

MINUTES
PURCELLVILLE TOWN COUNCIL BUDGET WORK SESSION
JANUARY 19, 2016
TOWN HALL COUNCIL CHAMBERS

The regular meeting of the Purcellville Town Council was convened at 7:00 PM in Council Chambers with the following in attendance:

PRESENT: Kwasi Fraser, Mayor
Joan Lehr, Council member
Karen Jimmerson, Council member
Patrick McConville, Council member
Doug McCollum, Council member

ABSENT: John Nave, Council member

STAFF: Robert Lohr, Jr., Town Manager
Danny Davis, Assistant Town Manager
Alex Vanegas, Director of Public Works
Elizabeth Krens, Director of Finance
Connie LeMarr, Assistant Director of Finance
Hooper McCann, Director of Administration
Cindy McAlister, Police Dept.
Paula Hicks, Staff Accountant
Debbie Capitan, Budget Specialist
Diana Hays, Town Clerk

CALL TO ORDER OF REGULAR MEETING:

Mayor Fraser called the regular meeting to order at 7:00 PM. The Pledge of Allegiance followed.

REVIEW OF UPCOMING BUDGET SCHEDULE:

Rob Lohr reviewed the upcoming important meeting dates and deadlines. Mayor Fraser asked via a question from a citizen when the Town stopped permitting citizens to voice budget concerns at budget meetings. Rob Lohr stated that the Town offers many of opportunities for citizens to speak to include Town Council Meetings and Public Hearings.

REVIEW OF FINANCIAL GRAPHS AND TREND DATA FY06-FY15:

Rob Lohr introduced the report. Liz Krens reviewed each graph provided with the agenda.

Mayor Fraser requested a breakdown of other revenue which totals almost \$900,000. Rob Lohr noted that the monthly reports provided by Finance show this in approximately ten to fifteen categories, however could provide that information to Council.

Liz Krens talked about the decrease in gas tax which lead to a discussion about how to save money to get that money back. Rob Lohr added that the Town will not see the savings on the reduction from the County and could see more of a shortfall this year.

Rob Lohr talked about the balloon payment due in 2021 and how the graph may change depending on restructuring of that debt which the Town will be discussing with the financial advisor.

Mayor Fraser requested to see when the wastewater treatment plan may need a significant upgrade. Rob Lohr stated that this would be discussed in the utility funds budget.

In regards to the water fund, Mayor Fraser noted that a detailed scenario analysis of creative solutions and impacts would be helpful to see as related to potential revenue sources.

Mayor Fraser asked if a stress test can be done to see at what number of availabilities the Town needs before a new water or sewer plant is needed. Council member Lehr asked about projections on availabilities as well as looking at what will happen if the rates stay as they are and add Mayfair and Catoctin Corner in regards to the users, and if is there a point at the current rates that there is enough water going out without making upgrades to increase the recurring revenue. Rob Lohr added he believes there will be a small margin of profit for every thousand gallons sold which needs to be shown on paper.

In regards to the Structural Balance in the Water Fund, Mayor Fraser asked if money is being put aside for the balloon payment due in 2021. Rob Lohr noted that the money from current projects is being added in. Council member Lehr asked about 2022 when the monthly amount goes up about \$100,000 and asked if that is from a different loan. Liz Krens stated that is part of the restructuring loan. Council member Lehr asked if the \$1.4 million can be paid in cash using Mayfair money and not be restructured to pay down debt. Rob Lohr added this may be an option for consideration. Mayor Fraser requested that slide/page 34 show the number of homes and the number of commercial buildings that will get the Town to the price points in availabilities, etc. Rob Lohr added he believes that information will be provided in water and in wastewater.

SUMMARY OF ENDING POSITION FOR FY15:

Rob Lohr introduced the Summary of Results and noted the information was provided as information only at this time.

REVIEW OF TOP 3 PRIORITIES IN EACH DEPARTMENT:

Danny Davis noted that at the request of Town Council, the top three budget related needs from each department have been provided and noted that any previously approved expenditures are not showing as enhancements but are included in the base budget.

Danny Davis clarified that the Compensation Study is back in the budget because it was not started this year due to work load, and further summarized each of the departmental requests. Council member McCollum asked about the Transportation Plan and noted he believes that the comprehensive plan review, by Virginia code, requires that there be a Transportation Plan and asked if that will be rolled into the comprehensive plan review. Danny Davis noted that it is a separate analysis and not integrated into the comprehensive plan review. Council further discussed the Transportation Plan and what is included in the plan.

Mayor Fraser asked about a compensation study where organizations disclose compensation where it then becomes a comprehensive study and in return they agree to share the information. Mayor Fraser asked about working with NVRC, VML, etc. to do a similar study where the cost could be reduced. Danny Davis noted that this may be the direction the Town is trying to go.

In regards to the FYI 2017 proposed enhancements, Council member Lehr requested that expenditures, revenues, population, households and number of employees be added and if possible, businesses/licenses so that Council can see how the numbers have changed over the years. Rob Lohr stated he would work with staff to see if this would be an easy addition.

REVIEW OF SUBSTANTIAL REVENUE OR EXPENDITURE CHANGES GOING INTO FY16/17:

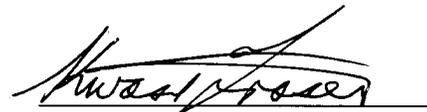
No additional comments.

QUESTIONS AND FEEDBACK FROM TOWN COUNCIL:

No additional comments.

ADJOURNMENT:

With no further business to discuss, Council member McCollum made a motion to adjourn at 9:38 PM. The motion was seconded by Council member Jimmerson and approved unanimously.


Kwasi A. Fraser, Mayor


Diana Hays, Clerk of Council