

TOWN OF RICHLANDS
REGULAR MONTHLY MEETING

The Richlands Town Council held a “Regular Monthly Meeting” on Tuesday, May 14, 2024, at 6:00 pm in the Richlands Council Chambers with the following present:

Mayor: Rod. D. Cury
Town Manager: Jason May
Office Manager: Susan Whitt
Town Clerk: Amanda Beheler
Town Attorney: Michael Thomas
Finance Manager: Ronnie Campbell
Council Members: Seth White, Gary Jackson, Rick Wood, Jordan Bales, Jan White, and Laura Mollo.

The Town Meeting was called to order at 6:00pm and opened with the invocation and the Pledge of Allegiance led by Rod Cury.

IN RE: Additions, Deletions, or Corrections to the Agenda

Mr. May requested (a) Public Works Director under the Town Managers Report be moved to (d) under IV.

Mayor Cury asked if there was anyone present who would like to speak during unscheduled public comment.

Morgan Earp and Erica Galloway advised they would like to speak during Unscheduled Public Comments.

Upon a motion by Laura Mollo seconded by Gary Jackson and the roll call vote of all members present, the Council voted to approve the agenda as amended.

IN RE: Authorization to Pay Bills (April)

Mayor Cury asked the Council if there were any questions regarding the Check Register, there were none.

Upon a motion by Jan White seconded by Rick Wood and the unanimous roll call vote of all members present, the Council voted to approve paying the bills for April.

IN RE: Minutes

Upon a motion by Rick Wood seconded by Laura Mollo and the unanimous roll call vote of all members present, the Council voted to approve the minutes for the following dates: April 9, 2024 Regular Scheduled Meeting, April 16, 2024 Special Called Meeting, April 23, 2024 Special Called Meeting, and the April 30, 2024 Special Called Meeting.

IN RE: Richlands Woman’s Club Recognition

Mayor Cury briefly spoke to the Council about the history of the Richlands Woman’s Club and everything they do within the Town.

Mayor Cury recognized the Richlands Women’s Club and its 92nd birthday. It’s the oldest existing civic group in Richlands.

Debbie Damron, President of the Richlands Woman’s Club, thanked the Council and Mayor Cury for recognizing them and stated they do these things for the betterment of the community.

IN RE: Public Works Director

Mr. May spoke briefly about Jason Sheppard's history as an exceptional employee of the Town and welcomed him as the new Public Works Director.

Mr. Sheppard thanked the Town.

Scheduled Public Comments

Jacob Vandyke, 721 Farmers Street- Mr. Vandyke commended the Richlands Woman's Club for all their work. He also spoke briefly to the Council about the hardships that citizens are currently facing and advised that even though he didn't like the proposed tax rate increases, he understood they were necessary for the well-being of the Town and its Citizens.

Unscheduled Public Comments

Morgan Earp, 1618 6th Street-

- thanked the Town Manager for doing a great job cleaning up the Town.
- thanked the Police Department and Fire Department for helping clean up trash in the Town this past weekend.
- spoke about current council members being related.
- stated the last council member was not appointed because they were not running in the next election.
- stated the lawsuit that was brought against the Town two weeks ago needs to be addressed.

Mrs. Mollo addressed Mr. Earp's comments-

- advised it was inappropriate for the Council to speak about previous Council members.
- Stated the reason for the appointment of the last council member was because of their knowledge of the large projects the Town is currently working on.
- advised the Council cannot legally speak on pending litigation.

Erica Galloway, Director of the Tazewell County Public Library, gave an update on the Phase 2 renovations being done at the Richlands Library. Mrs. Galloway stated the elevator would be going in at the end of May and would allow all three floors of the library to be accessible to everyone. The library will be ADA compliant.

IN RE: 2023 Audit Report / Bob Brandenburg- Bostic, Tucker, and Company

Mr. Brandenburg stated there were no significant problems in completing this audit and advised the staff was very helpful.

Mr. Brandenburg gave a brief overview of the 2023 Audit to the Council.

