

The regularly scheduled meeting of the Norton City Council was held Tuesday, June 7, 2022, at 6:00 p.m., in the Municipal Council Chambers with Mayor Joseph Fawbush presiding.

Present: William Mays, Robert Fultz, Jr., and Joseph Fawbush

Also Present: Fred L. Ramey, Jr., City Manager and Interim City Clerk, Jeffery L. Shupe, Finance Director, and Stephen C. McElroy, City Engineer.

Absent: Sarah Davis and Mark Caruso

The invocation was given by Rev. Jeff Reynolds and the Pledge of Allegiance was led by Norton Police Department First Sergeant Greg Mays.

Upon a motion by Councilman Fultz, seconded by Councilman Mays, and passed by the following vote, YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, council moved to adopt the minutes of the May 17, 2022, council meeting as presented.

There was no response to the Mayor's Call for Visitors.

A public hearing was held to solicit input on an Ordinance Adopting the 2022-23 City of Norton Budget with budgetary funds designated for the General Operating Fund totaling \$10,976,591, the Enterprise Fund in the amount of \$3,527,072, and \$1,570,467 for the Social Services Fund.

The city manager said the public hearing was advertised and provided a brief PowerPoint overview of the proposed FY2022-2023 Budget. He said the General Operating Fund budget totals \$10,976,591, an increase of \$437,770 or 4.15 percent over last year's budget. Mr. Ramey advised the recommended General Operating Fund budget includes no revenue enhancements and that city revenues include grant and support modifications and \$200,000 in surplus funds to balance the budget.

The proposed General Operating Fund budget includes: a five percent cost of living adjustment (COLA) increase for local and state supported positions effective July 1, 2022, city absorption of the 8.5 percent increase for employee share of health insurance, targeted wage scale adjustments, an increase in Workers' Compensation Insurance and step increases for qualifying employees. The General Operating Fund budget also includes increases in School Debt Service, School Textbook Funding and local contribution for School Operations, an increase for the city General Operating Fund Debt Service, decreases in the regional jail contribution and juvenile detention, no funding for capital projects and removal of paving funding from the city budget. Capital projects and paving were separated from the budget and would be funded by American Rescue Plan Act (ARPA) funding revenue.

Real estate and personal property tax levies remain unchanged at \$.90 per \$100.00 assessed valuation and \$2.05 per \$100.00 assessed valuation, respectively. The Data Center Equipment Tax of \$.24 per \$100.00 assessed valuation remains unchanged as well.

He noted that city administration awaits budget information from the Commonwealth and is watching state action on the grocery tax very closely.

The city manager said the recommended FY2022-2023 Enterprise Fund budget totals \$3,527,072, which represents an increase of \$143,249 or 4.23 percent compared to last year, and

includes a 50-cent increase per 1,000 gallons to the base water rate structure. This 50-cent increase will bring the in-city base water rate to \$6.65 per 1,000 gallons, while the rate increase for out-of-city water customers will increase to \$13.30 per 1,000 gallons. No changes to the water improvement fee structure or the sewer percentages are proposed.

The local appropriation to the Norton Department of Social Services Operating Fund totals \$1,570,467, the same as last year, with supplementation from Social Services surplus funds if required by the state.

The city manager asked if council had any questions.

Councilman Mays inquired if the minimal increase in the water rate structure keeps the city close to what is necessary for bond issuance.

Explaining that the water rate is still not where it needs to be, Mr. Ramey said that without the current Enterprise Fund increase, the city would see less opportunities to obtain funding. He said most funding is not 100 percent grant, but a combination grant/loan, and the city would not be able to get through the loan portion under the new requirements without increasing the city's rates.

Mr. Ramey advised council that a public hearing on amendments to the FY2021-2022 Budget will take place at the June 21<sup>st</sup> council meeting and council will also formally consider approval of the city's FY2022-2023 Budget.

Mayor Fawbush opened the public hearing.

Receiving no public comments on the proposed FY2022-2023 City of Norton Budget, the mayor closed the public hearing.

The mayor asked for comments from council.

Noting that this will be his last city budget to consider as a council member, Councilman Mays commended Mr. Ramey and personally thanked him for the work he has done.

The next item on the agenda was council consideration of the 2022-23 Norton City Schools Fiscal Budget in the amount of \$12,359,540.49, which includes local funding totaling \$2,916,763.25.

The city manager said a public hearing to solicit public input on the school budget was held at the May 17th council meeting, followed by a waiting period of at least seven days, and no public comments were received.

