

Narrows Town Council Meeting
Budget Meeting #1
March 23, 2022

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

Staff members present were Susan Kidd, Benji Ratcliffe, and Debbie Thomas.

Mayor Spangler asked for a moment of silence for the people in Ukraine.

Council and audience recited the Pledge of Allegiance.

Mayor Spangler said next on the agenda is the discussion of advertising the town manager position. He asked if anyone had any preferences on where it should be advertised?

Susan Kidd said she checked on the VML (Virginia Municipal League) website and it can be advertised free on there and it goes all over the state.

Councilman Conley said he had a couple of ideas on this. As far as the advertisement of the job itself, it should be a requirement that the town manager currently live in town or is willing to relocate to town within a given timeframe. He thinks as far as experience and training a four-year degree is warranted or prior experience. The degree can be in business management or different topics. If someone had 10 years' experience in public service that would have an effect on the type of person they need to lead this town.

Councilman Goorskey said that is lowering the standard they already have listed. What they currently have states '10 years' experience or '5 years education'.

Susan Kidd said what they currently have is simply a draft and can be altered to what council wants and then advertised.

Councilman Mills said he applauds the fact that they need an educated professional in this job but there is a plethora of degrees that people have and stay unemployed their whole life. They can accept more than one field of study and be ok with it but when they say 'a four-year degree' he knows several plumbers that have enough experience and knowledge that would equate to the same or more than someone with a four-year degree. They are at a crossroads in Narrows and here is the way it is in life: you go forward or you go backward, you do not maintain the status quo, it does not work that way. They have a heavy responsibility being on council at this time in history. He believes that the most important first step in moving forward is hiring a competent town manager. He thinks failure to do so will do them in and he wanted to be on council to improve the lives of the people. If two years from now the town has had no movement he will no longer be on council and will let someone else try to beat the rock. Until that time, he is going to try to move the town forward. He believes they are right on the cusp and it may involve some of them getting outside of their comfort zone on some stuff but he sees huge potential here and he does not know why Narrows cannot be a Boone or Blowing Rock or somewhere like that.

Councilman Goorskey said the way he is reading the experience and training, council will be suggesting they have all of those listed not just one. They would have to have the minimum of a high school diploma and ten years of experience or substitute five years of those ten years with a degree. He does not agree that a four-year degree equals ten years of experience.

Councilman Mills said he does not agree with that either.

Councilman Goorskey said he leans more toward the experience than he does a degree. He does like to see that someone has a degree in an applicable field. Government administration is much different than any other business management out there.

Councilmember Bowles said the public service area is a pretty broad spectrum so they could argue ten-years' experience a lot of different ways. She does not think that saying

that as compared to maybe a degree in urban development would be the same: there is too much gray area.

Councilman Goorskey said they could remove 'public service area' and insert 'public administration'.

Mayor Spangler said he does not disagree with having a college education but he knows a lot of extremely qualified individuals that do not have a college education but have common sense and experience to handle the job adequately. They may limit themselves if they make it a strict requirement.

Councilmember Bowles said the verbiage could be 'preferred'. That is not saying they should not apply if they do not have a four-year degree.

Mayor Spangler said if they advertise that a four-year degree is required then someone that does not have a four-year degree will not apply.

Susan Kidd said they could advertise it as 'preferred qualifications'.

Councilman Turner said he would like to see the candidate have a minimum of an associate degree in this field instead of making it a minimum of a high school diploma.

Councilman Conley asked Councilman Turner if he is saying advertise it as having a minimum of an associate degree but prefer a four-year degree?

Councilman Turner said yes.

Councilman Mills said he is fine with that. What about the ten-year requirement?

Mayor Spangler said he believed that was a bit much.

Councilman Mills said he does too, in a way, because he thinks some people they could attract could be up-and-comers that are smart and ambitious. There is another issue with some of these town managers/administrators. The average lifespan of one of these people is usually about 4.5 years. The nature of the job is that they move around. Any way they cut this there are going to be pros and cons. If they get the proper applicant they can help hold that person to what they think they should be.