- Pg. 2 Paragraph 2- *"In our opinion, the financial statements referred to were presented fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Richlands, Virginia, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America"*.
- Pg 18- For the year ending June 30, 2023, in the Governmental Activities, the Net Position was \$7.2 million and for Business-Type Activities it is \$14.1 million, bringing it to a total of \$21.3 million.
- Pg. 19- Net Revenue and Changes in Net Position, for Governmental Activities the Town was \$1.355 million and for Business-type Activities the Town was \$1.108 million, bringing it to a total of \$2.464 million.
- Cash on Hand for Governmental Activities the Town has ten months' worth and for Business-type Activities it has 9.188 months.
- Pg. 78- Budgetary Comparison Schedules- the largest variance was 2.7 million in ARPA Funds.
- Pg. 92- Independent Auditors Report on Internal Control over Financial Reporting and on Compliance and other matters based on an Audit of Financial Statements performed in accordance with Government Auditing Standards- Auditors identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned

costs as items 2023-001 that they considered to be material weaknesses. This refers to the continuation of the finding in the 2022-001, over a period of time State Highway Funds were underspent and as of June 30, 2023, the deferred revenue for that item was \$2.143 million. Over time the Town will have to make this up to the state to come back into compliance. Will continue to monitor for progress on this.

- Pg. 94- Independent Auditors Report on compliance for each major program and on internal control over compliance required by the uniform guidance- There we no findings for this.

Mr. Bales asked why the full accrual method is used. Mr. Brandenburg advised it is governmental auditing standards.

IN RE: Rescue Collections

Mr. May stated the Rescue Squad provides rescue services in situations where the patient does not want to be transported, and they must still be billed. The Town must charge the same fee across the board. Mr. May advised he can't change the costs of the services provided; however, he can adjust the bill for some patients with mitigating circumstances on a one-by-one basis and adjust the bill accordingly. Mr. May also advised he does not need a vote; this is for informational purposes and would like anyone who has mitigating circumstances to reach out to him.

Mayor Cury declared a ten-minute recess.

Councilman Seth White joined the Meeting at this time.

IN RE: Don Matney Subdivision

Mr. May advised the landowner of Parcel # 123 A 0102A requested subdivision of the existing parcel for the purpose to be sold in the near future for placement of homes in Town limits. The Staff and the Planning Commission have found this subdivision to be in compliance with the current zoning ordinance requirements for subdivision of land property.

Mr. White requested to see a map. The Council reviewed the map.

The landowner intends for the Greenfield Drive Road to remain as a 30 foot private right-of-way and will continue to not be maintained by the Town.

Upon a motion by Gary Jackson seconded by Rick Wood and the unanimous roll call vote of all members present, the Council voted to approve the subdivision of Map Parcel #123 A 0102A.

IN RE: Amendment to Cigarette Tax Ordinance O-2024-05-01 (Second Reading)

Upon a motion by Laura Mollo seconded by Seth White and the unanimous roll call vote of all members present, the Council voted to dispense the seconding reading of Ordinance O-2024-05-01.

Upon a motion by Laura Mollo seconded by Rick Wood and the unanimous roll call vote of all members present, the Council voted to adopt Ordinance O-2024-05-01.

IN RE: Capital Account Bulk & Brush Ordinance O-2024-05-02 (Second Reading)

Upon a motion by Rick Wood seconded by Gary Jackson and the unanimous roll call vote of all members present, the Council voted to dispense the seconding reading of Ordinance O-2024-05-02.

Upon a motion by Laura Mollo seconded by Jordan Bales and the unanimous roll call vote of all members present, the Council voted to adopt Ordinance O-2024-05-02.

IN RE: Teen Venture

Jim Talbert, Secretary of Teen Venture, presented the Council with “a working document-proposal” and budget.

Mr. Talbert asked the Town to allow the library to use Teen Venture as a pop-up library during renovations, due to it not being in the current lease.

Victoria Krebs, Chairman of Teen Venture, spoke briefly to the Council about using the skate park, the current contract does not allow it. Mrs. Krebs would like to sit down with the Council and possibly add some amendments to the current contract.

Mayor Cury advised that Council needs time to read the proposal before any decisions can be made.

Mr. White asked when the pop-up Library would need to be set up, Mr. Talbert advised right away. Mr. White suggested Mrs. Galloway to work with Mr. May on the logistics of it.

Mrs. Mollo asked how much cash on hand does Teen Venture have, Mr. Talbert advised \$36,000.

Mrs. White asked if the paper provided to Council was the Actual Budget or Proposed Budget.

Mrs. Krebs advised it showed both.

Mrs. Galloway spoke to the Council about the pop-up Library.

