

**ROUND HILL TOWN COUNCIL
MEETING MINUTES
March 2, 2022**

A Regular Meeting was held by the Round Hill Town Council on Wednesday, March 2, 2022 at 7:30 p.m. Pursuant to *Ordinance 2022-01: To Provide for Continuity of Government During a State of Local Emergency*, adopted by the Town Council on January 19, 2022, this meeting was held electronically. Instructions for participating remotely were provided on the meeting agenda.

Council Members Present

Scott T. Ramsey, Mayor
Mary Anne Graham, Vice-Mayor
Jesse Howe
Michael Hummel
Paula James
Sean Lloyd

Council Members Absent

Melissa Hoffmann

Staff Members Present

Melissa Hynes, Town Administrator/Zoning Administrator
Marty Feltner, Utility Supervisor
Maureen Gilmore, Town Attorney
Sue Holland, Treasurer
Robert Lohr, Project Manager
Harriet West, Town Clerk

Others Present via Zoom

Thomas Gibbs
Jeff Mitchell, Mitchell & Company, P.C.

CALL TO ORDER

Mayor Ramsey called the meeting to order at 7:30 p.m.

ROLL CALL

Roll Call was held. Mayor Ramsey noted that in addition to himself, Vice-Mayor Graham and Councilpersons Howe, Hummel, James, and Lloyd were present, constituting a quorum. Councilperson Hoffmann was absent.

PLEDGE OF ALLEGIANCE

The pledge was not recited because this was an electronic meeting.

PUBLIC COMMENTS

There were none.

ADOPTION OF REGULAR MEETING AGENDA (Amendments and Deletions)

Vice-Mayor Graham moved that **the agenda be adopted, with the following addition, after the presentation from Jeff Mitchell, ending the local emergency previously adopted by the Town Council.** Councilperson Hummel seconded the motion. There was no discussion. A vote was held; the motion was approved 5-0-1, with Councilperson Hoffmann absent. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Mary Anne Graham	Aye
Jesse Howe	Aye
Michael Hummel	Aye
Paula James	Aye
Sean Lloyd	Aye
Melissa Hoffmann	Absent

PRESENTATION – FISCAL YEAR 2022 AUDIT REPORT

Mr. Mitchell presented the June 30, 2021 Summary of the Town's Comprehensive Annual Financial Report. He discussed key financial data, revenue/expense summary, operating revenues, general fund budget versus actual, utility fund budget versus actual, percentage of gallons billed to pumped, and general fund surplus fund balance. He noted the following:

- As a result of refinancing, \$5,140,000 of long-term debt was reduced to \$4,240,000. In addition, the Town gained \$1,080,000 in bond premiums in excess of the bond principal. That allowed the Town to pay off the previous bond of \$5,400,000. However, the \$1,080,000 must be amortized over the remaining 14 years of the bond. The remaining amount of debt is \$3,965,000. Approximately \$250,000 will be paid each year on the debt, in addition to amortization of the \$1,080,000.
- In the General Fund there was a surplus of \$620,096, which included \$458,000 in funding from federal COVID relief measures (\$340,000 from the American Rescue Plan Act and \$118,000 from the Coronavirus Aid, Relief, and Economic Security Act).
- There was a Water/Sewer Fund deficit of \$761,239. One of the factors is the 2009 Bond Deferred Charges & Costs. When the 2009 bond was refinanced the Town had to pay more to eliminate the bond. All of that must be expensed in this reporting period along with refinancing costs. This was not an actual cash outlay and was an unusual expense. Mayor Ramsey noted that since many developments are built out, the Availability Fees have dwindled. There will be a deficit in the Utility Fund for the next several years. Reserve funds will be used to supplement the Capital Program over the next five years which will help reduce the amount of reserve funds to the target number. At some point, User Fees should be sufficient to pay for the Capital Program.

- With regard to the Water/Sewer fund, 90% of the pumped gallons of water were billed. Mr. Mitchell pointed out that any percentage over 90% is optimal.
- Auditor's Comments included: a multi-year Capital Improvement Program (CIP) could be adopted by the Town so projects are not required to be re-appropriated each budget year. The overpayment from Loudoun County concerning Comcast payments through a property tax offset has been reconciled.

In response to a question by Vice-Mayor Graham, Mr. Mitchell recommended that the Town continue to monitor cash management, consolidate the Virginia Investment Pool accounts, and consider adopting CIP projects for the project period.

ACTION ITEM

1. End Local State of Emergency

Ms. Hynes presented this item. The Council is being asked to end the local State of Emergency which was adopted in January 2022 during the peak of the Omicron variant to be able to continue conducting Town Council meetings remotely and to ensure staff's safety by limiting the amount of citizen access to Town Hall. Due to a lower infection rate and mask mandates being eliminated at the County level, Staff recommended that the Town Council end the State of Emergency and return to maskless in-person meetings. Ms. Gilmore explained the provisions in the State Code for Council Members to participate remotely following the end of the local State of Emergency for medical and non-medical reasons.

