



CITY OF FREDERICKSBURG, VIRGINIA

CITY COUNCIL

# MINUTES

Council Chambers, 715 Princess Anne Street  
Fredericksburg, Virginia 22401

HON. MARY KATHERINE GREENLAW, MAYOR  
HON. CHARLIE L. FRYE, JR., VICE -MAYOR, WARD FOUR  
HON. KERRY P. DEVINE, AT-LARGE  
HON. MATTHEW J. KELLY, AT-LARGE  
HON. JASON N. GRAHAM, WARD ONE  
HON. JONATHAN A. GERLACH, WARD TWO  
HON. DR. TIMOTHY P. DUFFY, WARD THREE

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**March 29, 2022**

**The Council** of the City of Fredericksburg, Virginia, held a special session on Tuesday, March 29, 2022, beginning at 6:00 p.m. in the Council Chambers of City Hall.

**City Council Present.** Mayor Mary Katherine Greenlaw. Vice-Mayor Charlie L. Frye, Jr. (6:04), Council members Kerry P. Devine, Dr. Timothy P. Duffy, Jonathan A. Gerlach, Jason N. Graham, and Matthew J. Kelly.

**Others Present.** City Manager Timothy J. Baroody, Assistant City Manager Mark Whitley, Assistant City Manager David Brown, City Attorney Kathleen Dooley, Finance Director Robyn Shugart, Assistant Finance Director Richard Lawrence, Budget Analyst Donna Leahy, Police Chief Brian Layton, Fire Chief Mike Jones, Treasurer Brenda Wood and Clerk of Council Tonya B. Lacey.

**Opening Prayer and Pledge of Allegiance.** Council was led in prayer by Councilor Kelly followed by the Pledge of Allegiance led by Councilor Jason N. Graham.

**Ordinance Amending 70-131 to Revise Tangible Personal Property Tax Rate. (D22-\_\_).**

**Ordinance Amending City Ordinance 58-64 to Eliminate Annual City License Fees (D22-\_\_).**

**Resolution Setting the Personal Property Tax Relief Percentage for the 2022 Billing in Accordance with Changes to the Tangible Personal Property Tax Rate Revision (D22-\_\_).**

Finance Director Shugart presented a PowerPoint presentation on the Personal Property tax. She explained that the values of the used vehicles had increased significantly higher than projected when the recommended budget was presented. Some were as high as thirty percent more. After reviewing the information with the Commissioner of Revenue it was determined that there would be a growth increase of \$1.4 million. She noted that the two proposed ordinances would address the options the Council had discussed at the March 22 work session.

Ordinance amending 70-131 to revise tangible personal property tax rate would allow for a temporary rate reduction to \$3.05 for the tax period beginning January 1, 2022, this would reflect the adjustment to allow for the increase in vehicle values.

Ordinance amending Ordinance 58-64, eliminating annual city license fee would remove the \$20.00 per vehicle and \$15 per motorcycle license fee. Ms. Shugart reviewed a chart showing the jump in vehicle tax values over a five-year period.

Staff recommended deferral on action because they would have updated information on actual values by April 4, and there was newly enacted legislation (HB 1239) approved and signed by the governor on March 22 which authorizes localities to classify certain vehicles for rate purposes that previously had not been allowed in order to address the increase in values.

Staff proposed to finalize valuations with the Commission of Revenue's assistance, analyze actual values as they relate to scenarios presented to Council, present scenarios to Council on April 5, and staff recommends moving application of penalty to May 22, to accommodate extra time needed to process the bills.

Staff and Council had a lengthy discussion on whether to remove the licensing fee and how it would affect the budget. Ms. Shugart explained that it would affect the 2022 budget if it was removed off the bill.

Ms. Dooley explained that there were 2 ways to normalize the rate: the first way was to normalize the rate across the board (business personal property, desk, computers chairs and cars) and the second way was to carve out the automobile category (cars, motorcycles, trucks etc.) and keep the other property rate steady. Majority of the Council selected option 2. Councilor Devine asked staff to be sure there were no implications by eliminating the licensing fee before bringing this back for a vote.

**Adjourned.** There being no more business to come before the Council at this time, Mayor Greenlaw declared the meeting officially adjourned at 6:40 p.m.

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Mary Katherine Greenlaw, Mayor

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Tonya B. Lacey, Clerk of Council, MMC