

Bradley E. Grose, Mayor  
Matthew S. Hare, Vice Mayor  
I. Douglas Adams, Jr., Council Member  
William "Wes" Nance, Council Member  
Sabrina M. Weeks, Council Member



Vinton Municipal Building  
311 South Pollard Street  
Vinton, VA 24179  
(540) 983-0607

**Vinton Town Council  
Special Council Meeting  
Council Chambers  
311 South Pollard Street  
Tuesday, March 31, 2015**

**AGENDA**

Consideration of:

- A. 7:00 p.m. - ROLL CALL AND ESTABLISHMENT OF A QUORUM**
- B. MOMENT OF SILENCE**
- C. PLEDGE OF ALLEGIANCE TO THE U. S. FLAG**
- D. UPCOMING COMMUNITY EVENTS/ANNOUNCEMENTS**
- E. CONSENT AGENDA**
  - 1. Consider approval of minutes for the regular Council meeting of March 17, 2015.
- F. AWARDS, RECOGNITIONS, PRESENTATIONS**
- G. CITIZENS' COMMENTS AND PETITIONS** - This section is reserved for comments and questions for issues not listed on the agenda.
- H. TOWN ATTORNEY**
- I. TOWN MANAGER**

**BRIEFING**

- 1. Further briefing on proposed FY2015-2016 budget.

**ITEMS REQUIRING ACTION**

- 1. Consider adoption of an Ordinance setting the real estate tax rate for calendar year 2015.
- 2. Consider adoption of an Ordinance setting the personal property tax rate for calendar year 2015
- 3. Consider adoption of a Resolution setting the allocation percentage for Personal Property Tax Relief in the Town of Vinton for the 2015 tax year.

- J.     **MAYOR**
- K.     **COUNCIL**
- L.     **ADJOURNMENT**

**NOTICE OF INTENT TO COMPLY WITH THE AMERICANS WITH DISABILITIES ACT.**  
Reasonable efforts will be made to provide assistance or special arrangements to qualified individuals with disabilities in order to participate in or attend Town Council meetings. Please call (540) 983-0607 at least 48 hours prior to the meeting date so that proper arrangements may be made.

**NEXT TOWN COMMITTEE/COUNCIL MEETINGS/EVENTS:**

**April 7, 2015** – 6:00 p.m. - Work Session followed by Regular Council Meeting at 7:00 p.m. – Council Chambers

**April 13, 2015** – 5:30 p.m. – Finance Committee Meeting – Finance Conference Room

**April 16, 2015** – 8:00 a.m. to 5:00 p.m. – Budget Work Session – Vinton War Memorial



## **Town Council Agenda Summary**

### **Meeting Date**

March 31, 2015

### **Department**

Town Clerk

### **Issue**

Consider approval of minutes for the regular Council meeting of March 17, 2015.

### **Summary**

None

### **Attachments**

March 17, 2015 minutes

### **Recommendations**

Motion to approve minutes

MINUTES OF A REGULAR MEETING OF VINTON TOWN COUNCIL HELD AT 6:00 P.M. ON TUESDAY, MARCH 17, 2015, IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING LOCATED AT 311 SOUTH POLLARD STREET, VINTON, VIRGINIA.

MEMBERS PRESENT: Bradley E. Grose, Mayor  
Matthew S. Hare, Vice Mayor  
I. Douglas Adams, Jr.  
William W. Nance  
Sabrina M. Weeks

STAFF PRESENT: Christopher S. Lawrence, Town Manager  
Theresa Fontana, Town Attorney  
Susan N. Johnson, Town Clerk  
Ryan Spitzer, Assistant Town Manager  
Gary Woodson, Public Works Director  
Ben Cook, Police Chief  
Donna Collins, Human Resources Specialist  
Chris Linkous, Fire/EMS Captain  
Anita McMillan, Planning & Zoning Director  
Barry Thompson, Finance Director/Treasurer  
Joey Hiner, Public Works Assistant Director

**The Mayor called the regular meeting to order at 6:00** p.m. The Town Clerk called the roll with Council Member Adams, Council Member Nance, Council Member Weeks, Vice Mayor Hare and Mayor Grose present.

