

Minutes
Board of Supervisors
Work Session
July 5, 2016

Members Present: Johnny Woodward, Chairman At-Large
D. Keith Guzy, Jr., District 1
David Wiatrowski, District 2
Mark Stroupe, District 3
Larry Foltz, District 4
Dorothy Pendley, District 5

Staff Present: Amity Moler, County Administrator
Regina Miller, Assistant to the County Administrator
Nathan Miller, County Attorney

School Board & Staff: Dr. Morgan Pheniz, Chairman At-Large
Randy Bailey, District 1
Rolf Gubler, District 2
Sharon Lucas, District 3
Shawn Printz, District 4
Jackie Sullivan-Smoot, District 5
Donna Whitley-Smith, School Superintendent
Linda Breeden-Wallace, School Board Clerk

Call to Order:

Chairman Johnny Woodward called to order the work session of the Page County Board of Supervisors on July 5, 2016 at 7:00 p.m. in the Board Room located in the Page County Government Center, 103 South Court Street, Luray, VA 22835, noting that a quorum of the Board was present. Dr. Morgan Phenix, School Board Chairman, called to order the Page County School Board noting that all members were present. The Call to Order was followed by the *Pledge of Allegiance* and the Invocation was given by Paul Johnson.

Joint Meeting with the School Board:

Update on the Health Science Building at the Technical Center:

Donna Whitley-Smith, School Superintendent, thanked the Supervisors for allowing the school system to move forward with the Health Sciences Building at the Technical Center. Tim Harris, Director of Support Services/Transportation gave an update on construction of the building. He said in early fall preparation will begin for Lord Fairfax Community College to move in equipment and it will be ready for students in the second semester.

Establishment of School Contingency Fund:

Janice Beahm, School Finance Director, explained that the total revenue received in June was \$2,896,124.66 and some of the revenues that flow in June are unpredictable.

The expenditures through June 30th were \$3,413,196.76 and at that time the local match was available with the appropriated funding from the County. Available was \$1,021,383.90 and the local match needed for June was \$517,072.10. This left \$509,562 from the local appropriated monies. She then reviewed the factors that occurred during the year that helped with the remaining balance at the end of the fiscal year. She said there was a savings in leave docketed of \$160,351.00 (employees exhausted leave balances resulting in pay reductions at their daily rate); unfilled vacancies – resulted in savings on teacher salaries and benefits; requested grant reimbursements be made bi-monthly, which resulted in increased cash flow; DOE deadlines for reimbursement were June 3 for paper requests and June 10 for OMEGA reimbursements, however the State continued to reimburse through the June 15 payrolls; flow of electronic deposits from state ran later than usual in June (final sales tax did not post until June 28, which was \$155,980.98 making it difficult to project revenue); purchased only what was necessary during FY2016; and, no prepayments for FY2017.

Mrs. Beahm continued by reviewing the request for carryover funding which consisted of: 1) request for carryover funding for the Virginia CyberCamp Grant in the amount of \$44,500; 2) request for balance of requested funds for completion of the construction of the Page County Technical Center Health and Sciences Building; 3) requests permission and funding in the amount of \$87,161 to purchase a Bobcat T190 (\$28,300), a tilt trailer (\$5,595), and a 29 passenger GM bus (\$53,266); 4) any additional monies remaining once accrual postings are completed be carried over as contingency funds; and, 5) any remaining balance of local appropriated monies that those funds be returned to the 2017 school budget for the establishment of a contingency account.

Mrs. Whitley-Smith indicated that the schools would like the \$40,500 in a resolution added to the budget as well as the \$155,353 for the completion of the technical center.

Supervisor Guzy said that this meeting has been good and they also need to have a September catch-up meeting and then in October the resolutions will go in place.

Motion: Supervisor Guzy moved for the Board of Supervisors to return the carryover of \$40,500 for the CyberCamp Grant to the FY2017 budget as well as appropriate up to \$28,300 for the purchase of a Bobcat from the FY2016 budget carryover funds. Supervisor Foltz seconded and the motion carried by a vote of 6-0. Aye: Woodward, Guzy, Wiatrowski, Stroupe, Foltz, Pendley. Nay: None.

QZAB Bond Discussion:

Mrs. Whitley-Smith said that a QZAB Bond (Qualified Zone Academy Bonds) is a zero interest, 10-30 year loan program that Congress authorized in 1998. School divisions are ranked by the free and reduced lunch percentage. The School Board found out June 6th that they are eligible to apply for the grant but the turnaround time is July 11, 2016. Mrs. Whitley-Smith explained the Bond has Federal Mandates as well as eligibility requirements. She went on to show how the proceeds would be used for repairs, equipment, course materials, teacher training and issuance costs. The total proposal is

for \$2 million. Payback over a 20 year loan cycle will be \$80,000 a year. Mrs. Whitley-Smith said paying back the loan will come from energy savings of approximately \$30,000-\$40,000 per year, with the remainder coming from maintenance and facilities.

