



SOUTH HILL TOWN COUNCIL
REGULAR MEETING MINUTES
MONDAY, MAY 9, 2022, 7:00 P.M.

The regular monthly meeting of the South Hill Town Council was held on Monday, May 9, 2022 at 7:00 p.m. in the Council Chambers of the South Hill Town Hall located at 211 S. Mecklenburg Avenue, South Hill, Virginia 23970. The meeting was also available livestream via YouTube at <https://www.youtube.com/channel/UCXx969rpU0hUwMLl1ot78g>. Town Clerk Anna Cratch took minutes of the meeting.

1. CALL TO ORDER

Honorable Mayor Dean Marion called the regular meeting to order at 7:00 p.m.

2. INVOCATION

Mayor Marion rendered the invocation.

3. ROLL CALL

Mayor Marion called upon Town Clerk Anna Cratch to call the roll, which was as follows:

A. Council Members

Lillie Feggins-Boone
Delores B. Luster
G. Ben Taylor

Alex Graham
W.M. "Mike" Moody
Joseph E. Taylor, Jr.

Gavin L. Honeycutt
Shep Moss

B. Staff in Attendance

Stuart Bowen, Police Chief
Anna B. Cratch, Town Clerk
C.J. Dean, Dir. of Municipal Services
Howard P. Estes, Jr., Town Attorney

Kim Callis, Town Manager
Sheila Cutrell, Dir. of Finance and Admin.
David Hash, Code Compliance Official

4. APPROVAL OF AGENDA

A motion was made by Councilman Honeycutt, second by Councilwoman Luster, to approve the agenda for May 9, 2022. The motion carried unanimously.

5. APPROVAL OF MINUTES – APRIL 4, 6, AND 11, 2022

A motion was made by Councilman Moody, second by Councilman Honeycutt, to approve the minutes of the joint Public Hearing held on April 4, 2022 as distributed by Town Clerk Anna Cratch. The motion carried unanimously.

A motion was made by Councilwoman Feggins-Boone, second by Councilman Honeycutt, to approve the minutes of the budget work session held on April 6, 2022 as distributed by Town Clerk Anna Cratch. The motion carried unanimously.

A motion was made by Councilwoman Luster, second by Councilwoman Feggins-Boone, to approve the minutes of the regular meeting held on April 11, 2022 as distributed by Town Clerk Anna Cratch. The motion carried by seven with Councilman Honeycutt abstaining due to absence.

6. PROCLAMATION FOR MAY 15 – 21, 2022 AS POLICE WEEK

Mayor Marion read the proclamation as attached designating May 15 – 21, 2022 as Police Week and saluting the service of law enforcement officers in our community and across the nation.

7. VML/VACO FINANCE PRESENTATION

Steve Mulroy, Managing Director of VML/VACo Finance, shared a PowerPoint presentation on the Virginia Investment Pool as attached. A board of trustees oversees the program. They hire public trust advisors and manage over \$50 billion of fixed income for local governments through a daily liquidity pool. Mr. Mulroy stated one to three year fixed income portfolios are for longer-term investors. Volatility is to be expected; however, these securities have historically been rewarded with higher returns as compared to investments in shorter-term securities. Mr. Mulroy further stated that when interest rates are rising, fixed income investments should not be sold as an actual loss may be realized.

8. CITIZENS TO ADDRESS COUNCIL

Comments are limited to three minutes (five minutes if on behalf of a group).

A. Floyd Edmonds – Update on Mecklenburg County Cancer Association (MCCA) Event

On behalf of the MCCA, Floyd Edmonds thanked the Town and The Shops of South Hill for their assistance with the recent Shaggin' for a Cause event held on March 12, 2022 at the South Hill Exchange. \$35,173.00 was raised for the MCCA. They plan to make it an annual event.

B. Wade Crowder, Goodes Ferry Road – Utility Fees

Wade Crowder commented he speaks for 80% of the population of South Hill when he states they don't need any sewer increase. He suggested saving money, selling some Public Works equipment, and/or charging folks who receive the benefit of the street sweeper.

C. Wade Crowder, Goodes Ferry Road – Policy for Individuals Who Wish to Address Council

Wade Crowder shared concerns regarding the three-minute time limit not being long enough. He commented the Town is wasting citizen tax money as well. He mentioned that the South Hill Exchange has 26 lights on at night not including the two streetlights out front.

D. Kim Callis, Operation Cleanup Day, April 23

Kim Callis thanked all of the hard workers including first responders and volunteer groups who participated in the recent Cleanup Day sponsored by the South Hill Revitalization Committee.

9. PUBLIC HEARINGS

A. Proposed FY22-23 Budget – Kim Callis

Kim Callis thanked the Budget and Finance Committee, Council, and Town Staff especially Sheila Cutrell for their hard work. He gave a PowerPoint presentation explaining the major highlights of the proposed FY22-23 budget. The proposed budget expenditure and revenue projections are as follows: General Fund - \$15,037,937 and Water and Sewer - \$10,854,305. Prices of all goods have increased. We are also facing a health insurance cost increase. A 5% COLA is proposed for employees. No tax rate increases are proposed. As the Roanoke River Service Authority has increased its rates, a water/sewer rate increase is proposed.

Mr. Callis opened the Public Hearing for comments regarding the proposed FY22-23 budget for the Town of South Hill.

- Wade Crowder commented when you are losing money, get out of it.
- Noreen Reid asked how long the sewer project would take. Mr. Callis clarified that the sewer project should be finished this fall. The water project is being engineered and will probably take at least a year.

Mr. Callis closed the Public Hearing. **A motion was made by Councilman Honeycutt, second by Councilman Moody**, to place the proposed budget for FY22-23 on the agenda for adoption and appropriation at the regularly scheduled Town Council meeting to be held on June 13, 2022 at 7:00 p.m. at the South Hill Town Hall. The motion passed via **roll call vote** as follows:

Councilwoman Lillie Feggins-Boone-Aye	Councilman Alex Graham-Aye
Councilman Gavin Honeycutt-Aye	Councilwoman Delores Luster-Aye
Councilman Mike Moody-Aye	Councilman Shep Moss-No
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

Answering a question from Councilman Moss, Mr. Callis stated Council would not have the opportunity for additional questions at the June meeting. Attorney Estes commented you can always amend the budget or make appropriations at any time.

