

A CALLED MEETING OF THE BRISTOL VIRGINIA CITY COUNCIL WAS HELD ON MAY 12, 2018, AT 9:00 A.M. AT 300 LEE STREET, BRISTOL, VIRGINIA WITH MAYOR KEVIN MUMPOWER PRESIDING. VICE MAYOR KEVIN WINGARD, AND COUNCIL MEMBERS J. DOUGLAS FLEENOR, WILLIAM HARTLEY, AND ARCHIE HUBBARD, III WERE PRESENT. CITY MANAGER, RANDALL C. EADS AND CHIEF FINANCIAL OFFICER, TAMRYA SPRADLIN, WERE ALSO PRESENT.

Mayor Mumpower called the meeting to order.

A. Mayor's Minute and Council Comments.

Mayor Mumpower stated that council needs to review the revenue projections closely.

Mr. Fleenor commented that the school system should receive the total appropriation from the City. He also stated that City employees deserve a 1% bonus. We need to raise taxes to do this if necessary.

Mr. Hubbard stated that the city needs to survive and the school system will need to wait for an increase in their budget until the city is out of financial distress. He also commented that council has not received enough details for the appropriation request. He said city would need a .06/100 Real Estate tax increase to meet Mr. Fleenor's desires for the school system and the City.

Vice Mayor, Mr. Wingard, commented on the decline in the City's population and increase in poverty. He advised that revenues will not increase through restaurants and retail. He stated that poverty breeds crime and the city needs to provide options for the community. We all have to work together in order to survive as a City.

Mr. Hartley thanked the community for becoming involved in the city council meetings. He also stated that educational opportunities correlate with poverty. We need to bring in more jobs. We need a good school system in order to bring those jobs. Supports the alternative financing plan the school is wanting to use for a new school. Due to finances of the City, it is very difficult to do now. He said he does support a bonus for City employees.

Mayor Mumpower commented on the need for a more detailed look at the School Board's new school plans. It is too early to decide on this project. Wants to see more options for financing the new school before making any final decisions. More discussions will be needed the coming year. He said the \$300K reduction from the school's request isn't really a cut in that the state is sending approx. \$900K more funds in the coming year.

The City needs to survive as a whole. All parts have to be properly addressed.

B. City Manager's Comments

City Manager, Mr. Randall Eads, gave an overview of the general budget summary and a copy of the summary has been recorded and included in the May 12, 2018 minutes.

Mayor Mumpower commented on the revenue and asked the city manager if there are any risks. City manager replied that local sales taxes and business license tax, meals and lodging taxes could be a potential risk as those taxes are volatile.

Mr. Hubbard asked city manager regarding the DRI. He asked city manager about the impact on the revenue should specific businesses at the Falls Development decide to close at the end of the year. City Manager said probably no real impact in new year, but it would have major impact after the coming year.

Mayor Mumpower stated the city cannot rely on the sales tax revenues. City manager replied that contingency plans are in place should the sales tax revenues decrease.

Mr. Fleenor stated that raising .02/100 on Real Estate taxes are necessary to cover unknowns in the new year. Waiting for a big tax increase later is harder on budget compared to a little increase now and a little increase later on. Mr. Hubbard agreed.

Mayor Mumpower gave a brief history of the Real Estate Tax rates and errors previous councils made in past years with this tax.

Council doesn't want to raise the Real Estate Tax rate this year.

1. Budget Workshop

a. Jail Discussion

City Manager, Mr. Randall Eads, reported there is a policy in place for a program proposal. He stated there were 240 inmates in custody at the sheriff's office and 90 inmates placed outside of city limits. The sheriff's office have reduced inmates by half

since March 2018. Mr. Eads reported the program will replace drug court and he is hoping to reduce the city's poverty rate by having this program in place. He said that he was in contact with local businesses who will hire our released inmates after our completing our program.

Mr. Fleenor commented on the necessity of invoking for return of driver's license to former inmates so they can get to work.

Mayor Mumpower commented on the availability of city's current assets to aid in the program (Courts, Sheriff, Police and City Mgmt team and buildings available to use).

Mr. Eads stated that \$300,000.00 out of the proposed \$900,000 for inmate expense will be set aside for the inmate program and it will be moved to jail maintenance. Also, \$100,000 needs to be added to the jail maintenance account to cover building annex remodeling expense. The new inmate program could save the City \$600,000 per year if it is successful.

b. School Funding

City Manager, Mr. Randall Eads, reported that \$6,686,000.00 will be budgeted for school funding.

Mr. Fleenor stated the school system should be responsible for charging the tuition rate for out of zone students. That can help their revenues and help take pressure off local citizens who pay for school operations.

c. Overtime

City manager stated that overtime will need to be approved for only special events and purposes. He also advised council that staff is currently working on reducing overtime to save on expenses. He suggested placing the overtime funds into the contingency plan.

D. Outside Agencies

Mayor Mumpower reported that funds for outside agencies have been reduced to \$75,000.00 and divided between two agencies. He stated the Chamber of Commerce will receive \$50,000.00 and Believe in Bristol will receive \$25,000.

2. Adjournment

There being no further business, the meeting was adjourned.

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City Clerk

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Mayor