Councilman Goorskey said he feels whoever they hire is going to be jumping into the hot seat because council will expect a lot from them. They will have a lot on their plate and a lot of different departments to deal with. They all want to see good things coming from this person and the town and they hope they find someone with these talents and abilities. They also need someone that will not take three to four years to get used to the job. He wants them to step in on day one and start going to work. There is a lot that needs to be done, kept up with, and they will need to know the in's and out's of most of what they will be doing and fit their knowledge to this system and this town. He is not saying anything bad about any town employee because they have hired some people that are doing some excellent jobs but some are still young and need guidance. If the new town manager is still trying to learn the ropes themselves they may be timid to direct the employees and department heads in the way they need to and in the way council will ask them to. He believes they need someone with experience.

Councilman Mills said the best manager he has ever know is in Pearisburg (Chris McKlarney) and his philosophy is pay people the most you can pay them and expect a lot out of them. The new town manager will be expected to do a lot and do it in a hurry. Ten-years' experience is a lot of experience and if they are worth their salt and have worked ten years at any place he does not know if they will be able to be drawn away from that.

Councilman Goorskey said they could have five-years' experience and five years of education.

Councilman Mills said they are saying some combination of ten including experience and education.

Councilman Goorskey said that is correct.

Mayor Spangler said he does believe work experience needs to carry a lot of weight.

Councilman Mills said managing a local government is a wonderful experience but someone has to have the ability to understand if they do not take care of the minor things they can turn into big things.

Mayor Spangler said the job description needs to be worded so that anyone that feels they are qualified will feel the need to furnish a resume and an application. It would then be up to council to determine if their experience and education are worthy of consideration. Are there other parts of the job description that need to be added/removed/changed?

Councilman Conley said when they advertise they do not know what they will find but they have to try.

Susan Kidd said they could advertise in the Bluefield Daily Telegraph and the Roanoke Times.

Debbie Thomas said she could advertise on LinkedIn.

Mayor Spangler said he feels if someone outside of the Town of Narrows is qualified, he hates to not consider them because of that, he does not disagree with Councilman Conley's concern that the charter states the town manager has to be a resident of the town. He spoke with Susan Kidd some time ago and typically if you recruit someone outside of town you advance them a moving expense or move them to get them here. He does not know that they can afford this depending on who it is and where they are coming from.

Councilman Mills said if they find the right person they cannot afford not to. They have two choices: they can continue this deception and hire someone and call them by some other title or do the right thing and hire someone and require them to live in town as the charter demands. He has received a lot of feedback supporting the town charter and he has also held his ground about expanding service. If they limit themselves to the town limits they are not being responsible. It is a great town that has a lot of great talent but something this critical demands a larger search area. They need to put these things in the job description so the person applying for the job knows what they are getting into.

Mayor Spangler said he wanted to clarify that when he said the person would not have to reside in town he was not saying they could live in Blacksburg: they would have to be a few minutes from town.

Councilman Mills said if they take the charter away it would not matter where the person lives. The town manager would have to live in town or they could use a deceptive practice.

Councilman Goorskey said he does not want to start an argument about where the town manager should live but for him personally he does not care where they live or whether they move inside the town or not. That will not have any bearing on their ability to do the job or any effect on their willingness to do things to benefit the town or not because if they do not do their job effectively council holds the power to hold them accountable and that is their job as elected officials who live in town and set the tax rates, budgets, and decides on the spending of town funds. They must be willing to pay for this town manager and must invest heavily in this position to get a very qualified person. He would be willing to pay for them to move here if need be.

Councilman Mills said he agrees with that statement.

Councilman Conley said all council members swore to uphold the charter of this town. The charter says "the town council may appoint a chief administrative officer of the town who shall be called the town manager, fix his salary and delegate to him such administrative duties, powers, and responsibilities as it believes to be in the best interest of the town. During his tenure of office, the town manager shall reside within the town. The town manager shall serve at and during the pleasure of the town council". He does

not know how it could be any clearer. Their forefathers wrote it and the public voted not to amend or change it.