Mentioning confusion, Councilman Moss asked if he could change his vote to yes. **A motion was made by Councilman Honeycutt, second by Councilman Moody**, to reconsider the vote on the motion to place the proposed budget for FY22-23 on the agenda for adoption and appropriation at the regularly scheduled Town Council meeting to be held on June 13, 2022 at 7:00 p.m. at the South Hill Town Hall. The motion passed via **roll call vote** as follows:

Councilwoman Lillie Feggins-Boone-Aye	Councilman Alex Graham-Aye
Councilman Gavin Honeycutt-Aye	Councilwoman Delores Luster-Aye
Councilman Mike Moody-Aye	Councilman Shep Moss-Aye
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

A motion was made by Councilman Honeycutt, second by Councilman Moody, to place the proposed budget for FY22-23 on the agenda for adoption and appropriation at the regularly scheduled Town Council meeting to be held on June 13, 2022 at 7:00 p.m. at the South Hill Town Hall. The motion carried unanimously.

B. Proposed FY22-23 Tax Rates and Fees – Kim Callis

Kim Callis opened the Public Hearing for comments regarding the proposed FY22-23 tax rates and fees for the Town of South Hill.

- Wade Crowder commented the rates don't need to be raised; spending needs to be decreased.

Mr. Callis closed the Public Hearing. **A motion was made by Councilman Moody, second by Councilwoman Luster,** to place the proposed tax rates and fees for FY22-23 on the agenda for adoption and appropriation at the regularly scheduled Town Council meeting to be held on June 13, 2022 at 7:00 p.m. at the South Hill Town Hall. The motion passed via **roll call vote** as follows:

Councilwoman Lillie Feggins-Boone-Aye	Councilman Alex Graham-Aye
Councilman Gavin Honeycutt-Aye	Councilwoman Delores Luster-Aye
Councilman Mike Moody-Aye	Councilman Shep Moss-Aye
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

C. RE 2022-2, Request by C&S Enterprises, LLC to rezone 700-704 Hite Street and 685-695 E. Northington Street from Single Family Residential District R1-10 to General Residential District R2-16 – David Hash

David Hash informed Council a Public Hearing has been called for comments regarding the request by C&S Enterprises, LLC to rezone the property located at 700-704 Hite Street and 685-695 E. Northington Street from single-family residential district R1-10 to general residential district R2-16. At the Public Hearing held on May 2, 2022, the South Hill Planning Commission voted to recommend that Council approve the rezoning request.

Mr. Hash opened the Public Hearing. No one spoke regarding the rezoning request.

Mr. Hash closed the Public Hearing. **A motion was made by Councilman Moody, second by Councilwoman Luster,** to approve the RE 2022-2 request by C&S Enterprises, LLC to rezone the property at 700-704 Hite Street and 685-695 E. Northington Street from single-family residential district R1-10 to general residential district R2-16. The motion carried unanimously.

D. SE 2022-2, Request by William J. Daniel to utilize 613 W. Danville Street for automobile assembling, painting, upholstering, repairing, rebuilding, body and fender work, truck repairing and overhauling – David Hash

Mr. Hash informed Council a Public Hearing has been called for comments regarding the request by William J. Daniel for a special exception permit to utilize 613 W. Danville Street for automobile assembling, painting, upholstering, repairing, rebuilding, body and fender work, truck repairing and overhauling. At the Public Hearing held on May 2, 2022, the South Hill Planning Commission voted to recommend that Council approve the special exception request with stipulations that:

1. All damaged vehicles will be kept inside the fence or building and will not be seen from the street;
2. Mr. Daniel will install a wooden gate for the fence in the alley;
3. The dumpster will be moved inside the fence; and
4. Nothing from the body shop will be allowed to lean against the fence for the adjoining property.

Mr. Hash opened the Public Hearing. No one spoke regarding the special exception request.

Mr. Hash closed the Public Hearing. **A motion was made by Councilman Honeycutt, second by Councilman Moody,** to approve the SE 2022-2 request by William J. Daniel to utilize 613 W.

Danville Street for automobile assembling, painting, upholstering, repairing, rebuilding, body and fender work, truck repairing and overhauling with the aforementioned stipulations.

E. SE 2022-3, Request by Richard A. Walters to utilize 609 W. Danville Street for automobile assembling, painting, upholstering, repairing, rebuilding, body and fender work, truck repairing and overhauling – David Hash

David Hash informed Council a Public Hearing has been called for comments regarding the request by Richard A. Walters for a special exception permit to utilize 609 W. Danville Street for automobile assembling, painting, upholstering, repairing, rebuilding, body and fender work, truck repairing and overhauling. At the Public Hearing held on May 2, 2022, no action was taken by the South Hill Planning Commission on this special exception request. The Planning Commission felt Mr. Walters should meet with Mr. Hash to discuss needed changes. Mr. Walters could come back in 30 days and reapply.

Mr. Hash opened the Public Hearing.

- William Daniel, business owner next door, commented this building is smaller, there is no booth in it, and wrecked cars are everywhere.

Mr. Hash closed the Public Hearing. No Council action was taken.

10. FINANCE REPORT

A. Appropriation of Funds

Sheila Cutrell reported that due to unanticipated costs and challenges in procuring materials and supplies, additional appropriations are needed to cover necessary repairs and supplies in the following line items for the final months of FY21-22.

- Vehicle & Equipment Maintenance, 10-1-0122-5408 – \$40,000.00
Fire Department Motor Replacement
- Fuel Expense, 10-1-0122-5411 – \$10,000.00
Fire Department Fuel
- Repairs & Maintenance, 10-1-0450-3004 – \$15,000.00
Parks and Grounds Step Replacement at Parker Park

A motion was made by Councilman Ben Taylor, second by Councilwoman Feggins-Boone, to appropriate \$65,000.00 from the Fund Balance of the General Fund to cover the items noted above. The motion carried unanimously.

Answering a question from Councilman Moss, Kim Callis stated the steps were replaced at the press boxes at all fields.

