REGULAR
COUNCIL MEETING
June 17, 1991

The regular meeting of the Elkton Town Council was held June 17, 1991 at 8:00 p.m. in the council chambers with the Mayor Charles E. Dean presiding. The following council members were present: J. R. Correa Jr., R. C. Davis, L. C. Life, W. E. Printz and R. L. Snow. H. W. Leap was absent. Dale Davenport, Attorney, Norma Leap, Clerk, Robert Marshall, Police Sergeant, and Gerald Monger, Town Superintendent were also present.

Mr. Tim Hulings, our representative on the Board of Supervisors, was present and presented a copy of a resolution which was passed by the Board of Supervisors to Mr. Hobby Robinson. The resolution commended Mr. Robinson on his years of service to the community and congratulated him on his retirement.

Mayor Dean expressed his appreciation to Mr. Hulings for being present to honor Mr. Robinson and also commended Mr. Robinson for his many years of service to the Elkton community.

Mr. Tim Martin of the Cornerstone Church of Elkton came before council to inform council of a Community Appreciation Week which they are planning for August 5-11, 1991. The purpose of this week of events is to express their appreciation to the people of Elkton for allowing them to be a part of this community and the support Elkton has given them over the last year and a half. The proceeds from the weekend events will be given to the Town of Elkton to use for any special project(s) they feel applicable. They stated they would be thrilled to see the money used to support such a project as the "Kids Castle" which is going to be built in the park. In order to carry out the events they plan to rent the park area owned by the Junior Order. They will need permission from council to pitch a tent in the park to house their Bible School, Craft Show, Gospel Sing, and Sunday morning worship service. The tent will be erected and disassembled by a group of professionals and the church will be fully responsible for making sure that the area is well maintained during the week and cleaned up at the end of the event. The Junior Order has indicated their willingness to allow them to rent the park for the event but indicated they could not grant permission to erect a tent without the consent of the Town Council.

Mayor Dean stated that Mr. Davenport has checked this out and it doesn't seem to present any problems. Mr. Monger stated it might require a building permit.

Mrs. Hazel Crider was present to ask a question on the 1990-1991 Budget. She questioned what the Miscellaneous Expenses were under the Street Maintenance Budget. Mr. Monger stated he would be glad to explain these expenses to Mrs. Crider if she would contact him at his office where he has his work papers. Mrs. Crider also expressed her opposition to a meals tax and asked council to give this further consideration before acting. Another question was what increase is planned on Real Estate Taxes.

Councilwoman L. C. Life moved, seconded by Councilman W. E. Printz and carried to approve the minutes of the Regular Meeting May 20, 1991 and the minutes of the Public Hearing May 20, 1991 as presented.

Councilwoman L. C. Life moved, seconded by Councilman R. L. Snow and carried for council to give consent to the tenting in the Jr. Order Park for the Cornerstone Church with the permission of the Jr. Order and any other permits necessary.

Sergeant Marshall reported that Chief Pence is on vacation.

Councilwoman Life commended the police department for their checking on town decals.

Sergeant Marshall stated that they had eight DUI's last month. There was more overtime last month due to the number of arrests. He pointed out that arrests decrease when there is no overtime.

Councilman R. L. Snow moved, seconded by Councilman J. R. Correa Jr. and carried to approve the Finance Report for the month of May 1991.

Councilman Snow presented the following First Reading on the 1990-1991 Budget Transfers and Additional Appropriations:

General Government

Transfer from ORDINANCES to ADS	$ 700.00
Transfer from ORDINANCES to MISC.	$ 300.00
Transfer from ZONING to INSURANCE	$ 450.00
Transfer from OFFICE EQUIPMENT to MISC.	$ 300.00
Transfer from ANNEXATION STUDY to MISC.	$1000.00

Electric Department

Transfer from POWER PURCHASED to INSURANCE	$9000.00
Transfer from POWER PURCHASED to VEHICLE MAINT.	$ 500.00
Transfer from POWER PURCHASED to TELEPHONE	$ 30.00

