

Town of Hurt, Virginia  
Council Meeting Minutes  
August 1, 2023

Hurt Town Council held its monthly business meeting Tuesday, August 1, 2023, at the Hurt Volunteer Fire Department. The meeting opened at 6:00 pm by Mayor Gary Hodnett with a quorum present.

Roll Call

Members present: Mr. Gary Poindexter, Mr. Bob Majure, Mr. Jeremiah Knowles, Mr. Pierre Richard and Mr. Glenn Mitchell

Members absent: Mrs. Kathy Keesee

Closed Session

A motion was made to enter closed session to discuss personnel and prospective business as authorized by VA FOIA § 2.2-3711 A (1, 3, 5,).

Motion: Mr. Poindexter

Second: Mr. Majure

Passage: Unanimous

Council entered closed session at 6:02 pm and exited closed session at approximately 7:15 pm.

A motion was made to return to open session and to certify that only personnel and prospective business matters were discussed during closed session, as required by VA FOIA § 2.2-3712 (D).

Motion: Mr. Poindexter

Second: Mr. Majure

Passage: Unanimous

Invocation and Pledge of Allegiance

Invocation: Mr. Poindexter

Pledge of Allegiance: led by Mayor Hodnett

Welcome/Opening Remarks

Mayor Hodnett welcomed and thanked everyone for coming. It's always good to see a big crowd.

Consent Agenda

A motion was made to pass the July expenditures, July 5<sup>th</sup> meeting minutes and July 18<sup>th</sup> work session meeting minutes as is.

Motion: Mr. Majure

Second: Mr. Knowles

Passage: Unanimous

Mayor Hodnett stated the only addition to the agenda is the use of our PDDR Funds for the Police Department.

Public Comments

Heidi Jones stated I reside in the Banister District in Chatham, and I've come here this evening to introduce myself because I am running for Clerk of Court. I have worked in the clerk's office for the past eight years as a deputy clerk. While I was there, I was cross trained throughout the office. I have also attended the Virginia Judicial System classes to become proficient in the operating systems of our office, as well as understanding the codes of Virginia that govern our office. Prior to working in the clerk's office, I've had years of customer service, and office management. I've also been a deputy treasurer in the Pittsylvania County Treasurer's office. I have a degree in business management and I have done all I

can to give back to this community that I have lived in for the last almost 30 years. I have raised my three children and now have six grandsons to help round out the family. Like I said I have done volunteer work throughout many community organizations and I would like to continue to serve this community. I appreciate your support and thank you for your time.

