

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF MONTGOMERY
COUNTY, VIRGINIA HELD ON THE 3RD DAY OF APRIL, 2002 AT 7:00 P.M. AT THE
BLACKSBURG MIDDLE SCHOOL, BLACKSBURG, VIRGINIA:

PRESENT:	Mary W. Biggs	-Chair
	John A Muffo	-Supervisors
	C. P. Shorter	
	Gary D. Creed	
	James D. Politis	
	Annette S. Perkins	
	Jeffrey D. Johnson	-County Administrator
	L. Carol Edmonds	-Assistant County Administrator
	Martin M. McMahon	-County Attorney
	Angie Hill	-Financial Management Services Director
	Bobby Parker	-Public Information Officer
	Judy W. Kiser	-Assistant to the County Administrator
ABSENT:	Larry N. Rush	-Vice Chair

CALL TO ORDER AND PUBLIC HEARING - FY2002-2003 BUDGET

The Chair called the public hearing to order for the purpose of receiving citizens' comments with regard to the Advertised FY 2002-2003 Budget in the amount of \$105,706,888. The Chair provided a brief overview of the procedure by which the hearing would be conducted, stating that two speakers would be called at a time, that speakers would be given five minutes each; that the County Attorney would be keeping the time; and that a second public hearing would be conducted later in the evening with regard to the proposed tax rates for FY 2002-2003.

Alison Goforth, an Earth Science and Biology teacher at Auburn High School, addressed the need for attracting and keeping experienced teachers in Montgomery County, that experienced teachers are precious resources that the county needs to support, preserve and conserve. Ms. Goforth said she has worked hard as a teacher to improve educational opportunities in her classroom, earning over \$23,000 in grant funds in 1999 and 2000 and pointed out that there are many dedicated teachers in this county that go above and beyond their regular job criteria to pursue grant funds to improve classrooms and education opportunities for the students. In recent years there has been an outpouring of experienced teachers leaving to work in surrounding counties that have higher pay scales and better benefit packages.

With insurance costs expected to increase by up to 20% next year, this amounts to an additional increase in cost of \$1,000 per year for those who pay for

family insurance, or a pay cut of 3%. Ms. Goforth asked that the Board support the school system by allocating the necessary funds to keep experienced teachers in our system and to maintain the highest quality of education for our children.

Chair Biggs thanked Ms. Goforth for her comments and acknowledged the Board recognizes that extra grant money goes a long way in helping our students.

Linda Wilson, Chair of the Montgomery-Floyd Regional Library Board, spoke on behalf of the library. Ms. Wilson explained that public libraries throughout the country are expanding their role to meet new challenges by providing new opportunities for people to read and to access information. Last year the public library system developed a comprehensive plan that is a blueprint for activities for the next five years. One of the major areas of the plan is establishing partnerships with other government departments and agencies for the purpose of sharing resources and planning joint programs in order to increase the population served. Ms. Wilson strongly urged the Board to support the public library system to the greatest degree possible next year.

Lindsay West spoke as a representative of the Lyric Theater, to thank the Board of Supervisors for their continuing investment in the success of the theater. She thanked the Board for the appropriation and matching grant from the Virginia Commission for the Arts in the current budget, and the recommendation for funding and grant match in the proposed budget. The 2002-2003 funds will be used to continue the capital investment at the theater with the purchase of sound equipment for live events. Ms. West distributed information on the annual report from 2001 along with a listing of the diversity of events at the theater.

John LeDoux said he has been a resident, a voter and a tax payer in Montgomery County for twenty-one years. Speaking on behalf of the Montgomery County Taxpayers Association, Mr. LeDoux quoted from the Virginia Constitution that “No debt shall be contracted on behalf of any county or district thereof except by authority conferred by the General Assembly by general law. The General Assembly shall not authorize any such debt, unless provision be made for submission to the qualified voters of the county or district thereof, for approval or rejection by a majority vote of the qualified voters voting in election on the question of contracting such debt. Such approval shall be a prerequisite to contracting such debt”. Mr. LeDoux believes the \$45 million for construction of two new schools should not have been funded through Industrial Development Authority bonds, but should have been put before the public for a vote. Mr. LeDoux suggested that an analysis would show that almost 40% of the people in the school system are non-teachers, and by saving 20% on this overhead, every teacher in the county could be given a \$1,000 raise per year.

