

VIRGINIA: A REGULAR MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS HELD IN THE GENERAL DISTRICT COURTROOM OF THE COUNTY GOVERNMENT CENTER ON JUNE 3, 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

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR  
MRS. MELISSA D. ROLLINS, DIRECTOR OF FINANCE & TECHNOLOGY  
MR. WILLIAM HEFTY, COUNTY ATTORNEY  
MR. JOHN B. EDWARDS, ASSISTANT COUNTY ADMINISTRATOR  
MRS. VALERIE PIERCE, DIRECTOR OF SOCIAL SERVICES  
MS. RHONDA R. MACK, COMMUNITY DEVELOPMENT DIRECTOR  
MRS. MARY SHAW, TREASURER  
MRS. DEBORAH NEE, COMMISSIONER OF REVENUE  
SHERIFF ALVIN CLAYTON  
MR. STACEY WILLIAMS, BUILDING OFFICIAL  
MR. ERVIN JONES, PARKS AND RECREATION DIRECTOR

#### **CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE**

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

#### **CONSENT ITEMS**

1. Approval of May 6, 2010 Minutes
2. Approval of May 13, 2010 Minutes
3. Approval of May 20, 2010 Minutes
4. Approval of May 27, 2010 Minutes
5. Approval of June, 2010 Accounts Payable

	Accounts Payable	Additional	Total
General Fund	\$116,675.25	\$24,955.86	\$141,631.11
Debt Service	\$0.00	\$0.00	\$0.00
Capital	\$34,647.41	\$33,395.35	\$68,042.76
Water & Sewer	\$2,085.08	\$12,595.33	\$14,680.41
Indoor Plumbing	\$0.00		\$0.00
Totals	\$153,407.74	\$70,946.54	\$224,354.28

## 6. Appropriation Requests

School System - June 2010	\$3,195,922.00
Dept. of Social Serv. - June 2010	\$170,000.00

Supervisor Seward made a motion that the Board approve all Consent Items as enumerated. Supervisor Holmes seconded the motion; Supervisors Harrison, Lyttle, Blount, Seward and Holmes voted unanimously to approve.

## PROGRESS REPORTS

### 1. VDOT

There was no representative from VDOT in attendance.

### 2. Treasurer

A. INVESTMENT LETTER: Chairman Reginald Harrison read the investment letter submitted by Mary H. Shaw, Treasurer. He stated that as of May 3, 2010 the county had \$11,271,381.48 in the LGIP Fund. As of April, 2010, interest had accrued in the amount of \$2,051.97 increasing that balance to \$11,273,433.45. On May 27, 2010 the county transferred \$1,500,000.00 from LGIP to the General Fund, leaving a balance of \$9,773,433.45 in the Local Government Investment Pool. Chairman Harrison stated that as of June 3, 2010, the county had \$11,773,433.45 in total investments.

Mr. Tyrone Franklin invited Mrs. Shaw to address the Board with information regarding collections of delinquent taxes. Mrs. Shaw reviewed the following information with the Board:

Fiscal Year	Tax Type	Penalty	Interest	Total
2007/2008	Real Estate	\$33,703.90	\$73,057.83	\$106,761.73
2007/2008	Personal Property	\$13,593.68	\$18,324.66	\$31,918.34
2008/2009	Real Estate	\$31,629.13	\$58,799.82	\$90,428.95
2008/2009	Personal Property	\$24,550.81	\$21,288.80	\$45,839.61
2009/2010	Real Estate	\$27,278.22	\$51,170.26	\$78,448.48
2009/2010	Personal Property	\$19,952.18	\$20,742.01	\$40,694.19
<b>TOTALS:</b>		<b>\$150,707.92</b>	<b>\$243,383.38</b>	<b>\$394,091.30</b>

Mrs. Shaw continued the discussion of collections by introducing another opportunity available to the County to collect delinquent taxes owed by individuals who may no longer be residents of the County or who may have disposed of taxable assets. This service is provided at no cost to the County. Mrs. Shaw presented information to the Board regarding Virginia Auction Company, Inc. and their process of collection.

