

AGENDA

Tuesday, June 12, 2018

4:00 PM

4:00 CALL MEETING TO ORDER (M. Todd Dishner, Chairman)

CLOSED SESSION

Code of Virginia, Section 2.2-3711 **A.5; Industrial/Business Prospects**; discussion concerning a business or industry considering expansion with no previous announcement being made and **A.7 Legal**; discussion with legal counsel and staff pertaining to actual or probable litigation.

5:00 CALL MEETING TO OPEN SESSION

Invocation and Pledge of Allegiance

ADOPTION OF AGENDA

Adopt the agenda and the additional agenda as presented

MINUTES OF PREVIOUS MEETINGS

Request adoption of the May 8th, 2018 meeting minutes

FINANCIAL STATUS

Michael Carter – Inform the Board of the County's financial status

PAYMENT OF INVOICES

Consideration of appropriations and accounts payable as listed on the additional agenda

5:15 CITIZENS TIME

5:30 Public Hearing-VDOT 6 Year Plan

6:00 Public Hearing-Smyth County School Board Budget FY2018-2019

6:30 Public Hearing-Smyth County Budget FY2018-2019

NEW BUSINESS

***Consideration of Resolution for Adwolfe Sewer Bond Refinance-Scott Simpson**

***Committee Recommendations:**

- **Appointment Committee-Todd Dishner, Acting Chair**
- **Budget Committee-M. Todd Dishner, Chair**
- **Personnel Committee- M. Todd Dishner, Chair**

- **Solid Waste Committee-R. Curtis Rhea, Chair**

Continued Business:

***Section 179D Deduction-Scott Simpson**

***Supervisor Comment Time**


The Smyth County Board of Supervisors held its regular meeting at 4:00 p.m., Tuesday, April 10, 2018. The location of the meeting was in the First-Floor Board Room of the County Office Building, 121 Bagley Circle, Suite 100, Marion, Virginia.

PRESENT: Vice Chairman, Rye Valley District Supervisor Rick K Blevins; Saltville District Supervisor Roscoe D Call; Chilhowie District Supervisor R. Curtis Rhea; Atkins District Supervisor Charles Atkins; Royal Oak District Supervisor Judy Wyant (5)

ABSENT: Chairman, Park District Supervisor M. Todd Dishner
North Fork District Supervisor Phil Stevenson (2)

STAFF: County Administrator Michael Carter; Assistant County Administrator Scott Simpson; County Attorney Jeff Campbell; Administrative Assistant Kelly Woods (4)

OTHERS: Stephanie Porter-Nichols, Smyth County News and Messenger, Deputy with the Smyth County Sheriff's Office and several citizens.

 5/8/2018 4:03 PM Vice Chairman, Rye Valley District Supervisor Rick K. Blevins called the meeting to order. A motion was made by Saltville District Supervisor Roscoe D. Call to enter into closed session under Code of Virginia, Section 2.2-3711 –**A.5; Industrial/Business Prospects**; discussion concerning a business or industry considering expansion with no previous announcement being made. **A.7 Legal**; discussion with legal counsel and staff pertaining to actual or probable litigation and to invite representative with Wagstaff and Cartmell Law Firm to participate in closed session. Chilhowie District Supervisor R. Curtis Rhea seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner and North Fork District Supervisor Phil Stevenson.

 5/8/2018 5:05 PM Vice Chairman, Rye Valley District Supervisor Rick K. Blevins called the meeting back to order from Closed session.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Atkins District Supervisor Charles Atkins, to adopt the following resolution certifying the business conducted in closed session as follows:

RESOLUTION

CERTIFICATION OF CLOSED SESSION

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

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Smyth County Board of Supervisors that such a meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Smyth County Board of Supervisors 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 convening the closed session were heard, discussed or considered by the Smyth County Board of Supervisors.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: North Fork District Supervisor Phil Stevenson.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.



5/8/2018 5:05 PM North Fork District Supervisor Phil Stevenson entered the meeting.



5/8/2018 5:06 PM Justin Hall, Pastor with Cedar Bluff Baptist Church, Atkins gave the invocation and Cathy Goins, Assistant Voter Registrar led the Pledge of Allegiance.



5/8/2018 5:07 PM A motion was made by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to adopt the agenda and additional agenda as presented.

After consideration, the motion PASSED by the following vote:


AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,

North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

 5/8/2018 5:08 PM It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to approve the minutes from the April 10th, 2018 meeting, with correction being made to the code section identified by Royal Oak District Supervisor Judy Wyant concerning the Conflict of Interest update located on page six (6).


After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.


NAYS: Atkins District Supervisor Charles Atkins and Royal Oak District Supervisor Judy Wyant.


ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

 5/8/2018 5:10 PM Michael Carter, County Administrator presented the Board with information on the current FY2017-2018 budget and a current month analysis for appropriations.

 5/8/2018 5:17 PM Vice Chairman, Rye Valley District Supervisor Rick K. Blevins opened Citizens Time.

 5/8/2018 5:17 PM With no one wishing to speak, Vice Chairman, Rye Valley District Supervisor Rick K. Blevins closed Citizens Time.

 5/8/2018 5:18 PM It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to appropriate \$1,610,000.00 from the General Fund. The following is an explanation of the appropriations approved:

General County

Accounts Payable Listing:	\$ 900,351.49
Payroll:	\$ 677,693.51
Auto Draft Rural Development:	\$ 8,974.00
AEP/Century Link Bills:	\$ 25,000.00
County Administration Fund:	\$ 5,000.00
Minus Beginning Appropriation:	\$ (34,537.11)
New Carryover for April:	\$ 27,518.11

Total County Appropriation: \$ 1,610,000.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to appropriate \$400,000.00 from the General Fund for the Department of Social Services. The following is an explanation of the appropriations approved:

Social Services

(May 9-May 31, 2018)	\$ 340,000.00
(June 1-June 12, 2018)	\$ 60,000.00
Total Social Services:	\$ 400,000.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Atkins District Supervisor Charles Atkins to appropriate \$4,050,000.00 from the General Fund for the Smyth County School Board Operating Fund. The following is an explanation of the appropriations approved:

Schools-Operating Fund

Instruction	\$3,000,000.00
Administration, Attendance, & Health	\$ 100,000.00
Transportation	\$ 175,000.00
Facilities	\$ 350,000.00
School Food Service	\$ 385,000.00
Technology	\$ 40,000.00

Total School Operating Fund: \$4,050,000.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to appropriate \$400,000.00 from the School Textbook Fund.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to appropriate \$245,000.00 from the General Fund for School Debt Service.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to appropriate \$1,986.51 from the Sheriff's Fund 748 for open invoices.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,

Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to appropriate \$15,000.00 from the EDA Fund 4 for open invoices.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Chilhowie District Supervisor R. Curtis Rhea to appropriate \$19,779.79 from Fund 307 for the Adwolfe Sewer Project.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Atkins District Supervisor Charles Atkins to appropriate \$30,996.90 from Fund 749 for Drug Recovery Court.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.



5/8/2018 5:22 PM Chilhowie District Supervisor R. Curtis Rhea made a motion to approve a tax assessment settlement with a not to exceed amount of \$5,000.00. Saltville District Supervisor Roscoe D. Call seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: North Fork District Supervisor Phil Stevenson.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.



5/8/2018 5:22 PM Dr. Karen Shelton, District Director, Mt. Rogers Health District and Breanne Forbes Hubbard, Population Health Coordinator, Mt. Rogers Health District gave an update to the Board of Supervisors and the services the Health Department currently provides to the citizens of Smyth County. Dr. Shelton presented information concerning the Smyth County Community Health Assessment and the goals in which the Health Department are aiming to achieve to make Smyth County a healthier community.



5/8/2018 5:33 PM James Tyler Smyth, CEO, Smyth County Community Hospital presented a Resolution as shown below for consideration by the Board that would consent to a tax-exempt bond issue that allows for refinance of certain costs incurred at Smyth County Community Hospital.

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF SMYTH COUNTY, VIRGINIA**

WHEREAS, Ballard Health, a Tennessee nonprofit corporation ("Ballad"), which was created as a result of the affiliation of Mountain States Health Alliance, a Tennessee nonprofit corporation ("MSHA"), Wellmont Health System, a Tennessee nonprofit corporation ("Wellmont"), and certain affiliates of thereof, has requested The Health and Educational Facilities Board of the Town of Greeneville, Tennessee (the "Issuer") to issue up to \$1,160,000,000 of its qualified 501(c)(3) tax-exempt revenue bonds (the "Bonds"), the proceeds of which, if issued, will be loaned to Ballard to finance and/or refinance the costs associated with the acquisition, constructing and equipping of certain facilities owned or operated by the Borrower, MSHA, Wellmont or an affiliate thereof;

WHEREAS, a portion of the proceeds of the Bonds, not expected to exceed \$350,000,000, will, if issued, be loaned to Ballard to finance and/or refinance the costs associated with the acquisition,

constructing and equipping of facilities located at 245 Medical Park Drive, Marion, Virginia, and commonly known as Smyth County Hospital;

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), require that the governmental unit having jurisdiction over the area in which any facility financed with the proceeds of the Bonds is located approve the issuance of such Bonds;

WHEREAS, Section 147(f) of the Code requires that any such approval by the applicable governmental unit be given after a public hearing following reasonable public notice;

WHEREAS, on May 7, 2018, in accordance with the requirements of Section 147(f) of the Code, the Issuer or its designee held a public hearing following publication of notice of such public hearing in the Smyth County News & Messenger on April 21, 2018; and

WHEREAS, Ballard has requested that the Board of Supervisors of Smyth County, Virginia (the "Board") approve the issuance of the Bonds to comply with Section 147(f) of the Code.

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

1. The Board hereby approves the issuance of the Bonds by the Issuer for the benefit of Ballard, as required by Section 147(f) of the Code.
2. The approval of the issuance of the Bonds does not constitute an endorsement of the Bonds or the creditworthiness of Ballard. Smyth County, Virginia, does not have any obligation to pay the Bonds or the interest thereon or other costs incident thereto.
3. All acts and doings of the officers and members of the Board that are in conformity with the purposes and intent of this resolution shall be, and the same hereby are, in all respects approved and confined.

or

4. This resolution shall take effect immediately upon its adoption.

Adopted this 8th day of May, 2018; Smyth County, Virginia.

A Copy Teste:

Michael L. Carter, County Administrator

Saltville District Supervisor Roscoe D. Call made a motion to adopt the Resolution as presented.
Chilhowie District Supervisor R. Curtis Rhea seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.



5/8/2018 5:40 PM Saltville District Supervisor Roscoe D. Call made a motion to schedule the Public Hearing for the VDOT 6-year plan on Tuesday, June 12, 2018 at 5:30 P.M. Chilhowie District Supervisor R. Curtis Rhea seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.



5/8/2018 5:41 PM Michael Carter, County Administrator presented information concerning the Opportunity Zone Designation, explaining that Smyth County had 9 census tracts that qualified. Mr. Carter stated the Opportunity Zone nominations help to focus on local, regional, and state priorities with different types of needs and development opportunities. This is a tool to spur economic growth in communities across Virginia.

Atkins District Supervisor Charles Atkins questioned who submitted the information to the State of Virginia and asked why the Board of Supervisors just received the information. Mr. Atkins stated he felt the Board should have been notified during the process and not after.



5/8/2018 5:51 PM Chilhowie District Supervisor R. Curtis Rhea made a motion to enter into a contract with Wagstaff and Cartmell Law firm, allowing Smyth County to be represented in the Federal Opioid Litigation, clarifying there is no fee for the representation unless a recovery is obtained in favor

of Smyth County. At that point the County agrees to pay a 25 % contingent fee. Saltville District Supervisor Roscoe D. Call seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins and
Chilhowie District Supervisor R. Curtis Rhea.