Kelly Roark, a 3rd grade teacher in Montgomery County and vice president of the Montgomery County Education Association (MCEA) spoke in support of the proposed tax increase. She is currently teaching her economics unit in her classroom and said her students realize the importance of tax money and what it is used for. She thanked the Board of Supervisors for their previous support of the schools and asked that they help to keep education strong in Montgomery County.

Charles Rencok said citizens rely on the Supervisors to organize and define services and support for them. He believes budgets are lean to the point of limiting services and asked that the Board use the full 7.5¢ cent tax increase in an effort to preserve essential services to the citizens of Montgomery County.

Karen Zuckerwar a fifth grade teacher in Montgomery County, said her students also understand the importance and purpose of local taxes that provide quality teachers, quality programs and quality buildings. Ms. Zuckerwar explained that so far this school year she has spent \$450 of her own money for school projects. She supports the proposed 7.5¢ tax increase and asked that the Board of Supervisors maintain education as their highest priority.

Wayne Warner said he is retired and currently has no children in the public schools, but expressed his support for the proposed tax increase. He and his wife have lived in Montgomery County for more than 30 years and they have been pleased with the services which are available and the return on their taxes. He expressed his appreciation to the Board of Supervisors for the work they do and believes they are doing their best to meet the challenges of providing funds to meet so many needs in an environment where raising taxes is not very popular.

Paula Boling, a resident of Blacksburg for twenty-five years, spoke in support of the proposed tax rate increase. Ms. Boling said she values the services that her taxes pay for, and wishes the budget could better fund the libraries, the public health department and social services; and the Sheriff's Department and Fire Departments which are vital.

Michael Hedgepeth said he would not speak either for or against the proposed budget an tax rate, but addressed the issue of reliance on real property taxes for a revenue source. Specifically he addressed the fate of the Blacksburg Middle School and Christiansburg Middle School after construction of the new schools are completed. He suggested that the schools be sold with the proceeds helping to pay for the new school construction; insist on a capital plan from the school board and other agencies; move all the modular classrooms together in one location and use as new office space; and suggested that everyone ask themselves what they can do as a citizen to help find constructive ways to alleviate the tax burden, particularly on the real property tax.

Catherine DeRosset spoke of her concern that the budget increase would put the pressure on the average citizen when there are corporations who are not paying their fair share of taxes in this area. If the large corporations paid their fair share of the taxes, she believes it would not be necessary to raise

the taxes to the extent that is being proposed.

Pam Eavey a lifelong resident of Blacksburg and currently retired, believes a tax increase would be too big a tax burden for those who are retired and living on social security. Ms. Eavey went on to say that raising the taxes on real estate unfairly penalizes those who own property. She suggested the Board consider implementing a flat dollar amount per tax payer.

David Hodge, Custodial Service Manager for Montgomery County Public Schools, spoke on behalf of the schools' Custodial and Maintenance Departments. With the low pay scale and high cost of health insurance, it is difficult to attract and keep custodial staff for the schools. In the school budget, requests included several items that are important to the custodial department, such as propane buffers and automatic scrubbers for the elementary schools. Mr. Hodge asked that the needs of this department be considered during the Board's deliberations on the budget.

Susan Miller spoke in support of the library budget and the school budget. Ms. Miller teaches motor skills at Auburn Elementary School which have been identified that 95% of the children who cannot read, cannot do. Although the school budget does not have any frills, one of the opportunities provided is doing research using star grants to work on movement concepts and how they impact children's reading. When first and second graders are provided opportunities to perform these particular motor skills, we are beginning to see a change in their ability to read. She asked that the Board support the school budget.

