

**FINANCE COMMITTEE
WEDNESDAY, JANUARY 29, 2014
SECOND FLOOR CONFERENCE ROOM
CITY HALL - MANASSAS, VIRGINIA
AGENDA**

5:30 PM CALL TO ORDER

- | | |
|---|-------------------|
| 1. Approve Minutes of the January 15, 2014, Finance Committee Meeting | 1 Minute |
| | Page / |
| 2. Ordinance O-2014-08 Amending the Code Relating to Real Estate Tax Relief for the Elderly and Handicapped (Waldron) | 10 Minutes |
| | Page 5 |
| 3. Update on Bond Issuance (Pate) | 10 Minutes |
| | Page 13 |

City Manager's Time

ADJOURNMENT

cc: Mayor
Council Members
W. Patrick Pate

Diane Bergeron
Tamara Sturm

**MINUTES OF THE CITY COUNCIL FINANCE COMMITTEE
WEDNESDAY, JANUARY 15, 2014
SECOND FLOOR CONFERENCE ROOM
CITY HALL - MANASSAS, VA**

COMMITTEE MEMBERS PRESENT: Council Member Marc Aveni, Chairman
Council Member J. Steven Randolph

COMMITTEE MEMBERS ABSENT: Vice Mayor Andrew L. Harrover
Council Member Mark Wolfe (Alternate)

OTHERS PRESENT: Mayor Harry J. Parrish II, City Manager W. Patrick Pate, Budget Analyst Tamara Sturm, Fire Marshal Frank Teevan, Airport Operations Specialist Richard Allabaugh, Police Captain Tina Laguna, Police Lieutenant Elia Alfonso, Emergency Management Planner Amelia Gagnon, Assistant Public Works Director Patrick Moore

GUESTS PRESENT: None

The meeting was called to order at 5:30 p.m. by Chairman Marc Aveni.

AGENDA ITEM #1 Approve Minutes of the November 20, 2013, Finance Committee Meeting

A motion was made and seconded to approve the minutes of the November 20, 2013, Finance Committee Meeting. The Committee approved (2/0).

AGENDA ITEM #2 Resolution 2014-33-R Amending the FY 2014 Budget by Budgeting and Appropriating a \$32,058 Virginia Department of Aviation Grant Amendment (Grant CF0030-37), Accepting the Grant Amendment, and Authorizing the Mayor to Sign the Grant Amendment

Richard Allabaugh presented Staff's recommendation to amend the FY 2014 Budget by budgeting and appropriating a \$32,058 Virginia Department of Aviation Grant Amendment (Grant CF0030-37), accepting the Grant Amendment, and authorizing the Mayor to sign the Grant Amendment. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

AGENDA ITEM #3 Resolution 2014-34-R Amending the FY 2014 Budget by Budgeting and Appropriating a \$54,128 Virginia Department of Aviation Grant Amendment (Grant CF0030-38), Accepting the Grant Amendment, and Authorizing the Mayor to Sign the Grant Amendment

Richard Allabaugh presented Staff's recommendation to amend the FY 2014 Budget by budgeting and appropriating a \$54,128 Virginia Department of Aviation Grant Amendment (Grant CF0030-38), accepting the Grant Amendment, and authorizing the Mayor to sign the Grant Amendment. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

AGENDA ITEM #4 Resolution 2014-37-R Amending the FY 2014 Budget by Budgeting and Appropriating \$19,079 from the Department of Justice Office of Justice Programs Bureau of Justice Assistance for the 2013 Edward Byrne Memorial Justice Assistance Grant

Tina Laguna presented Staff's recommendation to amend the FY 2014 Budget by budgeting and appropriating \$19,079 from the Department of Justice Office of Justice Programs Bureau of Justice Assistance for the 2013 Edward Byrne Memorial Justice Assistance Grant. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

AGENDA ITEM #5 Resolution 2014-38-R Amending the FY 2014 Budget by Budgeting and Appropriating \$121,565 for the Office of the Attorney General of Virginia (OAG) One-Time Asset Forfeiture Transfer

Tina Laguna presented Staff's recommendation to amend the FY 2014 Budget by budgeting and appropriating \$121,565 for the Office of the Attorney General of Virginia (OAG) One-Time Asset Forfeiture Transfer. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

