

PRESENT: Chris Yakabouski, Chair, Battlefield District
Jerry I. Logan, Vice Chair, Courtland District
Henry "Hap" Connors, Jr., Chancellor District
Gary Jackson, Salem District
Emmitt B. Marshall, Berkeley District
Vince Onorato, Lee Hill District
Thomas C. Waddy, Jr., Livingston District

STAFF PRESENT: J. Randall Wheeler, County Administrator
C. Douglas Barnes, Deputy County Administrator
Ernest L. Pennington, Deputy County Administrator
Jacob P. Stroman, IV, County Attorney

Mr. Yakabouski called the meeting to order at 6:03 p.m.

APPROVAL OF THE FINAL DESIGN AND THE AWARD OF A CONSTRUCTION CONTRACT TO LOUGHRIDGE AND COMPANY FOR THE FLEET MAINTENANCE FACILITY

Mr. Barnes said the project was on budget.

On a motion by Mr. Jackson, seconded by Mr. Marshall and passed 6 to 0 to 1 with Mr. Logan abstaining, the Board approved the final design of the Fleet Maintenance Facility and awarded a contract for its construction to Loughridge and Company.

BUDGET WORK SESSION

Budget Staff present were Tammy Petrie, Director of Finance; Mary Sorrell, Budget Manager; and Holly Dove, Senior Budget Technician. Ms. Sorrell reviewed some of the Discussion Items that had been prepared.

Board and staff members discussed locations for the Photo Red Light Program and suggested Route 1 at Route 17, Route 3 at Bragg Road and Route 3 at Salem Church Road.

Mr. Connors suggested using \$1.4 million from the Economic Development Opportunities Fund (EDOF) balance for expenditures in this year's budget since incentives for economic development had been achieved through grants.

Mr. Jackson said he would like to propose allocating an additional \$1,748,740 for the School system.

Mr. Marshall said he would like to allocate \$400,000 for school bus drivers' retirement.

Mr. Connors said he also would like to see \$1.7 million allocated to the schools, since citizens were telling the Board that was what they wanted.

Mr. Jackson said it was his understanding that volunteer firefighters and rescue workers were committed to covering Stations 3 and 9 and he would like to reconsider these funding requests if the volunteers would cover those stations. Mr. Waddy objected and said that he had been trying to get volunteers to cover those two stations for three years. He asked for a guarantee that those stations would be covered. Mr. Marshall said he was willing to go with the volunteer plan and if it did not work, he would come back to the Board.

Mr. Wheeler reported on a meeting he had attended with the Fire and EMS Commission. He said the Commission would be providing a report to the Board. He said the focus was what the volunteer agencies could do to close the coverage gaps. He said the combined resources could make a dent in the coverage gap and if that did not work, paid staff would provide a stopgap plan. He said they had a primary plan and a backup plan to fill the gaps.

Mr. Connors said he had been assured by the Captain of the Chancellor Rescue Squad that these two stations could be fully covered. He said in a tight budget year, he would like to see current staff used more effectively.

Mr. Wheeler confirmed that it was the consensus of the Board to remove funding for fire and rescue coverage for Station 3 and rescue coverage for Station 9. Mr. Waddy, however, said he was not satisfied with these changes and said for the last 3 years there had been no improvements in this coverage.

Mr. Onorato commented that it would be prudent to determine how much funding you had before you determined how much you would spend.

Mr. Yakabouski said the gutting of the EDOF was bad policy. He said if the County were to have a prospective business, simple things such as a turn lane and a stop light could run into millions of dollars. Mr. Onorato said what needed to be brought in were jobs and we need to be able to offer incentives for companies to come here. He asked that the Board vote on the discussion items line by line.

Mr. Connors asked how much of the EDOF was used to attract the hospital and the Towne Centre. Mr. Wheeler said nothing from the EDOF had been spent on those projects; the only expenditures had been for the road project for GM Powertrain.

Mr. Connors said that investing in education was an economic development consideration. He said we would attract these good jobs through working with companies and putting the infrastructure in place. He said that investments in education and public safety were economic development incentives.

Mr. Marshall suggested that the Board should support both economic development and education. Mr. Jackson agreed and said he was not in favor of eliminating the EDOF and that there were other investment that the Board needed to make. He suggested leaving \$1 million as a reserve. Mr. Marshall agreed.

