

**At a Budget Work Session of the Sussex County Board of Supervisors
Held in the General District Courtroom – Sussex Judicial Center
Thursday, February 11, 2010, 7:00 p.m.**

BOARD MEMBERS PRESENT

T. Wayne Birdsong
Wayne M. Harrell

Charlie E. Caple, Jr.
Harris L. Parker

C. Eric Fly, Sr.
Rufus E. Tyler, Sr.

STAFF PRESENT

George E. Morrison, III, Deputy County Administrator
Henry A. Thompson, Sr. , County Attorney
Jerry L. Whitaker, Director of Finance
Eddie. T. Vick, Public Safety Coordinator
W. Travis Luter, Building Official
Deborah A. Davis, Assistant to County Administrator

ITEM 1. CALL TO ORDER

The February 11, 2010 budget work session of the Sussex County Board of Supervisors was called to order by Chairman Parker.

ITEM 2. ADOPTION OF AGENDA

ON MOTION OF SUPERVISOR HARRELL, seconded by SUPERVISOR BIRDSONG and carried: RESOLVED that the Sussex County Board of Supervisors adopts the agenda of the February 11, 2010 budget work session.

Voting aye: Supervisors Birdsong, Caple, Fly, Harrell, Parker

Voting nay: none

Absent during vote: Supervisor Tyler

ITEM 3. FISCAL YEAR 2011 BUDGET OVERVIEW

George E. Morrison, III, Deputy County Administrator, provided the following statement to the Board:

“Fiscal Year 2011 will be a fiscally challenging year for Sussex County in balancing its budget. The County has not recovered from a downed economy and Sussex County is not expected to recover lost revenues from Fiscal Year 2008 in Fiscal Year 2011. The County is projecting approximately \$2 million (10.6%) less in revenues compared to the budgeted revenues for Fiscal Year 2010 and \$4 million (20%) less in budget revenues compared to Fiscal Year 2009.

The Budget work sheets that were distributed tonight will assist the Board in making decisions for the Fiscal Year 2011 budget. The information as presented would not result in any loss of positions(s) or reduction of regular salary for any administrative or constitutional officers' employees. Whereby the Board of Supervisors may want to continue full funding of education and law enforcement, you may have to reduce these budgets in an effort to reduce the impact on the withdrawal from the reserves to balance the budget. The impact on law enforcement would be the elimination of "paid overtime" and supplanted by compensatory time. Schools would be responsible for determining how to reduce their budget.

The information presented reflects making up the \$2 million dollar deficit by reducing the general government budget by \$842,000; the school budget by \$400,000 and a withdrawal from the reserve in the amount of \$717,000. No increase in tax rate is included in balancing the budget.

Other information is also provided to assist the Board of Supervisors with its decisions for the Fiscal Year 2011 budget."

Jerry L. Whitaker, Director of Finance, reviewed the budget worksheets that were distributed.

Supervisor Tyler: "Does staff know at this point what amount the schools will be able to reduce their budget by?"

Mr. Whitaker: "No, we don't. Dr. Harris is meeting with the School Board tonight and they are working on cost savings and hope to have numbers by tomorrow."

Supervisor Fly: "How much have we taken out of reserves so far this year?"

Mr. Whitaker: "\$289,000.00 was taken from reserves to balance this year's budget."

Supervisor Tyler: "Are we going to take out money allocated for Management and Consulting Service; excess in rescue services?"

Supervisor Parker: "All the agencies that we provide funding to should submit a written financial report and justify their needs for their budget request."

Supervisor Caple: "I believe that the Stony Creek Volunteer Rescue Squad is in the process of establishing a system to charge for their services. I agree with the Chairman, all agencies need to be accountable to the Board if they receive funding from the County."

Mr. Vick (Public Safety Coordinator): "One of the reasons that we did not reduce the budgets for the rescue squad agencies is that we don't know how much money they will generate if they start charging for services. If they convert to paid service, we probably need to allow them to operate like that for twelve months and then report to the Board. Dinwiddie Rescue Squads collect approximately 60%."

Supervisor Harrell: "It has taken Waverly about a year to get things done. And it may take another six months."

Supervisor Caple: "We need to let them know up front; give them a certain timeframe to do what they need to do, then they need to start reporting to us."

