

**Council Minutes
Workshop Meeting
April 27, 2015 – 6:30 p.m. – 502 Front Street E, Coeburn, VA**

Attendees: Upon a roll call vote all Council members were present. Scott Brooks – Chief of Police, Christy McCoy – Clerk/Treasurer, Russell Mullins – Town Manager, and William Sturgill – Town Attorney were also present.

Call to Order: Mayor Jeff Kiser called the meeting to order.

Joe Still gave the invocation. The group remained standing for the Pledge of Allegiance.

Public Expression:

Teresa Hileman, Coeburn, expressed concern regarding the issuance of a business license to David Rasnick whom applied several weeks ago. Mr. Rasnick was unable to get any water hookups for the building until he was sure the business license would be approved. Town Manager Mullins informed Ms. Hileman that Mr. Rasnick failed to sign the application. The application would be approved upon his signature.

Justin Hamm, 110 Litchfield St, Apt. B-107 reported that he continued to have water discoloration. He also commented on opening the municipal pool. He asked Council why they were considering opening the pool considering that it had lost money in the past.

There being no further public comment, public expression was closed.

Approval of Agenda:

Jeff Kiser asked Council to add two additional items to the agenda. He asked to add Jack Kennedy to conduct a presentation regarding the 25th Anniversary of the Guest River Gorge. He also asked to add Art Mead, Weldon Cooper Center, to the agenda regarding the discussion of the proposed budget. Jeff Kiser made a motion to add item I a. for the Guest River Gorge presentation and item I b. for Mr. Art Meade to discuss the budget proposal. Deventae Mooney seconded the motion, which resulted in all Ayes.

Jeff Kiser made a motion to accept the agenda as amended. Sharon Still seconded the motion which resulted in all Ayes.

Reports:

I.

- A. Jack Kennedy – Guest River Gorge – Mr. Jack Kennedy was present to give a presentation regarding the 25th Anniversary of the Guest River Gorge. Wise County has been working with the Virginia Department of Transportation in an effort to develop tourism for the Guest River Gorge. There will be signs promoting and informing citizens about the Gorge and what it has to offer. There are several things that are being proposed to promote the Gorge. There will be a run, hike, and walk held Saturday, June 27, 2015. Mr. Kennedy asked for Council's support in the endeavor.
- B. Art Mead, Weldon Cooper Center – FY16 Budget Proposal – Mr. Art Mead was present to give a brief review of the proposed FY16 budget. Mr. Mead had some areas of concern regarding some revenue items within both funds. Mr. Mead asked the town manager if there were any funds set aside for rolling stock or equipment replacement within the budget. Mr. Mullins stated that he did not include any equipment replacements or rolling stock in the proposal. Mr. Mead advised Council to recognize the amount of accounts payable that will be remaining or due as of July 1. He stated that this could greatly affect the cash flow for the budget that is proposed. Mr. Mead asked the town manager to look at the proposed real estate revenue figure. He stated that the town manager made the assumption that there would be a 100% collection rate. Mr. Mullins said that he could adjust the revenue number to reflect a lower collection rate. Meals tax was also an item of concern. He also recognized some items in the utility fund as a potential short fall. He stated that he was not comfortable with the estimated sewer revenue that was presented within the budget. Jess Powers asked Mr. Mead who gave the approval for the work being done on the town's budget. Mr. Mead informed Mr. Powers that he was approved to do a public works study and when he began the study he saw an emergency situation with the towns current budget and the upcoming budget process. He stated that he felt as if that was the item that needed immediate attention so he began to work with the town manager and treasurer. Jess Powers stated that there was never a motion to allow Mr. Mead to work on the budget. He stated that no one approved it and there was no motion made. He reminded Council that he had been working on the budget and there had been no objections. He stated that he contributed his time free of charge to help the town. He gave Mr. Powers his supervisors name to address any concerns the he may have had. Jeff Kiser thanked Mr. Mead for all of his work that he has contributed to the town.

Town Manager

Town Manager Mullins reported that he was scheduled to participate in a teleconference at Heartwood in Abingdon, VA. The teleconference would be in

reference to the Southwest Virginia Craft Summit. SWVA will be trying to market local farming and would also be discussing micro-breweries. He reported spending the majority of his time working on the budget proposal.

Public Works

Danny Jordan, Public Works Director reported that the public works department continued working on water leaks and repairs. Mr. Mullins reported a 14 – 18% water loss. Mayor Kiser asked how the percentage was based. Mr. Mullins explained that the water treatment plant determined how much was produced at the plant. The water loss rate is based off of a report that is submitted to the state on a regular basis. The report is included in the Council's packets each month.

Ms. Still asked if he had worked on the Litchfield waterline and if there were any cost proposals. Mr. Jordan advised Council that he ordered the parts to complete the job and he would give them the cost breakdown at the next meeting.

