

## **Narrows Town Council Meeting December 13, 2021**

Mayor Tom Spangler called the meeting to order. Council Members present were Clyde Turner, Sara Bowles, John Mills, and Joe Goorskey. Councilman George Conley was absent.

Staff members present were John Davis, Susan Kidd, Cindy Laws, Benji Ratcliffe, and Debbie Thomas.

Attorney Mike Bedsaul was present.

Mayor Tom Spangler gave the invocation.

Council and audience recited the Pledge of Allegiance.

### **Audit Report (FY21)**

Corbin Stone from Robinson, Farmer, Cox Associates was present to give the FY21 audit report. He said the town received an unqualified (unmodified) opinion on the financial statements, which means they believe the numbers are correct. They ran into no problems with the audit and were very pleased by the organization of staff in preparing for the audit. If staff was asked for something they provided it right away. The general fund balance dropped to \$15,361 on June 30, 2021. There is revenue replacement from ARPA funds around \$183,000 for the current year so that number should go up a little bit. There was well over \$300,000 in projects last year posted to the general fund, some of which was reimbursed by grants and that led to a decline in the fund balance. There was also quite a bit of money spent last year on the splash pad. Long-term debt for governmental funds was \$408,066 and does not include any interest that was accrued. Water/sewer net position was \$1,248,993, which is depreciated value for lines in the ground, cash on hand, accounts receivable, and is offset by accounts payable or any long-term liability. Long-term debt for water-sewer was \$794,453 at the end of the year. Total debt for all funds stood at \$1,202,519. That is just principal and does not include interest. The town population as of the 2010 U.S. Census is 2,029 and debt per capita is 593, which is low. There was \$1.6 million in the bank as of June 30, 2021, and that is what matters. Around \$1 million of that was ARPA funds received from the federal government. He understands that around \$183,000 will be transferred to the general fund for revenue replacement. General property taxes are up quite a bit from last year. Other local taxes include recreation fees and that dropped off during covid. Tax assessments have increased some from FY20. The next section of the audit shows significant audit matters and other matters. They found nothing significant. There are some new accounting standards coming out that will affect future financial statements. Unfortunately, the Governmental Accounting Standards Board (GASB) came into some money a few years ago and have used that to put out a lot of accounting standards. The one that will affect the town is with leases. Right now, they only report on those if they are capital leases which means ownership will be transferred at the end of the lease. Going forward they will have to report operating leases and financial statements so the lease of the town hall will be listed in the financial statements. Instead of showing it as an operating expense they will show it as an asset and an offsetting liability. They will represent it over time as an expense. They will be sending out templates to gather that information during the next year.

Mayor Spangler thanked Corbin Stone for presenting the audit.

### **Approval of November 8<sup>th</sup> Meeting Minutes**

**Councilman Mills made a motion to approve the November 8<sup>th</sup> meeting minutes.**

**Councilman Goorskey seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

### **Consent Agenda**

### *Library Report*

Councilman Goorskey said Cindy Laws had in her report that New River Valley Community Services and the Veterans group are using the meeting room at the library. He also commented that he thought the adult paint night was very well attended.

**Councilman Mills made a motion to approve the library report. Councilman Turner seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

### *Parks & Recreation Report*

Susan Kidd said Landon Patteson is out sick and Lindsey Caudill is covering basketball games.

Councilman Goorskey said they talked about the concession stand at the last meeting and they are selling concessions tonight at the ball game. They could use some more people on the parks and rec committee.

Councilmember Bowles said they have some hopeful candidates that will be very good. They are going to send them an invite in January.

Councilman Goorskey said he does not believe he could be available to attend a lot of the parks and rec meetings, but he could be available for fundraisers. He knows that Sara Bowles had a hand in the event last night at the Farmer's Market.

Councilmember Bowles said last night was great and was very well attended. Everything was flawless. She loved seeing the parade on the same day and Lindsey Caudill having all the vendors. It was like a little Hallmark town.

Councilman Mills said he did not hear any complaints about last night except someone told him they do not have social media and it should be advertised in a different way.

Councilmember Bowles said Lindsey Caudill has spoken with Sticker Madness and hopefully next year they will have a banner to hang. She said Lindsey did a phenomenal job.

**Councilman Turner made a motion to approve the parks and rec report.**

**Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

### *Police Report*

Police Chief Ratcliffe said he is certain council is aware that Chad Stilley will be back to work next week. He would like to thank Susan Kidd (the best boss he has ever had), Mayor Spangler, and council. He told them from day one that the charges against Chad Stilley were absurd and nothing in their policy had been violated. They all stood behind him, Chad Stilley, and their department. He would also like to thank Mike Bedsaul for answering questions for him. Chris Tuck was the attorney representing Chad Stilley and did it pro bono. He was very dedicated. He would like to request that council do a letter to Chris Tuck and thank him for what he did for the town.