Mr. Roy Black of the Virginia Auction Company, Inc. was present to further explain the company's processes to the Board. Mr. Black stated that VAC can seize property only at the direction of the Treasurer's office and hold that property until such time as delinquent taxes have been paid. If taxes remain

unpaid, VAC has the ability to sell the property at public auction to satisfy the debt. The taxpayer is charged a 20% service fee along with any out-of-pocket costs incurred by VAC as mandated by State law. Mr. Black reported that his company services the cities of Portsmouth and Suffolk as well as the county of Isle of Wight.

Mr. Hefty, County Attorney, reminded the Board that Virginia Auction Company, Inc. cannot be employed without Board approval and that a Request for Proposals must be published to solicit bids from similar service organizations before awarding a contract to VAC.

### 3. County Administrator

A. Mr. Franklin presented correspondence from Mr. Joseph E. Hubbard, Executive director of District 19 Community Services Board of Directors, requesting the appointment of a new member to replace Dr. Marion Wilkins whose term expires on June 30, 2010. Dr. Wilkins has served three full terms and is, therefore, not eligible for re-appointment. This item was tabled at the Board's meeting on May 6, 2010.

Mr. Franklin reported that Supervisor Lyttle had expressed an interest in serving as the Board's appointee; however, Mr. Hefty suggested that he conduct further research into whether or not Mrs. Lyttle would be eligible for such an appointment.

B. Mr. Franklin presented correspondence from Mr. Hefty requesting the appointment of a member and alternate to the Riverside Regional Jail Authority for a term beginning July 1, 2010 and expiring on June 30, 2014. Resolution 2010-17, if approved, will name Mr. Tyrone Franklin as a member and Mrs. Melissa Rollins as an alternate to the Riverside Regional Jail Authority.

Supervisor Lyttle made a motion that the Board approve Resolution 2010-17 appointing Mr. Franklin as a member and Mrs. Rollins as an alternate to the Riverside Regional Jail Authority. The motion was seconded by Supervisor Seward; Supervisors Harrison, Holmes, Blount, Lyttle and Seward voted affirmatively.

C. Mr. Franklin called the Board's attention to correspondence from the Virginia Retirement System advising them that the Virginia General Assembly, in its 2010 session, passed legislation implementing new plan provisions for employees hired or rehired on or after July 1, 2010 with no prior VRS service. The new plan is called VRS Plan 2. Legislation stipulates that Plan 2 employees pay the 5% member contribution through salary reduction on a pre-tax basis according to the Internal Revenue Code §414(h); however, the locality may elect to pay some or all of the 5% member contribution on behalf of VRS Plan 2 employees. Mr. Franklin went on to discuss how other area localities were addressing this issue, and further explained that currently Surry County pays the 5% member contribution for all full-time employees and recommended that the Board continue to do so for new employees.

County Attorney, Mr. William Hefty, provided the Board with some background information regarding this issue and further explained that the Board's decision could result in two classes of employees as the status of employees hired prior to July 1, 2010 could not be changed. Mr. Hefty went on to explain that enrollment in VRS is not optional; if an employee is full-time, they are automatically enrolled. A percentage of the total contribution for each employee is paid by the employer and a percentage is the responsibility of the employee. Currently Surry County pays both portions or the total contribution for each full-time employee and this cannot be changed. He further advised that the County could establish the rate of employee contribution at any percentage up to 5%.

Supervisor Seward suggested that the Board take more time to evaluate the issue; however, Mr. Hefty pointed out that a decision is required by June 30, 2010. Mr. Franklin recommended the Board take action on the matter this evening. Supervisor Lyttle made the motion that the Board require employees hired after July 1, 2010 with no prior VRS service to pay the 5% member contribution according to the terms of the legislation. Supervisor Seward seconded the motion; Supervisors Lyttle, Blount and Seward voted affirmatively, Supervisors Harrison and Holmes abstained.

D. Mr. Franklin requested that Mrs. Melissa Rollins present the next two items on the agenda; the proposed tax increase and the proposed consolidated budget.

Prior to Mrs. Rollins' presentation, Chairman Harrison solicited comments from Board members. Supervisor Lyttle stated that she had had an opportunity to meet with the Finance Department and that she was confident that they had already made some prudent decisions in recommended savings. Although she could recommend no new cuts, Supervisor Lyttle stated that she felt the Board should consider alternatives to tax increases to produce more revenue for the County.

Supervisor Seward remarked that if members supported the budget expenditures as recommended, then they must also support the means to generate revenue to meet those expenditures.

