

VIRGINIA: A CONTINUED MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS HELD IN THE GENERAL DISTRICT COURTROOM OF THE COUNTY GOVERNMENT CENTER ON APRIL 22, 2010 AT 7:00 P.M.

PRESENT: SUPERVISOR REGINALD O. HARRISON, CHAIRMAN
SUPERVISOR JOHN M. SEWARD, VICE-CHAIRMAN
SUPERVISOR ERNEST L. BLOUNT
SUPERVISOR M. SHERLOCK HOLMES
SUPERVISOR JUDY S. LYTTLE

ABSENT: SUPERVISOR M. SHERLOCK HOLMES

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR
MR. JOHN B. EDWARDS, JR., ASST. COUNTY ADMINISTRATOR
MRS. MELISSA D. ROLLINS, DIRECTOR OF FINANCE & TECHNOLOGY
MS. RHONDA R. MACK, COMMUNITY DEVELOPMENT DIRECTOR
MR. WILLIAM HEFTY, COUNTY ATTORNEY
SHERIFF HAROLD D. BROWN
MRS. DEBORAH NEE, COMMISSIONER OF REVENUE
MR. STACEY WILLIAMS, BUILDING OFFICIAL

CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE

The meeting was called to order by Chairman, Reginald O. Harrison. Mr. Harrison requested a moment of silence. Following the moment of silence, he asked the citizens to stand and say the pledge of allegiance.

PROGRESS REPORTS

1. County Administrator

- A. Mr. Tyrone Franklin addressed the Board calling their attention to correspondence from Mrs. Sopenhia Pierce, director of the Surry County Office on Youth requesting that the Board consider a resolution proclaiming 2010 as the ***Year of the Family***. Resolution 2010-11 would be effective retroactively from January 1, through December 31, 2010.

By the adoption of this resolution, the County would demonstrate its awareness and support of this endeavor as advocated by youth and family organizations within the County. This resolution will further acknowledge that April is Child Abuse Prevention Month across the state of Virginia. The ***Year of the Family*** initiative is one of Surry County's responses to state efforts aimed at promoting safe and stable families in which our youth can live and grow.

Supervisor Judy Lyttle made a motion that the Board adopt Resolution 2010-11; Supervisor John Seward seconded the motion. Supervisors Harrison, Blount, Lyttle and Seward voted affirmatively to adopt the resolution.

- B. Commissioner of Revenue, Mrs. Deborah Nee, addressed the Board concerning correspondence she had received from County resident and business owner, Mr. Andrew Drew, requesting that the County consider making an adjustment in the personal property tax rate for buses. Mrs. Nee provided the Board with pertinent information regarding the Code of Virginia, Section 58.1-3506 (A) (39), Section 58.1-2652, Section 58.1-2658, and Section 58.1-2654. She also discussed assessed values of buses located in the County and calculated the projected revenues at various tax rates. Mrs. Nee went on to explain the “rolling stock” tax rate available through the State Corporation Commission and how these taxes are assessed.

Following some discussion, Mrs. Lyttle suggested that the Board attempt to communicate with Mr. Drew regarding this issue before action was taken. Mr. Franklin agreed to contact Mr. Drew and report back to the Board at a later date. No action was taken by the Board at this time.

- C. Mrs. Melissa D. Rollins, Finance Director, presented the preliminary County Administrator’s Recommended Budget to the Board. She began by reminding the Board that the consolidated budget is still a work in progress and expressed thanks to the County’s department heads for working so diligently to find areas of savings and efficiency during the challenging budget preparation process. Mrs. Rollins took a moment to announce to the accessibility of the County’s new website: www.surrycountyva.gov.

A copy of Mrs. Rollins’ presentation is included as an integral component of the April 22, 2010 minutes.

Following Mrs. Rollins’ presentation discussion ensued with Supervisor Lyttle stating that she was not pleased to be raising taxes. Supervisor Harrison suggested that the County continue to investigate cost cutting measures and efficiencies, but that in light of the revenue short-fall a slight raise in taxes may be necessary at this time. Mrs. Rollins reminded the Board that Surry County has one of the lowest personal property tax rates when compared with other local jurisdictions.

