

Mount Jackson
Town Council Work Session

April 23, 2024

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Work Session

Vice Mayor Shepherd called the Work Session of the Mount Jackson Town Council to order at 6:01 PM in the Council Chambers at 5901 Main Street following a brief hearing from visitor Sarah Kohrs, at the invitation of Ms. Hilton, regarding the proposed name change/reversal of the Mountain View High and Honey Run Elementary Schools. Ms. Kohrs shared her views on changing the names back to Stonewall Jackson High School and Ashby Lee Elementary School. Ms. Kohrs implored Council to make a statement affirming the non-divisive current names and to write to the school board encouraging them to do the same, as well as not voting until May 9, 2024 until polls and hearings are held.

Roll call was taken with Councilmembers Evelyn Burner, Judy Fultz, Todd Holtzman, and Mayor Pifer in attendance. Councilmember Bonnie Good arrived at 6:07 PM. Councilmember Al Asbury was absent. Also in attendance were Olivia Hilton, Town Manager; Greg A. Beam, Assistant Town Manager; Mario Rosso, Finance Director; Joey Blankenship, Utilities Director; and Barbara Riggelman, Town Clerk. Ryan Fitzmaurice, reporter for the Northern Virginia Daily, was a visitor.

Agenda Additions/Deletions/Changes: None

New Business (For Discussion Only – Not Eligible For Action):

1. FY 2024 Proposed Budget Amendment

Mr. Rosso stated that most of the amendments to the current budget are driven by timing differences with grants that were expected to be received. In the General Fund, it was ARPA money that was received at the end of FY23 after FY24 was prepared. Other significant changes were that interest rates were a lot higher than budgeted and there was a police ARPA grant that was not known about when FY24 budget was prepared. Expenditures were kept down pretty well. Overall, the General Fund balance will need to draw from reserves some as the decrease in grants was more than the decrease in expenditures, so basically \$125,000 will need to come from reserves. Mr. Rosso stated that this would be the same scenario for the Enterprise Fund. ARPA grants were received at the end of June 2023 which were budgeted for FY24. This was somewhat offset by the bank interest being higher than anticipated. Mr. Rosso stated that it is also the same with Capital Expenditures, with all grant-related changes. Overall for the Enterprise Water and Sewer Fund, \$11,000 will need to be pulled from reserves. Mr. Shepherd stated that there were not a lot of major changes, but just enough changes to document it and require a public hearing. This item will be eligible for action after the public hearing on May 14, 2024.

2. FY 2025 Proposed Budget

Mr. Rosso gave an overview of the proposed budget with proposed tax rate increases. Mr. Rosso prepared a spreadsheet listing all of the proposed tax rates and utility fees for other localities in Shenandoah County, showing that the Town of Mount Jackson still has the lowest rates of all other towns in the county. Discussion ensued on tax rates and utility rate increases. Trash rate increases are due to contractor rate increases; Long's will still be the trash contractor. Meals tax will be increased to 6%, the same as all the other towns. Mr. Rosso stated that unfortunately, even with the increases, expenditures are still above projected revenue. The General Fund will need to use \$426,000 of reserves and the Enterprise Fund (Water & Sewer) will need to use \$216,100 of reserves, which is why Staff asked Council to review the project list. Ms. Hilton referred to a spreadsheet of 10 projects and stated that all of these items would come from reserve funds. All items are important to an extent, but some are more urgent.

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Mr. Holtzman inquired how much is in the reserve. Ms. Hilton stated that there was \$7 million in reserves, but \$4 million is allocated for projects. Mr. Rosso stated that there was \$4 million in reserves. All of the projects listed total about \$1 million. Mr. Holtzman stated that this is the citizens' money and if they would deplete all of the funds, it would be a different issue, but if there is plenty of funds in the reserves to cover all of the projects, which are all services to improve the town and the lifestyle of the citizens, and they do not require a tax increase to cover the costs, then this should be looked into. Mr. Rosso stated that Staff wanted Council's feedback and that was the reason for the spreadsheet. Ms. Hilton pointed out that some projects will see a bigger hit in next year's (FY26) budget. Mr. Rosso stated that the hit for this coming year's budget will not be as big because the Town has been saving up towards the costs. Discussion ensued on the project item list. More information was requested on the Town Hall fire suppression line replacement. More information was also requested from the County on the library contribution request.

Mr. Holtzman requested permission to leave at 6:45 PM; permission was granted.

Discussion ensued on storage for computer lab equipment for CREW. Several pallets of desks and equipment need to be stored until the lab is set up and ready for installation, which would be in about 6 months. Agreement was that there is no climate-controlled, secure facility on Town property for this type of equipment. Discussion also ensued on the Main Street water line replacement. Some items on the project list, like park bathrooms, could be done by the Public Works Department at a cost savings. Discussion ensued on Caverns Water Tank repairs, a dog park on King Street, resurfacing the park basketball court to a multi-use court, and wayfinding sign projects. Ms. Hilton stated that the park plan would be a 3-5 year project and those changes are not included in this budget.

The proposed FY25 budget line item detail was briefly discussed, reiterating that even with the proposed tax and rate increases, both the General and Enterprise Fund revenues will be short of covering expenditures. \$642,100 will need to be pulled from reserves. Discussion ensued on expenditures.

3. Council Chamber Chairs

Ms. Riggleman stated that the current council chamber chairs were purchased used when the Town Hall was built over 20 years ago. The chairs are starting to show signs of wear and need to be replaced. The current style chair is no longer available from the manufacturer, and current trends are for leather and mesh styles. Ms. Riggleman researched cost-effective replacements and had pictures and price quotes of some models for Council consideration. Discussion ensued, narrowing down selections to two options. Ms. Riggleman will purchase one each of the two chosen for Council to view in more detail.

Motion made by Councilmember Shepherd, seconded by Councilmember Good, to adjourn the work session at 7:15 PM.

Barbara Riggleman, Clerk

Donald "Donnie" I. Pifer, Mayor