

NOTICE OF PUBLIC HEARING
TOWN OF CHRISTIANSBURG
TAX INCREASES

A Public Hearing will be held by the Council of the Town of Christiansburg on Tuesday May 21, 2013, at 7:30 P.M. in the Council Room of the Town Hall, 100 East Main Street, Christiansburg, Virginia for the purpose of discussing the proposed tax increases and the corresponding ordinance changes.

PROPOSED TAX CHANGES

Increases in the following tax is proposed:

REAL PROPERTY (REAL ESTATE) TAX RATE

Effective for Tax Year 2013

Authority: Code of Virginia 58.1-3200

Real Estate Tax from \$0.1126 per hundred to \$0.13 per hundred

Increases in the following taxes are proposed:

CONSUMER UTILITY TAX/ NATURAL GAS AND ELECTRIC UTILITY TAX

Effective Date: October 1,2013

Authority: Code of Virginia 58.1-3814

The rate is unchanged; however the maximum monthly amount will be increased from \$2.00 to \$2.50 for both Gas and Electric consumption.

Increases in the following tax is proposed:

BUSINESS AND PROFESSIONAL LICENSE TAX RETAIL BUSINESSES

Effective Date: For all 2013 calendar year receipts

Authority: Code of Virginia 58.1-3700, et, esq.

The Business and Professional License Tax on Retail business to be increased from \$0.15 per \$100 to \$0.175 per \$100

This proposal may be examined on weekdays at the office of the Town Manager, 100 East Main Street, Christiansburg, VA, between the hours of 8:00 A.M. to 5:00 P.M. All interested citizens will have the opportunity to give written or oral comments.

Barry D. Helms, Town Manager

1x: 15 May, 2013
THE NEWS MESSENGER
LEGAL AD

2x: 12 May, 2013
BURGS
LEGAL AD

Link to the proposed 2013 -2014 budget

Dated May 9, 2013

<http://www.christiansburg.org/DocumentCenter/View/3821>



Town of Christiansburg

2013

Annual Action Plan

Presented to
U.S. Department of Housing and Urban Development

Prepared: May 2013

CITIZEN COMMENT PERIOD & PUBLIC HEARING NOTICE

TOWN OF CHRISTIANSBURG, VIRGINIA

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The Town of Christiansburg Virginia as a recipient of block grant funding is required by the U.S. Department of Housing and Urban Development (HUD) to prepare and adopt a multiyear Consolidated Plan and Annual Action Plans that solicit citizen views on proposed Community Development Block Grant (CDBG) program activities contained in these documents. The Citizen Comment period and public hearing have been scheduled for the FY 2013 Annual Action Plan.

CITIZEN PARTICIPATION

Draft copies of the FY 2013 Annual Action Plan will be available for review beginning May 28, 2013 and ending June 28, 2013. The plan shall outline proposed activities for CDBG funding and specific activities for this program year beginning July 1, 2013. Print copies of the draft plan will be located at the Christiansburg Public Library, located at 125 Sheltman Street during the review process. Additional copies can be obtained from the Christiansburg Planning Department, located at the Christiansburg Town Hall, 100 E. Main Street or on the Town's website at www.christiansburg.org. Provide any comments or suggestions by mailing the Planning Department – CDBG, Town of Christiansburg, 100 E. Main Street, Christiansburg, VA 24073-3029, by e-mailing nhair@christiansburg.org or by phone at (540) 382-6120 x 130.

PUBLIC HEARING

The Christiansburg Town Council will hold a Public Hearing on Tuesday, June 4, 2013 at 7:30 p.m. in the Council Room, Christiansburg Town Hall, 100 E. Main Street to receive comments on Council's intention to adopt the F.Y. 2013 Annual Action Plan.

A copy of the FY 2013 Annual Action Plan may be viewed in the Planning Department, Town of Christiansburg, 100 E. Main Street, Christiansburg, VA 24073-3029 during normal office hours of 8:00 a.m. – 5:00 p.m. Monday through Friday. Written comments may be sent to the preceding address; please allow adequate mailing time.

Any interested party whose participation in this meeting would require reasonable accommodation of a handicap or language services should contact the Town Manager's Office 382-6128 at least six days in advance.

Post May 25, 2013 and June 1, 2013



SF 424

The SF 424 is part of the CPMP Annual Action Plan. SF 424 form fields are included in this document. Grantee information is linked from the 1CPMP.xls document of the CPMP tool.

SF 424

Complete the fillable fields (blue cells) in the table below. The other items are pre-filled with values from the Grantee Information Worksheet.

Date Submitted	Applicant Identifier	Type of Submission	
Date Received by state	State Identifier	Application	Pre-application
Date Received by HUD	Federal Identifier	Construction	Construction
		Non Construction	Non Construction
Applicant Information			
Town of Christiansburg	VA510312 CHRISTIANSBURG		
100 East Main Street	06-601-8839		
0	0		
Christiansburg	Virginia	Planning Department	
24073	Country U.S.A.	0	
Employer Identification Number (EIN):		0	
54-6001215		10/1	
Applicant Type:		Specify Other Type if necessary:	
Local Government: Township		0	
Program Funding		U.S. Department of Housing and Urban Development	
Catalogue of Federal Domestic Assistance Numbers; Descriptive Title of Applicant Project(s); Areas Affected by Project(s) (cities, Counties, localities etc.); Estimated Funding			
Community Development Block Grant		14.218 Entitlement Grant	
FY 13/14 Annual Action Plan		Town of Christiansburg, VA	
\$	\$0		
\$0	\$0		
\$0	\$0		
\$0			
Total Funds Leveraged for CDBG-based Project(s) \$0			
Home Investment Partnerships Program		14.239 HOME	
HOME Project Titles		Description of Areas Affected by HOME Project(s)	
\$HOME Grant Amount	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	

\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for HOME-based Project(s)			
Housing Opportunities for People with AIDS		4.241 HOPWA	
HOPWA Project Titles		Description of Areas Affected by HOPWA Project(s)	
\$SHOPWA Grant Amount	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for HOPWA-based Project(s)			
Emergency Shelter Grants Program		14.231 ESG	
ESG Project Titles		Description of Areas Affected by ESG Project(s)	
\$ESG Grant Amount	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for ESG-based Project(s)			
Congressional Districts of: Applicant Districts Project Districts		Is application subject to review by state Executive Order 12372 Process?	
Is the applicant delinquent on any federal debt? If "Yes" please include an additional document explaining the situation.		Yes	This application was made available to the state EO 12372 process for review on DATE
		No	Program is not covered by EO 12372
Yes	No	N/A	Program has not been selected by the state for review

Person to be contacted regarding this application		
NICHOLE	L	HAIR
PLANNING DIRECTOR	540-382-6120	540-381-7238
nhair@christiansburg.org	www.christiansburg.org	0
Signature of Authorized Representative		Date Signed



Fourth Program Year Action Plan

The CPMP Fourth Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

Narrative Responses

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

Program Year 4 Action Plan Executive Summary:

The 2013 Annual Action Plan for the Town of Christiansburg outlines the activities that will be undertaken during the program year beginning July 1, 2013 and ending June 30, 2014 using Federal funds granted to the Town of Christiansburg by the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG). Programs and activities described in this plan are continued from Program Years 1, 2 and 3. All programs and activities are intended to benefit low-income and moderate-income residents of the Town of Christiansburg, neighborhoods with high concentrations of low-income and moderate-income residents, and the Town as a whole.

Objectives:

- Ongoing development of new public infrastructure and upgrading portions of infrastructure to enhance the quality of life for citizens in the Low to Moderate Income Block Groups.

Outcomes:

- Providing usable sidewalks will provide connectivity for low to moderate income residents within Town. Various residential areas lie adjacent to businesses, agencies that provide services, local transit and government offices. By providing the necessary links between the neighborhoods and the commercial area, an improved transportation network will be achieved.
- Upgrading water and sewer systems that lay under the sidewalk areas provides a better quality of life as some of these lines have never been upgraded or improved.

Accomplishments:

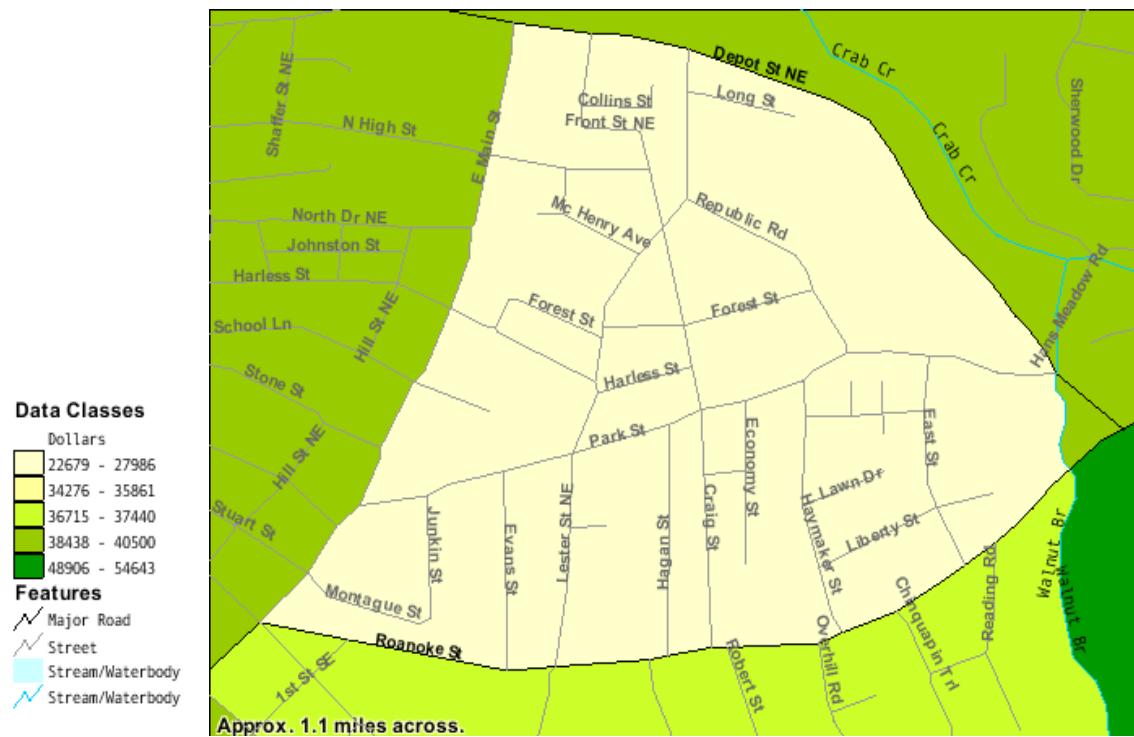
- Existing sidewalks have been improved to comply with ADA standards in the project area along Roanoke Street and Park Street.
- Approximately 639 feet of new sidewalk has been installed and 1520 feet of existing sidewalk has been improved.

General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

The Town of Christiansburg's Park District consists of a mixture of older single family homes and rental units. The Park District is also home to lower income residents with an average median income of \$22,679 - \$27,986. The boundary of the Park District is Roanoke Street (U.S. Routes 11 and 460), Depot Street, N.E. and East Main Street. Park Street (which the area is named for) which runs parallel to Roanoke Street, transects the Park District. Roanoke Street serves as a major connector to area shopping, medical offices and municipal buildings such as Christiansburg Town Hall, Montgomery County Courthouse and Health Department.

The Town of Christiansburg's Park District is home to lower income residents that require access to area shopping, medical offices and other businesses. A portion of Park Street and Roanoke Street do provide sidewalks; however, there is a need to fill in areas that do not have sidewalks. Christiansburg witnesses residents walking on the grassy shoulders to arrive at various destinations along Roanoke Street from their residences within the Park District. Christiansburg intends to allocate a minimum of 80% of the \$107,875 CDBG allocation to continue sidewalk construction and sidewalk repairs along portions of Roanoke Street, Park Street and Depot Street. The remaining 20% will be allocated for administrative costs if those costs should need funding.



Source: U.S. Census Bureau, Census 2000 Summary File 3, Matrix P53.

2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.

The Park Street Neighborhood will receive priority attention during this funding cycle to continue the construction of new sidewalks and repair of existing infrastructure. The priorities were established based on the needs of the eligible jurisdictional area and available funds.

3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.

A major obstacle the Town of Christiansburg has faced in meeting the needs of the targeted population is the minimal funds. Additionally, the Town of Christiansburg has limited staffing to assist with housing rehabilitation and other housing projects. In order to utilize the CDBG funds efficiently and effectively to meet the needs of the low to moderate income residents and other Town residents, infrastructure improvements serve the greater good.

4. Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

HUD CDBG funds will be used to address the needs and objectives identified in the Annual Action Plan. The Town of Christiansburg General Fund will ensure proper maintenance of sidewalks and infrastructure improvements. The Town of Christiansburg has been allocated to receive xx for the 2013 program year. No other funds will be used to meet the program needs.

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

Program Year 4 Action Plan Managing the Process response:

1. The Town of Christiansburg's Planning Department is the lead agency overseeing the administration of programs covered by the Consolidated Plan and Action Plans. The Planning Department is responsible for coordinating with area organizations, citizens and other interested parties.

In addition to overseeing the administration of the programs, the Town of Christiansburg will continue coordination of sidewalk construction and any other infrastructure improvements through various Town departments and a local consultant.

2. In developing the 2013 Annual Action Plan, area agencies, groups and organizations were not directly contacted for input. The 2013 Annual Action Plan includes the continuation of the public infrastructure project for the Park District neighborhood.
3. In the next year, if projects dictate the need for further coordination with local organizations, staff will work directly with local organizations to meet the needs.

Citizen Participation

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Program Year 4 Action Plan Citizen Participation response:

Public input solicited between May 28, 2013 – June 28, 2013. Copies of the Annual Action Plan have been made available at the local library, Town Hall and on the Town website. A public hearing before Town Council will be held June 4 or 18, 2013.

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

Program Year 4 Action Plan Institutional Structure response:

The Town of Christiansburg will continue to administer the program, providing on-going planning, be a liaison with citizens and neighborhood organizations, and provide neighborhood improvements.

Monitoring

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Program Year 4 Action Plan Monitoring response:

The Town of Christiansburg staff and Gay and Neel, Inc. will assure program compliance in the CDBG program by conducting a risk analyses and monitoring projects.

The CDBG program monitors high-risk projects as a first priority. The areas reviewed to determine the risk level includes meeting goals, management procedures, record keeping, financial status, construction and labor standards (if applicable), and beneficiary data.

The Town of Christiansburg will monitor its own performance in meeting the goals by conducting frequent reviews with members of Town Council, Town Council appointed Street Committee, and citizens. By gathering beneficiary information we are able to measure our success. Changes in policies and economic trends may affect a project's ability to meet proposed goals.

To ensure the Town of Christiansburg complies with HUD's "timeliness" test, the Town of Christiansburg proceeds with projects which are engineered and shovel ready. Contracts are set up with completion dates to be 45 days after construction begins. It is understood issues may arise, but the projects are to be completed in a timely manner. The sidewalk project has been behind due to staff constraints and the hope is to "catch up".

The addition of sidewalks along Roanoke Street provides residents access to local shops, Government and other service agencies, doctor's offices and the bus service. Sidewalks provide connectivity, allowing residents a safe option for

mobility to work, other area services and for pleasure. The Town of Christiansburg emphasizes connectivity for all residents and continues to look for opportunities to meet that goal. The CDBG funds provide connectivity for an area of Town that needs that.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

Program Year 4 Action Plan Lead-based Paint response:

Christiansburg does not have the resources or expertise necessary to implement a lead poisoning prevention program. Christiansburg's Building Official can assist in education and reduction of lead-based paint hazards during remodel projects of older homes. Montgomery County's Health Department tracks lead-based paint hazards in order to provide an effective education program to improve local understanding and efforts to reduce lead-based paint hazards.

HOUSING

Specific Housing Objectives

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 4 Action Plan Specific Objectives response:

1. The Town of Christiansburg will strive to maintain and increase the supply of affordable, sound housing through planning processes promoting affordable housing such reviewing the Town's Zoning Ordinance and Comprehensive Plan. Due to limited funding through HUD's CDBG Program, the Town of Christiansburg will not be addressing affordable housing needs with CDBG allocations.
2. Services for extremely low to moderate income families can be obtained from various organizations within the Town of Christiansburg, Montgomery County and throughout the New River Valley. These organizations can assist with housing needs, utility payments and other emergency assistance needs for a wide range of populations.

