

# **CHINCOTEAGUE TOWN COUNCIL WORKSHOP A G E N D A**

September 17, 2020 Council Chambers – Municipal Complex

- |     |  |                      |        |
|-----|--|----------------------|--------|
| 1.  | Call to Order  | Mayor Leonard        |        |
| 2.  | Invocation   | Councilman McComb    |        |
| 3.  | Pledge of Allegiance   | Mayor Leonard        |        |
| 4.  | Agenda Adoption  | Mayor Leonard        |        |
| 5.  | Review of State of Emergency   | Mr. Rush             |        |
| 6.  | Historic Firehouse Redevelopment   | Mr. Grayson Williams | Pg. 2  |
| 7.  | Consider C.A.R.E.S. Act 2.0 Program  | Mr. Tolbert,         | Pg. 18 |
| 8.  | Trolly Program Review  | Mr. Tolbert,         | Pg. 21 |
| 9.  | Consider Strategic Financial Plan Proposal   | Mr. Tolbert,         | Pg. 23 |
| 10. | Consider Chamber Donation  | Mayor Leonard,       | Pg. 31 |
| 11. | Mayor & Council Announcements or Comments  |                      |        |
| 12. | Closed Meeting in Accordance with §2.2-3711(A) (1) of the Code of Virginia to discuss filling the positions of Finance Director and Building and Zoning Administrator. |                      |        |
| 13. | Certification of Closed Meeting in Accordance with § 2.2-3712 (D) of the Code of Virginia  |                      |        |
| 14. | Adjournment  |                      |        |

**Agenda Item 6. Historic Firehouse Restoration Presentation**

Please see the link below for Hill's Studio sketches of the proposed options.

<https://www.hillstudio.com/chincoteague-historic-firehouse>



# **J. W. SALM ENGINEERING, INC.**

9842 Main Street, Suite 3  
P.O. Box 397  
Berlin, MD 21811

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July 29, 2020

David P. Hill  
Hill Studio  
120 West Campbell Ave  
Roanoke, VA 24011

## **Background and Scope**

The old Chincoteague Fire House structure, (the subject property) is located at 4028 Main Street in the Town of Chincoteague, Accomack County, Virginia. The parcel designation for this property is; 30A5-16-A. This historic structure occupies most of its lot. What is not occupied by structure is occupied by driveways and aprons. The entire lot is essentially fully-occupied and 100% impervious.

Additional nearby property that is owned or used by the Town consist of the following three pieces of land:

- The Town boat ramp: Parcel 30A5-A-494
- The old jail: Parcel 30A5-501B
- The old firehouse annex: Parcel 30A5-502

Consideration will be allowed for possible use of these properties when formulating infrastructure solutions for the subject property. This desk-top level study was tasked with examining options for the following three utility systems; namely, 1) stormwater conveyance, 2) water supply and 3) wastewater disposal. These utilities would be required to re-purpose the subject property. Discussions were to include a review of the deficiencies of existing utility systems (if any), a discussion of alternatives (if warranted), a forecast of required infrastructure upgrades, and order of magnitude cost forecasts for infrastructure upgrades.

## **Stormwater Conveyance**

The existing stormwater system for the subject property consists of the collection of roof drainage by scuppers conveyed to the ground via existing building downspouts. The discharged stormwater presently conveys via Town gutters to the Town-owned storm drain network in Main and Cropper Streets.

**DRAFT**  
**07/29/20**

**1**

**[www.jwse.com](http://www.jwse.com)**

The building footprint is likely to stay the same after re-purposing. The existing stormwater system should also remain the same and should continue to serve the building in an identical fashion. Currently there are no deficiencies with the existing stormwater conveyance system for the subject property. No infrastructure upgrades should be required. As such, no alternatives were examined and no cost forecasts are presented.

### **Water Supply**

The subject property is served by a municipal water supply provided by the Town of Chincoteague. Presently there is a 1-inch diameter domestic water service to the property. Large diameter water mains exist in both Main and Cropper Streets. They are 8-inch and 6-inches in diameter, respectively. There is also a fire hydrant located on the subject property. Currently there are no deficiencies with the existing water supply system for the subject property for the current use. No alternatives to the water supply from the Town need be investigated. No infrastructure upgrades should be required unless the current use is expanded. Expanded water supply, if required by re-purposing, can be easily provided from these mains without exorbitant effort or cost since large diameter water mains border the property.

### **Sewer Service**

We have been told the subject property is provided with domestic sewer service from the small privately-owned package treatment plant, owned by Sunset Bay Utilities (SBU), located at the nearby Fairfield Inn and Suites Hotel, but we have not been able to verify this. VDH and DEQ have told us that they don't have any record of this connection. We were also told that the subject property is provided with one domestic equivalent dwelling unit (edu) of sewerage. Conveyance is via a small grinder pump on the subject property through a two-inch diameter force main. The exact force main route is presently not known. The current owner of the building should verify the existing method of handling sewer along with its existing capacity.

The provision of expanded sewer services for the repurposing of the subject property will be challenging. The current infrastructure, by its design, can only handle a limited amount of sewerage. The actual pump system has not been investigated, but a two-inch force main system would be typically be capable of handling approximately 25 edus (6,250 gpd) of sewer flow. Repurposing of the subject property with central sewer capacity from the privately-owned package treatment plant, above this amount would require an infrastructure upgrade. As previously mentioned, there may be only one edu allocated for the subject property. Acquisition of additional capacity from SBU would be required to be investigated which is beyond the scope of this study.

The only viable alternative to central sewer would be using a Virginia Department of Health (VDH) on-site treatment and disposal system. There are a number of challenges to this approach, including the requirement for dedicated land area, and for providing a small treatment plant capable of meeting all of the various VDH requirements. Since no land area is presently available on the subject property, a remote disposal system will be required. The three nearby properties previously mentioned could be candidates for this remote disposal system. Constraints regarding setbacks and water table elevations would need to be investigated. Land

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area presently occupied by hard surfaces (parking and buildings) would likely need to be made available for the disposal mound. The regulatory approval path will absolutely require a small treatment plant. The engineering for this type of project will run between 15-20K. The construction costs for a 25 edu system will run between 150-200K without consideration of demolition at remote sites.

### **Conclusion**

The existing stormwater conveyance for the subject property should prove adequate for repurposing. The existing Town water supply system should also prove adequate for repurposing. Existing sewer service is not adequate for expansion. Two options identified include increasing the central sewer allocation from the privately-owned treatment plant or construction a brand new VDH on-site system with a remote drainfield. Practical considerations would dictate limiting either of these two systems to 25 edus. Cost for either of these two options may become significant. We recommend preparing concept design for the on-site alternative and entering into negotiations with SBU in parallel, to allow for better cost definition.

*JWSE* remains available to answer any questions or to provide additional engineering services on this project.

Very truly yours,

**J. W. SALM ENGINEERING, INC.**

By: *John W. Salm, III*

John W. Salm, III, P.E.  
President

Att.

