



SUSSEX COUNTY COUNCIL

AGENDAS & MINUTES

SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, JANUARY 20, 2009

**Call to
Order**

A regularly scheduled meeting of the Sussex County Council was held on Tuesday, January 20, 2009, at 10:00 a.m., in the Council Chambers, Sussex County Administrative Office Building, Georgetown, Delaware, with the following present:

Vance Phillips	President
George B. Cole	Vice President
Joan R. Deaver	Councilwoman
Michael H. Vincent	Councilman
Samuel R. Wilson, Jr.	Councilman
David Baker	County Administrator
Susan M. Webb	Finance Director
Hal Godwin	Deputy Administrator
James D. Griffin	County Attorney

Mr. Phillips called the meeting to order.

The Invocation and Pledge of Allegiance were led by Mr. Phillips.

**M 048 09
Amend
and
Approve
Agenda**

A Motion was made by Mr. Cole, seconded by Mr. Vincent, to amend the Agenda by deleting "Appointments" and "Introduction of Proposed Zoning Ordinances", and to approve the Agenda, as amended.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Vincent, Yea;
Mr. Wilson, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea

**Corre-
spondence**

Mr. Griffin read the following correspondence:

DELAWARE ADOLESCENT PROGRAM, WILMINGTON,
DELAWARE.

RE: Letter in appreciation of Human Service Grant.

BIG BROTHERS BIG SISTERS OF DELAWARE, INC., WILMINGTON,
DELAWARE.

RE: Letter in appreciation of Human Service Grant.

BOYS & GIRLS CLUBS OF DELAWARE, WILMINGTON, DELAWARE.

Letter in appreciation of the Council's recent donation to the Oak Orchard Boys & Girls Club.

**Correspondence
(continued)**

YMCA OF DELAWARE, WILMINGTON, DELAWARE.

RE: Letter in appreciation of Human Service Grant.

INDIAN RIVER SENIOR CENTER, INC., MILLSBORO, DELAWARE.

RE: Letter in appreciation of Human Service Grant.

**Defer
Approval
of Minutes**

Action was deferred on the agenda item "Approval of Minutes" since the Council members did not receive their packet of information in the mail prior to the meeting.

**Proposed
State
Legislation**

Mr. Baker reviewed the proposed House Bill No. 26 entitled "AN ACT TO AMEND TITLES 22 AND 25 OF THE DELAWARE CODE TO AUTHORIZE THE COLLECTION OF LIENS BY WRIT OF MONITION". This act authorizes any county or municipality to treat unpaid liens as a tax lien against the property subject to the lien and to collect such liens in the same manner as other tax liens, including proceedings pursuant to a writ of monition. Mr. Baker explained that the major benefit of this legislation is that it will improve the process by which the County can collect delinquent sewer and water fees and, in addition, will assist the County in addressing properties with overgrowth and demolition issues.

**Adminis-
trator's
Report**

Mr. Baker read the following information in his Administrator's Report:

1. Delaware Solid Waste Authority – "Recycle Delaware" Report

As per the attached letter, 24,919 pounds of recycled material was received at the West Complex recycling center in Georgetown, Delaware, during the month of December 2008.

2. Sussex County Advisory Committee for the Aging and Adults with Physical Disabilities Agenda

Attached is a copy of the agenda for the Sussex County Advisory Committee for the Aging and Adults with Physical Disabilities for January 26, 2009. The meeting will be held at the West Complex on North DuPont Boulevard in Georgetown at 10:00 a.m.

(Attachments to the Administrator's Report are not made a part of these minutes.)

**Financial
Report**

Mrs. Webb presented a Financial Report for the Quarter Ending December 31, 2008.

for the
Quarter
Ending
12/31/08

General Fund Revenue Report

The General Fund Revenue Report contains actual numbers for the first six months of Fiscal Year 2009. The report also contains budgeted amounts: the annual budget (\$54 million) and the budget pro-rated year-to-date (\$27 million), and percent over/under budget year-to-date (2.93%).

