



MIDDLEBURG TOWN COUNCIL
Regular Monthly Meeting Minutes
Thursday, October 27, 2022



PENDING APPROVAL

PRESENT: Mayor Trowbridge M. Littleton
 Vice Mayor Peter A. Leonard-Morgan
 Councilmember Chris W. Bernard
 Councilmember J. Kevin Daly
 Councilmember Morris E. “Bud” Jacobs
 Councilmember C. Darlene Kirk
 Councilmember Philip M. Miller
 Councilmember Cindy C. Pearson

STAFF: Danny Davis, Town Manager
 Rhonda S. North, MMC, Town Clerk
 William M. Moore, Deputy Town Manager
 A.J. Panebianco, Chief of Police
 Tina Staples, Town Treasurer/Director of Finance
 Ali MacIntyre, Business Development & Community Partnerships Director

The Town Council of the Town of Middleburg, Virginia held their regular monthly meeting on Thursday, October 27, 2022 in the Town Hall Council Chambers, located at 10 West Marshall Street. Mayor Littleton led Council and those attending in the Pledge of Allegiance to the flag. The roll was called at 6:00 p.m.

Public Comment

Kevin Daly, 112 N. Jay Street, noted that if someone wanted to show their appreciation to a veteran, they could do so by voting on Election Day at the American Legion. He advised that it was the responsibility of American citizens to vote.

Councilmember Miller noted the need for residents to be registered in order to vote. He further noted that the deadline to register was coming soon.

Public Hearing & Action Items

Special Use Permit 22-01: Limited Residential Lodging – 5 N. Jay Street – Michael A. Pappas

Deputy Town Manager Moore reminded Council that they reviewed the application during their October 13th meeting. He advised that he conferred with the Town Attorney regarding whether the condition recommended by the Planning Commission could be imposed; however, since that time, the applicant amended his application to voluntarily agree to the condition that the special use permit would expire upon the transfer of the property to a new owner. Mr. Moore advised that the Town Attorney suggested this be noted in the motion. He reviewed the request, which was to allow for a secondary use as a short-term rental on occasion for the property at 5 North Jay Street. Mr. Moore noted that the zoning ordinance contained performance standards related to this use that must be met. He reported that following a public hearing, the Planning Commission recommended approval of the request.

Michael A. Pappas, 3806 Hemlock Way, Fairfax, expressed his appreciation for the Council’s consideration of his application. He noted that he had a history of restoring and preserving historical properties, which he then rented out. Mr. Pappas advised, however, that this did not allow him to enjoy the property, which was why using this one as a short-term rental appealed to him. He opined that the property was well situation for this use, as it was surrounded by commercial development. Mr. Pappas noted that the property was used as a dorm for the original Middleburg Academy.

No one else spoke and the public hearing was closed.

Council thanked Mr. Pappas for adding the condition related to the transfer of the property to his application and noted that this was important.

Vice Mayor Leonard-Morgan moved, seconded by Councilmember Daly, that Council approve SU 22-01 as submitted and with the condition that the Special Use is restricted to the applicant and is not transferrable upon the sale of the premises to other parties, with such condition voluntarily offered by the applicant.

Vote: Yes – Councilmembers Leonard-Morgan, Bernard, Daly, Jacobs, Kirk, Miller, and Pearson

No – N/A

Abstain: N/A

Absent: N/A

(Mayor Littleton only votes in the case of a tie.)

Staff Reports

September Utility Report

Stuart Will, of IES, appeared before Council to answer any questions the members may have about his monthly report. No questions were raised.

Mayor Littleton suggested that in the future, Mr. Will be allowed to attend the meetings remotely from home.

Action Item

Council Approval – 2022 Christmas in Middleburg Donation

Michelle Myers, Co-organizer of Christmas in Middleburg, noted that she provided the Town with a copy of their budget, which included a breakdown of their fixed expenditures and the quotes received for 2022. She advised that they were experiencing a 25% across-the-board increase in expenditures. Ms. Myers reported that they were successful in getting additional parking at the Middleburg Barn, which would increase their transportation costs, as they would need additional buses. She noted, however, that they would gain \$10,000 back through the additional parking fee revenue for the 250 spaces at \$40/space. Ms. Myers reviewed the parking fees and noted that they were higher for those spaces that were closer to Middleburg. In response to an inquiry from the Council as to why the spaces at the Middleburg Barn would only be \$40, she explained that she was proposing a lower fee in response to the public outcry about the increase in the fees for the other parking locations. Ms. Myers noted that she had not yet released the cost to the public.

In response to inquiries from the Council, Ms. Myers confirmed the budget she provided included all the expenses with the exception of approximately \$2,000 in ancillary costs. She noted that in the past, they gave the bands money; however, they would not do so this year if they needed to make budget cuts. Ms. Myers confirmed they would not offer the mobilized hot spot, as they did not have enough money in the budget, unless they found a sponsor. She expressed hope to resume this in the future.

In response to an inquiry from the Council as to whether the parking fee revenue was their only source of revenue, Ms. Myers confirmed they also received sponsorship revenue. She noted, however, that some of their sponsors were not returning this year for various reasons. Ms. Myers advised that they had asked for donations from those walking in the parade, to which they received a good response. She reported that they had received \$9-10,000 in sponsorship revenue to date.

Council noted that the Town also provided a \$10,000 donation. They opined that once the sponsorship revenue was taken into account, the delta between revenues and expenditures was only \$3,000. Council questioned why Ms. Myers

was requesting an additional \$20,000 from the Town. They further questioned what the other \$17,000 would be used for. The Council noted that in addition to the \$10,000 annual donation, the Town also covered the public safety costs for the event. It was noted that in 2019, the Town gave an additional \$15,000 to cover the transportation costs, as the weather was bad and there was not as much parking revenue. The Council opined that it made sense to ask for more money when meeting expenditures was a struggle due to bad weather. They suggested that if the weather was bad this year, Christmas in Middleburg could return to the Town for more money.

