

BOARD OF SUPERVISORS MEETING MINUTES OF JANUARY 26, 2009

At a regular meeting of the Pulaski County Board of Supervisors held on Monday, January 26, 2009 beginning with a Closed Session at 6:00 p.m. at the County Administration Building, Board Room, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following members were present: Joseph L. Sheffey, Chairman; Dean K. Pratt, Vice-Chairman; Ranny L. Akers; and Charles Bopp. Supervisor Frank R. Conner was unable to attend the meeting due to illness. Staff members present included: Peter M. Huber, County Administrator; Robert Hiss, Assistant County Administrator; Shawn Utt, Community Development Director; and Thomas J. McCarthy, Jr., County Attorney. Joining the regular session at 7:00 p.m. was Gena T. Hanks, Clerk to the Board of Supervisors.

1. Closed Session– 2.2-3711.A.1.3.5.7

Mr. Sheffey called the meeting to order and advised a Closed Session would need to be held as follows:

A closed meeting is requested pursuant to Section 2.2-3711.A.1.3.5.7 of the 1950 Code of Virginia, as amended, to discuss personnel, legal, land acquisition/disposition, and prospective industry matters.

On a motion by Mr. Pratt, seconded by Mr. Akers and carried, that the Board of Supervisors enter Closed Session for discussion of the following:

Personnel – Pursuant to Virginia Code Section 2.2-3711(A)1 discussion for consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of public officers, appointees or employees, regarding:

- Appointments

Property Disposition or Acquisition – Pursuant to Virginia Code Section 2.2-3711(A)3 discussion for consideration of the disposition or acquisition of publicly held property regarding:

- School Board Office Relocation
- Camp One Facility
- Maple Shade Uses
- Old School Board Office

Prospective Industry – Pursuant to Virginia Code Section 2.2-3711(A)5 discussion concerning a prospective business or industry, or the expansion of an existing business and industry, where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

- Corporate Center Tenant

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Legal Matters – Pursuant to Virginia Code Section 2.2-3711(A)7 consultation with legal counsels and briefing by staff for discussion of specific legal matters and matters subject to probable litigation regarding:

- Employee Hearing

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: none.

Not present: Mr. Conner.

Return to Regular Session

On a motion by Mr. Pratt, seconded by Mr. Akers and carried, that the Board return to regular session.

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: none.

Not present: Mr. Conner.

Certification of Conformance with Virginia Freedom of Information Act

On a motion by Mr. Akers, seconded by Mr. Bopp and carried, that the Board of Supervisors adopted the following resolution certifying conformance with the Virginia Freedom of Information Act.

WHEREAS, the Board of Supervisors of Pulaski County, Virginia, has convened a closed meeting of this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act:

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 Board of Supervisors of Pulaski County, Virginia hereby certifies to the best of each members' 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 this motion convening the closed meeting were heard, discussed or considered by the Board of Supervisors.

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Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.
Voting no: none.
Not present: Mr. Conner.

2. Invocation

Reverend Randy Winn of the First Christian Church provided the invocation.

Presentation of Resolution to PCHS Football Team and Coaches

Mr. Sheffey read the resolution adopted by the Board of Supervisors at their January 12, 2009 meeting in which the Pulaski County High School football players, coaches and others were recognized for an outstanding 2008 season. The resolution was presented to Coach Jack Turner and other coaches and members of the football team. Mr. Turner thanked the Board and the community for its support during the 2008 season.

3. Pictorial Commemoration of Employee Accomplishments this Past Year

Mr. Huber presented a pictorial in PowerPoint commemorating the county's accomplishments throughout the 2008 year. Mr. Huber thanked Board members and staff for their work throughout the year.

4. Recognition

a. Featured Employees

The Board recognized Brenda Akers of the County Maintenance Facility and Kurt Webb of the PSA Refuse Department as the featured employees to serve during the month of February. Mr. Sheffey read a description of the job duties and personal interests for both employees. Supervisors presented a Fatz Cafe gift certificate to Mr. Webb. Ms. Akers was unable to attend the meeting.

b. Life and Service of H. W. Huff, Jr.

Mr. Sheffey noted the family of H. W. Huff, Jr. were unable to attend the meeting. Staff was requested to invite the Huff family to the March 23 Board meeting to accept the resolution honoring the life and service of H. W. Huff, Jr.

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5. Additions to Agenda

Mr. Huber noted Supervisor Frank Conner was unable to attend the meeting for medical reasons.

6. Public Hearings:

- a. Petition by **Eddie D & Christine M Smith** to rezone Lots 1, Lot 2 and Lot 4 Pulaski Properties from Residential (R) to Agricultural (A1). (055-021-0000-0001, 055-021-0000-0002, 055-021-0000-0004), (Massie District).

Mr. Utt presented staff comments and advised the Planning Commission recommended approval of the rezoning request.

Mr. Sheffey opened the public hearing. There were no citizen comments and the hearing was closed.

On a motion by Mr. Bopp, seconded by Mr. Pratt and carried, the Board approved the rezoning request, as recommended by the Planning Commission.

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: none.

Not present: Mr. Conner.

- b. Proposed issuance of bonds by the County. The general purpose for which the bonds are to be issued is to provide funds, together with other available funds, to finance certain capital improvements to the County's sewer system and to pay the costs of issuing the bonds, and the estimated maximum amount of such bonds is \$1,502,295.

Mr. Huber explained the bond documents presented, specifically noting the advertised hearing was for the purpose of considering the issuance of bonds for the provision of sewer service, with an additional hearing to be held on sewer service to the Highland Park area.

Mr. Sheffey opened the public hearing. There were no citizen comments and the hearing was closed.

On a motion by Mr. Pratt, seconded by Mr. Akers and carried, the Board adopted the following resolution:

RESOLUTION AUTHORIZING THE CONSTRUCTION AND FINANCING OF IMPROVEMENTS TO THE WATER AND SEWER SYSTEM OF PULASKI COUNTY, AND AUTHORIZING THE ISSUANCE, SALE AND AWARD OF \$804,400 WATER AND SEWER REVENUE BONDS, PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF, AND AUTHORIZING THE EXECUTION OF A SUPPORT AGREEMENT IN CONNECTION THEREWITH

The Board of Supervisors of Pulaski County, a political subdivision of the Commonwealth of Virginia (the "Board of Supervisors") has determined to improve its water and sewer system by improving the sewer facilities in the Orchard Hills, Vista, and Rolling Hills subdivision areas of the County and to issue its revenue bonds in the aggregate amount of \$804,400, the proceeds of which, together with other available funds, are estimated to be sufficient to pay a portion of the cost of the Project hereinafter authorized; and

The United States of America (the "Government") has offered to purchase such revenue bonds upon certain terms and conditions, and the Board of Supervisors, after mature consideration of the condition of the municipal bond market and other methods of selling its bonds, has determined to satisfy such terms and conditions and award the bonds to the Government and to execute a support agreement in connection with the bonds.

The Board of Supervisors has held a public hearing on the issuance of proposed bonds for the Project, having an estimated aggregate amount not to exceed \$1,502,295 (which estimated maximum amount includes the Bonds issued pursuant to this resolution), in accordance with Section 15.2-2606 of the Code of Virginia of 1950, as amended.

THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF PULASKI COUNTY, VIRGINIA:

ARTICLE I

Definitions

Section 1.1. Definitions. Whenever used in this resolution, unless a different meaning clearly appears from the context:

"Act" shall mean the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended).

"Additional Bonds" shall mean any bonds issued pursuant to Article VI and secured on parity with the Bonds by a pledge of the Pledged Revenues.

"Board of Supervisors" shall mean the Board of Supervisors of the County.

"Bonds" shall mean the County's water and sewer revenue bonds in the aggregate principal amount of \$804,400, issued pursuant to this resolution.

