

Minutes
Windsor Town Council Work Session
Town Hall
January 23, 2024

The Windsor Town Council met in a work session on January 23, 2024, at 6:00pm in the Council Chamber of the Windsor Town Hall, Windsor, Virginia. Mayor Stubbs was present, and he called the meeting to order, welcoming all in attendance. Kelly Kuhns, Town Clerk, recorded the minutes. William G. Saunders IV, Town Manager, and Cheryl McClanahan, Treasurer, were also present.

Council members present:

- J. Randy Carr – Vice Mayor
- David T. Adams
- Walter Bernacki
- Edward (Gibbie) Dowdy
- Jake Redd (Arrived at 6:56 PM)
- Marlin W. Sharp

Councilman Sharp delivered the invocation.

FY24 Six Month Budget Review

Mr. Saunders said with the end of December we have completed six months of the 2023-24 (FY24) fiscal year. He stated that the Year-to-Date Report, Recent Years Report, and the Six-Month Fund Balances are enclosed in Council's packet for review.

Mr. Saunders stated that the total revenues are expected to meet or exceed the Town's budget. He noted property taxes were due on December 5, 2023, and that as of January 1, 2024, approximately 74% of property tax revenue has been collected. Mr. Saunders added that real estate taxes are due on June 5, 2024, and those that are paid late in July and August of 2024 will be returned to the FY24 budget.

Mr. Saunders explained that meals taxes are due quarterly whereas the fourth quarter taxes are due on January 20, 2024, and the second quarter taxes are due on July 20, 2024. The July 2024 meals taxes will be returned to the FY24 budget as well. He stated that the meals tax is the single largest revenue stream for the Town. Mr. Saunders added that the Town is on track to meet or exceed the estimated meals tax revenue for FY24.

Mr. Saunders continued to review the General Fund revenue and expenditure line items. He reiterated that the current real estate tax rate is 0.13 cents in response to Councilman Adams' question. Mr. Saunders added that the higher total expenditure amounts are due to expenditures tied to the CARES Act and the American Rescue Plan Act funds. He noted that the Town is still below 50% expenditure for the year.

Councilman Adams asked when the American Rescue Plan Act (ARPA) funds expire.

Mr. Saunders explained that the American Rescue Plan Act (ARPA) funds must be obligated by December 31, 2024. He added that the funding can then be spent until December 31, 2026.

Councilman Bernacki asked if cigarette tax included vaping or smokeless tobacco products.

Mr. Saunders explained that there is currently no additional taxation on vape or smokeless tobacco products at this time.

Mr. Saunders reported that the Water Fund total revenues are expected to meet or exceed the budgeted amount. He stated that the water sales revenues are 51% of budgeted collections. Mr. Saunders added that the "Other Income" line item is lower than FY23 due to less new construction. He noted that expenses are expected to come in at or below budget.

Mr. Saunders added that by the end of the fiscal year we should have collected enough revenue to cover operating, maintenance, and debt service, but may show a "loss" due to depreciation. He said for FY24, system depreciation is \$61,520.37 (76%). He also stated that continuing to fund depreciation allows us to reinvest in our water system infrastructure as it continues to age and hold a strong fiscal position.

Mayor Stubbs asked when the next replacement of water lines may be.

Mr. Saunders stated there are several lines we are looking at with Windsor Boulevard at Windsor Hardware being one of the next on the list.

Mr. Saunders said the Town's overall financial condition remains sound. He added that revenues and expenditures will continue to be monitored closely for the remainder of the year.

Mr. Saunders added that the Windsor Boulevard water lines at Windsor Hardware are original in response to Councilman Carr's question.

Mr. Saunders distributed the FY25 budget calendar for the Council's review.

New Municipal Building Discussion

Mr. Saunders explained that in the 2016-2017 timeframe, the Town Council solicited the services of an architectural firm to initiate design work on a new municipal building. He said the architects worked up several design options with cost estimates during this time and due to several capital projects being considered at the time, to include the Town Center, the new public works building, and a sidewalk project, the municipal building project was tabled.

Mr. Saunders provided documents and exhibits representative of the work done previously to initiate a conversation among Town Council regarding this project.

Mr. Saunders turned the floor over to Councilman Bernacki to further discuss the municipal building project.

