

**CITY OF BUENA VISTA
SPECIAL CALLED (VIRTUAL) COUNCIL MEETING
JULY 23, 2020**

The City Council for the City of Buena Vista met for a Special Called (Virtual) Council meeting on Thursday, July 23, 2020 at 10:00 a.m.

Council Members Present:
Melvin Henson
Stanley Coffey
Tyson Cooper

Mayor Bill Fitzgerald
Cheryl Hickman
Vice-Mayor Lisa Clark

Members Absent: Danny Staton

ADG #1 APPROVAL OF THE AGENDA:

Motion was made by Councilman Cooper to approve the agenda, seconded by Vice-Mayor Clark, carried by Council.

NEW BUSINESS:

NB #1 AMEND THE REAL ESTATE TAX RATE FOR FY 2020-2021 AFTER THE REASSESSMENT:

Mr. Scudder started the discussion by advising the equalized rate came to \$1.266. He said to error on the safe side the equalized rate would be \$1.27. The current tax rate is \$1.29. The reason the equalized rate is lower than \$1.29 is because taxable real estate went up a little bit. That is where we are at; either leaving the existing rate at \$1.29 or equalizing the rate down to \$1.27. He said the thing that he is primarily concerned about is paving projects that we have in the works right now. He explained that we are going to have a unique opportunity with paving costs down lower than they have been in recent years primarily because the cost of oil is so low at this time. Adams Paving was awarded our paving contract for the Route 501 section at Enderly Hill, 501 South below the Industrial Park and Route 60 from Hardee's to the Bontex section that VDOT maintains. The quote came in at \$327,000.00. Mr. Scudder opined that Greg Shultz has really done a fantastic job with Adams being partners to really help us out on several occasions. We have done 3 or 4 paving projects since he has been here at GMP that they have done for free because we let a couple of their people camp at GMP. He spoke to Mr. Shultz about giving us the best price he can for paving Route 60 from Hardee's to the foot of the mountain. He does not have a cost at this point. Mr. Scudder said his wish would be to leave the rate at \$1.29 and he is working on 3 angles to try to get the paving done this year. He thinks he can pull it off, but he is not sure. He would really like to try, and he thinks our citizens would appreciate it if we do get the paving done. The State of Good Repair money is going federal next year which opens a whole plethora of requirements and money. We are not guaranteed that we will get the money anyway. Some of the staff here that are Buena Vista citizens

think that it is a good idea. His wish is to throw everything we can at the paving project and see if we can get it done.

Mayor Fitzgerald opined that the tax rate should be equalized to \$1.27 and give some relief to the citizens.

Councilman Coffey said he supports equalizing the tax rate to \$1.27.

Council Member Hickman said she agrees with the equalized rate of \$1.27. She advised that she and Mr. Scudder talked yesterday, and she believes we can make the paving work with the \$1.27. She opined that we are looking to bring new businesses to town, and we do not want a high tax rate.

Vice-Mayor Clark stated that she supports the equalized rate of \$1.27.

Councilman Cooper said he disagrees with the \$1.27. He said we have deferred so many things for so many years in order to keep the tax rates low. He said he also pays taxes and there is so much that needs to be done in the City. He agrees with Mr. Scudder about the chances of oil prices being this low again anytime in the near future is slim to none. He opined we should do everything we possible can now, especially regarding paving. The other thing about leaving the tax rate up is he would rather split it with paving and capital improvements and some portion of it go back to the schools. He opined this is going to be a crazy year for the school district.

Vice-Mayor Clark wanted to know if there has been any talk between the schools and the City concerning the CARE money.

Ms. Wheeler advised that Dr. Keeler has asked to be put on the agenda for our August 6th Council meeting.

Councilman Henson said he is in favor of keeping taxes low, but we have let things slide until reality is catching up with us. Both Route 501 and Route 60 are in need of drastic repairs. He opined that Mr. Scudder has done a good job on getting some projects done. Route 60 going up to the mountain is not funded but it is a VDOT mandate that needs to be done. He said if we do not honor the VDOT mandates, they can take funds away from the City.

