

**REGULAR MONTHLY MEETING OF THE STEPHENS CITY TOWN COUNCIL**  
**Tuesday, June 5, 2012**  
**7:30 p.m.**

Mayor Joy Shull-Gellner called the meeting to order at 7:30 p.m. and led the Pledge of Allegiance.

Council member Dilg offered the invocation.

Roll call showed the following present:

Vice Mayor Linden A. Fravel, Council member Ronald Bowers, Councilmember Martha Dilg, Council member Joseph Grayson, Council member James Harter and Council member Joseph Hollis.

Staff present: Mike Kehoe, Town Manager; David Griffin, Town Attorney; Brian Henshaw, Town Planner, Officer Scott Baber, Police Department; Shannon Rothemich, Town Treasurer; Dianne MacMillan, Town Clerk

Guests: Adrian O'Connor, Pres. Newtown Heritage Festival; Aaron Whitacre, Planning Commission

Press: None

**AGENDA**

Council member Bowers moved to adopt the Agenda for June 5, 2012 and it was adopted by consensus.

**PUBLIC COMMENTS**

Mayor Shull-Gellner opened the floor for public comments on any topic not on the agenda and there were none.

**PUBLIC HEARINGS**

**Proposed Budget for Fiscal Year 2012-2013**

The Mayor opened the public hearing for the proposed budget for fiscal year 2012-2013. Town Manager, Mike Kehoe said the advertised budget showed the revenue and expenditure for the general and utility fund. He said the detailed line item schedule was available for review. He gave a brief review of the differences from last year and the proposed budget. He said there was an increase of 6% projected for revenues to be offset by a 6% increase in expenditure due mainly to insurance and Virginia Retirement System increases. He said the total budget as \$896,350.00 for general fund – \$53,000 more than the current budget – which was balanced by projection of increased sales tax, the proposed increase of 1% for meals tax and BPOL increasing over the last year few years indicating an improvement in the economy. He said there was also a projection

for new housing in the Town currently under construction which would increase the tax base marginally. He added that unlike last year there would still need to be a transfer from reserves in

the amount of \$24,000.00. Mr. Kehoe said the utility fund projected revenue was \$771,300.00 with the same amount of expenditure and projected increases in availability fees for four units or about \$75,000.00 which offsets the increase proposed by Frederick County Sanitation Authority for debt service increase and water/sewer rates. He added that at this time they had not completed the investigation of the Sanitation Authority’s rate increase. The accountant was still looking into it but the increase was projected into next year’s budget. He reported that transfers would be less than current year.

The Mayor hearing no further comment from Council or the public declared the public hearing closed

**Town Code Chapter 19, Taxation – Repeal, Revise and Re-enact**

The Mayor opened the public hearing for Town Code Chapter 19, Taxation. Town Attorney Dave Griffin advised that primarily the adjustments within the taxation chapter were to bring the chapter line with enabling legislation changes or to clean up when one statute replaced another so the reference language did not change. He added that some things the State Code now allows us to do were adjusted in this chapter. He said there was an increase of 1% in the meals tax and a change in penalty for real estate taxes. He said most changes were legal changes only.

Mayor Shull-Gellner noted that there was no one else to speak on the changes and declared the public hearing closed.

**MINUTES – Regular Meeting of May 1, 2012**

Council member Dilg moved for approval of the minutes of the regular monthly meeting of May 1, 2012 and the motion carried with the following vote:

Recorded Vote:

Vice Mayor Fravel	-	Aye	Nay - None
Council member Bowers	-	Aye	Abstain - None
Council member Dilg	-	Aye	Absent - None
Council member Grayson	-	Aye	
Council member Harter	-	Aye	
Council member Hollis	-	Aye	

**TREASURERS REPORT – Shannon Rothemich – Treasurer**

The Mayor said that Council had the Treasurer’s report and asked for any questions. Vice Mayor Fravel noted that the BB&T utility fund had dropped and asked if this was a result of a transfer. Town Treasurer Shannon Rothemich said yes, the amount was put into First Bank which would be reflected in May’s report.

