

Revoked by Res. No. 1650, adopted 6/12/93

RESOLUTION PROVIDING FOR THE JOINT ADMINISTRATION OF THE CIGARETTE TAX ORDINANCE.

WHEREAS, the City Council of Alexandria, Virginia, has enacted a cigarette tax ordinance on May 8, 1969; and

WHEREAS, Section 58-757.29 of the Code of Virginia (1950), as amended, and Section 2.05(f) of the Charter of the City of Alexandria provide authority for this jurisdiction to agree with other jurisdictions for the joint administration of their cigarette tax ordinances by the Northern Virginia Cigarette Tax Board; and

WHEREAS, it appears to be advantageous for the City of Alexandria to cooperate with certain other jurisdictions and to continue to participate in such joint administration;

THEREFORE, BE IT RESOLVED that the City Council of Alexandria, Virginia, does hereby expressly approve the current agreement anticipated between and among the City of Alexandria and certain other jurisdictions, a true copy of which is herein-after set forth, and appoints the City Manager of the City of Alexandria to forthwith execute the said agreement on behalf of the said City Council.

NORTHERN VIRGINIA CIGARETTE TAX BOARD AGREEMENT

THIS AGREEMENT, by and between

- (1) Arlington County, Virginia, by its County Manager, hereinafter called party of the first part;
- (2) Fairfax County, Virginia, by its County Executive hereinafter called party of the second part;
- (3) City of Alexandria, Virginia, by its City Manager, hereinafter called party of the third part;
- (4) City of Falls Church, Virginia, by its City Manager, hereinafter called party of the fourth part;
- (5) City of Fairfax, Virginia, by its Commissioner of the Revenue, hereinafter called party of the fifth part;
- (6) Town of Clifton, Virginia, by its Mayor, hereinafter called party of the sixth part;
- (7) Town of Herndon, Virginia, by its Town Manager, hereinafter called party of the seventh part;
- (8) Town of Vienna, Virginia, by its Town Manager, hereinafter called party of the eighth part;

WHEREAS, the parties hereto desire to enter an Agreement for the establishment of a board for the joint administration, collection and enforcement of their respective cigarette tax ordinances pursuant to the provisions of those ordinances and Section 58-757.29 of the Code of Virginia (1950), as amended;

NOW, THEREFORE, the parties enter into the following agreement, which hereby revokes and replaces any prior similar agreements between or among the parties.

1. NAME AND DURATION

The Board shall be called the Northern Virginia Cigarette Tax Board. Its duration shall be perpetual, subject to the provisions of paragraph 10 hereof.

2. MEMBERSHIP AND VOTING POWERS.

The Board shall be composed of representatives from each jurisdiction hereinbefore named; each jurisdiction may appoint more than one representative to the said Board, but each jurisdiction shall be entitled to only one member vote. Action of the Board shall be by a majority vote.

3. OFFICERS AND MEETINGS

At its first meeting, the Board shall elect a Chairman, Vice-Chairman, and Secretary-Treasurer, who shall serve at the pleasure of the Board. Thereafter, the Board shall meet from time to time as deemed necessary by the Chairman.

4. POWERS OF THE BOARD

The Board shall be delegated the following powers:

- (A) Assessment, collection and disbursement of the cigarette tax for each participating jurisdiction;
- (B) Audit the sales of cigarettes as described in the ordinance of each participating jurisdiction;
- (C) Provision of information for criminal prosecution by commonwealth's attorneys of the affected participating jurisdictions;
- (D) Designation of an administrator;
- (E) Management of the Northern Virginia Cigarette Tax Fund, hereinafter called the "Fund";
- (F) Employment of an auditor;
- (G) Designation of a depository bank or banks;
- (H) Contracting with a member jurisdiction for provisions of administrative services;
- (I) To hold and convey personal property (The Board shall have no power to hold or convey real property.);
- (J) To enter into contracts;
- (K) To hire, supervise and discharge its own employees; and
- (L) Any other powers granted to the Board by the respective local ordinances.

5. ADMINISTRATOR

Normal routine duties of the Board in administration and supervision of the cigarette tax ordinances shall be delegated to an Administrator, who shall be appointed by the Board to serve at the will of the Board under such terms and conditions as it deems appropriate. Actions and decisions of the Administrator shall bind the Board unless patently wrongful or the result of willful misconduct; but the Board may at any time overrule a decision or action by the Administrator, subject to lawful rights of third parties.

The duties of the Administrator shall include, but not be limited to, the following:

- (A) Preparation of annual administrative cost estimates;
- (B) As authorized by the Board, employment of or contracting for staff assistance, equipment and supplies, including the establishment and administration of a retirement system covering officers and employees of the Board not covered by the retirement systems of participating jurisdictions or the State of Virginia;
- (C) Preparation of reports as the Board may require;
- (D) Authorization of disbursements to the participating jurisdictions;
- (E) Authorization of disbursements from the Fund.

6. DUTIES OF THE TREASURER

The Treasurer shall be the custodian of the Fund and the cigarette tax receipts. He shall give bond, payable to the Board, in such amounts and with such surety as the Board requires, conditioned upon the faithful performance of his duties and the proper accounting of all monies coming into his hands. The cost of the bond shall be paid by the Fund.

7. COLLECTION OF THE CIGARETTE TAX

The cigarette tax shall be assessed and collected on the basis of the "reporting method" according to the respective ordinances and according to the rules, regulations and procedures adopted by the Board.

8. DISBURSEMENT OF RECEIPTS, MANAGEMENT OF THE FUND

A. Cigarette tax receipts, as assessed, shall be paid monthly to the participating jurisdictions. Proportional disbursement shall be made monthly to each participating jurisdiction on the basis of taxable packs of cigarettes sold within the jurisdiction.

B. The Board shall receive four percent (4%) of the monthly tax receipts to cover anticipated expenses. These receipts shall be paid monthly into the Fund. Prior to the last day of July each year, all amounts over \$5,000 in the Fund so received and allocated for expenses shall be disbursed to the participating jurisdictions on the basis of taxable packs of cigarettes sold within the jurisdiction over the preceding twelve months.

C. All disbursements shall be on warrants authorized by the Board on either blanket approval by class of expenditures or approval by specific item, which authorization shall be entered in the records of the Board.

D. All monies shall be deposited in the name of the Board and disbursements made only on warrants approved by the administrator as having been authorized by the Board and signed by the Treasurer.

9. ALLOCATION OF ADMINISTRATIVE COSTS

The administrative costs of the Board shall be shared prorata by each jurisdiction on the basis of the number of taxable packs of cigarettes sold within the jurisdiction, as determined monthly.

10. TERMINATION

In the event any participating jurisdiction decides, by resolution, to terminate its participation in the Board, notice to the Board shall be given sixty (60) days prior to its date of termination. It shall receive within thirty (30) days of its date of termination its pro-rata share of receipts, administrative reserve and depreciated value of physical property used by the Board. The pro-rata share shall be based on the number of taxable packs of cigarettes sold within the jurisdiction as determined by the receipts of the month next preceding adoption of the termination agreement. The representative of such terminating jurisdiction shall not serve on the Board beyond the termination date, neither shall such jurisdiction be contracted with for the provision of services.

Adopted December 30, 1974

Helen Vickers, Clerk of the City of
Alexandria, Virginia