

BROADWAY TOWN COUNCIL

June 2, 2020

The Broadway Town Council met in regular session electronically via Zoom on June 2, 2020. The following members were present: Mayor Timothy S. Proctor and Council Members Chad L. Comer, Leslie E. Fulk, Richard E. Fulk, Douglas W. Harpine David L. Jordan, and Beverly L. London. The following staff members were present: Town Manager Kyle D. O'Brien, Clerk/Treasurer Marla W. Kline, Town Attorney Matt Light, Asst. Town Attorney Joel Francis, and Police Chief Randy Collins.

Mayor Timothy S. Proctor called the meeting to order at 7:00 p.m. and stated that the Town is operating under a state of emergency, and the Council cannot meet physically because of social distancing requirements. This meeting is being held electronically via Zoom. He further stated that the Town's Emergency Continuity of Government Ordinance, adopted on April 2, 2020, as well as other law, permits members to meet electronically. The Council is considering essential business necessary to ensure continuity of government operations during the pandemic. Notice of this meeting was provided on the Town's social media pages and on its website. The public has access to this meeting through Zoom software. This meeting is being recorded and will be posted on the Town's website. Mayor Proctor noted that there will not be a public comment session at this meeting. He stated that a public hearing, which was duly advertised, will be held as a part of the meeting and the public had the opportunity to offer comments via e-mail in advance. He asked that when Council member or staff speaks, please be sure to identify yourselves in advance and only one speaker at a time, please. He stated that all votes will be by roll call and recorded in the minutes. If anyone leaves the meeting early or arrives late, please announce yourselves so that it can be recorded in the minutes. He concluded by asking if there were any questions about the process.

Clerk Marla Kline took attendance by roll call, and it was deemed that a quorum exists.

Mayor Timothy S. Proctor called the meeting to order at 7:00 p.m. with an invocation.

**Approval of Minutes and Bills:**

David L. Jordan moved, seconded by Beverly L. London, to adopt the minutes of the April 2, 2020 and May 12, 2020 sessions of Council and to authorize payment of bills in the amounts of \$534,117.36 and \$470,282.12. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
David L. Jordan	Aye	Beverly L. London	Aye

**Public Hearing-Fiscal Year 2021 Budget:**

Mayor Proctor stated that as required by state law, the proposed budget for fiscal year 2020/2021 was printed in summary form and properly advertised at least seven days prior to the public hearing in the Daily News Record. Mayor Proctor opened the Public Hearing and asked Town Manager Kyle O'Brien to present the proposed budget.

Mr. O'Brien stated that the total amount of the budget is \$6,862,800. He stated that the proposed budget does not include any increases in water or sewer rates; however, the wastewater contracts with Pilgrims, Cargill, New Market, and Timberville will have modest increases effective July 1, 2020 based on their contracts. He further stated that there is some uncertainty in the General Fund revenues, particularly as it relates to sales tax, business licenses, and meals tax (which have been suspended until July 31 due to the COVID-19 pandemic); however, most of the other revenues should maintain their current trends. He noted that the Town is in a unique and solid position to get through challenging times with outstanding contracts with our wastewater customers that also

## BROADWAY TOWN COUNCIL

June 2, 2020

proportionally flow through to the General and Water funds.

Highlights of the proposed budget include:

### General Fund Revenues:

- **No proposed changes to real estate or personal property tax rates.** The Town continues to have the lowest overall tax structure of any community in the area. The last change in the real estate tax came in 1998 when the rate was actually lowered from 8.5 cents per \$100 to 7 cents per \$100, which continues to be the rate.
- **Sales Tax:** This revenue has shown steady increases over the past several years, but it is one that will be monitored closely in this fiscal year as the economy begins to recover.
- **Utility Tax:** These taxes continue to remain steady.
- **Business License:** This is another revenue (\$75,000) in the General Fund that has a level of uncertainty this year, and will not be known until March of 2021, when the license fees are due.
- **Meals Tax:** This is another tax that has risen over the years, however, with it being suspended at least through June 2020, it is projected to show a decrease of over 9% for the fiscal year.
- **Trash Fees:** Fees are currently waived through July 31, 2020.
- **Cigarette Tax:** This revenue will continue to decline slightly, as it has the past several years.
- **Transportation Revenue:** At \$480,000 annually, this continues to play a major role in General Fund revenues and continues to increase each year based on the payment per lane mile of streets within the Town. We have been able to make significant improvements to the street and sidewalk network.
- **Law Enforcement Funding from the State:** This number has been frozen for years by the General Assembly, and most likely will continue to be.