In response to an inquiry from the Council, Ms. Myers advised that they were not paying the Middleburg Barn for the use of their parking spaces – they were giving them a sponsorship in return. She noted that they did the same thing for the parking at Lost Barrel Brewery and the Mickie Gordon Park.

In response to an inquiry from the Council, Ms. Myers confirmed that she had concerns related to cash flows. She reported that they received \$10,000 in parking fee revenues last year for the 1,000 parking spaces that were available; however, they could now only accommodate 750 cars. Ms. Myers noted that they were charging more for the parking; however, they had fewer spaces. She reminded Council that based on the feedback they received last year, they were trying to keep the event at the same size, which was approximately 10,000 people. In response to an inquiry from the Council, Ms. Myers confirmed they had no expenses related to the Hunt Parade.

Council suggested that Ms. Myers consider busing people from schools and churches in the surrounding area and noted that this had been successful for events in Leesburg.

Ms. Myers reported that they attempted to secure parking at Glenwood Park; however, her request was declined. She noted that she was receiving negative feedback about the lack of parking in town, particularly from the elderly and families who did not wish to be transported via buses. Ms. Myers noted that the parking revenues were based upon selling every parking space.

Council opined that the parking would sell out given that it sold out three weeks early last year. They expressed an understanding of Ms. Myers' concerns related to cash flow management. The members noted, however, that the Council's desire was for special events to stand on their own. They advised that they were comfortable having Ms. Myers return once the bills were paid if she needed additional money or with giving her an additional \$10,000, with the condition that she either return any unused portion or apply any unused portion against the Town's donation for next year's event. They noted that with the additional \$10,000, this would provide for a total donation by the Town of \$20,000. The members reiterated that they were fine giving an additional \$10,000, conditioned upon any unused amount being applied to next year's donation.

Council reiterated that they would like for special events occurring in town to not rely on donations from the Town. They advised that they would be stricter in the future in their consideration of requests for donations. The members suggested that if Christmas in Middleburg felt they were going to experience a cash flow issue in the future, they should bring that discussion to the Council early. The Council suggested they could consider sponsoring something like crowd control measures. They noted that this was a premier event and suggested the need to ensure it was successful.

In response to an inquiry regarding business employee parking, Business Development & Community Partnerships Director MacIntyre noted that the MBPA would provide this again this year.

Council noted the need to be smart in how they supported events in the future. They further noted the loss of parking spaces for Christmas in Middleburg and suggested that Ms. Myers look at what was happening at the Mickie Gordon Park in advance of next year's event. They opined that that parking may not be available. Council further opined that parking would be a long-term problem going forward and suggested the need for Christmas in Middleburg to solve it.

Councilmember Pearson moved, seconded by Councilmember Daly, that Council approve an additional \$10,000 for Christmas in Middleburg with the agreement that they come back after everything is said and done and share their financials with the Council.

Mayor Littleton offered a friendly amendment that Christmas in Middleburg return or apply forward any excess funds from the net balance sheet.

Vote: Yes – Councilmembers Leonard-Morgan, Bernard, Daly, Jacobs, Kirk, Miller, and Pearson

No – N/A

Abstain: N/A

Absent: N/A

(Mayor Littleton only votes in the case of a tie.) (by roll call vote on motion as amended)

Public Presentation

Presentation of FY '22 Audit

Sandy Tondreau, of Mitchell & Company, noted that the Council had both her presentation and the draft audit report; however, she would primarily focus on the presentation document. She reported that she met with the staff to discuss the draft audit and noted that the Town Treasurer provided a memo that identified the final numbers, as well as an explanation of some areas of concern. Ms. Tondreau announced that Mitchell & Company had issued the Town a clean opinion.

Comparative Balance Sheet: Ms. Tondreau explained that this page in her written presentation provided a year-to-year comparison of the assets and liabilities of the General Fund and the Water/Sewer Fund. She noted that both included capital activity. Ms. Tondreau opined that the Town was in a good cash position between cash-on-hand and its investments. She noted that the cash balance was down this year and explained that it was due to the increase in new investments. Ms. Tondreau advised that the audit report had to recognize some unrealized losses due to market changes and expressed hope that this would change in the future. She reported that the Town's receivables were typical, with most of them being due to the timing of billings and collections at the end of the fiscal year. Ms. Tondreau noted that the numbers in the Water/Sewer Fund were different than last year and explained that this was due to a new accounting change as to how leases were recorded. She reported that as to Other Assets, the good news was that the Town's pension fund was in the positive. Ms. Tondreau noted that these numbers were based on the Virginia Retirement System's reports. She advised that as to liabilities, they were normal bills that were owed at the end of the fiscal year. Ms. Tondreau acknowledged that the payables had increased and explained that this was due to the Town Hall Project. She noted the increase in long-term debt and advised that this was due to the \$2.5 million General Obligation bond for the Town Hall Project. Ms. Tondreau reported that when considering assets less liabilities, the Town was in a good position to continue supporting its work. She noted that she was required to separate out the amount of the fund balance that was restricted and advised that the only restrictions in the General Fund's fund balance was for the ARPA monies and the fire pass-through grant.

Mayor Littleton noted that the Town's policy called for a budget reserve in the fund balance equal to 125% of annual operating expenses. He questioned why that would not be included in the restricted fund balance since it could only be touched by a vote of the Council.

Ms. Tondreau explained that for financial reporting purposes, the funds must be restricted by the donor to fall under the restricted fund balance category. She noted that the reserve described by the Mayor fell under the category of "assigned for reserves".