11. MUNICIPAL SERVICES REPORT

A. Asphalt Milling, Overlay, and Traffic Marking Project

C.J. Dean reported sealed bids were received at the Town Hall at 2:00 p.m. on April 13, 2022 for IFB 2022-01: Asphalt Overlay and Traffic Marking. This project is the only street overlay during FY 21-22.

The below two bids were submitted:

- Colony Construction, Inc. – \$445,433.00
- Adams Construction Company – \$393,820.00

A motion was made by Councilman Honeycutt, second by Councilwoman Luster, to award the bid for asphalt milling, overlay, and traffic marking to Adams Construction Company at the base bid price of \$393,820.00. The motion carried unanimously.

12. POLICE DEPARTMENT UPDATE

Chief Stuart Bowen’s update to Council is quoted as follows:

“It has been brought to my attention that Council members are hearing citizen concerns about a rise in crimes and our police department's ability to deal with crime and criminality. Please let me reassure you that our police department is capable and hard at work to keep the citizens and visitors to our Town safe. Like the rest of our country, we are seeing a spike in violent crime. Nationally homicides were up 30% in 2020 and 5% in 2021, a 35% increase since 2019. This was also accompanied by a spike in violence across our country. If you turn on the news, you will see that every major city around us is dealing with violent crime issues. Our community is a microcosm of those larger jurisdictions. I understand the public's concerns because I share them. We are all dealing with the fall out of sweeping criminal justice reforms that have tied law enforcement's hands in many cases, a spike in violent crime, and a lack of people that wish to put on the badge and risk their lives and livelihoods for people they don't know.

This council has taken action to try and address some of these problems, like increasing pay for officers, increasing the distance for our take-home car program, and you are currently looking to update our police department building. These efforts will help to recruit and retain exceptional officers in our Town. I personally thank each of you for those efforts.

Unfortunately, investigating and solving crimes is not like on TV. We are not able to wrap everything up in a 60-minute time frame. Our state crime lab is also short-staffed and working on a backlog of requests. That means many of the processes we need to identify suspects and solve crimes are taking months. An example I can give you is that the Commonwealth's Attorney hasn't been able to close out our officer-involved shooting case from December of 2021 because he is still waiting for information from the state lab so he can finalize his findings.

I'm not going to stand up here and tell you that our agency is perfect and doesn't need improvement in some areas. The Command staff and I have taken proactive steps to ensure that events like the escape that happened last week do not happen again. Police officers are human and do make mistakes from time to time.

I am not going to get into details on active and ongoing investigations but we are working diligently to solve these crimes that concern everyone. We are also working with our partners with the Mecklenburg County Sheriff's Office, the Virginia State Police, and the US Marshal's Service to apprehend the suspects and the fugitive. I would ask that citizens that have information or know of criminal activity please contact your local law enforcement agency, we need you to be an active participant in keeping our community safe. Being mindful of your surroundings, calling 911 when you see something unusual, locking your car and locking your doors will go a long way toward fighting crime.

Thank you again to all of you for your ongoing support of our police department.”

This update was for informational purposes only; therefore, no Council action was taken.

13. REPORTS TO APPROVE AS PRESENTED

For efficiency, the following reports for April 2022 were grouped to approve as presented.

A. Town Manager Report

i. Facilities Reservation Calendar

Kim Callis presented Council with a calendar of activities and reservations at Centennial Park, Parker Park, the South Hill Exchange, and other Town facilities.

ii. The Colonial Center Tax-Exempt Status

Mr. Callis reported that by letter dated March 26, 2022, The Colonial Center received its determination from the Internal Revenue Service indicating the Colonial is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. As such, with legal service provided by Jimmy Butts, the South Hill Community Development Association has transferred and assigned all Colonial related assets to the tax-exempt organization.

iii. Farmers Market Manager

Mr. Callis shared that the Town will soon begin advertising via various media to request proposals for managing the Farmers Market beginning July 1.

B. Finance Report

Sheila Cutrell submitted the financial report as follows:

General Fund	-	\$13,279,332.80	Total Investment Accounts	-	\$14,822,744.95
Water and Sewer Fund	-	3,577,276.71	Total Police Dept. Savings	-	\$ 28,259.65
Cemetery Fund	-	15,725.45	Total Taxes Due Thru 4/30/22	-	\$ 271,552.05
Business Dist. Resurgence Grant	-	37,975.85	(Real Estate and Personal Property, all years)		
Total in Checking	-	<u>\$16,910,310.81</u>			

Answering a question from Councilman Moss, Kim Callis stated the Town has engaged with TACS on past due taxes. The taxpayers pay the charge. Answering a question from Councilman Moss as to why it took from August to May to engage with the agency, Sheila Cutrell stated the Town began turning water off again for nonpayment in September 2021. The Town wanted to give customers time to get caught up and get the tax bills out in November. Other methods of collection have been used since then including IRMS, DMV stops, and property tax sales. A listing of delinquent taxpayers in the paper would need to be done at the direction of Council.

C. Police Report

Chief Bowen submitted the police report. He reported there were 259 activity incidents, 57 reportable criminal offenses, 1,042 calls for service, and \$11,608.00 property recovered in April. Other miscellaneous included 29 court hours, 0 training hours, 50 warrants issued, and 0 inoperative vehicles tagged.

He reported the following administrative news:

- Captain Shane Johnson and Auxiliary Officer Ethan Atkinson instructed Defensive Tactics at the training academy.

D. Municipal Services Report

i. Projects Report

C.J. Dean submitted the projects report as follows:

- The contractor on the NE Sewer Project continues the process of boring under Interstate 85. The boring job under the interstate has been complicated as rock has been encountered slowing the work. The contractor completed the bore under Route 1 and the gravity line to the Alpine sewer lift station. Dominion Power has completed main line work on the underground power to the sewer lift station on Thompson Street.
- The softball netting project contractor completed the padded lower walls. The Facilities Crew is working on the softball field press boxes and painting the dugouts.
- The Street Crew replaced curbing at the baseball concession stand.
- Water and sewer connections were made to new development, and several connections are pending.

ii. Fire Report

Chief Vaughan submitted the fire report. Chief Vaughan reported the SHVFD responded to 69 total alarms with an average of 15 volunteers present per call. Calls responded to in Town were 41, within the county district were 28, and involving fire were 15. Mutual aid given was 10 and automatic aid received was 18. Training included instructor inservice, basic pump operations, search and rescue, and aerial operations. Fundraising included Microsoft/Walbridge Hug-a-Bear and a Kamado Joe raffle.

