APPROVED MINUTES
KING WILLIAM COUNTY BOARD OF SUPERVISORS
REGULAR MEETING OF MAY 20, 2024

A regular meeting of the Board of Supervisors of King William County, Virginia, was held on the 20th day of May 2024 beginning at 6:30 p.m. in the Board Meeting Room of the County Administration Building and via live stream.

AGENDA ITEM 1. CALL TO ORDER
Chair Robinson called the meeting to order.

AGENDA ITEM 2. APPROVAL OF ELECTRONIC PARTICIPATION BY A BOARD MEMBER
Not needed.

AGENDA ITEM 3. ROLL CALL
The members of the Board of Supervisors were polled:

Supervisor, 1st District: William L. Hodges	Present
Supervisor, 2nd District: Benjamin J. Edwards, III	Present
Supervisor, 3rd District: Justin Catlett – Vice Chair	Present
Supervisor, 5th District: Mary Sue Bancroft	Present
Supervisor, 4th District: Lindsay May Robinson - Chair	Present

AGENDA ITEM 4. REVIEW AND ADOPTION OF MEETING AGENDA
Vice Chair Catlett made a motion to approve the amended meeting agenda. Supervisor Hodges seconded. All were in favor with none opposed.

AGENDA ITEM 5. INVOCATION/MOMENT OF SILENCE
Pastor Joshua Lewis, Jerusalem Christian Church offered the innovation.

AGENDA ITEM 6. PLEDGE OF ALLEGIANCE
The Chair led the pledge of allegiance.

AGENDA ITEM 7. CONSENT AGENDA
Consent Agenda items were:

a. Approval of Minutes:
   i. March 11, 2024 Draft Minutes
   ii. March 25, 2024 Draft Minutes
   iii. April 8, 2024 Draft Minutes
   iv. April 15, 2024 Draft Minutes
   v. April 22, 2024 Draft Minutes

b. **Resolution 24-38** – Proclaiming June 2024 as Men's Health Month and June 10-16, 2024 as Men's Health Week

Supervisor Bancroft made a motion to approve the Consent Agenda. Vice Chair Catlett seconded. All were in favor with none opposed.

RESOLUTION 24-38
PROCLAIMING JUNE 2024 AS MEN'S HEALTH MONTH AND
JUNE 10-16, 2024 MEN'S HEALTH WEEK

WHEREAS, Mens Health Month is part on an ongoing international effort to educate men, boys, and their families about receiving regular disease prevention screenings and living healthier; and

WHEREAS ; Nationwide, life expectancy for men averages five years fewer than that of women, with men experiencing higher rates of health problems such as diabetes, obesity, cancer, heart disease, premature mortality, and

WHEREAS, The Covid-19 pandemic has had a devasting impact on men's health in the United States, dropping men's life expectancy by two years; and

WHEREAS, Men's Health Month is a time for the public to recogize the mental and physcial health needs of men and boys while encouraging fathers to be role models for their children through preventive health screening, healthy living and seeking needed help; and

WHEREAS, The growing epidemic of suicide and substance abuse requires special effort to raise awareness of unrecognized and undiagnosed depression and mental stress in boys and men; and

WHEREAS, The centerpiece of Men's Health Month is National Men's Health Week, a special awareness period passed by Congree and signed into law by President Bill Clinton on May 31, 1994;

NOW, THEREFORE, I do recognize June 2024 Men's Health Month and June 10-16, 2024 as Men's Health Week in King William, Virginia.

DONE this 20th day of May, 2024.

AGENDA ITEM 8. PUBLIC HEARING
8.a. Ordinance 07-24 – Lodging / Transient Tax – Sherry Graham, Director of Planning
Ms. Graham briefly explained Ordinance 05-24 and provided details on the tax process. At the April 22, 2024 meeting, the Board decided the rate should be the same rate as the Town of West Point. The rate was set at 7%. Additional language was added that any retail sale of accommodations facilitated prior to July 1, 2024, will not be subject to the New Transient Occupancy Tax and all retail sale accommodations facilitated after July 1, 2024, will be subject to the Transient Occupancy Tax.

Chair Robinson opened the Public Hearing.

Charles Snead – 2nd District- spoke on the direct impact the tax will have on his guests; he does not opposed Ordinance just the rate which is set for the tax; King William needs to be more friendly to overnight guest and should join efforts with the Town of West Point to grow overnight lodging and tourism business.

John and Ruby Foley 2nd District submitted written comments for the Board's consideration requesting lowering the tax rate and changing the effective date of the ordinance to 2025 or effective only for bookings already received.

There being no additional speakers, Chair Robinson closed the Public Hearing.

Chair Robinson asked for discussion from Board members.

Vice Chair Catlett explained it would create more problems having a different tax rate from the Town of West Point. The purpose is to have a unified tax rate and operate as a unified County.

Supervisor Hodges made a motion to approve Ordinance 07-24. Vice Chair Catlett seconded. The members of the Board of Supervisors were polled.

Supervisor, 5th District: Mary Sue Bancroft	Aye
Supervisor, 1st District: William L. Hodges	Aye
Supervisor, 2nd District: Benjamin J. Edwards, III	Aye
Supervisor, 3rd District: Justin Catlett – Vice Chair	Aye
Supervisor, 4th District: Lindsay May Robinson - Chair	Aye

ORDINANCE 07-24

AN ORDINANCE TO AMEND THE CODE OF THE COUNTY OF KING WILLIAM, VIRGINIA TO ADD ARTICLE X TO CHAPTER 70.

WHEREAS, pursuant to Virginia Code § 58.1-3819 the County, by duly adopted ordinance, may impose a transient occupancy tax; and

WHEREAS, the King William County Board of Supervisors wish to adopt such an ordinance;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, that the Board of Supervisors of King William County, Virginia, does this 20th day of May, 2024, amend the King William County Code by adding Article X, "Transient Occupancy Tax," to Chapter 70, "Taxation" and have such Article state as follows:

"Article X. Transient Occupancy Tax

Sec. 70-363. – Definitions.

For the purposes of this Article, the following words and phrases mean as follows, except where the context clearly indicates a different meaning:

Accommodations mean any room or space, suitable or intended for occupancy by transients for dwelling, lodging, or sleeping purposes, where a price is paid in a retail sale by or for a transient for the use or possession of the room or space in any hotel, motel, boarding house, travel campground, short-term rental, homestay or other facility offering guest rooms rented out for continuous occupancy for fewer than thirty (30) consecutive days.

Accommodations fee means the room charge less the discount room charge, if any, provided that the accommodations fee may not be less than $0.

Accommodations intermediary means any person other than an accommodations provider that (i) facilitates the sale of an accommodation and (ii) either (a) charges a room charge to the customer, and charges an accommodations fee to the customer, which fee it retains as compensation for facilitating the sale; (b) collects a room charge from the customer; or (c) charges a fee, other than an accommodations fee, to the customer, which fee it retains as compensation for facilitating the sale. For purposes of this definition, "facilitates the sale" includes brokering, coordinating, or in any other way arranging for the purchase of the right to use accommodations via a transaction directly, including via one or more payment processors, between a customer and an accommodations provider.

Accommodations intermediary does not include a person:

(1) If the accommodations are provided by an accommodations provider operating under a trademark, trade name, or service mark belonging to such person; or

(2) Who facilitates the sale of an accommodation if (i) the price paid by the customer to such person is equal to the price paid by such person to the accommodations provider for the use of the accommodations and (ii) the only compensation received by such person for facilitating the sale of the accommodation is a commission paid from the accommodations provider to such person; or

(3) Who is licensed as a real estate licensee pursuant to Article 1 (§ 54.1-2100 et seq.) of Chapter 21 of Title 54.1 of the Virginia Code, when acting within the scope of such license.

Accommodations provider means any person who furnishes accommodations to the general public for compensation. The term "furnishes" includes the sale of use or possession or the sale of the right to use or possess.

Affiliate means with respect to any person, any other person directly or indirectly controlling, controlled by, or under common control with such person. For purposes of this definition, "control" (including controlled by and under common control with) means the power, directly or indirectly, to direct or cause the direction of the management and policies of such person whether through ownership or voting securities or by contract or otherwise.

Commissioner of the Revenue means the commissioner of the revenue of King William County, Virginia, or any duly authorized deputies or agents.

Discount room charge means the full amount charged by the accommodations provider to the accommodations intermediary, or an affiliate thereof, for furnishing the accommodations.

Operator means the proprietor of any dwelling, lodging, or sleeping accommodations offered as an accommodation subject to this Article, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other possessory capacity.

Person includes, but is not limited to, an individual, firm, partnership, association, corporation, person acting in a representative capacity, or any combination of individuals of whatever form and character.

Retail sale means the sale or charges for any room or rooms, lodgings, or accommodations furnished to transients for less than 90 continuous days by any hotel, motel, inn, tourist camp, tourist cabin, camping grounds, club, or any other place in which rooms, lodging, space, or accommodations are regularly furnished to transients for a consideration.

Room charge means the full retail price charged to the customer by the accommodations intermediary for the use of the accommodations, including any accommodations fee, before taxes. "Room charge" includes any fee charged to the customer and retained as compensation for facilitating the sale, whether described as an accommodations fee, facilitation fee, or any other name. The room charge will be determined in accordance with state law and regulations, and related rulings of the Virginia Department of Taxation on the same.