Profit & Loss Summaries: Ms. Tondreau reported that the governmental funds revenue totaled \$7 million, compared to \$12 million last year, and explained that the difference was the Town Hall loan revenue that was received last year. She reported that expenditures were also up this year due to the Town Hall Project. Ms. Tondreau advised Council that the General Fund experienced a net deficit of \$74,000. She reported that the Water/Sewer Fund revenues were up over last year and explained that this was due to the transfer of the ARPA monies. Ms. Tondreau noted that the Water/Sewer Fund expenditures were also up related to the activities associated with the ARPA monies.

General Fund Reconciliation: Ms. Tondreau reiterated that the General Fund showed a \$74,000 deficit; however, once the capital project debt/costs and unrealized losses were removed and the transfers added in, the General Fund had a surplus of \$1.7 million at the end of the fiscal year.

General Fund – Other Revenues: Ms. Tondreau reported that the General Fund’s largest revenue categories were meals taxes, lodging taxes and business license taxes. She advised that these were the drivers of the Town’s healthy surplus.

Utilities Fund Operating Results: Ms. Tondreau reported that the Utilities Fund had a \$389,000 surplus; however, once the tower revenues and transfers were removed and depreciation added back, the net surplus was only \$76,000. She noted that this fund was now supporting itself.

Water & Sewer Fund Revenues: Ms. Tondreau noted that these revenues consisted of the water and sewer user charges and tower lease revenue. She reported that the user charge revenues were up this year. Ms. Tondreau advised that even though they were about the same amount as last year, the tower rental revenues shown were low due to the new accounting requirements.

In response to an inquiry from the Council as to the percentage of the increase in user charges that were attributable to the new water meters, Town Manager Davis advised that because most of the meters were changed in late June and July, the Town would not see an impact in revenues until the next fiscal year. He explained that this year’s increase was due to the 3% increase in user fees and an increase in water usage.

In response to an inquiry from the Council as to whether the net surpluses/losses were explained somewhere, Ms. Tondreau confirmed they were explained in the management discussion and analysis section. She advised that there were some required items in that section; however, the Town could also add verbiage. Ms. Tondreau noted that the staff already provided some additional information and the Strategic Finance Committee recommended additional language be added. She advised that there was still time to add more information before the audit report was finalized.

Town Manager Davis advised that the bottom line was that the General Fund’s undesignated fund balance was \$926,000 more than last year. He noted that it would be even more if the market loss was excluded.

The Council and Ms. Tondreau held some discussion of reporting rules.

% of Gallons Billed to Pumped: Ms. Tondreau reported that the Town’s numbers had improved greatly and noted that as recently as 2015, the percentage was only 50%. She advised that the increase was due to the better capturing of information and improvements to the system.

General Fund – Surplus Fund Balance: Ms. Tondreau reported that the Town’s surplus fund balance had grown and reiterated that the Town was in a good financial position.

General Fund – Budget to Actuals: Ms. Tondreau opined that the staff was doing a good job of keeping the expenditures in line with the budget.

Town Issues: Ms. Tondreau reminded Council that she worked for them and that if the audit had identified any issues, she would have come to them. She reiterated that the Town was issued a clean opinion. Ms. Tondreau noted that the Town would be receiving federal grant monies for the Town Hall Project and advised that this would increase the audit requirements in the future. She reiterated that as to the pension fund, the Town was in a great position this year. Ms. Tondreau asked that the Council get the information to the Town Manager if they wished to include anything else in the management letter.

Ms. Tondreau announced that due to retirements, including her own, Mitchell & Company would no longer be performing municipal audits in the future.

Mayor Littleton thanked Ms. Tondreau for her years of service to Middleburg.

Staff Reports (continued)

Project Status Report

Deputy Town Manager Moore reported that the Septic Conversion Project meeting went well, with all the property owners supporting the project. He reminded Council that this project involved five properties on Stonewall Avenue and two on Lincoln Road. Mr. Moore reported that the staff would follow-up with on-site visits to do assessments of each property.

Town Manager Davis reported that Planning & Project Associate LaClare was pursuing a federal DEQ grant for the project.

In response to an inquiry from the Council, Deputy Town Manager Moore confirmed the Town would handle the close out of the septic systems. He advised that the intent was that the Town would handle the coordination and funding of the entire project.

Deputy Town Manager Moore reported that he and the Town Manager met earlier in the day with the contractor regarding preparations for completing the East Marshall Water Tank Project next year. He further reported that the Preliminary Information Form related to placing the Asbury Church on the National Register was submitted to the Department of Historic Resources. Mr. Moore advised that the structural engineer would look at the church next week to perform an assessment of what work needed to be done immediately to stabilize the structure.

Town Hall Project

Town Clerk North reminded Council that during her last report, she indicated the Town was awaiting the updated project schedule from the contractor. She reported that it was received; however, Downey & Scott and the Town had some comments on it, which were forwarded to the contractor. Ms. North advised that the Town anticipated receiving the latest revised schedule later in the week.

Town Clerk North reported that the architect approved the EIFS mock-up, which allowed the contractor to move forward with the sealing of the Dens Glass and the installation of the stone water table. She further reported that the roof trusses were now set; the plywood sheathing was being installed; and, the sub-contractor would mobilize next week to install the rubber membrane roof, to be followed by the standing seam metal roof the following week. Ms. North noted that plastic was installed on the windows and temporary doors were set. She explained that with these things in place, the building would be temporarily weather tight. Ms. North reported that the sub-grading was underway in anticipation of the pouring of curb/gutter for the North Parking lot and the north side of the parking lot. She advised that the temporary outdoor air unit and temporary power would be set next week, which would allow the building to be conditioned. Ms. North noted that this would allow the interior work to progress. She reported that the architect also approved the mock-up for the retaining wall, which was allowing that construction to move forward.

