

**At a Special (Budget Work Session) Meeting
of the Sussex County Board of Supervisors
Held in the General District Courtroom on
Thursday, April 6, 2017 at 6 pm**

BOARD MEMBERS PRESENT

Keith C. Blowe
C. Eric Fly, Sr.
Alfred G. Futrell
Susan B. Seward
John A. Stringfield
Rufus E. Tyler, Sr.

STAFF PRESENT:

Vandy V. Jones, III, Interim County Administrator
Mark Flynn, County Attorney
Millard P. Stith, Independent Consultant
Carol White, Financial Consultant
Raymond R. Bell, Sheriff
Ellen G. Boone, Commissioner of the Revenue
John Broderick, Director of Finance & Business Operations for Sussex Public Schools
Louise Brucato, Payroll Clerk
Brenda H. Drew, Housing Coordinator
Arthur B. Jarrett, Superintendent of the Public Schools
Shilton R. Butts, Assistant to the County Administrator/Deputy Clerk to the Board
Deste J. Cox, Deputy Treasurer
Kelly W. Moore, Interim Finance Supervisor
Patrick Plourde, Director of Social Services

1. Call to Order/Determine Quorum

The April 6, 2017 Budget Work Session of the Sussex County Board of Supervisors was called to order by Chairman Seward.

2. The Invocation

The Invocation was offered by Supervisor Futrell.

3. The Pledge of Allegiance

The Pledge of Allegiance was recited by all.

Supervisors Fly and Tyler entered at 6:05 p.m.

4. Agenda Amendments

The following amendments were requested: add a Closed Session to include (1) discussion of the appointment of the Tie Breaker position, pursuant to Code Section 2.2-3711(A)1; (2) discussion or consideration of public real property, pursuant to Code Section 2.2-3711(A)3, regarding Atlantic Waste; and (3) discussion of a public contract, pursuant to Code Section 2-2-3711(29), regarding Blackwater Regional Library.

ON MOTION OF SUPERVISOR BLOWE, seconded by SUPERVISOR FUTRELL and carried: RESOLVED that the Sussex County Board of Supervisors hereby approves the agenda amendments to include adding a Closed Session for (1) discussion of the appointment of a Tie Breaker, pursuant to Code Section 2.2-3711(A)1; (2) discussion or consideration of public real property, pursuant to Code Section 2.2-3711(A)3, regarding Atlantic Waste; and (3) discussion of a public contract, pursuant to Code Section 2-2-3711(29), regarding Blackwater Regional Library.

Voting aye: Supervisors Blow, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

5. Approval of Regular Agenda

ON MOTION OF SUPERVISOR BLOWE, seconded by SUPERVISOR FUTRELL and carried: RESOLVED that the Sussex County Board of Supervisors hereby approves the April 6, 2017 Budget Work Session agenda, inclusive of adding a Closed Session for (1) discussion of Tie Breaker, pursuant to Code Section 2.2-3711(A)1; (2) discussion or consideration of real property, pursuant to Code Section 2.2-3711(A)3; and (3) consultation of legal counsel by staff regarding contract, pursuant to Code Section 2-2-3711(29).

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

6. Budget Work Session – Fiscal Year 2018 Budget

Interim County Administrator Jones stated that the purpose of this first budget work session was to discuss the school's budget and health insurance for county personnel. The school has a timeframe in which they had to provide contracts for teachers and staff. There was a deadline staff had for a submittal of the health insurance decision to Anthem to order information/material packages to be received for disbursement to employees for Open Enrollment (May 1 - 15, 2017) as well.

Interim County Administrator Jones stated that the local appropriation requested by the school for Fiscal Year 2018 is \$7,994,170. This local appropriation is level funding with the current budget. The school has requested level funding basing their budget on a projected daily enrollment of 1,020 students.

Dr. Arthur B. Jarrett, Superintendent of the public schools, and Mr. John Broderick, Director of Finance of Operations for the public schools, were present to answer any questions.