Roll call

**Council Member Nance made a motion that Council go** into a Closed Meeting pursuant to § 2.2-3711 A (5) of the 1950 Code of Virginia, as amended, for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community. The motion was seconded by Council Member Adams and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Adams, Nance, Weeks, Hare, Grose; Nays (0) – None. Council went into Closed Meeting at 6:05 p.m.

At 7:00 p.m., the regular meeting reconvened and the Certification that the Closed Meeting was held in accordance with State Code requirements was approved on motion by Vice Mayor Hare; seconded by Council Member Nance and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, Nance, Weeks, Hare, Grose; Nays (0) – None.

Certification of Closed Meeting

The Mayor welcomed everyone to the Council meeting. After a Moment of Silence, Council Member Weeks led the Pledge of Allegiance to the U.S. Flag.

**Under upcoming community events/ announcements,** Council Member Weeks announced the grand opening of Magnets USA on March 18th at 1:00 p.m. The Senior Expo will be Tuesday, March 24<sup>th</sup> from 10 a.m. to 2 p.m. at the War Memorial.

Anita McMillan announced Arbor Day on April 2<sup>nd</sup> at W. E. Cundiff Elementary School at 1:30 p.m. Clean Valley Day will be on April 11<sup>th</sup> and there will be a group doing a clean-up of the banks of Tinker Creek on that day.

The Mayor announced the Vietnam Combat Art Show March 26<sup>th</sup> through April 26<sup>th</sup> at Hollins University with an opening reception on March 25<sup>th</sup> at 6:00 p.m.

**Council Member Adams made a motion to approve the Consent Agenda** as presented; the motion was seconded by Council Member Weeks and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Adams, Nance, Weeks, Hare, Grose; Nays (0).

Approved minutes for the regular Council meeting of March 3, 2015

**The next item on the agenda was a Proclamation for Arbor Day.** Council Member Adams read the Proclamation.

**Council Member Nance read a Memo from Chief Cook** naming Corporal Michael Byrd, Officer Zachary Hurt and Officer Josh Kotval as Officers of the Month for February.

**The next item on the agenda was a Public Hearing to** receive comments regarding setting of the real estate, personal property and machinery and tools tax rates for calendar year 2015. The Mayor opened the Public Hearing at 7:15 p.m.

Public Hearing opened

The Town Manager began by commenting that every year we hold a Public Hearing on our real estate, personal property and machinery and tools tax rates even we are not required to hold a Public Hearing if our actual assessment does not increase above one percent (1%). Over the past few years, including this year, our actual assessment has had an increase of less than one percent (1%) with this year's assessment being 81%. At our last meeting, Council authorized the advertisement of a \$.04 increase in the real estate tax.

We briefed Council in January of our revenue forecast of \$8,785,134 in General Fund and \$3,618,150 in the Utility Fund for a total of \$12,403,284. At our last meeting, we presented a breakdown of the categories that make up both of these funds. The net increase of our assessment this year was \$1,112 of .81% based on the current real estate tax rate of \$.03.

The Town Manager showed a slide that compared the tax rates of other neighboring localities and commented that all the towns listed pay a combined town and county tax.

All departments were asked to submit a needs-based budget and approximately three weeks ago, there was a \$520,238 gap between what was submitted and our revenue projections. Our current budget takes into account \$128,000 of fund balance to balance the budget which is not sustainable from year to year. To help with this gap, department heads are currently reviewing their submitted budgets to suggest ways to bridge this gap, possibly by service reductions or how to be more efficient with our current services.

The Town Manager next commented that his recommendation was to pursue a \$.04 real estate tax increase. We are committed to 24-hour career fire coverage at a cost of \$120,000 and we are recommending a two percent (2%) cost of living adjustment for our employees for a total of \$89,118.

With regard to our paving program, we should be funding at least \$450,000 to get on a good trajectory of maintaining our asphalt roads. We currently fund \$269,535 and have submitted an additional \$170,000 in new funding. We also included \$20,000 as a one-time expense to do a compensation market study along with ten percent (10%) for any increase in our liability insurance benefits.

Every \$.01 increase in the real estate tax amounts to \$45,000, so a \$.04 increase would amount to \$182,252. If we increase the real estate tax, along with some other reductions we have been able to find, that would still leave a gap of \$200,000 to balance the budget.