He reported the following administrative news:

- The Truck Committee recently traveled to Wisconsin to complete pre-construction.
- Unit 79's main apparatus bay door needs a replacement motor control assembly. The expected cost will be approximately \$2,200.00.
- One of three equipment lists for the new Heavy Rescue is out for bid. Volunteers will be covering the cost of the loose equipment.
- Members enjoyed assisting with Operation Cleanup.
- Volunteers will begin teaching a VDFP FFII program on May 3. The program is scheduled to be completed by the end of June.
- Our volunteers are currently wrapping up Annual NFPA Physical Exams.

E. Code Compliance Report

i. Report of Activity

David Hash submitted the report of activity as follows:

Inspections Completed	-	40
Permits Issued	-	24

Fees Collected	-	\$	2,307.37
UEZ Exemption	-	\$	0
Rehab Exemption	-	\$	0
General Exemption	-	\$	0
Work Value	-	\$	467,631.72

New businesses included:

- McCraw This & That, 935 W. Atlantic Street (Flea Market Vendor)
- Caitlynn Crafts and Curios, 935 W. Atlantic Street (Flea Market Vendor)
- TS Décor, 935 W. Atlantic Street (Flea Market Vendor)
- KGY, 935 W. Atlantic Street (Flea Market Vendor)
- DC's Finds, 935 W. Atlantic Street (Flea Market Vendor)
- Sparkman Construction, LLC, 1078 Plank Road (Contractor)
- GJS, LLC, New Owner – 115 Brook Avenue (Restaurant, The Donut Shop)

ii. Dilapidated Properties

Along with the list of completed dilapidated properties, Mr. Hash presented a report on the status of 51 dilapidated properties.

F. Business Development Report

Brent Morris submitted the business development report as follows:

- Mr. Morris is working with Longwood Small Business and CoStarters to host a CoStarters program in South Hill. This program is an eight-week program for new and existing entrepreneurs.
- Mr. Morris along with Retail Strategies and local realtors continue the push of recruiting new retail businesses and restaurants in Town with the primary focus being on the former Peebles location.
- The Backyard Brews and Bites located at the former Martha's Dress Shop is on track to open in May. This new business will be a taproom/beer garden. Also, this business was able to take advantage of the Façade program funded by the Town to help with the renovation cost of the building.
- Mr. Morris shared the calendar of events for the South Hill Chamber of Commerce. They have worked to build out a marketing plan to increase attendance at upcoming Chamber events.
- The Chamber has begun planning for the upcoming fall and Christmas events for 2022. All requests to the Town will be submitted in the next few months.

G. Human Resources Report

Carol Hutchinson submitted the following administrative news:

- Insurance renewals were completed and submitted to Virginia Asset Management for renewal information. Any insurance revisions will be effective on July 1, 2022.
- The 2022 Performance Evaluation Process concluded on April 29, 2022.
- The Manager of HR position was advertised.
- Robert York was hired as the Code Compliance Inspector.

A motion was made by Councilwoman Feggins-Boone, second by Councilwoman Luster, to approve the Reports to Approve as Presented for April 2022. The motion carried unanimously.

14. COMMITTEE REPORTS

A. Policy Review Committee – Councilwoman Luster

Councilwoman Luster reported the Policy Review Committee met on April 21 to discuss comments by Wade Crowder at the April 11 Council meeting regarding trash collection. After carefully considering those comments and discussing the fact the purpose of a uniform system of ordinances is to ensure overall health, safety, and welfare of citizens, no further action is warranted.

15. APPOINTMENTS

A. Board of Zoning Appeals (BZA)

Mayor Marion reported that as Stuart Taylor has stepped down as Alternate from the BZA, Joseph B. (Joe) Cappaert has been contacted and agrees to serve out Mr. Taylor's five-year term ending July 10, 2026.

A motion was made by Councilman Moody, second by Councilman Joseph Taylor, to recommend the appointment of Joe Cappaert to serve out Stuart Taylor's term on the BZA which ends July 10, 2026. The motion carried unanimously.

B. Community Development Association (CDA)

Mayor Marion commented Council was given direction at the last meeting as far as fulfilling the new CDA Board of Directors. In accordance with the amendment to the Articles of Incorporation of the South Hill Community Development Association, Inc., Mayor Marion recommended the below slate of nominees for appointment to the CDA, effective June 1, 2022. All agreed to serve in this capacity.

*2-year terms, June 1, 2022 to December 31, 2023:

Tammy Manning
Vin Montgomery
Robert Smith
Carmen Taylor

4-year terms, June 1, 2022 to December 31, 2025:

LJ Dornak
Jeremy Lynch
Brent Morris

*Thereafter, all appointments would be for four-year terms.

Council members discussed the CDA appointments at length. Concerns shared included:

- More time is needed for Council to discuss the nominees before voting.
- Other nominations need to be considered.
- There are possible transparency and conflict of interest issues with a Town employee who also serves on the Chamber Board.
- The CDA needs to mirror the IDA and needs to be free and independent from Council and the Town. The CDA has the right to invite the appropriate people to attend their meetings.
- If Town employees are prohibited from serving on Council-appointed boards, the policy needs to be placed in the employee handbook.

Mayor Marion reported that as of the date the packets went out (May 4), no Council

members had contacted him or Attorney Estes with any questions or concerns regarding the appointments. **A motion was made by Councilman Honeycutt, second by Councilman Moss,** to approve the above slate of nominees as introduced by Mayor Marion for appointment to the CDA Board of Directors, effective June 1, 2022. The motion failed via **roll call vote** as follows:

Councilwoman Lillie Feggins-Boone-No	Councilman Alex Graham-No
Councilman Gavin Honeycutt-Aye	Councilwoman Delores Luster-No
Councilman Mike Moody-No	Councilman Shep Moss-Aye
Councilman Ben Taylor-No	Councilman Joseph Taylor-No.