Dr. Jarrett stated that the overall proposed budget for Fiscal Year 17/18 is \$18,969,301.00 of which level funding is requested in the amount \$7,994,170.00, Dr. Jarrett noted that when requesting level funding there are expenses that may arise wherein the schools have to absorb the costs.

There were discussions of the Pre-K program funding—Virginia Preschool Initiative Plus (VPI+) funding and 10-10-10 funding. (The school is currently serving 27 students; however, some students are on a waiting list.)

There was discussion of the need for school buses and cameras for the stop arms on buses. (Currently, there are thirty-two (32) buses and thirteen (13) cars.) There was also discussion relative to providing analysis of leasing buses versus purchasing them. Interim County Administrator Jones advised that discussions had been started on this analysis.

There was also discussion on electronic textbooks and broadband and advanced classes such as dual enrollment (appx. 65-70 students enrolled). Dr. Jarrett advised that there are costs associated with dual enrollment—fees have to be paid for teachers and the college.

Interim County Administrator Jones stated that during the FY16/17 budget meeting, the Board wanted a recommendation for the next fiscal year, 2017/2018, where the County would not absorb the full cost of health insurance provided to the employees. Interim County Administrator Jones advised that there has been an increase in the health insurance in the amount of \$114,000.00.

Interim County Administrator Jones provided a presentation of a breakdown of the costs associated with the Local Choice Plan Options offered: (1) Key Advantage Expanded, (2) Key Advantage 500, and (3) the High Deductible Health Plan.

He also provided an overview of current costs versus renewal costs for plans costs for single, dual and family coverage. Handouts were provided.

Mr. David Rowe, Sussex County's Health Insurance Consultant, was present to answer any questions.

Local Choice Plan Options 2017-2018 handouts were provided to Board members. A calendar reflecting deadlines for submittal of health insurance decision to Anthem was provided as well.

Renewal – Contribution Strategy 2 is staff's recommendation and is presented in the proposed Fiscal Year 2017/2018 budget. The presented budget level funds the county's contribution to health insurance at the current fiscal year allocation of \$677.00. The current funding in this amount will fully fund the single premium for the 500 and High Deductible plans. Anyone choosing the Key Advantage Expanded plan would be responsible for a payment of \$88 per month at the single level.

There was a suggestion of providing the health insurance instead of providing the two percent (2%) increase that had been mentioned at the previous Board meeting.

Ms. Carol White, Financial Consultant, advised that the two percent (2%) across the board increase for all staff was not included in the original budget; however, the budget was not balanced. Staff met with Mr. Rowe and obtained the projected increases. From this information, Renewal – Contribution Strategy 2 was developed where the Board would level fund its share of the premium—which is \$677.00 along with a two percent (2%) increase to county employees. This strategy would help to balance the budget because the Commonwealth of Virginia included a two percent (2%) cost of living increase for all constitutional employees and locally employed state employees. If the increase was offered to all employees, the County would be eligible for the reimbursement of \$46,604.00. This increase to the employees would help to offset, in some cases not pay fully, the cost of the health insurance increase for the employees and the reimbursement to the county would help offset the two percent (2%) increase provided to the employees. Ms. White noted that the increase had to be offered to all the county employees; otherwise, the county would not be eligible for the \$46,604.00 reimbursement.

There was discussion of selecting a different company to provide health insurance. Mr. Rowe stated that he would not recommend the County leaving the current health insurance program due the size of the county.

There was discussion of the establishment of an incentive plan to encourage employees to use alternative insurance and not utilize County health insurance. Such incentive could be to provide the employee a portion of the cost to fund health insurance as an incentive and let the employee provide their own health insurance in the marketplace. This alternative was not recommended.

There was also discussion of the option of the County absorbing full cost of health insurance through use of funding recently received that was not included in the budget.