All of the downtown projects that are grant funded are included in the budget. There is no CIP included at this point, but we are going to look at using our capital reserve account for some of the CIP items.

The Town Manager next commented on the Utility Fund revenue totaling \$3,618,150. Based on projected expenses of \$3,220,385, there is a positive balance of \$397,765. This balance is based on building up the fund balance as a result of the water and sewer rate increases that Council approved last year. Council Member Nance asked if we knew how well our revenues are matching up with the projections in the study that was done two years ago. The Town Manager responded that it is doing well and is helping with our operating budget so we are not having to borrow money for \$100,000 projects. We are also able to build up our fund balance which will put us in a more competitive market for bonds in the future.

In closing the Town Manager stated that the printed proposed budget will go out on Friday, April 3<sup>rd</sup> and he will present a balanced budget with recommendations on April 7<sup>th</sup>.

The Mayor commented that Council will now hear comments from the public. Janet Scheid, a Vinton resident, commented that the average income for a family in the Town is under \$30,000, one of the lowest in the Valley. An increase of 133% in any tax is significant and will affect those who can least afford it the hardest.

She cherishes the high-quality of life, relatively low cost of living and good town services. She has looked at the numbers, compared tax rates and looked at expenses. Costs are going up for everything; however, there are two ways to get more money—raise taxes or cut expenses.

Ms. Scheid next made two suggestions to cut expenses. The first related to the bulk brush truck that runs through the town five days a week regardless if there is brush to be picked up. She estimated there may be brush to be picked up in her small neighborhood maybe once a month and this seems to be an incredibly inefficient way to provide this service. One solution would be to have the refuse truck driver notify the brush truck driver what houses have a pickup. Then the brush truck would only need to go to those specific houses. The better and less expensive solution would be to only have one day a week for all brush pickup and each resident could call the office and inform them that their house needs a brush pickup. The office could map out the pickups and it could be done one day rather than five. This would save money on personnel and wear and tear on a large vehicle.

The second suggestion related to the street sweeper that goes on every road in the town each week. Ms. Scheid commented that she realizes that the town gets reimbursement from VDOT and some credit for stormwater management for doing this, but there are also personnel, fuel and maintenance costs on a very large and expensive vehicle. She asked if these costs could be cut in half by concentrating street sweeping only on the major business district area.

In closing, Ms. Scheid commented that she knows the money must come from somewhere and she understands the need for a tax increase. The real solution is appropriate, well-planned economic development, but we all know that will take some time. Until that happens, she asked Council to consider her suggestions for cost reductions and that possibly a smaller tax increase combined with cost cutting could yield the necessary increase in revenues.

Vice Mayor Hare asked about the cost of services study and the Town Manager responded that at the next meeting he will be able to show what the priorities are, but the costs will not be shown until the budget is presented on April 7<sup>th</sup>.

The Mayor asked staff to take a look at the suggestions made by Ms. Scheid and consider the cost of the cuts and the impact. He then reiterated that Council will be asked to take action on the real estate tax increase on March 31<sup>st</sup>. This will be a special called meeting and we want to be sure that our citizens are aware of this meeting.

Council Member Nance commented that he cannot support an increase in taxes unless he sees some substantive cuts as well. Some suggestions to be considered are the pool. The partnership that we have had to keep the pool open has been successful, but we are seeing our costs increase now after several years of significant savings. Closing the 3<sup>rd</sup> Street dumpsters would not be a significant savings, but would be a yearly expense that would save some money. Also, perhaps the time for the town to participate with RVTV may be drawing to close in his personal opinion. At a cost of \$15,000 per year, it is difficult to measure how this service positively impacts our community.

Mr. Nance next commented that significant changes need to occur for the town to continue to be economically stable. We also need to strongly evaluate the business plan of the Vinton War Memorial. This facility is the cornerstone of this community, but it is also a business that is typically a private-business venture and we continue to lose money. There are ways to show our civic pride, in our veterans and their service, while still saving our taxpayers significantly by addressing that location in a different way.

With substantive cuts, he can potentially support some form of tax increase in that it can directly be linked to increased public safety with the 24-hour fire service. Mr. Nance commented that he does not support spending \$20,000 for a compensation study.

