

BOARD OF  
SUPERVISORS

THOMAS D. HARVEY  
North District

ERNIE Q. REED  
Central District

JESSE N. RUTHERFORD  
East District

J. DAVID PARR  
West District

DR. JESSICA LIGON  
South District



CANDICE W. MCGARRY  
County Administrator

AMANDA B. SPIVEY  
Administrative Assistant/  
Deputy Clerk

LINDA K. STATON  
Director of Finance and  
Human Resources

**AGENDA  
NELSON COUNTY BOARD OF SUPERVISORS  
AUGUST 13, 2024**

**THE REGULAR MEETING CONVENES AT 2:00 P.M. IN THE  
GENERAL DISTRICT COURTROOM AT THE COURTHOUSE IN LOVINGSTON**

**I. CALL TO ORDER**

- A. Moment of Silence
- B. Pledge of Allegiance

**II. PUBLIC COMMENTS**

**III. CONSENT AGENDA**

- A. Resolution – **R2024-57** Minutes for Approval
- B. Resolution – **R2024-58** Budget Amendment

**IV. PRESENTATIONS**

- A. VDOT Report
- B. Departmental Report – Animal Control

**V. NEW & UNFINISHED BUSINESS**

- A. Lovington Sewer Project Support Agreement (**R2024-59**)
- B. Wild Rose Solar Waiver of 60-Day Hearing Requirement
- C. Forgiveness of \$50,000 Rockfish Valley Fire & Rescue Loan (**R2024-60**)
- D. Rescheduling of November 2024 Regular Meeting (**R2024-61**)
- E. Authorization for Acceptance of Conveyance of Callohill Property (**R2024-62**)

**VI. REPORTS, APPOINTMENTS, DIRECTIVES AND CORRESPONDENCE**

- A. Reports
  - 1. County Administrator's Report
  - 2. Board Reports
- B. Appointments
- C. Correspondence
- D. Directives

**VII. CLOSED SESSION PURSUANT TO §2.2-3711 (A)(3) &(A)(7) (AS NEEDED)**

**VIII. ADJOURN AND CONTINUE TO AUGUST 28, 2024 AT 4 P.M. FOR A JOINT WORK  
SESSION WITH THE PLANNING COMMISSION (AN EVENING SESSION WILL NOT BE  
CONDUCTED)**

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**RESOLUTION R2024-57**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**APPROVAL OF MINUTES**  
**(March 22, 2024)**

**RESOLVED**, by the Nelson County Board of Supervisors that the minutes of said Board meetings conducted on **March 22, 2024** be and hereby are approved and authorized for entry into the official record of the Board of Supervisors meetings.

Approved: August 13, 2024

Attest: \_\_\_\_\_, Clerk  
Nelson County Board of Supervisors

March 22, 2024

**AT A CONTINUED MEETING** of the Nelson County Board of Supervisors at 9:30 a.m. in the Former Board of Supervisors Room located on the fourth floor of the Nelson County Courthouse in Lovingston, Virginia.

Present: J. David Parr, West District Supervisor–Chair  
Ernie Q. Reed, Central District Supervisor – Vice Chair  
Thomas D. Harvey, North District Supervisor  
Jesse N. Rutherford, East District Supervisor  
Dr. Jessica Ligon, South District Supervisor  
Candice W. McGarry, County Administrator  
Amanda B. Spivey, Administrative Assistant/Deputy Clerk  
Linda K. Staton, Director of Finance and Human Resources  
Susan F. Rorrer, Director of Information Systems

## **I. CALL TO ORDER**

Mr. Parr called the continued meeting to order at 9:37 a.m. with five (5) supervisors present to establish a quorum.

## **II. FY25 GENERAL FUND BUDGET WORK SESSION (AS TIME ALLOWS)**

### **A. March 18<sup>th</sup> Work Session Follow-up**

Ms. Staton reported on the contingency, noting that Recurring Contingency was at \$504,528 and Non-recurring contingency was at \$560,770, for a total contingency of \$1,065,298.

#### **a. MACAA Funding – Sarah Hanks, Executive Director**

Ms. McGarry noted that MACAA had been invited to the work session. Ms. Hanks had not arrived so the Board moved on to the next item, with plans to circle back once she had arrived.

#### **b. Community Investment Collaborative (CIC) Funding**

Ms. McGarry reviewed the Community Investment Collaborative (CIC). She noted that the Board had authorized \$5,500 to go to the CIC for the spillteam work that was done on the branding for Lovingston. She explained that was why the total FY24 amount was \$9,500. Ms. Staton noted that the regular funding amount for FY24 was \$4,000. She reported that the funding request for FY25 was \$8,708. Ms. Staton noted that Nelson County funding was currently at 1.8 percent of municipal funding and the region-wide refund calculation to ask of Nelson was 3.9 percent. She indicated that CIC was basically asking that Nelson double its percentage of municipal funding.

Ms. McGarry explained that the agency name was Community Investment Collaborative (CIC), but the program was the Central Virginia Small Business Development Center (CVSBDC). She commented that she thought they were just asking the County to pick up its percentage share of the agency cost, which was 3.9 percent. Ms. Staton noted that the current percentage was 1.8 percent. Ms. McGarry indicated that it was a per capita match. Mr. Rutherford noted that the Board had discussions in last five (5) to six (6) years

regarding the entity, when they were trying to do small business classes at the community center, which were not well attended. He commented that the one positive interaction was the spillteam. He suggested if that were something that they replicated constantly, it would be a good thing. He noted that beyond that, he did not know if he had heard of any other things from them. Dr. Ligon noted that they provided counseling to people wanting to start small businesses. She commented that was pretty important and indicated that there was not really any other group to go to for that guidance. Mr. Rutherford noted that with Ms. Haydock in a leadership role there, they were seeing a better turn with the agency. The Board was in agreement to fund the Community Investment Collaborative as is at \$8,708.

The Board then returned to Item II. A. a. MACAA Funding.

MACAA

Ms. Sarah Hanks was present to discuss MACAA's FY25 funding request and what MACAA was currently doing. Ms. Hanks asked if there were any particular concerns that the Board wanted her to highlight. Mr. Parr commented that there seemed to be a lot going on with MACAA and he asked for an update. Ms. Hanks explained that in Nelson County, MACAA operated three primary programs. She noted that the addition of after school care in the current year had been challenging. She reported that Emergency Assistance had been an ongoing program in Nelson for decades. She noted that the program provided emergency assistance for utilities, rent and mortgage to Nelson County residents. She explained that the funds for the staff operation of the Emergency Assistance program, as well of much of the actual disbursement, was not covered by Energy Share. She noted that Dominion was not a primary provider in Nelson County, so those funds were either from the resources that the Nelson County Board of Supervisors provided, or from the state, to support those experiencing low income over time. Ms. Hanks noted that the goal was for families to remain in safe, stable housing. She indicated that many families had medical concerns, and noted that they dealt primarily with people ages 55 and older in Nelson. She noted it was not exclusive to that age group, but it was primarily their emergency assistance pool. She explained that many of the people were in need of specific and emergent utilities to make sure that their medical equipment was working properly. Ms. Hanks reported that the disbursement of funds for Emergency Assistance were either from the pool of funds provided by the County or from state funding. Ms. McGarry asked how MACAA received referrals. Ms. Hanks reported that the referrals could come from DSS (Department of Social Services), other services providers in Nelson County, or by directly contacting MACAA. She noted that they could do intake over the phone, electronically via MACAA's website, or in-person by appointment. She reported that most applicants in Nelson were requesting application by phone.

Ms. Hanks reviewed the second program operated by MACAA, which was Project Discovery. She noted that they continued to serve low income, first generation high school students in grades 9 through 12 in Nelson County, by supporting their post-secondary academic careers. She reported that campus visits were one of the highlights of the program. She noted that they had ongoing workshops that were coordinated between guidance counselors and MACAA staff at the high school to provide an on-site monthly connection through a variety of virtual workshops to explore career opportunities, scholarship funding, and other needs for post-secondary education, as well as a variety of campus visits each year.

Ms. Hanks then reviewed the third program, Headstart, which she noted had been a primary service of MACAA's in Nelson County for many years. She reported that the Board was likely aware that the Headstart operation had shifted temporarily to CDI, an interim management organization appointed by the Office of Headstart. She reported that MACAA was in the process of applying for a \$3.3 million grant to

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serve their service area, with a new scope and program model to be sure that they were responsive in new and different ways to the challenges that children and families were facing post pandemic. Ms. Hanks indicated that behavior reports, incidents of domestic violence and abuse and neglect in the home, and the needs for specialized services such as speech, IEP and more specific, specialized special education services for students had been incredibly increased. She reported that behavior reports were up about 50 percent this year and that was over about an 80 percent jump last year. Ms. Hanks noted that the increase in the students' needs post-pandemic had been significant. Dr. Ligon asked for more information on the Headstart program and how it operates. Ms. Hanks explained that Headstart was a federally funded preschool program. She noted that they served at Rockfish and Tye River Elementary, with a classroom at each school.

She explained that MACAA partnered with VPI in a coordinated enrollment initiative, which was required by Ready Regions Blue Ridge. Ms. Hanks then explained that families applied collectively to publicly funded preschool in Nelson County. She noted that their eligibility may determine which program was a best fit for them. She explained that MACAA was required to enroll the most vulnerable students. She noted that was typically 125 percent of the federal poverty level, and may also include other risk factors. She noted that students in foster care, students who were receiving TANF, SSI or SNAP benefits, or students who were homeless, were all categorically eligible and could be admitted automatically to the program. She then reported that other risk factors included incarceration, single-parent households, and long-term health concerns that then would give students eligibility for the program. Ms. Hanks explained that VPI was designed to be the program that serves students in that next tier of vulnerability. She noted that MACAA worked hand in hand with Ms. Douglas in the enrollment process to ensure that all students who are eligible for publicly funded preschool, have the right to that program. She indicated that it was the parents' choice in the end. Ms. Hanks indicated that they had up to 20 students at Tye River, and up to 20 students at Rockfish, which was the maximum capacity of any Headstart classroom. She noted that both classrooms were typically full annually. She reported that Headstart students were either transported by parent transportation or public school bus. She indicated that students were provided with breakfast, lunch, and an afternoon snack.

Ms. Hanks noted that the Headstart program utilized the creative curriculum for a structured, evidence based preschool program. She indicated that the things they were addressing as a part of the program were, and why Headstart was complicated and different than other programs, was because they were required to have an evidence based curriculum, a social emotional learning curriculum and a parenting curriculum (also evidence based). She noted that they had family support coordinators who worked with parents to address needs in the home like food scarcity, emergency assistance, or other parenting concerns. Ms. Hanks reported that they also partnered with parents to determine what assessments or evaluations were needed for students. She noted that a significant number of their students particularly post pandemic, had a much higher need for speech services which included socialization and development. She indicated that they had a BCBA on their team that worked directly with students, parents and teachers to develop individualized behavior plans to support the most aggressive behaviors of students in classrooms.

Mr. Reed asked whether CDI was performing all of the functions for MACAA, or if they were being split. Ms. Hanks reported that CDI was performing all operational functions of Headstart, she noted that their model may be a little different, but they were charged with operating the program per federal standards until the grant was awarded. Ms. McGarry asked if it was temporary. Ms. Hanks confirmed that it was temporary. Mr. Parr asked why it was happening midyear. Ms. Hanks explained that MACAA's Board of Directors made the difficult decision in January to relinquish the grant, in order to allow for the reapplication during the open notice of funding opportunity that was projected by the Office of Headstart for this spring.

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She indicated that the reason they found it important to do that, was because there were several instances that the Office of Headstart would provide a monitoring review and indicate areas of operation in need of improvement. She noted that in the event that they were unable to demonstrate with evidence to the satisfaction of the Office of Headstart, to include their General Counsel and external review, then they may be ineligible to apply for those funds and retain them in their community. She noted that MACAA's Board took a proactive approach to allow them to maintain the opportunity for those funds to be permanently held in the locality and service to children and families.

Dr. Ligon commented that there was an assessment to keep funding going, and what she had heard was that MACAA thought they were going to fail that assessment, so they relinquished the money in order to apply again later. Ms. Hanks explained that when there was a monitoring review and corrective action was required, during a specific window of time, they must demonstrate correction. She noted that you could rarely be confident going into the review that you had done absolutely everything to satisfy to the burden of an external reviewer and General Counsel, and whether enough evidence had been provided for correction.

Ms. Hanks reported that there were two (2) deficiencies related to discipline. She explained that in two (2) instances in two (2) different classrooms and involving some external factors, there were times when a staff member picked up a child. She noted that there was a determination by the Office of Headstart that that was an inappropriate engagement. She also reported that it was unfounded as a concern by CPS (Child Protective Services) and unfounded as a concern by the Virginia Department of Education Licensing Division for Child Day Centers in Virginia. Ms. Hanks indicated that one of the challenges with the Office of Headstart was that the standards were different and far beyond any that VPI would be experiencing, and that any licensed child care center in the state would be experiencing. She noted that while MACAA had evidence from the local investigation with the Sheriff's Office, CPS, and Licensing that there were no violations, the Office of Headstart said that it was a violation of a health and safety standard and it had to be fixed in a short window of time. She noted that with the increase in challenging behaviors they had experienced, and the decrease in staff willing to engage in early childhood education services, it had been difficult to maintain the highest level of staffing across all of their centers in five (5) localities. She indicated that if they had not met that burden of evidence, then their grant could have been terminated, and they would have been ineligible to receive those funds back in service to the community. Dr. Ligon asked what the chances were of receiving the funding. Ms. Hanks noted that the chances were extremely high. Ms. McGarry asked what would happen if funding was in place from the localities for the program, but grant did not go through. She asked if funding for the program would be refunded to the localities. Ms. Hanks noted that the funds would be returned if they could not be used as intended or within a similar scope.

Dr. Ligon asked about afterschool funding. Mr. Parr noted that the afterschool program at Rockfish Elementary had transitioned from MACAA to the County. Ms. Hanks explained that it was separate funding, she noted that MACAA did not ask for funding to support any afterschool program. She indicated that the only current youth serving program was Project Discovery at the High School level. She reported that the application was only for preschool funding. She explained that MACAA was required to provide a 20 percent non-federal share match for all funds that were received for Headstart programming. Ms. Hanks noted that \$3.3 million across every student served by MACAA broken down by student and by locality, was a very small fraction asked of localities to contribute in support of each student that participated and nowhere near the required match. She reported that MACAA did additional fundraising, and partnered for in-kind support, donated services and a reduction in contracted services. She noted that a lot of pieces came together to support the program fully. Ms. Hanks explained that the application request

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for Headstart was only a small fraction of the non-federal share cost required by the federal government in order to operate the program.

Ms. Hanks noted that the afterschool program was an entirely new endeavor this year, and separate and apart from Headstart. She reported that MACAA had taken on the afterschool program this year, with 13 students enrolled for most of the year. She noted that they had posted for hiring part-time staff on four (4) different occasions. She indicated that they had a difficult time hiring staff to run the program, and she noted that she herself had staffed the program personally, on a daily basis through February. She noted that she had a directive from the MACAA Board to transition the program and pause MACAA's operation on that program. Ms. Hanks reported that Nelson County Public Schools wanted to maintain the afterschool program and operation, and had been providing the staff to do so.

She explained that the last round of applicants received in the past week brought in six (6) applicants after paid advertisements and sharing information with various churches for distribution. She asked the Board if they had any resources or insights on how and where they could find part-time employees who were willing and able to engage in youth serving programs. She reported that they had received applications, but they were not receiving a response to an interview request and they had no show interviews. Mr. Parr and Ms. McGarry noted that they had also experienced no show interviews in their jobs. Ms. Hanks noted that she felt MACAA had exhausted lots of outlets and avenues to find part-time staff. She indicated that they had found that full-time staff positions with benefits generated viable employees. She noted that MACAA hoped to develop an onsite childcare center at the Nelson Heritage Center. She indicated that there was a need for childcare in Nelson County. She noted that part-time employment for an afterschool program at Rockfish River Elementary was not working. Ms. Hanks asked for any tips or tricks to getting people to apply. Ms. McGarry offered to also advertise the positions for MACAA on the County's employment page on the website, as well as on the Parks and Recreation Facebook page. Ms. Hanks noted she would send links to MACAA's boosted ads on Facebook, as well as graphics, job ads on Indeed, and links to MACAA's employment site.

Mr. Reed asked if there was a possibility to transition the afterschool program staff to full-time, and find other things that someone could do to provide additional support in the schools. Ms. Hanks indicated that MACAA would entertain that option if there was a means or mechanism to find that additional funding. She explained that the afterschool program generally needed to be a self-sustaining operation unless it had a subsidy. She noted that they were enrolling students who paid a tuition to be enrolled, and that covered the staff costs. She commented that having two (2) staff onsite made it a difficult numbers game, and they had not been able to bump that enrollment. Ms. Hanks noted that it was a numbers game. She stated that for those families who did not have support locally, an afterschool program was a necessity. She reported that the afterschool program did not have the robust following that the Y did many years ago.

Mr. Reed commented that there was no question that the school was in need of the type of support that MACAA could provide. Ms. Hanks hoped that with the advancement of a full early childhood learning center in Nelson, there would be that full-time capability and they could offer afterschool programming at the Heritage Center. She commented that may be more convenient for Tye River families. She noted they could maybe have a staff member that transitioned to Rockfish in the afternoon.

Ms. McGarry asked if the plans at the Heritage Center were to have a full day childcare option. Ms. Hanks confirmed that was correct. She explained that their centers would typically be open from 7:30 a.m. to 6:00 p.m. for infants and children from birth through five (5) years of age. She noted that the program would be open to anyone by fee or DSS subsidy. She indicated that there were more than 30 vouchers issued to Nelson County families for subsidized childcare, none of which could be claimed in Nelson County because

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there were no licensed childcares accepting subsidy. She indicated that the proposed childcare center would be the only place that families receiving DSS subsidies for childcare could enroll their child in Nelson County. She noted that those families receiving subsidies were currently being served in Amherst and Charlottesville because of the lack of childcare. Ms. Hanks noted that there were added benefits of being co-located with the Health Department. She also noted that there were food pantry distributions from the Heritage Center. She also indicated that there was a great partnership with the Heritage Center's Board for a custom designed space that would meet the needs of the community. She noted that because they were working locally, the center would be focused on Nelson County families, with Nelson County staff serving Nelson County kids. Ms. Hanks noted that it would not be open immediately, but she reported that the MACAA Board would be approving the lease agreement that evening for the space.

Dr. Ligon asked what a day at Headstart looked like for the students. Ms. Hanks reported that students arrived to school by bus or parent transport around 7:40 a.m. to 7:55 a.m. She noted that the students were met by their teachers, followed by breakfast provided in the cafeteria. She noted that both Tye River and Rockfish classroom times consisted of calendar, weather, large group time, a daily emotion check, and two (2) hours of center time. Ms. Hanks noted that they used the creative curriculum which augmented each of their centers with each of the learning objectives and standards required to meet the needs of three year olds, four year olds, and five year olds in program. She explained that students must be three years old by September 30<sup>th</sup> to enroll in the program, which was the same requirement for VPI. She noted that students typically transitioned to kindergarten at age five (5).

Dr. Ligon asked if the program at the Heritage Center would replace Headstart. Ms. Hanks explained that the program at the Heritage Center would not replace the Headstart program in the schools. She noted that it would be separate funding all together. She indicated that they did not want to lose the Headstart funding for the region, she noted that they wanted that funding to be maintained. Ms. Hanks stressed that the \$3.3 million in funding across all five (5) localities in MACAA's service area was an essential component of ensuring that all students received early childhood education. She noted that parents were not required to pay for any of the services during the Headstart program, family enrichment activities, or any of the offered family supports.

Dr. Ligon asked how funding MACAA would be asking the County for, if they were to have the program at the Heritage Center. Ms. Hanks indicated that they had not built a budget for it. She noted that they were currently in a feasibility stage. She commented that she had not envisioned asking the County for any money for the program at the Heritage Center.

Mr. Rutherford asked if MACAA had rescinded their grant prior to the budget request submittal to the County. Ms. Hanks reported that the grant was rescinded after the budget request was submitted. Mr. Rutherford asked if the County would realize any of the funding for the FY23-24 budget year as a result of the cancelled grant. Ms. Hanks noted that was a question for MACAA's finance department. She indicated that the effective date was April 1<sup>st</sup>, so they had not spent or utilized any funding to that point. She noted that would be navigating any funds that would need to be returned to a locality. Ms. McGarry noted those distributions to MACAA were done quarterly and in total for all of the programs, so they would have to piece that out. She noted that the allocation for the current fiscal year for Headstart was \$5,000. Ms. Staton reported that the quarterly amount was \$1,250.

Ms. McGarry asked about emergency assistance and whether anyone in Nelson had been turned away. She then asked if there was enough funding for emergency assistance and whether there had been an increase in people needing assistance in Nelson. Ms. Hanks indicated that there was an increase, but she noted that there had been an increase across every locality. She noted that the percent in Nelson was slightly lower



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than the percent in some of the other localities, in terms of increase. She reported that last year, there were 50 funded requests, with the majority being for utilities and a few for rent and mortgage. She indicated that was due to the housing challenges that families faced in Nelson. Ms. Hanks explained that there were typically three (3) cycles in which they could fund those assistance requests in Nelson. She assured that they did their very best to never turn a client away. She noted that there were sometimes wait times, or someone would apply for assistance the day they were scheduled for a disconnect. She indicated that they could not typically serve someone same-day, with a six (6) hour notice as there was not enough time to work with the utility. She explained that when someone said that they were unserved, it was typically found that they applied but failed to complete the required attachments after multiple follow-ups, and on the day of disconnect, they submitted their attachments and requested that MACAA ensure they would not be disconnected. She noted that was an impossibility. She also indicated that MACAA had disclaimers on their website that indicated that MACAA could not provide same day services, and she then noted that the utility companies did not authorize that in most cases. Ms. Hanks explained that MACAA could ask the client to call the utility company to request that they delay the disconnect. She noted that the request to delay had to come directly from the client to the utility, and they could only do that twice for most utility companies. Ms. Hanks noted that if MACAA did not have the proper documentation required by the state for the use of the funds, then they were unable to serve the client. She also reported that clients received a series of notifications regarding incomplete applications, prior to it becoming inactive.

Ms. Hanks expressed her appreciation to the Board for the opportunity to speak with them. She noted that they had faced some challenges this year, but she was excited for the work that the agency had done in conjunction with the partners in the community. Mr. Reed thanked Ms. Hanks for the detailed information that she provided. Ms. Hanks commented that she deeply regretted the challenges they faced this year. She noted that they were not the responsibility of any one individual, rather they were a really complex intersection of circumstances. She indicated that MACAA was pursuing all opportunities to ensure that their kids and families were served well. Ms. Hanks indicated that she would keep the Board apprised and continue talking about next steps. She welcomed the Board to reach out directly with any additional questions. She also noted that she would follow up with Ms. McGarry on next steps for supporting after school staff promotion.

The Board thanked Ms. Hanks for her time.

c. Local EMS Council Funding

Mr. Rutherford asked Mr. Parr if the Emergency Services Council meeting had taken place that week. Mr. Parr confirmed that they did meet. He reported that he did not attend the meeting, but he had spoken to the Council President and Curtis Sheets before the meeting. He noted that they had agreed that the funding needed to be adjusted for Gladstone as just a Fire agency, not a Fire and Rescue agency, which would reduce their request for funding by \$5,500. Mr. Parr also noted that the regional EMS had been discussed, and he turned the conversation over to Ms. McGarry.

d. TJEMS Funding

Ms. McGarry noted conversations with John Adkins and Curtis Sheets about TJEMS funding. She indicated that Mr. Adkins and Mr. Sheets felt that the funding to TJEMS should continue for now. She reported that TJEMS did provide some on-site EMT training services in the County. She noted that TJEMS also helped rescue agencies apply for RSAF grants through the state to help with equipment and ambulance costs. She reiterated that Mr. Adkins and Mr. Sheets thought that maintaining the funding would be beneficial. Mr. Parr noted during the initial conversation on TJEMS funding, there had been a lot of feedback to cut the funding because one of the biggest things they provided was assistance with training.

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He noted that they had transitioned their training to online, and Nelson did not take advantage of that and had hired someone to continue in person training. He commented that a lot of the feedback had been to not support them because they were not taking advantage of that. Mr. Parr pointed out that there were other opportunities through TJEMS. He commented that he thought they should level fund TJEMS, rather than increasing funding. Mr. Rutherford was okay to level fund at \$10,000. He suggested that the TJEMS Council needed to communicate with Board. The Board was in consensus to level fund TJEMS at \$10,000, which was a reduction of \$500 from their original request of \$10,500.

#### Local EMS Council Funding

Mr. Parr reported that the EMS Council had reduced their request by \$5,500. He noted that he did not think anything else needed to be done for that. Ms. McGarry indicated that staff would update the sheet to reflect the reduction. Mr. Parr reported that there had been conversations on the different items and how the budgets were presented for the agencies. He explained that the difference was that some departments were running on 100 percent electricity, while some used heating oil. He noted that they needed to add the electric and heat columns together to get an overall cost for utilities. Mr. Parr then explained that the oxygen reimbursement process had changed. He noted that the reason that the oxygen costs were blank on the budget request form for Gladstone and Rockfish, was due to them not submitting any reimbursement requests to the EMS Council. Mr. Parr then reported that the Roseland oxygen was more expensive due to the type of system they had and tanks they used. He commented that Roseland was aware of it and they were discussing options. He noted that phone and internet were also discussed. He commented that hopefully by next year, all departments would have Firefly. He indicated that the plan was to reach out to Firefly to see if they could negotiate a Countywide package for the volunteer agencies. Mr. Parr noted that Danny Johnson had reported that Lovington Volunteer Fire Department was getting rid of their landline, and since everyone had cell phones, there was no need for a landline. Mr. Parr indicated that where the cost said Phone, it was the phone and internet cost. He noted that most agencies would go away from landlines. He indicated that Wingina did not have Firefly, and Faber had just gotten it. He commented that by this time next year, everyone would have Firefly, and hopefully, they would have a Countywide level fund for the departments.

Mr. Parr reported that the turnout gear for the firefighters was not addressed by the County. He indicated that the average cost was \$3,500 to \$4,000 per individual. He noted that there were three (3) firefighters in Lovington who were going through training and would need turnout gear. He pointed out that the turnout gear was not included in any of the funds. He indicated that some of the departments were in a good financial position to absorb the costs, while others were not able to do so. He commented that he did not know if the County should look at getting turnout gear on a rotation similar to what was done with vehicles and school buses. Dr. Ligon noted that they had just said the TJEMS helped with grants for gear. Ms. McGarry noted that they did help. Ms. McGarry noted that the departments also received Four for Life Funds and Fire Funds to go toward purchasing that type of equipment. Ms. Staton reported that the County had just cut a check for the Fire Funds received this year, which was over \$66,000 just for the fire departments. She then reported that Four for Life funds were just under \$20,000. Mr. Rutherford noted if they cut out TJEMS, that would buy two (2) turnout gears per year. Mr. Reed commented that what had been happening was, when something was needed, they came before the Board and it was taken care of. He noted that he thought it had worked out fine, and the County had kept them covered when needed. Mr. Rutherford suggested that the EMS Council needed to look at how to handle turnout gear. Dr. Ligon asked about the Air-Paks, noting that there were only a few Air-Paks per department, and technically every firefighter was supposed to have one. Mr. Rutherford recalled that the Air-Paks were discussed by the EMS Council but they did not go through. Dr. Ligon commented that the Council decided to buy generators

instead. Mr. Parr noted that different funds purchased the generators. Dr. Ligon commented that it was mandated by state to have them.

Mr. Parr noted that they had just backed out \$5500 from EMS Council and \$500 from TJEMS Council.

e. Omitted ECC Staffing Request

Ms. McGarry reported that after the budget had been built, staff discovered that John Adkins had submitted a staffing request for four (4) part-time dispatchers for the Emergency Communications Center (ECC). Ms. Staton explained that Mr. Adkins purpose for the request was to have part-time staff to assist during vacancy periods, as well as when full-time staff was out for an extended period of time on vacation or sick leave. She reported that they currently had 12 full-time dispatching positions. She noted that department typically had a large amount of turnover, with only a few staff staying past two (2) years. Ms. Staton noted that Mr. Adkins had inquired with Ms. McGarry as to whether it would be possible to hire a couple of part-time people to fill the vacancies, because there were two (2) or more vacancies at a time in the department which caused the current staff to have overtime. She indicated that working a regular day in that kind of position was stressful, and to work constant overtime was even more stressful. Ms. Staton reported that the County had utilized, in place of vacancy positions, two (2) part-time people since December 1st. She explained the Mr. Adkins' request for four (4) part-time dispatchers, in addition to the current staff. She noted that Mr. Adkins was proposing that the part-time position be available even when the center was fully staffed, not just during vacancy periods. She reported that the four (4) positions at a base rate of pay, for an average of 25 hours per week, would be approximately \$26,086 per person, including FICA costs. She noted to hire four (4) people in those positions, it would cost a total of \$104,344. Alternatively, she noted that two (2) part-time people would cost \$52,172. Ms. Staton indicated that the concern from staff, was that they would be locking themselves into offering people up to 25 hours per week, which would be a continual item, versus on a temporary basis as needed, which was currently being done. She suggested that it would be more difficult to ask someone to work on a temporary basis indefinitely. Ms. Staton noted that if they were to bring people in a part-time basis, they would pretty much have to already be certified to be effective in covering for absences. She echoed comments made earlier in the meeting that it was difficult to get people to apply for jobs and to show up for interviews. Ms. McGarry commented that she was not sure how feasible it would be to have these part-time positions. She noted that they did have a few people leave full-time positions, and they said that if the County needed someone to fill in, to give them a call. She indicated that those people were already certified and they knew the County's system. Ms. Staton noted that those who had left, were going to full-time positions, so they may not be available when the County would need them. Ms. McGarry reported that they were almost fully staffed with full-time positions. She noted it was difficult enough to get full-time people hired, and whether they stayed on was another issue.

Dr. Ligon commented that if they did not have enough people to cover when someone left or was on vacation, then they were not adequately staffed. She stated that four (4) part-time positions was wrong. Mr. Rutherford noted that Dispatch had issues filling vacancies over the years. He commented that some of that was due to funding, which the Board had worked on. He noted that some of it was due to leadership issues prior to Mr. Adkins. Mr. Rutherford suggested that maybe one (1) more full-time person would solve the problem. Ms. McGarry noted that she was not sure, as that was not what Mr. Adkins had asked for. She indicated that they were just presenting what had been requested. She commented that she did not really feel like the four (4) part-time positions were feasible, or the best way to go. Mr. Rutherford thought more information was needed from Mr. Adkins. Ms. Staton reviewed Mr. Adkins' justification for the request which stated that part-time positions would allow them to coverage vacations and sick callouts, without the need for overtime rate pay. She noted that the request stated that without part-time positions, the full-time employees had to cover outages and shortages at the overtime rate. She reminded the Board

that these were not 9 to 5 positions, these were 24/7. Mr. Rutherford suggested that Mr. Adkins needed to interact more with the Board, and he also suggested that they may need one more full-time person. Dr. Ligon noted that she would rather spend the \$104,000 on decent pay and one extra full-time person, rather than underpaying people. Ms. McGarry commented that she did not think it was a pay issue, noting the pay study had just been done. She commented that she did not think it was the pay necessarily, but more the nature of the job. Ms. Staton noted changes and increases in pay over the last few years. She indicated that the starting pay two years earlier was \$13.47 per hour, which was \$28,000 per year. She reported that the starting pay now was over \$18 per hour, and they were starting out at \$38,000 plus. Ms. Staton and Ms. McGarry noted that the starting pay was for an uncertified person. Mr. Parr and Mr. Rutherford suggested getting more information from Mr. Adkins and having him attend a subsequent meeting. Ms. McGarry noted the request amount was not included in the budget, so there was nothing to adjust at this time.

The Board took a brief recess before discussing Capital Outlay items.

f. Capital Outlay Items to Revisit

1. IT Microwave Network Upgrade – Replace 8 Antennas and Waveguides \$292,900

Ms. Susan Rorrer was present to revisit the microwave network upgrade. She noted that the Board had asked for her to look at Nokia for alternatives to replacing all eight (8) antennas at the same time. She reported that she did speak with a project manager and an engineer with Nokia, and they indicated that the antennas could be replaced as they failed. She indicated that a lot goes into replacing an antenna. She explained that once they had a failure, they would have to call someone to come out and climb the tower and figure out the problem. Ms. Rorrer noted that with the current planned path replacement, they had spent \$7,000 to \$10,000 to have someone climb both ends and sweep the waveguides, only to find out that the antennas were the issue. She reported that the lead-time from purchase to delivery of microwave antennas was currently 8 to 12 weeks. She noted that the antenna had to be spec'd by an engineer. She suggested that they could stock a spare antenna or two, but then they would have a piece of equipment sitting, that would potentially run out of warranty before it would even be installed on a tower to see if it worked. She indicated that there were a lot of considerations. She commented that she did not think the FCC licensing process was any cause for delay. She noted that under emergency circumstances, they could proceed with the installation, they would still need to complete the FCC licensing process. Ms. Rorrer indicated that the County would need Nokia's assistance to file paperwork with FCC. She noted that the biggest hurdle was getting a tower crew on site in a timely manner, because tower crews were booked months in advance.