Montgomery County Department of Social Services
Community Housing Partners

New River Community Action
Women's Resource Center
New River Valley Habitat for Humanity
New River Community Services
New River Valley Agency for Persons with Mental Retardation
New River Valley Senior Services/Agency on Aging

Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Program Year 4 Action Plan Public Housing Strategy response:

There is no Public Housing Authority or public housing within the Town of Christiansburg.

Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

Program Year 4 Action Plan Barriers to Affordable Housing response:

Removal of barriers to affordable housing must be done with a full analysis of potential ramifications. In this regard, the Town Code is currently under review during a recodification process and will be edited as necessary to protect and strengthen residential districts. Christiansburg's current zoning and regulations continue to be closely examined to ensure compatibility with the promotion of affordable housing opportunities.

In addition, Christiansburg has continued to support and participate with the New River Valley Housing Partnership as it examines opportunities in the area of Continuum of Care and HOME Consortia pursuits.

HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.

3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
 - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
 - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
 - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
 - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.
 - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
 - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Program Year 4 Action Plan HOME/ADDI response:

Not applicable to the Town of Christiansburg.

HOMELESS

Specific Homeless Prevention Elements

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.
2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.
5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

Program Year 4 Action Plan Special Needs response:

Not applicable to the Town of Christiansburg.

Emergency Shelter Grants (ESG)

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

Program Year 4 Action Plan ESG response:

Not applicable to the Town of Christiansburg.

COMMUNITY DEVELOPMENT

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.

2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

Program Year 4 Action Plan Community Development response:

The Town of Christiansburg continues to strive to complete the sidewalk project set forth in the Consolidated Plan. The sidewalk project has been listed as the highest priority for the Goals and Objectives. Additional improvements to water and sewer infrastructure have been listed as a medium priority. Water and sewer infrastructure have not needed attention at this time.

The Town of Christiansburg has not utilized CDBG funds nor has set goals to address affordable housing.

Over 55% of the residents of the Census Block Group 020800-02 are low-moderate income persons. These residents have direct access to the new sidewalks and renovation of existing sidewalks along Roanoke Street. Developing sidewalks will encourage a walkable community providing access to public transportation, grocery stores, doctor's offices including a free clinic and municipal buildings.

Antipoverty Strategy

1. Describe the actions that will take place during the next year to reduce the number of poverty level families.

Program Year 4 Action Plan Antipoverty Strategy response:

No direct reduction of poverty levels will be attempted with the CDBG program within the Town of Christiansburg.

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.

2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 4 Action Plan Specific Objectives response:

The Town of Christiansburg will not be addressing specific special needs with the CDBG program.

Housing Opportunities for People with AIDS

*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.
2. Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.
3. Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.
4. Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
5. Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.
6. Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.
7. Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.
8. Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.
9. Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.

Program Year 4 Action Plan HOPWA response:

The Town of Christiansburg does not participate in HOPWA.

Specific HOPWA Objectives

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

Program Year 4 Specific HOPWA Objectives response:

The Town of Christiansburg does not participate in HOPWA.

Other Narrative

Include any Action Plan information that was not covered by a narrative in any other section.

ATTACHMENTS:

PROJECT AREA MAP

CENSUS MAP

TOWN ZONING MAP

CDBG PROPOSED PROJECTS; 2013



BT STOP

— New Construction - 2013

— Sidewalk Renovations - 2013

BLOCK GROUP

DEPOT TNE

E MAIN ST NE

CENSUS BLOCK GROUP
020800-02

PARK ST NE

TOWN HALL

WADES
SUPERMARKET

LIVESTOCK
AUCTION

BP CONV
STORE

MONT COUNTY
GOVT CENTER

ROAN KE ST

FREE
CLINIC



0 200 400 600
Feet

CDBG PROPOSED PROJECTS; 2012



BT STOP

NEW CONSTRUCTION

SIDEWALK RENOVATIONS

BLOCK GROUP

DEPOT TNE

E MAIN ST NE

CENSUS BLOCK GROUP
020800-02

PARK ST NE

ROAN KE ST

TOWN
HALL

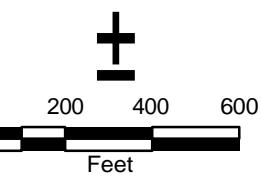
WADES
SUPERMARKET

LIVESTOCK
AUCTION

BP CONV
STORE

MONT COUNTY
GOVT CENTER

FREE
CLINIC



**CDBG COMPLETED
PROJECTS; 2011**

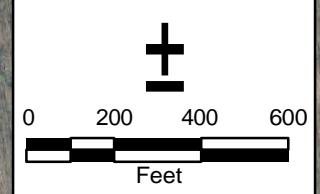


BT STOP

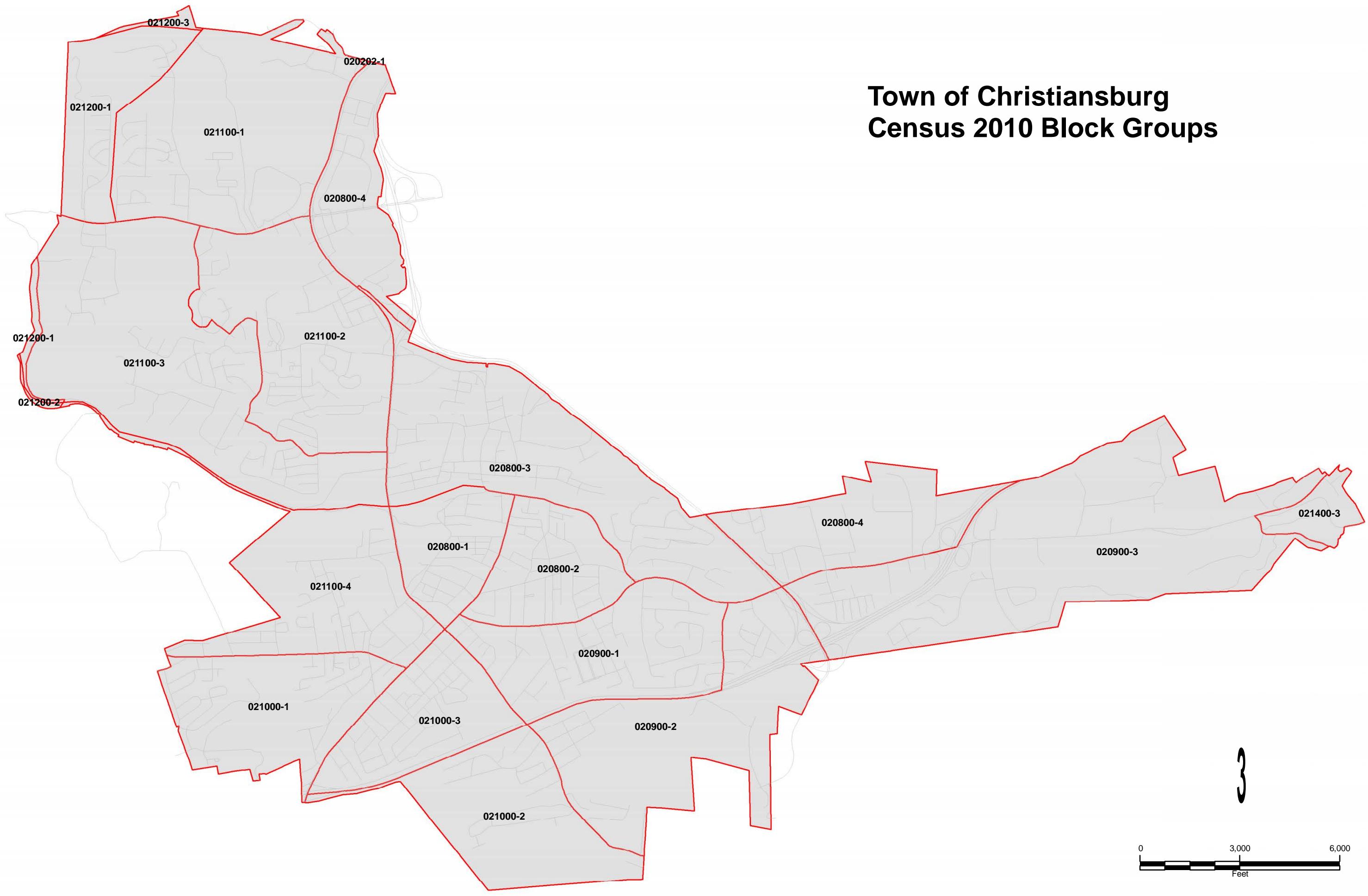
NEW 2011

RENOVATED 2011

BLOCK GROUP



Town of Christiansburg Census 2010 Block Groups



TOWN OF CHRISTIANSBURG ZONING AS OF DECEMBER 18, 2012

ZONING DISTRICTS

- Agriculture (A)
- Rural Residential (R1-A)
- Single Family Residential (R-1)
- Two-Family Residential (R-2)
- Multi-Family Residential (R-3)
- Mixed Use: Residential-Limited Business (MU-1)
- Mixed Use: Residential-Limited, Business-Limited Industrial (MU-2)
- Limited Business (B-1)
- Central Business (B-2)
- General Business (B-3)
- Limited Industrial (I-1)
- General Industrial (I-2)

NOTE: The Floodplain District (FP) is an overlay district established as the 100-Year Floodplain based on Federal Emergency Management Agency, FIRM maps and serves as a supplement to the existing underlying zoning districts in accordance with Article XV. Floodplain District, FP of Chapter 30 "Zoning" of the Christiansburg Town Code."

The Residential Manufactured Home Subdivision District (R-MS) exist in the Zoning Ordinance, but contains no land area at this time.

**Census Block
020800-2**

NE

SE

SW

0 3,000 6,000
Feet

Map prepared by the Town of Christiansburg Engineering and Planning Departments, utilizing Montgomery County tax parcel mapping dated March 2012.

ATTACHMENTS:

PROJECTS AND

SPECIFIC

OBJECTIVES

Project Name:	Park Street Neighborhood Sidewalk Improvements			
Description:	IDIS Project #:	1	UOG Code:	VA510312 CHRISTIANSBURG
Developing and upgrading public facilities such as new sidewalk, repair of existing sidewalks, water and sewer upgrades that would be located under those sidewalks within the low-moderate neighborhoods. The sidewalk will primarily serve low-moderate income residents in obtaining accessible routes to established necessary services and commercial areas.				
Location: 51121020800 Census Track, The area bordered by East Main St, Depot St and Roanoke St		Priority Need Category		
		Select one:	Infrastructure ▼	
		Explanation:		
Expected Completion Date: (12/31/2014)		Extend and improve sidewalks within target areas. Upgrade existing and develop new infrastructure, including but not limited to curb and gutters, water and sewer, and sidewalks where needed.		
Objective Category				
<input type="radio"/> Decent Housing <input checked="" type="radio"/> Suitable Living Environment <input type="radio"/> Economic Opportunity				
		Specific Objectives		
Outcome Categories <input checked="" type="checkbox"/> Availability/Accessibility <input type="checkbox"/> Affordability <input type="checkbox"/> Sustainability		1	Improve quality / increase quantity of public improvements for lower income persons ▼	
		2	▼	
		3	▼	
Project-level Accomplishments	11 Public Facilities ▼	Proposed	▼	Proposed
		Underway	X	Underway
		Complete	▼	Complete
	Accompl. Type: ▼	Proposed	▼	Proposed
		Underway	▼	Underway
		Complete	▼	Complete
	Accompl. Type: ▼	Proposed	▼	Proposed
		Underway	▼	Underway
		Complete	▼	Complete
Proposed Outcome		Performance Measure		Actual Outcome
Improvement of infrastructure		Linear feet of improved infrastructure		
03L Sidewalks 570.201(c)		▼ Matrix Codes		▼
03J Water/Sewer Improvements 570.201(c)		▼ Matrix Codes		▼
Matrix Codes		▼ Matrix Codes		▼
Program Year 1	CDBG ▼	Proposed Amt.	\$90,556	Proposed Amt.
		Actual Amount	\$91,001	Actual Amount
	Fund Source: ▼	Proposed Amt.	▼	Proposed Amt.
		Actual Amount	▼	Actual Amount
	Accompl. Type: ▼	Proposed Units	▼	Proposed Units
		Actual Units	▼	Actual Units
	Accompl. Type: ▼	Proposed Units	▼	Proposed Units
		Actual Units	▼	Actual Units

Program Year 2	CDBG	▼	Proposed Amt.	\$75,519		Fund Source:	▼	Proposed Amt.	
			Actual Amount	78103.5				Actual Amount	
	Fund Source:	▼	Proposed Amt.			Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	CDBG	▼	Proposed Amt.	\$86,300		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
Program Year 3	Fund Source:	▼	Proposed Amt.	\$0		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	CDBG	▼	Proposed Amt.	TBD		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
	Fund Source:	▼	Proposed Amt.	\$0		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
Program Year 4	11 Public Facilities	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	CDBG	▼	Proposed Amt.	\$0		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
	Fund Source:	▼	Proposed Amt.	\$0		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
Program Year 5	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	CDBG	▼	Proposed Amt.	\$0		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
	Fund Source:	▼	Proposed Amt.	\$0		Fund Source:	▼	Proposed Amt.	
			Actual Amount					Actual Amount	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	
	Accompl. Type:	▼	Proposed Units			Accompl. Type:	▼	Proposed Units	
			Actual Units					Actual Units	

Project Name:	Park Street Neighborhood Sidewalk/Infrastructure Improvements (admin)				
Description:	IDIS Project #:	2	UOG Code:	VA510312 CHRISTIANSBURG	
Funds to be used for Administration purposes					
Location: 51121020800 Census Track, The area bordered by East Main St, Depot St and Roanoke St		Priority Need Category			
		Select one:	Planning/Administration		
		Explanation: Utilization of funds for planning and administration of sidewalk/infrastructure improvements.			
Expected Completion Date: (12/31/2014)					
Objective Category					
<input type="radio"/> Decent Housing <input checked="" type="radio"/> Suitable Living Environment <input type="radio"/> Economic Opportunity					
		Specific Objectives			
Outcome Categories <input checked="" type="checkbox"/> Availability/Accessibility <input type="checkbox"/> Affordability <input type="checkbox"/> Sustainability		1	Improve quality / increase quantity of public improvements for lower income persons		
		2			
		3			
Project-level Accomplishments	11 Public Facilities	Proposed		Accompl. Type:	Proposed
		Underway	X		Underway
		Complete			Complete
	Accompl. Type:	Proposed		Accompl. Type:	Proposed
		Underway			Underway
		Complete			Complete
	Accompl. Type:	Proposed		Accompl. Type:	Proposed
		Underway			Underway
		Complete			Complete
Proposed Outcome		Performance Measure		Actual Outcome	
21A General Program Administration 570.206		Matrix Codes			
Matrix Codes		Matrix Codes			
Matrix Codes		Matrix Codes			
Program Year 1	CDBG	Proposed Amt.	\$22,639	Fund Source:	Proposed Amt.
		Actual Amount	\$14,308.00		Actual Amount
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.
		Actual Amount			Actual Amount
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units
		Actual Units			Actual Units
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units
		Actual Units			Actual Units

Program Year 2	CDBG	Proposed Amt.	\$18,880	Fund Source:	Proposed Amt.	
		Actual Amount	\$8,833		Actual Amount	
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
Program Year 3	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Fund Source:	Proposed Amt.	\$21,575	Fund Source:	Proposed Amt.	
		Actual Amount	TBD		Actual Amount	
Program Year 4	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
Program Year 5	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	

Project Name:	Park Street Neighborhood Sidewalk/Infrastructure Improvements (admin)				
Description:	IDIS Project #:	2	UOG Code:	VA510312 CHRISTIANSBURG	
Funds to be used for Administration purposes					
Location: 51121020800 Census Track, The area bordered by East Main St, Depot St and Roanoke St		Priority Need Category			
		Select one:	Planning/Administration		
		Explanation: Utilization of funds for planning and administration of sidewalk/infrastructure improvements.			
Expected Completion Date: (12/31/2014)					
Objective Category					
<input type="radio"/> Decent Housing <input checked="" type="radio"/> Suitable Living Environment <input type="radio"/> Economic Opportunity					
		Specific Objectives			
Outcome Categories <input checked="" type="checkbox"/> Availability/Accessibility <input type="checkbox"/> Affordability <input type="checkbox"/> Sustainability		1	Improve quality / increase quantity of public improvements for lower income persons		
		2			
		3			
Project-level Accomplishments	11 Public Facilities	Proposed		Accompl. Type:	Proposed
		Underway	X		Underway
		Complete			Complete
	Accompl. Type:	Proposed		Accompl. Type:	Proposed
		Underway			Underway
		Complete			Complete
	Accompl. Type:	Proposed		Accompl. Type:	Proposed
		Underway			Underway
		Complete			Complete
Proposed Outcome		Performance Measure		Actual Outcome	
21A General Program Administration 570.206		Matrix Codes			
Matrix Codes		Matrix Codes			
Matrix Codes		Matrix Codes			
Program Year 1	CDBG	Proposed Amt.	\$22,639	Fund Source:	Proposed Amt.
		Actual Amount	\$14,308.00		Actual Amount
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.
		Actual Amount			Actual Amount
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units
		Actual Units			Actual Units
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units
		Actual Units			Actual Units

Program Year 2	CDBG	Proposed Amt.	\$18,880	Fund Source:	Proposed Amt.	
		Actual Amount	\$8,833		Actual Amount	
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Fund Source:	Proposed Amt.	\$21,575	Fund Source:	Proposed Amt.	
		Actual Amount	TBD		Actual Amount	
Program Year 3	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Fund Source:	Proposed Amt.	TBD	Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
Program Year 4	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
Program Year 5	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Fund Source:	Proposed Amt.		Fund Source:	Proposed Amt.	
		Actual Amount			Actual Amount	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	
	Accompl. Type:	Proposed Units		Accompl. Type:	Proposed Units	
		Actual Units			Actual Units	

LAND LEASE AGREEMENT

This Land Lease Agreement ("Agreement"), made this _____ day of _____, 2013 between the TOWN OF CHRISTIANSBURG, VIRGINIA located at 100 East Main Street, Christiansburg, VA 24073, hereinafter designated LESSOR and CHARLES KING, of 1795 Cambria Street, Christiansburg, VA 25073, hereinafter designated LESSEE. The LESSOR and LESSEE may be referred to hereinafter as the "Parties" or individually as the "Party."