Mr. Scudder said that is the case with Route 501 now.

Councilman Cooper said with a \$0.02 increase in real estate tax on a \$100,000.00 home will equal \$1.66 per month. The \$1.66 per month will make a big difference in our ability to pave. He opined if we get a lot of projects done then maybe next year, we could bring the tax rate down.

Councilman Henson said the biggest complaints Council is getting is on our streets. He said Public Works is doing some patching, but we need to stay in the good graces of VDOT so therefore he will have to go along with keeping the tax rate at \$1.29.

Mr. Kearney said we cannot keep the tax rate at \$1.29 since it is an increase from the equalized rate. That information would have normally been provided to Council prior to them voting on it. It is 101% of the previous year. We have a pandemic going on, but Council budgeted a certain dollar amount and that is the \$1.27 figure. That would be a tax increase and we would have to have a Public Hearing for a tax increase.

Councilman Cooper said he is dismayed and disappointed that the 3 employees that City Council has hired did not know or understand this situation. He said that

both he and Vice-Mayor Clark are on vacation and the other Council members are giving up time from their jobs during the day and the meeting is pointless. Councilman Cooper said this is not ok.

Mr. Kearney said they still have to set the tax rate at \$1.27.

Councilman Cooper said this whole discussion is mute. He said he wished that he understood that because if there is no discussion he did not need to zoom in because he is fully supporting the tax rate that we have.

Mr. Scudder said he probably created some confusion. We still have to set the rate at \$1.27.

Vice-Mayor Clark wanted to know why Mr. Scudder and Councilman Henson think we could set the rate at \$1.29.

Mr. Scudder said that he talked about it to Council, but it has to be within that percentage within the range of the reassessment.

Councilman Cooper motioned to set the rate at \$1.27, seconded by Vice-Mayor Clark.

Ms. Wheeler read the following Ordinance:

ORDINANCE ORD 20-11

WHEREAS, on May 7, 2020, a duly called Public Hearing was held to discuss and establish the real estate tax rate for the fiscal year 2020/2021, which tax rate was ultimately established on May 21, 2020; and

WHEREAS, a detailed discussion of the funds needed to operate the City occurred and the real estate tax rate needed to obtain such funds was determined; and

WHEREAS, Council was informed that the reassessment, which was anticipated to increase the overall valuation of the property located in the City could not be completed prior to the adoption of a new tax rate due to the COVID-19 pandemic; and

WHEREAS, the Commissioner of Revenue stated that the reassessment should be completed in time to allow an adjustment of the real estate tax rate for

2020/2021 to correspond with the revenue needed, assuming that the overall reassessment did in fact increase the value of the property within the City; and

WHEREAS, the reassessment that initially became available in July of 2020, and subject to final adjustment, did show an increase in valuation which allows for an adjustment of the rate without a reduction or increase in the overall revenue generated.

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BUENA VISTA that the real estate tax rate is hereby adjusted to \$1.27 per \$100 in value for fiscal year 2020/2021.

BE IT FURTHER ORDAINED, that this adjustment is to take effect immediately in order for the Commissioner of Revenue to properly list this adjustment in the City's Land Book and therefore this is an Emergency Ordinance.

William H. Fitzgerald, Mayor

Attest:

Clerk of Council

Date of Adoption

Ms. Wheeler polled Council as follows:

	Present	Absent	Yes	No	Abstain
Mayor Fitzgerald	X		X		
Melvin Henson	X			X	
Tyson Cooper			X		
Cheryl Hickman	X		X		
Vice-Mayor Lisa Clark	X		X		
Danny Staton		X			
Stanley Coffey	X		X		

ADJOURNMENT: There being no further business, the meeting was adjourned.

WILLIAM H. FITZGERALD, MAYOR

Dawn M. Wheeler, Clerk of Council