Dr. Ligon noted they had a tower that was still a problem. Ms. Rorrer explained that the tower was not within the range and if it drifted further out of range, it would fail. She noted that it was hard to know how long it would hold the connection. She pointed out that things could happen to the tower suddenly that would not provide any grace period like they currently had to deal with the issue. Mr. Reed asked the length of the warranty. Ms. Rorrer estimated that it was about a year, but she was not sure. Ms. McGarry noted that was the issue with stockpiling spares, noting that by the time they used it, it may be out of warranty. Ms. Rorrer explained that having a spare waveguide on hand was probably not practical as they had to be protected from moisture. She commented that she thought getting a waveguide on demand was probably easier than an antenna.

Mr. Reed asked if the lead times would still be the same if they had a warranty issue. Ms. Staton asked if they ever had a warranty repair. Ms. Rorrer commented that she did not think they had ever had an issue while the warranty was in place. Ms. McGarry noted the towers had some redundancy, but if there was more than one issue, they would be in trouble. Ms. Rorrer referenced Devils Knob, noting that it had two (2) antennas, with one (1) antenna talking to a tower in one (1) direction, and the other antenna talked to a tower in another direction. She explained that in the event one (1) antenna was down, and in the process of getting it replaced, the other one failed, that site would be down completely and no radio communications could be transmitted or received out of that site. She noted that the sites were positioned to cover certain areas of the County and if one tower went completely down, they will have lost communication for an area. Ms. McGarry stated that it was just not worth the risk. Ms. Staton noted that the \$292,900 price for eight (8) towers was \$36,612.50 per antenna. Mr. Reed noted it sounded like a necessary cost that the County could not afford to not do. Mr. Parr agreed. The Board had no other questions.

## 2. IT Network Event Logging Solution \$12,000

Ms. Rorrer explained that she had reached out to the company that assisted the County with network management, and they took another look at the County's options related to log files. She commented that she did not think it would be cheap solution to accomplish, but she felt it was important. She noted that there were requirements from the state, that they would need to determine whether they were going to comply or not. Ms. Rorrer explained that they would have to submit a remediation plan for anything they were not in compliance with, each year during the annual assessment.

Ms. McGarry explained that if there was a cyber-security event, VACORP Insurance would ask the County for event logs to track and see what had occurred. Mr. Rutherford noted there had been entities related to the County where they were basically held hostage for money. Mr. Reed commented that it happened to one of the Boards he served on, and fortunately, they had systems in place to keep that from happening, but it took about a week to make sure they had everything back. Ms. Rorrer noted that while it was difficult to comply with the standards, it was a good thing that they were starting to address the requirements but it was nearly impossible to address them all immediately. Ms. McGarry asked Ms. Rorrer how confident she was in the \$12,000 price. Ms. Rorrer indicated that it cost \$13.75 per month, per endpoint, if they were to go with a vendor solution. She estimated a cost on 150 endpoints, to be about \$2,060 per month, which would be well over \$24,000 per year. Ms. McGarry asked if the Board were to be agreeable to the solution, whether they would need to increase that amount from \$12,000 to \$25,000, or just wait. Ms. Rorrer noted that the company assisting them had asked if the use of open source software in government was something to be frowned upon. She explained that open source software was basically free software. She noted that the company thought for \$12,000, they could configure servers to generate the log files, and then they would have to look at storing the log files and having access to them if an event occurred. Ms. Rorrer indicated that the company would have to look further before they knew what could be done for \$12,000. Ms. Staton asked if it would be an ongoing annual cost. Ms. Rorrer confirmed that it would. Dr. Ligon asked for the company name that Ms. Rorrer was working with. Mr. Rorrer noted it was Helix Computer Systems in Charlottesville. Ms. McGarry pointed out that the logging solution was in Capital Outlay for FY25. She noted that if it were to be a regular recurring expense, it would need to go into the regular departmental budget next year. Mr. Rutherford noted it was worth exploring. He and Mr. Parr noted that they were spending around \$1,500 to \$2,000 for their businesses. Mr. Rutherford commented that the price was a good deal.

Ms. Rorrer explained the IT Network Event Logging Solution would only deal with logging events and potential cyber breaches on County servers, County user workstations, routers, switches, laptops, desktops, application servers, network peripherals, network infrastructure and other network related items. Dr. Ligon commented that she thought asking one company was not enough. Ms. McGarry noted that they would still have to follow public procurement procedures. Mr. Parr explained that the number was just a place keeper. Ms. Rorrer commented that she thought if the County were to try to do something in house, possibly in combination with cloud storage, that would be the way to go, instead of paying someone monthly for the service. She noted that she was not sure how practical that option would be. Mr. Rutherford noted he was curious to see what other counties may be doing. Ms. Staton suggested that there could be a cooperative procurement contract available. Ms. Rorrer noted getting the funds in budget was the first step to identifying the best solution for the County. The Board was in consensus to leave \$12,000 in the budget for the IT Network Event Logging solution.

#### Omitted ECC Staffing Request

The Board circled back to discuss Mr. Adkins staffing request. Mr. Adkins reported that they currently had one (1) part-time person, but they were using a full-time position to staff that. He noted that they had two (2) part-time people, but one (1) had decided to give up her part-time position due to nursing school and working for Centra. He explained that the part-time positions would all Dispatch to fill vacation slots, sick callouts, and special events, without having to pay an overtime rate for other employees. He noted that rather than bringing in a Senior dispatcher making senior pay at time and a half when someone called out, they could get someone to cover the shift at a lower rate and save a minimum of four (4) hours for an eight (8) hour shift, or six (6) hours of pay every time someone calls out sick.

Mr. Adkins noted that their idea was not to guarantee any hours per week, they would only be called in if needed. He explained that they were figuring that this would be cost saver to cut some of the overtime pay. Ms. McGarry asked if it would be more feasible to hire another full-time dispatcher, versus part-time. Mr. Adkins indicated that they had a one full-time vacancy, and one was coming in April to fill one (1) of the two (2) positions that they had open. Dr. Ligon noted that what Mr. Adkins and Ms. Staton had said were different. Ms. Staton noted that she had read from Mr. Adkins' narrative which requested four (4) part-time positions, which to staff meant, part-time positions. Mr. Adkins clarified that they would not be guaranteeing a set number of hours, and part-time staff would only be called in when needed. He indicated that he had a former employee that was willing to come in on an as needed basis. He noted that she had only left because it was more cost effective to stay home with her children than to pay for childcare. He explained that the part-time staff would only be called into to fill schedule gaps. He explained that in the event that coverage was needed, a call would go out to the part-time people first to see if they could cover any, or all, of the shift. The Board did not mind that concept. Ms. McGarry noted she did not think a budget adjustment would be needed to cover it. She noted it was more of a managerial decision, and there would also be vacancy savings along the way that could probably cover it. Ms. Staton agreed that they would not necessarily dedicate it as any certain number of part-time positions, rather it would be a list of temp on call people to call. The Board agreed having on call staffing was a good idea and no funds were required to be allocated.

### 3. Parks and Recreation Master Plan

Ms. McGarry indicated that the Parks and Recreation Master Plan had been marked to return to for more discussion. She noted that she thought the \$140,000 price estimate may have come from another locality that had done a master plan. She indicated that she was not sure how she felt about it. She commented that she felt some of the components of master planning with recreation had already been

done by the County, but it was not all put together. Dr. Ligon noted she was against it. Mr. Reed noted that a master plan was not the same as a strategic plan. He commented that a master plan was a build out of what they currently had. Ms. McGarry noted that she thought the intention was for it to be a combination of both a master plan and strategic plan. She suggested that it could be looked at further during the year. Mr. Reed asked if a strategic plan would normally be done in house for Parks and Recreation. He commented that he thought it was almost part of the department's responsibility to keep an eye towards the future. She noted that she thought it was currently being done, but noted it was not necessarily done in a formal way. Dr. Ligon suggested it was similar to the Comprehensive Plan. Ms. McGarry noted that the Comprehensive Plan did have a strategy to complete a recreation master plan. The Board was in favor to remove the \$140,000 for the Parks and Recreation Master Plan.

#### 4. Sheriff's Vehicle Pricing Update

Ms. McGarry reported that after the budget meeting the other day, the Sheriff had spoken with Sheehy Ford, who informed him that the Sheriff's Association contract pricing was increasing immediately. She indicated that the additional amount required for the six (6) vehicles would be \$37,776 due to the increase in the cost of the vehicles on that contract. She noted that Sheriff Embrey had offered to check on other pricing to see if he could get better quotes than what was on the state contract. Mr. Rutherford suggested bridging the gap, noting they had just found some savings. For informational purposes, Ms. McGarry noted that Sheriff Embrey had a little over \$30,000 in his Asset Forfeiture fund. Mr. Rutherford commented that they had no authority to tell the Sheriff how to utilize Asset Forfeiture Funds. Ms. McGarry agreed that they did not, but they could suggest it if they wanted to. Dr. Ligon and Mr. Rutherford in agreement to contribute the additional \$37,000 for the Sheriff's vehicles. Mr. Parr was also in agreement. The Board was in consensus to fund the additional \$37,776 for the Sheriff's vehicles.

Ms. McGarry noted there was now enough funding for a Motorpool vehicle. She reported that the Parks and Recreation department's truck was out of commission. Dr. Ligon asked who owned the three (3) Inspections vehicles at the Building Inspections office. Ms. McGarry reported that the County did. Dr. Ligon noted that they only had two (2) people doing inspections for the County at the moment. Ms. Staton indicated that office included Jeremy Marrs, the Building Code official, an Assistant Building Code official vacancy, and two (2) building inspector positions, for a total of four (4) people who could be out of the office at the same time. Dr. Ligon commented that she only saw just one (1) vehicle gone when she came through. Mr. Rutherford noted part of that was likely due to how they scheduled morning and afternoon inspections.

#### B. Expenditure Review Continued

##### a. General Fund Transfers

##### 1. VPA/Social Services

Ms. McGarry reviewed the VPA (Virginia Public Assistance) Fund. She reported that DSS had asked for a new position. She noted that she had contacted DSS Director Brad Burdette about the position. She indicated that Mr. Burdette had stated over the phone that he thought it was an optional position and he would follow up with an email to explain what that position would do. She noted that the position was a Family Services Specialist IV, so it would be an additional staff member. Ms. McGarry indicated that she had not heard anything back from Mr. Burdette regarding the position. Ms. McGarry noted she was not sure that the timing was great for them to have an additional staff person since they were currently out of space in Social Services now that they were fully staffed. Mr. Parr reported that they had hired two (2)

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local people out of the five (5) new employees hired. He agreed that they were packed in their current space. Mr. Rutherford asked if the County owned the units that the DSS office was located in. Ms. McGarry confirmed that the County owned the units.

Mr. Rutherford asked if they needed to do anything with the position requested. Ms. McGarry indicated that the Board could take the position out if they did not want to fund it at this time. Ms. Staton noted that the funding requested for the position was \$79,299. Ms. McGarry indicated that the full increase DSS was requesting was solely the position they were requesting. Dr. Ligon and Mr. Rutherford asked for more information on the position. Ms. McGarry offered to mark the subject to come back for more discussion after staff had more information from Mr. Burdette. The Board was in agreed to circle back.

## 2. Debt Service

Ms. McGarry reported that the Debt Service Transfer was currently at the amount that had been recommended by the County's consultants. She noted that she had provided the Board with some information about the County's debt service in general which included a listing of the County's FY25 Debt Service payments. She explained that the list showed all of the payments that the County expected to make that were debt related in FY25.

### FY25 DEBT SERVICE PAYMENTS

11 D 4.

#### County Related Debt

Courthouse PH1	4-108-95100-9113	Courthouse-Pr	\$455,000.00	VRA2013A Refinance
	4-108-95100-9113	Principal prepayment October 2024		of 2009 RD
	4-108-95100-9123	Courthouse-Int October 2024	\$42,346.88	
	4-108-95100-9123	Courthouse-Int April 2025	\$32,700.00	
	4-108-95100-9150	RD Reserve	N/A	14 Year Term
Pay Check US Bank or Wire			<b>Subtotal</b>	<b>\$530,046.88</b>
Courthouse PH2	4-108-95100-9115	Courthouse Ph2-Pr October 2024	\$245,000.00	
	4-108-95100-9125	Courthouse Ph2-Int October 2024	\$41,018.75	
	4-108-95100-9125	Courthouse Ph2-Int April 2025	\$34,740.63	15 Year Term
			<b>Subtotal</b>	<b>\$320,759.38</b>
Pay Check US Bank or Wire				Last Payment 10/2030
Library Project	4-108-95100-9116	VRA2018C Library-Pr October 2024	\$205,000.00	
	4-108-95100-9126	VRA2018C Library-Int October 2024	\$29,084.38	
	4-108-95100-9126	VRA2018C Library-Int April 2025	\$23,831.25	10 Year Term
			<b>Subtotal</b>	<b>\$257,915.63</b>
Pay Check US Bank or Wire				Last Payment 10/2028
EDA LR Bond	4-108-95100-9117	BAN2022 Larkin Property-Pr August 2027 (refi 2.6 mil.)	\$0.00	Bond Principal
	4-108-95100-9127	BAN2022 Larkin Property-Int August 2024	\$40,560.00	
	4-108-95100-9127	BAN2022 Larkin Property-Int February 2025	\$40,560.00	5 Year Term
			<b>Subtotal</b>	<b>\$81,120.00</b>
Pay by Wire First National Bank				Last Payment 8/1/2027 (must refi principal)
<b>Total Gen.Fund Debt</b>			<b>\$1,189,841.89</b>	

#### School Related Debt

NCHS/NMS	4-108-95200-9116	LR2002/2012/2021 (Suntrust/Truist )-Pr August 2024	\$797,000.00	Refinanced Debt Svc
	4-108-95200-9126	LR2002/2012/2021(Suntrust/Truist)-Int August 2024	\$23,480.60	
	4-108-95200-9126	LR2002/2012(Suntrust)-Int February 2025	\$17,782.05	15 Year Term
Pay Check BB&T/Truist			<b>Subtotal</b>	<b>\$838,262.65</b>
				Last Payment 6/2028
<b>Total School Fund Debt</b>			<b>\$838,262.65</b>	
<b>TOTAL ALL DEBT</b>			<b>\$2,028,104.54</b>	



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Ms. McGarry reported that the total for all debt was \$2,028,104.54. She noted that most payments were twice per year. Ms. McGarry then showed the County's FY25 Debt Balances along with when the debt was expected to be retired.

<b>FY25 BEGINNING DEBT BALANCES</b>			
		<b>Principal Bal.</b>	
<b>General Fund Debt:</b>	<b>Last Payment</b>	<b>7/1/2024</b>	
BAN 2022 (EDA LR Bond-Larkin Property)	8/2027 (FY28)	\$ 2,600,000	Larkin Property purchase; BAN due in full 8/1/27 (FY28)
VRA 2013A (Courthouse Judicial Ph 1)	10/2027 (FY28)	\$ 1,945,000	Judicial/Sheriff wing (J&D, General District Courts)
VRA 2018C (Nelson Mem. Library)	10/2028 (FY29)	\$ 1,135,000	Nelson Memorial Library Expansion and Renovation
VRA 2015 (Courthouse Ph 2)	10/2030 (FY31)	\$ 1,990,000	Current Courthouse renovation (Circuit Court, Administration)
	<b>Total</b>	<b>\$ 7,670,000</b>	
		<b>Principal Bal.</b>	
<b>School Debt:</b>	<b>Last Payment</b>	<b>7/1/2024</b>	
BB&T Truist (NCHS/NMS)	08/2027 (FY28)	\$ 3,284,000	Middle School & High School renovation -Refinanced 2021
	<b>Total</b>	<b>\$ 3,284,000</b>	
<b>Total Debt Balances at 6/30/2024</b>	<b>\$ 10,954,000</b>		
<b>Total Debt Balances at 6/30/2023</b>	<b>\$ 13,711,000</b>		
<b>Difference</b>	<b>\$ (2,757,000)</b>		
<b>VP&amp;A 2003 NCHS/NMS Project -Paid in full</b>	<b>07/2023 (FY24)</b>	<b>\$ 1,110,000</b>	<b>Middle School &amp; High School renovation - Retired Debt</b>

Ms. McGarry noted that some debts would be coming off in FY28 and FY29, with the last coming off in FY31. Dr. Ligon asked what the interest rates were for all of the debts. Mr. Rutherford noted they were good rates, less than five (5) percent. Ms. McGarry indicated that some of them were older debts that had better interest rates at the time. She noted that they were happy to take questions, she noted it was mostly informational.

Ms. McGarry reviewed information from the most recent Debt Capacity Analysis that Davenport had completed in December. She noted that it was all the same information, except they had adjusted the School Renovation amount at #3 to reflect that the County would only be borrowing \$22,500,000 for that project. She noted that would add the \$2.5 million difference back into the County's balance of projects which was now \$21,900,000. She indicated that was assuming the original \$57 million capacity. She reported that the total projects for items 1 through 3 on the list total \$35,100,000.

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Project	Amount
1 Land Purchase	\$2,600,000 <sup>(1)</sup>
2 DSS Building	\$10,000,000
3 School Renovation	\$25,000,000
<del>\$2,500,000 SCAP</del>	<del>\$22,500,000</del>
4 Balance of Projects	\$19,400,000
	<del>\$21,900,000</del>
5 Subtotal	\$57,000,000
6 Additional Projects	\$18,000,000
7 Total	\$75,000,000

Mr. Reed asked what the additional projects were. Ms. McGarry noted that the additional projects had not been determined. She indicated that the line for Additional Projects was when the consultants were determining the maximum capacity that the County could take on, and \$75 million put the County at the very max in terms of ratios. She noted that the \$18 million was the additional to get from \$57 million to \$75 million.

Ms. McGarry reviewed the Debt Capacity Cash Flow Analysis provided by Davenport on December 12, 2023 for \$57 million in Debt Capacity. She noted that it showed the FY24 Debt Service Transfer not including the \$610,000, which was what the County did. She then noted that the analysis showed the \$610,000 picking back up in FY25 and continuing through the whole term of 2053. Ms. McGarry explained that the green highlighted box on the analysis reflected the first year of a new State School LCI (Local Composite Index) Biennium. She then indicated that the gray going across represented the first year of an effective Real Estate Reassessment. She noted that the FY25 budget contained the \$610,000 transfer. Ms. McGarry reported that the Debt Service Transfer was \$3,935,284.

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Davenport \$57 Million Debt Capacity Cash Flow Analysis

	(A)	(B)	(C)	(D (B+C))	(E)	(F)	(G (E+F))	(H (F-I))	(I (B +J))
	Beginning DS Reserve	DS Budget	Additional Revenue for DS	Total Revenues	Existing DS	Projected DS	Total Existing and Projected DS	Surplus (shortfall)	Ending DS Reserve
2024	3,237,412	3,325,284	0	3,325,284	3,357,550	0	3,357,550	(32,266)	3,205,146
2025	3,205,146	3,325,284	610,000	3,935,284	2,226,052	356,825	2,582,877	1,352,407	4,557,553
2026	4,557,553	3,325,284	610,000	3,935,284	2,242,797	1,631,200	3,873,997	61,287	4,618,840
2027	4,618,840	3,325,284	610,000	3,935,284	2,251,946	2,986,650	5,238,596	(1,303,312)	3,315,528
2028	3,315,528	3,325,284	610,000	3,935,284	2,109,015	2,986,650	5,095,665	(1,160,381)	2,155,147
2029	2,155,147	3,325,284	610,000	3,935,284	577,859	3,924,054	4,501,913	(566,629)	1,588,518
2030	1,588,518	3,325,284	610,000	3,935,284	329,922	3,924,054	4,253,976	(318,692)	1,269,826
2031	1,269,826	3,325,284	610,000	3,935,284	325,000	3,979,592	4,304,592	(369,308)	900,518
2032	900,518	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	856,210
2033	856,210	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	811,902
2034	811,902	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	767,594
2035	767,594	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	723,286
2036	723,286	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	678,978
2037	678,978	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	634,670
2038	634,670	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	590,362
2039	590,362	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	546,054
2040	546,054	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	501,746
2041	501,746	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	457,438
2042	457,438	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	413,130
2043	413,130	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	368,822
2044	368,822	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	324,514
2045	324,514	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	280,206
2046	280,206	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	235,898
2047	235,898	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	191,590
2048	191,590	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	147,282
2049	147,282	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	102,974
2050	102,974	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	58,666
2051	58,666	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	14,358
2052	14,358	3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	693,410
2053	693,410	3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	1,372,462
			<b>17,690,000</b>						

Ms. McGarry noted she had worked up a few different scenarios for the Board to review. She explained that Scenario #1 was basically the same scenario, except there was no additional \$610,000 taken out in FY25. She noted that would necessitate an additional contribution of \$610,000 to the reserves in about 2038. She commented that the cash used to maintain the strategy was \$17,080,000 and they would end up in the same place at the end with a Debt Service Reserve of \$1.3 million. She indicated that the total spent was still the \$17,690,000. Mr. Reed asked if they were to skip the debt service payment for FY25, whether they would have 12 years to make it up. Ms. McGarry commented that was what it came out to be when she worked on the different scenarios. She noted that coincided with the reassessment year in 2038 for the additional \$610,000.

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Staff \$57 Million Debt Capacity Cash Flow Analysis Scenario #1

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E (C+D)</u>	<u>F</u>	<u>G</u>	<u>H (F+G)</u>	<u>I (E-H)</u>	<u>J (B +C+J)</u>
	Beginning DS Reserve	Addition to Reserve	DS Budget	Additional Revenue for DS	Total Revenues	Existing DS	Projected DS	Total Existing and Projected DS	Surplus (shortfall)	Ending DS Reserve
2024	3,237,412		3,325,284	0	3,325,284	3,357,550	0	3,357,550	(32,266)	3,205,146
2025	3,205,146		3,325,284	0	3,325,284	2,226,052	356,825	2,582,877	742,407	3,947,553
2026	3,947,553		3,325,284	610,000	3,935,284	2,242,797	1,631,200	3,873,997	61,287	4,008,840
2027	4,008,840		3,325,284	610,000	3,935,284	2,251,946	2,986,650	5,238,596	(1,303,312)	2,705,528
2028	2,705,528		3,325,284	610,000	3,935,284	2,109,015	2,986,650	5,095,665	(1,160,381)	1,545,147
2029	1,545,147		3,325,284	610,000	3,935,284	577,859	3,924,054	4,501,913	(566,629)	978,518
2030	978,518		3,325,284	610,000	3,935,284	329,922	3,924,054	4,253,976	(318,692)	659,826
2031	659,826		3,325,284	610,000	3,935,284	325,000	3,979,592	4,304,592	(369,308)	290,518
2032	290,518		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	246,210
2033	246,210		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	201,902
2034	201,902		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	157,594
2035	157,594		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	113,286
2036	113,286		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	68,978
2037	68,978		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	24,670
2038	24,670	610,000	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	590,362
2039	590,362		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	546,054
2040	546,054		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	501,746
2041	501,746		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	457,438
2042	457,438		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	413,130
2043	413,130		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	368,822
2044	368,822		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	324,514
2045	324,514		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	280,206
2046	280,206		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	235,898
2047	235,898		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	191,590
2048	191,590		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	147,282
2049	147,282		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	102,974
2050	102,974		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	58,666
2051	58,666		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	14,358
2052	14,358		3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	693,410
2053	693,410		3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	1,372,462
		610,000		17,080,000						
				17,690,000						

Ms. McGarry then reviewed Scenario #2 which showed no further contributions or additional revenue for Debt Service until 2027. She noted that it would show an addition to the reserve of \$350,000 in 2026. She indicated that 2026 was the County's next effective reassessment year, so that contribution would coincide with that. She noted that in 2027 they would make an additional contribution of \$305,000 for Debt Service, and then in 2028, they would pick back up with the \$610,000, until they got to 2030, when they would have to make an additional contribution of \$375,000. She then indicated that they would need to contribute an additional \$350,000 in 2034, and then another contribution of \$350,000 in 2042. She noted that the contributions were in addition to the annual \$610,000 transfer. Ms. McGarry showed that in 2050, the additional contribution would be \$100,000 towards the reserve. She explained that they would basically be using \$1,525,000 over the term period, in addition to reserve, which could be Non-Recurring funds going towards that. She pointed out that the Additional Revenue for Debt Service was more of a Recurring cash infusion. She noted in Scenario #2, the cash infusion amount was \$16,165,000, for a total of \$17,690,000. She indicated that they would end up in the same place with \$1.3 million still in the Debt Service Reserve,

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but it gave them a little more time upfront. Mr. Reed commented that the different scenarios were based on how soon they might want to use some of their Debt Service and based on how much they would have to put in, in order to do something. Ms. McGarry explained that the scenarios maintained the financial ability and the timing as well.

Staff \$57 Million Debt Capacity Cash Flow Analysis Scenario #2

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E (C+D)</u>	<u>F</u>	<u>G</u>	<u>H (F+G)</u>	<u>I (E-H)</u>	<u>J (B +C+J)</u>
	Beginning DS Reserve	Addition to Reserve	DS Budget	Additional Revenue for DS	Total Revenues	Existing DS	Projected DS	Total Existing and Projected DS	Surplus (shortfall)	Ending DS Reserve
2024	3,237,412		3,325,284	0	3,325,284	3,357,550	0	3,357,550	(32,266)	3,205,146
2025	3,205,146		3,325,284	0	3,325,284	2,226,052	356,825	2,582,877	742,407	3,947,553
2026	3,947,553	350,000	3,325,284	0	3,325,284	2,242,797	1,631,200	3,873,997	(548,713)	3,748,840
2027	3,748,840		3,325,284	305,000	3,630,284	2,251,946	2,986,650	5,238,596	(1,608,312)	2,140,528
2028	2,140,528		3,325,284	610,000	3,935,284	2,109,015	2,986,650	5,095,665	(1,160,381)	980,147
2029	980,147		3,325,284	610,000	3,935,284	577,859	3,924,054	4,501,913	(566,629)	413,518
2030	413,518	375,000	3,325,284	610,000	3,935,284	329,922	3,924,054	4,253,976	(318,692)	469,826
2031	469,826		3,325,284	610,000	3,935,284	325,000	3,979,592	4,304,592	(369,308)	100,518
2032	100,518		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	56,210
2033	56,210		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	11,902
2034	11,902	350,000	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	317,594
2035	317,594		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	273,286
2036	273,286		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	228,978
2037	228,978		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	184,670
2038	184,670		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	140,362
2039	140,362		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	96,054
2040	96,054		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	51,746
2041	51,746		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	7,438
2042	7,438	350,000	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	313,130
2043	313,130		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	268,822
2044	268,822		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	224,514
2045	224,514		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	180,206
2046	180,206		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	135,898
2047	135,898		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	91,590
2048	91,590		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	47,282
2049	47,282		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	2,974
2050	2,974	100,000	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	58,666
2051	58,666		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	14,358
2052	14,358		3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	693,410
2053	693,410		3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	1,372,462
		1,525,000		16,165,000						
				17,690,000						

Ms. McGarry then explained that Scenario #3 attempted to keep the same capacity analysis and the timing. She noted that it attempted to time additions to the Debt Reserve with reassessment years as well as the first year of the School LCI Biennium. She explained that they would be using more Non-Recurring money in those instances, and it would split the \$610,000 between the use of addition to reserve non-recurring funds, with the cash infusion. Ms. McGarry indicated that the \$610,000 would come into play the first and second years following the reassessment. She noted that the lesser cash infusion was the next two years before they got to the next reassessment, but she indicated that they would have to put in the \$305,000 from the



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Non-Recurring funds to accomplish the strategy. Ms. McGarry indicated that they would be spending more of their reserves by adding \$4,270,000 in Non-Recurring funds to the Debt Service Reserve to make it work. She noted that they would be spending \$13,420,000 in cash for the same total of \$17,690,000 which would put them at \$1.3 million in reserve.

Ms. McGarry noted that the options would maintain the Debt Capacity and timing. She explained that the options provided up to \$57 million in debt capacity but they had only committed to \$35 million in projects. She noted it did not have to be decided today. Mr. Reed noted it was definitely worth considering.

Staff \$57 Million Debt Capacity Cash Flow Analysis Scenario #3

	A	B	C	D	E (C+D)	F	G	H (F+G) Total Existing and Projected	I (E-H) Surplus (shortfall)	J (B +C+J) Ending DS Reserve
FYE	Beginning DS Reserve	Addition to Reserve	DS Budget	Additional Revenue for DS	Total Revenues	Existing DS	Projected DS	Projected DS		
2024	3,237,412		3,325,284	0	3,325,284	3,357,550	0	3,357,550	(32,266)	3,205,146
2025	3,205,146		3,325,284	0	3,325,284	2,226,052	356,825	2,582,877	742,407	3,947,553
2026	3,947,553		3,325,284	610,000	3,935,284	2,242,797	1,631,200	3,873,997	61,287	4,008,840
2027	4,008,840		3,325,284	610,000	3,935,284	2,251,946	2,986,650	5,238,596	(1,303,312)	2,705,528
2028	2,705,528	305,000	3,325,284	305,000	3,630,284	2,109,015	2,986,650	5,095,665	(1,465,381)	1,545,147
2029	1,545,147	305,000	3,325,284	305,000	3,630,284	577,859	3,924,054	4,501,913	(871,629)	978,518
2030	978,518		3,325,284	610,000	3,935,284	329,922	3,924,054	4,253,976	(318,692)	659,826
2031	659,826		3,325,284	610,000	3,935,284	325,000	3,979,592	4,304,592	(369,308)	290,518
2032	290,518	305,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	246,210
2033	246,210	305,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	201,902
2034	201,902		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	157,594
2035	157,594		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	113,286
2036	113,286	305,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	68,978
2037	68,978	375,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	94,670
2038	94,670		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	50,362
2039	50,362		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	6,054
2040	6,054	375,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	31,746
2041	31,746	410,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	92,438
2042	92,438		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	48,130
2043	48,130		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	3,822
2044	3,822	375,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	29,514
2045	29,514	410,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	90,206
2046	90,206	0	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	45,898
2047	45,898		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	1,590
2048	1,590	375,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	27,282
2049	27,282	410,000	3,325,284	305,000	3,630,284	0	3,979,592	3,979,592	(349,308)	87,974
2050	87,974		3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	43,666
2051	43,666	15,000	3,325,284	610,000	3,935,284	0	3,979,592	3,979,592	(44,308)	14,358
2052	14,358		3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	693,410
2053	693,410		3,325,284	610,000	3,935,284	0	3,256,232	3,256,232	679,052	1,372,462
		4,270,000		13,420,000						
				17,690,000						

Mr. Reed indicated that if they needed some extra revenues to cover expenses, the strategy scenarios showed some options as to how they could do that and still maintain the Debt Service. Ms. McGarry noted that it would be nice to commit to a strategy and stay on that path. She commented that things changed from year to year on what the County's ability was to do. She noted that the strategy could adjust, along with those needs.

Ms. McGarry provided an update on the General Assembly legislation in reference to localities having the ability to have a referendum to implement a one (1) percent sales tax for school construction and school construction debt service. She reported that the legislation had passed both houses and it was in the Governor's hands. She noted that the Governor had a deadline to act on it by April 8<sup>th</sup>. Ms. McGarry noted that David Blount of the TJPDC said that counties that were more rural and more Republican, as well as GOP legislators who supported the concept, were weighing in with the Governor for him to approve the bills. She commented that it seemed like it was on a good track. Mr. Rutherford asked how much revenue that could provide. Ms. McGarry estimated that it would possibly generate about \$1million per year for the County, and it could be utilized for school projects and debt service for schools. She noted that would change the whole debt capacity scenario. Mr. Rutherford noted that would impact the high school debt service. Ms. McGarry noted that she was unsure how quickly it could go to referendum. Mr. Rutherford commented that he was skeptical it would make the November ballot, but he noted that he was not sure. Ms. McGarry noted they would be researching the process.