Short-term rental means the provision of a room or space that is suitable or intended for occupancy for dwelling, sleeping, or lodging purposes, for less than thirty (30) consecutive days, in exchange for a charge for the occupancy.

Transient means the same person who, for a period of less than thirty (30) consecutive days, either at his own expense or at the expense of another, obtains the use or possession of a room or space occupied for lodging in any accommodation for which lodging or use of space a price is charged.

Treasurer means the treasurer of King William County, Virginia, or any duly authorized deputies or agents.

Sec. 70-364. – Transient occupancy tax imposed; amount.

There is hereby imposed and levied by the County of King William, Virginia on each transient a tax equal to seven percent of the total amount paid in a retail sale by the customer for any accommodation. Such tax must be collected from such transient at the time and in the manner provided in this Article.

(a). Any retail sale of accommodations facilitated prior to July 1, 2024, will not be subject to the New Transient Occupancy Tax. All retail sale of accommodations facilitated after July 1, 2024, will be subject to the Transient Occupancy Tax.

Sec. 70-365. – Exemptions.

No tax shall be payable hereunder on room charge paid to any hospital, medical clinic, convalescent home or home for the aged.

Sec. 70-366 – Collection and Billing of Tax.

(a) For any retail sale of accommodations not facilitated by an accommodations intermediary, the accommodations provider must collect the tax imposed pursuant to this Article, computed on the total price paid for the use or possession of the accommodations and shall remit the same to the County and shall be liable for the same. The accommodations provider must separately state the amount of the tax in the bill, invoice, or similar documentation provided to the customer and must add the tax to the total price paid for the use or possession of the accommodations.

(b) For any retail sale of accommodations facilitated by an accommodations intermediary, the accommodations intermediary will be deemed under this Article as a facility making a retail sale of an accommodation. The accommodations intermediary must collect the tax imposed pursuant to this Article, computed on the room charge and must remit the same to the County and is liable for the same. The accommodations intermediary must separately state the amount of the tax on the bill, invoice, or similar documentation provided to the customer and add the tax to the room charge; thereafter, such tax is a debt from the customer to the accommodations intermediary, recoverable at law in the same manner as other debts.

(c) If the total price paid by the customer for any accommodation includes any charge for services in addition to that of use or possession of the room or space occupied, then such portion of the total charge as represents only use or possession of the room or space occupied must be distinctly set out and billed to such transient as a separate item.

(d) For any retail sale of accommodations facilitated by an accommodations intermediary, nothing herein shall relieve the accommodations provider from liability for retail sales and use taxes on any amounts charged directly to the customer by the accommodations provider that are not collected by the accommodations intermediary.

(e) For any transaction for the retail sale of accommodations involving two or more parties that meet the definition of accommodations intermediary, nothing in this section shall prohibit such parties from making an agreement regarding which party shall be responsible for collecting and remitting the tax, so long as the party so responsible is registered as a dealer with the locality. In such event, the party agreeing to collect and remit the tax shall be the sole party liable for the tax, and the other parties to such agreement shall not be liable for such tax.

(f) Every person receiving any payment in accordance with the provisions of this section for any accommodation with respect to which a tax is levied under this Article must collect the amount of tax thereby imposed from the transient on whom the tax is levied, or from the person paying for such accommodation, at the time payment for such accommodation is made. Such tax will be deemed to be held in trust by the person required to collect the tax until remitted to the County as required in this Article.

Sec. 70-367 – Advertising payment or absorption of tax.

No person shall advertise or hold out to the public in any manner, directly or indirectly, that all or any part of a tax imposed under this Article will be paid or absorbed by anyone, or that any purchaser will be relieved of the payment of all or any part of the tax.

Sec. 70-368 – Report of collection and remittance of tax.

(a) *Generally.* Except as provided in subsection (b), the person collecting the tax levied under this Article is liable for the tax and must make a report upon such forms and setting forth such information as the Commissioner of the Revenue may prescribe and require. Such reports must show the amount of room charges collected for the use or possession of a room or space occupied for lodging by or for a transient and the tax required to be collected and must be signed and delivered to the Commissioner of the Revenue. The Commissioner of the Revenue shall determine whether the report is in proper form and upon such determination shall cause a copy to be delivered to the Treasurer. The person collecting any such tax shall remit the tax to the Treasurer. Such report and remittance must be made at least once in every 30-day period and not later than the twentieth day of the month next following the month in which such tax was collected.

(b) *Limitation of liability for accommodations intermediaries.* Notwithstanding the provisions of subsection (a), an accommodations intermediary is not liable for taxes under this Article remitted to an accommodations provider but that are then not remitted to the county by the accommodations provider. For any retail sale of accommodations facilitated by an accommodations intermediary, an accommodations provider is liable for that portion of the taxes under this Article that relate to the discount room charge only to the extent that the

Sec. 70-369 – Collector's records.

(a) If any person required to collect and remit the tax imposed by this Article fails to file a report, or if the commissioner of the revenue has reasonable cause to believe that an erroneous report has been filed, the commissioner of the revenue may proceed to determine the amount due to the county and in connection therewith shall make such investigations and take such testimony and other evidence as may be necessary and shall report any determination to the treasurer; provided, however, that notice and opportunity to be heard be given any person who may become liable for the amount owing prior to any determination by the commissioner of the revenue.

(b) Every person liable for the collection and payment to the county of any tax imposed by this Article shall keep, for two years, all records necessary to determine the amount of the tax as he may have been responsible for collecting and paying to the county. The commissioner of the revenue may inspect such records at all reasonable times.

Sec. 70-370 – Cessation of business; tax due immediately.

Whenever any person required to collect and pay to the county a tax imposed by this Article shall cease to operate, go out of business, or otherwise dispose of his business, any tax under the provisions of this Article shall become immediately due and payable, and such person shall immediately make a report and pay the tax due to the tax due.

Sec. 70-371 – Penalty for late remittance or false return and payment of tax.

(a) If any person, whose duty it is so to do, shall fail or refuse to file with the commissioner of the revenue the report and remit the tax that is due as required under this Article to the treasurer within the time specified in this Article, there shall be added to such tax by the treasurer interest at the rate of ten percent per annum of the tax assessable. Such penalty shall be assessed on the day following the day on which the report and tax payment were due, unless otherwise provided by state law.

Sec. 70-372 – Procedure upon failure to file return or pay tax.

(a) If any person shall fail or refuse to collect the tax imposed under this Article or to make within the time provided in this Article the reports and remittance required in this Article, the treasurer shall make an estimate of the amount of taxes due the county by such person upon the best information available and shall proceed to determine and assess against such person such tax and penalty and interest as provided for in this Article. The treasurer shall notify such person by first class mail and certified mail, return receipt requested, sent to such person's last known place of address, of the amount of such tax and interest and penalty, and the total amount thereof shall be payable within ten days from the date of the notice or that the notice is mailed, whichever is later.

(b) The treasurer may have a summons issued for any person in the county who fails or refuses to collect the tax imposed by this Article or to make, within the time provided by this Article, the reports or remittances required in this Article.

Sec. 70-373 – Criminal Penalties.

Any person intentionally failing to file a report required by this article shall be guilty of a misdemeanor, and upon conviction thereof, punishment shall not exceed that prescribed for a Class 3 misdemeanor as provided in Section 18.2-11 of the Code of Virginia (1950), as amended. Each such failure shall constitute a separate offense. Such conviction shall not relieve any such person from the payment, collection or remittance of such tax, penalties and interest, as provided in this article."

ADOPTED this the 20th day of May, 2024.

8.b. Ordinance 08-24 – Adding Article XI Cigarette Tax to Chapter 70- Taxation To The Code of King William County – Steve Hudgins, Deputy County Administrator

Mr. Hudgins explained Ordinance 08-24 and provided details on the implementation process.

Chair Robinson opened the Public Hearing.

Dorothy Wassenberg 4th District– spoke in favor of adopting the Cigarette Tax.

There being no additional speakers, Chair Robinson closed the Public Hearing.

Vice Chair Catlett made a motion to approve Ordinance 08-24. Supervisor Edwards seconded. The members of the Board of Supervisors were polled.

Supervisor, 1st District: William L. Hodges	Aye
Supervisor, 2nd District: Benjamin J. Edwards, III	Aye
Supervisor, 3rd District: Justin Catlett – Vice Chair	Aye
Supervisor, 5th District: Mary Sue Bancroft	Aye
Supervisor, 4th District: Lindsay May Robinson - Chair	Aye

ORDINANCE 08-24
AN ORDINANCE ADDING ARTICLE XI "CIGARETTE TAX" TO
CHAPTER 70 - TAXATION TO THE CODE OF THE COUNTY OF KING WILLIAM, VIRGINIA

WHEREAS, the Code of Virginia, §58.1-3830 authorizes counties to levy taxes upon the sale or use of cigarettes; and

WHEREAS, the King William County Board of Supervisors believes levying said tax would serve the interests of the citizens of King William County; and

WHEREAS a public hearing on this proposed Ordinance was held by the King William County Board of Supervisors on May 20, 2024, duly advertised as required by law and considered for adoption.

NOW THEREFORE, BE IT HEREBY ORDAINED that the County of King William hereby imposes a tax upon the sale or use of cigarettes in the County of King William, as hereby set forth and under the terms and conditions herein and that the Code of the County of King William, Virginia be, and it is hereby amended by adding Article XI which reads as follows:

CHAPTER 70 TAXATION

ARTICLE XI. - Cigarette Tax - Short Title.