Mr. Logan discussed the BPOL (Business, Professional and Occupational License) tax. In addition to raising the threshold from \$100,000 to \$200,000, the amount over which the tax must be paid, he suggested eliminating the \$50,000 exemption for businesses whose gross receipts were over \$1 million. He said that he calculated an additional \$65,000 in BPOL tax revenue with this elimination of the exemption. He said that eventually, he would like to see all businesses whose gross receipts were under \$1 million be exempt from the BPOL tax. He said it would save jobs and would be a good move to show that the County was business friendly.

Mr. Marshall said his concern was for some of these businesses that had a large gross and a small profit. He said raising this tax could put a hardship on them.

Mr. Marshall suggested that the Board vote only on the items that Board members wanted to discuss and not vote individually on each item on the whole list.

Mr. Logan said he wanted to make clear that his own business would not be affected by the change in the BPOL tax policy.

In response to a question from Mr. Yakabouski, Mr. Wheeler said that \$500,000 had been designated from \$1.8 million in funds for the EDOF. He said the \$500,000 was for a heritage initiative, more specifically for the Mullins Farm. If the Board decided to use the \$1.8 million for other purposes, the heritage initiative would go away.

Mr. Yakabouski said he would go through the list of discussion Items that staff had prepared. He said he would leave in for discussion the fire and rescue coverage that the Board had discussed earlier. He said that each item, unless there was a motion to remove it, would be considered included in the list.

Mr. Onorato made a motion, seconded by Mr. Yakabouski, to delete the Fire Coverage for Station 3.

Mr. Jackson made a substitute motion, seconded by Mr. Onorato, to delete all Fire and Rescue Coverage for Stations 3 and 9. The motion passed 6 to 1 with Mr. Waddy opposed.

Mr. Jackson made a motion, seconded by Mr. Connors, to provide an additional \$1,750,000 in School funding.

Mr. Marshall noted that such funding would reduce the gap between the County Budget and the School Budget to less than \$2 million.

Mr. Onorato asked where the funding would come from. Mr. Yakabouski said there had been a discussion of how to fund this allocation but no determination from where the money was coming from. Mr. Logan asked for a projection of the balance. Mr. Marshall suggested as had been discussed to adjust the EDOF. Mr. Yakabouski said the discussion was to take the EDOF down to \$1 million.

The motion to increase school funding to \$1,750,000 passed 6 to 1 with Mr. Yakabouski opposed.

Mr. Jackson made a motion, seconded by Mr. Connors, to add \$150,000 for additional Fire and Rescue Volunteers to be allocated in proportion to the requests.

Mr. Yakabouski made a substitute motion to fully fund the Fire and Rescue Volunteers' request for \$516,835. Mr. Connors commented that there were Revenue Recovery funds available for the volunteers. Mr. Onorato seconded Mr. Yakabouski's substitute motion. The motion passed 6 to 1 with Mr. Connors opposed because funds for volunteers were available through the Revenue Recovery Program.

Mr. Onorato spoke about the need for a litter control program and made a motion to approve \$110,825 for litter control to include a vehicle and 2 employees. Mr. Logan seconded the motion.

Mr. Logan said he would like to add to this a special fund which citizens and businesses could contribute to. He said that Mr. Connors had suggested calling it a First Impressions Program. He said he would like to establish this fund, to advertise it and to put it on the website. He said he thought there would be an enormous response and asked what was required to establish that fund.

Mr. Stroman said the scope of the First Impressions Commission would be to remove litter, to plant landscaping, to install a sprinkler system for the landscaping and perhaps to develop signage. He discussed possible funding, which he suggested could come from enforcement of Code Compliance complaints and offered to bring to the Board a proposal for earmarking funding. He said one source of funding could come from fines for the improper placement of signs. Mr. Logan said he would make a separate motion on this proposal.

Mr. Onorato's motion to approve funding for a Litter Control Program for \$110,825 to be drawn from the Transportation Fund passed unanimously.

Mr. Logan made a motion to establish a First Impressions Commission comprised of 7 members, one from each voting district, and ex officio members from other organizations such as VDOT, the National Park Service and other stakeholders in tourism to enhance first impressions for citizens and tourists and to seek grant money and funding from private and corporate partners.

Mr. Connors seconded the motion and said the Commission could also look at enforcement opportunities and other ordinance changes. Mr. Logan agreed and added such issues as a requirement for vehicle covers, signage and anything related to the overall mission.

