

At an organizational meeting of the Southampton County Board of Supervisors held in the Board Room of the Southampton County Office Center, 26022 Administration Center Drive, Courtland, Virginia on January 3, 2012 at 7:00 PM.

SUPERVISORS PRESENT

Dallas O. Jones, Chairman (Drewryville)  
Dr. Alan W. Edwards Vice-Chairman (Jerusalem)  
Glenn H. Updike (Newsoms)  
Carl J. Faison (Boykins-Branchville)  
Barry T. Porter (Franklin)  
Ronald M. West (Berlin-Ivor)  
S. Bruce Phillips (Capron)

SUPERVISORS ABSENT

None

OTHERS PRESENT

Michael W. Johnson, County Administrator (Clerk)  
Jon Mendenhall, Assistant County Administrator  
Lynette C. Lowe, Finance Director  
Beth Lewis, Director of Community Development  
Sandi Plyler, Information Technology Manager  
Julien W. Johnson, Jr. Public Utilities Director  
Richard E. Railey, Jr., County Attorney  
Cynthia J. Edwards, Administrative Secretary

Mr. Michael W. Johnson, County Administrator called the meeting to order. After the *Pledge of Allegiance*, Supervisor Faison gave the invocation.

Mr. Michael W. Johnson stated that state statutes require each local governing body to resolve certain organizational matters at its first meeting each year. The first order of business will be election of the chairman and vice-chairman. If the board fails to designate the term of office, it is presumed, by law, that each is elected for a one-year term or until a successor of each has been elected. Chairmen and vice-chairmen may succeed themselves in office. A copy of the statute is reprinted below for your information:

15.2-1422. Electing a chairman and vice-chairman; mayor and vice-mayor.—Unless the chairman or mayor is elected by popular vote, every governing body, at its first meeting after taking office, shall elect one of its number as presiding officer. Such officer shall be called “chairman” if a member of a board of supervisors and “mayor” if a member of a city or town council. Such member, if present, shall preside at the first meeting and all other meetings during the term for which so elected. The governing body also shall elect a vice-chairman or vice-mayor as the case may be, who shall preside at meetings in the absence of the chairman or mayor and may discharge any duty of the chairman or mayor during his absence or disability. Chairmen and vice-chairmen, mayors and vice-mayors, may be so elected to serve for terms corresponding with their terms as supervisors or councilmen or may be elected for such other period as determined by the governing body. Whenever any board or council at the time of such election, fails to designate the specific term of office for which a chairman or vice-chairman, a mayor or vice-mayor, is elected, it shall be presumed that such officers were elected for a term of one year and shall serve until their successors have been elected and qualify. Chairmen and vice-chairmen, mayors and vice-mayors, may succeed themselves in office. In the case of the absence from any meeting of the chairman and vice-chairman, mayor and vice-mayor, the members present shall choose one of their number as temporary presiding officer.

Nominations for chairman and vice chairman will be accepted from the floor. Unless stated otherwise in the motion, it will be presumed that such chairman or vice-chairman was elected for a term of one year.

Mr. Michael W. Johnson opened the floor for nominations for Chairman of the Board of Supervisors

Supervisor Faison nominated Supervisor Jones.

Supervisor Edwards seconded the motion.

Mr. Michael W. Johnson asked if there were any other nominations.

Supervisor West made a motion that the nominations be closed.

Supervisor Phillips seconded the motion.

Mr. Michael W. Johnson asked for a vote of all of those in favor of the nominations being closed.

The motion carried unanimously.

Mr. Michael W. Johnson asked for a vote of all of those in favor of Supervisor Jones as Chairman.

The motion was carried unanimously.

Mr. Michael W. Johnson turned the gavel over to Chairman Jones.

Chairman Jones asked for nominations for Vice-Chairman.

Supervisor Porter nominated Supervisor Edwards.

Supervisor Updike seconded the motion.

Chairman Jones asked if there were any other nominations for Vice-Chairman.

Supervisor West made a motion that the nominations be closed.

Supervisor Faison seconded the motion.

Chairman Jones called for a vote of all those in favor of the nominations being closed.

The motion carried unanimously.

Chairman Jones asked for a vote of all those in favor of Supervisor Edwards as Vice-Chairman.