Financial
Report
for the
Quarter
Ending
12/31/08
(continued)

Mrs. Webb commented on the following trends: (1) the drop in construction and associated permit fees and building code fees and (2) the drop in the real estate related revenues such as Realty Transfer Tax and Recorder of Deeds' fees. These trends have resulted in decreases in revenues and Mrs. Webb highlighted some of the line items: Realty Transfer Tax (-16.89%), fire service fees (-26.31%), building permit and zoning fees (-22.92%), building inspections (-6.42%), Federal operating grants (-19.94%), State operating grants (-47.01%), Recorder of Deeds (-33.25%), and interest earnings (-41.11%).

Mrs. Webb noted that the Sheriff Department's revenues are over 94.68%, which helps off-set the decrease in the Recorder of Deeds' revenues.

General Fund Expense Report

The General Fund Expense Report contains actual numbers for the first six months of Fiscal Year 2009 (\$28 million). The report also contains budgeted amounts: the annual budget (\$54 million) and the budget pro-rated year-to-date (\$27 million), and percent over/under budget year-to-date (2.50%).

Mrs. Webb noted that the pension amount is expensed in the first six months of the year; it is not pro-rated since it is paid in December; and it is reflected in year-to-date actual amounts. In addition, insurance costs are all paid up front from the County Finance Department line item, which is 122% over budget as of 12/31/08, since each department will be charged later for their insurance costs and the Finance Department line item will be credited at the end of the Fiscal Year. In addition, the Personnel Department funds all workers compensation up front under the same scenario.

Mrs. Webb noted that there is a small excess of revenues over expenditures in the amount of \$118,124.50.

Mrs. Webb reviewed the Capital Improvement Fund Revenues and Expense Report. She advised that this Fund has been funded over many budget years for projects such as the new \$13 million Emergency Operations Center building. Mrs. Webb reported that some of the County's projects that make up the \$8.7 million are library expansion, airport improvements and the purchase of property on Route 113 in Georgetown.

Estimated Revenues and Expenditures Report

Mrs. Webb reviewed the Estimated Revenues and Expenditures Report. The Report includes year-to-date actual amounts, estimated actual amounts through June 30, 2009, and the estimated actual totals for June 30, 2009.

**Financial
Report
for the
Quarter
Ending
12/31/08
(continued)**

Mrs. Webb stated that, in the Report, revenues were reduced to reflect the economic situation and budgeted revenue amounts were not used; however, the previously budgeted expenditure amounts were used assuming the County would meet the Budget. She noted that this results in the report reflecting a worst-case scenario of a revenue short-fall in the amount of \$7.7 million.

Mrs. Webb discussed the major reasons for the Fiscal Year 2009 deficit: Appropriated Reserves (Rainy Day Funds) were used in the Fiscal Year 2009 Budget in the amount of \$2,550,000; Realty Transfer Taxes as of December 31, 2009 are off \$3 million; Row Office fees are down \$50,000; Building Permits are down \$375,000; Building Inspection fees are down \$65,000; Private Road Inspections are down \$230,000; 911 Fees are down \$50,000; and Interest could be down \$900,000.

In response to questions raised by the Council, Mr. Baker reported that, during the good years, the County set monies aside for “rough times” and that the County does have sufficient “Rainy Day Funds” for approximately 4 to 7 years. Mr. Baker noted, however, that the Budget Committee agrees that changes need to be made in the upcoming budget as well as additional changes in this budget year.

**Proposed
Fiscal
2009
Budget
Reductions**

Mr. Baker explained that, due to the economic downturn, the Budget Committee has prepared a list of proposed Fiscal 2009 Budget reductions, as follows:

- Staffing – reduction in number of full-time employees, use of existing available staff, office reorganizations.
- Reduction in use of take-home vehicles.
- Continued reduction in travel and seminars.
- Reduce dues and subscriptions to base needs.
- Reduce supplies.
- Reduce capital purchases.
- Reduce professional services.
- Conserve utilities.
- Reduce printing costs.
- Reduce programs and projects – such as printing newsletters, quarterly reports, County functions as NASCAR, and employee healthcare.
- Reduce uniforms.
- Freeze non-essential overtime.
- Voluntary furlough policy.

