

Virginia: At the continued meeting of the Council of the Town of Chilhowie held at the Municipal Building, April 28, 2020 at 7:00 p.m.

Present: Honorable Gary L. Heninger, Mayor presiding; Councilors Donna S. Blevins, Billy L. Clear, Alan W. Counts, F. Brent Foster and Lewis W. Shortt, Jr.

Absent: Councilwoman Emily Dungan.

Also Present: Mr. John E.B. Clark, Jr., Town Manager; Mrs. Marlene L. Henderson, Clerk-Treasurer, MMC; Messrs. Jay Keen, Director Public Works; Stephen W. Price, Police Chief; C. David Haynes, Fire/EMS Chief; C. Randy Sturgill, Building Official and Ron Cahill, Recreation/Special Events Coordinator.

The meeting was held in the Community Room in order to practice Social Distancing due to the COVID-19 Virus. Council members, Town Manager, Clerk-Treasurer and Staff were in attendance.

Councilwoman Emily Dungan listened to the meeting via teleconference.

- Discussion of Preparation of the 2020-2021 Budget – John Clark, Town Manager and Marlene Henderson, Clerk-Treasurer, reviewed the revenues with Council and staff. A \$5,000 increase in Real Estate Taxes is expected due to property reassessment. Bank Stock Tax is expected to decrease by \$1,500 due to the closing of SunTrust. Cigarette Tax is expected to decrease by \$3,000. Lodging Tax is expected to increase by \$6,000 due to the renovation of Motel 6. Meals Tax is expected to decrease due to the COVID-19 virus. Credit card fees are expected to increase by \$700 and Garbage Fees are expected to increase by \$3,858. Sales Tax is also expected to increase by \$2,600.

Steve Price, Chief of Police, reported the Police Grants such as DMV, Byrnes and the BVP grants are expected to remain the same as the current Fiscal Year. Randy Sturgill, Building Inspector reported Building Inspection Fees are based on work done within the Town limits. Ron Cahill, Recreation/Special Event Coordinator, reported Recreation Fees are registration fees paid to participate in Recreation Sports.

John Clark reviewed the Water and Sewer Rates and compared the rates to the Draper Aden Water Rate Study. David Haynes, Fire/EMS Chief, reported the EMS billing is very successful and expects an increase of \$30,000 in EMS billing due to the increase in call volume. Aid to Locality funds my increase and the Fire/EMS Department has requested an increase of funds from the Smyth County Board of Supervisors.

Department Heads and Staff reviewed the expenditures with Council. Health Insurance will increase by 5%. E-911 support was also discussed. Community Development remains the same except \$1,000 in funds for Southwest Virginia funds were cut and allocated to the

Library. The Building Inspection Department requests the purchase of a new truck to be amortized over three years and split between the Building Inspection Department and Fire Department. Recreation Sports expenditures increased by \$5,000 for the replacement of Recreation Cheerleading uniforms. Wellness and Parks Capital Outlay is in the amount of \$20,000. Building and Grounds Capital Outlay is in the amount of \$57,300.

The Police Department requests a 2021 Ford Explorer for \$989 per month as a lease from Enterprise to replace a 2012 Caprice, which is currently used as a spare vehicle. Virginia Department of Transportation expenditures includes \$14,400 for 20% of the estimated engineering cost of \$70,000 for the East Lee Highway Sidewalk Project II.

Under Water Expenditures \$2,400 is budgeted to purchase three handheld meter reading devices. Water Capital Outlay expenditure is in the amount of \$54,000. Also, under Water Expenditures Washington County Service Authority holds an agreement with the Town to set aside \$50,000 for future repairs for the Water Treatment Plant and Rural Development requires \$10,174 to be set aside. Sewer Expenditures includes \$10,000 for the 20% match for a grant from the Department of Environmental Quality for an I&I Study. Sewer Capital Outlay expenditure is in the amount of \$56,500. Public Works Department requested the purchase of a dump truck and trailer. The requested dump truck would be split between Building and Grounds and Water Capital Outlay whereas the Eight Ton Trailer would be split between Water Capital Outlay and Sewer Capital Outlay.

Fire and EMS Expenditure for Fire Fighting Operations is expected to increase by \$3,506 and EMS Operations is expected to increase by \$7,275 due to the increase of call volume. Capital Outlay for Firefighting is in the amount of \$25,518. Debt Service is estimated at \$14,500 for the fifth year of a loan for gas meters and boats. The Fire and EMS Department requested the purchase of a vehicle be budgeted under Firefighting Capital Outlay for the Fire Marshall.

Department Heads and Staff answered all questions presented by Council while discussing the proposed 2020-2021 Budget. After much discussion Council suggested to postpone water and sewer rate increase until January 1, 2021. Concerning personnel cost of living increases and merit increase Council suggests awarding any employee making less than \$14.42 per hour be awarded a 2% cost of living increase July 1, 2020 and hold all raises for employees making more than \$14.42 per hour until January 1, 2021. Council also suggested to cut \$20,000 for paving, \$8,800 for fishing pier from the Building and Grounds Capital Outlay and cut \$15,000 for playground equipment from the Wellness and Parks Capital Outlay.

Motion by Brent Foster, second by Lewis Shortt Council makes changes mentioned above to the proposed 2020-2021 Budget. The motion was approved with following recorded vote:

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| Donna Blevins | Aye | Bill Clear | Aye |
| Alan Counts | Aye | Emily Dungan | Absent |
| Lewis Shortt | Aye | Brent Foster | Aye |

- Any Other Council Business – Marlene Henderson reported due to the Class of 2020 not being able to hold a Graduation Ceremony due to the COVID-19 virus outbreak tee shirts honoring the graduating class can be purchased for \$15 each.

Mayor Heninger reported he had been approached to place a banner congratulating the Class of 2020 along with smaller signs of the Seniors who are graduating be placed at the Lucas B. Dowell Memorial Park.

Motion by Lewis Shortt, second by Donna Blevins Council will allow the placement of a congratulation banner and smaller signs of graduating Seniors at the Lucas B. Dowell Memorial Park. The motion was approved with following recorded vote:

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| Donna Blevins | Aye | Bill Clear | Aye |
| Alan Counts | Aye | Emily Dungan | Absent |
| Lewis Shortt | Aye | Brent Foster | Aye |

Motion by Donna Blevins, second by Alan Counts Council adjourns this meeting at 9:00 p.m. The motion was approved with following recorded vote:

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| Donna Blevins | Aye | Bill Clear | Aye |
| Alan Counts | Aye | Emily Dungan | Absent |
| Lewis Shortt | Aye | Brent Foster | Aye |

Gary L. Heninger Mayor

Marlene L. Henderson, MMC Clerk