Vice Mayor Hare commented that we are a unique town because of being inside of an urban county right next to a major city. With that we have become accustomed to a certain level of service and expectation. The situation we find ourselves in now began several years ago. The actions of previous Councils took to do necessary improvements to the EMS building and to the War Memorial left this small town with a fixed-tax base with a lot of debt. The auditors will tell us that our debt is not too high, but when we have to pay \$300,000 a year in debt payments that is money that is not paving our roads and not making sure that our staff is compensated.

Mr. Hare further commented that Council and staff have done a great job maintaining, but at the same time we have fallen farther and farther behind. He agreed with Mr. Nance that it needs to be a balanced act and obviously even with the rate increase, it is not balanced. Everyone wants to have great services, but if we want to continue on, it is going to take more cuts than just those listed by Mr. Nance. The costs of services study should tell us what people value and we will need to attach a dollar value to those items. The War Memorial is a huge piece to tackle and operationally we lose \$150,000 a year in operating funds along with the debt payment which is a lot of money for a town our size.

Mr. Hare next commented that public transportation is a very high expense for the town and can we continue to support it. The Town Manager commented that we have budgeted \$135,000 in next year's budget for this service.

Mr. Hare expressed his appreciation to Ms. Scheid for coming to the meeting and voicing her concerns and stated he was disappointed there was nobody else in attendance regarding the tax increase

Council Member Adams commented that at the TPO meeting this week, Valley Metro asked for \$14 million over a number of years that takes half of the funds that come into the TPO. A lot of their funds that came from the State are now coming through the transportation funds.

Mr. Adams further commented that staff has done a great job over the years watching the dollars and looking at what is there. He commented to Ms. Scheid that we need to look at her suggestions, but if Council decides to do away with the 3<sup>rd</sup> Street dumpsters, that will increase the need for the bulk service even more. He stated he could not think of anything that has a more priority than to get fire service to our residents. He feels that we have to spend money on our roads and we do not have a choice.

Council Member Weeks commented that she does agree with the comments that have been made and the items that need to be taken into consideration. She expressed thanks to Ms. Scheid for being present to voice her opinion. The upcoming budget work session will allow each department to give a presentation on what they have to offer so that Council can get more detail on areas that possibly can be cut. She commended the Town Manager and all of town staff for cutting back when asked by Council.

The Mayor commented that it is obvious that we are going to have to make some cuts and expressed thanks to Ms. Scheid for coming to the meeting. He continued by commenting that if we are going to provide a very important

service in public safety, we are probably going to have to do something to increase our revenues by raising taxes. He agreed with many of the cuts that have been suggested.

With regard to the pool, when it was built and probably for the first several decades, it was probably the only one in town and was needed at that time. However, there are now other options and the pool is not a core service. He does not see how we can ask our citizens to pay more taxes and yet operate something that is nice but a service that is available somewhere else. He then asked if government should be in a business that competes with private enterprise.

With regard to the dumpsters, he appreciates that service, but it is a first-class luxury that we cannot afford anymore. He does not know of any other government that is providing this duplication of service.

The Mayor next commented about the War Memorial. It is so important to the town; however, there has to be some drastic changes because it is obvious that the business plan is not working. At the time the War Memorial was expanded and remodeled, it was expected for the subsidy to be decreased to about \$50,000 a year. At that level, it would be worth it to the town. He was not sure what the requirements are regarding the public bus service, but stated the cost of transportation in general is going to be an issue because of the growing need for this service.

The Mayor commented in closing that he does not think we can save our way out of this, but we have to grow our way out by increasing revenues within our boundaries. Economic development is the only answer and he is very supportive of the Chamber of Commerce as well as other investments in our town such as our downtown grant. Because of this, he disagrees with cutting back on RVTV. He thinks this is an investment that provides exposure to other businesses and individuals in the Valley and withdrawing could be detrimental to economic development.

Council Member Nance asked when does the discussion start about the proposed \$.04 tax increase. The Town Manager responded that a decision needs to be made at the special meeting on March 31<sup>st</sup> to meet the deadline for printing and mailing the tax bills in April. Then the proposed budget will be printed and distributed to Council after which we will work through the budget through April and May with a proposed Public Hearing to adopt the budget at the first meeting in June. Mr. Nance then commented that Vice Mayor Hare suggested this amount as a placeholder to get citizen input, but he will not be in favor of a \$.04 increase.

