

RICHMOND COUNTY BOARD OF SUPERVISORS

APRIL 21, 2016 – 7:00 P.M.

FY17 BUDGET PUBLIC HEARING

Members Present:

F. Lee Sanders, Chairman
Richard E. Thomas, Vice Chairman
Robert B. Pemberton, Member
William C. Herbert, II, Member
J. David Parr, Member

Also Present

R. Morgan Quicke, County Administrator
Denise V. Dunaway, Director of Finance & Development Services
Dr. Greg Smith, RCPS, Superintendent
Jennifer Delano, Commissioner of the Revenue
Howard Mowry
John Haynes
Richard Foley
Approximately 15 others

Chairman Sanders called the meeting to order at 7:00 p.m. on Thursday, April 21, 2016 for the public hearing on the proposed Fiscal Year 2016-2017 Budget.

FY17 BUDGET HIGHLIGHTS:

Chairman Sanders opened the floor to the County Administrator, Mr. Quicke.

Mr. Quicke read the public hearing notice that was published in the Northern Neck News

RICHMOND COUNTY, VIRGINIA

**PROPOSED BUDGET FOR THE FISCAL YEAR COMMENCING
JULY 1, 2016 AND ENDING JUNE 30, 2017**

This budget synopsis, except for the section on public schools, is prepared and published for informative and fiscal planning purposes only. In no event, including the section on public schools, shall this publication be deemed to be an allocation of funds. The Board of Supervisors on a monthly and/or annual basis will make actual allocation of funds.

A PUBLIC HEARING will be held by the Richmond County Board of Supervisors on this budget on **April 21, 2016 starting at 7:00 p.m. in the Richmond County Public Meeting Room, County Office Building, 101 Court Circle, Warsaw, Virginia.** The public hearing is being held pursuant to Section 15.2-2506 of the Code of Virginia, 1950 as amended, allowing the public to question

and comment on the proposed budget. All citizens of Richmond County have the right to attend and share their views thereon in oral or in written form.

EST. BEGINNING UNDESIGNATED GENERAL FUND BALANCE:\$250,000

REVENUE ESTIMATES:

Local Sources	10,009,850
State Sources	11,230,990
Federal Sources	1,385,511
Non-revenue Receipts (Transfers).....	1,256,230
TOTAL ESTIMATED REVENUES	\$23,882,581

EXPENDITURE ESTIMATES:

General Government Administration	2,764,360
Judicial Administration	565,592
Public Safety	2,602,814
Public Works	918,174
Health and Welfare.....	2,366,766
Education:	
Public Schools	14,179,277
Community College	9,647
Parks, Recreation and Culture	148,789
Community Development	255,844
Non-departmental	89,317
TOTAL ESTIMATED EXPENDITURES.....	\$23,882,581

EST. ENDING UNDESIGNATED GENERAL FUND BALANCE.....\$400,000

TAX RATES

The Board of Supervisors proposes that the local tax levies for the fiscal year ending June 30, 2017 be as follows:

- Real Estate..... \$.70 cents per \$100 of assessed valuation.
- Personal Property
- Machinery & Tools
- Merchants Capital

The Board of Supervisors proposes that the Personal Property Tax Relief Act (Car Tax) rate be set at 55%.

A copy of the complete proposed budget is on file in the Office of the County Administrator, Administration Building, 101 Court Circle, Warsaw, Virginia. The proposed budget is also available on the Richmond County website at www.co.richmond.va.us

Richmond County Board of Supervisors FY17 Budget Public Hearing Minutes: April 21, 2016

Published by Order of the Board of Supervisors for Richmond County, Virginia.

By: R. Morgan Quicke
County Administrator

Richmond County Board of Supervisors

F. Lee Sanders, Chairman
Richard E. Thomas, Vice Chair
Robert B. Pemberton
William C. Herbert, II
J. David Parr

Mr. Quicke gave a power point presentation detailing the proposed FY17 Budget.
([Attachment 1](#))

FY17 BUDGET PUBLIC HEARING

Chairman Sanders opened the public hearing.

Mr. Howard Mowry, District 4, spoke to the Board regarding the FY17 proposed budget.
([Attachment 2](#))

Mr. John Haynes, Emmerton, Virginia, spoke to the Board regarding the FY17 proposed budget. ([Attachment 3](#))

Mr. Richard Foley, Sharps, Virginia, referenced the debt service amount in the power point presentation and said that he assumes that amount is for the school. He said that the schools make money from the out-of-county students, but the county residents lose money. Mr. Foley said that a tax increase will make a difference to the taxpayers and the Board members should be an advocate for those having trouble paying their taxes.