**Accomack County,  
Virginia**

**Legend**

Fire House  
30A5-16-A

Boat Ramp  
30A5-A-494

Jail  
30A5-A-501B

Annex  
30A5-A-502

Map Printed from AccoMap  
<http://accomack.mapsdirect.net/>

Feet  
0 20 40 60 80



**Title: Parcels**

**Date: 7/22/2020**

DISCLAIMER: This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The information displayed is a compilation of records, information, and data obtained from various sources, and Accomack County is not responsible for its accuracy or how current it may be.

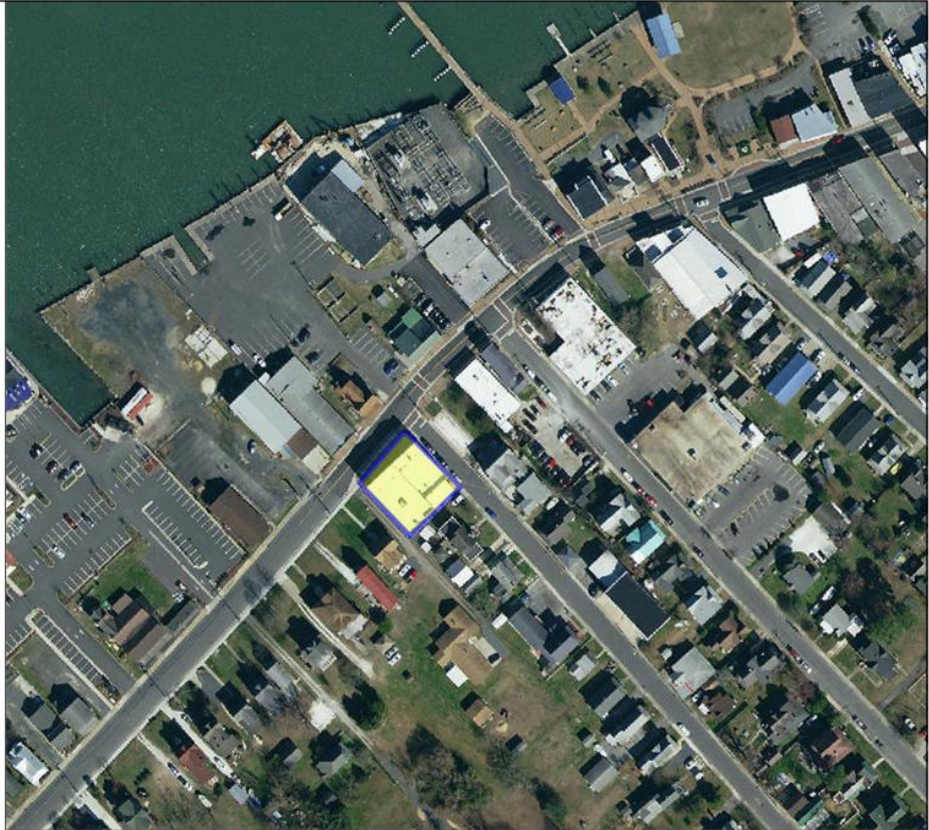


# Accomack County, Virginia

## Legend

Map Printed from AccoMap  
<http://accomack.mapsdirect.net/>

Feet  
0 50 100 150 200



**Title:**

**Date: 7/27/2020**

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# Accomack County, Virginia

July 22, 2020

**Tax Map #:**

30A5-16-A

**Parcel ID:**

030A51600A00000

The assessment information is obtained from the total value of these tax map numbers...

30A5-16-A

## Summary

**Owner's Name**

TOWN OF CHINCOTEAGUE

*No Data*

**Mailing Address**

6150 COMMUNITY DR  
CHINCOTEAGUE, VA 23336

**Base Zoning**

Note: Part or all of this area falls within the limits of an Incorporated Town. Please check with applicable Town for zoning classification within town limits.

**Overlay Zoning**

**Tax District**

Subscription Only



## Sale Information

Transfer Date:	11/8/2019 12:00:00 AM
Sales Price:	600000.00000000
Grantor:	CHINCOTEAGUE VOL. FIRE CO. INC
Deed Reference:	1900 04320
Additional Ref:	Book
Additional Ref:	Page

## Assessment Information

	2020 Assessment	Prior Assessment
Land Value	\$414,000	\$414,000
Improvement	\$293,800	\$293,800
Total Value	\$707,800	\$707,800

The assessment information is obtained from the total value of these tax map numbers...

30A5-16-A

## Land

Property Class:	740-Local Govt	Electricity:	Subscription Only
Legal Description:	FIRE HOUSE-S MAIN ST	Gas:	Subscription Only
Land Description:	COMMERCIAL	Sewer:	Subscription Only
Street Type:	Subscription Only	Water:	Subscription Only

## Building

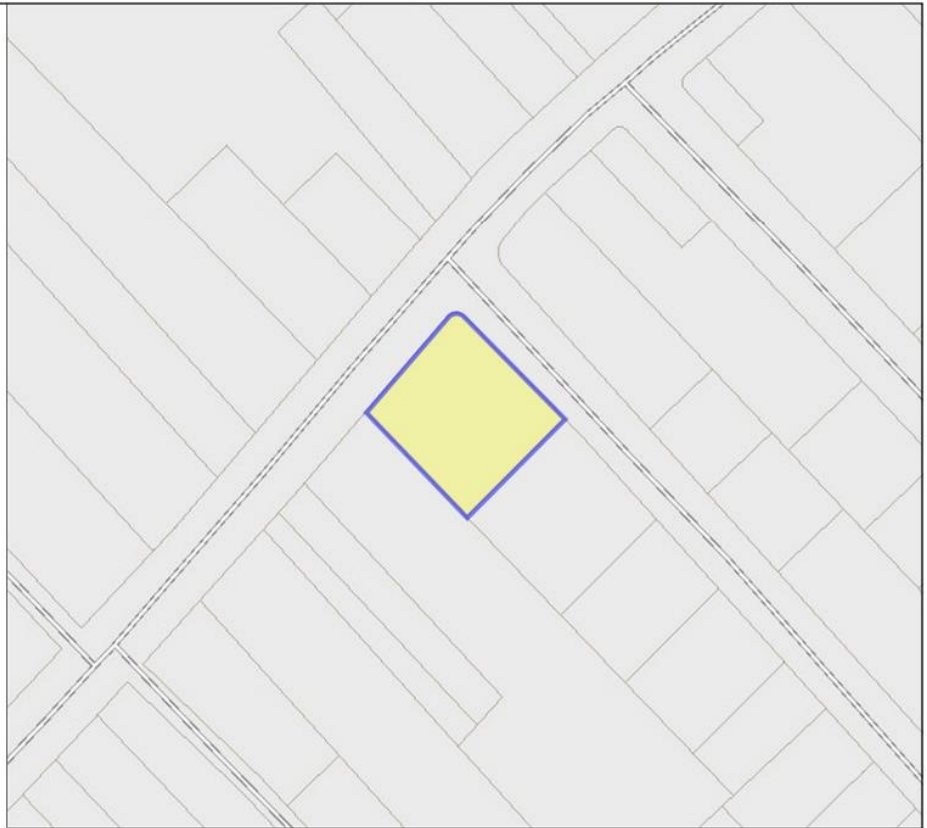
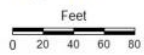
<b>Building Type:</b>	Subscription Only	<b>Total Rooms:</b>	Subscription Only
<b>Description:</b>	Subscription Only	<b>Number of Bedrooms:</b>	Subscription Only
<b>Stories:</b>	Subscription Only	<b>Number of Baths:</b>	Subscription Only
<b>Year Built:</b>	Subscription Only	<b>Number of Half Baths:</b>	Subscription Only
<b>Finished Sq Ft:</b>	Subscription Only	<b>Heat Type:</b>	Subscription Only
		<b>Air Conditioning:</b>	Subscription Only