Board members and staff went on to discuss disposal service rates, guidelines for the use of fund balance reserve, and funding of emergency services. Supervisor Lyttle made a motion that County staff pursue “Bill

for Service” medical rescue services and report back to the Board. Supervisor Seward seconded the motion; Supervisors Harrison, Blount, Lyttle and Seward voted unanimously in support of the motion. Mrs. Lyttle expressed concern regarding cuts in the budget which would eliminate the ability to provide salary increases for school system employees. Chairman Harrison stated that it would be counterproductive to raise taxes for employees who live in the county in order for employees who live out of the county, and don’t have to pay the additional taxes, to receive the benefit.

- D. Ms. Rhonda Mack, Planning and Community Development Director, and Mrs. Frances Bailey, Project Coordinator, presented information to the Board concerning a suggested sale of Real Property. The Planning Department is requesting permission to hold a public hearing on May 6, 2010 to hear citizen comments regarding the sale of property located in the Elberon Heights subdivision at 146 Elberon Heights Road. The Surry County Board of Supervisors purchased Lot 39A-1-11 located in the Elberon Heights Subdivision, off St. Rt. 666, in May of 2008 for \$37,000.00. The lot is located in the Cobham Magisterial District and consisted of 1.72 acres. A deed was issued for the lot on June 11, 2008 and recorded in the Circuit Court on July 3, 2008. After the property was acquired a utility lot was subdivided out leaving a ±1.68 acre parcel which Ms. Georgia Birchette, an area resident, wishes to purchase.

A copy of Mrs. Bailey’s presentation is included as an integral component of the April 22, 2010 minutes.

Supervisor Blount made a motion that the Board schedule a Public Hearing as recommended by the Planning Department on May 6, 2010. Supervisor Lyttle seconded the motion; Supervisors Harrison, Seward, Blount and Lyttle voted affirmatively to approve the motion.

- E. Mr. Tyrone Franklin stated that he had mixed feelings in regard to the next item on the agenda. While he is happy for Sheriff Brown and wishes him a pleasant retirement, he is sad that the County is losing a valuable public servant. Mr. Franklin read Resolution 2010-12 recognizing Sheriff Brown for his accomplishments and 31 years of service to the County and its citizens. Supervisor Lyttle made a motion that the Board approve Resolution 2010-12, which was seconded by Supervisor Seward. The Board voted unanimously to approve the resolution.

Mr. Franklin also advised the Board of provisions in the Code of Virginia which allow an officer with a state agency who retires after 20 or more years of service to purchase the service handgun issued to him by the

agency from which he retires for a purchase price of \$1.00. Supervisor Seward made a motion that the Board allow Sheriff Brown to purchase his 40 caliber semi-automatic handgun (serial number SP0046161) along with one gun lock and two clips for \$1.00. This motion was seconded by Supervisor Blount seconded the motion; Supervisors Harrison, Lyttle, Seward and Blount voted in favor of the motion.

Sheriff Harold D. Brown addressed the Board stating that he would miss the people he had worked with for these many years. He expressed thanks to his wife, who was present in the audience, for her support throughout his career. Sheriff Brown also expressed thanks to the Board for the close working relationship he had had with them for many years, and stated that it had been an honor to serve the citizens of Surry County for the past 31 years. The Sheriff thanked Mr. John Edwards, Assistant County Administrator, and Mr. Bill Hefty, County Attorney, for their help and support during his career also. Board members and County staff wished Sheriff Brown well and congratulated him on his retirement.

Mr. Franklin then notified the Board that when a constitutional officer resigns a special election must be scheduled to fill that position. He introduced Resolution 2010-13 which would petition the Circuit Court to issue a writ of election to fill the vacancy through a special election scheduled at the same time as the general election, which will be held on November 2, 2010. Supervisor Blount addressed corrections required in the document; specifically, the names of the Board members. This being noted, Supervisor Blount made a motion that the Board approve Resolution 2010-13; the motion was seconded by Supervisor Seward. Supervisors Harrison, Lyttle, Blount and Seward voted in favor of the motion to approve Resolution 2010-13.