### 3. School Division Operating & Nurses

Ms. McGarry reported that she had provided the Board with a history of the local funding for schools for operations from FY13 to FY24. She noted that it showed the transfers for operations, as well as the school nurses, and then a subtotal. She indicated that the information also provided the enrollment per year, which was based on their budget summary document, and the per student funding. Mr. Rutherford noted the significant decrease in the number of students during that period of time. He noted in the early 2000's there were 2,100 to 2,200 students. Ms. McGarry commented that she remembered there being over 2,000 students. Dr. Ligon stated there had been a stable number of children in the County, but the percentage seeking public schooling had decreased. Ms. McGarry noted that she did not have the answer to that, noting she did not know the component. Mr. Reed indicated that the information was included in the School's budget information. He noted it provided the number of children being served by home school.

Ms. McGarry reported that the Schools had not yet submitted a formal request because they were still waiting on the state to provide the calculation tool, which could be used for the General Assembly's version of the budget. She indicated that the Schools knew where they were likely going to land. She noted that the Schools were likely to be submitting a local ask close to \$1.8 million. She indicated that the Schools wanted to check that number before they submitted a formal request.

Mr. Reed asked how they should handle the School revenue piece of expenditures. Ms. McGarry commented that they had a certain amount in Recurring Revenue contingency and she noted that was dependent on what the Board chose to do with debt service. Mr. Reed asked how they would cover \$1.8 million. Ms. McGarry noted it was pretty tough. She indicated that if they used the Recurring Contingency that was currently at about \$500,000, and they did not transfer the \$610,000, they would have about \$1.1 million in terms of Recurring Revenue. She noted that there may be additional changes in revenues to the Personal Property and Real Estate. She indicated that she did not expect it to be a lot, but it could change some once she received the new property book edits from the Commissioner of Revenue's office during the first week of April.

Dr. Ligon asked what the additional \$1.8 million was. Mr. Parr explained that it was the additional amount requested by the schools over last year's funded amount. He reiterated that it was last years' budget plus \$1.8 million. Ms. McGarry reported that the School's original budget contained a 10 percent health insurance increase which equated to about \$304,000. She noted that she had inquired as to where in the new budget those funds had been absorbed. She reported that the Schools had included a three (3) percent Cost of Living Adjustment (COLA), including benefits, which was estimated to cost \$675,000. She noted

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that the Schools would get a state reimbursement estimated at \$109,000. She indicated that the net amount of \$566,000 for the three (3) percent COLA was included in \$1.8 million.

Dr. Ligon asked what the total school funding amount was. Ms. Staton reported that the Schools were asking for \$20,235,149 which included the additional requested \$1,855,312 plus the existing budgeted amount of \$18,379,837. Ms. McGarry noted that amount did not include the School Nurse funding, just the operations funding. She noted that the main issue was the change to the LCI (local composite index). She reported that the County would now be paying nearly 65 cents for every dollar in state revenue, she noted that they had to match the state funding by that percentage. Mr. Rutherford noted that all of the County's Real Estate tax revenues would essentially be needed to cover the School's request. Ms. McGarry confirmed, noting that the Real Estate Revenue was about \$20 million.

Ms. McGarry noted that they were in a little bit of a holding pattern until they saw what the number would be, but it would be close to the \$1.8 million mostly likely. The Board had no further questions or comments on School Funding and it was noted that they would circle back to.

#### 4. Piney River Water & Sewer

Ms. McGarry reported that the Piney River Water and Sewer operational budget had not been fully developed yet, but they had not included a transfer for operations for that fund. She indicated that \$350,000 had been included to be transferred for a possible pump station replacement for that system. She explained that \$350,000 was really just a best guess at the moment. She noted that they had one quote from vendor for \$220,000, and there would be additional undetermined costs for installation. She reported that those funds would be coming from Non-Recurring funds in the budget. She noted that they would circle back, and at some point, they would need to discuss potential fee changes, to help offset some of the operational costs. Ms. McGarry indicated that it had been a long time since the Piney River Water and Sewer rates had changed. Mr. Parr and Mr. Reed agreed that would need to happen.

#### 5. Reassessment

Ms. McGarry reported that staff had included an additional \$15,000 for the FY25 Transfer to Reassessment Fund, for a total of \$100,000. She explained that they included the additional \$15,000 to account for an increase in services related to that reassessment. She indicated that they had two (2) years before the next reassessment would take effect, but she noted that they would be starting the process in the fall for hiring a mass appraisal firm to do the work.

Mr. Rutherford asked if the Certificates of Occupancy (CO's) were making it from Building Inspections to the Commissioner of Revenue in timely manner. Ms. McGarry commented that she assumed so. Mr. Rutherford noted that if they were delayed, there were missed revenue opportunities that could be significant. Ms. McGarry noted they could check on the current process to make sure it was getting picked up in a timely manner.

#### b. Employee Compensation

Ms. McGarry reported that the following information on Employee Compensation had been provided to show the costs for a one (1) percent, two (2) percent, and three (3) percent increase, including the equity adjustments recommended by MAG. She reported that there would be a net savings of \$11,291 due to the Compensation Board reimbursement revenue on the three (3) percent COLA for constitutional offices. Mr. Rutherford asked what the Schools were doing for their staff. Ms. McGarry reported that the Schools had three (3) percent built into their budget. She noted that the Constitutional offices would all get three (3) percent from the state. Ms. Staton explained that the scenario also included the third piece of MAG's



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(Management Advisory Group) submission to the County for the pay study, which was an equity adjustment to move those employees within their pay range to the level they should be on, based on their years of service. Ms. McGarry explained that they were proposing to do either the higher of three (3) percent or the equity adjustment. She noted that people who had an equity adjustment would not get both.

Ms. McGarry then noted that the other piece she would include as part of the compensation adjustment as a whole, would be to take the pay scale and adjust the entire pay scale by a factor less than the COLA, to try and keep up with the market so that when the next pay study happened, they would not be so far off. Ms. Staton commented that she thought that was how the School's pay scale worked currently. Mr. Parr, Mr. Rutherford and Mr. Reed in agreement that it made more sense to do the three (3) percent increase. Ms. McGarry noted for Schools three (3) percent COLA, it was a net expense of \$566,000 after they got \$109,000 back from the state. Ms. McGarry noted that she hoped the JLARC study would help when they were looking at the formulas for the LCI in the future. The Board was good with the (3) percent COLA. Ms. McGarry explained that the three (3) percent adjustment would reduce the Recurring Revenue by \$50,237, and increase the state revenue on the revenue side. She noted there would be a net reduction on the Recurring Revenue by \$11,291.

	FY25 1% Increase		FY25 2% Increase		FY25 3% Increase		MAG Equity Adjustment
1% FT Salaries	\$ 58,878	2% FT Salaries	\$ 117,756	3% FT Salaries	\$ 176,634		\$ 43,935
Benefits	\$ 1,2175	Benefits	\$ 1,2175	Benefits	\$ 1,2175	Benefits	\$ 1,2175
	\$ 71,683		\$ 143,366		\$ 215,049	FT	\$ 53,491
PT	\$ 7,959	PT	\$ 15,918	PT	\$ 23,877	PT	\$ 11,303
Base Compensation	\$ 79,642		\$ 159,284		\$ 238,926	Total MAG Adj	\$ 64,794
MAG Adjustments	\$ 64,794		\$ 64,794		\$ 64,794		
Total Compensation	\$ 144,436		\$ 224,078		\$ 303,721		
Proposed Budget							
MAG Adjustments	\$ 76,768		\$ 76,768		\$ 76,768		
2% COLA Adjustment	\$ 176,716		\$ 176,716		\$ 176,716		
	\$ 253,484		\$ 253,484		\$ 253,484		
Budgetary Adjustment	\$ (109,048)		\$ (29,406)		\$ 50,237		
					\$ (61,528)	Comp Board Revenue (on 3% COLA)	
					\$ (11,291)	Budgetary Adjustment	

#### MACAA funding

The Board revisited the MACAA FY25 funding request of \$38,665. Mr. Rutherford noted they should get a little funding back from the current year. He suggested level funding MACAA and Mr. Parr agreed. Mr. Reed stated that he was not in agreement, and he commented that he did not think anyone else would go along with them. The Board level funded MACAA at \$36,000. Mr. Reed noted he would suggest that MACAA return when they had something to ask for.

#### C. Revenue Review – Local, State, Federal, and Other

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Ms. McGarry suggested in focusing on the main items in the Local Revenue unless the Board had specific questions. She noted that federal and state revenues were mostly grant related or matching funds to local funds that were spent for Social Services or CSA. She indicated that there were six (6) or seven (7) local revenues that comprised about 85 percent of local revenues.

Ms. McGarry reviewed the following revenues:

- Real Estate Tax \$20,890,068

Ms. McGarry reported that FY25 Real Estate tax was predicted to come in at an increase of \$285,390 over the FY24 amended budget for a total FY25 estimated Real Estate Tax revenue of \$20,890,068. She noted they were projecting slightly higher revenues for FY24 than what was budgeted.

- Public Service Tax \$1,008,000

Ms. McGarry reported that the Public Service Tax revenue amount came from the SCC. She noted that the values that the SCC had submitted for the previous two (2) tax years had declined. She indicated that staff had built in a decline for the expected revenue from that.

- Personal Property Tax \$6,013,768

Ms. McGarry reported that they were expecting a slight decline in Personal Property Tax. She noted that the vehicle values were coming in a little lower. She indicated that they estimated a 2025 tax amount using a one (1) percent increase.

- Local Sales and Use tax \$2,190,076

Ms. McGarry noted that they received the Local Sales and Use tax number from the state. She reported that they had not received that number yet, so they used the FY24 amount of \$2,190,076.

- Transient Occupancy Tax \$2,268,000

Ms. McGarry noted that the rate had increase from five (5) percent to seven (7) percent. She noted that she used 90 percent of that \$720,000 increase to estimate a \$468,000 increase in TOT revenue from a projected \$1.8 million FY24 revenue.

- Meals Tax \$1,589,026

Ms. McGarry reported that they were projecting an increase of about one (1) percent in Meals Tax revenue from FY24 projected.

- Interest on Investments \$1,345,860

Ms. McGarry reported that the FY25 Interest on Investments was estimated at \$1,345,860, which was a \$845,860 increase over FY24's amended budget. She noted the original FY24 amount was way under budgeted. She reported that they were projecting \$1,373,610 for FY24. Mr. Rutherford asked how most of the funds were invested. Ms. McGarry noted that a lot was invested in the Local Government Investment Pool (LGIP) and CD's. She indicated that staff could get a breakdown on investments.

Mr. Parr asked about the Sheriff's fees. Ms. McGarry noted that those fees came through the courts when things were processed. Mr. Parr asked if they had taken into account the increased law enforcement activity that had been taking place, noting the additional ticketing.

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- Court Fines \$180,000

Ms. McGarry indicated that the FY24 projected amount was \$166,074 which was based on the first part of the year. She noted that they were estimating \$180,000 for FY25.

Mr. Rutherford noted one of the bigger complaints that he had heard from constituents was regarding personal property tax. He commented that it was important that the County take into consideration the depreciation of a vehicle. Ms. McGarry noted that the Commissioner of Revenue was still using JD Power to value the vehicle, it was just through a different entity. Mr. Rutherford asked who picked the method for appraisal. Ms. McGarry noted that she was pretty sure it was at the Commissioner of Revenue's discretion on choosing the appraisal method. She indicated that they were using 90 percent of the retail value for the vehicles.

Ms. McGarry noted that the County did have personal property tax relief that was applied annually to the tax bills for non-business vehicles. She reported that the current rate was at 39 percent and that still looked good based on what she had seen of the books so far. She noted that the Board could set the tax relief at a higher rate if they wanted. She explained that the relief was decided at the same time as the tax rates. Mr. Rutherford asked to look at a 40 percent or 41 percent relief amount for Personal Property Tax Relief.

Ms. McGarry reported that staff was proposing to use about \$3.5 million in Year Ending Balance. She explained that was comprised of the following:

- \$1,533,840 in FY24 net expenditure savings anticipated including:
  - Departmental Operations: -\$381,006
  - Non-Departmental Operations: -\$291,323
  - Unspent Capital Outlay: -\$63,887
  - Capital Projects: -\$149,570
  - Contingencies: -\$648,054
- \$1,499,021 in FY24 net revenue increase anticipated including:
  - Local: \$1,176,576 (Recordation Tax, Meals Tax, Court Fines & Interest Earnings)
  - State: \$19,806 (State Shared Expenses & CSA Reimbursement)
  - Federal: \$11,116 (CARES Act, SCAAP, Misc.)
  - Other: \$291,523 (Insurance recoveries, cancelled checks, NCBA Transfer)
- On the expenditure side, these funds are the balance of ARP funds from the NCHS Roof project which can be used with no restrictions, funding of Capital Outlay expenditures, carry forward of unspent FY24 miscellaneous funds, non-recurring costs and non-recurring contingency. Additionally, \$350,000 in fund balance is proposed to be used for replacement of the Piney River pump station.

#### D. Consider 2024 Tax Rates

- a. Authorize Public Hearing no Rate Increases for April 11, 2024 (If Applicable)

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Mr. Rutherford made a motion to maintain the tax rates at \$0.65 for Real Estate, \$2.79 for Tangible Personal Property, \$1.25 for Machinery and Tools, and \$0.65 for Mobile Homes. Mr. Harvey seconded the motion.

Mr. Reed spoke in favor of a penny increase in the Real Property tax. He commented that the reason being was due to what had come directly out of Richmond. He noted the problems that they had with school funding last year, from a major mistake in computations, to the increased Composite Index they had to bear this year, and the Governor's budget which was so low in terms of school funding. Mr. Reed commented that the additional penny, and the \$300,000 plus that would add, would go really far in being able to fulfill the staff increases across the board that the Schools had hoped to put in place. He commented that the new staff the Schools had put into place was incredibly vital. He noted that in sitting in on the budget hearings that they had and the discussions that the School Board had on their budget, there was not a lot of wiggle room anywhere else to deal with the decline they would see in their budget. Mr. Reed stated for that reason he would like to amend the motion and ask for a penny increase in the Real Property tax rate.

Dr. Ligon asked how much that would add. Ms. McGarry noted it would add \$321,707. Mr. Reed commented that it was not a lot, but in this budget it was a lot because this was in some ways, one of the tightest budgets that he had seen that they had ever had. He commented that it seemed like a critical time when they were investing in the people of the County, all of the problems that the County might have, they would see them all reflected most directly and most immediately in the schools.

Mr. Reed commented that he knew they could not determine how the Schools would be spending the money but, he thought they had done an exemplary job in trying to give the Board a budget that was below need and certainly realistic. Mr. Reed noted that he knew the Board could not do everything that the Schools had asked for, but he thought it would be a positive move for the County to do that.

Mr. Rutherford commented that he made a motion and Mr. Reed made a motion to amend. Mr. Parr clarified that Mr. Reed had asked that the motion be amended. Mr. Parr noted that would have to come from Mr. Rutherford as he had made the motion. Mr. Rutherford noted he was not amending his motion, but if Mr. Reed made a motion to amend his motion and there was a second, then they would vote on his amendment.

Mr. Reed made a motion to amend Mr. Rutherford's motion to add a penny increase to the Real Property Tax. Mr. Harvey seconded Mr. Reed's motion. Mr. Rutherford commented that the current motion as it stood, would be bringing the Real Estate Tax from \$0.65 to \$0.66. Mr. Rutherford indicated that he still stood with his initial motion that it be level funded and maintaining all rates the same as they were last year. Mr. Rutherford confirmed that he would be in the negative on the motion. Mr. Parr asked if there was any further discussion on raising the tax rate from \$0.65 to \$0.66 per \$100 on Real Property Tax, with the others remaining the same.

Ms. McGarry commented that the Board could advertise a higher rate and then adopt something lower. She noted that they could not go up once they advertised a certain rate. She suggested that the Board keep that in mind. Mr. Reed commented that was important because they may have more information on the budget once they have the hearing. Mr. Reed noted that it would be really interesting to hear from the public at a public hearing, about their feeling on all of the things they were trying to do as a County to benefit the County, and trying to finance that in as conservative of a way as possible, one of those vehicles being a raise in the Personal Property Tax. He commented that he was interested in hearing what a public response would be to that. Ms. McGarry asked if Mr. Reed's motion was to increase the Real Estate Tax Rate. Mr. Reed noted it was the Real Property Tax. Ms. McGarry confirmed that was Real Estate, noting she was making sure she understood.

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Dr. Ligon commented that she had a thought on the Machinery and Tools tax. She noted that in Amherst, they required parts of their tax return as proof. Mr. Reed asked if they could talk about that separately, noting it was kind of like a different issue. Dr. Ligon commented that they were voting on all four. Mr. Rutherford commented that as the amended motion stood, it was flat lined, unless they were amending the amended motion. He noted at some point, they had to vote on the amended motion and they could revisit. Mr. Rutherford commented that they did have a lot of history with the Machinery and Tools tax, because he and Mr. Parr tried to get rid of it. He noted that they learned that it was actually almost illegal to get rid of it. He commented that they could make it a penny, but they could not get rid of it.

Mr. Parr returned to the motion on the table to level fund the three (3) taxes with the exception of Real Property tax at \$0.66. He asked for any additional discussion on that. Ms. McGarry clarified that the Mobile Home Tax and the Real Property Tax were the same. There was no further discussion and Supervisors voted to approve the amended motion (3-2) by roll call vote, with Mr. Parr and Mr. Rutherford voting no.

Mr. Rutherford asked to return to his original motion that was on the table before the amended. Mr. Parr asked to do what. Mr. Rutherford noted his motion level funded all four. Mr. Parr noted they had just voted to increase the tax. Ms. McGarry clarified that they voted to amend the original motion. Mr. Rutherford commented that they had three nos. Ms. McGarry and Mr. Parr confirmed that there were three yesses. Mr. Rutherford commented that he did not hear Dr. Ligon. Ms. McGarry confirmed that the motion had been amended.

Mr. Rutherford asked Dr. Ligon if she wanted to talk about Machinery and Tools. Mr. Parr suggested that be discussed as a side conversation because they had approved it.

Mr. Parr asked if anything else needed to be discussed. Ms. McGarry noted that the motion had been amended, she noted they were voting to authorize a public hearing on a one cent Real Estate Tax Increase. Mr. Parr asked if that needed to be voted on. Ms. McGarry commented that she thought that was what they had just done. Mr. Reed, Mr. Parr and Mr. Rutherford agreed that was what they had just voted on. Ms. McGarry noted that she was just making sure. Mr. Parr asked if they had to have a separate vote on the rate versus having a public hearing. He wanted to clarify that they did not have to have a second vote on a public hearing. Ms. McGarry answered no, noting they were just authorizing the public hearing. Mr. Rutherford commented that all of the other rates stayed the same and they would only have the one public hearing related to Real Estate Tax. Ms. McGarry commented that any increase in the tax rate needed a public hearing. Mr. Rutherford agreed. Mr. Parr noted that Mr. Rutherford was just confirming that the only public hearing was on the penny. Ms. McGarry commented that she thought they were considering the others now. Mr. Rutherford noted that they voted on the all in a block.

Ms. McGarry asked whether the amended motion authorized the public hearing. The Board confirmed that it did.

### **III. OTHER BUSINESS (AS MAY BE PRESENTED)**

Mr. Rutherford asked if they needed to meet the following week. Ms. McGarry commented that she did not think they needed to, now that they had the tax rate public hearing items completed. Mr. Rutherford asked if they could just adjourn the meeting. Ms. McGarry noted they could, unless they wanted to do anything else before then. She noted that they still had the other fund budgets to review with the Board, but they had a pretty good sense of what they were because it was the Debt Service Fund, Piney River Water and Sewer Fund, and the Capital Fund. She indicated that the School Fund was a decision to be determined. Mr. Rutherford asked if they wanted to get the School Board's official request before they met

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again. Ms. McGarry reviewed the calendar to make sure they were on track. She suggested that they could do some work sessions between April 2<sup>nd</sup> through April 5<sup>th</sup>. She noted the regular meeting was on April 9<sup>th</sup> and the public hearing on the tax increase would be April 11<sup>th</sup>. Mr. Rutherford asked when the Comprehensive Plan vote would take place. Ms. McGarry noted that they would discuss it on April 9<sup>th</sup>. Dr. Ligon asked if they would discuss it or vote on it. Ms. McGarry noted that the Board could decide. Mr. Reed commented that the solar eclipse would take place on April 8<sup>th</sup> and the Schools had made it a green day so the bus drivers would not have to deal with kids saying “Look at the eclipse!”

Ms. McGarry explained that at the April 9<sup>th</sup> meeting, they had on the calendar to have the Board authorize the Budget public hearing for May 14<sup>th</sup>. She noted that the Board could continue working on the budget at the April 11<sup>th</sup> meeting, but they would need to have something finalized to publish for a public hearing on the budget. She indicated that they could make changes once they had the public hearing. Ms. McGarry noted that the Governor had to do his part with the State budget by April 8<sup>th</sup> and the veto session would begin around April 17<sup>th</sup> or 18<sup>th</sup>. The Board discussed potential budget work session dates and decided to hold the next work session on April 11<sup>th</sup> at 4 p.m. prior to the tax rate public hearing that evening at 7 p.m.

#### **IV. ADJOURNMENT**

At 12:55 p.m., Mr. Rutherford made a motion to adjourn. Mr. Reed seconded the motion. There being no further discussion, Supervisors approved the motion by vote of acclamation and the meeting adjourned.

BOARD OF  
SUPERVISORSTHOMAS D. HARVEY  
North DistrictERNIE Q. REED  
Central DistrictJESSE N. RUTHERFORD  
East DistrictJ. DAVID PARR  
West DistrictDR. JESSICA LIGON  
South DistrictCANDICE W. MCGARRY  
County AdministratorAMANDA B. SPIVEY  
Administrative Assistant/  
Deputy ClerkLINDA K. STATON  
Director of Finance and  
Human Resources

**RESOLUTION R2024-58**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**AMENDMENT OF FISCAL YEAR 2024-2025 BUDGET**  
**August 13, 2024**

**I. Appropriation of Funds (General Fund)**

<u>Amount</u>	<u>Revenue Account (-)</u>	<u>Expenditure Account (+)</u>
\$ 12,830.00	3-100-002404-0003	4-100-013010-5413
\$ 4,718.00	3-100-002404-0017	4-100-021060-3160
\$ 10,310.00	3-100-002404-0017	4-100-021060-3160
\$ 1,833.00	3-100-002404-0034	4-100-031020-1014
\$ 364.00	3-100-002404-0034	4-100-031020-1014
\$ 30,720.00	3-100-003303-0025	4-100-031020-7045
\$ 93,000.00	3-100-001899-0030	4-100-081020-7056
\$ 7,257.00	3-100-009999-0001	4-100-081050-3010
\$ 3,983.34	3-100-001899-0008	4-100-091030-5202
\$ 1,250.00	3-100-009999-0001	4-100-091030-5656
\$ 18,000.00	3-100-002404-0061	4-100-999000-9905
\$ 379,582.00	3-100-009999-0001	4-100-093100-9203
<b>\$ 563,847.34</b>		

**II. Reappropriation of Funds (School Fund)**

<u>Amount</u>	<u>Revenue Account (-)</u>	<u>Expenditure Account (+)</u>
\$ 379,582.00	3-205-004105-0001	4-205-061100-9301
<b>\$ 379,582.00</b>		

**III. Transfer of Funds (General Fund Contingency)**

<u>Amount</u>	<u>Credit Account (-)</u>	<u>Debit Account (+)</u>
\$ 25,000.00	4-100-999000-9901	4-100-022010-1003
\$ 10,240.00	4-100-999000-9905	4-100-031020-7045
\$ 1,000.00	4-100-999000-9905	4-100-091030-5604
<b>\$ 36,240.00</b>		

Adopted: \_\_\_\_\_

Attest: \_\_\_\_\_, Clerk  
Nelson County Board of Supervisors

## **EXPLANATION OF BUDGET AMENDMENT**

- I. Appropriations are the addition of unbudgeted funds received or held by the County for use within the current fiscal year budget. These funds increase the budget bottom line. The General Fund Appropriations of \$563,847.34 include requests of (1) \$12,830.00 appropriation requested for Department of Elections FY25 Election Grant Equipment award for Ballot on Demand Printers; (2)(3) \$4,718.00 + \$10,310.00 appropriation requests for FY24 Circuit Court Records Preservation (CCRP) Grant funds to be received/expended in FY25; (4)(5) \$1,833.00 + \$364.00 appropriation request for Sheriff's Temporary Detention Order & Emergency Custody Order (TDO & ECO) transport funding for May/June, FY24; (6) \$30,720.00 appropriation request for Sheriff's Department FY25 DCJS Byrne/Justice Assistance Grant Program award of \$40,960.00 (75% federal award with 25% local match); (7) \$93,000.00 appropriation is requested for FY25 Department of Housing and Community Development (DHCD) funding for the GO Virginia Wine Industry Planning Grant; (8) \$7,257.00 requested reappropriation of unused FY24 Agriculture and Forestry Infrastructure Development (AFID) Grant funds for use in FY25; (9) \$3,983.34 to appropriate FY25 OPIOID Abatement Settlement funds received in FY25 above budgeted revenue for FY25; (10) \$1,250.00 request to reappropriate Piedmont Habitat for Humanity unused budgeted FY24 allocation for use in FY25; (11) \$18,000.00 request to appropriate Virginia Tourism Corporation (VTC) Stars & Spurs at Oak Ridge grant revenue received in FY25; spent in FY24, increases NR contingency; (12) \$379,582.00 request of FY24 School revenue from the All In Virginia Plan received in FY24 to be reappropriated (from County fund balance) for expenditure in FY25. *The total appropriation request for this period is below the 1% of expenditure budget limit of \$737,491.62 for August.***
- II. Reappropriated funds are approved, unexpended in a prior fiscal year, then appropriated for use in the current fiscal year budget.** A School Fund reappropriation request from the General Fund to the School Fund in the amount of \$379,582.00 is requested for FY24 All In Virginia Plan revenue received in FY24 to be expended in FY25-FY26. *Reappropriation amounts of prior year funds received are not duplicated and do not affect the monthly 1% allowance limit when included in total appropriations for the period.*
- III. Transfers represent funds that are already appropriated in the budget, but are moved from one line item to another. Transfers do not affect the bottom line of the budget. Transfers from General Fund Contingencies in the amount of \$36,240.00 are reflected in (1) \$25,000.00 transfer from **Recurring Contingency** for the Commonwealth's Attorney Body Worn Camera MOU additional part-time Assistant Commonwealth Attorney personnel expense as approved by the Board of Supervisors on July 9, 2024 by Resolution R2024-51; (2) \$10,240.00 transfer is requested from **Non-Recurring Contingency** to cover the 25% local match requirement of the FY25 Byrne/Justice Assistance Grant Program; (3) \$1,000.00 is requested from **Non-Recurring Contingency** in annual support of the Dolly Parton Imagination Library program approved by the Board of Supervisors in FY23. *Following approval of these expenditures, the balance of Recurring Contingency would be \$587,438.00. The balance of Non-Recurring Contingency would be \$669,754.00.***





### 2024 Election Grant Equipment Application for Localities

Locality Information			INTERNAL: Instructions to Review Grant Application
Line 1	County or City Name: Nelson County		1. ELECT Fiscal Officer receives the application and saves the file (Excel).
	Locality Code: 125	/ 51125	2. The application is reviewed and each line item is approved or denied.
	ID (internal use only): 0000053203		3. Once the application is processed, it is emailed to the submitter. <a href="#">Email Locality</a>
2	Remittance Address		4. Fund are sent to the Locality.
	Street 1: PO Box 336		INTERNAL: Instructions to Process Grant Reimbursements.
	Street 2: 0		1. Request locality receipts for approved grant election equipment for reimbursement.
	City: Lovingsston		2. Process Payment via the AP process.
	Zip Code: 22949		INTERNAL: Instructions to Spot Check Grants
	C/O:		1. Select localities to perform spot checks. Request receipts and logs from locality.
3	Electronic Payment: Yes		2. Review documentation to ensure funds were used accordingly. Document results.
4			

### 2024 Election Grant Equipment Application Options

5 Restricted to localities using 100% paper pollbooks or a combination of electronic & paper.			>Select an option from the dropdown					
SA	Nelson County currently uses:	>Select an option from the dropdown	Cost/Item	Count (#)	Subtotal	ELECT Approval	Requested Max Amount	Approved Adjusted Amount
5B	EPB All Inclusive Package/Bundle (Comprehensive Solution)		\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5C	Printer for Check-in Ballot Receipt	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
Itemized EPB Items								
5D	Poll Book/Check-in Device (Tablet, Laptop, iPad)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5E	Election Management Software (EMS)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5F	EMS License (e.g., Voter Info, Reporting) (Not included in 5E)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5G	Laptop for EMS for Management & Reporting Software	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5H	Scanner for Driver's License/Identification Card	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5I	Network Equipment (Router, Cables, Software)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5J	Maintenance/Support/Training (Not Included Above)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5K	Hardware Protective/Carrying Case (Not Included Above)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5L	Training (Not Included Above)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5M	On-site Assistance	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
5N	Additional Itemized Cost, if applicable	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
							EPB Subtotal Approved	\$ -

6 Restricted to localities that do not use Ballot on Demand at all or partial use of BOD.			Does NOT Use Ballot on Demand					
6A	Nelson County currently:	Does NOT Use Ballot on Demand	Cost/Item	Count (#)	Subtotal	ELECT Approval	Requested Max Amount	Approved Adjusted Amount
6B	Ballot on Demand Printing System (Comprehensive Solution)	KNOWINK	\$ 6,415	\$ 2	\$ 12,830	Approved	\$ 12,830	\$ 12,830
Itemized BOD Items								
6C	Print on Demand Printer	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6D	Print on Demand Laptop, Tablet or iPad	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6E	Print on Demand Laptop Software License	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6F	Maintenance/Support (Not Included Above)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6G	Hardware Protective/Carrying Case (Not Included Above)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6H	Training (Not Included Above)	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6I	On-site Assistance	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6J	Additional Itemized Cost, if applicable	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
6K	Additional Itemized Cost, if applicable	0	\$ -	\$ -	\$ -	Pending Review	Pending Review	Pending Review
							BOD Subtotal Approved	\$ 12,830

7	Total Requested Election Equipment Grant Amount	Requested	\$ 12,830
8		Denied	\$ -
9	Total Approved Election Equipment Grant Amount	Approved	\$ 12,830

☒ The locality can NOT pay for the purchase and then request reimbursement from ELECT for approved grant expenses related to election equipment.

### General Register or Designee Certification

10 ☒ I certify (for Nelson County) that we will promptly submit receipts and documentation for reimbursement. Furthermore, all records will be maintained for a period of five years from the date of this certification for audit purposes.

Name: \_\_\_\_\_  
Work Title: Director of Elections

Email: jbritt@nelsoncounty.org  
Phone: (434) 263-7190

### State Department of Elections Approval and Amount

11 Approved I have examined the certified funding amount specified in this grant application for 2024 election equipment for Nelson County.

Name: Kevin A. Hill, ELECT Business Manager  
Approval Date: 7/26/2024

Grant Amount Approved: \$ 12,830

(Status and date must be displayed for an application to be valid.)



## LIBRARY OF VIRGINIA

**Sandra Gioia Treadway**  
*Librarian of Virginia*

Feb. 21, 2024

Grant Agreement Number: 2024FY-114

The Honorable Lisa Bryant  
Clerk of the Circuit Court  
Nelson County  
P.O. Box 10  
Lovingston, VA 22949

Dear Ms. Bryant,

The Circuit Court Records Preservation Grants Review Board met on Tuesday, Feb. 13<sup>th</sup>, 2024 to consider 124 applications submitted from 101 localities. It is our pleasure to inform you that your Item Conservation grant application to the Virginia Circuit Court Records Preservation Program has been **approved in the full amount of \$4,718.00**. The following item(s) have been approved by the Review Board: **Minute Book 1827-1830**. This grant is subject to the stated amount, availability of funds, and any provisos listed in this letter or on the enclosed CCRP Grants Program Application Certification form. Please review these provisos carefully to determine the scope and/or limitations of the project.

You will find the Award Certification form included with this letter. This agreement, along with the original grant application, details the term of your project, the portion of your project supported with grant funds, and the specific work that is to be accomplished. It will also indicate your fiscal and program reporting requirements. Please read the agreement carefully and return it electronically or by mail **within fifteen days of receipt** to Michelle Washington at the Library of Virginia ([Michelle.Washington@lva.virginia.gov](mailto:Michelle.Washington@lva.virginia.gov)). Contact your item conservation vendor representative to make arrangements for them to collect the approved items. If you have any questions regarding this award or agreement, please contact Greg Crawford at (804) 692-3505.

We appreciate your interest in preserving Virginia's documentary heritage and extend our best wishes for a successful project. We will look forward to working with this year in preparation for the 2025FY grant cycle.