Water Department

Transfer from UTILITIES to MISC.	$ 100.00
Transfer from REPAIRS-PROPERTY to MISC.	$1300.00
Transfer from RETIREMENT to SUPPLIES	$ 500.00
Transfer from REPAIRS-EQUIP. to SUPPLIES	$ 500.00
Transfer from RETIREMENT to TELEPHONE	$ 50.00
Transfer from RETIREMENT to PAYROLL TAXES	$ 75.00

ADDITIONAL APPROPRIATION OF $3700.00

WAGES	$1300.00
INSURANCE	$2400.00

Sewer Department

Transfer from UTILITIES to INSURANCE	$1500.00
Transfer from SUPPLIES to INSURANCE	$1525.00
Transfer from OFFICE EQUIP. to REPAIRS-EQUIP.	$ 250.00
Transfer from RETIREMENT to REPAIRS-EQUIP.	$ 750.00
Transfer from RETIREMENT to PAYROLL TAXES	$ 175.00

Garbage Department

Transfer from RETIREMENT to INSURANCE	$ 700.00
Transfer from REPAIRS-PROPERTY to INSURANCE	$1000.00
Transfer from VEHICLE MAINT. to INSURANCE	$ 400.00
Transfer from REPAIRS-EQUIP. to INSURANCE	$ 400.00
Transfer from OFFICE EQUIP. to INSURANCE	$ 250.00
Transfer from WAGES to SUPPLIES	$ 200.00
Transfer from WAGES to PRIVATE HAULER	$4000.00

Street Department

Transfer from REPAIRS-EQUIP. to WAGES	$1000.00
Transfer from VEHICLE MAINT. to WAGES	$1000.00
Transfer from UTILITIES & FUEL to INSURANCE	$ 260.00
Transfer from UTILITIES & FUEL to AUDIT	$ 240.00
Transfer from UTILITIES & FUEL to MISC.	$ 450.00
Transfer from UTILITIES & FUEL to PAYROLL TAXES	$ 50.00
Transfer from UTILITIES & FUEL to MEETINGS	$ 12.00
Transfer from UTILITIES & FUEL to REPAIR-PROP.	$ 75.00
Transfer from NEW VEHICLES to SUPPLIES	$ 200.00

Street Maintenance

Transfer from ADS to UTILITIES	$ 100.00
Transfer from REPAIRS-PROP. to INSURANCE	$1015.00
Transfer from WAGES to MISC.	$4775.00
Transfer from MEETINGS to MISC.	$ 475.00
Transfer from ADS to TELEPHONE	$ 50.00
Transfer from OFFICE EQUIP. to SUPPLIES	$ 300.00
Transfer from RETIREMENT to SUPPLIES	$ 650.00

ADDITIONAL APPROPRIATION OF $669.60

SUPPLIES	$669.60

Public Safety

Transfer from RETIREMENT to WAGES	$1500.00
Transfer from UTILITIES to WAGES	$3525.00
Transfer from INSURANCE to MISC.	$2500.00
Transfer from UNIFORMS to REPAIRS-EQUIP.	$1000.00
Transfer from OFFICE EQUIP. to TELEPHONE	$ 300.00

Public Safety cont.	
Transfer from OFFICE EQUIP. to SUPPLIES	$ 50.00
Transfer from NEW VEHICLE to SUPPLIES	$ 200.00
Transfer from RETIREMENT to PAYROLL TAXES	$ 400.00
Transfer from REPAIRS-PROP. to VEHICLE MAINT.	$ 500.00
Recreation Department	
Transfer from SUPPLIES to REPAIRS-PROP.	$2000.00
Transfer from OFFICE EQUIP. to TELEPHONE	$ 50.00
Transfer from MEETINGS to TELEPHONE	$ 300.00
Transfer from RETIREMENT to INSURANCE	$ 550.00
Transfer from LEGAL to INSURANCE	$ 400.00
Transfer from REPAIRS-EQUIP. to INSURANCE	$ 200.00
Transfer from ADS to INSURANCE	$ 100.00
Transfer from VEHICLE MAINT. to UTILITIES	$ 300.00
Transfer from WAGES to UTILITIES	$1100.00

ADDITIONAL APPROPRIATION OF $8,218.10
REPAIRS-PROP. $8218.10

ADDITIONAL APPROPRIATION OF $6,000.00
MISC. $6000.00

Councilman R. L. Snow moved, seconded by Councilwoman L. C. Life to approve on Second Reading the following 1991-1992 Budget:

1991-1992
BUDGET

EXPECTED REVENUE	
General Fund	
General Government	$ 499,855.
Recreation Department	15,500.
	$ 515,355.
Utility Accounts	
Electric Department	$1,075,870.
Water Department	120,161.
Sewer Department	180,033.
	$1,376,064.
TOTAL REVENUE	$1,891,419.
EXPECTED DISBURSEMENTS	
General Fund	
General Government	$ 62,067.
Recreation Department	64,175.
Garbage Department	102,923.
Street Department-Highway Maint.	145,830.
Street Department	29,247.
Public Safety	270,474.
	$ 674,716.
Utility Accounts	
Electric Department	$ 920,771.
Water Department	119,862.
Sewer Department	176,055.
	$1,216,688.
TOTAL DISBURSEMENTS	$1,891,404.
SURPLUS	$ 15.

Councilmen Printz and Correa spoke in opposition to the 2% meals tax. They both indicated that no one they had talked with has been in support of this tax. They also felt it would hurt and not help encourage business in the town.

Councilman Davis stated that he had several people tell him that they would rather have a 2% meals tax than an increase in the real estate tax rate.

Councilwoman Life and Councilman Snow both felt that the meals tax was the fairest tax council could levy.

The vote was taken on the budget and recorded as follows:

Correa	-	nay	Printz	-	nay
Davis	-	yea	Snow	-	yea
Life	-	yea			

Councilwoman L. C. Life moved, seconded by Councilman R. L. Snow and carried to place a float in the Jr. Order Field Day parade. The float is not to exceed the cost of $350.00.

Councilman Printz reported that Mr. Monger had gone with him to look over the road situation at Mr. Lewis Johnson's. They are working on a possible solution to this problem. He also reported that the State plans to put the sidewalk on the lower end of town out for bids again.

Councilwoman L. C. Life moved, seconded by Councilman R. L. Snow and carried to approve the following Resolution to go with the County of Rockingham and the Towns in Rockingham County in adopting a Solid Waste Management Plan:

RESOLUTION

WHEREAS, the County of Rockingham and the Towns of Bridgewater, Broadway, Dayton, Elkton, Grottoes, Mount Crawford and Timberville, have been designated as a solid waste management planning region known as The Greater Rockingham Solid Waste Management Region for the purpose of joint development of a solid waste management plan, and

WHEREAS, the Greater Rockingham Solid Waste Planning Region will file a solid waste management plan as required by the Regulations For the Development of Solid Waste Management Plans (VR 672-50-01), effective May 15, 1990, and

WHEREAS, this plan is a supplement to the Central Shenandoah Planning District Solid Waste Element of the District Comprehensive Plan,

THEREFORE BE IT RESOLVED, that the Board of Supervisors of Rockingham County and the Councils of the Towns of Bridgewater, Broadway, Dayton, Elkton, Grottoes, Mount Crawford and Timberville, in accordance with VR 672-50-01, Part IV, Section 4.1.4, adopt the Central Shenandoah Planning District Solid Waste Element of the District Comprehensive Plan (1989) and the Greater Rockingham Solid Waste Management Plan (1991), a supplement to the District plan, as their official solid waste management plan in accordance with the Virginia Area Development Act [Va. Code Ann. Section 15.1-1400 through 15.1-1499 (1981 and Cum. Supp. 1988)], the Virginia Water and Sewer Authorities Act [Va. Code Ann. Sections 15.1-1249 through 15.1-1270 (1981 and Cum Supp. 1980] the provisions of the Code of Virginia governing joint exercise of powers by political subdivisions [Va. Code Ann. Section 15.1-21 (1981)].

BE IT FURTHER RESOLVED, that the Rockingham County Administrator has been granted permission to submit the official Greater Rockingham Solid Waste Management Plan to the Virginia Department of Waste Management by July 1, 1991.