Treasurer

Clerk/Treasurer, Christy McCoy presented Council with minutes from the April 13, 2015 regular meeting and the April 20, 2015, special called meeting. She presented the accounts payable due in the amount of \$47,168.33. Also presented was the interim accounts payable report in the amount of \$51,040.37. Ms. McCoy reported that after the outstanding checks and the accounts payable were taken into consideration, there was a negative cash balance in the amount of \$(57,505.88). Ms. McCoy advised Council of forfeiture funds that the police department received during the month of April. The funds would be used for equipment purchases for the police department that were specified when applying for the forfeiture money.

Police Report

Police Chief, Scott Brooks reviewed the police department's receipt of grants and forfeiture funds. He reported working with the town manager on the FY16 budget.

Volunteer Fire Department

There was no report given by the fire department. The town manager will add a list of fire department officers to be approved at the next regularly scheduled meeting.

Attorney Report

The attorney did not have any updates to report.

Farmers Market

Ms. Shirley Cassidy was not present to give a report. Mr. Powers informed Council that Ms. Cassidy was working with the state to get approval to accept EBT cards.

The town manager reported that the first Cruise-In was scheduled for May 2, 2015 and every 1st and 3rd Saturday of each month following. The road closure permit lists the beginning time at 4:30 p.m. and ending at 11:00 p.m. The town manager was trying to coordinate the Fourth of July celebration with the Cruise-In and the Farmers Market. He also informed Council that a 5K Run would be held at Ringley Park on May 2, 2015.

New Business

- a. Commonwealth Transportation Board Public Hearing will be held May 4, 2015. The public hearing will give citizens the opportunity to review and provide comments on projects and programs to be included in the Fiscal Year 2016-2021 Six-Year Improvement Program. The meeting will be held on Monday, May 4, 2015 at the Southwest Virginia Higher Education Center in Abingdon, VA.
- b. Airport Report – Mr. Donnie Rose requested that Council receive a copy of the Cumberland's Airport Commission Meeting Report.

Old Business

- a. Proposed Revenue Increases – Town Manager Mullins stated that the information he intended on reviewing was discussed during the recessed meeting and during Mr. Art Mead's budget review.
- b. FY 2016 Budget Process – The town manager reviewed the cuts that were made to the proposed budget. As requested by Council, he added the pool expense and revenue figures back into the budget. Upon reviewing the parks and recreation expenses, Ms. Still asked if there was a profit/loss statement for the pool. She stated that Council could make a more informative decision by having that information. Ms. McCoy will provide the documentation to Council at the next regularly scheduled meeting. The town manager estimated a \$2,000-\$5,000 loss at the pool for the upcoming budget year. The updated recommended budget presented changes in the general fund. The total general fund budget presented was \$1,207,441 and the utility fund was unchanged. Vice Mayor Still asked why there was \$13,000 allocated to bonuses & allowances. Mr. Mullins explained that he included the bonuses because unless Council specifically allocated it in the budget, they could not be paid out, regardless of whether the funds were available or not. Ms. Still stated that she was concerned about some of the revenue line items. She stated that she was not sure that the town would be able to meet some of the numbers that were presented in the budget proposal. She asked that the coal severance line item be decreased. Ms. McCoy proposed running the budget to actual reports again to get a more accurate picture of what the town had received year to date. Council also

discussed restaurants that are past due on meals tax payments. Mayor Kiser asked the town manager what the numbers were based on for the water and sewer revenue increases. The town manager informed the Mayor that he based his number off of the lowest billing month of the year. Mayor Kiser asked that the treasurer and town manager review the actual billing numbers and present them to Council as soon as possible. He asked the town manager and treasurer to review the budget numbers again for accuracy. He asked that each member of Council receive an updated hard copy of the amended proposal anytime a revision is done.

- c. Resolution #15-003 Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions – The attorney advised Council that this was a standard resolution that must be passed in accordance with 2012 legislation set by the state. Resolution #15-003 is the last percentage of the increase. At this point, the resolution was a formality and is due by June 30, 2015. The item will be added to the agenda to be voted on at the next regularly scheduled meeting.

Council Comments and Concerns:

Veronica Buchanan would like to see the town contribute 1% to reserves. She stated that if there was money for bonuses then there should be money for reserves.

Sharon Still thanked everyone for coming out to the meeting. She thanked the police department for the contributions that they have made toward expenses from their restitution fund. She thanked all departments for the work that they do for the town.

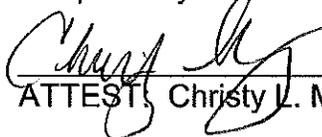
Mayor Kiser stated that he felt like the budget was moving forward successfully. He was aware that Council is asking citizens to pay more and therefore, he asked all departments to cut expenses as far as possible. He thanked all departments for their hard work and contributions to the town.

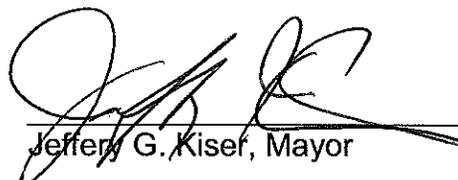
There was no Council comments or concerns.

Adjournment:

Veronica Buchanan made a motion to adjourn the meeting. Deventae Mooney seconded the motion which resulted in all Ayes.

Respectfully Submitted,


ATTEST, Christy L. McCoy, Clerk


Jeffrey G. Kiser, Mayor