NAYS: Royal Oak District Supervisor Judy Wyant.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.



5/8/2018 5:54 PM Michael Carter, County Administrator presented the following recommendations from the Budget Committee:

It is the Committee's recommendation to approve the budget transfer as shown below for Circuit Court in the amount of \$152.00.

EXPENSE

From	To	Amount
001-021010-5201 (Postal Services)	001-021010-5411 (Books and Sub.)	\$152.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to approve the budget amendment as shown below in the amount of \$125,300.00, allowing for the reconciliation of the Operations and Inmate Count for the Regional Jail. This amendment will change the current FY2017-2018 budget from \$90,435,012.00 to \$90,560,312.00.

Expense (Increase Line Item)

001-033010-7001	Regional Jail Operations	\$60,000.00
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Revenue (Increase Line Item)

001-011050-0001	Merchants Capital	\$20,000.00
001-013030-0008	Building Permits	\$26,000.00
001-015010-0002	Interest on Investments	\$14,000.00

Expense (Increase Line Item)

001-033010-7003	Regional Jail Reconciliation	\$65,300.00
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Revenue (Increase Line Item)

001-011030-0001	Personal Property	\$11,100.00
001-011040-0001	Machinery and Tools	\$52,200.00
001-015010-0002	Interest on Investments	\$ 2,000.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to approve a real estate tax refund request in the amount of \$1,215.82, for tax map number 28A12-7-43, owned by Jerry Whitaker III. Mr. Whitaker qualifies for a tax relief program offered by Smyth County.

The County Administrator's Office will process the refund and mail to the address identified on the request for refund application.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to approve the budget transfer as shown below for the Smyth County School Board in the amount of \$191,284.00.

REVENUE

From:	To:	Amount:
009-021010-0006 (Basic Aid)	009-022000-0001 (Local Funds Trans.)	\$191,284.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,

Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to approve the budget transfer as shown below for the Solid Waste Department/Transfer Station in the amount of \$23,420.00.

EXPENSE

From	To	Amount
001-042030-3021 (Escrow for Equipment)	001-042030-8888-51 (Ground Water Mont.)	\$3,900.00
001-042030-8888-13(Scales-Serv&Repair)	001-042030-8888-51 (Ground Water Mont.)	\$3,000.00
001-042030-1001 (Salaries and Wages)	001-042030-8888-51 (Ground Water Mont.)	\$720.00
001-042030-8888-27 (Haul and Disp.)	001-042030-5408 (Vehicle Maint & Repair)	\$7,500.00
001-042030-1001 (Salaries and Wages)	001-042030-5406 (Fuel)	\$8,300.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to approve the budget transfer as shown below for the Solid Waste Department/Convenience Stations in the amount of \$3,215.00.

EXPENSE

From	To	Amount
001-042050-3004 (Repair and Maint.)	001-042050-5101 (Electricity)	\$1,250.00
001-042050-3004 (Repair and Maint.)	001-042050-5103 (Water and Sewer)	\$450.00
001-042050-3004 (Repair and Maint.)	001-042050-8002 (Lease Rent Sites)	\$1,350.00
001-042050-3004 (Repair and Maint.)	001-042050-3005 (Service Contracts)	\$165.00

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to enter into an agreement with Campbell Law Firm for Attorney Services for Smyth County as shown below. The agreement will run for a period of one (1) year, with an option to renew for two (2) successive one-year terms. An initial retainer of \$5,000.00 will be assessed, with a monthly rate of \$100.00 per hour, capped at \$100,000.00 annually.

LEGAL SERVICES AGREEMENT

This document (the "agreement") is the legal services agreement between the Smyth County Board of Supervisors and Campbell Law Firm, P.C., dated this ____ day of May, 2018.

1. IDENTIFICATION OF PARTIES. This agreement is made between the Campbell Law Firm, P.C., hereafter referred to as "Law Firm", and the Smyth County Board of Supervisors, hereafter referred to as "Client."
2. CONDITIONS. This agreement will not take effect, and Law Firm will have no obligation to provide legal services, until Client returns a signed copy of this agreement.
3. RESPONSIBILITIES OF LAW FIRM AND CLIENT. Law Firm will perform the legal services called for under this agreement, keep Client informed of progress and developments, and respond within a reasonable time to Client's inquiries and communications. Client will be truthful and cooperative with Law Firm, provide on a timely basis all information and documents necessary to Law Firm's effective representation of Client's interests, keep Law Firm reasonably informed of developments and of Client's address, telephone number, and whereabouts, timely make any payments required by this agreement and abide by this agreement. Client should keep in mind that Law Firm's ability to adequately represent and advise Client is dependent upon Client keeping Law Firm fully informed. It is, therefore, important that Law Firm be fully apprised of all facts and circumstances concerning Client's assets and Client's family as well as Client's desires with respect to the disposition of Client's property.
4. RETENTION OF FIRM RATHER THAN PARTICULAR ATTORNEY. Although it is the understanding of the parties hereto that Client is primarily retaining Jeffrey L. Campbell, it is further understood that Client is retaining Campbell Law Firm, and the attorney services to be performed for client may be assigned to other attorneys and/or legal professionals employed by the Law Firm as may be determined in the discretion of Jeffrey L. Campbell.

5. DELEGATION OF SERVICES. Client understands that Law Firm includes more than one attorney, and that one or more attorneys may be utilized in the proceedings involving Client's case. Client further understands that support personnel from Law Firm may also do work in connection with Client's case.

6. LEGAL SERVICES TO BE PROVIDED. The legal services to be provided by Law Firm to Client are as follows: Attend board meetings as required by the Client, perform legal research, prepare legal opinions and briefs, conduct general litigation in behalf of the County as directed by the Board of Supervisors with the consent of the undersigned counsel, review bonds, contracts and planning documents; and provide legal advice to various County departments, advise and handle land use acquisition and dispositional transactions and other matters as specifically assigned by the Client.

If Client wishes that Law Firm provide any legal services not covered by this agreement, a separate written agreement between Law Firm and Client will be required. In the event Law Firm provides services at Client's request on any matter other than that specified in this agreement, Client agrees that the terms of this agreement shall govern our relationship for that matter in the absence of a separately signed written fee agreement. However, any additional services will be billed according to the Rate Schedule attached hereto.

7. FEES/DEPOSIT. Client agrees to pay the Law Firm on a monthly basis at the rate of \$100.00 per hour. Client agrees to pay an initial retainer of \$5,000.00 against which all monthly billable hours shall be assessed. Law Firm agrees to provide Client with a monthly invoice detailing all billable hours and assessable costs against said retainer. Client agrees that the retainer shall be replenished each month subsequent to its receipt of the monthly invoice provided by the Law Firm. Law Firm agrees that the total of all fees, costs and expenses Client will incur during the duration of this Agreement shall be capped at \$100,000.00 annually.

8. EXTRA COSTS. Law Firm may incur various costs and expenses in performing legal services under this agreement. Client agrees to pay reasonable costs associated with the services.

9. TERM OF CONTRACT AND DISCHARGE OF LAW FIRM. This Representation Agreement shall run for a period of one (1) year from the date of execution by the Client. This Contract shall be renewable, at the election of both parties, upon its terms and conditions for two successive one-year terms. Any intent to renew shall be evidenced, in a writing signed by both parties at least sixty-days prior to the expiration of the initial term or any renewed term hereunder. Client may, however, discharge Law Firm at any time by written notice effective when received by Law Firm. Unless specifically agreed by Law Firm and Client, Law Firm will provide no further services and advance no further costs on Client's behalf after receipt of the notice unless Law Firm is required by ethical or legal reasons to continue representing Client.

10. WITHDRAWAL OF LAW FIRM. Law Firm may withdraw at any time as permitted under the Rules of Professional Conduct of the Virginia State Bar. The circumstances under which the Rules permit such withdrawal include, but are not limited to, the following: (a) Client consents to withdrawal, (b) Client's conduct renders it unreasonably difficult for Law Firm to carry out the employment effectively, or (c) Client fails to pay attorneys' fees or costs as required by his or her

agreement with Law Firm. Notwithstanding Law Firm's withdrawal, Client will remain obligated to pay Law Firm the agreed fee for services provided, and to reimburse Law Firm for all costs advanced, before the withdrawal.

11. RELEASE OF CLIENT'S PAPERS AND PROPERTY. In the event that Client requests that Law Firm relinquish Client's original documents in his or her file, Client agrees to give Law Firm at least five (5) working days written notice of Client's request in order to provide Law Firm's staff sufficient time to make a copy for Law Firm's records. In the event expedited service is requested, Client agrees to pay for clerical staff overtime for Law Firm to accommodate Client's request.

12. MALPRACTICE COVERAGE. Law Firm agrees to maintain malpractice liability insurance in an amount sufficient to cover any anticipated loss occasioned to client as a result of negligent acts of the Law Firm.

13. ENTIRE AGREEMENT. This agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this agreement will be binding on the parties.

14. SEVERABILITY IN EVENT OF PARTIAL INVALIDITY. If any provision of this agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision will be severable and remain in effect.

15. MODIFICATION BY SUBSEQUENT AGREEMENT. This agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both of them or an oral agreement to the extent that the parties carry it out.

16. DOCUMENT RETENTION. It is Law Firm's policy to retain Client's file in Law Firm's storage facility for a period of not more than seven (7) years. Thereafter, Law Firm will ultimately destroy all files, documents, records, and writings related to each engagement for which Law Firm has been retained without notifying Client of the destruction of these items. Therefore, to be certain that Law Firm has not retained any material that Client may need or desire, Law Firm will return to Client all original documents Client has made available to Law Firm if Client so instructs Law Firm in writing within thirty (30) days after Law Firm mails to Client a letter informing Client that Law Firm has completed the services agreed to be provided under this agreement. After the thirty (30) day period has expired, Law Firm will charge a \$25.00 fee for obtaining Client's file from Law Firm's storage facility. Law Firm will not obtain Client's file from its storage facility until such sum has been received by Law Firm.

17. EFFECTIVE DATE OF AGREEMENT. The effective date of this agreement will be the date when, having been executed by Client, the agreement is received by Law Firm.

Once effective, this agreement will, however, apply to services provided by Law Firm on this matter before its effective date. Even if this agreement does not take effect, Client will be obligated to pay Law Firm the reasonable value of any services Law Firm may have performed for Client.

SMYTH COUNTY BOARD OF SUPERVISORS CAMPBELL LAW FIRM, P.C.

BY: _____
ITS: CHAIRMAN

BY: _____
ITS: PRINCIPAL

COMMONWEALTH OF VIRGINIA:

AT LARGE:

The foregoing Agreement was acknowledged before me this the ____ day of May, 2018, by M. Todd Dishner, Chairman, Smyth County Board of Supervisors and Jeffrey L. Campbell, Principal, in behalf of Campbell Law Firm, PC.

_____(NOTARY)

My Commission expires: _____

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to schedule the Public Hearing for the Smyth County School Board FY18-19 Budget on Tuesday, June 12, 2018 at 6:00 P.M.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

It is the Committee's recommendation to schedule the Public Hearing for Smyth County's FY18-19 Budget on Tuesday, June 12, 2018 at 6:30 P.M.

After consideration, the motion PASSED by the following vote:


AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

Michael Carter, County Administrator presented the 2018 Salary Survey published by VACO annually, which identifies what each Counties pay scale is for County Administrators, Chairman of the Board and Board of Supervisors members.

 5/8/2018 6:11 PM Scott Simpson, Assistant County Administrator presented information from the Courthouse Committee meeting that took place on Monday, April 30, 2018. Mr. Simpson, explained that two (2) separate requests had been received from the Architecture firm and General Contractor from the Courthouse project to allocate the IRS Section 179D tax deduction. Mr. Simpson explained the federal government allows owners of commercial buildings that incorporate energy efficient design strategies certain tax deductions. Since government entities do not pay taxes, the deduction can be allocated to the entity which created the technical specifications of the building that incorporates energy efficient design.