"Closing Date" shall mean the date on which the Bonds are delivered to the

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Government.

“Consulting Engineer” shall mean such engineering firm or individual engineer as may be employed by the County as Consulting Engineer in accordance with Section 8.5.

“County” shall mean Pulaski County, a political subdivision of the Commonwealth of Virginia.

“Government” shall mean the United States of America, its successors and assigns.

“Gross Revenues” shall mean all revenues, income, and receipts derived or received by the County from the operation and ownership of the System, including the interest income from the investment or deposit of money in any fund created by this resolution or a supplemental resolution in connection with the System, but “Gross Revenues” shall not mean or include any impact fees or developer fees charged by the County for the construction of capital improvements or extensions to the System.

“Net Revenues” shall mean Gross Revenues less Operating Expenses.

“Operating Expenses” shall mean the reasonable and necessary expenses of operation, administration, maintenance and repair of the System, excluding any allowance for depreciation, the deposits or transfers to the Debt Service Fund, or the Reserve Fund established in Section 4.3, and expenditures for capital improvements or extensions to the System.

“Pledged Revenues” shall mean the Net Revenues plus any additional revenues, income, receipts or other resources, including, without limitation, any grants, donations or income received or to be received from the Government or any other public or private source, whether pursuant to an agreement or otherwise that are hereafter pledged to the payment of the Bonds.

“Project” shall mean the sewer facilities to be improved in the Orchard Hills, Vista, and Rolling Hills subdivision areas of the County, substantially as described in plans prepared by the Consulting Engineer and approved by the County and the Government.

“System” shall mean the County’s water collection, treatment and distribution and wastewater collection, treatment and disposal system, all additions, extensions and enlargements thereto and any water or sewer project or projects that may be duly authorized by the County and made a part of the System.

ARTICLE II

Authorization of Project

Section 2.1. The Project. The Board of Supervisors hereby deems the Project to be useful and convenient for the System and authorizes the acquisition and construction of the Project. The Project shall be a part of the System. The Project may be modified by the County; provided, however, that any such modification shall have been approved and recommended in writing by the Consulting Engineer and the Government.

ARTICLE III

Authorization, Form, Execution, Delivery,
Registration and Prepayment of Bonds

Section 3.1. Authorization of Bonds. Pursuant to the Act, there is hereby authorized to be issued and sold water and sewer revenue bonds of the County in the aggregate principal amount of \$804,400 (the "Bonds"), to provide funds, together with other available funds, to finance a portion of the cost of the Project. To the extent permitted by § 15.2-2601 of the Act, the Board of Supervisors elects to issue the Bonds under the provisions of the Act without regard to any charter or local or special act applicable to the County.

Section 3.2. Award of Bonds. After mature consideration of the methods of sale of such bonds and current conditions of the municipal bond market, it is hereby determined that it is in the best interest of the County for the Board of Supervisors to accept the offer of the Government to purchase the Bonds upon certain terms and conditions set forth in the Government's letter dated April 14, 2004, addressed to the County's County Administrator, copies of which have been presented to the Board of Supervisors at the meeting at which this resolution is adopted. Such offer is hereby accepted, and the Board of Supervisors hereby agrees to meet such terms and conditions.

Section 3.3. The Bonds shall be issuable as one bond in a denomination of \$804,400. The Bonds shall be designated "Water and Sewer Revenue Bond, Series of 2009." The Bonds shall bear interest at the rate of the lower of (a) 4.375% per year, or (b) the rate quoted by the Government as the closing rate effective on the Closing Date. The Bonds shall be in fully registered form, shall be numbered R-1, shall be dated the date of the Closing Date, and shall provide for payment of interest only on the first and second anniversaries of the Closing Date. Equal installments of combined principal and interest on each of the Bonds are payable beginning the twenty-fifth full month following the Closing Date and continuing on the same date of each month thereafter until the principal of the Bonds are paid in full. Such installments shall be in an amount sufficient to amortize fully the principal of such Bonds over 456 months at the rate of interest on the Bonds. If not sooner paid, the final installment on the Bonds shall be due and payable 40 years from the Closing Date. In the event the Closing Date occurs on the 29th, 30th or 31st day of a month, the payment date shall be the 28th day of the month. Any payment on the Bonds shall be applied first to interest accrued to the payment date and then to principal. Installments shall be payable in lawful money of the United States of America by check or draft mailed to the registered owner of the Bonds at its address as it appears on the registration books, except that the final installment on either Bonds shall be payable upon presentation and surrender of that Bonds at the office of the County Administrator who is hereby appointed Registrar.

Section 3.4. Alternate Provisions. At the request of the Government, the Bonds may be delivered as fully registered bonds in the alternative form contained herein providing for principal advances to be made from time to time by the Government in an aggregate amount not to exceed the face amount of the Bonds. An authorized officer of the Government shall enter the amount and the date of each such principal advance on the Certificate of Principal Advances attached to the Bonds when the proceeds of such advance are delivered to the County. Each such principal advance shall bear interest from the date of such advance so entered on the certificate.

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Section 3.5. Prepayment. Installments of principal due on the Bonds may be prepaid at the option of the County at any time as a whole or in part from time to time (but if in part, in inverse order of their maturities), without premium, from any proceeds of the Bonds remaining after completion of the Project, any proceeds derived by the County from the sale or other disposition of a portion of the System, including the proceeds of insurance or condemnation awards, or any other source. Notwithstanding the above, the County may at any time deliver moneys to the Government with instructions that such moneys be credited against future installments due on the Bonds in inverse chronological order. Prepayments shall not affect the obligation of the County to pay the remaining installments payable as provided in Section 3.3 above.

Section 3.6. Execution of Bonds. The Bonds shall be signed by the Chairman or Vice Chairman of the Board of Supervisors and the County’s seal shall be affixed thereto and attested by the Clerk of the Board of Supervisors.

Section 3.7. Form of Bonds. The Bonds shall be in substantially the following form:

No. R-___ \$_____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

PULASKI COUNTY, VIRGINIA

Water and Sewer Revenue Bond, Series of 2009

Dated:_____

Pulaski County, a political subdivision of the Commonwealth of Virginia (the “County”), for value received, promises to pay, solely from the revenues described and pledged in the Bond Resolution, as hereafter defined, to the payment hereof, to the United States of America, or registered assigns, the principal sum [equal to the aggregate amount of principal advances shown on the attached Certificate of Principal Advances, but not to exceed the sum¹] of

_____ DOLLARS
(\$_____)

and to pay, solely from such source, to the registered owner hereof interest on the unpaid principal from the date [hereof] [of each principal advance shown on the attached Certificate of Principal Advances] until payment of the entire principal sum at the rate of _____% per year. Interest only is payable on _____ and on _____. Installments of combined principal and interest of \$_____ are payable beginning _____, and continuing on the same day of each month thereafter until the principal of this bond is paid in full. Any payment on this bond shall be applied first to interest accrued to such payment date and then to principal. If not sooner paid, the final installment shall be due and payable 40 years from the date hereof. Such installments

¹ Alternative language to be used if the Government requests provision for principal advances.

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shall be payable in lawful money of the United States of America by check or draft mailed to the registered owner at its address as it appears on the registration books kept for that purpose at the office of the County Administrator who has been appointed Registrar, except that the final installment shall be payable upon presentation and surrender hereof at the office of the Registrar.

This bond has been authorized by a resolution duly adopted by the Board of Supervisors of the County (the "Board of Supervisors") on _____ (the "Bond Resolution"), and is issued pursuant to the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended) (the "Act"), to provide funds, together with other available funds, to finance the cost of improving the County's water and sewer system by improving the sewer facilities in the Orchard Hills, Vista, and Rolling Hills subdivision areas of the County. Reference is hereby made to the Bond Resolution and any amendments thereto for the provisions, among others, describing the pledge and covenants securing this bond, the nature and extent of the security, the terms and conditions upon which is this bond is issued, the rights and obligations of the County and the rights of the bondholders.