Town Manager Davis reported that he expected to receive the signed HUD project agreement later in the week. He explained that once received, the Town could seek reimbursement of costs incurred from that point forward from the \$2 million in federal funding.

Town Clerk North reminded Council of the project site tour scheduled for November 7th and encouraged the members to attend if possible.

Consent Agenda

- A. Council Approval – Contract with Comcast for Telecom System – Town Hall Project
- B. Council Approval – October 13, 2022 Regular Meeting Minutes

Councilmember Jacobs moved, seconded by Councilmember Daly, that Council approve the consent agenda as proposed.

Vote: Yes – Councilmembers Leonard-Morgan, Bernard, Daly, Jacobs, Kirk, Miller, and Pearson

No – N/A

Abstain: N/A

Absent: N/A

(Mayor Littleton only votes in the case of a tie.)

Reports of Town Committee/Council Liaisons

Vice Mayor Leonard-Morgan announced that the Fall Clean-Up event would occur on October 29th.

Discussion Items (continued)

Quarterly Revenue Update/Budget Amendments – FY ‘23

Town Treasurer Staples reminded Council that she would present quarterly assessments of the Town’s revenues to determine whether an adjustment needed to be made to the budget. She reported that some tax revenues were received after her report went out, with the total now being \$858,658, and advised that they were 19% above the budgeted revenues and 16% above the projections.

Town Manager Davis reported that the meals tax revenues were higher than projected and the lodging tax revenues were equal to projections.

In response to an inquiry from the Council, Town Treasurer Staples advised that the miscellaneous revenues were up due to the receipt of County grant funding, increased interest on the Town’s investments and increased franchise fee revenue.

Council opined that the staff did a good job of estimating the revenues.

Town Manager Davis noted that they looked at last year’s numbers, as well as pre-COVID data, to project the meals and lodging tax revenues. He opined that the staff had a better sense of the revenues.

Council noted that the report showed the percentage of revenues received. They asked that a column be added to show the exact dollar amount. They further asked that in addition to the quarterly revenues, the next report include a year-to-date comparison.

Town Treasurer Staples advised that based on the report, the staff was recommending the budget be left as is for now.

Update on Strategic Plan Initiatives

Town Manager Davis reminded Council that the strategic initiative related to the adoption of an investment policy was complete. He further reminded them of the zoning text amendments to the R-2 District, which meant that strategic initiative was half complete. Mr. Davis noted that the Council would see the proposed zoning text amendments related to short-term rentals in December or January. He advised that as to the initiative related to the charitable foundation, the documentation was complete and had been submitted to the IRS; however, the Town was waiting for an IRS reviewer to be assigned to the application. He reported that no reviewers had been assigned to applications received after March 2, 2022; therefore, the Town would need to continue to make donations from the Health Center Fund for this fiscal year. Mr. Davis advised that while the charitable foundation was now a State recognized entity, with an EIN number, it had not received 501(C)(3) status from the IRS. He advised that Business Development & Community Partnerships Director MacIntyre was working with the MBPA on revisions to the draft MOA, which would be presented to the Council in November for their consideration.

Council agreed it would not make sense for the charitable foundation to solicit donations until the IRS acted on the application; however, they suggested the board could meet to address organizational items.

Town Manager Davis noted that there were two strategic initiatives that related to the proposed boundary line adjustments. He opined that there were some components of those initiatives that could continue until the property owners decided what they wanted to do, such as continuing to work on conservation easements, working with the County on zoning text amendments and engaging with the County related to attainable housing.

Town Manager Davis reported that the rural preservation summit was scheduled to occur on January 27th and noted that the staff and Councilmembers assigned to this were working to finalize the details. Mayor Littleton suggested the committee meet next week to discuss it.

In response to an inquiry regarding the status of the Federal Street planning charrette, Town Manager Davis reminded Council that they placed that item on hold. He confirmed the staff would not lose sight of it. Mr. Davis advised that whether there was staff capacity to address it depended on the BLA requests. He reported that EDAC was holding discussions of ways to improve visibility of the businesses on Federal Street, as well as improving access. Mr. Davis noted that physical improvements would be challenging. He reported that EDAC was also discussing what draws were located there, including whether the Town should permit food trucks on Federal Street. Mr. Davis advised that EDAC would come to the Council in the future with a recommendation if they believed food trucks were feasible. He noted that the staff was connecting with the traffic engineer to determine whether there were any grants available to improve pedestrian access.

Mayor Littleton suggested the need to not lose sight of South Madison Street either and noted that it was always a challenge. He opined that if South Madison Street was not successful, Federal Street would not be either. Mr. Littleton suggested there was only so much the Town should be responsible for doing and noted that government was good at infrastructure development. He opined that the Town should not allow Middleburg to be trashed with a bunch of mobile businesses. Mr. Littleton suggested it was one thing to allow them for a special event; however, they should not be a solution for this problem.

Council agreed that food trucks were not a fix. They noted other failures that had occurred on South Madison Street and opined that this was a complex issue. Council noted the lack of good pedestrian access on Federal and Madison Streets. It was suggested that it would cost millions of dollars for these areas to be successful. Council questioned whether they were talking about long-term investments or quick wins.

Councilmember Bernard, the Council representative for EDAC, explained that they were looking for quick wins in response to some of the businesses concerns; however, those would not get in the way of looking at long-term plans.

Council expressed concern that food trucks could hurt the existing restaurants. After some discussion, they agreed to revisit the Federal Street strategic initiative during their next planning retreat.

In response to an inquiry from the Council as to how long this strategic initiative should be on hold while the Town waited to see if any boundary line adjustment applications would be received, Town Manager Davis noted that Federal Street was the next key priority to address with regard to strategic initiatives. He suggested this be revisited during the Council's next retreat. Mr. Davis further suggested that retreat be held in the Spring. He noted that the Asbury Church was another big item, which could be added to the strategic initiatives.

