

Stafford County
Board of Supervisors Meeting
Agenda Item Report
Meeting Date: April 2, 2019
PUBLIC HEARINGS

Subject:

FINANCE AND BUDGET; CONSIDER CALENDAR YEAR 2019 TAXES; AND THE LYNHAVEN LANE SERVICE DISTRICT TAX RATE
 Proposed Resolution R19-71 (CY2019 Tax Rates - Real Estate \$1.03/\$100)
 Proposed Resolution R19-90 (Lynhaven Lane Service District Tax Rate - \$.20)

BACKGROUND SUMMARY: Considers CY2019 taxes and the Lynhaven Lane Service District Tax Rate

Recommended Action:

Staff recommends the Board take action at the April 16, 2019 meeting at 7:00 p.m., to coincide with consideration and adoption of the FY2020 County Budget. At that meeting, the Board will be asked to consider:

- CY2019 Tax Rates; and
- Establishing the Lynhaven Lane Service District Tax Rate.

Committee/Commission Recommendation:

N/A

Strategic Plan:

Fiscal Impact:

FY2020 Budget

District:

Lynhaven
Lane/Rock Hill
District.

Overview:

The Board is holding the public hearing for the proposed Calendar Year 2019 (CY2019) tax rates and to establish the Lynhaven Lane Service District tax rate.

Discussion/Analysis:

1. Calendar Year 2019 Tax Rates (Proposed Resolution R19-71) The public hearing to consider the CY2019 Tax Rates is April 2, 2019 at the 7:00 p.m. Board of Supervisor's meeting at Brooke Point High School. The tax rates set for CY2019 will affect the June 2019 tax collection. In the attached memorandum (Attachment 9), the Commissioner of the Revenue and the Treasurer request the CY2019

tax rates set on or before April 16, 2019. Once the tax rate is set, the Commissioner of the Revenue and the Treasurer require several weeks to prepare the tax bills. Historically, tax bills are mailed on or before May 5th. The following explains proposed changes in the CY2019 tax rate schedule:

The CY2018 real estate tax rate, which is reflected in the proposed FY2020 Budget, is \$0.99. At the March 19, 2019 Board meeting, the Board approved advertising the real estate tax rate at \$1.03. The Board may choose to set the real estate tax rate at this level or below; however, the Board may not approve a rate over \$1.03.

At the March 5, 2019 Board meeting, the Board approved Resolution R19-59 to modify terms for funding the Lake Carroll Service District dam renovations. The Board approved the additional loan of \$237,500 along with modifications to the terms of repayment from a 20-year repayment period to a 30-year repayment period. The interest rate will remain at 0%. The current tax rate for Lake Carroll Service District is \$0.144 and the Board authorized the advertisement of an increased tax rate at \$0.27 to account for the change in terms.

In 2018 and 2019, the Board established separate tax classifications for (1) Merchants' capital of distribution centers that have warehouses over 100,000 square feet and (2) Computer equipment and peripherals used in data centers. The CY2019 tax rate schedule proposes to lower the rates for these classification to \$0.0001, effectively reducing revenue collection to \$0, which is also reflected in the proposed FY2020 Budget.

There are no other proposed changes to the tax rates.

2. Lynhaven Lane Service District Establish Tax Rate (Proposed Resolution R19-90)

The Board created the Lynhaven Lane Service District on August 21, 2018, pursuant to Ordinance O18-33, with the purpose to raise funds and use said funds to complete required improvements to Lynhaven Lane to allow acceptance into the Secondary System of State Highways for maintenance. A tax rate must be established for Lynhaven Lane Service District. Proposed Resolution R19-90 would establish the tax rate at \$0.20.

Attachments:

1. Attachment 1 R19-71 Tax Rates
2. Attachment 2 R19-90 Lynhaven Lane Service District

Summary/Conclusion:

No action is recommended at this time. The Board should consider taking action at the April 16, 2019 meeting at 7:00 p.m., to coincide with consideration and adoption of the FY2020 County Budget.