Both principal of and interest on this bond are payable solely from the revenues of the System pledged thereto in the Bond Resolution, and nothing herein or in the Bond Resolution shall be deemed to create or constitute a general obligation of or a pledge of the faith and credit of the Commonwealth of Virginia or any county, city, town or other political subdivision of the Commonwealth. The lien of such pledge is on parity with the lien of the pledge of such revenues securing the following bonds of the County:

\$212,600 Sewer Revenue Bond, Series of 1992;
\$98,860 Water and Sewer Revenue Bond, Series of 1994;
\$901,000 Water and Sewer Revenue Bonds, Series of 1995;
\$2,439,700 Water and Sewer Revenue Bond, Series of 1996[; and
\$865,900 Water and Sewer Revenue Bond, Series of 2009].

Additional bonds secured equally and ratably with this bond may be issued from time to time under the conditions, limitations and restrictions set forth in the Bond Resolution.

This bond is fully registered as to both principal and interest in the name of United States of America. Transfer of this bond may be registered upon the registration books of the Registrar. Prior to due presentment for registration of transfer the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner.

Installments of principal due on this bond may be prepaid at the option of the County at any time as a whole or in part from time to time (but if in part, in inverse order of their maturities), without premium. Prepayments of installments of principal shall not affect the obligation of the County to pay the remaining installments payable as provided above.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed.

IN WITNESS WHEREOF, the County has caused this bond to be signed by the

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Chairman of the Board of Supervisors of the County, its seal to be affixed hereto and attested by the Clerk of the Board of Supervisors, and this bond to be dated the date first shown above.

ATTEST:

[NOT FOR SIGNATURE]

(Seal)
Clerk, Board of Supervisors
of Pulaski County

[NOT FOR SIGNATURE]

Chairman, Board of Supervisors
of Pulaski County

CERTIFICATE OF PRINCIPAL ADVANCES²

The amount and date of principal advances not to exceed the face amount hereof shall be entered hereon by an authorized officer of the United States of America, when the proceeds of each such principal advance are delivered to the County.

Amount	Date	Authorized Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

Section 3.8. Registration and Exchange of Bonds. Transfer of the Bonds may be registered upon books maintained for that purpose at the office of the Registrar. Prior to due presentment for registration of transfer the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner.

Section 3.9. Delivery of Bonds. The Chairman, Vice Chairman, and the Clerk of the County are each hereby authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with their terms and to deliver the Bonds to the Government upon payment or partial payment of the purchase price therefor or upon the Government's agreement to disburse principal advances thereunder. In the event the Bonds are not issued and delivered during the current calendar year, the Chairman and the Clerk are hereby authorized and directed to change the series designation to such other designation as may be appropriate at the time of its issuance.

ARTICLE IV

Revenues and Funds

²Certificate of Principal Advances to be used if the Government requests provision for principal advances.

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Section 4.1. Revenue Covenants. It is hereby covenanted and agreed with the holder of the Bonds that so long as any Bonds are outstanding the County will:

(a) fix, charge and collect such rates, fees and other charges to users of or for the services furnished by the System and from time to time revise such rates, fees and charges so as to produce sufficient Gross Revenues in each fiscal year to equal an amount required to pay (i) the Operating Expenses which shall accrue or become payable during the then current fiscal year and (ii) the amounts required by Section 4.3 to be paid during the then current fiscal year into the Debt Service Fund, and Reserve Fund established in Section 4.3;

(b) apply the Gross Revenues as provided in Section 4.3; and

(c) segregate and keep segregated from all other County funds all Gross Revenues and keep proper records and accounts therefor, separate and apart from all other County records and accounts.

Section 4.2. Free Service; Enforcement of Charges.

(a) So long as any Bonds are outstanding the County shall not permit connections to or use of the System or provide any services of the System without making a charge therefor.

(b) If any rates, fees or charges for the use of and for the services furnished by the System shall not be paid within 60 days after the same shall become due and payable, or within such shorter time as may be determined by the County, at the expiration of such period the County shall disconnect the premises from the System or otherwise suspend service to such premises until such delinquent rates, fees or charges and any interest, penalties or charges for reconnection shall have been paid in full; provided, however, that such services shall not be suspended if the State Health Commissioner shall have found and shall certify to the County that suspending such services will endanger the health of the persons occupying such premises or the health of others.

(c) The County shall take all such action as may be necessary to perfect liens upon real estate for the amount of any unpaid rates, fees, or charges described in Section 4.2(b) above or any unpaid connection charges or other charges so that such liens will be binding upon subsequent bona fide purchasers for valuable consideration without actual notice thereof.

Section 4.3. Funds. The following special funds are hereby established and shall be held by the County for the following purposes:

Construction Fund: Simultaneously with the delivery of the Bonds the proceeds from the sale thereof shall be deposited in a special bank account designated the Construction Fund and shall be applied to the cost of the Project, unless the Bonds are issued in the alternative form providing for periodic advances, in which case the amount of any such advance may be immediately applied to the cost of the Project. Payments shall be made from the Construction Fund on checks signed by an authorized representative of the County and countersigned by an authorized representative of the Government. The County shall preserve at its office accurate records available at all times which show that payments from the Construction Fund or, if applicable, advances under the Bonds were made solely to pay costs of the Project. Any balance remaining in the Construction

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Fund shall, at the option of the County, be used to prepay installments of principal and interest on the Bonds or shall be transferred to the Reserve Fund.

Revenue Fund: All Gross Revenues shall be collected and, so far as may be practicable, deposited not less frequently than weekly in the Revenue Fund. Moneys on deposit in the Revenue Fund shall be used only in the manner and priority set out below.

Debt Service Fund: Each month the County shall transfer from the Revenue Fund to the Debt Service Fund an amount equal to the installments of interest or principal and interest, as the case may be, coming due on the Bonds that month. If there should be insufficient moneys in the Revenue Fund and the Reserve Fund for this purpose, the deficit shall be added to the required payment for the month or months next ensuing until such deficit is eliminated. When the balances in the Debt Service Fund and the Reserve Fund shall equal the principal of and interest on the Bonds then outstanding to their respective maturities, no further transfers to the Debt Service Fund shall be required. The County shall pay installments of principal and interest on the Bonds from the Debt Service Fund as the same become due.

Operating Fund: Each month, after making the transfer to the Debt Service Fund required above, the County shall transfer from the Revenue Fund to the Operating Fund such amount, if any, needed to increase the balance in the Operating Fund to the sum of (a) the amount of the Operating Expenses for the current month and (b) the aggregate amount of all checks outstanding and unpaid drawn upon the Operating Fund. Each month the County shall pay from the Operating Fund all Operating Expenses for the then current month.

Reserve Fund: Each month, after making the transfers to the Debt Service Fund and the Operating Fund required above, the County shall transfer an amount equal to 10% of monthly installments of principal and interest on the Bonds from the Revenue Fund to the Reserve Fund until there has been accumulated and maintained therein an amount equal to twelve (12) such installments, after which no further deposits shall be required except to eliminate any deficiency in the Reserve Fund. The Reserve Fund shall be used, with the prior written approval of the Government, to make transfers to the Debt Service Fund to the extent necessary (a) to pay the principal of and interest on the Bonds as the same become due in the event the balance on the Debt Service Fund is insufficient therefor, (b) to pay the cost of repairing or replacing any damage to the System, or (c) to pay the cost of extensions or improvements to the System.

Any balance remaining in the Revenue Fund each month, after the transfers to the Debt Service Fund, the Operating Fund, and the Reserve Fund and are made as required above, may be used by the County, with the Government's consent, for any lawful purpose.