Discussion continued by the Board of Supervisors, with North Fork District Supervisor Phil Stevenson making a motion to continue this item until the next scheduled Board meeting to allow staff to gather more information as requested. Atkins District Supervisor Charles Atkins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

 5/8/2018 6:21 PM Chilhowie District Supervisor R. Curtis Rhea reviewed the minutes from two (2) previous Solid Waste Committee meetings.

 5/8/2018 6:27 PM Supervisor Comment Time:

North Fork District Supervisor Phil Stevenson asked why the Board had not been given the Water loss reports for the past couple months.

Atkins District Supervisor Charles Atkins stated that, in his opinion, the Board of Supervisors are not being informed about what is going on in Smyth County.

Chilhowie District Supervisor R. Curtis Rhea stated he would like to see the Board focus on the positive things that need to happen to allow for economic growth in Smyth County.

Saltville District Supervisor Roscoe D. Call stated that he appreciated everyone on the Board.

Rye Valley District Supervisor Rick K. Blevins stated the he appreciates everyone's cooperation during the meeting with Chairman, Park District Supervisor M. Todd Dishner being absent.

 5/8/2018 6:34 PM Saltville District Supervisor Roscoe D. Call made a motion to adjourn the meeting. North Fork District Supervisor Phil Stevenson seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins,
Chilhowie District Supervisor R. Curtis Rhea and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: Chairman, Park District Supervisor M. Todd Dishner.

SECONDARY SYSTEM CONSTRUCTION PROGRAM (in dollars)

District Bristol
County Smyth County

Board Approval Date:

Route	Road Name	Estimated Cost	2018-19 through 2023-24										Traffic Count
			Previous	Additional	PROJECTED FISCAL YEAR ALLOCATIONS							Scope of Work	
PPMS ID	Project #		Funding	Funding								FHWA #	
Accomplishment	Description		SSYP Funding	Required								Comments	
Type of Funds	FROM		Other Funding										
Type of Project	TO		Total		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24			
Priority #	Length												
RI0661	BACKMEADOWS LANE	PE											
104938	0661086P72	RW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	298		
STATE	ROUTE 661 - RECONSTRUCT &	CON	\$70,000		\$0	\$0	\$0	\$0	\$0	\$0		Reconstruction w/o Added Capacity	
No Plan	DEAD END MM 0.00	Total	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	16004		
3.01	MM .30												
RI0676	TWILIGHT ROAD	PE											
104819	0676086775	RW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	62		
STATE	RTE. 676 - REPLACE	CON	\$240,000		\$0	\$0	\$0	\$0	\$0	\$0		Reconstruction w/o Added Capacity	
No Plan	RTE. 675	Total	\$240,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	16004		
3.02	RTE. 614												
RI0672	SLAB TOWN ROAD	PE											
109173	0672086802	RW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	62		
STATE	RTE. 672 - RECONSTRUCT &	CON	\$300,000	\$240,380	\$59,620	\$0	\$0	\$0	\$0	\$0		Reconstruction w/o Added Capacity	
No Plan	0.31 M. E. Rte. 670	Total	\$300,000	\$240,380	\$59,620	\$0	\$0	\$0	\$0	\$0	16004		
3.03	35 M. W. Rte. 701												
RI0675	LEAD MINE ROAD	PE											
107174	0675086803	RW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	62		
STATE	RTE. 675 - RECONSTRUCT &	CON	\$210,000	\$125,302	\$84,698	\$0	\$0	\$0	\$0	\$0		Reconstruction w/o Added Capacity	
No Plan	Rte. 674	Total	\$210,000	\$125,302	\$84,698	\$0	\$0	\$0	\$0	\$0	16004		
3.04	Rte. 781												
RI0674	SAND MINES ROAD	PE											
109175	0674086804	RW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	62		
STATE	RTE. 674 - RECONSTRUCT &	CON	\$50,000	\$0	\$9,105	\$0	\$0	\$0	\$0	\$0		Reconstruction w/o Added Capacity	
No Plan	Rte. 601	Total	\$50,000	\$50,000	\$40,895	\$0	\$0	\$0	\$0	\$0	16004		
3.05	Rte. 675												
RI0769	HOLIDAY DRIVE	PE											
109176	0769086805	RW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	62		
STATE	RTE. 769 - RECONSTRUCT &	CON	\$50,000	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0		Reconstruction w/o Added Capacity	
No Plan	Rte. 600	Total	\$50,000	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0	16004		
3.06	Dead End												
3.06	0.2												

[illegible]

**NOTICE OF PUBLIC HEARING
ON THE SMYTH COUNTY SCHOOL BUDGET
FOR FISCAL YEAR COMMENCING
July 1, 2018– June 30, 2019
On June 12, 2018 at 6:00 p.m.**

This budget synopsis is prepared and published in accordance with Section 15.2-2506 and 22.1-93, of the Code of Virginia of 1950, as amended. The budget has been prepared and proposed on the basis of estimates made by the Smyth County School Board. The adoption of this proposed budget shall require a monthly appropriation by the Smyth County Board of Supervisors as required in Section 15.2-2506 for any contemplated expenditures.

The Smyth County Board of Supervisors will conduct a hearing for the purpose of receiving public comments on the proposed School Board budget for the fiscal year beginning July 1, 2018. The public hearing will be held in the **Board of Supervisors meeting room, 121 Bagley Circle, Smyth County Office Building on June 12, 2018 at 6:00 p.m.**

Subject to the rules and procedures of the Board of Supervisors, at the above-mentioned day, time, and place any citizen of Smyth County may appear and express their opinion(s).

A full copy of the proposed Smyth County School Board budget is on file at the Office of the County Administrator, 121 Bagley Circle, Suite 100, Marion, Virginia, and may be viewed during regular business hours 8:00 a.m. – 5:00 p.m., Monday – Friday.

By order of the Smyth County Board of Supervisors
Michael Carter, County Administrator

Smyth County School Board			
Operations Budget For the Year Ending June 30, 2019			
Revenue Summary for Operations Budget			
	2017-2018	2018-2019	Difference
State Revenue	\$ 26,969,446	\$ 26,979,465	\$ 10,019
Local Revenue	\$ 7,815,575	\$ 8,061,575	\$ 156,000
Federal Revenue	\$ 5,146,460	\$ 5,421,115	\$ 274,655
State Sales Tax	\$ 4,734,360	\$ 4,795,569	\$ 61,209
Other Revenue	\$ 2,472,265	\$ 2,505,333	\$ 33,068
TOTAL OPERATIONS	\$ 47,138,106	\$ 47,763,057	\$ 624,951
Expenditure Summary for Operations Budget			
	2017-2018	2018-2019	Difference
Instruction	\$ 34,209,135	\$ 34,285,106	\$ 75,971
Administration	\$ 1,439,378	\$ 1,446,862	\$ 7,484
Transportation	\$ 2,372,189	\$ 2,611,184	\$ 238,995
Facilities	\$ 4,283,283	\$ 4,259,857	\$ (113,426)
Food Service	\$ 3,466,676	\$ 3,783,623	\$ 316,947
Technology	\$ 1,367,445	\$ 1,376,425	\$ 8,980
TOTAL OPERATIONS	\$ 47,138,106	\$ 47,763,057	\$ 624,951

Smyth County School Board
Capital Outlay and Debt Service Budget For the Year Ending June 30, 2019

Revenue Summary for Capital Outlay and Debt Service Budget

	2017-2018	2018-2019	Difference
Local Funds - Capital Outlay	\$ -0-	\$ -0-	\$ -0-
Local Funds - Debt Service	\$ 2,205,460	\$ 2,225,937	\$ 20,477
Other Funds - Interest Rebate	\$ 487,113	\$ 487,113	\$ -0-
TOTAL CAPITAL OUTLAY	\$ 2,692,573	\$ 2,713,050	\$ 20,477

Expenditure Summary for Capital Outlay and Debt Service Budget

	2017-2018	2018-2019	Difference
Capital Outlay - Facilities	\$ -0-	\$ -0-	\$ -0-
Capital Outlay - Debt Service	\$ 2,692,573	\$ 2,713,050	\$ 20,477
TOTAL CAPITAL OUTLAY	\$ 2,692,573	\$ 2,713,050	\$ 20,477

**NOTICE OF PUBLIC HEARING ON THE PROPOSED SMYTH COUNTY BUDGET FOR FISCAL
YEAR JULY 1, 2018- JUNE 30, 2019**

Pursuant to § 15.2-2506 of the Code of Virginia (1950), as amended, a Public Hearing will be conducted by the Board of Supervisors on the budget for informative and planning purposes in the Board of Supervisors meeting room, Smyth County Office Building, 121 Bagley Circle, Marion, VA Tuesday, June 12, 2018, at 6:30 p.m., or soon thereafter, at which time any citizen of the County shall have the right to attend and subject to Rules and Procedures of the Board of Supervisors state his or her views. The budget is for informative and fiscal planning purposes and will not be approved, adopted or ratified by the Board of Supervisors on Tuesday, June 12, 2018.

This budget synopsis is prepared and published for informative and fiscal planning purposes only. The inclusion in the budget of any item does not constitute an obligation or commitment on the part of the Board of Supervisors of this County to appropriate any funds for that purpose, except as it relates to the budget for the Smyth County School Board, which is governed by Virginia Code § 22.1-93, et seq.

This budget has been prepared on the basis of estimates and requests submitted to the Board of Supervisors by numerous offices and department heads of this County. There are no allocations or designation of any funds of this County for any purpose until there has been an appropriation for that purpose by the Board of Supervisors.

A full copy of the proposed Smyth County Budget is on file at the Office of the County Administrator, 121 Bagley Circle, Suite 100, Marion, Virginia, and may be viewed during regular business hours 8:00 a.m. to 5:00 p.m., Monday - Friday.

SMYTH COUNTY PROPOSED BUDGET

<u>Revenue</u>	<u>FY/2018 Budget</u>	<u>Proposed FY/2019</u>	<u>Inc./Dec.</u>
Real Property Taxes	\$ 10,045,000	\$ 10,080,000	\$ 35,000
Public Services	1,110,000	1,160,000	\$ 50,000
Minerals	5,700	5,700	\$ -
Personal Property	3,084,400	3,123,050	\$ 38,650
PPTRA	1,804,310	1,804,310	\$ -
Machinery & Tools	1,564,900	1,618,100	\$ 53,200
Merchants Capital	257,500	278,000	\$ 20,500
Lodging Tax	60,000	56,000	\$ (4,000)
Penalties & Interest	326,000	362,000	\$ 36,000
Motor Vehicle License	444,000	453,000	\$ 9,000
Rolling Stock Tax	34,000	34,823	\$ 823
Utility Licenses Tax	89,500	108,000	\$ 18,500
Consumer's Utility Tax	1,125,000	1,114,000	\$ (11,000)
Permits & Other Licenses	98,175	124,300	\$ 26,125
Fines & Forfeitures	196,500	155,700	\$ (40,800)
Interest on Investments	65,000	106,000	\$ 41,000
Use of Property	144,074	147,074	\$ 3,000
Court Cost	10,176	11,176	\$ 1,000
Charges for Commonwealth Attorney	3,800	3,000	\$ (800)
Charges Sanitation & Waste	975,000	782,800	\$ (192,200)
Expenditure Refunds	614,335	1,213,639	\$ 599,304
Miscellaneous Revenue	63,228	76,900	\$ 13,672