Mr. Ramey asked Norton City Schools Superintendent Dr. Gina Wohlford, who was in attendance, if she had any additional comments.

Dr. Wohlford advised she is awaiting official budget notification from the Commonwealth and there are a couple budget amendments that could take place. She said the state budget includes a five percent raise for school staff this year and a five percent raise next year. She said the school system was hoping to front load the 10 percent raise this year, but it doesn't look like that will be allowed.

Stating that she received the preliminary budget from the state late last night, she said the budget can't be amended until the school system receives official budget information from the state.

Mayor Fawbush said he understands that the state budget favors K-12 public education in the state of Virginia.

Dr. Wohlford agreed that the budget is positive for education and school divisions, and aids in bringing employee wages to where they should be.

The mayor said he thought it was important to note that the pay scale for Norton City Schools is above those of neighboring school systems.

The school superintendent said all but one teaching position and possibly two paraprofessional positions have been filled prior to July 1, which is always a plus and isn't typical in Virginia right now with the teacher shortage. She said she feels like Norton City Schools is doing good things and people want to be here, not just because of salaries.

There were no questions or additional comments from council.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by the following roll call vote: YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, council moved to adopt the FY2022-2023 Norton City Schools Budget in the amount of \$12,359,540.49, which includes local funding totaling \$2,916,763.25.

On behalf of Norton City School Board and school administration, Dr. Wohlford thanked council and city administration for the collaboration. She said she is fortunate to work in a division where the city and the school system really are one city, one team, working together.

Noting that the city and the school system are a strong team, Mayor Fawbush thanked the school administration and staff and commended the Norton City School System.

Dr. Wohlford said there will be a great deal of construction taking place this summer and she is looking forward to hopefully having an open house when school resumes.

Included in council packets for consideration was a list of FY2022 City of Norton Budget Amendments totaling \$3,273,349.

The city manager explained that city administration is identifying incoming revenue from grants, other sources, and loan proceeds as required by the audit process. The budget amendments were broken down into four categories: Unappropriated Reserves in the amount of \$247,000, Additional Reserves totaling \$1,276,238, State and Local Fiscal Recovery Funds in the amount of \$1,095,111, and Loan Proceeds totaling \$655,000.

Mr. Ramey requested council authorization to advertise a hearing to solicit public input on the FY2022 Budget Amendments.

Following a brief discussion, the consensus of council was to authorize the city manager to advertise a public hearing on the FY2022 Budget Amendments totaling \$3,273,349.

Council packets also included a Loan Resolution of the Governing Body of the City of Norton committing to adopting and abiding by all covenants required by the United States Department of Agriculture, Rural Development to purchase a police vehicle using a loan/grant package.

The city manager advised council that the city recently received notification the city was awarded the loan/grant package for the purchase of a police vehicle.

Mr. Ramey said the resolution authorizes the city manager and finance director to sign all documents pertaining to the loan/grant for the police vehicle. The loan amount for the vehicle is \$27,000, while the grant amount is not to exceed \$33,000.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by the following vote: YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, council moved to adopt a Loan Resolution of the Governing Body of the City of Norton authorizing the city manager/finance director to execute all documents related to the loan/grant package to purchase a police vehicle. (Insert)

Council was also asked to consider a Loan Resolution of the Governing Body of the City of Norton committing to adopting and abiding by all covenants required by the United States Department of Agriculture, Rural Development to purchase an emergency response truck using a loan/grant package. The resolution authorizes the city manager and finance director to sign all

loan/grant documents for the emergency response truck. The loan is for \$41,000 and the grant is not to exceed \$49,000.

The city manager explained that the city purchased an emergency response vehicle in 2009 and another in 2012 through this loan/grant program and these vehicles are starting to show signs of wear. He said these emergency response vehicles are important to the city's emergency response efforts, so city administration thought this was time to begin the process of replacing those vehicles.

Upon a motion by Councilman Fultz, seconded by Councilman Mays, and passed by the following vote: YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, council moved to adopt a Loan Resolution of the Governing Body of the City of Norton authorizing the city manager/finance director to execute all documents related to the loan/grant package to purchase an emergency response truck. (Insert)

The city manager said included in council packets was a request from Commissioner of the Revenue Judy Miller for a refund of \$39.16 to Joshua Ramey for erroneously assessed 2020 personal property taxes. The commissioner of the revenue determined that Joshua Ramey moved to Wise County in 2019 so a refund of 2020 personal property taxes paid to the city is due.

