

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTGOMERY, VIRGINIA HELD ON THE 20th DAY OF APRIL, 2010 AT 5:30 P.M. IN THE BOARD CHAMBERS, MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT:	Annette S. Perkins	-Chair
	James D. Politis	-Vice Chair
	Mary W. Biggs	-Supervisors
	William H. Brown	
	Gary D. Creed	
	Doug Marrs	
	John A. Muffo	
	F. Craig Meadows	-County Administrator
	L. Carol Edmonds	-Assistant County Administrator
	Martin M. McMahon	-County Attorney
	Karen Edmonds	-Human Resources Director
	Marc Magruder	-Budget Manager
	Ruth L. Richey	-Public Information Officer
	Vickie L. Swinney	-Secretary, Board of Supervisors

CALL TO ORDER

The Chair called the meeting to order.

INTO CLOSED MEETING

On a motion by Mary W. Biggs, seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Closed Meeting for the purpose of discussing the following:

- Section 2.2-3711 (3) Discussion or Consideration of the Acquisition of Real Property for Public Purpose, or of the Disposition of Publicly Held Real Property Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy of the Public Body
1. Courthouse Property

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>
Gary D. Creed	None
William H. Brown	
James D. Politis	
Mary W. Biggs	
Doug Marrs	
John A. Muffo	
Annette S. Perkins	

OUT OF CLOSED MEETING

On a motion by Gary D. Creed, seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Closed Meeting to return to Regular Session.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>
William H. Brown	None
James D. Politis	
Mary W. Biggs	
Doug Marrs	
John A. Muffo	
Gary D. Creed	
Annette S. Perkins	

CERTIFICATION OF CLOSED MEETING

On a motion by Mary W. Biggs, seconded by James D. Politis and carried unanimously,

WHEREAS, The Board of Supervisors of Montgomery County 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 2.2-3711 of the Code of Virginia requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Supervisors of Montgomery County, Virginia hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion conveying the closed meeting were heard, discussed or considered by the Board.

VOTE

AYES

James D. Politis
Mary W. Biggs
Doug Marrs
John A. Muffo
Gary D. Creed
William H. Brown
Annette S. Perkins

NAYS

None

ABSENT DURING VOTE

None

ABSENT DURING MEETING

None

NEW BUSINESS

Real Estate Tax Rate – 2010

The Montgomery County Board of Supervisors discussed the proposed increase in the real estate tax rate ranging from 1 to 4 cents.

Supervisor Creed asked for an update on the amount of additional funding the County will receive from the State since the County advertised a 4 cent increase on the real estate tax rate.

The County Administrator reported the County will receive an estimated \$900,000 in additional funding from the State due to the Governor's amendments to the State Budget.

Since the County will be receiving additional funding from the State, Supervisor Creed indicated that he does not support a 4 cent increase in the real estate tax rate. He believes the County can get by with 3 cents or less. He stated he is concerned with an increase as there are people in the County hurting financially who may not be able to come up with the extra money.

Supervisor Biggs is concerned that the State may come back and reduce state dollars to the County at a later date. This happened in FY 10 and what's to keep them from doing it again. Supervisor Biggs also commented that even if the real estate tax rate is increased by 4 cents, jobs are still being eliminated and services will be cut.

Supervisor Perkins noted that the school system has been hit hard by the reduction in state dollars. A 4 cent increase in the real estate rate will provide additional dollars to the schools.

Supervisor Muffo stated he supports a 4 cent increase; however, Supervisor Creed makes a good point with the County receiving less of a reduction in state dollars that the Board should consider less than a 4 cent increase in the real estate tax rate. He commented that he also still doesn't trust the State not to pass down more reductions in state funding but felt he could comprise and support a 3 cent increase.

4 cent Increase

Supervisor Brown made a motion, seconded by Supervisor Biggs, for a 4 cent increase in the real estate tax rate from 71 cent to 75 cent per \$100 of the assessed valuation.

The vote on the motion was as follows:

<u>AYE</u>	<u>NAY</u>
Mary W. Biggs	John A. Muffo
William H. Brown	Doug Marrs
Annette S. Perkins	James D. Politis
	Gary D. Creed

The motion failed with a 3-4 vote.

3.5 cent Increase

Supervisor Biggs made a motion, seconded by Supervisor Brown, for a 3.5 cent increase in the real estate tax rate from 71 cent to 74.5 cent per \$100 of the assessed valuation.

The vote on the motion was as follows:

<u>AYE</u>	<u>NAY</u>
Mary W. Biggs	Doug Marrs
William H. Brown	James D. Politis
	Gary D. Creed
	John A. Muffo
	Annette S. Perkins

The motion failed with a 2 - 5 vote.

3 cent Increase

**R-FY-10-155
RESOLUTION SETTING THE
REAL ESTATE TAX RATE**

On a motion by John A. Muffo, seconded by William H. Brown and carried,

BE IT RESOLVED, The Board of Supervisors of the County of Montgomery, Virginia hereby sets the real estate tax rate at **74¢** per \$100 of the assessed valuation of real estate based on 100% of fair market value.

BE IT FURTHER RESOLVED, That the Commissioner of Revenue of Montgomery County, Virginia be, and she is hereby ordered to levy, beginning January 1, 2010 and ending December 31, 2010 the sum of **74¢** per \$100 of the assessed valuation of real estate based on 100% of fair market value.

