

At a **budget work session** of the Southampton County Board of Supervisors held in the Board Room of the Southampton County Office Center at 26022 Administration Center Drive, Courtland, Virginia on April 14, 2010 at 6:30 PM.

SUPERVISORS PRESENT

Dallas O. Jones, Chairman (Drewryville)  
Walter L. Young, Jr., Vice-Chairman (Franklin)  
Walter D. Brown, III (Newsoms)  
Carl J. Faison (Boykins-Branchville)  
Anita T. Felts (Jerusalem)  
Ronald M. West (Berlin-Ivor)  
Moses Wyche (Capron)

SUPERVISORS ABSENT

None

OTHERS PRESENT

Michael W. Johnson, County Administrator (Clerk)  
Julia G. Williams, Finance Director  
Susan H. Wright, Administrative Secretary

Chairman Jones called the meeting to order. After the *Pledge of Allegiance*, Supervisor Faison gave the invocation.

Ms. Ellen Couch, Executive Director of Smart Beginnings Western Tidewater, spoke to their respective budget. Joining her was Mr. Jim Councill, Mayor of the City of Franklin, who also represented Smart Beginnings Western Tidewater. Smart Beginnings Western Tidewater brought together community partners in business, education, and government in support and advocacy for quality early care and education for our youngest citizens. They were committed to their mission that "All Children in Western Tidewater enter school and ready to learn." They had leveraged \$750,000 in grant funding due to contributions from Isle of Wight County, Southampton County, and the City of Franklin. They were grateful for that. They had been successful in the expansion of Early Head Start services to an additional 108 children at The Children's Center. They had also distributed "Raise a Reader" kits to 440 children in 48 classrooms, and would be expanding that program to ensure that all local libraries had "Raise a Reader" kits in their facilities and in the bookmobile. They recognized those present who were involved in the local Smart Beginnings Western Tidewater initiative. They thanked the Board for their support.

Mrs. Michelle Stivers, Acting Director of Southampton County Department of Social Services, spoke to their respective budget. She advised that she had submitted a letter, which was included in their budget books. The Social Services Board had approved the budget that was submitted. She recognized Supervisor Wyche who served on their Board. They had actually requested an 8.34% decrease in local funds for FY 2011. She recognized staff members who were present to support the budget. She thanked the Board for their support.

Mrs. Iola Lamison, Branch Manager of the Walter Cecil Rawls Library spoke, to their respective budget. Joining her was Ms. Yvonne Hilliard-Bradley, Director. Due to budget cuts in the current fiscal year, the Library was currently closed on Monday and had reduced hours on Saturday. In addition, they had to do without a children's programmer and 2 part-time employees. However, usage was still very heavy, especially computer usage. People utilized the computers to apply for jobs via the internet. The Library had continued to offer as many programs as possible, including the summer reading program, but had to cut or reduce some programs due to limited staff. The local Library provided a core service to citizens of Southampton County. They thanked the Board for their support.

*(Note: Ms. Stacy Bradshaw and Mr. Gary Cross, of the Chowan Basin Soil & Water Conservation District, were scheduled to speak to their respective budget at this time, but were not present.)*

Ms. Joyelle Saunders, Program Director of Court Appointed Special Advocates for Children (CASA), spoke to their respective budget. She advised that their program had been very successful. There were an increased number of children in need of CASA volunteers. A CASA volunteer was a citizen who was appointed by a judge to represent the best interests of a child in court. Children helped by CASA volunteers included those for whom home placement was being

determined in juvenile court. Most of the children were victims of abuse and neglect. Findings showed that children who had been assigned CASA volunteers tended to spend less time in court and less time within the foster care system than those who did not have CASA representation. Judges had observed that CASA children also had better chances of finding permanent homes than non-CASA children. She thanked the Board for their support. They looked forward to continuing to serve the children of Southampton County.

Mr. Vernie Francis, III, and Ms. Terry Bolton, of Emergency Medical Services, spoke to their respective budget. In 2005, Advance Life Support (ALS) personnel were placed in Courtland 24/7. Due to the decreasing number of volunteers, the same was needed in Ivor, Capron, and Boykins. They would like to implement this in steps and do one station at a time. One station would cost approximately \$125,000. They would like to start with Ivor, which had the most critical need. They thanked the Board for their support and consideration of the request.

Mr. Demetrios Peratsakis, Executive Director of Western Tidewater Community Services Board, spoke to their respective budget. He shared their mission statement: "It is the mission of Western Tidewater Community Services Board to provide comprehensive behavioral health care in Mental health, Intellectual Disability and Substance Abuse Services to the citizens of Franklin, Isle of Wight, Southampton and Suffolk. We continually strive to value staff, support diversity, and promote excellence in the quality of consumer care." They experienced an 11% increase in Southampton County service demand (1,966 hours) from 2005 to 2009 across all disabilities at an increased service cost of \$109,858. On average, 463 Southampton County residents received treatment services annually. He thanked the Board for their support.

