

**CHRISTIANSBURG TOWN COUNCIL
CHRISTIANSBURG, MONTGOMERY CO., VA.
SPECIAL MEETING MINUTES
JUNE 4, 2019 – 5:30 P.M.**

A SPECIAL MEETING OF THE CHRISTIANSBURG TOWN COUNCIL, MONTGOMERY COUNTY, CHRISTIANSBURG, VA. WAS HELD AT CHRISTIANSBURG TOWN HALL, 100 EAST MAIN STREET, CHRISTIANSBURG, VIRGINIA, ON JUNE 4, 2019 AT 5:30 P.M.

COUNCIL MEMBERS PRESENT: Mayor D. Michael Barber; Vice-Mayor Steve Huppert; Samuel M. Bishop; Harry Collins; Merissa Sachs; Henry Showalter; Bradford J. Stipes. ABSENT: None.

ADMINISTRATION PRESENT: Town Manager Randy Wingfield; Assistant Town Manager Andrew Warren; Clerk of Council Michele Stipes; Assistant to the Town Manager Adam Carpenetti; Finance Director/Treasurer Val Tweedie; Director of Public Works Jim Lancianese; Director of Engineering Wayne Nelson; Aquatics Director Terry Caldwell; Building Official Jerry Heinline; Street Superintendent Travis Moles.

WORK SESSION

- I. CALL TO ORDER BY MAYOR BARBER.
- II. DISCUSSION BY MAYOR AND COUNCIL
 - A. Annual Budget for Fiscal Year 2019-2020.

Council was provided an updated draft budget dated June 4, 2019, and Finance Director Val Tweedie explained changes to the budget with regards to excess unassigned fund balance. Ms. Tweedie discussed with Council the difference between an unassigned fund balance of 30% versus 35%, and offered staff recommendations as to possible assignments of the unassigned fund balance for Council consideration. Possible uses included recreational reserve, retaining wall reserve, aquatics maintenance reserve, and street maintenance reserve. In addition, Ms. Tweedie provided Council with a breakdown of FY 2019-2020 budget forecasted assigned reserves as of June 30, 2020 that totaled \$11,050,978. It was noted that the 30% minimum unassigned fund balance was set by Council, and to drop below the 30% would require a majority vote by Council. Ms. Tweedie noted that approximately \$2 million would be available for capital each fiscal year without falling below the 30% according to projections. She further noted the necessity of prioritizing capital projects to meet the needs of the town without creating a situation where the Town would drop below the minimum unassigned fund balance rate.

Councilwoman Sachs reviewed changes in the budget pertaining to salary increases, including a \$50,000 increase to the salary budget for Parks and Recreation; the perpetual care and operating costs reflected in the cemetery budget; and an increase in Building Inspections software funds. Town Manager Wingfield noted that the salary increases were to bring positions up to the minimum range, and that the Parks and Recreation salary increase may be for a position shift from part-time to full-time and a few other miscellaneous salaries. Building Inspections software funds are for building permit software per Building Official Jerry Heinline.

Councilman Showalter requested Council be provided an itemized equipment list and vehicle fleet list that included the age of each asset. Councilwoman Sachs requested Council be provided a breakdown of the salary increases for the Parks and Recreation Department.

Councilwoman Sachs expressed disappointment that travel/education expenses remained high, even though Council requested on May 7 that department heads find ways to reduce expenses. However, she thanked Engineering and the Wastewater Treatment Plant for decreasing their expenses for schools and education. Town Manager Wingfield noted that among EMS, much of the travel expenses were related to mandatory trainings and certifications. Regarding overall department expenses, Ms. Sachs noted that while some departments decreased expenses, others increased expenses since the budget work session on May 7. She requested that Town Manager Wingfield provide oversight to ensure fair reductions among departments and noted that without significant reductions, many of the requested capital improvements could not be funded.

Councilman Huppert asked if department heads were directed to submit low budgets, and if the submitted budgets were realistic. Town Manager Wingfield replied that departments varied in size and that smaller departments had fewer line items and fewer areas to reduce costs.