The motion was carried unanimously.

Chairman Jones stated the next item of business was establishment of meeting dates and times.

Mr. Michael Johnson stated the second order of business is to establish the days and times for regular monthly board meetings. The resolution presented below is consistent with past policy of the board which is the fourth Monday of each month except for May (moved to the following day in observance of Memorial Day) and December (moved to the third Monday in observance of Christmas). The resolution establishes 7:00 p.m. as the starting time for all regular meetings.

15.2-1416. Regular meetings.—The governing body shall assemble at a public place as the governing body may prescribe, in regular session in January for counties and in July for cities and towns. Future meetings shall be held on such days as may be prescribed by resolution of the governing body but in no event shall less than six meetings be held in each fiscal year.

The days, times and places of regular meetings to be held during the ensuing months shall be

established at the first meeting which meeting may be referred to as the annual or organizational meeting; however, if the governing body subsequently prescribes any public place other than the initial public meeting place, or any day or time other than that initially established, as a meeting day, place or time, the governing body shall pass a resolution as to such future meeting day, place or time. The governing body shall cause a copy of such resolution to be posted on the door of the courthouse or the initial public meeting place and inserted in a newspaper having general circulation in the county or municipality at least seven days prior to the first such meeting at such other day, place or time. Should the day established by the governing body as the regular meeting day fall on any legal holiday, the meeting shall be held on the next following regular business day, without action of any kind by the governing body.

At its annual meeting the governing body may fix the day or days to which a regular meeting shall be continued if the chairman or mayor, or vice chairman or vice mayor if the chairman or mayor is unable to act, finds and declares that weather or other conditions are such that it is hazardous for members to attend the regular meeting. Such finds shall be communicated to the members and the press as promptly as possible. All hearings and other matters previously advertised shall be conducted at the continued meeting and no further advertisement is required.

Regular meetings without further public notice, may be adjourned from day to day or from time to time or from place to place, not beyond the time fixed for the next regular meeting, until the business before the governing body is completed.

BE IT RESOLVED by the Southampton County Board of Supervisors that the following days and times are hereby prescribed for regular session meetings to be held at the Southampton County Office Center:

- Monday, January 23, 2012.....7:00 p.m.
- Monday, February 27, 2012.....7:00 p.m.
- Monday, March 26, 2012.....7:00 p.m.
- Monday, April 23, 2012.....7:00 p.m.
- Tuesday, May 29, 2012.....7:00 p.m.
- Monday, June 25, 2012.....7:00 p.m.
- Monday, July 23, 2012 .....7:00 p.m.
- Monday, August 27, 2012.....7:00 p.m.
- Monday, Septebmer 24, 2012 .....7:00 p.m.
- Monday, October 22, 2012.....7:00 p.m.
- Monday, November 26, 2012.....7:00 p.m.
- Monday, December 17, 2012.....7:00 p.m.

AND BE IT FURTHER RESOLVED that a regular meeting shall be continued to the next following regular business day if the Chairman, or Vice-Chairman in his absence, finds that inclement weather or other conditions are such that it is hazardous for members to attend.

A motion is required to adopt the resolution establishing the 2012 meeting schedule (as presented or as amended).

Supervisor Updike made a motion to adopt the resolution establishing the 2012 meeting schedule as presented.

Supervisor Faison said he liked alternating day and night the way they had done in the past. The reason is that he already has an obligation on Monday evening. He already misses one Monday because of it and as a result of it they cancel the program he works with on that Monday so he would prefer it to remain as it has been.

Supervisor Updike said he feels the citizens have an opportunity after work to get here and observe what's going on and take part in this program. He feels that 7:00 p.m. would be ideal because it gives them time to get home, grab a bite to eat and get to the meeting. He is in favor of the 7:00 p.m. meetings on Monday nights.

Supervisor Faison says he appreciates people coming. He loves it when the county participates. When citizens come that is an option they have; they can come at their convenience. He stated for him it is not an option. For him it is a responsibility that he is here every Monday they meet. Therefore, when we look at who it is convenient for; we have to consider the convenience of the board members.