Mr. Baker reviewed an itemized list of proposed budget reductions, as follows:

**Proposed
Fiscal
2009
Budget
Reductions
(continued)**

- **Positions not filled (includes benefits minus pension) - \$1,026,098**
- **Reduce printing costs - \$7,957.00**
- **Reduce take-home vehicles – except for on-call staff (33 cars) - \$17,166**
- **No department bottled water - \$1,400**
- **Reduce seminars and conferences - \$116,093**
- **Re-evaluate all grants (Totaling \$561,749) -**
 - Community Improvement Grants - \$19,788**
 - Future Farmer's of America - \$1,000**
 - Human Service Grants - \$11,000**
 - Open Space - \$490,000**
 - W&S Grant from Realty Transfer Tax - \$40,000**
 - Housing Assistance - \$3,000**
- **Reevaluate dues and subscriptions - \$4,700**
- **Reduce purchases of supplies - \$96,897**
- **Machinery & Equipment and Other Capital-related items including improvements - \$188,327**
- **Professional Services – Legal, Advertising - \$60,497**
- **Utilities – Conserve Energy - \$53,470**
- **Maintenance & Repair - \$55,699**
- **Other Contractual Services - \$16,249**
- **Programs & Projects - \$75,400**
- **Retirement Distribution (under-budget for benefits) - \$171,000**
- **Voluntary Furlough - \$21,736**

The total savings is approximately \$2,474,438.

Mr. Baker noted that the proposed reductions would reduce the current Budget by 4 1/2 percent. He also noted that the approved Fiscal Year 2009 Budget was 5 percent less than the Fiscal Year 2008 Budget.

Mr. Cole stated that he believes training/education/seminars are important and that the County should not be too aggressive in reducing this item.

Mrs. Deaver referred to Community Improvement Grant funding and she questioned why this funding rolls over to the next Fiscal Year if the funds are not used. Mrs. Deaver also commented that revenues are steadily declining while discretionary funds have been increasing.

**M 049 09
Motion
Died**

A Motion was made by Mrs. Deaver to reduce all Councilmanic Discretionary Funds to no more than \$10,000 per Council person. The Motion Died for the lack of a Second.

Mr. Cole recommended against the cuts for FFA and Housing Assistance

grant funding.

M 050 09 **A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to allow the**
Allow **FFA and Housing Assistance grant funding to remain intact.**
Funding

FFA **In response to a question raised by Mr. Wilson, Mr. Baker advised that the**
Funding **FFA has not submitted a request for funding for many years.**

Rescinded **Mr. Cole and Mrs. Deaver rescinded their Motion and Second.**

M 051 09 **A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to allow the**
Allow **Housing Assistance grant funding (\$3,000) to remain intact.**
Housing

Assistance **Motion Adopted: 3 Yeas, 2 Nays.**
Grant

Funding **Vote by Roll Call: Mrs. Deaver, Yea; Mr. Vincent, Yea;**
to Remain **Mr. Wilson, Nay; Mr. Cole, Yea;**
Intact **Mr. Phillips, Nay**

Proposed **Mr. Griffin addressed the issue of legal fees and he reported to the Council**
Fiscal **that his firm and Mr. Berl's firm are offering to voluntarily roll their fees**
2009 **back to the hourly rates charged in January 2005. Mr. Baker noted that**
Budget **this savings was not included in the Budget Reductions Report.**
Reductions

(continued) **Mrs. Deaver stated for the record that the Council members do not have**
 individual staff.

Mrs. Deaver stated that, in regards to printing and copying, she requests
that copies of any letters pertaining to zoning applications be included in
the Council members' packets which are mailed weekly.

Mr. Baker presented the following proposed Capital Project (non-sewer
and water) reductions totaling \$4,875,000:

- **Airport Stormwater Improvements - \$2,500,000**
- **Airport Tie-down Ramp - \$400,000**
- **Airport – Repaint Runway 4-22 - \$25,000**
- **Public Works – Solid Waste - \$700,000**
- **Communications Buildings - \$250,000**
- **Property Acquisition - \$1,000,000**

This proposal would result in a 30 percent reduction in the Capital
Improvement Budget, which totals \$16.4 million.

Mr. Cole raised questions regarding the new Administration Building
Project. Mr. Baker reported that this project was not included in the
proposal since the Budget Committee thought that the new Council may

**Proposed
Fiscal
2009
Budget
Reductions
(continued)**

wish to address it. Mr. Baker stated that, over previous years, \$14 million has been set aside for this project; \$2.1 million was used to purchase the land on Route 113; \$11.9 million remains set aside for the project. Mr. Cole suggested that the new Council address this project and decide whether or not it is needed. It was suggested that this matter be placed on a future Agenda.

