



MINERAL COUNCIL WORK SESSION MEETING MINUTES

May 21, 2024 at 6:30 PM

(Continued from May 13, 2024)

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The Mineral Town Council held a meeting, continued from the May 13, 2024 regular council meeting for the purpose of a work session to discuss the fiscal year 2025 budget and appropriations, on May 21, 2024 at 6:30 p.m. in the Town Council's meeting room at 312 Mineral Avenue. Present were Councilmembers Bernice Kube, Michelle Covert, Olivia McCarthy, Rebecca McGehee and David Hempstead. Mayor Ed Jarvis and Vice-Mayor Ron Chapman were absent. Staff Members present were Town Manager Nicole Washington, Town Treasurer Kelly Singletary and Town Attorney Catherine B. Lea.

The Town Manager called the meeting to order and asked the council if, in light of the absence of the Mayor and Vice Mayor, they wished to elect a member of the body to preside over the meeting. The council members declined due to the nature of the meeting.

CALL TO ORDER

The town manager called the roll, a quorum being present, and led everyone in the pledge of allegiance.

The meeting being a continuation of the May 13, 2024 no additional agenda was presented.

TOWN COUNCIL HELD A DISCUSSION REGARDING THE FISCAL YEAR 2025 BUDGET.

The Town Manager presented the revenue figures on the draft budget, noting changes to the version presented on May 13 in response to comments from council and the public. She noted that the revisions were based on a review of the financials through the end of April 2024, in

addition to projections for the rest of fiscal year 2024, then made projections for next year. There were requests for clarifications regarding the budget document and the methodology used.

The Town Manager then addressed the need to review a thirty-one percent (31%) increase in water rates. She noted that the Louisa County Water Authority was meeting and it was anticipated that they would be approving a 24% increase in water rates to the Town of Mineral and that the town would have to cover that increase.

Councilmember McGehee raised concerns that an increase would affect some people in town who are just getting by, and asked if the rates would continue to provide a lower rate for those who used less water. The town manager provided documentation to illustrate that the rate structure would remain the same as it is now., including a tier for users consuming under 1500 gallons per month.

Councilmember Covert raised concerns about the condition of the water and sewer infrastructure and the need for significant investment to make repairs and replacements of water lines and asked for an increase in the amount budgeted for that work.

A discussion followed clarifying the Cemetery funds. Ten percent of revenues received are placed in a perpetual fund, that transfer was shown in the previous draft as an expense. The town manager stated that the perpetual fund is transferred for long term and capital expenditures at the cemetery. The new financial software will show the cemetery funds as an asset. The cemetery fund pays for any expense for the upkeep of the cemetery. A discussion followed of expected future expenses including setting out additional plots and a columbarium.

The town manager next discussed water connection fees and the expectation that new water connections will be lower next year, due to the bulk payment of water connection fees for 14 new residences this year. She then discussed DMV revenue and salaries paid for staff for the DMV Select.

Councilmember Covert raised her concern that the town not rely on the DMV revenue. A discussion followed, at the end of which it was confirmed that contracts were in place or under review which would confirm the continuance of the DMV for the term of the proposed budget.

Discussion moved to expenses, beginning with personnel expenses. In response to questions from Councilmember McGehee, the town manager and town treasurer informed council that the current cost to the town for individual employee health coverage is \$849 per month, of

which the town pays \$797, or 85%. The cost for family coverage is \$2,423, The proposed budget includes a 25% payment of family enrollment, or \$406. An alternative proposal of paying the full insurance cost for the employee only was discussed, as was the comparative benefits offered by similar employers.

Further budget formatting and income regarding interest income and auditing and accounting expenses. With the new software, there would not be an additional accounting expense, so that category was reduced to include the audit. The comprehensive plan expenses were completed in the current fiscal year and are not expected to recur in fiscal year 2025. The computer server upgrades are completed. The software expense is for the financial software and the website and meeting modules. Future expenses for this category are based on usage and the budgeted amounts were determined to meet the expected cost. The new financial software is scheduled to go live on August 1, 2024.

The current software does not provide a capital improvements budget. Councilmember Covert raised her concern that the budget for water and sewer repairs was insufficient and more money needs to be put towards that. Discussion continued regarding the problems with water and sewer infrastructure and whether there was a need to budget for engineering to develop a cost estimate for needed improvements in light of the experts from the Virginia Rural Water Association who are working with the town to identify problems, as well as the risks to the town associated with those problems, the water and sewer systems being the town's largest asset. The town manager confirmed that the water system needed to be a priority.

Councilmember McCarthy discussed the legislative versus executive roles of the council and the town manager. Councilmember Covert stated that the money in the budget was insufficient to address the problems and that the committee had the right to request a budget. The town manager reiterated that the budget included funds to hire an engineer to move the project forward.

The office supplies budget was lower than the current year because new chairs were purchased and the expense was not expected to repeat in the next fiscal year. Councilmember Covert asked about the increase in legal expense, and asked if that was due to pending litigation. The attorney responded that no litigation was expected, but that her time was almost double what was anticipated in the original negotiations with council.

The town manager informed council that the new financial software would produce better reporting for council to consider.

Council then held a further discussion regarding salaries and employee retention, at the end of which councilmember McCarthy asked that staff provide council with a report of the salaries and benefits offered by other localities as a reference for the June Council meeting.

Motion was made by councilmember McCarthy, seconded by councilmember Kube to authorize the town manager to advertise a public hearing on the budget for June 10. A roll call vote was held. Councilmember Covert, aye. Councilmember Hempstead, aye. Councilmember Kube, aye. Councilmember McCarthy, aye. Councilmember McGehee, aye.

The meeting was adjourned at 7:45 p.m.

Town Civility Pledge

The Town of Mineral pledges to practice and promote civility within the Mineral Town Council.

The elected officials of the Mineral Town Council enact this civility pledge to build a stronger and more prosperous community by advocating for civil engagement, respecting others, and their viewpoints, and finding solutions for the betterment of the community.

This pledge ensures all communication – both spoken and written – to be open, honest, and transparent as this is vital for cultivating trust and relationships.

This pledge ensures mutual respect to achieve municipal goals, recognizing that patience, tolerance, and civility is imperative to success.

This pledge creates opportunities for finding common ground and engaging in civil discussion to seek solutions through active listening and thoughtful participation.

Adopted February 13, 2023.