Charles Roberts said it is always his philosophy that the budget should reflect the priorities of the people that are going to be served. In this case, it seems the highest priority is education, but the increases are mostly in administration. Mr. Roberts criticized the Board of Supervisors for issuing revenue bonds through the Industrial Development Authority for construction of new schools. Mr. Roberts also spoke in support of salary increases for teachers. Addressing the proposed tax increase, Mr. Roberts asked that the Board consider those people living on retirement income and those who are unemployed when making their decision to set the tax rate.

There being no further speakers, the public hearing was closed.

PUBLIC HEARING-PROPOSED TAX RATES FOR FY 2002-2003

The Chair called the public hearing to order for the purpose of receiving citizens' comments on the proposed real estate tax rate of 81¢ per \$100 of assessed value for FY 2002-2003.

Wat Hopkins, Chairman of the Montgomery County School Board said normally members of the School Board do not speak at the hearing since they have had that opportunity when they presented

their budget to the Board of Supervisors. Mr. Hopkins explained that within the past few days information has been received about funds that will be appropriated by the General Assembly. It appears that Montgomery County schools will get slightly less than \$300,000 in new money from the General Assembly. When you add that to the almost \$3 million in new money that is in the proposed budget plus about \$200,000 in savings the schools hope to see from premiums that were paid to the Virginia Retirement System, that provides the schools about \$3.5 million in new money for the upcoming year. The School's rollover budget, which includes debt service for two new schools and debt service on others schools that have already been built, and increases for insurance. That added to some of the one-time costs and start up costs for Blacksburg Middle School and subtract that money from the new money, leaves approximately \$100,000 in new money for the school system. Since it takes approximately \$500,000 to provide a 1% raise for school employees, the \$200,000 would provide less than a 1/2% raise for the next year.

Speaking as a taxpayer and a father, Mr. Hopkins encouraged to the Board to implement the proposed tax increase and to direct some of that increase to the schools for salary increases.

Chair Biggs pointed out that the information from the state Mr. Hopkins referred to has been received and will be provided to the Board of Supervisors.

Brownie Cauley, president of the Montgomery County Education Association spoke in support of the proposed tax increase. Mr. Cauley said when the Board of Supervisors stated their support for new school construction, there was no indication it would impact the funding for other critical school needs.

Mike Reilly, Chairman of the Montgomery County Education Association, thanked the Board for their previous support. Although there are many budget demands this year, Mr. Reilly believes education must be our top priority, that the education system is largely a local responsibility and the state cannot be expected to continue to provide significant funding for local school systems. Mr. Reilly said adoption of the proposed tax increase will show the Board's true support for education in Montgomery County.

John LeDoux said the last tax increase occurred at the same time the County underwent a tax reassessment, causing his property value to increase approximately 50%. He asked the Board to keep in mind that another reassessment is coming up which will increase the tax rate more than just the proposed 7.5¢.

Lindsay West, speaking as a property owner and the parent of three children who went through the Montgomery County school system, Ms. West believes the proposed tax increase is minimal. She would be willing to support a higher tax increase in order to take care of the services that are required in this county.

Susan Toffenetti said she would like to approach the issue from the point of a person who has to live

within a budget. It is very difficult to put together a budget when you are not sure what your income is going to be. She doesn't believe the county should approach the budget by putting together a budget and then setting the tax rate to accommodate that budget. She suggested that the County approach the school construction projects by selling the old school buildings to finance the construction of the new schools. If the real estate taxes continue to be raised, there will be citizens in Montgomery County that will be taxed out of place to live. Ms. Toffenetti encouraged the Board to defer some of the budget increases until there is a more definite means of funding them other than with the real estate taxes.

There being no further speakers, the Chair closed the public hearing. Chair Biggs announced the Board of Supervisors has scheduled a work session to work on the budget on April 8, 2002. She thanked everyone for coming and taking the time to let the Board members know their feelings about the proposed budget and the proposed tax rate.

ADJOURNMENT

On a motion by Gary D. Creed, seconded by C. P. Shorter and carried unanimously, the Board adjourned to Monday, April 8, 2002.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Gary D. Creed	None	Larry N. Rush
C. P. Shorter		
Annette S. Perkins		
James D. Politis		
John A. Muffo		
Mary W. Biggs		

The meeting adjourned at 8:25 p.m.