There shall also be deposited into the Operating Fund and Reserve Fund, and used for the purposes stated above, any sums required to be deposited therein pursuant to the Support Agreement, as defined in Section 7.1.

Section 4.4. Pledge of Revenues. As security for the payment of the principal of, premium, if any, and interest on the Bonds issued from time to time hereunder, the County, pursuant to and in accordance with the provisions of the Act, does hereby pledge unto the holders of the Bonds all of the County's right, title and interest to, in and under the following:

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(a) The Net Revenues;

(b) The money and investments, including investment earnings thereon, on deposit from time to time in the Construction Fund, the Revenue Fund, the Operating Fund, the Debt Service Fund, and the Reserve Fund, subject only to the right to make application thereof to other purposes as provided in this Resolution; and

(c) Such other properties and assets and interests in properties and assets as may hereafter be pledged to the payment of the Bonds pursuant to any supplemental resolution or which may be delivered, pledged, mortgaged, or assigned to the holders of the Bonds as security for the Bonds.

Both principal and interest on the Bonds are payable solely from the revenues pledged hereby, and nothing in this resolution or in the Bonds shall be deemed to create or constitute an indebtedness of or a pledge of the faith and credit of the Commonwealth of Virginia or any county, city, town or other political subdivision of the Commonwealth.

ARTICLE V

Security for Deposits and Investment of Funds

Section 5.1. Security for Deposits. All moneys on deposit with any bank or trust company shall be secured for the benefit of the County and the holder of the Bonds in the manner required by the Virginia Security for Public Deposits Act (Chapter 44, Title 2.2, Code of Virginia of 1950, as amended) or any successor provision of laws.

Section 5.2. Investment of Funds. All moneys in the Construction Fund, Revenue Fund, the Operating Fund, the Debt Service Fund, and the Reserve Fund not immediately necessary for the purposes thereof may be invested by the County in securities and deposits which are authorized by the laws of the Commonwealth of Virginia for public funds, all of which shall mature or be subject to redemption or withdrawal by the holder or depositor for the purposes of the aforesaid funds. Any such investments shall be considered a part of such funds and the accounts therein and income therefrom and any profit or loss on the sale thereof shall be credited to or charged against such funds and accounts.

ARTICLE VI

Additional Bonds

Section 6.1. Issuance of Additional Bonds. The County may issue additional bonds secured on a parity with the Bonds then outstanding by a pledge of the Pledged Revenues (the "Additional Bonds") to finance (i) the cost of completing the Project, (ii) the cost of acquisition or construction of improvements, extensions, additions and replacements to the System or other facilities, properties or undertakings that the County claims to be useful or convenient for the System, (iii) to refund any Bonds, or (iv) any combination of the foregoing. Additional Bonds shall be in such form, shall be dated such date, shall mature in such installments of principal and interest, shall bear interest at such rate or rates, shall be in such denomination or denominations and may contain such provisions for prepayment prior to their respective maturities, all as provided by the

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Board of Supervisors by resolution adopted prior to their issuance. Additional Bonds shall contain an appropriate series designation.

Section 6.2. Conditions of Issuance. The County shall not issue any Additional Bonds unless there shall have been filed with the County and, if the Government is the owner of either the Bonds or any Additional Bonds, with the Government, the following:

(a) a certified copy of a resolution of the Board of Supervisors in form complying with the foregoing provisions specifying or providing for all the terms of the Additional Bonds and, if applicable, stating the cost of the acquisition or construction of any improvements, extensions, additions and replacements to the System to be acquired or constructed or of the other facilities, properties or undertakings and finding and ordering that such improvements, extensions, additions and replacements shall be a part of the System or that such other facilities, properties or undertakings are useful or convenient for the System;

(b) a certified copy of a resolution of the Board of Supervisors awarding the Additional Bonds, specifying or providing for the interest rate or rates and directing the delivery of such Additional Bonds to the purchaser named therein upon payment of the purchase price set forth or provided for therein;

(c) if the Additional Bonds are to be issued to complete the Project, a certificate of the Consulting Engineer to that effect;

(d) if the Additional Bonds are to be issued for any purpose other than the refunding of Bonds or the completion of the Project, either (i) a certificate of an independent certified public accountant stating that the amount of the Net Revenues for the fiscal year preceding the year in which the proposed Additional Bonds are to be issued was not less than one hundred twenty percent (120%) of the average annual principal and interest requirements for the Bonds then outstanding and the Additional Bonds to be issued, or (ii) the written consent of the holders of three-fourths in aggregate principal amount of the Bonds outstanding;

(e) a certificate of the County, signed by the Chairman or Vice Chairman of the Board of Supervisors, that the County is in compliance with all covenants and undertakings in connection with this resolution and any supplemental resolution authorizing Additional Bonds which remain outstanding;

(f) if the Bonds or any Additional Bonds are held by the Government, the written consent of the Government to the issuance of the Additional Bonds; and

(g) the written opinion or opinions of counsel for the County stating that the issuance of the Additional Bonds has been duly authorized and that all conditions precedent to their delivery have been fulfilled.

ARTICLE VII

Moral Obligation and Support Agreement

Section 7.1. Conditions of the Government. The Government has requested the Board of

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Supervisors to facilitate the issuance and sale of the Bonds by providing for the County's moral obligation to make certain appropriations with respect to the Bonds and the System. In furtherance of that request, the Government has conditioned its purchase of the Bonds on the execution and delivery of a Support Agreement (the "Support Agreement"), between the Board of Supervisors of the County and the Government, the form of which has been presented to the Board of Supervisors at this meeting.

Section 7.2. Moral Obligation. The Board of Supervisors agrees to pay amounts sufficient to pay the debt service under the Bonds and the operation and maintenance expense of the System, subject to annual appropriation by the Board of Supervisors, all on the terms and conditions to be provided in the Support Agreement. The County's obligations to make payments pursuant to this Article VII shall be subject to and dependent upon annual appropriations being made from time to time by the Board of Supervisors for such purpose. Nothing in this resolution, the Bonds or the Support Agreement shall constitute a debt of the County within the meaning of any constitutional or statutory limitation or a pledge of the faith or credit or the taxing power of the County.

Section 7.3. Support Agreement. Any one of the Chairman or Vice-Chairman of the Board of Supervisors or the County Administrator is hereby authorized and directed to execute and deliver the Support Agreement. The Support Agreement shall be substantially in the form presented to this meeting, with such changes, insertions, additions and deletions as may be approved by the officer executing it, his execution to constitute conclusive evidence that such changes, insertions, additions and deletions are authorized hereunder. The County Administrator is hereby authorized and directed to take such actions and give such notices as may be required of him under the Support Agreement.

ARTICLE VIII

Particular Covenants

Section 8.1. Payment of Bond. The County shall pay promptly, as provided herein, the principal of and interest on the Bonds, but such principal and interest shall be payable solely from the revenues pledged herein, and nothing in the Bonds or in this resolution shall be deemed to create or constitute a general obligation of or a pledge of the faith and credit of the Commonwealth of Virginia or of any county, city, town or other political subdivision of the Commonwealth.

Section 8.2. Construction of Project. The County shall obtain all approvals, permits and consents required by law as a condition precedent to the acquisition, construction, development and operation of all parts of the Project and shall complete the construction of the Project in a sound and economical manner and in conformity with all applicable requirements of the Government and all other governmental authorities and do all acts and things necessary and reasonable so that the County may begin to collect revenues from the Project at the earliest practicable time.

Section 8.3. Operation and Maintenance. The County shall operate the System in an efficient and economical manner, maintain the same in good condition and make all necessary repairs, replacements and renewals. All compensation, salaries, fees and wages paid by it in connection with the operation, maintenance and repair of the System shall be reasonable. The County shall observe and perform all of the terms and conditions contained in the Act and comply with all applicable state and federal laws.