Supervisor Edwards said he agreed with that somewhat, but our first obligation it to be here for the citizens. We have been criticized a lot in the past. People have a tough time getting off Monday mornings to come in here. So he agrees 100% with having the meetings Monday evenings at 7:00 p.m.

Supervisor Porter has had several of his constituents ask him to have all the meetings moved to Monday evenings because they can't attend the Monday morning meetings. He stated he was sorry it was an inconvenience for Supervisor Faison but he thinks as far as his people they prefer to do it on Monday evenings.

Supervisor West stated that he supports Supervisor Faison. The alternating schedule works well for him or either way would work well for him. He has had some request that it be made full time evening meetings. He would say not many; but he had three or four requests. But he still supports Supervisor Faison if he could in this.

Supervisor Phillips said he is in favor of the 7:00 p.m. meetings to give the people of Southampton County an opportunity to participate. If they have to take off work it makes it that much more difficult. He said he understands if Supervisor Faison has another commitment, but the business of the county is what we are here for and therefore he is in favor of 7:00 p.m. meetings.

Supervisor Updike made a motion to adopt the resolution establishing the 2012 meeting schedule as presented.

Supervisor Phillips seconded the motion which was carried.

Supervisors Faison and West were opposed.

Chairman Jones stated that the next item of business was establishment of 2012 holiday schedule.

Mr. Mike Johnson stated it is also necessary that the board establish the holiday schedule for county employees. The following list is consistent with past policies of the board as well as with that for state employees.

WHEREAS, it is the policy of the Commonwealth of Virginia to fix and set aside certain days in the calendar year as legal holidays for the people of Virginia to honor and commemorate such holidays so established; and

WHEREAS, the following days have been established by the Commonwealth as legal holidays pursuant to 2.2-3300, *Code of Virginia*.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Southampton County that the following holidays shall be recognized and observed by all county agencies.

- Friday, January 13, 2012.....Lee –Jackson Day
- Monday, January 16, 2012.....Martin Luther King, Jr. Day
- Monday, February 20, 2012.....George Washington Day
- Monday, May 28, 2012.....Memorial Day
- Wednesday, July 4, 2012.....Independence Day
- Monday, September 3, 2012.....Labor Day
- Monday, October 8, 2012.....Columbus Day
- Monday, November 12, 2012.....Veteran's Day (observed)

Thursday, November 22, 2012.....Thanksgiving Day  
Tuesday, December 25, 2012.....Christmas Day

And any other days, or portions thereof, designated by the Governor of the Commonwealth as a holiday for state executive branch offices.

A motion is required to adopt the resolution establishing the 2012 holiday schedule (as presented or as amended).

Supervisor Faison made a motion to adopt the resolution establishing the 2012 holiday schedule as presented.

Supervisor West seconded the motion with it being carried unanimously.

Chairman Jones stated the next item of business was appointments.

Supervisor Edwards stated he didn't know when the appropriate time would be to bring this up but several of the Board Members would like to see this Board have a public comment period like the Planning Commission does.

Chairman Jones stated that he would address this at the end of the scheduled business.

Mr. Michael Johnson stated that Section 58.1-3370, et seq. Code of Virginia, requires the Circuit Court of Southampton County to appoint a Board of Equalization, composed of not less than three nor more than five county residents, to hear and give consideration to assessment complaints and to adjust or equalize assessments so that the burden of taxation rests equally on county citizens. By statute, thirty percent (30%) of the members of the board shall be commercial or residential real estate appraisers, other real estate professionals, builders, developers, or legal or financial professionals. Members of the current Board of Assessors are not eligible for appointment to the Board of Equalization.

The compensation is the same as that for the Board of Assessors (\$60 per diem). The ordinance adopted in November 2011 provides that the Board of Equalization shall complete its work by March 30, 2012. Accordingly, it is necessary to have the members recommended for appointment as soon as possible. At this writing, we're awaiting nominations from the Newsoms and Capron District(s).

A motion is required to recommend prospective appointees from the Newsoms and Capron Districts

Supervisor Phillips named Mr. Charles Settle for the Capron District.

Chairman Jones asked for a motion for Mr. Charles Settle to be appointed to the Board of Equalization from the Capron District.

Supervisor Edwards made a motion for Mr. Charles Settle to be appointed to the Board of Equalization from the Capron District.

