

AT A MEETING OF THE MIDDLESEX COUNTY BOARD OF SUPERVISORS
HELD ON TUESDAY, APRIL 22, 2008, IN THE BOARD ROOM OF THE
WOODWARD BUILDING, SALUDA, VIRGINIA:

Present: Kenneth W. Williams, Pinetop District
John D. Miller, Jr., Saluda District
Robert A. Crump, Saluda District
Wayne Jessie, Sr., Jamaica District
Fred S. Crittenden, Pinetop District

Charles M. Culley, Jr., County Administrator
Marcia Jones, Assistant Administrator

CALL TO ORDER

Chairman Williams called the meeting to order at 7:30 P.M. Mr. Crittenden led the group in prayer. Mr. Culley led the group in the Pledge of Allegiance.

BAY AGING – COMMUNITY ACTION AGENCY

Allyn Gemerek, Director of Bay Aging was present to answer any questions the Board may have regarding Bay Aging's request to be named the County's Community Action Agency. Mr. Gemerek explained that this designation may allow the agency to access more federal money, however, there were no intentions to start any new programs. County representative to Bay Aging, Diana Pitts, and staff member, Kathy Vesly-Massey were also present. The motion to approve the request was made by Mr. Crump, seconded by Mr. Crittenden and carried unanimously.

RESOLUTION
DESIGNATING BAY AGING
AS MIDDLESEX COUNTY'S
COMMUNITY ACTION AGENCY

WHEREAS, the Middlesex County Board of Supervisors desires that the citizens of Middlesex County have access to opportunities to reach their goals to enhance their lives; and

WHEREAS, Bay Aging has had experience in delivering services that provide opportunities for housing, transportation, health, nutrition, and general community economic development since 1978 in Middlesex County; and

WHEREAS, Bay Aging desires to develop and offer services to the citizens of Middlesex County, as the County's Community Action Agency.

NOW, THEREFORE BE IT RESOLVED that the Middlesex County Board of Supervisors does hereby designate Bay Aging as Middlesex County's Community Action Agency.

Adopted by the Middlesex County Board of Supervisors this 22nd day of April, 2008, by unanimous vote.

**PUBLIC HEARING – MIDDLESEX COUNTY SCHOOL AND COUNTY BUDGETS
FOR FY 09**

Mr. Culley presented a review of the proposed County budget, totaling \$19,154,613.00. This total reflects an increase from last year of \$2,617,670.00 (15.83%). Of 65 departments, 7 have decreasing budgets, 43 have increases and 10 have no change. Salary increases of 4% are proposed for County employees, with state/local salaries estimated to increase 4%. Additional incentive pay has been proposed for deputies. The largest increase is in the School Budget in the amount of \$988,715.00. Most other agencies increased by 5% or less. Fire departments increased by 33.55%; rescue by 15.25% and library by 16%. No carry-over funds from the fund balance are used to meet expenses.

Monies for the School Budget reflect a proposed increase in school operations of \$368,819.00, or 2.77%. No funds are included in the proposed school capital outlay budget. Funding for buses and laptop computers has been cut. An additional \$350,000.00 has been cut from the school budget and put in the County budget to supplement for fuel expenses. The proposed local funds in the Textbook Fund are \$99,958.00; this amount is set by the State. The School Budget is based on an average daily membership (ADM) of 1240. State funds for operations are at \$4,450,314, resulting in a decrease of 12.41%, or \$630,791.00. Local funds for operations are proposed to increase by \$890,715.00, 14.45%. Total cost per student is at \$10,018.24, with local funds per student being \$6,607.11. Mr. Culley pointed out that over at least the past seven years, there has been a continued shift in funding responsibility for the school system, with the County now responsible for 56.78% (up from 50.75% last year) and the state 35.82% (down from 41.84% last year). State aid for operations has been reduced by \$630,791.00 and state funds for debt service have reduced by \$120,143.00.

A six (6) cent tax increase is proposed. Due to reassessment, the effective rate of the real estate tax will increase from 0.29 to 0.35 per \$100.00 assessed value. A penny on the tax rate equals approximately \$256,118.00.

Mr. Williams opened the hearing for comments from the public. The following citizens offered comments or had questions:

Dan Downs – the increase in values for reassessment would allow the tax rate to be \$0.286 per \$100 of value. If there is a \$0.06 increase, could the increase in the rate make the new rate \$0.346? How much additional money will the County be receiving from the additional \$0.004? Does the proposed budget reflect the increase in funds needed for the commonwealth's attorney position which will become full-time. Mr. Culley responded that the full time position was included.

