

**Council Minutes  
Recessed Meeting  
May 20, 2015 – 12:00 p.m. – 502 Front Street E, Coeburn, VA**

**Attendees:** Council members present were Veronica Buchanan, Jeff Kiser, Deventae Mooney and Sharon Still. Christy McCoy – Clerk/Treasurer and Russell Mullins, Town Manager were also present.

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

**Business**

- I. Public Hearing: Town Manager Mullins presented Council with four (4) different budget options. He explained each budget that was proposed and the differences between the four of them. Option #1 that was presented proposed a 20% increase in utilities, \$1.00 increase in trash collection fees and a \$.20/100 real estate tax rate. Option #2 proposed a 20% increase in utilities, \$1.00 increase in trash collection fees and a \$.22/100 real estate tax rate. Option #3 proposed a 20% increase in utilities, \$1.00 increase in trash collection fees, \$.22/100 real estate tax rate and \$.44/100 personal property tax rate. Option #4 proposed a 20% increase in utilities, \$1.00 increase in trash collection fees, \$.24/100 real estate rate and a \$.49/100 personal property rate. The town manager suggested budget option #1 in order to be able to break even in the general fund and have a potential \$58,797 reserve in the utility fund. The town manager explained that the expenses were based off of necessary spending. If any equipment or major repairs were needed, there could possibly be a deficit within the budget. Council agreed that options #3 and #4 proposed too many rate increases. Council didn't want to raise personal property taxes. Council agreed that the town needed to increase rates in order to meet the expenses proposed within the FY16 budget and have potential reserves within the general fund and the utility fund. Council discussed the deficit that the town will be facing July 1, 2015. They asked if proposal #1 would pull the town out of the deficit that it would be facing July 1. Mr. Mullins explained that proposal #1 would only cover the anticipated FY16 budget expenses. Vice Mayor S. Still reviewed the current rate comparisons of local towns that compared in size to the Town of Coeburn. She stated that upon reviewing the rates, the town would still fall below towns that were comparable in size. Ms. Buchanan asked that we keep potential industries and business owners in mind when discussing tax rate increases. She stated that this could potentially be a determining factor for businesses locating within the Town of Coeburn. Ms. Still was concerned about being too conservative with the increase and ending up in the same position next budget cycle. Mayor Kiser asked for a 5 minute recess. Upon resuming the meeting, the town manager suggested holding two separate public hearings for the increases. One public hearing for the real estate tax increase and one public

hearing for the budget. Jeff Kiser made a motion for the real estate increase to be advertised at \$.22/100. Deventae Mooney seconded the motion. A roll call vote resulted as follows: V. Buchanan – Aye, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, J. Powers – Absent.

Jeff Kiser made a motion for the utility (water) to be published with a 20% increase, taking into account the increases for sewer. Mr. Mullins instructed Mayor Kiser that he only needed a motion and vote to set a public hearing for budget proposal #2.

Jeff Kiser made a motion to publish budget option #2 to advertise a 20% utility increase and a \$1.00 garbage fee increase. Upon discussion Jeff Kiser rescinded the original motion.

Jeff Kiser made a motion to hold a public hearing on June 1, 2015 at 6:30 p.m. for a June 8<sup>th</sup> vote to advertise an increase in real estate tax to \$.22/100. Deventae Mooney seconded the motion. A roll call vote resulted as follows: V. Buchanan – Aye, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, J. Powers – Absent.

Jeff Kiser made a motion to hold a public hearing on June 1, 2015 at 7:00 p.m. to advertise budget option #2 at 7:00 p.m. Deventae Mooney seconded. A roll call vote resulted as follows: V. Buchanan – Aye, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, J. Powers – Absent.

### **Council Comments and Concerns:**

Veronica Buchanan is concerned with hitting people all at once with all the increases. She didn't like utilities being raised 20% and she doesn't like raising the taxes so much. She stated that she didn't think all avenues have been explored to get additional revenue.

Deventae Mooney stated that when he ran for Council he assured people that taxes would only be raised if needed. He stated that for the betterment of the town he feels like the only way to pull the town out of the deficit is through rate increases.

Sharon Still stated that she didn't want to increase rates but the only way to save the town is to increase rates. She stated that she hoped the deficit would disappear in the future and that the outlook of the town will improve. She stated that the increase was needed in order to maintain the town properly. She announced that there was a VFW memorial service at noon in the Greenwood Cemetery on Memorial Day. She invited everyone to attend.

Jeff Kiser stated that the tax increase and rate increases were very difficult for everyone. Unfortunately the town had not proposed or imposed an increase in a number of years. He has looked into other options and couldn't see any other way. He stated that he hoped by the end of the year the town will be caught up and get bills paid

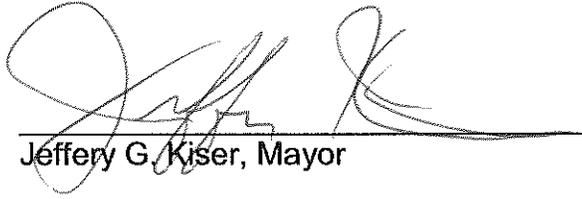
on a normal basis. He realized that increases were steep but they put the town in line with other communities. His fear is that if Council doesn't do something then the state could mandate increases in rates without any regards for citizens.

**Adjourn:**

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

Respectfully Submitted,

  
ATTEST: Christy L. McCoy, Clerk

  
Jeffery G. Kiser, Mayor