

Special Called Board of Supervisors Budget Meeting (Tuesday, June 18, 2024)
Northumberland County, Virginia

Members present:

James M. Long, Richard F. Haynie, James W. Brann, Chip Williams (Virtual), AC Fisher, Jr.

Other Staff Present:

Mr. Luttrell Tadlock, County Administrator
Mr. Drew Basye, Assistant County Administrator
Ms. Morgan Wilson, Executive Assistant
Mr. Carl Hayden, IT Technician

1. Opening of Meeting 5:30 p.m.

Procedural: A. Call to Order

The special meeting was convened by Chairman Haynie and held at the Northumberland Courthouse located at 220 Judicial Place, Heathsville, VA 22473.

Action, Information: B. Remote Participation

Motion to ratify Mr. Haynie’s approval and to allow Supervisor Williams to participate via zoom during the meeting as allowed under the Board's adopted remote participation policy.

Motion by: James W. Brann, second by: James M. Long

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, AC Fisher, Jr.

Not Present at Vote: Chip Williams

2. Budget Discussion

Action, Discussion: A. Discussion

County Administrator Tadlock provided the Board with some additional reductions. The highlighted items are additional reductions that the Board can consider.

Line-Item	Description	Reduction
General Administration		
1201-1011	County Admin Finance Position	\$84,685.84
1204-3002	Professional Services (County Attorney)	\$18,000.00
1401-3013	IT Contracts	\$15,922.00
1401-5203	Telecommunications	\$14,520.00
1401-7001	IT Computer Equipment	\$18,940.00
Judicial Administration		
2105-5203	Telecommunications	\$13,000.00

Public Safety		
3102-1001	Deputy Position	\$77,394.90
3401-3007	Building Advertising	\$3,200.00
3401-5203	Telecommunications	\$4,500.00
3401-5401	Building Office Supplies	\$5,000.00
3401-5408	Building Vehicle Supplies	\$1,900.00
Public Works		
4302-1001	Janitorial Position	\$50,715.52
Health & Welfare		
5101-6001	Health Department	\$17,078.00
Health & Welfare		
5302-5607	Boys & Girls Club	\$10,000.00
5302-5609	Bay Aging - Level Fund	\$484.00
5302-5612	Food Bank	\$4,000.00
5302-5614	Contribution – Haven	\$500.00
5302-5616	NN Free Health Clinic	\$46,099.00
5302-5618	Bay Transit - Level Fund	\$2,623.00
5302-5621	Little League	\$23,000.00
5302-5627	Greater Reedville Association	\$20,000.00
5302-5628	Julius Rosenwald School	\$5,000.00
5302-6005	Social Services	\$10,000.00
Education		
	School Division	
6401-5604	RCC - Level Fund	\$287.00
Parks, Recreation, Culture		
7102-5604	YMCA	\$20,000.00
7301-5604	Library	\$8,000.00
Community Development		
8101-1001	Planning – Asst Zoning Administrator Position	\$73,423.00
8101-3004	Repair/Equipment	\$1,500.00
8101-5201	Postal Services	\$5,000.00
8101-5411	Books & Subscriptions	\$1,500.00
8105-5604	Chamber	\$1,800.00
CIP		
9103-7022	County CIP Transfer	\$117,720.00
9103-7027	School CIP Transfer	\$903,345.00
9103-7029	Capital Vehicles (removing deputy vehicle)	\$65,000
Overall		
	Salary Increase from 5% to 3% and ½ of what Sheriff and EMS requested	\$265,924.00
	TOTAL REDUCTION	\$2,468,217.26

Supervisor Long suggested cutting the outside agencies' requests in half. As far as the School Division, he stated that they don't have enough money to fund their salary increase or health

insurance. He recommended giving the school \$505,106 so they can fund their 3% increase and health insurance. Supervisor Long would also like to see the County fund the finance position, deputy position, and the janitorial position.

Vice Chairman Brann stated that the Board gave the school enough money to fund a 5% raise and cover their health insurance increase.

Supervisor Long explained that he spoke with School Board members and the Superintendent who claim that the County did not give them enough. He encouraged the Board to go back and look at what the County gave them last year.

Vice Chairman Brann stated that every department is getting cut short this year.

Supervisor Long asked Superintendent Wargo and Finance Director Booth to explain how they do not have enough money to fund a 3% salary raise and their health insurance.

Superintendent Wargo stated that the School Board had a special meeting yesterday and Mrs. Mazyck, School Board member, is prepared to give an explanation to the Board tonight.