Supervisor Brown asked, what did he attribute the increase in service demand to? Mr. Peratsakis replied that there was less of a stigma to seek mental help. People losing their jobs and the economy were contributing to the increase in people seeking their services.

Mr. Julien Johnson, Director of Public Utilities, spoke. (*Note: The Board had asked him to provide some clarification as to the new utilities employees needed.*) He advised that the Department of Environmental Quality (DEQ) had originally indicated that 10 new employees would be needed to operate the new wastewater treatment plant. He had negotiated that number down to 6 employees. The new plant would operate 16 hours a day, 7 days a week, which required additional personnel. Also, additional employees were needed to do testing at the pump stations.

Mr. Charles Turner, Superintendent of Southampton County Public Schools, spoke to their respective budget and presented a PowerPoint presentation. He acknowledged the students, parents, staff and school board members who were present to support education, and to be cognizant of programs and jobs that may be at stake. The mission of Southampton County Public Schools, through the combined efforts of staff, students, families and the community, was to ensure a quality education in a safe environment that would prepare students to be successful learners and productive citizens in an ever-changing society. All 6 schools were fully accredited. That honor not only represented Southampton County Public Schools, but also Southampton County. He shared the outstanding SOL scores of each of the schools. The academic programs offered included distance learning courses, dual credit classes, and associate degree program. Career tech programs included culinary arts, technical drawing, building trade, electricity, business and information technology, cosmetology, and early childhood. Fine arts programs included Governor's School of Arts, jazz band, and drama.

Mr. Turner shared budget highlights of their 2010/2011 proposed operating budget:

### **2010-2011 Proposed Operating Budget**

- **State Revenue** – Based on the General Assembly's adopted budget of March 14, 2010 Southampton County Schools was projected to see a decrease of \$2,611,300 in state revenue for their operating budget.
- **Federal Stimulus Funds (FSF)** - \$409,132 of FSF would be used to fund a portion of basic aid for the 2010/2011 school year. \$697,269 of the FSF allocation for 2011 was used to fund a portion of basic aid for the current year.
- **Fringe Benefits** – Reductions in Virginia Retirement System (VRS) would save approximately \$985,069 while projected increases in hospitalization would need to be absorbed in the amount of \$310,453 for a net savings of \$674,616.

- **Personnel** – Adjustments in personnel would be unavoidable in order to offset the loss in state funds and increase in hospitalization.
- **Instruction** – Proposed reductions in the instructional department would be considered.
- **Operations** – Due to the uncertainty of fuel and utility costs, they would strive to keep reductions in this area at a minimum.

<b>Projected loss in state revenue for their operating budget</b>	<b>\$ 2,611,300</b>
<b>Projected decrease in fringe benefits</b>	<b>\$ - <u>674,616</u></b>
<b>Total state revenue reductions, less decrease in fringe benefits =</b>	<b>\$ 1,936,684</b>

**Budget Reductions Impact**

- Six classroom teachers
- Eleven instructional support positions
- Twenty classified positions
- Elimination of elementary and middle school summer school
- Elimination of extended contracts for classroom teachers

**Personnel**

**Personnel** – Although personnel cuts would be deep, they should be able to restore some positions with the use of carry-over funds.

**Local Support**

**Local Support** – They were requesting an additional \$644,000 from Southampton County Board of Supervisors to offset the loss in state funding. This amount would allow them to avoid a reduction of **fourteen additional** instructional positions.

**Instruction**

- **Dual Credit** – The academic dual credit program at Southampton High School would be considered for reduction, representing approximately **\$43,852** in savings.
- **Textbooks** – The “textbook furnished free” line item would be reduced to the minimum required match to receive state funds, representing an estimated savings of **\$40,226**.
- **Library Books** – A delay in purchasing of new library books would be considered, which would save **\$56,800**.

**Total reductions for Instructional department = \$140,878.**

**Southampton County School Board  
Proposed School Operating Budget 2010-2011**

Category Description	2009-2010 Budget	2010-2011 Request	Change in Funds
<b>61000 Instruction</b>	\$ 18,650,917	\$16,813,249	\$(1,837,668)
<b>62000 Administration/Health</b>	1,314,417	1,150,674	(163,743)
<b>63000 Transportation</b>	2,745,051	2,821,974	76,923
<b>64000 Maintenance</b>	3,437,332	3,389,633	(47,699)
<b>65000 Food Service Health</b>	117,593	133,888	16,295
<b>66000 Site Improvement</b>	204,026	204,026	0
<b>68000 Technology</b>	423,375	411,967	(11,408)
<b>Sub Total for Operating</b>	\$ 26,892,711	\$24,925,411	\$(1,967,300)
<b>67000 Debt Service</b>	2,618,154	2,889,829	271,675
<b>Grand Total</b>	\$ 29,510,865	\$27,815,240	\$(1,695,625)

**Southampton County School Board  
Proposed School Operating Budget Recap 2010-2011**

09-10 Adopted Budget	\$29,510,865
10-11 Requested Budget	27,815,240 (Includes Debt Service)
Projected State Revenue (ADM 2800)	16,117,214 (General Assembly's)
Federal Stimulus Funds	Included in Basic Aid
Requested Local Funding	11,684,526
Local Tuition & Federal to School Operating	13,500
Current Local Funding	10,768,851
Increase in Local Funding for Debt Service	271,675
Increase in Local Funding for Operating (Requested)	644,000