Vice Mayor Hare commented that he has no doubt that the budget can be balanced, but it includes no CIP which is not sustainable in the long term. We are going to have to adjust service levels.

The Public Hearing was closed at 8:20 p.m.

Public Hearing closed

**The Town Manager commented that the Public Hearing** regarding the new Mixed Use Development District was postponed to April 21<sup>st</sup>. This is due to the fact that the Planning Commission had to postpone their Public Hearing due to the weather until April 2<sup>nd</sup> and it has to be re-advertised.

**The next item on the agenda was to consider** authorizing staff to proceed with one of three options concerning the 3<sup>rd</sup> Street Dumpsters. The Town Manager commented that if Council decides to keep the dumpsters, he would recommend investing in a camera system in order to enforce our ordinance for abuse of the system. A budget of \$9,600 was presented to Council and a camera system would cost just under \$5,000. After discussion regarding the enforcement by the Police Department, the Town Manager further commented that we are getting close to the beginning of the construction of the canoe launch in April or May, so we need to know Council's decision within a month.

Council Member Nance said that we need to make a decision and the Mayor agreed because we have discussed this matter several times and it is a luxury we can no longer afford. The Town Manager commented that we will need to give people a certain amount of time to prepare for the closing and give a deadline. Anita McMillan commented that the proposed date to open the canoe launch is June 12<sup>th</sup>. The Town Manager further commented that we can get the word out through all our social media of the closing date and remind citizens of the other services they can use for disposal of refuse and bulk trash. Council Member Weeks commented that we also need to make sure that everyone knows the ordinance regarding trash being in a can with a lid. Council Member Adams made comments about people putting recyclables between the dumpsters at Kroger's and what will keep people from still placing items at the 3<sup>rd</sup> Street Dumpster site.

**Vice Mayor Hare made a motion to close the 3<sup>rd</sup> Street** Dumpsters with the closing date prior to June 1, 2015 being left to the discretion of the Town Manager; the motion was seconded by Council Member Nance and carried by the following vote, with all members voting: Vote 4-1; Yeas (0) – Nance, Weeks, Hare, Grose; Nays (1) – Adams.

Approval to close the 3<sup>rd</sup> Street dumpsters with the closing date prior to June 2, 2015 being left to the discretion of the Town Manager

**The next item on the agenda was a further briefing on** proposed FY2016-2017 budget. There was no further discussion on the proposed budget.

**The next items on the agenda were the financial reports** for December 2014 and January 2015. Vice Mayor Hare commented that the Finance Committee met last month to review the December report and this month they reviewed the January report.

Mr. Hare next commented that the summary statement showed we are at 95% of projected revenues for the General Fund. One adjustment to that is a line item for re-appropriated fund balance which is essentially money for the Fire House. That was built into the budget to be divided up throughout the year for a total of \$382,000. If that amount is removed from the budget, it would show that we are up around \$166,000 from our forecasted numbers or 104%.

In further regard to the General Fund, the business licenses are a little behind from our projection which is a matter of timing. The cigarette tax continues to be down in the amount of \$56,000 for year-to-date and \$40,000 behind where it was the same time last year. Sales tax, which is a good measure of economic vitality in the area at least for the County and the Town, is up \$140,000 compared to our budget on an adjusted basis and meals tax is up about \$75,000.

From an expense side, we are underspending by approximately \$710,000 or roughly 86%. Some items contributing to that are \$300,000 relating to the Fire House renovations and a delay in the filling of the Animal Control Officer position of \$26,000 and \$70,000 in filling one of the new firefighter positions.

On the utility side, revenues are up about \$62,000 of where we expected it and this billing cycle only includes the commercial side and not residential. Barry Thompson commented this is related to the rate increase which is offsetting some of the consumption that is down about 2% from last year. Mr. Hare continued commenting that expenditures are down which relates to timing on some projects and some savings with the Water Treatment Plant. The Town Manager commented that the Water Treatment Plant retroactively charged us a new rate about this time last year for the last eight months of the year. This year our rate went down almost 2%, but we will not receive the benefit of that rate reduction until July.

