

At a budget workshop meeting of the Southampton County Board of Supervisors held in the Board Room of the Southampton County Office Center, 26022 Administration Center Drive, Courtland, Virginia on April 20, 2016 at 6:30 PM.

SUPERVISORS PRESENT

Dallas O. Jones, Chairman (Drewryville)  
Ronald M. West, Vice Chairman (Berlin-Ivor)  
Dr. Alan W. Edwards (Jerusalem)  
Carl J. Faison (Boykins-Branchville)  
R. Randolph Cook (Newsoms)  
Barry T. Porter (Franklin)

SUPERVISORS ABSENT

S. Bruce Phillips (Capron)

OTHERS PRESENT

Michael W. Johnson, County Administrator (Clerk)  
Lynette C. Lowe, Deputy Administrator/ Chief Financial Officer  
Amanda N. Smith, Administrative Assistant

OTHERS ABSENT

Julien W. Johnson, Jr. Public Utilities Director  
Richard E. Railey, Jr., County Attorney

Chairman Jones called the meeting to order.

After the Pledge of Allegiance, Supervisor Faison gave the invocation.

Chairman Jones states good evening everyone. At this time, I call on you Vice-Chairman. What do you have to say about the budget?

Supervisor West states I am going to go to page seven. I am going to read part of it. The last sentence is pretty important. To accomplish these things, all of which the Board has previously indicated are important, the real estate tax rate, vehicle license tax and water and sewer fees are proposed to increase as highlighted above. I take that message as if that is indeed what I want to represent and what we have spoken to our management team that we want then I will proposed tonight that we adopt the .05 cent increase on real estate from .77 cents to .82 cents, the additional increase on license tax for vehicles, water fees and sewer fees as presented.

Chairman Jones called on Supervisor Faison.

Supervisor Faison states before I start I just want to commend Mike and Lynette, and everybody whoever put this budget together. Looking through it in terms of the funds that we have, I think it was distributed very responsibly, very wisely, and fairly. So, I wouldn't recommend any change in terms of the funds we have. I remain concerned about the school system. Even with the increase in taxes and everything, the school system still remains \$571,000 less than they requested. That is a lot for them to make up. I certainly don't see how we could raise it the three or four cents to take care of that, but I would want us to raise it .01 cent to .06 cents and provide all of that to the school system.

Chairman Jones called on Supervisor Porter.

Supervisor Porter states I echo the comments that Mr. Faison had. I think the staff did an outstanding job going through the budget, and I think funds are allocated as fairly as we can do it. Looking through it, there are a lot of things that concerns me, and it scares me about the direction we are headed and the road that we are headed down. I agree with Mr. Faison that the schools are

not funded to the level that is ideal or that we should strive to do. On the other hand, based on the help of our residents, I feel like the .82 cents is pushing what we can go. I would like to give the schools more money. Hopefully they will have some left over from this year's budget that can go into next year's budget. If they do have any left over, we would automatically agree to authorize that for their next year's budget. I know they are supposed to get some more money from state that we have not appropriated yet because of the increased ADM. My feeling would be, I would like to see that roll over into next year's budget which would be equivalent to a .01 cent tax increase. On top of that, I look at next year. I don't see anything in this budget that is not ongoing. I see things that are coming up next year that are probably going to add another .05 cents or .06 cents to it unless we can find other sources of revenue. Number one, we have the salary study that we are trying to phase in over three years. We need to really face up and work with the schools and try to give them some more money. We need to fully fund EMS services. Our worst nightmare is if someone has a stroke or heart attack and it takes an hour for EMS to get there because we don't have qualified people on duty at all of the stations. Maybe there is a better way they can organize to do that but based on the increased requirements to be certified, it is really tough for volunteers to acquire the certification and to do the job for EMTs and paramedics. I know that many of our volunteer EMTs are getting old and there are not younger ones coming in to replace them. So, we are going to have to face up and fully fund EMS services. That is another .02 cents on the tax rate to do that fully next year. The future looks challenging for us and we have to do everything we can to broaden our tax basis because our taxes... we don't have a lot of rich citizens and we are really putting a burden on them by raising the tax rate. I will bring something else up too. It may be controversial, but I know we have not given our County Administrator a raise since I have been on the board. When I look at his compensation versus the ones around here he is at least 30% less than Franklin and Isle of Wight, and Suffolk makes 70% more than he does.

Supervisor West states I am going to Amen to that.

Supervisor Porter states we need to recognize the value he has brought to it and consider that. So, this is not a budget that does what we need to do. But, I don't know if it is a budget we can stretch to do. I don't think we can do more than .82 cents right now. Hopefully, we will find some more revenue next year and we won't have to raise it. Right now, my calculations are if we are not aggressive in broadening the tax basis and get something in here within the next year, our tax rate next year will be .90 cents. So, we have to work hard in that direction. I know two years or three years down the road if it ever gets approved, the pipeline will bring a little bit of money in. If we ever get the utility study done that will bring a little bit of money in, but that won't be enough. We have to continually bring in new businesses, and I think this board for the most part understands that. We have to be aggressive and active.

Chairman Jones called on Supervisor Cook.

Supervisor Cook states I can't disagree with anything Mr. Faison and Mr. Porter have said. I do think regarding utilities, whatever we can work out with the City of Franklin; it just looms out there more important every day that goes along. Hopefully, that will move forward and the Economic Development piece also. Given everything, I am sticking with what is proposed. I am not trying to add anything else to it. I do think next year we will be sitting right back here with maybe larger challenges if we don't get some other income.

Chairman Jones called on Supervisor Edwards.

Supervisor Edwards states I echo that. I thank the staff for putting together an excellent budget. I think I have gotten a lot of public input on the tax increase and not very many negative inputs. People have said to me I knew you would have to do it sooner or later. I am happy that the majority of this budget went to the schools because that is our primary responsibility. I think 71% is going to the schools. We have shown the schools that we really care and we care about education. The schools really need it. I believe that the schools have cut as much fat off as they can. If they cut anymore, education is going to suffer. The thing that worries me like Barry says is next year and the year after. The reality of next year and maybe the year after is we are not going to get a quick fix from anybody I don't think. There is not going to be any quick industry that comes here. Caterpillar is not going to drop out of the sky and all of a sudden start paying \$3 to \$4 million a year. I think we are going to be faced with another tough year next year. Everything you raised has to be paid next year also. I think it is a very fair budget. I think it is the best we can do. I certainly would vote for it.

Chairman Jones states I would also like to thank the people who did the budget. Our staff is outstanding. If our County Administrator didn't live here and had his family here, I don't think he would be here. We are just lucky to have him. We have some good people here that work for us, and they keep us straight. You see what they have done for us. This is really outstanding, and all I have to say is good things about them. I have to agree with everything that has been said. We have to do what we have to do. I would like to raise it more but we can't right now so we will do what we can with what we have. Mr. Johnson, do you have anything you would like to say?

Mr. Michael Johnson states no sir. Thank you all for your kind comments.

Chairman Jones states alright gentlemen; I need a motion to accept or reject this budget.

Supervisor Porter made a motion to advertise this budget for public comment on May 16<sup>th</sup>.

Supervisor Edwards seconded the motion which carried unanimously

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There being no further business, the meeting adjourned at 7:20 p.m.

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Dallas O. Jones, Chairman

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Michael W. Johnson, Clerk

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