Janet Neal stated, Gary, we spoke about the animal ordinance. I talked to the animal control officer, senior animal control officer, Lesley Fowler. She tells me that they do indeed pick up stray animals and they do pick up and hold them at the animal shelter show in the county, if it's a stray animal. If they can locate the owner, and the animal is legal, they return the animal to the owner and there's a \$25 ticket written by the police. She says not once have they had a repeater once they pay the \$25. She said they certainly do house the animals in the shelter, the strays, and they do pick them up. She said they picked up two the day I talked to her in Gretna. I have her name and number and I thought you might be calling her. Mayor Hodnett asked now that is the animal control in Pittsylvania County? Mrs. Neal replied yes. Mayor Hodnett replied we called them last week on one. Before we were talking about Gretna and Chatham, the ordinance that they have. You are absolutely right, if you call them, they will come down here, pick them up, and hold them. Mrs. Neal stated I must have misunderstood you at the last Council meeting. Mayor Hodnett replied that's what I am saying, we were talking about the Town of Gretna and the Town of Chatham, Pittsylvania County are totally different. Mrs. Neal replied that is Pittsylvania County, we are Pittsylvania County, we pay taxes. Mayor Hodnett stated we are talking about Jason can't pick up dogs in the Town of Hurt. The police department can't pick up dogs. The Town of Gretna and Chatham police don't pick up dogs and they don't have any animal control officers. That's what we were talking about. You have to call Pittsylvania County. Mrs. Neal replied she says the ordinance that Chatham and Gretna have is what they go by. Mayor Hodnett replied that's because it matches the County, and that's what we do. Ours matches the County. If we have a stray dog in the Town of Hurt, we have to call Pittsylvania County Animal Control to come get that dog. Jason cannot pick the dog up because we don't have a place to hold it and he can't take the dog to Pittsylvania County. Mrs. Neal stated we never talked about the police picking up the dog. Jason and I worked well with that one animal. I called Jason, he called animal control, they came out. The animal control officer is the one that told me we don't have to have a dog person. Mayor Hodnett stated but when you called and talked to me what you told me was that the girl in Gretna told you this and the girl in Chatham told you that, that's completely separate from Pittsylvania County. Now we're talking about Pittsylvania County Animal Control, which everything you said is absolutely 100% right, we can call them and they will come out. We can't pick up a dog on our own and house it. Gretna can't and Chatham can't, each Town has to call the Pittsylvania County Animal Control. Mrs. Neal replied and that is what we talked about. Mayor Hodnett replied that is not what we talked about, you told me a girl in Chatham and you told me you talked to a girl in Gretna, and those two girls told you that their Town had the ordinance and they enforced them, which they can't. Mrs. Neal stated you said you talked to Pittsylvania County. Mayor Hodnett replied no, I talked to Chatham and Gretna. Mrs. Neal stated and they said they have the ordinance but they don't enforce it because they have nowhere to house the animals. Mayor Hodnett replied, right. Mrs. Neal replied well Pittsylvania County told me something entirely different. You call and talk to her. Mayor Hodnett replied I'll call her, but I know exactly what they do, and they do exactly what you said. Mrs. Neal asked if the people here got a \$25 fine? Chief Lovelace replied no. Mrs. Neal stated I like the idea that they do return the legal dogs back to the owner, if they can find the owner. I like that part, and even being able to fine them. Mayor Hodnett replied I think \$25 is light, I'd like to see them fined more than that. Attorney Eller stated the town has incorporated the county's animal

ordinance about a year ago into the town code, so the county and the town are exactly the same. What is the problem, is somebody not doing something? Mrs. Neal replied no, Gary and I had a miscommunication. I understood him to say that they couldn't pick up the dogs because Pittsylvania County shelter wouldn't take them. Mayor Hodnett replied right, and that is exactly what I said. If Gretna picks up a dog, and transports it to Pittsylvania County Animal Shelter, Gretna told me they would not take the dog, that Pittsylvania County Animal Control has to pick up the dog. Mrs. Neal stated well that was my understanding of how it worked anyway, that Jason didn't come get the dog. Animal Control came that day, and the situation was taken care of that day. Attorney Eller stated well it seems like we are good. Mrs. Neal replied yeah. Another thing I had, in our last council meeting you said there was a \$95,000 unexpected expense that came up at the end of the budget after you all had already done everything to the budget, that was going to overflow into the next year's budget. If several other things come into play, it was going to mean a \$3 increase per 1000 gallons on the water bills, not these taxes, so what is that \$95,000? Mayor Hodnett replied I don't know if I quoted a number exactly, but what I was talking about was, the budget was calculated at 27 million gallons, and statistically from 2016 to where we are currently at, if you follow the data we will not hit 27 million gallons, we will hit 25 million. We will lose 2 million gallons in water sales. There was another price increase that we might have to take, 10% from Altavista, and something else but I don't remember exactly what it was. If you combine all of those things, losing the water sales, and the increases that we might have to take, then that would calculate into that and the data is looking like that we're going to be short of 27 million gallons. Our first billing was considerably less than what it would have to be to reach 27 million, so that's what it was, if those three things happen, which is probably going to happen. Mrs. Neal replied I know you said it would fall on the backs of the taxpayers, it was a \$95,000 deficit, and it was going to be \$3.00 additional per 1000 gallons. Mr. Poindexter stated my thinking it was a combined effect of all three. It was all those things that alluded to adding up to about \$95,000. In order to balance that it would require going up \$3 on the volume metric. For the sake of clarity as I mentioned in that budget meeting, when I put out the counterproposal that finally was passed, we all need to remember that the difference in what we buy the water for and sell it for is all the money that the water system has to do everything that it does. Anything else that comes in is a fee and a penalty and that is tiny. That is the money that keeps the pumps and valves working and repaired, to pay Joe, pays the light bill, and everything else that has to be done. The 27 million gallon projections, admittedly, was a little bit generous. When you get into the budget season, you get into some things like that. You're getting into forecasting there, and we all know that forecasting is not an exact size whether it's with weather or something else. Mr. Knowles asked if 27 million gallons is down from 32 million gallons? Mr. Poindexter replied yeah I knew that was a stretch when we did it. I was leaning a little bit on the optimistic side to try to come up with a good budget, but now, if we don't sell 27 million gallons in this fiscal year, then again, you're back to the difference in what you're buying for and what you sell it for. It is just like a store if you don't sell as much, but your other expenses are still essentially the same. That's what the situation is. Just for the sake of clarity. Mrs. Neal asked why do you think people are using less water, why are we selling less water? Mr. Majure replied one thing that's changed recently is that we have smart meters now that detect leaks and for many years, there was a significant amount of leaks in the town that people were paying the town for. Mayor Hodnett stated the 32 million probably wasn't actual water usage. Probably had a high percentage, somewhere around 17%-18% that was actual leaks that people were paying for. The new smart meters cleaned up all of that. When somebody has a leak, they call Joe, it gets fixed right away, so that's one of the big things. Mr. Poindexter stated I think a lot of it is that it's more true to life, an