Sincerely,

Gregory E. Crawford  
State Archivist

Teresa Hash Dobbins  
President, Virginia Court Clerks' Association



## LIBRARY OF VIRGINIA

**Sandra Giola Treadway**  
Librarian of Virginia

Feb. 21, 2024

Grant Agreement Number: 2024FY-115

The Honorable Lisa Bryant  
Clerk of the Circuit Court  
Nelson County  
P.O. Box 10  
Lovingston, VA 22949

Dear Ms. Bryant,

The Circuit Court Records Preservation Grants Review Board met on Tuesday, Feb. 13<sup>th</sup>, 2024 to consider 124 applications submitted from 101 localities. It is our pleasure to inform you that your Item Conservation grant application to the Virginia Circuit Court Records Preservation Program has been **approved in the full amount of \$10,310.00**. The following item(s) have been approved by the Review Board: **Land Books 1890-1892; Land Books 1893-1895; Land Books 1896-1898; Marriage Records 1847-1852; Voter Registrations: New Market Precinct List, Colored, 1897**. This grant is subject to the stated amount, availability of funds, and any provisos listed in this letter or on the enclosed CCRP Grants Program Application Certification form. Please review these provisos carefully to determine the scope and/or limitations of the project.

You will find the Award Certification form included with this letter. This agreement, along with the original grant application, details the term of your project, the portion of your project supported with grant funds, and the specific work that is to be accomplished. It will also indicate your fiscal and program reporting requirements. Please read the agreement carefully and return it electronically or by mail **within fifteen days of receipt** to Michelle Washington at the Library of Virginia ([Michelle.Washington@lva.virginia.gov](mailto:Michelle.Washington@lva.virginia.gov)). Contact your item conservation vendor representative to make arrangements for them to collect the approved items. If you have any questions regarding this award or agreement, please contact Greg Crawford at (804) 692-3505.

We appreciate your interest in preserving Virginia's documentary heritage and extend our best wishes for a successful project. We will look forward to working with this year in preparation for the 2025FY grant cycle.

Sincerely,

Gregory E. Crawford  
State Archivist

Teresa Hash Dobbins  
President, Virginia Court Clerks' Association

Linda Staton

From: Neely Hull  
Sent: Wednesday, July 10, 2024 9:14 AM  
To: Linda Staton  
Cc: Sandy Neblett  
Subject: TDO/ECO funds received

Good Morning,

These funds were deposited and posted to "DCJSTD"  
Total Amount: 1,833.00      Deposit Date: 07/10/2024      Trace Number: 00034162

Agy No	Amount	CDS Offset Amount	TOP Offset Amount	Invoice Number	Invoice Date	Customer Number	Voucher Number	Description
140	1,833.00	0.00	0.00	TDO/ECO Reim	06/24/2024		00034162	Sheriff's Office: Temp

Tot 140: 1,833.00

DCJSTD  
3-100-002404-0034  
4-100-031020-1014

Neely Hull  
Chief Deputy Treasurer  
PO BOX 100 Livingston VA 22949  
(P) 434 263 7060  
(F) 434 263 7064

Linda Staton

From: Neely Hull  
Sent: Thursday, August 1, 2024 9:27 AM  
To: Linda Staton  
Cc: Sandy Neblett  
Subject: TDO ECO Funds received

Total Amount: 364.00

Deposit Date: 08/02/2024

Trace Number: 42201258

Agy No	Amount	CDS Offset Amount	TOP Offset Amount	Invoice Number	Invoice Date	Customer Number	Voucher Number	Description
140	364.00	0.00	0.00	TDO/ECO REIM	07/23/2024		00034371	JUNE 2024 TDO/ECO REIM
	DCSTD							

Tot 140: 364.00

Neely Hull  
Chief Deputy Treasurer  
PO BOX 100 Livingston VA 22949  
(P) 434 263 7060  
(F) 434 263 7064

Confidential & Proprietary:  
This e-mail may contain confidential and/or privileged material for the sole use of the intended recipient. Any view or distribution by others is strictly prohibited. If you are not the intended recipient, please contact the sender and delete all copies. Thank You



# COMMONWEALTH of VIRGINIA

## Department of Criminal Justice Services

The Honorable Jackson H. Miller  
Director

Tracy Louise Winn Banks, Esq.  
Chief Deputy Director

Washington Building  
1100 Bank Street  
Richmond, Virginia 23219  
(804) 786-4000  
[www.dcjs.virginia.gov](http://www.dcjs.virginia.gov)

July 12, 2024

Candy McGarry  
County Administrator  
84 Courthouse Square  
Lovingston, Virginia 22949

RE: 525887 - Byrne/Justice Assistance Grant Program- Public Safety Based-Programs

Dear Candy McGarry:

Congratulations on being a recipient of the above referenced grant program! Your DCJS grant award number is **528496** and was approved for a total award of **\$40,960**, funded through Award Number(s) **2019-MU-BX-0026, 2020-MU-BX-0035, and/or 15PBJA-21-GG-00258-MUMU**. The project period is **7/1/2024** through **9/30/2025**.

Included with this letter is your Statement of Grant Award/Acceptance (SOGA), Special Conditions, Reporting Requirements, and Projected Due Dates. In addition, there may be "Action Item" Special Conditions related to your grant award called *Encumbrances* that require your immediate attention. If there are any, please submit those documents via the On-line Grants Management System (OGMS) at <https://ogms.dcjs.virginia.gov/>. Additionally, if you cannot access your grant in OGMS, your application may be under negotiation. Please check your email and/or spam for OGMS correspondence and follow up with your DCJS Grant Monitor.

If you have not previously done so, you must register to use this web-based system. The instructions on *Registering for a New Account* and *Submitting Action Item Encumbrances* are posted here <https://www.dcjs.virginia.gov/grants/ogms-training-resources> along with other resources and training videos. All registrants will be approved within 3 – 5 business days.

We will be happy to assist you in any way we can to assure your project's success. To indicate your acceptance of the award and conditions, please sign the included SOGA and return it electronically within the next 60 days to [grantsmgmt@dcjs.virginia.gov](mailto:grantsmgmt@dcjs.virginia.gov). If you have questions, contact your DCJS Grant Monitor **Nicole Phelps** at **804-786-1577** or via email at [Nicole.Phelps@dcjs.virginia.gov](mailto:Nicole.Phelps@dcjs.virginia.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Jackson H. Miller".

Jackson Miller



## STATEMENT OF GRANT AWARD (SOGA)

Virginia Department of Criminal Justice Services  
1100 Bank Street, 12<sup>th</sup> Floor  
Richmond, Virginia 23219

### 525887 - Byrne/Justice Assistance Grant Program- Public Safety Based-Programs

Subgrantee: Nelson  
DCJS Grant Number: 528496  
UEI Number: XSCRKWJHKVQ5  
Grant Start Date: 7/1/2024 Grant End Date: 9/30/2025  
Federal Grant Number: 2019-MU-BX-0026, 2020-MU-BX-0035, and/or 15PBJA-21-GG-00258-MUMU  
Federal Awardee: BJA  
Federal Catalog Num.: 16.738  
Project Description: To strengthen Crime Control  
Federal Start Date: 10/01/2018, 10/01/2019, and/or 10/01/2020  
ICR:

Federal Funds: \$30,720  
State Funds:  
Local Match: \$10,240  
Total Budget: \$40,960

Project Director	Project Administrator	Finance Officer
Jeremiah Templeton Lieutenant 94 Courthouse Square Lovingston, Virginia 22949 434-320-9543 jtempleton@nelsoncounty.org	Candy McGarry County Administrator 84 Courthouse Square Lovingston, Virginia 22949 434-263-7001 cmcgarry@nelsoncounty.org	Linda Staton Finance Director 84 Courthouse Square Lovingston, Virginia 22949 434-263-7136 lstaton@nelsoncounty.org

**\*Please indicate your ICR in the space provided, if applicable.** As the duly authorized representative, the undersigned, having received the Statement of Grant Awards (SOGA) and reviewing the Special Conditions, hereby accepts this grant and agree to the conditions and provisions of all other Federal and State laws and rules and regulations that apply to this award.

Signature:

  
Authorized Official (Project Administrator)

Title:

County Administrator

Date:

July 15, 2024

**Nelson County, VA**  
**GO Virginia Wine Industry Planning Grant**  
**(Number 23-GOVA-09D)**

SERVICES AGREEMENT

THIS SERVICES AGREEMENT, made and entered this \_\_\_\_ day of February, 2024, by and between the County of Nelson, Virginia (the "County") and M W J Brown Consulting (the "Contractor") provides:

A. Undertaking. County and Contractor in consideration of their mutual covenants herein agree in respect of the performance of services by Contractor and the payment for those services by County as set forth below. The scope of work (the "Work") for the Contractor will include those items listed in the following exhibits which are attached hereto and incorporated by reference:

Exhibit 1. RFP24#ECONDEV06 and Response

Exhibit 2 \_\_\_\_\_

County and Contractor also agree that additional services can be provided by the Contractor to the County for the project as mutually agreed upon by addendum to this Agreement.

B. Contract Price. The County will pay in consideration of the Work as follows:

One Hundred Twenty-Three Thousand Dollars (\$123,000) in PARTIAL PAYMENTS IN THE AMOUNT OF 95 PERCENT of the value of the work in place and will be made at least monthly, according to GO Virginia accounting guidelines. The value of the work shall be estimated by the Contractor and approved by the County. Upon acceptance by the County of all Work hereunder, and compliance by the Contractor with all terms and conditions of this Agreement, the amount due to the Contractor will be paid.

C. Term. The Contractor will begin the Work by February 20, 2024 and complete (if applicable) the Work by December 31, 2024.

D. Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered in person or deposited in the United States mail, postage prepaid addressed as follows. Either party may change such address from time to time by providing written notice to the other in the manner set forth above.



If to the County:

Candice W. McGarry  
County Administrator  
Post Office Box 336  
Lovington, Virginia 22949

If to the Contractor:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

E. Special Provisions. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above-written.

COUNTY OF NELSON

By: Candice W. McGarry

Its County Administrator

\_\_\_\_\_  
Contractor

By: Matthew WJ Brown

Its MWJ Brown Consulting, owner

Approved as to form:

Theresa Ryzan  
County Attorney

## FUND #-100 GENERAL FUND REVENUES

	FY/2021 REVENUE	FY/2022 REVENUE	FY/2023 REVENUE	ADOPTED FY/2024 BUDGET	AMENDED FY/2024 BUDGET	2024/06 ACTUAL	DEPT FY/2025 REQUEST	ADMIN FY/2025 RECOMMENDS	ADOPTED FY/2025 BUDGET
002404-0055	***OTHER CATEGORICAL AID*** Spray & Neuter Fund	67-	33-	50-	100-	475-	48-	100-	100-
002404-0060	Virginia Tourism Corp Grant	10,000-	19,381-	40,000-	40,000-	18,000-			
002404-0061	VTC DMO Stears & Spurs #0324-				47,500-	27,743-	19,757-	19,757-	19,757-
002404-0065	Governor's AID Grant								
002404-0066	DHR Funding - Vietnam War Mu			250,000-	200,000-	200,000-			
002404-0067	DHR Funding - Nelson Heritage								
002404-0070	Extradition Reimbursement-Sh	854-							
	--TOTAL DEPARTMENT--	1,212,322-	385,699-	688,505-	328,543-	910,052-	793,513-	197,354-	197,354-
002999	SUBTOTAL								
	REVENUE FROM THE COMMONWEAL	5,120,108-	4,393,981-	5,455,234-	4,825,214-	5,589,781-	5,241,776-	4,937,774-	4,937,774-
003000	REVENUE FROM FEDERAL GOV'T								
003100	PAYMENTS IN LIEU OF TAXES								
003101	***PAYMENT IN LIEU OF TAXES*								
003101-0001	Payment in Lieu of Taxes	72,000-	73,759-	79,364-	62,150-	62,150-	84,407-	62,150-	62,150-
003101-0002	US Forestry Rents & Royalties								
	--TOTAL DEPARTMENT--	72,000-	73,759-	79,364-	62,150-	62,150-	84,407-	62,150-	62,150-
003303	***CATEGORICAL AID - FEDERAL								
003303-0008	Other Sheriff's Grants (Fed-	10,920-	13,050-	6,976-	1,008,310-	20,560-	19,553-	1,068,209-	1,068,209-
003303-0009	Wellfare Admin. & Assistance	918,846-	898,383-	838,198-	172,000-	172,000-	79,525-	172,000-	172,000-
003303-0024	DOJ Drug Court Implementatio								
003303-0025	Sheriff's Byrne Grant (16.73					176-	176-		
003303-0026	SCAAP (Federal Prisoners)								
003303-0030	TEA-21 (Trail)			7,677-					
003303-0031	SAFEREA-LU High Priority (Tr								
003303-0035	Public Safety Interoperabili								
003303-0036	Victim Witness Program	53,225-	35,333-	59,165-	44,100-	54,865-	45,840-	44,100-	44,100-
003303-0037	Miscellaneous Federal Revenue						2,122-		
003303-0040	Federal CARES Act Funding-CO	1,637,898-	32,387-						
003303-0041	Federal COVID Utility Assista	77,950-	1,449,989-						
003303-0042	Fed American Rescue Plan Act	1,449,989-							
003303-0043	ARPA Tourism Recovery Funds		120,000-			82,000-	82,000-		
003303-0044	Local Asset Tribal Consis Fnd					50,000-	50,000-		
003303-0045	DSS - COVID19 Federal Fundin		8,219-	9,146-		292,000-	248,806-		
003303-0046	Sheriff's Dept ARPA Federal								
003303-0050	2010 Homeland Security CPDA								
003303-0055	Homeland Security-EMRG-CPDA		5,265-	7,500-		15,000-	7,500-		
003303-0056	ARPA - Law Enforcement								
003303-0200	FEMA-Disaster Relief								
003303-0250	Rural Dev. Community Facilit								
	--TOTAL DEPARTMENT--	4,148,828-	2,562,626-	978,662-	1,224,410-	1,694,911-	1,415,612-	1,284,309-	1,284,309-
	REVENUE FROM FEDERAL GOV'T	4,220,828-	2,636,385-	1,058,026-	1,286,560-	1,757,061-	1,500,019-	1,346,459-	1,346,459-

## GENERAL FUND EXPENDITURES

FUND #	0100		FY/2021 EXPENSE	FY/2022 EXPENSE	FY/2023 EXPENSE	ADOPTED FY/2024 BUDGET	AMENDED FY/2024 BUDGET	2024/06 ACTUAL	DEPT FY/2025 REQUEST	ADMIN FY/2025 RECOMMENDS	ADOPTED FY/2025 BUDGET
081020-7002		***TOURISM/ECONOMIC DEVELOPM									
081020-7007		Furniture & Fixtures	380			400	400		400	400	400
081020-7050		Computer Equipment	168		233	300	300		500	500	500
081020-7051		USDA Cider Apple Grant									
081020-7055		USDA Cider Apple Cost Share									
081020-7055		USDA Hope Yard Cost Share Pr									
081020-7056		GO VA Wine Industry Grnt 23-									93,000 (8/13/24)
081020-7057		VTC Mkt Lev#0323-0110 Eat.Dr					30,000	30,000			
081020-7058		VTC DMO Drive Outdoor #23-10			19,996		20,000	20,000			
081020-7059		VTC DMO Marketing #0323-0013									
081020-7060		Virginia Tourism Marketing G	11,465				20,000	20,000			
081020-7061		VTC Recovery Marketing Grant	9,310								
081020-7062		VTC Drive Tourism 2.0 Grant			10,000						
081020-7063		VTC ARPA Tourism Recovery Gr		60,500	141,500	120,000	120,000	42,650			
081020-7064		VTC DMO Marketing Grant -#03		2,857	20,142						
081020-7065		DRCD VA Main Street Grant (C		10,500							
081020-7066		DRCD Community Business Lau			56,250						
081020-7067		VTC DMO Stars & Spure #0324-					18,000	18,000			
		--TOTAL DEPARTMENT--	308,873	420,978	626,773	488,670	598,429	518,101	513,506	513,506	513,506
081050		*** ECONOMIC DEVELOPMENT ***									
081050-3010		AFID Infrastructure Grant (E			12,500		22,500	2,743	12,500	12,500	12,500 + 7,257 (8/13/24)
081050-3011		AFID Infrastructure Grant - O			25,000		50,000	25,000			19,757.00
081050-3160		Nellysford Master Plan									
081050-5895		Shipman Historic District DH			37,500		15,000	7,500	7,500	7,500	7,500
		--TOTAL DEPARTMENT--					87,500	35,243	20,000	20,000	20,000
082000		PLANNING & COMMUNITY DEVELO	474,637	611,277	859,965	696,103	922,548	770,982	769,500	769,500	769,500
082000		ENVIRONMENTAL MANAGEMENT									
082030		***SOIL & WATER CONSERV. BOA									
082030-5604		T. Jefferson Soil & Water	33,075	33,075	34,067	34,067	34,067	34,067	35,089	35,089	35,089
		--TOTAL DEPARTMENT--	33,075	33,075	34,067	34,067	34,067	34,067	35,089	35,089	35,089
082050		***LITTER CONTROL***									
082050-6008		Anti-Litter Activities					13,032				
		--TOTAL DEPARTMENT--					13,032				
083000		ENVIRONMENTAL MANAGEMENT	33,075	33,075	34,067	34,067	47,099	34,067	35,089	35,089	35,089
083010		VA COOPERATIVE EXTENSION									
083010-1001		***VA COOPERATIVE EXTENSION									
083010-2002		Salaries & Wages	7,801	15,329	38,015	40,377	40,377	41,125	40,377	40,377	40,377
083010-5203		Retirement-VRS	2,740	5,411	12,332	14,939	14,939	13,451	14,939	14,939	14,939
		Telecommunications	1,032	1,062	1,059	1,100	1,100	1,218	1,100	1,100	1,100



# National Opioid Settlements



## DISTRIBUTOR YEAR 4 PAYMENT ALLOCATION TO VIRGINIA (As of 5/24/24)

56.	Hampton City	1.5380153802%	\$82,266.62
57.	Hanover County	1.0790107901%	\$57,715.01
58.	Harrisonburg City	0.5230052301%	\$27,974.93
59.	Henrico County	4.4730447304%	\$239,257.86
60.	Henry County	1.2200122001%	\$65,257.01
61.	Highland County	0.0230002300%	\$1,230.26
62.	Hopewell City	0.3440034400%	\$18,400.34
63.	Isle Of Wight County	0.3560035600%	\$19,042.21
64.	James City County	0.6120061201%	\$32,735.48
65.	King And Queen County	0.0720007200%	\$3,851.23
66.	King George County	0.3060030600%	\$16,367.74
67.	King William County	0.1780017800%	\$9,521.10
68.	Lancaster County	0.1350013500%	\$7,221.06
69.	Lee County	0.5560055601%	\$29,740.08
70.	Lexington City	0.0930009300%	\$4,974.51
71.	Loudoun County	2.5670256703%	\$137,307.16
72.	Louisa County	0.4490044900%	\$24,016.72
73.	Lunenburg County	0.0880008800%	\$4,707.06
74.	Lynchburg City	0.8160081601%	\$43,647.31
75.	Madison County	0.1630016300%	\$8,718.76
76.	Manassas City	0.4520045200%	\$24,177.19
77.	Manassas Park City	0.0950009500%	\$5,081.49
78.	Martinsville City	0.4940049400%	\$26,423.74
79.	Mathews County	0.0880008800%	\$4,707.06
80.	Mecklenburg County	0.3440034400%	\$18,400.34
81.	Middlesex County	0.1080010800%	\$5,776.85
82.	Montgomery County	1.2050120501%	\$64,454.67
83.	Nelson County	0.1470014700%	\$7,862.93
84.	New Kent County	0.1560015600%	\$8,344.34
85.	Newport News City	2.0470204702%	\$109,492.70
86.	Norfolk City	3.3880338803%	\$181,221.92
87.	Northampton County	0.1220012200%	\$6,525.70
88.	Northumberland County	0.1290012900%	\$6,900.13
89.	Norton City	0.1100011000%	\$5,883.83
90.	Nottoway County	0.1330013300%	\$7,114.08
91.	Orange County	0.6380063801%	\$34,126.21
92.	Page County	0.4100041000%	\$21,930.63
93.	Patrick County	0.3290032900%	\$17,598.00
94.	Petersburg City	0.3950039500%	\$21,128.29
95.	Pittsylvania County	0.7500075001%	\$40,117.01
96.	Poquoson City	0.1860018600%	\$9,949.02
97.	Portsmouth City	1.9370193702%	\$103,608.87
98.	Powhatan County	0.2620026200%	\$14,014.21
99.	Prince Edward County	0.1900019000%	\$10,162.98
100.	Prince George County	0.3510035100%	\$18,774.76
101.	Prince William County	3.5560355604%	\$190,208.13
102.	Pulaski County	1.0610106101%	\$56,752.20
103.	Radford City	0.2470024700%	\$13,211.87
104.	Rappahannock County	0.0910009100%	\$4,867.53
105.	Richmond City	4.2250422504%	\$225,992.50
106.	Richmond County	0.0840008400%	\$4,493.11
107.	Roanoke City	1.8590185902%	\$99,436.70
108.	Roanoke County	1.4980149801%	\$80,127.05
109.	Rockbridge County	0.2350023500%	\$12,570.00
110.	Rockingham County	0.6140061401%	\$32,842.46
111.	Russell County	1.0640106401%	\$56,912.67
112.	Salem City	0.7860078601%	\$42,042.63
113.	Scott County	0.4210042100%	\$22,519.02
114.	Shenandoah County	0.6600066001%	\$35,302.97
115.	Smyth County	0.5920059201%	\$31,665.70
116.	Southampton County	0.1370013700%	\$7,328.04
117.	Spotsylvania County	1.4170141701%	\$75,794.41
118.	Stafford County	1.4430144301%	\$77,185.13
119.	Staunton City	0.4400044000%	\$23,535.31
120.	Suffolk City	0.7100071001%	\$37,977.44
121.	Surry County	0.0580005800%	\$3,102.38
122.	Sussex County	0.0810008100%	\$4,332.64
123.	Tazewell County	1.6060160602%	\$85,903.90
124.	Virginia Beach City	4.8590485905%	\$259,904.75
125.	Warren County	0.7660076601%	\$40,972.84
126.	Washington County	0.9960099601%	\$53,275.39
127.	Waynesboro City	0.3630036300%	\$19,416.63
128.	Westmoreland County	0.2230022300%	\$11,928.13
129.	Williamsburg City	0.0860008600%	\$4,600.08
130.	Winchester City	0.6490064901%	\$34,714.59
131.	Wise County	1.7560175602%	\$93,927.30
132.	Wythe County	0.6420064201%	\$34,340.16
133.	York County	0.5610056101%	\$30,007.53
134.	<b>TOTALS</b>	<b>100.0000000000%</b>	<b>\$5,348,881.46</b>



		CVS Pmt 2	Allergan Pmt 2	Teva Pmt 2	Total
63.	Highland County	\$361.10	\$359.56	\$353.67	\$1,074.33
64.	Hopewell City	\$5,400.83	\$5,377.81	\$5,289.70	\$16,068.34
65.	Isle Of Wight County	\$5,589.23	\$5,565.41	\$5,474.22	\$16,628.86
66.	James City County	\$9,608.45	\$9,567.50	\$9,410.74	\$28,586.69
67.	King And Queen County	\$1,130.41	\$1,125.59	\$1,107.15	\$3,363.15
68.	King George County	\$4,804.23	\$4,783.75	\$4,705.37	\$14,293.35
69.	King William County	\$2,794.62	\$2,782.71	\$2,737.11	\$8,314.44
70.	Lancaster County	\$2,119.51	\$2,110.48	\$2,075.90	\$6,305.89
71.	Lee County	\$8,729.25	\$8,692.05	\$8,549.63	\$25,970.93
72.	Lexington City	\$1,460.11	\$1,453.89	\$1,430.06	\$4,344.06
73.	Loudoun County	\$40,302.12	\$40,130.37	\$39,472.85	\$119,905.34
74.	Louisa County	\$7,049.34	\$7,019.30	\$6,904.29	\$20,972.93
75.	Lunenburg County	\$1,381.61	\$1,375.72	\$1,353.18	\$4,110.51
76.	Lynchburg City	\$12,811.27	\$12,756.67	\$12,547.66	\$38,115.60
77.	Madison County	\$2,559.11	\$2,548.21	\$2,506.46	\$7,613.78
78.	Manassas City	\$7,096.44	\$7,066.20	\$6,950.42	\$21,113.06
79.	Manassas Park City	\$1,491.51	\$1,485.15	\$1,460.82	\$4,437.48
80.	Martinsville City	\$7,755.84	\$7,722.79	\$7,596.25	\$23,074.88
81.	Mathews County	\$1,381.61	\$1,375.72	\$1,353.18	\$4,110.51
82.	Mecklenburg County	\$5,400.83	\$5,377.81	\$5,289.70	\$16,068.34
83.	Middlesex County	\$1,695.61	\$1,688.38	\$1,660.72	\$5,044.71
84.	Montgomery County	\$18,918.60	\$18,837.98	\$18,529.33	\$56,285.91
85.	Nelson County	\$2,307.91	\$2,298.08	\$2,260.42	\$6,866.41
86.	New Kent County	\$2,449.21	\$2,438.78	\$2,398.82	\$7,286.81
87.	Newport News City	\$32,138.08	\$32,001.12	\$31,476.79	\$95,615.99
88.	Norfolk City	\$53,191.89	\$52,965.21	\$52,097.39	\$158,254.49
89.	Northampton County	\$1,915.41	\$1,907.25	\$1,876.00	\$5,698.66
90.	Northumberland County	\$2,025.31	\$2,016.68	\$1,983.64	\$6,025.63
91.	Norton City	\$1,727.01	\$1,719.65	\$1,691.47	\$5,138.13
92.	Nottoway County	\$2,088.11	\$2,079.21	\$2,045.15	\$6,212.47
93.	Orange County	\$10,016.65	\$9,973.97	\$9,810.55	\$29,801.17
94.	Page County	\$6,437.04	\$6,409.60	\$6,304.58	\$19,151.22
95.	Patrick County	\$5,165.33	\$5,143.32	\$5,059.04	\$15,367.69
96.	Petersburg City	\$6,201.53	\$6,175.11	\$6,073.93	\$18,450.57
97.	Pittsylvania County	\$11,775.06	\$11,724.88	\$11,532.78	\$35,032.72
98.	Poquoson City	\$2,920.22	\$2,907.77	\$2,860.13	\$8,688.12
99.	Portsmouth City	\$30,411.07	\$30,281.47	\$29,785.31	\$90,477.85
100.	Powhatan County	\$4,113.42	\$4,095.89	\$4,028.78	\$12,238.09
101.	Prince Edward County	\$2,983.02	\$2,970.30	\$2,921.64	\$8,874.96
102.	Prince George County	\$5,510.73	\$5,487.25	\$5,397.34	\$16,395.32
103.	Prince William County	\$55,829.50	\$55,591.58	\$54,680.73	\$166,101.81
104.	Pulaski County	\$16,657.79	\$16,586.80	\$16,315.03	\$49,559.62
105.	Radford City	\$3,877.92	\$3,861.39	\$3,798.13	\$11,537.44
106.	Rappahannock County	\$1,428.71	\$1,422.62	\$1,399.31	\$4,250.64
107.	Richmond City	\$66,332.86	\$66,050.18	\$64,967.97	\$197,351.01
108.	Richmond County	\$1,318.81	\$1,313.19	\$1,291.67	\$3,923.67
109.	Roanoke City	\$29,186.46	\$29,062.08	\$28,585.91	\$86,834.45
110.	Roanoke County	\$23,518.73	\$23,418.50	\$23,034.80	\$69,972.03
111.	Rockbridge County	\$3,689.52	\$3,673.80	\$3,613.60	\$10,976.92
112.	Rockingham County	\$9,639.85	\$9,598.77	\$9,441.50	\$28,680.12
113.	Russell County	\$16,704.89	\$16,633.70	\$16,361.16	\$49,699.75
114.	Salem City	\$12,340.27	\$12,287.68	\$12,086.35	\$36,714.30
115.	Scott County	\$6,609.74	\$6,581.57	\$6,473.73	\$19,665.04
116.	Shenandoah County	\$10,362.06	\$10,317.90	\$10,148.84	\$30,828.80
117.	Smyth County	\$9,294.45	\$9,254.84	\$9,103.20	\$27,652.49
118.	Southampton County	\$2,150.91	\$2,141.75	\$2,106.65	\$6,399.31
119.	Spotsylvania County	\$22,247.02	\$22,152.21	\$21,789.26	\$66,188.49
120.	Stafford County	\$22,655.22	\$22,558.68	\$22,189.06	\$67,402.96
121.	Staunton City	\$6,908.04	\$6,878.60	\$6,765.89	\$20,552.53
122.	Suffolk City	\$11,147.06	\$11,099.56	\$10,917.69	\$33,164.31
123.	Surry County	\$910.60	\$906.72	\$891.87	\$2,709.19
124.	Sussex County	\$1,271.71	\$1,266.29	\$1,245.54	\$3,783.54
125.	Tazewell County	\$25,214.34	\$25,106.88	\$24,695.52	\$75,016.74
126.	Virginia Beach City	\$76,286.72	\$75,961.61	\$74,717.01	\$226,965.34
127.	Warren County	\$12,026.27	\$11,975.01	\$11,778.81	\$35,780.09
128.	Washington County	\$15,637.29	\$15,570.65	\$15,315.53	\$46,523.47
129.	Waynesboro City	\$5,699.13	\$5,674.84	\$5,581.86	\$16,955.83
130.	Westmoreland County	\$3,501.12	\$3,486.20	\$3,429.08	\$10,416.40
131.	Williamsburg City	\$1,350.21	\$1,344.45	\$1,322.42	\$4,017.08

**Linda Staton**

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**From:** Sam Rabon <sam@piedmonthabitat.org>  
**Sent:** Tuesday, July 9, 2024 12:20 PM  
**To:** Juliana Piedra; Linda Staton  
**Subject:** funding report and request  
**Attachments:** Piedmont Habitat for Humanity 2024 Budget Allocation report- second, third, and fourth quarters.docx

Good afternoon Ms. Staton and Ms. Piedra,  
I hope this email finds you both doing well!

Please find attached our activity report that covers the remainder of the FY 23-24 fiscal year budget allotment.

With that, I am requesting the remaining \$1,250 for that budget year. I apologize for my delay in this and for letting it drift into the new fiscal year. I hope that will not be a problem.

In addition, I am requesting the first draw of our \$2,500 approval for this new fiscal year, \$625.

We continue to be so thankful for the generous support of Nelson County in helping these new homes happen!

Take care,  
Sam

**Sam Rabon**  
**Interim Executive Director**  
**Director of Resource Development and Marketing**  
**Piedmont Habitat for Humanity**  
**434-394-3001 ext. 200**  
**[www.piedmonthabitat.org](http://www.piedmonthabitat.org)**  
My Linktree- <https://linktr.ee/piedmonthabitatforhumanity>



Piedmont Habitat for Humanity 2024 Budget Allocation- \$2,500

First and second quarter draws made- \$1250.00

The funding request was to help fund our Director of Family Services, who oversees and manages all aspects of the repair program and is critical to our affordable homeownership program as well.

The entire amount for the second, third, and fourth quarters of FY 23-24 was used to that end.

Our repair program is temporarily on hold, as we do not currently have a staff person filling that construction position. The hope is to hire local people or find lead volunteers to restart.

We were also active in our affordable homeownership program, with two homes planned for Arrington.

The first home has been done in partnership with the building trades classes at Nelson County High School. They constructed the exterior of the home. The partner family for this home is a blind amputee, single mother of one adult child, who serves as her caregiver. The home is being built with her accessibility needs in mind.

**Currently we are working with Building Goodness Foundation out of Charlottesville to act as the volunteer Project Manager to complete this home. Exterior work on the home has been completed. Work is underway on driveway, parking pad, and carport (provided for accessibility needs). Painting has been completed. Next up is cabinet and flooring installation.**

For the second home, we were unable to find a qualified applicant in an earlier application period. The exterior of this home has been built and donated to us as part of the Innovative Housing Solutions showcase in Washington, D.C. The panelized system has been delivered and is currently being stored. The foundation has been completed on the build site.

