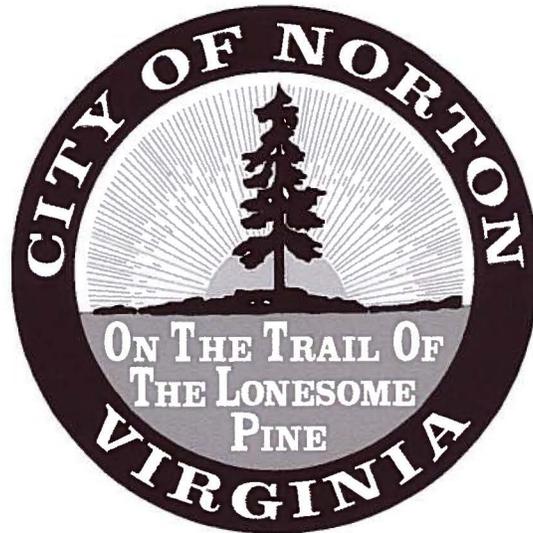


# City Council Meeting Packet



**March 1, 2016**

## AGENDA

Norton City Council

March 1, 2016

6:00 P.M.

1. Roll Call
2. Invocation – Rev. Ken Taylor
3. Pledge of Allegiance
4. Approval of Minutes
  1. Meeting of February 16, 2016
5. Audience for Visitors
6. Public Hearing:
  - A. A Public Hearing on a Proposed Property Tax Increase Resulting from a General Reassessment of Property Which Will Increase the Real Estate Tax Levy from \$0.764 Cents Per \$100 of Valuation to \$0.90 Cents Per \$100 of Valuation.
    1. Public Hearing
    2. Comments/Consideration by City Council
7. New Business
  - A. Confirmation of a Check(s)/Transfer(s) in Excess of \$100,000.
8. Comments by the City Manager, City Attorney, and City Council.
9. Adjournment.

***WORK SESSION WITH THE NORTON CITY SCHOOL BOARD TO DISCUSS THE FY17 BUDGET PROCESS***

The regularly scheduled meeting of the Norton City Council was held on Tuesday, February 16, 2016 at 6:00 p.m. in the Municipal Council Chambers with Mayor William Mays presiding.

Present: Mark Caruso, William Mays, Joseph Fawbush and Dee Belcher

Absent: Robert Fultz, Jr.

Also Present: Fred L. Ramey, Jr., City Manager and Bill Bradshaw, City Attorney

The invocation was given by the Reverend Freddie Powers and was followed by the pledge of allegiance led by Police Chief James Lane.

Upon a motion by Councilman Caruso, seconded by Councilwoman Belcher, and passed by the following vote: YES – Caruso, Fawbush, Belcher, Mays, NO – None, ABSENT – Fultz, Council moved to adopt the minutes of the February 2, 2016 meeting as presented.

There was no response to the Mayor's call for visitors.

Ms. Bonnie Elosser, Executive Director of the Pro-Art Association, was present to give Council an update on their activities. Prior to her presentation, she handed out their 2016-2017 Programs and tickets to The United States Air Force Band Airmen of Note scheduled for Wednesday, March 2, 2016.

She then advised that Pro-Art was in their 39<sup>th</sup> season and gave a brief summary of upcoming programs this spring. She also mentioned that the Wise Jams program that meets at the Community Center is continuing to do well. She reminded Council the program teaches students how to play various instruments and about their mountain heritage. Some of the students were able to perform at the Country Cabin and a story about the students produced by a television station in Prestonsburg, Kentucky is currently airing on YouTube.

She further stated that the City has been a wonderful partner with Pro-Art for many years and the one source of funding for the Virginia Commission for the Arts that has not been cut is the Local Government Challenge Grant. She is proud to advise that Pro-Art receives more Local Government Challenge funds than any arts organization in the state. This reflects well on area localities and demonstrates your support for the arts. She advised Council the grant is very important to Pro-Art and asked Council to consider the application for a Local Government Challenge Grant Application which will be matched by the State.

Mayor Mays thanked Ms. Elosser for her presentation tonight.

Council was presented with information to consider a 2016-2017 Local Government Challenge Grant Application in the amount of \$5,000 which, if awarded will go to the Pro-Art Association and will be matched dollar for dollar by the state. The deadline for submitting this application is April 1, 2016.