Council suggested the need to look at more modest outcomes with regard to Federal Street and noted that a developer had indicated it would take millions of dollars and interest by builders, developers and businesses to make it happen, which was not likely to occur.

Councilmember Bernard suggested that EDAC work with the Planning Commission on this item to identify long-term strategic guidance for its redevelopment.

Council questioned how the Town could get people on Federal Street and noted that no one associated with the Town was an expert on this. They suggested the need to hire a consultant. Council agreed to make a decision on this at their next retreat, which they suggested be held after the move into the new Town Hall.

Time Capsule for Town Hall Project

Town Clerk North reminded Council that they previously expressed a desire to include a time capsule as a part of the Town Hall Project. She noted that it would be included in Phase 2 and advised that the design plans needed to be updated to include it. Ms. North noted that she needed some idea as to what the Council would like to include in it so she knew what size capsule needed to be purchased. She reviewed the list of items that had been identified to date. Ms. North asked for the Council's input as to what else they would like to include.

It was suggested that the time capsule include a letter that was signed by the Mayor, Council, and entire Town staff.

Mayor Littleton asked that the members let the Town Clerk know of any other items that should be included. He suggested the Council then review the list at a future Council meeting.

Council held some discussion of where the capsule should be placed. It was suggested that it be a part of the flagpoles.

Information Items

Town Clerk North reminded Council of the Volunteer Appreciation Reception scheduled for November 1st.

Mayor Littleton reminded Council of his State of the Town Address scheduled for November 3rd.

Mayor Littleton advised Council that the Town received a grant request from the Windy Hill Foundation, which would be placed on the November 10th agenda for their consideration. He noted that their new Executive Director would also be introduced to the Council at that time.

Mayor Littleton reminded the audience that Election Day was November 8th and that elections would occur at the American Legion.

Mayor Littleton thanked Town Manager Davis, Business Development & Community Partnerships Director MacIntyre, the rest of the Town staff and the Police Department for their work on the 2022 Miglia Warm-Up and the Middleburg Film Festival. He noted that only positive feedback had been received.

Mayor Littleton suggested that from an events perspective, the Council needed to discuss whether the Town had reached the point of having too many tourist-related events. He opined that the Town staff and residents were getting burned out from them. Mr. Littleton suggested there should be one or two events whose focus was on residents only. He asked that the Council think about this and discuss it in the future.

Councilmember Pearson reminded Council that the HDRC meeting was rescheduled to November 7th to avoid a conflict with the State of the Town Address.

Closed Session

Councilmember Miller moved, seconded by Councilmember Daly, that Council go into closed session as authorized under Section 2.2-3711 of the Code of Virginia, for the discussion or consideration of (1) an appointment to the Middleburg Arts Council; (2) a project bonus for a Town employee; and (3) the performance of Town staff members, as allowed under Subsection (A)(1). Councilmember Miller further moved, seconded by Councilmember Daly, that the Council thereafter reconvene in open session for action as appropriate.

Vote: Yes – Councilmembers Leonard-Morgan, Bernard, Daly, Jacobs, Kirk, Miller, and Pearson
No – N/A
Abstain: N/A
Absent: N/A
(Mayor Littleton only votes in the case of a tie.)

Mayor Littleton asked that Council certify that to the best of each member’s knowledge (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting, which each member so did. He reminded those present for the closed session that any discussion that occurred within it should be treated as confidential.

Mayor Littleton directed Town Manager Davis to move forward with the employee actions as discussed in the closed session.

There being no further business, Mayor Littleton declared the meeting adjourned at 8:10 p.m.

APPROVED:

Trowbridge M. Littleton, MAYOR

ATTEST:

Rhonda S. North, MMC, Town Clerk

October 27, 2022 Middleburg Town Council Meeting

(Note: This is a transcript prepared by a Town contractor based on the video of the meeting. It may not be entirely accurate. For greater accuracy, we encourage you to review the video of the meeting that is on the Town's website – www.middleburgva.gov)

Bridge Littleton: All right. We will call the meeting to order. First item is Pledge of Allegiance.

All: I pledge allegiance to the Flag of the United States of America and to the Republic for which he stands one Nation under God, indivisible, with liberty and justice for all.

Bridge Littleton: All right. Next item is Roll Call.

Chris Bernard: Chris Bernard.

Bud Jacobs: Bud Jacobs.

Philip Miller: Philip Miller.

Darlene Kirk: Darlene Kirk.

Bridge Littleton: Bridge Littleton.

Peter Leonard-Morgan: Peter Leonard-Morgan.

Cindy Pearson: Cindy Pearson.

J. Kevin Daly: John Kevin Daly.

Rhonda North: Rhonda North, Town Clerk.

Danny Davis: Danny Davis, Town Manager.

Bridge Littleton: Ok. Next item is public comment. If any member of the public. Rhonda are we doing it on the phone too? I think we are.

Rhonda North: Yes.

Bridge Littleton: Okay.

Rhonda North: We're using Uberconference, but I don't have anyone on there at the moment.

Bridge Littleton: Right okay. So if any member of the public would like to address Town Council on any matter, you may do so now come forward, say your name, your address, and you have 3 minutes. So we will open the public comment.

Chris Bernard: [off mic] is raising your hands [off mic].

Bridge Littleton: Yeah. [multiple speakers] Mr. Daley. [off mic] No, no, you can do it there. Let's start the clock.