**An open application period to identify a qualified family for this second home will occur in August and September. Construction of the home will begin in the fall.**

Respectfully submitted July 9, 2024 by Sam Rabon, [sam@piedmonthabitat.org](mailto:sam@piedmonthabitat.org)

## FUND #-100 GENERAL FUND REVENUES

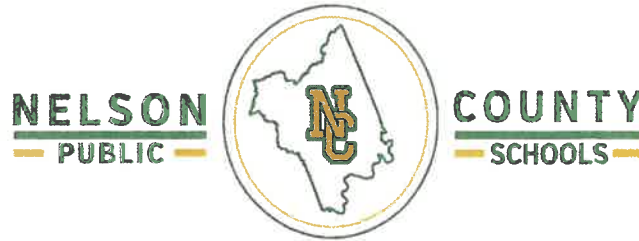
	FY/2021 REVENUE	FY/2022 REVENUE	FY/2023 REVENUE	ADOPTED FY/2024 BUDGET	AMENDED FY/2024 BUDGET	2024/06 ACTUAL	DEPT FY/2025 REQUEST	ADMIN FY/2025 RECOMMENDS	ADOPTED FY/2025 BUDGET
002404-0055		67-	33-	50-	100-	48-	100-	100-	100-
002404-0060	Spay & Neuter Fund								
002404-0061	Virginia Tourism Corp Grant	10,000-	19,381-	40,000-	40,000-				
002404-0065	WTC DMG State & Spurs #0324				18,000-				
002404-0066	Governor's AFID Grant				47,500-	27,743-	19,757-	19,757-	19,757-
002404-0067	DHR Funding - Vietnam War Mu				200,000-	200,000-			
002404-0070	DHR Funding - Nelson Heritage								
	Extradition Reimbursement-Sh	854-							
	--TOTAL DEPARTMENT--	1,212,322-	385,699-	688,505-	328,543-	793,513-	197,354-	197,354-	197,354-
002999	SUBTOTAL								
	REVENUE FROM THE COMMONWEAL	5,120,108-	4,393,981-	5,455,234-	4,825,214-	5,589,781-	5,241,776-	4,937,774-	4,937,774-
003000	REVENUE FROM FEDERAL GOV'T								
003100	PAYMENTS IN LIEU OF TAXES								
003101	***PAYMENT IN LIEU OF TAXES*								
003101-0001	Payment in lieu of Taxes	72,000-	73,759-	79,364-	62,150-	62,150-	62,150-	62,150-	62,150-
003101-0002	US Forestry Rents & Royalties								
	--TOTAL DEPARTMENT--	72,000-	73,759-	79,364-	62,150-	62,150-	62,150-	62,150-	62,150-
003303	***CATEGORICAL AID - FEDERAL								
003303-0008	Other Sheriff's Grant (Fed-	10,920-	13,050-	6,976-	1,008,310-	20,560-	19,553-	1,068,209-	1,068,209-
003303-0009	Welfare Admin. & Assistance	918,846-	898,383-	838,198-	172,000-	172,000-	869,204-	172,000-	172,000-
003303-0024	DOJ Drug Court Implementation								
003303-0025	Sheriff's Byrne Grant (16.73								
003303-0026	SCMAP (Federal Prisoners)								
003303-0030	TEA-21 (Trail)								
003303-0031	SAFETEA-LU High Priority (Tr								
003303-0035	Public Safety Interoperabili								
003303-0036	Victim Witness Program	53,225-	35,333-	59,165-	44,100-	54,865-	45,840-	44,100-	44,100-
003303-0037	Miscellaneous Federal Revenu								
003303-0040	Federal CARES Act Funding-CO	1,637,898-	32,387-						
003303-0041	Federal COVID Utility Assista	77,950-	1,449,989-	120,000-	82,000-	82,000-			
003303-0042	Fed American Rescue Plan Act								
003303-0043	ARKA Tourism Recovery Funds								
003303-0044	Local Asst Trial Consis Fnd								
003303-0045	DSS - COVID19 Federal Fundin								
003303-0046	Sheriff's Dept ARPA Federal								
003303-0050	2010 Homeland Security CFDA								
003303-0055	Homeland Security-EMPG-CFDA								
003303-0056	ARPA - Law Enforcement								
003303-0200	FEMA-Disaster Relief								
003303-0250	Rural Dev. Community Facilit								
	--TOTAL DEPARTMENT--	4,148,828-	2,562,628-	978,662-	1,224,410-	1,694,911-	1,415,612-	1,284,309-	1,284,309-
	REVENUE FROM FEDERAL GOV'T	4,220,828-	2,636,385-	1,058,025-	1,286,560-	1,757,061-	1,500,019-	1,346,459-	1,346,459-

18,000 (8/3/24)

Mrs. Shannon Powell, Trustee  
West District

Mrs. Janet Turner-Giles, Trustee  
North District

Mrs. Margaret Clair, Vice Chair  
Central District



Mr. Ceaser Perkins, Trustee  
South District

Mr. George Cheape, Chair  
East District

Dr. Amanda C. Hester  
Division Superintendent

## Nelson County Public Schools

July 30, 2024

Nelson County Board of Supervisors  
Attn: Candy McGarry, County Administrator  
P.O Box 336  
Lovingston, VA 22949

Dear Mrs. McGarry,

I am writing to request a Supplemental Appropriation from funds carried over from the Fiscal Year 2024 Regular Operating Budget from the Nelson County Board of Supervisors for the following item:

- **All in Virginia Plan** – Funds were received in FY 24 with funds available to be spent in FY 24 through FY 26. These funds were reverted to the County on June 30, 2024. While already included on the expenditure side of the School Board's Budget, funds were not included on the revenue side of the budget at onset. The initial intent was to ask for the funding upon audit confirmation as has been past practice. Since the funds are already included on the expenditure side of the budget, the appropriation of these funds now may allow the Nelson County School Board to give some salary increase to its staff for the FY 25 School Year. However, this could be dependent upon any detrimental Federal Budgetary decisions which may affect Title I and II. School Board action will likely occur after the Federal Budget is complete and actual enrollment numbers are known which could affect staffing decisions.

**The total Supplemental Appropriation Request is \$379,582.**

I appreciate your consideration of this request.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Amanda Hester', is positioned above the printed name.

Amanda Hester, Ed.D.  
Division Superintendent

BOARD OF  
SUPERVISORS

THOMAS D. HARVEY  
North District

ERNIE Q. REED  
Central District

JESSE N. RUTHERFORD  
East District

J. DAVID PARR  
West District

DR. JESSICA LIGON  
South District



CANDICE W. MCGARRY  
County Administrator

AMANDA B. SPIVEY  
Administrative Assistant/  
Deputy Clerk

LINDA K. STATON  
Director of Finance and  
Human Resources

**RESOLUTION R2024-51**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**INCREASE IN LOCAL FUNDING FOR FY25 BODY WORN CAMERA**  
**MEMORANDUM OF UNDERSTANDING – COMMONWEALTH'S ATTORNEY'S OFFICE**

**PREAMBLE:**

In 2019, the budget language approved by the 2019 General Assembly (Chapter 854, Item 70) required that localities implementing the use of body worn cameras could provide either: (1) one full-time equivalent entry-level Assistant Commonwealth's Attorney, at a salary no less than that established by the Compensation Board for an entry-level Commonwealth's Attorney, at a rate of one Assistant Commonwealth's Attorney for up to 75 body worn cameras employed for use by local law enforcement officers, and one Assistant Commonwealth's Attorney for every 75 body worn cameras employed for use by local law enforcement officers, thereafter OR (2) with the consent of the Commonwealth's Attorney, a locality may provide their Commonwealth's Attorney's office with additional funding, using a different formula than stated above, as needed to accommodate the additional workload resulting from the requirement to review, redact and present footage from body worn cameras.

**WHEREAS**, since 2019, in lieu of hiring an additional Assistant Commonwealth's Attorney, the County and its Commonwealth's Attorney's office have maintained a Memorandum of Agreement providing additional local funding to accommodate the additional workload resulting from the requirement to review, redact, and present footage from body worn cameras; and

**WHEREAS**, the Commonwealth's Attorney wishes to amend the existing Memorandum of Agreement with the County to increase the amount of local funding provided in FY25 to \$57,318; an increase of \$25,000 from \$32,318, provided pursuant to the FY24 Agreement; and

**WHEREAS**, beginning July 1, 2024 the minimum Compensation Board salary for another Assistant Commonwealth's Attorney is \$75,705;

**NOW, THEREFORE, BE IT RESOLVED**, that in lieu of hiring another Assistant Commonwealth's Attorney to accommodate the additional workload resulting from the requirement to review, redact, and present footage from body worn cameras, the Nelson County Board of Supervisors does hereby approve the requested increase in local funding of \$25,000 for a total of \$57,318, to be provided as prescribed by the Commonwealth's Attorney in the FY25 Body Worn Camera Memorandum of Agreement; and

**BE IT FURTHER RESOLVED**, that the FY25 Memorandum of Agreement be filed as required with the State Compensation Board by the Commonwealth's Attorney's office.

Approved: July 9, 2024

Attest: , Clerk  
Nelson County Board of Supervisors

## *Grow Nelson Library*

8521 Thomas Nelson Highway

Lovington, Virginia 22949

Dear Mrs. McGarry and Mrs. Staton,

In April of 2023 I made a presentation to the Nelson County Board of Supervisors about the Dolly Parton Imagination Library. At the time we were establishing an affiliate for the children of Nelson County. We had been in touch with United Way of Charlottesville, and they had agreed to be our financial agent. The members of the Grow Nelson Library Committee would take on the task of raising the funds for the program. This committee would also run the program in the county which would involve registering children and taking care of the paperwork necessary for this initiative. My request to the Nelson County Board of Supervisors was to start our account with \$2000.00 the first year and to continue supporting it with \$1000.00 in each year going forward. In a unanimous vote, the members of the board agreed to help finance this project.

It is now time to request our funding for the 2024-2025 fiscal year. This request is in the amount of \$1000.00 to continue this amazingly successful program. These funds will continue to pay for part of the shipping cost of books to children under the age of five. The Dolly Parton Foundation pays for each book that children receive each month.

Our numbers continue to grow. At this time, we have ninety-seven children enrolled and we are about to start an initiative with Blue Ridge Medical Center to help reach more of Nelson's eligible children. We have plans to partner with the Nelson County Health Department and hopefully work with the Hertiage Center as they begin a day care program.

While I am no longer a staff member at Nelson Memorial Library, I will be continuing in my role as a member of Grow Nelson Library so that I can continue to help grow our Dolly Parton Imagination Library affiliate. Please let me know if you need additional information or if you have any questions. You can contact me via email at [mrwhuffman@gmail.com](mailto:mrwhuffman@gmail.com) or by phone at 434-944-1112.

Sincerely,

*Susan H Huffman*

**From:** [Candy McGarry](#)  
**To:** [Amanda Spivey](#)  
**Subject:** FW: VDOT Safety Review, Rte. 29 @ Nelson High/Middle School Complex  
**Date:** Monday, July 29, 2024 11:11:25 AM  
**Attachments:** [Outlook-cey3gzov.png](#)

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Amanda,

Let's include this email in the BOS packet under the VDOT report. I have asked Robert to speak on this at the meeting and will forward this out to the Board now, copying the Sheriff and Dr. Hester. Thanks!

---

**From:** Brown, Robert G. (VDOT) [mailto:Robert.Brown@VDOT.Virginia.gov]  
**Sent:** Thursday, July 25, 2024 11:44 AM  
**To:** Candy McGarry <CMcGarry@nelsoncounty.org>  
**Cc:** David Parr <dparr@nelsoncounty.org>; Sayre, Jeffery D. (VDOT) <Jeffery.Sayre@VDOT.Virginia.gov>; Brown, Daniel J., P.E. (VDOT) <Daniel.Brown@VDOT.Virginia.gov>  
**Subject:** VDOT Safety Review, Rte. 29 @ Nelson High/Middle School Complex

Candy,  
 This is to follow up on the Boards request for VDOT to study traffic on Rte. 29 at the High/Middle School complex. Specifically, review to determine if there are any measures that could be taken to create gaps in traffic so buses/vehicles can exit school more quickly. As you know VDOT installed portable cameras to record traffic movements near the main school entrance to see the issue in real time.

Based on reviewing camera footage, VDOT Traffic Engineer's are not recommending any changes at this time. Please see their comments below:

***Regarding the issue about creating gaps in traffic for Nelson County High School – we reviewed camera footage (we placed a camera at the location) and noticed they have a police officer controlling traffic for the afternoon departure. Quite frankly, this is the only way they will be able to get folks out of the school reasonably and safely. During the morning hours, where we did not notice a police officer directing traffic, gaps in traffic are not has much of a concern since traffic is entering the school. We did discuss the possibility of changing timings at the signal to create larger gaps, however, this signal is almost two miles away so any platoons created by the signal will be mostly dissipated by the time they get to the high school. There have been 8 crashes since 2006 and the last reportable crash was in 2017. As stated earlier, due to the number of buses, parents and students leaving in the afternoon, handling this location with law enforcement is the best option. At this time, we are not recommending any changes.***

Please advise if you have any questions or need additional information. Please share this email with Board members.

Sincerely,  
 Robert,



**Robert Brown**

*Residency Administrator / Appomattox Residency*

Virginia Department of Transportation

434-352-6674

[robert.brown@VDOT.Virginia.gov](mailto:robert.brown@VDOT.Virginia.gov)



**NELSON COUNTY ANIMAL CONTROL**

**MONTHLY BOARD REPORT**

**JULY 2024**

- **INTAKE/OUTGOING SUMMARY ATTACHED**
- **CALLS FOR SERVICE: 274**
- **FEES COLLECTED FROM SHELTER: \$180**
- **CHARGES:**
  - (2) 3-35 RABIES VACCINATION**
  - (11) WARNINGS**
  - (4) 3-43 K9 @ LARGE**
  - (2) 3-26 COUNTY LICENSE**



Nelson County Animal Control Daily Log

JULY	Start	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Sub	On	
INCOMING		M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W			
K9- Stray	4									3	1					1	1					2	2	2						1	2	4	19		K9 str
K9- O.S.	4												1			1			1													2	5		os
K9- Seized																																	0		seize
K9- Bite Case Quar.																																	0		bite
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## Nelson County Animal Control Daily Log

[illegible]

BOARD OF  
SUPERVISORS

THOMAS D. HARVEY  
North District

ERNIE Q. REED  
Central District

JESSE N. RUTHERFORD  
East District

J. DAVID PARR  
West District

DR. JESSICA LIGON  
South District



CANDICE W. MCGARRY  
County Administrator

AMANDA B. SPIVEY  
Administrative Assistant/  
Deputy Clerk

LINDA K. STATON  
Director of Finance and  
Human Resources

**RESOLUTION R2024-59**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**RESOLUTION TO APPROVE A SUPPORT AGREEMENT**  
**IN CONNECTION WITH THE ISSUANCE OF A REVENUE BOND BY**  
**THE NELSON COUNTY SERVICE AUTHORITY**

**WHEREAS**, pursuant to the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), the Board of Supervisors of Nelson County, Virginia (the “Board”) created the Nelson County Service Authority (the “Authority”); and

**WHEREAS**, the Authority is empowered to acquire, purchase, lease, construct, reconstruct, improve, extend, operate, maintain, and finance water and wastewater systems, and to otherwise have, possess, and exercise the powers granted by the Act and as otherwise authorized or permitted by law; and

**WHEREAS**, pursuant to the Act, the Authority is empowered to pledge for the payment of principal and interest on its revenue bonds the revenues of such water and wastewater systems, or any portion thereof, so long as the full faith and credit of the Commonwealth of Virginia, the County of Nelson, Virginia (the “County”), or any other political subdivision of the Commonwealth of Virginia are not pledged to the payment of such bonds; and

**WHEREAS**, the Authority desires to obtain long-term financing to provide funds to pay all or any portion of the capital costs, including for the payment or reimbursement of principal and interest accrued for interim financing, to (i) acquire, construct, rehabilitate, and equip various improvements to the Authority’s wastewater (sewer) collection and treatment system and facilities related thereto, including in the Lovingsston area, and (ii) pay issuance costs in connection with such undertakings (collectively, the “Project”); and

**WHEREAS**, the United States of America, acting through Rural Utilities Service, an agency of the United States Department of Agriculture (“RUS”) has offered to purchase a not to exceed \$641,000 Nelson County Service Authority Wastewater Revenue Bond (Lovingston Sewer Project) (the “Authority Bond”) to provide the permanent financing needed by the Authority to pay all or any portion of the costs of the Project on the terms and conditions described in that certain RUS Letter of Conditions, dated February 14, 2024 (the “Letter of Conditions”); and

**WHEREAS**, in the Letter of Conditions, RUS advised that the Authority is eligible for RUS grants not to exceed \$1,594,000; and

**WHEREAS**, the Board of the Authority met on July 18, 2024 and authorized issuance of the Authority Bond for the Project, among other approvals, and requested that this Board approve a Support Agreement providing for a non-binding obligation of the Board to appropriate sufficient amounts to the Authority in connection to the payment obligations of the Authority under the Authority Bond and the funding and maintenance of a Debt Service Reserve Fund, as set forth in the Letter of Conditions; and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Supervisors of Nelson County Virginia, as follows:

1. The Board, acting as the governing body of the County, hereby approves the execution and delivery of a Support Agreement by the County, to be dated the date of issuance and delivery of the Authority Bond to RUS (the “Support Agreement”), in connection with the undertakings of the Authority under the Authority Bond. The Chair or Vice Chair of the Board, or the County Administrator, any one or more of whom may act (whether individually or collectively, the “County Representative”), are each hereby authorized and directed to execute and deliver the Support Agreement substantially in the form attached to this Resolution as **Exhibit A**, which form is hereby approved.

To such end, the Board hereby covenants and agrees to undertake a non-binding obligation to appropriate such amounts as may be requested from time to time, if any, in order to pay the debt service on the Authority Bond and other payment obligations of the Authority related to the Authority Bond, including the funding and maintenance of the Debt Service Reserve Fund described in the Letter of Conditions. Such moral obligation pledge of the County in connection with the Authority Bond is hereby approved and made to the fullest degree and in such manner as is consistent with the Constitution of Virginia and laws of the Commonwealth of Virginia, *provided, however*, that such pledge shall not be deemed to be a lending of the credit of the County to RUS or to any other person or entity or otherwise deemed to be a pledge of the faith and credit or the taxing power of the County, and such pledge shall not bind or obligate the Board or any future Board to appropriate funds for such purposes or otherwise in connection with the Authority Bond.

2. The County Representative and such officers, employees, and agents of the County as any one or more of them may designate, are each authorized and directed to execute and deliver any and all additional instruments, certificates, and other documents as may be necessary or convenient in order to carry out the purposes of this Resolution, all as may be advised by legal counsel.

3. This Resolution shall be effective immediately upon its adoption.

Approved: August 13, 2024

**BOARD OF SUPERVISORS OF  
NELSON COUNTY, VIRGINIA,**

---

Chair

Exhibit A: Form of Support Agreement

### **CERTIFICATE**

The undersigned Clerk of the Board of Supervisors of Nelson County, Virginia hereby certifies that the foregoing constitutes a true and correct copy of a resolution adopted by the Board at a regular meeting duly held and called on August 13, 2024 at which at least a quorum of the Board was present and acting throughout, and that a record of the roll-call vote is as follows:

Name	AYE	NAY	ABSTAIN	ABSENT
J. David Parr, Chair				
Ernie Q. Reed, Vice Chair				
Jesse Rutherford				
Thomas D. Harvey				
Dr. Jessica Ligon				

Dated: August 13, 2024

*[SEAL]*

---

Clerk  
Board of Supervisors, Nelson County, Virginia

**SUPPORT AGREEMENT  
NELSON COUNTY SERVICE AUTHORITY**

This **SUPPORT AGREEMENT** is made as of \_\_\_\_\_, 202\_, by and among the **BOARD OF SUPERVISORS OF NELSON COUNTY, VIRGINIA** (the “Board of Supervisors”), acting as the governing body of the County of Nelson, Virginia (the “County”), **NELSON COUNTY SERVICE AUTHORITY** (the “Authority”), and the **UNITED STATES OF AMERICA, ACTING THROUGH RURAL UTILITIES SERVICE, AN AGENCY OF THE UNITED STATES DEPARTMENT OF AGRICULTURE** (“RUS” or the “Bondholder”).

**RECITALS**

**WHEREAS**, pursuant to Chapter 51, Title 15.2 of the Code of Virginia, 1950, as amended (the “Act”), the Authority is empowered to acquire, purchase, lease, construct, reconstruct, improve, extend, operate, maintain, and finance water and wastewater (sewer) systems, and to otherwise have and exercise the powers granted by the Act and as otherwise authorized or permitted by law; and

**WHEREAS**, pursuant to the Act, the Authority is empowered to pledge for the payment of principal and interest on its revenue bonds the revenues of such systems, or any portion thereof, so long as the full faith and credit of the Commonwealth of Virginia, the County of Nelson, Virginia (the “County”) or any other political subdivision of the Commonwealth of Virginia, are not pledged to the payment of such revenue bonds; and

**WHEREAS**, the Authority desired to obtain long-term financing to provide funds to pay all or any portion of the capital costs, including for the payment or reimbursement of principal and interest accrued for interim financing, to (i) acquire, construct, rehabilitate, and equip various improvements to the Authority’s wastewater (sewer) collection and treatment system and facilities related thereto, including in the Lovingson area, and (ii) pay costs of issuance in connection with such undertakings (collectively, the “Project”); and

**WHEREAS**, the United States of America, acting through Rural Utilities Service, an agency of the United States Department of Agriculture (“RUS”) offered to purchase a not to exceed \$641,000 Nelson County Service Authority Wastewater Revenue Bond (Lovingson Sewer Project) (the “Authority Bond”) to provide permanent financing needed by the Authority to pay all or any portion of the costs of the Project on the terms and conditions described in that certain RUS Letter of Conditions, dated February 14, 2024 (the “Letter of Conditions”); and

**WHEREAS**, in the Letter of Conditions, RUS advised that the Authority is eligible for RUS grants not to exceed \$1,594,000; and

**WHEREAS**, on August 13, 2024 the Board of Supervisors adopted a resolution authorizing, among other things, the execution of an agreement providing for a non-binding moral

obligation of the Board to consider certain appropriations in support of the Authority Bond and the Project (the “County Resolution”); and

**WHEREAS**, on \_\_\_\_\_, 202\_\_ (referenced herein as the “Closing Date”), RUS has purchased the Authority Bond, in order for the Authority to provide financing to undertake the Project; and

**WHEREAS**, the Authority Bond is authorized and issued by the Authority pursuant to the Act, and, further, pursuant to the terms of that certain authorizing resolution duly approved by the Authority on July 18, 2024, including an RUS Form 1780-27 Resolution; and

**WHEREAS**, the principal and interest due on the Authority Bond will be secured by, and payable from, the revenues and receipts received by the Authority from its wastewater (sewer) system facilities; and

**WHEREAS**, as additional security for the payment of the principal of and interest on the Authority Bond, among other obligations of the Authority, the Board of Supervisors, pursuant to the County Resolution, has authorized the execution and delivery of this Support Agreement to provide its agreement for a non-binding moral obligation to consider appropriating such amounts as may be requested from time to time by the Authority, to the fullest degree and in such manner as is consistent with the Virginia Constitution and laws of the Commonwealth of Virginia, in order for the County to pay to the Authority, among other amounts, for the payment of principal and interest on the Authority Bond, and the funding and maintenance of a Debt Service Reserve Fund as set forth in the Letter of Conditions, and has recommended that future Boards of Supervisors do likewise.

## **AGREEMENT**

**NOW, THEREFORE**, for and in consideration of the foregoing and of the mutual covenants set forth herein, the parties hereto agree as follows:

1. The Authority shall use its best efforts to issue the Authority Bond and to use the proceeds of the Authority Bond to finance the costs of the Project, and to construct and place the Project in operation at the earliest practical date.

2. During the term of this Support Agreement, the County Administrator has been directed by the Board of Supervisors, pursuant to the terms and provisions of the County Resolution, to coordinate with the Authority in order for the County Administrator to submit to the Board of Supervisors for each fiscal year while the Authority Bond remains outstanding, a request to the Board of Supervisors for an appropriation to the Authority for (a) an amount equal to the principal and interest payments coming due under the Authority Bond for the next ensuing fiscal year, (b) the amount required for the Debt Service Reserve Fund accumulated at the rate of ten percent (10%) of each loan installment for a period of ten (10) years until equal to at least one annual loan installment, to be held by the Authority as additional security for RUS, as required by the Letter of Conditions.

3. Any such obligation of the County to make payments pursuant to this Support Agreement shall, under all circumstances, be subject to and dependent upon appropriations being made, from time to time, by the Board of Supervisors for such purposes, in accordance with law. If at any time the appropriation(s) by the Board of Supervisors are insufficient for the debt service on the Authority Bond to be paid on behalf of the Authority or to fund the deposits into the Debt Service Reserve Fund, the County Administrator shall promptly present a request for a supplemental appropriation to the Board of Supervisors in the amount of any such deficiency, and the Board of Supervisors shall consider such request at its next regularly scheduled meeting at which it is possible to satisfy any applicable notification requirement. Promptly after such meeting, the County Administrator shall notify the Authority and RUS whether the amount so requested was appropriated.

4. Subject to the provisions hereof, it is hereby acknowledged that the reasonable expectation of the parties is that the County shall provide funds for the payment of debt service on the Authority Bond to the Authority and provide funds for required deposits to the Debt Service Reserve Fund, in the amount of any annual or other supplemental appropriations made by the Board of Supervisors pursuant to this Support Agreement. To such end, the Board of Supervisors hereby undertakes a non-binding moral obligation to appropriate such payments to the Authority from time to time, in such manner and in amounts as may be required under the Authority Bond, the Letter of Conditions, and this Support Agreement, to the fullest degree and in such manner as is consistent with the Virginia Constitution and laws of the Commonwealth of Virginia. The Board of Supervisors, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future Boards of Supervisors do likewise.

**5. Nothing contained in this Support Agreement is or shall be deemed to be a lending of the credit of the County to the Bondholder, the Authority, or any other person, and nothing herein contained is or shall be deemed to be a pledge of the faith and credit or the taxing power of County. Nothing contained in this Support Agreement shall legally bind or obligate the Board of Supervisors to appropriate funds to pay the debt service on the Authority Bond, any other payments, or fund or maintain the Debt Service Reserve Fund or for any other purposes described in this Support Agreement or otherwise contemplated thereunder or hereunder.**

6. The Board of Supervisors acknowledges that it is entering into this Support Agreement on behalf of the County in consideration for the Authority undertaking the Project for the benefit of the County and the general public and for its welfare and prosperity. Annual appropriations (or other timely appropriations) by the Board of Supervisors pursuant to this Support Agreement, therefore, are reasonably expected to be essential in order for the installments of principal of and interest on the Authority Bond to be paid to the Bondholder, and for the payment of any other obligations of the County or Authority in connection with the Authority Bond.

7. Any notices or requests required to be given hereunder shall be deemed given if sent by registered or certified mail, postage prepaid, addressed (i) if to the County, to the County Administrator's Office, Post Office Box 336, Lovingson, Virginia 22949, Attention: County Administrator, (ii) if to the Authority, to Post Office Box 249, Lovingson, Virginia 22949, Attention: Executive Director, and (iii) if to RUS, to 1934 Deyerle Ave, Harrisonburg, Virginia



22801, Attention: Community Programs Specialist. Any party may designate any other address for notices or requests by giving notice.

8. This Support Agreement shall be governed by the laws of the Commonwealth of Virginia, and shall remain in full force and effect until the Authority Bond and any other obligations of the Authority pursuant thereto shall be paid, in full.

9. If any clause, provision, or section of this Support Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Support Agreement which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Support Agreement.

10. For the convenience of the parties, this Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, the parties hereto have each caused this Agreement to be executed in their respective names as of the date first above written.

**BOARD OF SUPERVISORS OF  
NELSON COUNTY, VIRGINIA**

By: \_\_\_\_\_  
\_\_\_\_\_, Chair

[Signature Page to Support Agreement – Board of Supervisors]

**NELSON COUNTY SERVICE AUTHORITY**

By: \_\_\_\_\_  
\_\_\_\_\_, Chair

DRAFT

[Signature Page to Support Agreement – Nelson County Service Authority]

**THE UNITED STATES OF AMERICA,  
ACTING THROUGH RURAL UTILITIES  
SERVICE, AN AGENCY OF THE UNITED  
STATES DEPARTMENT OF AGRICULTURE**

By: \_\_\_\_\_  
\_\_\_\_\_

DRAFT

[Signature Page to Support Agreement – USDA]

# Lovington Sanitary Sewer Improvements

## Existing Sanitary Sewer System

- Approximately 16,000 LF of sanitary sewer
- Pipe materials are vitrified clay pipe
- 100 Block manholes
- Serves approximately 150 connections
- Constructed primarily in the 1970s and some sections could be older



## Need For Project

- System experience infiltration and inflow
- Pipe collapse and root intrusion into the pipes results in blockages, back-ups, and reduced hydraulic capacity
- Sanitary sewer overflows are a public health concern and impacts the environment
- Sanitary sewer overflows are prohibited by the VPDES permit
- Wet weather overflows have been documented by the VDEQ. Typically, 1-2 times per year



# Lovington Sanitary Sewer Improvements

## Proposed Improvements

- Lining of 6,800 LF of 8-inch clay sewer pipe
- Replacement of 1,200 LF of 12-inch clay sewer pipe
- Replacement of 31 manhole frame and covers
- Lining of 72 sewer laterals
- 220 VLF of cementitious manhole lining



## Project Funding and Schedule

- Funded by USDA Rural Development
  - ✓ \$2,235,000 total project budget
  - ✓ \$641,000 loan
  - ✓ **\$1,594,000 grant**
- Project Schedule
  - ✓ CCTV and Design – July 2024 – June 2025
  - ✓ Secure ROW or easements – January 2025 – June 2025
  - ✓ Construction in 2026





OFFICIAL RECEIPT  
NELSON CIRCUIT COURT  
DEED RECEIPT

DATE : 07/22/2024      TIME : 15:40:32  
RECEIPT # : 24000003587      TRANSACTION # : 24072200028  
CASHIER : KXT      REGISTER # : H465  
INSTRUMENT : 202401419      BOOK :  
GRANTOR : -NELSON COUNTY SERVICE AUTHORITY  
GRANTEE : -NELSON COUNTY SERVICE AUTHORITY  
RECEIVED OF : NELSON COUNTY SERVICE AUTHORITY  
ADDRESS :  
DATE OF DEED : 07/18/2024  
CASH : \$0.00  
DESCRIPTION 1 : RESOLUTION AUTHORIZING THE ISSUANCE, SALE  
2 : AND AWARD NOT TO EXCEED \$641,000.00; SEE INST  
CONSIDERATION : \$0.00      AVAL : \$0.00

CASE # : 125CLR202401419  
FILING TYPE : OTHER      PAYMENT : FULL PAYMENT  
RECORDED : 07/22/2024      AT : 15:40  
EX : Y      LOC : CO  
EX : Y      PCT : 100%  
PAGES : 035      OP : 0  
NAMES : 0  
PIN OR MAP :

ACCOUNT CODE	DESCRIPTION	PAID
035	VIRGINIA OUTDOOR FOUNDATION	\$0.00
106	TECHNOLOGY TRST FND	\$0.00

ACCOUNT CODE	DESCRIPTION	PAID
145	VSLF	\$0.00
301	CLERK RECORDING/INDEXING FEE	\$0.00

TENDERED : \$ 0.00  
AMOUNT PAID : \$ 0.00

NELSON COUNTY SERVICE AUTHORITY  
July 18, 2024  
USDA Financing – Lovington Sewer Project

**RESOLUTION**

**AUTHORIZING THE ISSUANCE, SALE, AND AWARD OF A  
NOT TO EXCEED \$641,000 NELSON COUNTY SERVICE AUTHORITY  
WASTEWATER REVENUE BOND (LOVINGSTON SEWER PROJECT),  
AND PROVIDING THE FORM AND DETAILS THEREOF**

**WHEREAS**, pursuant to Chapter 51, Title 15.2 of the Code of Virginia, 1950, as amended (the “Act”), the Nelson County Service Authority (the “Authority”) is empowered to acquire, purchase, lease, construct, reconstruct, improve, extend, operate, maintain, and finance water and wastewater (sewer) systems, and to otherwise have and exercise the powers granted by the Act and as otherwise authorized or permitted by law; and

**WHEREAS**, pursuant to the Act, the Authority is empowered to pledge for the payment of principal and interest on its revenue bonds the revenues of such systems, or any portion thereof, so long as the full faith and credit of the Commonwealth of Virginia, the County of Nelson, Virginia (the “County”) or any other political subdivision of the Commonwealth of Virginia, are not pledged to the payment of such revenue bonds; and

**WHEREAS**, the Authority desires to obtain long-term financing to provide funds to pay all or any portion of the capital costs, including for the payment or reimbursement of principal and interest accrued for interim financing, to (i) acquire, construct, rehabilitate, and equip various improvements to the Authority’s Lovington wastewater (sewer) collection and treatment system and facilities related thereto, including in the Lovington area, and (ii) pay issuance costs in connection with such undertakings (collectively, the “Project”); and

**WHEREAS**, the United States of America, acting through Rural Utilities Service, an agency of the United States Department of Agriculture (“RUS”) has offered to purchase a not to exceed \$641,000 Nelson County Service Authority Wastewater Revenue Bond (Lovington Sewer Project) (the “Bond”) to provide the permanent financing needed by the Authority to pay all or any portion of the costs of the Project on the terms and conditions described in that certain RUS Letter of Conditions, dated February 14, 2024 (the “Letter of Conditions”), a copy of which is attached as **Exhibit A** hereto; and

**WHEREAS**, in the Letter of Conditions, RUS advised that the Authority is eligible for RUS grants not to exceed \$1,594,000; and

**WHEREAS**, the Board of the Nelson County Service Authority (the “Board”) now desires to authorize, among other things, the issuance, sale, and award of the Bond to RUS, in order to accomplish and provide for the funding of the Project.