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Section 8.4. Competition. The County shall not operate or assent to the operation of any utility service in competition with the System.

Section 8.5. Consulting Engineer. At the Government's request, the County shall employ as Consulting Engineer an engineering firm or individual engineer of recognized standing and experience in the field of civil engineering registered in the Commonwealth of Virginia, whose duties shall include supervision of the construction of the Project and advice as to proper operation, maintenance and repair of the System.

Section 8.6. Sale or Encumbrance. The County shall not sell, transfer, lease or otherwise encumber the System or any portion thereof, nor permit others to do so, without the prior written consent of the Government.

Section 8.7. Title to Lands. All parts of the System shall be located on lands to which title in fee simple or over which valid perpetual easements, in either case sufficient for the purposes of the System, are owned by the County.

Section 8.8. Records and Reports. The County shall establish and maintain such books and records relating to the operation of the System and its financial condition and provide for an annual audit, all in such manner as may be required by the Government. Copies of all such audits shall be submitted to the Government as soon as they are obtained by the County. The County shall prepare and submit to the Government such additional information and reports as the Government may from time to time reasonably require.

Section 8.9. Access to Books and System. The County shall provide to the Government at all reasonable times access to all books and records relating to the System and access to the property of the System so that the Government may ascertain that the County is in compliance with all the provisions of this resolution and all other instruments incident to the purchase of the Bonds by the Government.

ARTICLE IX

Defaults and Remedies

Section 9.1. Default and Remedies. Upon default by the County (a) in the payment of principal of or interest on the Bonds or (b) in the performance of any covenant or agreement contained in the Bonds or in this resolution the holders of a majority in aggregate principal amount of the Bonds at their option may:

(a) declare the entire unpaid principal amount of the Bonds then outstanding and accrued interest thereon to be immediately due and payable;

(b) incur and pay such reasonable expenses for the account of the County as may be necessary to cure the cause of any default;

(c) proceed to protect and enforce their rights under the Bonds and this resolution by a suit, action or special proceeding at law or in equity, either for the specific

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performance of any covenant or agreement or execution of any power or for the enforcement of any proper legal or equitable remedy as may be deemed most effectual to protect and enforce such rights, including, without limitation, the fixing of rates and the collection and proper application of the revenues of the System and the appointment of a receiver having full power to administer and operate the System.

Section 9.2. Remedies Cumulative. No remedy conferred hereby is intended to be exclusive of any other remedy, and every remedy shall be cumulative and in addition to every other remedy herein or now or hereafter existing in equity, at law or by statute.

ARTICLE X

Miscellaneous

Section 10.1. Contract with Bondholders. The provisions of this resolution shall constitute a contract between the County and the holder of the Bonds for so long as the Bonds and interest thereon are outstanding.

Section 10.2. Authority of Officers and Agents. The officers and agents of the County shall do all acts and things required of them by this resolution, the Bonds and the Act for the complete and punctual performance of all the terms, covenants and agreements contained therein.

Section 10.3. Limitation of Rights. Nothing expressed or mentioned in or to be implied from this resolution or the Bonds is intended or shall be construed to give to any person or company other than the parties hereto and the holders of the Bonds any legal or equitable right, remedy or claim under or in respect to this resolution or any covenants, conditions and agreements herein contained; this resolution and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the holders of the Bonds as herein provided.

Section 10.4. Limitation of Liability of Officials of County. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of a present or future member, officer, employee or agent of the County in his individual capacity, and neither the members of the Board of Supervisors nor any officer of the County executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, employee or agent of the County shall incur any personal liability with respect to any other action taken by him pursuant to this resolution or the Act, provided he acts in good faith.

Section 10.5. Conditions Precedent. Upon the issuance of any Bond all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia or this resolution to happen, exist and to be performed precedent to or in the issuance of such Bond shall have happened, exist and have been performed.

Section 10.6. Severability. If any court of competent jurisdiction shall hold any provision of this resolution to be invalid or unenforceable, such holding shall not invalidate any other provision of this resolution.

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Section 10.7. Successors and Assigns. All the covenants, stipulations, promises and agreements of the County contained in this resolution shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 10.8. Headings. Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

Section 10.9. Filing of Resolution. The Clerk of the Board of Supervisors of the County is directed to file a certified copy of this resolution with the Circuit Court of Pulaski County, Virginia, pursuant to Section 15.2-2607.

Section 10.10. Effective Date. This resolution shall take effect immediately.

* * *

The undersigned Clerk of Pulaski County, Virginia (the "County"), hereby certifies that the foregoing constitutes a true and correct copy of a resolution duly adopted at a meeting of the Board of Supervisors held on January 26, 2009. I hereby further certify that such meeting was regular meeting, duly called and held, and that, during the consideration of the foregoing resolution, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing resolution as follows:

Member	Attendance	Vote
Joseph L. Sheffey		
Frank R. Conner		
Charles R. Bopp		
Ranny L. Akers		
Dean K. Pratt		

WITNESS MY HAND and the seal of the Board of Supervisors of Pulaski County, Virginia, this ___ day of _____, 2009.

(SEAL)

Clerk, Board of Supervisors of Pulaski County,
Virginia

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.
Voting no: none.
Not present: Mr. Conner.

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c. Community Development Block Grant Funds

Mr. Sheffey explained that a public hearing had been scheduled to seek general comments on the Community Development Block Grant funds, with an additional hearing to be held at an upcoming meeting to receive specific project requests.

Mr. Sheffey opened the public hearing. There were no citizen comments and the hearing was closed.

7. Citizen Comments

Charles Martin spoke in opposition to the recent reassessment of properties. He advised it was unlikely he could sell his property for the new assessed value. He indicated he would like for the property to be considered for rezoning to agriculture.

Mr. Huber provided details regarding planned community meetings for the purpose of providing citizens with information regarding the Board of Equalization hearings. He provided the phone number and e-mail address for citizens to use in scheduling appeals with the Board of Equalization. Mr. Huber advised land value books would be made available to the public by being placed in both county libraries, at the two town offices, the Fairlawn Bookkeeping Service and the County Administration Building.

Mr. Sheffey referenced a handout available to the public which explains more information related to the Board of Equalization hearings.

Bruce Fariss presented a petition signed by citizens in the county protesting the county's assessment of properties. He noted there were 2,360 signatures on the petition. He suggested the assessments are too high and do not accurately reflect the current general values of properties. He noted citizens experiencing the higher assessments will pay a greater percentage of increase and suggested not all citizens will be paying their fair share. Dr. Fariss requested the Board support citizens by spending the county's funds wisely and reducing expenses where possible.

Mr. Sheffey advised that Wingate representatives had advised that of the approximately 1,100 individuals that appeared before the assessors, approximately 50% of the assessed values were changed. Mr. Sheffey encouraged citizens to meet with the Board of Equalization if there were concerns regarding assessed values of properties. Mr. Sheffey noted the county had not received information regarding specific budget reductions proposed by the state, but he did not expect the Board of Supervisors would be able to make up the difference in the state budget reductions.

BOARD OF SUPERVISORS MEETING MINUTES OF JANUARY 26, 2009

Craig Strain advised his property was not assessed at fair market value. He expressed concern that the appraisal firm that had conducted the county's reassessment did not have a firm understanding of the county's property values.

Sharon McGuire advised she was a small business owner in Pulaski County which is operated on a seasonal basis. She noted the current assessment was going to hurt her business and the overall tourism in the county.

Roger Gunn advised the assessment of his property had increased by 496%. He expressed opposition to the current assessment of properties.