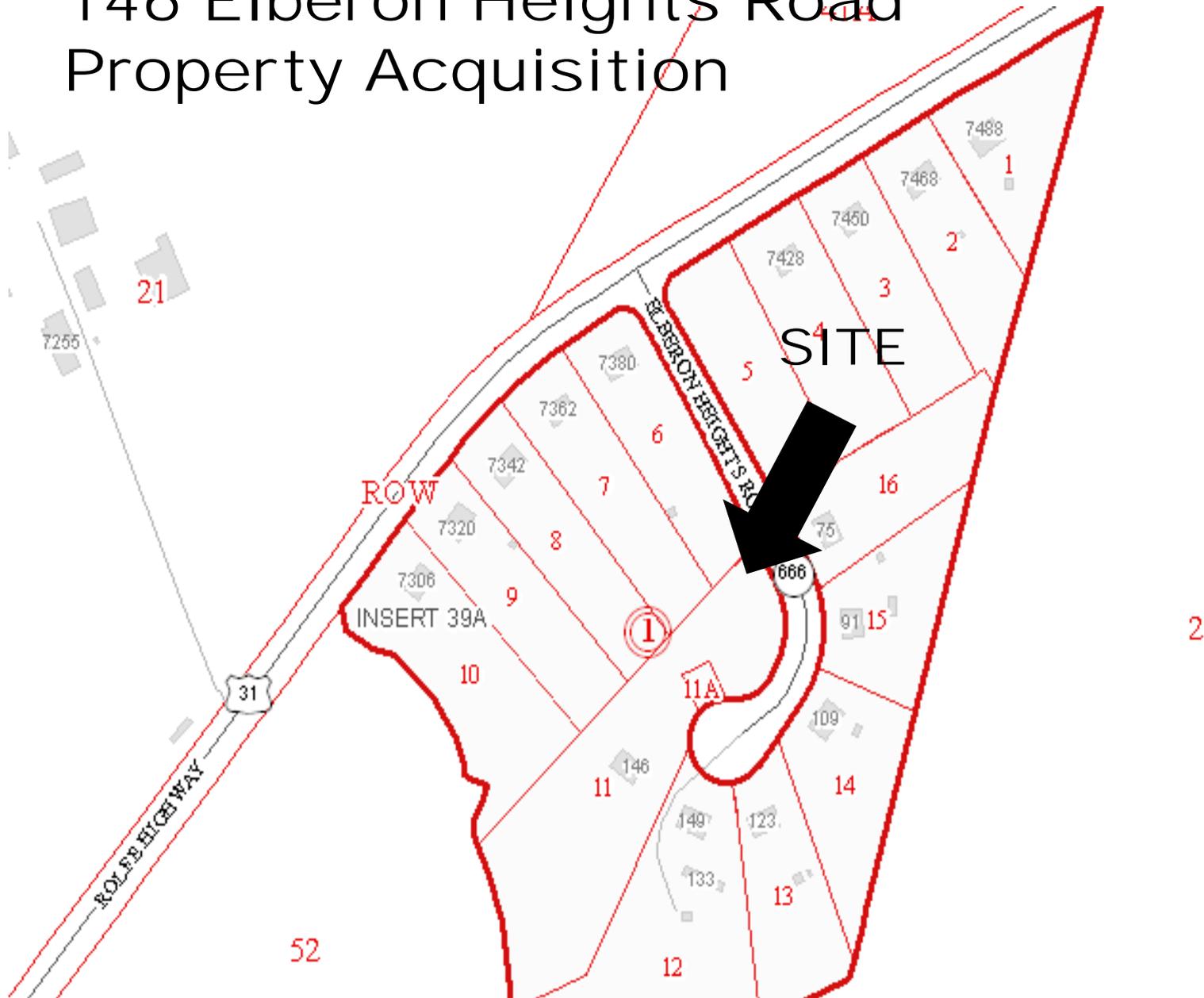
Supervisor Lyttle commented that the recently held VACo Regional Spring Meeting had been successful as area officials were able to share their concerns. She suggested making a request to meet again for the purpose of identifying a few specific concerns which would be of interest to the majority of localities and discussing actions that could be taken to resolve or express these concerns at the state or federal level. Supervisor Harrison suggested that the Board consider a work session to consider which issues would be of greatest concern.