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**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD, as follows:**

**1. Authorization of Bond and Use of Proceeds.** The Board hereby determines that, along with use of other lawfully available funds of the Authority, it is necessary and advisable to contract a debt and issue and sell the Bond to RUS for the purpose of providing long-term financing for the Project, including the payment or reimbursement of principal and interest accrued for interim financing. Accordingly, the Board authorizes and approves the issuance, sale, and delivery of the Bond to RUS in the form and upon the terms established in this Resolution and the terms and conditions of the Letter of Conditions.

**2. Approval of Letter of Conditions, RUS Form 1780-27 Loan Resolution, and RUS Grant Agreement.** The Authority hereby agrees to accept the offer of RUS for the purchase of the Bond and agrees to meet the terms and conditions set forth in the Letter of Conditions. The Authority hereby approves and adopts the RUS Bulletin 1780-27 Loan Resolution (the "RUS Loan Resolution," and together with this Resolution, the "Resolutions"), a copy of which is attached hereto as **Exhibit B**, all as required by RUS. In addition, the Authority hereby accepts the terms and conditions of the RD Form 1780-12 Grant Agreement, as set forth in the Letter of Conditions.

**3. Details of the Bond.** The Bond shall be issued in registered form without coupons and shall be dated as of the date of its delivery to RUS (the "Closing Date"), as Bond Purchaser and initial registered owner thereof, upon payment for the Bond.

The Bond shall be in an aggregate original principal amount not to exceed \$641,000, shall be designated as the Wastewater Revenue Bond (Lovingston Sewer Project), and shall bear interest at a rate not to exceed two and one-quarter percent (2.25%) per annum. *Provided, however,* in the event RUS shall offer a lower rate of interest on the Bond, such lower rate shall be conclusively deemed accepted by the Authority pursuant to the terms of this Resolution, including the applicable commensurately lower payment amounts, it being the intent for the Authority to obtain the lowest cost of borrowed funds for the permanent financing of the Project.

**4. Payment of the Bond.** The Bond will provide for equal monthly installments of principal and interest for 480 months if not sooner paid. The final installment of the Bond, together with all other amounts payable under the Bond, shall be due and payable on the payment day that is forty (40) years after the Closing Date; *provided, however,* that if the Authority ceases to exist as a legal entity pursuant to applicable Virginia law prior to such time, then the Bond shall be fully and finally payable on the effective date of such expiration or cessation of the legal existence of the Authority, unless RUS shall otherwise consent to an assumption of the obligations under the Bond. Further, if the Closing Date shall occur on the 29<sup>th</sup>, 30<sup>th</sup>, or 31<sup>st</sup> day of the month, the date of payment will be the 28<sup>th</sup> day of the month. Installments shall be payable in lawful monies of the United States of America in accordance with the Preauthorized Debit (PAD) payment process, as described in the Letter of Conditions.

**5. Prepayment or Redemption of the Bond.** Installments of principal of and interest due on the Bond may be prepaid at the option of the Authority at any time, in whole or in part (but if in part, in inverse order of their maturities), without premium. Prepayment of installments of principal and interest shall not affect the obligation of the Authority to pay the remaining

installments payable as provided in the preceding paragraph so long as any principal amount remains outstanding.

6. **Execution of the Bond.** The Bond shall be signed by the Chair or Vice Chair of the Board, either of whom may act, shall be attested to by the Secretary/ Treasurer, or any Assistant Secretary or designee, and the Authority's seal shall be affixed thereto. The Chair or Vice Chair, either of whom may act, are each expressly authorized and directed to finally determine and approve all details of the Bond, including without limitation, the maximum principal amount authorized to be advanced thereunder, and the payment dates and amounts and the final maturity date thereof; *provided, however* that (i) the aggregate maximum principal amount authorized to be advanced under the Bond shall not exceed \$641,000, (ii) the maximum interest rate on the Bond shall not exceed 2.25% per annum, as set forth in the Letter of Conditions, and (iii) the final maturity of the Bond shall be a date no later than forty (40) years after the date of issuance of the Bond. Such final details of the Bond shall be approved by the Chair or Vice Chair, either of whom may act, and execution and due delivery thereof to RUS on the Closing Date thereof shall constitute conclusive evidence of the approval herein, and no further actions by the Board shall be required.

7. **Registration of the Bond.** The Secretary/Treasurer is hereby appointed as Registrar of the Bond. The Bond shall initially be registered in the name of RUS with an address of Finance Office, USDA Rural Development NFAOC, 4300 Goodfellow Boulevard, Bldg. 104, St. Louis, Missouri 63120-1703 or such other office as may be designated in writing and delivered to the Registrar.

8. **Pledge of Revenues to the Payment of the Bond; Parity Lien Matters; Support Agreement.**

(a) **Security for the Bond.** To secure the payment and performance of the Authority's obligations under the Bond, the Authority will pledge all of the Authority's right, title, and interest to the revenues and receipts (the "Revenues") received by the Authority from its wastewater (sewer) systems, including sub-systems (collectively, the "System"), including Revenues from the Project, subject to the Authority's right to use the Revenues for the payment of the operation and maintenance expenses of the System.

(b) **Parity Lien Matters.** The pledge of the Revenues by the Authority in connection with the Bond shall also be on parity with the lien of the Authority's pledge of the Revenues in connection with prior obligations and liabilities of the Authority secured by a pledge of wastewater (sewer) revenues (collectively, the "Prior Obligations").

The parity pledge of Revenues with respect to the Bond and the Prior Obligations shall be valid and binding from and after the Closing Date. The Revenues, as received by the Authority, shall be immediately subject to the lien of such parity pledge described herein without any physical delivery of them or further act. Such parity pledge of the Revenues to secure the payment and performance of the Authority's obligations under the Bond shall have priority over all obligations and liabilities of the Authority (except as otherwise described above in connection with the Prior Obligations). The lien of this parity pledge of the Revenues with respect to the Bond and the Prior

Obligations shall be valid and binding against all parties having claims against the Authority regardless of whether such parties have notice thereof.

Neither the Authority, the Commonwealth of Virginia, the County, nor any other political subdivision of the Commonwealth of Virginia, shall be obligated to pay the principal of or interest on the Bond or any other costs incident thereto or to fund the debt service reserve fund or other reserve funds, including any other additional payments under the Letter of Conditions, if any, except from the Revenues and other security pledged therefor by the Authority, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof shall be pledged to the payment of the principal of or interest on the Bond or other costs incident thereto or to fund the debt service reserve fund or other reserve funds (all as addressed below), including any other additional payments under the Letter of Conditions, if any. Neither the Bond nor the obligations of the Authority under the Letter of Conditions or the Resolutions constitute a debt or a pledge of the faith and credit of the Commonwealth of Virginia, the County, or any other political subdivision of the Commonwealth of Virginia.

However, the Board hereby requests the Board of Supervisors of the County to approve a support agreement providing for a non-binding obligation of the Board of Supervisors of the County to appropriate sufficient amounts to the Authority in connection to the payment obligations of the Authority under the Bond and funding of the Debt Service Reserve Fund (defined below).

**9. Debt Service Reserve Fund.** In addition to the foregoing pledge of the Revenues, the Authority hereby agrees to establish and maintain a restricted debt service reserve fund equal to the aggregate amount of one annual loan installment (the “Debt Service Reserve Fund”) on the Bond in accordance with applicable law, and as specifically described in the Letter of Conditions. The Debt Service Reserve Fund is hereby pledged as security for payment of principal of and interest on the Bond. The Debt Service Reserve Fund shall be funded by the Authority in deposits equal to ten percent (10%) of the combined payments of principal and interest due under the Bond to accumulate for a period of 10 years until equal to the maximum annual debt service on the Bond that shall be due and payable by the Authority. Such deposits shall be made at the same time as payments of principal and interest are due and payable under the Bond, with the first such deposit due and payable at the same time as the first payment of principal and interest is due.

**10. Other Reserves; Audit Requirements, Accounts and Records.** The establishment, funding, and maintenance of reserves, including a Short-Lived Asset Reserve and Operation and Maintenance Reserve, as required by RUS in the Letter of Conditions, are hereby authorized and approved. The Executive Director and the Secretary/ Treasurer, either of whom may act, are hereby authorized and directed to coordinate with the Authority’s outside auditors in order for the Authority to satisfy and otherwise comply with the audit requirements and any other accounting and financial reporting terms and conditions as set forth in the Letter of Conditions.

**11. Rates and Charges.** The Authority covenants that it shall establish and collect rates and charges with respect to the System sufficient to pay the principal of and interest on the Bond. Further, as required under the Letter of Conditions, the Authority hereby approves and confirms that a ten percent (10%) penalty shall be assessed on all user accounts with respect to the System that are not paid, in full, within twenty days from the date of billing therefor. To the fullest

extent allowed under Virginia law, the Authority shall discontinue service to any user if such billing invoice is not paid within sixty days after the due date thereof, and further, such service shall not be restored until all past charges have been paid and all accrued penalties, including a reconnection charge, have been paid to the Authority, in full.

**12. Execution of Any Additional Documents.** The Chair, the Vice Chair, the Executive Director, the Secretary/ Treasurer, and all such other officers of the Authority as may be requested, any one or more of whom may act, and such other officers, employees, and agents of the Authority as may be requested (whether individually or collectively, the "Authority Representative"), are each authorized and directed to execute all such additional instruments, agreements, documents, and other writings, and to do and perform such things and acts as they deem necessary or convenient to carry out the transactions authorized by this Resolution, all as may be requested by RUS, or by the General Counsel or bond counsel for the Authority, in furtherance of the purposes set forth in this Resolution.

**13. Repeal of Any Conflicting Resolutions, If Any.** All resolutions or parts thereof in conflict with this Resolution, if any, are hereby repealed except such resolutions as may have been adopted by the Authority at the specific request of RUS, as a condition to the purchase of the Bond by RUS and acceptance of the terms thereof by the Authority, all as described herein.

**14. Filing of Authorizing Resolution.** The Executive Director and the Secretary/ Treasurer of the Authority, either of whom may act, and any other appropriate representative or agent of the Authority, are each hereby authorized and directed to cause the filing of a certified copy of this Resolution in the Office of the Clerk of the Circuit Court of Nelson County, Virginia.

**15. Further Actions.** The Authority Representative, and any other officers, employees, and agents of the Authority are each hereby authorized to take all such further actions as they or any one of them may consider necessary or desirable in connection with the issuance and sale of the Bond, and the acceptance of the RUS Grants, and any such actions previously taken in furtherance of the purpose and intent described herein are hereby ratified and confirmed, in all respects.

**16. Effective Date.** This Resolution shall take effect immediately.

Approved: July 18, 2024

  
\_\_\_\_\_  
Chair  
Board of Nelson County Service Authority

Exhibit A: Letter of Conditions dated February 14, 2024  
Exhibit B: RUS Bulletin 1780-27, Loan Resolution

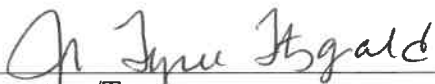
### CERTIFICATE

The undersigned Secretary/Treasurer of the Board of the Nelson County Service Authority hereby certifies that the foregoing constitutes a true and correct copy of a resolution adopted by the Board at a regular meeting duly held and called on July 18, 2024, at which at least a quorum of the Board was present and acting throughout, and that a record of the roll-call vote is as follows:

Name	Aye	Nay	Abstain	Absent
<b>David S. Hight, Chair</b> West District	✓			
<b>Sergio Sanchez, Vice Chair</b> South District	✓			
<b>Justin Shimp</b> North District	✓			
<b>Robert McSwain</b> East District	✓			
<b>Ernie Q. Reed</b> Central District	✓			

Dated: July 18, 2024

[SEAL]



Secretary/Treasurer  
Nelson County Service Authority



United States Department of Agriculture

Rural Development

February 14, 2024

RD Area Office

1934 Deyerle Ave.  
Suite D  
Harrisonburg, VA  
22801

George T. Miller, Jr., Executive Director  
Nelson County Service Authority  
620 Cooperative Way  
Arrington, VA 22922

Voice: 540-534-3060  
Fax: 855-636-4613

Dear Mr. Miller,

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application for financial assistance from Rural Development. The Rural Development staff administers this financial assistance on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA Rural Development, both of which may be referred to throughout this letter as the Agency. Any changes in project costs, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by Rural Development by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

This letter is not to be considered as approval of financial assistance or as a representation as to the availability of funds. The financial package may be completed on the basis of a Rural Development loan not to exceed \$641,000, a Rural Development grant not to exceed \$1,594,000, for a total project cost of \$2,235,000. Funds will be considered approved on the date Form RD 1940-1, Request for Obligation of Funds, is signed by the Agency approval official.

By accepting this loan, you agree to refinance (graduate) the unpaid loan balance, in whole or in part, upon Rural Development's request. If at any time Rural Development determines you are able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms, we will request that you refinance. Your ability to refinance will be assessed every other year on loans that are five years old or older.

For all loans exceeding \$500,000, where loan funds can be borrowed at reasonable interest rates on an interim basis from commercial sources for the construction period, such interim financing will be used to preclude the necessity for multiple advances of Rural Development loan funds. The approving official may make an exception when interim financing is cost prohibitive or unavailable. Prior to advertising for bids, you must provide Rural Development with a copy of the tentative agreement reached in connection with interim financing for review and approval. Rural Development grant funds will be disbursed by multiple advances through electronic transfer of funds after interim financing or when Rural Development loan funds are expended.

Extra copies of this letter are being provided for use by your consulting engineer, attorney, bond counsel, and accountant. All parties may access information and regulations referenced in this letter at our website located at <https://www.rd.usda.gov/programs-services/water-environmental-programs/water->

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 680-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).

**waste-disposal-loan-grant-program. Any form, bulletin, or guide identified in this letter will be provided upon request.**

The conditions referred to in the first paragraph of this letter are as follows:

1. **Project Description and Budget** – Funds will be used to construct the Lovington Sewer Project. Facilities will be designed and constructed in accordance with sound engineering practices and must meet the requirements of Federal, State, and local agencies. The proposed facility design must be based on the Preliminary Engineering Report (PER) as concurred in by Rural Development.

Funding from all sources has been budgeted for the estimated expenditures as follows:

<u>Project Costs</u>	<u>Total Budgeted</u>
Construction	\$ 1,475,000
Bond Counsel Fees	\$ 40,500
Engineering Fees:	
PER	\$ 30,000
Environmental Report	\$
Basic	\$ 221,300
Inspection	\$ 120,000
Additional	\$ 120,700
Interest	\$ 80,000
Project Contingency	\$ 147,500
<b>TOTAL PROJECT COSTS</b>	<b>\$ 2,235,000</b>

2. **Project Funds** – Project funding is planned from the following sources and amounts:

<u>Project Funding Source</u>	<u>Funding Amount</u>
Rural Development Loan	\$ 641,000
Rural Development Grant	\$ 1,594,000
<b>TOTAL PROJECT FUNDING</b>	<b>\$ 2,235,000</b>

Prior to closing, any increase in non-Rural Development funding will be applied first as a reduction to Rural Development grant funds (up to the total amount of the grant) and then as a reduction to Rural Development loan funds.

Any changes in funding sources following obligation of Rural Development funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. You must assure that all project funds are expended only for the eligible items

included in the project budget of this letter of conditions or as amended by Rural Development in writing at a later date.

After providing for all authorized costs, any remaining Rural Development project funds will be considered to be Rural Development grant funds and refunded to Rural Development. If the amount of unused Rural Development project funds exceeds the Rural Development grant, that part would be Rural Development loan funds and applied as an extra payment to your loan

3. Organization – The Bond Transcript must show that your organization is a duly incorporated public body and has continued legal existence. Your organization must have the authority to own, construct, operate, and maintain the proposed facility, as well as the authority to borrow money, pledge security, and raise revenues.
4. Forms – You will be required to execute certain Agency forms in order to obtain financial assistance from Rural Development. A Resolution of Governing Body appointing an authorized representative to execute all forms must be provided. You must also provide minutes from the meeting at which the Resolution of Governing Body is adopted. Your signature on all required forms indicates your agreement to abide by all covenants outlined in the forms.
5. Notice of Intent to Apply – Within sixty (60) days of filing an application for financial assistance from Rural Development, you must publish a notice of intent to apply in a newspaper of general circulation in the proposed service area.
6. Public Meeting Requirement – You will be required to inform the general public about the proposed project by holding at least one public information meeting prior to the approval of your financial package. This meeting will give the citizenry an opportunity to become acquainted with the proposed project and voice any comments and/or concerns. Ten (10) days prior to the meeting, you will be required to publish a notice of the meeting in a newspaper of general circulation in the proposed service area. You will be required to provide Rural Development with a copy of the published notice, along with minutes from the meeting.
7. Bond Counsel – The services of a recognized bond counsel are required. In accordance with 7 CFR 1780, Subpart D, bond counsel will prepare the form of Bond Resolution to be used. You should immediately provide your bond counsel with a copy of this letter of conditions. The bond documents must reflect that you must maintain a 10% debt service reserve.

The final bond transcript must include a copy of the adopted Rate Ordinance/Resolution, along with the rules and regulations of the [water] [sewer] utility.

8. Security – The loan must be secured by a Revenue Bond, a pledge of the net revenues of your sewer utility of first priority on parity with all previous bond issues, and other agreements between you and Rural Development as set forth in the Bond Resolution, which must be properly adopted and executed by the



Mr. George T. Miller, Jr., Executive Director  
 Nelson County Service Authority - Lovingson Sewer Improvements  
 Loan - \$641,000; Grant - \$1,594,000  
 Letter of Conditions – February 14, 2024

4

appropriate officials of your organization. The Bond will be fully registered as to both principal and interest in the name of the "United States of America, acting through the United States Department of Agriculture."

The bond and any resolution relating thereto must not contain any provisions in conflict with RUS Bulletin 1780-27, applicable regulations, or authorizing law. In particular, there must be no defeasance or refinancing clause in conflict with the graduation requirements of 7 United States Code (USC) 1983.

Additional security requirements are contained in RUS Bulletin 1780-27, Loan Resolution, [and RUS Bulletin 1780-12, Grant Agreement]. A copy of the minutes from the meeting at which the Loan Resolution is adopted must be provided to Rural Development.

A draft of all security instruments, including the bond resolution, form of bond, and bond counsel opinion, must be reviewed and concurred in by Rural Development prior to advertising for bids. Both the Bond and Loan Resolutions must be fully executed prior to closing.

As you have issued Bonds secured by sewer revenues to another lender(s), a Parity/Intercreditor Agreement between Rural Development and that lender(s) must be executed prior to loan closing. A draft of the agreement must be concurred in by Rural Development prior to advertising for bids.

9. Loan Repayment – The loan will be scheduled for repayment over a period of 40 years. For planning purposes, use a 2.25% interest rate and a monthly amortization factor of .00317, which provides for a monthly payment of \$2,032. The precise payment amount will be based on the interest rate at which the loan is closed and may be different.

Unless you choose otherwise, the interest rate will be the lower of the rate in effect at the time of loan approval or the time of closing. Should the interest rate outlined above be reduced at closing, your payment will be recalculated based on the lower rate. The payment due date will be established as the day the loan closes. If closing takes place on the 29<sup>th</sup>, 30<sup>th</sup>, or 31<sup>st</sup>, the payment due date will be the 28<sup>th</sup>.

Payments will be made on the day your payment is due through an electronic preauthorized debit system. You will be required to complete Form RD 3550-28, Authorization Agreement for Preauthorized Payments, for all new AND existing indebtedness to Rural Development prior to closing, which will allow for your payment to be electronically debited from your account on the day your payment is due.

10. Prepayment and Extra Payments – Prepayments of scheduled installments, or any portion thereof, may be made at any time with no penalty. Security instruments, including bond documents, must contain the following language regarding extra payments:

Prepayments of scheduled installments, or any portion thereof, may be made at any time. Refunds, extra payments, and loan proceeds obtained from outside sources for the purpose of paying down this debt shall, after payment of interest, be applied to the installments last to become due and shall not affect the obligation to pay the remaining installments as scheduled.

11. Legal Services Agreement – You will be required to execute a legal services agreement with your attorney and bond counsel, if applicable, for any legal work needed in connection with this project. The agreement should stipulate an hourly rate for the work, as well as a “not to exceed” amount for the services, including reimbursable expenses. RUS Bulletin 1780-7 may be used as a guide in preparing the agreement. The agreement must be concurred in by Rural Development prior to advertising for bids. Any changes to the fees or services outlined in the original agreement must be reflected in an amendment to the agreement and have prior Rural Development concurrence.
12. Code of Conduct/Conflict of Interest Policy – You must adopt and maintain a written code or standards of conduct which shall govern the performance of your officers, employees, or agents engaged in the award and administration of contracts supported by Rural Development funds. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Rural Development funds if a conflict of interest, real or apparent, would be involved.
13. System Users – This letter of conditions is based upon your indication (at the application stage) that there will be at least 168 residential, 109 non-residential, users on the sewer system when construction is completed.

Before Rural Development can agree to the project being advertised for construction bids, you must certify that the number of users specified at the application stage are currently using the system and/or have signed up to use the system once it is operational. If the actual number of existing and/or proposed users is less than the number indicated at the time of application, you must provide Rural Development with a written plan on how you will obtain the necessary revenue to adequately cash flow the expected operation, maintenance, debt service, and reserve requirements of the proposed project, i.e., increase user rates, sign up an adequate number of other users, reduce project scope, etc. Similar action is required if there is cause to modify the anticipated flows or volumes.

Evidence of users will consist of your written certification as to the number of users actually connected to and using the existing system (paying monthly bills).

14. System Policies and Procedures – The facility must be operated on a sound business plan which involves adopting policies and procedures outlining the conditions of service and use of the proposed system. The policies and procedures must contain an effective collection policy for accounts not paid in full within a specified number of days after the date of billing. They should include appropriate late fees, specified timeframes for disconnection of service, and reconnection fees.

Your policies and procedures must be submitted for Rural Development review and concurrence.

15. Proposed Operating Budget and User Rate Analysis – You must establish and/or maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance, debt service, and reserves. Prior to written authorization from Rural Development to proceed with the bidding phase, you will be required to submit a copy of your proposed annual operating budget and rate analysis. The operating budget should be based on a typical year's cash flow subject to completion of this project in the first full year of operation. The rate analysis will be required to show the number of users, their average consumption based on a twelve-month consecutive average, and a rate structure to support the necessary revenue to make the operating budget cash flow. Form RD 442-7, Operating Budget, or similar form may be utilized for this purpose.

**Prior to closing or the start of construction, whichever occurs first, you must provide evidence that the rate resolution has been adopted, as well as evidence indicating the rates will be placed into effect at the beginning of the first full year of operation after construction of this project.**

**If revenues will be generated in the form of Availability fees, an agreement must be prepared by your attorney and accompanied by a certification from the attorney that use of the agreement is permissible pursuant to Virginia statutory law. The attorney's certification must cite the Virginia statute and state the agreement provides additional security for the loan. This agreement must be submitted to Rural Development for review by our office and our Office of General Counsel. It is suggested a draft agreement be submitted prior to its execution.**

It is expected that operation and maintenance will change over each successive year, and user rates will need to be adjusted on a regular basis. Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system. If you are interested, please contact our office for more information.

16. Property Rights – Prior to advertising for bids, you and your legal counsel must furnish satisfactory evidence that you have or can obtain adequate, continuous, and valid control over the lands and rights-of-way needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Such control over lands and rights will be evidenced by the following:
  - a. Right-of-Way Map – Your engineer will provide a map clearly showing the location of all lands and rights-of-way needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.
  - b. Form RD 442-20, Right-of-Way Easement – This form may be used to obtain any necessary easements for the proposed project. If this form is not utilized, a copy of the easement to be used must be approved by Rural Development.

Each executed easement need not be provided this office; however, each must be available for Rural Development review.

- c. Form RD 442-21, Right-of-Way Certificate – You will provide a certification on this form that all rights-of-way have been obtained for the proposed project. This form may contain a few exceptions, such as properties that must be condemned, and you must provide the estimated date for obtaining any rights-of-way listed as exceptions. Prior to start of construction or closing, whichever occurs first, a new Form 442-21, which does not provide for any exceptions, must be provided.
- d. Form RD 442-22, Opinion of Counsel Relative to Rights-of-Way – Your attorney will provide a certification and legal opinion on this form addressing rights-of-way. This form may contain a few exceptions, such as properties that must be condemned, and your attorney must provide the estimated date for obtaining any rights-of-way listed as exceptions. Prior to start of construction or closing, whichever occurs first, a new Form 442-22, which does not provide for any exceptions, must be provided.
- e. Preliminary Title Opinion – When applicable, your attorney will provide a preliminary title opinion for all property, both currently owned and to be acquired, related to the facility. Copies of deeds, contracts, or options must also be provided. Form RD 1927-9, Preliminary Title Opinion, may be used.
- f. Final Title Opinion – Prior to closing or start of construction, whichever occurs first, your attorney must furnish a final title opinion for all property, both currently owned and newly acquired, related to the facility. Copies of recorded deeds for any newly acquired property must also be provided. Form RD 1927-10, Final Title Opinion, may be used.

The Rural Development approval official may waive title defects or restrictions, such as utility easements, that do not adversely affect the suitability, successful operation, security value, or transferability of the facility. Any such waivers must be provided by the approval official in writing prior to closing or the start of construction, whichever occurs first.

You are responsible for the acquisition of all property rights necessary for the project and for determining that prices paid are reasonable and fair. Rural Development may require an appraisal by an independent appraiser or Rural Development employee in order to validate the price to be paid.

If rights-of-way are not needed for the proposed project, a certification to that effect from your attorney will satisfy items a through d above.

- 17. Reserves – Reserves must be properly budgeted to maintain the financial viability and sustainability of any operation. Reserves are important to fund unanticipated, emergency maintenance and repairs; assist with debt service should the need arise; and for the replacement of assets which have a useful life less than the repayment period of the loan. The following reserves are required to be established as a condition of this financial assistance:

- a. Short-Lived Asset Reserve – You must establish a short-lived asset reserve fund. Based on the Preliminary Engineering Report, you must deposit at least \$8,940 annually into this reserve fund for the life of the loan to pay for repairs and/or replacement of major system assets. It is your responsibility to assess your utility's short-lived asset needs on a regular basis and adjust the amount deposited to meet those needs.
  - b. Operation and Maintenance Reserve – Current assets will be used to establish and maintain a reserve for unanticipated operation and maintenance expenses. The amount required to be set aside is \$88,572, which equates to a 25% reserve based on estimated operation and maintenance expenses during the first full year of operation after construction.
  - c. Debt Service Reserve – As a part of this loan proposal, you must establish a restricted debt service reserve fund equal to at least one annual loan installment. Deposits into the reserve fund will begin at the same time amortized loan installments begin. The reserve will be accumulated at the rate of 10% of each loan installment for a period of 10 years. Ten percent of the proposed loan installment would equal \$203.20 per month and should be deposited monthly until a total of \$2,438.40 has been accumulated. This reserve must be maintained throughout the life of the loan, and prior written concurrence from Rural Development must be obtained before funds may be withdrawn from the account. If funds are withdrawn, deposits will continue as outlined above until the reserve is fully replenished. **The debt service reserve fund should be reflected in your annual audit.**
18. Insurance and Bonding Requirements – Prior to the start of construction or closing, whichever occurs first, you must acquire and submit to Rural Development proof of the types of insurance and bond coverage. The use of deductibles may be allowed, provided you have the financial resources to cover potential claims requiring payment of the deductible. Rural Development strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.
- a. General Liability Insurance – Include vehicular coverage.
  - b. Workers' Compensation – In accordance with appropriate State laws.
  - c. Fidelity or Employee Dishonesty Bonds – Include coverage for all persons who have access to funds, including persons working under a contract or management agreement. Coverage may be provided either for all individual positions or persons or through blanket coverage providing protection for all appropriate workers. During construction, each position should be bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The coverage may be increased during construction based on the anticipated monthly advances. After construction

and throughout the life of the loan, the amount of coverage must be for at least the total annual debt service of all outstanding Rural Development loans. Rural Development will be identified in the fidelity bond for receipt of notices. Form RD 440-24, Position Fidelity Schedule Bond, or similar format may be used.

- d. National Flood Insurance – If the project involves acquisition or construction in a designated special flood area, the community in which the acquisition or construction is situated must be currently participating in the National Flood Insurance Program. Additionally, if the project involves acquisition or construction in designated special flood or mudslide prone areas, you must purchase a flood insurance policy at the time of closing.
- e. Real Property Insurance – Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures, to include machinery and equipment housed therein, in an amount equal to the insurable value thereof. This does not apply to water reservoirs, standpipes, elevated tanks, or noncombustible materials used in treatment plants, clearwells, filters, and the like. Rural Development will be listed as mortgagee on the policy if Rural Development has a lien on the property.

Rural Development is to be listed as “other insured” so as to receive notifications on all insurance, regardless of security. Insurance types described above are required to be continued throughout the life of the loan.

- 19. Other Professional Services Contracts – In addition to contracts specifically mentioned in this letter of conditions, Rural Development must review and accept any and all contracts between the owner and any professional services provider, i.e., local counsel, bond counsel, auditor, accountant, financial advisor, etc. These contracts must be provided for our review prior to closing.
- 20. Permits – Prior to advertising for bids, the owner or responsible party is required to obtain all applicable permits for the project. With submission to Rural Development of the final plans, specifications, and bid documents, the consulting engineer must identify and address the need and adequacy of all certificates, permits, licenses, etc., needed for the construction and operation of the facility. Written evidence must also be submitted that all applicable permits needed prior to construction have been obtained.
- 21. Environmental – At the conclusion of this proposal’s environmental review process, specific actions were determined necessary to avoid or minimize adverse environmental impacts. The following actions are required for successful completion of the project and must be adhered to during project design and construction:
  - a. All required Federal, State and Local permits will be obtained prior to beginning any construction activities.

- b. Erosion and sediment control measures must be implemented in accordance with the current edition of the Virginia Erosion and Sediment Control Handbook and the Virginia Erosion and Sediment Control Regulations, which are available online: <https://www.deq.virginia.gov/water/stormwater/esc-handbook> In most localities, if the total land disturbance exceeds 10,000 square feet, an erosion and sediment control plan will be required. Erosion and sediment control requirements are regulated by the local government where your land disturbing activity is occurring. Please contact the appropriate county, city or town for information and compliance requirements.
- c. If Karst features are encountered during the project, please coordinate with Wil Orndorff at the Virginia Dept. of Conservation and Recreation to document and minimize any adverse impacts. If the project involves filling or “improvement” of sinkholes or cave openings, DCR would like detailed location information and copies of the design specifications. In cases where sinkhole improvement is for stormwater discharge, copies of VDOT Form EQ-120 will suffice. A link to the “Karst Assessment Guidelines” developed by the Virginia Cave Board for land development can be found at <http://www.dcr.virginia.gov/natural-heritage/cavehome>. Mr. Orndorff may be reached at (540) 553-1235 or [Wil.Orndorff@dcr.virginia.gov](mailto:Wil.Orndorff@dcr.virginia.gov).
- d. In order to protect bat species, a time of year restriction will be implemented to prohibit any required tree removal or other site clearance activities from April 1-November 15.
- e. Fugitive dust caused by the movement of construction materials and construction equipment will be controlled by adherence to the Virginia Department of Environmental Quality (DEQ) regulations and 9 VAC 5-50-60 et.seq., which governs the abatement of visible emissions and fugitive dust emissions. Measures include, but are not limited to, the following: Use, where possible, of water or chemicals for dust control, Installation and use of hoods, fans, and fabric filters to enclose and vent the handling of dusty materials, covering of open equipment for conveying materials, and prompt removal of spilled or tracked dirt or other materials from paved streets and removal of dried sediments resulting from soil erosion. Land clearing wastes (vegetative debris) generated during construction should be properly managed in accordance with applicable regulations and local ordinances. Shredding/chipping of vegetative debris and reuse on-site is recommended over open burning. If project activities include open burning or the use of special incineration devices, this activity must meet the requirements under 9 VAC 5-130-10 through 9 VAC 130-60 and 9 VAC 5-130-100 of the Regulations for open burning. In addition, the Regulations provide for, but do not require, the local adoption of a model ordinance concerning open burning. The applicant should contact local fire officials to determine what local requirements, if any, exist. Contact the local DEQ Regional Office with questions related to air pollution control and permitting.
- f. Construction will be limited to normal daylight hours, Monday – Friday, except in emergency situations.