Mrs. Mollo asked if Teen Venture will pay utilities for the popup library, Mr. Talbert advised they would.

Mayor Cury declared a ten-minute recess.

IN RE: Water and Sewer Rate Adjustment Discussion

Mr. May and Mr. Thomas spoke to the Council briefly about the two water and sewer rate increase options. Option 1 being a water and sewer increase and Option 2 being a water only increase.

Mr. May suggested using the funds generated from the twenty-five-cent increase on the sewer rate for Grant Writing Services in FY25 or to hire a new position.

Mr. Thomas gave a 1st reading of:

- ORDINANCE NO.: 0-2024-05-04- Amendment of §50.12 Water & Sewer Rates (Option 1)
- ORDINANCE NO.: 0-2024-05-04- Amendment of §50.12 Water Rates (Option #2)

IN RE: 1st Reading of Electric Rate Adjustment Ordinances

Mr. White suggested the Council update the Towns charter to not require reading the Ordinances. Mr. Thomas advised of the process.

Mr. Thomas gave the 1st reading of the following Ordinances:

- ORDINANCE NO.: 0-2024-05-03- Amendment of §50.03 Electric Rates
- ORDINANCE NO.: 0-2024-05-03.1- Amendment of §50.04 Electric Rates
- ORDINANCE NO.: 0-2024-05-03.2- Amendment of §50.05 Electric Rates
- ORDINANCE NO.: 0-2024-05-03.3- Amendment of §50.06 Electric Rates
- ORDINANCE NO.: 0-2024-05-03.4- Amendment of §50.07 Electric Rates

IN RE: 1st Reading of Garbage Collection Rate Adjustment Ordinance

Mayor Cury gave the 1st reading of ORDINANCE NO.: 0-2024-05-05- Amendment of §50.13 Garbage Collection Rate Adjustment.

IN RE: 1st Reading of Amendment of Real Estate Tax

Mayor Cury gave the 1st reading of ORDINANCE NO.: 0-2024-05-06- Amendment of Real Estate Tax.

IN RE: Monthly Financial Report

Mr. Campbell gave a brief overview of the Monthly Financial Report for March as follows:

- General Fund- Year to Date Net Income is \$482,000.
- Revenues are 72.1% of Budget.
- General Expenses- Starting to see some permanent favorable differences. Will bring the Council a summary of the differences in June.
- Water- Year to date net income is primarily the result of lower revenues, currently at 62.8 % of budget.
- Sewer- Lower revenues, currently at 63.2% of budget.
- Water and Sewer Line Maintenance- Currently at 60.7% of the budget.
- General Fund- Unreserved Cash Balance is 4.4 million, decreased by \$244k from February.
- Water Department—Unreserved Cash Balance is 1.2 million, decreased by \$34k from February.
- Sewer Department- Unreserved Cash Balance is 1.5 million negative, increased by 1k from February.
- Electric Department- Unreserved Cash Balance is 3.2 million, decreased by 149k from February.

Mayor Cury asked the Council if they had any questions about the Financial Report.

Mrs. Mollo asked why the Town is still paying Thompson & Litton. Mr. May advised that was brought to his attention earlier and will investigate this and will update the Council.

The Council had no other questions.

IN RE: Attorney Report

Mr. Thomas stated he didn't have anything to report on at this time.

IN RE: Town Manager Report

Mr. May advised of the following:

- The “Toy Story” movie at Greenway Park was cancelled due to rain, will be rescheduled for June 15.
- The pool will open at the REC Park on Memorial Day weekend.
- The Fletcher Bright Deed transfer has been finished. In anticipation of this, Mr. May has completed a Transportation Alternatives Program Grant Application with the Virginia Department of Transportation for the swinging bridge attached to this property. Was notified the Town was accepted into this program.
- The Governor will visit on May 23, 2024.
- Gave a brief paving update.
- Japanese Drummers will be using the stage area on June 20, 2024, at 3:30pm.

IN RE: Smoke Detector Grant

Fire Chief Rudy Keith spoke to the Council about the Town being awarded the Smoke Detector Grant. Mr. Keith advised the award is for thirty Fire Detectors and these would be given out to citizens in Town who need them.

IN RE: Council Member Reports

Laura Mollo-

- A citizen reported that Council Packets are upside down on the Towns website.
- Benches at the park- Citizens would like to sponsor them.
- Quarter Duck Feeders at Critterville- A citizen would like to see these installed.

