



TOWN COUNCIL
Public Hearing
St. Charles Parish Hall
May 30, 2013
6:00 p.m.

At 6:00 p.m. Vice Mayor Chris Bannon, having established a quorum, called to order the Public Hearing of the Town Council. In addition to Vice Mayor Bannon, present were Councilmen Bennett and Sullivan, and Councilwoman Natali. Mayor Sullivan and Councilmen Godwin and Wendell were not in attendance. Also in attendance were Town Manager Heather Arcos, Treasurer Kim Coates and Town Clerk Libby Hume. There were 9 members of the public in attendance.

Vice Mayor Bannon read the public hearing advertisement announcing that the evening's Public Hearing was to hear public comment regarding the proposed real property tax rate increase as follows:

1. Assessment Decrease: Northampton County performed a reassessment of real property in the Town. The total assessed value of real property in the Town decreased an average of 35%. The revised values will be effective with the FY2013/2014 budget year.
2. Raised Rate Necessary to Offset Decreased 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, would be \$0.2674 per \$100 of assessed value. This rate will be known as the "equalized tax rate."
3. Effective Rate Increase: The Cape Charles Town Council is considering a proposed tax rate of \$0.2874 per \$100 of assessed value. The difference between the equalized tax rate and the proposed tax rate would be \$.02 per \$100. This difference will be known as the "effective tax rate increase."

Individual property taxes for properties located within the Town of Cape Charles may have a Total Combined Tax decrease due to the average assessed values in Northampton County decreasing approximately 20% vs. 35% in the Town.

A public hearing on the tax rate will be held on May 30, 2013 at 6:00 p.m. at the St. Charles Parish Hall located at 550 Tazewell Avenue.

This item will be discussed and brought to a vote at a special meeting on June 3, 2013 at 6:00 p.m. at the Town Hall located at 2 Plum Street.

Treasurer Kim Coates gave an explanation of the reassessments performed by Northampton County stating that in the past, the County performed the reassessment process every five years, but would be doing so every two years in the future. Kim Coates went on to explain that in 2008, after the County's reassessment, the Town reduced the tax rate from .3008 per \$100 to .1628 per \$100. Tax rates would continue to change with each tax reassessment done by the County. Currently, due to the decrease in the assessed values of real property in the Town, the tax rate needed to be equalized to maintain the current level of services.

Town Manager Heather Arcos stated that in addition to the equalized rate, the Town Council proposed an increase in the rate up to 2¢ per \$100. The FY 2014 General Fund budget increased by \$2,826 over the budgeted amount for FY 2013. The Town's projected expenses for capital projects for FY 2014 was \$221,700 for the Cape Charles Multi-Use Trail Phase 2, handicap access for the old Library building, repairs to the fishing pier, and extension of the sidewalk along the north side of Randolph Avenue to Heritage Acres.

Vice Mayor Bannon opened the floor to public comments.

PUBLIC COMMENTS:

Comments opposing the proposed tax increase were heard from Mr. Tim Krawczel of 409 Nectarine Street, Mr. Dan Burke of 516 Madison Avenue, Ms. Lisa Harman of 104 Madison Avenue, Ms. Deborah Bender of 300 Fulcher Street and Ms. Veann Duvall of 110 Tazewell Avenue.

Town Clerk Libby Hume read an email submitted by Mr. David Gay of 506 Monroe Avenue. (Please see attached.)

There were no other comments from the public nor any other written comments submitted prior to the meeting.

Motion made by Councilman Bennett, seconded by Councilwoman Natali, to adjourn the Town Council Public Hearing. The motion was approved by unanimous consent.

Vice Mayor Bannon

Town Clerk

Comments Submitted in Writing

Mr. David Gay, 506 Monroe Avenue

My wife and I have gone without a raise in 5 years. I recently retired to Cape Charles so now I am on a limited income. I am shocked that our Town Government cannot find a way to live within our means. If the Town Council would hold a referendum on the Town services we could determine which ones should be cut to keep our taxes at or below the current level. The Council would not have to take the blame for another controversial issue and the people would get what THEY want. Just a thought.