Mr. Hare next commented that on a cash basis from December, we are down about \$500,000 in the General Fund. We were down last year at about the same time around \$327,000. Council Member Nance commented that the War Memorial's numbers are similar to where they were

last year, but when you start subtracting out the pass-through items and the loss of the regular Sunday church group, they have been able to make it up in other areas. It is holding steady, but that holding steady is still with a big supplement from the Town.

**Vice Mayor Hare made a motion to accept the December 2014 and January 2015 financial reports as presented; the motion was seconded by Council Member Nance and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Adams, Nance, Weeks, Hare, Grose; Nays (0).**

Accepted the December 2014 and January 2015 financial reports

**The Mayor commented that he took a tour of the new library today and mentioned that the Project Manager would be glad to take any member of Council on a tour if they would just let the Town Manager or Ryan Spitzer know. He then passed on condolences to the Town Manager in the loss of his grandmother.**

**Comments from Council Members: Council Member Nance apologized for not being at the last Council meeting because of his involvement with a federal trial in Norfolk and expressed his appreciation to the Police Chief for allowing him to use their department's interview room. He also commented that he appreciates the fact that this Council listens and respects one other even when there is a difference of opinion. Council Member Adams commented on the Vinton Volunteer Fire Department Installation Banquet that he and Council Member Weeks attended several weekends ago. He also expressed thanks to those who put on the employee luncheon on March 13<sup>th</sup>.**

**Council Member Adams made a motion to adjourn the regular meeting; the motion was seconded by Vice Mayor Hare and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Adams, Nance, Weeks, Hare, Grose; Nays (0) – None. The meeting was adjourned at 9:00 p.m.**

Meeting adjourned

APPROVED:

\_\_\_\_\_  
Bradley E. Grose, Mayor

ATTEST:

\_\_\_\_\_  
Susan N. Johnson, Town Clerk



## **Town Council Agenda Summary**

### **Meeting Date**

March 31, 2015

### **Department**

Administration

### **Issue**

Further briefing on the proposed FY2015-2016 budget

### **Summary**

A presentation on staff's development of a priority of services will be provided. Town services are evaluated based on a number of factors including citizen survey results, Town Council strategic priority areas, mandates, ability of services to be provided by another party, cost recovery, and portion of community served.

Additionally, early budget development resulted in an approximately \$600,000 budget gap based on requests from departments. Through detailed review, recommendations by departments on where to cut the budget, recommended revenue increases, and recommended service cuts, staff is finalizing a balanced budget. A summary list of budget reduction ideas will be presented, and final recommendations will be provided in the Town Manager's Recommended Budget which will be delivered on Friday, April 3rd.

### **Attachments**

None

### **Recommendations**

No action required



## Town Council Agenda Summary

### Meeting Date

March 31, 2015

### Department

Administration

### Issue

Consider adoption of an Ordinance setting the real estate tax rate for calendar year 2015.

### Summary

On March 17, 2015, Council conducted a public hearing and received public comments concerning a proposed real estate tax increase of \$.04 per \$100 assessed value in the Town, for a proposed real estate tax rate of not more than \$.07 per \$100 assessed valuation. The adopted real estate tax increase will be effective for calendar year 2015.

Based on the current real estate tax rate of \$.03 per \$100 assessed value, the Town of Vinton's real estate tax levy has increased by approximately .81% for the calendar year 2015 or a total of \$1,112.00. The total revenue generated at the current \$0.03 rate is \$137,802.

The following summary shows the revenue associated with different rates:

\$0.04 per \$100 = \$183,736	increase over current \$0.03 per \$100 rate (\$45,934)
\$0.05 per \$100 = \$229,670	increase over current \$0.03 per \$100 rate (\$91,868)
\$0.06 per \$100 = \$275,604	increase over current \$0.03 per \$100 rate (\$137,802)
\$0.07 per \$100 = \$321,538	increase over current \$0.03 per \$100 rate (\$183,736)

The largest demands on the budget are generated by an increase in services to implement 24-hr career staff fire coverage. This is approximately \$120,000. The second significant demand is additional investments in road repair and maintenance. Based on our assessment through our E-Roads program, an additional \$160,000 per year is needed to put us on track to maintain our roads at the optimal level. This cannot all be achieved through a real estate tax increase, but without an increase, significant operational cuts would be required elsewhere to meet these needs.