Mr. Stroman suggested to include in the motion to establish the Commission, then refer the matter to Counsel and staff to include ex officio members, to draw up bylaws and to make recommendations regarding funding.

Mr. Logan agreed to include Mr. Stroman's suggestions in his motion.

On a motion by Mr. Logan, seconded by Mr. Connors and passed unanimously, the Board approved the establishment of a First Impressions Commission and its referral to Counsel and staff to include ex officio members, to draw up bylaws and to make recommendations regarding funding.

On a motion by Mr. Logan, seconded by Mr. Onorato and passed 6 to 1 with Mr. Yakabouski opposed, the Board approved removing the \$50,000 BPOL (Business, Professional and Office License) tax exemption for businesses whose gross revenues were more than \$1 million.

Ms. Sorrell said that the difference between the proposed General Fund expenditures over revenues was \$1,025,000 and that the EDOF balance was \$2.4 million.

Mr. Jackson made a motion, seconded by Mr. Logan, to move \$1,025,000 from the Economic Development Opportunities Fund balance to the General Fund.

Mr. Connors made a substitute motion to move \$1.4 million from the Economic Development Opportunity Fund, transfer \$1,025,000 to the General Fund, and allocate the remaining balance to the Schools. He said that he did not know of any job that had been created in the County that was a result of spending money from the EDOF. He said the County had a good Economic Development Incentive Program and he was in favor of leaving a balance of \$1 million in the EDOF.

Mr. Yakabouski said he respectfully disagreed and said that the Economic Development Opportunity Fund was created at the end of last year; it had not yet been 10 months since it was created and the Board had yet to see the effects of the funding. He said he would be voting no.

Mr. Marshall said that the Board should not vote to diminish the Economic Development Opportunity Fund at this time but wait until they would see what action the School Board would take on their budget.

Mr. Connors' motion to transfer \$1.4 million from the Economic Development Opportunities Fund and transfer \$1,025,000 to the General Fund and the remainder to the School System was defeated 1 to 6 with Mr. Jackson, Mr. Marshall, Mr. Waddy, Mr. Onorato, Mr. Yakabouski and Mr. Logan opposed.

Mr. Jackson's original motion, seconded by Mr. Logan, to move \$1,025,000 from the Economic Development Opportunities Fund to the General Fund passed 4 to 3 with Mr. Yakabouski, Mr. Waddy and Mr. Onorato opposed.

Board members and staff briefly discussed the sources of funding to develop the Loriella Park court and to begin development of Livingston Community/Belmont Park. Ms. Sorrell said that the source of funding was a combination of proffers and interest earnings.

Mr. Jackson asked about the shortfall in the Photo Red Light Program. Mr. Wheeler said there were funds available in the Transportation Fund and he hoped the program would generate revenue within 6 months.

Mr. Marshall made a motion to conduct a joint public hearing with the Planning Commission on a rezoning of land for the new hospital, the Spotsylvania Regional Medical Center. Other Board members expressed reservations about the effectiveness and complications of a joint public hearing. Mr. Wheeler said that if there were any substantive changes to the application, a second public hearing would be required; otherwise, a joint public hearing would move the application along more quickly. Mr. Jackson suggested making this decision at a later time. Mr. Marshall withdrew his motion until the next meeting.

CLOSED MEETING

On a motion by Mr. Jackson, seconded by Mr. Logan and passed unanimously, the Board adopted a resolution to adjourn into closed meeting, as follows:

VOTE:

Ayes:	7	Mr. Connors, Mr. Jackson, Mr. Logan, Mr. Marshall, Mr. Onorato, Mr. Waddy and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

RESOLUTION NO. 2006-56

To Adjourn into Closed Meeting

WHEREAS, the Spotsylvania County Board of Supervisors desires to adjourn into Closed Meeting regarding legal advice regarding proposed amendment to the Tier Drainage Program, and legal advice pertaining thereto; and

WHEREAS, pursuant to Section 2.2-3711(A)(7) of the Code of Virginia, such discussions may occur in Closed Meeting.

NOW, THEREFORE, BE IT RESOLVED that the Spotsylvania County Board of Supervisors does hereby authorize discussion of the aforestated matters.

