

At a Budget Work Session of the Sussex County Board of Supervisors held in the
General District Courtroom of Sussex Judicial Center, at
5:00 p.m. on Wednesday, January 27, 2010

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 Administrator
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 January 27, 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 TYLER, seconded by SUPERVISOR HARRELL and carried:
RESOLVED that the Sussex County Board of Supervisors hereby adopts the agenda of the
January 27, 2010 meeting, as presented.

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

Voting nay: none

Item #3. 2010 Budget Reductions

George E. Morrison, III, Deputy County Administrator: "The County is facing an estimated budget deficit of \$1.2 million for the fiscal year ending June 30, 2010. There are five (5) months remaining in the current fiscal year and now is the time to make critical decisions on the budget.

It is critical that our focus in reducing the budget is based on what it in the best interest of the County as a whole. Cuts should be as fair and equitable as possible. Our first decision is to

determine whether all departments are subject to budget reduction or whether some departments are exempt and the basis for their exemption.

However, to make this a fair and equitable reduction all county services must be considered. If some departments are, as you have alluded to “sacred cows,” then the only place left to reduce is the budget of County Administration and the departments under its direction.

Please be mindful that the total budget for all County Administration Departments is \$3.52 million. Of this amount, \$1.67 million is for salaries and benefits for the 29 full time positions and the three (3) part positions that are under the indirect oversight of the Board of supervisors. This is 22% of the County’s total payroll. Outside of salaries and benefits, the remaining \$1.85 million is for the operational cost which includes contributions for fire and rescue of \$650,000.00 Building and Grounds which includes the cost of utilities and maintenance is \$280,000.00. Management and outside services, which includes EEE Consulting is \$280,000. The remaining \$640,000.00 is allocated over the remaining operational expenditures.

A large part of the County Administrator’s budgets are costs mandated by the Board of Supervisors. It is not possible to cut the County Administrative Departments budgets by \$1.2 million, if all Constitutional Departments and Schools are not required to make budget cuts.”

Jerry L. Whitaker, Director of Finance provided an overview of the 2010 budget and shared three (3) approaches for reducing the budget. They are (1): Across the Board cuts; (2) Categorical cuts; and (3) Outright withdrawal from the reserves. (A copy of Mr. Whitaker’s report is retained in the January 27, 2010 Board packet).

Supervisor Caple: “Could we not spend the remaining \$51,000 that we budget^{ed} for legal fees for the Outlying Landing Field?”

Supervisor Fly: “Maybe we need to look at Option 2 (Categorical Cuts), reduce expenditures by categories.”

Supervisor Caple: “The Board of Supervisors cannot dictate to the constitutional offices what to do. We allocate the funding and they decide how it’s spent.”

Supervisor Fly: “We need to look at Option 2.”

Supervisor Parker: “We need to look at overtime reduction. Cut all travel between now and June 30, 2010; cut out OLF money; cut reimbursements for Planning Commission until June 30, 2010 cut out training effective February 1, 2010; cut out reimbursement for meals.”

Supervisor Fly: "We can cut outside services, outside contributions."

Supervisor Parker: "Historically the Board has provided supplemental funding to the constitutional officers. What would the cost savings be if the Board cut the supplemental funding for the constitutional officers."

County Attorney Thompson: "Perhaps it is safer to do across the board cuts; after all the constitutional office have been included in the wage and salary program offered by the County."

Supervisor Tyler: "I don't think the Board could cut funding to constitutional officers." We cannot go by positions, but may be able to do something by departments."

Supervisor Fly: "I agree with Mr. Tyler, but all constitutional would have to be treated the same."

Supervisor Parker: "Across the Board cut on salaries."

Treasurer Woodruff: "The Board has supplemented the constitutional officers' salaries for some time now. The Board needs to quit playing games."

Supervisor Caple: "Maybe we can cut a percentage."

Supervisor Tyler: "This should be a management decision; we need to allow them to do what they need to do."

Dr. Harris: "If we had known this in October or November, the schools probably could have helped more."

Supervisor Fly: "We should cut salaries as the last resort; we need to cease spending on the OLF and industrial sites."

Supervisor Tyler: "I agree with your rationale, however while we are cutting on one end, we need to look at ways to generate revenue."