- g. When encountering inadvertent or unanticipated discoveries, the following requirements will be implemented and included in on-site construction documents.
  - A. Inadvertent discoveries on state and private lands shall comply with applicable state notification standards, federal laws, 36 CFR Part 800.13, and the ACHP's Policy Statement Regarding treatment of Burial Sites, Human Remains, or Funerary Objects (February 23, 2007). The Rural Utilities Service (RUS) applicants shall ensure that their contractors maintain a copy of the inadvertent discoveries plan onsite for review.
  - B. Discoveries on private and state lands:
    - 1. If historic properties are discovered, all work, including vehicular traffic must immediately stop within a 50ft. radius of the discovery.
    - 2. If discoveries are made that contain burial sites or human remains, all work, including vehicular traffic must immediately stop within a 100ft. radius of the discovery.
    - 3. For all discoveries work should also stop in the surrounding area where further historic properties, subsurface burial sites, or human remains can reasonably be expected to occur.
    - 4. The relevant law enforcement authorities will be immediately contacted by onsite personnel to reduce delay times, in accordance with tribal, state, or local laws. If law enforcement determines the remains to not be part of a criminal investigation or a crime scene, the applicant will notify the RUS, SHPO, and Indian tribes. The evaluation of human remains will be conducted at the site of discovery by an SOI-qualified professional. Remains that have been removed from their primary context and where that context may be in question may be retained in a secure location, pending further decisions on treatment and disposition.
    - 5. Within 48 hours of receiving notification of an inadvertent discovery, the RUS applicant and appropriate local authorities will inspect the work site to ensure that all work, including vehicular traffic, has ceased, and protect the area of discovery from looting and vandalism.
    - 6. All archaeologists or other specialists, as appropriate, employed in response to inadvertent discoveries will be SOI-qualified and have the knowledge to assess the resources within an undertaking's APE.
    - 7. Work may continue in other areas of the undertaking where no historic properties, burial sites, or human remains are present. If the inadvertent discovery appears to be a consequence of illegal activity such as looting, the onsite personnel will contact the appropriate legal authorities immediately if the landowner has not already done so.



8. Work may not resume in the area of the discovery until a notice to proceed has been issued by the RUS. The RUS will not issue the notice to proceed until it has determined that the appropriate local protocols and consulting parties have been consulted.
- C. Inadvertent discoveries on federal and tribal land shall follow the processes required by the federal or tribal entity.
- h. All work with the potential to effect roadways or other transportation facilities will be reviewed and coordinated with the VDOT District office and the local residency office. Construction along roadways will require some flagging of traffic, however, road closures will be limited and will be coordinated with VDOT and the County. Road signs should be provided to alert drivers, bicyclists and pedestrians of utility and construction work ahead, and any detours necessary to navigate around the utility work. All VDOT permits will be obtained prior to construction.
  - i. Stormwater management planning and permitting is required through the VA Dept. of Environmental Quality (DEQ) should your land disturbance be greater than one (1) acre or lie within the boundaries of a common plan of development. Information, permit application, and regulations on our stormwater management program are available online at:  
<https://www.deq.virginia.gov/water/stormwater>. Contact the local DEQ Regional Office for more information.
  - j. The VA Dept. of Environmental Quality (DEQ) administers the Virginia Solid Waste Management Regulations and the Virginia Hazardous Waste Management Regulations. All solid wastes generated at the site will be reduced at the source, reused, or recycled. All hazardous wastes should be minimized. Otherwise, all solid waste and hazardous waste must be managed in accordance with all applicable federal, state, and local environmental regulations. Contact the local DEQ Regional Office for more information.
  - k. The use of herbicides or pesticides for construction or landscape maintenance should be in accordance with the principles of integrated pest management. The least toxic pesticides that are effective in controlling the target species will be used. Please contact the Virginia Department of Agriculture and Consumer Services at (804) 786-3501 for more information.
  - l. For unavoidable impacts to streams and wetlands, the following practices will be implemented: use of directional drilling from upland locations; operation of machinery and construction vehicles outside of stream-beds and wetlands; use of synthetic mats when in-stream work is unavoidable; stockpiling of material excavated from the trench for replacement if directional drilling is not feasible; and preservation of the top 12 inches of trench material removed from wetlands for use as wetland seed and root stock in the excavated area.
  - m. Federal and state governments regulate impacts to streams and wetlands. The Virginia Marine Resources Commission serves as the clearinghouse for the Joint Permit Application (JPA) used by: (1) U.S. Army Corps of Engineers for

issuing permits pursuant to § 404 of the Clean Water Act and § 10 of the Rivers and Harbors Act; (2) Department of Environmental Quality for issuance of Virginia Water Protection Permit pursuant to § 401 of the Clean Water Act, Virginia Code § 62.1-44.2 et seq., Virginia Code § 62.1-44.15:5, and Virginia Administrative Code 9 VAC 25-210-10 et seq.; and (3) Virginia Marine Resources Commission regulates encroachments on or over state-owned subaqueous beds as well as tidal wetlands pursuant to Virginia Code §28.2-1200 through 1400. Contact VMRC at (757) 247-2200 to determine the need for a JPA for this project. VMRC will distribute the application to the appropriate agencies. Each agency will conduct its review and respond.

- n. Any impacts to floodplains will be unavoidable and temporary. No permanent structures will be constructed within the 100-year floodplain. All disturbed areas will be restored to pre-construction contours and all denuded areas will be revegetated immediately.

**Your consulting engineer MUST insert the above mitigation measures in RUS Bulletin 1780-26, Attachment 6, Section 19.10, A.5. In addition, Item A.3, including (a) (i through vii), must be stricken in its entirety, as the mitigation measures above include more specific language related to inadvertent discoveries.**

The project as proposed has been evaluated to be consistent with the National Environmental Policy Act. Other Federal, State, tribal, and local laws, regulations, and/or permits may apply or be required. If the project or any element thereof deviates or is modified from the originally approved project, additional environmental review may be required.

- 22. Litigation – You are required to notify Rural Development within 30 days of receiving notification of being involved in any type of litigation. Additional documentation regarding the situation and litigation may be requested by Rural Development.
- 23. Technical, Managerial and Financial Capacity – It is required that members of the Board of Directors, Council members, trustees, commissioners, and other governing members possess the necessary technical, managerial, and financial capacity skills to consistently comply with pertinent Federal and State laws and requirements. It is recommended members receive training within one year of appointment or election to the governing board, as well as a refresher training for all governing members on a routine basis. The content and amount of training should be tailored to the needs of the particular individual and the utility system. Technical assistance providers are available to provide this training for your organization, often at no cost. You may contact Rural Development for information.
- 24. Certified Operator – Evidence must be provided that your system has, or will have, as defined by applicable State or Federal requirements, a certified operator prior to the system becoming operational. Otherwise, a suitable supervisory agreement with a certified operator must be in place.

25. Suspension and Debarment Screening – As a participant with Federal funding, you will be asked to provide information on the principals of your organization. Rural Development staff must conduct screening for suspension and debarment of your organization, as well as its principals, through the Do Not Pay portal. Principal is defined as:
- a. An officer, director, owner, partner, principal investigator, or other person within a participant that has management or supervisory responsibilities related to a covered transaction; or
  - b. A consultant or other person, whether or not employed by the participant or paid with Federal funds, who:
    1. Is in a position to handle Federal funds;
    2. Is in a position to influence or control the use of those funds; or
    3. Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction (see 2 CFR, Part 180, Section 180.995).

**In accordance with 2 CFR Part 180, Subpart C, as a condition of the transaction and the responsibilities to persons at the next lower tier with whom you enter into transactions, you must conduct screening for suspension and debarment of lower-tier recipients, i.e., vendors, contractors, etc.**

26. American Iron and Steel (AIS) - Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A – Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference applies an AIS requirement to obligations made after May 5, 2017:
- a. No Federal funds made available for this fiscal year for the rural water, wastewater, waste disposal, and solid waste management programs authorized by the Consolidated Farm and Rural Development Act (7 USC 1926 et seq.) shall be used for a project for the construction, alteration, maintenance, or repair of a public water or wastewater system unless all of the iron and steel products used in the project are produced in the United States.
  - b. The term “iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
  - c. The requirement shall not apply in any case or category of cases in which the Secretary of Agriculture (in this section referred to as the “Secretary”) or the designee of the Secretary finds that:
    1. Applying the requirement would be inconsistent with public interest;

2. Iron and steel products are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
3. Inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

**Owners are ultimately responsible for compliance with AIS requirements and will be responsible for the following:**

- a. **Signing loan resolutions, grant agreements, and letters of intent to meet conditions which include AIS language, accepting AIS requirements in those documents and in the letter of conditions.**
- b. **Signing change orders (i.e., C-941 of EJCDC) and partial payment estimates (i.e., C-620 of EJCDC) and thereby acknowledging responsibility for compliance with American Iron and Steel requirements.**
- c. **Obtaining the certification letters from the consulting engineer upon substantial completion of the project and maintaining this documentation for the life of the loan.**
- d. **Where the owner provides their own engineering and/or construction services, providing copies of engineers', contractors', and manufacturers' certification letters (as applicable) to the Agency to insert into the Agency file. All certification letters must be kept in the engineer's project file and onsite during construction. For owner construction (force account), all clauses from this section must be included in the Agreement for Engineering Services.**
- e. **Where the owner directly procures AIS products, including AIS clauses in the procurement contracts and obtaining manufacturers' certification letters and providing copies to consulting engineers and contractors.**

**27. Build America, Buy America Requirements (BABA)**

- a. Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:
  1. All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
  2. All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured

product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

3. All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it neither applies to tools, equipment, and supplies, such as temporary scaffolding brought to the construction site and removed at or before the completion of the infrastructure project, nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

- b. Waivers - When necessary, recipients may apply for, and the Agency may grant, a waiver from these requirements. The Agency should notify the recipient for information on the process for requesting a waiver from these requirements.

When the Federal agency has made a determination that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the Agency determines that:

1. Applying the domestic content procurement preference would be inconsistent with the public interest;
2. The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
3. The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The Agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office.

- c. Definitions:

1. "Construction materials" includes an article, material, or supply other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates, such as stone, sand, or gravel, or aggregate-binding agents or additives that are or consist primarily of:

- a. Non-ferrous metals;
  - b. Plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
  - c. Glass (including optic glass);
  - d. Lumber; or
  - e. Drywall
2. “Domestic content procurement preference” means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.
  3. “Infrastructure” includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.
  - 4 “Project” means the construction, alteration, maintenance, or repair of infrastructure in the United States.

**Owners are ultimately responsible for compliance with the domestic preference requirements as outlined in RUS Bulletin 1780-35 or the Build America Buy America (BABA) Appendix, which is attached to this letter of conditions.**

28. Agreement for Engineering Services – You will be required to complete an Agreement for Engineering Services, which should consist of the Engineers Joint Contract Documents Committee (EJCDC) documents as indicated in RUS Bulletin 1780-26, Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance and supplemented by Virginia’s “Agreement for Engineering Services Guidance.” Rural Development will provide concurrence prior to advertising for bids and must approve any modifications to the agreement.
29. Contract Documents, Procurement, and Final Plans and Specifications – Construction contracts will be competitively bid. All development will be completed in accordance with the applicable provisions of RUS Instruction 1780, Subpart C; in compliance with all statutory requirements; and must be submitted for Rural Development concurrence prior to advertising for bids. You are responsible for sharing this with your consulting engineer before pre-design:
  - a. The plans and specifications and all proposals required by law must be approved by the appropriate State regulatory agency.

- b. In preparing final design and providing service to the planned project area, you and your consulting engineer will comply with all zoning and planning requirements of the appropriate governing bodies where service is to be provided.
- c. Rural Development will need to concur in the plans and specifications prior to advertising for bids. Rural Development may require an updated cost estimate if a significant amount of time has elapsed between the original project cost estimate and advertising for bids.
- d. The use of any procurement method other than competitive sealed bid must be requested in writing and approved by Rural Development.
- e. Contract documents must consist of the EJCDC construction contract documents, as well as the following:
  - 1. The documents as listed in Virginia's "Construction Contract Documents Guidance," supplemented by RUS Bulletin 1780-26.
  - 2. Plans and specifications and all addenda.

**You must also provide evidence that the appropriate State regulatory agency has concurred with the final design of the project.**

30. **Bid Authorization** – Rural Development may authorize you to advertise the project for construction bids once all the conditions outlined in this letter have been met. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening, you must provide Rural Development with (a) a bid tabulation, (b) recommendations from you and your engineer as to the acceptability of the bids received, (c) your recommendations for contract awards, and (d) a revised project budget based upon current prices. The revised project budget will not include a construction contingency greater than five (5) percent of the construction items. If, after bidding, it is determined there are Rural Development funds in excess of that necessary to complete the project, you will work with Rural Development to cancel funds not needed for successful completion of the project.

Once all parties agree the construction bids received are acceptable; adequate funds are available to cover the total facility costs; and all administrative conditions for approval of financial assistance have been satisfied, Rural Development will authorize you to issue the Notice of Award and closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met prior to closing.

**Closing instructions must be obtained prior to advertising for bids, and closing will not be scheduled until these instructions are received from Rural Development. When all parties agree that the closing requirements can be met, a mutually acceptable date for the closing will be scheduled.**

RUS Bulletin 1780-12, Association Water or Sewer System Grant Agreement will be executed prior to the first disbursement of grant funds. The grantee understands that any property acquired by or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 2 Code of Regulations (CFR) Part 200 in effect at this time and as may be subsequently modified. The grantee understands that any sale or transfer of property is subject to the interest of the United States Government of the market value in proportion to its participation in this project.

31. Cost Overruns – If bids are higher than expected, or if unexpected construction problems are encountered, you must utilize all options to reduce cost overruns. Negotiations, redesign, use of bidding alternatives, rebidding, or other means will be considered prior to commitment of subsequent funding from Rural Development. Any requests for subsequent funding to cover cost overruns will be contingent on the availability of funds. Cost overruns exceeding 20% of the development cost at time of approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.
32. Contract Review – Your attorney will certify that the executed contract documents, including performance and payment bonds, if required, are adequate and that the persons executing these documents have been properly authorized to do so. Once your attorney has certified that they are acceptable, the contract documents will be submitted to Rural Development for concurrence. The Notice to Proceed cannot be issued until Rural Development has concurred with the construction contracts.
33. Resident Inspection – Full-time inspection is required for this project. Inspection services are to be provided by the consulting engineer unless other arrangements are requested in writing and concurred in by Rural Development. Prior to the preconstruction conference, a resume' of qualifications of any resident inspector(s) will be submitted to the owner and Rural Development for review and approval. The owner will provide a letter of acceptance for all proposed inspectors to the consulting engineer and Rural Development. The resident inspector(s) must also attend the preconstruction conference.
34. Preconstruction Conference – A preconstruction conference will be held prior to the issuance of the Notice to Proceed. The consulting engineer will review the planned development with Rural Development, owner, resident inspector, attorney, contractor, other funders, and other interested parties and will provide minutes of this meeting to the owner and Rural Development.
35. Change Orders – A change order must be submitted for all modifications to the approved scope of work, including existing contracts. This includes non-physical modifications, such as any time extension requests. Prior Rural Development concurrence is required for all change orders.
36. Payments – Prior Rural Development concurrence is required for all invoices and partial payment estimates before Rural Development and/or interim financing funds will be released. Requests for payment related to a contract or service agreement will be signed by the owner, project engineer, and contractor or service



provider prior to Rural Development concurrence. Invoices not related to a construction contract or service agreement will include the owner's written concurrence.

37. Disbursement of Funds – Rural Development or interim financing funds will be advanced as they are needed in the amount necessary, over thirty-day periods, to cover Rural Development's proportionate share of any disbursements required of your organization. The Debt Collection Improvement Act (DCIA) of 1996 requires that all Federal payments be made by Electronic Funds Transfer/ Automated Clearing House (EFT/ACH). You will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. You should complete Form SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form, for each account where funds will be electronically received. The completed form(s) must be submitted to Rural Development prior to advertising for bids.

You must establish a construction account for all funds related to the project. Construction funds will be deposited with an acceptable financial institution or depository that meets the requirements of 31 Code of Federal Regulations (CFR), Part 202. A separate account will not be required for Federal funds and other funds; however, the recipient must be able to separately identify, report, and account for all Federal funds, including the receipt, obligation, and expenditure of funds. Financial institutions or depositories accepting deposits of public funds and providing other financial agency services to the Federal Government are required to pledge adequate, acceptable securities as collateral in accordance with 31 CFR, Part 202. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the construction account at any one time. Your financial institution can provide additional guidance on collateral pledge requirements.

Rural Development grant funds will be advanced as they are needed in the amounts necessary to cover Rural Development's proportionate share of obligations due and payable. Upon receipt, Federal funds must be deposited in an interest-bearing account in accordance with 2 CFR 200, Section 200.35, except as follows:

- a. Federal grant awards (includes all federal funding sources) less than \$120,000 per year.
- b. The best reasonably available interest-bearing account would not be expected to earn in excess of \$500 per year on Federal cash balances.
- c. The depository would require an average or minimum balance so high that it would not be feasible within the executed Federal and non-Federal cash resources.
- d. A foreign government or banking system prohibits or precludes interest-bearing accounts.

Interest earned on Federal advance payments in excess of \$500 per year will be submitted to Rural Development annually.

38. Use of Remaining Funds – Applicant contribution and connection or tap fees, if any, will be the first funds expended in the project, followed by non-Rural Development sources of funds. Remaining funds may be considered in direct proportion to the amounts obtained from each source and handled as follows:
- a. Remaining funds may be used for eligible loan and/or grant purposes provided the use will not result in major changes to the original scope of work and the purpose of the loan and/or grant remains the same.
  - b. Grant funds (if any) not expended for authorized purposes will be cancelled after final completion of project. Prior to actual cancellation, you and your attorney and engineer will be notified of Rural Development's intent to cancel the remaining funds and given appropriate appeal rights.
  - c. Loan funds that are not needed will be cancelled (de-obligated) prior to loan closing.
  - d. **Under no circumstance is it appropriate to use remaining funds for a new project outside of the scope of the funded project.**
39. Inspections – Rural Development requires pre-final and final inspections, as well as a warranty inspection. Your consulting engineer will schedule a warranty inspection with the contractor and Rural Development before the end of the warranty period to address and/or resolve any warranty issues. Rural Development will conduct an inspection with you of your records management system at the same time and will continue to inspect the facility and your records system every three years for the life of the loan.
40. Construction Completion Timeframe – All projects are required to be completed and all funds disbursed within three (3) years of obligation. If funds are not disbursed within three (3) years of obligation, you must submit a written waiver request with adequate justification of extenuating circumstances beyond your control for an extension of time. Requests for waivers beyond the initial extension will be submitted through the State Office to the Assistant Administrator for concurrence.
41. System for Award Management (SAM) – As the recipient, you must maintain the currency of your information in SAM.gov until (a) you submit to Rural Development the final financial report required by this award and (b) all funds under this award have been disbursed or cancelled, whichever is later. This requires that you review and update your information at least annually after the initial registration and more frequently if required by changes in your information or another award term. Recipients can register online at [www.sam.gov](http://www.sam.gov).
42. Risk and Resilience Assessment (RRA)/ Emergency Response Plan (ERP) – Rural Development requires all financed water and sewer systems to have an RRA and ERP in place. Technical assistance providers are available to provide assistance in developing these documents if needed. Prior to bid authorization, you must provide certification that an RRA and ERP are complete.

Before funds are drawn, you should have in place a cybersecurity plan, a supply chain plan, and a plan to comply with cybersecurity requirements of the National Institute of Standards and Technology and the Cybersecurity and Infrastructure Security Agency. These items should be addressed in the RRA/ERP.

You will be required to submit a certification to the servicing office every five years that the RRA/ERP is current and covers all sites related to the facility. The RRA/ERP documents themselves are not required to be submitted to Rural Development. The RRA/ERP must address potential impacts from natural disasters and other emergency events. It should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every five years at a minimum.

43. Reporting Requirements Related to Expenditure of Funds – An annual audit under the Single Audit Act is required if you expend \$750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by the United States Department of Agriculture (USDA), through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from Rural Development. The audit must be prepared by an independent licensed Certified Public Accountant and must be submitted within nine (9) months of your fiscal year-end.

**If an audit is required, you must enter into a written agreement with the auditor and submit a copy to Rural Development prior to the advertisement of bids.** The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit to be completed, the time frame in which the audit will be completed, and how irregularities will be reported.

Compensation for the preparation of this audit is not included in project funds and should be paid from the revenues generated from your system's operation.

44. Annual Financial Reporting/Audit Requirements – You are required to submit an annual financial report at the end of each fiscal year. The annual report will be certified by the appropriate organization official and will consist of financial information a current rate schedule, and a listing of Board members with their terms. Financial statements must be prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) and must include, at a minimum, a balance sheet and income and expense statement. **The annual report will include separate reporting for each water and waste disposal facility and itemize cash accounts by type (debt service, short-lived assets, etc.) under each facility.** All records, books, and supporting materials are to be retained for three years after the issuance of the annual report. Technical assistance is available at no cost to assist with the preparation of financial reports.

The criteria for determining the type of financial report to be submitted are specified below:

- a. Audits – An annual audit under the Single Audit Act is required if you expend \$750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from Rural Development. It is not intended that audits required by this part be separate and apart from audits performed in accordance with State and local laws. To the extent feasible, the audit work should be done in conjunction with those audits. The audit must be prepared by an independent licensed Certified Public Accountant and must be submitted within nine (9) months of your fiscal year-end.

If an audit is required, you must enter into a written agreement with the auditor and submit a copy to Rural Development prior to the advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit or financial statements to be completed, the time frame in which the audit or financial statements will be completed, what type of reports will be generated from the services provided, and how irregularities will be reported.

- b. Financial Statements – If you expend less than \$750,000 in Federal financial assistance per fiscal year, you may submit financial statements in lieu of an audit. These financial statements must include, at a minimum, a balance sheet and an income and expense statement. You may use Form RD 442-2, Statement of Budget, Income and Equity, and Form RD 442-3, Balance Sheet, or similar format to provide the financial information. The financial statements must be signed by the appropriate official and submitted within 60 days of your fiscal year-end.
- c. Quarterly Reports – Quarterly income and expense statements will be required until the processing office waives this requirement. You may use Form RD 442-2 or similar format to provide this information. The reports are to be signed by the appropriate borrower official and submitted within 30 days of each quarter's end. Rural Development will notify you in writing when the quarterly reports are no longer required.

**Rural Development hereby waives the requirement to submit quarterly reports.**

45. Annual Budget and Projected Cash Flow – Thirty days prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected cash flow. With the submission of the annual budget, you will be required to provide a current rate schedule, and a current listing of the Board or Council

members and their terms. The budget must be signed by the appropriate borrower official. Form RD 442-2 or similar format may be used.

Technical assistance is available at no cost to assist with the evaluation and completion of a rate analysis and the preparation of your annual budget. If you are interested, please contact our office for information.

46. Security/Operational Inspections – Rural Development will inspect the facility and conduct a review of your operations and records management system every three years for the life of the loan. You must participate in these inspections and provide the required information.
47. Compliance Reviews and Data Collection – Rural Development will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. You are expected to comply with the completion of the review, including the furnishing of any documents, records, or other applicable material.

A compliance review will be conducted concurrent with closing or the start of construction, whichever occurs first, with subsequent compliance reviews conducted every three to six years. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter. If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that you provide, you must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American, White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. Rural Development will utilize this data as part of the required compliance review.

48. Statutory and National Policy Requirements – As a recipient of Federal funding, you are required to comply with U.S. statutory and public policy requirements, including but not limited to:
  - a. Section 504 of the Rehabilitation Act of 1973 – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Rural Development financial assistance.
  - b. Civil Rights Act of 1964 – All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.
  - c. The Americans with Disabilities Act (ADA) of 1990 – This Act (42 U.S.C. 12101 *et seq.*) prohibits discrimination on the basis of disability in employment,

State and local government services, public transportation, public accommodations, facilities, and telecommunications.

- d. Age Discrimination Act of 1975 – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- e. Limited English Proficiency (LEP) under Executive Order 13166 – LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. You must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information your organization provides. These protections are pursuant to Executive Order 13166 entitled “Improving Access to Services by Persons with Limited English Proficiency” and further affirmed in the USDA Departmental Regulation 4330-005, “Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.”
- f. Controlled Substances Act – Even though State law may allow some activities, as a recipient of Federal funding, you are subject to the Controlled Substances Act. Specific questions about the Act should be directed to your Rural Development servicing office who will contact our Office of General Counsel as appropriate.

Rural Development financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. You must display posters (provided by Rural Development) informing users of these requirements, and Rural Development will monitor your compliance with these requirements during regular compliance reviews.

As a recipient of federal financial assistance, you must also comply with all applicable Federal, state, and local statutes, ordinances, regulations, and codes. The major portions of existing rules and regulations which must be met are included in RD Instruction 1780, Subparts B, C, and D. No modifications or waiver of any portion of these regulations is authorized. Such regulations shall govern regardless of any misinterpretation, omission, misunderstanding, or statements made by any Rural Development employee. The most critical requirements of the instructions have been highlighted or clarified in this letter.

We believe the information herein clearly sets forth the action which must be taken; however, if you have any questions, please do not hesitate to contact my office.

Mr. George T. Miller, Jr., Executive Director  
Nelson County Service Authority - Lovingson Sewer Improvements  
Loan - \$641,000; Grant - \$1,594,000  
Letter of Conditions – February 14, 2024

26

Please complete Form RD 1942-46, Letter of Intent to Meet Conditions, and Form RD 1940-1, Request for Obligation of Funds, if you desire that further consideration be given to your application.

If the conditions set forth in this letter are not met within (12) months from the date hereof, Rural Development reserves the right to withdraw funding. In the event the project has not advanced to the point of bidding within (12) months and it is determined the applicant still wishes to proceed, it may be necessary to review the conditions outlined in this letter. If during that review it is determined the conditions are no longer adequate, Rural Development reserves the right to require that the letter of conditions be revised or replaced.

Sincerely yours,

**CYNTHIA  
LEONARD**

Digitally signed by CYNTHIA  
LEONARD  
DN: c=US, o=U.S. Government,  
ou=Department of Agriculture,  
cn=CYNTHIA LEONARD,  
0.9.2342.19200300.100.1.1=120  
01000125979  
Date: 2024.02.14 14:43:09  
05'00'

for

**LAURETTE TUCKER**  
CP, Acting Program Director  
USDA, Rural Development

Attachment: Appendix –BABA and AIS Interim Guidance dated May 14, 2022

cc: State Director, Rural Development, Richmond, VA  
Attorney  
Bond Counsel  
Accountant  
Engineer

**USDA** United States Department of Agriculture  
*Office of the General Counsel*

*Eastern Region*  
1718 Peachtree Street, NW, Suite 576  
Atlanta, Georgia 30309-2437

*Telephone:* (404) 693-0695  
*Facsimile:* (844)-217-8320

July 10, 2024

Rural Development 1606  
Santa Rosa Rd  
Suite 238  
Richmond, VA 23229

ATTN: Kapanga, Masengo  
Community Programs Specialist

SUBJECT: Nelson County Support Agreement  
Support Agreement Review

We have reviewed your request for approval of a Support Agreement between Nelson County Service Authority (the "Authority") a Support Agreement in its bond financing with the United States of America, acting through Rural Utilities Service, an agency of the United States Department of Agriculture. As the purpose of the Support Agreement is to allow the County of Nelson, Virginia (the "County") to legally transfer funds by annual appropriations to the Authority to be counted, and used, as revenues of the Authority's wastewater (sewer) system for the Authority Bond. After reviewing the Support Agreement and the Memorandum from Counsel; the Support Agreement would not negatively affect the Agency's security or lien position. The Draft Agreement is acceptable and may be executed.

Sincerely,

JAY MCWHIRTER  
Deputy Regional Attorney

/s/ Carlton Stewart  
Carlton Stewart  
Attorney



**LOAN RESOLUTION**  
(Public Bodies)

A RESOLUTION OF THE Board of Directors

OF THE Nelson County Service Authority

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

**Wastewater System**

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Nelson County Service Authority

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

**Six Hundred Forty One Thousand & 00/100 (\$641,000)**

pursuant to the provisions of Chapter 51, Title 15.2 Code of Virginia, as amended; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

**NOW THEREFORE**, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ 1,594,000

under the terms offered by the Government; that the Executive Director

and Secretary/Treasurer of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas 5 Nays \_\_\_\_\_ Absent \_\_\_\_\_

IN WITNESS WHEREOF, the Board of Directors of the

Nelson County Service Authority has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this Thursday, 18th day of July, 2024

Nelson County Service Authority

(SEAL)

By



Title

Executive Director

Attest:



Title Secretary/Treasurer

INSTRUMENT 202401419  
RECORDED IN THE CLERK'S OFFICE OF  
NELSON CIRCUIT COURT ON  
JULY 22, 2024 AT 03:40 PM  
LISA D. BRYANT, CLERK  
RECORDED BY: KXT

*hgt*

**USDA** United States Department of Agriculture  
*Office of the General Counsel*

---

*Eastern Region*  
1718 Peachtree Street, NW, Suite 576  
Atlanta, Georgia 30309-2437

*Telephone:* (404) 693-0695  
*Facsimile:* (844)-217-8320

July 10, 2024

Rural Development 1606  
Santa Rosa Rd  
Suite 238  
Richmond, VA 23229

ATTN: Kapanga, Masengo  
Community Programs Specialist

SUBJECT: Nelson County Support Agreement  
Support Agreement Review

We have reviewed your request for approval of a Support Agreement between Nelson County Service Authority (the "Authority") a Support Agreement in its bond financing with the United States of America, acting through Rural Utilities Service, an agency of the United States Department of Agriculture. As the purpose of the Support Agreement is to allow the County of Nelson, Virginia (the "County") to legally transfer funds by annual appropriations to the Authority to be counted, and used, as revenues of the Authority's wastewater (sewer) system for the Authority Bond. After reviewing the Support Agreement and the Memorandum from Counsel; the Support Agreement would not negatively affect the Agency's security or lien position. The Draft Agreement is acceptable and may be executed.

Sincerely,

JAY MCWHIRTER  
Deputy Regional Attorney

/S/ Carlton Stewart  
Carlton Stewart  
Attorney



**GENTRY LOCKE**  
Attorneys

**Lindsey N. Rhoten**

Lrhoten@gentrylocke.com

P: (804) 956-2070

F: (540) 983-9400

July 8, 2024

**VIA EMAIL AND REGULAR MAIL:**

**Philip Payne, County Attorney**

P.O. Box 299

Lovingsston, Virginia 22949

[phillip.payne@phillippaynelaw.com](mailto:phillip.payne@phillippaynelaw.com)

**Board of Supervisors of Nelson County, Virginia**

Jesse Rutherford, East District

[jrutherford@nelsoncounty.org](mailto:jrutherford@nelsoncounty.org)

J. David Parr, Chairman, West District

[dparr@nelsoncounty.org](mailto:dparr@nelsoncounty.org)

Tommy D. Harvey, North District

[harveyasc@gmail.com](mailto:harveyasc@gmail.com)

Ernie Reed, Vice Chair, Central District

[ereed@nelsoncounty.org](mailto:ereed@nelsoncounty.org)

Dr. Jessica Ligon, South District

[jligon@nelsoncounty.org](mailto:jligon@nelsoncounty.org)

**Candy McGarry, County Administrator and Clerk of Board of Supervisors**

P.O. Box 336

Lovingsston, VA 22949

[cmcgarry@nelsoncounty.org](mailto:cmcgarry@nelsoncounty.org)

RE: Appeal of June 26, 2024 Planning Commission Substantial Accord Determination  
(Wild Rose Solar Project)

Dear Chairman Parr and Members of the Board of Supervisors:

This firm represents Wild Rose Solar Project, LLC (“**Applicant**”). On June 26, 2024, Applicant appeared before the Planning Commission for a public facilities review (also known as a “2232 review”) for a proposed 90 MWac solar facility (the “**Project**”) to be located in the County on property owned by Weyerhaeuser Company and Joe and Bobby Hickey (the “**Landowners**”). The Commission voted 4-1 to find the Project not substantially in accord with the Comprehensive Plan. Applicant, on behalf of itself and the Landowners, hereby appeals to the Nelson County

July 8, 2024

Page 2

Board of Supervisors pursuant to Va. Code § 15.2-2232(B), to overrule the Planning Commission, for the reasons stated in the Petition for Appeal (**Exhibit A**, attached).<sup>1</sup>

In the spirit of cooperation, and to allow sufficient time to meet, discuss and negotiate a siting agreement, Applicant is willing to waive the 60-day appeal hearing period. While the Applicant agrees to waive the 60-day appeal hearing period, the Applicant requests that the appeal be heard during the same Board of Supervisors meeting as the Special Use Permit and Siting Agreement.