- National Police Week- Proud of the Police Department.
- National Peace Officers Day- a day to honor Police Officers who have died in the line of duty. Mrs. Mollo spoke about her great grandfather, Loranzie Floyd McGlothlin, who passed away due to gunfire on Jan 13, 1934, while working for the Tazewell County Sheriff's Office.

Jan White-

- Asked when paving would begin, Mr. May advised he will update as soon as he is given a date.

Jordan Bales-

- Asked if the Towns RFP's are marketed well. Mr. May advised they are in the process of updating the Towns website to make it easier.
- Thanked the Electrical Department for assisting with the Project Graduation Banners.
- Asked how much of the Budget will be used for sidewalks and crosswalks. Mr. May advised it will be as needed and is currently looking for grants to help with this.
- Stated he would like to see a waterslide at the new pool next year, if possible.

Rick Wood-

- Thanked the Council for working together and smoother. Stated things are getting done and good things are coming to Richlands. The Town is taking steps to take us into the future.

Gary Jackson-

- Benches- stated he agreed with Laura and citizens about sponsoring benches at the Greenway, it's a good idea.
- Update on Oriole Street Bridge- Mr. May advised the bridge will be done by the end of July.
- Bridge on Maple Lane- Mr. May advised water is eroding the culvert and the Town is currently working on this issue.

Seth White-

- Apologized for being late, stated his son who is a Senior, had a district tournament baseball game.
- Thanked Rudy Keith and Matt Whited for their help with his apartment building fire building in Cedar Bluff. Appreciated them handling everything, got the fire out with limited damage.
- Stated that it is easy to be someone who complains, but Richlands is currently in a growth phase and has a lot of good things happening. Mr. White advised he is excited because it sparks interest in downtown.
- Asked Mr. Thomas to research removing the First Reading of Ordinances from the Charter. Mr. Thomas advised everyone to look over the Charter for any other changes that may be needed, so that he could do it all at once.

Mrs. Mollo stated that she is hearing from Citizens that they are now able to speak with the Towns Administration with ease.

Mr. Wood asked Mr. Keith if thirty Fire Detectors were enough. Mr. Keith stated he plans to purchase more with the money left in the Budget.

Mr. Wood also asked if we can test citizens smoke detectors to see if they are working.

IN RE: Mayor Comments

- Crosswalks- advised there were supposed to be crosswalks across Lake Park Drive as a part of a grant, Mr. May advised he will research this.
- Burned out houses- stated there were several in Town and hopes that the Town can move forward with eliminating these.
- Benches- advised there was an extra bench intended for the Greenway Park that is currently in storage at the Section House.

- Memorial Day- a sacred weekend, wants to remember the ones who gave their lives for our Country and honor them.
- Freedom Festival is June 29, 2024. Events will be held all over Town.
- Thanked everyone for their hard work.
- Richlands Police Department Wreath Laying Ceremony with Senator Travis Hackworth

IN RE: Executive Session

Mayor Cury advised the Council would be going into Executive Session pursuant to:

VA Code Section: 2.2-3711 (A)(8)- Consultation with Legal Counsel / Iron Street Property

Upon a motion by Gary Jackson seconded by Laura Mollo and the unanimous roll call vote of all members present, the Council voted to go into Executive Session.

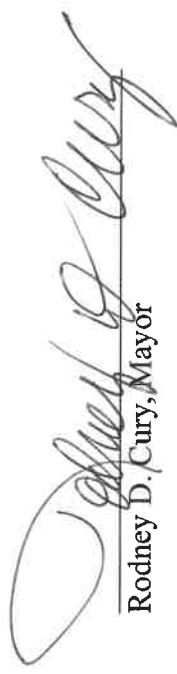
Upon a motion by Laura Mollo seconded by Rick Wood and the unanimous roll call vote of all members present, the Council voted to return to Open Session.

Upon a motion by Laura Mollo seconded by Rick Wood and the unanimous roll call vote of all members present, the Council certified that only Consultation with Legal Counsel / Iron Street Property- VA Code Section: 2.2-3711 (A)(8) was discussed during the Executive Session.

IN RE: Adjournment

Upon a motion by Laura Mollo seconded by Seth White and the unanimous roll call vote of all members present, the meeting was adjourned.


Amanda Beheler, Town Clerk


Rodney D. Cury, Mayor

