

THE BOARD OF SUPERVISORS HELD THE PUBLIC HEARING FOR THE PROPOSED
FY2000-2001 BUDGET ON THE 10TH DAY OF MAY IN THE YEAR TWO THOUSAND OF
OUR LORD IN THE BOARDROOM OF THE ADMINISTRATION BUILDING AT 6:00 P.M.

IN RE: INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. Burrell gave the invocation and led the Pledge of Allegiance.

IN RE: ROLL CALL

Julian T. Lipscomb	Present
Rebecca M. Ringley	Present
Dean E. Raynes	Absent
W. R. "Ray" Davis Jr.	Present
James H. Burrell	Present

IN RE: PUBLIC HEARING – ORDINANCE O-03-00 establishing Tax Levies for New
Kent County, FY2000-2001 Budget, and ORDINANCE O-06-00 establishing
Water and Sewer Rates and Fees and Water and Sewer Connection Fees.

Mr. Emerson stated the proposed budget of \$28,198,673 has been balanced with a 3 cent tax increase. This increase, added to the county's equalized rate of 69 cents, makes the proposed rate on real estate 72 cents. Based upon the proposed rate, local revenues for FY2001 are projected at \$12,072,924 and, along with other directed revenues, complete the total FY2001 revenue number of \$28,198,673. It should be noted while the county's real estate tax rate is increasing 4.4 percent, the total proposed FY2001 budget for New Kent County will exceed last years budget by 15 percent. This has been made possible by a strong economy, strong capital fund balance, and grant funds provided by the State of Virginia for capital projects on the Route 33 corridor, at the New Kent Airport, and at the county courthouse complex.

In the revenue category, both real estate and personal property have been projected at 94 percent collection. Both categories have performed well this year, however, the audited collection rate for FY99 was 95.29 percent. Based on that historical number, the collection rate for FY2001 has been placed at 94 percent, 1 percent below the most recently audited number. The county is realizing growth in sales tax, consumer utility taxes, motor vehicle license, and investment revenues, which can be attributed to a growing business base and strong fund balance. State provided revenues for the operation of constitutional offices has grown 5.5 percent or \$53,604. The total operational cost of the constitutional offices is \$3,039,019; the county's share of that cost is \$1,706,421. Pari-mutuel receipts (funds from Colonial Downs) are forecast on numbers provided by the State Racing Commission and have decreased \$1,750.

The proposed budget contains \$15,755,466 for the New Kent County School System with an additional \$419,302 set aside in an enterprise fund for the School Food Program creating total School funding of \$16,174,768. The schools are proposed to receive \$403,957 of new local

contribution creating a total allocation of \$6,548,957. This represents a 6.57 percent increase in local funding. Based on this allocation, the School board will be able to meet their goal of a 7 percent raise for county teachers, purchase instead of lease mobile classrooms, and replace aging school buses. When increased revenue from the commonwealth is considered, the schools revenue will increase \$1,283,323 or 8.8 percent over FY2000 figures.

The proposed budget reflects a 3 percent cost-of-living increase for county employees and 2.4 percent for constitutional officers effective December 1 as directed by the State Compensation board. Social Services employees are covered under a plan administered by the State Department of Social Services and the county has yet to receive information as to what their recommended salary increases will be. County employees will also be eligible for a 0-3 percent merit increase based upon a performance review and effective on their anniversary date.

Highlights of the FY2001 proposed budget are as follows:

1. Staff positions – a new office of Comprehensive Mentoring has been created with grant funds obtained by the county’s Office on Youth. The Comprehensive Mentoring program will have a full time coordinator and secretary; however, this is a joint program shared between New Kent and Charles City Counties and requires a contribution of only \$4,867 from New Kent County. No other new staff positions have been recommended in FY2001 budget.
2. Capital Requests – Staff has been able to recommend funding of numerous capital items for F2001 due to the Board’s diligence in creating a strong capital fund. Items recommended for funding under Capital Requests include: five new vehicles for the Sheriff’s Department, one new vehicle for the Building Inspection Department, a replacement tanker for company #3, refurbishment of engine Company #2, a tractor for general properties, a pickup truck for the Water Department, a radio system for the Sheriff’s Department/Public Safety, Route 33 water/sewer line improvement project, water system generators, ISTEAs sidewalk project, and the Parham Landing Road improvement project. At the Airport, funds have been included to acquire land for a new access road, construction funds for the new access road, repavement of the entrance road, repavement of the terminal area parking, and perimeter fence to secure the airport property. Also recommended are monies designated for the design of a county garage, and design of the first county-owned fire station.

