

A PUBLIC HEARING WAS HELD BY THE BOARD OF SUPERVISORS OF THE COUNTY OF NEW KENT ON THE TWENTY-SECOND DAY OF MAY IN THE YEAR OF OUR LORD NINETEEN HUNDRED NINETY-SIX IN THE BOARD ROOM OF THE COUNTY OFFICE BUILDING BEGINNING AT 7:00 P.M. WITH ALL MEMBERS PRESENT.

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Mr. Ringley called the meeting to order and asked Mr. Hennaman to give the invocation followed by the Pledge of Allegiance.

Mr. Ringley thanked everyone for their attendance at this public hearing to give the Board input on the 1996/97 Budget. The process to develop this budget began back in March with several all day meetings, one on one meetings and a number of work sessions in order to meet with the departments and agencies that are funded by the County. Tonight is the citizens' opportunity to give their input and opinion of the budget. He stated he and all the Board members have received numerous calls from citizens in their respective districts. Mr. Ringley read the By-Laws as they referred to the public hearing. Mr. Ringley asked if any of the Board members had an opening statement before the budget was presented.

Mr. Bahr said he had not made up his mind but wanted to find out what the tax payers could give. He felt 82¢ was best. He wanted the schools to hire someone for the finance position and also wants the schools to show by category the funds that are expended and lastly, he wanted a thorough review of the proposed budget to see if it can be reduced by budgeting actual expenditures opposed to using last years budgeted figures. He would try and place this on the ballot in November.

Mr. Hennaman also thanked everyone for their attendance and hoped the input would be constructive.

Mr. Burrell stated he also has had a lot of calls. He felt 82¢ was still a bit stiff and he looked at what we can afford against what we want. The teachers and County employees could all use additional pay, but the County is in a tremendous debt. We will have to build several schools in a few years, and the fund balance is very low. He was not placing blame on anyone but felt we needed to be fiscally responsible. In his company alone, they had two wage freezes and he was happy to have a job. Mr. Burrell stated he was not inclined to go with 82¢ but with 79¢. Mr. Burrell also thanked the citizens that came out to show their concern and to express their feelings on the budget.

Mr. Lipscomb reiterated he was glad to see everyone, it will be a long night and he would cut it short.

Mr. Ringley asked the County Administrator, Mr. R. J. Emerson to present the proposed Ordinance to Impose Tax Levies and the 1996/97 Budget.

Mr. Emerson presented the Fiscal Year 1996/97 Operating Budget for the County of New Kent. It has been a difficult year to balance the budget due to the large request submitted by the School Board, as well as requests from 57 other agencies and departments funded by the County. This proposed draft budget of \$20,028,845 contains \$12,271,741 for the schools. The schools represent 61.27% of the overall proposed budget. The remaining 47% or \$4,726,104 is divided amongst 57 other agencies and departments funded by the Board of Supervisors. This budget contains \$5,233,831 dollars of General Fund expenditures, \$418,838 in expenditures for Social Services, \$135,992 in grant expenditures, \$1,050,000 for capital improvements, \$554,812 for Comprehensive Youth Services, \$135,964 for Emergency E-911 services, \$77,677 for airport operations and \$160,000 for water fund operations. The proposed budget contains a 5% salary increase for the 22 full time, plus 12 part time employees of the County, State mandated increases of 4.35% for the employees of Constitutional Officers, 4.5 to 5% increases in salaries of the Treasurer, Commission of Revenue and Sheriff and an 8% increase in the salary of the Registrar. The budget is balanced by a proposed increase of the real estate tax to 89¢ per hundred dollars of valuation.

The County recently completed a reassessment of all properties. After reassessment, State law requires the County determine what the effective rate would be to raise the same amount of money the former tax rate generated.