Mr. Hefty recommended that the Board consider adoption of the tax rate first in order to fix the revenue amount, and then consider adoption of the consolidated budget to match the revenue.

Supervisor Holmes stated that the Board should not adopt a lower tax rate without evidence of where additional revenue could be obtained.

Supervisor Lyttle suggested that the County's spending patterns are usually lower than budgeted expenditures and that the County had enough money to continue to operate without having to put more of a burden on taxpaying citizens.

Mrs. Rollins began her presentation with a discussion of the proposed tax rate increases and carefully pointed out that as the County considered raising the Personal Property rate from \$3.50 per \$100 assessed value to \$4.00 per \$100 assessed value, staff had also recommended raising the Personal Property Tax Relief from 50% to 55% to alleviate the impact of the proposed tax increase. She further provided the Board with two options to the proposed budget. Option One would decrease the County's contribution to the Williamsburg Area Transit by \$12,000 and would include the use of fund balance reserves to balance the budget in the amount of \$852,192. Option Two would reduce the School System's budget in the amount of \$303,615 and would minimize the need to utilize the fund balance in order to balance the budget.

Supervisor Lyttle compared the budgets of FY 2008-2009 and FY 2009-2010 with the proposed budget of FY 2010-2011 and reiterated her position that the County could do more to increase revenue by concentrating on the collection of delinquent taxes and fees, increasing fees for services such as water/sewer and trash collection; by doing so she suggested that the County could maintain its operations without the necessity of raising taxes. If the County has more money, she stated, we will spend more money.

Supervisor Holmes suggested that deeper cuts in the budget may have more of a detrimental impact on citizens than raising taxes by a minimal amount.

Mrs. Rollins reminded the Board that the FY 2009-2010 budget had included the use of fund balance and that the County now needed to replenish those reserve funds.

Supervisor Seward restated his position that if the Board agreed on the level of spending included in the proposed budget they would have to support the means of gaining the revenue to support that level of spending.

Supervisor Holmes added that he would be willing to vote for cuts in expenditures in an effort to keep the tax rates down and asked if any Board members were prepared to suggest further cuts. The budget has to balance he reminded fellow members.

Supervisor Blount stated that he was not ready to act on a tax increase and Supervisor Holmes said that he would be willing to come back to hear proposals for further cuts and expressed concern that the Board may be split if a vote was taken at this time.

At this point, Chairman Harrison suggested that the Board table action on the proposed tax rate increase and the FY 2010-2011 proposed consolidated budget until Thursday, June 17, 2010.

## **OLD BUSINESS**

Mr. Franklin asked Ms. Rhonda Mack to update the Board on a previously discussed matter regarding the sale of property at 146 Elberon Heights Road. Ms. Mack began by reminding

the Board that they had approved the sale of said property at their April 22, 2010 meeting. However, she stated, shortly thereafter the Planning Department was notified by the Virginia Department of Housing and Community Development that grant funds could not be used both to purchase and rehab the residence in question. Due to the delayed timing of this notification and the fact that the potential buyer has already been displaced, the Dept. of Housing and Community Development has agreed to make certain concessions. The grant budget will be revised to reimburse to the County \$29,000 as compensation for the transfer of property to the buyer. This results in a net loss to the County of \$8,000. Ms. Mack suggested that the Board consider an \$8,000 deed of trust which would be payable to the County if and when the property was re-sold.

Mr. Franklin reminded the Board that 146 Elberon Heights Road was originally purchased by the County to build a pumping station and a portion of the property had been used for that purpose.

Chairman Harrison provided clarification by stating that the original purchase price of the property was \$37,000. The County will retain the portion of the property containing the pump station and can now recover \$29,000 of the original purchase price with the possibility of recovery of an additional \$8,000 at a later date if the property is re-sold. Additionally, the current proposal would put this property back on the tax rolls.

Ms. Mack informed the Board that she felt obligated to inform them of this new information as the previously presented scenario has changed significantly. She further suggested that the prospective buyer might not ever wish to re-sell the property.

Supervisor Lyttle asked for legal clarification should the property in question change hands through inheritance rather than by sale. Mr. William Hefty responded by stating that it would still be subject to the deed of trust. He further explained that the County could release the deed of trust if they felt circumstances warranted release.