Mrs. Mazyck, District III School Board member, read the memo from schools to the Board of Supervisors as follows:

“Last week the Board of Supervisors reduced the school division 2024-25 budget request by \$ 623,956. This reduction resulted in the School Board scheduling two special called meetings on Friday, June 14, and Monday, June 17, to determine how to keep current employees at the current pay level. The reduction in funding prevented the School Board from being able to fund any amount of a pay raise or to fund the 7.2% increase in health insurance. The School Board identified the following cuts in order to meet and cover the Board of Supervisors reduction in revenue while keeping salaries at the same level as last year, which is \$551,076:

- Cut: E-Observation
- Reassignment of Metal Detection
- Professional Development Conferences (one day conferences only will be approved)
- Cut: Instructional budget for NES, NMS, and NHS
- Cut: Hourly pay to teachers who cover class when substitutes are not available
- Cut: Career & Technical Education Coordinator stipend
- Remove three copy machines at transportation office, elementary school counseling office, and high school (second floor)
- Tuition Reimbursement (one course per year in pre-approved program only)
- Cut: NHS Mathematics teacher vacancy
- Cut: Talented & Gifted Budget line by half
- Cut: School Counselor vacancy
- Cut: Health and Physical Education vacancy; reassign current Health & Physical Education teacher
- Cut: Postage
- Cut: Materials and Supplies

- Cut: Special Education vacancy
- Cut: Technology by 10%

It is extremely important and significant to note that with these cuts and subsequent changes, the Northumberland County School Board will be unable to fund a raise of any amount, nor will they be able to supplement the Division's employee 7.2% health insurance increase. As a result, each employee will have to cover their own insurance increase. It is noteworthy that last week Chairman Haynie stated numerous times, "We need to do the same thing for the schools as the county employees. Same amount of raises as county employees." The School Board would like to know how they are supposed to fund such a statement when the Board of Supervisors has chosen to reduce the school's funding which results in a significant financial deficit, while taking away from essential student learning programs, employee raises, and health insurance coverage. It is unfortunate that for the third year, the school division continues to wait for an approved budget appropriation from the Board of Supervisors during the later weeks of June. As a result of the aforementioned, the Northumberland County Public Schools are requesting that the Board of Supervisors approve the following in an effort to meet the Chairman's statement of equity for all county employees:

1. An additional \$559,396 to fund a 5% raise for employees or an additional \$331,934 to fund a 3% raise for employees;
2. An additional \$173,172 to fund a 7.2% health insurance increase."

Dr. Dave Curran, District V School Board member, made the Board aware that the School Board took notice of the Board's request to look at their budget and cut areas. He stated that they took this very seriously and will continue to do so. He further explained that because the Board is reducing their budget, the state will also reduce the amount of money they give them to operate, ultimately leaving them without the funding to afford the 3% raise for employees. Dr. Curran explained that the County will be receiving a 3% raise in revenue based on the cost-of-living adjustment, so he asks that the Board consider equity for the teachers and employees which it comes to salary increases.

Supervisor Long also brought attention to the local composite index increase.

Dr. Curran agreed and stated that the population in the County is growing as well; however, the school isn't increasing their staff, so they are taking that into consideration too.

Chairman Haynie asked how much the school funding will be cut by the state if they don't receive the additional funding.

Finance Director Booth stated that their state funding was cut by \$1.2M and that's why they requested more from the County. She explained that when the Board mentioned giving the school additional funding in the amount of \$586,828, they were able to reduce that from what the state was going to give in revenue; however, she stated that was still \$200,000 less than what was actually needed for the 5% salary increase and health insurance increase. That total was \$786,828.

Chairman Haynie asked about the additional \$561,000 state funding they received.

Mrs. Booth stated that wasn't additional to last year; it was the previous calc tool estimate. This is when they dropped their previous request from \$1.7M to \$1.2M.

Supervisor Fisher asked why the school employees aren't getting their raise when it was his understanding that the Board set aside enough money for them to provide a 5% salary raise.

Vice Chairman Brann stated that the Board did agree to give them money to cover their 5% salary raise and cover their health insurance increase, but if the School Board doesn't use it for that purpose, that is not the Board of Supervisor's problem.

Supervisor Long asked Mrs. Booth to explain that they do not have enough funding to provide the raise.

Mrs. Booth stated that the local composite index is a state formula that dictates how much money they feel the local taxpayer can afford to pay and Northumberland's local composite index increased. Because of this, the state is providing over a million dollars less revenue to the school system because the state is saying the locality can afford to pay it. She explained that this does mean that taxes would have to increase, but they are saying that the locality would have to pay it. In order to provide the 5% raise, the school would have to cut over a million dollars from their budget and the only way to do that would be to cut positions and fire staff.

Chairman Haynie asked how many positions and programs were created with ESSER funds.

Mrs. Booth stated that she didn't know this off the top of her head, but any positions funded by ESSER funds do not exist in FY25.

Chairman Haynie stated that the Board cut their budget by \$1.2M and gave back \$586,000 and specified it to be used to teacher's salaries and insurance.

Mrs. Booth explained that total is not enough to cover a 5% salary increase and insurance.

Chairman Haynie stated according to the school's figures it was enough. He clarified that this was based on Mrs. Booth's numbers.

