



From the Desk of
Jeff Sili

Fall Newsletter 2018

Many citizens read the newspaper and are aware that Caroline County applied for and won it's first AA bond rating in May of 2018. The details of how we moved toward and acquired this important fiscal tool can be found in the annual budget information over the last few years, which is provided below.

An AA Bond rating is a credit rating and an excellent financial indicator to potential investors of securities such as local government bonds, which are issued for large projects like school renovations. This is a signal that sound budget management is a priority in our local government. This also enables Caroline to borrow money at a lower rate. Careful management of tax payers dollars has also resulted in Caroline County's place as number ten in the state of localities who most effectively use their tax dollars. (Free Lance Star, June 12, 2018)

The County budget, and the actions taken show how services were maintained, and even enhanced in tandem with the careful stewardship of public money. For two years consecutively, the county ended the year with a surplus (2016-2 million and 2017-2.5 million)allowing Caroline to actually purchase necessities like school buses and police cars, with either cash or low interest, lease purchase agreements. Purchasing with cash enables us to avoid interest fees on new loans, and helps to reduce the existing debt service in a more timely manner.

The surplus also allows the county to set aside money for improvements for business-readiness projects. One currently underway related to transportation is in our primary growth area on Ladysmith Road, at the interchange, where we are preparing for the future to receive new business. While the State of Virginia is paying for majority of the cost of these road improvements from U.S. Rt. 1 to the interchange at 28 million dollars, the county must match a percentage in the amount of 6 million. In the past, Caroline, would have borrowed money for the match and payed the interest fees, resulting in long term reduced income

from a business when it chose to locate there. Now, with no debt to retire on the project, the income from new business can immediately be recognized and put toward schools, public safety and other services, without tax increases. This is a long range plan/vision of Mr. Sili of the Bowling Green District and shared by the majority of his fellow supervisors.

This kind of planning not only makes us very competitive in the region, but is particularly attractive to businesses who want to establish quickly. Caroline essentially will be "site ready," setting the stage for the attraction of desirable business. The attraction of new business and the support of the expansion of existing business is what helps keep the tax rate in check, benefiting all county citizens.

For example, International Industry leader and major jobs provider, M.C. Dean in the Carmel Church Business Park, not only provides an amazing program to train and hire high school students, but recently requested an expansion request which was approved by the county, which adds to the tax base and provides many new jobs.

Caroline is continually seeking new quality business and appreciates programs like those offered students at M.C. Dean demonstrating corporate partnerships and interest in the community. In addition, in the last several years alone, Caroline has boomed with dozens of small businesses opening both in the Ladysmith and Port Royal areas. Revitalizing the town of Port Royal and surrounding area without disturbing its history and charm, has been a nearly lifelong project of Supervisor Long who was Mayor of the Town of Port Royal before she was elected to serve the district in 2015.

A plan put forth by Mr Forehand from Madison District to address the exits from I-95 (110 and 104) regarding the weed growth, debris and on-going maintenance & appearance of the curbed areas was also discussed during the budget process in 2018. The plan is also part of "Business Readiness" Planning, as the I-95 entrance-way is for many their first introduction to Caroline County. This impression is important for the attraction and retention of business as well as travelers visiting our county for special events and tourism and even those who may be potential new residents

These areas are controlled by VDOT, but MAY be maintained by a County with permission. Minimal expense to service these areas a few times per year would result in a significant aesthetic improvement that will likely drive more business from the highway to these exits because of their "kept" appearance. Trash collection in these areas is already occurring and has made a big difference in appearance. Smart and inexpensive enhancements to the primary growth where business is designated in keeping with our comprehensive plan are a part of smart growth. This kind of planning preserves what Caroline citizens say they love about the county-our green space.

Adoption of Fiscal Year 2019 Budget

One of the most impactful decisions the Board makes each year is the adoption of the annual budget. The Fiscal Year 2019 Budget (which covers the period of July 1, 2018 through June 30, 2019) was adopted in May. The total General Fund budget for FY 2019 is \$50,987,312. The General Fund is the primary fund for most County operations. However, the total adopted budget for all funds, which includes monies allotted to Caroline County Public schools is \$96,643,114.

The County's appropriation to the School Operating Budget for FY 2019 increased by \$400,000 from the previous fiscal year where in the 2017-18 budget the contribution was increased by \$447,430. The Board of Supervisors also authorized the use of \$300,000 in one time funds (made up of a combination of funds remaining from the FY 2017 school budget and a health insurance escrow left over from the school's transition from self-insurance to The Local Choice Anthem plan) to apply towards an increase in health insurance costs for the schools and its employees. This represents a significant increase to Caroline County Public Schools, which has been a trend for the last five years.

The adopted FY 2019 budget funds five new school buses providing \$392,476 to purchase four new buses and \$231,851 to cover existing leases and the lease/purchase one new bus. Last year the County purchased three new school buses, paying cash. The County's transfer to the School Operating Fund for bus leases this year has decreased by \$23,596 in FY 2019 to \$231,851 because one more bus is being paid for (cash) instead of lease/purchased. This illustrates in smaller detail how the payment of cash, can in the long run add to financial health of the county.