Danny Gilmore – questioned the amount of carry-over funds proposed and how much was in the current carryover fund. Mr. Culley responded that no carry-over funds are in the proposed budget; \$387,000.00 was used last year to balance the budget. There is

currently about 4 million dollars in the reserve fund. These funds are used to carry the County between tax collections.

Mary Jo Lux – requested a lower tax rate

Jeanne Lessna – her limited income does not increase at the same proportion. Having a tough time trying to maintain home.

Joseph Lewis – questioned the validity of the assessment, claiming that the whole assessment process was based on an anomaly, a boom market that is no longer a boom market. The employees of the firm had no qualifications, no background and used subjective comparisons.

Charles Dusek – personal taxes increasing 51%; someone needs to take a more independent, objective view; was told that some increases were based on “view”, which is a very subjective

John Waldrop – no complaint about assessment, however is concerned about an increase of 15.83% in the County budget. Other counties around are not reflecting that much of an increase.

Cornelia Thomas Robinson – she is a “working stiff” who did not buy property on the water, but inherited it and had to build her own home to make it affordable. Doesn’t want the county to become one where only the rich can afford waterfront property. Teachers make less money here than surrounding counties. Class size is a benefit, but it pays off with better students. Does not mind using taxes for education. Need to attract clean industry.

David Johnson – cannot believe that the County is thinking about imposing a 21% increase with the economy and investments down. People on fixed incomes will have a difficult time.

Ellen Wambler – seek other sources of revenue. Property owners should not bear all the burden.

Cindy Hartley – may not be able to retire anytime soon; will have to continue working to be able to afford to live here.

Dan Downs – his retirement income has been frozen. Fortunately, he can still work.

Charles Revere – questioned the swings in the composite index. Mr. Culley clarified that the composite index has been shifting to more local funding and the ADM has been decreasing. Are foster children costing the County and school system additional monies? Mr. Culley clarified that that the children that are in the Comprehensive Services Program are children who are residents of Middlesex County; they are not being fostered here.

Phil Friday – could see where over a million dollars could be cut.

There being no further comments, Mr. Williams closed the public portion of the hearing.

Mr. Williams then opened the hearing for discussion on the proposed real estate tax rate of \$0.35. This proposed rate is an effective increase of \$0.06, because the increased values due to reassessment would generate the same monies if the rate was set at \$0.29.

Kerry Robusto – requested the Board lower the rate considering the present economy.

Charles Dusek - How do the residents of the Town of Urbanna contribute to the school budget. Mr. Culley explained that the Town residents pay the same amount of taxes as other County residents, plus an additional town tax. Mr. Dusek explained that he had moved here, but did not add any kids to the school system; tax rate historically has been great, however even with the low rate, citizens get nothing for it.

Carlton Revere – assessment firm should not have been hired; service was not satisfactory; Supervisors can fix the problem with a low tax rate.

John Waldrop – Supervisors need to look at more economic development; clean industry.

There being no further comment, the public portion of the hearing was closed. Board members expressed some comments. Mr. Crump - did not see the cuts that Mr. Friday believed there to be. Also, reassessment has been a problem; hoped that the Board of Equalization could help those citizens that have problems. Mr. Miller – more comments heard during campaign about raising teacher and deputy salaries than anything. Reminded citizens that the County has no say in most of the budget; is sympathetic to citizens on fixed incomes. Mr. Jessie – everything is going up; cuts have been made where they could. People want to leave cities where taxes are higher, but taxes will be going up here too. Mr. Crittenden – a meals tax was mentioned as a way to raise additional revenue. This has been attempted twice and the referendum did not pass. Hope to try again with different results. Also, attempted to have sewer and water in the Deltaville area and more people were against it than in favor. With schools – don't need to have more teachers than are needed – spending more per student than any surrounding locality. Will be interested in surveys from Superintendent that will show why teachers are leaving. Have suggested using \$500,000 from the fund balance; owe it to the citizens to keep the tax rate as low as possible.

Mr. Williams thanked all the citizens for coming and noted that the Board owed the citizens another look, pointing out that there is always fat in the budget. The motion to recess for another work session to be held on Thursday, April 24, 2008, at 1:30 p.m., was made by Mr. Crump, seconded by Mr. Miller and carried unanimously.

Kenneth Williams., Chair
Board of Supervisors