indication of what should have been there all along. It just wasn't, it looked like we should expect to sell 30 million gallons a year, that never was realistic, that's just what we were seeing, due to laws, leaks, lack of accountability, older meters not being nearly as accurate as these. There's a lot of things that come into that and there may even be people who are taking a conservation approach because they're having to pay more. That's something that we're trying to do ourselves, but not in a big way, but we think about it. I think it's a combination of many different factors. It's not one thing. Mrs. Neal replied it just stuck in my mind that the \$95,000 was unexpected. Mayor Hodnett replied those three things if they line up that's mathematically where we will probably be. Mrs. Neal asked what is the town government doing to try to help out the citizens to keep some of those expenses down, so it won't fall back on the taxpayers all the time? Mayor Hodnett replied by trying for Economic Development and of course that will be in the general fund, but the water has to be solely sufficient on water. We're going to have a gentleman talk about some of that in just a few minutes, but when you're relying on other people for your water, and you've got an ailing water system that's as old as what we have it's real hard to work through all of these things and bring the prices down. It truly is. We are working on water every day trying to figure out what we can do to get our rates down. Mrs. Neal replied, maybe if you can't do anything about water, and I understand that because we have to buy it and we have to pay for it, maybe you could look at something else to help the citizens out. Mayor Hodnett replied well that's why we purchased the plaza. When we get it up and running it will reduce the tax burden, the rates will drop with economic development. Mr. Knowles stated we did use a little bit of that expected revenue, to take up some of the burden on the most recent budget. Mr. Poindexter stated we presumed upon the closure of that deal for about \$17,000 in the general budget, and thankfully, it went through. As I said that night, that's a very conservative number, we're expected to take in more than that in rent during that time frame. Mayor Hodnett replied we are going to talk about that in just a few minutes. Mrs. Neal stated I have one more thing, and I may be over my three minutes. Mayor Hodnett replied you are. Mrs. Neal stated this is something that has bothered me, when the budget was being presented and Tommy got up and spoke about raises and salaries. I felt like it was kind of turned around on him, that he was saying, they don't deserve it and they shouldn't get it. That's not what he was talking about. We appreciate our workers and we know they work hard and we know because we've been there and seen it, what it was, and what it is now. It's something to be proud of and we appreciate everything y'all do. He did not in any way shape or form say anybody didn't deserve it. I just wanted to get that off my chest.