Upon a motion by Councilman Fawbush, seconded by Councilwoman Belcher, and passed by the following unanimous vote: YES – Caruso, Fawbush, Belcher, Mays, NO – None, ABSENT – Fultz, Council moved to authorize the City Manager to apply for a Local Government Challenge Grant in the amount of up to \$5,000 to be matched by the State with said funds going to the Pro-Art Association.

Mr. Ramey, via a PowerPoint presentation, gave Council an update on the finances of the Norton Rescue Squad. The \$25,000 Council appropriated in FY16 has been dispensed and the Rescue Squad Board has done a good job in reducing operating and salary expenses. City Administration's goal is to maintain emergency services within the City so Management is recommending to Council to appropriate up to \$12,000 operating under the current Memorandum of Understanding between the City and the Norton Rescue Squad. This appropriation will allow for the Rescue Squad Board to further evaluate service models to provide service to the City.

Councilman Caruso, who is on the Norton Rescue Squad Board, gave Council an update on the Norton Rescue Squad since the creation of the Board. He advised the revenue stream received from bingo and other sources has decreased. The operational component of the squad is good and his recommendation is to support the Norton Rescue Squad until further analysis is completed. A new billing company has been hired and more information will be available within the next couple months allowing for a budget to be created.

Following a brief discussion and upon a motion by Councilman Fawbush, seconded by Councilwoman Belcher, and passed by the following unanimous roll call vote: YES – Caruso, Fawbush, Belcher, Mays, NO – None, ABSENT – Fultz, Council moved to appropriate up to \$12,000 from Unappropriated Reserves for the Norton Rescue Squad.

An update on the Proposed 2016 Norton Business Challenge was presented to Council by Mr. Ramey, via a PowerPoint presentation.

Mr. Ramey explained Councilman Fultz had approached him last fall and asked about the possibility of the City offering a local business challenge. Mr. Ramey contacted People, Inc., who has managed all of the past regional business challenges and they have advised they will work with the City to develop a Norton Business Challenge. The Norton Industrial Development Authority (NIDA) is funding the Norton Business Challenge. People, Inc. will manage the program and a committee will oversee the Challenge. The committee is comprised of NIDA Chairman Byron Cantrell, Councilman Fultz, and the City Manager Fred Ramey. Under the Challenge a business must locate in the City within 12 months and it can be a new business or an existing business that is creating new jobs or is changing their business model by adding new services. The participants must submit a business plan and will compete for up to \$15,000. To be considered for funding, potential winners must attend all classes developed by People, Inc., for the Norton Business Challenge. City Administration is going to start promoting the Norton Business Challenge immediately through social media and by an article in The Coalfield Progress.

In their packets Council was given an updated Tentative Budget Calendar for the FY17 fiscal budget.

Mr. Ramey stated at the last Council meeting the School Board had requested a budget work session with Council. This joint Work Session has been scheduled for March 15<sup>th</sup>. However, Dr. Perrigan contacted him last week to request an additional meeting with City Council. Mr. Ramey advised the School Board would like to discuss their existing budget and receive input from City Council prior to the March 15<sup>th</sup> work session. Mr. Ramey advised that March 1<sup>st</sup> is the next available date to schedule an additional work session with the School Board if Council approves.

Mayor Mays advised that work sessions can become very lengthy and he would like to schedule the work session with the School Board on another date besides the regularly scheduled meeting date of City Council on March 1<sup>st</sup>.

After a brief discussion, Council decided upon March 8<sup>th</sup> to schedule the additional requested work session with the School Board, pending approval with Councilman Fultz's schedule.

In their packets, Council had one check to be confirmed. The check was to W-L Construction & Paving, Inc., dated October 16, 2015 in the amount of \$188,355.31 to cover paving in the Dorchester area.

Upon a motion by Councilman Caruso, seconded by Councilman Fawbush, and passed by unanimous roll call vote, Council moved to confirm the check to W-L Construction & Paving, Inc., as stated above.

