

AT A MEETING OF THE MIDDLESEX COUNTY BOARD OF SUPERVISORS HELD
ON THURSDAY, APRIL 22, 2010, IN THE BOARD ROOM OF THE HISTORIC
COURTHOUSE, SALUDA, VIRGINIA:

Present: Carlton S. Revere, Pinetop District
Fred S. Crittenden, Pinetop District
John D. Miller, Jr., Saluda District
Pete W. Mansfield, Saluda District
Wayne Jessie, Sr., Jamaica District

Charles M. Culley, Jr., County Administrator
Marcia Jones, Assistant Administrator
Michael T. Soberick, County Attorney

CALL TO ORDER

The Chairman, Mr. Miller, called the meeting to order and offered a prayer. Mr. Culley led the Pledge of Allegiance.

**PUBLIC HEARING – MIDDLESEX COUNTY SCHOOL AND COUNTY BUDGETS
FOR FY 11**

Mr. Culley presented a review of the proposed County budget, totaling \$19,089,366.00. This total reflects a total overall increase from last year of \$1,226,892.00 (6.87%), however, \$935,827 of this is proposed to be transferred to the Capital Fund 49, resulting in a net increase of \$291,065.00, or 1.63% increase in the overall expense budget. Of 73 departments, 33 have decreasing budgets, 19 have increases and 21 have no change. The biggest increases are seen in departments over which the county has little control – Public Safety, including the Regional Jail (increase of \$157,857; Comprehensive Services (an increase of \$188,694; 30.73%). Funds proposed for the Capital Fund 49 will be used as a cash reserve to enable the county to operate without the need to borrow short term money to pay bills.

Monies for the School Budget reflect a proposed level funding of local funds for operations of \$6,700,000.00. The total general school operations fund will decrease by \$707,233.00, which included decreases in state funds by \$388,361.00, and a loss in federal stimulus funding of \$283,556, resulting in a total general school fund budget of \$11,227,426.00; \$11,681,325.00 had been requested by the School Board. The School Board has also requested funding for replacement of buses at \$180,000.00 and funding for capital improvement projects totaling \$196,550.00; no local funding is proposed for either of these items in the Board of Supervisors budget. The School Budget is based on an average daily membership (ADM) of 1200.

Mr. Culley presented a review of the Composite Index, a formula that uses land values, income values and school population to give each county a index upon which state funding is given to each school district. Middlesex County is the lowest taxed county in the state with the highest Composite Index; there are currently only four counties with lower tax rates, however their Composite Indexes run from .2308 - .3753, compared to that of Middlesex at .7430. A high Composite Index has a tremendous effect on the amount of state and federal aid a county receives. The Board of Supervisors has asked representatives in Richmond to have the Composite Index changed to more correctly reflect the local economy of the Middle Peninsula and Northern Neck Communities.

A tax increase of \$0.12 in real estate taxes has been advertised, with a portion being used to balance revenues to expenses, but also to build cash reserves. Revenue shortfalls in both FY 09 and FY 10 depleted the County's reserve fund and forced the county into a position where a short term revenue anticipation note was required to insure the ability of the county to meet expenses. Last year's budget was based on a penny on the tax rate generating approximately \$234,314.00, however, even though the billed amount per penny was more than that (\$237,724.20), the amount received per penny was lower at \$211,703.82, a difference of \$12,610.47 per penny. The FY 11 proposed budget is based on one cent of the tax rate generating \$211,703.

Mr. Miller opened the hearing for comments from the public. The following citizens offered comments: Hal Muller, Lorna Frazier Lindsay, Monica Sanders, Bob Chilcoat, Sarah Beam, Irving Rogers, Daniel Downs, Kathy Ruark, Thomas Cockerham, Rebecca Panis, Joan Gosier, Courty Williams, Christy Broham, Bob Calves, Don Scott, Bob Henkel, Jane Cutler, Mark Lomax, Dixie Dorr, Tim Drummond, Patty Bowling, Joe Heyman, Angela Epps, Charles Powell, David Taylor, Susan Dize, Susan Shelton, Ann Alston, James Reed, Gordon Cutler, Lewis Briggs, Susie Kellar, Melvin Beverley, Edward Barrick, Brad Norris, Jeanie Duke, Becky Wilhite, and Alvin Wake. A majority of those speaking were in favor of increasing local funding to the school system, reducing county expenses, researching other revenue opportunities to lessen the burden on real estate, such as meals tax and lodging tax, and opposed the suggested \$0.12 cent tax increase. Several citizens suggested tapping citizens for assistance, such as a time trade or barter system. Citizens were also encouraged to get involved in other county meetings and activities of local government.

RECESSED

There being no further business, the motion to adjourn the meeting was made by Mr. Revere, seconded by Mr. Crittenden and carried unanimously. The next regular meeting is scheduled for May 4, 2010 at 9:00 a.m..

John D. Miller, Jr., Chairman
Board of Supervisors