The effective rate for New Kent County after reassessment is 67¢, therefore, the 89¢ real estate tax proposed is a 22¢ proposed tax increase on real estate. Personal property is slated to rise from \$3.50 per hundred to \$3.75 per hundred or a 25¢ increase. All other tax rates will remain the same. The budget has decreased from a requested \$22,824,074 to a proposed \$20,028,845 or a reduction of \$2,795,229. The agencies funded by the County were reduced \$1,603,622 and the schools were reduced \$1,191,607. Mr. Emerson went over more of the reductions in order to bring the budget more in line. Mr. Emerson concluded with showing graphs on revenues, as well as expenditures, to better explain where the money is budgeted.

Mr. Ringley then opened the meeting for public comment.

Mr. Aubrey Evelyn of Quinton said he has been a citizen of New Kent County for 70 years and served on the School Board for 23 years. He is pro school, but he is retired and cannot afford to pay this high tax. He urged the Board to think about the budget and do something within reason.

Mr. James Nocton of New Kent said he didn't see much wrong with the budget but would like to see more money spent on the schools.

Reverend Milton Hathaway of Quinton asked they look at not taking all of the cuts from the schools. It is important to invest in the students.

Mr. Les Tyree of Quinton said he is a teacher here in the County. Why not raise the taxes a little at a time instead of a 33% increase all at once. He suggested when the Federal and State governments increase their appropriation to the schools, the Board should increase their portion likewise instead of cutting it.

Ms. Liz Southworth of New Kent and also a realtor in the County. If we put our tax rate the same as Henrico, we will have to offer the same services, paid firemen, trash pick-up and more. We either have to cut back on the budget so we can be competitive and bring new homeowners and businesses into the County. The citizens are entrusting the Board of Supervisors and the School Board to operate them like a business. Don't spend money you don't have.

Mr. Ray Dabney of Barhamsville stated he is 72 years old and cannot afford a large tax increase. Try to do something for the old folks, there are a lot like him that can't afford the taxes.

Ms. Alease Christian of Lanexa said she was native of New Kent and she supported the School Board budget and she supported the overall budget. Teachers and social workers are the lowest paid compared to others in the State. She asked the Board to carefully consider the suggestions and proposals and hopefully the Board can come to an agreeable arrangement.

Mr. Jack King of Providence Forge was the previous Chairman of the School Board. The proposed County budget reflects an increase in revenues of approximately 25% versus two years ago, while the local funding for schools has increased approximately 1.5%. The proposed local funding for schools is only \$80,000 more than it was two years ago. The teachers rank 108 in the State out of 134. Debt service should be increased in the school budget. He requested the Board of Supervisors keep the school funds.

Ms. Barbara Hale of Lanexa wanted to respond to Mr. Ringley's attack of Sam Snyder. It was not clear if the attack on "Ms. Snyder and ladies" was meant to include her also. Mr. Ringley suggested that writing

letters "To The Editor" is attempting to intimidate, it pales in comparison to the attack by Mr. Ringley on the citizens from the bully pulpit. If that isn't meant to stifle comments from citizens, who might then be the subject of his next attack, she didn't know what was. She then expressed her views of some line items in the budget. Most of her review, she stated, came from the County side not the school side. Ms. Hale touched on E-911, map books, street signs, telecommunications and the water fund repairs. The budget that was presented and all the comparisons are comparing budget to budget, but all that tells her is that if last years budget is grossly over and we increase it a little bit, it will still be over. She felt the budget had enough fat in it to cut the rate below 70 cents, but if you cut half of it 75 cents would be more than adequate funding.

Mr. Charles Hale of Lanexa felt that most people didn't realize their taxes will be raised and he didn't want to cut the money from the schools.

Ms. Sam Snyder of Lanexa stated they have come up with a one-third increase in real estate taxes and a 9% increase in personal property taxes. The budget includes 5 to 7% increases for County and school employees. The supervisors gave themselves a 175% salary increase, plus some get a healthy insurance package. If we oppose this budget, we are called anti-education. Ms. Snyder said she is not anti-education or anti-government but believes New Kent officials should live within their means. In a downsizing society, it doesn't seem fair county officials create new jobs, giving themselves a large pay raise and think of more ways to spend the citizens money. Ms. Snyder said she felt the Board expected the citizens of New Kent to sit by while the tax burden for their ill considered spending falls on them. Maybe what this County needs is more armchair politicians instead of highly paid, highly insured, professional politicians.