Mayor Marion sought guidance from Council on the next step. When asked if action had to be taken at this meeting, Mr. Callis reported the CDA Articles of Incorporation have been adopted and filed. It is not ideal, but the current board will continue to serve until new members are appointed. Approached with several questions, Attorney Estes commented the body acts by motion, and its rules cannot be binding on future councils. Members suggested the Mayor give Council a timeline for nominees to be submitted, that the Policy Review Committee meet to discuss Town staff committee appointments, and that a special Council meeting be held to approve the appointments. If approval of the slate fails at the special meeting, Council could choose to make a motion to approve a modified version of the slate, or take up each individual person-by-person.

Mayor Marion asked that nominees be given to him by 5:00 p.m. on May 16, 2022. An email will be shared with Council members on May 17. **A motion was made by Councilman Honeycutt, second by Councilman Moody,** to convene for a Special Meeting on May 23 at 7:00 p.m. to discuss another slate of nominees as introduced by Mayor Marion for appointment to the CDA Board of Directors, effective June 1, 2022. The motion passed via **roll call vote** as follows:

Councilwoman Lillie Feggins-Boone-Aye	Councilman Alex Graham-Aye
Councilman Gavin Honeycutt-Aye	Councilwoman Delores Luster-Aye
Councilman Mike Moody-Aye	Councilman Shep Moss-Aye
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

A motion was made by Councilman Moss, second by Councilman Honeycutt, for the Policy Review Committee to meet (preferably before the May 23 Special Town Council Meeting) to discuss Town employees serving on the CDA Board of Directors. The motion passed via **roll call vote** as follows:

Councilwoman Lillie Feggins-Boone-No	Councilman Alex Graham-Aye
Councilman Gavin Honeycutt-Aye	Councilwoman Delores Luster-Aye
Councilman Mike Moody-Aye	Councilman Shep Moss-Aye
Councilman Ben Taylor-No	Councilman Joseph Taylor-No.

16. OTHER BUSINESS

There was no other business.

17. CLOSED SESSION

Personnel – § 2.2-3711 A(1)

Pursuant to Personnel – § 2.2-3711 A(1) of the Code of Virginia and on **motion** of **Councilman Moody,** and **second** of **Councilwoman Luster,** the South Hill Town Council entered into **Closed Session** to discuss Personnel matters involving adequacy of police staffing. The motion carried unanimously. The Mayor announced publicly in the meeting that the South Hill Town Council was now in Closed Session.

In addition to the Mayor and Town Council members, Council requested the presence, in the entirety of the Closed Session, of Kim Callis, Anna Cratch, Howard Estes, and Stuart Bowen.

18. OPEN SESSION

A motion was made by Councilman Ben Taylor, second by Councilwoman Feggins-Boone, that the Closed Session be adjourned and that the South Hill Town Council reconvene its meeting in **Open Session**. The motion carried unanimously. The South Hill Town Council reconvened in Open Session.

RESOLUTION CERTIFYING CLOSED SESSION

A motion was made by Councilman Honeycutt, second by Councilwoman Luster, that the minutes of this meeting reflect that no formal action was taken in the Closed Session and further moved that a Resolution Certifying the Closed Session be adopted and reflected in the minutes of this meeting as follows:

WHEREAS, the South Hill Town Council convened in Closed Session on this date by an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act:

NOW THEREFORE, BE IT RESOLVED, that the South Hill Town Council does hereby certify that to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were discussed in the Closed Session to which this certification applies, and (2) only such public business matters as were identified in the motions by which the said Closed Session was convened were heard, discussed, or considered by the South Hill Town Council. The motion passed via **roll call vote** as follows:

Councilwoman Feggins-Boone-Aye	Councilman Graham-Aye
Councilman Honeycutt-Aye	Councilwoman Luster-Aye
Councilman Moody-Aye	Councilman Moss-Aye
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

There was no action taken in Open Session on the Personnel matters.

19. ADJOURNMENT

There being no further business matters before the South Hill Town Council, Mayor Marion adjourned the meeting at 10:01 p.m.

VALIDATION

Minutes approved this _____ day of _____, 20_____.

Anna B. Cratch, Town Clerk

Dean Marion, Mayor



Incorporated 1901
Police Department

**PROCLAMATION
MAY 15-21, 2022 AS POLICE WEEK**

WHEREAS, there are approximately 900,000 law enforcement officers serving in communities across the United States, including the dedicated members of the South Hill Police Department; and

WHEREAS, nearly 59,000 assaults against law enforcement officers are reported each year, resulting in approximately 16,677 injuries; and

WHEREAS, since the first recorded death in 1791, over 23,000 law enforcement officers in the United States have made the ultimate sacrifice and been killed in the line of duty; and

WHEREAS, the names of these dedicated public servants are engraved on the walls of the National Law Enforcement Officers Memorial in Washington, D.C.; and

WHEREAS, 619 names of fallen heroes are being added to the National Law Enforcement Officers Memorial this spring, including 472 officers killed in 2021 and 147 killed in previous years; and

WHEREAS, in 1962, President John F. Kennedy signed a proclamation which designated May 15 as Peace Officers Memorial Day and the week in which that date falls as Police Week;

NOW, THEREFORE, BE IT PROCLAIMED, that Dean Marion, Mayor of the Town of South Hill, hereby designates May 15-21, 2022 as Police Week in the Town of South Hill, Virginia, and publicly salutes the service of law enforcement officers in our community and in communities across the nation.

SIGNED this 9th day of May 2022, South Hill, Virginia.

BY: Dean Marion
Dean Marion, Mayor

ATTEST: Anna B. Cratch
Anna B. Cratch, Town Clerk

Presentation to Town Council
Town of South Hill, VA



VIP: 1-3 Year High Quality Bond Fund – Navigating Volatile Markets

Steve Mulroy, Managing Director
VML/VACo Finance

May 9, 2022

1

Inverse relationship between Bond Prices & Interest Rates



When interest rates FALL...
Market Value of securities *increases* Interest income *declines*



2

Falling Interest Rates



Past performance is not necessarily indicative of future returns.