Included in the Capital Improvement Budget is \$352,400 to lease/purchase nine (9) new Sheriff's cars, \$640,000 for a conventional cab fire engine to replace Squad 2 (Ladysmith) and \$197,000 for a new ambulance to replace a 2009 unit. The adopted FY 2019 budget also funds three (3) additional full time EMT/Firefighters. In the past three fiscal years, the County has added a total of twelve (12) new full time EMT/Firefighters to its workforce. The budget also adds three (3) new full time School Resource Officers to cover the County's elementary schools and a full time Information Technology Technician.

The Board again contributed \$9,861 in funds to enable Virginia Community Food Connections to begin an EBT (Electronic Benefit Transfer) program at farmer's markets in Bowling Green and Ladysmith. The EBT program enables recipients to use their federal nutrition benefits at farmer's markets and provides a market match to encourage SNAP (Supplemental Nutrition Assistance Program) spending on healthy, locally grown produce, like fresh

fruits and vegetables. The program has been well received by local area farmers who participate in both markets.

A Quick Look Back

In 2017, funds were also included to design and begin saving for upgrades to the Ladysmith Solid Waste Convenience Site on Green Road.

In addition the 2017, adopted budget included funding for an Energy Performance Contracting (EPC) project to replace aging infrastructure and achieve annual energy and operational cost savings in 19 County and volunteer fire department and rescue squad buildings. Energy Performance Contracting is an innovative financing technique that uses cost savings from reduced energy consumption to repay the cost of installing energy conservation measures. The EPC project will include HVAC replacement, lighting improvements and window replacements.

In September of 2017, when County staff reported to the Board of Supervisors that it expected the County to finish FY 2016/17 (July 1, 2016 to June 30, 2017) with a surplus of a little more than \$2 million. This enabled the Board to augment the \$500,000 budgeted in FY 2017/18 for an Employee Classification & Compensation Study and fully implement the results effective September 1, 2017. The approved pay increases and new pay scale will help the County retain valuable employees and recruit well qualified candidates to fill vacant positions.

Supervisor Forehand put forth a plan which was accepted in support of the county facilities where activities are held for children throughout the year and were badly in need of repair. Many improvements to County parks were made in 2017. Both the main park on Devils Three Jump Road across from Caroline Middle School and Ladysmith Park adjacent to the former Ladysmith Elementary School have been upgraded to provide a better experience for visitors. At the main park, the entrance road and parking lots have been repaved, catch fencing has been installed between the soccer field and the woods, the basketball court has been resurfaced, handicapped access has been installed from the parking lot to the ball-fields and one of the infields has been replaced with a new soil mix. In addition, the tennis courts adjacent to Caroline High School have been repaired, resurfaced and repainted.

In Ladysmith, the basketball courts next to the former Ladysmith Elementary School have been repaved and two new goals have been installed. New lighting has significantly improved the enjoyment of the courts. The soccer field has also been graded, top-dressed, rolled and seeded and new LED lighting and wall padding has been installed in the old school gymnasium.

Repaving and drainage and aesthetic improvements were completed at the Dawn Solid Waste Convenience Site.

An update to the County's Water Master Plan was completed in 2017. The master plan reviewed short-term, mid-term and long-term water needs over the next 30 plus years. Four (4) potential well locations have been identified within the Ladysmith service area to supply additional capacity needed over the short-term. Intermediate-term water supply options focus on acquiring additional supply capacity from neighboring municipalities in order to satisfy demand requirements prior to implementing long term water supply strategies. Withdrawal from the Rappahannock River has been identified as the County's long-term source for water. Caroline staff, and our engineering consultant, have initiated the permitting process and are working on a Joint Permit Application (JPA) to secure a viable long-term surface water intake on the Rappahannock.

The Board also approved a task contract for the development of a Wastewater Master Plan, which will evaluate the County's existing wastewater collection system infrastructure and develop a plan for system expansion and upgrades to accommodate growth over a 30-year planning period.

The Department of Fire- Rescue & Emergency Management added an unmanned aerial vehicle (drone) to its fleet. The addition of a drone gives the department another technological tool to provide the best possible emergency services to our citizens. The drone program will assist emergency operations in many ways, including firefighting, search and rescue, Amber and Senior Alerts, damage assessment and hazardous material response.

In October of 2017, the Board adopted a resolution authorizing the refinancing and restructuring of 2010 Virginia Resource Authority bonds in the amount of \$8,525,000 at the advice of our financial adviser. The bonds were issued to finance the acquisition, construction, renovation and expansion of water and sewer facilities, including well property and well and waterline construction. The refinancing will result in \$1,179,300 in debt service savings for the County over the remaining life of the loan.

At the request of the Board of Supervisors, Treasurer Elizabeth Curran initiated a third party delinquent personal property tax collection program in January 2017. Fees paid for these services come from an additional collection fee charged to the delinquent taxpayer. As of August 31, 2017, \$91,190 in delinquent taxes, penalties, interest and fees have been collected.