Grant Money	518,000	518,000	\$ -
Revenue from the Commonwealth	210,300	229,800	\$ 19,500
Comprehensive Service Act	674,344	727,985	\$ 53,641
Commonwealth Attorney	590,594	617,622	\$ 27,028
Sheriff	1,765,031	1,765,527	\$ 496
Commissioner of the Revenue	111,279	111,279	\$ -
Treasurer	108,770	108,770	\$ -
Registrar/Electoral Board	49,500	49,500	\$ -
Clerk's Office	323,950	341,950	\$ 18,000
Local Sales Tax	2,220,000	2,320,000	\$ 100,000
Categorical Aid - Other	145,118	259,409	\$ 114,291
Payment in Lieu of Taxes	85,000	85,000	\$ -
Special Assessments	36,000	7,600	\$ (28,400)
Local Funds Transfers	(10,740,036)	(10,865,334)	\$ (125,298)
Animal Licenses	8,500	7,500	\$ (1,000)
EDA Funds	560,000	560,000	\$ -
State/Federal School Funds	39,809,644	39,809,644	\$ -
Local Funds Transfer General Fund-Schools	10,021,035	10,021,035	\$ -
Department of Social Services	3,930,645	4,075,696	\$ 145,051
Local Share from General Fund	830,499	844,299	\$ 13,800
School Textbook Revenue	503,000	803,000	\$ 300,000
911 Wireless Grants	69,030	107,030	\$ 38,000
Interest/Tranf Courthouse Sav	800,000	825,000	\$ 25,000
Adwolfe Sewer Project	4,540,000	150,000	\$ (4,390,000)
Miscellaneous	(109,698)		\$ 109,698
Water-Sewer Revenue	2,332,500	2,312,750	\$ (19,750)
Capital Projects	1,064,600	1,100,000	\$ 35,400
Social Security Funds	98,215	97,585	\$ (630)
Drug Asset Revenue	82,000	125,000	\$ 43,000
Sheriff Dare Revenue	5,000	10,000	\$ 5,000
Courthouse Security Revenue	135,000	150,000	\$ 15,000
Asset Forfeiture	11,250	438,000	\$ 426,750
Police Activity Fund	891,122	1,005,970	\$ 114,848
Sheriff Federal Asset Forfeiture	25,000	-	\$ (25,000)
Money Collected in Court	60,000	60,000	\$ -
Recovery Court	129,231	163,318	\$ 34,087
Federal Money-CWA	660,000	20,000	\$ (640,000)
Federal Money-Sheriff	150,000	-	\$ (150,000)
Circuit Court Copy Revenue	6,000	4,000	\$ (2,000)
Sub-total	84,831,021	81,784,507	(3,046,514)
Debt Service			-
Proceeds From Short term borrowing	5,000,000	5,000,000	-
Sub-total	5,000,000	5,000,000	-
Total County Budget Revenues	\$89,831,021	\$ 86,784,507	\$ (3,046,514)

FY/2018

Proposed

<u>Expenditures</u>	<u>Budget</u>	<u>FY/2019</u>	<u>Inc./Dec.</u>
Board of Supervisors	\$ 630,521	1,022,953	\$ 392,432
County Administration	443,234	440,189	\$ (3,045)
Legal Department	75,000	60,000	\$ (15,000)
Commissioner of the Revenue	294,501	289,389	\$ (5,112)
Assessor	-	180,000	\$ 180,000
Treasurer	382,903	378,298	\$ (4,605)
Information Systems	447,747	435,453	\$ (12,294)
Registrar	238,997	193,537	\$ (45,460)
Circuit Court	76,236	190,941	\$ 114,705
General District Court	7,405	7,655	\$ 250
Juvenile & Domestic Courts	247,868	213,248	\$ (34,620)
Clerk of the Circuit Court	554,209	561,626	\$ 7,417
Sheriff	2,906,211	2,852,638	\$ (53,573)
Law Library	1,000	1,000	\$ -
Commonwealth Attorney	655,220	638,191	\$ (17,029)
Victim Witness Asst. Program	101,375	103,403	\$ 2,028
Central Dispatch	2,800	2,800	\$ -
Smyth County Basic 911	485,949	736,389	\$ 250,440
Volunteer Fire Department	261,267	273,550	\$ 12,283
Ambulance & Rescue Service	148,455	158,352	\$ 9,897
Forestry	8,000	8,000	\$ -
Sheriff - Jail	2,802,833	2,925,525	\$ 122,692
Building Inspection & Zoning	329,305	324,181	\$ (5,124)
Animal Control	461,466	411,884	\$ (49,582)
Medical Examiner - Coroner	500	500	\$ -
Emergency Services - Civil Defense	40,669	38,087	\$ (2,582)
Refuse Collection & Disposal	1,480,180	1,623,268	\$ 143,088
Convenience Stations	298,285	298,845	\$ 560
Rye Valley Water Co.	25,922	25,922	\$ -
Smyth County Tourism	35,555	43,090	\$ 7,535
Building & Facility Maintenance	522,924	483,415	\$ (39,509)
Local Health Department	441,023	441,023	\$ -
Mental Health	166,022	166,022	\$ -
Social Services Board Member Payments	4,200	4,200	\$ -
Other Community expenses	201,336	191,336	\$ (10,000)
Community Colleges	55,314	55,314	\$ -
Recreation	29,000	29,000	\$ -
Library Administration	700,000	660,000	\$ (40,000)
Planning Commission	6,900	6,900	\$ -
Community & Economic Development	166,533	161,510	\$ (5,023)
Economic Development Authority	671,328	658,328	\$ (13,000)
Soil & Water Conservation	27,600	27,600	\$ -
Cooperative Extension Program	90,640	91,524	\$ 884
Comprehensive Service Act	708,041	952,750	\$ 244,709
Animal Control (Fund 3)	11,155	10,695	\$ (460)
EDA General Expenses	560,000	560,000	\$ -
County School Operations & Capital Outlay(Non-Local)	39,809,644	39,809,644	\$ -
County School Operations & Capital Outlay (Local)	7,815,575	7,815,575	\$ -
County School Debt Service Local Funds	2,205,460	2,205,460	\$ -
Department of Social Services	4,761,144	4,919,995	\$ 158,851
School Textbook Fund Expense	500,000	800,000	\$ 300,000
Dispatch (Fund 38)	113,760	91,760	\$ (22,000)

Courthouse Project	800,000	825,000	\$ 25,000
Adwolfe Sewer Project	4,540,000	150,000	\$ (4,390,000)
Water-Sewer Department Operations	1,183,851	1,190,119	\$ 6,268
Water-Sewer Department Debt Service	860,157	906,835	\$ 46,678
Funded Projects	27,064	17,500	\$ (9,564)
Capital Projects	1,064,600	1,000,000	\$ (64,600)
Social Security Funds	97,000	97,000	\$ -
Drug Asset Expense	75,000	125,000	\$ 50,000
Sheriff Dare Program	5,000	10,000	\$ 5,000
Courthouse Security	143,690	150,000	\$ 6,310
Asset Forfeiture	11,250	438,000	\$ 426,750
Sheriff Federal Asset Forfeiture	25,000	0	\$ (25,000)
Purchase Equipment	60,000	60,000	\$ -
Recovery Court	129,231	163,318	\$ 34,087
Police Activity Fund Expense	879,850	1,005,970	\$ 126,120
CWA Fed Shared Funds	660,000	20,000	\$ (640,000)
CWA/Sheriff's Office	150,000	0	\$ (150,000)
Expenses Circuit Court	6,000	4,000	\$ (2,000)
Sub-total	83,728,905	80,743,707	\$ (2,985,198)
DEBT SERVICE			
Payment on Line of Credit	5,000,000	5,000,000	-
Courthouse Debt Service	1,102,116	1,040,800	(61,316)
Sub-total	6,102,116	6,040,800	(61,316)
Total County Budget Expenditures	<u>\$ 89,831,021</u>	<u>\$ 86,784,507</u>	<u>\$ (3,046,514)</u>

TAX RATES FOR 2018

In preparation of the above budget the Smyth County Board of Supervisors proposed no changes in the current tax levies as follows:

Pursuant to Virginia Code §58.1-3001 et seq., the Board proposes to re-adopt, a real estate levy on all taxable real estate located in Smyth County, Virginia, including equalized real estate, where applicable, a unit levy of \$0.74 per \$100.00 of assessed valuation; Tax on tangible personal property and the tangible personal property of public service corporations, except rolling stock of corporations operating railroads, a unit levy of \$2.30 per \$100.00 of assessed valuation; Machinery & Tools \$1.55 per \$100.00 of assessed valuation; Tax on Category 23 items (trucks used in interstate commerce over 10,000 pounds) a unit levy of \$1.55 per \$100.00 of assessed valuation; Tax on merchants capital a unit levy of \$0.40 per \$100.00 of assessed valuation; and airplane tax \$1.40 per \$100.00 of assessed valuation.

There are no proposed tax increases in the FY2018-2019 budget.

There are no fee structure changes in the Proposed FY2018-2019 Budget.

By order of the Smyth County Board of Supervisors, Michael L. Carter, County Administrator

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE
OF GENERAL OBLIGATION AND SEWER REVENUE
BONDS OF SMYTH COUNTY, VIRGINIA, IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$2,044,000, AND PROVIDING FOR THE FORM, DETAILS
AND PAYMENT OF THE BONDS**

Smyth County, a political subdivision of the Commonwealth of Virginia (the "County"), has elected to be treated as a city for the purpose of issuing its bonds, pursuant to Section 10(b) of Article VII of the Constitution of Virginia.

Pursuant to the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended) (the "Act"), the Board of Supervisors of Smyth County (the "Board of Supervisors") is authorized to contract debts on behalf of the County and to issue, as evidence of the debt, bonds, notes or other obligations payable from a pledge of the revenues from the County's sewer system and a pledge of the County's full faith and credit.

The Board of Supervisors has determined it necessary and expedient to authorize the issuance of general obligation bonds of the County to finance the costs of an extension (the "Project") of the County's sewer system to provide service to the Adwolfe community in the County.

On October 11, 2016, the Board of Supervisors held a public hearing on the proposed issuance of the bonds, in accordance with Section 15.2-2606 of the Act, and in anticipation of the bonds the County has previously issued to CoBank, ACB, the County's Multiple Advance Term Promissory Note dated November 25, 2016, in the original principal amount of \$2,044,000, the proceeds of which were used to finance the costs of the Project (the "Note").

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

1. Recitals. The foregoing recitals are incorporated as a substantive part of this resolution.
2. Authorization of Project. The County authorizes the Project. The Project may be modified by the County, if the modification is approved in writing by the Government.
3. Project as Part of System. The Project is determined to be, and shall be, a part of the County's sewer system.
4. Authorization of Bonds. Pursuant to the Constitution of Virginia and the Act, there are authorized to be issued and sold general obligation bonds of the County (the "Bonds") in an aggregate principal amount not to exceed \$2,044,000 (the "Maximum Amount"), to provide funds, together with other available funds, to finance the Project by refinancing the Note and to pay the cost of issuing the Bonds.

5. Sale of Bonds. After mature consideration of the methods of sale of such bonds and current conditions of the municipal bond market, it is determined that it is in the best interest of the County to accept the offer of the United States of America (the "Government"), to purchase the Bonds upon certain terms and conditions set forth in the Government's letter dated June 22, 2015, addressed to the County Administrator of the County, a copy of which letter has been presented to the Board of Supervisors. That offer is accepted, and the County agrees to meet such terms and conditions.

6. Details of Bonds.

(a) The Bonds shall be issued as fully registered bonds without coupons and shall be in an aggregate principal amount not to exceed the Maximum Amount.

(b) The Bonds shall bear interest from their dated date at the per annum rates determined in accordance with the provisions of (c) below. The principal of the Bonds shall be payable on the dates and in the principal amounts, and the interest on the Bonds shall be payable on the dates, all as determined in accordance with the provisions of (c) below.