**Southampton County School Board  
Proposed Budget Local, State & Federal 2010-2011**

Category Description	2009-2010 Budget	2010-2011 Request
<b>Total Operating Budget</b>	\$26,892,711	\$24,925,411
<b>Debt Service</b>	2,618,154	2,889,829
<b>Textbooks</b>	Incorporated into Operating Budget	104,509
<b>Technology</b>	206,000	206,000
<b>Other State Programs</b>	190,423	252,137
<b>Federal Programs</b>	1,888,179	1,759,849
<b>Total</b>	\$31,795.467	\$30,137,735

Mr. Turner stated that they had made tremendous strides, and it was critical that they keep moving forward. If not, it would be difficult to get back to where they were. They were continuing to work internally on ways to save money and keep jobs. For instance, they had made an adjustment to the Pre-K program. The program was currently housed at Riverdale Elementary, but next fiscal year the program would go back to being housed at individual schools. In addition, although they did not have a large central office staff, they were looking at consolidating some positions. They were doing everything they could. They had positioned themselves for reduced funding from the state, but had no idea the reduction would be \$2.6 million. There was no way they could absorb that much of a decrease.

Mr. Turner clarified for Supervisor Brown that 14 additional positions may be cut if their request for \$644,000 was not granted. That was in addition to some other positions that may be cut. However, they were trying to absorb what they could.

Mr. Turner clarified for Supervisor Brown that the possible decrease in teachers could affect class size. He clarified for Supervisor West that the current student teacher ratio depended on the grade level. The ratio at some levels was 20:1 and at others, 25:1. If teachers were laid off, the ratio would go up across the Board. He added that it was difficult to maintain a quality education with larger class sizes.

Supervisor West asked why Hunterdale Elementary was still being used? He thought one of the purposes of building Riverdale Elementary was to replace a deteriorating Hunterdale. Mr. Turner replied that their "Fresh Start" program was being held there. It had been costing about \$80,000/year to operate, but that cost had decreased due to "Therapeutic Intervention" coming on board and sharing in the operating cost. He did not know the exact figure as to how much the operating cost had decreased.

Mr. Turner clarified for Supervisor Felts that they were not utilizing the entire Hunterdale School – they were only utilizing a few classrooms and the auditorium. They transported food from Riverdale.

Supervisor Felts asked if the students paid any fees for textbooks? Mr. Turner replied no – they tried to stay away from fees.

Mr. Russell Schools, Chairman of the Southampton County School Board, spoke. He stated that they were in a mess because of the state. They needed funds from the Board of Supervisors so they would not lose 14 more positions.

Mr. Turner stated that they needed the help of the Board of Supervisors. He would not be before them otherwise. They wanted to keep everybody working and keep their programs in place. He thanked the Board for their support.

The Board continued budget deliberations. Mr. Michael Johnson, County Administrator, reminded that there was a gap of \$1.8 million in the budget between revenues and expenditures. They may want to think about what their tolerance would be of tax increases and transferring from the general fund reserve. He noted that a 1¢ increase in the real estate tax rate now generated \$138,170.

Supervisor Brown advised that potential businesses coming in looked at the school system. He hated to see 14 teachers lose their jobs.

Supervisor West stated that he was concerned about the School Board keeping Hunterdale Elementary open. He was also concerned about the school cars transporting only 1 student.

Supervisor Faison advised that he too was concerned about teachers losing their jobs. The school system needed to maintain its current standards. Everyone had to share the burden, and that was tax increases.

Supervisor West commented that having to hire 6 employees for the new wastewater treatment plant was a big bit this year.

Supervisor Brown suggested that they cut the new animal control position from the budget.

Supervisor Brown asked what amount of additional funds could they stand to take out of the Reserve? Mr. Johnson directed them to page 7-2, which explained the Reserve balance. At the end of FY 2011, the Reserve could drop to as low as \$3,019,070. That figure included the \$551,336 that was already proposed in the draft budget to be transferred. He stated that they could stand to take out another \$200,000-\$300,000, but not any more than that.

Supervisor Brown was concerned about the land use program, in that the owners of many farms enrolled in the land use program in Southampton County resided in North Carolina. Mr. Johnson advised that they could not do much about that fact – either you had land use or you did not. He noted that when they first started the land use program, it was equivalent to 12¢ on the real estate tax rate. It was now equivalent to 17¢ on the real estate tax rate.

Supervisor West suggested that they direct the County Administrator to cut expenses across the board, as they needed to balance this budget first. So was the consensus of the Board.

There being no further business, the meeting was recessed at 9:40 PM and continued to Friday, April 16, 2010 at 6:30 PM at the Airfield Conference Center in Wakefield (VACo Region I meeting).

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Dallas O. Jones, Chairman

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Michael W. Johnson, Clerk

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