Councilman Mills said he believed the least they could do was a letter.

**Councilman Mills made a motion to approve the police report. Councilman Goorskey seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

*Financial Report/Treasurer's Report*

**Councilman Turner made a motion to approve the financial report/treasurer's report. Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

*Director of Strategic Development's Report*

Mayor Spangler said he hopes a letter will be sent to the software company concerning all the trouble that was encountered.

Susan Kidd said she and Debbie Thomas will sit down after Christmas and do a letter to them.

Councilman Mills asked where they were with the problem they had with the outfitter building. Has anything been resolved?

Susan Kidd said no. The county is asking the town to involve DCR (Department of Conservation and Recreation) now and they are not comfortable doing that yet. There are a couple other options they are looking at concerning the floodplain.

Councilman Mills said there are ways they can comply. He believes Hill Studio should be responsible because they did the design for the building. They need the proper documents.

Councilman Goorskey said the building permit would be denied because the design is not sufficient. If it calls for a redesign the construction cost will probably go up. They need to review the contract with Hill Studio and see what they should have provided to the town.

Councilman Mills said he agrees with being cooperative, but Hill Studio needs to do their job because they are receiving the money to do so. Mike Bedsaul will look at the contract, see what Hill Studio should have provided, and get back with the town on his findings.

**Councilman Goorskey made a motion to approve the director of strategic development's report. Councilman Mills seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

*Public Works Director's Report*

Councilman Goorskey said he is happy that water loss is down to 25%.

John Davis said it could go back up next month because he believes there may be some glitches in the software.

Councilman Mills said if the water loss is not 25% next month then he will assume something is wrong.

John Davis said they have not been sending Riverview Campground a solid bill for a long time. They use a lot of water and since the last meter was installed it has not stopped turning. They have a leak on their property somewhere. They have been billed the minimum for months. This month they have used around 500,000 gallons of water. Our system is not reading that meter correctly. The water meters have been in the ground 5 or 6 years so there is probably not a lot of life left in them. The town needs new water meters.

Councilman Mills said they need a cost for new water meters and software.

Mike Bedsaul said the agreement with Mueller was that as the meters ruptured they would be replaced with a bronze-bodied meter, which is more expensive but there was no additional charge for them. The initial issue with Mueller was the software. He is not sure of the shelf life of the bronze-bodied meters. They may be replacing something that still has a lot of life.

John Davis said by the next council meeting they will have a cost analysis on new meters and software.

Councilmember Bowles thanked the town guys for putting up the Christmas lights.

**Councilman Turner made a motion to approve the public works director's report. Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

### **Communications, Concerns and Requests from the Public**

Audrey Roberts asked about the bag tax that was mentioned in the Virginian Leader. Is the town going to impose this?

Mayor Spangler said they had not discussed this but not to his knowledge.

### **Communications from Mayor and Council**

Councilman Goorskey said he and Councilman Mills attended the last PSA meeting. They continue to monitor the gallons per minute at Cascade Springs and it still seems slow. They are looking for a replacement for the portable water plants they have but he does not see any movement in that direction any time soon.

Mayor Spangler said last month they briefly mentioned bringing back PINN (Progress in Narrows Now) and he spoke with a lady yesterday that said she would be thrilled to be a part of that in whatever capacity she could.

Councilmember Bowles said she put something out on Facebook about starting PINN back up and had an overwhelming response. She would like to see something started by spring.

Susan Kidd said PINN could be their own group and the town could still be in some of the projects they do.

Mike Bedsaul said he would like to give an update on Fire Recovery USA. There was a resolution with the fire department and Fire Recovery USA. He reviewed it and some council members were concerned with the language. What council wanted to make sure was that the collection action or recovery of any expense the fire department had providing some type of emergency service be limited to whatever insurance coverage the property owner had. A lot of people may not even realize they have this type of coverage on their homeowner's policy. With those concerns in mind, he did review the agreement on behalf of the fire department and made some changes to the agreement, and they are as follow:

*The company (Fire Recovery USA) will not begin litigation or other collection actions, including submission of the claim, to a collection agency without the prior written approval of the client (Narrows Volunteer Fire Department). Under no circumstances shall company bill victims of incidents or insurers where insurance companies denied the claim. Furthermore, company shall not bill any victim or insured above the limits of the victim's or insured's coverage for the services provided by client. If the victim or insured does not have insurance coverage for the services provided by the client, the company will not bill the victim or insured. Billing shall only be sent to the victim's or insured's insurance company, not to the victim or insured directly.*

Mike Bedsaul said he sent the changes to Jon Butler and wants to know if council has anything else to add/change?

Councilman Mills said Mike Bedsaul did what they wanted but wants him to make sure to look at the updated agreement when it comes back.