Reviewed By:

Rysheda M. McClendon, County Attorney (Legal Review Only)
Thomas C. Foley, County Administrator

PROPOSED

BOARD OF SUPERVISORS
COUNTY OF STAFFORD
STAFFORD, VIRGINIA

RESOLUTION

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, George L. Gordon, Jr., Government Center, Stafford, Virginia, on the 16th day of April, 2019:

MEMBERS:

- Gary Snellings, Chairman
- L. Mark Dudenhefer, Vice Chairman
- Meg Bohmke
- Jack R. Cavalier
- Thomas C. Coen
- Wendy E. Maurer
- Cindy C. Shelton

VOTE:

On motion of , seconded by , which carried by a vote of to , the following was adopted:

A RESOLUTION TO ESTABLISH THE CALENDAR YEAR 2019
TAX RATES

WHEREAS, the Virginia Code requires that the Board establish an annual levy of certain taxes for each calendar year; and

WHEREAS, a public hearing on the proposed calendar year 2019 tax rates was held on April 2, 2019, at 7:00 P.M., at Brooke Point High School, located at 1700 Courthouse Road, Stafford, Virginia; and

WHEREAS, the Commissioner of the Revenue and the Treasurer require the timely establishment of tax levies to allow time for tax bills to be processed and received by citizens; and

WHEREAS, the Board carefully considered the recommendation of staff, and the public testimony, if any, received at the public hearing;

NOW, THEREFORE, BE IT RESOLVED by the Stafford County Board of Supervisors on this the 16th day of April, 2019, that the following tax rates be and they hereby are established for the calendar year beginning January 1, 2019:

<u>Classification</u>	<u>Rate Per One Hundred Dollars of Assessed Valuation</u>
Real estate (Section 58.1-3200, Code of Virginia (1950), as amended.)	.99 1.03
Tangible personal property (Section 58.1-3500, Code of Virginia (1950), as amended.) Includes all other classifications of personal property not specifically enumerated.	6.46
Boats or watercraft (Section 58.1-3506(A)(1.a), (1.b), (12), (28), (29), Code of Virginia (1950), as amended.)	.0001
Motor vehicles specially equipped for the disabled (Section 58.1-3506(A)(14), Code of Virginia (1950), as amended.)	.10
Personal property—Fire & Rescue volunteers (Section 58.1-3506(A)(15), (16), Code of Virginia (1950), as amended.)	.0001
Camping trailers and recreational vehicles (Section 58.1-3506(A) (18), (30), Code of Virginia (1950), as amended.)	5.49
One motor vehicle owned and regularly used by a veteran who has either lost, or lost the use of, one or both legs, or an arm or a hand, or who is blind or who is permanently and totally disabled as certified by the Department of Veterans Services. In order to qualify, the veteran shall provide a written statement to the commissioner of the revenue from the Department of Veterans Services that the veteran has been so designated or classified by the Department of Veterans Services as to meet the requirements of this section, and that his disability is service-connected. For purposes of this section, a disabled veteran is blind if he meets the provisions of § 46.2-100 (Section 58.1-3506(A)(19), Code of Virginia (1950), as amended.)	.0001
Motor carrier transportation involved in interstate commerce (Section 58.1-3506(A)(25), Code of Virginia (1950), as amended.)	.0001
All tangible personal property employed in a trade or business other than that described in Virginia Code §§ 58.1-3503(A)(1) through (A)(18), except for subdivision (A)(17) (Section 58.1-3506(A)(26), Code of Virginia (1950), as amended.)	5.49