Mr. Frank Konier of Providence Forge said with cut backs, lay-offs and bad economic times, the budget was ridiculous. You don't purchase things and then try and find the funds. A small raise in the taxes will cover the increase in the school budget. There is a lot of fat in the budget, the Board must cut to what is needed, not what is wanted. Mr. Konier did not feel taxes should be raised above 70 cents and if they do he would work very hard to see they do not get in office again.

Mr. Henry Watson of Lanexa felt with cut backs, people being laid off, people not getting any salary increases for several years and retired people on fixed incomes, this budget is outrageous. A 33% increase in one year will not fly. He said there should be no renovations at all until revenues begin coming in. He was surprised the County owns a airport especially since it has a negative cash flow and suggested it be sold. Mr. Watson also felt there was fat in the budget and the Board needs to get it down to what the citizens can live with.

Ms. Denise Bartlett of Lanexa said she appreciated the effort that went into putting the budget together. She did support any expenditure as long as they could prove there is accountability and that it was spent effectively.

Mr. Cabel Martin of New Kent also felt that a 33% increase in one year was too much. Since the total budget is only going up 13%, if you applied the same logic to the 67 cent tax rate, then the tax should be 76 cents. He felt taxes should have increased in smaller amounts over the years instead of one large increase. He has also not received a pay raise with his company and would suggest we do the same.

Mr. James P. Smith of New Kent commended the Board on the operation of the new trash convenience centers. He felt the schools should be held responsible for the way they spend their money. A 33% increase is totally out of order. He is retired and he didn't see how they could continue to raise taxes.

Dr. Rebecca Moak of Lanexa said she is also a government employee and works for the Department of Education in Richmond. She works with budgets on the State level that are decreasing and was appalled

that the Board is asking for a 33% increase. She wanted to know what the cost of government services per capita was in 1988, what is the cost today? She wanted the Board to do an analysis on that question and expects a response. What services do the residents have today, or will they have next year, they did not have in 1988? Dr. Moak felt they should encourage recycling and for every bag of trash they bring in, they should charge \$2.00 per bag.

Mr. David Richardson of Lanexa said he doesn't find anything funny in this budget. There is no incentive to reduce costs. As a taxpayer, the only incentive he had to offer was, if they pass this tax increase he will work to see they are not elected again. The County Manager should be charged with the responsibility of reducing the budget below last years and he should be put on notice that he either does so or you will find somebody who will.

Mr. John Crump of New Kent and Commissioner of Revenue. He stated over the last several months he has sent letters to the Board on some concerns he had on the financial situation and the manner in which the funds are handled. He felt we didn't spend enough time planning how we are going to spend the money and get the revenues to meet these needs. Capital expenditures should not be committed to until the source of revenue is found. He was also concerned about new revenue sources, especially those that are targeted at the transient population that we expect to come through the County, i.e., meals taxes, lodging taxes, things of that nature. This will help take the burden off of the citizens who live in the County. He asked all the departments work together and share resources to become more efficient and effective. Mr. Crump felt if we wanted to invest money, to invest it in economic development. Economic development will bring money to us. The reserve fund, or lack thereof, was also a concern and we should try to build this back up. There should be incremental tax increases instead of one large one. He also stated he would like more money for his department but he will work with what he has or a decrease if needed.

Ms. Betty J. Burrell of New Kent and County Treasurer. She commended the efforts of the staff and the Board however, she is aware of the financial difficulties some of the citizens face. She asked the records to reflect, in her opinion, the Board needs to set a tax rate for real estate at or below 82 cents. Her budget was one of the few that had an actual decrease from current fiscal year to next fiscal year. Ms. Burrell urged the Board to heal the past budget mistakes in moderation, with deliberation, and with consideration of the ability of all the citizens to pay the proposed tax increase.

