

**At A Finance Committee Meeting of the Sussex County Board of Supervisors
held in the Law Library, Sussex Judicial Center
May 4, 2011, 10:00 a.m.**

PRESENT

C. Eric Fly, Sr., Chairman, Finance Committee
Harris L. Parker, Chairman, Board of Supervisors
Rufus E. Tyler, Member, Finance Committee
George E. Morrison, III, Interim County Administrator
Raymond R. Bell, Sheriff
Deborah A. Davis, Assistant to County Administrator

ABSENT

T. Wayne Birdsong

Item 1. Call To Order

The May 4, 2011 meeting of the Sussex County Finance Committee was called to order by Chairman Fly.

Item 2. Approval of Agenda

ON MOTION OF SUPERVISOR TYLER, seconded by SUPERVISOR PARKER and carried: RESOLVED that the Sussex County Finance Committee hereby approves the agenda of the May 4, 2011 as presented by Committee Chairman Fly.

Voting aye: Supervisors Fly, Parker, Tyler

Voting nay: none

Absent: Supervisor Birdsong

Item 3. FYE 2011 Appropriation Recommendations 04/26/2011

Chairman Fly explained that at the last Finance Committee meeting a motion was made and carried to allocate the amount of \$170,500.00 for the purchase of land in Jarratt. The bill for the remaining amount has been received; Chairman Fly asked Supervisor Tyler to amend his motion to allocate the full amount of \$1,075,000.00 for the purchase of the property.

ON MOTION OF SUPERVISOR TYLER, seconded by SUPERVISOR PARKER and carried: RESOLVED that the Finance Committee hereby amends the motion adopted on April 26, 2011 to appropriate the amount of \$107,500.00 for the purchase of the land located at the intersection of Route 301 and Lebanon Church Road to \$1,075,000.00 and forward this recommendation to the Board of Supervisors for approval and appropriation.

Voting aye: Supervisors Fly, Parker, Tyler

Voting nay: none
Absent: Supervisor Birdsong

George E. Morrison, III, Interim County Administrator, asked Chairman Fly to add to the agenda, the Release of the Tobacco Commission Regional Opportunity Fund. The \$110,000.00 for Wood Fuel Developers, LLC, has already come into the County and cannot be held no longer than thirty (30) days.

Item 4. TROF Funds – Wood Fuel Developers, LLC

George E. Morrison, III, Interim County Administrator, requested that the Finance Committee approve, accept and appropriate the TROF Funds for Wood Fuel Developers, LLC. He explained that this grant money that the County received approximately two (2) weeks ago and Wood Fuel Developers, LLC have already signed paperwork. They are scheduled to complete the purchase of the former Waverly Particleboard Building by May 18, 2011. If the funds are released and Wood Fuel does not buy the property, there is a clause in the agreement that if they don't buy the property, the money is returned to the County with 3% interest and the County then returns the money to the Tobacco Commission.

ON MOTION OF SUPERVISOR PARKER, seconded by SUPERVISOR TYLER and carried: RESOLVED that the Finance Committee hereby recommends to the Board of Supervisors to approve of the authorization the release of TROF Funds in the amount of \$110,000.00 for Wood Fuel Developers, LLC.; and

Voting aye: Supervisors Fly, Parker, Tyler

Voting nay: none

Absent: Supervisor Birdsong

ON MOTION OF SUPERVISOR PARKER, seconded by SUPERVISOR TYLER and carried: RESOLVED that the Finance Committee does hereby recommend to the Board of Supervisors to accept the Tobacco Commission Regional Opportunity Fund Grant award for Wood Fuel Developers, LLC, in the amount of \$110,000.00, to be placed in the General Fund.

Voting aye: Supervisors Fly, Parker, Tyler

Voting nay: none

Absent: Supervisor Birdsong

ON MOTION OF SUPERVISOR PARKER, seconded by SUPERVISOR TYLER and carried: RESOLVED that the Finance Committee hereby recommends to the Board of Supervisors to appropriate the Tobacco Commission Regional Opportunity Fund Grant award for Wood Fuel Developers, LLC in the amount of \$110,000.00.