This Article shall be known and may be cited as the King William County Cigarette Tax Ordinance.

Section 70-374. - Definitions.

For the purposes of this Article, the following words and phrases have the meanings respectively ascribed to them by this Section, except in those instances where the context clearly indicates a different meaning:

(a) Administrator means the individual employed by the Board to administer the enforcement of this ordinance, or his designated agents or appointees.

(b) Board or CBRRCTB means the Chesapeake Bay Region Cigarette Tax Board.

(c) Carton means any container, regardless of material used in its construction, in which packages of cigarettes are placed.

(d) Cigarette means and includes any roll of any size or shape for smoking, whether filtered or unfiltered, with or without a mouthpiece, made wholly or partly of cut, shredded or crimped tobacco or other plant or substitute for tobacco, whether the same is flavored, adulterated or mixed with another ingredient, if the wrapper or cover is made of any material other than leaf tobacco or homogenized leaf tobacco, regardless of whether the roll is labeled or sold as a cigarette or by any other name. (e)Cigarette Machine Operator means any individual, partnership or corporation engaged in the sale of packages of cigarettes from vending machines.

(f) County means King William County, Virginia.

(g) Dealer means and includes every manufacturer's representative, wholesaler, retailer, cigarette machine operator, public warehouseman or other person who shall sell, receive, store, possess, distribute, or transport cigarettes within or into the County.

(h) Package means and includes any container, regardless of the material used in its construction, in which separate cigarettes are placed without such cigarettes being placed into any container within the package. Packages are those containers of cigarettes from which they are consumed by their ultimate user. Ordinarily a package contains twenty cigarettes; however, "package" includes those containers in which fewer or more than twenty cigarettes are placed.

(i) Person means and includes any individual, firm, unincorporated association, company, corporation, joint stock company, group, agency, syndicate, trust or trustee, receiver, fiduciary, partnership, and conservator. The word "person" as applied to a partnership, unincorporated association or other joint venture means the partners or members thereof, and as applied to a corporation, includes all the officers and directors thereof.

(j) Place of business means and includes any place where cigarettes are sold, placed, stored, offered for sale, or displayed for sale or where cigarettes are brought or kept for the purpose of sale, consumption or distribution, including vending machines, by a dealer within the County.

(k) Registered agent means and includes every dealer and other person who shall be required to report and collect the tax on cigarettes under the provisions of this Article.

(l) Retail dealer means and includes every person who, in the usual course of business, purchases or receives cigarettes from any source whatsoever for the purpose of sale within the County to the ultimate consumer; or any person who, in the usual course of business, owns, leases or otherwise operates within his own place of business, one or more cigarette vending machines for the purpose of sale within the County of cigarettes to the ultimate consumer; or any person who, in any manner, buys, sells, stores, transfers or deals in cigarettes for the purpose of sale within the County to the ultimate consumer, who is not licensed as a wholesaler or vending machine operator.

(m) Sale or sell means and includes every act or transaction, regardless of the method or means employed, including barter, exchange or the use of vending machines or other mechanical devices or a criminal or tortious act whereby either ownership or possession, or both, of any cigarettes shall be transferred within the County from a dealer as herein defined to any other person for a consideration.

(n) Stamp means a small, gummed piece of paper or decal used to evidence provision for payment of the tax as authorized by the Chesapeake Bay Region Cigarette Tax Board, required to be affixed to every package of cigarettes sold, distributed, or used within the County.

(o) Store or storage means and includes the keeping or retention of cigarettes in this County for any purpose except sale in the regular course of business.

(p) Tobacco Revenue Agent means persons authorized by CBRCTB to act on its behalf in enforcement of this ordinance.

(q) Use means and includes the exercise of any right or power over any cigarettes or packages of cigarettes incident to the ownership or possession of those cigarettes or packages of cigarettes including any transaction where possession is given or received or otherwise transferred, other than a sale.

(r) User means any person who exercises any right or power over any cigarettes or packages of cigarettes subject to the provisions of this Article incident to the ownership or possession of those cigarettes or packages of cigarettes or any transaction where possession is given or received or otherwise transferred, other than a sale.

(s) Wholesale Dealers means any individual, partnership or corporation engaged in the sale of packages of cigarettes for resale into or within the County.

Section 70-375. - Levy and rate.

In addition to all other taxes of every kind now or hereafter imposed by law, there is hereby levied and imposed by the County upon every person who sells or uses cigarettes within the County an excise tax at a rate of forty cents ($0.40) for each package containing twenty cigarettes and two cents ($0.02) for each cigarette contained in packages of fewer or more than twenty cigarettes sold or used within the County. The tax shall be paid and collected in the manner and at the time hereinafter prescribed; provided, that the tax payable for each cigarette or cigarette package sold or used within the County shall be paid but once.

Section 70-376. - Methods of collection.

(a) The tax imposed by this section shall be evidenced by the use of a tax stamp and shall be paid by each dealer or other person liable for the tax. The stamps shall be affixed in such a manner that their removal will require continued application of water or steam. Each dealer or other person liable for the tax is hereby required, and it shall be his duty, to collect, pay the tax and report on a monthly basis all packages of cigarettes on forms prescribed for this purpose by the Board, including the following:

(1) The quantity of CBRCTB-stamped cigarettes sold or delivered to: (A) Each registered agent appointed by the Board for which no tax was collected; (B) Each manufacturer's representative; and (C) Each separate person and place of business during the preceding calendar or fiscal month; and

(2) The quantity of CBRCTB stamps on hand, both affixed and unaffixed on the first and the last day of the preceding calendar month and the quantity of CBRCTB stamps or CBRCTB stamped cigarettes received during the preceding calendar month; and

(3) The quantity of cigarettes on hand to which the CBRCTB stamp had not been affixed on the first and last day of the preceding calendar or fiscal month and the quantity of cigarettes received during the preceding calendar or fiscal month to which the CBRCTB stamp had not been affixed; and

(4) Such further information as the Administrator for the board may require for the proper administration and enforcement of this article for the determination of the exact number of cigarettes in the possession of each dealer or user.

(b) Each dealer or other person liable for the tax shall file such reports with the Board and pay the tax due to the Board prior to the monthly due date to be established by the Board and shall furnish copies of all cigarette tax reports submitted to the Virginia Department of Taxation.

(c) When, upon examination and audit of any invoices, records, books, cancelled checks or other memoranda touching on the purchase, sale, receipt, storage or possession of tobacco products taxed herein, any dealer or other person liable for the tax is unable to furnish evidence to the Board of sufficient tax payments and stamp purchases to cover cigarettes which were sold, used, stored, received, purchased or possessed by such person, the prima facie presumption shall arise that such cigarettes were received, sold, used, stored, purchased or possessed by such person without the proper tax having been paid. The Board shall, from the results of such examination and audit based upon such direct or indirect information available, assess the tax due, impose a penalty of ten per cent and may impose interest of three-quarters per cent per month of the gross tax due.

(d) When any dealer or other person liable for the tax files a false or fraudulent report or fails to file a report or fails to perform any act or performs any act to evade payment of the tax, the board shall administratively assess the tax due and impose a penalty not to exceed fifty per cent of the tax due and interest of three-quarters per cent per month of the gross tax due.

(e) The dealer or other person liable for the tax shall be notified by certified mail of such deficiency and such tax, penalty and interest assessed shall be due and payable within ten days after notice of such deficiency has been issued. Every dealer or other person liable for the tax shall examine each package of cigarettes to ensure that the CBRCTB stamp has been affixed thereto prior to offering them for sale.

(f) Any dealer or other person liable for the tax who shall receive cigarettes not bearing the CBRCTB stamp shall, within receipt of such cigarettes, commence and with all reasonable diligence continue to affix the CBRCTB stamp to each and every package of cigarettes until all unstamped packages of cigarettes have been stamped and before offering such cigarettes for sale. Any dealer or other person liable for the tax who has notified the Board that he is engaged in interstate or intrastate business shall be permitted to set aside such part of his stock as may be legally kept for the conduct of such interstate or intrastate business (that is, cigarettes held for sale outside the jurisdiction of the Board) without affixing the stamps required by this Article. Any such interstate or intrastate stock shall be kept entirely separate and apart from the CBRCTB-stamped stock, in such a manner as to prevent the commingling of the interstate or intrastate stock with the CBRCTB stock. Any dealer or other person liable for the tax found to have had untaxed cigarettes which have been lost, whether by negligence, theft or any other unaccountable loss, shall be liable for and shall pay the tax due thereon. (g) It shall also be the duty of each dealer or other person liable for the tax to maintain and keep for a period of three years, not including the current calendar year, records of all cigarettes received, sold, stored, possessed, transferred or handled by such person in any manner whatsoever, whether the same were stamped or unstamped, to make all such records available for audit, inspection and examination at all reasonable times, as well as the means, facilities and opportunity for making such audit, inspection or examination upon demand of the Board.

Section 70-377. - Registered agents.