Construction		Additional Data	
<b>Foundation Type:</b>	Subscription Only	<b>Attic:</b>	Subscription Only
<b>Construction Type:</b>	Subscription Only	<b>Finished Attic Sq Ft:</b>	Subscription Only
<b>Exterior:</b>	Subscription Only	<b>Basement Sq Ft:</b>	Subscription Only
<b>Condition:</b>	Subscription Only	<b>Finished Basement Sq Ft:</b>	Subscription Only
<b>Roof Type:</b>	Subscription Only	<b>Attached Garage Sq Ft:</b>	Subscription Only
<b>Roof Material:</b>	Subscription Only	<b>Detached Garage Sq Ft:</b>	Subscription Only
		<b>Deck Sq Ft:</b>	Subscription Only

**Accomack County,  
Virginia**

**Legend**

Map Printed from AccoMap  
<http://accomack.mapsdirect.net/>



**Title: Parcels**

**Date: 7/22/2020**

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# Accomack County, Virginia

Tax Map #:

30A5-A-494

Parcel ID:

030A5A000049400

The assessment information is obtained from the total value of these tax map numbers...

30A5-A-494

## Summary

**Owner's Name**

TOWN OF CHINCOTEAGUE

*No Data*
**Mailing Address**

6150 COMMUNITY DR

CHINCOTEAGUE, VA 23336

**Base Zoning**

Note: Part or all of this area falls within the limits of an Incorporated Town. Please check with applicable Town for zoning classification within town limits.

**Overlay Zoning**
**Tax District**
*Subscription Only*

## Sale Information

Transfer Date:	No Data
Sales Price:	No Data
Grantor:	No Data
Deed Reference:	No Data
Additional Ref:	Book
Additional Ref:	Page

## Assessment Information

	2020 Assessment	Prior Assessment
Land Value	\$820,800	\$820,800
Improvement	\$56,000	\$56,000
Total Value	\$876,800	\$876,800

The assessment information is obtained from the total value of these tax map numbers...

30A5-A-494

## Land

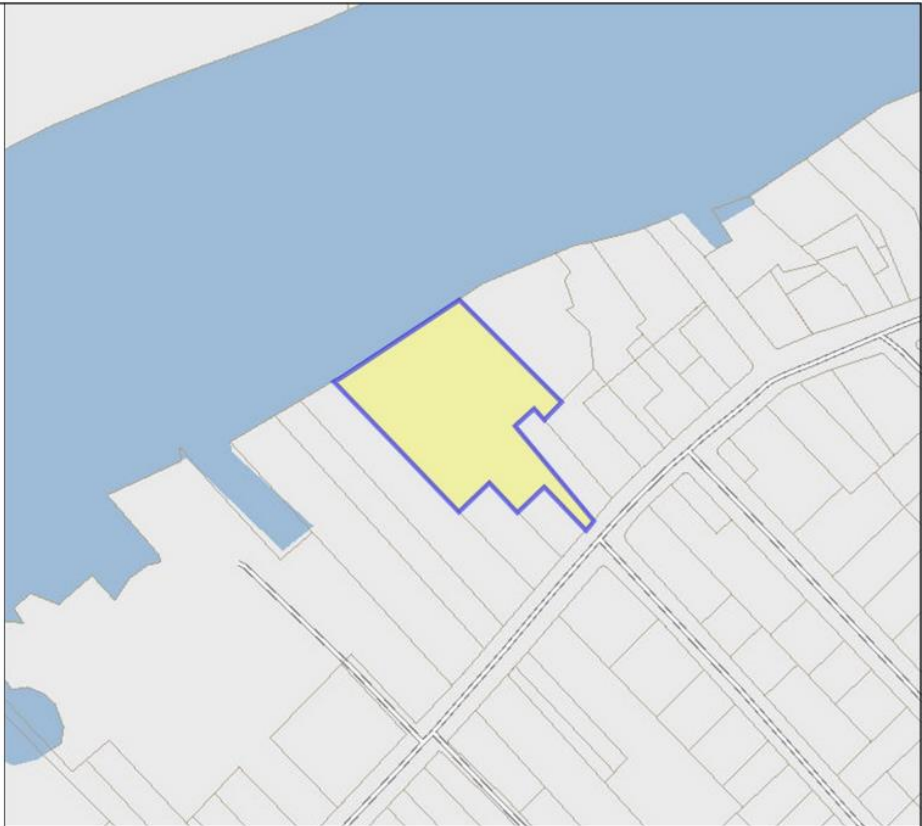
Property Class:	740-Local Govt	Electricity:	Subscription Only
Legal Description:	SOUTH MAIN ST PROP	Gas:	Subscription Only
Land Description:	COMMERCIAL WATERFRONT	Sewer:	Subscription Only
Street Type:	Subscription Only	Water:	Subscription Only

# Accomack County, Virginia

## Legend

Map Printed from AccoMap  
<http://accomack.mapsdirect.net/>

Feet  
0 50 100 150 200



**Title: Parcels**

**Date: 7/22/2020**

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# Accomack County, Virginia

**Tax Map #:**

30A5-A-501B

**Parcel ID:**

030a5a0000501b0

The assessment information is obtained from the total value of these tax map numbers...

30A5-A-501B

**Summary**
**Owner's Name**

TOWN OF CHINCOTEAGUE

*No Data*
**Mailing Address**

6150 COMMUNITY DR

CHINCOTEAGUE, VA 23336

**Base Zoning**

Note: Part or all of this area falls within the limits of an Incorporated Town. Please check with applicable Town for zoning classification within town limits.

**Overlay Zoning**
**Tax District**

Subscription Only


**Sale Information**

Transfer Date:	No Data
Sales Price:	No Data
Grantor:	No Data
Deed Reference:	No Data
Additional Ref:	Book
Additional Ref:	Page

**Assessment Information**

	2020 Assessment	Prior Assessment
Land Value	\$135,000	\$135,000
Improvement	\$18,600	\$18,600
Total Value	\$153,600	\$153,600

The assessment information is obtained from the total value of these tax map numbers...