### Attachments

Ordinance

### Recommendations

Motion to adopt Ordinance

**ORDINANCE NO.**

**AT A SPECIAL MEETING OF THE VINTON TOWN COUNCIL, HELD ON TUESDAY, MARCH 31, 2015, AT 7:00 P.M., IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING, 311 SOUTH POLLARD STREET, VINTON, VIRGINIA**

**AN ORDINANCE** to provide for the annual levy on real estate in the Town of Vinton, Virginia.

**WHEREAS,** it is desirable of the Town of Vinton to collect real estate taxes semi-annually by June 5th and December 5th; and

**WHEREAS,** the annual levy is necessary to provide for the daily operation of various municipal departments of the Town of Vinton, and thus avoid creating an emergency.

**NOW THEREFORE, BE IT ORDAINED** by the Council of the Town of Vinton that the tax levy for the calendar year 2015 on all real property and improvements shall be as follows:

**"All Real Estate shall be assessed at 100% of fair market value, local levy of SEVEN CENTS (\$.07) per ONE HUNDRED DOLLARS (\$100.00) of the assessed value for the calendar year 2015."**

**BE IT FURTHER ORDAINED** that a copy of this Ordinance be immediately forwarded by the Town Clerk to the Commissioner of Revenue for Roanoke County/Town of Vinton, and to the Finance Director/Town Treasurer of the Town of Vinton.

This Ordinance adopted on motion made by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, with the following votes recorded:

AYES:

NAYS:

APPROVED:

\_\_\_\_\_  
Bradley E. Grose, Mayor

ATTEST:

\_\_\_\_\_  
Susan N. Johnson, Town Clerk



## **Town Council Agenda Summary**

### **Meeting Date**

March 31, 2015

### **Department**

Finance

### **Issue**

Consider adoption of an Ordinance setting the personal property tax rate for calendar year 2015.

### **Summary**

The current personal property tax rate is \$1.00 per \$100.00 of the assessed evaluation of all personal property excepting there from household furnishings, and 50% or \$.50 per \$100.00 of the assessed valuation of one motor vehicle owned and regularly used by a disabled veteran, subject to certain qualifications. No change is being recommended for calendar year 2015.

### **Attachments**

Ordinance

### **Recommendations**

Motion to adopt Ordinance

**ORDINANCE NO.**

**AT A SPECIAL MEETING OF THE VINTON TOWN COUNCIL, HELD ON TUESDAY, MARCH 31, 2015, AT 7:00 P.M., IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING, 311 SOUTH POLLARD STREET, VINTON, VIRGINIA**

**AN ORDINANCE** to provide for the annual levy on all personal property in the Town of Vinton, Virginia, and to provide for the annual levy on the classification of vehicles owned by disabled veterans, pursuant to § 58.1-3506 of the Code of Virginia (1950, as amended, and by the adoption of Ordinance No. 594 dated August 17, 1993 by the Vinton Town Council.

**WHEREAS,** it is desirable of the Town of Vinton to collect personal property taxes by May 31, 2015; and

**WHEREAS,** the annual levy is necessary to provide for the daily operation of various municipal departments of the Town of Vinton, and thus avoid creating an emergency.

**NOW THEREFORE, BE IT ORDAINED** by the Council of the Town of Vinton that a tax levy for the calendar year 2015 shall be **one dollar (\$1.00) per one hundred dollars (\$100.00)** of the assessed valuation of all personal property excepting therefrom household furnishings; and

**BE IT FURTHER ORDAINED** by the Council of the Town of Vinton that a tax levy for the calendar year 2015 shall be **fifty percent (50%) or fifty cents (\$.50) per one hundred dollars (\$100.00)** of the assessed valuation of one motor vehicle owned and regularly used by a disabled veteran, subject to certain qualifications; and

**BE IT FURTHER ORDAINED** that a copy of this Ordinance be immediately forwarded by the Town Clerk to the Commissioner of Revenue for Roanoke County/Town of Vinton, and to the Finance Director/Town Treasurer of the Town of Vinton.

This Ordinance adopted on motion made by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, with the following votes recorded:

AYES:

NAYS:

APPROVED:

\_\_\_\_\_  
Bradley E. Grose, Mayor

ATTEST:

\_\_\_\_\_  
Susan N. Johnson, Town Clerk



## **Town Council Agenda Summary**

### **Meeting Date**

March 31, 2015

### **Department**

Finance

### **Issue**

Consider adoption of a Resolution setting the allocation percentage for Personal Property Tax Relief in the Town of Vinton for the 2015 tax year.