<u>Classification</u>	<u>Rate Per One Hundred Dollars of Assessed Valuation</u>
Programmable computer equipment and peripherals employed in a trade or business (Section 58.1-3506(A)(27), Code of Virginia (1950), as amended.)	5.49
Personal property—Sheriff's Deputy volunteers (Section 58.1-3506(A)(32), Code of Virginia (1950), as amended.)	.0001
Machinery and tools (Section 58.1-3507, Code of Virginia (1950), as amended.)	.0001
Merchants' capital (Section 58.1-3509, Code of Virginia (1950), as amended.) Includes all other classifications of Merchants' capital not specifically enumerated.	.50
Merchants' capital of distribution centers that have warehouses over 100,000 square feet (Section 58.1-3510.01, Code of Virginia (1950), as amended.)	.50 <u>.0001</u>
Merchants' capital of pharmaceutical wholesalers (Section 58.1-3510.01, Code of Virginia (1950), as amended.)	.0001
Computer equipment and peripherals used in a data center (Section 58.1-3506(A)(43), Code of Virginia (1950), as amended.)	5.49 <u>.0001</u>
Mobile homes (Section 58.1-3506(A)(10), Code of Virginia (1950), as amended.)	.99
Aircrafts (Section 58.1-3506(A)(2), (3), (4), (5), Code of Virginia (1950), as amended.)	.0001
Garrisonville Road Service District (Section 15.2-2403(6), Code of Virginia (1950), as amended.)	.082
Warrenton Road Service District (Section 15.2-2403(6), Code of Virginia (1950), as amended.)	.000

Lake Carroll Service District (Section 15.2-2403(6), Code of Virginia (1950), as amended.)	0.144 <u>0.27</u>
Lake Arrowhead Service District (Section 15.2-2403(6), Code of Virginia (1950), as amended.)	0.10
Hidden Lake Service District (Section 15.2-2403(6), Code of Virginia (1950), as amended.)	.368
Hartlake Special Service District (Section 15.2-2403(6), Code of Virginia (1950), as amended.)	.00
Countywide Fire and Emergency Medical Services Tax District (Section 27-23.1, Code of Virginia (1950), as amended.)	.00

* The tax rate for personal property is based on the assessed value, which is established at forty percent (40%) of the estimated fair market value. The effective tax rate would be stated as \$2.58 per \$100 of the estimated fair market value.

In 2004, the General Assembly capped the amount of relief the State will provide for Personal Property Tax Relief (PPTRA) at \$950 million per year. The PPTRA cap took effect on January 1, 2006. Stafford County's share of the state allotment is \$12.5 million. This allotment is to be distributed among all the qualifying vehicles. For calendar year 2019, qualifying vehicles will be granted 41% relief.

TCF:AL

PROPOSED

BOARD OF SUPERVISORS
COUNTY OF STAFFORD
STAFFORD, VIRGINIA

RESOLUTION

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, George L. Gordon, Jr., Government Center, Stafford, Virginia, on the 16th day of April, 2019:

MEMBERS:

Gary Snellings, Chairman
L. Mark Dudenhefer, Vice Chairman
Meg Bohmke
Jack R. Cavalier
Thomas C. Coen
Wendy E. Maurer
Cindy C. Shelton

VOTE:

On motion of , seconded by , which carried by a vote of to , the following was adopted:

A RESOLUTION TO ESTABLISH THE LYNHAVEN LANE SERVICE
DISTRICT CALENDAR YEAR 2019 TAX RATE

WHEREAS, at its meeting on August 21, 2018, the Board approved Ordinance O18-33 creating the Lynhaven Lane Service District; and

WHEREAS, a public hearing on the proposed calendar year 2019 tax rate was held on Tuesday, April 2, 2019, at 7:00 P.M., at Brooke Point High School, located at 1700 Courthouse Road, Stafford, Virginia; and

WHEREAS, the Board carefully considered the recommendation of staff, and the public testimony, if any, received at the public hearing; and

WHEREAS, the Board desires to set the calendar year 2019 tax rate for the Lynhaven Lane Service District;

NOW, THEREFORE, BE IT RESOLVED by the Stafford County Board of Supervisors on this the 16th day of April, 2019, that the tax rate be and it hereby is established for the Lynhaven Lane Service District for the calendar year beginning January 1, 2019 at \$0.20 per \$100 of assessed valuation.