30A5-A-501B

**Land**

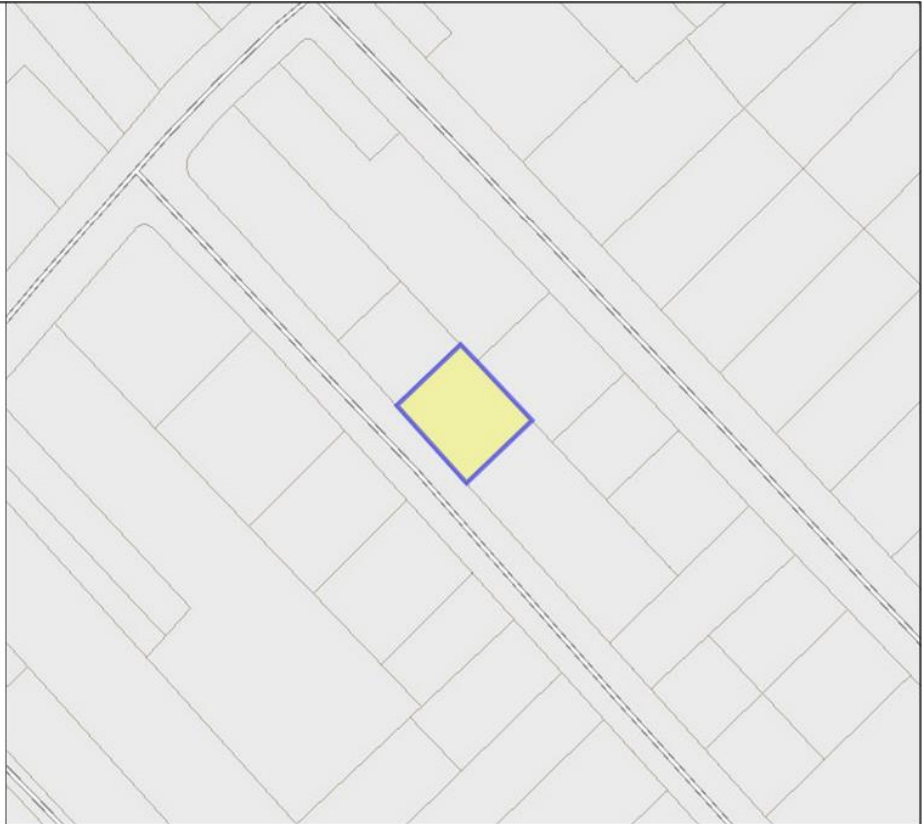
Property Class:	740-Local Govt	Electricity:	Subscription Only
Legal Description:	D M V OFFICE	Gas:	Subscription Only
Land Description:	COMMERCIAL	Sewer:	Subscription Only
Street Type:	Subscription Only	Water:	Subscription Only

# Accomack County, Virginia

## Legend

Map Printed from AccoMap  
<http://accomack.mapsdirect.net/>

Feet  
0 20 40 60 80



**Title: Parcels**

**Date: 7/22/2020**

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# Accomack County, Virginia

**Tax Map #:**

30A5-A-502

**Parcel ID:**

030A5A000050200

The assessment information is obtained from the total value of these tax map numbers...

30A5-A-502

## Summary

**Owner's Name**

TOWN OF CHINCOTEAGUE

*No Data***Mailing Address**

6150 COMMUNITY DR

CHINCOTEAGUE, VA 23336

**Base Zoning**

Note: Part or all of this area falls within the limits of an Incorporated Town. Please check with applicable Town for zoning classification within town limits.

**Overlay Zoning****Tax District**

Subscription Only



## Sale Information

<b>Transfer Date:</b>	No Data
<b>Sales Price:</b>	No Data
<b>Grantor:</b>	No Data
<b>Deed Reference:</b>	No Data
<b>Additional Ref:</b>	Book
<b>Additional Ref:</b>	Page

## Assessment Information

	2020 Assessment	Prior Assessment
<b>Land Value</b>	\$135,000	\$135,000
<b>Improvement</b>	\$196,000	\$196,300
<b>Total Value</b>	\$331,000	\$331,300

The assessment information is obtained from the total value of these tax map numbers...

30A5-A-502

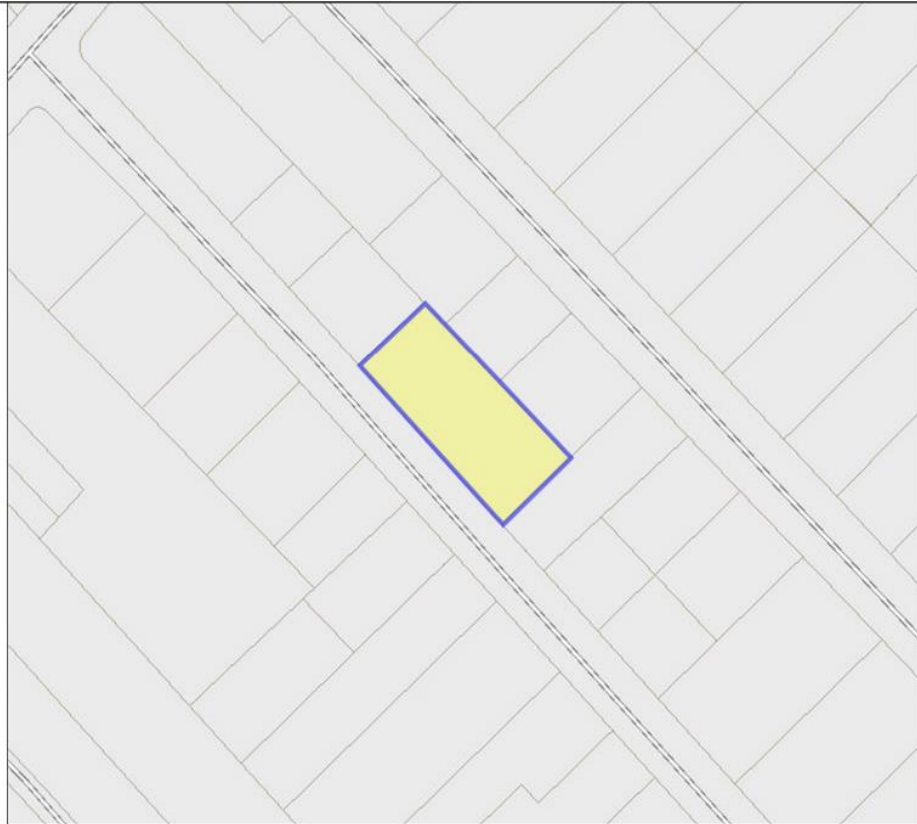
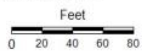
## Land

<b>Property Class:</b>	740-Local Govt	<b>Electricity:</b>	Subscription Only
<b>Legal Description:</b>	LOT	<b>Gas:</b>	Subscription Only
<b>Land Description:</b>	COMMERCIAL	<b>Sewer:</b>	Subscription Only
<b>Street Type:</b>	Subscription Only	<b>Water:</b>	Subscription Only

**Accomack County,  
Virginia**

**Legend**

Map Printed from AccoMap  
<http://accomack.mapsdirect.net/>



**Title: Parcels**

**Date: 7/22/2020**

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Agenda item 7, C.A.R.E.S. Act 2.0



Date: September 14, 2020  
To: Mayor and Council  
From: Mike Tolbert, Town Manager  
Re: CARES Act 2.0 funding

The County of Accomack has made available to the Town another \$281,961 of funding through the CARES Act. As you know, this funding can be used for several purposes within the guidelines provided by the Federal Government. The general guidelines for expenditures are as follows:

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020. Must be used for COVID 19 related purchases.