RETURN TO OPEN MEETING AND CERTIFICATION

On a motion by Mr. Jackson, seconded by Mr. Onorato and passed unanimously, the Board returned to open meeting and adopted the following resolution:

VOTE:

Ayes:	7	Mr. Connors, Mr. Jackson, Mr. Logan, Mr. Marshall, Mr. Onorato, Mr. Waddy and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

RESOLUTION NO. 2007-57

Return to Open Meeting

WHEREAS, the Spotsylvania County Board of Supervisors has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 (D) of the Code of Virginia requires a certification by this Board of Supervisors that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Spotsylvania County Board of Supervisors hereby returns to open session and certifies, by roll call vote, that to the best of each member's knowledge only public business matters lawfully exempted from the open meeting requirements of the Freedom of Information Act and identified in the motion to go into Closed Meeting were heard, discussed or considered in the Closed Meeting.

ADOPTION OF THE COUNTY BUDGET FOR FISCAL YEAR 2008 AND THE TAX RATES FOR CALENDAR YEAR 2007

On a motion by Mr. Jackson, seconded by Mr. Marshall and passed unanimously, the Board adopted the following resolutions:

VOTE:

Ayes:	7	Mr. Connors, Mr. Jackson, Mr. Logan, Mr. Marshall, Mr. Onorato, Mr. Waddy and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

RESOLUTION NO. 2007 - 58

A RESOLUTION TO ADOPT THE FISCAL YEAR (FY) 2008 BUDGET AND THE TAX RATES FOR CALENDAR YEAR 2007

WHEREAS, it is the responsibility of the Spotsylvania County Board of Supervisors to approve and control the County's fiscal plan for FY 2008; and

WHEREAS, the Board of Supervisors has received and reviewed the County Administrator's Recommended Budget for FY 2008; and

WHEREAS, it is the responsibility of the Spotsylvania County Board of Supervisors to set the tax rates for Calendar Year 2007; and

WHEREAS, the Board of Supervisors has received comments on the recommended tax rates and the recommended budget from citizens of Spotsylvania County at a duly advertised public hearing; and

WHEREAS, it is the intent of the Board of Supervisors that departments and agencies shall adhere to the budgeted funds in accordance with departmental budgets presented by the County Administrator and amended by the Board of Supervisors;

RESOLVED by the Spotsylvania County Board of Supervisors this 5th day of April 2007, that the following tax rates for Calendar Year 2007 be, and are hereby, approved, as set forth below; and, be it

RESOLVED FURTHER, that local tax supported expenditures of the School Division's overall budget of \$307,302,064 shall not exceed \$117,941,782 of local funds and, be it

RESOLVED FURTHER, that the following budgets be, and are hereby, approved effective July 1, 2007, as set forth below; and, be it

RESOLVED FURTHER, that all financial activities, purchases, travel, personnel actions, etc., shall be in accordance with the policies and procedures established by the Board of Supervisors and administered by the County Administrator.

CALENDAR YEAR 2007 COUNTY TAX RATES

Real Estate.....	\$.62 per \$100 of assessed valuation
Personal Property.....	\$5.00 per \$100 of assessed valuation, assessed at 50% of fair market value
Mobile Homes.....	\$.62 per \$100 of assessed valuation
Machinery and Tools.....	\$2.50 per \$100 of assessed valuation
Heavy Duty Equipment.....	\$2.00 per \$100 of assessed valuation
Massaponax Special Service District Special Tax.....	\$0.35 per \$100 of assessed valuation
Harrison Crossing Special Service District Special Tax.....	\$0.35 per \$100 of assessed valuation

FISCAL YEAR 2008 COUNTY BUDGETS

1. *Total County Budget for Fiscal Year 2008 in the amount of \$424,343,558, to include the following funds:*

<i>a. General Operating Fund</i>	<u>\$ 96,028,867</u>
<i>b. Capital Projects Fund</i>	<u>\$ 11,313,588</u>
<i>c. Economic Development Opportunities Fund</i>	<u>\$ 184,732</u>
<i>d. Code Compliance Fund</i>	<u>\$ 4,441,780</u>
<i>e. Transportation Fund</i>	<u>\$ 5,072,527</u>
<i>f. School Operating Fund</i>	<u>\$ 257,010,432</u>
<i>g. School Food Service Fund</i>	<u>\$ 8,484,469</u>
<i>h. School Capital Projects Fund</i>	<u>\$ 41,807,163</u>

2. *Utilities Operating Budget for Fiscal Year 2008 in the total amount of \$26,127,190.*

3. *Utilities Capital Projects Budget for Fiscal Year 2008 in the total amount of \$25,821,400.*

4. *Capital Improvements Plan for Fiscal Year 2008 - 2012 in the following amounts:*

<i>General Capital Projects</i>	<u>\$270,364,285</u>
<i>Utilities Capital Projects</i>	<u>\$ 152,493,700</u>
<i>School Capital Projects</i>	<u>\$ 135,957,454</u>

RESOLVED FURTHER, that the County Administrator is authorized to take all necessary actions to give this resolution effect.

