

**APPENDIX A**  
**INFORMATION REGARDING**  
**SPOTSYLVANIA COUNTY, VIRGINIA**

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## INFORMATION REGARDING SPOTSYLVANIA COUNTY, VIRGINIA

### Introduction

Located in the northeastern section of Virginia, Spotsylvania County is bounded on the north by the Rappahannock and Rapidan Rivers, on the south by the North Anna River, on the west by Orange County, and on the east by Caroline County. The City of Fredericksburg borders the County to the northeast. The County is approximately 55 miles north of Richmond, Virginia and 55 miles south of Washington, D.C.

The County was formed in 1721 from sections of the Counties of Essex, King William and King and Queen. It was named for Alexander Spotswood, who was Royal Colonial Governor of Virginia from 1710 to 1722. A fort had been built at the falls of the Rappahannock River in 1676 and settlement started around 1700. Germanna was established as the first county seat in 1722. It had been settled in 1714 by a colony of Germans who were brought to the area by Governor Spotswood. The county seat was moved to Fredericksburg in 1732, to “Old Court House” in 1788, and to Spotsylvania in 1839, where it has remained.

### Government

The Board of Supervisors (the “Board”) is the governing body of the County. The Board is comprised of seven members elected from seven voting districts in the County: Battlefield, Berkeley, Chancellor, Courtland, Lee Hill, Livingston and Salem. Each member is elected for a four-year term. The Board members select from among themselves a Chair and a Vice-Chair for one-year terms. The Board is elected to staggered terms, with three members elected in one election cycle and the remaining four members elected in a different election cycle. Terms of four current members expire on December 31, 2019. Terms of the remaining three current members expire on December 31, 2017.

The County functions under a traditional form of government with a County Administrator. Under this form of government, the elected officials include the members of the Board, the Treasurer, the Commissioner of the Revenue, the Sheriff, the Clerk of the Circuit Court and the Commonwealth’s Attorney. Mental Health/Mental Retardation Services are provided by the Community Services Board. The Health Department and the Court System are under the control of the Commonwealth of Virginia. All other functions of the County government are managed by department directors that in turn report to the County Administrator. The County Administrator also serves as head of the Social Services Administrative Board.

The County Administrator is appointed by the Board to act as the Board’s agent in the administration and operation of the departments and agencies. All departments directly responsible to the Board report to the County Administrator, and he or she acts as the Board’s liaison to all other departments and agencies. The County Administrator serves at the pleasure of the Board, carries out its policies and directs business procedures.

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### Principal Executive Officers

<u>Official</u>	<u>Name</u>	<u>Term and Manner of Selection</u>	<u>Length of Service With County</u>	<u>Expiration of Term</u>
Board Member (Salem District)	Paul Trampe	4 Years (Elected)	5-½ Years	12/31/19
Chair and Board Member (Courtland District)	David Ross	4 Years (Elected)	5-½ Years	12/31/19
Vice-Chairperson and Board Member (Livingston District)	Greg Benton	4 Years (Elected)	26 Years <sup>1</sup>	12/31/19
Board Member (Berkeley District)	Greg Cebula	4 Years (Elected)	3 ½ Years	12/31/17
Board Member (Chancellor District)	Timothy McLaughlin	4 Years (Elected)	5-½ Years	12/31/19
Board Member (Battlefield District)	Chris Yakabouski	4 Years (Elected)	7-½ Years	12/31/17
Board Member (Lee Hill District)	Gary F. Skinner	4 Years (Elected)	9½ Years	12/31/17
County Administrator	Mark B. Taylor	Appointed by Board	12 Years <sup>2</sup>	Pleasure of Board
County Attorney	Karl R. Holsten	Appointed by Board	4 Years <sup>3</sup>	Pleasure of Board
Deputy County Administrator	Mark L. Cole	Appointed by County Administrator	4-½ Years	Pleasure of County Administrator
Commissioner of the Revenue	Deborah F. Williams	4 Years (Elected)	30 Years	12/31/19
Treasurer	Larry K. Pritchett	4 Years (Elected)	43 Years	12/31/19
Superintendent of Schools	Dr. S. Scott Baker	Appointed by School Board	5 Years	Pleasure of School Board
Director of Finance	Mary S. Sorrell	Appointed by County Administrator	30 Years <sup>4</sup>	Pleasure of County Administrator
Director of Utilities	Edward Petrovitch	Appointed by County Administrator	11 Years	Pleasure of County Administrator

Source: Office of the County Administrator, Spotsylvania County.

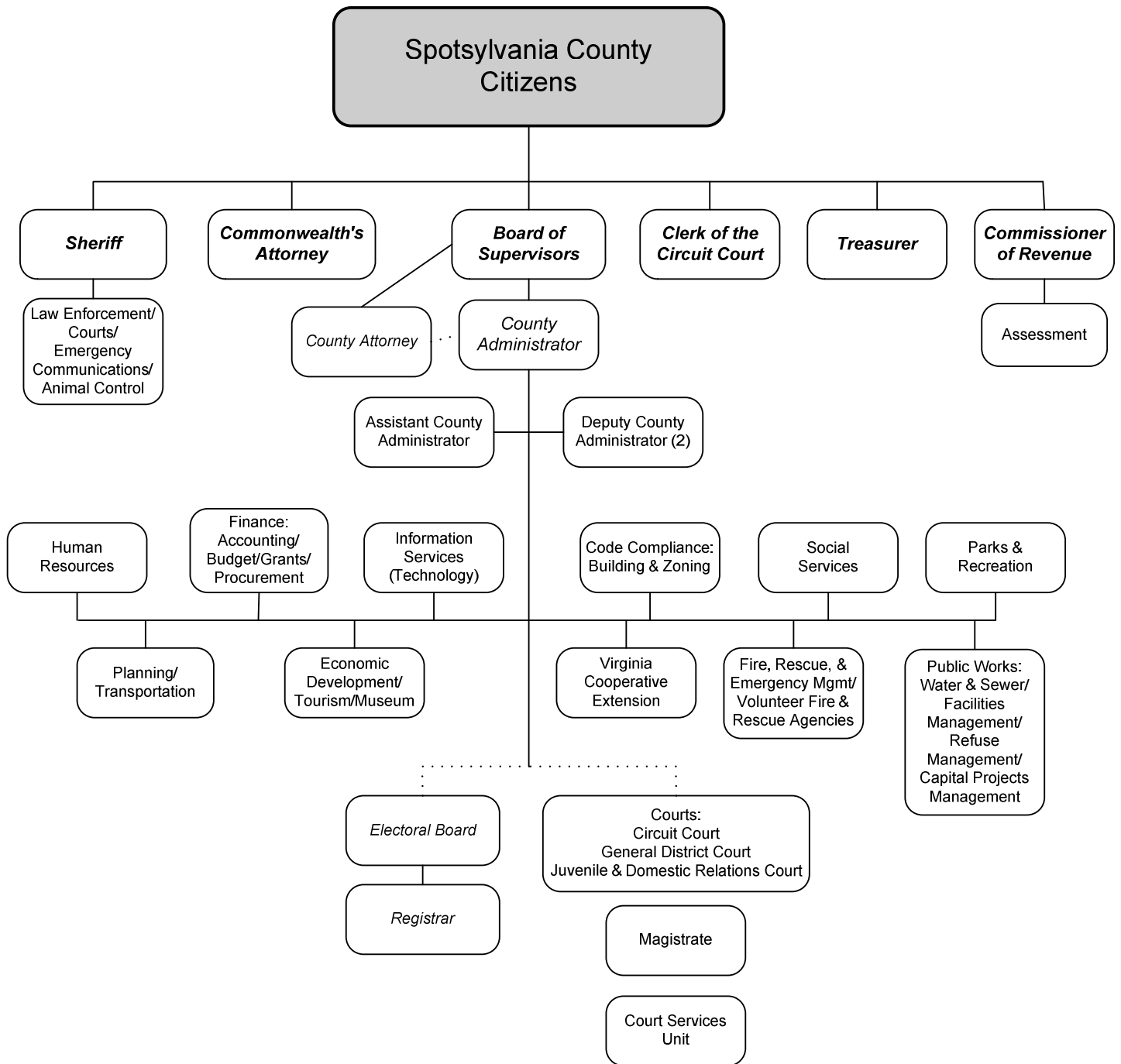
<sup>1</sup> Served as a Deputy Sheriff from 1992-2011 and served as a Firefighter from 2012 until his retirement in March 2017.

<sup>2</sup> Served as Deputy County Attorney during years 1996-2000 and as County Attorney during years 2000-2006. Appointed to serve as County Administrator, effective June 1, 2015.

<sup>3</sup> Served as Deputy County Attorney since 2013, Interim County Attorney, effective March 31, 2016, and County Attorney effective September 27, 2016.

<sup>4</sup> Previously served as Chief Deputy Treasurer from 1987-1999 and Budget Manager from 1999-2015. Appointed to serve as Director of Finance, effective June 1, 2015.

## Spotsylvania County Organizational Chart



### LEGEND

**Elected Official/Constitutional Officer**

*Appointed Official*

..... Does not report directly to County Administration

### **Certain County Administrative and Financial Staff Members**

**Mark B. Taylor, Esq., County Administrator**, was appointed effective June 1, 2015. He has worked for Spotsylvania County for 10 years previously, serving as Deputy County Attorney from 1996 to 2000, and County Attorney from 2000 to 2006. He has served as a Virginia local government attorney for 26 years. He has a Juris Doctorate degree from the University of North Carolina at Chapel Hill, and a Bachelor of Arts degree awarded with University Honors from American University, Washington, D.C. in Psychology and Philosophy. Mr. Taylor holds a Malcolm Baldrige certificate in Performance Management. He is also a member of the Virginia Local Government Management Association, the Local Government Attorneys of Virginia, and the Virginia State Bar.

**Karl R. Holsten, Esq., County Attorney**, was appointed to his current position on September 27, 2016 after serving as either a Deputy County Attorney or the Interim County Attorney for a total of three years. He earned a Bachelor of Arts (Political Science) degree and a Juris Doctor degree from the University of Richmond. After graduating from law school, Mr. Holsten worked in the City Attorney's office for the City of Richmond for approximately 10 years, rising to the position of Senior Assistant City Attorney, before joining the Spotsylvania County Attorney's Office in 2013 as a Deputy County Attorney.