### **Summary**

The Personal Property Tax Relief Act (PPTRA or the Act) of 1998 established a statewide program to provide relief to owners of personal use motor vehicles. The 1998 Act envisioned a five year phase-in of relief expressed as a percentage of the bill related to the first \$20,000 of personal use vehicle value. Costs soared and percentage was frozen at 70% since 2001.

In 2004 and 2005, additional legislation was passed to amend the original Act. This legislation capped PPTRA at \$950 million for all Virginia localities for Tax Years 2006 and beyond. PPTRA funds are allocated to individual localities based on each government's pro rata share of Tax Year 2004 payments from the Commonwealth. The Town's share of the \$950 million is \$203,096.

In order to put these changes into effect, the Town Council adopted an Ordinance that set the framework for the implementation and administration of the 2004-2005 changes to the Personal Property Tax Relief Act (PPTRA) of 1998. This ordinance was adopted on December 6, 2005.

The Town uses The PPTRA Allocation Model developed by the State to calculate the effective reimbursement rate. This model uses historical trends and a five year rolling average to calculate the effective reimbursement rate. This same methodology for calculating the rate is used by many of our neighboring localities.

In 2015, once again Town and County staff computed the effective reimbursement rate based upon the PPTRA allocation model. The percentage is similar to those localities that are ready to adopt their resolutions. The rate for the County is 58.40% and the Town of Vinton is 60.86%.

### **Attachments**

Resolution

### **Recommendations**

Motion to adopt Resolution

**RESOLUTION NO.**

**AT A REGULAR MEETING OF THE VINTON TOWN COUNCIL, HELD ON TUESDAY, MARCH 31, 2015, AT 7:00 P.M., IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING, 311 SOUTH POLLARD STREET, VINTON, VIRGINIA**

**A RESOLUTION** setting the allocation percentage for Personal Property Tax Relief in the Town of Vinton for the 2015 Tax Year.

**WHEREAS**, in accordance with the requirements set forth in Section 58.1-3524 (C) (2) and Section 58.1-3912 (E) of the Code of Virginia, as amended by Chapter 1 of the Acts of Assembly and as set forth in item 503.E (Personal Property Tax Relief Program or “PPTRA”) of Chapter 951 of the 2005 Acts of Assembly, a qualifying vehicle with a taxable situs within the Town commencing January 1, 2015, shall receive personal property tax relief; and

**WHEREAS**, this Resolution is adopted pursuant to Vinton Code § 86-58 enacted by the Council of the Town of Vinton on December 6, 2005.

**NOW THEREFORE, BE IT RESOLVED**, BY THE COUNCIL OF THE TOWN OF VINTON, VIRGINIA, as follows:

1. That tax relief shall be allocated so as to eliminate personal property taxation for qualifying personal use vehicles valued at \$1,000 or less.
2. That qualifying personal use vehicles valued at \$1,001-\$20,000 will be eligible for 60.86% tax relief.
3. That qualifying personal use vehicles valued at \$20,001 or more shall only receive 60.86% tax relief on the first \$20,000 of value.
4. That all other vehicles which do not meet the definition of “qualifying” (for example, including but not limited to, business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for any form of tax relief under this program.
5. That the percentages applied to the categories of qualifying personal use vehicles are estimated fully to use all available PPTRA funds allocated to the Town of Vinton by the Commonwealth of Virginia.
6. That entitlement to personal property tax relief for qualifying vehicles for tax year 2005 and all prior tax years shall expire on September 1, 2006, or when the state funding for tax relief is exhausted or depleted. Supplemental assessments for tax years 2005 and prior that are made on or after September 1, 2006 shall be deemed ‘non-qualifying’ for

purposes of state tax relief and the local share due from the taxpayer shall represent 100% of the assessed personal property tax.

This resolution shall be effective from and after the date of its adoption.

This resolution adopted on motion made by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, with the following votes recorded:

AYES:

NAYS:

APPROVED:

\_\_\_\_\_  
Bradley E. Grose, Mayor

ATTEST:

\_\_\_\_\_  
Susan N. Johnson, Town Clerk