Steve Worley stated I heard something about an increase, and all of that has to do with water? Mayor Hodnett replied yes, that is purely water, what she was talking about a while ago. You lose a couple million gallons in water sales, that's a pretty big number. Then you have a 10% increase from Altavista. Mr. Worley asked and you originally came up with that you had lost that much? Mayor Hodnett replied no, we knew about it when the budget was being worked on because I've tracked water since 2016 and we've aggressively gone down from 33 million, down to just a little bit above 27 million. Mr. Worley stated so I guess my question is the \$95,000 or so give or take, it's a ballpark I think, that just recently came about? Mayor Hodnett replied no. Mr. Worley replied you passed the budget and now you're saying we are \$95,000 give or take in the red and all of that has to do with water, you didn't see any of that? Mayor Hodnett replied I just told you we did. We talked about that, I explained to the council and gave them the data that I had from 2016 and how the water is going down. Council knows that we get a 10% increase from Altavista every year, so you got losses and increases coming on. The third thing was an increase of money that's got to be financed, because of the consent orders that are mandatory work

from the state, so we're going to be financing \$490,000 in debt. When you take those three factors, financing \$490,000 and making those payments, losing 2 million gallons worth of water, and then 10% increase from Altavista, that's where that number came from and we knew all that when we did the budget. Mr. Worley stated so none of the \$95,000 is unexpected then? Mayor Hodnett replied no.

Public comment period closed at 7:36pm

#### General Business

Davenport Meeting on WBOP- R. T Taylor stated thank you all for having me here this evening. We obviously got selected through your RFP process and we want to thank you all very much for selecting us to help you and assist you with the waterworks business operations plan. I'm really here this evening at your disposal should you have any questions about how we are planning to proceed, any questions at all related to the proposed billing services, etc., just let me know if you have any questions. Mr. Majure stated can you give us a general overview of how you're going to conduct your comprehensive review of our fiscal health? R.T replied what we do with a lot of localities, we work with upwards of 100 plus Virginia specific localities, we have 500 plus clients all over the Mid Atlantic and southeast region. We are working with other what we call general fund and utility supported governmental entities every day. Part of going through this 37 page application document that the Virginia Department of Health has provided you with just methodically going through checking the boxes and making sure we have the underlying data so that we can be as efficient and effective as possible, getting them the information they need to make the determination on giving the final one to you all. We build analytical models, work with staff to make sure we have all the good data. It's quite a lift, we've done enough of these to know it's never an easy and smooth process, it takes time and takes patience to get everybody in sync, get good data and make sure that we've fully evaluated and built modeling. We have to do good projections as best as possible, but in order to do that we have the underlying data sawed through, filtered through, and build the appropriate models to be able to suffice the VDH's requirements. Mayor Hodnett stated I got a question for you, in a lot of the towns that you deal with and seeing what they're doing and what they're not doing, part of this and you guys have heard me talk about, we were going to use some of the grant money to bring in a professional team to take a look at our water so that they could tell us where we need to be going forward. I think one of the things that you spoke about when you were down a few weeks ago, a lot of towns you see have minimal water bills. That's one of the things that you had asked me about and we had gotten away from that to where you only pay for what you use, but I think you feel like deep down that we're probably going to end up being back to a minimal quarterly billing. R. T replied well, time will tell. The numbers will tell us what we sort of need to know in order to make that determination, but yeah, I think it's a pretty common practice because again, it's just like any business, you have to cover your fixed costs, you have to keep the lights on in order to sell more widgets in order to make money and pay your people. At some level, I think many utilities use the minimum fee to make sure they can keep the lights on and keep selling more so that might be one of the variables that pops out through the analysis. Mayor Hodnett stated we noticed that the ceiling that you have for your rates and fees for us is considerably higher than the grant money that we have so I'm hoping that Mr. Joe Smith is going to be doing an outstanding job at hashing out those numbers with you. R. T replied yes sir. and we've done enough of this type of work to know, when you start digging in, it can go long and hard in opposite directions. We just wanted to provide enough protection, if you will, not to exceed the ceiling to make sure that we cover our bases, but at the same time I plan to fully be efficient, and be as effective as possible. We will come in under that ceiling. That's why we have it as a ceiling. The other