AGENDA ITEM #6 Resolution 2014-39-R Amending the FY 2014 Budget by Budgeting and Appropriating \$125,000 for the FY 2013 Urban Area Securities Initiative (UASI) Subgrant Sponsored by the Department of Homeland Security

Frank Teevan presented Staff's recommendation to amend the FY 2014 Budget by budgeting and appropriating \$125,000 for the FY 2013 Urban Area Securities Initiative (UASI) Subgrant sponsored by the Department of Homeland Security. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

AGENDA ITEM #7 Resolution 2014-35-R Amending the FY 2014 Budget by Budgeting and Appropriating \$172,341 of Congestion Mitigation and Air Quality (CMAQ) Funds for Variable Message Signs

Patrick Moore presented Staff's recommendation to amend the FY 2014 Budget by budgeting and appropriating \$172,341 of Congestion Mitigation and Air Quality (CMAQ) funds for variable message signs. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

Mayor Parrish requested that a picture be available at a future public City Council meeting for Citizens' review and comment.

AGENDA ITEM #8 Resolution 2014-40-R Amending the FY 2014 Budget by Budgeting and Appropriating \$131,453 of Road Surface Transportation (RSTP) Funds for the Route 28 Overpass Landscaping Project

Patrick Moore presented Staff's recommendation to amend the FY 2014 Budget by budgeting and appropriating \$131,453 of Road Surface Transportation (RSTP) funds for the Route 28 Overpass Landscaping Project. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

AGENDA ITEM #9 Resolution R-2014-24 Authorizing the Purchase of a Plotter for the Engineering Division of Public Works

Patrick Moore presented Staff's recommendation to authorize the purchase of a plotter for the Engineering Division of Public Works. The Committee approved (2/0). This item will be forwarded to the January 27, 2014, City Council meeting.

City Manager's Time – No Items

The meeting was adjourned at 6:06 p.m. by Chairman Marc Aveni.

AGENDA STATEMENT

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ITEM NO. 2

MEETING DATE: January 29, 2014 – Finance Committee

TIME ESTIMATE: 10 Minutes

AGENDA ITEM TITLE: Ordinance O-2014-08 Amending the Code Relating to Real Estate Tax Relief for the Elderly and Handicapped

DATE THIS ITEM WAS LAST CONSIDERED BY COUNCIL: N/A

SUMMARY OF ISSUE/TOPIC: The City offers an income based tax relief program for elderly and handicapped residents with eligibility based on U.S. Department of Housing and Urban Development (HUD). Base FY 2015 figures decreased from FY 2014 (the first time there has been a year over year decrease). The reduction in base income will result in approximately 60 participants in the program receiving a lower level of tax relief. The Code allows the City to establish income figures other than the HUD levels. This change can be made by amending the City's definition of "Base". Prince William County held a public hearing on this same issue January 21, 2014.

STAFF RECOMMENDATION:
BOARD/COMMISSION/ COMMITTEE:

RECOMMENDATION: Approve Disapprove Reviewed See Comments

CITY MANAGER: Approve Disapprove Reviewed See Comments

COMMENTS:

DISCUSSION (IF NECESSARY):

BUDGET/FISCAL IMPACT: \$63,225 (60 people)

STAFF: Douglas Waldron, Commissioner of Revenue, (703) 257-8220

ORDINANCE #0-2014-08

First Reading _____
Second Reading _____
Enacted _____
Effective _____

AN ORDINANCE TO AMEND AND REENACT THE CODE OF ORDINANCES, CITY OF MANASSAS, VIRGINIA (2002), AS AMENDED, BY AMENDING SECTION 110-52 RELATING TO REAL ESTATE TAX RELIEF FOR THE ELDERLY AND HANDICAPPED

WHEREAS, The City offers an income-based tax relief program for the elderly and handicapped, and

WHEREAS, The City uses the income figures published by the U.S. Department of Housing and Urban Development ("HUD") to determine eligibility, and

WHEREAS, HUD's published figures for Fiscal Year 2015 decreased from HUD's published figures for Fiscal Year 2014, and this is the first time there has been a year to year decrease in the HUD figures, and

WHEREAS, Virginia Code § 58.1-3210 permits the City to establish its own income figures for eligibility under its real estate tax relief program for the elderly and handicapped, and

WHEREAS, Virginia Code § 58.1-3506.1 limits the City's ability to establish income figures for eligibility for personal property tax relief, requiring the City to use the current HUD figures even if they decrease from one year to the next, and