J. Kevin Daly: Kevin Daly 112 North Jay Street. In 1973, just following the great going out of business sale in Southeast Asia, I came home to California from serving overseas. When I arrived, I was told, Do not go downtown in uniform people will spit at you. And if you do go downtown, go in groups of two or three. When fast forward 20 odd years, I'm getting off an airplane at Bangor, Maine, with my battalion, and people are shoving beers into our hands saying, Thank you for your service. And all of us were very embarrassed because we felt what they were really saying is Thank you for serving so that my son didn't have to serve or I didn't have to go and serve. And people, you're probably asking yourselves, Kevin Well, how can we thank you and other veterans for their service to our country, protecting our rights? Well, I want to say the way to show your appreciation is to exercise your rights by being responsible citizens and instead of just saying thank you on the 8th of November, take a trip if you're in Middleburg to the American Legion Hall, that's where the election is going to be for the midterm election 8 November. Show up there. Exercise your right and your responsibility as an American citizen to vote. And I think it's only appropriate that it's being done while we're building our Town Hall at the American Legion Hall. The other thing is enjoy Veterans Day. I would rather see us have a day off on the day of voting rather than taking off and forgetting the fact that you should all go out and vote. So please, if you want to thank me and Bud, who also served and any of the other living veterans, go out and vote. Again, remember that date, 8 November at the American Legion Hall just down Plains Road? That is all. Oh, the other thing I wanted to say is get, you know, get out and vote. Get off your fourth point of contact. And if you don't know what your fourth point of contact is, you can ask a veteran or better yet, go and ask Ms. Staples. She'll be more than happy to show you where it's at.

Bridge Littleton: Thank you, Mr. Daley. [laughter] Anybody else? All right.

Philip Miller: Yeah. Don't forget to make sure you're registered to vote.

Bridge Littleton: Yeah.

Philip Miller: Very important.

Bridge Littleton: I think tomorrow is the last day.

Philip Miller: Tomorrow. And then I think in person day of.

Bridge Littleton: Yeah. Don't trust us. Go to the Loudoun County Board of Elections and look at what the last dates are. But, yeah, be registered. Okay we will close public comment. First item we have is the public hearing related to a Special Use Permit request. Mr. Moore.

Will Moore: Thank you, Mr. Mayor, Members of Council. We reviewed this request at your earlier meeting in October. We do have one update. A question was raised during that discussion as to whether the Town Attorney was comfortable with the Planning Commission's recommended condition, which was that the permit would expire upon transfer of ownership of the property. I did consult with the Town Attorney, but in the meantime the applicant has submitted an amendment to his application, which is included in your packet in which he voluntarily consents to that condition. So the Town Attorney did give his ok of that as an amendment to the application and suggested that if you were to give a favorable consideration that you just note in your motion to approve that you're relying on that voluntary condition. So if you were to give favorable condition, the draft motion within your packet covers that. And just for the general benefit of the public viewing, this is a request to use the property at 5 North Jay Street. It's a small, single family detached home on the east side or the first block of North Jay Street, to use it as a secondary use as basically a short term rental upon occasion. And there are a number of performance standards in the ordinance. The applicant has addressed those standards in his application, the Commission did review this, held a public hearing and they forwarded it to the Council with the recommendation for approval. I'm happy to answer any questions if you have them at this time.

Bridge Littleton: Before we go to public hearing, does anybody have a question for Will? Going once, going twice. Okay. So we will now open the public hearing or Will, was there anything else?

Will Moore: No sir?

Bridge Littleton: Okay. We'll, now open the public hearing. Would anybody wish to speak to Council on this application? [off mic] Sir. [off mic] Please. Yeah.

Michael Pappas: Michael Pappas. I'm the applicant, along with my wife, Victoria [inaudible] Pappas and 3806 Hemlock Way, Fairfax City, Virginia 22030. I was somewhat reluctant to get up, except for. It's hard for me to avoid just telling you how much I appreciate your consideration of my application. I come to this property in this whole process via two routes. One is my deep regard for the Town of Middleburg, but also I have a lifelong commitment to historic preservation, very hands on, and every property I've generally purchased has been a 19th century property that I restore, and I found myself restoring them, renting them out, but not being able to enjoy them. The concept of allowing part time special use for short term rentals really appealed to me from that regard. And again, I think this property is extremely well situated for that. It's not exactly, I would say in a residential area, it's more of a commercial area. All the properties across the street are all commercial properties. Adjacent to me is A to the south is a multifamily dwelling and to the north is an accessory dwelling unit. And so again, I'm looking forward to partnering with the Town of Middleburg on this and making it, you know, it's a special use, but making it special to allow one of the things about historic preservation is and you preserve something, you fix it up, but not very many people get to use it, get to enjoy it. And it's really special when somebody can actually come in and be part of the town of Middleburg and living in what either ironically or what have you was a dorm for the original Middleburg Academy. And so again, the people that have stayed there are very appreciative of the town. They generally have a dog. So anyway, that's really all I have to say and I'm available to answer any questions, if anybody has any. Thank you. Thank you all.

Bridge Littleton: Okay. Anybody else with this from the public wish to speak on the application. Okay. We will close the public hearing. Any questions from Council on the application?

Peter Leonard-Morgan: I think just a comment, really. Thank you for adding the fact that it would expire if I understand it, if the property sells. I think it's sort of quite important because otherwise, you know, you clearly have gone through a lot of work with this application as well. So and I did follow the Planning Commission meeting on video and going into great detail, which I appreciate everyone's done. So thank you for that.

Bridge Littleton: Okay. Would someone like to make a motion? Yeah. Oh Bud. Unless there's any other comment. Bud?

Bud Jacobs: No, no comment. I was going to make a motion, but, Mr. Vice Mayor.

Peter Leonard-Morgan: I move that Council approve SU 22-01 as submitted and with the condition that the special use is restricted to the applicant and is not transferable upon sale of the premises to other parties with such condition voluntarily offered by the applicant.