Supervisor Phillips seconded the motion which carried unanimously.

Supervisor Updike named Mr. Bill Grizzard for the Newsoms District.

Chairman Jones asked for a motion for Mr. Bill Grizzard to be appointed to the Board of Equalization from the Newsoms District.

Supervisor Porter made a motion for Mr. Bill Grizzard to be appointed to the Board of Equalization from the Newsoms District.

Supervisor Phillips seconded the motion with it being carried unanimously.

Chairman Jones stated the next item of business under appointments was B. Planning Commission.

Mr. Michael Johnson stated as you may be aware, Supervisor Jones resigned from the Planning Commission on December 8, 2011. The Commission's bylaws provide that one member shall be a member of the governing body. Section 15.2-2212 of the Code of Virginia further provides that the term of the appointee representing the governing body shall be coextensive with his term of office, unless the governing body, at the first regular meeting each year, appoints another.

A motion is required to appoint one member of the governing body to the Planning Commission.

Supervisor Phillips made a motion that Dr. Edwards retain his position as a member of the governing body.

Supervisor Updike seconded the motion which carried unanimously.

Chairman Jones called for item C. Board of Zoning Appeals.

Mr. Michael Johnson stated that before we leave item B. Dr. Edwards had indicated that he was prepared to make a nomination from his district – the Jerusalem District.

Supervisor Edwards stated that since he would be moving to the seat that leaves a seat in the Jerusalem District. He would like to nominate a fine young fellow who has roots in the county and is well educated. He would like to nominate Mr. John T. (Jack) Randall to take that seat.

Supervisor Faison seconded the motion with it being carried unanimously.

Chairman Jones stated that the next item of business under appointments was C. Board of Zoning Appeals.

Mr. Michael Johnson stated that Section 15.2-2308 of the Code of Virginia provided that members of the Board of Zoning Appeals shall hold no other public office in the locality except that one member may be a member of the local Planning Commission. Whereas Mr. Updike was appointed to represent the Newsoms District prior to his election as a Supervisor, it will be necessary for him to resign the position and recommend a new appointee to represent the Newsoms District.

A motion is required to recommend an appointee to the Board of Zoning Appeals from the Newsoms District.

Supervisor Updike made a motion to appoint Brian Darden to the Board of Zoning Appeals from the Newsoms District.

Supervisor Edwards seconded the motion with it being carried unanimously.

Chairman Jones stated that at this time we would discuss having a public comment period.

Supervisor Edwards stated that as everybody knows they have a public comment period at the end of the Planning Commission Meetings which give people time to come up and talk concerning any issues they have regarding the county. The people like it and they would like to see it at the Board level too. He wanted to see if we could start that tonight. Nobody can say I didn't get a chance to say anything about what's bothering me. He would like to bring that up and see what the Board thinks about it.

Chairman Jones asked Supervisor Faison what he thought about it.

Supervisor Faison said he hadn't really thought about it, but we have in place already a process where you can request to speak if you have something to speak about. No one has been denied that opportunity. As far as opening it up for anyone to come up and talk, he just doesn't see the necessity.

Supervisor West stated he kind of prefers that there was a time for input from county residents, but with a time limit on it of two or three minutes or some small amount of time so people do have time to express themselves. Some people may develop a thought during the meeting. He would kind of like (and this is contrary to what he just said) people to sign up prior to starting the meeting so you would have a list to work with.

Chairman Jones called on Supervisor Updike.

Supervisor Updike said he was definitely in favor of it. Maybe two minute presentations at the end of the meeting would be good. He didn't think it would be necessary to sign up because there may be some information to come up during the meeting that gives someone an idea on something they are for or against. If anyone wants to speak for longer than two minutes, let them sign up through the regular channels.

Chairman Jones called on Supervisor Phillips.

Supervisor Phillips said his idea is changing as they go through this. He agrees. In the past he attended both the Planning Commission and the Board Meeting. He would be in favor of some type of limit, two or three minutes, where we give people an opportunity if something had been touched on during the meeting that they wanted to comment on briefly because it could help the Board in forming their decisions. He would therefore be in favor of some opportunity for the citizens to speak.