thing I'd like to mention is that we can coordinate with VDH and we've done it on other similar utility analyses and financing when they go to get those State Revolving Loan Fund monies. We can coordinate to see if they would allow for the fees to be covered by whatever is not covered by the state's grant. We get our fee covered through the financing that way you're not coming out of your budget or out of your pocket. Mayor Hodnett replied great, anybody else have any other questions? No comment. Thank you, and we look forward to it. We know this is something that we really need and you guys come highly recommended.

Solar SUP Advertisement (Public Hearing August 15th)- Mayor Hodnett stated the next thing is just to remind everybody that we're going to have a public hearing for the solar farm on August 15<sup>th</sup>, the SUP permit.

Plaza Update- Mayor Hodnett stated just wanted to let everybody know that we had people in the Plaza and Winn Dixie today, showing it around so we do have an interest. That's being worked on as we move forward and that's one of those things that the quicker we get people in the quicker we get it filled up and more tax money we have.

PDDR Fund- Mayor Hodnett stated we are talking about taking that money out of that since it can be used for the police department and putting it with the money for the basement. Chief Lovelace stated under the DCJS requirements, it says that we can use that for infrastructure. Since we're looking at doing a remodel that money just sits in our account and we can use it for certain items. It has sat there for years, and if we don't use it, we are starting to get charged a bank fee, and bank fees will start eating it up. We can use it for specific items, and in my conversation with Gary, the Mayor, why not use it towards something that will last a lot longer than anything else, like radios, uniforms, anything else and put it towards a restroom in the police department. That's what my suggestion is, to use that money towards that, that way we are not losing money under bank fees. It would be different if we knew we had money coming in, but it has been sitting there for years. I think everybody would agree that everyone uses a restroom on a daily basis so why not put it towards that, because we know that a restroom in the basement is going to be a significant amount of money because we are going to have to dig into the concrete. Mayor Hodnett stated and with that said, one of the things we are going to have to do is fix that flooding problem we have with the sewer backing up in the basement. We're going to tear the concrete up, put in new pipe and actually get the pipe the way it should be piped, because we found out that the line going from the wall to the sewer system doesn't even have a drop in it, this level pipe. Mr. Poindexter stated gravity fed with no slope, that doesn't work. Mayor Hodnett replied every 12 months you got to go there and do some work. Mr. Poindexter stated a sense of scale or any kind of ballpark amount, how much money are we talking about? Mayor Hodnett replied it's \$11,010. Mr. Poindexter asked and how much of the PDDR do we have? Mayor Hodnett replied, no that is what is in PDDR. That isn't even going to come close to covering this thing. Mr. Knowles asked, has this money been allocated for anything else right now? Chief Lovelace replied it hasn't been, it just sits in our account. Mayor Hodnett stated we have used some of it in the past for uniforms, holsters, jackets, boots, and stuff like that. Chief Lovelace stated whatever we are allowed to use for DCJS requirements.