1. PREMISES. LESSOR hereby leases to LESSEE a portion of that certain parcel of property located adjacent to 300 Peppers Ferry Road NW, said portion being described as approximately sixty and one tenth (60.1) acres which includes Parcel ID No. 021075 and a portion of Parcel ID No. 021074, being substantially as depicted herein in Exhibit "A", the "Leased Premises Boundary" attached hereto and made a part hereof (the "Premises").

2. TERM AND LEASE PAYMENTS. This Agreement shall be effective as of the date of execution by both Parties, and shall commence on the date LESSOR closes on the Premises ("Commencement Date"). LESSOR and LESSEE agree that they shall acknowledge in writing the Commencement Date. The term of this lease shall be one (1) year ("Lease Term"), unless terminated earlier as set forth herein. Rental payments shall commence on the Commencement Date in the amount of two thousand two hundred dollars (\$2200.00) per year during the lease term ("Rent"). One thousand one hundred dollars (\$1100) will be payable on June 1st and December 1st of each year. LESSEE shall be responsible for all maintenance, taxes, insurance, utility, and other costs associated with his use of the Premises during the Lease Term.

3. USE; GOVERNMENTAL APPROVALS. LESSEE shall use the Premises for the purpose of grazing cattle, raising hay and storing hay, and uses incidental thereto. All improvements shall be at LESSEE's expense. LESSEE shall be responsible for obtaining any certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities in connection with his use of the Premises.

4. INSURANCE/INDEMNIFICATION. LESSEE shall, at its sole expense, obtain and maintain during the life of this Agreement the insurance policies required by this Section. All required insurance policies shall be in force and effective prior to the Commencement Date. The following is required:

- A. Commercial General Liability/Property Damage. Commercial General Liability/Bodily Injury and Property Damage insurance shall insure against all claims, loss, cost, damage, expense or liability from loss of life or damage or injury to persons or property arising out of the LESSEE'S use of the Premises and shall include Premises/Operations Liability, Products and Completed Operations Coverage, and Independent Lessee's Liability or Owner's and Lessee's Protective Liability. The minimum limits of liability for this coverage shall be \$2,000,000.00 combined single limit for any one occurrence. Broad form Contractual Liability insurance shall include the indemnification obligation set forth in this Agreement. LESSEE shall be solely responsible for insuring LESSEE's improvements to the Premises.
- B. Workers' Compensation/Employer's Liability. Workers' Compensation insurance covering LESSEE'S statutory obligation under the laws of the Commonwealth of Virginia and Employer's Liability insurance shall be maintained for all LESSEE'S employees with limits and benefits at least as required by statute. Minimum limits of liability for Employer's Liability shall be \$1,000,000 bodily injury by accident each occurrence; \$1,000,000 bodily injury by disease (policy limit); and \$1,000,000 bodily injury by disease (each employee). With respect to Workers' Compensation coverage, LESSEE'S insurance company shall waive rights of subrogation against LESSOR, its officers, agents, and member localities.
- C. Automobile Liability. The minimum limit of liability for Automobile Liability Insurance shall be \$1,000,000 combined single limit applicable to owned or non-owned vehicles used in connection with LESSEE'S use of the Premises.
- D. Evidence of Insurance. All insurance shall be written on an occurrence basis. In addition, the following requirements shall be met:
 - 1) LESSEE shall furnish LESSOR a certificate or certificates of insurance showing the type, amount, effective dates and date of expiration of the policies. Certificates of insurance shall include any insurance deductibles.

- 2) The required certificate or certificates of insurance shall include substantially the following statement: "The insurance covered by this certificate shall not be canceled or materially altered, except after thirty (30) days written notice has been provided to the Town of Christiansburg, VA."
- 3) The required certificate or certificates of insurance, excluding Workers Compensation, shall name the Town of Christiansburg, Virginia, its officers, employees, agents, and members as additional loss payees.
- 4) Where waiver of subrogation is required with respect to any policy of insurance required under this Section, such waiver shall be specified on the certificate of insurance.
- 5) Insurance coverage shall be in a form and with an insurance company approved by LESSOR which approval shall not be withheld unreasonably. Any insurance company providing coverage shall be authorized to do business in the Commonwealth of Virginia.

E. Insurance not to be Limit on Liability. LESSEE covenants and agrees that the insurance coverage required herein shall in no way be considered a limit or cap of any kind on any obligation or liability that LESSEE may otherwise have, including, without limitation, liability under the indemnification provisions contained herein.

LESSEE agrees to and shall defend, indemnify, and hold harmless LESSOR and its officers, agents, employees and members against any and all liability, losses, damages, claims, causes of action, suits of any nature, cost, and expenses, including reasonable attorney's fees, resulting from or arising out of LESSEE'S activities or omissions on or near any of LESSOR'S property or arising out of or resulting from LESSEE'S negligence in connection with the use of the Premises, including, without limitation, fines and penalties, violations of federal, state, or local laws, or regulations promulgated thereunder, or any personal injury, wrongful death, or property damage claims of any type. LESSEE acknowledges and agrees that LESSOR shall have no liability whatsoever for any damage or destruction to LESSEE's improvements and personal property located on the Premises.

5. QUIET ENJOYMENT. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold, and enjoy the Premises.

6. TITLE. LESSOR represents and warrants to LESSEE as of the commencement date of this Agreement, and covenants during the Lease Term that LESSOR is seized of good and sufficient title and interest to the Premises and has full authority to enter into and execute this Agreement.

7. ABANDONMENT - Should LESSEE, at any time during the term of this Agreement, abandon the Premises, LESSOR, at its option, shall obtain possession of the Premises in the manner provided by law, may re-let the Premises, receive and collect rents for the Premises, without becoming liable to LESSEE for damages or for any payment of any kind whatever, as well as hold LESSEE liable for any difference between the rent that would have been payable under this Agreement during the balance of the unexpired term. If the right of reentry by LESSOR is exercised following abandonment of the Premises by the LESSEE, LESSOR shall consider any personal property belonging to LESSEE and left on the Premises to be abandoned, in which case LESSOR may dispose of all such personal property in any manner LESSOR shall deem proper and LESSOR is hereby relieved of all liability for doing so.

8. GOVERNING LAW/VENUE. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the Commonwealth of Virginia and venue for any court proceedings shall be in the appropriate court in Montgomery County, Virginia.

9. ASSIGNMENT. This Agreement may not be sold, assigned or transferred by the LESSEE.

10. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and the notice is addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: Town of Christiansburg, Virginia
c/o Town Manager
100 East Main Street
Christiansburg, Virginia 24073
540-382-6128 Ext. 116

LESSEE: Charles King
1795 Cambria Street
Christiansburg, VA 25073
Phone No. _____

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

11. SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

12. DEFAULT/TERMINATION OF LEASE. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement, including but not limited to, the payment of Rent or the failure to maintain the insurance coverage required herein, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph. If LESSEE defaults under the terms of this Agreement, LESSOR may terminate this Agreement at the end of any applicable cure period and require the LESSEE to remove any or all of LESSEE's personal property on the Premises.

13. REMEDIES. Upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefore. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial

decisions of the Commonwealth of Virginia; provided, however, LESSOR shall use reasonable efforts to mitigate its damages in connection with a default by LESSEE.

14. ENVIRONMENTAL.

a. LESSEE shall be responsible for all obligations of compliance with any and all environmental and industrial hygiene laws, including any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene conditions or concerns as may now or at any time hereafter be in effect, that are or in any way related to LESSEE'S activity on the Premises, unless such conditions or concerns are caused by the specific activities of LESSOR prior to LESSEE'S occupation of the Premises. LESSEE acknowledges that the Premises is intended to be used as a park in the future and LESSEE shall not create any type of environmental hazard on the property. Should LESSEE create an environmental hazard on the Premises, LESSEE shall be strictly liable to the Town of Christiansburg for any and all costs, losses, or damages to the Premises and remediation of same.

b. LESSEE shall hold LESSOR harmless and indemnify LESSOR from and assume all duties, responsibility and liability at LESSEE'S sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to LESSEE's failure to comply with any environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, unless such non-compliance results from conditions caused by LESSOR or conditions present as of the date of this Agreement.

c. LESSEE acknowledges there are several structures on the leased site that are to be removed and are not part of the leased Premises.

15. APPLICABLE LAWS. During the Term, LESSEE shall maintain the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, etc., now in effect or which may hereafter come into

effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively “Laws”). LESSEE shall, in respect to the condition of the Premises and at LESSEE’s sole cost and expense, comply with all Laws relating to LESSEE’s use of the Premises.

16. **SURVIVAL.** The provisions of the Agreement relating to indemnification shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

17. **CAPTIONS.** The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

LESSOR:

TOWN OF CHRISTIANSBURG, VIRGINIA

COMMONWEALTH OF VIRGINIA
COUNTY OF MONTGOMERY

Barry D. Helms, Town Manager

The foregoing instrument was acknowledged before me this _____ day of _____, 2013, by Barry D. Helms, Town Manager, on behalf of the Town of Christiansburg, Virginia, a political subdivision of the Commonwealth of Virginia.

Notary Public

My commission expires: _____
Registration No. _____

LESSEE:
CHARLES KING

COMMONWEALTH OF VIRGINIA
COUNTY OF MONTGOMERY

The foregoing instrument was acknowledged before me this day of
_____, 2013, by Charles King.

Notary Public

My commission expires: _____
Registration No. _____

Exhibit "A" – Leased Premises Boundary



0 100 200 300
Feet

Leased Property Boundaries

Lease 2 - 60.1 Acres



RESIDENTIAL LEASE AGREEMENT

THIS RESIDENTIAL LEASE AGREEMENT (hereinafter referred to as the "Agreement") is made and entered into this ____ day of _____ 2013, by and between Billy R. Duncan and Susan B. Duncan (hereinafter referred to as "Lessees") and the Town of Christiansburg, Virginia, (hereinafter referred to as "Lessor") located at 100 East Main Street, Christiansburg, VA 24073.

WITNESSETH:

WHEREAS, Lessor is the fee owner of certain real property being, lying and situated in the Town of Christiansburg, Montgomery County, Virginia, such real property having a street address of 300 Peppers Ferry Road, Christiansburg, VA 24073 ("Property").

WHEREAS, Lessor is desirous of leasing the residential home located on the Property consisting of approximately 1.86 acres and being a portion of Parcel ID No. 021074 as depicted on the Exhibit, "Leased Property Boundaries, Lease 1 – 1.86 Acres," attached hereto and incorporated herein ("Premises"), to Lessees upon the terms and conditions as contained herein; and

WHEREAS, Lessees are desirous of leasing the Premises from Lessor on the terms and conditions as contained herein;

NOW, THEREFORE, for and in consideration of the following covenants and obligations including observation of Lessor's Property and reporting any unusual conditions and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. TERM. Lessor leases to Lessees and Lessees lease from Lessor the above described Premises together with any and all appurtenances thereto, for a term of approximately 6 months(s), such term beginning on May 30, 2013, and ending at 12 o'clock midnight on December 1, 2013.

2. RENT. The total rent for the term hereof is the sum of One Dollar and no/100 (\$1.00) payable on the first day of the lease term and shall be made to Lessor at Lessor's address as set forth in the preamble to this Agreement on or before the due date and without demand.

3. USE OF PREMISES. The Premises shall be used and occupied by Lessees exclusively, as a private single family dwelling, and no part of the Premises shall be used at any time during the term of this Agreement by Lessees for the purpose of carrying on any business, profession, or trade of any kind, or for any purpose other than as a private single family dwelling. Lessees shall not allow any other person, other than Lessees' immediate family or transient relatives and friends who are guests of Lessees, to

use or occupy the Premises without first obtaining Lessor's written consent to such use. In addition, Lessees shall comply with any and all laws, ordinances, rules, and orders of any and all governmental or quasi-governmental authorities affecting the cleanliness, use, occupancy and preservation of the Premises.

4. CONDITION OF PREMISES. Lessees stipulate, represent and warrant that Lessees have examined the Premises, and that at the time of this Lease the Premises is in a safe and tenantable condition.

5. ASSIGNMENT AND SUB-LETTING. Lessees shall not assign this Agreement, or sub-let or grant any license to use the Premises or any part thereof without the prior written consent of Lessor. An assignment, sub-letting or license without the prior written consent of Lessor or an assignment or sub-letting by operation of law shall be absolutely null and void and shall, at Lessor's option, terminate this Agreement.

6. ALTERATIONS AND IMPROVEMENTS. Lessees shall make no alterations to the buildings or improvements on the Premises or construct any building or make any other improvements on the Premises without the prior written consent of Lessor. Any and all alterations, changes, and/or improvements built, constructed or placed on the Premises by Lessees shall, unless otherwise provided by written agreement between Lessor and Lessees, be and become the property of Lessor and remain on the Premises at the expiration or earlier termination of this Agreement.

7. HAZARDOUS MATERIALS. Lessees shall not keep on the Premises any item of a dangerous, flammable or explosive character that might unreasonably increase the danger of fire or explosion on the Premises or that might be considered hazardous or extra hazardous by any responsible insurance company.

8. UTILITIES. Lessees shall be responsible for arranging for and paying for all utility services required on the Premises.

9. MAINTENANCE AND REPAIR; RULES. Lessees shall, at their sole expense, keep and maintain the Premises and appurtenances in good and sanitary condition and repair during the term of this Agreement and any renewal thereof. Without limiting the generality of the foregoing, Lessees shall:

- (a) Not obstruct the driveways, entryways, stairs, and/or halls, which shall be used for the purposes of ingress and egress only;
- (b) Keep all windows, glass, window coverings, doors, locks and hardware in good, clean order

and repair;

- (c) Not obstruct or cover the windows or doors;
- (d) Not leave windows or doors in an open position during any inclement weather;
- (e) Not cause or permit any locks or hooks to be placed upon any door or window without the prior written consent of Lessor;
- (f) Keep all air conditioning filters clean and free from dirt;
- (g) Keep all lavatories, sinks, toilets, and all other water and plumbing apparatus in good order and repair and shall use same only for the purposes for which they were constructed;
- (h) Not allow any sweepings, rubbish, sand, rags, ashes or other substances to be thrown or deposited therein. Any damage to any such apparatus and the cost of clearing stopped plumbing resulting from misuse shall be borne by Lessee;
- (i) Lessee's family and guests shall at all times maintain order in the premises and at all places on the Premises, and shall not make or permit any loud or improper noises, or otherwise disturb other residents;
- (j) Lessees shall keep all radios, television sets, stereos, phonographs, etc., turned down to a level of sound that does not annoy or interfere with neighbors;
- (k) Lessees shall deposit all trash, garbage, rubbish or refuse in the locations provided therefore and shall not allow any trash, garbage, rubbish or refuse to be deposited or permitted to stand on the exterior of any building.