**Mark L. Cole, Deputy County Administrator**, was appointed effective January 2, 2013. Prior to this appointment, he was a Program Manager and Systems Analyst for a major defense contractor for more than 27 years. From 1980 to 1985 he served as an officer in the US Navy and continued to serve in the Navy Reserve before retiring as a Commander in 2004. He is currently a member of the Virginia House of Delegates and previously served as a member of the Spotsylvania County Board of Supervisors. He holds Bachelor degrees in Computer Science and Civil Engineering Technology from Mary Washington College and Western Kentucky University, and is a member of the American Legion and the Veterans of Foreign Wars.

**Edward Petrovitch, E.M.B.A., Deputy County Administrator/Director of Utilities**, was appointed in April 2008. Prior to his appointment, he served as Deputy Director of Utilities since August 2006. Prior to his employment with the County, he was employed by Fairfax County Water Authority for 29 years. In his tenure with Fairfax County Water Authority he held several positions of increasing responsibility and last served as the Manager of Water Production and Quality. He holds a Bachelor of Science degree and an Executive Master degree in Business Administration from Virginia Commonwealth University. He is a life member of the Beta Gamma Sigma Honor Society for accredited business school graduates. His professional affiliations include the American Water Works Association and the Water Environment Federation. He also served as an adjunct professor for Germanna Community College, where he taught courses in strategic planning and quality management.

**Mary S. Sorrell, Director of Finance**, was appointed in May 2015. She was the County's Budget Manager from June 1999 to May 2015 and was the County's Chief Deputy Treasurer from January 1988 to June 1999. In 1998 she received certification as a Certified Governmental Deputy Treasurer from the University of Virginia's Center for Public Service and Division of Continuing Education. She is a member of the Government Finance Officers Association.

**Larry K. Pritchett, Treasurer**, has served as Treasurer since January 1988. He was an accountant with the County from July 1974 to January 1975 and from July 1978 to January 1979 served as Interim County Administrator. He also served as Finance Officer of the County from February 1975 to December 1987. He holds an Associate degree in Business Administration from Germanna Community College and a Bachelor of Science degree in Accounting from Virginia Polytechnic Institute and State University. He is a member and past president of the Virginia Treasurers Association, and is a member of the National Association of County Treasurers and Finance Officers. He holds the certification of Master Governmental Treasurer and the Treasurer's Office is accredited through the Virginia Treasurers Association and the Weldon Cooper Center for Public Service of the University of Virginia.

**Deborah F. Williams, Commissioner of Revenue**, has served in that capacity since January 1, 1996. Prior to this date, Ms. Williams was the Assistant to the Commissioner and Meals Tax Administrator for eight years. She holds a Bachelor of Science degree in Education from Radford University. She is currently a member of the Northern Virginia League of Commissioners of the Revenue, the Virginia Association for Local Executive Constitutional Officers, the Virginia Association of Assessing Officers, the International Association of Assessing

Officers and the Commissioners of the Revenue Association. In 1998, she received certification as a Certified Commissioner of the Revenue by the University of Virginia, Weldon Cooper Center for Public Service and the Division of Continuing Education.

**Dr. S. Scott Baker, Superintendent of Schools**, was appointed as the Superintendent effective July 1, 2012. Dr. Baker has a Bachelor of Science (English) degree from Radford University; a Master of Education degree from Virginia Commonwealth University; and a Doctorate of Education in Administration and Supervision from the University of Virginia. He has spent 20 years in Virginia public schools as a teacher, principal and administrator. Prior to his appointment as Superintendent, he served for one year as the Assistant Superintendent of Instruction in Spotsylvania. Previously, he served in Hanover County as an assistant principal, principal, and the Director of Curriculum and Instruction, and as a teacher of special education, theatre, and English in other Virginia localities.

### Services Provided by the County

The County provides general governmental services for its citizens including but not limited to emergency medical services and fire protection, collection and disposal of refuse, water and sewer services, parks and recreation, libraries/culture, health and social services. Other services provided by the County, which receive partial funding from the State, include public education in grades kindergarten through twelve and certain technical, vocational and special education, mental health assistance, agricultural services, law enforcement and judicial activities.

### Public Schools

The County school system (the "School System") is governed by an elected seven-member School Board. The School Board appoints a school superintendent who serves at the pleasure of the School Board (as he has no right to automatic contract approval) and is responsible for the operation of the School System in accordance with Virginia laws, regulations of the Virginia Board of Education, and the policies and regulations of the School Board. The superintendent recommends and the School Board appoints a staff that directs the School System.

The School Board presents an annual budget to the Board. The Board makes annual appropriations for school operations, but has limited authority over how the appropriations are spent. The school system's non-capital expenses are funded by the Commonwealth of Virginia (approximately 46.8%), federal funds (approximately 5.4%), fees charged for services (approximately 4.5%, the majority being in the School Food Service program), use of prior years' School Food Service fund balances (approximately 0.1%), and a transfer of revenues from the County's General Fund (approximately 43.1%).

### Summary of Certain School Statistics

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Kindergarten	1,705	1,714	1,588	1,565	1,586
Elementary (Grades 1-7)	12,428	12,450	12,518	12,316	12,182
Secondary (Grades 8-12)	9,261	9,282	9,355	9,437	9,424
Special Education*	<u>331</u>	<u>327</u>	<u>356</u>	<u>360</u>	<u>400</u>
<b>Total Enrollment</b>	<b>23,725</b>	<b>23,773</b>	<b>23,817</b>	<b>23,678</b>	<b>23,592</b>
Teachers & Administrators	1,901	1,891	1,894	1,932	1,948
Other Employees	<u>1,126</u>	<u>1,119</u>	<u>1,124</u>	<u>1,147</u>	<u>1,159</u>
<b>Total Employees</b>	<b>3,027</b>	<b>3,010</b>	<b>3,018</b>	<b>3,079</b>	<b>3,107</b>
Elementary & Intermediate	24	24	24	24	24
Secondary (Includes Vocational)	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
<b>Total Buildings</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>

Source: Superintendent of Schools, Spotsylvania County.

As of September 30 of each school year.

\*Includes pre-kindergarten and Head Start.

### Data on Existing Public Schools

<u>School</u>	<u>Grade</u>	<u>Site Size</u>	<u>Original Construction Date</u>	<u>Date of Additions</u>	<u>Institutional Capacity</u>	<u>2016-17 Enrollment</u>
<b>Elementary:</b>						
Battlefield	K-5	30.0 Acres	1974	2000	833	618
Berkeley	K-5	17.0 Acres	1961	1971, 1979, 2000, 2005	353	268
Brock Road	K-5	24.4 Acres	1992	2004	907	656
Cedar Forest	K-5	52.4 Acres	2008	---	936	746
Chancellor	K-5	12.0 Acres	1940	1948, 1961, 2000	455	424
Courthouse Road	K-5	25.0 Acres	1994	2005	907	813
Courtland <sup>(1)</sup>	K-5	-----	1989	2000	789	527
Harrison Road <sup>(2)</sup>	K-5	-----	2001	2006	936	793
Lee Hill	K-5	21.0 Acres	1977	1990, 1999	807	652
Livingston	K-5	15.5 Acres	1961	1971, 1992	504	420
Parkside	K-5	26.8 Acres	1994	2007	936	773
Riverview	K-5	25.0 Acres	1994	2005	907	685
Robert E. Lee	K-5	14.1 Acres	1952	1977	585	515
Salem	K-5	20.0 Acres	1979	1989, 1999	815	629
Smith Station	K-5	23.0 Acres	1991	1999, 2004	986	713
Spotswood	K-5	20.0 Acres	1965	1971, 2000	641	512
Wilderness	K-5	25.0 Acres	1998	2003	936	746
<b>Middle:</b>						
Battlefield	6-8	30.0 Acres	1978	2003	807	802
Chancellor <sup>(2)</sup>	6-8	-----	1989	---	857	849
Freedom	6-8	76.7 Acres	2003	---	948	780
Ni River	6-8	75.0 Acres	1999	---	774	764
Post Oak <sup>(3)</sup>	6-8	-----	2007	---	948	726
Spotsylvania	6-8	41.7 Acres	1968	1973	907	876
Thornburg	6-8	50.0 Acres	1994	---	790	739
<b>Secondary:</b>						
Chancellor	9-12	100.0 Acres	1988	---	1,427	1,299
Courtland	9-12	100.0 Acres	1980	--	1,265	1,146
Massaponax	9-12	100.0 Acres	1998	2005	1,830	2,022
Riverbend	9-12	90.7 Acres	2004	---	1,995	1,919
Spotsylvania	9-12	100.0 Acres	1994	---	1,611	1,157
Spotsylvania Vocational Ctr <sup>(1)(4)</sup>	---	-----	1980	1993	---	---
<b>Alternative:</b>						
John J. Wright <sup>(5)</sup>	K-12	20.0 Acres	1952	1962, 1982, 2008	<u>n/a</u>	n/a (1)
Pre-K					90	23
Alt Education						
Total					27,482	23,592

Source: Superintendent of Schools, Spotsylvania County.

(1) On same site as Courtland High School.

(2) On same site as Chancellor High School.

(3) On same site as Spotsylvania High School.

(4) Included in high school enrollments.

(5) Pre-K enrollment is counted at the home elementary schools above. However, such enrollment for the 2016–2017 school year was 400 as of September 30, 2016.



### Actual and Projected Daily Student Enrollment by Grade<sup>(1)</sup>

Grade	Actual Daily Student Enrollment by Grade				Projected Daily Student Enrollment by Grade				
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Pre-K	327	356	360	400	400	400	400	400	400
K	1,714	1,588	1,565	1,586	1,520	1,550	1,641	1,641	1,641
1	1,760	1,774	1,612	1,579	1,617	1,589	1,620	1,715	1,715
2	1,680	1,798	1,776	1,602	1,588	1,667	1,638	1,670	1,768
3	1,782	1,713	1,801	1,792	1,618	1,644	1,726	1,696	1,729
4	1,820	1,791	1,716	1,771	1,823	1,685	1,712	1,797	1,766
5	1,778	1,842	1,812	1,760	1,800	1,899	1,755	1,783	1,872
6	1,801	1,787	1,785	1,850	1,757	1,797	1,873	1,752	1,780
7	1,829	1,813	1,814	1,828	1,936	1,784	1,824	1,902	1,779
8	1,901	1,836	1,867	1,858	1,863	1,973	1,818	1,859	1,939
9	1,976	2,087	2,017	2,014	2,028	2,034	2,154	1,985	2,029
10	1,892	1,835	1,928	1,928	1,885	1,898	1,904	2,016	1,858
11	1,732	1,828	1,773	1,824	1,850	1,809	1,930	1,827	1,934
12	1,781	1,769	1,852	1,800	1,854	1,881	1,839	1,962	1,857
<b>Total</b>	<b>23,773</b>	<b>23,817</b>	<b>23,678</b>	<b>23,592</b>	<b>23,539</b>	<b>23,610</b>	<b>23,834</b>	<b>24,005</b>	<b>24,067</b>

Source: Superintendent of Schools, Spotsylvania County.