For public record, Mr. Ramey noted that he is not related to Joshua Ramey.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by the following roll call vote: YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, council moved to approve a refund to Joshua Ramey in the amount of \$39.16 for erroneously assessed 2020 personal property taxes.

Upon a motion by Councilman Fultz, seconded by Councilman Mays, and passed by the following roll call vote: YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, 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.

Mayor Fawbush declared council in closed meeting.

Upon a motion by Councilman Fultz, seconded by Councilman Mays, and passed by the following vote, YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, council moved to go into open meeting.

Mayor Fawbush declared council back in open meeting.

Mr. Ramey polled each member of council as to the Certification of Closed Meeting with each answering yes. The city manager then read A Resolution of the Certification of Closed Meeting.

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

Mayor Fawbush opened the floor for nominations to the Spearhead Trailblazers for a three-year term to expire May 1, 2025.

Councilman Mays nominated Beth Walker to be reappointed to the Spearhead Trailblazers for a three-year term to expire May 1, 2025.

Seconded by Councilman Fultz, and passed by the following vote, YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Caruso and Davis, ABSTAIN – None, council moved that the nominations cease.

The mayor declared Beth Walker reappointed to the Spearhead Trailblazers for a three-year term to expire May 1, 2025.

The mayor asked for nominations to the City of Norton Community Policy and Management Team.

Councilman Fultz made a motion to reappoint the people currently serving on the city's Community Policy and Management Team. Mr. Ramey provided council with a list of those candidates and said those individuals included Glenda Collins, Dawn Gilbert, Abe Rutherford, Heather Crouse, Virginia Roberts, Sarah Davis and Cynthia Jessee.

Seconded by Councilman Mays, and passed by the following vote: YES – Mays, Fultz, Fawbush, NO – None, ABSENT – Davis and Caruso, ABSTAIN – None, council moved that the nominations cease.

Mayor Fawbush declared the list of candidates submitted by the city manager, as noted above, to be reappointed to the City of Norton Community Policy and Management Team.

In comments from the city manager:

Mr. Ramey said he had given council a handout at the May 17<sup>th</sup> council meeting about updating the City Charter as a housekeeping effort. He said unless there are specific concerns from council, he plans on placing the City Charter update on the June 21<sup>st</sup> council meeting agenda for formal consideration by council. He said if anyone had any questions or specific suggestions regarding the charter update to contact him.

He said he anticipates that Spearhead Trails representatives will provide council with an update at the June 21<sup>st</sup> council meeting.

The city manager provided the city's monthly financials for council review.

He reminded council the 1951 Norton Little League All-Star Commemorative Marker Dedication Ceremony will be held Saturday, June 11, 2022, at 2 p.m. at the marker location on Park Avenue. In the event of rain, the ceremony will be conducted at the Norton Expo Center.

Mr. Ramey said the ceremony is shaping up to be a special event and he has received confirmation that Congressman Morgan Griffith and Delegate Terry Kilgore will attend.

The following comments were made by council members:

Mayor Fawbush requested the consensus of council to authorize the city manager to move forward with contacting the Virginia Alcoholic Beverage Control Authority Office in Abingdon in preparation for designating areas where people can have open alcoholic beverages during the August 27-28 Hill Climb Event in Norton.

Mr. Ramey said State Code refers to these areas as "designated outdoor refreshment areas" and in order to do this council will have to adopt a local ordinance allowing the designation of outdoor refreshment areas and how those areas will be established. He suggested possibly having one area at first.

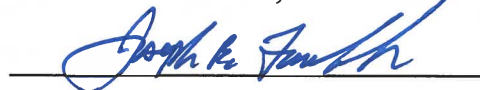
He said he would find a model ordinance, consult with City Attorney William Bradshaw, and hopefully bring a draft ordinance to council at the June 21<sup>st</sup> meeting, with a public hearing following in July.

Mayor Fawbush said the Best Friends Festival is in full swing with most events being held downtown.

The mayor said Norton Commissioner of the Revenue Judy Miller's mother Jeanette Craft and Wise County and City of Norton Chamber of Commerce Executive Director Rick Colley's mother Carol Rose had passed away and asked council members to keep them in their prayers.

There being no further business to come before council, Mayor Fawbush declared the meeting adjourned.

CITY OF NORTON, VIRGINIA



Joseph Fawbush, Mayor

ATTEST:



Fred Ramey, Jr., Interim Clerk of Council