10. DAMAGE TO PREMISES. In the event the Premises are destroyed or rendered wholly uninhabitable by fire, storm, earthquake, or other casualty not caused by the negligence of Lessees, this Agreement shall terminate from such time except for the purpose of enforcing rights that may have then accrued hereunder.

11. INSPECTION OF PREMISES. Lessor and Lessor's agents shall have the right at all reasonable times during the term of this Agreement and any renewal thereof to enter the Premises for the purpose of inspecting the Premises and all buildings and improvements thereon. And for the purposes of making any repairs, additions or alterations as may be deemed appropriate by Lessor for the preservation of the Premises or the building.

12. SUBORDINATION OF LEASE. This Agreement and Lessee's interest hereunder are and shall be subordinate, junior and inferior to any and all mortgages, liens or encumbrances now or hereafter placed on the Premises by Lessor, all advances made under any such mortgages, liens or

encumbrances (including, but not limited to, future advances), the interest payable on such mortgages, liens or encumbrances and any and all renewals, extensions or modifications of such mortgages, liens or encumbrances.

13. LESSEE'S HOLD OVER. If Lessee remains in possession of the Premises with the consent of Lessor after the natural expiration of this Agreement, a new tenancy from month-to-month shall be created between Lessor and Lessee which shall be subject to all of the terms and conditions hereof except that rent shall be negotiated between the parties and except that such tenancy shall be terminable upon fifteen (15) days written notice served by either party.

14. SURRENDER OF PREMISES. Upon the expiration of the term hereof, Lessees shall surrender the Premises in as good a state and condition as they were at the commencement of this Agreement, reasonable use and wear and tear thereof and damages by the elements excepted.

15. ANIMALS. Lessees shall be entitled to keep no more than 2 domestic dogs, cats or birds.

16. INSURANCE REQUIREMENT. Lessees will keep insured from and including this day until return and delivery of Premises to Lessor, in such company or companies as Lessor shall approve, according to applicable standards forms of policy, and for the benefit of Lessor against loss or damage from any cause or causes to the Premises for the full value thereof in the amount of \$300,000 and against liability for personal injuries, death or property damages, or any of them, arising or in any manner occasioned by the acts or negligence of Lessees or others in the custody, operation or use of, or with respect to said property in the amount of \$1,000,000.

17. INDEMNIFICATION. Lessor shall not be liable for any damage or injury of or to Lessees, Lessees' family, guests, invitees, agents or employees or to any person entering the Premises, or to goods or equipment inside or outside the structure of which the Premises is a part, and Lessees hereby agree to indemnify, defend and hold Lessor harmless from any and all claims or assertions of every kind and nature.

18. DEFAULT. If Lessees fail to comply with any of the material provisions of this Agreement, or of any present rules and regulations or any that may be hereafter prescribed by Lessor, or materially fail to comply with any duties imposed on Lessees by statute, within seven (7) days after delivery of written notice by Lessor specifying the non-compliance and indicating the intention of Lessor to terminate the Lease by reason thereof, Lessor may terminate this Agreement.

19. ABANDONMENT. If at any time during the term of this Agreement Lessees abandon the Premises or any part thereof, Lessor may, at Lessor's option, obtain possession of the Premises in the

manner provided by law, and without becoming liable to Lessees for damages or for any payment of any kind whatever. Lessor may, at Lessor's discretion, as agent for Lessees, relet the Premises, or any part thereof, for the whole or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting. If Lessor's right of reentry is exercised following abandonment of the Premises by Lessees, then Lessor shall consider any personal property belonging to Lessees and left on the Premises to also have been abandoned, in which case Lessor may dispose of all such personal property in any manner Lessor shall deem proper and Lessor is hereby relieved of all liability for doing so.

20. ATTORNEYS' FEES. Should it become necessary for Lessor to employ an attorney to enforce any of the conditions or covenants hereof, including the collection of rentals or gaining possession of the Premises, Lessees agree to pay all expenses so incurred, including a reasonable attorneys' fee.

21. RECORDING OF AGREEMENT. Lessees shall not record this Agreement on the Public Records of any public office. In the event that Lessees shall record this Agreement, this Agreement shall, at Lessor's option, terminate immediately and Lessor shall be entitled to all rights and remedies that it has at law or in equity.

22. GOVERNING LAW. This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Virginia. Venue shall be Montgomery County, Virginia.

23. SEVERABILITY. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

24. BINDING EFFECT. The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto.

25. DESCRIPTIVE HEADINGS. The descriptive headings used herein are for convenience of reference only and they are not intended to have any effect whatsoever in determining the rights or obligations of the Lessor or Lessee.

26. CONSTRUCTION. The pronouns used herein shall include, where appropriate, either gender or both, singular and plural.

27. NON-WAIVER. No indulgence, waiver, election or non-election by Lessor under this

Agreement shall affect Lessees' duties and liabilities hereunder.

28. MODIFICATION. The parties hereby agree that this document contains the entire agreement between the parties and this Agreement shall not be modified, changed, altered or amended in any way except through a written amendment signed by all of the parties hereto.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

LESSEE:

BILLY R. DUNCAN

COMMONWEALTH OF VIRGINIA
COUNTY OF MONTGOMERY

The foregoing instrument was acknowledged before me this ____ day of
_____, 2013, by Billy R. Duncan.

Notary Public

My commission expires: _____
Registration No. _____

LESSEE:

SUSAN B. DUNCAN

COMMONWEALTH OF VIRGINIA
COUNTY OF MONTGOMERY

The foregoing instrument was acknowledged before me this _____ day of
_____, 2013, by Susan B. Duncan.

Notary Public

My commission expires: _____
Registration No. _____

LESSOR:

TOWN OF CHRISTIANSBURG, VIRGINIA

COMMONWEALTH OF VIRGINIA
COUNTY OF MONTGOMERY

The foregoing instrument was acknowledged before me this _____ day of _____,
2013, by Barry D. Helms, Town Manager, on behalf of the Town of Christiansburg, Virginia, a
political subdivision of the Commonwealth of Virginia.

Notary Public

My commission expires: _____
Registration No. _____



0 50 100 150 200
Feet

Leased Property Boundaries
Lease 1 - 1.86 Acres

N



OFFICE OF COUNTY ADMINISTRATION
MONTGOMERY COUNTY
F. CRAIG MEADOWS, COUNTY ADMINISTRATOR

755 ROANOKE STREET, SUITE 2E, CHRISTIANSBURG, VIRGINIA 24073-3181

May 22, 2013

Mr. Barry Helms
Christiansburg Town Manager
100 East Main Street
Christiansburg, VA 24073

Re: Letter of April 3, 2013

Dear Mr. Helms:

In response to your letter of April 3, 2013, listing questions from your Town Council regarding the Montgomery County Public Service Authority (the "PSA"), and its relationship to Montgomery County, please find our answers to each specific question detailed below.

- 1) *Has the Montgomery County PSA prepared a strategic plan and financial forecast to demonstrate its ability to support the financial obligations it will undertake in joining the Authority? If so, please provide the plan. If not, please provide reasoning.*

The PSA currently has cash reserves available to address several of the immediate obligations that will be required once the County is approved to join the Authority. The PSA also increased its monthly customer service fee in 2012 by two dollars to provide funding for the annual joinder fee to be paid by the PSA once the County becomes a member.

The construction required in the next five to seven years to connect the PSA's lines to the Authority lines will be financed through long-term borrowings, secured by the rates and assets of the Public Service Authority. Construction of lines beyond this initial period will be dependent on the growth of the PSA's system, and will be financed by long-term debt issued by the PSA. This approach is consistent with the information that was developed by Draper Aden as part of the Joinder study.

- 2) *Will the County BoS pass official regulations/policies ensuring that no financial support will be provided to the PSA or water budget funds/accounting units that may replace the PSA in the future? If so, please provide details. If not, please provide reasoning.*

The Board of Supervisors understands that the Water Agreement for the Joinder, under Section 6.2, prohibits the County from subsidizing the capital expenditures, operations, debt, or any other expense of the PSA. The Board unanimously adopted a resolution approving the Joinder and Water Agreements at their November 14, 2012 meeting. (See attachment A). The PSA Board of Directors approved this Agreement as well.

- 3) *As mentioned by Chairman Politis and Mr. Creed, please provide detail about the PSA's Joinder "Special Fee" to their users (i.e., start date, term, monthly amount and sum to date). In addition, why has the charge only recently been instituted to its users since Joinder Study was initiated over 10 years ago?*

Mr. Barry Helms
Christiansburg Town Manager
May 22, 2013
Page Two

As mentioned above, the PSA added a \$2 per month fee to its current customer service fees in 2012, in anticipation of paying the \$47,522 per year owed to the Authority for the joinder fee. The two dollars per month amount was only added to the PSA customer bills once it was known what the fee would be for the Authority to pay the annual joinder fee over 40 years.

- 4) *Please provide specific reasons as to why the County's proposed a buy-in amount of \$1.3 million. In reducing the initial buy-in amount what benefits (to be derived) to the Blacksburg-Christiansburg-VPI Water Authority has the County factored in and what values were assigned to these factors?*

The County agreed with the two towns that the PSA would fund the amount required for the County to join the Authority. The County proposed an amount of \$1.3 million based on the impact the proposed annual fee to fund the buy-in would have on the PSA's current customer base of 2,725 water customers. By setting the fee at an amount that is not unreasonably burdensome on its customers, the PSA will be able to pursue future capital projects sooner, which will allow all Authority members to benefit both from the redundancy of the system being looped through the PSA improvements and the increased sale of water through the Authority system.

The County and the PSA also agreed as part of the "buy-in" to contribute the sewer facility fee of \$228,750 for a connection to the Authority's water treatment facility and to provide approximately 23,300 feet of 12-inch water main along Prices Fork Road to the Water Authority for which the PSA will continue to pay debt service of approximately \$2,000,000.

- 5) *Please provide the total cost to the County for the Joinder Study to-date. Please provide a list of all personal/private/governmental entities that have been paid any sum or in-kind benefit, regardless of how nominal the payment, due to their action/advice on the issue of the Joinder Study. Further, please denote which, if any, members of this list are contractually obligated to the PSA or County and/or are currently providing an ongoing service to the PSA or County.*

The costs paid by the County for the Joinder Study to date are \$379,925. This does not include costs related to the many hours of staff time spent on this issue by County staff, as well as staff of the Water Authority, the Towns of Blacksburg and Christiansburg, and Virginia Tech. All payments for services have been made to the Blacksburg-Christiansburg-VPI Water Authority. The Authority procured and managed the consultants, and then invoiced the County for costs incurred.

Attached is a copy of an invoice (Attachment B) the County received to show that we may or may not have known all the subcontractors used by the Authority during the course of these studies. Black & Veatch and Draper Aden Associates were the primary consultants for these studies. The County has no relationship with Black & Veatch; we have a continuing services contract with Draper Aden (and several other consulting engineering firms) for as-needed engineering and geotechnical services for the County.

Mr. Barry Helms
Christiansburg Town Manager
May 22, 2013
Page Three

- 6) *Please provide information regarding how the Joinder Study was paid for, specifically whether funding was provided through general funds or the PSA. If funded through the general fund, please provide an explanation as to why the study was funded in this manner.*

The costs associated with the Joinder Study have been paid from the County's General Fund. The County is the entity that is seeking to join the Water Authority, and therefore is the entity incurring the costs associated with the study. The joinder fee and any capital construction costs associated with connecting to the Authority will be borne by the Public Service Authority.

- 7) *County officials have stated that the County cannot afford to pay the initial Authority buy-in amount of \$4.3 million, yet recently obtained capital funds in excess of \$100 million. Please explain in detail as to why the Authority-proposed buy-in is unachievable.*

The funds borrowed by the County were used to construct three school facilities, and were not an expense of the PSA. Authority members made it clear that the County could not use general fund dollars to pay the "buy-in" amount, or for the costs associated with connecting to the Authority; these costs could only be funded through the PSA revenues. As noted previously, the small PSA customer base could not financially support a fee of \$4.3 million and also pay for the required capital upgrades and additions to connect to the Authority facilities.

- 8) *Please provide details regarding the County's buy-in options and financing terms if the initial buy-in amount is non-negotiable.*

We are unclear as to the meaning of this question. The County's understanding is that the Authority members have agreed on a "buy-in" fee of \$1.3 million.

- 9) *Has the PSA considered continuing to adjust its user's "special fee" for another 10 years so as to achieve the full buy-in amount at the time of membership in lieu of "in-house" financing over 40 years? If not, please consider this option and share the County's response. If so, please explain why this is not otherwise considered a viable option. Please note: Expected needs during this period are anticipated to be met by the Authority and Town(s).*

The PSA has not considered paying the cost of buy-in at the time of membership, because the documents agreed to by the parties allow for a payment over 40 years at two percent interest. The PSA would have to issue debt to cover this fee if the entire fee was due when the County became an Authority member. This arrangement will reduce the financial hardship on the PSA and its customers, and will allow greater cash flow for future capital construction in order to connect to the Authority's existing system. It also provides a revenue stream with interest to the Authority, as opposed to the PSA funding the buy-in amount through a bank note.

- 10) *Would the County accept a provisional non-voting membership until the owner financed buy-in amount is paid in full? If not, please explain why.*

Mr. Barry Helms
Christiansburg Town Manager
May 22, 2013
Page Four

This issue was discussed at length by the committee members who negotiated the Joinder and Water Authority Agreements, and it was agreed by the parties that the County would become a full member upon joining the Authority. The committee cited the benefits to the entire Water Authority of the County becoming a member with connections (through the PSA) to the Authority system that benefit all members. This is a basic assumption that all the parties agreed to in negotiating the Joinder and Water Agreements.

11) *Are there any unsettled water improvement or distribution costs currently owed to the Town of Christiansburg by the County or PSA? If so, please provide details.*

There are no known unsettled water improvement or distribution costs currently owed to the Town of Christiansburg by the County or PSA.

12) *If membership is approved, what capital improvements does the County/PSA have slated in the next five years? Please provide specific information, including location, cost, etc.*

The only major capital improvement scheduled for the County over the next five years is the renovation of the former Courthouse in downtown Christiansburg to provide for a new County Public Safety Facility. This facility will also house the consolidated dispatch operations for the County, the two towns, and Virginia Tech. The estimated cost of this project is \$11 million. The only capital projects scheduled for the PSA during the next five years are the projects associated with connecting to the Authority's water system in the Plum Creek and Bethel areas. The details for these projects, including estimated costs, are included in the Joinder study report.

13) *What is the PSA's current bond rating?*

The PSA does not have a bond rating, as it has not sold debt for public offering.

14) *What is the current bond rating for the County?*

The County's current bond rating with Moody's is Aa2; the current bond rating with Standard & Poor's is AA (Attachment C). These ratings are very strong based on the population and annual budget of comparable communities.

15) *Please provide a complete list of all obligations pursuant to any outstanding debt service, including all relevant terms of repayment.*

Please find attached Note 5 from the June 30, 2012 Comprehensive Annual Financial Report for Montgomery County (Attachment D), which provides detailed information regarding this question.

Mr. Barry Helms
Christiansburg Town Manager
May 22, 2013
Page Five

16) (noted as 15 in Christiansburg letter) How many loans has the County provided the PSA since 2000? Please be sure to include the date, amount, and terms for repayment. Please also denote the current status of each loan, including whether the PSA has repaid the loan, whether the loan was forgiven, and, if applicable, the amount(s) of forgiveness.

On October 22, 2001, the Board authorized an advance to the PSA to cover construction costs for the Prices Fork Water Project until permanent financing was secured from Rural Development funds. Upon permanent financing, the PSA was to reimburse the County the amount borrowed up to the \$275,000 plus interest at the same rate that the Authority obtained on permanent financing. Based on our research, we believe that all but \$13,297 of this advance was paid back to the County by the PSA.

On November 14, 2001, the Board approved a loan to the PSA of \$49,806 to cover the cost of additional capacity in the New River pump station.