<sup>(1)</sup> As of September 30 of each school year.

### Higher Education

Local opportunities for higher education are Germanna Community College, the University of Mary Washington and Strayer University. Germanna Community College, a unit of the Virginia Community College System with an approximate enrollment of 9,530, offers technical, arts and sciences, and business courses leading to an associate degree. Strayer University enrolls approximately 1,000 students each quarter from an eight-county service region. The local campus, one of nine campuses in the metropolitan Washington D.C., Maryland and Northern Virginia areas, offers associate, bachelor and master degrees in the fields of accounting, business, and computer information systems. The University of Mary Washington is a state-supported residential and co-educational liberal arts institution with an enrollment of approximately 4,300. The college offers a broad range of academic programs, including bachelor degrees in arts and science and also master degrees in business administration, education and information systems.

In addition, a number of public and private institutions are within 100 miles of the County. To the west and north are the University of Virginia in Charlottesville, George Mason University in Fairfax, and Northern Virginia Community College in Northern Virginia. To the south in Ashland is Randolph-Macon College and in Richmond are the University of Richmond, Virginia Union University, and Virginia Commonwealth University and its medical sciences division, the Medical College of Virginia. Other schools within the City of Richmond offer specialized secretarial and/or technical training.

### Water and Sewer System

Prior to 1971, water and sewer services were provided through a service authority, a sanitary district and the City of Fredericksburg. In 1975, the Department of Utilities was established as an enterprise fund and took over the assets of the service authority and the sanitary district. The Department of Utilities became financially self-supporting in 1981. The Department is managed by the Director of Utilities, who reports to the County Administrator, with ultimate authority resting with the Board. The Department has a staff of 117.50 employees, who are responsible for operating and maintaining the System.

The County water and sewer system currently serves over 30,000 residential and non-residential customers within the County and includes over 1,000 miles of water and sewer mains and laterals. The County's waterworks also provides the City of Fredericksburg with water and up to 1.5 million gallons per day ("MGD") of wastewater treatment. The water system consists of the 6 MGD Ni River Reservoir Water Treatment Plant, the 15 MGD Motts Run Water Treatment Plant and eight water storage tanks with a total storage capacity of 7 million gallons. The sewer system consists of the 9.4 MGD Massaponax Wastewater Treatment Plant, the 4 MGD FMC Wastewater Treatment Plant, and a 0.35 MGD plant at Thornburg. All biosolids generated by the wastewater treatment facilities are composted at the County owned and operated Livingston's Blend compost facility.

### **Solid Waste Management**

The waste management needs of County residents are currently met by the Livingston Sanitary Landfill, a 565-acre multi-phase site located in the southwestern part of the County. The County is currently in Phase I, which consists of 65 acres, and has a life expectancy of at least ten more years. The facility has an EPA approved composite liner and leachate collection system and an operating permit from the Department of Environmental Quality. Approximately 375 tons per day are disposed of at the site, and the facility meets or exceeds all Department of Environmental Quality standards. An extensive groundwater and methane monitoring program facilitates sound environmental protection.

The residents of the County are also served by 13 staffed convenience centers which integrate residential waste collection with recycling, yard waste mulching operation at two locations and a recently expanded biosolid composting facility. The County enjoys a residential recycling rate of approximately 40.2%. The County currently recycles glass, lead acid batteries, aluminum, antifreeze, oil, tires, appliances, propane tanks, wood waste, plastic bottles, steel cans, cardboard, magazines, phonebooks and newsprint at various sites.

### **Health Care**

Health care in the County is provided through the local office of the State Health Department and by private institutions. Spotsylvania Regional Medical Center ("SRMC"), the County's first hospital and the region's third hospital, opened on June 7, 2010 with 400 employees. SRMC is part of the HCA hospital chain, the nation's largest, with HCA's Virginia network consisting of twelve other hospitals and more than 30 outpatient surgery, imaging and treatment facilities and accredited cancer centers throughout Central, Southwestern and Northern Virginia. SRMC recently added a 7,000 square foot Cancer Center partnering with Virginia Commonwealth University Massey Cancer Center in Richmond, VA. Mary Washington Healthcare, formerly Mary Washington Hospital, provides primary and advanced health care in the City of Fredericksburg, Spotsylvania, Stafford and Caroline Counties. Mary Washington Hospital also has a cancer treatment center in the County, along with a free-standing emergency room and trauma center. In addition, there are a number of private walk-in clinics that serve the County, and the Medical College of Virginia, the University of Virginia and a number of Washington, D.C. metropolitan area hospitals are located within 75 miles. As of June 2016, SRMC has approximately 610 employees.

### **Public Library**

The County participates as a member jurisdiction of the Rappahannock Regional Library and provides economic support with two other counties and the City of Fredericksburg for library services. The main library is located in Fredericksburg and provides a complete range of services including a law library and a historical collection. Two branch library facilities serve the County directly. The Salem Church Branch Library opened in 1994 and serves the northern part of the County. The C. Melvin Snow Branch Library is located at Spotsylvania Courthouse.

### **Parks and Recreation**

The County Parks and Recreation Department provides and manages a variety of leisure activities and facilities that promote personal growth and physical fitness and serve the recreational needs of County residents. The department maintains eleven parks throughout the County, each with a number of athletic fields, playgrounds and picnic shelters and all are available for public enjoyment. The department offers a variety of programs, including youth sports, leisure classes for children and adults, summer camps and special events. Boating and

fishing opportunities exist at the Ni River Reservoir Recreational Area and Hunting Run Park. The Senior Citizens Association is sponsored by the Parks and Recreation Department, providing a social outlet for the County's senior population. County residents and organizations also have access, for meetings and social gatherings, to six community centers maintained by the department, and the Senior Center, which provides activities for senior citizens. Four major Civil War battlefields in the County are managed by the National Park Service, and the 2,000-acre Lake Anna State Park is located on the southern border of the County. The County's central location allows residents easy access to mountains and beaches located within an hour's drive of the County.

## **Transportation**

Centrally located in the mid-Atlantic region between Washington, D.C. and Richmond, Virginia, the County is served by an established transportation network. Interstate 95 runs north-south through the County with connectors east and west on Interstate 66 near Washington, D.C., and Interstate 64 in Richmond. U.S. Route 1 and State Route 208 provide alternative north and south routes and State Route 3 offers east-west access on a four-lane divided highway.

The CSX Railroad passes through the County connecting rail yards in Washington, D.C. and Richmond. Commuter rail service between Washington, D.C. and the City of Fredericksburg, Virginia, began in July 1992. The County joined the Virginia Railway Express (VRE), which provides commuter rail service connecting Northern Virginia suburbs to Union Station in Washington, D.C., in February 2010. Spotsylvania's first commuter rail station has been operational since September 2015.

Shannon Airport, a privately-owned general aviation facility, provides charter, corporate and commuter services and facilities. The airport has a 3,000-foot paved runway and FAA approved lighting. The Stafford Regional Airport facility includes a 5,000 foot by 100-foot instrument runway with full parallel taxiways. The facilities can accommodate 75,000 annual operations and 100 based aircraft, including corporate business jets, with gross weights up to 70,000 pounds and wingspans up to 80 feet. Washington Dulles International Airport and Reagan National Airport are each within 75 miles of the County.

Regional bus service is provided by Fredericksburg Regional Transit (FRED) within the northern portions of the County and the City of Fredericksburg. Thirteen-passenger buses operate along Route 3, Four Mile Fork, Massaponax, and Spotsylvania Courthouse, and connect with routes into the City of Fredericksburg.

## **Economic and Related Data**

### **Population Figures**

The following table presents County population figures for selected years:

<b><u>Year</u></b>	<b><u>Population</u></b>
1960	13,819
1970	16,424
1980	34,435
1990	57,403
2000	91,504
2010	122,397
2011	124,835
2012	126,194
2013	127,779
2014	129,318
2015	130,603
2016	132,010
2017	133,330

Sources: U.S. Census Bureau for years 2016 and prior; Spotsylvania County Planning Department for 2017 estimate.

## Income Profile

### Median Household Income

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Spotsylvania County</b>	\$75,627	\$77,298	\$73,112	\$75,714	\$76,181
<b>Commonwealth of Virginia</b>	61,877	61,782	62,745	64,923	66,263

Sources : U.S. Census Bureau. Latest information available.

### Per Capita Income

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Spotsylvania County + City of Fredericksburg</b>	\$43,063	\$44,075	\$43,597	\$44,595	\$46,401
<b>Commonwealth of Virginia</b>	47,544	49,294	48,460	50,105	52,052

Source: U.S. Bureau of Economic Analysis. Latest information available.

## Construction Activity

The following data is presented to illustrate construction activity in the County:

### Building Permits and Value

Fiscal Year	Number				Value <sup>(4)</sup>			
	Commercial <sup>(1)</sup>	Residential <sup>(2)</sup>	Accessory Permits <sup>(3)</sup>	Total	Commercial	Residential	Accessory Permits	Total
2007	789	712	2,040	3,541	\$189,350,534	\$195,941,912	\$28,173,318	\$413,465,764
2008	594	435	2,475	3,504	211,318,872	108,037,573	28,720,004	348,076,449
2009	317	285	2,398	3,000	208,512,498	61,343,314	40,862,569	310,718,381
2010	220	333	2,235	2,788	54,529,522	70,470,927	22,079,952	147,080,401
2011	270	306	2,433	3,009	59,986,060	78,912,739	37,700,809	176,599,608
2012 <sup>(5)</sup>	242	348	2,262	2,852	401,143,105	74,834,821	29,749,534	505,727,460
2013 <sup>(5)</sup>	290	464	2,314	3,068	404,014,490	102,557,927	23,016,560	529,588,977
2014	298	429	2,384	3,111	57,939,747	99,272,843	23,497,438	180,710,028
2015	304	442	2,250	2,996	74,394,943	112,494,521	39,905,998	226,795,462
2016 <sup>(6)</sup>	390	510	2,689	3,589	268,671,597	131,377,317	47,341,882	447,390,796
2017 <sup>(7)</sup>	251	485	2,212	2,948	80,518,999	127,375,223	22,277,250	230,171,472

Source: Code Compliance Department, Spotsylvania County.