Upon a motion by Councilman Caruso, seconded by Councilman Fawbush, and passed by the following unanimous roll call vote: YES – Caruso, Fawbush, Belcher, Mays, NO – None, ABSENT – Fultz, Council moved to go into closed meeting to discuss personnel as per Section 2.2-3711 (A) (1 of the Code of Virginia, as amended and for discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publically held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public per Section 2.2-3711 (A) (3) of the Code of Virginia, as amended and as discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcements has been made of the business or industry's interest in locating or expanding its facilities in the community per Section 2.2-3711 (A) (5).

Mayor Mays declared Council in closed meeting.

Upon a motion by Councilman Caruso, seconded by Councilwoman Belcher, and passed by the following vote: YES – Caruso, Fawbush, Belcher, Mays, NO – None, ABSENT – Fultz, Council moved to go back into open meeting.

Mayor Mays declared Council back in open meeting.

The Clerk polled each member of Council as to the Certification of Closed Meeting with each answering yes. The Clerk then read a Resolution of the Certification of Closed Meeting.

Upon a motion by Councilman Caruso, seconded by Councilwoman Belcher, and passed by the following unanimous vote: YES – Caruso, Fawbush, Belcher, Mays, NO – None, ABSENT – Fultz, Council moved to adopt A Resolution of the Certification of Closed Meeting. (Insert)

Mayor Mays opened the floor for nominations to the Building Code Board of Appeals for a five (5) year term to expire on February 18, 2021.

Councilman Caruso nominated Andy Belcher to be reappointed to the Building Code Board of Appeals.

Upon a motion by Councilman Fawbush, seconded by Councilwoman Belcher, and passed by unanimous vote, Council moved that nominations cease.

Mayor Mays declared Andy Belcher reappointed to the Building Code Board of Appeals for a five (5) year term to expire on February 18, 2021.

In comments from the City Manager, Mr. Ramey advised that:

The Request for Proposals (RFP) for a City Line of Credit issued by Davenport & Company is due back on Tuesday, March 1, 2016. A copy of the RFP has been provided at your desk.

A copy of the latest monthly sales tax report was placed at Council's desks.

In comments from the City Attorney, Mr. Bradshaw advised that he appeared before the Wise County Circuit Court judge on two different items for the City. He presented petitions to the Circuit Court for appointment of the members of the Board of Equalization and the petition was signed. He also stated a final order was entered for one of the City's tax sales.

In comments from Council:

Councilman Caruso asked the City Manager if he would contact the Clinch Ranger District to see if someone would come to the next City Council meeting to explain the Public Comment Form received from the Forest Service.

Mr. Ramey advised he would contact the Forest Service to see if someone would come to the next meeting to explain their plans.

Councilman Caruso advised the Proposed ATV bill by Delegate Moorefield has been tabled. He would like for the City's ATV ordinance to be placed back on Council's agenda for discussion.

He is continuing to work on the downtown banner project.

Councilman Caruso asked the City Manager if he had spoken with Neil Walker regarding the potential horse park.

Mr. Ramey advised he had received a call from Beth Walker. She advised they are having difficulty receiving some information. She advised when they have all the information they will come back to Council to discuss the park and ride concept.

Councilman Caruso stated he would like for Council to schedule a series of economic development workshops with the Norton Industrial Development Authority and the Tourism Committee.

Councilman Caruso asked about the status of the Board Appointment Letter.

Mr. Ramey advised it was his understanding that Council was going to discuss the Board Appointment Letter at the Capital Improvement Project Meeting on February 27<sup>th</sup>.

Councilman Caruso advised he thought he had requested the Board Appointment Letter be placed on Council's agenda for tonight's meeting but they could discuss it at the February 27<sup>th</sup> meeting.

Councilman Caruso stated he thought that City Council and the School Board need to have joint quarterly meetings. Noting he had attended several School Board meetings, he said there appears to be a lot of confusion on the School Board due to board members making assumptions about Council's position.

He stated he believes the City needs a vision and a plan to move the City forward for the next five to ten years.

Councilwoman Belcher advised she is interested in attending the class the Wise County Sheriff's Office is offering on Synthetic Narcotics Education and Community Awareness.

Councilman Fawbush stated the Commonwealth of Virginia flag displayed in Council Chambers reads "Sic Semper Tyrannis" which means "death to tyrants." The recent executive order issued by the Governor for the revocation of reciprocity of concealed carry permits issued by other states is not the democratic process. He wants to remind elected officials on both local and state levels that they have been elected to govern on behalf of the people.

