



COUNTY OF LOUISA

MEMORANDUM

TO: Board of Supervisors

FROM: Patricia Smith, County Attorney

DATE: July 28, 2026

RE: Process for Potential Town Annulment of Charter - **CHAPTER 37, TITLE 15.2**

Purpose

The purpose of this memorandum is to provide the Board of Supervisors with information regarding the process to follow if a town decides to annul and surrender its charter. The Board is requested to review this annulment process and direct staff regarding any actions it wishes to pursue with respect to the potential annulment of the Town of Mineral and any agreement between the Town and the Board of Supervisors regarding this matter.

Background

The Town of Mineral is considering surrendering its charter to the County of Louisa. To do so, the Town and the County must follow a detailed process requiring an agreement between the Town and the Board of Supervisors, an ordinance passed by the Town, and a special election. Under Virginia law, approval is required by local voters through a referendum ordered by the Circuit Court. Thus, the decision to allow the Town of Mineral to annul its charter ultimately rests with the voters of the Town of Mineral.

Eligibility

Virginia Code authorizes any town to surrender its charter and revert to unincorporated status.

Procedure for Initiating Action - Agreement Required (§15.2-3701)

- A. Prior to petitioning the local circuit court for the annulment of a town charter, the town council must enter into an agreement with the Board of Supervisors of the county within which the town is located.
- B. The agreement must include provisions with respect to the following actions:

1. Transfer to the county of all the revenues the town receives, the services it performs, its facilities, including real and personal property, and other assets, including all debts due to the town.
2. Assumption by the county of all existing town indebtedness, bonded or otherwise.

Action by Town Governing Body – Ordinance Required (§§15.2-3702 and 15.2-3703)

After the required agreement has been reached, the town council may, by ordinance passed by a recorded majority vote of all the members thereof, petition the circuit court for the county in which the town is located for an order requiring a **referendum** on the question of whether the town charter shall be annulled and repealed.

Notice of motion, Service, and Publication; Docketing by Town (§15.2-3703)

Upon adoption of the ordinance, the town must also serve notice on the attorney for the Commonwealth, or on the county attorney, and on the chairman of the governing body of the county in which the town is located that it will, on a given day, not less than (30) thirty days thereafter, move the circuit court for an order as provided by § 15.2-3702. A copy of the notice and ordinance, or a descriptive summary of the notice and ordinance and a reference to the place within the town where copies of the notice and ordinance may be examined, shall be published at least once a week for four successive weeks in a newspaper having general circulation in the town. The proof of service or certificate of service of the notice and ordinance shall be returned after service to the clerk of the circuit court. When the publication of the notice and ordinance is completed, the case shall be docketed for entry of the referendum order. Certification of the owner, editor, or manager of the newspaper publishing the notice and ordinance shall be proof of publication.

Election Procedures – (§15.2-3704)

After publication of the notice and ordinance is completed, the circuit court shall by order in accordance with §24.2-684, require the regular election officers of the county in which the town is located to open the polls on the day fixed in the order and take sense of the qualified voters of the town on the question submitted (below). The regular election officers, at the time designated in the order, shall open the polls at the various voting places in the town and conduct the election in a manner provided by general law for other elections.

The ballots used shall be printed on and shall contain the following language: "Shall the charter for the Town of _____ be annulled and repealed? [] Yes [] No

Special election is required by Virginia law - Times for Special Elections (§ 24.2-682)

The following provisions govern the times for holding special elections:

- Every special election shall be held on a Tuesday.

- No special election shall be held within 55 days prior to a general or primary election.
- No special election shall be held on the same day as a primary election. A special election may be held on the same day as a general election.
- A referendum election shall be ordered at least 81 days prior to the date for which the referendum election is called.

How referendum elections are called and held, and the results ascertained and certified (§24.2-684)

- Whenever any question is to be submitted to the voters of any county, city, town, or other local subdivision, the referendum shall in every case be held pursuant to a court order as provided in this section.
- The court order calling a referendum shall state the question to appear on the ballot in plain English as that term is defined in § 24.2-687.
- The order shall be entered and the election held within a reasonable period of time subsequent to the receipt of the request for the referendum if the request is found to be in proper order. The court order shall set the date for the referendum in conformity with the requirements of § 24.2-682.
- A copy of the court order calling for a referendum shall be sent immediately to the State Board by the clerk of the court in which the order was issued.
- The ballots shall be printed, marked, and counted and returns made and canvassed as in other elections. The results shall be certified by the secretary of the appropriate electoral board to the State Board, to the court ordering the election, and to such other authority as may be proper to accomplish the purpose of the election.

Election Results (§15.2-3705)

If the report of the secretary of the electoral board shows that a majority of the qualified voters of the town voting on the question submitted are in favor of the annulment, the judge shall enter such fact of record and shall notify the secretary of the Commonwealth, and the annulment shall become effective on January 1 of the year following the year in which the order entering such fact of record is issued, unless the town and county jointly petition the court to order the annulment on any other mutually agreed date.

Effect of Annulment

A. Town Charter – Annulment of Surrendered Charter (§15.2-3706) Upon the effective date of the annulment, the corporate body of the town is dissolved, and the charter of the town is surrendered. The terms of the agreement between the town and county shall be binding and irrevocable in favor of the public. Compliance may be enforced.

B. Town Officials – General Effect of Annulment (§15.2-3707) Upon the effective date of annulment, the terms of office and the rights, powers, duties, and compensation of the officers, agents, and employees of the town are terminated.

C. Transfer of Property and Indebtedness(§15.2-3708) Upon the effective date of the annulment, the title of all real and personal property and responsibility for the indebtedness of the former town shall pass to the affected county.

D. Special Debt District (§15.2-3709) If provided in the agreement required by section 15.2-3701, the territory constituting the former town may be a special dept district for the purpose of repaying all or part of the existing indebtedness chargeable to the town before annulment. A special tax on real property within the special debt district shall be levied for a period not exceeding twenty years. The special tax may be different from and in addition to the general tax rate throughout the entire county in which the town was located.

E. Town Records and Documents (§15.2-3709) All records of the former town shall pass to and be held by the county in which the town was located which shall be responsible for the preservation, maintenance, and custody of these records and documents.

F. Effect on Pending Suits (§15.2-3711)

1. If at the time of annulment there are any pending actions or proceedings by or against the town, or if after the effective date of annulment an action or proceeding out of a cause of action which arose prior to the time of annulment, which but for the annulment would have been by or against the town, is instituted, the county in which the town was located shall be substituted in place thereof and the proceeding may be perfected to judgment.

2. If provided for in the agreement between the town and the county, a judgment against the county resulting from a pending judicial proceeding may be paid by the special debt district created pursuant to §15.2-3709.

G. Request by County to State Legislator Representative – Repeal of Charter (§ 15.2-371)

After a town charter has been annulled in accordance with this chapter, the local governing body of the county in which the town was located shall make a request to a state legislator representing that county that the General Assembly repeal the town charter at the next legislative session.