Vice-Mayor Graham moved **that the Town Council repeal Ordinance 2022-01, An Ordinance to Provide for the Continuity of Government During a State of Local Emergency, adopted by the Town Council on January 19, 2022, and to move that the State of Local Emergency end effective March 16, 2022.** Councilperson Hummel seconded the motion. There was no discussion. A vote was held; the motion was approved 5-0-1, with Councilperson Hoffmann absent. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Mary Anne Graham	Aye
Jesse Howe	Aye
Michael Hummel	Aye
Paula James	Aye
Sean Lloyd	Aye
Melissa Hoffmann	Absent

APPROVAL OF MINUTES

1. November 17, 2021

Vice-Mayor Graham noted the following corrections:

- Page 2, line 47 – the word “camering” should be “cameraing.”
- Page 2, line 77 – “Clements” should be “Clemens.”

- Page 3, lines 97/98 – Clarify that the valve exercising had been completed for Stoneleigh, not the entire system.
- Page 7, line 258 – “General” should be “general.”

Councilperson Lloyd noted that Line 212 should read, “...this is part of a year-round project for FOSR to do the monitoring for the Goose Creek Association.”

Councilperson Hummel moved **to approve the November 17, 2021 minutes with the changes that were noted**; Vice-Mayor Graham seconded the motion. There was no discussion. A vote was held; the motion was approved 5-0-1, with Councilperson Hoffmann absent. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Mary Anne Graham	Aye
Jesse Howe	Aye
Michael Hummel	Aye
Paula James	Aye
Sean Lloyd	Aye
Melissa Hoffmann	Absent

2. December 1, 2021

Vice-Mayor Graham noted the following correction:

- Page 5, lines 178/179 – “She” in the second sentence should be “Staff.”

Vice-Mayor Graham moved **that the minutes be approved, as amended**; Councilperson James seconded the motion. There was no discussion. A vote was held; the motion was approved 5-0-1, with Councilperson Hoffmann absent. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Mary Anne Graham	Aye
Jesse Howe	Aye
Michael Hummel	Aye
Paula James	Aye
Sean Lloyd	Aye
Melissa Hoffmann	Absent

3. December 15, 2021

Vice-Mayor Graham noted the following corrections to the minutes:

- Page 2, lines 46/47 – The second sentence is confusing and should be deleted.
- Page 5, lines 191 and 193 – “Hoffman” should be “Hoffmann.”
- Page 6, line 237 – “Executive Session” should be “Closed Session.”

Councilperson James moved **to adopt the minutes, as amended**; Vice-Mayor Graham seconded the motion. A vote was held; the motion was approved 5-0-1, with Councilperson Hoffmann absent. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Mary Anne Graham	Aye
Jesse Howe	Aye
Michael Hummel	Aye
Paula James	Aye
Sean Lloyd	Aye
Melissa Hoffmann	Absent

BUSINESS ITEMS

1. Utility Department Update

Vice-Mayor Graham reported on the following:

- Well D and the treatment facility on Evening Star is still under County review.
- The final environmental report and public hearing records for the South Tank have been submitted to the Virginia Department of Health.
- Drawings were provided to Town Staff for the water line extension to the Wastewater Treatment Plant. Installation will occur between April and June.
- Emery & Garrett Groundwater Investigations will prepare a contract based on the tasks previously approved by the Council.

Mr. Feltner reported that they will be replacing the control panel at the Goose Creek plant next week; this is one of the remaining steps for the completion of this project.

Mayor Ramsey asked Ms. Gilmore for an update on the acquisition of Well D. Ms. Gilmore reported that the Round Hill Owners Association (RHOA) Board met in February and reviewed the agreement that was submitted to their attorney. Ms. Gilmore noted that she received an email this afternoon stating that the County has sent all 13 Deeds of Correction to the Director of Building and Development for signature. Mayor Ramsey asked if the Town is falling behind schedule in its pursuit of County permitting and design for this project due to the delay in acquisition. Mr. Lohr indicated his belief that they are running parallel tracks and he hopes they are resolved at the same time. Ms. Gilmore added that the RHOA Vice President signed the Dominion easement and returned it to Dominion for recordation.

2. Franklin Park Trail/Main Street Enhancement Project Update

Mr. Lohr reported on the following:

- Staff updated all Main Street residents about what is happening, so they know what to expect during the upcoming construction of driveway aprons.

- The contractor completed the aprons on Loudoun Street and will be working on the three most difficult remaining pours between House Paws Vet Clinic, the Exxon station, and Tammy's Diner. It is anticipated that all the aprons in this area will be completed by next week.
- The contractor will then begin the installation of conduits, underdrains, and aprons on Main Street.

In response to a question from Councilperson Hummel, Mr. Lohr explained that due to site constraints they would not be able to get approval from the Virginia Department of Transportation for a rolled curb in front of the Town Park; other options discussed included using curb ramps or a permeable parking area at the southern entrance to the Park for special events.