Chairman Jones said they do have the closed meeting at the end of the meeting which would make people have to stay that much longer. We could do it sometime in the middle of the meeting or before the meeting begins. They have the agenda and know what's going on. He would think about before the meeting or somewhere during the meeting because you wouldn't want to make the people wait until after they have a closed meeting because sometimes they are long and sometimes they are short.

Supervisor West said he wanted to come back on a thought. He said he was developing thoughts as we consider this idea as well. Sometimes if you allow someone to comment at the end of the meeting or during that point it may be used as a time to chastise. When in fact the person comes to the meeting he should plan prior to it if you have something to say and get your name on that piece of paper saying let me sign up and do this. That way you can still obviously say I didn't like what you did, you made a mistake da, da, da, and da. That's fine; however, when you develop it doing a meeting and people say that was crazy you shouldn't have done that and someone says let me say I agree. We have already gone through the process, we have already spoken, we have already dealt with the issue; and then you get chastised. It just seems counter-productive. He still thinks it's fair to have citizens input. He still thinks it's fair to limit it to no more than three minutes. That is greatest a plenty. He agrees with Chairman Jones at some point to have it as item no 7, 8, 9, or 10 in the middle of the meeting.

Chairman Jones asked if anyone else had a comment on it.

Supervisor Porter said he felt the same way as Chairman Jones. It should be done before the closed meeting. He also felt they should put a strict time limit on it and if they are not done in the time limit they would just be cut off. They would have to understand that.

Supervisor Phillips said again he would agree with what Supervisor Porter said. He said there should be a time limit and it should be done sometime before going into the closed session. He asked do we have to make this an item on the agenda or can you as Chairman simply call for comments so we can just modify it as it develops.

Chairman Jones said he thought they could just do it before the closed meeting. We would strictly have to allow them no more than two or three minutes because the longer we allow them the longer we will have to stay and sometimes they have been here to 12:00 a.m. almost. He is in favor of it.

County Attorney Railey stated that it is the Chairman's prerogative to limit it to any time.

Supervisor Updike stated he thought they should go ahead and set a maximum time limit of two or three minutes and he would prefer to stick to two minutes. He further made it a motion.

Chairman Jones asked if he had a second to the motion.

Supervisor Edwards seconded the motion with it being carried unanimously.

Mr. Michael Johnson said he wanted to make sure he was clear on this. The way he understood it was if someone wanted to speak longer than two minutes they still need to follow the process that we already have in place.

Chairman Jones stated that was correct. They would have to write to Mr. Michael Johnson stating what they wanted to talk about. If they just wanted to comment they could speak for two minutes.

Supervisor Porter said he would like to make a motion to ask Mr. Michael Johnson to investigate and present to us the possibility of replacing our manual agenda with an electronic agenda. He stated he had some discussions with Mr. Michael Johnson and he thinks it is time to look at this. He also thinks that at this time it's probably more economic. He thinks the payback time is probably very short. We are investing money in our systems group so now let's try to make use of it. I think this is one way of the ways we can show we are.

Chairman Jones asked Supervisor Faison if he had a comment.

Supervisor Faison said he didn't know about this.

Chairman Jones called on Supervisor West.

Supervisor West said that is electronic. He asked if they were providing a computer for him. He said he was going to let you in on a secret he doesn't have one.

Supervisor Porter stated that you do understand these books are expensive. He said you would have some kind of electronic device.

Supervisor West said a computer.

Supervisor Porter said it may not be a computer. It may be a tablet.

Supervisor West said close enough. He asked then what do I do with that thing.

Supervisor Porter said you take care of it.

Supervisor West asked who it belongs to.

Supervisor Porter said it belongs to the county but you are responsible for it – you keep it.

Supervisor Edwards said you are just asking Mr. Michael Johnson to look into it at this point.

Supervisor Porter said we want to find out what the cost is and what the benefits of it would be.

Chairman Jones asked County Attorney Richard Railey if we needed to vote on the motion for Mr. Michael Johnson to look into the costs of this.

County Attorney Richard Railey said we had a motion on the floor for Mr. Michael Johnson to look into this for cost and savings.

Chairman Jones stated that we would have Mr. Michael Johnson look into this first and then we will have a motion as to what we are going to do with it.