Mr. Franklin called the Board's attention to an item included in their Board packets as a matter of information addressing changes being made within the Virginia Department of Transportation.

ADJOURNMENT

There being no further business, Supervisor Seward moved that the meeting be adjourned; Supervisor Blount seconded the motion. Supervisors Lyttle, Seward, Blount and Harrison voted in favor of the motion

146 Elberon Heights Road Property Acquisition



- Acquired by Surry County May 2008
- Terms \$37,000.00
- Pump station utility lot subdivided from parcel to facilitate wastewater system design.
- Significantly damaged residential unit remains on site.
- Area resident displaced due to fire and Elberon Heights Comprehensive Improvement Grant desires to acquire property using relocation benefits received from grant proceeds in lieu of rental payments over multi year period.
- Property will be rehabilitated using Indoor Plumbing Housing Rehab program funds.
- Authorization requested to hold public hearing at May 5, 2010 meeting for sale of real property.

146 Elberon Heights Road



133 Elberon Heights Road







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PRESENTATION OF
PRELIMINARY RECOMMENDED BUDGET
FY 2010-2011

APRIL 22, 2010

Budgetary Highlights

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- Ratio – 100%
- Stable Real Estate Assessment
- Tax rate Increase – \$0.74 per 100 of assessed value
- As per directives – no increase in current operating budgets – reductions implemented (includes no salary increases)
- Decreases in state revenue
- Adjustments to fee rate structure – Water & Sewer rates and trash disposal fees for businesses

Meeting Fiscal Challenges

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- Finding/creating efficiencies
- Implementing budget reduction strategies
- Reviewing vacant positions for elimination
- Fee rate structure – impacts Water & Sewer rates & waste collection fees for businesses
- Limiting capital projects funded by general fund sources
- Protecting local funding to education
- Communicating matters pertaining to the budget to department heads and employees

Recommended Tax Rate - \$0.74

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□ Tax Rate History

Fiscal Year	Real Estate Rate	Personal Property
FY 09-10	\$0.70	\$3.50
FY 08-09	\$0.70	\$3.50
FY 07-08	\$0.70	\$3.50
FY 06-07	\$0.84	\$3.50
FY 05-06	\$0.77	\$3.50
FY 04-05	\$0.80	\$3.50
FY 03-04	\$0.75	\$3.50

Current Tax Rates – Other Jurisdictions

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Locality	Real Estate Rate	Personal Property
Charles City	\$0.82	\$3.50
Dinwiddie	\$0.68	\$4.90
New Kent	\$0.73	\$3.75
James City	\$0.77	\$4.00
Hopewell	\$1.09	\$3.05
Southampton	\$0.72	\$4.50
Prince George	\$0.80	\$4.00
Sussex	\$0.52	\$4.85

Increasing the Tax Rate – Budget Impact

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- Accommodates funds needed for debt service
 - ▣ FY 10 payment increased by \$961,000
- Avoids heavy reliance on fund balance reserves
 - ▣ Anticipated decrease in FY10 - \$1.2 million
- Maintains nearly local level appropriation to School Fund
 - ▣ Funds all but \$93K of the FY10 amount or \$11.60 mil
- Avoids reductions to some outside agencies as Regional Library, District 19, Williamsburg Area Transit & Fire & Rescue Agencies