Supervisor Lyttle made a motion that the County accept the reimbursement of grant funds in the amount of \$29,000 and secure a deed of trust in the amount of \$8,000 for the transfer of property at 146 Elberon Heights Road. Supervisor Holmes seconded the motion; Supervisors Harrison, Seward, Blount, Lyttle and Holmes unanimously voted in support of the motion.

Mr. Franklin asked Mr. Ervin Jones, Parks & Recreation Director, to present an update to the Board regarding upcoming programs and activities. Mr. Jones informed the Board of several planned activities including the 5 week Summer Camp, 4<sup>th</sup> of July Celebration, trip to Kings Dominion, Adult Softball League, Soccer Camp in conjunction with Bacon's Castle Baptist Church, and Friday Night Movie Night. Additionally, he reported that the Community Center and grounds were booked for about 37 activities during the summer months.

Chairman Harrison observed that children were involved in soccer practice as he had driven by earlier this evening. He expressed concern that their practice took place so close to Route 10 and wondered if some sort of barrier or fencing might be a good idea to ensure the safety of the children.

## **NEW BUSINESS**

Supervisor Seward informed the Board that Gray's Creek Marina was the only public facility for citizens and visitors to launch boats into the James River. He suggested that County staff research the possibility of using Chippokes State Park as a public boat launch as it was the most feasible means for citizens to have access to the river due to the fact that it was a staffed site and other State parks contained public boat ramps.

Supervisor Lyttle inquired about the boat launch at Lawne's Creek but was informed by Mr. Seward that it was an unmanned site and had a history of theft and vandalism which had resulted in fewer citizens wanting to make use of the facility. Supervisor Seward suggested that the Building and Grounds Committee proceed with an inquiry.

Supervisor Blount reported that several road signs in the County were damaged. Mr. Franklin suggested that staff conduct a survey of road signs and recommend repair.

## **CITIZENS COMMENTS**

Mrs. Helen Eggleston (Dendron District) addressed the Board and recommended that the Board consider the following cuts to the budget: collection of delinquent sewer bills, elimination of the Parks & Recreation feasibility study, elimination of contributions to the Williamsburg Area Transit, and cut County employees' hours. She further requested that the Board not consider additional cuts to the School System.

Mr. George Fauntleroy (Surry District) urged the Board not to eliminate the feasibility study for Parks & Recreation as the programs and activities sponsored by the department served citizens of all ages in the county. He further suggested that the department had outgrown the facility. Mr. Fauntleroy went on to commend the Board for their efforts on behalf of the citizens of Surry County and stated that their continued re-election was evidence of a job well done. He ended his comments by again asking the Board to keep the feasibility study in the FY 2010-2011 budget.

Mr. Mike Eggleston (Dendron District) began his comments by asking the Board what services they considered essential and suggested that all but essential services be eliminated from the budget. He encouraged the Board to continue efforts to collect delinquent taxes and fees and suggested that the Parks & Recreation feasibility study be replaced by an employment training program saying that the County does not need to fund another place to play.

Mrs. Lisa Craig (Surry District) addressed the Board regarding the proposed Cypress Creek project suggesting that the demand for electricity in Virginia had dropped. She further expressed her concern that the Dendron site would be used as a dump site for waste from remote coal-burning facilities and urged the Board to get a signed statement from ODEC stating that the site could only be used to dump waste from a coal-burning facility in Surry County.

## **CLOSED SESSION**

There being no further comments from the public, Supervisor Lyttle made a motion that the Board move to closed session to discuss a personnel matter involving performance

evaluation or job assignments of specific employees as permitted by Virginia Code §2.2-3711(A)(1). The motion was seconded by Supervisor Holmes; Supervisors Harrison, Seward, Blount, Lyttle and Holmes voted affirmatively.

Supervisor Lyttle moved that the Board of Supervisors return to open session and certify by roll call that the Closed Session had concluded; nothing was discussed except the matter or matters permitted to be discussed under the provisions of the Virginia Freedom of Information Act in the motion. Supervisor Seward seconded the motion; Supervisors Harrison, Seward, Holmes, Lyttle and Blount voted in support of the motion.

## **ADJOURNMENT**

There being no additional matters requiring action by the Board, Supervisor Lyttle moved that the Board adjourn until Thursday, June 17, 2010 for a continuation of the meeting. Supervisor Blount seconded the motion; Supervisors Harrison, Seward, Lyttle and Holmes and Blount voted affirmatively.