Voting aye: Supervisors Fly, Parker, Tyler

Voting nay: none

Absent: Supervisor Birdsong

Item 5. Budget Discussions

Chairman Fly expressed thanks to the Treasurer for stepping in and helping with the budget. He further explained that Mr. Jerry L. Whitaker, Director of Finance, left on Wednesday, April 27th, therefore the meetings which were scheduled for Thursday and Friday did not take place.

Onnie L. Woodruff, Treasurer, advised that with the help of George E. Morrison, III, Interim County Administrator, they were able to get on the former Finance Director's computer and get files on a disk. Mr. Woodruff distributed sheets that depicted budget adjustments made by the Board at the last meeting. He reviewed the Capital Projects Pending as follows:

<u>Total Project Cost</u>	<u>Project Description</u>	<u>Financing</u>
\$12,800,000.00	Elementary Schools	\$4,572,603.00
1,272,000.00	Commonwealth's Attorney's Bldg.	600,000.00
1,075,000.00	Land Route 301 (Jarratt)	1,075,000.00
	Land Peebles (Option 18 month (pending Tobacco Commission)	4,800,000.00

The Committee discussed the cost of the Courthouse Addition for the Commonwealth's Attorney's Office. The price has increased to \$1.572 million dollars.

Treasurer Woodruff stated the price for the Courthouse Addition is unprecedented. He suggested demolishing the old buildings that are not being used and build a new 2 story building for everyone. Another option is to look at land around the Courthouse to develop. If the Board is going to spend \$1.5 million dollars, go ahead and build a nice administrative building for the County that would house everybody. Everyone needs to be under one roof, which could save a lot of money.

Supervisor Parker advised that the Building and Grounds Committee had talked about several options. Currently trying to correct a wrong – had the people had this discussion years ago when the Courthouse was built, there would be no need for a discussion now. Out of all the options that the Building and Grounds Committee looked, it was decided that the best option to recommend to the Board is to add to the existing Courthouse where the Commonwealth's Attorney's office should have been initially.

Treasurer Woodruff suggested that someone consider the square footage of the proposed building and the number of staff that will occupy the building. He further stated that someone needs to be dealing with the architects and tell them what is needed: three (3) offices, a conference room and a reception area. He stated that he believes that the proposed building is four or five times larger than what it should be and get the costs back close to \$1 million dollars.

Supervisor Parker advised that is extra space for future growth. He also stated that he is willing to talk to Supervisor Birdsong to see if they can cut costs.

Supervisor Tyler suggested that maybe it is worth considering, to look at a plan that would include the Commonwealth's Attorney and Administration building, because down the road, something will need to be done with Administration. If there is space that is not being utilized adequately, could we not explore using that space with some type of secure walkway or enclosure from there to the courtroom?

Chairman Fly suggested that this is something that the full Board needs to discuss. Maybe it could be placed on the agenda later.

The Treasurer explained the FY 2011 Budget Adjustments as it relates to the Sheriff's Budget. He explained to the Sheriff that the same amount of fines and forfeitures have been budgeted that are planned to be received this year and placing the overtime money back in the budget to equate what he will expend this year with the theory that as long as the fine and forfeitures continue, the overtime money will be there.

(\$225,000.00 in overtime money has been included in the budget and \$825,000.00 has been projected in revenues. \$75,000.00 is the amount that will be increased in the budget).

\$68,000.00 is budgeted in the 911 line item – it was taken out of Public Safety budget but is incorporated in the Sheriff's budget.

Sheriff Bell explained that those funds are for equipment, so if something breaks down in the communication center, it is marked E911 and it is paid out of the Public Safety budget before it is transferred. The Eagle Mapping system now is in need of replacement and those funds were used to do things such as that. Per the Sheriff to eliminate some of the steps, the E911 funds were transferred over to the Sheriff's budget.

The Sheriff also talked about the walk-in freezer and lots of money is being spent to repair it and he has found one that will cost between \$9,000.00 and \$10,000.00. It is an outside walk-in freezer. The old one will be sold for scrap and place the money in the General Fund. The motor and cooling system does not work and has been difficult to find parts.

Supervisor Parker recommends that the Sheriff make the purchase using his department's building and grounds line item and should the Sheriff need to ask the Board for additional funds between now and June 30th, the Board will consider the request at that time.

The Sheriff reported that Selective Enforcement, as of today, has generated \$881,730.00, so his projection is \$1.1 million by the end of June 2011.