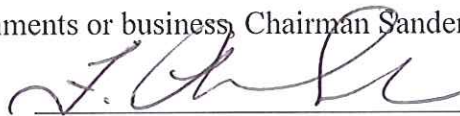
Chairman Sanders closed the public comment period.

Mr. Pemberton asked Mr. Quicke if could find an additional \$12,000 for the school budget, which would bring the total increase over last year's funding to \$200,000.

Mr. Quicke said if they Board wishes, he can look for options and report back to the Board.

ADJOURN

There being no further comments or business, Chairman Sanders adjourned the meeting.



F. Lee Sanders, Chairman
Richmond County Board of Supervisors



Richmond County FY2016-2017 Budget

BOARD OF SUPERVISORS BUDGET PUBLIC HEARING
APRIL 21, 2016
7:00 P.M.



FY17 Budget Challenges

- Stable Local Revenues Vs. Increasing Expenditures
- Departmental Budget Needs and Requests
- Current and Future Capital Needs
- Unknown Costs (CSA, Juvenile Detention, etc)
- Tax Rates
- Ways to Protect and Enhance Fund Balance
- Ability to Invest in Ourselves
- Employee Compensation and Benefit Options
- Impacts of State Funding

Key Components to FY17 Budget



Planning for the Future

- \$.03/\$100 increase to Real Estate Levy(\$0.70/\$100)
 - \$.01 (\$75,000) – Dedicated to Capital Improvement Plan
 - \$.01 (\$75,000) – Dedicated to Fund Balance
 - \$.01 (\$75,000) - Dedicated to Future NNRJ Liability

Until we begin investing in ourselves, it will be difficult, if not impossible, to convince others to invest in us as well; in areas such as economic development, job growth, housing growth, etc.

Why? The financial health of a locality is very important to prospective businesses and residents. The lack of promised financial stability in services, areas like Schools and Public Safety can be negative factors.

Would be the first increase to the Real Estate Levy since the 2011-2012 Fiscal Year.

Key Components to FY17 Budget



- \$100,000 residence
 - × \$.67 = \$670/Year
 - × \$.70 = \$700/Year +\$30.00
- \$150,000 residence
 - × \$.67 = \$1,005/Year
 - × \$.70 = \$1,050/Year +\$45.00
- \$200,000 residence
 - × \$.67 = \$1,340/Year
 - × \$.70 = \$1,400/Year +\$60.00
- \$250,000 residence
 - × \$.67 = \$1,675/Year
 - × \$.70 = \$1,750/Year +\$75.00

Key Components to FY17 Budget



Investment in Personnel

- 2% Raise for County Employees – December 1, 2016
 - First Salary Increase Since 2013-2014
- Teacher Salary Scale Step Increases – July 1, 2016
- Teacher/Employee 1% Raises – December 1, 2016
- Bus Driver 2% Raise – December 1, 2016

FY17 Expenditure Estimates



<u>Category</u>	<u>Approved FY16</u>	<u>Recommended FY17</u>	<u>Difference</u>
General Government	\$2,462,030	\$2,746,360	\$284,330
Judicial Admin	\$634,823	\$565,592	(-\$69,231)
Public Safety	\$2,528,481	\$2,602,814	\$74,333
Public Works	\$876,058	\$918,174	\$42,116
Health and Welfare	\$2,365,266	\$2,366,766	\$1,500
Education	\$14,006,112	\$14,188,924	\$182,812
Parks/Rec/Culture	\$146,789	\$148,789	\$2,000
Community Development	\$273,520	\$255,844	(-\$17,676)
Non-departmental	\$81,988	\$89,317	\$7,329
TOTAL	\$23,375,067	\$23,882,581	\$507,514