In order to fund to \$900,000 cost of the water system generators, staff has proposed an increase of \$10.00 per quarter on the base water rate (\$30.00 to \$40.00). In order to support increased operating capital costs, connection fees have been proposed to increase from \$1,500 to \$2,000 on water and from \$3,000 to \$4,000 on sewer. The proposed water rate has been equalized across the scale to \$3.25/1,000 gallons over 10,000 gallons of usage in the water category and proposed sewer rates have been adjusted \$10.00 (\$35.00 to \$45.00) on the minimum and \$.50 (\$3.50 to \$4.00) on the rate per 1,000 gallons over the initial 10,000 gallons.

A Contingency Fund of \$308,415 has been created and set aside in the event additional funds are needed throughout the year for unforeseen reasons or as a safety net if revenues do not perform

as projected. If these funds are not utilized during the year, the contingency fund then remits to the Fund Balance, building a strong financial foundation for the county.

Lisa Dessoify, Accounting and Budget Officer, presented a details of the proposed FY2000-2001 budget.

Mr. Burrell opened the public hearing. The first person to speak was Ms. Kate Dydak. Ms. Dydak said she attended New Kent Middle School and thought the teachers should get a raise. The next person to speak was Ms. Faye Creamer. Ms. Creamer also attended New Kent Middle School and she felt the teachers salaries should be raised. The next person to speak was Ms. Lynn McPherson. Ms. McPherson thanked the Board of Supervisors for working with the School Board to provide the necessary funding for the teachers salaries. She urged the Board to continue funding the teachers raises next year as the raises needed were seven percent for four years and the teachers deserved competitive pay. The next person to speak was Ms. Julia Caples, Ms. Caples said she has children in the school system and she wanted the teachers to know they are held in the highest regard and she is willing to fund the raises for the teachers and she urged the Board to support this. The next person to speak was Mr. W. Tolar Nolley. Mr. Nolley said he was speaking on behalf of the New Kent Historical Society and thanked the Board for their support in the past years. He also asked the Board to approve funding to identify historic sites in the county and authorize opportunities with specific grant funds. The next person to speak was mr. John Crump. Mr. Crump felt administration did not understand the duties his office performed as evidenced in the budget cuts made to his budget (Commissioner of Revenue). He reviewed his budget concerns with the Board. The next person to speak was Mr. Steve Miles. Mr. Miles said he appreciated the Board's increase for the teachers – it was the first step in making them the best small school in the State of Virginia. The last person to speak was Ms. Mary E. French. Ms. French fully supported the pay raises for the teachers. Mr. Burrell closed the public hearing.

Ms. Ringley discussed the proposed water and sewer rate increases and from the calls she has received she did not feel most people supported the generators and the increases to the water rates. Mr. Lipscomb said everyone he has spoken with supports the generators and are willing to pay the increased fees. Mr. Emerson said this is an enterprise fund and the rates could be adjusted at anytime. Ms. Ringley wanted the proposed increases in the base water rate taken out of the budget. The Board discussed developing a mailer to send to the water customers to ask their opinion on this issue. It was the consensus of the Board to not include the proposed increase in base water rates in the FY2000-2001 budget.

The Board discussed the proposed design fee for the county-owned garage, the E-911 tax, and the funding of the Historical Society's brochure through the Historic Commission. The Board also reviewed the \$10,000 for increased medical services to the county – they are still awaiting a study from Social Services on this issue, but the money may be used for either Olde Towne Medical Center or the Health Department.

Mr. Burrell stated the Board was very much in favor of the raises to the teachers salaries and the radio system is very much needed.

IN RE: MEETING SCHEDULE – The Adoption of the FY2001 Budget is scheduled for May 17, 2000 at 6:00 p.m. in the courtroom in the old courthouse.

IN RE: ADJOURNMENT

Mr. Lipscomb made a motion to adjourn.

Julian T. Lipscomb	Aye
Rebecca M. Ringley	Aye
Dean E. Raynes	Absent
W. R. “Ray” Davis Jr.	Aye
James H. Burrell	Aye

The Board adjourned at 7:10 p.m.