Mr. Phillips asked the Council to think about the “deficit budgeting” policy that has been followed during the last two budget years where money is pulled out of the Rainy Day Fund to balance the budget. Mr. Phillips stated that in a true balanced budget, revenues meet expenses.

Mr. Cole stated that the Rainy Day Fund was set up to help in difficult economic times and he questioned the reluctance to use the Rainy Day Fund.

Mr. Baker presented the following budget considerations for the next budget year and beyond:

- Grant reductions – such as water and sewer grants, Community Improvement grants, 100 front foot assessment cap grant, Fire Service grants, Sussex Conservation District grants, University of Delaware grants, Open Space grants.
- Improve fleet management – sell surplus vehicles and equipment quarterly instead of annually.
- Vehicle replacement – less often.
- County cell phone usage evaluation.
- Bookmobile service.
- Reduce rental costs by using other County buildings.
- Early retirement option evaluation.
- Healthcare plan changes.
- Water and sewer district reimbursement to General Fund for administrative costs.
- Review of County fee schedules.
- Review security policy – possible privatization.
- Reduce public hours for Administrative Office Building.

- Authorize Implementation of Budget Expenditures**
M 052 09
(continued)
- the County Administration to implement reductions in budgeted expenditures, as recommended by the County's Budget Committee and to continue to search for ways to reduce Fiscal Year 2009 expenditures, with an amendment that the \$3,000 in Housing Assistance grant funding remains intact.
- Motion Adopted: 5 Yeas.**
- Vote by Roll Call:** Mrs. Deaver, Yea; Mr. Vincent, Yea;
Mr. Wilson, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea
- Surplus Equipment**
- Frank Shade, Purchasing Agent and Fleet Manager, advised the Council that, in the past, the County has disposed of its surplus vehicles and equipment annually by public sale at the Administrative Building and anything that is not sold, is offered for sale at public auction. Mr. Shade presented a list of existing surplus equipment and vehicles (18). The items listed are in a state of disrepair and/or no longer needed.
- M 053 09**
Authorize Sale and Disposal of Surplus Equipment
- A Motion was made by Mr. Vincent, seconded by Mrs. Deaver, that the Sussex County Council authorizes the sale and disposal of surplus County vehicles and equipment, as recommended by the County's Purchasing Agent.
- Motion Adopted: 5 Yeas.**
- Vote by Roll Call:** Mrs. Deaver, Yea; Mr. Vincent, Yea;
Mr. Wilson, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea
- M 054 09**
Recess Regular Session/ Go Into Executive Session
- At 11:16 a.m., a Motion was made by Mr. Cole, seconded by Mrs. Deaver, to recess the Regular Session and to go into Executive Session for the purpose of discussing pending/potential litigation, land acquisition, and personnel issues.
- Motion Adopted: 5 Yeas.**
- Vote by Roll Call:** Mrs. Deaver, Yea; Mr. Vincent, Yea;
Mr. Wilson, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea
- Executive Session**
- At 11:18 a.m., an Executive Session of the Sussex County Council was held in the Caucus Room of the Sussex County Council for the purpose of discussing pending/potential litigation, land acquisition, and personnel issues. The Executive Session concluded at 11:55 a.m.
- M 055 09**
Come out of
- At 11:56 a.m., a Motion was made by Mr. Vincent, seconded by Mr. Cole, to come out of Executive Session and to reconvene the Regular Session.

**Executive
Session**

Motion Adopted: 3 Yeas, 2 Absent.

**Vote by Roll Call: Mrs. Deaver, Absent; Mr. Vincent, Yea;
Mr. Wilson, Absent; Mr. Cole, Yea;
Mr. Phillips, Yea**

There was no Additional Business.

**M 056 09
Adjourn**

**A Motion was made by Mr. Vincent, seconded by Mr. Cole, to adjourn at
11:57 a.m. Motion Adopted by Voice Vote.**

Respectfully submitted,

**Robin A. Griffith
Clerk of the Council**