<sup>(1)</sup> Commercial includes all new construction, renovations, additions, accessories, tenant build-outs, and site plans.

<sup>(2)</sup> Residential includes all dwelling unit permits for single family dwellings, townhouses, apartments, singlewides, doublewides, and triplewides.

<sup>(3)</sup> Accessory permits include all commercial and residential trade work (mechanical, electrical, plumbing), fire permits, residential accessories, over-the-counter permits, and all miscellaneous permit transactions.

<sup>(4)</sup> Values are taken from permit applications as provided by the applicants. These values do not represent the value assigned by Spotsylvania's Assessment Office.

<sup>(5)</sup> There were multiple site plans for which the stated values were unusually large. Additionally, there were a number of large commercial building/renovation projects for which the stated value of each project was \$3 million or more.

<sup>(6)</sup> Includes submissions of several large commercial applications with sizeable stated values, including a substantial site plan for the 900,000 sq. ft. Lidl grocery distribution center.

<sup>(7)</sup> FY 2017 data through April 2017.

## Housing

The following data is presented to illustrate the character of housing in the County:

### Housing Units By Type of Structure

Type of Structure	<u>1990</u> <sup>(1)</sup>		<u>2000</u> <sup>(1)</sup>		<u>2010</u> <sup>(2)</sup>		<u>2016</u> <sup>(2)</sup>	
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
Single Family:								
Detached <sup>(3)</sup>	18,355	90.2%	28,804	86.5%	37,476	86.5%	39,585	83.4%
Attached <sup>(4)</sup>	1,313	6.5	2,522	7.6	2,730	6.3	4,120	8.7
Multi Family:								
Apartments <sup>(5)</sup>	<u>682</u>	<u>3.3</u>	<u>1,983</u>	<u>5.9</u>	<u>3,136</u>	<u>7.2</u>	<u>3,748</u>	<u>7.9</u>
Total	20,350	100.0%	33,309	100.0%	43,342	100.0%	47,453	100.0%

Source: Planning Department and Assessment Office, Spotsylvania County.

<sup>(1)</sup> As of April 1 for 1990 and 2000.

<sup>(2)</sup> As of December 31 for 2010 and 2016.

<sup>(3)</sup> Includes trailers, manufactured homes and mobile homes.

<sup>(4)</sup> Consists of duplexes and townhouses.

<sup>(5)</sup> Represents the total number of apartments and condominiums (age-restricted included) and assisted living housing units per County building permit data.

## Business and Labor

The County's primary economic development mission is to attract new businesses and capital investment, and to provide a supportive climate for the growth of existing businesses in order to stimulate the creation of jobs and tax revenues. The County has implemented numerous new initiatives and specific programs to accomplish this mission:

- The Department of Economic Development and Tourism (EDT) and the Economic Development Authority (EDA) continue to jointly embark on a vigorous effort to better understand and track trends in the local economy, as well as evaluate the potential for future growth of new and existing industries. These County organizations which are responsible for economic development have also conducted new strategic planning efforts. These activities are a reflection of a larger initiative by the County's Board of Supervisors to take better advantage of the County's opportunities and to evaluate the return on investment of resources in various government-sponsored development activities.
- The County remains a partner with the Fredericksburg Regional Alliance (FRA), a public-private partnership which promotes and markets the region while focusing on targeted industries; assesses and forwards leads to localities from the Virginia Economic Development Partnership (VEDP); and works in many other ways to create and promote opportunities for business growth in the region. In Fall 2015, FRA partnered with the University of Mary Washington and the Fredericksburg Regional Chamber of Commerce in establishing the Center for Economic Research enabling the Fredericksburg Region to join Virginia's other three major metropolitan areas along the "Urban Crescent" in providing local university research services related to the region's economy. FRA is one of four regions in Virginia with universities in their communities that provide excellent research products dealing with our regions' economies.
- Since 1999, Spotsylvania along with Stafford County and the City of Fredericksburg has leveraged resources to enhance tourism growth for the region. In 2005, a more formal relationship emerged to form the Greater Fredericksburg Tourism Partnership (GFTP) via a Memorandum of Understanding (MOU) to set forth shared responsibilities and cooperatively market the region's tourism products. This collaboration is working to increase travel-related employment, taxable sales, and related economic benefits in each of the participating localities. As set forth in the MOU, Spotsylvania, Stafford, and the City intend to continue contributing staff, in-kind services, and direct financial support to the comprehensive regional tourism

effort. The localities combine to produce a first-rate Visitor Guide, successful print and electronic advertising, a robust regional website ([www.VisitFred.com](http://www.VisitFred.com)), and regional events and group tourism offerings to enhance visitors' experiences.

#### *Economic Development Programs:*

- As adopted in the County's Comprehensive Plan, the employment center land use area is envisioned to be the primary location for new office and industrial development within the County, with the focus on larger scale office complexes, industrial users, and business parks. The Route 1 corridor south of Massaponax to the Thornburg interchange is envisioned to be an economic driver for the County. Growth continues to occur in the employment center land use area at exit 126 with the Virginia Railway Express station, Lidl US grocery distribution center, Spotsylvania Soccer Sportsplex, new residential units, hotels and restaurants. At exit 118, the Thornburg area was enhanced with construction of the new Dominion Raceway, upgraded hotels, new restaurants entering the marketplace and additional retail options. High-end, mixed-use office parks with the extension of infrastructure are anticipated to comprise the area between I-95 exits 118 and 126.
- The County continues to execute a Targeted Industries Program designed to expedite the review and approval of site and building plans involving targeted businesses. Under this program, the County works closely with a business or developer to reduce the potential for delays in the permitting process and to complete the process to allow the business to begin operations as quickly as possible.
- The Economic Development Incentives Program is used to attract new business and support the expansion of existing businesses and retain industry. The program has contributed to increased capital investment and job creation since its initial creation in 1995. Continued collaboration with State officials ensures the County is using all available resources to maintain and grow the business community.
- Technology and Tourism Zone Programs serve both new and existing qualified businesses. The Technology Zone covers the County's primary settlement district encompassing the County's fully-serviced business corridors to encourage growth in Spotsylvania's high-technology sector. Qualifying businesses located within the Technology and Tourism zones are afforded local tax rebates on Business, Professional and Occupational License and Machinery and Tools taxes, and are placed in the County's Targeted Industries Program.
- There are two HUBZone designations that offer businesses an advantage when applying for federal contracts. There is one HUBZone located in the northern portion of the County on the Route 3 corridor, and another is located near Lake Anna.
- The County continues to target business sectors in healthcare, manufacturing, professional services (high tech/IT/defense) and tourism. Employment levels increased slightly in the target industry sectors from 4Q2015 to 4Q2016. Overall, total industry sectors increased by 108 new establishments to 2,987 and 105 new jobs were added for an average employment of 35,423. The average annual wage declined from \$41,704 to \$39,676 over the same period. Vacancy rates continue to trend downward year over year.
- Efforts continue to target military and defense contractors as a professional sector based on Spotsylvania's highly-accessible location within proximity of three regional military bases. Federal spending is no longer expected to drive the Washington metropolitan region's economic growth, but professional and business services will be the major source of growth. Available office space in Spotsylvania continues to be sought out by technology, professional and medical service companies.

#### *Business Retention Program and Activities:*

The County has a Business Retention Program to connect new and existing businesses with the right resources and assistance with workforce, state and federal financing programs and processes and protocols that will improve the overall business climate to increase growth and investment opportunities in the County. Following are examples of the County's business retention activities:

- The Business Walk Program allows staff visitations to numerous businesses in a short amount of time to gather industry information, foster business growth, and help identify issues that businesses may be facing.
- The County continues to support and participate in the annual Modern Day Marine Expo. The Expo is the singular Marine Corps industry event where defense companies from all over the world gather annually at Quantico, Virginia, to display their latest technologies, equipment and services.
- The County continues to sponsor and participate in the annual Quantico Area Industrial Security Council meeting. This meeting provides a forum through which education and training is provided to security professionals providing security in the Quantico, Virginia area. The group currently has over 400 members.
- The County assists and participates in new business grand openings and expansions of existing businesses. Additionally, the County recognizes businesses through Business Appreciate Week activities, an annual business walk, and a “Spotsy-made” section on the Economic Development website.
- On a continuing basis, EDT serves as a liaison between federal and state government and local businesses, providing information and technical assistance in a variety of areas including funding, government contracting and specialized workforce training. The Department maintains an active membership and/or dialogue with numerous regional organizations including the Virginia Economic Development Partnership, the Virginia Employment Commission, and the Virginia Tourism Corporation, the Fredericksburg Regional Alliance, the Chamber of Commerce, the Greater Fredericksburg Regional Tourism Partnership, the International Economic Development Council and others. EDT also maintains relationships with local military bases and numerous institutions of higher learning that are in regional proximity to the County.

### *Tourism*

One of the primary markets due to its relative size and importance within the local economy is tourism. According to the Virginia Tourism Corporation 2015 report, Spotsylvania County currently ranks 17<sup>th</sup> out of 134 counties and incorporated cities within the Commonwealth for tourism, continuing to remain within the top 20 in the state. The tourism “industry” is actually a cluster of industries. Tourism provides revenue for the County through sales to visitors who come for various attractions, accommodations, shopping, dining, and to experience recreation and entertainment. The County estimates that over 500,000 people stayed overnight in the County in 2015 and more than 900,000 visits were recorded at local attractions, including the Civil War battlefields, Lake Anna and other popular visitor sites and special events. According to the Virginia Tourism Corporation, visitors to the County in 2015 generated approximately \$265 million in overall economic value, up from \$258 million in 2014]. Following are examples of the many tourism opportunities available in Spotsylvania:

- Virginia Renaissance Faire – The Faire currently is held at the Lake Anna Winery for four weekends each year, averaging 20,000 visitors each season. The primary activity of the cast consists of presenting a series of events that will both educate and entertain audiences.
- Trolley Tours - The popular Trolley Wine Tour occurs on Sundays during the summer is usually fully booked, and includes increased retail sales for the wineries. The five-hour tour begins and ends at Spotsylvania Towne Center with visits to four Spotsylvania wineries. The trolley company also offers tours to groups requesting a special tour during the week.
- Virginia Youth Soccer Association (VYSA) – VYSA, a nonprofit devoted to promoting youth soccer in Virginia and D.C., at the Spotsylvania Sportsplex, is situated on 80 acres in Spotsylvania. The facility boasts eight Federation International Football Association (FIFA) regulation fields including a small stadium. VYSA will host the 2017/2018 U.S. Youth Soccer Region 1 Championships. The Championships will utilize 4,000 hotel rooms in the region from Alexandria to Glen Allen and ample opportunities for tourism exposure and retail sales for the County.