Increasing the Tax Rate – Budget Impact

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- Maintains nearly local level appropriation to Social Services – funds all but \$10,000
- Avoids reductions to locally funded capital projects already committed to in prior budgets
 - Broadband, solid waste management
- Will not support personnel increases with the exception of the minimum required for fringe benefits

County of Surry FY 10-11 Preliminary Recommended Budget

PRELIMINARY REVENUE BY SOURCE

Local	\$	19,823,058
Federal	\$	1,928,654
State	\$	5,673,693
Operating Carryover	\$	79,160
Fund Balance Reserves	\$	350,259
Total Operating Revenue	\$	27,854,824

EXPENDITURE REQUESTS BY FUND

General Operating Fund	\$	7,143,655
Special Revenue Funds	\$	306,660
Debt Service Fund	\$	1,756,019
<i>Subtotal General Fund</i>	<i>\$</i>	<i>9,206,334</i>
Water & Sewer Fund	\$	212,710
Social Services Fund	\$	2,242,585
School Operating Fund	\$	16,193,195
Total Operating Expenditures	\$	27,854,824

Deficit between Budget Requests and Projected Revenue Presented in March was \$1.7 mil.

Each one cent in the current tax rate will generate approx. \$234,000

Budget Variance **\$** **-**

County of Surry
 FY 10-11 Budget Request & Recommended Summary
 Operating Budget

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	FY 09-10 Adopted Budget	FY10-11 Budget Requests	FY10-11 Recomm. Budget	NET CHANGE FY 11 Recomm. Over FY 10 Adopted	
General Gov't Administration	1,625,011	1,761,664	1,650,663	25,652	1.58%
Judicial Administration	417,473	428,272	413,844	(3,629)	-0.87%
Public Safety	2,545,217	2,667,706	2,506,119	(39,098)	-1.54%
Public Works	1,183,745	1,034,929	1,091,502	(92,243)	-7.79%
Health & Welfare	500,635	545,670	486,536	(14,099)	-2.82%
Parks & Recreation	535,468	566,646	539,863	4,395	0.82%
Community Development	466,190	475,652	455,128	(11,062)	-2.37%
Special Funds	321,279	306,660	306,660	(14,619)	-4.55%
Debt Service	1,805,244	1,661,019	1,756,019	(49,225)	-2.73%
Total General Operating Fund	9,400,262	9,448,218	9,206,334	(193,928)	-2.06%
ENTERPRISE FUND	197,257	227,709	212,710	15,453	7.83%
VPA FUND	2,250,599	2,253,729	2,242,585	(8,014)	-0.36%
SCHOOL FUND	16,792,792	16,286,253	16,193,195	(599,597)	-3.57%
TOTAL OPERATING BUDGET	28,640,910	28,215,909	27,854,824	(786,086)	-2.74%

County of Surry
 FY 10-11 General Fund - Requests versus Recommendation
 Closing the \$1.7 mil Budget Gap

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	FY 09-10 Adopted Budget	FY10-11 Budget Requests	FY10-11 Recomm. Budget	NET CHANGE FY 11 Recomm. Over FY 10 Adopted	
General Gov't Administration	1,625,011	1,761,664	1,650,663	(111,001)	-6.83%
Judicial Administration	417,473	428,272	413,844	(14,428)	-3.46%
Public Safety	2,545,217	2,667,706	2,506,119	(161,587)	-6.35%
Public Works	1,183,745	1,034,929	1,091,502	56,573	4.78%
Health & Welfare	500,635	545,670	486,536	(59,134)	-11.81%
Parks & Recreation	535,468	566,646	539,863	(26,783)	-5.00%
Community Development	466,190	475,652	455,128	(20,524)	-4.40%
Special Funds	321,279	306,660	306,660	0	0.00%
Debt Service	1,805,244	1,661,019	1,756,019	95,000	5.26%
Total General Operating Fund	9,400,262	9,448,218	9,206,334	(241,884)	-2.57%
ENTERPRISE FUND	197,257	227,709	212,710	(14,999)	-7.60%
VPA FUND	2,250,599	2,253,729	2,242,585	(11,144)	-0.50%
SCHOOL FUND	16,792,792	16,286,253	16,193,195	(93,058)	-0.55%
TOTAL OPERATING BUDGET	28,640,910	28,215,909	27,854,824	(361,085)	-1.26%