J. Kevin Daly: Second.

Bridge Littleton: Any discussion? All's in favor say aye.

All of Council: Aye.

Bridge Littleton: Opposed, abstentions? Okay. The permit's approved. Thank you very much. Appreciate it.

Michael Pappas: Thank you.

Bridge Littleton: So, all right, let's go on to the next action item, which is public presentation. Sandy. [multiple speakers] Oh, sure. Yeah, we can do that. Yeah, that's fine. Sandy, do you mind if we take one other person first? It should be [inaudible] hopefully quick.

Danny Davis: We also have Stuart as well. We also have Mr. Will.

Bridge Littleton: Yeah. Michelle. Actually, you know what we'll do Stuart first. Stuart, you're on deck.

Stuart Will: Any questions? Water still [off mic]. Good evening, Mayor. Council.

Bridge Littleton: Is there any.

Michael Pappas: Questions?

Bridge Littleton: The only one I had was how did the meeting go with the folks about the septic replacement or was [off mic]?

Danny Davis: Stuart was not there. We can update during the project updates if you'd like.

Bridge Littleton: Oh, I'm sorry. [multiple speakers] Okay. Stuart I think we're good. Very good. Thank you, man. Hey, real quickly Stuart.

Stuart Will: Sir?

Bridge Littleton: If I don't know if we've ever asked this before, but does anybody have any objections that when Stuart gives his report, allowing him to go home at a normal time and call it in?

Chris Bernard: No, it's fine with me. Not that we don't want to see you.

Bridge Littleton: Yeah, Yeah, but.

Bud Jacobs: I mean he's sorta calling it in anyways [off mic]. [laughter]

Darlene Kirk: Sounds good.

Bridge Littleton: We'll make sure we set it up for next time. If you want to be here in person, great. If you want to head home at a normal time and just call in and we can ask questions directly, that's we'll do that.

Stuart Will: Perfect. Very good.

Bridge Littleton: All right. Thank you. [multiple speakers] You know it takes several years for good ideas to come out. Okay. Michelle, how are you?

Michelle Myers: I'm well, thank you. Good evening.

Bridge Littleton: Good evening.

Michelle Myers: Thank you all for seeing me. And I guess we wanted to just do a follow up on last week. Doug was here because I was out of town, so. And he did submit a letter for a grant proposal. Correct. So you just wanted us to talk a little bit about the budget. And so I did issue a budget today. Forgive the lateness of that. I did not get the email until our friend Danny told me about it. So forgive me for that, but what's in front of you hopefully everybody received it by email. Hopefully late this afternoon is a breakdown of our fixed expenses. Those are costs that can't really be changed. And what is the quote or the expense that's coming to us in 2022? So if you see the far right columns, there's three. So 2021 amounts versus 2022. And you can see it averages about a 25% increase across the board. And we can go line by line if you'd like, or we can talk at a higher level, whatever you prefer.

Bridge Littleton: So I have a real quick question, please. Quote 2022.

Michelle Myers: Yes.

Bridge Littleton: Says 65 yes. And then green says 69.

Michelle Myers: The addition of the parking at Middleburg Barn.

Bridge Littleton: Got it, okay. [multiple speakers]

Michelle Myers: Would necessitate another 4,000 in busses.

Bridge Littleton: Got it. Okay that makes sense.

Michelle Myers: And so I'm just putting that as a line item on the right.

Bridge Littleton: Understood.

Michelle Myers: Just so everybody knows, if we do move forward with that, it will incur additional costs.

Bridge Littleton: But you'll get twice that back in revenue.

Michelle Myers: We will. We will get that back, yes.

Bridge Littleton: Okay. I guess. Yeah.

Michelle Myers: So what you can see down below is the revenue down below for parking. If we do work with Middleburg Barn, the very last line will get us around \$10,000. We've, got about 250 spaces there for Maureen. She has 100 on gravel and 150 in the grass. So 250 is the most we can do at that location. We're going to do 40, which is the same price as last year. We think we're going to line it up sort of like when you go to a concert, the closer in it'll be a little more expensive. So we'll be able to have a lower price at that further out lot. [off mic]

Bridge Littleton: So is the what? But I thought you guys were charging minimum 50 everywhere else.

Michelle Myers: We are. Yes, we are. We're 50 at Mickey Gordon. We were 40 last year at Mickey Gordon.

Bridge Littleton: Okay, so why would Middleburg Barn be 50?

Michelle Myers: I was trying to give people that are dragging me through Facebook a little bit of a break. [laughter] And try to give them that parking concession so that it would be the same from last year. I'm just trying to respond to the public outcry. And be sensitive to that if that's.

Bridge Littleton: Oh, sure. No, no, It's your guy's choice.

Michelle Myers: No, I'm just trying to win one and lose one at the same time.

Bridge Littleton: Yeah I know. It's a no win situation, right? Because it's going to be, Well, if you can make the first two 50/40, why can't make them all 40. Right?

Michelle Myers: So I'm trying to. We have not released it yet because I wanted to have this meeting first.

Bridge Littleton: Yeah, got you. Okay. So. Well, I guess the questions I had first. So these are the total all expenses you guys have for Christmas in Middleburg? There's nothing else?

Michelle Myers: There's not, no. There are small things like cones, trash cans, bags, there's ancillary stuff. It's all under probably \$2,000.

Bridge Littleton: Okay.

Michelle Myers: We have in the past, given some of the bands a subsidy, we'll pay them to pay for the gas and to get the kids here. That's something that Jim always did, and we did that again last year. That's not shown here because that's something that we would cut if we needed to. So those are the only sort of participants in the parade that get paid are the bands. That's just to help them raise money for their group.