Councilman Collins said he believed department budgets could be further reduced, but expressed support for the Town to cover the employee share of the insurance premium increase as an important benefit. Councilman Bishop agreed with Mr. Collins, noting that COLA had also been cut from the budget. Councilman Bishop stated that it was important to let employees know they were valued, and that the decision to remove the two benefits did not have the full support of Council. Councilman Stipes stated that he could support town coverage of the insurance premium increase, since the Town committed to educating employees on responsible health insurance usage. Councilman Huppert expressed his support for town coverage of the health insurance premium increase. Councilman Showalter talked about the Town's efforts to encourage employees to care for their health through wellness programs and free use of the aquatic center; however, few employees have taken advantage of these benefits. Councilman Showalter noted he could support the recommendation to cover health insurance premium increases, but stated his expectation that the Town see a reduction in health insurance payments in FY 2019-2020 in response to HR's education efforts. Mayor Barber said department heads would be directed to encourage employees to participate in town-provided wellness programs.

Council discussed community support budgeted for FY 2019-2020, with Councilman Huppert recommending adding a contribution of \$10,000 to Christiansburg Institute (CI), as has been done in the past, with the stipulation that it be used for the Edgar A. Long building roof replacement project only. Council talked about the importance of CI to Christiansburg and Montgomery County as a historical landmark, and discussed the institute's financial needs in replacing the roof of the Edgar A. Long building. Mayor Barber noted he and Councilman Huppert recently met with CI board members to discuss the roof replacement project. One noted concern of Council was the validity of the three-year-old cost estimate for roof repairs from Snyder and Associates. It was noted that a current cost estimate was needed prior to a request for construction bids. Councilwoman Sachs expressed support for contributing \$10,000, with the option to increase the amount to \$75,000 once a construction bid is approved. Councilman Huppert said he supported \$10,000, with a match and a construction bid, but stressed that he wanted CI to aggressively raise funds independently. Councilman Showalter expressed support for contributing up to \$75,000 for roof replacement, as an

important first step in renovating the building. Councilman Huppert said it was estimated to cost \$2 million to fully renovate the building. Finance Director Val Tweedie noted there was currently \$10,000 in a reserve account for the construction of the roof from FY 2018-2019, which would become \$20,000, if \$10,000 was approved for FY 2019-2020. Councilman Collins expressed support for contributing up to \$75,000 for roof replacement only. Councilman Stipes stated his support for contributing \$75,000 with the stipulation that it only be used for roof replacement, but continued to push for the creation of an authority to oversee the renovation as a regional project. Councilman Bishop stated his support for contributing \$75,000 based on the recent CI presentation and the Montgomery County contribution, but noted the funds should be put into reserves for replacement of the roof. Councilman Showalter said that the idea of an authority to oversee renovation of the CI property was discussed in 2017, and that he wanted to see the institute move towards this type of management. Councilman Collins requested periodic progress reports from CI.

Regarding the contribution to Wonder Universe: A Children's Museum, Councilman Bishop expressed concern with contributing funds to the organization before it became operational in Christiansburg. The museum is projected to open in September 2019; however, it was noted that the organization had invested significant funds to renovate its space in the NRV Mall and had received a building permit. Mr. Bishop also questioned giving Community Health Center \$12,000 since it recently received a \$2 million grant, and he questioned if the center did business in Christiansburg. Finance Director Val Tweedie noted that the \$12,000 contribution was for the dental clinic that did offer services in Christiansburg. Councilman Showalter noted that it was not unusual for non-profits to receive grant funding in addition to local government funding, and that organizations were required to indicate usage of funds on contribution request applications.

Finance Director Val Tweedie will compile the noted changes and provide Council with an adjusted draft budget for review.

XII. ADJOURN

There being no further business to bring before Council, Mayor Barber adjourned the work session at 7:01 P.M.

Michele Stipes, Clerk of Council

D. Michael Barber, Mayor