173.48		\$ 11,257.44	\$ 52,430.92
Sewer	\$ 10,008.56	\$ 1,521.88	\$ 62,735.24	\$ 74,265.68
Penalty		\$ 12,820.18		\$ 12,820.18
Interest		\$ 114,591.05		\$ 114,591.05
Total	\$ 164,874.43	\$ 174,364.99	\$ 785,742.35	\$ 1,124,981.77

***The credit of \$504,152.65 is due to a system error that occurred and is being corrected.

C. Budget Adjustments

There were no budget adjustments presented.

D. Billing Adjustments

The Board reviewed and accepted billing adjustments totaling a net credit of \$11,660.42.

E. Accounts Payable

The Board approved accounts payable for checks numbered 8011502 through 8011539, subject to audit.

5. Staff Reports

A. Financial Report

Dr. Streff expressed concern over the "33%" drop in revenues, suggesting the potential for there to be an accounting issue. Ms. Burchett and Ms. Boyd referenced the "credit balance" of \$504,152.65 associated

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with the recent "system error" in the billing which indicated the issue is likely due to this system error. Staff was requested to review and confirm the drop in revenues is due to system error and provide update at February Board meeting.

By consensus, the Board delayed approval of the financial report to the February 2015 Board meeting to allow clarification on the accounting issue.

B. Operational Reports

1. Inmate Availability

Staff reported use of three inmates per day for the month of December 2014.

2. Drop Site and County Landfill Tonnage Reports for November 2014

**Drop Site Totals
for the Month of December 2014**

Site	Trips	Tons	Tons per haul
Dora Highway	10	25.66	2.57
Dublin	14	74.44	5.32
Fairlawn	5	25.17	5.04
Totals	29	125.27	4.32

**County Landfill Tonnage
(County customers & refuse department haulers
for the Month of December 2014)**

Commercial	Residential	Tires	Brush
3618.36	1117.45	549	1.62

3. Cut Off List

Staff reported there were 42 cutoffs for the month of December.

4. Personnel Changes

There were no personnel changes.

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C. Stormwater Article

The Board reviewed an article provided by Mr. Setliff related to stormwater as an additional utility service in developed areas. Dr. Streff inquired if the stormwater issues are causing the PSA any issues related to revenue flow. Mr. Linkous advised the county does not own or operate a stormwater collection system outside of the county's property which includes the county garage stormwater system. Mr. Linkous advised that Pulaski County had opted out of managing its stormwater system. Mr. Huber advised VDOT is currently maintaining its system in Fairlawn.

Dr. Warren described the recent announcement of a new water system in Barren Springs.

Mr. Dean referenced the recent improvement projects in Wythe County, noting the area had been the recipient of large amounts of funding which the PSA had not qualified for. Mr. Dean spoke to the need for the PSA to seek any funding available to allow for additional projects in the county.

D. Moody's Rating Methodology

Ms. Burchett inquired if the PSA had a Moody's rating. Mr. Huber recalled at one-time the PSA did have a rating. Staff was requested to research any ratings for the PSA and provide update at future meeting.

E. Fluoridation Article

The Board reviewed article provided by Garland Campbell related to fluoridation.

F. Financial Management Workshop

Dr. Warren encouraged staff and Board participation in the workshop, specifically noting one topic of discussion at the workshop to be grants, etc.

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6. Staff To-Do Listing

The Board reviewed the following staff listing of ongoing items:

- a. Skyview/NRV Fairgrounds Sewer Funding
- b. Drop Center on the South Side of Claytor Lake
- c. Dublin PSA Office Relocation - Mr. Dean requested staff contact the owners' of the vacant lot in Dublin on Rt. 100 between the car wash and the old Coca Cola distributing plant – Mr. Dean also advised of the potential for the former "Dawg House" restaurant property for use as an office.

Mr. Huber advised a Closed Session was requested to discuss personnel and property matters related to the PSA office.

- d. Covered Water Meter Ordinance
- e. Draper Area Wythe County Sewer/PSA Connection
- f. Water Meter Replacement
- g. Water Master Plan
- h. Change Exist at Fairlawn Drop Site

Mr. Dean requested the Pulaski Drop Center be added to the "Staff to Do Listing".

7. Other Matters

Mr. Setliff requested adding to the February agenda discussions related to securing funding for a master plan program. Mr. Linkous advised the PSA currently had a working planning document for sewer; however, the document would be due for updates in the next couple of years. Staff was requested to provide a report at the February Board meeting on the cost for developing a master plan.

8. Closed Session 2.2-3711(A3) and (A)1

On a motion by Ms. Burchett, seconded by Mr. Setliff and carried, the Public Service Authority Board of Directors entered into Closed Session for discussion of the following:

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Personnel – Pursuant to Virginia Code Section 2.2-3711(A)1 discussion for consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of public officers, appointees or employees, regarding:

- Salaries

Property Disposition or Acquisition – Pursuant to Virginia Code Section 2.2-3711(A)3 discussion of:

- PSA Billing Office Space

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: None.

Return to Regular Session

On a motion by Ms. Burchett, seconded by Mr. Setliff and carried, that the Board return to regular session.

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Certification of Conformance with Virginia Freedom of Information Act

On a motion by Mr. Dean, seconded by Mr. Setliff and carried, the PSA Board of Directors adopted the following resolution certifying conformance with the Virginia Freedom of Information Act:

WHEREAS, the Public Service Authority Board of Directors has convened a closed meeting of this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act:

WHEREAS, Section 2.2-3712(D) of the Code of Virginia requires a certification by this Board of Directors that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, that the PSA Board of Directors hereby certifies to the best of each members' knowledge (i) only public business matters lawfully exempted from open meeting

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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 this motion convening the closed meeting were heard, discussed or considered by the Public Service Authority.

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: None.

Purchase of Building

On a motion by Mr. Setliff, seconded by Ms. Burchett and carried, the Board authorized an expenditure up to \$160,000 to be used towards the purchase of a facility for the housing of the PSA Billing office.

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Salary Adjustment

On a motion by Mr. Dean, seconded by Dr. Streff and carried, the Board approved a salary adjustment to \$35,000 for Debra Boyd, PSA Collections Clerk, effective February 1, 2015.

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

9. Adjournment

On a motion by Dr. Streff, seconded by Ms. Burchett and carried, the Board adjourned its regular meeting with the next regular meeting of the PSA Board scheduled for Tuesday, February 10, 2015 at 9:00 a.m. in the Board Room of the CAB.

Voting yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.


Doug Warren, Chairman


Nancy Burchett, Secretary/Treasurer