Mrs. Booth stated that it was her understanding that the total was \$786,828 and someone on the Board stated that the school could make up the difference in their budget. She explained that the problem is that the school is not receiving the same amount of revenue from the state.

Chairman Haynie stated that it doesn't look like they're going to give the County employees a 5% raise. Already in their request was a 1.25% increase, and the Board gave the school an additional \$586,000 to cover the salaries and health insurance.

Mrs. Booth explained that the 1.25% isn't even in consideration because they're getting less money than what they got for the current FY24.

Chairman Haynie asked what additional funding the school needs to provide a 3% raise.

Mrs. Booth stated that they need \$505,106 in order to fund a 3% raise and to cover the health insurance increase.

Chairman Haynie stated that he's looking at the overall budget for everyone in the County and the Board is already making a lot of cuts that they don't want to, but they have no other choice because taxpayers cannot afford an 8-10 cent tax increase.

Dr. Wargo informed the Board that they will not be giving any type of salary increase and the school won't be able to cover the health insurance increase based on the appropriation amount the Board discussed.

Chairman Haynie asked how much funding the state is going to cut if the school doesn't get their full budget.

Mrs. Booth explained that they will cut almost \$1.2M.

Supervisor Long stated that if the Board is giving County employees a 3% salary increase, then they need to provide the School Board with the \$505,106 so they can provide a 3% salary increase to teachers and staff as well.

Chairman Haynie asked where the County was going to come up with the money. He stated that the problem is they don't have the money and the Board is having to make cuts that they never have before.

Supervisor Williams asked how the School Board can say with certainty where their new cuts are going to come from.

Mrs. Booth stated that the School Board spent two days looking over the entire budget, considering the needs of students, and they cut over \$551,000 and there is simply nothing left to cut.

The Board of Supervisors moved on to discuss the salary adjustment of EMS and the Sheriff's Department.

Vice Chairman Brann stated that the Board can't fix but one problem at a time and the County can't afford to lose first responders.

Supervisor Long asked what the tax increase would be if the Board moved forward with the EMS and Sheriff's Department requests, the 3% salary increase for all County employees, and the additional funding for the school so they can provide the 3% increase and cover the health insurance (\$505,106).

***Chairman Haynie requested a 10-minute recess while Mr. Tadlock calculated the tax rate.*

County Administrator Tadlock calculated the tax rate based on funding a 3% salary increase for County employees, funding the EMS and Sheriff's Department's requests in full, adding back in the four positions (including the deputy vehicle) and funding the school with the \$505,106 (still a reduction to the school budget in the amount of \$118,850). Adding this back in the budget makes the tax increase 8-cents, which is what was advertised, and the County would dip into the undesignated general fund balance about \$2.8M.

Vice Chairman Brann stated that he is not voting for an 8-cent tax increase.

Chairman Haynie suggested starting again with what Mr. Tadlock presented at the beginning of the meeting which resulted in a 5-cent tax increase.

Motion to approve Mr. Tadlock's reduction list as presented to the Board with the amendment of funding the EMS and Sheriff's salary adjustment in full.

Motion by: Richard F. Haynie, second by: James W. Brann.

Final Resolution: Motion Carried

Aye: Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Nay: James M. Long

Supervisor Long stated that he wanted to fund the school with \$505,106 to cover a 3% salary increase and to cover their health insurance increase.

County Administrator Tadlock stated that he will run some final numbers to bring back to the Board for final votes on the FY25 budget.

3. County Administrator Items

Action, Information: A. Supplemental Appropriation- Capital Projects

County Administrator Tadlock reminded the Board that they granted staff to use some of the County funds to help offset costs related to the radio system until the County was able to get the matter resolved with Bank of America and American Tower. That has been resolved and the County did receive a transfer of funds back from Bank of America in the amount of \$279,796.00.

Motion to approve the supplemental appropriation for the regional radio system reimbursement in the total amount of \$279,796.00 as follows:

10-9103-7031 \$100,854.75

10-9103-7031 \$168,091.25

10-9103-7031 \$10,850.00

Motion by: James W. Brann, second by: AC Fisher, Jr.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

Action, Information: B. Supplemental Appropriation- ADV Grant

Motion to approve the supplemental appropriation for the ADV Grant from VMRC to line item 10-1101-8006 in the amount of \$400,000.00.

Motion by: James W. Brann, second by: AC Fisher, Jr.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.

4. Closing of Meeting

The Board of Supervisors agreed to hold another work session on June 21, 2024 at 4:00 p.m.

Action: A. Carry Over

Motion to carry over to the special called meeting on June 21, 2024 at 4:00 p.m.

Motion by: Richard F. Haynie, second by: AC Fisher, Jr.

Final Resolution: Motion Carried

Aye: James M. Long, Richard F. Haynie, James W. Brann, Chip Williams, AC Fisher, Jr.