(c) Either of the Chairman or Vice Chairman of the Board of Supervisors is authorized to determine and approve all of the other final details of the Bonds, including, but not limited to, their series designation, dated date, original principal amount, interest rates and payment dates of interest, the payment dates of principal, and the amount of each principal payment. However, (a) the aggregate, original principal amount of the Bonds must not exceed the Maximum Amount, (b) the interest rate on the Bonds must not exceed 2.125 %, and (c) the due date of the last installment of principal of the Bonds is not later than 40 years after the date of the Bonds. Such officer's determination and approval of the final details of the Bonds will be evidenced conclusively by such officer's execution and delivery of the Bonds in accordance with Sections 9 and 16 of this resolution.

7. Alternative Form for Advances of Principal. At the request of the Government, the Bonds may be delivered as fully registered bonds in the alternative form contained in this resolution providing for principal advances to be made from time to time by the Government in an aggregate amount not to exceed the Maximum Amount. An authorized officer of the Government will enter the amount and the date of each such principal advance on the Certificate of Principal Advances attached to the Bond against which such advance is made 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.

8. 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. 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 the Bonds.

9. 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 the Bonds and attested by the Clerk or any Deputy Clerk of the Board of Supervisors

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

No. R[#]

[\$[AMOUNT]

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

SMYTH COUNTY

General Obligation and Sewer Revenue Bond, Series of [YEAR]

Dated: [DATE]

Smyth County, a political subdivision of the Commonwealth of Virginia (the "County"), for value received, acknowledges itself indebted and promises to pay 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

[AMOUNT] AND 00/100 DOLLARS
(\$[AMOUNT])

and to pay to the registered owner of this bond interest on the unpaid principal from the date [of this bond] [of each principal advance shown on the attached Certificate of Principal Advances] until payment of the entire principal sum at the rate of [NUMBER]% per year. Interest only is payable on [DATE] and on [DATE]. Installments of combined principal and interest of \$[AMOUNT] are payable beginning [DATE], 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 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 Treasurer 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 is one of an issue of bonds in the aggregate amount of \$[AMOUNT] which has been authorized by a resolution duly adopted by the Board of Supervisors of the County on [DATE] (the "Bond Resolution") and is issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, to provide funds, together

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

with other available funds, to refinance capital improvements to the County's sewer system by refunding the Multiple Advance Term Promissory Note dated November 25, 2016, made by the County in the original principal amount of \$2,044,000 payable to CoBank, ACB.

Reference is made to the Bond Resolution and any amendments to it 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 this bond is issued, the rights and obligations of the County and the rights of the bondholder.

Both principal of and interest on this bond are payable from ad valorem taxes to be levied without limitation as to rate or amount on all property in the County subject to taxation to pay the installments of principal and interest on this bond to the extent other funds of the County are not lawfully available and appropriated for such purpose, and the full faith and credit of the County are pledged therefor. Nothing in this bond or in the Bond Resolution 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 other than the County.

In addition, the principal of and interest on this bond are secured by a pledge of the revenues of the County's sewer system (the "Revenues") as provided in the Bond Resolution, subject to the right of the County to apply Revenues to payment of operation and maintenance expenses of the sewer system. The lien of such pledge is on parity with the lien of any pledge of Revenues previously given to secure the payment of the following bonds issued by the County:

1. \$133,000 Water Facility Bond, Series 2001 C;
2. \$503,049 General Obligation Water and Sewer Bond (Groseclose Water Project) Series 2004;
3. \$1,500,000 Sewer Facility Bond, Series 2005 A (Hall Addition/Cedars); and
4. \$6,420,000 General Obligation Water and Sewer Utility Revenue Bond, Series 2016.

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

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, and this bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Board of Supervisors of Smyth County has caused this bond to be signed by its Chairman, its seal to be affixed this bond and attested by the Clerk of the Board of Supervisors of the County, and this bond to be dated the date shown above.

(SEAL)

ATTEST:

**SPECIMEN
DO NOT SIGN**

Clerk, Board of Supervisors
of Smyth County, Virginia

**SPECIMEN
DO NOT SIGN**

Chairman, Board of Supervisors
of Smyth County, Virginia

TRANSFER OF BOND

The transfer of this bond may be registered by the registered owner or its duly authorized attorney upon presentation hereof to the Registrar who shall make note of such transfer in books kept by the Registrar for that purpose and in the registration blank below.

Date of Registration

Name of Registered Owner

Signature of Registrar

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

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

11. Registration. The Bonds shall be fully registered as to both principal and interest. Transfer of the Bonds may be registered upon books maintained for the 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.

12. Pledge of Revenues; Special Covenant.

(a) The County pledges all revenues (the "Revenues") from its sewer system (the "System") to the payment of the principal of and interest on the Bonds, subject to the County's right to apply such revenues to payment of operation and maintenance expenses of the System. This pledge shall be valid and binding from and after the execution and delivery of the Bonds. The lien of such pledge shall be on parity with the lien of any pledge of Revenues previously given to secure the payment of bonds issued by the County.

(b) It is covenanted and agreed with the holders of the Bonds that so long as any of the installments of principal or interest on the Bonds are outstanding and unpaid that the County will levy and collect annually an ad valorem tax on all the taxable property in the County, without limitation as to rate or amount, sufficient to pay when due the principal of and interest on the Bonds to the extent other funds of the County are not lawfully available and appropriated for such purpose.

13. Additional Bonds. The County may issue additional bonds secured on a parity with the Bonds by a pledge of the Revenues (the "Additional Bonds") to finance the cost of (a) completing the Project (b) the acquisition or construction of improvements, extensions, additions and replacements to the System or any part of the System or (c) any property, rights or easements deemed by the County to be necessary, useful or convenient for the System or to refund the Bonds or any Additional Bonds. 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 Board of Supervisors by resolution adopted prior to their issuance. Additional Bonds shall contain an appropriate series designation.

14. Conditions for Additional Bonds. 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 any of the Bonds or 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 (i) stating the cost of the acquisition or construction of any improvements, extensions, additions and

replacements to the System to be acquired or constructed and finding and ordering that such improvements, extensions, additions and replacements shall be a part of the System or (ii) deeming the property, rights or easements to be acquired or constructed to be necessary, useful or convenient for the System and stating the cost of them;

(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 the terms provided therein;

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

(d) a certificate of the Board of Supervisors, signed by its Chairman or Vice-Chairman, 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;

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

(f) 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.

15. Election of Applicable Law. To the extent permitted by Section 15.2-2601 of the Act, the Board of Supervisors elects to issue Bonds under the provisions of the Act without regard to the requirements, restrictions or other provisions contained in any charter or local or special act applicable to the County.

16. Delivery of Bonds. The Chairman and the Vice Chairman of the Board of Supervisors are each 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 (a) payment of the purchase price therefor or (b) if the Bonds are issued in the alternative form 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, the receipt of the Government's agreement to make such advances.

17. Filing of Resolution. The Clerk of the Board of Supervisors is authorized and directed to see to the immediate filing of certified copies of this resolution with the Circuit Court of Smyth County, Virginia, in accordance with Section 15.2-2607 of the Act.

18. Repealer. All resolutions, or parts thereof, in conflict with this resolution are repealed except such resolutions as may have been adopted by the County at the specific request of the Government as a condition to its purchase of the Bonds.

19. Ratification. All actions of officers of the County previously taken in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds are ratified, approved and confirmed.

20. Effective Date. This resolution shall take effect immediately.

* * *

The undersigned Clerk of the Board of Supervisors of Smyth County, Virginia (the "Board of Supervisors"), 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 June 12, 2018. I hereby further certify that such meeting was a regularly scheduled meeting 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:

Members	Attendance	Vote
Roscoe D. Call		
Charles P. Stevenson		
R. Curtis Rhea		
M. Todd Dishner		
Charles E. Atkins		
Judy Wyant		
Richard K. Blevins		

WITNESS MY HAND and the seal of the Board of Supervisors of Smyth County, Virginia,
this ____ day of June, 2018.

(SEAL)

Clerk of the Board of Supervisors
of Smyth County, Virginia

14693.13
9026401

A meeting of the Smyth County Appointment Committee was held at the County Office Building on Thursday, May 24, 2018 at 3:15 P.M.

Committee Members Present: Park District Supervisor M. Todd Dishner, Acting Chair
Chilhowie District Supervisor, R. Curtis Rhea

Staff Members: Michael Carter, County Administrator
Scott Simpson, Assistant County Administrator
Kelly Woods, Administrative Assistant

Acting Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 3:40 pm.

Kelly Woods, Administrative Assistant informed the committee of several appointments that needed to be made.

Chilhowie District Supervisor R. Curtis Rhea made a motion to reappoint Kim Daugherty as the Chilhowie District Representative to the Department of Social Services Board for a four (4) year term, beginning July 1, 2018 and ending June 30, 2022. All agreed unanimously.

Chilhowie District Supervisor R. Curtis Rhea made a motion to reappoint Lisa Bourne as the Private Provider Representative and Teresa Wilkerson as the Parent Representative to the Community Policy Management Team for a one (1) year term, beginning July 1, 2018 and ending June 30, 2019. Mr. Rhea also made a motion to reappoint Roscoe D. Call as the Board of Supervisors Representative, with Scott Simpson as the designee to the CPMT, for a one (1) year term. All agreed unanimously.

Chilhowie District Supervisor R. Curtis Rhea made a motion to reappoint Manuel Street as the Smyth County Representative to Keep Southwest Virginia Beautiful for a one (1) year term, beginning July 1, 2018 and ending June 30, 2019. All agreed unanimously.

Chilhowie District Supervisor R. Curtis Rhea made a motion to reappoint Sheriff Chip Shuler, Roy Evans, Commonwealth Attorney, and Michael Carter, County Administrator to the Southwest Virginia Community Corrections Criminal Justice Board for a two (2) year term, beginning July 1, 2018 and ending June 30, 2020. All agreed unanimously.

Chilhowie District Supervisor R. Curtis Rhea made a motion to appoint himself as the Chilhowie District Representative to the EDA, for a four (4) year term beginning July 1, 2018 and ending June 30, 2022. All agreed unanimously.

With nothing further to discuss, Acting Chairman Park District Supervisor M. Todd Dishner adjourned the meeting at 4:00 P.M.

A meeting of the Smyth County Budget Committee was held at the County Office Building on Thursday, May 17, 2018 at 3:30 p.m.

Committee Members Present:

Chairman, Park District Supervisor M. Todd Dishner
Rye Valley District Supervisor Rick K. Blevins
Chilhowie District Supervisor R. Curtis Rhea (Entered Meeting at 3:40)

Staff Members Present:

Michael Carter, County Administrator
Kelly Woods, Administrative Assistant
Scott Simpson, Assistant County Administrator

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 3:34 P.M.

Kelly Woods, Administrative Assistant presented the following Budget Transfer request from the Sheriff's Department in the amount of \$6,220.28.

TRANSFER:

EXPENSE

From	TO	Amount
001-021070-1001 (Salaries)	001-021070-5408 (Vehicle Maint.)	\$6,220.00

Rye Valley District Supervisor Rick K. Blevins made a motion to recommend approving the Budget Transfer request as presented. All agreed unanimously.

Michael Carter, County Administrator brought forward a request from the IT Department for an increase for each employee within the department. After much discussion, the Committee tabled the request.

Michael Carter, County Administrator presented a quote for a new Boiler and Water Heater installation for the County Administration Building. Mr. Carter stated this was for informational purposes only at this point, until further negotiations can be made concerning a lease or option to purchase the building with the Commonwealth of Virginia.

Kelly Woods, Administrative Assistant presented an Audit Engagement Letter from Robinson, Farmer, Cox Associates, which would allow the firm to provide the audit services for fiscal year end June 30, 2018. After discussion, Chilhowie District Supervisor R. Curtis Rhea made a motion to recommend allowing Michael Carter, County Administrator to sign the engagement letter as needed to proceed with the FY18 audit. Rye Valley District Supervisor Rick K. Blevins seconded the motion. All agreed unanimously.