Supervisor Porter said if Mr. Michael Johnson was willing to do that it was fine.

Chairman Jones asked if there were any other comments on the issue.

Supervisor West said he would like to hear what Supervisor Updike thought.

Supervisor Updike said he would like to know the exact facts and figures as to what it was going to cost and what the bottom line is. He doesn't want to go to new technology just for the sake of going to new technology. He is still for longhand if it is the cheapest way.

Chairman Jones stated he would have to have some time to train on it. He was like Supervisor West he doesn't have a computer. He said he couldn't even use his cell phone like it should be used. He can make a call that's about all.

Supervisor West said he used a computer quite extensively until he left Farm Bureau and he hasn't used one since.

Chairman Jones asked if anyone had any other business.

Supervisor Updike stated he had one thing and this was part of being an open government. He hopes the Board will agree to request someone from the reassessment office to come down and make a presentation to the citizens on how they came up with their new assessments. He has heard so many complaints. The national average is running anywhere from 4 to 20 percent VDUP. Yet we are running 4% higher. Some people got as much as \$110,000.00 increase in their assessment. He wants to know where they came up with their figures. He would like to see the citizens for responsible government coordinate it and if the citizens have questions they can send them to the citizens for responsible government. He wants some answers. He doesn't want them sent to the Board because he doesn't want to get this Board involved in reassessment. He thinks the citizens need some answers.

Chairman Jones asked if anyone else wanted to comment on this.

Supervisor West said the Board that was chosen does this for a living. These people really are not employees for the citizens. We did pay them to do the work, but our accountability stops there because they work everywhere. He is not in favor of these people coming in here and explaining every detail. The Board of Equalization will have that opportunity for the county citizens to come in and sit down and go over during the three month period. He is not willing to do this. These are creditable people with far more experience and skill. He knows they may have used some figures perhaps from Roanoke. He has no idea where those figures came from. He will tell you this we have already had time for this experience with the assessors. He asked haven't we had time for this experience. He doesn't know if all the time slots have been used up or not. He is not in favor of rehashing this. Move on.

Chairman Jones said yes we have. He asked Mr. Michael Johnson how many people we have in

the state that do reassessments – wasn't it 4.

Supervisor Phillips said five.

Mr. Michael Johnson said five.

Chairman Jones stated this is required by the state. We have no authority to do the reassessment ourselves. We have to get someone that is certified by the state and that's the way it is. He asked Mr. Michael Johnson didn't we usually get the one with the lowest bid.

Mr. Michael Johnson said not necessarily.

Chairman Jones asked didn't we get the one we had used before.

Mr. Michael Johnson said we didn't do that on this one either.

Supervisor West stated that we used the one this year that was highly recommended because of local success.

Chairman Jones said he thought the Board of Equalization had plenty of time to listen to the citizens, so let them do it.

Supervisor Updike said it still didn't answer the questions of the average citizens out here as to how they come up with these figures. He just wants the assessors to explain to the citizens how they went about coming up with some of these figures and what they used as the criteria for making decisions. He wants it explained to the citizens because the citizens have asked him and he doesn't have the answers. He doesn't feel like every citizen of the county needs to go before the Board of Equalization. If they had a representative from the assessors to come down and explain the process it would take the pressure off the Board of Equalization. After the last reassessment they had representatives two or three times come before them and explain how they come up with these figures and they couldn't explain a whole lot of them. He thinks this is more of an informational thing. He is not saying redo the assessment or accuse them of anything. The questions would go to a panel. He's not saying that would be a session to give them a hard time, the citizens just want to know the answers to how it was done. If the citizens can understand the situation they may be satisfied.

Chairman Jones asked where would be a place big enough to hold everybody that wants to come.

Supervisor Updike asked didn't we still have access to the school building.

Chairman Jones stated he was sure they could get the school, but everybody doesn't have the same questions.

Supervisor Updike said send the questions to Ash Cutchin or the Citizens for Responsible Government. They could narrate the session instead of letting the citizens get up there and badger the assessors. He said if the Citizens for Responsible government were willing to conduct the meeting; let them conduct the meeting. He hopes this makes sense.

Chairman Jones asked how we would go about this.