- The County continues to grow in the Agritourism Industry with the addition of breweries and wineries to our inventory. Lake Anna Winery, Wilderness Run Vineyard, Mattaponi Winery are large farm wineries that grow a lot of their own grapes or fruit. Eden Try Winery is a boutique winery that grows only a small amount of grapes with all production and bottling being done elsewhere, and the product is sold only onsite at special occasions. Bacchus Winery is a micro-winery that purchases grape juice and creates the wine in their facility. Additionally, multiple breweries exist in the County.
- A Smith Bowman Distillery is located in the Bowman Center and continues to win awards for their special blends of bourbon. They have added an additional still and several new staff members. John J. Bowman Single Barrel was recently named the world's best bourbon by Whiskey Magazine. Visits to the distillery continue to increase and plans are in place to market the distillery as a destination to out-of-state markets in 2018.
- Lake Anna State Park continues to expand their program offerings and to host events that draw large crowds such as Iron Man competitions, Lake Anna Brewfest, and a wine festival. Two 16-person lodges were recently dedicated and opened at the park, and work is occurring on several yurts which will be available for rent in the future.

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**Principal Private Non-Retail Employers  
(as of May 2017)**

<b><u>Name</u></b>	<b><u>Nature of Business</u></b>	<b><u>Employee Range</u></b>
Spotsylvania Regional Medical Center	Hospital	500-999
CVS, Inc.	Pharmacy Distribution Center	250-499
United Parcel Service	Courier and Messenger Services	250-499
Rappahannock Goodwill Industries	Rehabilitation Services	100-249
West Asset Management	Collection Agency	100-249
A-T Solutions, Inc.	Support to Counterterrorist Activities	100-249
Kaeser Compressors, Inc.	Air Compressor Manufacturing	100-249
Professional Employer Resource	Professional Employer Organization	100-249
Home Instead Senior Care	Senior Home Care Services	100-249
EOIR Technologies, Inc.	Sensor Technology	100-249
WCC Cable	Telecommunications Contractor	100-249
Richmond Fitness, Inc.	Fitness and Recreational Sports Center	100-249
Trussway	Manufacturing of Building Trusses	100-249
Rappahannock Electric Co-Op	Electric Utility	100-249
Simmons Manufacturing Company	Bedding Manufacturing	100-249

Source: Virginia Employment Commission.

Additional major private, non-retail employers located in the surrounding area (but not located in the County) include:

<b><u>Name</u></b>	<b><u>Nature of Business</u></b>	<b><u>Employee Range</u></b>
GEICO	Insurance Customer Service Center	1,000+
Mary Washington Hospital	Health Care/Hospital	1,000+
McLane Mid-Atlantic	Distributor for Convenience Stores	500-999
Medicorp Health System	Health Care Services	500-999
YMCA	Social Advocacy Organization	500-999
Stafford Hospital Center	Hospital	500-999
Snowden Services	Health Care	250-499
Minnieland Private Day School	Day Care and Child Care	250-499
Hilldrup Transfer and Storage, Inc.	Moving and Storage	250-499
Intuit	Business and Finance Software	250-499

Source: Virginia Employment Commission.

## Unemployment Rate

The following table illustrates the unemployment rate for the County, the Commonwealth of Virginia and the United States for selected years.

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Spotsylvania County</b>	5.6%	7.0%	6.7%	6.1%	5.8%	5.4%	4.6%	4.1%
<b>Commonwealth of Virginia</b>	6.7	7.1	6.6	6.1	5.7	5.2	4.5	4.0
<b>United States</b>	9.3	9.6	8.9	8.1	7.4	6.2	5.3	4.9

Source: Spotsylvania and Commonwealth data from Virginia Employment Commission  
United States data from Bureau of Labor Statistics

## Taxable Retail Sales

The table below is a summary of recent County taxable retail sales and per capita taxable retail sales.

### **Taxable Retail Sales and Taxable Retail Sales Per Capita**

<b><u>Calendar Year</u></b>	<b><u>Taxable Retail Sales</u></b>	<b><u>Taxable Retail Sales Per Capita</u></b>
2007	1,408,121,720	11,839
2008	1,392,356,310	11,602
2009	1,347,926,498	11,142
2010	1,360,120,319	11,112
2011	1,409,680,505	11,291
2012	1,459,932,298	11,569
2013	1,475,776,919	11,549
2014	1,506,373,874	11,649
2015	1,547,887,315	11,852
2016	1,590,677,800	12,050

Source: Department of Taxation, Commonwealth of Virginia. Latest available information.

## Accounting System and Annual Audit

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting and reporting entity. Operations are accounted for by a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues and expenditures or expenses.

The modified accrual basis of accounting is followed for the governmental funds. Revenue is recorded when received, except for revenue deemed to be available and of a material amount which is accrued. Expenditures are recorded when liabilities are incurred.

An annual audit is made of the various funds of the County, and the most recently completed financial statement submitted by Cherry Bekaert, LLP, independent certified public accountants, is presented as [Appendix B](#) to this Official Statement. Cherry Bekaert, LLP will not review this Official Statement or any other matters in connection with the issuance of the Bonds.

Note 1 of the financial statements in [Appendix B](#) gives a more detailed summary of significant accounting policies.

## **Budget**

Prior to March 30 of each year, the County Administrator submits to the Board a proposed operating and capital budget for the Fiscal Year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain citizen comments. Prior to June 30, the budget is enacted by resolution of the Board. Thereafter, appropriations are approved annually by the Board. Additions to the budget must be approved and appropriated by the Board. The County Administrator is authorized to transfer budgeted amounts within general government departments and has limited authority to transfer budgeted amounts between departments.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Funds, and Enterprise Fund. The School Funds are integrated only at the level of legal adoption.

Appropriations lapse on June 30 for all County units except for the Capital Projects Funds which carry unexpended balances into the following year on a continuing appropriation basis.

The Code of Virginia requires that the School Board's requested budget be submitted in its entirety to the Board. Legislation passed in the 1978 General Assembly requires the County to approve an annual budget for education purposes by May 1 or within 30 days of the receipt of estimates of educational funds to the County. The County budget document includes the School System's adopted budget. Once adopted by the County, the School Board's budget is controlled by the School Board. The County and the School Board have adopted their respective budgets for Fiscal Year 2018, which begins July 1, 2017.

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Set forth in the table below is a summary of the Fiscal Year 2018 Adopted General Fund Budget.

	<b>FY 2018 ADOPTED BUDGET</b>
<b>Sources:</b>	
Revenues:	
Property Taxes	\$167,829,941
Other Local Taxes	41,646,000
Licenses & Permits	345,200
Charges for Services	3,985,944
Other Local Revenue	4,380,676
State	36,517,189
Federal	931,624
Transfer from Capital Projects Fund	282,211
Transfer from Fire/EMS Service Fee Fund	2,770,705
Transfer from Code Compliance Fund	623,803
Total Revenues	\$259,313,293
Use of (Addition to) Fund Balance	761,222
Total Sources	<u>\$260,074,515</u>
<b>Uses:</b>	
Executive Services	\$5,014,724
Administrative Services	13,451,416
Voter Services	438,212
Judicial Administration	4,182,973
Public Safety	51,058,464
Public Works	9,247,281
Health & Welfare	19,621,211
Parks, Recreation & Cultural	7,520,722
Community Development	2,643,338
Debt Service	10,293,341
Subtotal	\$123,471,682
Tax Relief	1,090,709
Transfer to School Operating Fund	124,075,315
Transfers to Other Funds	11,436,809
Total Uses	<u>\$260,074,515</u>

### **Fiscal Policy Guidelines**

In March 1992, the Board of Supervisors adopted a series of fiscal policies designed to provide target parameters and goals that will influence and guide the financial management practices of the County. These policies relate to: Financial Planning and Budgeting; Revenues; Expenditures, including Debt Management and Reserves; Utilities and Code Compliance Funds; and Virginia Railway Express Funding. Updates to the guidelines have been approved by the Board in 2001, 2004, 2006, 2007, 2010, 2011, 2012, 2015, and most recently in 2017, to support the County's goal of achieving a "AAA" credit rating.

### **Capital Improvement Plan**

The County makes annual appropriations for capital projects on a continuing basis. These appropriations cover projects until completed unless amended or superseded by action of the Board.

The Capital Improvement Plan ("CIP") represents a five-year program of capital outlays for general County, water and sewer and school improvements. It is reviewed and updated annually but does not represent a legislative commitment to expend capital funds for the projects indicated. It is a plan for future spending and establishes priorities for the orderly development of the County. The CIP is subject to continuing examination and revision and is reviewed and adopted by the Board on an annual basis. The most recent CIP adopted by the Board of Supervisors appears on the following page.

**FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM**  
**Capital Improvement Plan**

**SUMMARY OF PROJECT ESTIMATES<sup>(1)</sup>**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2018-2022 Estimated Cost</u>
<b>GENERAL CAPITAL PROJECTS</b>						
General Government Facilities	\$5,074,254	\$11,991,810	\$4,000,943	\$10,477,552	\$7,750,113	\$39,294,672
Solid Waste	1,107,176	690,975	3,108,000	1,549,050	7,172,667	13,627,868
Parks and Recreation	1,266,932	759,000	1,330,000	3,387,100	0	6,743,032
Fire/Rescue Services	4,054,960	6,274,206	2,732,837	6,404,559	6,810,871	26,277,433
Transportation	120,000	9,763,553	6,777,500	20,000	7,075,020	23,756,073
<b>TOTAL</b>	<b>\$11,623,322</b>	<b>\$29,479,544</b>	<b>\$17,949,280</b>	<b>\$21,838,261</b>	<b>\$28,808,671</b>	<b>\$109,699,078</b>
<b>SCHOOL CAPITAL PROJECTS</b>	27,361,447	28,466,642	14,738,766	12,508,119	18,718,003	101,792,977
<b>UTILITIES CAPITAL PROJECTS</b>	12,066,600	22,345,000	11,125,000	17,810,000	11,400,000	74,746,600
<b>TOTAL</b>	<b>\$51,051,369</b>	<b>\$80,291,186</b>	<b>\$43,813,046</b>	<b>\$52,156,380</b>	<b>\$58,926,674</b>	<b>\$286,238,655</b>

**SUMMARY OF FUNDING ESTIMATES<sup>(1)</sup>**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2018-2022 Estimated Cost</u>
<b>GENERAL CAPITAL PROJECTS</b>						
Use of (Add to) CIP Fund Balance	(\$441,312)	(\$384)	(\$788,769)	(\$430,295)	(\$52,557)	(\$1,713,317)
General Fund Revenues	8,891,300	9,343,072	10,075,365	10,862,045	11,659,919	50,831,701
Bond/Lease Issues	1,946,621	19,303,628	8,387,500	10,900,000	16,685,891	57,223,640
Other Sources	1,226,713	833,228	275,184	506,511	515,418	3,357,054
<b>TOTAL GENERAL PROJECTS</b>	<b>\$11,623,322</b>	<b>\$29,479,544</b>	<b>\$17,949,280</b>	<b>\$21,838,261</b>	<b>\$28,808,671</b>	<b>\$109,699,078</b>
<b>SCHOOL CAPITAL PROJECTS</b>						
Bond/Lease Issues	27,361,447	28,466,642	14,738,766	12,508,119	18,718,003	101,792,977
<b>TOTAL SCHOOL PROJECTS</b>	<b>\$27,361,447</b>	<b>\$28,466,642</b>	<b>\$14,738,766</b>	<b>\$12,508,119</b>	<b>\$18,718,003</b>	<b>\$101,792,977</b>
<b>UTILITIES CAPITAL PROJECTS</b>						
Connection Fees	2,637,970	2,637,970	2,637,970	2,637,970	2,637,970	13,189,850
Bond Issues	0	17,032,500	6,279,713	14,810,000	8,400,000	46,522,213
Other Sources	9,808,716	462,500	495,287	150,000	150,000	11,066,503
Use of (Add to) Util. Fund Balance	(380,086)	2,212,030	1,712,030	212,030	212,030	3,968,034
<b>TOTAL UTIL. CAP. PROJECTS</b>	<b>\$12,066,600</b>	<b>\$22,345,000</b>	<b>\$11,125,000</b>	<b>\$17,810,000</b>	<b>\$11,400,000</b>	<b>\$74,746,600</b>
<b>TOTAL</b>	<b>\$51,051,369</b>	<b>\$80,291,186</b>	<b>\$43,813,046</b>	<b>\$52,156,380</b>	<b>\$58,926,674</b>	<b>\$286,238,655</b>

Source: Director of Finance, Spotsylvania County.

<sup>(1)</sup> Some of the columns and rows may not add up exactly because of the effect of rounding.

## Selected Financial Information

The financial data shown in the following tables present a summary for the last five Fiscal Years of the County's General Fund revenues, expenditures and fund balances, the Proprietary Fund revenues, expenses and changes in retained earnings, the School Operating Fund revenues and expenditures and changes in fund balances.

### Five - Year Summary of Revenues, Expenditures and Changes in Fund Balances General Fund Fiscal Year Ended June 30

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Fund Balance at Beginning of Year	\$54,686,760	\$61,981,807	\$54,576,221	\$56,203,111	\$66,779,711
<b>Revenues:</b>					
General property taxes <sup>(1)</sup>	\$145,991,784	\$146,921,113	\$151,223,334	\$155,952,351	\$160,837,878
Other taxes	40,606,834	41,797,723	42,249,904	43,469,216	44,729,818
Permits, privilege fees and regulatory license	289,930	309,257	246,380	272,506	389,490
Fines and Forfeitures	834,950	642,498	544,449	634,822	516,791
Use of money and property	824,123	442,990	815,850	847,799	1,447,184
Charges for Services	2,556,700	3,461,443	4,135,441	4,558,514	4,472,575
Gifts and donations	-	-	154,231	44,302	120,681
Miscellaneous	557,284	252,575	145,918	175,173	201,183
Intergovernmental	31,089,331	29,510,583	31,566,389	32,709,716	34,746,531
Total revenues	<u>\$222,750,936</u>	<u>\$223,338,182</u>	<u>\$231,081,896</u>	<u>\$238,664,399</u>	<u>\$247,462,131</u>
<b>Expenditures:</b>					
Current:					
General government administration	\$10,299,257	\$11,256,673	\$11,212,302	\$11,600,207	\$11,491,091
Judicial administration	6,230,571	6,422,177	6,766,622	7,046,770	7,265,919
Public safety	36,494,381	41,369,515	41,338,015	42,110,181	43,902,872
Public works	8,033,049	8,344,293	8,671,703	8,479,503	8,484,962
Health and welfare	17,171,903	17,300,979	18,041,782	17,944,883	19,597,892
Education	84,485,342	92,932,485	102,668,827	101,940,702	111,012,190
Parks, recreation and cultural	6,752,339	6,807,391	6,812,660	6,848,209	6,767,559
Community development	2,932,060	2,483,956	2,473,836	2,146,529	2,226,841
General debt service	39,354,778	37,642,728	34,239,999	31,623,030	32,179,646
Non-departmental	541,767	551,045	847,548	1,040,896	1,132,563
Total expenditures	<u>\$212,295,447</u>	<u>\$225,111,242</u>	<u>\$233,073,294</u>	<u>\$230,780,910</u>	<u>\$244,061,535</u>
Excess of revenues over expenditures	<u>\$10,455,489</u>	<u>\$(1,773,060)</u>	<u>\$(1,991,398)</u>	<u>\$7,883,489</u>	<u>\$3,400,596</u>
Other financing sources (uses):					
Bond proceeds	5,650,000	40,995,000	23,497,716	71,264,106	27,765,885
Debt issuance premiums (discounts)	438,262	3,241,694	-	7,546,494	3,711,698
Payment for refunded debt	(6,017,042)	(43,495,786)	(11,583,708)	(70,419,215)	(16,413,670)
Transfers in (out)	(3,231,662)	(6,373,434)	(8,295,720)	(6,328,074)	(12,225,240)
Total other financing sources (uses):	<u>(\$3,160,442)</u>	<u>(\$5,632,526)</u>	<u>\$3,618,288</u>	<u>\$2,063,311</u>	<u>\$2,838,673</u>
Excess (deficiency) of revenues & other sources over expenditures & other uses	7,295,047	(7,405,586)	1,626,890	9,946,800	6,239,269
Special revenue	-	-	-	629,800	-
Fund balance at end of year	<u>\$61,981,807<sup>(2)</sup></u>	<u>\$54,576,221<sup>(2)</sup></u>	<u>\$56,203,111<sup>(2)</sup></u>	<u>\$66,779,711<sup>(2)</sup></u>	<u>73,018,972<sup>(3)</sup></u>

Source: Spotsylvania County Comprehensive Annual Financial Report ("CAFR") FY 2012 through FY 2016.

<sup>(1)</sup> See footnote (1) in the table entitled "Tax Revenues by Source" on page A-26 for additional information regarding general property taxes.

<sup>(2)</sup> Difference from Spotsylvania CAFR is due to Economic Development Opportunities Fund included in CAFR to satisfy GASB 54 requirements.

<sup>(3)</sup> Difference due to rounding.

**Summary of  
Revenues, Expenditures and Fund Balances  
School Funds  
Fiscal Year Ended June 30**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Fund balance at beginning of year	<u>\$5,448,802</u>	<u>\$4,379,965</u>	<u>\$9,646,890<sup>(1)</sup></u>	<u>\$18,050,272</u>	<u>\$22,304,382</u>
<b>Revenues:</b>					
Use of money and property	19,863	9,746	15,068	12,701	50,760
Charges for services	7,272,208	7,200,343	7,733,302	7,437,251	8,003,688
Miscellaneous	837,913	920,263	413,500	406,056	586,515
Gifts and donations	-	-	377,608	74,316	-
Intergovernmental	127,294,547	138,379,963	135,379,486	140,988,446	141,379,434
Payments from primary government	<u>88,411,888</u>	<u>92,717,879</u>	<u>102,454,221</u>	<u>101,711,245</u>	<u>114,532,357</u>
Total Revenues	<u>\$223,836,419</u>	<u>\$239,228,194</u>	<u>\$246,373,185</u>	<u>\$250,630,015</u>	<u>\$264,552,754</u>
<b>Expenditures:</b>					
Education	\$219,670,537	\$232,201,733	\$227,625,551	\$240,214,527	\$247,917,826
Capital projects	<u>5,234,720</u>	<u>8,275,412</u>	<u>10,344,252</u>	<u>6,161,378</u>	<u>19,411,088</u>
Total Expenditures:	\$224,905,257	\$240,477,145	\$237,969,803	\$246,375,905	\$267,328,914
Revenues over (under) expenditures	<u>(\$1,068,838)</u>	<u>(\$1,248,951)</u>	<u>\$8,403,382</u>	<u>\$4,254,110</u>	<u>(\$2,776,160)</u>
Fund balance at end of year	<u>\$4,379,965</u>	<u>\$3,131,014</u>	<u>\$18,050,272</u>	<u>\$22,304,382</u>	<u>\$19,528,221</u>

Source: Spotsylvania County CAFR FY 2012 through FY 2016.

<sup>(1)</sup> As part of the FY 2014 CAFR, the beginning fund balance was adjusted to correct for understatements in prior CAFRs of the balance of sale tax receivables and claim reserves held by others.

**Debt Management**

Pursuant to the Constitution of Virginia and the Public Finance Act of 1991, a county in Virginia is authorized, subject to certain limitations, to issue general obligation bonds secured by a pledge of its full faith and credit and for which the County is authorized and required to levy on all taxable property within the County such ad valorem taxes as may be necessary to pay principal and interest. Although the issuance of bonds by Virginia counties is not subject to any limitation on amount, counties are prohibited from issuing general obligation bonds unless the issuance of such bonds has been approved by public referendum except for certain bonds issued for school purposes.

Counties may, with voter approval, elect to be treated as cities for the purpose of incurring debt. This election allows a county to issue bonds in a principal amount up to 10% of the assessed value of real estate subject to taxation by the county without voter approval. The County has not elected to be treated as a city for this purpose.