At its meeting on September 9, 2020 the Budget and Personnel Committee entertained the following suggestions for this round of funding;

1. A continuation of the small business and waterman's grants with the following modified conditions;
  - a. Affected businesses will qualify if all town taxes are paid and a valid business license has been purchased at the time the application is submitted. Those receiving an award previously (round 1) will not be eligible for round 2. Home Occupations could be eligible. Rental homes would not be eligible.
  - b. Waterman with a valid VMRC waterman's card and paid up Town taxes that can prove with a 1099, bill of sale or other method that they have harvested and sold at least \$15,000 of seafood in the last 12 months will be eligible for a round 2 award.
  - c. Applicants will be qualified on a first come first served basis.



2. Town expenses for telecommuting such as laptop computers, a server replacement and council iPads are qualifying expenditures. Some of these expenditures have already been made by the Town.
3. Hazard Pay for those employees whose assigned duties require them to be in close contact with potentially positive cases is a qualifying expenditure. The Budget and Personnel committee recommended \$2 per hour with consideration to the payroll expense. This would be paid to all EMS and Police personnel as well as those Public Works employees that have been assigned to the cleaning of public restrooms for the time period of March 1 through June 30.
4. Some qualifying Public Works projects such as the erection of plexiglass barriers in the Town office, Chamber and Voting Polls qualify.
5. Existing purchases as well as purchases of stock PPE and other materials used for the prevention of COVID which qualify.

\*\* An accompanying spread sheet that illustrates the costs involved is included here.

As requested at the B&P committee meeting last week, I have investigated the two questions concerning duplicate awards and continuing hazard pay.

There is no restriction on awarding funds to a qualifying business or waterman a second time. This will remain an option after round 2 if there are is still a need and funds are still available.

There is no restriction on extending hazard pay to qualifying employees beyond the original June 30 date. Awarding hazard pay for the months of July through December for continuing operations within the State of Emergency will remain an option if funds are still available.

The Budget and Personnel Committee did entertain the idea of adjusting the amounts of the awards if awarding to the same business of waterman a second time.

C.A.R.E.S. ACT 2.0											
ITEM	QTY	UNIT	BURDEN	COST 2	UNIT	BURDEN	COST 3	UNIT	BURDEN	COST 4	
Police At Bridge	L.S.			\$3,171.00			\$3,171.00			\$3,171.00	
Police Special Duty	L.S.			\$1,352.00			\$1,352.00			\$1,352.00	
Server Replacment	L.S.			\$5,600.00			\$5,600.00			\$5,600.00	
Streaming Equipment Council Chambers	L.S.			\$7,754.00			\$7,754.00			\$7,754.00	
Construction Barriers PW	L.S.			\$2,000.00			\$2,000.00			\$2,000.00	
Materials	L.S.			\$1,730.00			\$1,730.00			\$1,730.00	
PPE and cleaning Supplies	L.S.			\$3,500.00			\$3,500.00			\$3,500.00	
a. Police	7500	\$2.00	\$0.17	\$16,245.00	\$3.00	\$0.25	\$24,367.50	\$4.00	\$0.33	\$32,490.00	
b. EMS	8946	\$2.00	\$0.17	\$19,377.04	\$3.00	\$0.25	\$29,065.55	\$4.00	\$0.33	\$38,754.07	
c. Public Works	1033	\$2.00	\$0.17	\$2,237.48	\$3.00	\$0.25	\$3,356.22	\$4.00	\$0.33	\$4,474.96	
Small Business Grants	15	\$4,000.00		\$60,000.00			\$60,000.00			\$60,000.00	
Waterman Grants	4	\$4,000.00		\$16,000.00			\$16,000.00			\$16,000.00	
Telework Equipment											
a. Laptops	7	\$1,300.00		\$9,100.00			\$9,100.00			\$9,100.00	
b. Council iPads	7	\$99.99		\$699.93							
Total				\$148,066.51			\$166,996.27			\$185,926.03	

### **Agenda Item 8. Trolly Program Review**

TOWN of CHINCOTEAGUE							
PONY EXPRESS OPERATING DATA							CARES-100%
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 ACTUAL	
TOTAL OPERATING EXPENDITURES	✓ 80,149.00	80,835.00	83,643.00	95,452.00	82,389.00	\$ 18,782	THRU 9/13/20
FEDERAL FUNDS	✓ 28,354.00	32,788.00	36,137.00	34,282.00	40,133.00	\$12,670	THRU 9/13/20
STATE FUNDS	✓ 13,998.00	19,541.00	15,976.00	18,781.00	18,532.00		
RTAP FUNDS	✓ 2,293.00	2,378.00	2,236.00	1,037.00	6,621.00		
REVENUE	✓ 8,303.00	7,776.00	6,184.00	6,636.00	2,909.24		
OTHER REVENUE				Duplicate Draw Payback??			
TOWN FUNDS	✓ 30,418.00	12,710.00	14,137.00	19,745.00	21,836.00		
TOTAL REVENUE FUNDING	✓ 83,366.00	75,193.00	74,670.00	80,481.00	90,031.24	12,670.00	
TOTAL REVENUE - TOTAL EXPENSES	3,217.00	(5,642.00)	(8,973.00)	(14,971.00)	7,642.24	(6,112.00)	
PAID TO TOWN <i>(Included in Expense)</i>	\$15,600	\$15,600	\$15,600	\$15,600	\$15,600	RENT/MAINT	
RIDER SHIP (Trips)	23077	13431	13884	11987	9874	431	THRU 9/13/20
VEHICLE REVENUE HOURS	2506	1938	2192	2113	1728	683.5	THRU 9/13/20
VEHICLE REVENUE MILES	15747	11677	11176	17609	12767	3,542	THRU 9/13/20
PASSENGER MILES (Trips X 5)	115385	67155	69420	59935	49370	2155	THRU 9/13/20
REVENUE MILEAGE COST (Total Expenses/Revenue Miles)	\$5.09	\$6.92	\$7.48	\$5.42	\$6.45	\$5.30	
REVENUE HOURLY COST (Total Expenses/Revenue HOURS)	\$31.99	\$41.72	\$38.16	\$45.17	\$47.69	\$27.48	
AVG. MILES PER REVENUE HOURS (Revenue Miles/Revenue Hours)	6.28	6.03	5.10	8.33	7.39	5.18	
COST PER TRIP (Total Expenses/Trips)	\$3.47	\$6.02	\$6.02	\$7.96	\$8.34	\$43.58	
AVERAGE TRIPS PER HOUR (Trips/Vehicle/Revenue Hours)	9.21	6.93	6.33	5.67	5.71	0.63	
Each Month Submission for Reimbursement	+ EXPENSES						
	- CAPITAL						
	- RTAP						
	- PROGRAM INCOME						
	TOTAL TO SUBMIT						
TOTAL SUBMITTED TO OLGA SYSTEM FOR REIMBURSEMENT				EXAMPLE			
				\$2,000.00			
5311 GRANT BUDGET REIMBURSED AT 50%				\$1,000.00			
STATE PORTION APPROX 50% OF GRANT				\$500.00			
TOWN PORTION APPROX 50% OF GRANT				\$500.00			