Councilman Bernacki stated that the municipal building project has been a topic for years, however, the Town needed to prioritize other projects and presented that those projects were successfully completed. He added that there is a need for a new municipal building as the Town continues to experience growth. Councilman Bernacki noted that the growth in surrounding jurisdictions will have an impact on the Town as it pertains to potential increase in our population.

Councilman Bernacki presented the floorplans designed by the architect to Town Council and suggested that the Council resume planning for a new municipal building to include ways in which the project would be funded. He added that there may be grant funding available to assist in offsetting the cost of a new municipal building.

Mr. Saunders explained the options provided in the documents and exhibits to assist the Town Council in the discussion. Those include the new municipal building site layout, floor plan, a special needs assessment, and cost assessments. He noted that many options include room for expansion.

Mayor Stubbs asked for clarification on whether the original plans included American Disabilities Act (ADA) accommodations.

Councilman Bernacki explained that options for American Disabilities Act (ADA) accommodations were included in the site layout and floorplans.

Mr. Saunders answered a question presented by Councilman Adams regarding additional departments that would potentially be housed in the new municipal building. Mr. Saunders said that there would be a need to add additional departments and personnel if the population exceeds 3,500.

The security of a new municipal building was a topic of discussion with Mayor Stubbs expressing his interest in making sure that the Town employees feel safe and secure while performing their duties.

Councilman Dowdy asked if there were any other big projects facing the Town that needed to be addressed prior to the new municipal building.

Mr. Saunders stated that there were no other pressing projects aside from the water system and sidewalk capital projects.

Councilman Sharp stated that he suggests that Town Council move forward on the planning of the project.

Councilman Carr added that the Town is going to continue to grow and with the discussions held between Council members during this meeting, he believes the consensus is to move forward with the project and prepare for growth in the community.

Councilman Bernacki suggested that Council work on using the existing floor plans provided in 2017 to help guide them in determining any amendments that may be needed prior to engaging architectural companies. He added that this approach would help save time and money when solidifying a site layout and floorplan.

Mr. Saunders added that another Request for Proposal (RFP) process for architectural services may be required due to the time that has passed since the new municipal building was proposed back in 2017.

Councilman Adams proposed a Work Session on February 27, 2024, to discuss any additional information regarding the new municipal building and Town Council agreed with this proposal.

American Recovery Plan Act (ARPA) Funds Discussion

Mr. Saunders said the Town of Windsor received a total of \$2,067,317; the first tranche received on June 30, 2021, and the second on July 22, 2022. He noted that changes in the Final Rule allow for localities to classify up to \$10M as 'revenue replacement', which provides more flexibility in what can be funded. Mr. Saunders reiterated that American Rescue Plan Act

(ARPA) funds must be obligated by December 31, 2024, and expended by December 31, 2026. He briefed Council on the revised ARPA plan as some items are pending and others have been ruled out. Alternative projects should be considered.

Mr. Saunders added that as of January 1, 2024, approximately 50% of ARPA funds have been obligated or expended.

Mr. Saunders noted that potential projects for consideration include:

- Town Hall improvements (Roof, resurface / paving parking lot, ventilation)
- New municipal building design
- Water tank mixers
- SCADA system upgrade / replacement for water system
- Traffic calming measures for N. Court Street
- SCADA system for generators
- Sewer study for Lover's Lane


Mr. Saunders explained that the Virginia Avenue and Duke Street water project is currently coming in under budget. He added that the Windsor Town Center window replacement project is underway and is expected to also come in under budget.

Mr. Saunders said after the review of the American Rescue Plan Act (ARPA) funds, that there is a good amount of funding available to spend elsewhere considering all projects remain on or under budget.

Mayor Stubbs asked if there were any questions. No further questions were presented.

Councilman Dowdy made a motion to adjourn. Councilman Bernacki seconded, and Council unanimously passed the motion as recorded on the attached chart as motion #1.

The meeting adjourned at 7:55pm. /


George Stubbs, Mayor


Kelly Kuhns, Town Clerk

TOWN OF WINDSOR
RECORD OF
COUNCIL VOTES

Council Meeting Date January 23, 2024

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Kelly Kuhse
Clerk