Mr. J. L. Ralston of Quinton stated he didn't have any children in the schools and he is getting ready to retire. He didn't feel this budget could be reduced. Most of the money comes from real estate, but there are different rates of real estate. There are many landowners who have hundreds or thousands of acres and are paying a much smaller rate than the average citizen. He suggested a proposal, if they don't farm the land and they sell it, then for the last five years they pay taxes for whatever they sold it at. Mr. Ralston encouraged the Board to continue to invest in the schools and the teachers. Two things the County needs is a sewer system and good schools to bring in industry.

Mr. Ron Jordan of Quinton said quality and commitment should hold true for the education system in New Kent. The School Board put together a budget that would bring quality to the students and addressed the three major components that are essential to quality. Personnel, technology and facilities. The proposed budget by the School Board included a pay plan that would stop the exodus of teachers from the schools. Repairs need to be made in the schools and also money for technology so the students would have the computer learning skills needed, this was all included in the School Board's budget proposal. With this budget the School Board could fulfill their commitment to quality. He urged the Board to approve the advertised tax rate.

Ms. Gilby Campbell of Quinton said she and her husband own the Brookwood Golf Course. She asked the Board to consider the effect on small business owners with this tax increase and the ripple effect this increase would have on the citizens in the County. They pay taxes on their property at the residential rate. If this increase is passed, it will affect the services they deliver and they will need to increase prices.

Ms. Gail Hesse of Quinton, a resident of the County for six years. They chose to move here because of the rural setting and were impressed with the school system. She urged the Board not to cut the proposed budget for the schools.

Ms. Catherine Campbell of New Kent said she is a parent with a child in the Middle School. She thanked the Board members who took the time to return her calls. Dr. Geiger and the newly appointed School Board are responding to parents like her. They feel the education of the children is one of the most important things the County can provide. When you have great schools, you will attract business. There must be a honest wage for teachers. Books are old and they need to upgrade the technology area in order to compete with the outside world. Ms. Campbell encouraged the Board to not cut spending to the schools.

Mr. Tim Higgins of Quinton said he had a couple of questions for the Board. What is being done about people who run businesses out of their homes and don't have a permit? Who does the purchasing for the Courthouse? They bought a \$300 chair to replace one that the bottom was broken on. Why not fix the swivel? He was all for education but he cannot afford the proposed tax increase. If the County wanted to earn money, recycle newspapers and take them to Newport News and get paid for them. Have the citizens donate their old clothes and furniture to the County and have a flea market sale to raise funds, use the airport as a park.

Mr. Stephen Lucy of Quinton said he works as a cost analysis and is use to doing budgeting. The overall budget now is a 13% increase over last year. He stated there were two parts to the budget which have to be looked at. The schools increased by 9% but based on the schools poor performance and staying within their budget in the past, he won't give them more than 6%. The other part is the non-school related portion of the budget which went up 21%. Why has the trash collection increased so much when by all accounts we are supposed to be saving money with the new centers. He suggested they increase the budget by 8% this year and maybe another 8% next year. He urged the Board be responsible for the budget.

Ms. Pam Currey of Quinton spoke on the school budget. She understood increasing taxes will not make anyone happy and it is never easy, she was glad it was the Board and not her making these decisions. Ms. Currey felt the most a County can do for the citizens is education. She requested the Board provide, at a minimum, the level of funding for the schools that would be available under the 89 cents and look toward the future and plan ahead to see what can be done to improve the situation. Recognize we have more children than a few years ago, therefore the dollars must be increased to keep the per pupil level funding at the proper rate. She urged the Board to consider the schools when they do their deliberations.

Mr. Frank Carley of Lanexa stated the budget needed to be trimmed, especially the fat in the education system. The Board's decision to increase their wages must have been hard. Taxes are not a choice. This budget is unacceptable. He suggested the school administration was too fat and should be cut.

Mr. Chuck Emmon of Quinton said the primary need of the government is the needs of its citizens. The primary responsibility of adult citizens is the needs of their community's children. Children are the one group in the community that cannot look after their own best interests. If the County wishes to entertain new businesses, they must have good quality schools. The needs of the children should be the highest priority and he requested the Board to reallocate the money towards the schools.