Sincerely,

GENTRY LOCKE

*/s/ Lindsey N. Rhoten*

Lindsey N. Rhoten  
Counsel for Applicant

Cc: Scott Foster, Esq. – via email only to [sfoster@gentrylocke.com](mailto:sfoster@gentrylocke.com)  
Jeannine Johnson – via email only to [jjohnson@savionenergy.com](mailto:jjohnson@savionenergy.com)  
Lauren Devine – via email only to [ldevine@savionenergy.com](mailto:ldevine@savionenergy.com)

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<sup>1</sup> Applicant incorporates herein all materials attached to this letter and all materials submitted to Staff and the Planning Commission in support of the application for the Project approval and reserves the right to supplement or amend this appeal and provide further support in advance of any hearing.

**PETITION FOR APPEAL**  
**(Va. Code § 15.2-2232(B))**

PETITIONER, Wild Rose Solar Project, LLC (“*Applicant*”), on behalf of itself and Weyerhaeuser Company and Joe and Bobby Hickey (“*Landowners*”), respectfully requests the Board of Supervisors of Nelson County overrule the Planning Commission’s determination that Applicant’s proposed project is not substantially in accord with the Comprehensive Plan, for the following reasons:

1. Applicant has applied for a special use permit to develop an approximately 90 MW solar facility to be located in the County (the “*Project*”).

2. In addition to the Special Use Permit, Applicant must present the Project to the Planning Commission for a public facilities review under Virginia Code § 15.2-2232, pursuant to which the Planning Commission is to make a finding as to whether “the general location or approximate location, character, and extent” of the Project is “substantially in accord with the adopted comprehensive plan or part thereof.” *Id.* (also known as a “2232 review”).

3. On June 26, 2024, Applicant presented the Project to the Planning Commission for the 2232 review. For the reasons set forth herein and in Applicant’s submissions to date, the Project’s general or approximate location, character and extent is substantially in accord with the County’s Comprehensive Plan, including the “parts thereof” that directly address solar development. Chapter Three of the Comprehensive Plan “Shaping Community Character” directly addresses Alternative/Renewable Energy and states the following objective: “[i]t is the *duty* of all localities across the Commonwealth to plan for alternative energy sources, such as solar and wind facilities, and *Nelson County is no exception*... Nelson County must work with developers to help accommodate the generation of energy through alternative sources *as much as is feasible*.”<sup>1</sup> This

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<sup>1</sup> Nelson County Comprehensive Plan, 33 (emphasis added).

section of the Comprehensive Plan makes it clear that facilitating solar development is a priority for the County, subject to the guidance of the remainder of the plan.

4. This Project is located in a Rural Area on the Future Land Use Map. The Rural Areas section of Comprehensive Plan identifies solar installations as a *Primary Land Use Type*.<sup>2</sup> The Planning Guidelines for the Rural Areas section state that solar developments should be well-sited to minimize impacts on viewshed and natural resources.<sup>3</sup> The Project fulfils that directive. The Applicant has voluntarily proposed numerous Special Use Permit conditions that significantly exceed the requirements of the Nelson County Zoning Ordinance, including increased setbacks and buffers and additional studies and plans that demonstrate a commitment to ensuring that any potential impacts on scenic viewsheds and natural resources are mitigated. In addition, in its Special Use Permit application and presentation to the Planning Commission, Applicant has demonstrated that the Special Use Permit conditions and Project site features and topography will have minimal if any impact on the viewshed surrounding the project and Nelson County natural resources.

5. In addition to satisfying these key Comprehensive Plan elements, the Project also aligns with the Comprehensive Plan's broader goals, including encouraging renewable energy, preserving agriculture, and encouraging growth in the designated growth areas. As these goals are to some degree conflicting, it is logically impossible to fully satisfy them all – instead, these competing goals can only be reconciled by striking an appropriate balance. Even if the policy goals were wholly consistent (which they are not), for the Commission to make a positive finding that the Project is in substantial accord with the Comprehensive Plan, it is not necessary for the proposal to *wholly* align with every stated goal, or even every element of the Comprehensive Plan's solar

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<sup>2</sup> *Id.* at 39 (emphasis added).

<sup>3</sup> *Id.*

policies. Rather, a positive finding of substantial accord requires only that the *general or approximate location, character and extent of the proposed public facility be substantially in accord with the Comprehensive Plan*. This Project easily meets this standard, satisfying numerous directives of the Comprehensive Plan, both general in nature and specific to solar development.<sup>4</sup>

6. Yet, the Planning Commission voted 4-1 to find the Project not substantially in accord with the Comprehensive Plan. Their decision, however, was fundamentally flawed due to Commissioners consideration of factors unrelated to the 2232 analysis, negative bias and disregard for the Project attributes.

7. Commissioner Hauschner briefly mentioned relevant considerations for the 2232 review, but in doing so, made a number of factually inaccurate statements about the Project. Applicant is not suggesting that his misstatements were intentional – the Commissioner may have misunderstood the facts. Despite evidence presented to the contrary, Commissioner Hauschner stated that the Project would negatively impact scenic viewsheds and natural resources. Applicant demonstrated that existing vegetation will be utilized to screen the Project from the start of construction, and enhancement screening will be installed where necessary to ensure visual impacts are mitigated. The Project application also included visual simulations of the Project before and after construction showing that there were no visual impacts. In fact, the visual simulations before and after construction were the same image because this Project is almost completely screened with existing vegetation from the start of construction. Applicant noted that they evaluated the distance and topography between the Project and the scenic vistas in the Comprehensive Plan and no impacts are expected. Lastly, the Application, Staff Report, and presentation included the list of environmental and historic studies that the Applicant is required

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<sup>4</sup> See Appendix E of Application.



to conduct during the Virginia Department of Environmental Quality's Permit by Rule process, the required stormwater management and erosion and sediment control permits, and the proposed conditions in order to mitigate impacts to natural resources. All of which seemed to be ignored during the Planning Commission's discussion.

8. Commissioner Hauschner seemed more focused on matters that were irrelevant to the 2232 review, such as one of the Landowner's timbering practices in a different state and the Applicant's parent company. He verbalized his negative bias against the Applicant's parent company by stating, "[a]nything attached to Shell coming into the County is fucking vile." Not only is this a wildly inappropriate and unprofessional statement for a Planning Commissioner to make in a public forum regarding an Applicant before him, this public display of negative bias is evidence that a decision made in this manner is wholly unrelated to the question presented in a 2232 review, unfair to the Applicant, and cannot stand.

9. Commissioner Amante stated that he felt as though he was viewing the Project through a "legal perspective" and that the Applicant's presentation was walking him through a checklist. He then stated that the Project does "meet the letter of the law." Despite the Project meeting the letter of the law, his reasons for voting against the Project did "not stem from anything written down." It is indeed the Planning Commission's statutory role in a 2232 review to make a legislative finding, which is inherently a legal and policy oriented analysis. As the Commissioner acknowledged, the Applicant clearly met its obligation to show that the Project is "substantially in accord with the adopted comprehensive plan or part thereof."<sup>5</sup>

10. During the Planning Commission discussion, Commissioner Amante stated that he does not trust the government entities that establish the regulations the Applicant has to abide by,

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<sup>5</sup> Va. Code § 15.2-2232.

such as the Environmental Protection Agency. In addition to this opinion, Commissioner Amante shared factual inaccuracies that not only tainted the process, but misled the public. Amante stated that “child labor” or “slave labor” was used to build the solar panels, which is false. Again, this justification for denial is completely unrelated the question presented to the Planning Commission in the 2232 review.

11. Commissioner Allen stated that it is “just my opinion” that the financial package of the Project does not outweigh the potential environmental harms that the Project *may* present to the surrounding area. Again, the Applicant presented to the Planning Commission the extensive studies and voluntary conditions that the Applicant would adhere to mitigate any potential environmental harms. She also stated that the financial package offered to the County would not directly impact Gladstone residents who live near the Project. While the allocation of the funds through the siting agreement is not within the Planning Commission’s purview and has no bearing on a 2232 review, Applicant intends to work with the Board to determine direct benefits to the Gladstone community that can be included in the siting agreement.

12. It is clear that this decision was made based on negative bias, opinions, and considerations outside the purview of the Planning Commission for the 2232 review and was not based on the factual information presented to the Planning Commission. The serious factual inaccuracies cited above are alone sufficient reasons to overrule the Planning Commission. Nevertheless, the Planning Commission’s determination also must be overruled because their actions violate the County’s Zoning Ordinance. The Nelson County Zoning Ordinance is the primary tool to implement the Comprehensive Plan, which expressly permits solar projects on A-1 zoned properties by Special Use Permit. In fact, the Zoning Ordinance *requires* that “a large solar energy system *shall* be permitted by a Special Use Permit in A-1” provided that the Project

meets the requirements in the Zoning Ordinance.<sup>6</sup> As Commissioner Amante stated, this Project “meets the letter of the law” and therefore, the Special Use Permit and the 2232 review should have been approved.

13. The Comprehensive Plan favors new development in designated growth areas so that existing public infrastructure can be used more efficiently and rural lands will be protected from development, yet Planning Commission faulted Project for not fitting in with the surrounding character of the land because it will require clear cutting the land, even though the current land use of the parcels for silviculture requires continual clear cutting when the timber is harvested. The installation of large solar energy systems encourages open space retention by placing a hold on additional development within the Project limits, whereas as a residential housing developer could clear cut the land and forever alter the landscape. The Project will be decommissioned at the end of its useful life and the land can be used for whatever purpose the County may need at that time. Contrary to the Planning Commission’s decision, the Comprehensive Plan designates solar installations as a Primary Land Use in Rural Areas because solar projects do not utilize public infrastructure that is often lacking in rural areas and are a compatible land use with the surrounding areas, including agriculture and silviculture.

14. Despite all the evidence presented to the Planning Commission, they voted to find the Project not substantially in accord with the Comprehensive Plan based on the reasons stated above. The Project is substantially in accord with the Comprehensive Plan for the reasons stated above and provided throughout the Application, Presentation, and Staff Report. The Board of Supervisors should overrule the Planning Commission’s finding because the Planning

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<sup>6</sup> Nelson County Zoning Ordinance § 22A-6(1) (emphasis added).

Commission's decision was based on negative bias, opinions, and considerations outside the purview of the Planning Commission for the 2232 review.



BOARD OF  
SUPERVISORS

THOMAS D. HARVEY  
North District

ERNIE Q. REED  
Central District

JESSE N. RUTHERFORD  
East District

J. DAVID PARR  
West District

DR. JESSICA LIGON  
South District

CANDICE W. MCGARRY  
County Administrator

AMANDA B. SPIVEY  
Administrative Assistant/  
Deputy Clerk

LINDA K. STATON  
Director of Finance and  
Human Resources

**RESOLUTION R2024-60**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**AUTHORIZATION FOR FORGIVENESS OF \$50,000 FROM INTEREST FREE LOAN**  
**BALANCE FOR ROCKFISH VALLEY VOLUNTEER FIRE AND RESCUE**

**WHEREAS**, in lieu of purchasing a new ambulance for Nelson's EMS program (NEMS) in Fiscal Year 2024/2025, Rockfish Valley Volunteer Fire and Rescue is transitioning their unit Rockfish 56 into the NEMS fleet; and

**WHEREAS**, at the March 15, 2024 FY24/25 budget work session, staff and the Board discussed that instead of paying \$50,000 for unit 56, Rockfish Valley Volunteer Fire and Rescue would be forgiven of \$50,000 from their interest free loan from the County, which is known to have a current outstanding balance of \$145,312.50;

**NOW THEREFORE BE IT RESOLVED**, by the Nelson County Board of Supervisors that in consideration of incorporating Rockfish unit 56 into the NEMS fleet, Rockfish Valley Volunteer Fire and Rescue is hereby formally forgiven of \$50,000 from their interest free loan and the Treasurer is requested to reduce their outstanding loan balance in the amount of \$50,000 and effect any documentation and General Ledger entries necessary to reflect this directive.

Approved: \_\_\_\_\_, 2024

Attest: \_\_\_\_\_, Clerk  
Nelson County Board of Supervisors

having issues with his current Tahoe. Ms. McGarry noted it had some issues. She explained that it was an older vehicle that was donated to the County by Wintergreen.

The Board flagged the ECC response vehicle for further discussion.

**-Emergency Vehicles \$391,511**

Ms. McGarry reported that the funding included a fire truck for Faber. She then explained that Curtis Sheets had proposed purchasing an ambulance from Rockfish Fire and Rescue. She noted that the cost would be \$50,000 but instead of having an outlay of \$50,000, Mr. Sheets had proposed that the Board consider relieving \$50,000 from Rockfish's current loan. She explained that they would not be spending \$50,000 but they would be writing it off. She then noted that the ambulance would need to have a new power cot and lift. She noted that the funds for the cot and lift were included in the Emergency Vehicle line with the Faber fire truck amount. Ms. McGarry indicated that they would be putting off a new ambulance for a year. Mr. Harvey indicated that he would like to speak with Curtis Sheets to understand his reasoning for it. Mr. Parr noted that the vehicle in question was Rockfish 56. Ms. McGarry indicated that she could have Mr. Sheets call Mr. Harvey. She noted if they were in favor of the \$50,000 loan write off relief, they would do something formal at a later date.

**-Radio Improvements Wintergreen (flagged)**

Ms. McGarry reported that Susan Rorrer had requested \$196,000 for radio improvements. Ms. McGarry noted that a lot of the capital was related to IT and public safety. Ms. Staton explained that Ms. Rorrer had described the radio improvements as a radio system reconfiguration for improved reliability and to better facilitate communication with Wintergreen. Ms. McGarry noted that staff would get more information and they could discuss it further.

**-Animal Shelter Roof Replacement**

Ms. McGarry noted that Kevin Wright had obtained a quote to replace the asphalt shingle roof at the Animal Shelter with a metal roof for \$38,982. Dr. Ligon indicated that the roof was currently leaking, and the location where it was leaking was in the isolation area and she noted that the State Veterinarian could have a problem with that. Ms. McGarry noted that the roof was something that could be taken care of in the current year, particularly if it was emergent. She asked if the Board had any preference for shingles or metal. Mr. Parr noted that metal was the best choice. Ms. McGarry noted that the \$38,982 was the only quote so far, just for budget purposes only. She indicated that Mr. Wright would still have to get at least three (3) quotes. Ms. McGarry indicated that roofing could be considered construction, and the Code of Virginia required sealed bids for construction projects.

**-Phone System Upgrade \$7,800**

Ms. McGarry reported that \$7,800 was requested for a phone system upgrade. Mr. Parr asked if that was just for phone system in the Courthouse. Ms. McGarry noted that the County also had remote sites on the County phone system as well. She noted the upgrade would include those sites also. Mr. Rutherford asked if the Schools were also on the County phone system. Ms. McGarry indicated that the Schools were on their own system.

**-Department of Elections Security Compliance \$36,900**

Ms. McGarry noted the funding amount of \$36,900 was provided by Ms. Britt. Dr. Ligon asked if this was separate from the other funding request for IT Network Penetration Testing. Ms. McGarry confirmed that it was separate and she noted that it was multi-faceted as there was a lot with elections and cyber security.

**-Transfer Station Tipping Floor \$260,000**

Ms. McGarry indicated that the \$260,000 for the tipping floor was a ball park price. She reported that Architectural Partners and Hurt & Proffitt were currently evaluating the tipping floor to provide a better cost estimate. She noted that the work was just for the tipping floor only, not including costs related what would be done with trash during the 28-day concrete curing time. She noted that the floor was last done in 2006 and the rebar was now starting to show through. She reported that the engineers had said that the County got their money's worth on the floor. She noted that there was also a concrete wall that may also need to be replaced that runs alongside the tipping floor.

BOARD OF  
SUPERVISORS

THOMAS D. HARVEY  
North District

ERNIE Q. REED  
Central District

JESSE N. RUTHERFORD  
East District

J. DAVID PARR  
West District

DR. JESSICA LIGON  
South District



CANDICE W. MCGARRY  
County Administrator

AMANDA B. SPIVEY  
Administrative Assistant/  
Deputy Clerk

LINDA K. STATON  
Director of Finance and  
Human Resources

**RESOLUTION R2024-61  
NELSON COUNTY BOARD OF SUPERVISORS  
RESCHEDULING OF NOVEMBER 2024 REGULAR MEETING**

**WHEREAS**, the Nelson County Board of Supervisors hereby establishes that an alternate date for the Board's regular monthly meeting on November 12, 2024 is necessary due to the attendance of some members of said governing body at the annual conference of the Virginia Association of Counties through November 12, 2024;

**NOW THEREFORE BE IT RESOLVED**, by the Nelson County Board of Supervisors pursuant to §15.2-1416 (Regular meetings) of the Code of Virginia that the regular meeting of the Board on **Tuesday, November 12, 2024** be and hereby is rescheduled to **Thursday, November 14, 2024**.

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_, Clerk  
Nelson County Board of Supervisors

## § 15.2-1416. Regular meetings

A. The governing body shall assemble at a public place as the governing body may prescribe, in regular session in January for counties and in July for cities and towns. Future meetings shall be held on such days as may be prescribed by resolution of the governing body but in no event shall less than six meetings be held in each fiscal year.

B. The days, times and places of regular meetings to be held during the ensuing months shall be established at the first meeting which meeting may be referred to as the annual or organizational meeting; however, if the governing body subsequently prescribes any public place other than the initial public meeting place, or any day or time other than that initially established, as a meeting day, place or time, the governing body shall pass a resolution as to such future meeting day, place or time. The governing body shall cause a copy of such resolution to be posted on the door of the courthouse or the initial public meeting place and inserted in a newspaper having general circulation in the county or municipality at least seven days prior to the first such meeting at such other day, place or time. Should the day established by the governing body as the regular meeting day fall on any legal holiday, the meeting shall be held on the next following regular business day, without action of any kind by the governing body.

At its annual meeting the governing body may fix the day or days to which a regular meeting shall be continued if the chairman or mayor, or vice-chairman or vice-mayor if the chairman or mayor is unable to act, finds and declares that weather or other conditions are such that it is hazardous for members to attend the regular meeting. Such finding shall be communicated to the members and the press as promptly as possible. All hearings and other matters previously advertised shall be conducted at the continued meeting and no further advertisement is required.

C. Regular meetings may be adjourned from day to day or from time to time or from place to place, not beyond the time fixed for the next regular meeting, until the business before the governing body is completed. Notice of any regular meeting continued under this section shall be reasonable under the circumstances and be given as provided in subsection E of § [2.2-3707](#).

D. The governing body shall provide members of the general public with the opportunity for public comment during a regular meeting at least quarterly.

E. Notwithstanding the provisions of this section, any city or town that holds an organizational meeting in compliance with its charter or code shall be deemed to be in compliance with this section.

Code 1950, § 15-241; 1950, p. 8; 1954, c. 286; 1958, c. 291; 1960, c. 33; 1962, cc. 218, 623, § 15.1-536; 1964, c. 403; 1980, c. 420; 1994, cc. [371](#), [591](#); 1997, c. [587](#); 2004, c. [549](#); 2017, c. [616](#); 2020, c. [1144](#); 2023, c. [536](#).

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters



whose provisions have expired.



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Deputy Clerk

LINDA K. STATON  
Director of Finance and  
Human Resources

**RESOLUTION R2024-62**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**AUTHORIZATION FOR ACCEPTANCE OF CONVEYANCE**  
**CALLOHILL PROPERTY – DENISE KILMER, EXECUTOR AND TRUSTEE**  
**AND MCGHEE FAMILY LLC**

**BE IT RESOLVED**, the Nelson County Board of Supervisors does hereby approve and accept the conveyance of real estate from Denise Kilmer, Executor of the Estate of Stephen B. Birchell, and Trustee of the Stephen B. Birchell Trust, and McGhee Family L.L.C. for the parcel being Tax Map Number 57-A-34K and described as: “All that certain tract or parcel of land, with improvements thereon and appurtenances thereto belonging, situated in the Lovington Magisterial District of Nelson County, Virginia, containing Two and thirty-seven hundredths (2.37) acres, more or less, with said lands fronting on U.S. Route #29 and Callohill Drive”; and

**BE IT FURTHER RESOLVED**, by the Nelson County Board of Supervisors that the County Administrator, Candice W. McGarry, and the County Attorney, Philip D. Payne, IV, be and hereby are authorized to accept the deed of conveyance thereof in consideration of the sum of \$90,000.00.

Approved: \_\_\_\_\_, 2024

Attest: \_\_\_\_\_, Clerk  
Nelson County Board of Supervisors

Prepared by: William D. Tucker, III, VSB# 12360  
Tucker Griffin Barnes P.C.  
307 West Rio Rd, Charlottesville, VA 22901  
Tax Map & Parcel Number: 57-A-34K  
Tax Assessed Value: \$83,000.00  
Consideration: \$90,000.00  
Title Insurance Underwriter unknown to the preparer.  
Tax exempt from § 58.1-801 pursuant to Virginia Code § 58.1-811 (A)(3)

THIS **DEED**, made this 24<sup>th</sup> day of July 2024, by and between **DENISE KILMER, EXECUTOR of the ESTATE OF STEPHEN B. BIRCHELL**, hereinafter referred to as the First Grantor, and **MCGHEE FAMILY, L.L.C.**, a Virginia limited liability company, hereinafter referred to as the Second Grantor, together hereinafter referred to as the Grantors, and **NELSON COUNTY**, a political subdivision of the Commonwealth of Virginia, hereinafter referred to as the Grantee, whose address is P.O. Box 336, Lovingson, Virginia 22949, and **DENISE KILMER, TRUSTEE of the STEPHEN B. BIRCHELL TRUST**, as amended and restated under agreement dated April 12, 2017, hereinafter referred to as the Trustee and to be indexed as a grantor;

WITNESSETH:

THAT FOR and in consideration of the sum of NINETY THOUSAND and 00/100 DOLLARS (\$90,000.00), cash in hand paid, the receipt of which is hereby acknowledged by the Grantors, the First Grantor does hereby GRANT, BARGAIN, SELL, and CONVEY with SPECIAL WARRANTY OF TITLE unto the Grantee, and the Second Grantor does hereby GRANT, BARGAIN, SELL, and CONVEY with GENERAL WARRANTY and ENGLISH COVENANTS OF TITLE unto the Grantee, in fee simple, the following described property in the County of Nelson, Virginia, to-wit:

ALL THAT certain tract or parcel of land, with improvements thereon and appurtenances thereto belonging, situated in the Lovingson Magisterial District of Nelson County, Virginia, containing Two and thirty-seven hundredths (2.37) acres, more or less, said lands fronting on U.S. Route #29 and Callohill Drive, and being more particularly described by a plat of

survey prepared by Allen M. Hale, L.S., dated February 16, 1988, and recorded in the Clerk's Office of the Circuit Court of Nelson County, Virginia, in Plat Cabinet 1, at slide 267, to which plat reference is hereby made for a more complete and accurate description of said lands.

BEING the same property conveyed to Stephen B. Birchell and McGhee Family, L.L.C., a Virginia limited liability company, by deed from William O. Shelton, Jr. and Janet R. Shelton, husband and wife, dated March 19, 2003, and recorded May 12, 2003, in the Clerk's Office of the Circuit Court of Nelson County, Virginia, as Instrument No. 030002463. The said Stephen B. Birchell, also known as Stephen Brian Birchell, died, testate, on April 23, 2020, as evidenced by his Last Will and Testament duly probated in the Clerk's Office of the Circuit Court of Greene County, Virginia in Will File 200000041, and recorded in the Clerk's Office of the Circuit Court of Nelson County, Virginia, as Instrument No. 240000072, in which Denise Kilmer was appointed as Executor, with the power of sale.

This conveyance is made subject to any and all easements, restrictions, conditions and reservations contained in duly recorded deeds, plats and other instruments constituting constructive notice in the chain of title to the property hereby conveyed which have not yet expired by limitation of time contained therein or have not otherwise become ineffective, and to all matters visible upon a physical inspection of the property.

The Trustee joins in this deed solely to confirm that the interest of Stephen B. Birchell in the property hereby conveyed is properly conveyed by Denise Kilmer, in her capacity as Executor of the Estate of Stephen B. Birchell.

In compliance with the provisions of Va. Code Ann. § 15.2-1803, this deed is in the form approved by Phillip D. Payne, IV, County Attorney for the County of Nelson, Virginia, and is accepted by him on behalf of the County of Nelson, he having been authorized to so act on behalf of said County by a resolution duly adopted by the Board of Supervisors of said County at the meeting held on \_\_\_\_\_,

which approval and acceptance is evidenced by the execution of this conveyance by the said Phillip D. Payne, IV.

*The remainder of this page has been intentionally left blank.  
Signatures to appear on the following pages.*

WITNESS the following signatures and seals:

**Estate of Stephen B. Birchell**

By: \_\_\_\_\_ (SEAL)  
Denise Kilmer, Executor

STATE/Commonwealth of \_\_\_\_\_  
COUNTY/CITY \_\_\_\_\_, to-wit:

I, \_\_\_\_\_, a Notary Public of the above-referenced jurisdiction, do hereby certify that Denise Kilmer, Executor of the Estate of Stephen B. Birchell, hereby appeared before me and acknowledged the due execution of the aforesaid instrument this \_\_\_\_\_ day of \_\_\_\_\_, 2024, on behalf of the estate.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
My commission number: \_\_\_\_\_

**Stephen B. Birchell Trust** as amended and restated  
under agreement dated April 12, 2017

By: \_\_\_\_\_ (SEAL)  
Denise Kilmer, Trustee

STATE/Commonwealth of \_\_\_\_\_  
COUNTY/CITY \_\_\_\_\_, to-wit:

I, \_\_\_\_\_, a Notary Public of the above-referenced jurisdiction, do hereby certify that Denise Kilmer, Trustee of the Stephen B. Birchell Trust as amended and restated under agreement dated April 12, 2017, hereby appeared before me and acknowledged the due execution of the aforesaid instrument this \_\_\_\_\_ day of \_\_\_\_\_, 2024, on behalf of the trust.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
My commission number: \_\_\_\_\_

**McGhee Family, L.L.C.**, a Virginia limited liability company

By: \_\_\_\_\_ (SEAL)  
Anthony S. McGhee, Member/Manager

STATE/Commonwealth of \_\_\_\_\_  
COUNTY/CITY \_\_\_\_\_, to-wit:

I, \_\_\_\_\_, a Notary Public of the above-referenced jurisdiction, do hereby certify that Anthony S. McGhee, Member/Manager of McGhee Family, L.L.C., a Virginia limited liability company, hereby appeared before me and acknowledged the due execution of the aforesaid instrument this \_\_\_\_\_ day of \_\_\_\_\_, 2024, on behalf of said company.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

My commission number: \_\_\_\_\_

**COUNTY OF NELSON, VIRGINIA**

By: \_\_\_\_\_ (SEAL)

**Phillip D. Payne, IV**

County Attorney for the County of Nelson, Virginia

STATE/COMMONWEALTH OF \_\_\_\_\_  
COUNTY/CITY \_\_\_\_\_, to-wit:

I, \_\_\_\_\_, a Notary Public of the above-referenced jurisdiction, do hereby certify that Phillip D. Payne, IV, the County Attorney for Nelson County, Virginia, hereby appeared before me and acknowledged the due execution of the aforesaid instrument this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

My commission number: \_\_\_\_\_



(1) New Vacancies/Expiring Seats & New Applicants :					
<u>Board/Commission</u>	<u>Term Expiring</u>	<u>Term &amp; Limit Y/N</u>	<u>Incumbent</u>	<u>Re-appointment</u>	<u>Applicant(s)</u>
(2) Existing Vacancies:					
<u>Board/Commission</u>	<u>Terms Expired</u>				
Nelson County Social Services Board - Central District	6/30/2024	4 year term / 2 term limit	Darlene Smith (T2)	N	

NELSON COUNTY SOCIAL SERVICES BOARD

NAME, ADDRESS & PHONE

TERM (July – June) 4 Years, 2 Term Limit

Edith Napier – **West District**  
43 Napier Loop  
Arrington, VA 22922  
(434) 996-9403  
[Emnw739@aol.com](mailto:Emnw739@aol.com)

July 1, 2022 – June 30, 2026 (**Reg. Term 1**)

Brad Johnson – **East District**  
2016 Wheelers Cove Rd  
Shipman, Va. 22971  
H (309) 824-1503  
W (434) 872-2766  
[Bjavin@msn.com](mailto:Bjavin@msn.com)

July 1, 2022 – June 30, 2026 (**Reg. Term 2**)

Diane Harvey - **North District**  
10921 Rockfish Valley Hwy  
Afton, VA 22920  
W (540) 456-6379  
[harveyasc@gmail.com](mailto:harveyasc@gmail.com)

July 1, 2021 – June 30, 2025 (**Reg. Term 2**)

Claudia Van Koba – **South District**  
1033 Falling Rock Drive  
Amherst, VA 24521  
(H) 434-263-4596  
(C) 434-907-5836  
Email: [Claudia\\_van\\_koba@yahoo.com](mailto:Claudia_van_koba@yahoo.com)

July 1, 2023 – June 30, 2027 (**Reg. Term 1**)

Darlene Smith – **Central District**  
115 Deer Run  
Nellysford, VA 22958  
PH: (434) 361-1258  
[bspaving@verizon.net](mailto:bspaving@verizon.net)

July 1, 2020 – June 30, 2024 (**Reg. Term 2**)

**\*VACANT - LIMIT OF 2 TERMS MET**

J. David Parr- **BOS Liaison**  
250 Firehouse Road  
Piney River, VA 22964  
H: (434) 277-5265

January 2024 – December 31, 2024

Authority: Established by the Code of Virginia §63.2-300 et seq.

Membership: 5 Members appointed by Election District.

Term: 4 Years, July 1 – June 30. **2 term limit**

Summary of Duties: To provide, either directly or through the purchase of services subject to the supervision of the Commissioner and in accordance with regulations adopted by the Board, any or all child welfare services herein described when such services are not available through other agencies serving residents in the locality such as: Protecting the welfare of all children including handicapped, homeless, dependent, or neglected children; preventing or remedying, or assisting in the solution of problems that may result in the neglect, abuse, exploitation or delinquency of children; preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving these problems and preventing the break up of the family where preventing the removal of a child is desirable and possible; restoring to their families children who have been removed by providing services to the families and children; placing children in suitable adoptive homes in cases where restoration to the biological family is not possible or appropriate; and assuring adequate care of children away from their homes in cases where they cannot be returned home or placed for adoption.

The local board is also authorized and, as may be provided by regulations of the Board, shall provide rehabilitation and other services to help individuals attain or retain self-care or self-support and such services as are likely to prevent or reduce dependency and, in the case of dependent children, to maintain and strengthen family life.

Meetings: Regular meetings are held monthly on the third Tuesday of each month at 1:00 PM at the Dept. of Social Services building in Lovingson. Members are compensated \$75 per meeting plus mileage paid at the existing State mileage rate.

**Closed Session Form Motion**

1. Motion to Convene in Closed Session

**FORM MOTION FOR CONVENING CLOSED MEETING**

**“I move that the Nelson County Board of Supervisors convene in closed session to discuss the following as permitted by Virginia Code Sections 2.2-3711-**

**(A)(3) - “Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.” ; and,**

**(A)(7) - “Consultation with legal counsel and briefings by staff members pertaining to actual litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body” – Litigation pertaining to the Region 2000 Services Authority.”**

2. Conduct Closed Session

3. Motion to Reconvene in Public Session

4. Motion to Certify Closed Session

**CERTIFICATION MOTION AFTER RECONVENING IN PUBLIC  
SESSION:**

**(Requires recorded roll call vote)**

**“I move, pursuant to the requirements of Chapter 37, Virginia Freedom of Information Act and Section 2.2-3712 of the Code of Virginia, that the Nelson County Board of Supervisors certify that to the best of each member’s knowledge (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body.”**