There being no further business to come before Council, the meeting adjourned.

CITY OF NORTON, VIRGINIA

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William Mays, Mayor

ATTEST:

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Clerk of Council

# Notice of Proposed Real Property Tax Increase

The City of Norton proposes to increase property tax levies.

**1. Assessment Increase:** Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by 5.64 percent.

**2. Lowered Rate Necessary to Offset Increased Assessment:** The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$ .764 per \$100 of assessed value. The rate will be known as the "lowered tax rate".

**3. Effective Rate Increase:** The City of Norton proposes to adopt a tax rate of \$ .90 per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be \$ .136 per \$100, or 17.8 percent. This difference shall be known as the "effective tax rate increase." Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.

**4. Proposed Total Budget Increase:** Based on the proposed real property tax rate and changes in other revenues, the total budget of the City of Norton will exceed last year's by 2.25 percent.

A public hearing on the increase will be held on Tuesday, March 1, 2016 at 6:00 P.M. at the Municipal Council Chambers located at 618 Virginia Avenue N.W., Norton, Virginia. All public attendance and comments at the meeting are encouraged and welcome.



*Judy K. Miller*  
*Commissioner Of The Revenue*  
*City of Norton*

*P.O. Box 347*  
*Norton, Virginia 24273-0347*

*Phone (276) 679-0031*  
*Fax (276) 679-3510*

**COMPUTATION OF % INCREASE IN 2016 REASSESSMENT**

**2016 Real Property Reassessment**

<b>(A) Total Assessed Value of Real Property</b>	<b>\$231,950,000</b>
<b>(Minus New Construction)</b>	<b>- 874,584</b>
	<b>\$231,075,416</b>
<b>(B) Previous Year Assessed Value of Real Property</b>	<b>(\$218,739,172)</b>
<b>Difference of:</b>	<b>12,336,244</b>

**Calculation of Percentage of Increase: 12,336,244 divided by 218,739,172 = 5.64%**

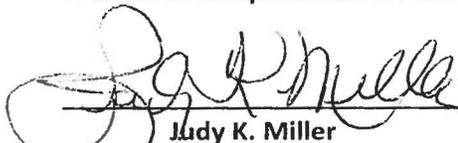
**LOWERED TAX RATE:**

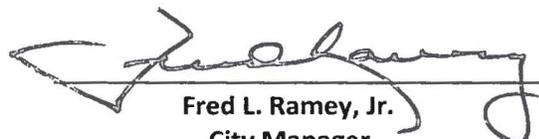
**Total Assessed Value in A above X the tax rate that would levy the estimated same amount of Real Estate Tax as last year (2015)**

**Formula:  $\frac{2015 \text{ Tax Levy} \times 101}{2016 \text{ Assessment}}$**

**$\frac{218,739,172 \times .80/100 \times 101}{231,075,416} = \$0.764$  (New Real Property Tax Rate as of 1/1/16)**

**The above computations are true and correct to the best of our knowledge and belief.**

  
\_\_\_\_\_  
**Judy K. Miller**  
**Commissioner of the Revenue**

  
\_\_\_\_\_  
**Fred L. Ramey, Jr.**  
**City Manager**

Code of Virginia  
 Title 58.1. Taxation  
 Chapter 32. Real Property Tax

§ 58.1-3321. Effect on rate when assessment results in tax increase;  
 public hearings.

Bills amending this Section

A. When any annual assessment, biennial assessment or general reassessment of real property by a county, city or town would result in an increase of 1 percent or more in the total real property tax levied, such county, city, or town shall reduce its rate of levy for the forthcoming tax year so as to cause such rate of levy to produce no more than 101 percent of the previous year's real property tax levies, unless subsection B of this section is complied with, which rate shall be determined by multiplying the previous year's total real property tax levies by 101 percent and dividing the product by the forthcoming tax year's total real property assessed value. An additional assessment or reassessment due to the construction of new or other improvements, including those improvements and changes set forth in § 58.1-3285, to the property shall not be an annual assessment or general reassessment within the meaning of this section, nor shall the assessed value of such improvements be included in calculating the new tax levy for purposes of this section. Special levies shall not be included in any calculations provided for under this section.