(a) Any dealer or other person liable for the tax who shall sell, use, store, possess, distribute or transport cigarettes within or into the County shall first make application to the Board to qualify as a registered agent. The application form shall require such information as the Board deems necessary for the administration and enforcement of this article. Applications shall be subject to yearly Registration Fees for all Wholesale Dealers [and] all Cigarette Machine Operators. Applicants shall provide a surety bond to the Board in the amount of 150 percent of the applicant's average monthly tax liability. Such bonds shall be issued by a surety company authorized to do business in the Commonwealth of Virginia. Such bond shall be so written that, on timely payment of the premium thereon, it shall continue in force from year to year. Any applicant whose place of business is outside the area subject to enforcement by the Board shall automatically, by filing virtue of filing of the application, be deemed to submit to the Board's legal jurisdiction and appoint the Administrator for the Board as agent for any service of lawful process, unless the applicant designates an attorney with offices within the County upon which lawful process is to be served. Upon receipt of properly completed application forms and the required surety bond, the Board shall determine whether the applicant qualifies to be a registered agent. The Board will issue to qualified applicants a yearly registered agent permit to enable such agent to purchase, sell, use, store, possess, distribute or transport within or into the County, CBRCTB-stamped cigarettes.

(b) By submitting an application, registered agents obligate themselves to the reporting and payment requirements placed upon them by this Article and the rules and regulations as from time to time may be promulgated by the Board.

(c) When any registered agent's monthly report and payment of the tax is not received within the dates prescribed, the Board shall impose a late reporting penalty of ten per cent of the gross tax due or ten dollars whichever is greater, but in no event more than $1,000.

(d) The Board also may require such registered agent to provide proof that he has complied with all applicable laws of the Commonwealth of Virginia to legally conduct such business and to file financial statements showing all assets and liabilities.

(e) The Board may revoke or suspend any registered agent's permit due to failure to file tax reports in a timely manner, non-payment of taxes due, or if the cigarette tax surety bond should become impaired for any reason.

(f) All money collected as cigarette taxes under this ordinance shall be deemed to be held in trust by the dealer collecting the same until remitted to the Board.

(g) Registered agents must account for all CBRCTB authorized tax stamps purchased. Periodic audits may be conducted to determine any unaccounted variance between the number of stamps purchased and the number of stamps reported, and an assessment will be made for all unaccounted stamps. Any assessment of registered agents located outside the jurisdictions of the Board will be based upon the average sales of packages of cigarettes by jurisdiction during the audit period. For registered agents located within the jurisdictions of the Board, any assessment will be based upon the tax rate of the jurisdiction in which they are located. In addition, there will be a penalty for non-reporting of ten per cent of the gross tax due.

Section 70-378. - Requirements for retail dealers.

(a) Retail dealers who shall sell, offer for sale, store, possess, distribute, purchase, receive or transport cigarettes for the purpose of sale within the County shall purchase cigarettes only from registered agents. Retail dealers shall provide the registered agent with the business trade name and physical address where the cigarettes will be placed for sale to the public. Cigarettes purchased for personal use cannot be brought into a business for resale. Only properly registered and licensed retail stores may sell cigarettes to the public. To be properly registered and licensed, a retail store must first have a valid Virginia state sale and use tax certificate and valid retail business license. Cigarettes must be purchased and stored separately for each business location. All copies of cigarette purchase invoices/receipts must be retained by the retailer for a period of three years and shall be made available to Agents of the CBRCTB upon request for use in conducting audits and investigations. All copies of cigarette purchase invoices/receipts must be stored at the business retail location for a period of one year from date of purchase. Failure to provide cigarette invoices/receipts may result in confiscation of cigarettes until receipts can be reviewed by the Board to verify the proper tax has been paid. It is the responsibility of each retail location to ensure that all cigarettes placed for sale or stored at that location be properly taxed and stamped. Cigarettes found without the CBRCTB stamp or the proper jurisdictional tax paid will be seized by the Agents of the Board.

(b) Retail dealers must make their place of business available for inspection by CBRCTB Tobacco Revenue Agents to ensure that all cigarettes are properly tax-stamped and all cigarette taxes are properly paid.

Section 70-379. - Presumption of illegality; seizure of contraband goods, sealing/seizing of machines.

(a) If any cigarette machine operator or other person liable for the tax imposed by this Article is found to possess any cigarettes without the jurisdictional tax paid or the proper tax stamp affixed, there shall be a rebuttable presumption that any such operator of other person shall be in possession of untaxed cigarettes in violation of this section.

(b) If any cigarettes are placed in any vending machines within the County, then there shall be a rebuttable presumption that such cigarettes were placed in that machine for sale within the County. If [a]ny vending machine located within the County contains cigarettes upon which the CBRCTB tax stamp has not been affixed or on which the jurisdictional tax has not been paid or containing cigarettes placed so as to not allow visual inspection of the CBRCTB tax stamp through viewing area as provided for by the vending machine manufacturer, then there shall be a rebuttable presumption that the machine contains untaxed cigarettes in violation of this Article.

(c) Any cigarettes, vending machines, cigarette tax stamps or other property found in violation of this Article shall be declared contraband goods and may be seized by the Board. In addition to any tax due, the dealer or other person liable for the tax possessing such untaxed cigarettes or tax stamps shall be subject to civil and criminal penalties herein provided.

(d) In lieu of seizure, the Board may seal such vending machines to prevent continued illegal sale or removal of such cigarettes. The removal of such seal from a vending machine by any unauthorized person shall be a violation of this Article. Nothing in this Article shall prevent the seizure of any vending machine at any time after it is sealed.

(e) All cigarette vending machines shall be plainly marked with the name, address and telephone number of the owner of said machine.

Section 70-380. - Illegal acts.

(a) It shall be unlawful and a violation of the Article for any dealer or other person liable for the tax:

(1) To perform any act or fail to perform any act for the purpose of evading the payment of any tax imposed by this Article or of any part thereof, or to fail or refuse to perform any of the duties imposed upon such person under the provisions of this Article or to fail or refuse to obey any lawful order which may be issued under this Article; or

(2) To falsely or fraudulently make, or cause to be made, any invoices or reports, or to falsely or fraudulently forge, alter or counterfeit any stamp, or to procure or cause to be made, forged, altered or counterfeited any such stamp, or knowingly and willfully to alter, publish, pass or tender as true any false, altered, forged or counterfeited stamp or stamps; or

(3) To sell, offer for sale, or distribute any cigarettes upon which the CBRCTB tax stamp has not been affixed or upon which the jurisdictional tax has not been paid; or

(4) To possess, store, use, authorize or approve the possession, storage or use of any cigarette packages upon which the CBRCTB tax stamp has not been affixed or upon which the jurisdictional tax has not been paid; or

(5) To transport, authorize or approve the transportation of any cigarette packages in quantities of more than six cartons (sixty packages) into or within the county upon which the CBRCTB tax stamp has not been affixed or upon which the jurisdictional tax has not been paid, if they are: (A) Not accompanied by a receipt/bill of lading or other document indicating the true name and address of the consignor or seller and the consignee or purchaser and the brands and quantity of cigarettes transported; or (B) Accompanied by a receipt/bill of lading or other document which is false or fraudulent in whole or part; or (C) Accompanied by a receipt/bill of lading or other document indicating: (i) A consignee or purchaser in another state or the District of Columbia who is not authorized by the law of such other jurisdiction to receive or possess such tobacco products on which the taxes imposed by such other jurisdiction have not been paid unless the tax on the jurisdiction of destination has been paid and said cigarettes bear the tax stamps of that jurisdiction; or (ii) A consignee or purchaser in the Commonwealth of Virginia but outside the taxing jurisdiction who does not possess a Virginia Sales and Use Tax Certificate and, where applicable, any licenses issued by the Commonwealth or local jurisdiction of destination; or

(6) To reuse or refill with cigarettes any package from which cigarettes have been removed, for which the tax imposed has been theretofore paid; or

(7) To remove from any package any stamp with intent to use or cause the same to be used after same has already been used or to buy, sell, or offer for sale or give away any used, removed, altered or restored stamps to any person, or to reuse any stamp which had theretofore been used for evidence of the payment of any tax prescribed by this Article or to sell, or offer to sell, any stamp provided for herein; or

(8) To sell, offer for sale or distribute any loose or single cigarettes; or

(9) To perform any act that violates the resolutions promulgated by the Board.

(b) It shall be unlawful and a violation of the Article for any person or individual to transport, possess, store, use, authorize or approve the possession, storage or use of any cigarette in quantities of more than six cartons (sixty packages) upon which the CBRCTB tax stamp has not been affixed or upon which the jurisdictional tax has not been paid.

Section 70-381. - Establishment of the Chesapeake Bay Region Cigarette Tax Board.

(a) The ordinance adopted by the County Board of Supervisors, effective July 1, 2024, pertaining to the establishment of the Chesapeake Bay Region Cigarette Tax Board is hereby made a part of this Article by reference.

(b) Any direct conflict between the powers granted to the Board in the ordinance adopted by the County Board, effective July 1, 2024, and herein incorporated by reference and the powers granted to the Board in this Article shall be resolved in favor of this Article, however, the powers granted herein and in said ordinance shall be read cumulatively.

(c) The Board's fiscal year shall be from July 1 through June 30.

Section 70-382. - Powers of the Chesapeake Bay Region Cigarette Tax Board.

The board may delegate any of its powers to its Administrator or employees and may adopt regulations regarding the administration and enforcement of the provisions of this Article.

(a) In addition to those powers enumerated in the Ordinance of the County Board effective May 20, 2024 the Board shall be granted the following additional powers:

(1) To sue and be sued in its own name;

(2) To prescribe the design of a stamp(s) and to issue and sell said stamps to authorized dealers;

(3) To establish different classes of taxpayers;

(4) To promulgate resolutions for the assessment and collection of cigarette taxes and the enforcement of this ordinance; and

(5) To conduct inspections of any place of business in order to enforce the provisions of this ordinance and all resolutions of the Board.

