

January 15, 2013

County of Greene, Virginia

THE GREENE COUNTY BOARD OF SUPERVISORS HELD A JOINT PUBLIC HEARING WITH THE GREENE COUNTY SCHOOL BOARD TO DISCUSS AND HEAR PUBLIC COMMENTS REGARDING THE COUNTY BUDGET FOR FY 2013-2014.

Present were: Jim Frydl, Chairman
 Davis Lamb, Vice Chairman
 David Cox, Member
 Eddie Deane, Member
 Clarence Peyton, Member
 Patti Vogt, Deputy Clerk
 Tracy Morris, Finance Director

Michelle Flynn, Chairman
Jason Collier, Member
Troy Harlow, Member
Sharon Mack, Member
David Jeck, Superintendent

Absent: Eddie Deane, Board of Supervisors
 Rodney Kibler, School Board

The Chairman opened the meeting with the Pledge of Allegiance.

Mr. Frydl read a short note from Mr. Deane apologizing for his absence due to a previous commitment.

Mr. Frydl said the Board of Supervisors and School Board want to know what is important to citizens. Real estate assessments are down which means amount of tax dollars we collect at the same tax rate will bring in fewer dollars. In addition, the County is faced with additional requirements from the State that will add new costs, the ongoing impact of the additional State costs we absorbed last year and the required debt payments for water and sewer infrastructure. The only options are to cut programs, services or people, increase the tax rate, or use some combination of all.

Mr. Frydl reminded everyone to be respectful and that we are all part of the same community.

Mrs. Flynn gave a brief presentation on behalf of the Schools. The School budget is the largest portion on County tax dollars. She felt it is important for everyone to understand where

the money comes from, what challenges the School face and specifically why we're seeking input this year.

The total budget for FY 2013 is \$32,464,492. Over half of the School's budget is funded from State, Federal and other revenues. The County funds 42%, or \$13,628,605, of the total budget.

State revenues for current year are currently projected at a \$400,000 shortfall due to slower enrollment growth. State revenues for next year are currently projected at \$232,000 less than current budget based on relatively flat enrollment.

Federal revenue could be cut by as much as \$125,000.

There was a significant increase in FY 2012-2013 of \$1,897,952 due to major VRS rate increases and the local composite index deducted over \$500,000 from State funding.

Expenses for FY 2012:	72%	-	instruction
	7.3%	-	operations and maintenance
	6.6%	-	debt service
	5.3%	-	pupil transportation
	4.2%	-	administration, attendance & health
	2.6%	-	technology
	2.0%	-	school nutrition

The Schools are requesting level funding for FY 2013-2014. Even if level funding is received, cuts of approximately \$675,000 will have to be made due to State/Federal revenue cuts, the 1% match raise, insurance increases, fuel and other required increases.

The Governor is going to fund a raise for teachers which will be a match situation. SOQ funded positions would receive a 1% raise if the County matches it. This does not include support staff such as custodians, bus drivers, etc. The School Board would prefer to give a 2% raise across the board to all staff.

Mr. Frydl opened the floor for public comment.

Pat Morris – not against education but against foolish spending by the schools – questioned several issues including: purchase of lawnmower for football field, employee teach volleyball who did not want to get paid but wanted insurance for his family; buying iPods for children, use of money to fertilize football field that was intended for windows at school, purchase of new furniture and give old away, RES principal and staff retreat at Wintergreen – she called Troy Harlow who said payment came out of activity fund - \$5 million for football field and track – how much was spent on education? Employees now paying some of their retirement – What do they do with \$2 million year after year? Did liaison to school attend meeting and say to not let people know what is going on at schools? People should know how tax dollars are spent. People are losing homes, seniors have to choose between paying bills or cutting medications in half. When someone contacts you it is a courtesy to respond. We are paying your salaries.

Sandra Davis – Manger of JABA Greene Community Center – thanks for support for seniors – serve over 66 members annually - served over 1800 hot meals in past year – provide delivered meals to homebound – seniors depend on program – please continue support

Dottie Scott – Case Manager at JABA – thanks for support – nurse on staff 2 days per week – fills medication boxes for older adults – helps seniors with services offered and provides assistance

Charlotte Newman – representative of seniors – spoke on services offered by Dottie Scott, Nurse Gail Auer and Sandra Davis – asked for continued support

Kiki Flaig – appreciates hard choices that have to be made - loves Greene County and is willing to invest time, dollars and energy to ensuring we have a quality community to live in – part of that is having excellent schools, wonderful programs and services –really don't want to see anyone's budget cut or services cut – would support not only level funding for schools but additional - willing to pay a little additional tax to see that happen – don't want to see anyone lose their home – What can we do to help? We're all in this together and she is willing to pitch in and help.

Karen Fink – representative of Greene County Library Friends – thanks to School Board for all they do – requesting the Board of Supervisors consider adding an additional 8 hours of open time to Library schedule – noted PVCC just opened upstairs – sometimes Library is closed during classes – wonderful programs offered at Library

Don Pamerter – honor and pleasure to serve on JABA – seniors are the fastest growing segment of community – JABA budget hasn't increased a lot over the years - support for JABA is at bottom of expenditures – appreciates all members of the Board and what they do

William Shifflett - referred to January 6 edition of The Daily Progress and article rating localities in terms of accessibility to budget – Greene received failing grade – need plans to make budget more accessible and more transparent – communication is wonderful but only if it happens – if people are more informed, there are citizens who are willing to do more

Kevin Carruthers – child at RES – felt we're "flying blind" – the Boards ask for priorities/options but we need to know what we are dealing with – need more information - did not feel this is the most productive way of doing this

Brian Mellot – need more information – 72% for instruction in School Budget – How is it being spent? - cents makes dollars - need access to "nuts and bolts" of budget to find out where waste is

Sarah Ellis – Shelter for Help in Emergency – provides services for victims of domestic violence – thanks for past support and asked for continued support – provide shelter for victims who need to flee violent situations in their homes - provides non-emergency assistance also - counseling, case management, 24 hour hotline – provided 213 nights of shelter to 12 Greene residents – worked with 275 people from Greene who wanted information or some type support

David J. Morris – graduate of WMHS - expressed his support of schools and their budget request - children will be leaders of tomorrow – master's degree in social work in 1972 - education is high priority – willing to do his part

The Chairman closed the floor for public comment.