Mr. Michael Johnson said he thought what Supervisor Updike was asking is simply that the Board request Wingate and Associates to make a representative available to answer questions for the Citizens Group or that the Citizens Group would serve as moderator.

Chairman Jones said we were going to have to select a time and a date.

Mr. Ash Cutchin asked Chairman Jones if this issue was open for public comment.

Chairman Jones stated it is not supposed to be, but come on up because maybe he could help answer the question.

Mr. Ash Cutchin of Darden Mill Estates said he had probably already done what Supervisor Updike was asking. Mr. Wingate and he differ a little bit on the theory which primarily involves foreclosures and short sales. What these reassessment companies are supposed to do is look at sales over the last year or year and a half in a locality and to come up with what properties are selling for and then apply that knowledge to the assessment of our homes. His went up and he was just shocked when all the homes in his subdivision or almost all of them had sold for less than the previous assessment. He went to Mr. Harold Wingate and asked him and reminded him in our code of ethics or our professional guidelines which is called USPAP which stands for uniform standards of professional appraiser practice an appraiser is obligated to consider all sales. So when he mentioned all sales to him, he reminded him there are at least three states in the country right now where these mass assessment companies are being sued for not considering foreclosures. He reminded Mr. Harold Wingate that foreclosures represent something like 30% of the sales in this area. In fact just a day or two before Christmas he was talking with Mr. Scott in Windsor and he had just 30 sales in the last six months as a broker and 21 of these had either been foreclosures or short sales. That is 2/3 of thirty sales which is about 67% of the sales market in that given time. Mr. Harold Wingate says to me we consider foreclosures, but then we don't pay any attention to them because they are sales under duress and a definition of a market value includes that a sale not be under duress. So that's his logic for excluding a third of the home sales that have taken place in Southampton County that he thinks are under duress. Some of them probably are. A foreclosure could probably be considered duress, but at the same time if a bank has loaned money and he is taking figures out of the air now, let's just say they have loaned money on a \$300,000.00 purchase and the borrower has paid down \$100,000.00 on the home and the bank forecloses then the bank really only has \$200,000.00 in it. So if they sell a \$300,000.00 home for \$200,000.00 there is no duress and they are getting their equity. So that just shows you what they consider, but Mr. Harold Wingate disagrees with him and that is what he would say if I asked him again and that is what he would say to the Citizens for Responsible Government. I think you would have a free for all and people just throwing mud at Mr. Harold Wingate for his answer because he is sure what he is going to say. But in his mind if he has a house down the street that is worth \$300,000.00 and he puts it on the market for \$300,000.00 and the bank turns around and sells one identical to his for only \$200,000.00 that is a market he just can't compete with. He thinks it should be considered, but Mr. Harold Wingate disagrees with him. He stated he wouldn't be willing to do what Supervisor Updike is asking them to do. Thank you for your confidence, but he doesn't think it will work. Mr. Ash Cutchin thanked Chairman Jones.

Chairman Jones asked if anyone else had anything they wished to say.

Supervisor Porter stated he agrees with Mr. Cutchin. He said he is a real estate broker. He is active in the market and he disagrees with the approach our assessors took. Now having said that there is not much we can do about that. One thing he does want to point out is that the Board of Equalization is not assessors. The Board of Equalization's responsibility is to make sure everyone is assessed equal. Therefore if his house is 10% over value everyone's should be 10% over value. So they have to look at comparable properties and make sure everybody is assessed on the same basis. We can't forget that is only half the formula; the other half is the rate. We set the rate. Whatever the taxes are going to be, we set the rate to produce the taxes; therefore, if one goes up the other goes down. We are responsible for our spending and keeping our rate as low as possible. A higher assessment means we are going to have a lower rate. The thing about the Board of Equalization is that they need to make sure everyone was assessed equally. They have to make sure some people aren't low-balled and some people assessed too much.

Supervisor Edwards stated we must be doing something right in Southampton County because the proffer went down nationwide 8 percent and ours went up 5 percent. So we must be doing something right we just don't know what it is.

Chairman Jones asked Supervisor West if he had any comment.

Supervisor West did not have anything else.