Several expense budget line items were discussed.

At 5:38 p.m. Chairman Park District Supervisor M. Todd Dishner adjourned the meeting.

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

May 17, 2018

County of Smyth, Virginia
Attn: Board Members and
Mr. Michael Carter, County Administrator
121 Bagley Circle, Suite 100
Marion, VA 24354

Dear Board Members and Mr. Carter:

We are pleased to confirm our understanding of the services we are to provide the County of Smyth, Virginia, for the year ended June 30, 2018. We will audit the financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the County of Smyth, Virginia as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the County of Smyth, Virginia's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the County of Smyth, Virginia's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedules related to pension and OPEB funding progress.

The budgetary comparison information, presented as RSI, will be subjected to the auditing procedures applied in the audit of the basic financial statements and we will provide an in relation to opinion on it in related to the financial statements as a whole.

We have also been engaged to report on supplementary information other than RSI that accompanies the County of Smyth, Virginia's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedule of expenditures of federal awards.
- 2) Combining and individual fund financial statements and schedules.

BLACKSBURG OFFICE
108 SOUTHPARK DRIVE
BLACKSBURG, VIRGINIA 24060

CORBIN STONE, C.P.A. MANAGING DIRECTOR
TELEPHONE: (540) 552-7322
FAX: (540) 552-0338

E-MAIL: CSTONE@RFCA.COM
INTERNET: WWW.RFCA.COM



The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Introductory section.
- 2) Statistical section.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the *Specifications of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of the County of Smyth, Virginia. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the County of Smyth, Virginia's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the County of Smyth, Virginia's major programs. The purpose of these procedures will be to express an opinion on the County of Smyth, Virginia's compliance with

requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements and the schedule of expenditures of federal awards, and related notes, and the data collection form of the County of Smyth, Virginia in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements and the schedule of expenditures of federal awards, and the related notes, and the data collection form services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings, if applicable should be available for our review prior to final fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Robinson, Farmer, Cox Associates, "RFC" and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a state agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of RFC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Auditor of Public Accounts of the Commonwealth of Virginia. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately May 21, 2018 and to issue our reports no later than November 30, 2018. Corbin C. Stone, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be in accordance with the contract. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the County of Smyth, Virginia and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

ROBINSON, FARMER, COX ASSOCIATES



Corbin C. Stone
Certified Public Accountant
Member

RESPONSE:

This letter correctly sets forth the understanding of the County of Smyth, Virginia.

Management signature: _____

Title: _____

Governance signature: _____

Title: _____

A meeting of the Smyth County Budget Committee was held at the County Office Building on Tuesday, May 22, 2018 at 3:30 p.m.

Committee Members Present:

Chairman, Park District Supervisor M. Todd Dishner
Rye Valley District Supervisor Rick K. Blevins

Staff Members Present:

Michael Carter, County Administrator
Kelly Woods, Administrative Assistant
Scott Simpson, Assistant County Administrator

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 3:34 P.M.

Michael Carter, County Administrator presented the agreement for the 2020 General Reassessment, stating that staff, along with the County Attorney had reviewed the contract and felt a few changes needed to be made. Mr. Carter informed the Committee that a meeting was scheduled with Staff, the Commissioner of Revenue, Mr. Fred Pearson, Pearson Appraisals and the County Attorney to review the agreement. With that notation, Rye Valley District Supervisor Rick K. Blevins made a motion to recommend accepting the contract for the contract, allowing for changes to be made. All agreed unanimously.

Scott Simpson, Assistant County Administrator presented a budget transfer request from the Water Department as shown attached (#1), in the amount of \$59,719.00. After discussion, Rye Valley District Supervisor Rick K. Blevins made a motion to approve the budget transfer for the Water Department as presented. All agreed unanimously.

Several expense line items were discussed including the Security for the Administration Building, School Resource Officers and Salaries.

At 4:41 p.m. Chairman Park District Supervisor M. Todd Dishner adjourned the meeting.

From

To

#1

501	085010	1001	Salary	\$	13,226	501	085020	0102	Atkins Water	\$	13,226
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501	085030	0003	Saltville Sewer	\$	10,340	501	085030	0007	Chilhowie Salary	\$	14,668
501	085030	0001	Marion Sewer Treatment	\$	4,328						

501	085030	0001	Marion Sewer Treatment	\$	3,325	501	085030	0002	Chilhowie Operations	\$	3,325
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501	085010	2005	Hospitalization	\$	10,116	501	085020	0205	Apple Valley Water	\$	16,850
501	085020	0202	St. Clairs Creek Water	\$	1,600						
501	085020	0206	St. John's Water	\$	250						
501	085020	0302	Allison Gap Water	\$	175						
501	085020	0306	Cardwell Tank	\$	1,050						
501	085010	2001	FICA	\$	2,465						
501	085010	2002	VRS	\$	1,194						

501	085010	5405	Maintenance Supplies	\$	3,000	501	085010	5101	Electricity	\$	5,250
501	085020	0303	Pleasant Heights	\$	2,250						

501	085010	5418	Telemetry	\$	2,350	501	085020	0501	Thomas Bridge Water	\$	2,350
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501	085010	3005	Vehicle Maintenance	\$	1,800	501	085020	0305	Poore Valley Water	\$	1,800
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501	085010	3005	Vehicle Maintenance	\$	200	501	085010	5401	Office Supplies	\$	200
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501	085010	5410	Uniforms	\$	610	501	085010	5203	Telephone	\$	610
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501	085010	2002	VRS	\$	313	501	085020	0106	Merillat Water	\$	520
501	085030	0001	Marion Sewer Treatment	\$	207						

501	085010	5102	Heat	\$	450	501	085020	0104-1	EHM Main Water	\$	500
501	085010	5410	Uniforms	\$	50						

501	085020	0107	Nick's Creek	\$	170	501	085010	3037	Permits	\$	320
501	085010	5418	Telemetry	\$	150						

501	085010	5415	Equipment Calibration	\$	100	501	085020	0304	Midway	\$	100
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\$59,719

\$59,719

CONTRACT FOR APPRAISAL SERVICES

2020 General Reassessment

THIS CONTRACT FOR APPRAISAL SERVICES (Contract), made and entered into this _____ day of _____, 2018, by and between **COUNTY OF SMYTH, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (**County**), and **PEARSON'S APPRAISAL SERVICE, INC.**, a Virginia corporation C (**Company**).

WITNESSETH:

WHEREAS, the County desires to make a general reassessment of all real property located within the County limits, and

WHEREAS, the Company represents that it is fully qualified and competent to make appraisals used in said reassessment, using generally accepted appraisal standards, and

WHEREAS, the County and the Company have reached an agreement for the Company to provide such services to the County and the parties desire that such agreement be reduced to writing.

NOW, THEREFORE, it is mutually agreed by and between the parties as follows:

I. GENERAL PURPOSE.

The purpose of this contract is to set forth an whereby the Company will provide professional appraisal services to the County for the general reassessment of all real property located within the County for real estate tax purposes.

II. BASIC SERVICES.

A. The Basic Services to be performed by the Company shall be as follows:

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1. Basic Services shall be performed by the Company in accordance with the terms of this contract and the professional services set forth in the Contract Documents. The Contract Documents shall include: 1) the Request for Proposals and associated specifications for the procurement of reassessment services as submitted by the Mount Rogers Planning District Commission, dated April 27, 2015. The performance of the Basic Services by the Company is referred hereafter from time to time as the Project.
2. Prior to conducting the appraisals, the Company shall perform the following preliminary studies, which shall result in a compilation of recorded sales of real estate listed by category sufficient to form a basis for the determination of the fair market value for each parcel to be appraised. The two preliminary studies, which shall be completed in accordance with the requirements of the RFP, shall consist of:
 - a. **Sales Data:** This analysis shall include a representative number of sales and transactions of real property found in the County. The sales data shall form the basis for the determination of fair market value.
 - b. **Construction Costs:** This analysis shall be conducted in cooperation with the County Building Official and local contractors. The study shall include material costs, labor costs, and overhead and profit factors, derived from an analysis of known new construction sales. This data will be incorporated into the analysis of sales data outlined above. Unit construction costs that include all of the items

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mentioned above will be developed. Separate unit costs shall be developed for each type of construction (e.g. residential, commercial, industrial), as well as for each construction subsystem or component (e.g. paving, roofing, fencing). Such subsystems shall be used in conjunction with the sales data described in subparagraph (1) above to conduct random testing against known construction costs to verify the accuracy of the cost studies. The Marshall and Swift Manual will be used to support local costs.

3. The Company shall make available to the County copies of the Sales Data and Construction Costs studies upon their completion and shall provide to the County, at the completion of the Project, two (2) copies of each study, including indexes or other references to cost manuals.
4. The Company shall provide to the Commissioner the Market Analysis software module for the CAMRA (Computer Assisted Mass Re-Appraisal) system and the CAMRA GIS extraction software.
5. Pursuant to VA Code § 58.1-3331©, upon request of the County Commissioner of Revenue (Commissioner), Company shall provide a written statement of methodology employed in the calculation of a property's assessed value to include the capitalization rate used to determine the property's value, a list of comparable properties or sales figures considered in the valuation and any other surveys, formulas, matrices, or other factors considered in determining the value of the property. Nothing in this section shall be construed to require disclosure of information that is prohibited from

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disclosure pursuant to VA Codes. §§ 58.1-3 and 58.1-3294. The Company shall provide such written material to Commissioner in a format suitable for presentation in a court of law within five (5) days of Company's receipt of written request for such material, and the Commissioner's request by email shall be deemed received by the Company as of the date of delivery or next business day thereafter if sent after regular business hours or on a weekend or holiday. Pearson's will assist Smyth County with any court appeals at no additional cost.

6. Company shall participate in Taxpayer-initiated assessment reviews that are requested in response to the Company's reassessment notices pursuant to this Contract. The Commissioner shall schedule these reviews during the months of January and February, 2020, and will make best efforts to schedule the reviews in consolidated blocks of time, with the understanding that the coordination of such reviews must be done to the service of the Taxpayers.
7. The Company shall be solely responsible for coordination of the Project, including the work of the Company, the Commissioner, the Building Official, the County Administrator, the Professional Assessor, and any other governmental entities having jurisdiction over the general reassessment. If the Company becomes aware of any delay or problem that may hinder coordination among the various entities, the Company shall immediately provide written notification to the Commissioner and shall take appropriate

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action to keep the Project on the approved schedule, as outlined in the Contract Documents.

8. The Company shall meet with the Board of Supervisors to update them and receive input and instruction after the market study is completed, and as needed at the request of the County Administrator or Commissioner.
9. New construction shall be incorporated into the reassessment data file based upon Building Permits issued through October 1, 2019. When found in the field, the Company shall provide to the County new construction information as outlined in this Contract. All previously inspected incomplete new construction related to Building Permits and Red-Tags inspected prior to October 1, 2019, will be re-inspected prior to the Project finalization and mailing of reassessment notices. New construction that is incomplete as of Project finalization and mailing of reassessment notices will be flagged for future inspection beginning in the Spring of 2020 in accordance with a new Agreement for Services of \$30.00 Assessment of New Construction and Red-Tagged Parcels (2020-2023). The Company and the Commissioner will work together to ensure that all new construction is correctly identified and inspected relative to this Project.
10. During the course of the field inspection phase of the reassessment contract, the Company will submit all inspected new construction found during the normal course of the field inspection process to the Commissioner's Real Estate Office for processing. A system will be established jointly between the Company and the Commissioner's Real

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Estate Office for the processing of such changes in the County's current year Computer Assisted Mass Re-Appraisal (CAMRA) database. Should the County direct the Company to enter data of such new construction via Virtual Private Network (VPN) connection to the County's current year CAMRA Database, the County will compensate the Company at the rate of Five Dollars (\$5.00) per parcel inclusive of all permits for such parcels. The per parcel rate of Five Dollars (\$5.00) shall apply regardless of the number of building permits pending at the time of the inspection. It is understood that such new construction will be inspected, and provided to the County on an 'as found' basis during the normal field inspection. All such new construction shall be presented to the Commissioner for review, and Company shall enter it into the current year CAMRA database only if so directed by Commissioner. All compensation related to the data processing of such new construction will be considered separate from the compensation provisions of this contract for the 2020 General Reassessment and as such will not be subject to the withholding of any retainage percentage. Invoices for the data processing of the new construction into the current year CAMRA database will be prepared separately and provided to the Commissioner along with the appropriate Property Data Cards. Digital photographs of the new construction will be incorporated into the general reassessment photograph files and will not be provided separately for the current year digital photograph file.