FY17 - Richmond County Public Schools

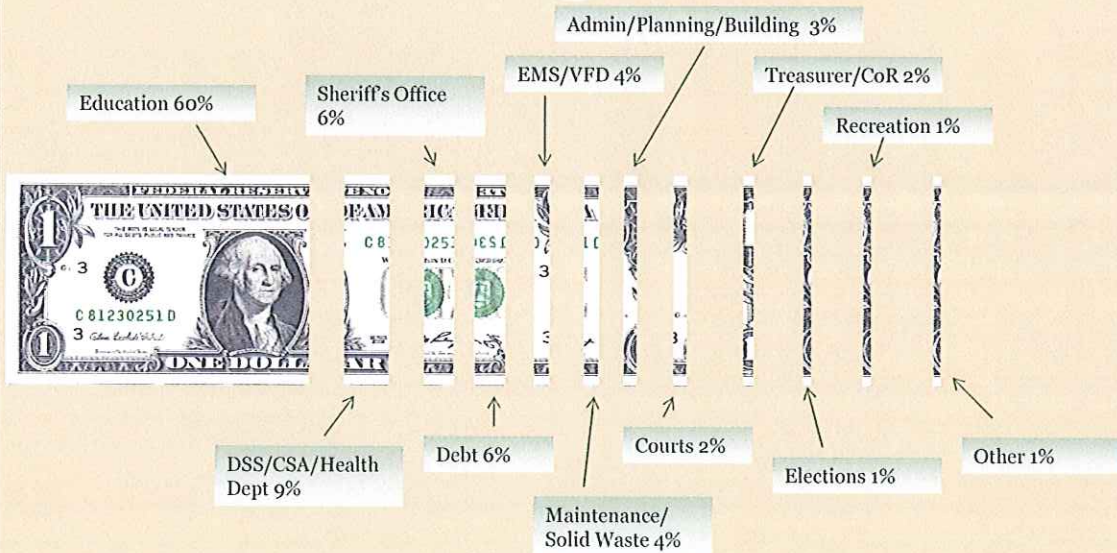
	FY16 Approved	FY17 Requested	FY17 Recommended	Difference
School Operation Budget	\$13,356,690	\$13,732,397	\$13,544,894	\$188,204
Food Service	\$639,775	\$634,383	\$634,383	-\$5,392
OVERALL BUDGET	\$13,996,465	\$14,366,78	\$14,179,277	\$182,812

Local General Fund Transfer - \$4,792,283

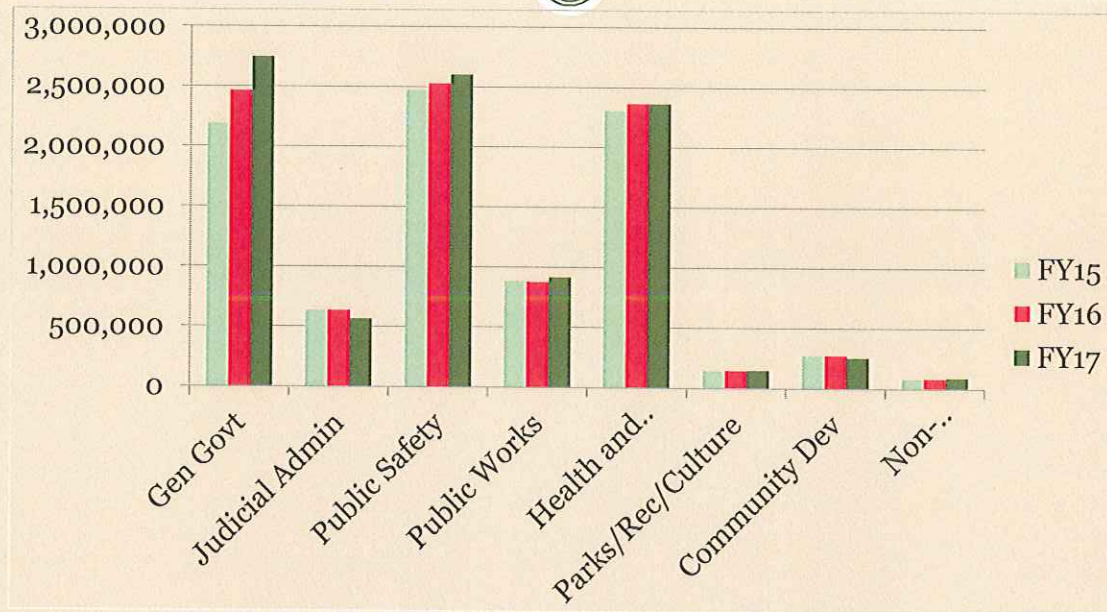
Operational Budget increase of \$188,204 from FY16...may include:

+\$71,650	Additional mandatory VRS Contribution	
+\$23,260	Teachers 1% Raise -	December 1, 2016
+\$34,767	All Other School Employees 1% Raise -	December 1, 2016
+\$3,308	Bus Drivers 2% Raise -	December 1, 2016
+\$47,179	Teachers Step Increase	July 1, 2016
+\$8,040	Regional Governors School	
\$188,204		