On October 27, 2003, the Board made a loan agreement with the PSA for the following items:

- \$13,297.60 for the costs not eligible for repayment through RD funds for the Prices Fork water project (the PSA could not afford to "front" the ineligible funds);
- \$22,365 for the purchase of MUNIS utility billing software, so that the County and the PSA would be utilizing the same software and billing platform; and
- \$154,773.46 for various in-kind financial services rendered by the County to the PSA, including accounting, payroll, and human resources services.

The repayment terms are outlined in the attached loan agreement (Attachment E).

During FY 2007, the Board of Supervisors forgave the loans for the following:

- \$13,297.60 for the costs not eligible for repayment through RD funds for the Prices Fork water project;
- \$22,365 for the purchase of MUNIS utility billing software; and
- \$49,806 to cover the cost of additional capacity in the New River pump station.

It is our understanding that the loans were forgiven by the Board in recognition of the County agreeing to a boundary adjustment with the Town of Christiansburg for the mid-County Woody property, which removed this area from the PSA service territory and reduced the potential sewer facility fees that may have been collected.

17) (noted as 16 in Christiansburg letter) How many loans has the PSA requested of the County since its inception? Please provide details regarding when the loan was requested, the total requested, and the particular purpose for each requests.

While we cannot identify the number of requests that the PSA made to the County since its inception in 1968, a cursory review of the County's financial statements identified a loan in FY 1985 for \$150,000 payable to the County's General Fund to establish an escrow account

Mr. Barry Helms
Christiansburg Town Manager
May 22, 2013
Page Six

required by the Peppers Ferry Wastewater Treatment Plant. There are likely other requests for assistance/loans from the County by the PSA, but the documentation on file is not clear.

18) *(noted as 17 in Christiansburg letter) What capital improvements has the PSA undertaken since 2000? Please provide rationale and start/completion dates. Further, how were these improvements financed? Was there a plan in existence at that time and monies set aside, or were loans utilized? If loans were utilized, please provide details regarding the terms of repayment.*

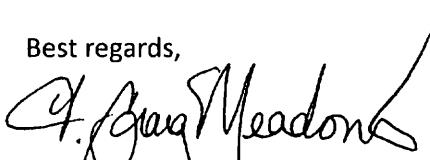
Please see attached notes from FY 2012 Financial Statements for the Public Service Authority regarding projects and related debt (Attachment D). The PSA has primarily used Rural Development grants and loans to fund their capital improvement needs. The major improvement since 2000 include the upgrade of the Riner sewage treatment plant in 2000 to handle additional flows from the schools; the Prices Fork water line project in 2003; and the Shawsville water line project in 2006.

19) *(noted as 18 in Christiansburg letter) Please provide information regarding the Counties positions should liabilities to the Water Authority not be able to be repaid by the PSA. If loans are in order, please provide information regarding the terms, including duration, frequency, amount, and fees.*

The PSA liability to the Water Authority is the annual payment required as a "joining fee." These funds have already been accounted for in the rate structure of the PSA, and will continue to be a part of the PSA rates until the amount has been paid in full.

I hope this information answers the Town Council's questions. The County looks forward to being a member of the Water Authority, and to working with the Town of Christiansburg to provide a first-class water system to serve the needs of all County citizens for many years to come.

Best regards,



F. Craig Meadows
County Administrator

Attachments (6)

C: Members of the Board of Supervisors

Marc Verniel, Blacksburg Town Manager

Dr. Sherwood Wilson, Vice-President for Administrative Services, Virginia Tech

Jerry Higgins, Director, Blacksburg-Christiansburg-VPI Water Authority

— need entire resolution — A

AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTGOMERY, VIRGINIA HELD ON THE 14th DAY OF NOVEMBER, 2012 AT 6:30 P.M. IN THE BOARD CHAMBERS, MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

R-FY-13-49

A RESOLUTION APPROVING THE TERMS OF A JOINDER AGREEMENT AND A WATER AGREEMENT AND PROVIDING THAT MONTGOMERY COUNTY, VIRGINIA JOIN THE BLACKSBURG-CHRISTIANSBURG-VPI WATER AUTHORITY (THE "AUTHORITY") IN ACCORDANCE WITH VIRGINIA CODE §15.2-5112.

On a motion by William H. Brown, seconded by Mary W. Biggs and carried unanimously,

WHEREAS, The Town Council of the Town of Blacksburg, Virginia ("Blacksburg"), the Town Council of the Town of Christiansburg, Virginia ("Christiansburg"), and the Board of Visitors of Virginia Polytechnic Institute and State University ("Virginia Tech") have determined or will determine concurrently that it is in the best interests of their citizens, administration, staff, students, and faculty that Montgomery County join and become a member of the Authority pursuant to the provisions of the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2 of the 1950 Code of Virginia, as amended ("the Act"), and

WHEREAS, The Board of Supervisors desires to approve of Montgomery County becoming a member of the Authority by the adoption of this resolution concurrently with resolutions adopted or to be adopted by Blacksburg, Christiansburg, and Virginia Tech, and a public hearing has been held in accordance with the requirements of §§ 15.2-5104 and 15.2-5112 of the Act.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia as follows:

1. Approval of the Joinder Agreement. The Board of Supervisors hereby determines that it is in the best interests of the citizens of Montgomery County that Montgomery County enter into a Joinder Agreement among Blacksburg, Christiansburg, Virginia Tech, Montgomery County, and the Authority dated as of _____, 201____ (the "Joinder Agreement") and that Montgomery County join and become a member of the Authority and hereby authorizes and directs the Chairman and the Clerk of the Board of Supervisors to execute and deliver the Joinder Agreement substantially in the form presented to this meeting, with such minor revisions and adjustments as the Chairman shall approve,

and to execute and file with the State Corporation Commission the Amended and Restated Articles of Incorporation of the Blacksburg-Christiansburg-V.P.I. Water Authority contained in Section 4 of this Resolution substantially in the form contained in this Resolution, with such minor revisions and adjustments as the Chairman shall approve.

2. Approval of the Water Agreement. The Board of Supervisors hereby determines that it is in the best interests of the citizens of Montgomery County that Montgomery County enter into an Amended and Restated Water Agreement among Blacksburg, Christiansburg, Virginia Tech, Montgomery County, the Authority, and the Montgomery County Public Service Authority dated as of _____, 201____ (the "Water Agreement") and hereby authorizes and directs the Chairman and the Clerk of the Board of Supervisors to execute and deliver the Water Agreement substantially in the form presented to this meeting, with such minor revisions and adjustments as the Chairman shall approve.

3. Appointment and Confirmation of Members. The County hereby appoints the following person to serve the following term on the Board of the Authority:

Name	Address	Term of Office beginning	ending
------	---------	-----------------------------	--------

4. Amended and Restated Articles of Incorporation. The Board of Supervisors does hereby FIND as a matter of fact that inclusion in the Amended and Restated Articles of Incorporation of the Authority of preliminary estimates of capital costs, proposals for specific projects to be undertaken by the Authority, and preliminary estimates of initial rates is impractical. The Amended and Restated Articles of Incorporation of the Blacksburg-Christiansburg-V.P.I. Water Authority are hereby amended and restated as follows:

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF THE
BLACKSBURG-CHRISTIANSBURG-V.P.I. WATER AUTHORITY**

The Board of Visitors of Virginia Polytechnic Institute and State University, the Town Council of the Town of Blacksburg, the Town Council of the Town of Christiansburg, and the Board of Supervisors of Montgomery County, Virginia, have, by concurrent resolutions, adopted the following Amended and Restated Articles of Incorporation of the Blacksburg-Christiansburg-V.P.I. Water Authority, pursuant to the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2 of the 1950 Code of Virginia, as amended) ("Act").

ARTICLE I

The name of the Authority shall be the NRV Regional Water Authority and the address of its principal office is 3515 Peppers Ferry Road, Radford, Virginia 24141.

ARTICLE II

The names of the political subdivisions participating in the NRV Regional Water Authority (the “Authority”) are Virginia Polytechnic Institute and State University, the Town of Blacksburg, the Town of Christiansburg, and Montgomery County, Virginia (collectively, the “Members”), each of which hereby acknowledges, covenants, and agrees that these Amended and Restated Articles of Incorporation shall not be further amended or changed without the express agreement of each of the governing bodies of each of the participating political subdivisions.

ARTICLE III

The Board of the Authority shall consist of six board members. The names, addresses, and terms of office of the initial board members of the reconstituted Board of the NRV Regional Water Authority are as follows:

	Name	Address	Term of Office beginning	ending
1.				
2.				
3.				
4.				
5.				
6.				

The governing body of each participating political subdivision has initially appointed the number of board members set forth opposite its name below:

Montgomery County – One, for a term of 4 years

Virginia Polytechnic Institute and State University – One, for a term of 3 years

Town of Blacksburg – One, for a term of 2 years

Town of Christiansburg - One, for a term of 1 year

The fifth and sixth initial Board Members have been chosen by the initial four Board Members for initial terms of one (1) year. In the event either of the fifth and sixth Board Members chosen by the initial four Board Members retires or otherwise vacates his seat as a Board Member, the number of Board Members shall be reduced to five.

Upon the expiration of the term of any initial Board Member chosen by the initial four Board Members, the remaining Board Members shall elect a successor. Upon the expiration of the term of any of the initial four Board Members chosen by one of the participating political subdivisions, such political subdivision shall promptly choose a successor.

The participating political subdivision will appoint successors to fulfill the terms of Board Members appointed by such participating subdivision who die, resign, or are disqualified.

After the initial terms, each Board Member shall be appointed for a four-year term and shall serve until a successor is appointed and qualified. Each Board Member shall have a vote and when required by law or when requested by any Board Member, such vote shall be recorded by “yeas” or “nays.”

Each board member shall be reimbursed by the Authority for the amount of actual expenses incurred in the performance of Authority duties.

ARTICLE IV

The purposes for which the Authority is being reorganized are to exercise all the powers granted to the Authority to acquire, finance, construct, operate, manage, and maintain a wholesale water treatment and transmission system and related facilities for the purpose of selling water wholesale to its Members pursuant to the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2 of the 1950 Code of Virginia, as amended (the "Act"). The Authority shall have all of the rights, powers, and duties of an authority under the Act.

It is not practicable to set forth herein information regarding preliminary estimates of capital costs, proposals for specific projects to be undertaken, or initial rates for the proposed projects.

ARTICLE V

The Authority shall provide water to its Members.

ARTICLE VI

The Authority shall cause an annual audit of its books and records to be made by the State Auditor of Public Accounts or by an independent certified public accountant at the end of each fiscal year and a certified copy thereof to be filed promptly with the governing body of each of the incorporating political subdivisions.

ARTICLE VII

The term of existence of the Authority shall be 50 years from the effective date of the Members' resolutions authorizing these Amended and Restated Articles.

IN WITNESS WHEREOF the Board of Supervisors of Montgomery County, the Town Council of the Town of Blacksburg, Virginia, the Town Council of the Town of Christiansburg, Virginia, the Board of Visitors of Virginia Polytechnic Institute and State University, and the Board of Directors of the Blacksburg-Christiansburg-V.P.I. Water Authority have caused these Amended and Restated Articles of Incorporation to be executed in their respective names, and their respective seals have been affixed hereto and attested by the respective secretaries and clerks of each.

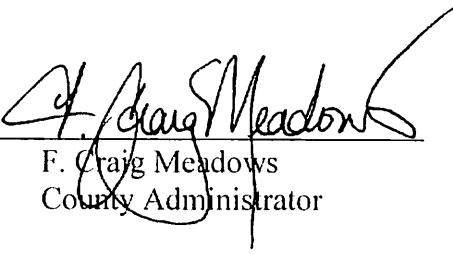
5. Action to Be Taken. The appropriate officers of Montgomery County shall take all action necessary or convenient to file and otherwise cause the Amended and Restated Articles of Incorporation to become effective.

6. Effective immediately. This resolution shall take effect immediately upon its adoption.

The vote on the forgoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>
Christopher A. Tuck	None
Matthew R. Gabriele	
Gary D. Creed	
Annette S. Perkins	
William H. Brown	
Mary W. Biggs	
James D. Politis	

ATTEST:


F. Craig Meadows
County Administrator

wells shall be decommissioned and may be preserved by the MCPSA in a standby mode to promote the MCPSA's having an emergency water source.

Section 6.2. Montgomery County Public Service Authority.

The MCPSA will (1) continue to operate and maintain the distribution systems in Montgomery County and (2) purchase all of its water (with the exception of the Continuing Well Systems and continuing purchases from the City of Radford until the completion of the Transitional Water Systems) from Montgomery County. The MCPSA will not permit Montgomery County to subsidize any of the MCPSA's capital expenditures, operations, debt, or any other expense of the MCPSA.; provided, however, that Montgomery County may, on sixty (60) day's written notification to each of the Parties in accordance with Section 7.8, or in the case of an emergency, whatever notification is practical under the circumstances, make a loan to the MCPSA for the purpose of paying its obligations under Sections 5.2 and 6.3 of this Agreement.

Section 6.3 Purchase of Membership Interest by Montgomery County.

For admission as a member of the Authority, Montgomery County has agreed to purchase its membership interest for \$1,300,000 to be paid over 40 years at an interest rate of 2.0% per year, in annual installments of \$47,522.47 to be paid on July 1 of each year beginning July 1, 2013, and on each following July 1 until paid in full, which deferred purchase obligation may be prepaid at any time without penalty. The MCPSA agrees to provide in a timely manner all funds necessary to make these payments. In the event the MCPSA or Montgomery County should fail, after ninety (90) days, to make any payment required by this Section 6.3, the Authority may, singly or in combination, (1) impose a late charge of five percent (5%) of the payment, (2) charge interest on the late payment from its due date at the rate specified in Section 6.3, (3)

BLACKSBURG • CHRISTIANSBURG • VPI

WATER AUTHORITY

P.O. BOX 10006

BLACKSBURG, VIRGINIA 24062-0006

Telephone: 540-639-2575

Fax: 540-639-0229

MEMBERS OF THE BOARD

JOHN W. KIRBY, JR., CHAIRMAN
 SHERWOOD G. WILSON, VICE-CHAIRMAN
 C. WILLIAM SMITH, SECRETARY
 PHYLLIS T. ALBRITTON, TREASURER
 WAYNE O. NELSON

GERALD W. HIGGINS, P.E.
 MANAGER

WARREN S. NEILY, JR.
 ATTORNEY



December 20, 2011

Craig Meadows
 County Administrator
 Montgomery County
 755 Roanoke Street
 Christiansburg, VA 24073

Craig
 Dear Mr. Meadows:

Enclosed are the latest invoices I have received from Draper Aden Associates Engineers for the work that has been done so far regarding Phase II of the Joinder Study.

I approve the enclosed invoices for payment.

If you need any further information in order to process these invoices, please let me know.

Best Regards,

Jerry
 Gerard W. Higgins, P.E.
 Manager

Enclosures



Engineering • Surveying • Environmental Services

Mail Remittance to:
2206 South Main Street
Blacksburg, Virginia 24060

November 30, 2011

Project No: B05112-04
Invoice No: 2011110091

Gerald W. Higgins
Blacksburg/Christiansburg/VPI Water Auth
P.O. Box 10006
Blacksburg, VA 24062-0006

Project B05112-04 BCVPI-Joinder Study-Engineering Services

Professional Services through November 30, 2011

Fee

Total Fee	120,000.00		
Percent Complete	50.00	Total Earned	60,000.00
		Previous Fee Billing	30,000.00
		Current Fee Billing	30,000.00
		Total Fee	30,000.00
		TOTAL FOR THIS INVOICE	\$30,000.00

Billings to Date

	Current Invoiced	Prior Invoiced	Total To Date
Fee	30,000.00	30,000.00	60,000.00
Total Invoiced	30,000.00	30,000.00	60,000.00

Authorized By: Richard DiSalvo Jr. Date: 12-08-2011

Approved: John H.

12/22/11

Billing Inquiries: (540) 552-0444 Fax: (540) 522-0291 E-mail: daa@daa.com

We accept VISA/MasterCard

Blacksburg, Virginia Charlottesville, Virginia Hampton Roads, Virginia Richmond, Virginia



Mail Remittance to:
2206 South Main Street
Blacksburg, Virginia 24060

Project	B05112-04A	BCVPI-Jointer Study-Subconsultants	Invoice	2011110092
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Authorized By: Aug. R. DiSalvo Jr. Date: 12-03-2011
Richard DiSalvo Jr.