Mr. Frydl said this is really a "pre-budget" hearing so some of the details that people would like aren't available at this time. He encouraged everyone to attend future meetings.

Mr. Collier said he agreed with some of comments made by citizens.

Mr. Harlow said this is just the beginning of the process. Additional details will be made available.

Mrs. Mack agreed with comments by Kiki Flaig. We are all in this together. The budget is not just a school problem but is county wide. She encouraged everyone to do their share. Her expectation from the County, as far as income and revenue, is to make sure we are assessing, billing, and collecting all funds that are there. She asked the Board of Supervisors to be

creative and think outside the box. Also be mindful of those who struggle to pay their tax bill and make adjustments for those folks.

Mrs. Flynn expressed her thanks to the Board of Supervisors for agreeing to this meeting. It is early in the process and this speaks volumes to the fact that we don't want a repeat of last year. She noted the School Board will hold a workshop on January 23 at 7:00 p.m. in County office building. The School Board wanted to hear from citizens what priorities are. She appreciated thoughtful questions and encouraged more questions. Mrs. Flynn encouraged not only scrutiny of the school budget but of all county department budgets.

Mr. Lamb thanked citizens for their comments regarding transparency and said he hopes for further transparency. He noted, in 2009 study, the United States ranked 25th in math & science. Virginia is ranked 6th in the country in math and science. We are behind the "8 ball" when it comes to education.

Mr. Peyton commented the Board is aware of the problem with accessibility to budget online. Some changes have been made and others are in the process. The Treasurer is doing an excellent job in tax collections and there is \$1 million in delinquent taxes. Mr. Peyton said he thinks the School Board and Board of Supervisors get along better than portrayed.

Mr. Peyton said his objective is to get the "big picture". To look at overall county budget, watch expenditures and know what revenues are. He said he has personally experienced grim financial crisis twice during the last decade of service in local government. The County had to borrow millions to pay debt. Thanks to the conservative attitude and hard work of previous boards, the County came up with surplus which was the much publicized \$16 million. Those funds have been earmarked for capital projects especially water impoundment which is extremely important if we want to grow business in Ruckersville area. Payments for water/sewer projects must be drawn down from general fund.

It is pretty certain there will be a significant reduction in land values (\$600,000). With less revenue coming in there will be the option to raise taxes to match spending or make cuts to match revenue. Mr. Peyton said he personally strongly objects to raising taxes and he would not support a levy increase. He feels the Board of Supervisors has shown extraordinary restraint and managed to build a surplus he referred to as "safety net" which is basically now depleted. The potential for financial crisis in near future is very real.

The School is the largest employer in the county and clearly faces ongoing financial challenges due to shortfalls from state and federal governments. Unfortunately for citizens of Greene, the expectation of the School budget office is to backfill those shortfalls with local tax dollars. Last year, the Board of Supervisors authorized/approved the largest school budget increase in the history of Greene.

Mr. Peyton said it is not that the Board does not support education. He pleaded again this year with the School budget office to review any programs/processes that are not supported by State/Federal government in order to reduce costs so they are not passed on to local taxpayers. Mr. Peyton felt the community would welcome and support any reductions that can be made.

Mr. Peyton commented on what he thinks of as patterns of bad spending over time. He felt it is important for citizens to understand that once allocations are committed to the school budget the Board of Supervisors has no authority over how those funds are disbursed.

Mr. Peyton noted all agencies and department budgets, with the exception of the schools, are based on the previous year actual expenditures that are easily identifiable by line item. It is difficult to determine cuts when you don't know what line item expenditures are.

Mr. Peyton said he would not violate the trust of Greene County citizens with tax increases. He does not make budget allocations based on emotions and demonstrations. Mr. Peyton said he was not going to compromise his values and principals by increasing the tax levy/rate unless essential services or education is seriously in jeopardy.

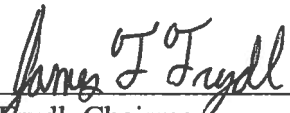
Mr. Cox thanked everyone for coming out tonight. He felt there were good speakers and comments made. He said he appreciates the openness of School Board in working on the FY 14 budget. Mr. Cox encouraged everyone to continue to come out and voice opinions as the budget process proceeds.

Mr. Frydl commented on Mr. Peyton's statement regarding the reserve funds being depleted. The reality is the numbers aren't in yet and we won't get those for another month. The Board certainly will review and let public know as numbers are received. Everyone is being asked to do more with less. The harsh reality is by the time we make the best decision possible, it is likely most of you will be disappointed. The Board will try to do the best it can with less available money and more requirements from the State.

Mr. Frydl thanked everyone for attending the meeting.

RE: ADJOURN MEETING

The meeting was adjourned at 8:12 p.m.



Jim Frydl, Chairman
Greene County Board of Supervisors