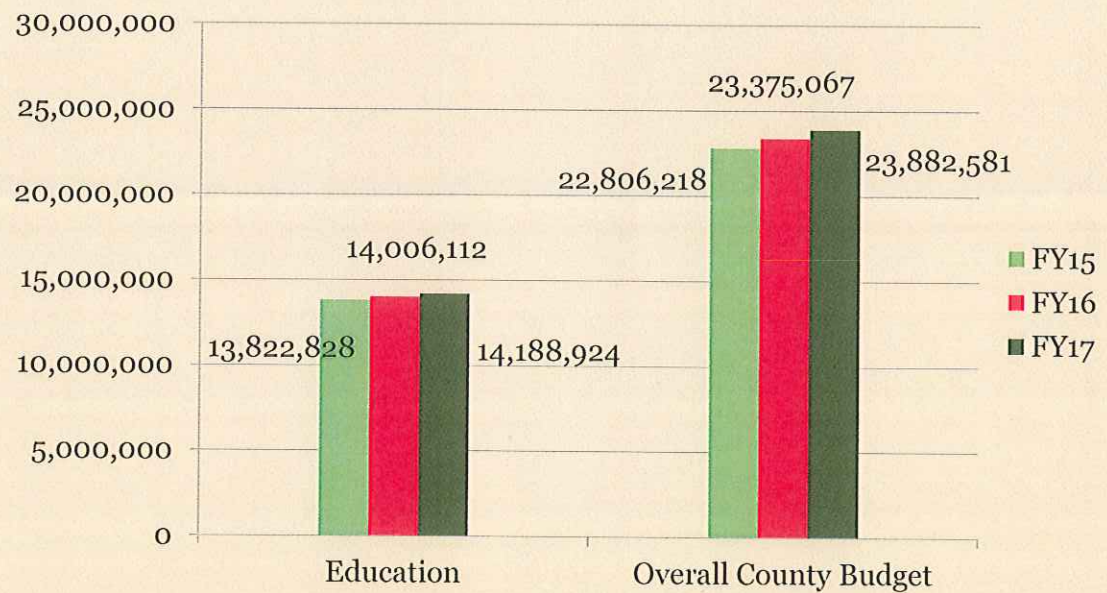
How Are Your Tax Dollars Spent?



Three Year Expense Overview



Three Year Education and Overall Overview

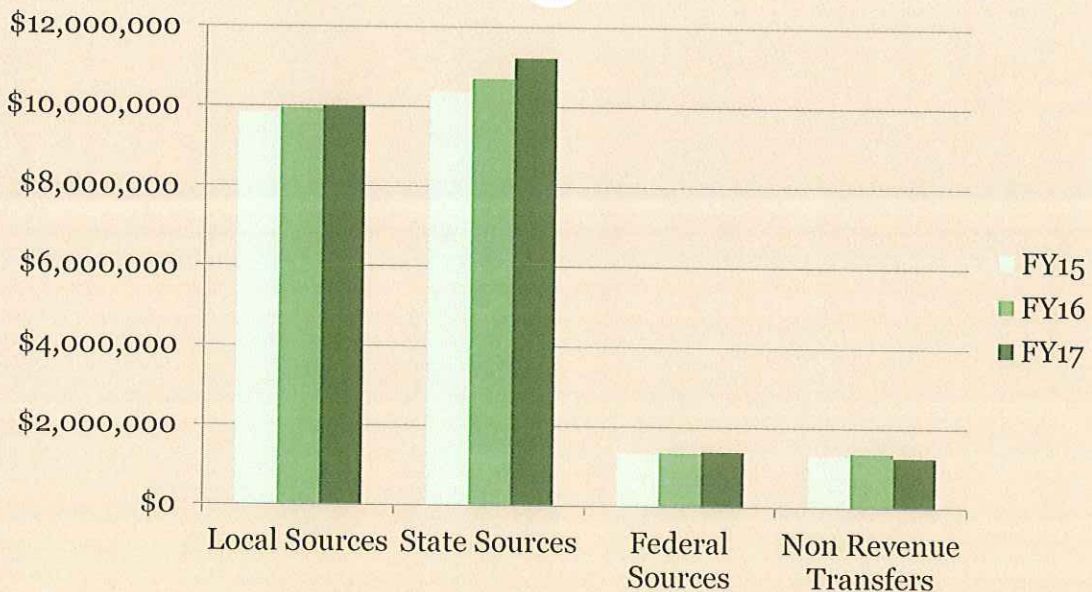


FY17 Revenue Estimates



Category	Approved FY16	Recommended FY17	Difference
Local Sources	\$9,950,850	\$10,009,850	\$59,000
State Sources	\$10,707,509	\$11,230,990	\$523,481
Federal Sources	\$1,355,286	\$1,385,511	\$30,225
Non Rev/ Trans	\$1,361,422	\$1,256,230	(-\$105,192)
TOTAL	\$23,375,067	\$23,882,581	\$507,514