Councilman Goorskey said he is not trying to change it. They do not have to hire a town manager but if they hire someone as a town manager then they have to live in town and the town will probably have to pay to move them here. Be willing to charge taxpayers more money in order to pay for this town manager to also move to town because that is what it is going to take.

Councilman Conley said that is to be decided later. He is saying they should hire a town manager and go by the charter as it is written.

Councilman Goorskey said if it is a town manager position being hired for then that is correct. The charter does not demand hiring a town manager.

Councilman Conley said then that is deception because if it looks like a duck and quacks like a duck then it is a duck.

Councilman Goorskey said that is not even the argument here. He is fine with hiring a town manager but they will have to live here and if they cannot find a qualified individual that already lives within the town limits the person they do find will have to be paid to move here and pay them a salary they are willing to move here for.

Councilman Mills said they got a bargain with Susan Kidd but he does not believe it will happen again. They have to decide, as people elected to make these decisions, if they are going to try to get the very best that is available or are they going to settle. If they choose to settle, then in his opinion that has a domino effect on everything else they are trying to do. They need to get someone in this position that is aggressive and goes after every nickel that is out there. They already have interest in the town but the key is having a representative that can pull all of these things together.

Councilman Turner said they could put in the job description that the applicant can live in the town limits but does not have to, as long as they are doing the job that is required. Times have changed.

Mayor Spangler said if they advertise for a town manager they have to live in town so they either advertise for a town manager or for a town administrator or however they would like it worded.

Councilman Mills said they need to decide tonight which direction they are going. They may find someone that lives in Pembroke that would be perfect for the job but they cannot be hired because they do not want to live in Narrows.

Mayor Spangler asked if they were going to list a minimum and maximum salary amount in the advertisement?

Susan Kidd said Mike Bedsaul recommended they list 'dependent on qualifications'.

Councilman Conley said the charter says, "a chief administrative officer shall be the town manager". He does not know how it could be any clearer. It is time to uphold the charter and do what it says.

Councilman Mills said if that is the sentiment then they need to advertise that the town manager has to live in town within a certain period of time and they will be willing to relocate the proper person.

Councilman Conley said he has no problem in setting a minimum dollar figure on a relocation fee.

Susan Kidd said the last town manager Narrows had rented a basement in someone's home but was not really living in town. You can get around residency a lot of ways.

Councilman Conley said he still had a residence in the Town of Narrows.

Councilman Goorskey said that deception is ok but changing the title to a different position is not. That is brilliant.

Susan Kidd said sometimes you get what you ask for.

Mayor Spangler said the bottom line is they have to get the right person in this position or the town is in serious trouble. Personally, he does not care where they live, within reason, but if they live outside of the area they will have to relocate.

Councilman Goorskey said the problem kind of takes care of itself. Susan Kidd can probably tell council that if she lived farther away it would have been an inconvenience for her not to move closer. The job requires her to be here and go home at an odd hour in the evening and spend many weekends here.

Councilman Conley made a motion to hire a town manager for the Town of Narrows that is required to live within the town limits per the town charter.

Councilman Mills seconded the motion.

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

Nays: None

Motion Carried 5-0

Susan Kidd said she will develop a final draft and email it to council for approval.

Mayor Spangler said council is being asked to approve Chad Stilley driving his police car home and keeping it there because mice have been getting in his car.

Police Chief Ratcliffe said Chad Stilley lives in Blacksburg but leaves his car at Chris Reynolds' residence in Newport because he has not been allowed to take it across the county line. He is parking in the driveway and mice have built nests in it and chewed through a couple of wires. He lives at the bottom of Brush Mountain in the new subdivision and has asked if he can be allowed to drive it home where he can look after it.

Council agreed to let him take it home.

Mayor Spangler said they will now move on to the FY23 budget. The one thing that threw him off a little bit was seeing what was appropriated in the past and what is appropriated for next year and not knowing what has been spent for those line items in the current year. He is sure that is where Susan Kidd got her figures from for the FY23 budget. The biggest change to the budget is in salaries and fringe benefits. They talked about those things at their council retreat but he is old school and has a hard time wrapping his head around the salaries and hourly rates. Not to say that the employees are not worth it, but it is a big move on some of those.