Ms. Kathy Stroube of Quinton said most of her remarks would be towards the School Board budget. Her concern is the per student spending of \$5,700 which seems to be more than an adequate sum. Ms. Stroube also said she didn't understand why the Literacy Passport scores are low, maybe the administration side of the schools is too high. She was distressed to hear text books are ancient, the roof leaks at some of the schools, but how did we build an almost million dollar athletic facility when these conditions exist? She did not want to force her opinion on anyone else, there seems to be a group of people who would be willing to pay more, why not set up a 501C3 non-profit foundation for people who want to contribute funds to go towards the schools. This way it is voluntary not forced on anyone. Ms. Stroube felt the County should embrace those who want to volunteer their services to help the County where needed.

Mr. Dusty Crump of New Kent stated he was 100% behind the school system. We have been going behind the last five years on funding for the schools. Ten years ago the school system received 70% of the budget and 70% of local funds, now it is 61% of the budget and 53% of local funds. There have been over 600 new homes built in the County over the last few years but the taxes on one home does not pay for the education of a child or children they add to the schools. He urged to fund the schools what they need.

Ms. Patricia Townsend of New Kent hoped the main goal of the supervisors coming in was to restore the faith with the citizens. She asked to take a look at the government. We asked the schools to really go back and tighten up because of the problem they had last year, why not ask government to do the same and maybe we could reach a happy medium.

Mr. Mike Walsh of Quinton suggested they prepare two separate budgets, one for the schools and one for the government. He also suggested showing actual expenses compared to budget and publish it quarterly. Good schools are an investment in the community.

Mr. Ringley closed this portion of the public hearing on the proposed ordinance to impose tax levies for the 1996 tax year. Mr. Bahr asked for a 10 minute recess.

Julian T. Lipscomb	Aye
James H. Burrell	Aye
Frederick G. Bahr	Aye
Mark A. Hennaman	Aye
E. David Ringley	Aye

Motion passed.

Mr. Ringley reconvened the meeting and asked the record show Mr. Burrell was not present when they reconvened. Mr. Ringley then opened the public hearing for the Proposed Real Estate Assessment Increase. Mr. Ringley called the names that had signed up to speak and the following are the only ones who remained.

Mr. Frank Carley of Lanexa felt there must be a better way to show what the citizens are getting for their money.

Mr. Jim Brabrand of West Point suggested they provide more information on the budget line items so the citizens can see where those funds are spent. There are some good ideas from the citizens, why not use the ideas and use local volunteers. He offered an alternate to spending \$37,000 per roof for the two gym roofs that are leaking by using volunteers but he saw an invitation to bid on fixing the roofs, so he guessed his suggestions were not well received. Mr. Brabrand felt there was a need for all ideas to be meshed and the money could be spent more wisely.

Ms. Anna Cofer of New Kent said she moved here two years ago for the rural setting. She suggested the County do as most citizens and that is live within their means. Ms. Cofer felt the School Board should petition the Governor to listen to localities, as 48 other states have done, and accept the Goals 2000 money and give back to New Kent what is rightfully theirs. She also suggested educators write grants and become more creative in ways to enlist volunteer help or fund items such as computers.

Ms. Sam Snyder thanked the Board, but she had already spoken.

Mr. Ringley then closed the public hearing. He thanked everyone for their comments and the Board will take into consideration their comments. Mr. Ringley asked the Board for their comments, as they must direct staff as to their wishes before next Wednesday, May 29th at which time the budget will be adopted. The Board cannot legally adopt a budget any larger than has been advertised but they can adopt a budget equal or lower than advertised.

Mr. Hennaman said he wished some of those who spoke had stayed to hear the Board's comments. He heard that 89 cents is out of the question. He also heard the schools need to be made responsible and trim the fat. Mr. Hennaman felt they needed to direct staff to look at this budget again to see what can be done to come off of the 89 cents. He would like to meet between now and next Wednesday so the Board can look at the budget again. Mr. Ringley asked if he had a proposed tax rate he would like the staff to work towards. Mr. Hennaman stated at least 82 cents.