(b) The Board may employ legal counsel, bring appropriate court action in its own name to enforce payment of the cigarette tax or penalties owed and file tax liens against property of taxpayers hereunder.

(c) The Board is authorized to enter into an agreement with the Virginia Department of Taxation under which a registered agent with the CBRCTB who is also qualified to purchase Virginia Revenue Stamps, may qualify to purchase Dual Virginia - CBRCTB stamps from the Virginia Department of Taxation. Authority to purchase dual Virginia - CBRCTB stamps is granted solely by the Board and may be revoked or suspended for violations of this ordinance or resolutions adopted by the Board.

(d) The Board may appoint certain employees as Tobacco Revenue Agents, who shall be required to carry proper identification while performing their duties. Tobacco Revenue Agents are further authorized to conduct inspections of any place of business and shall have the power to seize or seal any vending machines, seize any cigarettes, counterfeit stamps or other property found in violation of this Article and shall have the power of arrest upon reasonable and probable cause that a violation of this Article has been committed. The Board is authorized to provide its tobacco revenue agents with (1) firearms for their protection; (2) emergency equipped vehicles while on duty; and (3) other equipment deemed necessary and proper.

(e) The Board may exchange information relative to the sale, use, transportation, or shipment of cigarettes with an official of any other jurisdiction entrusted with the enforcement of the cigarette tax laws of said other jurisdiction.

Section 70-383. - Jeopardy assessment.

If the Administrator of the Board determines that the collection of any tax or any amount of tax required to be collected and paid under this Article will be jeopardized by delay, the Administrator shall make an assessment of the tax or amount of tax required to be collected and shall mail or issue a notice of such assessment to the taxpayer together with a demand for immediate payment of the tax or of the deficiency in tax declared to be in jeopardy including penalties and interest. In the case of a current period, for which the tax is in jeopardy, the Administrator may declare the taxable period of the taxpayer immediately terminated and shall cause notice of such finding and declaration to be mailed or issued to the taxpayer together with a demand for immediate payment of the tax based on the period declared terminated and such tax shall be immediately due and payable, whether or not the terms otherwise allowed by this Article for filing a return and paying the tax has expired.

Section 70-384. - Erroneous assessment: notices and hearings in event of sealing of vending machines or seizure of contraband property.

(a) Any person assessed by the Board with a cigarettes tax, penalties and interest or any person whose cigarettes, vending machines and other property have been sealed or seized under processes of this Article, who has been aggrieved by such assessment, seizure or sealing may file a request for a hearing before the Administrator for the Board for a correction of such assessment and the return of such property seized or sealed.

(b) Where holders of property interest in cigarettes, vending machines or other property are known at time of seizure or sealing, notice of seizure or sealing shall be sent to them by certified mail within twenty-four hours. Where such holders of property interests are unknown at time of seizure or sealing, it shall be sufficient notice to such unknown interest holders to post such notice to a door or wall of the room or building which contained such seized or sealed property. Any such notice of seizure or sealing shall include procedures for an administrative hearing for return of such property seized or sealed and an opportunity to assert affirmative defenses.

(c) Such hearing shall be requested in writing within ten days of the notice of such assessment, seizure or sealing and the hearing request shall set forth the reasons why said tax, penalties and interest, cigarettes, vending machines or other property should be returned or released. Within five days after receipt of such hearing request the Administrator shall notify the petitioner by certified mail of a date and time for the informal presentation of evidence at a hearing to be held within fifteen days of the date notification is mailed. Any such request for hearing shall be denied if the assessed tax, penalties and interest has not been paid as required or if the request is received more than ten days from first notice to the petitioner of such seizure or sealing. Within five days after the hearing, the Administrator shall notify the petitioner, by registered mail, whether his request for a correction has been granted or refused.

(d) Appropriate relief shall be given by the Administrator if he is convinced by the preponderance of the evidence that said seized cigarettes were in the possession of a person other than the petitioner without the petitioner's consent at the time said cigarettes, vending machines or other property were seized or sealed or that petitioner was authorized to possess such untaxed cigarettes. If the Administrator is satisfied that the tax was erroneously assessed, the

Administrator shall refund the amount erroneously assessed together with any interest and penalties paid thereon and shall return any cigarettes, vending machines or other property seized or sealed to the petitioner. Any petitioner who is dissatisfied with the written decision of the Board may within thirty days of the date of such decision, appeal such decision to the appropriate Court in the jurisdiction where the seizure or sealing occurred.

Section 70-385. - Disposal of seized property.

Any seized and confiscated cigarettes, vending machines or other property used in the furtherance of any illegal evasion of the tax may be disposed of by sale or other method deemed appropriate by the Board after any petitioner has exhausted all administrative appeal procedures. No credit from any sale of cigarettes, vending machines, or other property seized shall be allowed toward any tax and penalties assessed.

Section 70-386. - Extensions.

The Administrator, upon a finding of good cause may grant an extension of time to file a tax report upon written application for a period not exceeding thirty days. Except as hereinafter provided, no interest or penalty shall be charged, assessed or collected by reason of the granting of such an extension.

Section 70-387. - Penalty for violation of article.

Any person violating any of the provisions of this Article shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than $2,500.00 or imprisonment for not more than twelve months or by both such fine and imprisonment. Such fine and/or imprisonment shall not relieve any such person from the payment of any tax, penalty or interest imposed by this Article.

Section 70-388. - Each Violation a Separate Offense.

The sale of any quantity, the use, possession, storage or transportation of more than six cartons (sixty packages) of cigarettes upon which the CBRCTB tax stamp has not been affixed or the proper jurisdictional tax has not been paid shall be and constitute a separate violation. Each continuing day of violation shall be deemed to constitute a separate offense.

Section 70-389. - Severability.

If any section, phrase, or part of this Article should for any reason be held invalid by a Court of competent jurisdiction, such decision shall not affect the remainder of the Article; and every remaining section, clause, phrase or part thereof shall continue in full force and effect.

This ordinance shall be effective July 1, 2024.

This Ordinance was duly adopted this 20th of May, 2024.

<u>8.c. Ordinance 09-24 – Approving King William County's Membership In The Chesapeake Bay Region Cigarette Tax Board – Steve Hudgins, Deputy County Administrator</u>

Mr. Hudgins explained to the Board that joining the Cigarette Tax Board is the most efficient and cheapest way to way to implement the tax and provided details on the implementation process.

Chair Robinson opened the Public Hearing.

There being no speakers, Chair Robinson closed the Public Hearing.

Chair Robinson asked if anyone has spoken with the Commissioner of Revenue.

Mr. Hudgins said the Commissioner of Revenue is on board with this plan.

Supervisor Hodges made a motion to approve Ordinance 09-24. Supervisor Edwards seconded. The members of the Board of Supervisors were polled.

Supervisor, 2nd District: Benjamin J. Edwards, III	Aye
Supervisor, 3rd District: Justin Catlett – Vice Chair	Aye
Supervisor, 5th District: Mary Sue Bancroft	Aye
Supervisor, 1st District: William L. Hodges	Aye
Supervisor, 4th District: Lindsay May Robinson - Chair	Aye

ORDINANCE 09-24
APPROVING KING WILLIAM COUNTY'S MEMBERSHIP IN A JOINT ENTITY KNOWN AS THE CHESAPEAKE BAY REGION CIGARETTE TAX BOARD

WHEREAS, pursuant to the authority granted to localities under § 15.2-1300 of the Code of Virginia, 1950, as amended, the Board of Supervisors of the County of King William, Virginia has determined that membership in the Chesapeake Bay Region Cigarette Tax Board (the "Board") would serve the public interest in promoting the efficient administration, collection, accounting, disbursement, compliance monitoring and enforcement of cigarette taxes assessed by the County and the other localities desiring to join the Board; and,

WHEREAS a public hearing on this proposed Ordinance was held by the Board of Supervisors of the County of King William, Virginia on May 20, 2024, duly advertised as required by law and considered for adoption; and,

WHEREAS, the Board of Supervisors has reviewed an agreement establishing the Board and defining its powers, duties, and other procedures, the text of which is attached hereto and incorporated herein as "Exhibit A," and agrees with the terms as set forth therein; and,

WHEREAS, the Board of Supervisors of King William County, Virginia has been notified that the requisite number of localities have approved the formation of the Board and the aforementioned agreement and the Board of Supervisors wishes to authorize the County's membership therein, and authorize the execution of said agreement on the County's behalf.

NOW WHEREFORE, the Board of Supervisors of King William County hereby **ORDAINS AS FOLLOWS**:

1. Under authority of 15.2-1300, the County's membership in the Chesapeake Bay Region Cigarette Tax Board, is hereby approved; and,

2. The agreement, attached hereto as Exhibit A, is hereby APPROVED and the County Administrator is authorized to execute the same on behalf of the governing body; and,

3. The powers and authority of the Board, as set forth in the agreement are hereby APPROVED.

This Ordinance shall be effective July 1, 2024.

ADOPTED this the 20th day of May, 2024.