The Treasurer distributed and explained the FYE 2012 Budget Review. (A copy is retained in the May 4, 2011 Board file). He explained that the current debt service is at \$1.85 million, so what is borrowed will put the County over \$2 million dollars a year.

There was a detailed discussion regarding the discrepancy of the Housing Office proposed budget. Chairman Fly asked Mr. Morrison to produce a report that depicts the actual budget amount for Housing Programs.

Chairman Fly asked Mr. Morrison to check on the Payment in Lieu of Taxes.

County Attorney Thompson will also check on the Payment in Lieu of Taxes Payment from the Department of Corrections.

Item 6. Treasurer's Request for Position Salary Increase

Mr. Woodruff advised that in light of the staff person in his office that recently passed away, staff that comes to work in that position, people oftentimes work 15 months to 2 years. Once they get the experience, they leave. That position is budgeted at \$23,500.00. No one else that he is aware of in the County makes that. This person does a tremendous amount of work. She was a student and would have graduated from John Tyler and had been accepted at University of Richmond and would have still worked. He requested \$1,500.00 to increase the position to \$25,000.00, plus the benefits. He advised that he has a person coming into that position. The person is currently making \$27,000.00 and is working at the bank. The bank is changing, cutting hours and they have to work every other Saturday. She is willing to sacrifice some. If she comes on board and the economy picks up some, she is gone. The Treasurer stated that he would like to hire the person at the \$25,000.00.

The Treasurer also asked that if the County ends the fiscal year with an increase in revenues over expenditures, that the Finance Committee take a hard look and give everyone a \$1,000.00 bonus or give a percentage not to exceed \$1,000.00. There are employees with this year's budget that will be four years without a raise.

Supervisor Tyler advised that he thinks it is a nice thing to do because you want to keep good people. But she's the new person and is off on Saturdays, that's a fringe benefit. He further stated that he feels like he's between a rock and a hard place because Mrs. Drew had come before this Board, because of an increase in her credentials and we did not because of budget constraints.

Supervisor Fly advised that the Board denied her request for a salary increase because the Board had just spent \$10,000.00 helping her to get her degree.

Supervisor Tyler said that the Board still denied Mrs. Drew's increase. He suggested that the Treasurer include the request for \$1,500.00 in next year's budget. By that time, the Board could consider Mrs. Drew and everyone else.

Chairman Fly advised that if we moved the salary up now, it will not be an increase. If it's going to be done, it needs to be done now.

Supervisor Parker advised that it will cause less problems if it's done now, because it's not as much of an impact.

Chairman Fly suggested that the Finance Committee recommend to the Board to increase the annual salary for the Cashier/Clerk in the Treasurer's Office to \$25,000.00 and place this item on the May 19, 2011.

Supervisor Tyler advised that he has spoken to Mrs. Drew regarding an increase in salary for her, but he cannot support what is being recommended. He also stated that perhaps this request could be included in next year's budget.

Mr. Woodruff asked the Committee to leave it like it is. He advised that the Cashier/Clerk will have to learn to do a lot of research information.

Supervisor Tyler asked that the Committee not act on this issue, but act at the Board meeting.

By general consensus, the Committee agreed to place it on the Board's agenda.

George E. Morrison, III, Interim County Administrator, advised that some staff has come to him and made some proposals about some things, since gas prices are climbing extremely high. Possibly to look at going to a four day work week during the summer; also a request for an increase or a one time bonus. During the Retreat, it was mentioned the Board could look at doing something in December so that the County would show some appreciation for employees. That might be the appropriate time; perhaps we should take this to the Personnel Committee.

Chairman Fly asked if the County could function on a four day work week. And what day would we close? What day do we have the citizens come out here and say that no one is here?

George E. Morrison, III, Interim County Administrator, advised that as small as we are, it will be hard to go to rotating days. It will be hard because we have such limited staff and I don't think that's going to work. Some localities shut down on Monday because there are several Monday holidays; some do Fridays because most folks take off Fridays anyway.

Item 7. Recess

ON MOTION OF SUPERVISOR TYLER, seconded by SUPERVISOR FLY and carried: RESOLVED that the May 4, 2011 meeting of the Finance Committee is hereby recessed until 7:00 p.m. on Thursday, May 19, 2011.

Voting aye: Supervisors Fly, Parker, Tyler

Voting nay none:

Absent: Supervisor Birdsong