Moody's
INVESTORS SERVICE

New Issue: MOODY'S ASSIGNS Aa2 TO VPSA'S \$100 MILLION SPECIAL OBLIGATION SCHOOL FINANCING BONDS ISSUED ON BEHALF OF MONTGOMERY COUNTY

Global Credit Research - 02 Nov 2011

Aa2 RATING AFFECTS APPROXIMATELY \$112.5 MILLION OF GENERAL OBLIGATION DEBT, INCLUDING CURRENT ISSUE

Montgomery (County of) VA
County
VA

Moody's Rating

ISSUE

Special Obligation School Financing Bonds, Montgomery County Series 2011

RATING

Aa2

Sale Amount \$100,000,000

Expected Sale Date 11/14/11

Rating Description Special Obligation School Financing Bonds, Montgomery County Series 2011

Opinion

NEW YORK, Nov 2, 2011 -- Moody's Investors Service has assigned a Aa2 rating to the Virginia Public School Authority's \$100 million Special Obligation School Financing Bonds, Montgomery County Series 2011. Concurrently, Moody's has affirmed the Aa2 rating on Montgomery County's \$112.5 million (rated portion) of the \$149.2 million in outstanding general obligation debt and the Aa3 rating on approximately \$97.8 million (rated portion) of the \$112.6 million in outstanding lease revenue debt.

SUMMARY RATINGS RATIONALE

The current issue is solely secured by debt service payments made by the county, to which the county has pledged its full faith and credit. Proceeds of the issue will purchase Montgomery's local bonds that will fund the construction of two high schools and one middle school.

The Aa2 rating reflects the county's moderately-sized tax base anchored by Virginia Polytechnic Institute and State University (VA Tech), satisfactory financial position, and above-average debt burden. The Aa3 lease revenue rating reflects the long-term credit strength of the county, adequate legal provisions under the Resolution, and the essentiality of the funded projects.

STRENGTHS:

- Moderately sized tax base anchored by presence of VA Tech
- Satisfactory financial position

CHALLENGES:

- Maintaining satisfactory reserves as debt requirements continue to increase
- Implementation of 10 cent tax rate increase to fund increasing debt service requirements
- Adherence to established debt policies with above-average debt profile

NO ADVANCE TRANSFER OF COUNTY FUNDS

Under the Resolution, VPSA will apply proceeds of the current issue to purchase Montgomery County's bonds. On each principal and interest due date, the county will deposit debt service with the Authority, which will promptly withdraw the funds to pay bondholders. Although the county payments can be made up to the debt service payment dates, creating a degree of risk, with Montgomery's strong credit quality, the general obligation pledge and the essentiality of the funded projects, Moody's expects all transfers will be made in a timely fashion.

DIVERSIFICATION CONTINUES IN TAX BASE ANCHORED BY THE LARGEST STATE UNIVERSITY

Moody's expects Montgomery County's \$7.8 billion economy to continue to derive stability from the presence of Virginia Polytechnic Institute and State University (General Revenue Bonds rated Aa1/stable outlook) and to benefit from ongoing diversification of the tax base. Located in southwestern Virginia (G.O. rated Aaa/negative outlook), the county encompasses nearly 400 square miles and includes the towns of Blacksburg (G.O. rated Aa2) and Christiansburg (G.O. rated Aa3). In recent years, aggressive economic development initiatives have helped to transform this historically rural economy into an increasingly diversified economic base including defense, electronics, and automotive component manufacturers. The University has been a primary catalyst for attracting new industries, with an extensive corporate research park that serves as the main location for most of these new companies. The park currently holds 140 firms with an aggregate 2,200 employees, and is expected to be double its current size at buildout. Although most of the University-owned research center property is tax-exempt, growth in the park provides new revenue because building leases are taxable and the companies in the park pay other local taxes, including sales and business license taxes. Improving employment opportunities have contributed to the county's population growth, which has increased by approximately 49% since 1980. Commercial development within the area continues with a recent \$20 million investment from Backcountry.com that is expected to generate 200 new jobs and a \$10 million investment from Federal-Mogul that is expected to create 50 new jobs in the near-term. The retail sector has also continued to expand as a result of the population growth, with the recent expansion and renovations of two malls, construction of a big box shopping center, as well as a \$50 million retail project that added 335,000 square feet of additional retail space

to the area.

On average, assessed values in the county have increased 7.5% annually over the past five years, driven by new development and significant market appreciation. Further, Moody's believes the presence of the university, with an enrollment of approximately 29,000 students, provides overall stability. Of note, the large student population skews resident income levels downward, with per capita income at 71.2% of the commonwealth median. Full value per capita of \$82,928 is also affected by the significant tax-exempt university presence.

SATISFACTORY FINANCIAL POSITION DRIVEN BY CONSERVATIVE MANAGEMENT

Sound financial management practices and a conservative budgeting approach should continue to support stable finances. The county has recorded surpluses in four of the last five fiscal years, with the only reduction in fiscal 2009 when expenditures increased by almost 10% (revenues increased 5%) from the previous year, due to cost increases in public safety, health, and debt service. Although revenues related to permits and service charges trended below 2008 receipts, overall revenues outperform the previous fiscal year by over \$4 million. With expenditures increasing by almost \$10 million due to public safety and debt service costs, the county finished the year with an undesignated general fund balance that represented a satisfactory 25.6% of revenues. At year-end fiscal 2009, even with a slight deficit of \$219,000 due to transfers out of the general fund into the capital improvement fund (valued at \$94.9 million), Montgomery County retained a strong financial position and remained in compliance with its stated policy of maintaining undesignated General Fund balance between 8% and 10% of combined General Fund and School operating expenditures, with \$21.4 million or 13.9% categorized as undesignated, unreserved funds. While total General Fund balance was a stronger \$32.3 million, or a very healthy 34% of revenues, this includes an \$8 million reserve to offset a long-term receivable from the county's Economic Development Authority. Given that the illiquidity of this receivable, Moody's views the county's unreserved portion of fund balance as the more accurate measure of financial cushion.

Fiscal 2010 ended with a \$2.6 million operating surplus, increasing General Fund balance to \$34.9 million or a strong 36% of General Fund revenues. Unreserved General Fund balance increased to \$26.3 or a still healthy 27.1% of General Fund revenues. The operating surplus was primarily driven by various expenditures cuts including the reduction of 18 personnel and the continuation of a hiring freeze that had been implemented in the previous year. Revenues continued to grow due to a three cent (per \$100 of valuation) tax rate increase, although local revenues continued to lag due to the economic environment. Debt service expenditures continued to increase, representing 18.5% of General Fund expenditures, as compared to 14.2% in fiscal 2009 due to recent debt issuances. Approximately 62.4% of the county's operating revenues were derived from property tax revenues, followed by intergovernmental revenues at 21.3% in fiscal 2010.

Preliminary fiscal 2011 results project an operating deficit of \$1.5 million, decreasing General Fund balance to \$33.4 million or a still strong 35.3% of General Fund revenues, which was primarily driven by a \$1.9 million transfer for capital. Unreserved General Fund balance is expected to decrease slightly to \$26 million, but represents a slightly healthier 27.4% of General Fund revenues. This operating deficit was primarily driven by the use of fund balance for planned one-time expenditures. In addition, continued savings from personnel reductions offset the 2.1% decrease in revenues driven by a decline in intergovernmental funding. Debt service expenditures continued to increase by 6.9%, growing to represent an even larger 19.2% of General Fund expenditures. The fiscal 2012 budget represents a 3% increase from the fiscal 2011 budget. The budget includes a two cent (per \$100 of valuation) tax rate increase expected to generate \$1.4 million in additional revenue, as well as the establishment of a \$500,000 rate stabilization line item to offset any further reductions in revenues. Going forward, debt service expenditures are expected to increase to \$23 million in fiscal 2013 and remain relatively level through fiscal 2025 before decreasing. The county plans to fund these increased costs through consistent \$15.6 million General Fund transfers (16% decrease from FY11 levels), a ten cent (per \$100 of valuation) tax rate increase expected to be adopted in 2013 that will generate approximately \$7 million in annual revenues, and \$3.3 million from the capital projects fund. While the tax rate increase has not been officially adopted to date, it was supported by the board of supervisors in a non-binding resolution vote earlier this year. Moody's will continue to monitor the county's ability to manage these increasing debt service requirements, while maintaining satisfactory reserve levels going forward. If the county is unable to pass the tax rate increase in fiscal 2013 or find other structurally balanced ways to address these rising debt service requirements, negative credit pressure is possible.

HIGH DEBT BURDEN DRIVES COUNTY ABOVE DEBT POLICY REQUIREMENT

Moody's expects the county's debt burden to remain high in the near-term despite the absence of future debt issuances as amortization is slightly below-average. With the current issuance, the county's direct debt burden increases to an above-average 3.6% of full valuation, rising to an even higher 4.1% of full valuation when incorporating overlapping town obligations. This increase in debt burden with the current issuance was primarily driven by the collapse of a roof at Blacksburg High School in February 2010. After various inspections, it was found that the school needed to be replaced and the county decided to replace two other schools that were included in the Capital Improvement Plan at the same time. After the completion of these three schools in 2013 and a redistricting effort, the County's capacity issues will be fully addressed for the medium-term. While the county does maintain a five-year \$32.4 million Capital Improvement Plan (CIP), the majority of these capital improvements will be funded through debt that has already been issued. The county does not expect to issue any additional bonds for capital improvements in the near-term. In fiscal 2010, debt service represented 11.5% of governmental operating expenditures, which was slightly below the county's policy of 12%. With the current issuance, debt service is expected to increase above the threshold in 2011 and remain there through 2020. Post-issuance, principal amortization will be approximately 54.1% within 10 years. All of the county's outstanding debt is fixed rate and the county is not party to any derivative agreements.

WHAT COULD MAKE THE RATING GO UP:

- Substantial increase in tax base and wealth levels
- Increased reserve levels
- Decreased debt burden

WHAT COULD MAKE THE RATING GO DOWN:

- Substantial decrease in tax base and wealth levels
- Continued decrease in reserve levels
- Inability to augment revenues in order to meet increased debt service expenditures

- Increased debt burden further limiting financial flexibility

KEY STATISTICS

2010 population: 94,392 (12.9% increase since 2000)

2010 Full valuation: \$7.8 billion

2010 Full value per capita: \$82,928

2000 Per capita income: \$17,077 (71.2% of VA; 79.1% of U.S.)

2000 Median family income: \$47,239 (87.2% of VA; 94.4% of U.S.)

FY10 General Fund balance: \$34.9 million (36% of General Fund revenues)

FY10 Undesignated General Fund balance: \$23.2 million (23.9% of General Fund revenues)

Direct debt burden: 3.6%

Overall debt burden: 4.1%

Amortization of principal (10 years): 54.1%

Long-term G.O. debt outstanding: \$149.2 million

Lease Revenue debt outstanding: \$112.6 million

The principal methodology used in this rating was General Obligation Bonds Issued by U.S. Local Governments published in October 2009. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

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November 10, 2011

Summary:

Virginia Public School Authority Montgomery County; Appropriations; General Obligation

Primary Credit Analyst:

Timothy Barrett, New York (1) 212-438-6327; timothy_barrett@standardandpoors.com

Secondary Contact:

Lindsay Wilhelm, New York 212-438-2301; lindsay_wilhelm@standardandpoors.com

Table Of Contents

Rationale

Outlook

Related Criteria And Research

Summary:

Virginia Public School Authority Montgomery County; Appropriations; General Obligation

Credit Profile

US\$100.0 mil GO bnds (Montgomery Cnty) ser 2011 due 07/15/2031

Long Term Rating

AA/Stable

New

Montgomery Cnty GO

Unenhanced Rating

AA(SPUR)/Stable

Affirmed

Rationale

Standard & Poor's Ratings Services assigned its 'AA' long-term rating and stable outlook to Virginia Public School Authority's series 2011 special obligation school financing general obligation (GO) bonds, issued for Montgomery County, and affirmed its 'AA' underlying rating (SPUR), with a stable outlook, on the county's existing GO debt.

Standard & Poor's also affirmed its 'AA-' long-term rating and SPUR, with a stable outlook, on the county's appropriation debt.

The 'AA' rating reflects our opinion of the county's:

- Continued growth and diversification of the employment base, anchored by Virginia Polytechnic and State University (Virginia Tech), coupled with, what we consider, strong wealth and adequate income that are somewhat mitigated by the sizable student population;
- Continuation of modest property tax base growth despite the economic downturn due to ongoing economic development;
- Strong finances with, what we view as, strong reserves and strong financial management, which has helped the county weather near-term budget stress; and
- Moderate debt with limited additional capital needs following this issuance.

The series 2011 bonds are a limited obligation of the authority, secured solely by principal and interest payments on the local school bonds issued by the county and held by the authority. The local school bonds are a GO of the county. Principal and interest on the local school bonds are due on the same dates and in the same amounts as payments on the 2011 bonds. The authority assigned all of its rights to receive payments on the local school bonds to the state treasurer, who will act as paying agent on the 2011 bonds. We understand county officials intend to use bond proceeds to finance various school-related capital improvements.

Montgomery County, encompassing 395 square miles, is in southwestern Virginia. The town of Christiansburg serves as the county seat. According to the 2010 U.S. Census, population was 94,392, an increase of 12.9% since the 2000 U.S. Census. The county is home to Virginia Tech, the commonwealth's largest research university with about 30,000 full-time students, which anchors the economic base; the university is also the leading employer with

roughly 9,700 employees. Radford University, with approximately 9,000 students and 2,200 employees, is adjacent to the county, further bolstering higher education's influence in the local area. Accordingly, the large university presence has somewhat helped insulate the area from the national economic downturn and spurred a significant amount of research and development. The Virginia Tech Corporate Research Center, a research park adjacent to the campus, is beginning phase II in the master plan; officials expect to double the existing campus' size over the next decade. Phase I, which is complete, consisted of 27 buildings that house 140 high-tech companies and 2,200 employees on 120 acres.

The growth the county has experienced in other sectors -- including commercial, industrial, and retail -- complements and enhances its economic profile. Leading employment sectors include educational services (27% of employment), manufacturing (12%), retail trade (12%), health care and social assistance (11%), and accommodation and food services (10%). Unemployment has historically approximated commonwealth rates but has been below national rates; as of August 2011, unemployment was 6.5%, equivalent to the commonwealth's rate but below the nation's 9.2% rate.

The property tax base has demonstrated, what we regard as, modest growth since a revaluation in calendar year 2007, growing by about 2% annually. During the most recent revaluation in calendar year 2011, assessed value grew by, in our opinion, a modest 3%. Market value is, in our view, a very strong \$85,399 per capita. The 10 leading taxpayers account for a diverse 6.1% of the tax base. While income is what we consider adequate with median household effective buying income at roughly 80% of the national average, the large student population likely skews the data downward.

In our opinion, finances remain strong. The 2012 budget has increased by roughly 3% over the 2011 budget, and it includes a two-cent property tax rate increase to 75 cents. It is our understanding the additional revenue will help address commonwealth budget cuts, some weakness in certain local tax revenue, and projected increases in fringe benefit and debt service costs. Management does not expect a material change to reserves.

Unaudited fiscal 2011 results show a \$3.2 million surplus before net transfers and an estimated \$400,000 drawdown once management accounts for transfers. This result indicates that revenue came in nearly \$1 million higher than expected and that expenditures are roughly \$6.3 million less than expected. The positive variance reflects management's conservative budget estimates and expenditure reduction measures. At year-end, the unreserved, undesignated fund balance was an estimated \$22.9 million, or 14.9% of operating revenue. This is above the county's guideline that stipulates the unreserved, undesignated fund balance should be between 8% and 10% of operating revenue, defined as general fund revenue plus school operating revenue.

Beginning largely in fiscal 2010, the county experienced some budget stress due to decreased local revenue and commonwealth funding cuts to the schools. To offset revenue decreases, management has implemented spending conservation measures and budget reductions, including the imposition of a hiring freeze, staff attrition, the elimination of merit and cost-of-living salary increases, and reductions and delays in maintenance and capital funding. Given these cuts and conservative budgeting estimates, the county closed fiscal 2010 with a \$2.6 million operating surplus after transfers and a \$26.3 million unreserved fund balance, or, what we consider, a very strong 28.4% of audited general fund expenditures. At fiscal year-end 2010, the unreserved, undesignated fund balance was \$23.2 million, or 14.8% of operating revenue.

Standard & Poor's deems Montgomery County's financial management practices "strong" under its Financial

Management Assessment methodology, indicating practices are strong, well embedded, and likely sustainable.