ON MOTION OF SUPERVISOR BLOWE, seconded by SUPERVISOR FUTRELL and carried: RESOLVED that the Sussex County Board of Supervisors hereby approves staff recommendation of Renewal – Contribution Strategy 2 wherein the county provides level funding in the amount of \$677.00 per employee for new health insurance costs.

Voting aye: Supervisors Blowe, Futrell, Seward, Stringfield, Tyler

Voting nay: Supervisor Fly

ON MOTION OF SUPERVISOR BLOWE, seconded by SUPERVISOR FUTRELL and carried: RESOLVED that the Sussex County Board of Supervisors hereby accepts the recommendation of the staff to include level funding in the amount of \$7,994,170.00 for the school in the proposed budget.

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

It was requested to have Mr. Raymond Bell (Sheriff's Department) Mr. Bill Jenkins (General Registrar), and Mr. Eddie Vick (Public Safety/Animal Control) in attendance at the next Budget Work Session to answer any questions and/or overview regarding the Fiscal Year 2018 Budget.

ON MOTION OF SUPERVISOR FLY, seconded by SUPERVISOR FUTRELL and carried: RESOLVED that the Sussex County Board of Supervisors hereby schedules the next Budget Work Session for Thursday, April 13, 2017 at 6 p.m.

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

7. Citizens' Comments – none

8. Convene into Closed Session

ON MOTION OF SUPERVISOR STRINGFIELD, seconded by SUPERVISOR TYLER and carried: RESOLVED that the Sussex County Board of Supervisors hereby enters Closed Session for (1) discussion or consideration of the appointment of specific public officer of the public body, pursuant to Code Section 2.2-3711(A)1, regarding Tie Breaker position; (2) discussion or consideration of disposition of public real property where discussion in an open meeting would adversely affect negotiations, pursuant to Code Section 2.2-3711(A)3, regarding Atlantic Waste; and, (3) discussion or award of public contract regarding the expenditure of public funds where discussion in an open meeting would adversely affect negotiations, pursuant to Code Section 2.2-3711(A)29 regarding the Blackwater Regional Library.

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

8a. Reconvene to Open Session

ON MOTION OF SUPERVISOR TYLER, seconded by SUPERVISOR STRINGFIELD and carried: RESOLVED that the Sussex County Board of Supervisors hereby enters Open Session.

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

8b. Certification

ON MOTION OF SUPERVISOR BLOWE, seconded by SUPERVISOR TYLER and carried: RESOLVED that the Sussex County Board of Supervisors hereby approves adoption of resolution for certification, to-wit:

WHEREAS, that the Sussex County Board of Supervisors convened a Closed Meeting on this date pursuant to an affirmative recorded vote in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia, as amended, requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW THEREFORE BE IT RESOLVED that the Board of Supervisors hereby certifies that, to the best of each member's knowledge (i) only public business matters lawfully

exempted from Open Meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard discussed or considered.

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

8c. Action Resulting from Closed Session

ON MOTION OF SUPERVISOR TYLER, seconded by SUPERVISOR BLOWE and carried: RESOLVED that the Sussex County Board of Supervisors hereby directs the County Attorney to file the petition should the Board of Supervisors decide to keep the Tie Breaker position.

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

Interim County Administrator Jones clarified that in the previous discussion of the proposed two percent (2%) cost of living increase, the total cost for the Board would be approximately \$1,000 inclusive of all members. Per County Attorney Flynn, Board members aren't eligible because the annual salary is above the limit.

9. Adjournment

ON MOTION OF SUPERVISOR FUTRELL, seconded by SUPERVISOR FLY and carried: RESOLVED that the April 6, 2017 Budget Work Session of the Sussex County Board of Supervisors is hereby adjourned at 9:50 p.m.

Voting aye: Supervisors Blowe, Fly, Futrell, Seward, Stringfield, Tyler

Voting nay: none

10. Next Meeting

The next Board of Supervisors Budget Work Session will be held on Thursday, April 13, 2017 at 6 p.m. Location is to be determined.