Supervisor Fly: "We probably need to go line by line and discuss these items further."

Supervisor Parker: "I would like for staff to schedule a meeting for department heads and constitutional officer to come before the Board and justify their budget."

Mr. Whitaker: “If we cut OLF and I-95 Industrial Park spending, the budget will be reduced by \$200,000.00.”

Supervisor Tyler: “I agree with Mr. Woodruff, we should treat everyone fairly and allow the department heads to determine how to manage their budget.”

Supervisor Parker: “The federal and state governments don’t cut across the Board.”

Supervisor Fly: “If we cut across the board, we will end up restoring funds again.”

Supervisor Birdsong: “We cut across the board initially, that didn’t work. Some departments came back and asked for restoration of funds. We need to stop riding on the fence and make some hard decisions.”

Supervisor Parker asked for a motion to cut across the Board.

ON MOTION OF SUPERVISOR HARRELL, seconded by SUPERVISOR FLY to not reduce the budget across the board.

Supervisor Birdsong suggested that it is too early to cut across the Board. The Board needs to let the Director of Finance calculate figures and see how much we actually need to cut.

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

Voting nay: Supervisor Tyler

Supervisor Parker: “How much can we realistically take out of the reserve?”

Mr. Whitaker: “If we take \$1.2 million, it would not bring the County to its knees, but Mr. Woodruff may have a different opinion.”

Mr. Woodruff: “We need to take drastic steps; perhaps a 3% to 5% reductions in salaries. This is fair to everyone, to get to the core of the problem.”

Supervisor Parker: “How many members of the Board are in favor of an across the board salary cut?”

Supervisors Fly and Harrell both advised that they agree, but need to see what Mr. Whitaker brings.”

Supervisor Caple: “I still say that we need to let the Department Heads manage their departments.”

Supervisor Tyler: "I don't think the Board of Supervisors should try to run the departments. All departments do not adhere to the same personnel policies. Let them manage their departments."

Treasurer, Woodruff: "Your theory is wrong. You don't give everyone the same increase; you all are playing politics."

Supervisor Tyler: "The Compensation Board funds the Constitutional Officers and the County also supplements them. Maybe some departments don't want to cut salaries, but let it be their decision."

ON MOTION ON SUPERVISOR OF HARRELL, seconded by SUPERVISOR FLY and carried: RESOLVED that the Sussex County Board of Supervisor hereby agrees to cut salaries across the board.

Voting aye: Supervisors Birdsong, Fly, Harrell, Parker

Voting nay: Supervisors Caple

Abstaining: Supervisor Tyler

Supervisors Birdsong: "The Board voted to give raises, they can vote to cut salaries."

County Attorney Thompson: "That motion is too vague; you all did not place an amount in the motion."

Supervisor Parker: "Other localities are cutting two to three million dollars from their budgets."

Supervisor Tyler: "There are three Constitutional Officers present at tonight's meeting; all of them may have different type of managerial styles. We need to allow them to do what's best for their departments. Why don't we let them speak?"

Mrs. Ramsey (Commonwealth's Attorney): "I prefer an across the board cut and let me make decisions for my department."

Supervisor Parker: "Employee morale is a key factor."

Supervisor Caple: "I don't understand why we are trying to tell department heads what to do and how to manage their budgets."

Supervisor Fly: "We need to address the County Administrator's salary."

Supervisor Parker: “That’s a task for the Personnel Committee. They also need to discuss the leave policy. Perhaps that can be discussed on February 4, 2010.”

Supervisor Tyler: “I would like to thank the Commonwealth’s Attorney for being so patient with the Board regarding office space for her staff.”

Mrs. Boone: “The Executive Director of the Sussex County Chamber of Commerce. We would be grateful if the Board could find space someplace here at the courthouse for them.”

Supervisor Fly: “Can we let them use the office on the second floor of the historic courthouse, that formerly used by the Deputy County Administrator?”

The Board, by general consensus asked Mrs. Boone to communicate with the Deputy County Administrator to see what they could work out.

RECESS

ON MOTION OF SUPERVISOR BIRDSONG, seconded by SUPERVISOR TYLER and carried: RESOLVED that the Sussex County Board of Supervisors shall hereby recess until 5:00 p.m. on February 4, 2010.

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

Voting nay: none