Three Year Revenue Overview



FY17 Advertised Tax Rates



\$0.70/\$100 –	Real Estate
\$3.75/\$100 –	Personal Property
\$0.40/\$100 -	Machinery and Tools
\$3.50/\$100 -	Merchants Capital

55% Personal Property Tax Relief Act (PPTRA)

Questions and Comments



✦ Budget Adoption – Thursday, May 12, 2016

✦ 9:00 AM – Regular Scheduled Meeting

21 April 2016
Brd. of Supvr's
Public Hearing
Richmond County, VA.

Good Evening: Mr. Chairman, Members of the Board, Mr. Quicke, fellow taxpayers.

Howard Mowry, Fourth District

First kudos, to Mr. Quicke, for keeping the counties ledger in the black even with an annual meager financial balance. He has a monumental daily task attempting to keep the ship from sinking and the state stepping in and becoming the oversight companion to the operational process.

Speaking time is my enemy; my comments to this budget will be brief:

The tax increase is necessary and needs to become a part of the assigned fund balance (revenues) by category annually.

The tax year needs to be changed to twice a year, 5 Dec. and 30 June of the fiscal year. This will provide you a financial windfall this fiscal year.

To eliminate this board as legalized thieves, when taxes are raised within an existing fiscal year, and roll over to the next fiscal year a change to your ordinance is necessary. The taxable year must be aligned with the fiscal year. I will provide our administrator this process, the work has already been accomplished elsewhere in the state.

S. Kramelsoff
01-18-11

Borrowing three million a year to stay afloat must cease. A composite review of the system needs to be accomplished by a separate committee and report back to you and the Administrator the recommendations with positive results.

The school system receives approximately 92 to 99 percent of all real property taxes, you are left to function with what is left, and controlled by the ability of the public to spend in an economy still recovering from the depression .

The School Systems website is a train wreck, the taxpayer cannot review the expenditures by line item and category.

The school system must collect the local share of costs for all students that are out of county, counted as daily attendees, there is a revenue loss to the county and a gain to the county where the student comes from, not a fair fiscal practice.

The County Treasurer does not provide the public a monthly financial report including the payroll costs of both agencies.

Consolidation of all like Departments, School and County are necessary to reduce dual costs and be able to grasp the true costs of Richmond County's financial standing through local revenue intake along with pass through funds.

There is much more to discuss but I thank you for the time this my first comment period.

4-21-16

GENTLEMEN,

I AM BOTH DISTURBED AND DISAPPOINTED BY THE PROPOSED BUDGET AND THE CONSEQUENT EFFECT ON THE CITIZENS OF RICHMOND COUNTY.

HOW CAN YOU CLAIM TO BE IMPARTIAL WHEN YOU GIVE SPECIAL TREATMENT TO THE SCHOOL BOARD EVERY YEAR WHILE ALLOWING VITAL DEPARTMENTS SUCH AS SOCIAL SERVICES TO RUN UNDERSTAFFED?

WE SHORTCHANGE THE NEEDIEST OF OUR OWN YET SPEND HUNDREDS OF THOUSANDS OF DOLLARS EVERY YEAR ON FAMILIES THAT DO NOT LIVE IN OR PAY TAXES IN RICHMOND COUNTY. I REFER OF COURSE TO THE NEARLY TWO HUNDRED NONRESIDENT STUDENTS THAT ATTEND OUR SCHOOLS TUITION FREE. IF ANY OTHER DEPARTMENT SPENT SUCH HUGE SUMS ON NONRESIDENTS THERE WOULD BE A PUBLIC UPROAR.

THE MAIN REASON THAT THERE IS NOT MORE OUTRAGE IS THAT THE PUBLIC HAS BEEN MISLED AS TO HOW DAMAGING IT IS TO BOTH THE ECONOMY AND THE CITIZENS OF RICHMOND COUNTY. MISINFORMATION HAS BEEN SPREAD BY BOTH MEMBERS OF THE SCHOOL BOARD AND THE BOARD OF SUPERVISORS.