3

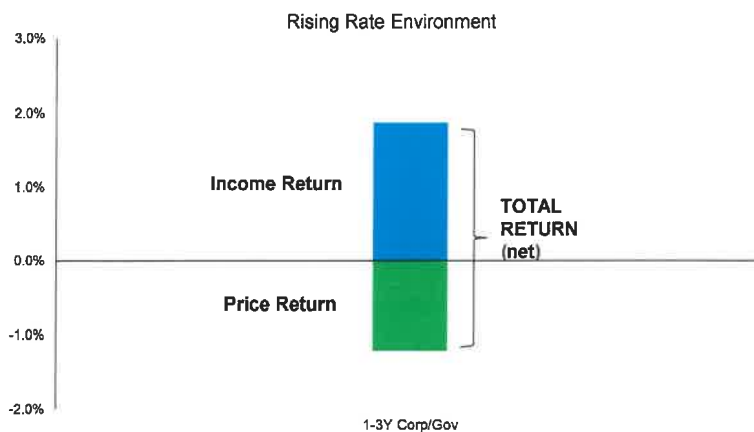
Inverse relationship between Bond Prices & Interest Rates

When interest rates RISE...
Market Value of securities decreases Interest income increases



4

Rising Interest Rates



Past performance is not necessarily indicative of future returns.

5

The world has entered a rising interest rate environment

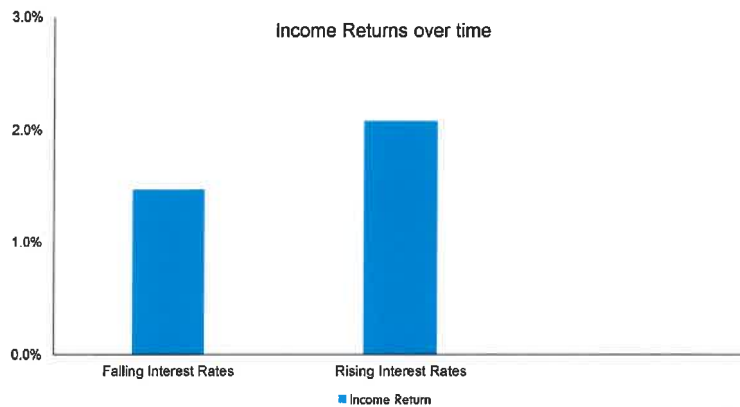
- Bond prices have declined, reducing the net asset value (NAV) of all fixed income portfolios.
- How much can net asset value decline? For the 1-3 Year portfolio:
 - An immediate, 1% increase in interest rates would cause a 1.8% decline in net asset value.
- Keep in mind:
 1. The decline in NAV due to rising interest rates is only a "paper loss." As long as the bonds remain strong, the only way to lose money is by selling the investment, which means realizing an actual loss.
 2. Over time, the decline in NAV will be mostly or entirely offset by interest earnings at the new, higher levels.

6

Income Returns in Different Rate Environments



- Long Term Investors focus on income returns



VMLVACo Finance 7

7

Best practices for investing in a fixed income portfolio

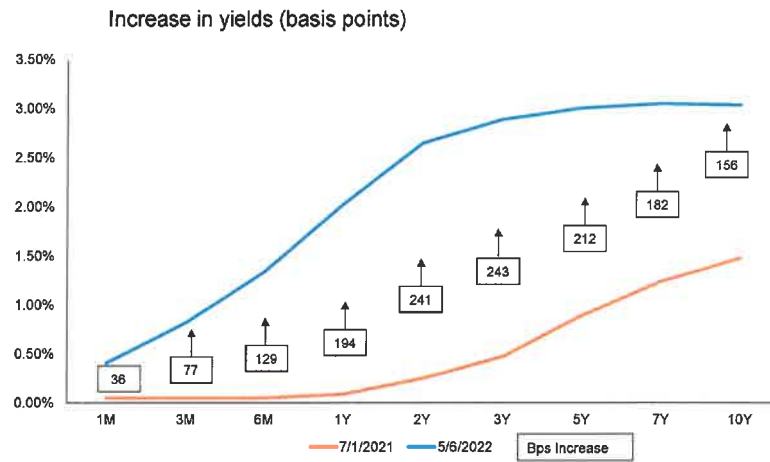


1. Remember that fixed income portfolios are for longer-term investors:
 - Volatility is to be expected
 - Investors in 1-3 year securities have historically been rewarded with higher returns as compared to investors in shorter-term securities.
2. When interest rates are falling:
 - This is the optimum time to reposition your investments as needed.
 - You may even realize a gain when selling in a falling rate environment.
3. When interest rates are rising:
 - Avoid selling fixed income investments which may cause you to realize an actual loss.
 - Enjoy the increasing earnings that will be achieved as securities in the portfolio mature and are reinvested in securities with higher interest rates.

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8

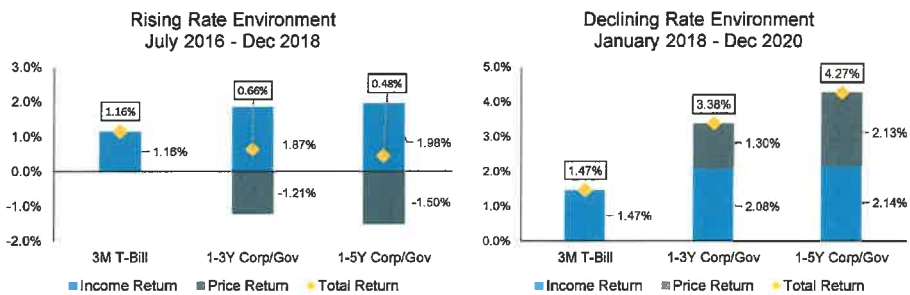
U.S. Treasury Yields – May 6, 2022 vs. July 1, 2021



Source: Fred Economic Data, St. Louis Federal Reserve. Past performance is not necessarily indicative of future returns.

9

1-3 Year Strategies in Different Rate Environments

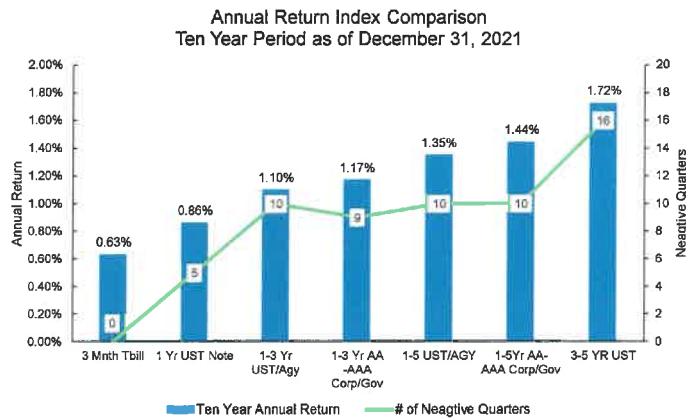


Source: Public Trust Advisors and ICE BofA Fixed Income Indices. Past performance is not necessarily indicative of future returns.

