

COMMITTEE: FINANCE
DATE: OCTOBER 5, 2009
TIME: 7:15 P.M.

In attendance: Council Members Le Vine (Chair), Baker, Redmon, Ritenour, and Terndrup; Town Manager Fauber, Director of Finance Mullins, Town Clerk Keller, Michael Terndrup, Lana Le Vine, and Liz Wilkerson of the Northern Virginia Daily.

➤ **Status of 2008-09 Budget – Director of Finance Mullins**

Director of Finance Mullins reported the budget is basically closed and the auditors have started work.

➤ **Status of 2009-10 Budget – Director of Finance Mullins**

Engineering Fees --- Discussed the adjustment needed on the budget due to these fees. There will be a need for a Public Hearing at the November Work Session and a vote taken at the December meeting on the adjusted budget.

Director of Finance Mullins said there is a positive cash flow as the end of September and there have been no significant changes to either revenues or expenses. Taxes have been mailed and payments have started coming in.

➤ **Fire Department**

It was discussed that if the Fire Department is going to stay in the downtown area, are there more structural needs that need to be addressed. Would it be feasible to add another story to the building when replacing the roof to help with space needs? The building will need to be studied to see what it can withstand structurally. Town Manager Fauber said Wiley and Wilson is ready to get back on track with the Public Safety needs and the entire building will be looked at. It was reported that during the Infrastructure Committee meeting held earlier in the day, it had been decided to look at the entire Town buildings needs and prepare a timeline on when there should be a proposal to Council for building repairs and maintenance. The study done by Wiley and Wilson previously was for one Public Safety building with the Fire Department being a part of this, but that study would show how much space is required by the department. Discussion followed on a satellite station on Route 11 north.

It was decided there are actually three discussion items regarding this:

- Short term fix on the roof
- CIP of the Town buildings
- Remodeling of the fire department building

How should Council proceed? A timeline will be come up with for the November Infrastructure meeting. Town Manager Fauber is to find out if there are any emergency repairs that need to be taken care of to prevent deterioration of the building. It was decided this issue will be handled by the Infrastructure Committee until actual funding needs are come up with.

➤ **Signal Knob Request**

Council Member Le Vine explained how the billing is done currently at the Signal Knob Condominiums. When the condos were built, one meter was installed per building and because of the size of the line, commercial rates are charged. The arguments center on the residents being charged commercial rates when they feel they should be charged residential rates. If it is changed, all Town residents will need to pay more because of the difference of commercial vs. residential rates. It was decided Council needs a comprehensive review of all the fees of which Signal Knob will be a component. A lengthy discussion followed on what the fair way would be to charge not only the residents at Signal Knob, but all water customers in similar situations, while also being fair to all other Town residents. It was said a solution to this problem in the future would be to change the ordinance and Council Member Terndrup said the Ordinance Committee is handling this. Director of Finance Mullins explained how the water rates are

currently determined. The Town has used this structure for many years and maybe changes are needed and all options need to be studied. Council Members gave their views on how this should be handled.

Town Manager Fauber feels it is beyond Staff to come up with all of the numbers needed to accomplish this and that it was decided at the Infrastructure Committee meeting for Town Manager Fauber to issue an RFP on this. A discussion followed on if an RFP is needed or if the study should be done "in-house." When the budget was approved, it was decided the availability fees would be looked at by December and that they could be increased, if need be, but what are the other issues that need to be looked at.

DECISION: By the November meeting, Staff will develop three to five possibilities dealing with this and each possibility will address the issues, options, and implications --- Staff needs to think of all the "pieces" of this --- commercial vs. residential and possible repercussions in proposed changes.

➤ Reserve Policies

A handout was given and Committee Members should be prepared to discuss at the next scheduled meeting.

➤ Fund Policies

A handout was given and Committee Members should be prepared to discuss at the next scheduled meeting.

Director of Finance Mullins said wording on the budget will be changed --- instead of using the word "Reserve Fund," it will now be titled "Contingency Fund".

Chairperson Le Vine said he had asked Planner Rex for his "best guess" on how many structures will be built each year. Planner Rex thinks 25 units will be built per year for the next four years and so the 5-year budget has been adjusted accordingly.

The meeting adjourned at 8:47 p.m.