WHEREAS, The City desires to avoid a situation where persons eligible for tax relief in one year are ineligible in a following year when their income has not increased, to the maximum extent that the City may do so consistent with state law;

NOW, THEREFORE,

BE IT ORDAINED by the Council of the City of Manassas, Virginia, meeting in _____ session this _____ day of _____, 2013:

1. That the Code of Ordinances, City of Manassas, Virginia (2002), is hereby amended and reenacted by amending Section 110-52 as follows:

Sec. 110-52. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Base shall be the low income family income limit based upon a family of two, annually published by the U.S. Department of Housing and Urban Development for qualifying for the "Section 8 Housing Assistance Program." For purposes of real estate tax relief only (§ 110-82 of this Code), *Base* shall be the low income family income limit based upon a family of two, most recently published prior to January 1 of the current tax year by the U.S. Department of Housing and Urban Development for qualifying for the "Section 8 Housing Assistance Program" or the base from the prior tax year, whichever is higher. The total combined income for all sources during the preceding calendar year by owners of the dwelling who use it as their principal residence and owners' relatives who live in the dwelling are within the following limits:

Household Income	Net Financial Worth	Exemption
Up to base	\$340,000.00	100%
Base plus 15%	\$340,000.00	25%
Base plus 30%	\$340,000.00	15%
Base plus 45%	\$340,000.00	10%
Over limit	\$340,000.00	0%

Deferral means that a proportion of the tax bill, as provided in the article, shall be allowed to accumulate without penalty. Interest, however, shall accrue on the deferred portion of the tax bill at no more than the maximum rate of interest for deferred taxes as allowed under Virginia law.

Disabled means unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment or deformity which can be expected to result in death or can be expected to last for the duration of such person's life; however, a certification pursuant to 42 USC 423(d) by the Social Security Administration, so long as the person remains eligible for such Social Security benefits, shall be deemed to satisfy such definition.

Elderly means an individual who has attained the age of 65 years on or before January 1 of the year for which relief is sought under this division.

Elderly or disabled owner vehicle means a vehicle which is qualified for the relief provided by this division.

Household income means the aggregate of the gross income of owners of the dwelling who use it as their principle residence and their relatives living in the dwelling, provided that any amount up to \$10,000.00 of income of each relative living in the dwelling who is not the spouse of the owner and \$7,500.00 of income received by an owner during the preceding calendar year as compensation for permanent disability shall be excluded.

Limit shall be 145 percent of the base, provided that such limit shall not exceed the limit as set by the Code of Virginia.

Net financial worth means the net combined financial worth, including the present value of all equitable interests, as of December 31 of the immediately preceding calendar year, of the owners, and of the spouse of any owner, excluding the value of the dwelling and the land, not

exceeding one acre, upon which it is situated, and also excluding furniture, household appliances and other items typically used in a home.

Vehicle includes only automobiles and pickup trucks. The fact that a vehicle has been modified to accommodate a person with a disability does not disqualify the vehicle from the relief provided under this division.

2. This ordinance shall take effect January 1, 2014.

BY ORDER OF THE COUNCIL

Harry J. Parrish, II, Mayor
On Behalf of the City Council of
Manassas, Virginia

ATTEST:

Andrea Madden, City Clerk

MOTION:

SECOND:

RE:

ACTION:

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Date: _____
Regular Meeting
Ord. No. _____

CERTIFIED COPY

Andrea Madden, City Clerk

NOTICE OF ASSESSMENT CHANGE

THIS IS NOT A TAX BILL



CITY OF MANASSA
 REAL ESTATE ASSESSMENT OFFICE
 P.O. BOX 125, 9027 CENTER STREET
 MANASSAS, VA 20108-0125

ACCOUNT NO.

DATE

PREMISE ADDRESS

LOT SIZE

TAX MAP NO.

LEGAL DESCRIPTION

In accordance with Section 58:1-3330 of the Code of Virginia, this is to notify you that your property as described on this notice has been reassessed effective January 1 of the current tax year. The assessed value shown represents the estimated fair market value.

If you have any questions or wish to request reconsideration of your assessment, please write to the address or call (703) 257-8250, 8254, or 8217 between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday, except on Holidays. **If you desire a formal review of your assessment, it must be done within 30 days of the date of this notice.** Section 110-86 of the city code requires that any appeal of an Assessment to the Board of Equalization be made by a date immediately preceding the July 1 effective date for taxes on such contested assessed value will be levied.