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11. The company shall make the VAMANET or Pearson's CAPS service available for use by the general public free of charge during the entire reassessment year of 2020.
12. The Company shall leave door hangers at each residential address at which properties where the physical information needs to be corrected, and the door hangers shall include the Company's return address and not the Commissioner's return address.
13. The Company shall have assessments for all Commercial and Industrial parcels having a newly assessed value of \$400,000 or more completed and returned to the Commissioner by no later than July 1, 2019, for review.
14. The Company shall have an assessor review each Commercial and Industrial assessment prior to submission to the Commissioner by July 1, 2019.
15. The Company shall provide photo identification for all assessors as well as Company signage for all vehicles used in the assessment process. Company employees conducting site inspections shall have photo identification and vehicle signage visible at all times during the field work.
16. Company shall be responsible for preparing, sorting, distributing & mailing initial reassessment notices. Company shall also be responsible for preparing, sorting, distributing & mailing of subsequent change or no change letters, however, the County will be responsible for postage only, and Company will submit appropriate, detailed invoice(s) to County for

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postage for these letters for the first mailing and the second mailing of notices.

B. The County shall provide Basic Service, as follows:

1. In the event the County should choose to adopt the Professional Assessor provisions as outlined in § 58.1-3275, the Company shall provide a qualified assessor, Fred W. Pearson, to serve as the Professional Assessor for this project.

III. THE COMPANY'S REPRESENTATIONS.

A. The Company represents and warrants that its services will be performed in a manner consistent with generally accepted appraisal standards and practices and that it is familiar with all federal, state, and local laws, regulations, codes, and standards that are applicable at the time the Company renders its professional services.

B. The Company represents and warrants that it is experienced with real property values in Smyth County and with the particular types of property being appraised. The Company further represents and warrants that it and its principals are properly licensed, pursuant to applicable law, to perform all services under this Contract.

C. The Company represents and warrants that its supervisors, appraisers and research technicians are qualified for assignments related to the Project. Mr. Jeffrey Hayton of Abingdon, Virginia, will be the proposed project supervisor for this reassessment, or other Company employee as mutually agreed upon by the Company and County.

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IV. WORK TO BE PERFORMED BY THE COUNTY.

- A. The County shall perform the work as assigned in the RFP and the Company's Proposal.
- B. The County shall have the right to require the Company to remove from the Project any person the County, in its discretion, considers to be unqualified or negligent, or the County, in its discretion, considers guilty of any misconduct in the performance of his duties. Any such person so removed shall not again be employed on the Project.
- C. The Company agrees to utilize the GIS mapping software as proposed by the County. County will be responsible for providing periodic updates and support to keep the Company field data units up to date with the latest map changes as submitted by the County GIS department. County will be responsible for coordinating any program fixes with the software developer should the need arise. Company will make the County Information Systems Department (I.S. Department) aware of any technical problems which may come to light pursuant to the daily use of the software. Company will be responsible for all costs associated with purchases of hardware required by Company staff to utilize this technology.
- D. The Commissioner shall be responsible for providing recorded and verified sales information as well as the correct tax map enumeration, as accurately as possible.
- E. The County Building Inspection Office and the Commissioner shall provide Company all pertinent Building Permit and Occupancy certifications during

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the term of this Contract. The County Building Inspection Office shall work with the Commissioner to ensure the correct map number and parcel information is assigned to individual Building Permits.

V. TIME

- A. Time is of the essence in this Contract.
- B. Notwithstanding any provision of the Contract Documents to the contrary, the Company agrees to complete all professional appraisal services and to prepare and mail reassessment notices to the landowners in preparation of the hearings process on or about January, 2020.
- C. Company shall provide to the Commissioner, no later than February, 2020, any assessments that were amended as a result of Taxpayer-Initiated reviews of reassessment notices.
- D. Company shall, no later than March, 2020, submit to the Commissioner all electronic media (including photos) and final field cards, and complete all field work, all hearings, and real estate book preparation and signing.
- E. Company shall provide to the County prompt written notice in the event Company considers County action to cause delay in Company performance in accordance with mandatory deadlines.
- F. In an effort to keep both parties apprised as to the status of the project, periodic meetings between the Company and the Commissioner will be held to discuss the project progress. In the event that the Company determines that any action or inaction of the County has caused a delay in the project, the conditions, circumstances, and suggested resolution can be discussed

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and addressed at such meetings, allowing the County sufficient time to remedy the situation without unduly delaying the project.

- G. Execution and delivery of this Contract by the County shall constitute written notice for the Company to proceed with the Basic Services.

VI. INSURANCE AND INDEMNIFICATION

- A. The Company agrees to indemnify, defend and save harmless the County, its officers, agents, and employees, from and against any and all demands, actions, causes of action, damages (whether direct, indirect, incidental or consequential), costs, losses, claims, and expenses (including attorney's fees) of any and every kind arising out of any and all acts, errors, or omissions of the Company, its subcontractors, agents or employees, in performing services under this Contract.
- B. The Company shall secure and maintain at its cost such insurance as will protect it and the County from claims under worker's compensation acts; claims for damages because of bodily injury, including personal injury, sickness or disease, or death of any of its employees or of any person other than its employees; claims for damages because of injury to, or destruction of, tangible property including loss of use resulting therefrom; and claims arising out of the performance of professional services caused by any errors, omissions, or negligent acts for which it is liable. The minimum limits of liability shall be as set forth in the RFP; that is to say, the appraisal firm will carry workers' compensation and public liability insurance, designed to hold Smyth County and its official harmless from all claims, demands, suits,

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or actions, recovered against them by reason of any act by any employee or equipment of the appraisal firm during the reassessment process. Certificate of coverage shall be provided to the County prior to the start of field work. At its option, the Company may increase the limits of liability to amounts greater than those set forth in the RFP.

- C. The Company shall furnish to the County insurance certificates evidencing the insurance policies and coverages required hereunder, which certificates are hereby incorporated by reference into this Contract, prior to the initiation of services under this Contract. Such certificates shall provide that the Company or its insurer shall give thirty (30) days prior written notification of cancellation or modification of any of said policies to the County. Additionally, the County shall be entitled to demand that the Company, from time to time, furnish evidence that the insurance required by this Contract is in effect, and such evidence shall be provided within ten (10) days of such request.

VII. COMPENSATION

- A. The County agrees to pay the Company as provided in the Contract Documents.
- B. Unit Price The unit price set forth in the Company's Proposal, to be paid hereunder for the Basic Services, inclusive of the use of the GIS mapping software system as outlined above, is \$12.25 per parcel and shall include all expenses of the Company incidental to this Contract. Total compensation for all work shall equal the product of the total number of parcels (taxable

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2020 General Reassessment

and non-taxable) listed on the real property land book, as certified to the Clerk of the Circuit Court, multiplied by \$12.25.

- C. County shall make periodic payments to the Company based upon submitted invoices. Such invoices will reflect the actual number of parcels completed during the invoice period times the above stated unit price of \$12.25 per parcel. The Company agrees that each invoice will reflect a 10% (Ten Percent) retainer deduction to be held by the County until the project is finalized as outlined in the Company response to the County RFP.
- D. Company agrees to bring obvious and substantial mapping errors to the attention of the Commissioner of the Revenue for review and correction at no additional cost to the County.
- E. Subject to commercial/industrial property exception, acceptance by the Company of final payment from the County shall operate as, and be, a full release to the County and every officer, employee, and agent thereof, from all claims by and liabilities to the Company.

VIII. TERMINATION

- A. The County may terminate or suspend work under this Contract for any reason, including the convenience of the County, by giving seven (7) days written notice to the Company. This Contract may be terminated by the Company upon the substantial failure of the County to perform in accordance with all the terms herein, provided that the County's failure to perform is through no fault of the Company and shall continue for thirty (30)

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2020 General Reassessment

days after written notice thereof from the Company specifying the nature and extent of such default.

- B. The County agrees to pay the Company for services rendered through the date of termination or suspension, based upon the percentage of the Company's services completed as of the date of termination. Such payments shall be paid by the County upon the Company's delivery to the County of all data, drawings, reports, estimates, summaries, and such other information and materials as many have been accumulated by the Company in performing the services included in this Contract, whether completed or in progress.

IX. MISCELLANEOUS

- A. The Company represents that all persons performing services herein are employees or agents of the Company. Such personnel shall not be employees of, nor have any contractual relationship with the County, nor shall they hold themselves out as, or claim to be, officers or employees of the County. The Company further agrees that in the performance of its services hereunder, it shall be acting as an independent contractor and not as agent of the County.
- B. Any legal action brought by either party to this Contract shall be subject to the exclusive jurisdiction of the Circuit Court of Smyth County, Virginia, and shall be brought only in such court. This Contract shall be governed by the laws of the Commonwealth of Virginia and Smyth County.

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- C. This Contract represents the entire and integrated Contract between the County and the Company and supersedes all prior negotiations, representations, or agreements, either written or oral. This Contract may be amended only by written instrument signed by both the County and the Company.
- D. Notwithstanding anything to the Contrary contained in the Proposal in the event of any conflict among the terms contained in the Contract Documents, the provisions of this Contract shall control. Any references in the Contract Documents to the County Assessor's Office shall refer to the Commissioner.
- E. The Commissioner, or his designee, shall be the County's project manager, and have sole authority to administer the terms of this Contract. The Board of Supervisors of the County shall have sole authority to execute amendments to the Contract.
- F. The County and the Company each binds itself, its partners, successors, and assigns to the other party to this Contract and to the partners, successors, and assigns of such other party, in respect to all covenants contained in this Contract. The Company shall not assign, sublet, or transfer any part of its interest in the Contract without the prior written consent of the County.

CONTRACT FOR APPRAISAL SERVICES

2020 General Reassessment

IN WITNESS WHEREOF, the parties hereto have made and executed this
Contract on the date aforesaid.

**COUNTY OF SMYTH
VIRGINIA**

By: _____

**Michael L. Carter
County Administrator**

Approved as to form:

County Attorney

PEARSON'S APPRAISAL SERVICE, INC.

By: _____

**Fred W. Pearson
Authorized Agent**

A meeting of the Smyth County Budget Committee was held at the County Office Building on Wednesday, May 23, 2018 at 3:30 p.m.

Committee Members Present:

Chairman, Park District Supervisor M. Todd Dishner
Rye Valley District Supervisor Rick K. Blevins
Chilhowie District Supervisor R. Curtis Rhea

Staff Members Present:

Michael Carter, County Administrator
Kelly Woods, Administrative Assistant
Scott Simpson, Assistant County Administrator

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 3:45 P.M.