ADOPTION OF A RESOLUTION REGARDING FUNDS UNSPENT FROM THE FISCAL YEAR 2008 SCHOOL BUDGET

VOTE:

Ayes:	7	Mr. Connors, Mr. Jackson, Mr. Logan, Mr. Marshall, Mr. Onorato, Mr. Waddy and Mr. Yakabouski
Nays:	0	
Absent:	0	

Abstain: 0

RESOLUTION NO. 2007-59

Funds Unspent from the Fiscal Year 2008 School Budget

BE IT RESOLVED by the Spotsylvania County Board of Supervisors that any local funds appropriated to the school system in Fiscal Year 2008 and remaining unspent at the end of the fiscal year shall be used to support Spotsylvania County public school system. The amount of such funds shall be determined by the annual audit.

ADOPTION OF A RESOLUTION TO SET THE PERCENTAGE FOR PERSONAL PROPERTY TAX RELIEF

VOTE:

Ayes: 7 Mr. Connors, Mr. Jackson, Mr. Logan, Mr. Marshall,
Mr. Onorato, Mr. Waddy and Mr. Yakabouski
Nays: 0
Absent: 0
Abstain: 0

RESOLUTION NO. 2007-60

A RESOLUTION PURSUANT TO SECTION 21-38 OF THE CODE OF SPOTSYLVANIA COUNTY, VIRGINIA TO SET THE PERCENTAGE OF PERSONAL PROPERTY TAX RELIEF AT THE LEVEL NECESSARY TO EXHAUST PERSONAL PROPERTY TAX RELIEF ACT FUNDS FOR 2007

WHEREAS, on December 13, 2005, and for tax years beginning in 2006, the Board adopted as Section 21-38 of the Code of Spotsylvania County, Virginia, the provisions of Item 503.E of Chapter 951 of the 2005 Appropriations Act of the General Assembly providing for computation of personal property tax relief as a specific dollar amount to be offset against the total taxes that would otherwise be due for personal property, and the reporting of such specific dollar relief amount on the tax bill; and

WHEREAS, the Board is required as part of its annual budget process, to adopt a resolution setting the percentage of tax relief at the level that is anticipated to exhaust Personal Property Tax Relief Act (PPTRA) funds provided to the County by the Commonwealth of Virginia for each tax year, and

WHEREAS, the ordinance requires that personal property tax bills set forth on their face the specific dollar amount of relief credited with respect to

each qualifying vehicle, together with an explanation of the manner in which relief is allocated,

WHEREFORE, be it resolved by the Board of Supervisors of Spotsylvania County, Virginia, that pursuant to Section 21-38 of the Code of the County of Spotsylvania, that the percentage of tax relief that is anticipated to exhaust PPTRA relief funds provided to the County by the Commonwealth shall be set for tax year 2007 as follows:

- 1. For personal use vehicles valued at \$1,000.00 or less, the percentage of relief shall be set at one hundred percent (100%)*
- 2. For vehicles valued at more than \$1,000.00, the percentage of relief shall be set at fifty-two percent (52%) for up to and including the first \$20,000.00 of value; and*

BE IT FURTHER RESOLVED, that the Treasurer shall insure that 2007 personal property tax bills set forth on their face the specific dollar amount of relief credited with respect to each qualifying vehicle, together with an explanation of the manner in which relief is allocated.

CHANGE IN MEETING TIME FOR THE APRIL 10, 2007 BOARD MEETING

On a motion by Mr. Marshall, seconded by Mr. Onorato and passed unanimously, the Board agreed to change the meeting time for the April 10, 2007 meeting from 3 p.m. to 4 p.m.

ADJOURNMENT

On a motion by Mr. Jackson, seconded by Mr. Marshall and passed unanimously, the Board adjourned its meeting.

J. Randall Wheeler
County Administrator