PRIOR YEAR ASSESSED VALUE

LAND	BUILDINGS	TOTAL

The assessment for a partially completed structure is its estimated value at the stage of completion on January 1.

NEW ASSESSED VALUE

LAND	BUILDINGS	TOTAL

The tax rate for FY 2014 has not been set. Manassas City Council will hold a public hearing on April 15, 2013 at 7:30 PM in Council Chambers located at City Hall, 9027 Center Street for citizens input on the proposed tax rate. The amount of taxes levied for fiscal year 2014 cannot be determined until the rate is set.

April 28, 2014

May 1

2013

TAX RELIEF PROGRAM FOR ELDERLY AND DISABLED

IF YOU ARE 65 YEARS OF AGE OR OVER, OR TOTALLY AND PERMANENTLY DISABLED, YOU MAY BE ELIGIBLE FOR RELIEF FROM ALL OR PART OF YOUR REAL ESTATE TAXES, BASED ON THE FOLLOWING CRITERIA.

NET WORTH (excluding house and up to one (1) acre of land) MUST BE \$340,000 OR LESS AND

- Gross Income of ^{53,400} \$56,200 or less - Full Exemption
- Gross Income of ^{53,401 - 61,410} \$56,201 - \$64,830 - 25% Exemption - option to defer or pay balance
- Gross Income of ^{61,411 - 69,420} \$64,631 - \$73,060 - 15% Exemption - option to defer or pay balance
- Gross Income of ^{69,421 - 77,430} \$73,061 - \$81,490 - 10% Exemption - option to defer or pay balance

Income over ^{77,431} \$81,490 or Net Worth over \$340,000 - No Relief

For additional information and/or application call:

(703) 257-8222 8298

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THIS IS NOT A TAX BILL



CITY OF MANASSA
REAL ESTATE ASSESSMENT OFFICE
P.O. BOX 125, 9027 CENTER STREET
MANASSAS, VA 20108-0125

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NET WORTH (excluding house and up to one (1) acre of land) MUST BE \$340,000 OR LESS AND

- Gross Income of \$56,200 or less – Full Exemption
- Gross Income of \$56,201 - \$64,630 – 25% Exemption - option to defer or pay balance
- Gross Income of \$64,631 - \$73,060 – 15% Exemption - option to defer or pay balance
- Gross Income of \$73,061 - \$81,490 – 10% Exemption - option to defer or pay balance

Income over \$81,490 or Net Worth over \$340,000 – No Relief

**For additional information and/or application call:
(703) 257-8222**

Change in Qualification		Revenue
Qualification percent	Number of accounts	Change
100% to 25%	35	56,204.17
25% to 15%	14	3,950.11
15% to 10%	5	740.44
10% to no exemption	6	2,360.36
Total	60	\$ 63,255.08

	2014	Accts	2013	Accts	2012	Accts	
EXEM	756,253	352	700,016	351	699,703	359	← REAL ESTATE PROGRAM
EXFR	113,656		102,449		96,452		
VTEX	40,294	12	36,505	10	32,864	8	
VTFR	<u>6,056</u>		<u>5,329</u>		<u>4,530</u>		
Totals	\$916,259	364	\$844,299	361	\$833,549	367	

EXEM Real Estate Base Tax Exemption
EXFR Fire & Rescue Levy Exemption
VTEX Real Estate Base Veterans Exemption
VTFR Fire & Rescue Levy Veterans Exemption

AGENDA STATEMENT

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ITEM NO. 3

MEETING DATE: January 29, 2014

TIME ESTIMATE: 10 Minutes

AGENDA ITEM TITLE: Update on Bond Issuance

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:** N/A

**SUMMARY OF
ISSUE/TOPIC:**

**STAFF
RECOMMENDATION:** Information Item Only

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: Approve Disapprove Reviewed See Comments

CITY MANAGER: Approve Disapprove Reviewed See Comments

COMMENTS:

**DISCUSSION
(IF NECESSARY):** An update on the City's Bond Issuance will be presented.

**BUDGET/FISCAL
IMPACT:** N/A

STAFF: W. Patrick Pate, City Manager, (703) 257-8212