

FY19 Budget Public Hearing Comments
Mayor McKinley Price
April 10, 2018

Item E-1 on tonight's agenda is the public hearing for the City Manager's Fiscal Year 2019 Recommended Operating Budget. This is the first of two public hearings that City Council is conducting on the Recommended Operating Budget. The second public hearing will be held on Thursday, April 12, at 7:00 p.m. in Room 113 of the Denbigh Community Center, at 15198 Warwick Boulevard.

By State code, each locality is required to hold one public hearing on the budget. Due to the unique geography of the City of Newport News, we hold two public hearings for the ease of traveling for our citizens. This is to help ensure that City Council hears from citizens on their budget concerns.

On March 27, the City Manager presented her FY 2019 Recommended Operating Budget to City Council. Two work sessions have already been held by City Council to hear detailed presentations on the Recommended Budget. On April 24, there will be a third work session in which City Council will continue to discuss the Budget and communicate its desires to the City Manager, after having heard from the public. On Tuesday, May 8, City Council plans to adopt the Newport News Public Schools Operating Budget and the total City's Operating Budget, which includes the Schools budget.

By State code, the last legal possible date to adopt the Newport News Public Schools budget is May 15, with June 15, for the City's Operating Budget. The budget hearing tonight and the one scheduled for this Thursday at the Denbigh Community Center will be carried live on the City website - nnva.gov. It can also be watched live on the City's Cable Channel Cox 48 and Verizon Channel 19. You may view the full City Manager's Recommended Fiscal Year 2019 Operating Budget online on the City's website and in your local public library.

Many questions and concerns have been raised to Council about the level of the City's contributions to Schools, and the City's commitment to funding salary increases for teachers and other school employees. There's a lot of misinformation out there – most recently the sub-headline in the today's Daily Press article about the budget.

First let me say that as a Council we value and support our teachers. We understand the critical role that you play in preparing our young people for successful futures, and we thank you. As a governing body we also have an obligation to all of our citizens to be good stewards of your tax dollars.

As such, the policies we set and the decisions we make as a Council are a result of having to balance competing needs and establishing priorities. These are often difficult decisions to make. This is especially true for next year with only a total of 555 thousand dollars in new revenue for the City.

There is information being circulated that does not accurately reflect the City's financial contribution to the schools. We think it is imperative that citizens have a true picture of that support.

Earlier today at our work session, the City Manager presented Council with information regarding the school system's budget as it pertains to employee salaries and the City's financial support of schools over the past few years. I have asked that the same information be presented to you here tonight as a part of the budget overview. Madam Manager...

Thank you, Lisa. We hope that this presentation has provided you with a more accurate understanding of the City's support of the school system.

As shown, the Acting School Superintendent requested an additional 719 thousand dollars for next year. The City Manager is recommending to fund the schools at the level the Acting Superintendent requested. As such, the recommended budget provides 119 million for Newport News Public Schools.

The information provided in the presentation tonight came directly from the Schools' budget documents and indicates that for the past several years, the amount the school system budgeted for personnel costs, including salaries, has been consistently and considerably higher than what they actually spent – between 9 and 11 million dollars higher each year.

Based on this, we remain confident that the Schools' operating budget has sufficient capacity to provide the salary increases proposed by the School Board without the additional 3 million dollars requested from the City.

It is very important to reiterate that while the City provides funding to Schools, we can not, by State Code, designate how those funds are to be spent. It is up to the Schools to set priorities and to determine how they allocate those funds. The Schools have that sole discretion. Not Council! As you have seen, the money is there to fund the salary increase proposed by the Schools, but in the past the Schools have opted to use the surplus funds elsewhere.

We on Council support teachers. We value your dedication and your commitment to your profession. We strongly support the Schools spending the full amount budgeted for salaries ON salaries.

The information presented here tonight is available on the city's website at nnva.gov. If anyone has questions about this presentation, please feel free to contact the City Manager, who will also be available at the close of tonight's meeting.

I will now open up the public hearing.