Following a plan by Supervisor Black of Western Caroline, Ninety thousand dollars in additional funding was set aside in 2017 for an enhanced stipend program to help recruit and train volunteers for the Department of Fire and Rescue. During that budget cycle, the board funded the lease purchase of an

additional nine new Sheriffs. They also purchased a , a reserve fire engine and a new ambulance for the Bowling Green Volunteer Fire Department. These purchases are part of a formal program adopted to systematically replace aging fire and EMS apparatus. All of these investments are designed to ensure the public safety services are kept to a high standard in Caroline County.

Ongoing Actions Over The Last Two Years

A project of Supervisor Black's has been the safety solution for a curve on Ladysmith Road in Chilesburg which is a several million dollar project with no local tax money being used. The Supervisor has pushed this into the forefront with VDOT, who will use what is called Smartscale money to address the issue. The purpose is to made the curve more gradual to prevent future accidents. A public hearing on the project will take place within the next 6-8 months.

Update on the AQUA VA Case

A great example of a partnership between the citizens and local government is the Aqua Virginia Case. Aqua Virginia is the water company who owns and operates a number of residential subdivisions in Western Caroline. This company sought once again to raise the rates on water customers. In 2017, Supervisors voted to contribute toward legal fees to fight these unreasonable rate hikes joining with the Lake land or property owners Association and other counties. After four hours of testimony from local residents at a hearing of the State Corporation Commission Aqua has agreed to return to the same water/sewer rates they were granted in 2014. This means there will be NO WATER rate increase for them in the current case. AQUA had also asked for a sewer rate increase as well, but dropped that request a few months ago. The effort was organized by Superivisors Black and Forehand.

Additionally the State Corporation Commission has advised AQUA to return \$108,000 to its customers across the state of Virginia as a result of the Trump tax cuts. AQUA started to implement its new water rates in February. The money that they overcharged their customers since February will be returned with interest. This amounts to \$200,0000 across the state of Virginia that must be returned. These can be the results when local citizens become involved and partner with local government.

The Board voted in favor of funding structural repairs to the floor of the Ladysmith Community center's gym floor and to provide a new playing surface (Sport Court flooring) within the gym. Adding quality gym space was considered the top priority of the Caroline Recreation Committee in a vote this winter. These modifications would permit the gym to be used for practices and games for Parks and Recreation teams, AAU teams and other organizations that

seek gym space. This should help provide some relief to the often overbooked Community Center gym near Bowling Green. The total cost for the repairs and flooring was \$38,400.

The Board Approved a request for \$10,000 from Stream Sweepers, a non-profit that is proposing a clean-up effort of a 13 mile stretch of the Mattaponi River within Caroline. This effort will train and work 5-6 Caroline Co. youth/young persons to effectively and safely clean the river and remove trash and debris from the River. Mapping, GIS, and other skills will be part of that training. include the adoption of a program to systematically replace aging fire and EMS apparatus.

Over the past several, Caroline government has supported a number of initiatives important to the community at large. Supervisors approved funds to pay for a plaque to honor all Vietnam Veterans from the county, and participated in support of the ceremony to dedicate this memorial. Held on Memorial Day, Board Chair Nancy Long conducted the special ceremony where certificates of grateful appreciation were given to veterans and their families. Bowling Green District resident, Barbara Allen coordinated the Vietnam research and effort. Last year in 2017, the county sponsored an appreciation event and created a movie which both pictured and honored the Caroline veterans of WWI and WWII in conjunction with the 100th and 75 anniversary of those conflicts.

Supervisors approved 10,000 in funds to support the Caroline County Little League in order to help with the installation of lights in the fields. They also voted to provide office space for the newly created Caroline Habitat for Humanity.

In June of 2018, the Board of Supervisors dedicated an important historic marker at the entrance to Sparta Road to Richard and Mildred Loving who were arrested in 1958 at their home in Caroline for what was a crime in Virginia and many others states, interracial marriage. In 1959, they were convicted and ordered to leave the state. In 1963, while living in Washington D.C. Mildred wrote a letter to Senator Robert Kennedy, who turned the case over to an attorney. The result was was a land mark decision by the Supreme Court in 1967 ruling unconstitutional state laws that banned mixed-race marriage and allowing couples all over the country o marry whom they chose. While the Lovings are now deceased, their daughter Peggy Loving was in attendance at the ceremony with her family.

The county budgets annually include a contribution to our award winning Caroline County Agricultural Fair, currently the largest tourism draw annually to the county. The supervisors also support the Bowling Green Harvest Festival, Frog Level Festival, Ladysmith Day and a number of signature historic events in

Port Royal. I think these contributions are important and help create a sense of place and community for the County of Caroline.

I continue the outreach to citizens by holding regular constituents meetings throughout the year in various locations throughout the county. I also encourage attendance at board meetings which are held the second and fourth Tuesday at the Caroline Community Center on odd months, and the second Tuesday on even months.

In closing, I hope you have found this newsletter informative and helpful in updating you on some of the issues and projects before the Caroline Board of Supervisors over the past year. It is an honor and a privilege to serve you as a member of the Board.

Sincerely,



Jeff Sili