Councilwoman L. C. Life presented the following First Reading to amend Section 2-3-4 and enact new Sections 2-3-38 through 2-3-47 of the Code of Ordinances of the Town of Elkton, Virginia:

**ORDINANCE AMENDING SECTION 2-3-4
AND ENACT NEW SECTIONS 2-3-38 THROUGH 2-3-47
OF THE CODE OF ORDINANCES
OF THE TOWN OF ELKTON, VIRGINIA**

BE IT ORDAINED, That the following existing section of the Code of Ordinances of the Town of Elkton, Virginia is hereby amended to read as follows:

Section 2-3-4 Tax Revenues.

(a) The following taxes are included in the sources of town revenues:
(1) real and personal property taxes;
(2) utility tax;
(3) business, professional and occupational license tax;
(4) motor vehicle license tax;
(5) meals tax.
(b) Unless otherwise provided by law, the rates of such taxes shall be as fixed from time to time by the council.

BE IT ORDAINED, That the following sections are added to the Code of Ordinances of the Town of Elkton, Virginia:

Section 2-3-38 Definitions.

The following words shall for the purpose of this article have the following respective meanings, except where the context clearly indicates a different meaning.

(a) Caterer: A person who furnishes meals on the premises of another person.

(b) Meal: Any prepared food and drink, including alcoholic beverages, offered or held out for sale by a restaurant or caterer for the purpose of being consumed by an individual or group of individuals at one time to satisfy the appetite. All such food and drink shall be included, whether intended to be consumed on the seller's premises or elsewhere, whether designated as breakfast, lunch, dinner, supper or by some other name, and without regard to the manner, time or place of service.

(c) Restaurant: Any establishment in the Town whose business includes offering to the public meals prepared either for consumption on premises or to carry from the premises for consumption, and for which the owner or operator thereof receives compensation, including, but not limited to, places or businesses known as bars, cafes, cafeterias, coffee shops, clubs, delicatessens, diners, dining rooms, eateries, grills, lunch counters, restaurants, or snack bars. This definition shall also include [charitable, other non-profit organizations, clubs and associations] convenience stores, service stations and like business establishments which prepare and sell sandwiches, [barbecue chicken, beef and pork] hot dogs, hamburgers, soft drinks and similar food and drink items.

Section 2-3-39 Levy and rate.

In addition to all other taxes of every kind, now or hereafter imposed on meals, there is hereby imposed and levied on each and every meal sold by restaurants and caterers within the Town, as defined herein, a tax equivalent to two percent of the total amount paid for such meals.

Section 2-3-40 Exceptions.

No tax shall be payable hereunder on:

(a) meals prepared or served by any school, hospital, medical clinic, convalescent home, or home for the aged to their

students, patients, residents or employees, or food served to employees in connection with their employment and paid for by the employer;

(b) food and beverages sold through vending machines;

(c) meals purchased with food coupons issued by the United States Department of Agriculture;

Section 2-3-41 Collection.

(a) Every person receiving any payment for meals with respect to which a tax is levied under this article shall collect the amount of tax hereby imposed from the person paying for such meal at the time payment for such meal is made.

(b) All money collected as taxes under this article shall be deemed to be held in trust by the seller collecting same until remitted to the town as provided in this article.

Section 2-3-42 Reports and Records.

(a) The person collecting any tax levied under this article shall make out a report upon forms, setting forth information as the Town Treasurer may prescribe and require, showing the amount collected and the tax required to be collected, and shall sign and deliver the same to the Town Treasurer with a remittance of such tax to the Town Treasurer.

(b) Such reports and remittances shall be made on or before the twentieth day of the month following each calendar month and covering the amount of tax collection during the preceding calendar month.

(c) A person required to collect the tax levied under this article shall preserve for a period of two years records showing the meals sold upon which such tax is imposed, the amount charged for each, the date of sale, the tax due and the tax collected.

Section 2-3-43 Interest and penalties.

If any person shall fail or refuse to remit to the Town Treasurer the tax required to be collected and paid under this article within the time and in the amount specified in this article, there shall be added to such tax by the Town Treasurer a penalty of ten (10) percent, or ten dollars ($10.00), whichever is greater; and if the tax shall remain delinquent and unpaid for a period of one month from the date the same is due and payable, there shall be in addition added to such tax by the Town Treasurer interest at the rate of one percent per month on the amount of the tax for each month or portion thereof from the date upon which the tax is due as provided in this article.