**POLICE REPORT – Charles Bockey, Chief**

Mayor Shull-Gellner announced that the members had Chief Bockey’s police report for information and asked if there were any questions for Officer Baber who was in attendance. There were no questions. The Council members welcomed Officer Baber back to work from his leave of absence.

**ACTION AGENDA**

**A. Proposed Budget for Fiscal Year 2012-2013 – First Reading**

The Mayor asked the Town Clerk to read the budget by title only for the first reading. The Clerk read” An Ordinance to Adopt the 2012-2013 Budget and Appropriate Funds for Fiscal Year 2012-2013”.

Vice Mayor Fravel moved that the Town Council approve the first reading of the Ordinance to adopt the budget and appropriate funds for 2012-2013 and the motion passed with the following recorded vote:

Recorded Vote:

Vice Mayor Fravel	-	Aye	Nay - None
Council member Bowers	-	Aye	Abstain - None
Council member Dilg	-	Aye	Absent - None
Council member Grayson	-	Aye	
Council member Harter	-	Aye	
Council member Hollis	-	Aye	

**B. Town Code Chapter 19, Taxation, Repeal-Revise-Re-enact – First Reading**

The Mayor requested the Clerk to read the Ordinance on Town Code Chapter 19 and the Clerk read” An Ordinance to Repeal, Revise and Re-enact Chapter 19, Taxation, of the Code of the Town of Stephens City”

Council member Hollis moved that the Town Council approve the first reading of the Ordinance and the motion passed with the following recorded vote:

Recorded Vote:

Vice Mayor Fravel	-	Aye	Nay - None
Council member Bowers	-	Aye	Abstain - None
Council member Dilg	-	Aye	Absent - None
Council member Grayson	-	Aye	
Council member Harter	-	Aye	
Council member Hollis	-	Aye	

**C. Resolution – Line of Duty Act**

The Mayor said that the Lind Of Duty Act resolution as revised needed approval. Mr. Kehoe said the revision clarified the issues. Council took a few minutes to review the revised resolution (copy attached).

Vice Mayor Fravel moved for adoption and the motion passed with the following recorded vote:

Recorded Vote:

Vice Mayor Fravel	-	Aye	Nay - None
Council member Bowers	-	Aye	Abstain - None
Council member Dilg	-	Aye	Absent - None
Council member Grayson	-	Aye	
Council member Harter	-	Aye	
Council member Hollis	-	Aye	

Mr. Kehoe noted that the increase in the LODA was included in the budget as a reimbursement to Frederick County.

**D. Resolution – Contribution Rate for Virginia Retirement System**

The Mayor introduced the resolution for contribution rates for VRS. Mr. Kehoe said he did not think Council had an option and this increase was also reflected in the new budget. He explained that Town employees pay 5%, the Town’s contribution would be 24%, one of the higher ones in the state but it also had an experienced staff of aging “boomers” and in a short time, the Town has had three people retire. This was reflected in the rates. Council member Hollis moved for adoption of the Resolution regarding rates for the Virginia Retirement System (copy attached) and the motion passed with the following recorded vote:

Recorded Vote:

Vice Mayor Fravel	-	Aye	Nay - None
Council member Bowers	-	Aye	Abstain - None
Council member Dilg	-	Aye	Absent - None
Council member Grayson	-	Aye	
Council member Harter	-	Aye	
Council member Hollis	-	Aye	

**E. Set Date for Special Meeting for Adoption of Budget and Town Code Chapter 19**

Mayor Shull-Gellner stated that Council needed to set a special meeting date in June in order to approve budget transfers for the 2011-2012 budget, to have the second and final reading of the Chapter 19, Taxation Ordinance and have the second and final reading of the Budget for Fiscal Year 2012-2013. Council by consensus set the date and time for the special meeting for Wednesday, June 27, 2012 at 6:00 p.m. following the Finance Committee meeting at 5:00 p.m.