Mr. Ringley asked Mr. Bahr if he had any comments. He stated he doesn't want the tax anymore than 82 cents and wanted to know when the schools will be set up with their books so they will have an idea of where they are going.

Mr. Ringley said assuming we can find cuts to bring the tax rate down to 82 cents per hundred and \$3.50 per hundred for personal property, it will involve an additional \$603,588 in cuts over what was advertised. If they go to 82 cents per hundred tax rate and \$3.75 per hundred for personal property, they will need to come up with \$469,258 in additional cuts.

Mr. Burrell said he would like to see the rate brought down to 79 cents. There were many comments about the school system and he is pro-education, but felt they needed to find where the inefficiencies are in the schools. He fought against the athletic facility of over \$600,000 which would have purchased a lot of computers. They talked about teachers leaving. Most of those teachers do not leave for salary increases but because there are internal problems within the schools. They are afraid to say anything else so they use salary as an excuse. He has a problem paying top dollar for an administrator coming into the system. The schools propose hiring a financial manager for over \$40,000 and up to over \$60,000 to do their records. Mr. Burrell felt there were many people who would be willing to do the job for less. They need to get their system efficient first and then talk about their needs. In reference to the airport, the County received grant money from the government so it is not possible to just shut it down. We have been paying money for someone's hobby over the last ten years and he was not willing to spend 1 cent for the airport when it is not generating revenues for the County and it is only serving a very small population of the County. He was in support of a tax rate of 79 cents and \$3.50.

Mr. Bahr stated he was not in agreement with Mr. Burrell, in reference to the airport, and hoped he would not come to a final decision until they met with the Flyers Club. Mr. Burrell stated, he was not at the meeting when the Flyers Club spoke. When he said he won't spend anymore, if someone coming in could make it self-sufficient and the County doesn't have to spend tax dollars, he would be for keeping the airport.

Mr. Lipscomb stated he didn't see how they could go much lower than 82 cents. If it could be brought in under that he would like it but felt it would have to be 82 cents.

Mr. Ringley stated New Kent is on the verge of big things. A lot of commercial development will be coming to the County. There is a multi-million dollar golf course opening soon, the race track has to be opened in fourteen months, there are two new supermarkets opening this fall but you cannot base the budget for next year upon when they will be completed and how much the County will received in taxes. The County has not overdeveloped, we do have development coming and it will be up to the County to guide the development on the way. After each member met one on one with him, the County Administrator and the Accounting & Budget Officer, he felt they thought 89 cents was a good number to shoot for. Once this figure got out to the public, they became aware that the public did not support a reassessment, as well as, a tax increase. The Board does listen to the citizens and he felt they should direct Mr. Emerson to look at lowering the tax rate to 82 cents or lower. Mr. Ringley felt if they went any lower than 82 cents they would be cutting into the schools and the services for the County.

Mr. Burrell added, at the initial part of the 89 cents proposal, he said he thought they should go with 82 cents. Mr. Ringley inquired, even on the one on one? Mr. Burrell replied, yes.

The Board set a Work Session for Monday, May 27th beginning at 9:00 a.m.

Mr. Hennaman moved to instruct Mr. Emerson to bring to the Board a budget reflecting 82 cents or below on real estate and \$3.75 on personal property and any additional cuts where possible. Mr. Burrell said he would support the motion because it said if we can go 82 cents or below.

Julian T. Lipscomb	Aye
James H. Burrell	Aye
Frederick G. Bahr	Aye
Mark A. Hennaman	Aye
E. David Ringley	Aye

Motion passed.

Mr. Ringley continued this meeting until Monday, May 27th at 9:00 a.m. for a Work Session concerning the 1996/97 Budget.

Julian T. Lipscomb	Aye
James H. Burrell	Aye
Frederick G. Bahr	Aye
Mark A. Hennaman	Aye
E. David Ringley	Aye

Motion passed.