Mayor Hodnett stated I want to bring up something that Janet talked about while ago, the plaza and that money that we've got allocated for the budget of rental income, I do not think we should consider that to go into the budget, I think we should put that money into a trust for repairs and maintenance on the plaza. Joe, you've met with two locksmiths in the last two days and been talking to them. One of the

simple things, we're going to have to do all new locks on the building and we're going to have to put in some new backdoors. We know that we've got some of this stuff coming and to take that rental and put it into the budget is just going to be irresponsible. I mean, we've got to have that money to make these repairs so that we don't have to hit the bank account. Mr. Poindexter asked where do we propose to get that \$17,000 approximately that was used to balance the general fund budget? Mayor Hodnett replied I don't have any idea. Mr. Poindexter replied I mean, I can certainly see what you're talking about with anything that we take in over and above that \$17,000. I think, again, I made that a conservative number and am comfortable with it. There should be considerably more than that over the span of the fiscal year coming in, so anything over and above that, I would agree wholeheartedly, but we got to account for that \$17,000. Mayor Hodnett replied let's suppose that we need more than \$17,000 to do the repairs. \$17,000 isn't going to get us locks and doors, is it Joe? Joe replied no. Mr. Poindexter stated my point is, we in effect have already committed the first \$17,000 by passing the budget. Mayor Hodnett replied bottom line we probably shouldn't have committed \$17,000, and I understand that. Mr. Poindexter stated you have to get it from somewhere else. Now, anything over and above that, I mean, I totally agree with the concept of having a trusted or some sort of earmarked fund to do things to the Plaza to get it in shape and get it marketable. That's a no brainer and I'm all about that. My concern is where to get that \$17,000 elsewhere? Mayor Hodnett replied I don't have it right off the top of my head. Mr. Poindexter stated we have already done the work on the budget. Mayor Hodnett replied like I said, we probably shouldn't have included it in that, but we're going to have to get the money from somewhere because we're going to have lots we're looking at, depending on the amount of grant money that we get. We will be able to use that but we've got a lot of repairs to make. Mark Kidd is another \$115 on the mower, to do the Plaza. We've got three suites that are coming that are going to be available. We've got to go in and do electrical work in these suites to bring them up to standard to get somebody in there. We know we are going to be using that money. Mr. Majure stated it sounds like we need to create a separate fund specifically for that purpose so that it can be allocated that way. Mayor Hodnett replied absolutely, we know that we have maybe two air conditioning units to replace.

Mr. Poindexter stated thinking of that another way since we've already put a line item on the income side of the budget, for rental income from commercial property, then perhaps the thing to do would be to add a line item on the expenditure side, have the appropriate title, commercial property renovations maintenance, whatever it is that you want to call it and that will account for it and it will still be money in and money out. That way it will be accounted for on the budget, but this is something that's going to be going forward more than a few months. We're going to be having that conversation next spring, when we start doing the next budget as to what to put in the line items coming in and going out, you got to account for whatever we do. Rather than setting up a separate account that way it will just go through the operating account and be accounted for in the budget. Mayor Hodnett replied if we don't set up an account to show that we're going to allocate these funds for that, it's all going to get jumbled up in the budget. It's going to be used for 10 different things, instead of sitting in a holding account. I don't mind being there, but I just don't want it to fall into the regular part of the budget to where now all of a sudden, we're running to the bank, and we have to be pulling money out to do this. We make enough income to take care of the repairs. Mr. Poindexter asked what are you proposing to have a separate bank account specifically for that? Mayor Hodnett replied we could use a separate LGIP fund or something like an account to put it into, or even set up a separate account at the bank to hold that money. Mr. Poindexter asked the treasurer what her thoughts were? Mrs. Brumfield replied I do think we need to be able to separate because right now we're using the economic development for a lot of