Chuck Vaughan advised he had attended a recent community meeting. He suggested the Board consider having the reassessment redone and use a different appraiser from that used for the current reassessment of properties. Mr. Vaughan requested clarification on the timeframe for conducting reassessments. He also suggested the county perform an "in-house" assessment of properties. Mr. Vaughan inquired if the Board of Supervisors can initiate another reassessment of properties. Mr. McCarthy advised a change in statute by the General Assembly would be required.

Supervisor Akers noted the Board of Equalization had not convened its hearing and until those hearings are completed, final assessments will not be known. Mr. Akers advised he was sympathetic to property owners who had experienced an increase in property assessments. He suggested property owners take as much information as possible to the Board of Equalization when appealing property assessments.

Maurice Long expressed concern that the Board of Supervisors did not have the citizens' best interests in mind. He expressed opposition to the current reassessment of properties.

Bob Smith expressed concern over those properties where the assessed value had been reviewed and changed. He noted if over one-half of the properties that were reviewed had been changed, then it was possible the reassessment of properties was not properly done.

Toby Turman expressed concern that the current schedule of Board of Equalization hearings would not allow for adequate time for citizens to appear before the Board. He expressed opposition to the current assessment of properties. He recommended the hearing schedule be advertised by using every means possible.

Jeff Arnold questioned if the Board could revert back to the old assessment, conduct a new assessment and stay within the state statutes as they relate to the timeframe for conducting assessments. Mr. McCarthy advised

BOARD OF SUPERVISORS MEETING MINUTES OF JANUARY 26, 2009

an opinion from the Attorney General's Office indicate this was not allowed. Mr. Huber advised it was too late to begin another assessment and meet the six-year deadline set by the state statute.

Sharon McGuire requested the Board of Supervisors lobby on behalf of the citizens to have the state statute changed to allow for conducting another assessment and stay within the six-year reassessment deadline.

Mary Lopez expressed concern for senior citizens who are on a fixed income. She shared information related to elderly ladies who may be unable to pay their taxes due to being on a fixed income. Mr. Huber recommended affected residents contact the Commissioner of Revenue office to determine if they may qualify for the Tax Relief for the Elderly benefit.

Alvin Nixon advised he had three separate private appraisals of his property and each appraisal took one day to appraise the property. He noted the Wingate Appraisal firm took twenty minutes to view his property and make an assessment. Mr. Sheffey recommended Mr. Nixon take the three property appraisals to the Board of Equalization for review.

Carl Woodyard advised he had attended one of the community meetings and it was his understanding Wingate Appraisal had suggested the persons hired by Wingate were not qualified to perform adequate assessments of properties.

Juanita Petrone provided details regarding property owned on Claytor Lake, specifically noting the property assessment had increased drastically. She expressed concern that property owners on Claytor Lake and the River Course are paying more than other areas of the county.

Charles Akers expressed support for comments made by citizens having already spoken. He also expressed support for a change in the structure of the assessments. Mr. Akers suggested the Board review and consider Dr. Fariss's proposal.

Benny Hill advised he had met with the assessors and expressed concern that his property was valued similar to that of the Claytor Lake property owners.

Robert Hosp recommended the Board review and consider Dr. Fariss's proposal. He suggested having a reassessment every six years is too expensive. He noted the Board's ability to control how often assessments are conducted.

Beth Lancaster thanked the Board for providing information regarding the Board of Equalization hearings and suggested the Board of Supervisors prepare a packet of information similar to that done by Montgomery County. Mr. Huber advised information has been provided to the public in the best means possible, including being placed on the county's web site, the cable channel, the

BOARD OF SUPERVISORS MEETING MINUTES OF JANUARY 26, 2009

Southwest Times and postings throughout the county.

Michael Woodyard advised his taxes had doubled. He noted the Board of Supervisors is an elected body and should represent the citizens when changes in policies are needed.

Mr. Sheffey summarized items related to the reassessment by providing information regarding to the Board of Supervisors February 23 meeting at which time a public hearing will be held on a property tax rate change. He advised the meeting would be held in the auditorium of Pulaski Middle School. He encouraged citizens to schedule an appointment with the Board of Equalization if there were questions or concerns about property assessments. He noted the tax rate will not be set at the February 23 Board of Supervisors meeting, but will be set at the March 23 Board meeting. He reiterated that state budget cuts will most likely not be funded by the county. Mr. Sheffey expressed appreciation to the citizens for attending the Board meeting and voicing their concerns.

The Board recessed its meeting for approximately five minutes.

8. Highway Matters:

Mr. David Clarke, VDOT Resident Engineer, met with the Board and discussed the following matters:

a. Follow-up from Previous Board meeting

1. Review of Highway Matters Section of KAT

Mr. Clarke reviewed the reviewed and reported the following:

- a. VDOT continues to work on the speed studies on the current listing and there were no updates to report on maintenance issues;
- b. An additional meeting is to be held to consider additional revisions to the six year plan, noting further reductions were planned to the overall plan, leaving no state and federal funds for the primary and secondary roads and also noting no anticipated allocations for unpaved roads; advised funds will remain the same for 2009 and there will be no additional funds for the 2010-2014 fiscal years; further future funding did not look promising for paving unpaved roads.

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Mr. Huber suggested the Board request VDOT focus on improvements/repairs to bridges in the county in need of improvements/repairs.

On a motion by Mr. Pratt, seconded by Mr. Akers and carried, the Board approved action requesting VDOT place a priority on repairs/improvements to bridges in Pulaski County.

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: none.

Not present: Mr. Conner.

Mr. Clarke advised he continues to review consideration to scenic byways, but indicated he believes it may only be for roads that currently hold that designation.

Mr. Huber suggested consideration to Route 693 as a scenic byway. Mr. Clarke indicated there are currently no routes in the county that hold a scenic byway designation.

b. Citizen Request for Snow Removal

As presented in the Board packet, Mr. Clarke and Board members reviewed a letter from Billy Williams expressing concern over the lack of snow removal in the Robinson Tract area of the county. Mr. Williams had also requested the county consider providing snow removal services. Mr. Clarke advised VDOT concentrates all forces on the primary system, and in this particular case, VDOT was unable to get to Robinson Tract in as timely a manner as the Town of Pulaski. Mr. Clarke also confirmed VDOT monitors secondary roads, but focuses on primary roads first. He also advised VDOT's crew is covering the entire county by splitting the crew into day and night shifts.

c. Hatcher Road/Route 11 Intersection

In Mr. Conner's absence, Mr. Sheffey shared a request by Supervisor Conner for consideration by VDOT in eliminating the ability to turn left off of Hatcher Road onto Route 11, forcing traffic on Hatcher to turn right onto Route 11 towards Dublin. Supervisor Akers expressed concern that drivers traveling from Dublin on Route 11 to Pulaski would have to travel some distance to the next crossover to make a U-turn. He suggested VDOT provide some means of a better sight distance at the Hatcher Road/Route 11 intersection.

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d. Citizen Concerns

There were no citizen comments.

e. Board of Supervisors Concerns

Mr. Akers suggested consideration to using inmates to work at the various intersections throughout the county in picking up loose gravel. Mr. Clarke was requested to contact Code Enforcement Officer Jamie Radcliffe.

Mr. Pratt inquired regarding the status of a request for VDOT to review the crossover on Route 100 located at the General Dollar store Dublin. Mr. Clarke advised he would review the crossover at Hatcher Road/Route 11 at the same time as reviewing the crossover on Route 100.

Mr. Sheffey advised of orange trash bags being left along side of roads throughout the county, specifically along Manns Drive in New River. Mr. Clarke agreed to review and collect the orange bags left along side Manns Drive.

Mr. Sheffey commended Mr. Clarke for suggesting VDOT have its recent six-year plan hearing at New River Community College.