ON THE FRONT PAGE OF THE CURRENT NORTHERN NECK NEWS IS A QUOTE FROM SCHOOL BOARD CHAIRMAN BRENDA PEMBERTON REGARDING THEIR DECISION TO CONTINUE ALLOWING UNLIMITED TUITION FREE ATTENDANCE OF NONRESIDENT STUDENTS. "RICHMOND COUNTY CHILDREN, OUR STUDENTS, WILL NEVER BE IN A CROWDED CLASSROOM AND WILL NEVER HAVE THINGS TAKEN FROM THEM. THIS WILL NOT NEGATIVELY IMPACT OUR CHILDREN."

IN THE SAME ARTICLE I AM QUOTED AS SAYING THAT SIX GOVERNORS SCHOOL SLOTS WERE TAKEN BY NONRESIDENTS DURING A THREE YEAR PERIOD. I AM HOLDING IN MY HAND A COPY OF A FREEDOM OF INFORMATION ACT WHICH VERIFIES THIS. I WOULD SUGGEST TO MRS. PEMBERTON THAT LOSING A ONCE IN A LIFETIME OPPORTUNITY LIKE THIS DOES NEGATIVELY IMPACT THAT CHILD.

THE SAME GOES FOR ALL OF OUR ATHLETES THAT LOSE THEIR POSITIONS TO NONRESIDENTS. I HAVE RECEIVED LETTERS FROM FORMER STUDENTS COMPLAINING ABOUT THIS.

THE NEGATIVE EFFECTS OF HIGH TAXES AND A WEAK ECONOMY HAVE ON OUR STUDENTS AND THEIR FAMILIES IS UNDENIABLE. FAMILIES IN SURROUNDING COUNTIES PAY LOWER TAXES AND SEND THEIR CHILDREN TO OUR SCHOOLS THAT WE SUPPORT WITH HIGHER TAXES NEEDED TO PAY FOR THEIR CHILDREN. THEIR TAX DOLLARS STAY HOME. ALL OF THIS DAMAGES OUR CHILDREN AND THEIR FAMILIES AND MRS. PEMBERTON KNOWS THAT.

UNFORTUNATELY, SOME OF OUR SUPERVISORS ARE PARTICIPATING IN THIS RUSE, MOST NOTABLY MR. HERBERT. MR. HERBERT HAS REPEATEDLY STATED THAT LOSING OUR NONRESIDENT STUDENTS WOULD FORCE A RAISE OF 10.9 CENTS ON THE TAX LEVY. IF THAT'S SO WHY ARE TAXES GOING UP AS NONRESIDENT ATTENDANCE INCREASES?

THIS STATEMENT HAS BEEN DEBUNKED REPEATEDLY INCLUDING A LETTER TO THE EDITOR BY ME PUBLISHED IN THE NORTHERN NECK NEWS LAST MONTH AND A COMPREHENSIVE ARTICLE BY DARLEEN NICHOLS IN THE CURRENT FREE PRESS.

I RECENTLY NOTICED THAT THE SAME CLAIM IS MADE ON THE SCHOOL WEBSITE WHERE A BREAKDOWN OF STATE FUNDING IS PROVIDED. NEEDLESS TO SAY THERE IS NO MENTION OF THE FACT THAT ALL OF THOSE DOLLARS ARE SPENT ON THE NONRESIDENTS AND THAT THE DIFFERENCE IS PAID BY THE FAMILIES OF OUR STUDENTS.

LOCAL REVENUE IS NOT EVEN MENTIONED NOR THE ANNUAL DEBT SERVICE OF \$823,978.00. WHAT YOU DON'T KNOW CAN'T HURT THEM.

I DO NOT FOR ONE MOMENT THINK THAT A WORD THAT I SAID WILL EFFECT YOUR DECISION. THE PUBLIC HAS FIGURED THIS ONE OUT. PRAISE THE SCHOOL BOARD DURING THE ELECTION AND THEN USE THEIR POLITICAL MACHINE TO GET YOU ELECTED. ONCE ELECTED YOU GIVE THEM EVERYTHING THEY WANT. IT'S THE OLD GO ALONG TO GET ALONG POLITICS THAT HAS DOMINATED THIS COUNTY FOR DECADES. IT'S NOT WHAT YOU KNOW BUT WHO YOU KNOW.