Discussion of School's Health Insurance Proposal:

Paul Johnson, Director of Human Resources/Administration, reviewed the process, cost and decisions on changing health insurance. The committee decided after reviewing all the plans to stay with Anthem Health insurance, but cutting from 3 plans to 2, dropping the Key Care 10, which is the high end plan and also dropping the Key Care 25 which is the most affordable plan. The reason is that the Key Care 30 is slightly more affordable, with almost the same benefits. Mr. Johnson added that they will be changing to Guardian Dental, with a projected 8.1% rate reduction. He noted that budget reductions were made to positions affecting 9 teaching positions, 9 teacher assistants, and 1 central office administrator position as well as retirements and resignations.

Donna Whitley-Smith added that the house at 729 Main Street, Luray, is surplus and the School Board would like to give it to the Supervisors in January, and there is empty space at Gove Hill Elementary for the Sheriff's Department to use.

School Board Closed Session

Motion: Mr. Bailey made motion to go into closed session for legal matters. Mr. Gubler seconded. Motion carried by unanimous vote.

Recess: The Board took a brief recess at 8:32 p.m.

Reconvene: Chairman Woodward reconvened the meeting at 8:39 p.m.

Discussion of TOT Funding for Cavemen Baseball:

County Attorney Miller reviewed last year's memo regarding the use of TOT funds and concluded the same as last year. The Board has the flexibility to use the TOT funds for funding the Cavemen Baseball Team. The board has the flexibility on what constitutes marketing and what draws people to the county. After reviewing the memo, he did not change his position from a legal perspective.

Motion: Supervisor Wiatrowski moved to fund \$1,000 from the TOT fund to the Cavemen Baseball team for FY2016-2017. Supervisor Stroupe seconded. The vote was tied by 3-3. Aye: Wiatrowski, Stroupe, Foltz. Nay: Guzy, Pendley, Woodward.

Approval of Tax Revenue Anticipation Note:

EXHIBIT A

Mrs. Moler said that this obtaining a Tax Revenue Anticipation Note is a fairly common practice in localities and that the Board is allowed to borrow money. The majority of the County's revenue comes in twice a year with tax collection, but the debt service is due in the middle of July, and even though taxes were collected in June, the debt service payment will affect the cash flow. An RFP was put out to borrow up to \$5 million. A proposal was received from Blue Ridge Bank with two different options.

Mr. Matthew Light, Bond Counsel, from Botkin Rose, said that this is a short term loan in order to meet cash flow needs. The note has a maximum duration of June 30, 2017.

He said that he anticipated the actual note to be closer to \$3 million. The resolution gives the Chairman the authority to set the final amount as well as the interest rates, which the resolution gives two options as well. There is also no draw down amount. Mr. Light explained the draws and how the payments work. He said it's basically a line of credit in the amount of the anticipated tax revenue and the County only pays back what it uses.

Motion: Supervisor Stroupe moved to adopt the Resolution authorizing the issuance of an up to \$5,000,000 for the County of Page, Virginia Tax Revenue Anticipation Note. Supervisor Foltz seconded and the motion carried by a vote of 6-0. Aye: Wiatrowski, Stroupe, Foltz, Pendley, Woodward, Guzy. Nay: None.

After discussion, it was consensus of the Board to instruct staff to have the Treasurer report monthly.

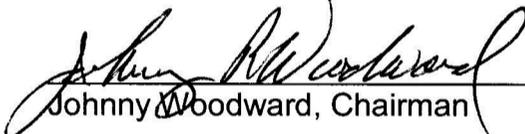
Report on Spring Clean-Up Day:

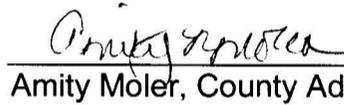
Lynda Minke, Landfill Director, said the spring clean-up day went well. A voucher system was used, which kept everything organized. There were 85 requested vouchers, 38 no-shows and 3 rejected loads. A total of 138 vouchers were filled out the day of the clean-up; 53 were used, 22 were not used and 5 rejected due to rules. There was 7.3 tons of bulky materials dumped that day, at a cost of \$2,337.08.

The Board was in consensus to put a clean-up day on a fall agenda for discussion.

Adjourn: 9:18 p.m.

With no further business, Chairman Woodward adjourned the meeting.


Johnny Woodward, Chairman


Amity Moler, County Administrator