FISCAL YEAR (FY) 2023 BUDGET

1. Fiscal Year 2023 General Fund Operating Budget Presentation

Ms. Hynes presented this item. She reviewed the Draft FY 2023 General Operating Budget and noted the following:

- Real estate assessments have increased 20 percent. Staff proposes keeping the real estate tax rate at the current rate of \$0.096 per \$100 of assessed value versus the equalized FY 2023 rate of \$0.08. Mayor Ramsey indicated that this would be consistent with what other towns in Loudoun County are considering. The impact on the budget would be approximately \$20,000.
- The proposed Personal Property Tax Rate is \$1.15 per \$100 of assessed value; this rate has not changed for at least 10 years.
- The proposed budget includes a two percent merit increase, a two percent Cost-of-Living Adjustment (COLA), and a one percent salary adjustment pool as recommended in the 2021 Salary Study. Mayor Ramsey noted that Loudoun County's proposed COLA is three percent. Council Members were comfortable with a two percent merit increase and a three percent COLA.
- Health insurance rates will be rising by nine percent in 2022.
- Costs for the Information Technology & Communications line increased due to going to the Managed Service Plan and additional software services. This has streamlined the Town's processes and reduced paper and ink costs.
- The Information Technology Managed Service Plan will be tested for a year before committing to it.
- The line item for Other Celebrations & Meeting was adjusted to meet a goal of the FY 2023 Strategic Action Plan to improve the Town's Christmas lights.

In response to a question from Vice-Mayor Graham about the Town Office Mowing line item, Ms. Hynes explained that one company does the mowing for all Town-owned properties; however, the bills are allocated based on where the mowing occurred.

Councilperson Hummel noted a math error for the FY 2022 Projected column for the Total Property Tax. He expressed his concern about raising real estate taxes because it appears the Sales Tax Projections are underestimated. If that number is increased to \$80,000 there should be sufficient revenue to allow the Town to equalize the real estate tax rate without having to tap into the Town's Reserve Funds. Following further discussion, Mayor Ramsey polled Council Members on their position about equalizing the real estate tax rate: Vice-Mayor Graham, and Councilpersons James, Lloyd, and Howe agreed with Councilperson Hummel that the property tax rate should be equalized, without using Reserve Funds to balance the budget. Ms. Hynes pointed out that the Council's direction to raise the COLA and merit pay percentage to five percent will make it difficult to balance the budget without using Reserve Funds. She will bring back a revised budget sheet at the next meeting that will show the equalized property tax rate, the three percent COLA, the fixed Sales Tax, the fixed Real Estate Tax, the use of reserves to balance the budget, and corrections noted at this meeting to the budget spreadsheet.

The Council agreed that the Personal Property Tax rate will not change; Ms. Hynes will notify Loudoun County that there will be no change for FY 2023.

Ms. Hynes presented an overview of the FY 2023 General Fund CIP. She noted that the CIP funding requests are lower for FY 2023 than in previous years and many of the projects currently in the CIP will be completed in the next two or three years.

REPORTS

Ms. Hynes had nothing to report.

Councilperson Hummel noted there was no Planning Commission meeting in March.

Mayor Ramsey reported on the following:

- He has been talking to other Mayors about their budget processes.
- The Town is preparing a letter to Loudoun County requesting that they include the towns in their franchise discussions with Verizon.
- In response to a question from Vice-Mayor Graham, Mayor Ramsey stated there are two House bills that the Coalition of Loudoun Towns (COLT) is tracking. One is a state election bill that will enable towns to go back to holding local elections in May. A second bill would allow administrative approvals of boundary line adjustments without local government review pertaining to zoning or land use. Ms. Gilmore confirmed that she is tracking this bill as well and noted it is similar to family subdivisions in that it would apply to large, family-owned properties. She has concerns about this bill and the lack of long-range consideration of the bill's impacts. There is another bill that is getting considerable support that has to do with eminent domain. The Virginia Municipal League is interested in commenting on this bill, in particular concerning the costs that municipalities would incur for loss of access. Currently there are limits to how much a current landowner would be reimbursed and the proposed bill would remove those limits.

TOWN COUNCIL COMMENTS

Councilperson Hummel noted he will be out of town for the next meeting.

Councilperson James asked when the Town Garden opens; Ms. Hynes said she would confirm the date. Councilperson James asked if there is a new house application for the property behind her house; Ms. Hynes indicated that the property is being surveyed, with the possibility of a subdivision in the future. Councilperson James requested a copy of the plans for the fire house; Ms. Hynes will send the plans to all of the Council Members.

Vice-Mayor Graham asked if Sleeter Lake Park opened on March 1 and if there were any problems; Ms. Hynes confirmed that the Park has opened and that there have been no issues. Mr. Feltner reported that the road has been graded and it looks good.

MEETING ADJOURNMENT

Mayor Ramsey adjourned the meeting at 10:11 p.m.

Respectfully submitted,

Scott T. Ramsey, Mayor

CERTIFIED:

A handwritten signature in blue ink, appearing to read "Harriet West", is written over a horizontal line.

Harriet West, Town Clerk

APPROVED: June 1, 2022