AGENDA ITEM 9. PRESENTATIONS
None

AGENDA ITEM 10. CITIZENS COMMENT PERIOD

Billy Robinson – 3rd District – Spoke on a letter dated March 25, 2024, he received from the Commission of Revenue requesting payment of back taxed from Catering Companies in the County for a meals tax and that business licenses should not be issued if back taxes were owed.

Dorothy Wassenberg – 4th District – Concerning the relationship with the Pamunkey Regional Library and relocating inappropriate books in Library.

Jeanette Wagner – 5th District – Spoke on concerns with the rezoning issues of Route 360, speed limit reduction on Route 360; tax issues associated with rezoning of Route 360; and the letter from Commissioner of Revenue raising taxing existing basements.

AGENDA ITEM 11. UNFINISHED BUSINESS
11.a. Resolution 24-39 – Establishing Health Insurance Plans to be offered to County Employees – Sarah Bryant, Human Resources Manager
Ms. Bryant said the plans and rates were being offered were the same as last year.

Vice Chair Catlett made a motion to approve Resolution 24-39. Supervisor Hodges seconded. All were in favor with none opposed.

RESOLUTION 24-39
ESTABLISHING THE HEALTH INSURANCE PLANS TO BE OFFERED TO KING WILLIAM COUNTY EMPLOYEES BEGINNING JULY 1, 2024 AND TO PROVIDE FOR THE COUNTY'S CONTRIBUTION THERETO AND IMPLEMENTATION BY THE COUNTY ADMINISTRATOR

WHEREAS, the County currently offers a health insurance plan to its employees as a benefit through The Local Choice Health Benefits Program offered through the Commonwealth of Virginia; and

WHEREAS, the Board has made no adjustments to the plans available beginning in FY 2025; and

WHEREAS, by adoption of the budget for FY 2025 the Board has approved funds for such purposes.

NOW, THEREFORE, BE IT RESOLVED by the King William County Board of Supervisors this 20th day of May 2024, that the health insurance plans, and contribution offered by the County to its employees beginning July 1, 2024 will be as follows:

1. The County will offer two health insurance plans to its employees:
   a. Key Advantage 250 with comprehensive dental coverage; and
   b. Key Advantage 500 with comprehensive dental coverage.

2. Employees may choose between the two plans.

3. The County's employer contribution shall be calculated as follows:

King William County FY 2023 Health Insurance Premiums – Monthly Costs			
Key Advantage 250			
	Employee	Employer	Total
Subscriber	$197.00	$788.00	$985.00
Subscriber + 1	$838.12	$983.88	$1,822.00
Family	$1,223.60	$1,436.40	$2,660.00
Key Advantage 500			
Subscriber	$80.91	$818.09	$899.00
Subscriber + 1	$515.53	$1,147.47	$1,663.00
Family	$752.37	$1,674.63	$2,427.00

4. These two plans and the contribution calculations will remain in effect until further action of this Board.

BE IT FURTHER RESOLVED that the Board of Supervisors authorizes the County Administrator to take all necessary steps to properly administer the program.

Adopted this 20th day of May 2024.

11.b. Resolution 24-40 – Approving Pay & Classification and Salary Adjustment Plan for FY'25 – Sarah Bryant, Human Resources Manager

Ms. Bryant said rates have not changed and the plan was only adjusted to accommodate changes in the Finance Department and changes to job titles, It Manager to IT Director, Human Resources Director to Human Resources Manager and Clerk Administration to Deputy Clerk Administration.

Supervisor Bancroft made a motion to approve Resolution 24-40. Supervisor Edwards seconded. All were in favor with none opposed.

RESOLUTION 24-40
APPROVING A PAY AND CLASSIFICATION AND SALARY ADJUSTMENT PLAN FOR FISCAL YEAR 2025

WHEREAS on the 14th of December 2015, the King William County Board of Supervisors adopted an updated personnel policy that directs the County Administrator to provide and annually update on the adjustments needed to the class and compensation plan each fiscal year; and

WHEREAS on the 24th of February 2020, the King William County Board of Supervisors adopted an updated Classification and Compensation Plan and anticipated salary adjustments for implementation in the Fiscal Year 2021 budget; and

WHEREAS on the 22nd of August 2022, the King William County Board of Supervisors adopted an updated Classification and Compensation Plan and anticipated salary adjustments for implementation in the Fiscal Year 2024 budget; and

WHEREAS, the Classification and Compensation Plan update was initiated to address the County's pay structure, market competitiveness and internal equity within the Fiscal Year 2025 budget preparation; and

WHEREAS, the Board has been presented with an updated class and compensation plan for FY 2025 that meets the needs of the personnel compliment of the County;

NOW, THEREFORE, BE IT RESOLVED by the King William County Board of Supervisors this 20th day of May, 2024, that the FY 2025 Pay Plan showing the pay grades and pay ranges in the county pay system is approved; and that the County Administrator is authorized to implement the Plan of Adjustment in substantially the form as presented to this Board.

DONE this 20th day of May, 2024.

11.c. Resolution 24-43 – Adopting 2025-2029 Capital Improvements Plan as a Long-Range Planning Document – Steve Hudgins, Deputy County Administrator

Mr. Hudgins presented the FY-2025-2029 Capital Improvement Plan (CIP) for the next 5 years. This is only for planning purposes and no changes have been made to the plan since previously discussed.

Vice Chair Catlett made a motion to approve Resolution 24-40. Supervisor Bancroft seconded. All were in favor with none opposed.

RESOLUTION 24-43
ADOPTING THE FISCAL YEAR 2025-2029 CAPITAL IMPROVEMENT PLAN AS A LONG-RANGE PLANNING DOCUMENT FOR KING WILLIAM COUNTY, VIRGINIA

WHEREAS in consideration of information received from the departments and agencies of the County and direction from the Board of Supervisors, the County Administrator has developed a Fiscal Year 2025-2029 Capital Improvement Plan; and

WHEREAS the Capital Improvement Plan serves as a long-range planning document, subject each year to review and approval of funding by the King William County Board of Supervisors; and

WHEREAS such review has been completed for the Fiscal Year 2025-2029 Capital Improvement Plan;

NOW, THEREFORE, BE IT RESOLVED by the King William County Board of Supervisors that there is hereby adopted for planning purposes only (except for those projects specifically approved and funded in the FY 2025 budget and appropriation process), the County Administrator's Fiscal Year 2025-2029 Capital Improvement Plan as presented to the Board and attached below.

Adopted this 20th day of May 2024.

11.d. Resolution 24-41 – Adopting he FY'25 Budget – Percy C. Ashcraft, County Administrator

Supervisor Hodges presented a proposal to reallocate $150,000 in unused funds from the West Point Library renovation to give $45,000 to the library to keep the current hours, $65,000 to West Point Fire Department, and $40,000 to Mangohick Fire Department.

Mr. Ashcraft presented the final revisions to the budget [Attachment A] to the Board.

Mr. Shepley from Pamunkey Regional Library presented the plan for flat funding that would have a reduction of 13 hours at each branch for 52 weeks a year. The plan would have to be approved by the library board.

Vice Chair Catlett made a motion to approve Resolution 24-41 as presented. Supervisor Edwards seconded. The members were polled:

Supervisor, 2nd District: Benjamin J. Edwards, III	Aye
Supervisor, 3rd District: Justin Catlett – Vice Chair	Aye
Supervisor, 5th District: Mary Sue Bancroft	Aye
Supervisor, 1st District: William L. Hodges	Nay
Supervisor, 4th District: Lindsay May Robinson - Chair	Aye

RESOLUTION 24-41
APPROVING THE FISCAL YEAR BUDGET BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026 FOR KING WILLIAM COUNTY, VIRGINIA

WHEREAS Section 15.2-2503 of the 1950 Code of Virginia, as amended, provides that the governing body of the County shall prepare and approve an annual budget; and

WHEREAS the County Administrator has submitted to the King William County Board of Supervisors a proposed annual budget for the County for the fiscal year beginning July 1, 2025 and ending June 30, 2026, as required by 15.2-1541; and

WHEREAS the recommendation of the County Administrator regarding the educational budget submitted by the King William County School Board for FY 2025 contains estimated availability of funding from the Federal government in the amount of $430,789; from the state government in the amount of $3,576,897; from current local appropriations in the amount of $11,131,323 for operations and $1,717,487 for debt service; and from other revenue in the amount of $703,677; from school reserve fund in the amount of $1,717,487; and

WHEREAS the Board has reviewed citizen comments, analyzed, deliberated, and made necessary revisions to create a budget;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of King William County, Virginia, this 20th day of May, 2024, that there is hereby approved for informative and fiscal planning purposes only, the annual budget for FY 2025 as submitted and as amended by the Board briefly summarized below:

Expenditures & Other Uses of Funds			
General Fund:			
	General Government	3,159,551	
	Judicial Administration	864,616	
	Public Safety	8,523,375	
	Public Works	2,333,482	
	Health & Welfare	293,047	
	Parks & Recreation Administration	863,370	
	Community Development	1,213,343	
	Non-Departmental/Other	674,607	
	Contingency	10,000	
	Education	12,732,206	
	Transfer to West Point and Other	1,090,358	
	Capital/Debt Service	3,368,077	
Total General Fund:			$ 35,126,032

Special Reserve Funds		$ 4,606,162
Capital Projects Fund:		$ 2,769,811
Debt Service Fund:	KWC	$ 1,726,831
	KWCPS	$ 1,641,245
Proprietary Fund:		$ 1,667,938
School Operating Fund:		$ 34,456,907
	Less County Support/General Fund	$-14,373,452
	* Less Funding from Restricted Split Levy	$ -822,863
		$31,672,579

**Restricted Split Levy Funding source to be utilized for KWCPS requested salary increases.*

School Cafeteria Fund:	$ 1,253,481
School Reserve Fund:	$ 1,717,487
School Textbook Fund:	$ 812,149
School Capital Projects Fund:	$ 1,967,487
School Health Self-Insurance Fund:	$ 1,193,462
School Regional Alternative Education Fund:	$ 996,603
School Adult Education Fund:	$ 384,500
	$ 8,325,169

DONE this 20th day of May, 2024.