things, because this is all new, it's just coming into existence and that's where we have been putting it. I do think down the road, we've got to be able to separate these and not have it in our general operation to where we know that this goes for the Plaza or the maintenance and this is the income coming in and going out. If we put it in a separate fund at the bank, we could certainly do that but it's got to be somewhere where there's some activity and I think we would have enough, because otherwise, it's going to be just like PD and become dormant, and then they start charging us a monthly bank fee. We don't want that to happen. Mr. Poindexter stated I wasn't expecting that to be that sophisticated, but I mean, since its economic and community development, we already have a department, I think it's 191 in the budget that's for things like that. I mean, wouldn't we just need to account for it there, even if we need to add another line item or to separate it out? Maybe I am misunderstanding. Mayor Hodnett replied what we are trying to do is keep the Plaza as its own entity. Mr. Poindexter stated self sustaining, you're talking about creating a separate enterprise fund? Mayor Hodnett replied no, it's just simple tracking. We use the economic development account for everything related to economic development. What I'm saying is, I would like to see almost a sub account of that to where the economic development money that comes in on Plaza rental goes back into the repairs and maintenance for the plaza so that we're not taking other monies for that. Like you said, I'm trying to make the plaza self-sufficient. Mr. Poindexter stated I agree with that completely. I think it should be. I think the issue here is how to account for it. Since every income and every expenditure has to be coded on the budget by an account number, Can we not do that simply by having a line item for which we already have one for income from the plaza. Have one for expenditures specifically for that since every income and every expenditure has to be coded on the budget by an account number then can we not do that simply by having a line item, which we already have one for income from the plaza, have one for expenditures specifically for that and anything that is relevant to the Plaza would be paid for out of that and anything for other things would be coded to each respective line item. Even though it's all ultimately in the general fund pot, you have separated it to paper and can account for how much you took in and on how much you spend simply by comparing two line items, would that be doable? Mayor Hodnett stated that is doable, but we are not going to use that money to balance it with anything other than the repairs on the Plaza. Mr. Knowles stated the way it should work eventually, because right now we have a lot of repairs. We should have a certain amount of money budgeted for maintenance and repairs in operation. All of that would be covered by the rental property, the rental coming in, the income coming in from the plaza, and then there should be a profit. That profit would go into either the general fund or into another fund so that we'd have a little buffer there, larger items come up in the closet or somewhere else. That's the way it should be working. Mayor Hodnett stated that is the way we hope it works. Mr. Knowles stated until we get the Plaza into a condition where it's self-sustaining. We're probably going to have to put more of that rental income money into the maintenance and getting repairs than what we normally would have. Mayor Hodnett replied right, but that money isn't going to be available for the general fund is where I am going with it. Mr. Knowles stated but we have already allocated \$17,000 for the general fund. Mr. Poindexter stated we're already in effect getting into a budget conversation for next spring and sometimes that happens. It is kind of like in retail, you start getting ready for inventory the day after inventory. There's certainly nothing wrong with that, that's now the only way that you can really truly separate this out of the general fund and account for it independently. Looks to me to have a separate enterprise fund. Some town's do that. We have one for water and wastewater, some have a separate one for refuse collection and recycling, utilities, and whatever it is that they have. I mean, that would make it a discrete feature for it. It goes in and it goes out and it does not get commingled with anything



else. It'd be a little bit more work to set it up, but it would be cleaner. Mayor Hodnett replied I think it'll be clean with the rental income that you've already got, but when we set up something on the expense side, it's going directly to that. We're not going to commingle that money into the general account. We're going to make sure that the expense side of it balances with that account. That'll be the expenditures on the plaza that we're talking about so it's going to balance with that particular account. Mr. Poindexter replied what I'm not understanding, Mayor, is how are you going to do that because the rental income is income into the general fund and to say you're going to pay it out of a separate fund is crossing over between funds. That's not normally done. Mayor Hodnett replied you're not crossing over between funds. The rental income is going into the rental account that we've got. Now we're going to set up a repair and maintenance account on the expenses and then that is going to pull from that rental income account. Mr. Poindexter stated earmarks to be paid for out of that account. If the system is configured to do that, then we take and I think what Jeremiah was getting at was to take the difference between those at the end of the FY and any extra, put that in a separate LGIP and earmark it for that. Mayor Hodnett replied I don't think we are going to have any extra, eventually we will. Mr. Poindexter replied over time we will, but it is not going to be for the first year or two.