Councilman Conley asked how much the salary increases were?

Susan Kidd said she went by the amounts council was given at the retreat.

Councilman Conley asked if the 8% raises were in the budget?

Susan Kidd said 8% was for salaried employees but across the board if you give everyone an 8% increase they will not even be making \$12/hour.

Councilman Conley said he does not have a problem with the first three categories, it was the ones after that he had a problem with.

Susan Kidd said her problem is that she cannot hire someone in January at \$12/hour and have their supervisor making \$13/hour because the supervisor may say they do not want to be a supervisor anymore.

Councilman Conley said he does not see any supervisor on the chart they were given making \$13/hour.

Susan Kidd said some assistant supervisors are making \$13/hour.

Councilman Mills said they may have to do an across-the-board raise. A person with a lower salary may receive what equates to a 20% raise while someone with a higher salary may only receive 4%-5%. They do not need to get too hung up on percentages.

Councilman Conley said if he did his math right, and he thinks he did, what is being proposed in the budget for wage increases for the entire year is \$142,358.

Susan Kidd said she thought it was \$125,000.

Councilman Conley said he has \$142,358. The total salaries for the year are around \$1.4 million.

Susan Kidd said if he is going by last year's salaries some people have received raises during the year when they received a new certification.

Debbie Thomas said they had to raise some employees to \$11/hour in January.

Councilman Mills said when they look at what they have to draw from if they increase real estate taxes .01¢ that only amounts to \$8,900 and on personal property \$208. To cover a portion of this proposal there will be a bloodletting. There is a method they can employ, if his information is correct, to use the federal government money for three years and cover these raises. In the interim, they can inch up taxes where the public will not be upset with council, maybe. They are going to have to do something with a lot of their staff and he does not see where they could cut enough to cover those raises. They could inch up real estate and personal property over three years and what about other taxes like cigarette tax. There is a whole plethora of taxes, they do not have to rely on just real estate. Some of the taxes they could inch up and nobody would care. Those are just some thoughts he had.

Mayor Spangler said Cindy Laws current salary is what it is on the paper and then there is a proposed amount, which is what they have in their budget. That is an 18% increase and she has been employed for two years.

Susan Kidd said those salaries are just recommendations.

Mayor Spangler said he is not saying she is not worth it, or anyone else, but how many people hold a job for two years and receive an 18% raise. He also remembered Cindy Laws did not need health insurance but she may need insurance and that is to the tune of \$2,700. Is that in addition to her salary?

Susan Kidd said yes. She did not put insurance in for her. They may start the year with ten people on a family plan and by the end of the year there are two people on a family plan.

Mayor Spangler said, in her case, if they agreed to her pay increase it would be above and beyond the 18%.

Susan Kidd said the salaries are just a draft for council to go by.

Mayor Spangler said the director/treasurer/clerk includes Susan Kidd and Debbie Thomas. The pay increase listed is 3%, which is not unrealistic, but from what he sees the manager's salary is staying the same and giving the additional amount of money to Debbie Thomas.

Susan Kidd said she used the midpoint of the salary scale she was given. She realizes those are huge increases and council can back them off but they will have to deal with it again next year.

Mayor Spangler said he understood what was being said about the pay scale and people can go somewhere else and make more money but, in all reality, if there is an employee that has been here for 'x' number of years and has roots in the town (family, home, kids in school system) if they do not get what they feel they are worth are they going to up and move.

Susan Kidd said they do not have to move. They can go work for Giles County and make \$31,000/year and have the same benefits.

Mayor Spangler said he just feels like they need to make an effort to show the employees they are appreciated and their work ethic is wanted but it is hard for him to realize how they can pay some of these increases.

Susan Kidd said she thinks the same way but is afraid if they don't they will lose people and will have to deal with it again next year.