Supervisor Parker: "Emergency services need to have policies and start reporting to us in the next twelve months. I would like for the Deputy County Administrator, Director of Finance and Public Safety Coordinator to begin discussions."

Mr. Whitaker: "The proposed budget for fiscal year 2011 does not include the recovery of funds from rescue squads."

Supervisor Birdsong: "The amount of tipping fees that this budget is based on is \$5 million; what would the budget be? Like in 2003 and 2004, that is what we need to be using for a guideline. We are spending more money than we got; we need to trim expenditures to match the budget and we need to be careful about taking money out of the reserve."

Supervisor Fly: "How long has Atlantic Waste been in the County?"

Mr. Woodruff: "Since 1994."

Supervisor Fly: "2012 will be worse than 2011. The state has already said that. We need to go back and make more reductions. We still don't know what the Constitutional Officers' budgets will be like; we don't need to vote on this issue this week. It's too early. We need to look at combining services and begin to prepare for the reality of 2012. The Planning Office budget has grown four times in the last two or three years; the Building Inspections budget has also grown. We need County Administration to look at what services can be combined."

Mr. Whitaker: "The largest increase in all budgets is the salary increases as a result of the wage and salary study and cost of living increases."

Supervisor Fly: "I still want County Administration to look at combining services."

Mr. Whitaker: "Please look at Page 15 and tell me how much you would like to take out of the reserve funds."

Supervisor Fly: "That is counterproductive; we need to look at all line items and then decide what to reduce."

Supervisor Birdsong: "We have discussed the elimination of contributions to various agencies; they need to be on the chopping block."

Mr. Whitaker: "Contributions are on page 23."

Supervisor Parker: "We need to develop a request for funding applications, especially for outside agencies. We may need to lay off employees or reduce salaries for 2011; we have choices to make, they may be difficult, but they have to be made."

Supervisor Caple: "We know the budget consists of two things, revenues and expenditures. While we are working on these reductions, we need to focus on ways to generate more revenue."

Supervisor Parker: "We can raise taxes and increase fees."

Mr. Whitaker: "The only immediate way to increase revenue is to raise taxes." (He referred them to Page 11).

Supervisor Parker: "The Schools are the largest part of the County's budget, at 48%."

Supervisor Birdsong: "We can't adjust the County's budget without affecting the Schools' budget. The superintendent gave us the Schools' Capital Improvement Plan in January; there was \$242,000.00 pinpointed to repair the track at the high school; this has been done 3 years in a row and it should not take \$242,000.00, three years in a row, to maintain the track. That's just wasteful."

Mr. Whitaker: "That amount of money is reflected in the Schools' Capital Improvement Plan only. It is not a budget amount; but will remain in the Capital Improvement Plan as a part of their future projects."

Supervisor Parker: "What do the Board members want to do right now? We can cut the Schools' budget by \$400,000.00; they should take a hit like all other departments; we need to start with those who get the most first."

Supervisor Birdsong: "I know we would hate to cut the Schools' budget, but the State certainly had no problem cutting it."

Mr. Whitaker: "Pages 28 and 29 shows a proposed 9% across the board cut for all departments."

Supervisor Parker: "We need to cut the departments that have the largest budgets."

Supervisor Caple: "Our reductions may need to vary and maybe be based on percentages."

Supervisor Birdsong: "I agree somewhat. But the County Administrator, Director of Finance and the Treasurer need to get together and look at combining some departments; that could create some cost savings."

Supervisor Fly: "The second biggest budget is the Sheriff's Department. And I would like for the Sheriff to be given a copy of the findings from Ms. Katz regarding the overtime issues."

ON MOTION OF SUPERVISOR FLY, seconded by SUPERVISOR BIRDSONG and carried: RESOLVED that the Sussex County Board of Supervisors authorizes the Deputy County Administrator to release the document from Phyllis Katz regarding overtime issues as it relates to law enforcement personnel.

Voting aye: Supervisors Birdsong, Caple, Fly, Harrell, Parker, Tyler

Voting nay: none

Supervisor Tyler: "Does this document include any names that may be a potential or have an adverse effect on the Board of Supervisors?"

County Attorney Thompson: "It should not, but the Sheriff is aware of Mrs. Katz's findings regarding overtime and compensatory time issues."

Supervisor Caple: "Going back to outside contributions, is \$20,000.00 all that we can take out?"