**GL Balance Sheet**  
Period Ending 09/13/2020

Town of Chincoteague

9/14/2020 10:21 AM

Page 1/1

<b>70 TROLLEY</b>		
Asset		
70-1020-0100 UNION SAV - TROLLEY		-\$16,184.85
70-1020-0200 UNION SAV - TROLLEY CAPITAL		\$80,682.67
70-1158-0100 DUE FROM OTHER GOVERNMENTS		\$5,661.00
<b>70 TROLLEY</b>	<b>Asset Total</b>	<b>\$70,158.82</b>
Liability		
70-2201-0100 ACCOUNTS PAYABLE		\$1,873.64
70-2501-3100 FICA WITHHOLDING		-\$10.10
70-2501-3110 FEDERAL W/HELD		-\$20.00
70-2501-3120 STATE WITHHOLDING		-\$15.00
70-3001-1100 TROLLEY FUND BALANCE		\$49,099.27
70-3990-0100 FUND BALANCE DIFFERENCE		\$32,672.13
Current Fund Balance Adjustment		-\$6,111.71
P/Y Fund Balance Adjustment		-\$7,329.41
<b>70 TROLLEY</b>	<b>Liability Total</b>	<b>\$70,158.82</b>

## **The Town of Lovettsville, Virginia**

### **Financial Policies**



**Adopted: [DATE]**



**The Town of Lovettsville, Virginia**

**Financial Policies**

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### **Introduction**

The Town of Lovettsville has an important responsibility to carefully account for public funds, to manage municipal finances wisely, and to plan and provide for the adequate funding of services desired by the public and as required by laws, rules, or regulations, including the provision and maintenance of public facilities and improvements. The financial goals and policies set forth by Town Council and summarized in this document are intended to establish guidelines for the continued strength and stability of the Town of Lovettsville.

### **Accounting, Auditing, Financial Reporting**

- The Town will establish and maintain the highest accounting standards that conform with uniform financial reporting in Virginia and Generally Accepted Accounting Principles (GAAP) for governmental entities as promoted by the Governmental Accounting Standards Board (GASB.)
- The Town will engage an independent accounting firm to perform annual financial and compliance audits according to generally accepted government auditing standards.
- The independent accounting firm will issue a public opinion about the Town's financial reporting, which will be incorporated into the Town's annual financial report (AFR).

### **Revenue Management**

#### General Fund

- The Town will seek to maintain a diversified and stable revenue structure in an effort to prevent reliance on any one revenue source and to limit cash flow volatility.
- The Town will use an objective, analytical approach to estimate its annual revenue.
- The Town may institute user fees and charges for specialized programs and services where practicable. Rates will be established to cover operational costs, overhead costs, and debt service costs. The Town will periodically review user fees against related expenses to determine if coverage of direct and indirect expenses is being accomplished.
- The Town will follow an appropriately aggressive policy of collecting revenue, with a goal of achieving a collection rate of 100%.
- The Town will aggressively pursue external funding sources to fund/support capital projects. Before applying for or accepting external funding, the Town will assess the merits of a particular program as if it were funded with local tax dollars. Local tax dollars will not be used to make up for losses of intergovernmental aid without first reviewing the program and its merits as a budgetary matter. All grant applications must be approved by the Town Manager before being submitted. Grants and donations may only be accepted by the Town Council. No grant will be accepted that will incur management and reporting costs greater than the grant amount.

Town of Lovettsville, Virginia  
Financial Policies

Utilities Fund

- The Town will operate a Utility Fund as a stand-alone enterprise fund that will not be subsidized by the General Fund or other funds that may be established by the Town.
- The Utility Fund will reimburse the General Fund for reasonable expenses related to overhead and administrative support costs as part of the annual budget process.
- The Town will set water and sewer rates based on the actual cost to deliver each service. The Town will periodically review the components that make up the rates and fees through a cost-of-service study for every service provided. The Town is not prohibited from establishing fair and reasonable rates that allow a differential between in-town and out-of-town customers.
- The Town will set rates to achieve a positive net income and cash flow each year. If a deficit between current revenue and current expenses occurs, the Town will take all necessary steps to reduce and eliminate the deficit by reducing expenditures or enhancing revenues.
- The Town will set rates to cover all current costs and to allow the fund to meet all bond/loan covenant, state, and federal requirements.
- The Town will track, monitor, and report annually on the key variables of the rate model. The Town will set rates that are based on annually updated 5-year forecasts of operating and capital budgets.
- To avoid large one-time increases and to effectively maintain infrastructure, the Town shall evaluate rates regularly, through a water/sewer rate study, and increase rates, as necessary.

**Budget Management**

Operating Budget

- The Town will prepare the operating budget with an annual perspective.
- The budget is a plan for raising and allocating resources. The objective is to enable service delivery within available resources. Services must be delivered to residents and taxpayers at a level which will meet real needs as efficiently and effectively as possible.
- In preparing the budget, the Town will fund current expenditures with current revenues and use non-recurring revenues to offset non-recurring expenses.
- The Town will seek to finish each fiscal year with a positive unassigned fund balance and positive cash balance. Over the course of any given fiscal year, if a deficit appears likely, spending during that fiscal year will be reduced to affect positive unassigned fund and cash balances at fiscal year-end.
- The Town will seek to continuously improve the efficiency and effectiveness of its programs and employees.
- The budget will be structured so that Town Council and the general public can easily understand the relationship between revenues, expenses, and services being delivered.
- The Town Council and Town Manager will review the budget with a focus on whether existing service costs are appropriate and justified, that administrative overhead costs are reasonable, and that proposed new programs and program expansions are justified, detailed, and scrutinized.

Town of Lovettsville, Virginia  
Financial Policies

Capital Budget

- The Town will make all capital improvements/investments in accordance with its adopted capital improvement program (CIP).
- The Town will develop a five-year plan for capital improvements.
- The Town will coordinate development of the capital budget with the development of the operating budget. Future operating costs associated with new capital projects will be projected and included in operating budget forecasts.

Capital Asset Reserve Fund

- The Town will establish a Capital Asset Reserve Fund (CARF) in order to fund through non-debt sources 25% of the of the Town's share of costs of capital projects approved in the five-year CIP program.
- Use of the CARF will be used first on capital assets with useful lives of 5 years or less (e.g., vehicles, equipment, etc.) and then on capital projects with useful lives of more than 5 years.
- Town Council may from time to time move funds from the Unassigned Fund Balance in excess of the Town's stated policy guideline to the CARF so long as the Town stays in compliance with the targeted Unassigned Fund Balance policy levels.

Events Fund Budget

- The Town will prepare an Events Fund budget with an annual perspective.
- The objective is to seek to finish each fiscal year with a surplus by limiting annual expenditures to the annual Events Fund revenues.
- If during the course of the fiscal year a deficit in the Events Fund appears likely, spending during the fiscal year within the Events Fund will be reduced to ensure that the Events Fund does not operate at a deficit.
- The Events Fund budget will be structured so that Town Council and the general public can easily understand the relationship between revenues, expenses, and services being delivered.
- The Town Council and Town Manager will review the budget with a focus on whether existing events (managed through the Events Fund) are appropriate and justified, that administrative overhead costs are reasonable, and that proposed new events and event expansions are justified, detailed, and scrutinized.