Balancing the Budget

Closing the \$1.7 mil Operating Gap - Based on \$0.74

Excess of Requests over Revenue	\$	(1,741,662)
General Fund Deductions	\$	271,999
School Fund Deductions	\$	93,057
Social Service Deductions	\$	11,144
Subtotal - Deficit	\$	(1,365,462)
Tax Rate Increase to \$0.74	\$	940,000
Revision to other Revenue	\$	12,302
Carryover - Special Fund	\$	79,160
Use of Fund Balance Reserve*	\$	334,000
Deficit Balanced to Zero	\$	-

*Factor in Fund Balance for Capital Projects - \$964,000

County of Surry
 FY 10-11 Budget Highlights
 Preliminary Revenue Projections

What are the preliminary funding sources?

Primary Government	FY 09-10 Budget	FY 09-10 Expected	FY10-11 Projected	FY 11 Projected vs. FY 10 Projected	
SUMMARY					
Local	\$19,179,743	\$18,844,219	\$19,746,058	901,839.00	4.79%
Federal	\$1,809,444	\$2,004,727	\$1,928,654	(76,073.00)	-3.79%
State	\$6,290,500	\$6,192,355	\$5,613,693	(578,662.00)	-9.34%
Total All Sources	\$27,279,687	\$27,041,301	\$27,288,405	\$247,104	0.91%

Local - 72%, State - 20% & Federal - 8%

County of Surry
 FY 10-11 Budget
 Preliminary Revenue Projections

LOCAL SOURCES

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Local Sources	FY 09-10 Budget	FY 09-10 Estimated	FY10-11 Projected	Variance FY 11 Projected Over FY 10 Estimated	
Real estate	\$6,044,185	\$6,041,016	\$6,457,168	416,152.00	6.89%
Public Service	\$10,710,133	\$10,347,250	\$10,938,622	591,272.00	5.71%
Personal property	\$958,136	\$1,050,552	\$988,024	(52,528.00)	-5.00%
Penalty & Interest	\$107,000	\$122,642	\$110,378	(12,264.00)	-10.00%
Other Local Taxes	\$656,030	\$692,000	\$657,107	(34,893.00)	-5.04%
Use of Money & Property	\$247,210	\$127,210	\$127,210	0.00	0.00%
Other Local Sources	\$157,049	\$163,549	\$157,649	(5,900.00)	-3.61%
Total All Sources	\$18,879,743	\$18,544,219	\$19,446,058	\$901,839	4.86%

Variance between FY10 budgeted and estimated local revenue in the General Fund is (\$346,000)

County of Surry
 FY 10-11 Budget
 Preliminary Revenue Projections

STATE SOURCES

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State Sources	FY 09-10 Budget	FY 09-10 Estimated	FY10-11 Projected	Variance FY 11 Projected Over FY 10 Estimated	
Non Categorical Aid	\$712,907	\$700,000	\$710,907	10,907.00	1.53%
Shared Expenses	\$880,459	\$807,524	\$810,177	2,653.00	0.33%
Welfare Admin.	\$569,694	\$550,000	\$569,338	19,338.00	3.40%
Other State Aid	\$155,204	\$155,204	\$179,561	24,347.00	13.56%
Total All Sources	\$2,318,264	\$2,212,728	\$2,269,973	\$57,245	2.52%

Variance of FY10 budget vs. expected – (\$106,000)

Revised Impact of Shared Expenses
 – Across the Board Reductions
 Implemented by the State

Office	Across-the-Board Reduction %	Revenue Impact
Sheriff	6.81%	51,577
Commonwealth Attorney	8.51%	8,762
Circuit Court	3.94%	4,000
Treasurer	22.86%	15,000
Commissioner of Revenue	17.94%	15,661

- Sheriffs – 6% cut from current yr.
- Commonwealth's Attorneys – 4% cut from current yr.
- Commissioners – 14.8% cut from current yr.
- Treasurers – 18.7% cut from current yr.
- Clerks – 1% cut from current yr.