### General Fund Expenditures:

- **General Government:** Created an additional line item for Fire Program funds and allocated additional funding for the museum.
- **Public Safety:** Funding is included for an additional police officer; however, the timing of such is uncertain at this point.
- **Streets:** The Town now receives \$480,000 per year in highway funding and that will continue to increase each year. In addition to Third Street paving, the Streets Committee will meet to determine additional paving priorities for this fiscal year.
- **Parks & Recreation:** Funding is appropriated to install a new roof on the Community Center.
- **Trash Collection:** Continue with contract with Waste Management.

### Water Fund:

- **Capital Improvements:** Upper and lower Third Street water line improvements have been included, which is a project that we have prioritized over the past several years.

### Sewer Fund:

- **Revenue:** The new rates for the Town's industrial customers will take effect on July 1, per the contracts. Broadway's rates for its residents will remain unchanged.
- **Capital Improvements:** No significant capital improvements at the WWTF, due to new

BROADWAY TOWN COUNCIL

June 2, 2020

plant. Routine capital costs include pump replacement, irrigation equipment and replacement of some problem lines around Town. Total transfers to the General and Water Funds are \$387,800.

He concluded his presentation by stating that the proposed budget is balanced in accordance with state statutes, and revenues are based on conservative estimates, while expenditures are based on historical data, as well as actual proposed costs. The proposed budget continues the Town's fiscal prudence, while continuing to provide the highest quality service that its citizens have come to expect.

Mayor Proctor thanked Mr. O'Brien for the presentation and asked if anyone had any comments or questions.

Having confirmed there were no concerns from the Council, and noting that the Town had not received any comments or questions via electronic means, Mayor Proctor closed the public hearing and advised that state regulations require that the budget public hearing and adoption of a budget be held on different dates and noted that no action can be taken during this meeting. He stated that adoption of the budget will be necessary as a part of a special meeting to be held later in June. A copy of the proposed budget is included in the minutes as Attachment A.

Leslie E. Fulk moved, seconded by Beverly L. London, to schedule a special electronic Council meeting on June 29, 2020 at 6:00 p.m. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
David L. Jordan	Aye	Beverly L. London	Aye

**Old Business:**

Mr. O'Brien reported on the following items of old business:

- **Heritage Park Waterline** – Replacement of the water line across Linville Creek is complete.
- **Baseball field #3** – Improvements are being completed; field should be ready for next year's season.
- **Pool** – Scheduled to open this weekend with restrictions. Social distancing will be strictly enforced.
- **Senior Banners** – Banners honoring high school graduates will be installed this week.

**Committee Reports:**

**Parks & Recreation Committee:**

No report.

**Finance Committee:**

No report.

**Personnel/Police Committee:**

A copy of an activities report for the police department for the month of May is included in the minutes as Attachment B.

BROADWAY TOWN COUNCIL

June 2, 2020

**Streets & Properties Committee:**

No report.

**Utilities Committee:**

No report.

**BHP:**

Council representative Chad Comer reported that the BHP sponsored community yard sale event is scheduled for June 20, 2020. Additionally, he noted that they are hoping the group's Red, White, and Brew event will be able to be held near the end of July.

**Planning Commission Report:**

No report.

**New Business:**

Mr. O'Brien stated that Barbara Fultz of Tranquility Spa has requested a low interest loan through the Town's RBEG account in the amount of \$3,000 to replace her awning. He advised that she has received two similar loans over the years and has been very prompt in her repayment. Members were reminded that the RBEG fund is from a federal grant the Town received years ago and can only be used to provide low interest loans to Broadway businesses. Richard E. Fulk moved, seconded by Douglas W. Harpine, to approve the loan request in the amount of \$3,000. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
David L. Jordan	Aye	Beverly L. London	Aye

There being no further business, the meeting was adjourned.

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Timothy S. Proctor

Mayor

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Marla W. Kline, MMC

Clerk