**Cash Management**

- In recognition of its fiduciary role in the management of all public funds entrusted to its care, it shall be the Town Council's policy that all investable balances be invested utilizing best practices commonly accepted by political subdivisions in Virginia.
- The deposit and investment policy (as described in this section) recognizes that the Town Treasurer's responsibilities are delineated by the Code of Virginia and this policy is meant to illustrate strong fiscal management of the Town.
- The deposit and investment policy will serve as the guideline from which all Town deposits and investments will be managed consistent with the Code of Virginia.

Town of Lovettsville, Virginia  
Financial Policies

- The safeguarding of principal shall be the foremost objective of the investment program by mitigating credit risk and interest rate risk, with all other objectives subordinated to this objective.
- Funds shall be invested in keeping with the seasonal pattern of the Town's cash balances, as well as any other special factors or needs, in order to assure the availability of funds in a timely and liquid manner.
- The Town will, where permitted by law, pool cash from its various funds for investment purposes and will invest revenue to maximize the rate of return while maintaining a low level of risk.
- All cash balance accounts established shall be in interest earning accounts except for the primary bank account.
- All depositories will meet the standards for collateralization as set forth in the Virginia Security for Public Deposits Act or will be covered by Federal Depository Insurance (FDIC).
- At least thirty days prior to an investment maturing, the Treasurer shall update the Town Manager and Town Council on investments held, maturities, investment returns, unrealized gains (losses), and comparisons to established benchmarks.
- All Town officials involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, that could impair the ability to make impartial decisions, or that could create the appearance of a conflict of interest.

**Reserve Funds Management**

General Fund

- The General Fund Unassigned Fund Balance should be maintained at a minimum of 30% of total General Fund revenues.
- Use of the fund balance may be necessary from time to time to meet unexpected revenue shortfalls or financial emergencies. By policy, appropriations from, or changes to, the General Fund Unassigned Fund Balance require a majority vote of the Council. No appropriation of the fund balance that will cause the fund balance to fall below the minimum policy limit will occur without prior presentation to the Council by the Town Manager of a plan and time line for replenishing the fund balance to its minimum level within 24 months.
- Annual operating surpluses in the General Fund shall be applied first to the General Fund Unassigned Fund Balance until it is funded at the minimum required level, and then to the Capital Asset Replacement Fund, until it is funded at the minimum required level.

Utilities Fund (UF)

- The Town will maintain in the Utilities Fund a 90-day Operations and Maintenance (O&M) Reserve to provide funds for any potential timing differences between operating revenue and operating expenses, and for unplanned expenses.
- At the close of each fiscal year, the Utilities Fund Unrestricted Net Position, including the 90-day O&M Reserve, should be equal to no less than 75% of annual UF operating revenues, excluding availability fees.



Town of Lovettsville, Virginia  
Financial Policies

- The Town will establish and maintain in the Utilities Fund a Repair, Renewal, and Replacement Reserve (3R) to provide funds for major repairs, replacement, or rehabilitation of system assets. The 3R Reserve will be maintained at a minimum of 30% of the accumulated depreciation of capital assets at the end of any given fiscal year.
- The Utilities Fund operating budget will include an annual emergency contingency appropriation of \$10,000, which may only be used for significant emergency repairs not included in the operating budget. Use of the emergency contingency budget requires Town Manager approval and notification to Town Council.
- Annual operating surpluses in the Utilities Fund shall be applied first to the 90-Day O&M Reserve Fund until it reaches its minimum level required, then to the Utilities Fund Repair, Renewal and Replacement Reserve Fund until it reaches its minimum level required, and third to the Unrestricted Net Position of the Utilities Fund until it achieves its minimum required level.

Events Fund

- All surplus funds generated by Events (managed in the Events Fund) will be held in an Events Fund Reserve account.
- Funds in the Events Fund Reserve account will be used only for direct, operational costs for respective events managed in the Events Fund. It is the intent of Town Council that such funds in the Reserve account will be carried over to the next fiscal year and utilized for Events, as needed.
- Town Council shall approve, by a majority vote, withdrawals from the Events Fund Reserve account, except that approved budgets which utilize carried over funds shall be deemed approved withdrawals.

**Debt Management**

- The Town will not fund current operations with borrowed funds and will limit borrowing and capital leases to capital improvements, projects, or equipment that cannot be financed from current financial resources.
- The Town will repay debt related to specific projects/equipment within the expected useful life of that project/equipment.
- On an annual basis, the Town will calculate debt ratios for direct, non-revenue-based debt that is dependent on the General Fund to service that debt. Enterprise fund debt will not be included in the calculation of debt ratios if payments from the general fund to the enterprise fund are not needed to support the enterprise fund.
  - **Target debt ratio #1** - Debt service as a percentage of General Fund expenses should not exceed 15%.
  - **Target debt ratio #2** - Bonded debt of the Town shall not exceed **2.0%** of the total assessed value of taxable property within the Town limits.

Town of Lovettsville, Virginia  
Financial Policies

**Management of Fixed (Capital) Assets**

- The Town will capitalize all fixed assets with a value greater than \$10,000 and an expected useful life of three years or more.
- The operating budget will provide for minor and preventative maintenance of fixed assets.
- The capital budget will provide for the acquisition of fixed assets and the construction (or total replacement) of physical facilities, including additions to existing facilities.
- The Town will maintain adequate insurance coverage on its fixed assets through either commercial insurance or risk pooling arrangements with other governmental entities.

**Agenda Item 9: Consider Donation to The Chincoteague Chamber of Commerce**

The budget and personnel committee has recommended a donation of \$25,000 to the chamber to be taken from the Beach/Recreation/Tourism Reserve fund which currently has a balance of \$994,824.



(757) 336-6161  
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www.chincoteaguechamber.com

August 20, 2020

The Honorable Arthur Leonard  
Mayor of Chincoteague Island  
Members of Town Council  
6150 Community Drive  
Chincoteague Island, VA 23336

Dear Mayor Leonard and Members of Town Council:

The Chincoteague Chamber of Commerce has proudly served the Chincoteague business community for 66 years. We have helped new businesses grow and thrive while supporting established businesses as they reach for new horizons. Chincoteague Island has just been recognized by USA Today as the Best Coastal Small Town in the USA. The chamber led the campaign to earn that award as we have with numerous other awards over the past few years. By continually keeping Chincoteague Island front of mind with worldwide media, the chamber plays a major role in capturing these honors.

Chincoteague's diverse tourism products and the Chincoteague Chamber's strategic marketing plan, which was completed in 2018, combine to drive tourism dollars to our area in a significant way. The tourism industry in Chincoteague Island continues to be robust, even during a worldwide pandemic. Over the past 50 years, travel to Accomack County has increased from a \$9,836,540 industry in 1969 to generating \$210,331,124 in 2018 with a compound annual growth rate of 6.4% (VTC-Virginia Tourism Corporation). Chincoteague Island is a huge component of that growth.