Following this issuance, overall debt, including overlapping debt, is, in our opinion, a moderate \$3,448 per capita, or 4% of market value. We consider amortization of principal roughly average with officials planning to retire 55% of debt over 10 years and 100% over 20 years. Due to this issuance, debt service carrying charges will rise to roughly 15% of combined general fund and component unit school board operating fund expenditures. The county, however, does not have any major capital improvement plan projects following this issuance; officials expect the carrying charge to return closer to historical levels of about 12% within a few fiscal years.

Montgomery County contributes to the Virginia Retirement System (VRS) for county and school employees. It has historically budgeted 100% of the annual required contribution, which the commonwealth determines annually. The VRS plan is 83.5% funded as of June 30, 2009. The county also offers other postemployment benefits (OPEB) to its employees. As of July 1, 2009, it had a \$3.3 million unfunded liability. The liability is implicit as the county provides retirees with access to postemployment health benefits for those who elect to stay in the plan. In fiscal 2010, pension and OPEB contributions were \$2.6 million, or about 2.9% of expenditures, which we consider low.

Outlook

The stable outlook reflects Standard & Poor's opinion that management will likely maintain, what Standard & Poor's considers, good finances. It is our understanding the county's long-term prospects for the continuation of economic growth and diversification remain positive. While the county must address significant additional capital needs for education, in part to address capacity needs, it is our opinion debt will likely remain manageable due to strong management practices and formal policies guiding debt issuance decision making.

Related Criteria And Research

USPF Criteria: GO Debt, Oct. 12, 2006

Ratings Detail (As Of November 10, 2011)

Montgomery Cnty Econ Dev Auth, Virginia

Montgomery Cnty, Virginia

Montgomery Cnty Econ Dev Auth (Montgomery Cnty) Ise rev rfdg bnd

Long Term Rating

AA-/Stable

Affirmed

Montgomery Cnty Indl Dev Auth, Virginia

Montgomery Cnty, Virginia

Montgomery Cnty Indl Dev Auth (Montgomery Cnty) Ise rev

Long Term Rating

AA-/Stable

Affirmed

Montgomery Cnty Indl Dev Auth (Montgomery Cnty) Ise rev

Long Term Rating

AA-/Stable

Affirmed

Montgomery Cnty Indl Dev Auth Ise

Unenhanced Rating

AA-(SPUR)/Stable

Affirmed

Many issues are enhanced by bond insurance.

Complete ratings information is available to subscribers of RatingsDirect on the Global Credit Portal at

Summary: Virginia Public School Authority Montgomery County; Appropriations; General Obligation

www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

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The McGraw-Hill Companies

MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY

NOTES TO FINANCIAL STATEMENTS
June 30, 2012**Note 5. Long-Term Liabilities**

The following is a summary of changes in long-term debt for the year:

	Beginning Balance	Issuances	Retirements	Ending Balance	Due within One Year
Lease payable	\$ -	\$ 47,978	\$ 19,751	\$ 28,227	\$ 28,227
Revenue bonds	<u>6,057,419</u>	<u>-</u>	<u>195,691</u>	<u>5,861,728</u>	<u>185,968</u>
Compensated absences	6,057,419	47,978	215,442	5,889,955	214,195
Other postemployment benefits	113,815	127,162	113,815	127,162	89,013
	<u>63,535</u>	<u>31,076</u>	<u>-</u>	<u>94,611</u>	<u>-</u>
	<u><u>\$ 6,234,769</u></u>	<u><u>\$ 206,216</u></u>	<u><u>\$ 329,257</u></u>	<u><u>\$ 6,111,728</u></u>	<u><u>\$ 303,208</u></u>

The annual requirements to amortize long-term debt and related interest are as follows:

Fiscal Year	Revenue Bonds	
	Principal	Interest
2013	\$ 185,968	\$ 244,065
2014	193,931	234,677
2015	202,235	226,373
2016	210,894	217,714
2017	219,924	208,684
2018 – 2022	1,249,198	893,842
2023 – 2027	1,540,543	602,497
2028 – 2032	1,855,635	245,405
2033 – 2037	<u>203,400</u>	<u>2,499</u>
	<u><u>\$ 5,861,728</u></u>	<u><u>\$ 2,875,756</u></u>

Details of long-term indebtedness are as follows:

	Issue Date	Maturity Date	Authorized and Issued	Interest Rate	Amount Outstanding
<u>Revenue Bonds</u>					
Water and Sewer Refunding Bond, 2008	06/01/08	2032	\$ 6,500,479	4.20%	\$ 5,861,728
<u>Lease Payable</u>					
CNII Capital	08/01/11	2013	\$ 47,978	8.00%	\$ 28,227

AT AN ADJOURNED MEETING OF THE BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, VIRGINIA HELD ON THE 22nd DAY OF OCTOBER, 2001 AT 7:15 P.M. IN COURTROOM B, COUNTY COURTHOUSE, CHRISTIANSBURG, VIRGINIA:

On a motion by Larry N. Rush, seconded by James D. Politis and carried unanimously,

BE IT RESOLVED, That the Board of Supervisors of the County of Montgomery, Virginia, hereby approves the Agreement between the Board of Supervisors and the Montgomery County Public Service Authority (Public Service Authority) for an advance of \$275,000 to the Public Service Authority to cover construction costs for the Prices Fork Water Project until the Public Service Authority secures permanent financing for the Project.

BE IT FURTHER RESOLVED, That Mary W. Biggs, Chairperson of the Board of Supervisors is hereby authorized to execute the said Agreement on behalf of the Board of Supervisors.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Larry N. Rush	None	John A. Muffo
Annette S. Perkins		
Joe C. Stewart		
C.P. Shorter		
James D. Politis		
Mary W. Biggs		

ATTEST:



Jeffrey D. Johnson
County Administrator

THIS AGREEMENT, made and entered into this 22nd day of October, 2001, by and between the BOARD OF SUPERVISORS OF THE COUNTY OF MONTGOMERY, VIRGINIA, (the "Board") and the MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY (the "Authority") shall provide as follows:

W I T N E S S E T H

WHEREAS, the Authority is preparing to design and construct the Prices Fork Water Project whereby the Authority will provide the Prices Fork area with water from the Radford Arsenal ("the Prices Fork Water Project"); and

WHEREAS, the Authority is in the process of obtaining permanent financing from Rural Development in order to finance the Prices Fork Water Project. Prior to obtaining permanent financing from Rural Development, the Authority has a need for interim financing up to the amount of \$275,000 so that the Prices Fork Water Project will not be delayed; and

WHEREAS, the Board is willing to advance the Authority an amount up to \$275,000 if the Authority agrees to reimburse the Board with interest the advancements made by the Board once the Authority obtains permanent construction financing.

NOW, THEREFORE, in consideration of the general welfare of the County of Montgomery and the mutual promises and undertakings specified below, the parties agree as follows:

1. The Board agrees to advance the Authority up to the amount of \$275,000 in interim financing, in disbursements as requested by the Authority, in order that the Authority may begin the construction of the Prices Fork Water Project prior to obtaining permanent construction financing from Rural Development.

2. The Authority agrees to obtain and close on permanent construction financing with Rural Development in order that the Authority may reimburse the County and pay for the costs of the Prices Fork Water Project. The Authority further agrees that once the Authority receives its construction financing, the Authority shall reimburse to the County the amount borrowed up to the \$275,000, plus interest at the same rate the Authority obtains under the permanent construction financing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered on their behalf by their duly authorized officers on the date first set out above.

BOARD OF SUPERVISORS OF THE
COUNTY OF MONTGOMERY, VIRGINIA

By: Mary W. Biggs
Mary W. Biggs, Chairperson

MONTGOMERY COUNTY
PUBLIC SERVICE AUTHORITY

By: James D. Politis
James D. Politis, Chairperson

AT AN ADJOURNED MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF MONTGOMERY, VIRGINIA HELD ON THE 27th DAY OF OCTOBER, 2003 AT 7:15 P.M.
IN THE BOARD CHAMBERS, MONTGOMERY COUNTY GOVERNMENT CENTER, 755
ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

On a motion by Mary W. Biggs, seconded by Gary D. Creed and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of the County of Montgomery, Virginia, that the Board hereby agrees to enter into a Loan Agreement with the Public Service Authority dated October 27, 2003, the Loan Agreement is hereby attached and made a part of this Resolution by reference.

BE IT FURTHER RESOLVED, The Board of Supervisors hereby authorizes Larry N. Rush, Chairperson, to execute the said Loan Agreement on behalf of the Board of Supervisors.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Gary D. Creed	None	James D. Politis
John A. Muffo		
Annette S. Perkins		
Mary W. Biggs		
C.P. Shorter		
Larry N. Rush		

ATTEST: 
Jeffrey D. Johnson
County Administrator

THIS LOAN AGREEMENT, made and entered into this 27th day of October, 2003, by and between the Board of Supervisors of the County of Montgomery, Virginia, (the "Board") and the Montgomery County Public Service Authority, (the "Authority") shall provide as follows:

W I T N E S S E T H

WHEREAS, in return for the Board agreeing to take over all of the financial services of the Authority, the Authority agreed to reimburse the County on a monthly basis for the County's direct cost in providing the financial services; and

WHEREAS, the Authority presently owes the Board \$114,773.49 for financial services already rendered and will owe the Board for additional financial services in the near future; and

WHEREAS, the Authority currently owes the Board \$13,297.60 for money advanced the Authority to cover expenses for the Price's Fork Water Project that were not eligible for repayment from Rural Development; and

WHEREAS, the Authority currently owes the Board \$22,365.00 for money advanced the Authority in order for the Authority to purchase the Munis Utility Billing Software; and

WHEREAS, the Authority and the Board desire to enter into this Agreement in order to document the amount of money borrowed and the terms for repayment.

NOW, THEREFORE, in consideration of the general welfare of the County of Montgomery, Virginia, and the mutual promises and undertakings specified below, the parties agree as follows:

1. The Board agrees to loan to the Authority for an undetermined amount of time the \$13,297.60 forwarded to the Authority for the costs associated with the Prices Fork Water Project that were not eligible for repayment through the loan and grant obtained by the Authority from Rural Development. The Authority agrees to reimburse the Board the \$13,297.60 in a timely manner with interest at a rate equal to the County's rate of return on County funds invested by the County Treasurer.

2. The Board agrees to loan to the Authority for an undetermined amount of time the \$22,365.00 forwarded to the Authority for the Authority to purchase the Munis Utility Billing Software. The Authority agrees to reimburse the Board the \$22,365.00 in a timely manner with interest at a rate equal to the County's rate of return on County funds invested by the County Treasurer.

3. The Board agrees to loan to the Authority for an undetermined amount of time \$154,773.46, which includes both the \$114,773.49 the Authority already owes the Board for Financial Services rendered by the Board and \$40,000.00 the Authority will owe the County for future financial services to be rendered through December 31, 2003. The Authority agrees to reimburse the Board the \$154,773.46 in a timely manner with interest at a rate equal to the County's rate of return on County funds invested by the County Treasurer.

owe the County for future financial services to be rendered through December 31, 2003. The Authority agrees to reimburse the Board the \$154,773.46 in a timely manner with interest at a rate equal to the County's rate of return on County funds invested by the County Treasurer.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered on their behalf by their duly authorized officers on the date first set out above.

BOARD OF SUPERVISORS OF
THE COUNTY OF MONTGOMERY, VIRGINIA

By: 

L. Nick Rush, Chairperson

MONTGOMERY COUNTY
PUBLIC SERVICE AUTHORITY

By: 

James D. Politis, Chairperson

TOWN OF CHRISTIANSBURG		
MAY BILLS TO BE PAID JUNE 7, 2013		
VENDOR NAME	AMOUNT	DESCRIPTION
ABAL MATERIAL HANDLING, INC.	143.37	
ADAMS CONSTRUCTION CO.	4,450.09	ASPHALT MIX
AIRGAS MID-AMERICA, INC.	782.68	
ALL SEASONS PEST CONTROL, INC	85.00	
ALLIED 100, LLC	7,549.76	HEART START DEFIBRILLATORS FOR PD VEHICLES. 4
APPLIED INDUSTRIAL TECHNOLOGIES - DIXIE, INC	322.94	
APPLIED POLYMETRICS INC	30,412.00	REPLACE EXPANSION JOINTS ON FRANKLIN BRIDGE
ARAMARK UNIFORM SERVICES, INC.	1,003.52	
ARCET EQUIPMENT COMPANY, INC	222.99	
ATLANTIC EMERGENCY SOLUTIONS, INC	34.75	
AUTO EXPERTS, LLC	40.00	
B & K TRUCK ACCESSORIES	695.00	
BANE OIL COMPANY, INC	4,489.29	OFF ROAD DIESEL FUEL
BASHAM OIL COMPANY	734.17	
BKT UNIFORMS	421.95	
BLACKSBURG POWER EQUIPMENT	50.00	
BLUE RIDGE PROPANE	564.57	
BLUE RIDGE RESCUE SUPPLIERS, INC	2,217.27	RESCUE SUPPLIES PD AND RESCUE
BOB'S REFUSE SERVICE, INC.	110.00	
BOUND TREE MEDICAL, LLC	1,131.00	MEDICAL SUPPLIES RESCUE
BOWIE SALES, INC.	914.72	
BRAME SPECIALTY COMPANY INC.	1,172.46	JANITORIAL SUPPLIES RECREATION
BRIAN'S LOCK & KEY	840.00	
BSN SPORTS COLLEGIATE PACIFIC	259.00	
CARDINAL BLUEPRINTERS, INC.	4.50	
CARQUEST AUTO PARTS	206.96	
CARROT-TOP INDUSTRIES, INC.	716.35	
CARTER MACHINERY	1,996.44	REPAIR CEMETERY BACKHOE
CENTRAL ELECTRONICS	33.00	
CHA CONSULTING INC	5,548.78	BIOSOLID MANAGEMENT AND GAS MONITORING
CINTAS DOCUMENT MANAGEMENT	565.39	
CMC SUPPLY, INC.	2,784.81	REPAIR PARTS AND SUPPLIES FOR BUILDING MAINTENANCE
CONCRETE PIPE & PRECAST LLC	76.00	
CONTROL EQUIPMENT CO. INC.	186.32	
CUSTOM CATERING, INC	111.00	
D J R ENTERPRISES	540.97	
DEHART TILE CO., INC.	1,432.20	STATION B BATHROOM RENOVATION
DIVING ENTERPRISES, LTD	1,202.50	CHECK AIR TANKS AND DIVE TRAINING FOR RESCUE
DOMINION DOOR & HARDWARE INC	4,345.00	STATION B BATHROOM RENOVATION
DON'S AUTO CLINIC	50.50	
DUNCAN FORD MAZDA	6,095.59	2123 REPAIR RESCUE VEHICLE REPAIR AND MAINT PD AND PW VEHICLES
E & L MACHINE	75.00	
EEE CONSULTING, INC	10,051.25	7500 POND RELOCATION ALDER LANE 2551 N FRANKLIN BRIDGE STREAM BANK EROSION
ELECTRICAL SUPPLY CO	1,706.61	ELECTRICAL SUPPLIES VARIOUS BUILDING MAINTENANCE
ELEVEN WEST, INC.	196.50	
EMS TECHNOLOGY SOLUTIONS, LLC	210.00	
ENVIRONMENTAL LAND WASTE MANAGEMENT SERVICE, INC	13,000.00	BIOSOLDI WASTE REMOVAL WWTP
ENVIRONMENTAL SCIENCE APPLICATIONS, INC	1,000.00	
EVIDENT INC	365.70	
FAMILY & PSYCHOLOGICAL SERVICES, INC	270.00	
FAMILY MEDICINE OF BLACKSBURG LLC	1,807.00	HEP B VACCINATIONS AND DRUG TESTING
FASTENAL COMPANY	14.85	
FERGUSON ENTERPRISES, INC.#75	4,114.58	PIPE AND FITTINGS FOR WATER AND SEWER CONNECTIONS AND REPAIRS
FIDELITY POWER SYSTEMS	512.76	
FIRE SAFETY PRODUCTS, INC	95.00	
FITNESS CONCEPTS, INC.	5.00	
FLEET ONE, LLC	28,664.38	FUEL FOR TOWN VEHICLES
FLEET PRIDE, INC	1,146.46	SUPPLIES AND PARTS FOR VEHICLE AND EQUIP REPAIR
GAGE, LLC	4,112.53	JETTER NOZZLES FOR SEWER PIPE JETTER
GALLS, AN ARAMARK COMPANY	1,253.20	PD AND FIRE SUPPLIES
GAY AND NEEL, INC.	9,875.01	HUCKLEBERRY TRAIL AND CDBG