Mr. Whitaker: "There were some cuts in 2010 and some that are proposed for 2011. Please refer to Page 117 in the packet provided at the February 4, 2010 meeting."

Supervisor Tyler: "What is the status of the regional jail discussions?"

Supervisor Parker: "We have a meeting coming up soon. We plan to meet with the County Administrator of Greensville County to discuss a joint effort with the Southside Regional Jail."

Supervisor Tyler: "I would encourage the Board to explore discussions with Dinwiddie."

Mr. Morrison: "We have made contact with Dinwiddie, Brunswick and Mecklenburg Counties."

Supervisor Parker: "We are still working on a regional jail concept."

Supervisor Fly: "Three years ago, we paid \$13,000 for a regional jail study."

Supervisor Caple: "The sheriff is not too enthusiastic about a regional jail concept."

Supervisor Tyler: "The Crater Criminal Justice budget should be part of the Sheriff's budget."

ON MOTION OF SUPERVISOR TYLER, seconded by SUPERVISOR CAPLE that the Sussex County Board of Supervisors transfer the Crater Criminal Justice Academy budget line item to the Sheriff's Department budget.

Voting aye: Supervisors Caple, Parker, Tyler

Voting nay: Supervisors Birdsong, Fly, Harrell

ON MOTION OF SUPERVISOR BIRDSONG, seconded by SUPERVISOR FLY and carried: RESOLVED that the Sussex County Board of Supervisors hereby agrees to talk with the Sheriff with regard to include the Crater Criminal Justice Academy budget in the Sheriff's Department budget.

Voting aye: Supervisors Birdsong, Caple, Fly, Harrell, Parker, Tyler

Voting nay: none

Supervisor Tyler: "I think the Board should discuss this issue with the Sheriff, not staff."

Supervisor Fly: "The Deputy County Administrator is meeting with the Sheriff tomorrow at 1:00 p.m. I will be glad to go to the meeting."

Supervisor Fly: "Mr. Morrison, would you check on the IDA of Mineral Industry to find out its status."

Supervisor Parker: "I believe that he who has the most should be cut the most. We may need to cut more than \$400,000.00 from the Schools' budget.

Supervisor Birdsong: "I agree, but we owe it to the School Board to hear what they discussed tonight."

Supervisor Tyler: "At the next meeting, we should concentrate on the schools' budget."

ITEM 4. CLOSED SESSION

ON MOTION OF SUPERVISOR HARRELL, seconded by SUPERVISOR BIRDSONG and carried: RESOLVED that the Sussex County Board of Supervisors hereby entered Closed Session under the provisions of Section 2.2-3711, to discuss Contracts and Prospective Business, applicable Code Sections 2.2-3711(A)(30), and 2.2-3711(5), respectively.

Voting aye: Supervisors Birdsong, Caple, Fly, Harrell, Parker, Tyler

Voting nay: none

ITEM 5. RETURNED TO OPEN SESSION

ON MOTION OF SUPERVISOR TYLER, seconded by SUPERVISOR FLY and carried: RESOLVED that the Sussex County Board of Supervisors has convened a Closed Meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and,

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by Sussex County Board of Supervisors that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE BE IT RESOLVED that the Sussex County Board of Supervisors hereby certifies that, to the best of each member's knowledge (i) only public business matters lawfully

exempted from open meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies, and (ii) only such public business matters were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Sussex County Board of Supervisors.

Voting aye: Supervisors Birdsong, Caple, Fly, Harrell, Parker, Tyler

Voting nay: none

County Attorney Thompson: "Regarding the potential prospective business, I will talk to the attorneys."

Supervisor Fly: "Why are we wasting money with attorneys when Mr. Harrell and I can go for free?"

County Attorney Thompson: "I would feel better if attorneys are in the mix."

Supervisor Birdsong: "We will pay \$600 per hour for attorneys to negotiate."

Supervisor Tyler: "The Board should not be involved; we want to avoid legal repercussions."

ON MOTION OF SUPERVISOR BIRDSONG, seconded by SUPERVISOR TYLER and carried: RESOLVED that the February 11, 2010 meeting of the Sussex County Board of Supervisors is hereby recessed until 5:00 p.m., February 18, 2010.

Voting aye: Supervisors Birdsong, Caple, Fly, Harrell, Parker, Tyler

Voting nay: none