



March 25, 2014

The Honorable James Holland
Chairman, Chesterfield County Board of Supervisors
(Via Email)

Dear Mr. Holland:

The Chesterfield Business Council (CBC) of the Greater Richmond Chamber has been closely following the Chesterfield County administration's proposed budget, including the proposed increases in the real estate tax rate and assessments. After extensive discussion, the CBC has decided that the increases and assessment are necessary for funding critical needs within the county.

Specifically, we support:

1. A 2-cent property tax rate increase to support a top-priority reduction in the pupil-teacher ratio, or an accelerated schedule for the school facility improvements authorized by last year's bond referendum.
2. A 1-cent property tax rate increase to restore funding to the school system's capital improvement budget through "pay as you go" county revenue rather than borrowed funds.
3. A 1.5-cent countywide service district real estate assessment to fund a stormwater management program mandated by the federal government.

Given the county's obligations, the current economic and fiscal environment, and available options, we believe that the tax measures as described above are in the best interest of the business community and residents of Chesterfield County. The following factors are part of our position of support:

- We believe that our school system is a vital cornerstone of the community and is fundamental to retaining and attracting businesses to the county and to the future quality of the county's workforce.
- We believe that effective public school performance, revitalization and maintenance is a catalyst for strengthening neighborhoods and a foundation for stable communities across the entire county.
- We believe that reducing the average number of students in our classrooms is essential to providing a high quality education with diverse course offerings.
- We support the school capital improvements approved by the voters in last year's bond referendum.
- We understand that over the past 5 years, county revenue has decreased while the population, demand and cost for services have increased. Federal and state unfunded mandates will significantly add to the county's financial load.
- We believe that the property tax increase is necessary to meet the county's obligations to provide for capital improvements, stormwater management, public safety, transportation infrastructure and other needs in a fiscally responsible manner.
- We recognize Chesterfield County's efficient public administration, ongoing efforts to improve government transparency, and careful stewardship of taxpayer dollars, with one of the lowest tax burdens in Virginia. We encourage county leadership to continue striving for more efficiency in the county's government and school system.
- We strongly encourage county leadership to re-examine tax rates periodically as assessments change so that tax revenues are set appropriately to accomplish desired levels of service, rather than simply reflecting changes in assessed values.

As representatives of and advocates for the business community, we are wary of supporting new taxes; however, we recognize that we now face critical challenges and opportunities that require prudent action. We believe that this revenue will effectively contribute to the quality of life and level of services that we have come to expect as part of proudly living and doing business in Chesterfield County. We encourage you to vote for the 3-cent property tax increase and 1.5-cent service district assessment.

Sincerely,

A handwritten signature in black ink, reading "John J. Bennett".

John J. Bennett, Chair
Chesterfield Business Council

cc: Members of the Board of Supervisors
Members of the School Board

James J. L. Stegmaier, County Administrator
Dr. Marcus J. Newsome, Superintendent of Schools