11.e. Resolution 24-42 - Appropriating Funds for FY'25 Budget – Dave Wilson, Finance Director

David Wilson presented the appropriating for the budget expenditure for the budget keeping in target with the budget of last year and recommended to the Board to accept it.

Supervisor Bancroft made a motion to approve Resolution 24-42. Vice Chair Catlett seconded. Four members were in favor with one opposed.

The vote on the foregoing was as follows:

Supervisor, 1st District: William L. Hodges	Nay
Supervisor, 2nd District: Benjamin J. Edwards, III	Aye
Supervisor, 3rd District: Justin Catlett – Vice Chair	Aye
Supervisor, 5th District: Mary Sue Bancroft	Aye
Supervisor, 4th District: Lindsay May Robinson – Chair	Aye

RESOLUTION 24-42
APPROPRIATING FUNDS FOR THE FISCAL YEAR BUDGET BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025 FOR KING WILLIAM COUNTY, VIRGINIA

WHEREAS the Board of Supervisors of King William County, Virginia, has heretofore prepared and, on May 20, 2024, adopted a budget for informative and fiscal planning purposes for the fiscal year beginning July 1, 2024; and

WHEREAS it is now necessary to appropriate sufficient funds for the contemplated expenditures contained in the Budget and to set forth the Board's desired administration of those funds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of King William County, Virginia, this 20th day of May 2024:

SECTION 1. GENERAL FUND. That the amounts herein named aggregating $35,126,032 are hereby appropriated in the General Fund for the following functions subject to the conditions hereinafter set forth in this Resolution for the fiscal year (FY) beginning July 1, 2024 and ending June 30, 2025, as follows:

Expenditures & Other Uses of Funds			
General Fund:			
	General Government	3,159,551	
	Judicial Administration	864,616	
	Public Safety	8,523,375	
	Public Works	2,333,482	
	Health & Welfare	293,047	
	Parks, Recreation & Cultural	863,370	
	Community Development	1,213,343	
	Non-Departmental	674,607	
	Contingency	10,000	
	Education	12,732,206	
	Transfer to West Point and Other	1,090,358	
	Capital/Debt Service	3,368,077	
Total General Fund:			$ 35,126,032

SECTION 2. SCHOOL OPERATING FUND. That a local appropriation to the School Operating Fund in the amount of $11,909,343 from the County and $822,603 from split levy funds for operations and $1,641,246 for debt service; is hereby made for the fiscal year beginning July 1, 2024 and ending June 30, 2025, subject to and contingent upon the availability of funding from the Federal Government in the amount of $1,266, 730 and from the Commonwealth in the amount of $16,764,998, from other revenues in the amount of $18,240,178, and from other revenues in the amount of $613,400. All of such appropriations are subject to the conditions hereinafter set forth in this Resolution.

SECTION 3. SCHOOL RESERVE FUND. That an appropriation to the School Reserve Fund in the amount of $1,717,487 for capital projects in fund 315 is hereby made for the fiscal year beginning July 1, 2024 and ending June 30, 2025, subject to and contingent upon the availability of funding from the school fund balance. Such appropriation is subject to the conditions hereinafter set forth in this Resolution.

SECTION 4. SCHOOL CAFETERIA FUND. That an appropriation to the School Cafeteria Fund in the amount of $1,253,481 is hereby made, subject to and contingent upon the availability of funding from the Federal government in the amount of $500,000 and from the Commonwealth in the amount of $9,000, USDA funding in the amount of $75,000, and from charges for services in the amount of $669,481. Such appropriation is subject to the conditions hereinafter set forth in this Resolution.

SECTION 5. SCHOOL TEXTBOOK FUND. That an appropriation to the School Textbook Fund in the amount of $812,149 is hereby made, subject to and contingent upon the availability of funding from the Commonwealth in the amount of $221,715, and from prior year Textbook Fund reserves in the amount of $590,434 for the fiscal year beginning July 1, 2024 and ending June 30, 2025. Such appropriation is subject to the conditions hereinafter set forth in this Resolution.

SECTION 6. SCHOOL HEALTH SELF-INSURANCE FUND. That an appropriation to the School Health Self-Insurance Fund in the amount $1,193,462 is hereby made for the fiscal year beginning July 1, 2024 and ending June 30, 2025 subject to and contingent upon the availability of funding from the Interest on Bank Deposits of $30,000 carry-over funds of $1,163,462. Such appropriation is subject to the conditions hereinafter set forth in this Resolution.

SECTION 7. SCHOOL REGIONAL ALTERNATIVE EDUCATION FUND. That an appropriation to the School Regional Alternative Education Fund in the amount of $996,603 is hereby made for the fiscal year beginning July 1, 2024 and ending June 30, 2025, subject to and contingent upon the availability of funding from the Commonwealth. Such appropriation is subject to the conditions hereinafter set forth in this Resolution.

SECTION 8. SCHOOL ADULT EDUCATION FUND. That an appropriation to the School Adult Education Fund in the amount of $384,500 is hereby made for the fiscal year beginning July 1, 2024 and ending June 30, 2025, subject to and contingent upon the availability of funding from the Federal government in the amount of $210,000, from the Commonwealth in the amount of $110,000, $25,000 in carry-over funds and from payments from another locality in the amount of $39,000. Such appropriation is subject to the conditions hereinafter set forth in this Resolution.

SECTION 9. SPECIAL REVENUE FUNDS. That the amounts hereinafter named aggregating $4,606,162 or so much thereof as may be necessary, are hereby appropriated to the various Special Revenue Funds subject to the conditions hereinafter set forth in this Resolution, and subject to and contingent upon the availability of funding from the sources hereinafter shown for each fund, for the fiscal year beginning July 1, 2023 and ending June 30, 2024, as follows:

Special Revenue Funds:				
	Virginia Public Assistance Fund:		Funds	Appropriation
		State Support & Federal Support	$ 1,067,512	
		Local Support (Transfer from General Fund)	$ 369,085	
				$ 1,436,597
	Regional Animal Shelter Fund:			
		Charges for Services	$ 5,800	
		Donations	$ 36,750	
		Recovered Cost (King & Queen Co./Rest)	$ 216,173	
		State Support	$ 600	
		Local Support (Transfer from General Fund)	$ 219,272	
				$ 478,595
	Asset Forfeiture Funds:			
		State Support	$ 6,000	
				$ 6,000
	Four-For-Life Funds:			
		State Support	$ 19,602	
				$ 19,602
	Fire Program Funds:			
		State Support	$ 42,000	
				$ 42,000
	Victim Witness Fund:			
		Recovered Cost (King & Queen County)	$ 12,097	
		State Support	$ 98,815	
		Local Support (Transfer from General Fund)	$ 12,097	
				$ 123,009

Special Revenue Funds (Cont'd)				
	EMS Revenue Recovery Fund:			
		Recovered Costs (Insurance Claims & Private Pay)	$ 325,000	
		Use of Fund Balance	$ 139,679	
				$ 464,679
	VJCCCA			
		Recovered Cost (Electronic Monitoring Fees)	$ 45,738	
		Other Localilties Support	$ 48,400	
		(Charles City, Middlesex, K&Q, & New Kent)		
		State Support	$ 40,014	
		Local Support (Transfer from General Fund)	$ 18,850	
		Use of Fund Balance	$ 78,001	
				$ 231,003
	Proffers Fund			
		Cash Proffers	$ 200,000	
		Use of Fund Balance	$ 364,164	
				$ 564,164
	Comprehensive Services Act Fund:			
		Charges for Services	$ 1,000	
		State Support	$ 751,509	
		Local Support (Transfer from General Fund)	$ 471,054	
		Total CSA Fund:		$ 1,223,563
	Project Lifesaver Fund:			
		Local Support (Donations)	$ 5,500	
		Total Lifesaver Fund		$ 5,500
	DARE Fund:			
		Local Support (Donations)	$ 750	
		Total DARE Fund		$ 750
	Sheriff's Donation Fund			
		Local Support (Donations)	$ 700	
		Total Sheriff's Donation Fund		$ 700
	Employee Recognition Fund			
		Rebate from BOA per State Contract	$ 10,000	
		Total Employee Recognition Fund:		$ 10,000
	Total Special Revenue Funds:			$ 4,606,162

SECTION 10. CAPITAL PROJECTS FUND. That the amounts herein named aggregating $2,769,811 or so much thereof as may be necessary, are hereby appropriated to the Capital Project Fund subject to the conditions hereinafter set forth in this Resolution and subject to and contingent upon availability of funding from the sources shown, in the approved Capital Improvements Plan (CIP) for the fiscal year beginning July 1, 2024 and ending June 30, 2025, as follows:

Capital Projects Funds:				
	Capital Improvements Plan (CIP):		Funds	Appropriation
		Transfer from Unassigned Fund	$	
		Debt Service/Capital Financing	$	
		Capital Fund 310 Roll Forward	$ 1,959116	
		Proffers Fund	$	
		ARPA	$	
		Due from King &Queen -RAS share	$	
		Departmental Reserve Funds	$	
		Total Capital Projects Funds:		$ 1,959,116

SECTION 11. DEBT SERVICE FUND. That the amounts herein named aggregating $3,368,077 or so much thereof as may be necessary, are hereby appropriated to the Debt Service Fund subject to the conditions hereinafter set forth in this Resolution for the purposes hereinafter mentioned for the fiscal year beginning July 1, 2024 and ending June 30, 2025, as follows:

		Funds	Appropriation
Debt Service Funds			
	General Government Debt Transfer from General	$ 1,532,313	
	Transfer from EMS Recovery Fund	$ 145,354	
	Transfer from Proffers Fund	$ 49,164	
	School Debt Transfer from the School Tax District	$ 1,641,246	
	Total Debt Service Funds		$ 3,368,077

SECTION 12. PROPRIETARY FUNDS. That the amounts herein named aggregating $1,667,938 or so much thereof as may be necessary, are hereby appropriated to the Proprietary Funds subject to the conditions hereinafter set forth in this Resolution for the purposes hereinafter mentioned for the fiscal year beginning July 1, 2024 and ending June 30, 2025, as follows:

Proprietary Funds:			Funds	Appropriation
	Water Utility Fund:			
		Charges for Services	$ 683,463	
		Prior Year Reserves	$ 150,000	
		Total Water Utility Fund:		$ 833,464
	Sewer Utility Fund:			
		Charges for Services	$ 543,179	
		Prior Year Reserves	$	
		Total Sewer Utility Fund:		$ 543,179
	Parks & Recreation Program Fund:			
		Charges for Services	$ 276,295	
		Prior Year Reserves	$ 15,000	
		Total Parks & Recreation Program Fund:		$ 291,295
Total Proprietary Funds:				$ 1,667,938

SECTION 13. That monies are hereby appropriated for the fiscal year 2025 in the various funds for the purpose of liquidating encumbered purchase transactions and for continuing capital and special projects as of June 30, 2025, not to exceed the applicable fund balance/net assets/net position as recorded in the County's audited accounting records. The County Administrator shall advise the Board of Supervisors in writing of the allocation of all such appropriations.

SECTION 14. That additional funds received for the following items are hereby appropriated for the purposes and to the programs for which received:

(A) Insurance recoveries and other payments received for damage to County vehicles or property;

(B) Refunds or reimbursements made to the County for which the County has expended funds directly related to that refund or reimbursement;

(C) Contributions and donations received for specific programs or purposes.

SECTION 15. That all of the monies appropriated as shown by the items contained in Section 1 through Section 14 are appropriated upon the following terms, conditions and provisions:

(A) All appropriations are declared to be maximum, conditional, and proportionate appropriations, the purpose being to make the appropriations payable in full in the amounts named herein only in the event the revenues collected from the anticipated non-local sources are sufficient to pay the appropriations in full; otherwise, said appropriation shall be deemed to be payable only in an amount equal to actual non-local revenue received. The County Administrator is authorized to make transfers to the various funds for which there are transfers budgeted. The County Administrator shall transfer funds only as needed up to the amounts budgeted, or in accordance with any existing bond resolutions that specify the manner in which transfers are to be made.

(B) No department, agency, or individual receiving an allocation of the appropriations made by this Resolution shall exceed the amount of such allocation except with the prior consent and approval of the Board of Supervisors or, as set forth in paragraph (D) of this Section 15, the County Administrator where so authorized.

(C) Nothing in this Resolution shall be construed as authorizing any reduction to be made in the amount appropriated in this Resolution for the payment of interest on or the retirement of any debt of King William County, including debt incurred for school purposes.

(D) The County Administrator is authorized to redistribute appropriations within, but not between, the several funds under the control of the Board of Supervisors as may be necessary to best meet the needs and interests of King William County, except that transfers of funds from payroll items to non-payroll items or vice versa and transfers of capital projects funds between individual projects as set forth in the approved Capital Improvements Program may only be made by the Board of Supervisors.

(E) Annual appropriated contributions to non-governmental entities in excess of $25,000 shall be disbursed on a quarterly basis in July, October, January, and April with the amount disbursed not to exceed one-quarter of the total appropriation unless otherwise agreed by the Board.

(F) The County Treasurer, upon receipt of a written order from the County Administrator, is authorized to advance monies between the several County Funds under their custody provided; however, that the total advanced to any particular fund, plus the amount of monies disbursed from that fund, does not exceed the annual appropriation for said fund.

(G) To the extent such authorization is required, the County School Board is authorized to create such additional funds as it may deem necessary to account for its operations and to transfer the monies appropriated by this resolution for school purposes to such additional funds. Any such transfers shall not affect the status of such monies at year end or the reversion thereof as otherwise provided by law.

(H) No funds appropriated to the King William County Economic Development Authority within the Capital Improvement Plan for fiscal year 2022 or prior years shall be disbursed without prior authorization of this Board.

SECTION 16. That the County Administrator and specific employees designated by him in writing are hereby authorized as signers of drafts on the Petty Cash account available to allow emergency/immediate expenditures, not to exceed $5,000, necessary in daily County operations.

SECTION 17. That, in accordance with the provisions of Senate Bill 488 which was adopted by the General Assembly of the Commonwealth of Virginia during the 2014 regular session and signed by the Governor of Virginia which created a special school tax district and established the taxing and appropriation authority of the King William County Board of Supervisors with respect to such special tax district and the county school division, the Board of Supervisors hereby designates the following local sources and amounts for the support of county school division operations and debt for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Special School Tax District Property Tax Levies	$	10,269,436
Use of Restricted Split Levy*	$	822,863

**Restricted Split Levy Funding to be utilized for KWCPS salary increases*.

County Share of Local 1% Sales Tax	$	1,800,000
Business License Taxes	$	473,053
Motor Vehicle License Tax	$	460,000
Food & Beverage Tax	$	548,100
Total School Appropriation*	$	14,373,452

**Includes funds designated for debt service and operational activities.*

Less Debt Service Payments	$	-1,641,246
Total Appropriation for Transfers to KWCPS	**$**	**12,732,206**

The designation of these specific revenue sources for FY 2025 shall in no way restrict the Board of Supervisors in future appropriations. The appropriation of prior year funds to the King William School Division derived from property taxes in the special tax district is not a part of the current year appropriation unless an amount from such source is specifically shown in the above listing. Should total receipts from the sources listed in this section exceed the amount estimated above, the excess shall be deemed property tax receipts. Such revenues shall be retained as fund balance for the special tax district and will be available for future appropriation by the Board of Supervisors for school operation or capital purposes. Should total receipts from the sources listed in this section be less than the amount estimated above, the Board will appropriate additional funds from sources designated in a future resolution as necessary to cover any gap in local funding. The appropriation of state or federal revenue is not addressed, as such revenues are not local revenues covered by Senate Bill 488.

SECTION 18. That, notwithstanding any other provision of this Resolution, the County Administrator is authorized to allocate the monies set aside in the approved FY 2025 budget and appropriated in the General Fund for employee pay adjustments to those departments, agencies, functions, or funds as necessary to carry out the plan of adjustment presented to this Board.

SECTION 19. That all resolutions and parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

DONE this 20th day of May, 2024.

AGENDA ITEM 12. NEW BUSINESS
~~**12.a. Discussion of the Chesapeake Bay Preservation Act Ordinance – Sherry Graham, Director of Planning**~~

AGENDA ITEM 13. ADMINISTRATIVE MATTERS FROM COUNTY ADMINISTRATOR
13.a. Administration Report - Percy C. Ashcraft, County Administrator
13.b. Department/Agency Reports
Mr. Ashcraft highlighted meetings and special events in May and provided an update on projects in the County and directed the board to the reports provided in the agenda packet.

AGENDA ITEM 14. BOARD OF SUPERVISORS' REQUESTS AND COMMENTS
Supervisor Bancroft thanked Treasurer Abbi Carlton, for her efforts to collect tax payments and thanked everyone for coming to the meeting.

Vice Chair Catlett thanked everyone for coming to the meeting and thanked the Sheriff and Deputies for their service in honor of National Police Week – May 12-18, 2024.

Supervisor Edwards thanked everyone who came out and said he is organizing a community forum in District 2 in the coming weeks.

Supervisor Hodges thanked everyone for coming to the meeting and said he voted against the budget because he votes as he feels.

Chair Robinson congratulated the King William High School graduates 2024 and thanked the Finance Department for their on the budget.

AGENDA ITEM 15. CLOSED MEETING
15.a. Motion to Convene Closed Meeting
Not Needed.

15.b. Motion to Reconvene in Open Session
Not Needed

15.c. Certification of Closed Meeting
Not Needed.
15.d. Action on Closed Meeting (if necessary)
Not Needed

AGENDA ITEM 16. APPOINTMENTS (if any)
Not Needed.

AGENDA ITEM 17. ADJOURN OR RECESS
Supervisor Bancroft made a motion to adjourn; seconded by Supervisor Hodges. All were in favor with none opposed.

COPY TESTE:

Lindsay M. Robinson, Chair
Board of Supervisors

Percy C. Ashcraft
Clerk to the Board of Supervisors