10

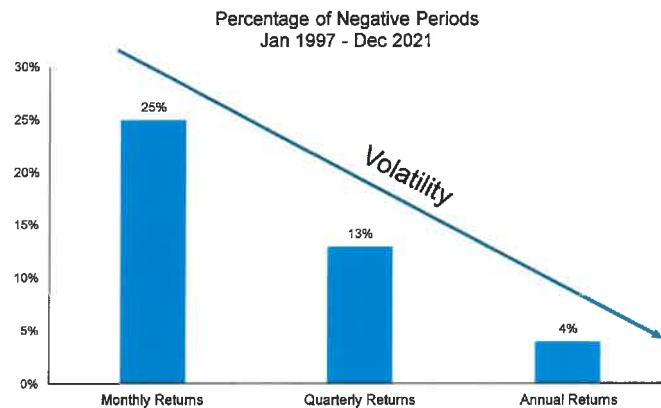
Historical Returns and Volatility

Longer duration strategies have provided higher return although with higher market volatility.



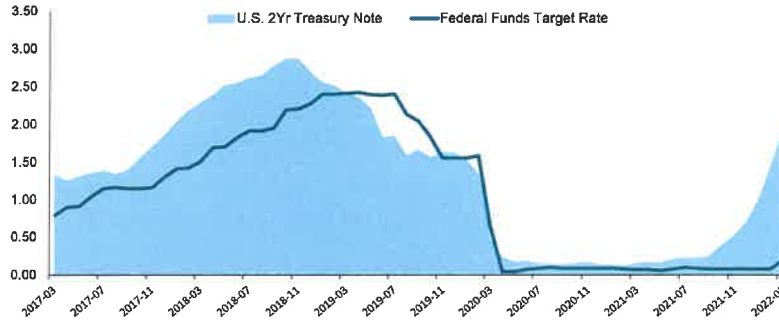
11

Volatility of 1-3 Year Strategy – Time Horizon is Important



12

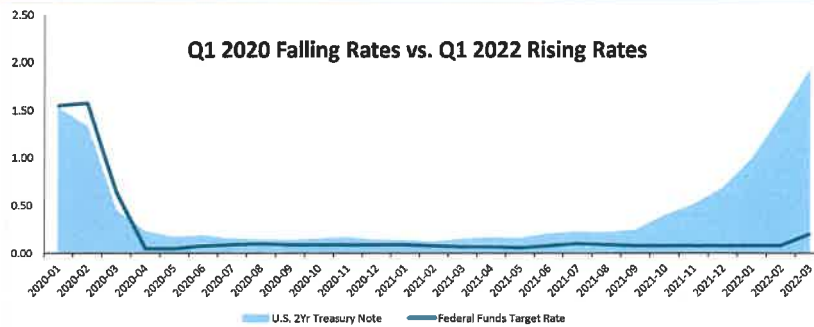
VIP Performance in Rising and Falling Rate Environments



Calendar Year Total Return	2017	2018	2019	2020	2021	3-Year Annualized	5-Year Annualized
VIP 1-3 Year High Quality Bond Fund	0.73%	1.70%	3.73%	3.30%	-0.47%	2.17%	1.79%
VIP Stable NAV Liquidity Fund	1.10%	2.05%	2.38%	0.70%	0.09%	1.05%	1.26%
VIP 1-3 vs VIP Stable NAV	-0.37%	-0.35%	1.35%	2.60%	-0.56%	1.12%	0.53%

Source: Fred Economic Data, St. Louis Federal Reserve, Public Trust Advisors. Past performance is not necessarily indicative of future returns.

VIP 1-3 Year Performance In Rising & Falling Rate Environments



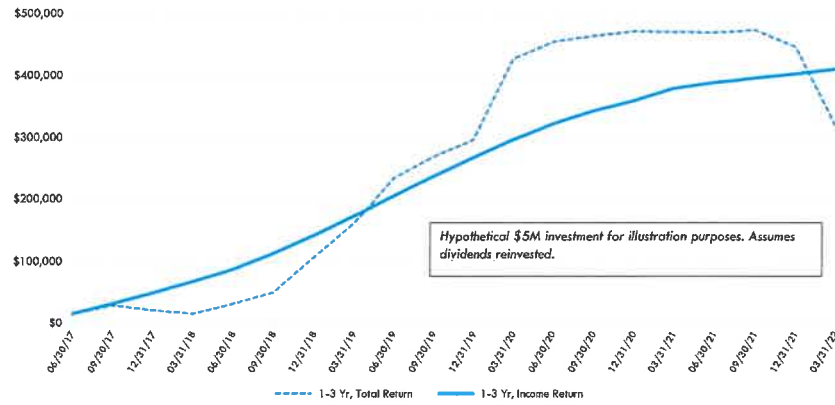
VIP 1-3 Year Quarterly Performance	Q1 2020	Q1 2021	Q1 2022
VIP 1-3 Year Income Return	0.544%	0.368%	0.146%
VIP 1-3 Year Price Return	1.918%	-0.382%	-2.465%
VIP 1-3 Year Total Return	2.462%	-0.014%	-2.320%

Source: VMLVACo Finance, Public Trust Advisors. Past performance is not necessarily indicative of future returns.