Michael Carter, County Administrator once again reviewed the Expenditure Budgets for FY18-19 with the Committee. Discussion continued, with Scott Simpson, Assistant County Administrator stating that communication had happened with Sheriff Chip Shuler concerning the Sheriff's Departments request of four (4) additional School Resource Officers and increasing the pay of the current SRO's. Mr. Shuler communicated to Mr. Simpson that with the amount that had been placed in the proposed FY19 budget, he would like to request the pay for the current SRO's be increased, which would only allow for the addition of two (2) School Resource Officers.

At 5:22 p.m. Chairman Park District Supervisor M. Todd Dishner adjourned the meeting.

A meeting of the Smyth County Budget Committee was held at the County Office Building on Thursday, May 24, 2018 at 3:30 p.m.

Committee Members Present:

Chairman, Park District Supervisor M. Todd Dishner

Rye Valley District Supervisor Rick K. Blevins

Chilhowie District Supervisor R. Curtis Rhea

Staff Members Present:

Michael Carter, County Administrator

Kelly Woods, Administrative Assistant

Scott Simpson, Assistant County Administrator

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 4:10 P.M.

Michael Carter, County Administrator reviewed the Expenditure and Revenue Budgets for FY18-19 with the Committee for a final look before information is sent to the full Board of Supervisors and advertised in the Smyth County News and Messenger.

At 4:29 p.m. Chairman Park District Supervisor M. Todd Dishner adjourned the meeting.

A meeting of the Smyth County Budget Committee was held at the County Office Building on Tuesday, June 5, 2018 at 3:30 p.m.

Committee Members Present:

Chairman, Park District Supervisor M. Todd Dishner
Rye Valley District Supervisor Rick K. Blevins
Chilhowie District Supervisor R. Curtis Rhea

Staff Members Present:

Michael Carter, County Administrator
Kelly Woods, Administrative Assistant
Scott Simpson, Assistant County Administrator

Others Present:

Sheriff Chip Shuler
Johnny Joannou

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 3:36 P.M.

The Following Budgets were discussed:

*Smyth County Sheriff's Office-Fund 1 and Fund 744

Kelly Woods, Administrative Assistant presented the following Budget Transfer request from the Sheriff's Department in the amount of \$2,062.00.

TRANSFER:

EXPENSE

From	TO	Amount
001-021070-1001 (Salaries)	001-021070-5408 (Vehicle Maint.)	\$2,062.00

Rye Valley District Supervisor Rick K. Blevins made a motion to recommend approving the Budget Transfer request as presented. All agreed unanimously.

At 4:54 p.m. Chairman Park District Supervisor M. Todd Dishner adjourned the meeting.

A meeting of the Smyth County Personnel Committee was held at the County Office Building on Monday, May 21, 2018 at 4:00 P.M.

Committee Members Present: Park District Supervisor M. Todd Dishner, Chairman
Saltville District Supervisor Roscoe D. Call
North Fork District Supervisor Phil Stevenson

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 3:59 P.M.

A motion was made by North Fork District Supervisor Phil Stevenson to enter into closed session under Code of Virginia, Section 2.2-3711 – **A.1; Personnel Matters**; Discussion, consideration, or interviews of prospective candidates for employment and contract; promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body. Saltville District Supervisor Roscoe D. Call seconded the motion and all agreed unanimously.

It was moved by North Fork District Supervisor Phil Stevenson, seconded by Saltville District Supervisor Roscoe D. Call to adopt the following resolution certifying the business conducted in closed session as follows. All agreed unanimously.

**RESOLUTION
CERTIFICATION OF CLOSED SESSION**

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

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Smyth County Board of Supervisors that such a meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Smyth County Board of Supervisors 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 convening the closed session were heard, discussed or considered by the Smyth County Board of Supervisors.

With nothing further to discuss, the meeting was adjourned at 4:27 P.M.

A meeting of the Smyth County Personnel Committee was held at the County Office Building on Tuesday, June 5, 2018 at 4:30 P.M.

Committee Members Present: Park District Supervisor M. Todd Dishner, Chairman
Saltville District Supervisor Roscoe D. Call
North Fork District Supervisor Phil Stevenson

Staff Present: Michael Carter, County Administrator

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 4:35 P.M.

A motion was made by Saltville District Supervisor Roscoe D. Call to enter into closed session under Code of Virginia, Section 2.2-3711 – **A.1; Personnel Matters**; Discussion, consideration, or interviews of prospective candidates for employment and contract; promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body. North Fork District Supervisor Phil Stevenson seconded the motion and all agreed unanimously.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by North Fork District Supervisor Phil Stevenson to adopt the following resolution certifying the business conducted in closed session as follows. All agreed unanimously.

**RESOLUTION
CERTIFICATION OF CLOSED SESSION**

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

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Smyth County Board of Supervisors that such a meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Smyth County Board of Supervisors 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 convening the closed session were heard, discussed or considered by the Smyth County Board of Supervisors.

North Fork District Supervisor Phil Stevenson made a motion to seek a Conflict of Interest Opinion from the County Attorney concerning an applicant for the Economic Development position. Saltville District Supervisor Roscoe D. Call seconded the motion and all agreed unanimously.

A future meeting will be conducted to review and discuss other possible scenarios for the Economic Development position for Smyth County.

With nothing further to discuss, the meeting was adjourned at 5:16 P.M.

A meeting of the Smyth County Solid Waste Committee was held at the County Office Building on Monday, May 14, 2018 at 4:00 P.M.

Committee Members

Present:

Chilhowie District Supervisor R. Curtis Rhea, Chairman
North Fork District Supervisor Phil Stevenson
Atkins District Supervisor Charles Atkins

Staff Members:

Michael Carter, County Administrator
Scott Simpson, Assistant County Administrator
Kelly Woods, Administrative Assistant
Wally Blevins, Solid Waste Foreman

Chairman, Chilhowie District Supervisor R. Curtis Rhea called the meeting to order at 4:03 P.M.

Michael Carter, County Administrator reviewed the bid negotiations for Solid Waste Haul and Disposal Services. After discussion, North Fork District Supervisor Phil Stevenson made a motion to accept the proposal from the City of Bristol for Solid Waste Disposal Services, at a cost of \$16.70 per ton for year one. The price will increase by .25 cents each year accordingly until year five. Atkins District Supervisor Charles Atkins seconded the motion. All agreed unanimously.

Michael Carter, County Administrator then reviewed bids received for equipment needed for Smyth County to handle the Solid Waste Hauling Services as shown below.

Solid Waste
Truck & Walking Floor Trailer Bids

Vendor Name	Truck Bid	Total (x2)	Walking Floor Trailer Bid	Total (x4)
Goodpasture	\$108,000.00 each	\$216,000.00	n/a	n/a
Goodpasture	\$101,000.00 each	\$202,000.00	n/a	n/a
World Wide Equipment	\$103,230.00 each	\$206,460.00	\$68,300.00 each	\$273,200.00
Fitzgerald Peterbuild	\$113,939.00 each	\$227,878.00	\$68,901.00 each	\$275,604.00
Fitzgerald Peterbuild	\$116,431.00 each	\$232,862.00		
Mid-State Equipment	n/a	n/a	\$79,273.00 each (aluminum)	\$317,092.00
Mid-State Equipment	n/a	n/a	\$65,898.00 each (steel)	\$263,592.00
Excel Trailers	n/a	n/a	\$70,232.00 each	\$280,928.00

After discussion, North Fork District Supervisor Phil Stevenson made a motion to award the bid of 2 trucks, to World Wide Equipment in the amount of \$103,230.00 each for Smyth County to haul waste. Atkins District Supervisor Charles Atkins seconded the motion. Chilhowie District Supervisor R. Curtis Rhea did not vote in favor of this motion.

North Fork District Supervisor Phil Stevenson made a motion to award the bid for the purchase of four (4) Walking Floor Trailers to Fitzgerald Peterbuild in the amount of \$68,901.00 each. Atkins District Supervisor Charles Atkins seconded the motion. Chilhowie District Supervisor R. Curtis Rhea did not vote in favor of this motion.

Michael Carter, County Administrator informed the Committee that a meeting will take place with Walker Paving concerning the lease for the property the Transfer Station currently resides on and Mr. Carter will communicate information back to the Committee at a future meeting. A copy of a letter from Mr. Walker concerning the lease is attached.

With nothing else to discuss, Chairman, Chilhowie District Supervisor R. Curtis Rhea adjourned the meeting at 4:38 p.m.

W L HAULING INC

May 1, 2018

Smyth County Board of Supervisors
Mike Carter, Smyth County Administrator
121 Bagley Circle, Suite 100
Marion, VA 24354

RE: Smyth County Transfer Station Lease

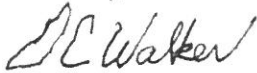
Dear Board Members,

In acknowledgement of the land lease on which the Smyth County Transfer Station is situated, with an effective date of October 18, 2013, this letter serves as the Lessor's one hundred and twenty (120) day written notice to terminate said lease. This notice of termination shall be in accordance with the terms and provision of the previously referenced contract under "Holdover Lessee", located on page 4 of 7, and will also serve as 30 day written notice of termination of the month-to-month clause.

W&L Hauling will soon begin the process of determining the highest and best use and rental rate for these contiguous 8.3 acres, and would welcome a submission from Smyth County for such a use and annual flat rental rate for the land.

You may contact our office at 276-646-2000 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "DC Walker".

DC Walker
Owner/Manager



Smyth County Board of Supervisors

121 Bagley Circle, Suite 100, Marion, VA 24354
Phone (276) 783-3298 Fax (276) 783-9314
www.smythcounty.org

Michael L. Carter
County Administrator

Scott R. Simpson, P.E.
Assistant County Administrator

May 30, 2018

To: Smyth County Board of Supervisors

From: Scott R. Simpson, PE, Assistant County Administrator 

Re: Section 179D Deduction Allocation Request

At the May 8, 2018 Board of Supervisors meeting, discussion occurred regarding the potential allocation of the Section 179D tax deduction for the design of energy-efficient building improvements. At the meeting, it was asked if a fee could be requested to be paid, from the recipient to the County, in exchange for designating this allocation.

In the case of qualified property that is installed on or in property owned by a "Federal, State or local government or a political subdivision thereof," the government owner may allocate the Sec. 179D deduction to the person primarily responsible for designing the property improvements. To qualify for this deduction, certain parameters must be met and proven by the recipient. Both the Courthouse project Architect and the Building Contractor have requested this allocation from the County. The Board of Supervisors is faced with whether you wish to allocate the deduction, and if so, identify the qualified Designer entity.

After consultation with Robinson, Farmer, Cox; they tend to agree the Architect is probably the only one that could qualify for an allocation. They also don't believe the Board could justifiably request a proposal (bid) for the deduction.

I was able to find an example in a publication regarding requesting a fee for this allocation. In this example, a government agency applied a fixed percentage fee based upon the total deduction. The third party certified deduction to the designer was \$42,000, of which the government agency requested a 10% fee, or \$4,200. The designer's tax bracket (20%) resulted in a tax savings effective dollar amount of \$8,400. However, the designer had also incurred a third party certification fee of \$5,400 and accounting fees of \$1,200; resulting in an overall net benefit of \$ 1,800. However, after paying the \$4,200 payment to the governmental agency, the Architects realized a loss of \$2,400, and therefore not a viable opportunity.

If certified by the third party at the maximum amount, I would feel the total deduction amount for our project to be around \$125,000, at a 20% bracket, a benefit of \$25,000 before costs. If certified at a more realistic value of less than \$100,000, the benefit to the recipient is much smaller.

I hope this answers the presented questions and provides information useful to make a determination at the appropriate time.

Saltville District
Roscoe D Call

North Fork District
C. Phil Stevenson

Chilhowie District
R. Curtis Rhea.

Park District
M Todd Dishner

Atkins District
Charles E. Atkins

Royal Oak District
Judy Wyant

Rye Valley District
Rick K. Blevins