### **New Business**

Susan Kidd said Carolyn Kirby is being recommended to serve on the Planning Commission.

**Councilman Mills made a motion to appointing Carolyn Kirby to the Planning Commission. Councilmember Bowles seconded the motion.**

**Ayes: Bowles, Mills, and Goorskey**

**Abstain: Turner**

**Nays: None**

**Motion Carried 3-0**

### **Unfinished Business**

Susan Kidd said she had not heard back from Bobby Lucas as to whether he wanted to serve on the New River Valley Regional Commission.

### **Matters for Consideration by Council**

Mike Bedsaul said he has been speaking to Susan Kidd and Rhonda Brown on the business license tax ordinance for the town and it seems it has not been updated in some time. He was asked to review it to see if any updates need to be made and this would also be a good time for council to make any rate changes. Council has a copy of the rates as provided in the town code and the rates provided by the Virginia code. A lot of the rates are the same, but you cannot charge a rate higher than the Virginia code. Some of the town's rates are on the low end.

Susan Kidd said the application and rates go out to businesses in January and must be returned by March 30<sup>th</sup>. The rates need to be updated before the applications are mailed. There will have to be a public hearing if any changes are made.

Mike Bedsaul said a public hearing only needs to be held if the tax is increasing or a new tax is adopted.

Councilman Mills said a public hearing needs to be held if a fee is being increased.

Mike Bedsaul said he would recommend publishing a notice of the public hearing for 2 successive weeks prior to the public hearing.

Susan Kidd asked if the town code would also need to be amended?

Mike Bedsaul said the rates are set in the ordinance so amendments would need to be made to the ordinance itself, not just a rate sheet.

Councilman Goorskey asked Mike Bedsaul if he had a recommendation on rate changes, what the effect on revenue would be, and how many people would be affected?

Susan Kidd said the rates as they stand now could be adequate but could be higher. She is not suggesting an increase but letting council know they could be increased.

Mayor Spangler said the cost for paperwork has increased but the rates have not.

Councilman Goorskey said he was not implying that Susan Kidd thought the rates should be increased. He wanted to know if the town was deficient somewhere.

Susan Kidd said Rhonda Brown has been working on this and they both believe it needs to be cleaned up.

Mike Bedsaul said they have spoken of changing the application.

Councilman Mills said they can advertise for the maximum but can go the other way.

Mayor Spangler said he is afraid if the maximum is advertised there will not be room enough to seat everyone at the public hearing. He believes they have no inclination of going to the highest rate.

Mike Bedsaul said they need to look at the rates currently in the town code and what is in the Virginia code. Some of the rates may be the same. He believes Rhonda Brown has checked with some other jurisdictions to compare to what Narrows has.

Councilmember Bowles said she is on the fence about this. If she were a business, she would not want to see the rates go up. This could also be revenue that is needed.

Councilman Goorskey said they could wait another year to do this.

Susan Kidd said they could draft something to clean up the ordinance and keep the rates the same.

Susan Kidd said the town has given \$200 in the past to the VFW Auxiliary to help with Veteran's bag.

Councilman Goorskey said he is not objected to donating \$200 again.

Mayor Spangler said they raised money to help with the Christmas luncheon so the \$504 that was allocated did not have to be used. He would like to see \$500 given to the VFW Auxiliary.

**Councilman Mills made a motion to donate \$500 to the VFW Auxiliary to help with Veteran's bags. Councilman Goorskey seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

Susan Kidd said she received an email from Chris McKlarney concerning refinancing with Davenport. She does not know what their rates are but can find out. They have a meeting in early January and she can get Mayor Spangler to attend.

**Councilman Turner made a motion to go into executive session to discuss real property (discussion of donated property – Wheeler building) (Sec. 2.2-3711.A.3).**

**Councilman Goorskey seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

**Councilman Goorskey made a motion to return to open session. Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

### **Certification**

**WHEREAS**, the Town of Narrows, has convened an executive meeting on this date pursuant to an affirmative-recorded vote and in accordance with the provision of the Virginia Freedom of Information Act: and

**WHEREAS**, Section 2.2-3712 of the Code of Virginia requires a certification of the Town Council that such executive meeting was conducted in conformity with Virginia Law:

**NOW, THEREFORE, BE IT RESOLVED THAT THE** Town of Narrows hereby certifies that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements by Virginia Law were discussed in the executive meeting to which this certification resolution applies: and (2) only such

public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the Town Council.

**ATTEST:** \_\_\_\_\_

**Councilman Goorskey made a motion to accept the certification. Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

**Councilman Turner made a motion to adjourn. Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Mills, and Goorskey**

**Nays: None**

**Motion Carried 4-0**

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Clerk, Debbie Thomas

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Mayor, Tom Spangler