Section 2-3-44 Determination of tax due by Town Treasurer.

If any person required to collect and remit the tax imposed by this article fails to file a statement and a remittance, of it the Town Treasurer has reasonable cause to believe that an erroneous statement has been filed, the Town Treasurer may proceed to determine the amount due the Town and in connection therewith shall make investigation and take testimony and other evidence as may be necessary; provided, however, that notice and opportunity to be heard be given any person who may become liable for the amount owed prior to any determination by the Town Treasurer.

Section 2-3-45 Cessation of business; report and tax due immediately.

Whenever any person required to collect and pay to the Town a tax under section 2-3-39 shall quit or otherwise dispose of his

business, any tax under the provision of this article shall become immediately due and such person shall immediately make a report and pay the tax due.

Section 2-3-46 Town Treasurer; other powers and duties.

It shall be the duty of the Town Treasurer to ascertain the name of every person who is a caterer or is operating a restaurant in the Town liable for the collection of the tax levied by section 2-3-39. The Town Treasurer shall have the power to adopt rules and regulations not inconsistent with the provisions of this article for the purpose of carrying out and enforcing the payment, collection and remittance of the tax herein levied, and a copy of such rules and regulations shall be on file and available for public examination in the office of the Town Treasurer. Failure or refusal to comply with any rules and regulations promulgated under this section shall be deemed a violation of this article.

Section 2-3-47 Penalty.

Any person violating or failing to comply with any of the provisions of this article, shall upon conviction thereof, be fined not more than five hundred dollars ($500.00), or may be imprisoned for a period not exceeding thirty (30) days or punished by both such fine and imprisonment. Each such violation shall constitute a separate violation. Such conviction shall not relieve any such person from the payment, collection or remittance of taxes, penalties and interest imposed by or provided for in this article.

There was some question as to whether this meals tax could be levied against non-profit organization, etc. Mr. Davenport was asked to recheck this.

Councilman Correa reported that the Personnel Committee is working on a pay range structure and that there is one job description left to come before council. Mrs. Leap has prepared a report showing the employee what he receives in benefits from the town and putting a dollar amount to this. The Benefits Survey has also been completed. The committee hopes to start updating the Personnel Manual in the near future.

The next meeting of the Personnel Committee was set for July 11, 1991 at 7:00 p.m.

Mayor Dean reported that the Rockingham Municipal League will meet Wednesday, July 17, 1991 at 6:30 p.m. in Grottoes.

Councilman R. L. Snow presented the following First Reading on the 1991-1992 Budget Appropriations:

1991-1992
BUDGET DISBURSEMENTS

General Government

Wages	$ 16,278.
Ads	700.
Auto Tags	750.
Meetings	950.
Utilities & Fuel	1,400.
Insurance	2,410.
Legal	1,500.
Audit	1,100.
Miscellaneous	2,450.
Repairs-Equipment	1,000.
Repairs-Property	2,000.
Supplies & Equipment	2,445.
Telephone	200.
Office Equipment	500.
Payroll Taxes	1,225.
Retirement	1,059.

Sinking Fund	1,200.
Ordinances	1,000.
Zoning	500.
Planning	1,000.
Annexation Study	4,400.
Comprehensive Plan	6,000.
Consultant Fee (Computer System)	5,000.
EAUS	2,000.
Historical Society (Miller-Kite House)	5,000.
	$ 62,067.

Recreation Department

Wages	$ 25,115.
Ads	200.
Meetings	950.
Utilities & Fuel	4,300.
Insurance	1,970.
Legal	1,500.
Audit	1,100.
Miscellaneous	6,895.
Repairs-Equipment	1,000.
Repairs-Property	3,500.
Supplies, Equipment & Programs	11,000.
Telephone	500.
Office Equipment	400.
Payroll Taxes	2,029.
Retirement	1,716.
Vehicle Maintenance	500.
Park Upkeep	1,500.
	$ 64,175.