Supervisor Phillips said he had the same discussion with Mr. Harold Wingate and it was home buyer and the home seller and then went around that same hole several times. He stated he didn't think there was going to be any change on Mr. Harold Wingate's position on this unless we can find something legal to stand on. He thinks we are going to remain exactly where we are. The Board of Equalization can address the individual issues that come before it.

Mr. Ash Cutchin said there is one other minor point you may want to consider which is that the assessors not only look at sales, but they look at replacement costs. So our last assessment was six years ago and he doesn't know how many homes have been built in the county since then, but probably the cost of 2 x4's, nails, and concrete has all gone up and they do consider that. They start out with the cost to replace new and then they estimate the depreciation and lower based on these costs. That is how is supposed to be done unless they have some other magic way to do it, but that is how it is supposed to be done.

Supervisor Updike said the only thing he was trying to ask for is to inform the citizens of what their opinions and facts are. He is not trying to change the assessment. He said he was not an expert in the field so he just wanted the assessor to explain. He stated this meeting would just be to inform the citizens. It didn't mean that the assessors would change a thing. It doesn't mean the Board of Equalization is going to change a thing. It is just to inform the public what is taking place.

Chairman Jones stated that we had two people to talk with Mr. Harold Wingate and they get the same answer. They don't get an answer. He asked Supervisor Updike why he would want the public not to get an answer. They are going to get the same answer Mr. Ash Cutchin and Supervisor Porter got. So he didn't know why Supervisor Updike would want Mr. Harold Wingate to stand up there and do nothing. He didn't give it to these people and I think they asked the right questions.

Supervisor Edwards stated he thought maybe we ought to convey to Wingate and Associates that we really didn't agree with the assessment when everybody else's went down and ours went up.

Mr. Ash Cutchin said he mentioned that to Mr. Harold Wingate and he said we looked at the previous assessment and a lot of the houses were under assessed last time. He said more people came in 2006 complaining about farm land than they did about single family dwellings. So there may be a thread of truth in it.

Supervisor Edwards said the thing you have got to realize is that even though they come and we pay them they are still accountable.

Supervisor West said you say the assessment is done every six years. Most of the other areas reassess every other year. It would be cost prohibitive for us to do it every other year because had we reassessed every other year we would have got the ups and downs in the market during those years we didn't reassess. We would have gone up and started back down had we been assessing every other year. We didn't catch the real up and that happened and now it has gotten back down. To make a long story short he does see that it is a concern. He still thinks that as Supervisor Porter has pointed out you do have the Board of Equalization to sit down with regular people. If you have an up priced home and he has a down priced home in the same neighborhood that's when you say what gives here and that is when the Board of Equalization equalizes. He still thinks this method works. We may not be real happy with this group, but we weren't happy with the last group either, right.

Supervisor Phillips said we were less happy.

Supervisor West said we only have four or five groups to pick from, but we are wearing them down. He stated when the next assessment group comes we won't be happy with them either.

Chairman Jones stated we are just going to have to let the individuals come before the Board of Equalization with their questions it looks like.

Chairman Jones asked if there was anything else to come before the Board.

Mr. Michael Johnson said he had just a brief announcement. He stated at your seats tonight you see several items. First of all is a Board of Supervisors Manual that is published by the Department of Transportation that has just been updated and is hot off the press so that is just a reference material for you. For the new members of the Board of Supervisors we have copies of the Fiscal Year 2011 Financial Report which was presented at the December Board Meeting. In addition to that we have got a copy of the appendix which is the 2011 financial statements compilations of all seven of you. And for those of you who are registered for the VACO Forum this weekend we have packages with all of your conference registration information in that. The last thing is if you would like to tonight we will be glad to take your photograph for the website for the new supervisors. If you had rather do it on the 23<sup>rd</sup> we can do it then, but everybody looks nice in their coats and ties tonight. We can go ahead and get it knocked out.

Chairman Jones stated that he would like to thank the Board for having confidence in him and electing him to be their Chairman again. Thank you very much.

There being no further business the meeting was adjourned.

---

Dallas O. Jones, Chairman

---

Michael W. Johnson, Clerk

January 3, 2012

\*\*\*\*\*THIS PAGE INTENTIONALLY LEFT BLANK\*\*\*\*\*