**Statement of Debt Service Charges on Outstanding  
General Governmental Long-Term Obligations to Maturity  
At June 30, 2017<sup>(1)</sup>**

Annual requirements to amortize general governmental long-term obligations (consisting of school bonds, Literary Fund loans and capital leases and other subject-to-appropriation obligations) and related interest are as follows:

<b>Year Ending June 30</b>	<b>General Government</b>			<b>General Governmental Long-Term Debt</b>			<b>Total Debt Service</b>		
	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2018	9,167,275	4,889,069	14,056,344	16,758,799	5,948,556	22,707,355	25,926,074	10,837,625	36,763,699
2019	9,095,331	4,547,350	13,642,681	16,013,263	5,242,918	21,256,180	25,108,594	9,790,267	34,898,861
2020	9,058,679	4,174,544	13,233,224	14,557,780	4,574,075	19,131,854	23,616,459	8,748,619	32,365,078
2021	9,148,588	3,794,984	12,943,571	14,255,386	3,939,686	18,195,072	23,403,973	7,734,670	31,138,643
2022	9,256,894	3,376,896	12,633,790	13,889,106	3,306,496	17,195,602	23,146,000	6,683,392	29,829,392
2023	9,385,871	2,948,024	12,333,895	12,536,128	2,693,407	15,229,536	21,921,999	5,641,432	27,563,431
2024	9,095,437	2,511,898	11,607,335	9,677,563	2,161,135	11,838,698	18,773,000	4,673,033	23,446,033
2025	8,787,240	2,082,093	10,869,333	9,903,760	1,765,275	11,669,035	18,691,000	3,847,368	22,538,368
2026	8,800,760	1,742,663	10,543,423	9,769,240	1,419,995	11,189,235	18,570,000	3,162,658	21,732,658
2027	8,825,089	1,411,984	10,237,074	9,815,911	1,125,342	10,941,253	18,641,000	2,537,326	21,178,327
2028	5,151,275	1,063,911	6,215,186	7,129,724	686,283	7,816,007	12,281,000	1,750,194	14,031,194
2029	4,971,275	840,358	5,811,634	5,777,724	467,815	6,245,539	10,749,000	1,308,173	12,057,173
2030	4,986,275	622,195	5,608,470	4,339,724	298,914	4,638,638	9,326,000	921,108	10,247,108
2031	3,126,275	432,118	3,558,393	3,523,724	174,221	3,697,946	6,650,000	606,339	7,256,339
2032	2,821,698	316,227	3,137,924	728,302	68,389	796,691	3,550,000	384,616	3,934,615
2033	2,231,698	211,992	2,443,690	728,302	46,054	774,356	2,960,000	258,046	3,218,045
2034	1,944,814	128,267	2,073,080	455,186	23,720	478,906	2,400,000	151,987	2,551,987
2035	1,444,456	50,842	1,495,298	230,544	8,069	238,613	1,675,000	58,912	1,733,912
2036	215,000	5,106	220,106	0	0	0	215,000	5,106	220,106
2037	0	0	0	0	0	0	0	0	0
2038	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b><u>\$117,513,931</u></b>	<b><u>\$35,150,522</u></b>	<b><u>\$152,664,453</u></b>	<b><u>\$150,090,165</u></b>	<b><u>\$33,950,349</u></b>	<b><u>\$184,040,514</u></b>	<b><u>\$267,604,097</u></b>	<b><u>\$69,100,871</u></b>	<b><u>\$336,704,968</u></b>

Source: Director of Finance, Spotsylvania County.

<sup>(1)</sup> Some of the columns and rows may not add up exactly because of the effect of rounding.



**Statement of Debt Service Charges on Outstanding  
General Governmental Long-Term Obligations to Maturity<sup>(1)</sup>  
Subsequent to June 30, 2017**

<b>Year Ending June 30</b>	<b>Existing Governmental Debt Service Total</b>	<b><u>Principal</u></b>	<b><u>Series 2017 Bonds</u> <u>Interest</u></b>	<b><u>Total</u></b>	<b><u>Principal</u></b>	<b><u>Total Debt Service</u> <u>Interest</u></b>	<b><u>Total</u></b>
2018	36,763,699						
2019	34,898,861						
2020	32,365,078						
2021	31,138,643						
2022	29,829,392						
2023	27,563,431						
2024	23,446,033						
2025	22,538,368						
2026	21,732,658						
2027	21,178,327						
2028	14,031,194						
2029	12,057,173						
2030	10,247,108						
2031	7,256,339						
2032	3,934,615						
2033	3,218,045						
2034	2,551,987						
2035	1,733,912						
2036	220,106						
2037	0						
2038	<u>0</u>						
<b>Total</b>	<b><u>\$336,704,968</u></b>	<b><u>\$</u></b>	<b><u>\$</u></b>	<b><u>\$</u></b>	<b><u>\$</u></b>	<b><u>\$</u></b>	<b><u>\$</u></b>

Source: Director of Finance, Spotsylvania County.

<sup>(1)</sup> Some of the columns and rows may not add up exactly because of the effect of rounding.

**Ratio of Net Bonded Debt to Assessed Valuation  
and Net Bonded Debt per Capita**

<b>Fiscal Year</b>	<b><u>Population</u><sup>(1)</sup></b>	<b><u>Assessed Value of Real Property</u><sup>(2)</sup></b>	<b><u>Net<sup>(3)</sup> Bonded Debt</u></b>	<b><u>Percentage of Net Bonded Debt to Assessed Value</u></b>	<b><u>Net Bonded Debt Per Capita</u></b>
2008	120,015	15,377,146,622	353,538,136	2.30	2,946
2009	120,977	15,602,485,756	331,735,771	2.13	2,742
2010	122,397	12,170,030,169	309,453,380	2.54	2,528
2011	124,853	12,299,190,848	303,240,760	2.47	2,429
2012	126,194	11,879,393,399	298,344,937	2.51	2,364
2013	127,779	11,944,871,476	276,359,298	2.31	2,163
2014	129,318	12,465,541,474	271,637,694	2.18	2,101
2015	130,603	12,641,335,473	263,795,039	2.09	2,020
2016	132,010	13,441,945,734	266,867,938	1.99	2,022
2017	133,330	13,778,110,158	267,604,097	1.94	2,007

Source: Director of Finance, Spotsylvania County.

<sup>(1)</sup> U.S. Census Bureau for 2016 and prior, Spotsylvania County Planning Department for 2017 estimate.

<sup>(2)</sup> Assessed value net of tax deferrals and tax relief. Reflects main book value only; no supplemental books.

<sup>(3)</sup> Represents debt outstanding at year's end. There are no incorporated municipalities within the County. Thus, there is no overlapping debt. Excludes bonds issued for transportation projects for which Special Service District taxes are in place to fully fund the debt service.

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## Operating Data

The following tables present operating data with respect to the County, some of which, as noted, will be updated in the County's Comprehensive Annual Financial Report, and posted on the Electronic Municipal Market Access system of the Municipal Securities and Rulemaking Board in connection with the County's continuing disclosure obligations. See the subsection "Continuing Disclosure" in Section Four of the front part of this Official Statement.

### Tax Revenues By Source

#### Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Property Taxes<sup>(1)</sup></b>	<b>Sales Taxes</b>	<b>Utilities Taxes</b>	<b>Other Taxes</b>	<b>Total Taxes</b>
2008	118,160,263	15,559,570	7,742,044	17,797,795	159,259,672
2009	127,061,340	14,383,878	7,396,550	17,322,548	166,164,316
2010	135,397,845	13,971,811	7,351,172	16,896,976	173,617,804
2011	142,518,661	14,442,629	7,447,080	17,835,593	182,243,963
2012	145,533,200	15,110,445	7,172,207	18,324,183	186,140,035
2013	146,393,586	15,355,413	7,256,197	19,186,113	188,191,309
2014	150,750,977	15,778,707	7,262,945	19,208,252	193,000,881
2015	155,425,369	16,437,035	7,277,122	19,755,059	198,894,585
2016	160,136,405	17,123,500	7,115,193	20,491,125	204,866,223
2017 <sup>(2)</sup>	163,391,393	17,600,000	7,200,000	21,500,000	209,691,393

Source: Director of Finance, Spotsylvania County.

<sup>(1)</sup> In 1998, the General Assembly of the Commonwealth enacted legislation that reduced the personal property taxes applicable to the first \$20,000 in assessed value of certain individually owned motor vehicles. Such legislation provided a formula for the Commonwealth generally to reimburse localities, including the County, for up to 100% of the decrease in revenues attributable to such tax; however, the timing and the amount of such reimbursements are subject to annual appropriation and further modification by the General Assembly. Implementation of such reimbursements began with fiscal year 1998, with the level of reimbursement reaching 70%. Beginning in 2006, reimbursement by the Commonwealth to all localities was capped at \$950 million. In addition to the property taxes shown here, the County receives \$14,509,422 million each fiscal year in reimbursements from the Commonwealth.

<sup>(2)</sup> Unaudited. Based on third quarter report for FY 2017.

### Assessed Value of All Taxable Property

#### Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Real Property<sup>(1)</sup></b>	<b>Personal Property<sup>(2)</sup></b>	<b>Machinery and Tools</b>	<b>Mobile Homes</b>	<b>Heavy Construction</b>	<b>Public Service<sup>(3)</sup></b>	<b>Total</b>
2008	15,377,146,622	732,059,780	25,086,054	15,737,031	12,398,672	285,168,455	16,447,596,614
2009	15,602,485,756	660,360,808	26,372,111	15,981,712	11,924,134	291,436,338	16,608,560,858
2010	12,170,030,169	733,708,427	28,406,418	12,303,876	12,417,383	298,096,073	13,254,962,346
2011	12,299,190,848	747,950,998	20,120,701	12,911,389	12,450,168	284,608,118	13,377,232,222
2012	11,879,393,399	777,973,916	22,598,141	12,395,148	10,874,924	292,128,740	12,995,364,268
2013	11,944,871,476	785,133,554	21,097,462	12,815,378	11,202,399	300,789,478	13,075,909,747
2014	12,465,541,474	777,870,449	28,908,223	11,729,681	12,502,465	309,857,492	13,606,409,784
2015	12,641,335,473	792,608,168	26,694,694	11,407,466	11,921,546	338,189,938	13,822,157,286
2016	13,441,945,734	823,339,771	26,395,185	11,283,074	14,871,233	352,966,101	14,670,801,098
2017	13,778,110,158	828,542,733	22,604,616	10,632,588	15,447,842	390,160,998	15,045,498,935

Source: Commissioner of the Revenue, Spotsylvania County. Annual original property books.