Garbage Department

Wages	$ 28,658.
Ads.	200.
Meetings	950.
Utilities & Fuel	1,300.
Insurance	6,920.
Legal	1,500.
Audit	1,100.
Miscellaneous	895.
Repairs-Equipment	1,500.
Repairs-Property	2,000.
Supplies & Equipment	2,200.
Telephone	250.
Office Equipment	500.
Payroll Taxes	2,552.
Retirement	1,898.
Vehicle Maintenance	500.
Private Hauler	50,000.
	$102,923.

Street Department-Highway Maint.

Wages	$ 35,798.
Ads	50.
Meetings	950.
Utilities & Fuel	1,000.
Insurance	7,022.
Legal	1,500.
Audit	1,000.
Miscellaneous	14,000.
Repairs-Equipment	1,500.
Repairs-Property	2,000.
Supplies & Equipment	75,051.
Telephone	275.
Office Equipment	500.
Payroll Taxes	2,728.
Retirement	2,456.
	$145,830.

Street Department	
Wages	$ 3,500.
Utilities & Fuel	12,000.
Insurance	295.
Audit	300.
Miscellaneous	1,070.
Repairs-Equipment	1,000.
Supplies & Equipment	1,125.
Payroll Taxes	267.
Retirement	250.
Vehicle Maintenance	2,000.
New Vehicles	7,440.
	$ 29,247.

Public Safety	
Wages	$161,089.
Ads	200.
Meetings	900.
Utilities	9,000.
Insurance	27,970.
Legal	1,750.
Audit	1,200.
Miscellaneous	2,950.
Repairs-Equipment	5,500.
Repairs-Property	2,000.
Supplies & Equipment	4,445.
Telephone	2,000.
Office Equipment	500.
Payroll Taxes	12,425.
Retirement	10,695.
Jail Fees	350.
Vehicle Maintenance	6,500.
Uniforms	2,500.
New Vehicles	14,000.
Fire Company Gasoline	2,000.
Rescue Squad Gasoline	1,000.
Radios (2)	1,500.
	$270,474.

Electric Department	
Wages	$ 54,210.
Ads	50.
Meetings	950.
Insurance	14,650.
Legal	1,500.
Audit	1,100.
Miscellaneous	5,895.
Repairs-Equipment	2,500.
Repairs-Property	2,000.
Supplies & Equipment	40,000.
Telephone	300.
Office Equipment	500.
Payroll Taxes	4,811.
Retirement	3,705.
Vehicle Maintenance	4,000.
Power Purchased	770,000.
Technical Services	5,000.
Sinking Fund	6,000.
New Vehicles	3,600.
	$920,771.

Water Department	
Wages	$ 44,985.
Ads	50.
Meetings	950.
Utilities & Fuel	11,500.
Insurance	11,765.
Legal	1,500.
Audit	1,100.
Miscellaneous	3,395.
Repairs-Equipment	1,800.
Repairs-Property	2,000.
Supplies & Equipment	20,000.

Telephone	300.
Office Equipment	500.
Payroll Taxes	3,940.
Retirement	2,977.
Vehicle Maintenance	2,000.
Sinking Fund	6,000.
New Vehicles	3,600.
Royalties	1,500.
	$119,862.

Sewer Department	
Wages	$ 65,552.
Ads	50.
Meetings	950.
Utilities & Fuel	17,500.
Insurance	15,350.
Legal	1,500.
Audit	1,100.
Miscellaneous	3,895.
Repairs-Equipment	4,000.
Repairs-Property	2,000.
Supplies & Equipment	20,000.
Telephone	650.
Office Equipment	500.
Payroll Taxes	5,153.
Retirement	3,979.
Vehicle Maintenance	2,000.
Technical Services	500.
Sinking Fund	6,260.
New Vehicles	7,440.
FmHA Loan	17,676.
	$176,055.

A special meeting was set for June 24, 1991 at 7:00 p.m. to have the Second Readings on the 1990-1991 Budget Transfers and Additional Appropriations, the 1991-1992 Budget Appropriations and the Meals Tax Ordinances. Letters will be sent stating the agenda for this meeting. If any council member knows of anything that needs to be discussed at this meeting notify Mrs. Leap.

As there was no further business, the meeting adjourned.

MAYOR: Charles E. Dean
Charles E. Dean, Mayor

RECORDER: Norma R. Leap
Norma R. Leap, Clerk