Report from Legal Counsel – Attorney Eller reported I will expand a little bit on your brief invention on your solar situation. You have another option with two possible solar projects in the key industrial park which now the folks call pivot number six and pivot number 15 indicate they want to exercise the option and move into the lease and get going. First they have to get a special use permit, which they've applied for, that's all in good shape. We've advertised that you may have seen it, and you will see it one more time tomorrow. There'll be a hearing on the 15th of the work session to get these before the public and then hopefully they'll be enacted. At that point, we will finish up the lease and we've gotten their proposed lease, we're reviewing it, and after they have a special use permit, we'll be able to finalize the lease.

#### Reports from Staff

Treasurer –Ellen Brumfield reported that our General Fund at First National Bank has \$353,265.25 of that is the ARPA funds that we will collect in the spring of 2024, we'll subtract that which is \$139,217.19 leaving us a balance of \$214,048.09. Town Council everyone should have received the June 2023 bank reconciliation, any additional questions? No comment. I'll be passing this around need everybody on town council to sign this so that it can go on record and documented in our minutes. Also, check register for July of 23, I sent out a revision yesterday, we had to make a last minute payment. I'll be passing this check register around for you to sign. The return check policy, I think the town council worked on that at the work session meeting and I emailed that out with the updated revisions. Any additional comments, is everyone fine with that? Mr. Poindexter replied I think we resolved that at the last meeting, if I remember right. Mrs. Anderson stated I think it was passed with the revisions. Mrs. Brumfield replied it was passed at the work session, okay I don't get that so I didn't realize. Since it has been passed and approved I'll be giving this to Kelsie to post on the website under our policies.

Public Works-Joseph Smith reported that we have been working on a lot of water adjustments for bills, people who have had leaks and got them fixed, Kelsie fixed their bills. I have been going out and going in a lot of crawl spaces and basements because I put out the lead and copper on the water bill. I think I have got back about 60 people. I have taken shrubbery off the walkways, people were having trouble walking on the sidewalk. I have to go over to Popular Street and take down some high tree limbs, because the Altavista Trash truck keeps hitting them. If I don't get the cut down he won't pick up the

trash down there. I have also been overseeing the cleanups at the Plaza, letting people in and out. I have done some walk-throughs with some people on doors and locks. I have got the generator maintenance done, annual maintenance. Been working with RT to figure out how we can use their services to come up with a business operation plan and VDH. Working with the VDH and lead and copper samples, should be getting those results back in the next week. I am getting ready to sample again. Mayor Hodnett stated and you got your inventory in pretty good shape? Joe replied yeah I am gaining on it.

Administrative - Kelsie Anderson reported I have contacted Southern Software, and in the process of mapping all of our Real Estate and Personal Property taxes that I received from the County. I am hoping that will be complete around August 28<sup>th</sup> and then that way I can get them sent out a little earlier and give people time to pay them so that they are not crunched right there at Christmas. Lastly, all of the water bills have gone out and they are coming back slowly but surely.

Police Department – Chief Lovelace

July 2023

Calls for Service-

Civil Complaints- 1

Accident- 1

Public Service- 2

Alarm- 1

Other

Miles Driven- 271

Use of Force- 0

Department/Officer Complaints- 0

Department Updates- 0

New rifles have arrived

New radios have arrived

We are currently still accepting applications and reviewing them.

Report from Mayor – Gary Hodnett reported that Mike Jones' final report where we were when he came on board and where we were when he ended, we had a little brief discussion about that. Do you want to continue that discussion or have any more questions, I can get him on the phone to answer any questions that we may have? Mr. Richard replied I'd personally rather issue it to the public and have a further discussion at the work session. Mayor Hodnett replied what were you saying about the public? Mr. Richard replied I think we should release it to the public. Mayor Hodnett replied okay, Sami I have a copy for you. I don't have anything other than we're pushing the plaza hard. We're trying to get people in as fast as we can and getting work done over there. We have three more suites to get rented out and we're working hard on that. Thank you for coming.

Meeting adjourned at 8:08pm.

Kelsie Anderson

Kelsie Anderson-Clerk

Gary Hodnett

Gary Hodnett-Mayor