VIP 1-3 Year High Quality Bond Fund Performance



1-3 Year Bond Fund
5- Year Performance - Cumulative Income & Total Return
4/1/2017 - 3/31/2022



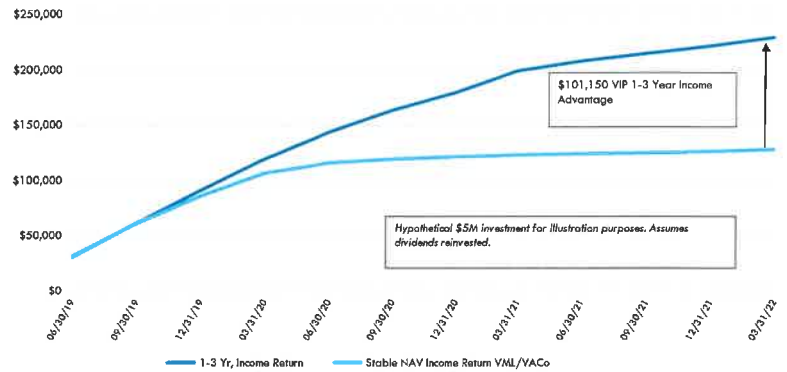
Source: VML/VACo Finance, Public Trust Advisors. Past performance is not necessarily indicative of future returns.

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Income Comparison: Liquidity Pool v. 1-3 Year Fund



Liquidity Pool v. 1-3 Year Bond Fund
3-Year Cumulative Income Return Comparison
4/1/2019 to 3/31/2022



Source: VML/VACo Finance, Public Trust Advisors. Past performance is not necessarily indicative of future returns.

16

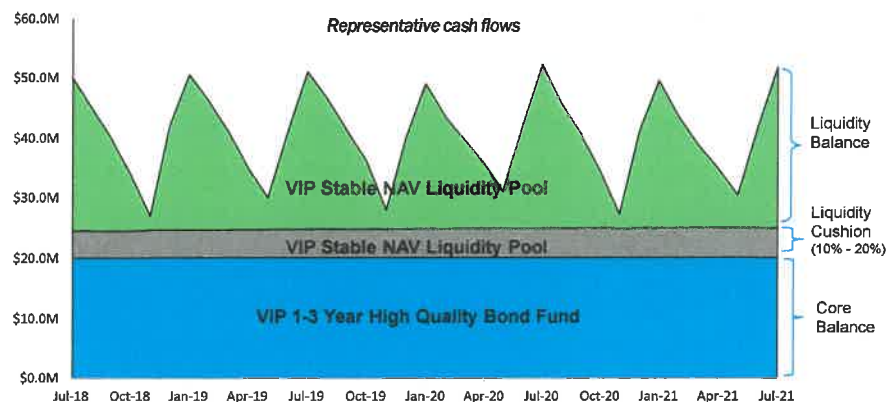
Considerations for Investment Strategies



Focus on time in the market, not timing the market

- Impossible to forecast future interest rates with any consistency.
- Trading in and out of longer-duration strategies exposes the investor to market price risks of short-term yield volatility without the benefit of having accrued the greater yield/income over time.
- Shifting investment strategies may result in loss of interest income, increase in market volatility/risk or both.

Two complementary portfolios for managing funds



This chart is for informational purposes only. It is not meant to provide advice for your locality's particular situation. For assistance with analyzing your situation, please consult with Public Trust Advisors, VIP's registered investment manager.

Summary: Investing in 1-3 Year Fixed Income Portfolio



1. Remember that 1-3 year fixed income portfolios are for longer-term investors:

- Volatility is to be expected.
- However, investors in 1-3 year securities have historically been rewarded with higher returns as compared to investors in shorter-term securities.

2. When interest rates are rising:

- Avoid selling fixed income investments which may cause you to realize an actual loss.
- Enjoy the increasing earnings that will be achieved as securities in the portfolio mature and are reinvested in securities with higher interest rates.



Thank you!

VIP Investor Center:
virginiainvestmentpool.org
804-648-0635

VIP Program Administrator:
VML/VACo Finance

VIP Investment Manager:
Public Trust Advisors



**SOUTH HILL TOWN COUNCIL
REGULAR MEETING AGENDA
MONDAY, MAY 9, 2022, 7:00 PM**

Town Hall Council Chambers ~ 211 S. Mecklenburg Avenue ~ South Hill, Virginia 23970

(Please silence all cell phones while Council is in session.)

1. Call to Order
2. Invocation
3. Roll Call
4. Approval of Agenda
5. Approval of Minutes – April 4, 6, and 11, 2022
6. Proclamation for May 15 – 21, 2022 as Police Week
7. VML/VACO Finance Presentation
8. Citizens to Address Council *Comments are limited to three min (five min if on behalf of a group).*
 - A. Floyd Edmonds – Update on MCCA Event
 - B. The Shops of South Hill – Christmas in July
 - C. Wade Crowder, Goodes Ferry Road – Utility Fees
 - D. Wade Crowder – Policy for Individuals Who Wish to Address Council
9. Public Hearings
 - A. Kim Callis – Proposed FY22-23 Budget
 - B. Kim Callis – Proposed FY22-23 Tax Rates and Fees
 - C. David Hash – RE 2022-2, Request by C&S Enterprises, LLC to rezone 700-704 Hite Street and 685-695 E. Northington Street from Single Family Residential District R1-10 to General Residential District R2-16
 - D. David Hash – SE 2022-2, Request by William J. Daniel to utilize 613 W. Danville Street for automobile assembling, painting, upholstering, repairing, rebuilding, body and fender work, truck repairing, and overhauling
 - E. David Hash – SE 2022-3, Request by Richard A. Walters to utilize 609 W. Danville Street for automobile assembling, painting, upholstering, repairing, rebuilding, body and fender work, truck repairing, and overhauling
10. Finance Report
 - A. Appropriation of Funds
11. Municipal Services Report
 - A. Paving IFB Results
12. Reports to Approve as Presented
 - A. Town Manager Report
 - i. Facilities Reservation Calendar
 - ii. The Colonial Center Tax-Exempt Status
 - iii. Farmers Market Manager
 - B. Finance Report
 - C. Police Report
 - D. Municipal Services Report
 - i. Monthly Projects Report
 - ii. Fire Report

- E. Code Compliance Report
 - i. Monthly Report
 - ii. Dilapidated Properties
 - F. Business Development Report
 - G. Human Resources Report
13. Committee Reports
- A. Councilwoman Luster – Policy Review Committee
14. Appointments
- A. BZA
 - B. CDA
15. Other Business
16. Closed Session
- A. Personnel, Section 2.2-3711 A(1) to discuss matters involving police staffing
17. Open Session
18. Adjournment