Council Minutes
Recessed Meeting
May 18, 2015 – 6:30 p.m. – 502 Front Street E, Coeburn, VA

Attendees: Council members present were Veronica Buchanan, Jeff Kiser, Deventae Mooney, Sharon Still, and Jess Powers. 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 reconvened the regular meeting from May 11, 2015.

Business

I. FY16 Budget - Town Manager Mullins reviewed the updated FY16 Budget. All VRS and health insurance premiums were updated. He also reviewed changes that were made to the revenue in the general fund and utility fund. He reported a balanced budget in the general fund in the amount of $1,182,815.00 He also reported a balanced budget in the water fund in the amount of $1,298,741.00. Ms. Still asked about the county paying the line of duty premium. The town manager stated that he would talk to Wise County about getting reimbursed for the Line of Duty Act. Mayor Kiser asked about the workers compensation insurance. He asked if the numbers were accurate for the FY16 policy. Mr. Mullins stated that he didn't receive any communications regarding an increase. Ms. Still asked why the capital outlay line item was budgeted at 0. Mr. Mullins stated that all stone and asphalt would be allocated to the water fund because he wasn't planning on street repairs. He only intended on repairing water lines. Mayor Kiser asked why the reserve varied so much from the original budget proposal. Mr. Mullins informed Council that the change was due to VRS and health insurance premiums. Mayor Kiser clarified that the budget was 15% water, $1 sanitation and $.05/100 increase on real estate. He asked if Mr. Mullins was sure that these were the numbers that the town needed. Mayor Kiser also asked the public works director if he reviewed the numbers that were being presented. Danny Jordan, Public Works Director stated that he was comfortable with the numbers. All supplies were figured at on an "as needed" basis.

Mr. Jess Powers asked what the current deficit was. Ms. McCoy reported a negative $56,000. Mayor Kiser asked how the FY16 budget proposal was taking care of the deficit. Mr. Mullins replied that the budget presented was only covering FY16 revenue and expenses. In order to take care of the deficit Council would need a larger increase. Mr. D. Mooney asked how the town would ever catch up if the budget doesn't have enough of an increase to make up what we are already behind. Mr. Mullins stated that there would possibly be additional sewer connections that would provide some additional revenue. Mayor Kiser stated that the town could not depend on that income for the FY16 budget

because there wasn't a predetermined completion date. He was also concerned about the coal severance tax proposal. Council asked him to reduce the coal severance tax further.

Mayor Kiser asked about publicly advertising the FY16 budget. The town attorney stated the requirements for the advertisement. He explained that the process takes approximately 2 1/2 weeks because the notice of public hearing has to be advertised for 7 days, the public hearing must be held and next there is a required 7 day waiting period prior to the vote. To pass the budget with the tax increase would require a 2/3 vote of Council. Mr. Sturgill informed Council that according to the VA State Code the budget had to be passed by June 30. He advised setting a goal to have everything in place and ready to vote on by June 8. The mayor asked how quickly the town manager and treasurer could get together and present a new budget showing additional increases and revenue adjustments that were discussed. They could both have the budget ready to present on May 19, 2015. The town attorney suggested advertising a public hearing for June 1, 2015 and to vote on the budget and tax increase June 8, 2015. Ms. Still suggested reconvening the meeting until May 20, 2015 at noon in order to review the revised budget and vote for the date to hold the public hearing.

Jeff Kiser made a motion to recess the meeting until Wednesday, May 20, 2015 at noon. Deventae Mooney seconded the motion which resulted in all Ayes.

The meeting will reconvene Wednesday, May 20, 2015 at 12:00 p.m.

Respectfully Submitted,

ATTEST: Christy L. McCoy, Clerk

Jeffery G. Kiser, Mayor