The Chincoteague Chamber of Commerce is a Destination Marketing Organization and in 2008 was designated a Certified Visitor Center by Virginia Tourism Corporation. We assist close to 10,000 visitors to our island each year in the office. We answer over 4,000 phone calls and over 6,000 emails annually in response to visitor inquiries. Our printed visitor guide reaches another 110,000 people around the globe and close to 300,000 via our website, [www.chincoteaguechamber.com](http://www.chincoteaguechamber.com). We maintain five social media channels reaching approximately 10 million people in 2019. In 2019, the chamber assisted 40 travel writers and sent 25 press releases to over 300 media contacts worldwide.

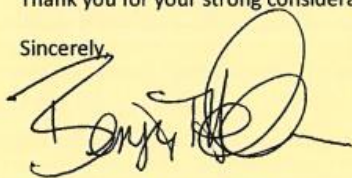
The chamber is a membership-based organization currently serving 343 members. Our operating funds are generated by membership fees, three major festivals, banner ads on the website, and ad sales in the visitor guide. We are appreciative for the portion of Meals Tax revenue from the Town of Chincoteague that is allocated to the Chamber annually, and we use those funds for the placement of ads in national publications, digital marketing, and other projects that will increase tourism to Chincoteague Island and thus, support the hospitality-based business community. When the Town of Chincoteague suspended Meals Tax collection for local restaurants due to COVID-19, this likewise affected the chamber. The remainder of the year is uncertain not knowing what fall travel will look like. Our marketing efforts will strongly encourage fall travel for families especially since so many children will be learning virtually. Parents will have more flexibility to take the classroom with them and explore new destinations. With nature and NASA in our back yards, Chincoteague Island is perfectly situated to offer an expanded classroom or just a peaceful respite from the frustrations of everyday life.

In March of 2020, we were forced to cancel the Easter Decoy & Art Festival and the Seafood Festival in the beginning stages of COVID-19, and recently cancelled the Oyster Festival to be held in October. Our festival loss is over \$100,000. Travel Guide ad sales are seriously questionable---businesses don't have marketing money if they have been shut down for 6 months! Membership dues have been billed, but do not come in all at one time. We have been faced with staff layoffs and are operating on a shoestring budget since March. The Executive Director is the only staff person in the office since May 2, 2020. As you may be aware, 501c6 organizations were not eligible for PPP funding through the CARES Act. We have applied for grants, but staff is needed to administer grants. With no operating funds, we have no staff.

We need your help. The Chincoteague Chamber of Commerce is asking the Town of Chincoteague to consider the valuable asset this chamber/visitor center is to Island businesses. We are vital to the recovery process for the business community for the next two years at least. We are planning workshops, seminars, training sessions and networking opportunities to help our businesses stay alive and succeed through this pandemic. We are dedicated to seeing each one of them reach "the other side" of this extremely challenging time to be better than they were before. But we cannot do it without assistance. We are asking the Town of Chincoteague to consider helping the Chincoteague Chamber of Commerce with a one-time donation in addition to an annual contribution going forward. There is much uncertainty about 2021 and the continuing financial impact from COVID19. Chincoteague Island's major economic driver is tourism. Adequate funding will allow our team to continue to promote Chincoteague Island as a premier destination and to provide the needed resources to the hospitality-driven business community.

Thank you for your strong consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Benjy Holloway", with a large, stylized flourish at the end.

Chincoteague Chamber of Commerce  
Board of Directors

Benjy Holloway, President



**07/01/2017 - 09/10/2020**

Check Date	Vend Name	Check Num	Amt
07/24/2017	CHINCOTEAGUE CHAMBER OF	3139	\$712.50
08/04/2017	CHINCOTEAGUE CHAMBER OF	3202	\$5,563.82
09/07/2017	CHINCOTEAGUE CHAMBER OF	3353	\$11,116.78
10/06/2017	CHINCOTEAGUE CHAMBER OF	3476	\$7,498.10
11/03/2017	CHINCOTEAGUE CHAMBER OF	3597	\$3,453.04
11/09/2017	CHINCOTEAGUE CHAMBER OF	3622	\$1,000.00
12/08/2017	CHINCOTEAGUE CHAMBER OF	3738	\$5,065.30
01/12/2018	CHINCOTEAGUE CHAMBER OF	3844	\$1,916.83
02/02/2018	CHINCOTEAGUE CHAMBER OF	3949	\$1,701.34
03/02/2018	CHINCOTEAGUE CHAMBER OF	4057	\$1,270.92
04/06/2018	CHINCOTEAGUE CHAMBER OF	4190	\$1,273.82
05/04/2018	CHINCOTEAGUE CHAMBER OF	4316	\$2,097.79
06/08/2018	CHINCOTEAGUE CHAMBER OF	4461	\$3,070.98
	<b>FY 2018</b>		<b>\$45,741.22</b>
07/09/2018	CHINCOTEAGUE CHAMBER OF	4575	\$4,653.09
08/03/2018	CHINCOTEAGUE CHAMBER OF	4710	\$6,961.40
09/07/2018	CHINCOTEAGUE CHAMBER OF	4857	\$11,153.83
10/05/2018	CHINCOTEAGUE CHAMBER OF	4968	\$9,017.42
11/02/2018	CHINCOTEAGUE CHAMBER OF	5083	\$5,517.12
12/07/2018	CHINCOTEAGUE CHAMBER OF	5223	\$3,530.59
01/04/2019	CHINCOTEAGUE CHAMBER OF	5322	\$2,012.97
02/08/2019	CHINCOTEAGUE CHAMBER OF	5461	\$1,772.27
03/08/2019	CHINCOTEAGUE CHAMBER OF	5558	\$1,116.87
04/05/2019	CHINCOTEAGUE CHAMBER OF	5661	\$1,338.31
05/03/2019	CHINCOTEAGUE CHAMBER OF	5774	\$2,161.64
06/07/2019	CHINCOTEAGUE CHAMBER OF	5919	\$3,621.18
	<b>FY 2019</b>		<b>\$52,856.69</b>
07/08/2019	CHINCOTEAGUE CHAMBER OF	6036	\$5,161.57
08/02/2019	CHINCOTEAGUE CHAMBER OF	6159	\$7,479.49
09/05/2019	CHINCOTEAGUE CHAMBER OF	6305	\$10,486.66
10/04/2019	CHINCOTEAGUE CHAMBER OF	6415	\$10,146.65
11/07/2019	CHINCOTEAGUE CHAMBER OF	6544	\$6,127.34
11/15/2019	CHINCOTEAGUE CHAMBER OF	6580	\$1,000.00
12/06/2019	CHINCOTEAGUE CHAMBER OF	6640	\$3,082.34
01/10/2020	CHINCOTEAGUE CHAMBER OF	6768	\$2,363.31
02/07/2020	CHINCOTEAGUE CHAMBER OF	6874	\$1,637.68
03/06/2020	CHINCOTEAGUE CHAMBER OF	6977	\$1,429.49
	<b>FY 2020</b>		<b>\$48,914.53</b>
07/21/2020	CHINCOTEAGUE CHAMBER OF	7413	\$8,345.29
08/07/2020	CHINCOTEAGUE CHAMBER OF	7482	\$1,384.17
09/04/2020	CHINCOTEAGUE CHAMBER OF	7631	\$9,766.66
	<b>FY 2021 To Date</b>		<b>\$19,496.12</b>