

COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
December 9, 2014

The Henrico County Board of Supervisors convened a special meeting on Tuesday, December 9, 2014, at 5:30 p.m., in the County Manager's Conference Room, Administration Building, Henrico County Government Center, Parham and Hungary Spring Roads, Henrico, Virginia.

Members of the Board Present:

Patricia S. O'Bannon, Chairman, Tuckahoe District
Frank J. Thornton, Vice Chairman, Fairfield District
Richard W. Glover, Brookland District
David A. Kaechele, Three Chopt District
Tyrone E. Nelson, Varina District

Other Officials Present:

John A. Vithoukas, County Manager
Joseph P. Rapisarda, Jr., County Attorney
Barry R. Lawrence, CMC, Assistant to the County Manager/Clerk to the Board
Tanya B. Harding, Deputy Clerk to the Board/Administrative Assistant
Jane D. Crawley, Deputy County Manager for Community Services
Timothy A. Foster, P.E., Deputy County Manager for Community Operations
Randall R. Silber, Deputy County Manager for Community Development
C. Michael Schnurman, Legislative Liaison
Tamra R. McKinney, Director of Public Relations & Media Services

Mrs. O'Bannon called the meeting to order at 5:31 p.m.

Mr. Vithoukas advised that Mr. Kaechele and Mr. Nelson were en route to the meeting and would be arriving shortly. (*Mr. Kaechele arrived at 5:41 p.m. and Mr. Nelson arrived at 5:58 p.m.*)

Update on Future Bond Issues

Mr. Vithoukas noted there were two resolutions on the Board's 7:00 p.m. meeting agenda related to this update that would authorize the issuance of bonds. Gene Walter, Director of Finance, clarified for Mrs. O'Bannon that the cost of replacing the County's 800 MHz public safety radio system, which will be financed with one of these bond issues, is estimated at \$62 to \$72 million although only \$39.1 in lease revenue bonds will need to be issued for this project. Mr. Walter recognized the following members of the group that works with him on bond issues: Brandon Hinton, Budget and Management Division Director; Ned Smither, Accounting Division Director;

and Jay Conrad, Senior Vice President for BB&T Capital Markets and the County's financial advisor.

Mr. Walter narrated a slide presentation on this item. He began by explaining the two papers on the 7:00 p.m. agenda and the financing of the radio communications system that one of these papers would be address. Mr. Walter also elaborated on the Economic Development Authority (EDA) lease revenue bonds the EDA will issue to finance the acquisition and installation of this system. He responded to questions from the Board regarding the sale and tax status of these bonds.

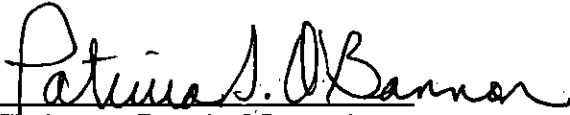
Mr. Walter continued his update by offering a recent history of the County's lease revenue bond issues and bond refundings. He, Mr. Vithoukas, and Mr. Conrad responded to questions from the Board pertaining to \$29 million in present value savings achieved by the County since February 2009 through the refunding of water and sewer, general obligation, and lease revenue bonds. Mr. Walter then explained the resolution that would be before the Board at the 7:00 p.m. meeting to authorize the refund of as much as \$75 million in existing bonds. He noted how the market will be monitored to maximize savings to the County and what the County expects to achieve through the bond refunding in terms of gross debt service savings and true interest costs. Mr. Walter, Mr. Vithoukas, and Mr. Conrad responded to questions from Mr. Kaechele relating to the magnitude of these savings. At Mr. Vithoukas' request, Mr. Walter reviewed graphs depicting annual trends since Fiscal Year 2008 in the County's gross bonded debt and in its debt service as a percentage of general fund expenditures, debt per capita, and gross debt as a percentage of assessed value.

Following his slide presentation, Mr. Walter and Mr. Hinton clarified for Mr. Glover that approximately two-thirds of the County's debt service is attributable to school projects and the remaining one-third pertains to general government projects. Mr. Vithoukas advised that staff will provide the Board with a breakdown of the County's total annual per pupil costs and expenditures, including debt service. Mr. Walter confirmed for Mr. Thornton that the County's triple-A bond rating has helped tremendously in minimizing the cost of debt to the County.

Regular Meeting Agenda Items

Mr. Vithoukas reviewed the agenda for the 7:00 p.m. regular meeting. He noted several Board members would be making comments and there would be a presentation to the Henrico Christmas Mother during the Manager's Comments portion of the meeting. Mr. Vithoukas pointed out Bickford Senior Living had requested a 60-day deferral for its rezoning request that proposes an assisted living facility on Ridgefield Green Drive in the Tuckahoe District. Mrs. O'Bannon suggested this case be moved up on the agenda ahead of the other rezoning cases and provisional use permits. Mr. Vithoukas also mentioned that the Board paper to amend the annual fiscal plan included transfers from the Education Meals Tax Project Reserve to specific capital projects.

There being no further business, the meeting was adjourned at 6:12 p.m.


Chairman, Board of Supervisors
Henrico County, Virginia