FURTHER, The Commissioner of Revenue is instructed to levy for said period other property taxes as follows:

<u>Category</u>	<u>Tax Rate Per \$100 of Assessed Valuation</u>
Tangible Personal Property	\$2.45
Machinery and Tools	\$1.82
Merchants Capital	\$3.05

FURTHER, That the Treasurer of Montgomery County, Virginia is hereby directed to collect the taxes so assessed, and the Clerk of the Board shall forward a copy of this order to said Commissioner of Revenue and the Treasurer.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>
William H. Brown	Doug Marrs
John A. Muffo	James D. Politis
Mary W. Biggs	Gary D. Creed
Annette S. Perkins	

Add to the Agenda – Brain Injury Services Budget Allocation

Supervisor Biggs requested the Board consider an allocation of funding for the Brian Injury Services of Southwest Virginia in the FY 2010-2011 Budget. Brain Injury Services received funding from the County the past two years and it was recommended that funding be cut in FY 11. Brain Injury Services requested \$1,000 in FY 11; however, Supervisor Biggs asked the Board of Supervisors to consider allocating \$800.00. She believes Brain Injury Services provides a valuable service to the citizens of Montgomery County.

R-FY-10-156
BRIAN INJURY SERVICES
OF SOUTHWEST VIRGINIA
FY 2010-2011 BUDGET

On a motion by Mary W. Biggs, seconded by Gary D. Creed and carried unanimously,

BE IT RESOLVED, The Board of Supervisors of the County of Montgomery, Virginia hereby authorizes the County Administrator to allocate \$800 to the Brain Injury Services of Southwest Virginia in the FY 2010-2011 Budget.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>
Gary D. Creed	None
William H. Brown	
James D. Politis	
Doug Marrs	
Mary W. Biggs	
John A. Muffo	
Annette S. Perkins	

R-FY-10-157
RESOLUTION ADOPTING
THE FY 2010-2011 BUDGET

On a motion by Mary W. Biggs, seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the Annual Budget for Fiscal Year 2010-2011 be and the same is adopted in the amount of **\$150,658,870**, which except in the case of the public school budget, shall be for informative and fiscal planning purposes only.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>
James D. Politis	None
William H. Brown	
Gary D. Creed	
John A. Muffo	
Mary W. Biggs	
Doug Marrs	
Annette S. Perkins	

No Conflict of Interest Statement

Supervisor Biggs made the following statement:

I, Mary W. Biggs, a member of the Montgomery County Board of Supervisors and employed by the Montgomery County Public Schools (MCPS), have no conflict of interest in voting on the resolution adopting the FY 10-11 Budget for Montgomery County. As an employee of the MCPS, I have no involvement in the preparation of the MCPS budget and no say on how the money allocated to the schools is distributed.

OTHER BUSINESS

School Energy Performance Contract – Bond Issuance

Board members expressed concern regarding the Montgomery County Public Schools request for Montgomery County to consider issuing bonds to finance the School Energy Performance Contract. Board members felt they could approve scheduling a public hearing; however, requested the following information before the May 10, 2010 public hearing:

1. Will additional debt affect the County's bond rating?
2. What is the County's borrowing limit?
3. What type of risk will the County be taking?
4. Will this affect the County's ability to borrow in the future?

Assistant County Administrator Carol Edmonds provided additional information on the request to issue bonds. This bond issuance is an opportunity to issue bonds at a 0% interest rate, thus generating savings, which will offset the debt. The County's bond counsel will meet with the bond rating companies to report that this is a one time opportunity provided by the Federal Government as part of the stimulus package made available to the State.

R-FY-10-158
SCHEDULE PUBLIC HEARING
CONCERNING THE INTENTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF MONTGOMERY, VIRGINIA
TO PROPOSE FOR PASSAGE A RESOLUTION AUTHORIZING
THE ISSUANCE OF A NOT TO EXCEED \$8,200,000 GENERAL OBLIGATION
SCHOOL BOND, SERIES 2010 OF THE COUNTY OF MONTGOMERY, VIRGINIA TO
BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY FOR FINANCING
MONTGOMERY COUNTY SCHOOL ENERGY PERFORMANCE CONTRACT

On a motion by James D. Politis, seconded by Mary W. Biggs and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of the County of Montgomery, Virginia, that the Board of Supervisors hereby agrees to schedule a public hearing for May 10, 2010, at 7:15 p.m. or as soon thereafter in the Board Room, Montgomery County Government Center located at 755 Roanoke Street, Christiansburg, Virginia to hear citizen comments on the following:

General Obligation School Bond – School Capital Projects – Energy Performance Contract

Resolution authorizing the issuance not to exceed \$8,200,000 principal amount of a general obligation school bond of the County of Montgomery, Virginia. The Bond is to be issued for financing the cost of the Montgomery County School Energy Performance Contract and to be sold to the Virginia Public School Authority.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>
William H. Brown	None
James D. Politis	
Doug Marrs	
Mary W. Biggs	
John A. Muffo	
Gary D. Creed	
Annette S. Perkins	

ADJOURNMENT

On a motion by James D. Politis, seconded by Mary W. Biggs and carried unanimously, the Board adjourned to Monday, April 26, 2010 at 6:00 pm.

The meeting adjourned at 6:35 p.m.

APPROVED: _____ ATTEST: _____
Annette S. Perkins F. Craig Meadows
Chair, Board of Supervisors County Administrator