General Fund Expenditure Highlights

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- Includes \$30,000 for a Water & Sewer Study
- Eliminates \$90,000 for a Reassessment in 2011
- Increases Legal Fees for OLF by \$50,000
- Eliminates a vacant dispatch position - \$34,000
- Provides \$28,000 in contractual services for courthouse security
- Eliminates part –time position in animal control
- Reduces cost of contractual services for anticipated cost reductions is disposal fees

General Fund Expenditure Highlights

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- Moves landfill closure fees - \$30,000 to operating costs
- Includes various cost reductions in Building & Grounds based on FY10 actual costs - \$50,000
- Consolidates Maintenance & Sanitation Supervisor's positions
- Includes funding for vehicle acquisition (2) - \$25,000

County of Surry
 FY 10-11 Budget Requests & Recommendation
 School Fund

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	Fiscal Year 2009-2010		Fiscal Year 2011		NET CHANGE	
	Adopted Budget	Amended Budget	Budget Request	Budget Recomm.	FY 11 Recommended Over FY 10 Adopted	
School System						
Instruction	10,918,676	11,118,675	10,600,050	10,600,050	(318,626)	-2.92%
Administration & Health	887,048	887,048	841,362	826,161	(60,887)	-6.86%
Pupil Transportation	1,246,100	1,246,100	1,235,428	1,212,919	(33,181)	-2.66%
Operation & Maintenance	1,892,249	1,892,249	1,867,641	1,833,731	(58,518)	-3.09%
Food Services	628,899	628,899	628,137	614,487	(14,412)	-2.29%
Debt Services	334,198	334,198	264,890	264,890	(69,308)	-20.74%
Technology	885,622	885,622	848,745	840,957	(44,665)	-5.04%
Total Expenditures	16,792,792	16,992,791	16,286,253	16,193,195	(599,597)	-3.57%
State	3,972,236	3,972,236	3,343,780	3,343,780	(628,456)	-15.82%
Federal	826,904	1,026,903	948,821	948,821	121,917	14.74%
Local	300,000	300,000	300,000	300,000	0	0.00%
Local Appropriation	11,693,652	11,693,652	11,693,652	11,600,594	(93,058)	-0.80%
Total Revenue	16,792,792	16,992,791	16,286,253	16,193,195	(599,597)	-3.57%

Recommended Local Appropriation will reflect 72% of the total budget

Capital Budget Overview

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FY2011 Project Expenditures by Category

Broadband Project	\$	900,000
Solid Waste Management Collection	\$	255,000
Solid Waste Equipment Purchase	\$	150,000
Recreation Center Improvements	\$	50,000
Sanitary System Improvements	\$	600,000
Public Safety-E911 Center Upgrades	\$	640,000
Road Improvements	\$	50,000
Grand Total: Project Expenditures	\$	2,645,000

FY2011 Revenue Sources

General Fund Operating Revenue		
Carryover - FY 2010	\$	525,000
Fund Balance Reserves	\$	180,000
Total General Fund Revenues	\$	705,000
Other Revenues		
State Grant	\$	850,000
Federal Grant	\$	600,000
Other Financing Source	\$	490,000
Total Other Revenue Sources	\$	1,940,000
Grand Total: Project Revenues	\$	2,645,000

Important Dates

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Date	Budget Item
April 22, 2010	County Administrator Presents Preliminary FY10-11 Proposed Budget
May 6, 2010	Public Hearing on School System Budget
May 6, 2010	County Administrator Presents Final FY2010-2011 Recommended Budget for advertisement of public hearing
May 20, 2010	Public Hearing on the Proposed FY10-11 Budget and Five Year Capital Improvement Plan & Action on the FY 10-11 School Budget
June 3, 2010	Action on FY10-11 Consolidated Budget & Five Year CIP