## **COMMITTEE REPORTS**

**A. Administrative Committee – Joseph Hollis, Chair**

No meeting was held.

**B. Finance Committee – Joseph Hollis, Chair – report attached**

Council member Hollis said there had been discussion about extending the due date of taxes. The Town Treasurer said the date was extended for real estate to the 15<sup>th</sup> of June but not personal property which had been mailed earlier than the real estate. Council member Hollis asked if the due dates were reflected on the bills and he was assured they were.

**C. Public Works Committee – Joseph Grayson, Chair**

No meeting was held.

**D. Water/Sewer Committee – James Harter, Chair**

No meeting was held.

**E. Personnel Committee – Martha Dilg, Chair**

Council member Dilg reported a meeting was held and the minutes addressing benefits were attached.

**F. Public Safety Committee – Ronald Bowers, Chair**

Council member Bowers reported

**G. Parks & Recreation Commission – Ronald Bowers, Chair – report attached**

No meeting was held.

**1. Newtown Heritage Festival Subcommittee.**

Adrian O'Connor, President of the Subcommittee addressed Council regarding the recently held festival. He said it had been a pretty good festival despite the heat. The crowds at the parade, concert and fireworks attested to this. He said it went off without too many hitches. Mr. O'Connor said it was a revelation to him how much time and effort goes into putting on the festival. He thanked people on behalf of the board. He thanked the Town for taking the Newtown Festival Committee on as an official part of the town. He thanked the Town Manager and town staff for everything they did during the festival. He thanked the Chief and his officers for everything they did especially during the parade for crowd control. He thanked Butch Fravel for conducting the tours and gave a special thanks to the Town Attorney and his family for manning the concession stand for such a long time. Mr. O'Connor said it was a good festival and if it did anything, "it gave us momentum and enthusiasm to go ahead and plan a festival, a good festival, for 2013". He thanked the Town for the privilege of being a part of the festival. He received a round of applause for his leadership. Mayor Shull-Gellner said the Town was very fortunate to have had Adrian as the leader for this year. She also stated that she had heard that the Town's fireworks were prettier than Sherando's and anywhere else.

**PLANNER’S REPORT – Brian Henshaw**

Mr. Henshaw presented the CIP to council. He said the Planning Commission had reviewed it in April and it was basically just a renewing of the language from last year so it was not subject to public hearing. He said there were some text changes only but the projects remained the same and this year’s CIP was essentially a carryover. He asked if there were any questions and there were none. Mr. Henshaw added that Planning Commission had recommended Council approval of the CIP.

Vice Mayor Fravel moved for approval of the CIP and the motion passed with the following recorded vote:

Recorded Vote:

Vice Mayor Fravel	-	Aye	Nay - None
Council member Bowers	-	Aye	Abstain - None
Council member Dilg	-	Aye	Absent - None
Council member Grayson	-	Aye	
Council member Harter	-	Aye	
Council member Hollis	-	Aye	

**TOWN MANAGERS REPORT – Mike Kehoe, Town Manager**

1. Mr. Kehoe reported that Frederick County had received the bid on the old school property for \$100,000 property and the Town should be receiving a letter of acceptance from them on the conditions in the bid. The County will not hold public hearing on the property until July or August before any transfer of the property.
2. Mr. Kehoe reported mowing notices had been given to property owners with high grass.
3. He also reiterated that the Newtown Heritage Festival had gone smoothly this year and thanked Adrian O’Connor for his leadership. He also noted that the Town crew worked very hard to prepare for the festival and did an excellent job of supporting the festival and the Town was very appreciative. He said it was the hard work of the town crew that made the job easier for all involved.

**COUNCIL COMMENTS/CALENDAR**

No changes except for the special meeting of Council June 27.

There being no further business, Vice Mayor Fravel moved to adjourn at 7:55 p.m. and the motion carried.

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Joy B. Shull-Gellner, Mayor

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Dianne L. MacMillan, CMC, Town Clerk