<sup>(1)</sup> Locally assessed real estate at 100% of estimated fair market value. Amount is net of tax relief and deferred taxes. The calendar year 2017 assessment became effective January 1, 2017.

<sup>(2)</sup> Locally assessed personal property tax is levied on all cars and trucks (assessed at 50% of the NADA clean retail value).

<sup>(3)</sup> Based on valuations as established by State Corporation Commission.

**Ten Largest Taxpayers  
December 31, 2016**

<u>Name</u>	<u>Type of Business</u>	<u>Assessed Valuation</u> <sup>(1)</sup> (000s omitted)	<u>Amount of Tax</u>	<u>Percent of Total Tax Billed</u>
Spotsylvania Mall Company	Shopping Mall	\$188,296	\$1,616,822	1.28%
Dominion Virginia Power	Public Utility	152,474	1,296,032	1.04
Spotsylvania Regional Medical Center	Hospital	81,313	1,121,732	0.55
Rappahannock Electric	Public Utility	77,459	696,223	0.53
Comcast of VA	Public Utility	8,712	518,660	0.06
Verizon VA	Public Utility	49,026	435,456	0.33
CVS VA Distribution	Warehousing	7,264	432,236	0.05
Columbia Gas of VA	Public Utility	41,959	356,647	0.29
GLL BVK Properties	Developer	32,719	278,111	0.22
Station Sq. at Cosner's Corner	Apartments	31,876	274,191	0.22

Source: Treasurer, Spotsylvania County.

<sup>(1)</sup> Includes real and personal property taxes. This schedule is ranked by tax paid. Due to varying rates for real and personal property and public service corporations, assessed values may appear to be out of order.

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**General Government Revenues By Source  
All Governmental Fund Types**

**Last Ten Fiscal Years**

<b><u>Fiscal Year</u></b>	<b><u>General Property Taxes</u></b>	<b><u>Other Local Taxes</u></b>	<b><u>Permits, Privilege Fees and Regulatory Licenses</u></b>	<b><u>Fines And Forfeitures</u></b>	<b><u>Revenues From Use of Money And Property</u></b>	<b><u>Charges For Services</u></b>	<b><u>Miscellaneous</u></b>	<b><u>Inter- Governmental</u></b>	<b><u>Total</u></b>
2007	\$110,215,192	\$40,421,229	\$3,944,784	\$948,944	\$9,213,415	\$13,220,974	\$5,640,099	\$162,989,330	\$346,593,967
2008	119,490,196	41,099,409	3,437,935	974,608	8,044,111	15,479,460	3,695,857	170,863,780	363,085,356
2009	128,835,304	39,102,978	3,176,811	1,163,163	3,243,952	15,722,456	1,358,757	174,310,233	366,913,654
2010	136,828,908	38,219,958	2,344,271	1,007,247	1,630,563	11,870,306	1,225,134	173,635,842	366,762,229
2011	144,911,369	42,098,596	2,210,433	933,327	1,528,698	11,822,621	1,113,581	162,801,128	367,419,753
2012	147,205,885	45,551,370	2,387,611	834,900	1,086,961	12,728,380	1,465,681	158,922,765	370,183,553
2013	147,829,247	47,212,193	2,654,404	642,498	743,743	13,618,541	1,606,764	179,531,380	393,838,770
2014	151,945,820	51,671,775	2,685,169	544,449	1,108,352	14,808,265	1,687,726	173,282,339	397,733,895
2015	156,655,140	48,251,198	3,184,983	634,822	1,172,402	15,049,360	1,051,706	180,043,340	406,042,951
2016	161,724,970	48,124,898	4,338,229	516,791	1,957,329	15,016,889	1,693,088	179,752,278	413,124,472

Source: Audited Financial Statements 2007 – 2016.

### General Property Tax Rates Per \$100 of Assessed Value

<u>Last Ten Calendar Years</u>					
<u>Calendar Year</u>	<u>Real Estate and Mobile Home</u>	<u>Personal Property<sup>(1)</sup></u>	<u>Business Furniture and Fixtures</u>	<u>Machinery And Tools</u>	<u>Heavy Construction Equipment</u>
2008	\$0.62	\$5.00	\$5.00	\$2.50	\$2.00
2009	0.62	6.26	5.95	2.50	2.00
2010	0.86	6.26	5.95	2.50	2.00
2011	0.86	6.26	5.95	2.50	2.00
2012	0.88	6.37	5.95	2.50	2.00
2013	0.88	6.37	5.95	2.50	2.00
2014	0.86	6.78	5.95	2.50	2.00
2015	0.86	6.73/6.25	5.95	2.50	2.00
2016	0.85	6.55/6.25	5.95	2.50	2.00
2017	0.85	6.55/6.25	5.95	2.50	2.00

<sup>(1)</sup> For years 2008 – 2014 the rate includes all personal property types. Beginning in 2015, there are two adopted rates: one for automobiles, campers, motor homes, motorcycles, pickups, and trucks and a second rate for boats and boat trailers.  
Source: Director of Finance, Spotsylvania County.

### Property Tax Levies and Collections

#### Last Ten Fiscal Years (\$ in thousands)

<u>Fiscal Year</u>	<u>Total Tax Levy<sup>(2)</sup></u>	<u>Current Tax Collections<sup>(2)</sup></u>	<u>Percent of Levy Collected<sup>(3)</sup></u>	<u>Collections in Subsequent Years<sup>(1,2)</sup></u>	<u>Total Tax Collections</u>	<u>Total Tax Collection to Tax Levy<sup>(3)</sup></u>
2007	\$105,414	\$100,292	95.14%	\$4,942	\$105,234	99.83%
2008	114,440	108,901	95.16	5,498	114,399	99.96
2009	119,257	112,873	94.65	5,919	118,792	99.61
2010	131,069	123,576	94.28	6,927	130,503	99.57
2011	137,989	130,423	94.52	6,971	137,394	99.57
2012	141,382	132,979	94.06	6,873	139,852	98.92
2013	141,195	134,557	95.30	6,333	140,890	99.78
2014	145,866	137,564	94.31	6,736	144,300	98.93
2015	148,548	141,151	95.02	6,548	147,699	99.43
2016	153,044	145,122	94.82	-	145,122	94.82

Source: Treasurer, Spotsylvania County.

<sup>(1)</sup> Does not include land redemptions.

<sup>(2)</sup> Exclusive of penalties and interest.

<sup>(3)</sup> Percentages are calculated using levy for fiscal year.

## **Pension Plan**

All permanent full-time employees of the County and the non-professional employees of the Spotsylvania School Board are automatically enrolled in the Virginia Retirement System (“VRS”), which provides retirement and disability benefits. The VRS maintains separate accounts for each participating locality based on contributions made by the locality and its employees and the benefits being paid to former employees.

The VRS Basic Benefit is a lifetime monthly benefit based on a formula using the member’s average final compensation, a retirement multiplier and total service credit at retirement. For members hired before July 1, 2010, the monthly benefit is based on 1.7% (1.85% for hazardous duty employees) of the member’s 36 consecutive months of highest compensation. For non-hazardous duty members hired or rehired on or after July 1, 2010 and members who were not vested on January 1, 2013, the monthly benefit is based on 1.65% of the member’s 60 consecutive months of highest compensation. Effective January 1, 2014, all new employees without prior VRS service are required to enroll in the VRS Hybrid Plan except for sworn personnel, a combination of defined benefit and defined contribution plans. The Hybrid Plan, introduced to address future affordability, lowered the retirement multiplier to 1.0% and increased the number of months used to calculate the average final compensation.

The Plan is funded through annual required contributions, actuarially determined every two years, at rates that provide for both normal and accrued funding liability. Plan members are required by Virginia law, to contribute 5.0% of their creditable compensation toward their retirement, which up until July 1, 2012 was paid by the County. Effective July 1, 2012, the County adopted provisions mandating all new employees will contribute the full 5% member contribution. In addition, existing employees will be phased-in over a five year period (1% per year) with the County providing salary increases equal to the member contribution in each of the five years as required by VRS. All employees are contributing the full 5% effective July 1, 2017. Each of the County and School Board is required to contribute the remaining amounts necessary to fully fund its required participation in the Plan.

As reported in the County’s CAFR for fiscal year 2016, the County and School Board’s net pension liabilities were \$13.9 million and \$206.3 million, respectively. Details on the pension liability for each entity can be found in the County’s CAFR for fiscal year 2016.

## **Postemployment Benefits Other Than Pensions**

The County and School Board Other Postemployment Benefit Plans are each a single-employer, defined plan, providing health and dental care to retired employees upon meeting certain eligibility requirements. The provisions of each Plan may be amended by the Board of each respective entity. In addition, pursuant to Virginia law, the School Board has joined the Virginia Pooled OPEB Trust Fund, an irrevocable trust to receive, invest, and disburse OPEB funds. For additional information on Plan descriptions, actuarial methods and assumptions please see Note 12 in the County’s CAFR for fiscal year 2016.

At a minimum both the County and School Board fund retiree health benefits on a pay-as-you-go basis. For fiscal year 2016, the County contributed \$1,295,297 or 21.8% of the County’s annual OPEB cost, and the School Board contributed \$5,196,790 or 28.9% of the School Board’s annual OPEB cost. Through efforts to begin meeting each Plan’s annual required contribution, in addition to funding the pay-as-you-go costs, in fiscal year 2017, the County will reserve \$4,688,700 for OPEB. Additionally, the School Board has \$1.8 million in assets held in an irrevocable OPEB trust .

Additional information on each plan’s funded status and funding progress can be found in the County’s CAFR for fiscal year 2016.

### **Labor Relations**

There are presently no strikes or work stoppages by employees of the County, or independent contractors that provide essential government services, either in progress or threatened. Pursuant to the ruling of the Supreme Court of Virginia in *Commonwealth of Virginia v. County Board of Arlington County, et al.*, 217 VA 558, 232 SE 2d 30 (1977), the County is not empowered to recognize a labor organization as the exclusive representative of its public employees and cannot negotiate or enter into binding contracts with any such organization concerning the terms and conditions of employment of its employees. The County has neither negotiated nor bargained with its employees in any manner concerning any aspect of the terms and conditions of the employment of its employees. The County does provide, pursuant to Virginia law, a grievance procedure for the resolution of various personnel complaints.