TOWN OF CHRISTIANSBURG		
MAY BILLS TO BE PAID JUNE 7, 2013		
VENDOR NAME	AMOUNT	DESCRIPTION
GODWIN MANUFACTURING CO.,INC.	406.52	
GRAINGER	391.09	
GRASS ASSASSINS	4,821.42	LAWN MOWING CONTRACT
GUYNN, MEMMER & DILLON, P.C.	2,625.91	LEGAL FEES
H. T. BOWLING, INC.	495.00	
HALL'S GARAGE DOORS	250.00	
HARPER AND COMPANY INC.	832.28	
HARVEY CHEVROLET CORP.	595.26	
HAWKINS-GRAVES, INC	4,388.00	TRAFFIC CONES AND CONSTRUCTIN SIGNAGE FOR STREET CREWS
HOME DEPOT 4634	76.19	
HOSE HOUSE, INC.	29.95	
ICMA	966.00	
IDEXX DISTRIBUTION, INC.	23.58	
INTEGRITY MANAGEMENT SOLUTIONS, LLC	50.00	
INTERSTATE BATTERY SYSTEM OF ROANOKE VALLEY, INC	257.32	
JAMES RIVER EQUIPMENT-SALEM	219.94	
JAMES RIVER LASERS & EQUIPMENT, LLC	378.00	
JAMES SPENCER	450.00	
JOHN DEERE FINANCIAL	470.30	
JORDAN OIL CO., INC.	2,631.34	FUEL FIRE AND RESCUE
K & N TOOLS, LLC	948.01	
KAST-A-WAY	156.00	
KENTUCKY CLUTCH, INC	300.00	
KIMBALL MIDWEST	544.09	
KING-MOORE, INC	3,735.00	IT CONSULTANT
KMART #04850	22.76	
KORMAN SIGNS, INC.	55.62	
LANCASTER, INC.	285.00	
LITTLE RIVER POOL AND SPA, INC	134.85	
LITTLE SINKS, LLC	276.00	
LOWES HOME CENTERS, INC.	4,745.09	1215.66 NEW BLINDS RESCUE BAL BUILDING AND GRDS MAINT TOWN WIDE
MARKETING ON MAIN STREET LLC	446.30	
MCAFEE, INC	225.00	
MEADE TRACTOR	110.42	
MOBILE FLEET INC	147.16	
MONTGOMERY CO HEALTH DEPT.	67.43	
MONTGOMERY COUNTY TREASURER	26,737.24	911 CENTURY LINK MAINT AGREEMENT
MONTGOMERY DISTRIBUTORS	2,340.94	SAFETY SUPPLIES
MONTGOMERY REGIONAL WASTE AUTHORITY	33,123.33	ESTIMATED TIPPING FEES FOR MAY 2013
MONTGOMERY SANITATION SERVICES	4,062.70	PUMP STATION CLEANING
MOORE MEDICAL CORP.	2,821.84	SUPPLIES RESCUE
NAFECO INC	84.75	
NATIONAL ALLIANCE	480.00	
NATIONAL POOLS OF ROANOKE,INC.	349.74	
NEW RIVER GLASS	145.00	
NORTHEASTERN SUPPLY INC.	286.47	
OLD DOMINION BRUSH	4,300.00	LEAF BOX
ONE EARTH LANDSCAPES, INC	5,571.43	LAWN MOWING CONTRACT CEMETERY
OUTDOOR POWER EQUIPMENT	318.00	
PACE ANALYTICAL SERVICES, INC.	3,767.00	MONITORING TESTS LANDFILL
PCM-G	8,623.78	NEW SERVER
PETERS AQUATICS	125.00	
PETROLEUM EQUIPMENT COMPANY	41.40	
PGS, INC.	245.00	
PINNACLE PEAK HOLDING CORPORATION DBA SETCOM CORP	4,963.12	
PLAY IT AGAIN SPORTS	63.92	
POSITIVE PROMOTIONS, INC.	416.17	
POWER ZONE - ALL SEASONS	1,328.52	SMALL EQUIPMENT REPAIR AND SUPPLIES
PRESSURE WASHING SUPPLIES & SERV	1,052.75	
PROFESSIONAL COMMUNICATIONS	4,375.00	MAINTENANCE E911 DISPATCH CONSOLE
QUALIFICATION TARGETS, INC	613.61	
QUALITY TIRE & BRAKE SERVICE	725.00	

TOWN OF CHRISTIANSBURG		
MAY BILLS TO BE PAID JUNE 7, 2013		
VENDOR NAME	AMOUNT	DESCRIPTION
QUILL CORP.	79.90	
RADIO EXPRESS, INC.	853.00	
RADIO SHACK	34.99	
RAY ALLEN MANUFACTURING, LLC	94.98	
ROPHO SALES INC	426.87	
ROSS VALVE MFG. CO., INC.	990.46	
RUBY TUESDAY, INC	1,125.00	SENIORS LUNCHEON RECREATION PROGRAM FOR SENIORS
SAFETY & COMPLIANCE SERVICES, INC.	476.00	
SAMS CLUB	360.66	
SAM'S ON THE MARKET, INC.	262.94	
SANICO, INC	7,990.80	6250 FLOOR SCRUBBER AQUATICS BAL JANITORIAL SUPPLIES
SAWYER PAVING COMPANY INC	2,108.00	
SCHINDLER ELEVATOR CORPORATION	2,243.52	PREVENTATIVE MAINT CONTRACT AQUATICS
SERVICE COMMUNICATION	131.25	
SHAH DEVELOPMENT LLC	8,360.00	TOP SOIL FROM CAMBRIA CROSSING
SHELOR MOTOR MILE	350.53	
SHERWIN-WILLIAMS	158.45	
SIGN-A-RAMA	784.42	
SISSON AND RYAN	18,039.31	ESTIMATED SAND GRAVEL FOR STREETS, ETC.
SNAP-ON TOOLS	1,327.84	SMALLL TOOLS
SOUTHERN ELEVATOR CO., INC.	670.00	
STAPLES BUSINESS ADVANTAGE	200.68	
STATE ELECTRIC SUPPLY CO.,INC.	2,000.55	VARIOUS ELECTRICAL SUPPLIES
STEEL SERVICES, INC.	249.00	
SUPER SHOES STORES, INC	1,279.90	PD FIRE AND RESCUE
SYMBOL ARTS	490.00	
TAYLOR OFFICE & ART SUPPLY,INC	5,276.19	VARIOUS DEPT OFFICE SUPPLIES
TECH EXPRESS, INC.	145.00	
TENCARVA MACHINERY CO.	4,717.59	PUMP STATION REPAIRS AND MAINTENANCE
TESSCO	315.40	
THE GUN SHOP	879.60	
THOMPSON TIRE & MUFFLER	3,524.03	TIRES, BRAKE REPAIR VARIOUS DEPTS
TIDEWATER FLEET SUPPLY	421.20	
TOTER LLC	230,362.56	4368 NEW CANS FOR ONE ARM BANDITS
TOWN OF BLACKSBURG	1,045.00	20 CASES FUSES FOR PD
TOWN POLICE SUPPLY	262.99	
TRANE	5,171.86	REPAIR PUMP AQUATICS
TRASCO	600.00	
TREASURER OF VA DEPT.GEN.SER.	604.00	
UNIFIRST CORPORATION	54.00	
UNITED MUFFLERS	173.00	
UNITED RENTALS,INC.	982.11	
UPS STORE	9.34	
USA BLUE BOOK	137.05	
VA INFORMATION TECHNOLOGIES AGENCY	108.10	
VALLEY EQUIPMENT CENTER	26.13	
VEST'S SALES & SERVICE, INC.	1,390.00	REPAIR MEDIC 1 RESCUE
VIRGINIA BUSINESS SYSTEMS	157.26	
VIRGINIA MUNICIPAL LEAGUE	9,340.00	
VIRGINIA TRUCK CENTER	434.50	
VUPS, LLC	384.30	
WADES FOODS INC.	312.20	
WALMART COMMUNITY/GECRB	21.86	
WEDA WATER, INC	45.31	
W.E.L. INC	1,775.00	DRUG LAB CLEANUP 1575 DEPOT ST
WILSON BROTHERS INCORPORATED	1,588.89	NAPA PARTS AND SUPPLIES FOR VEHICLE AND EQUIPMENT MAINT AND REPAIR
WORDSPRINT	2,650.23	AQ SUMMER BROCHURE 8000 COPIES
YENKIN-MAJESTIC PAINT CORP	1,613.76	WHITE TRAFFIC LINE PAINT
TOTAL FOR JUNE 7, 2013	628,154.72	

**TOWN OF CHRISTIANSBURG
BILLS PAID DURING THE MONTH OF APRIL 2013
SPECIAL REVENUE FUNDS**

VENDOR	AMOUNT PAID	DESCRIPTION
AMSTREDAM PRINTING CO	339.65	
ATLANTIC EMERGENCY SOLUTIONS	734.50	
BLUE RIDGE COPIER INC	43.54	
BLUE RIDGE RESCUE SUPPLIERS	432.61	
BUDGET INN	91.20	
CARDMEMBER SERVICES	863.79	\$692 for Fire Dept 2 Bottom Cord Exit
CARQUEST	77.25	
DIVERS ALERT NETWORK	110.00	
EMPLOYEE REIMBURSEMENTS	14.73	William Hanks meals 14.73
EXXON MOBILE	37.83	
LANCASTER, INC	389.53	
MUNICIPAL EMERGENCY SERVICES	1,480.16	Fire Equip NST Orange Stenciled as "CFD"
SUPER SHOES	125.99	
TOWN OF CHRISTIANSBURG	916.82	Fuel
VA EMERGENCY MANAGEMENT ASSOCIATION	150.00	
VA STATE FIREFIGHTERS ASSOCIATION	200.00	
VERIZON	286.73	
TOTAL PAID BILLS	6,294.33	

TOWN OF CHRISTIANSBURG		
BILLS PAID DURING THE MONTH OF MAY 2013		
VENDOR	AMOUNT PAID	DESCRIPTION
ADVANCE AUTO PARTS	247.84	
AFA PROTECTIVE SYSTEMS INC	237.69	
AIRGAS NATIONAL CARBONATION	789.70	CARBON DIOXIDE AND SERVICE CALLS AQUATICS
ANGEL FLORIST	98.00	
ANTHEM BLUE CROSS	142,087.56	EMPLOYEE HEALTH INS
ANTHEM LIFE INSURANCE	5,293.77	EMPLOYEE LIFE INSURANCE 2 MONTHS
APPALACHIAN POWER	98,156.97	ELECTRIC UTILITIES
AT & T	954.95	
ATMOS ENERGY	8,013.33	GAS UTILITIES TOWN
ASSOCIATED ASPHALT	3,000.00	LIQUID ASPHALT STREET REPAIRS AND MAINTENANCE
AZTEC RENTAL	50.00	
BALL PARK SIGNS	405.00	
BMS DIRECT	4,955.71	WATER BILLS
BOSTON MUTUAL INSURANCE	4,007.68	EMPLOYEE PAID INSURANCE 2 MONTHS
CANON FINANCIAL SERVICES	1,643.43	COPIER MAINT VARIOUS DEPT
CARDMEMBER SERVICES	18,623.70	EQUIP MATERIALS AND SUPPLIES4500.93 DUES305 SCHOOLS3997.58.TRAVEL 6605.25COMPUTER 404UNIFORMS1158.70POL MISC INVESTIGATIONS 806.23 FIRE RESCUE RECRUITING 846.01
CHANDLER CONCRETE COMPANY	1,312.50	CONCRETE
CITIZENS	1,820.00	INTERNET SERVICES
COCA COLA BOTTLING	798.60	HARKRADAR
COLONIAL SUPPLEMENTAL INSURANCE	2,111.30	EMPLOYEE PAID INSURANCE 2 MONTHS
COLD STONE CREAMERY	944.00	CAKES BDAY PARTIES AQUATICS
COMPTON, RICHARD	273.00	
CONCRETE PIPE AND PRECAST	5,941.64	CEMENT VAULTS WATER
DE LAGE LANDEN	1,634.00	COPIER RENTAL PD
DELTA DENTAL	9,155.92	DENTAL COVERAGE
DIXIE BOYS BASEBALL, INC	120.00	
DUES AND MEMBERSHIP	245.00	PD 80 FIRE RESCUE PLANNING165
EDIBLE ARRANGEMENTS	319.64	AQ BDAY SUPPLIES
EXXON MOBIL	83.23	
FEDEX	105.17	
FIDELITY NATIONAL TITLE	2,480,023.00	PURCHASE OF TRUMAN PROPERTY
FIRST DUE GEAR	290.00	
GENWORTH LIFE INSURANCE CO	476.08	
GOV DEALS	292.77	
GRAYSON COUNTY SHERIFF	213.91	
KEY RISK INSURANCE COMPANY	65,885.00	PUBLIC SAFETY AND TOWN EMP WORK COMP INSURANCE
KROGER	550.34	
LUMOS NETWORKS INC	30.90	
MERLO MASSAGE	705.00	ACHI INSTRUCTOR
MONTGOMERY PUBLISHING	930.00	
MOYE, DAVID	520.00	FIREARMS SAFETY TRAINING
NEXTEL PARTNERS INC.	2,552.09	NEXTEL CELLULAR COVERAGE
NORFOLK AND SOUTHERN	750.00	
OUTDOOR POWER EQUIPMENT	318.00	
PAPA JOHNS	1,427.00	PIZZAS FOR BDAY PARTIES AT AQUATICS
PETTY CASH	164.89	
REFUND FEES REC DEPT	1,038.00	
REFUND CONSTRUCTION BOND	1,500.00	
REFUND water deposits	1,541.35	
REFUND TAXES	259.38	
REIMBURSEMENTS EMPLOYEE	5,536.62	drug screens CDL LIC TESTING REIMBURSE EMP PAID EXPENSES uniforms
SAM'S ON THE MARKET	1,042.73	SHIRTS FOR RESCUE
SCHOOLS	8,195.50	planning 2331.50 wwww646.50 PD 120 admin 1657.50 council 39 streets 351 RESCUE 2600 planning comm 450

TOWN OF CHRISTIANSBURG		
BILLS PAID DURING THE MONTH OF MAY 2013		
VENDOR	AMOUNT PAID	DESCRIPTION
SELECTIVE INSURANCE	24,841.68	MONTHLY INS LIAB PREMIUM
SHENTEL	233.91	INTERNET SERVICES REC CENTER
SHI INTERNATIONAL CORP	377.66	
SOUTHEASTERN SECURITY CONSULTANTS	795.00	
SOUTHERN REFRIDGERATION CORP	890.78	
SPRINT	68.43	
STAND ENERGY CORPORATION	5,173.55	NATURAL GAS FOR AQUATIC CENTER
DEPARTMENT OF STATE POLICE	49.50	
STERICYCLE INC	832.87	
TELEVENT	286.50	
THE ROANOKE TIMES	3,095.42	JOB POSTINGS AND PUBLIC NOTICES
TRACTOR SUPPLY CO	368.90	
TRAVEL	2,981.73	PD1476 FIRE 178.33 WWTP 101.48 PW 306 ENG 424.63 BLDING 495.29
UNIFIRST	51.00	
WINDSOR, MARCUS	60.00	MARTIAL ARTS TRAINING INSTRUCTIOR
US CELLULAR	604.72	
VERIZON	6,349.10	PHONES
VERIZON-WIRELESS	3,628.63	
VIRGINIA ASSOCIATION OF VOLUNTEER RESCUE	345.00	
VIRGINIA BUSINESS SYSTEMS	256.76	COLOR COPIER PW
VIRGINIA RETIREMENT SYSTEM	155,903.18	EMPLOYEE RETIREMENT
VIRGINIA DEPARTMENT OF TREASURY DMV	635.00	DMV STOPS
VIRGINIA RESOURCE AUTHORITY	103,571.89	LOAN PAYMENT ON WWTP LOAN BAL AFTER PAYMENT \$937,687
VOLSAP	1,620.00	FIRE VOLUNTEER RETIREMENT
TOTAL SPECIAL REVENUE BILLS PAID	6,294.33	
TOTAL PAID BILLS	3,200,693.10	
7TH OF THE MONTH BILLS	628,154.72	
GRAND TOTAL	3,835,142.15	