Councilman Mills said there needs to be a healthy compromise and to try to obtain all these funds in this budget year is suicide. If they do what he suggested, and he can get Susan Kidd to check on it, it will give the town a buffer where they don't have to raise taxes all at one time they can do it over three years. Some of these folks have to have some movement in their pay and they can debate where that line is drawn and probably all agree on it. Every item in their life goes up every year so why shouldn't government have to go up. They have to pay more for stuff and town employees have to pay the same for a gallon of milk or loaf of bread as a Celanese employee does. He applauds being frugal because they are spending other people's money but if they can look people in the eye and explain why they are doing something most of them, he believes, will go along with them. They also have to consider the new town manager's salary.

Mayor Spangler asked what the length of the contract was with Taylor Hollow on the lease of the current municipal offices?

Debbie Thomas said twenty years.

Mayor Spangler said so there is approximately \$.5 million going toward the lease of this facility. If they are talking about building a new facility for the fire department and police department they could possibly build the town offices into that facility.

Councilman Conley said the revenue for the splash pad is showing \$10,000 but expenditures would be \$25,000.

Susan Kidd said she asked about splash pad revenue and Landon Patteson and Lindsey Caudill do not know about that yet because they haven't operated the splash pad for a full year.

Councilman Goorskey said the revenue for the splash pad will be up and down every year.

Councilman Conley said the rec wages went up \$10,000.

Susan Kidd said those are department requests that she inserted in the budget.

Councilman Mills said he trusts the town's staff and they try to honor their requests but if they go out on a limb and do what it takes to get the salary increases he would like council to personally talk to every employee. He does not expect undying gratitude but they will do what the right thing is and staff needs to do the right thing too. Public perception is the law. If they have four people working for the rec department and two of them are sitting around that is ugly, the same thing for public works. They could also be working like dogs and take a two-minute break and everyone drives by and sees them. The town has an exemplary staff but there is always room for improvement.

Susan Kidd said to save money council can cut positions but if they do that they can't keep getting what they are getting: expectations would have to be cut.

Mayor Spangler said with any pay increase there also needs to be the understanding of the employee that if they are receiving a raise more will be expected of them. Last year the splash pad revenue was \$10,000 and generated slightly over \$4,000. In this budget the same \$10,000 is out there so is it realistic to expect it to make \$10,000.

Susan Kidd said she believes they can market it better and revenue generated from the splash pad will mostly come from renting it in the evening.

Mayor Spangler said Landon Patteson and Lindsey Caudill both said, at best, they will break even but his concern is that how many of the revenue streams that are in the budget are possibly inflated.

Susan Kidd said normally on the budget she is conservative on revenue and inflates expenditures. The town has always had the capability to transfer from the general fund to balance the budget and in the nine years she has worked for the town they have never made a transfer and she doesn't believe they did before that.

Mayor Spangler asked what a \$25,000 miscellaneous revenue was?

Debbie Thomas said that is where revenues go that don't have a regular revenue line.

Councilman Conley asked if his salary was included in the \$2,500 for Christmas lights?

Susan Kidd said no but she will add it.

Councilman Conley asked if they were looking at a used vehicle to replace a current vehicle?

Susan Kidd said yes.

Councilman Conley asked if they sold two vehicles last year?

Susan Kidd said yes and they have a couple more to sell.

Councilman Conley asked who purchased the two vehicles?

Debbie Thomas said Jeff Perdue and Mickey Hale.

Councilman Goorskey asked Susan Kidd if she saw a route, with the tentative raises, to balance the budget with something similar to the transfer from Fund 10?

Susan Kidd said she believes they can get closer. Last year they had \$71,000 in Fund 10 to transfer and they haven't had to transfer any of that.

Councilman Goorskey asked how long the two positions have been open with public works and the utility department?

Susan Kidd said pretty much all year.

Councilman Goorskey said they may have to put off hiring those two positions because they are going to have to pay people what it will take to keep them employed with the town. He does not feel comfortable leaning on people and saying you already live here and you already have your lives adjusted to this routine and bank on them being willing not to give that up. He would rather lean on them and say the town can't hire more help right now but you will receive a raise and be expected to cover the gap. The biggest thing he doesn't see in the budget is an increase in pay in the town manager's line item and they have to budget for that.

Susan Kidd said this is the year she has been the most nervous about finances because from August to December they had to keep their eye on finances.