9. Treasurer's Report

Melinda Worrell, Treasurer, presented the monthly report.

10. Reports from the County Administrator & Staff:

a. Appointments

On a motion by Mr. Akers, seconded by Mr. Bopp and carried, the Board approved the following appointments as presented:

1. Library Board

The Board appointed Joe Slaughter for a term ending December 31, 2013.

2. PSA Board of Directors

The Board reappointed Maynard Sayers for a term ending February 1, 2013.

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b. Key Activity Timetable

The Board reviewed the Key Activity Timetable and noted no changes to the timetable as presented.

11. Items of Consent

On a motion by Mr. Pratt, seconded by Mr. Akers and carried, the Board approved the following items of consent:

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: none.

Not present: Mr. Conner.

a. Approval of Minutes of December 15, 2008 and January 12, 2009 Minutes

The Board approved the minutes of the December 15, 2008 and January 12, 2009 Board meetings.

b. Accounts Payable

The Board approved accounts payable as presented on checks numbered 2006331 through 2006946, subject to audit.

c. Interoffice Transfers & Appropriations

The Board approved Interoffice Transfer #7 totaling \$39,082.75 and appropriations as follows:

GENERAL FUND #8

Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
100-018030-1300	Refunds/Overpayments	\$ 1,563.12
100-018990-5340	CE Richardson Grant Juvenile Court Services	1,000.00
100-033010-2010	Emergency Management Citizen Corp Grant	7,055.00
100-018990-1600	Miscellaneous Revenues	300.00
100-033010-2025	Emergency Management HazMat Plan Update Grant	3,500.00
100-033010-2000	Homeland Security LETPP Grant	10,000.00
100-024040-3900	Other Categorical Aid Circuit Court Records Preservation	4,999.00
100-018990-4420	Local Donations Park & Recreation	350.00
100-033010-2040	Dept of Justice Bulletproof Vest Grant	15,268.00
100-091400-9301	General Fund Contingency	7,453.00

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100-014010-2000	Court Restitution	679.00
100-016150-1200	CE Richardson Grant Library Award	5,000.00
100-024040-1500	Va Commission for the Arts Library Children's Program	312.00
100-016150-0700	RIF Donations	2,799.00
100-094100-9301	Contingency Funds	16,792.18
100-041999-0000	Use of Fund Balance	36,572.71
	TOTAL	\$ 113,643.01
<u>EXPENDITURES:</u>		
100-012410-3320	Treasurer's Office Maintenance Service Contracts	555.00
100-012310-3320	Commissioner of Revenue Maintenance Service Contracts	1,008.12
100-033300-5890	Court Services Unit Incentives/Youth Offenders Grant	1,000.00
100-035520-3170	Domestic Preparedness Grant Professional Services	7,055.00
100-035500-4603	Emergency Management Central Garage Fuel	300.00
100-035520-3170	Emergency Management HazMat Plan Update Grant	3,500.00
100-035530-8201	Homeland Security Grant Machinery & Equipment	10,000.00
100-021600-3170	Clerk of Circuit Court Other Professional Services	4,999.00
100-071320-5699	Randolph Park Operating Expenses	350.00
100-031200-6010	Sheriff Police Supplies	22,721.00
100-035500-6011	Emergency Management Uniforms	150.00
100-035500-3600	Emergency Management Advertising	(150.00)
100-031200-4604	Sheriff Central Garage	679.00
100-073100-6012	Library Books & Subscriptions	5,000.00
100-073100-6025	Library Youth Programs	312.00
100-073100-5699	Library RIF Program	2,799.00
100-073100-1110	Library Salaries	16,792.18
100-043200-6007	General Properties Repairs & Maintenance Supplies	20,000.00
100-031400-6019	E-911 Street Signs	13,500.00
100-073100-5699	Library RIF Program Carryover	1,518.13
100-073100-6025	Library Youth Programs Carryover	25.76
100-073100-6029	Library Moms, Pops & Tots Program Carryover	1,365.79
100-073100-6040	Library Supplies Carryover-Walmart Foundation	163.03
	TOTAL	\$ 113,643.01

Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
100-24040-1200	Fire Programs Allocation	6,582.00
	TOTAL	\$ 6,582.00
<u>EXPENDITURES:</u>		
100-032200-5650	Draper Volunteer Fire Department	1,097.00
100-032220-5650	Fairlawn Volunteer Fire Department	1,097.00
100-032230-5650	Hiwassee Volunteer Fire Department	1,097.00
100-032240-5650	Newbern Volunteer Fire Department	1,097.00
100-032250-5650	Snowville Volunteer Fire Department	1,097.00

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100-032260-5650	Twin Community Volunteer Fire Department	1,097.00
TOTAL		\$ 6,582.00

Transfers between
Departments General Fund

Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
100-041999-0000	Transfer from Reserves	(16,156.19)
100-024040-3900	Other Categorical Aid Circuit Court Records Preservation	16,156.19
TOTAL		\$ -
<u>EXPENDITURES:</u>		
TOTAL		\$ -

Inter-fund Transfer #1

Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
302-041050-1000	Transfer from General Fund	\$ 4,908.00
TOTAL		\$ 4,908.00
<u>EXPENDITURES:</u>		
302-07110-8247	Playground Equipment	\$ 4,908.00
100-93000-9206	Transfer to CIP Fund	4,908.00

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100-71350-6007	Parks Repairs & Maintenance	(4,908.00)
TOTAL		\$ 4,908.00

School Fund
COUNTY OF PULASKI, VIRGINIA

BUDGET ADJUSTMENT

YEAR ENDED JUNE 30, 2008

Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
TOTAL		\$ -
<u>EXPENDITURES:</u>		
4-205-62220-1129-900	Salarie - Coordinator	4,197.00
4-205-62240-1139-900	Salaries - Speech Hearing	53,503.00
4-205-62240-1142-900	Salaries - OT/PT	37,455.00
4-205-62240-1335-900	Salaries - PT Phys	10,000.00
4-205-62240-2100-900	FICA	11,500.00
4-205-62240-2210-900	VRS Retirement	16,900.00
4-205-62240-2300-900	HMP	3,600.00
4-205-63200-8105-900	Replacement - Motor Vehicle	4,605.00
4-205-63400-1175-900	Salaries - Mechanic	10,000.00
4-205-63400-2100-900	FICA	765.00
4-205-63400-2210-900	VRS Retirement	537.00
4-205-64100-1160-900	Salaries - Maintenance	3,670.00
4-205-64500-1175-900	Salaries - Mecanics	8,040.00
4-205-64500-2100-900	FICA	492.00
4-205-64500-2210-900	VRS Retirement	290.00
4-205-61100-1000-200-100	Salaries	(165,554.00)
TOTAL		- 0 -

Account Number	Account Title	Amount Increase (Decrease)
<u>Revenues:</u>		
3-205-18030-0330	Reimb/School Activity	\$ (7,602.25)
3-205-18030-0400	Title I/Indirect Costs	\$ (5,571.86)

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3-205-24020-2520	Vocational Equipment	\$ (13,133.19)
	TOTAL	\$ (26,307.30)
<u>Expenditures:</u>		
4-205-63200-3420-900	Private Carrier	\$ 13,174.11
4-205-66600-8102-900	Facilities – Replacement	\$ 13,133.19
	TOTAL	\$ 26,307.30

d. Ratification and/or Approval of Contract, Change Orders & Agreements, Etc.:

1. Application Materials for 2009-1020 Local Government Challenge Grants

The Board approved submittal of a grant application on behalf of the Fine Arts Center and/or other arts organizations.

2. Revitalization Area Certification

The Board ratified a letter of support and Revitalization Area Certification to the Virginia Housing Development Authority for the Pepper's Crossing.

3. Vehicle Transfer to Town of Pulaski

The Board approved the transfer of a used Crown Vic to the Town of Pulaski.