B. The governing body of a county, city, or town may, after conducting a public hearing, which shall not be held at the same time as the annual budget hearing, increase the rate above the reduced rate required in subsection A above if any such increase is deemed to be necessary by such governing body.

Notice of the public hearing shall be given at least 30 days before the date of such hearing by the publication of a notice in (i) at least one newspaper of general circulation in such county or city and (ii) a prominent public location at which notices are regularly posted in the building where the governing body of the county, city, or town regularly conducts its business, except that such notice shall be given at least 14 days before the date of such hearing in any year in which neither a general appropriation act nor amendments to a general appropriation act providing appropriations for the immediately following fiscal year have been enacted by April 30 of such year. Any such notice shall be at least the size of one-eighth page of a standard size or a tabloid size newspaper, and the headline in the advertisement shall be in a type no smaller than 18-point. The notice described in clause (i) shall not be placed in that portion, if any, of the newspaper reserved for legal notices and classified advertisements. The notice described in clauses (i) and (ii) shall be in the following form and contain the following information, in addition to such other information as the local governing body may elect to include:

**NOTICE OF PROPOSED REAL PROPERTY TAX INCREASE**

The (name of the county, city or town) proposes to increase property tax levies.

1. Assessment Increase: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by \_\_\_\_\_ percent.
2. Lowered Rate Necessary to Offset Increased Assessment: The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$ \_\_\_\_\_ per \$100 of assessed value. This rate will be known as the "lowered tax rate."

3. Effective Rate Increase: The (name of the county, city or town) proposes to adopt a tax rate of \$ \_\_\_\_\_ per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be \$ \_\_\_\_\_ per \$100, or \_\_\_\_\_ percent. This difference will be known as the "effective tax rate increase."

Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.

4. Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the total budget of (name of county, city or town) will exceed last year's by \_\_\_\_\_ percent.

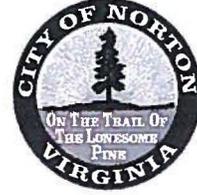
A public hearing on the increase will be held on (date and time) at (meeting place).

C. All hearings shall be open to the public. The governing body shall permit persons desiring to be heard an opportunity to present oral testimony within such reasonable time limits as shall be determined by the governing body.

D. The provisions of this section shall not be applicable to the assessment of public service corporation property by the State Corporation Commission.

E. Notwithstanding other provisions of general or special law, the tax rate for taxes due on or before June 30 of each year, may be fixed on or before April 15 of that tax year.

Code 1950, § 58-785.1; 1975, c. 622; 1979, c. 473; 1980, c. 396; 1981, c. 212; 1984, c. 675; 1990, c. 579; 2007, c. 948; 2009, cc. 30, 511.



# Inter-Office Memo

**To:** Mayor and City Council  
**From:** Fred L. Ramey, Jr., City Manager *FR*  
**CC:**  
**Date:** January 14, 2016  
**Re:** Real Property Reassessment

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Based on the recent reassessment, it appears that the City's taxable real property values increased by more than 1%. Virginia Code Section 58.1-3321 details the procedure City Council must go through anytime a reassessment of real property results in an increase of more than 1%.

In order to maintain a real estate tax rate of \$0.90 per \$100 that was approved by Council earlier this year, the City must advertise a public hearing to initiate a tax rate.

Attached please find the computation of the 2016 Reassessment for the City, a copy of the advertisement used in 2012, and a copy of Virginia Code Section 58.1-3321 for your review.

Thank You.

**SCHOOL BOARD**

Sherry Adams, Chairperson  
Mark Leonard, Vice-Chairperson  
Carol Caruso  
April Fletcher  
Joseph Stallard

**DIVISION SUPERINTENDENT**

Keith Perrigan, Ed.D.  
kperrigan@nortoncityschools.org  
Phone 276.679.2330  
Fax 276.679.4315

TO: Jeff Shupe, Director of Finance  
FROM: Tamrya Spradlin, Supervisor of Finance (B)  
SUBJECT: Request For Funds  
DATE: February 9, 2016

The Norton City Schools requests a deposit of City Funds in the amount of \$100,000 to cover the February accounts payable check run.

Thank you!