Councilman Goorskey said if they got in a bind and had to make that transfer they could hold back some of the ARPA money as a safeguard. They are going into a new year with a new town manager so they need to plan for some of that.

Councilman Mills told Susan Kidd he would like for she and Debbie Thomas to investigate about raising taxes over three years. In addition to that, look at the other forms of revenue.

Councilmember Bowles said she agrees with that but insurance is going up 11% so in addition a raise they have insurance too.

Councilman Mills always told his staff they had to look at their total compensation package which includes insurance, holidays, vacation, etc.

Mayor Spangler said the hourly rates do not include fringe benefits.

Susan Kidd said no.

Mayor Spangler said he is all for paying people more money, they have to, but he believes they may need to back away. If they do a reasonable raise this year and one next year it will equate to the same thing but not hit them all at once. He doesn't know how they can afford to do what is listed in the budget proposal but he hopes he is wrong.

Councilman Mills said they can't afford to short themselves, especially concerning a town manager. They need to get an executive that will lead the town in the right direction.

Mayor Spangler said he has always believed an employee's raise should be merit based. He does not believe in giving a hard worker the same raise as the other person.

Susan Kidd said the notes she puts on the budget are for council information.

Mayor Spangler said in the notes they were given, the Friends of SWVA are asking for \$5,000. What is this?

Susan Kidd said they work with tourism and are located in Abingdon.

Mayor Spangler said they don't need to give to that but keep the money in town. He does not believe they should raise personal property taxes because it would not be worth the backlash they will receive. He is not really sure about the real estate increase.

Councilman Goorskey said he believes they need a real estate increase of .01¢ and get used to doing that every year at least for the next few years. Pay increases will come up again in a couple of years.

Susan Kidd said the town insurance rates haven't been received yet so those numbers will change.

Councilman Goorskey said if they take the two positions out of the budget that also eliminates the fringe expenses for those two positions. If he has done his math right, that leaves the budget at a \$57,000-\$58,000 shortfall which falls in line with the amount that is used to balance Fund 10. He believes they are very close. When they meet again they have to look at what amount to add for the town manager position.

Councilmember Bowles said if the sale of some of the town properties happens they will be in a better financial position.

Councilman Goorskey asked about the PAR with the fire department.

Susan Kidd said she doesn't know where they are at on that right now. John Mills and John Davis are going to speak with Mac Gallimore.

Councilman Mills said they spoke with Mac Gallimore and he requested that some of his relatives that are in real estate be present when they meet.

Mayor Spangler said rec program fees show \$30,000. Is that reasonable?

Susan Kidd said in 2019 it was around \$31,000.

Councilman Conley said he wanted to reiterate that he is totally against the \$1,000 being given to the fire department for a dinner. If it was training or equipment he would be 100% for it.

Councilman Goorskey said feed them.

Councilman Mills said for all the fire department does for them that is a miniscule amount.

Councilman Goorskey said this meeting was a good way for Susan Kidd to get an idea of how to rewrite the budget and bring it back to council so they can see the numbers.

Mayor Spangler asked Susan Kidd if she needed any direction or clarification as far as the advertisement she is going to create?

Susan Kidd said no. She is going to redo it and email it to council before it is advertised.

Councilman Mills asked if they are all in support of the advertisement can they get that moving?

Susan Kidd asked if council wanted to run the advertisement for a month?

Councilman Conley said yes, at least a month.

Councilman Goorskey said if they read the charter and go by the way it is written it needs to be a man that they hire and they cannot move here six months after they are hired: they cannot begin their tenure until they are living here. That is the way it is written. That speaks to how outdated the document is. They have a town charter they cannot follow to the word legally because they cannot limit it to a male applicant as the town charter is written.

Councilman Mills told Councilman Goorskey that was eloquently stated.

Councilman Conley made a motion to hold a second budget workshop on April 13th at 6:00 p.m. Councilman Mills seconded the motion.

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

Nays: None

Motion Carried 5-0

Councilman Mills made a motion to adjourn. Councilman Turner seconded the motion.

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

Nays: None

Motion Carried 5-0

Clerk, Debbie Thomas

Mayor, Tom Spangler