4. Verizon Contract

The Board approved a contract with Verizon, with a one-time charge of \$2,500 which will allow the county to enter physical location addresses for phones on PBX and Centrex equipment.

BOARD OF SUPERVISORS MEETING MINUTES OF JANUARY 26, 2009

e. Personnel Changes

Board members reviewed recent personnel changes as prepared by Ms. Spence.

f. VACo Model Resolution re: Budget Shortfall

The Board approved the following model resolution provided by VACo seeking to partner with the Commonwealth in addressing the 2009-2010 state budget shortfall that is approaching \$3 billion, and offers specific state budget and revenue recommendations to the Governor and the Virginia General Assembly.

Resolution regarding the Commonwealth's FY 2009-2010 Budget Shortfall

Whereas, Pulaski County is committed to ensuring fiscal sustainability at the local and state levels of government because fiscal sustainability enables the Commonwealth and its local governments to provide high quality, cost effective, core public services that benefit Virginians today and for generations to come; and

Whereas, the current difficult economic and financial times require government, at all levels, to evaluate service delivery responsibilities and to determine the continued importance of programs meeting critical needs; and

Whereas, the Commonwealth must resolve an estimated 2009 and 2010 biennial revenue shortfall approaching \$3 billion that may in fact continue to escalate in the near term; and

Whereas, the Commonwealth's General Fund supports most critical core government services including public education, health and human resources, including the Comprehensive Services Act, public safety, natural resources and environmental services by dedicating almost 50 percent of the state's General Fund to local governments (with 74 percent of this funding supporting K-12 public education); and

Whereas, if one level of government establishes and ensures a priority, it is then incumbent upon that level of government to adequately fund the services necessary to meet that priority; and

Whereas, the current economic environment threatens the sustainability of these critical core public services if the Commonwealth is required to reduce its contribution to the financial partnership between the state and its local governments including Pulaski County; and

Whereas, specific and necessary state budget reductions may impact a wide array of core public services, including but not limited to public education, the Comprehensive Service Act, and public safety, and many local governments, including Pulaski County,

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will absorb significant state reductions in 2009 and may be compelled to increase real property taxes to help ensure the continuation of vital core public services; and

Whereas, Pulaski County stands ready to partner with the Commonwealth to make the difficult budgetary decisions required, including thoroughly evaluating programs and working together to maintain a structural balance between revenues and expenditures that promotes the long-term viability of our Commonwealth.

Now, therefore, be it resolved that the Board of Supervisors of Pulaski County respectfully offers the following budget and revenue recommendations for the 2009 legislative session to the Governor and Virginia General Assembly including Pulaski County's Delegates and Senators:

- Budget and appropriate sufficient withdrawals from the state's Revenue Stabilization Fund ("Rainy Day Fund") to help offset necessary state budget reductions. Global and national financial markets are imbalanced; consequently, Virginia is one of many states facing a significant state revenue shortfall. The Commonwealth is required to replenish the Fund when economic conditions improve, and Pulaski County supports recapitalizing the Fund in better economic times.
- Before budgeting and appropriating necessary state budget reductions, revisit recent state tax exemptions. Since the late 1990s the state has enacted more than \$1.8 billion in net biennial tax reductions and specific General Fund transfers.
- Oppose the enactment of new unfunded and under-funded state mandates that will impose new costs on local governments. Additionally, consider repealing specific, unfunded and under-funded state mandates. In the area of public education, the Governor and Virginia General Assembly should consider providing localities and school districts maximum flexibility to i) suspend specific mandates and ii) manage specific public education reductions.
- Enact a law authorizing equal taxing authority for counties. Counties should be enabled, like cities and towns, to institute specific taxes, including a meals tax without a referendum. The new sources of revenue would be tailored to the needs of a jurisdiction and could help local governments protect adequate funding for the core government services including K-12 public education, and reduce county dependence on property taxes.
- Consider additional possibilities for mitigating the impact of state cuts on local governments. Local governments will have to make significant cuts in services because of flat or decreasing real estate revenues. Permit local governments, at their option, to implement a one-half percent increase in

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the sales tax as a way to minimize the potential burden passed on to homeowners through increased real property taxes.

Furthermore, Pulaski County offers these recommendations in the spirit of compromise and partnership to the Governor and Virginia General Assembly including Pulaski County's Delegates and Senators.

g. Virginia Tech Strategic Planning and Business Plan Project

The Board approved a proposal from Virginia Tech to provide strategic planning and business plan development to the Commission on Family and Children in an effort to move its initiatives forward and lay a foundation for controlling CSA costs and approved the expenditure from contingency of \$55,338.

h. Publication of 2006 Delinquent Real Estate

The Board approved the publication of the 2006 Delinquent Real Estate in the February 8, 2009 edition of the Southwest Times.

i. Donation of Proceeds of Fire Truck

The Board approved donating proceeds from the sale of a 1975 Chevrolet to the cost of recent building improvements and the costs of equipping the replacement truck.

12. Citizen Comments

Mr. James McClanahan inquired as to when the annexation agreements expire with the towns of Dublin and Pulaski and to the potential revenue loss to the county when/if Dublin decides to annex the Route 100. Staff offered to review this matter.

Mr. McClanahan inquired if assessments are mandated by the Board or the State. Mr. Huber advised assessments are mandated by the state.

Mr. McClanahan inquired as to how much authority the Board of Equalization has over appeals board from the assessor themselves. He also inquired as to what types of information should be brought by a citizen to the Board of Equalization when questioning an assessment.

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Mr. McClanahan questioned what citizens can expect at the February 23, 2009 Board meeting. Mr. Sheffey advised citizens will be given an opportunity to speak at a public hearing regarding the change in the real estate tax rate and confirmed the advertised tax rate of a maximum of 50 cents. Mr. McClanahan inquired if the Board had any understanding of funding plans by the General Assembly. Mr. Huber advised it would be helpful for citizens to know the funding and possible services that will be lost if the tax rate is set lower than 50 cents.

13. Other Matters from Supervisors

On a motion by Mr. Pratt, seconded by Mr. Akers and carried, the Board approved a letter to legislators advising of local concerns about the reassessment.

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: none.

Not present: Mr. Conner.

Mr. Huber suggested including wording to that affect reiterating the county's long term support for local funding through sales and income tax, as alternatives to local government reliance on real estate taxes. He noted the county should go on record with a request for legislation enabling a locality to adjust reassessment results in a declining market and make provision for use of other sources of revenue by localities.

Mr. Huber advised there would be three Board members attending a meeting in Richmond on January 28, 2009 to talk with state legislators. Mr. McCarthy requested the local Southwest Times Reporter acknowledge being notified of the meeting and the attendance by the three Board members. Southwest Times Reporter Melinda Williams acknowledged having been informed of the meeting in Richmond.

Mr. Huber suggested the Board consider beginning the Closed Session meetings at 5:30 p.m. to allow for more time for the Board to greet the public prior to the regular meeting beginning at 7:00 p.m. Mr. Pratt advised the Board could meet following the regular Board meeting if additional time is needed to discuss matters in Closed Session.

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14. Adjournment

On a motion by Mr. Akers, seconded by Mr. Bopp and carried, the Board of Supervisors adjourned its regular meeting. The next regular meeting of the Board of Supervisors is scheduled for Monday, February 23, 2009 with a Closed Session to begin at 6:00 p.m. and the regular meeting at 7:00 p.m. at the Pulaski Middle School Auditorium, Pico Terrace, in the Town of Pulaski.

Voting yes: Mr. Akers, Mr. Sheffey, Mr. Bopp, Mr. Pratt.

Voting no: none.

Not present: Mr. Conner.

Joseph L. Sheffey, Chairman

Peter M. Huber, County Administrator