Bridge Littleton: Okay, so you guys, I know you and I talked about it like two months ago. You guys are not going to do that mobile hotspot Wi-Fi thing to do the broadcast. [multiple speakers]

Michelle Myers: I don't believe it's in the budget. Now it's about a \$7,000 thing to get the Wi-Fi and to get the film crew here. So it's not in the budget for this year. And I've told everybody, no. I'd love to be able to find a sponsor for it and then do it in the future. So but we couldn't find one this year.

Bridge Littleton: So. Okay. Chris, go ahead.

Chris Bernard: So I see parking revenue or is that the only revenue?

Michelle Myers: That is not the only revenue. There are some sponsors. We've had many of our major sponsors not participate this year. It's strange. I don't know. It's strange. We have some of the main ones and I don't want to name names because it's.

Chris Bernard: General reasons?

Michelle Myers: General reasons, budget reasons, general reasons. It's getting too big or they're a little worried. I think after COVID, I think there's been a lot of people that have rethought their participation. We haven't had that in any of the elements. Obviously, everybody that walks the parade is wanting to be in. But some of the businesses have pulled back on their sponsorships, a lot of the local businesses, too. So they've said, yeah, we'll walk, but we don't really want to do the banners or we don't really want to do the sponsorship. That's not something we really find a benefit from. So we have had that. I've asked for, we've asked for donations for people that are walking the parade. And we have had a really good response from that, from anywhere they can donate from \$0.10 all the way to \$100 if they want to walk in the parade. We've gotten a lot of people that have been happy to do that, so we have asked for that.

Bridge Littleton: That's great.

Michelle Myers: Yeah, and everybody has been great. In fact, even the folks we spoke about together, everybody has gotten together and understood what the request was just to kind of help subsidize the event so.

Chris Bernard: Do you have an estimate on like sponsorship?

Michelle Myers: It's probably hovering around \$9,000 right now, maybe ten. And it can be it's been as much as 15. I think it was 15, 17 last year, But we're around ten right now.

Bridge Littleton: And how much does the town donate?

Michelle Myers: The town donates 10 yeah.

Bridge Littleton: 10k. So I'm just doing quick math.

Michelle Myers: Please.

Bridge Littleton: As I calculate the \$69,000 for all expenses minus the \$47,000. Sure, your delta is \$22,000. So you're getting nine from sponsorships and you're getting ten from the town. That's \$19,000.

Michelle Myers: Yes.

Bridge Littleton: So your delta is really only \$3,000.

Michelle Myers: We're closer than we thought. Yeah. Okay.

Bridge Littleton: Very sure. So what is your all's request tonight?

Michelle Myers: The request tonight, I think, should go back to what it was last year, which was around the \$20,000 mark to pay for the busses. We feel that taking all the parking away from in town has put additional pressure on us to provide that parking for everyone that comes to the parade.

Bridge Littleton: So but I'm missing something.

Michelle Myers: That's okay. And with the caveat that if we get to the end and we have money left over, maybe we give it back. Is there a way that we can do that? We have like a budget conversation in January and say, hey, we actually made it, okay. Here's your \$20,000 back. Could we do something like that?

Bridge Littleton: But I guess my question is, if I'm doing the math. Sure. And you have in here 30,000, I guess, for the busses.

Michelle Myers: Sure.

Bridge Littleton: And so it's in your budget. So it's reflected in that 69 number. If I take your parking revenue of 47 and I add 19 to it, which you know, we know you have in the bank.

Michelle Myers: We do.

Bridge Littleton: You're only in the red by \$3,000. So why is the request 20? If you're only in the red 3,000.

Michelle Myers: Sure.

Bridge Littleton: What's the other 17 for?

Michelle Myers: That's just what the town has always given. So we've always had that as kind of a buffer. We've never come over. We've never had an abundance of cash in the bank at the end of every year. I mean, I'd be happy to take it down more. I mean.

Bridge Littleton: I mean, we've always given ten.

Michelle Myers: We have every time.

Bridge Littleton: And we've always paid for the policing and all that or our portion of the policing.

Michelle Myers: Yes.

Bridge Littleton: So your last year, well did we give an additional 20 last year?

Michelle Myers: You did.

Bridge Littleton: Okay so.

Chris Bernard: Additional 20 or additional 10 to make a total?

Michelle Myers: It was an additional 20.

Chris Bernard: Additional 20?

Michelle Myers: It was, yeah.

Philip Miller: [multiple speakers] And that was the first time we've done that?

Michelle Myers: No.

Danny Davis: I believe it was in 2019. 2018 was a very difficult year parking wise.

Bridge Littleton: Because of the weather.

Danny Davis: Because of the weather. [multiple speakers] So in 2019, Mr. Herbert came forward and requested some additional funding. I believe it was up to \$15,000. I can find that real quickly. And I believe he utilized all that to help offset the cost of the busses, because 2019 is when it probably 2018 busses were starting to grow in.

Philip Miller: But wasn't that also the year that we paid to have the improvements done to Mickey Gordon because of the parking issue? Not that year that would have been prior to my time.

Bridge Littleton: Yeah, that was like 16.

Philip Miller: No.

Bridge Littleton: Yeah, that was when we had the big, the huge. [off mic] Yeah. Yeah. That was like when we had the huge one that Timmy got hurt because it wrecked the field so bad. Yeah. Okay. And please anybody else chime in with questions. But I mean, so, Michelle, I mean, I don't understand the need for \$17,000 more than you project to spend.

Michelle Myers: I think now that we've got the Middleburg Barn here. I think if we go forward with that and if everybody is okay with us going forward, with that I think Maureen's happy with what we've come up with as an agreement, then I think we're fine. And that just changed in the last week. So again, that's kind of, you know, that literally just changed in the last five days.

Bridge Littleton: Yeah, No. And I know when Doug came in before, I think it was you who pointed it out.

Michelle Myers: We were just speaking to her that week.

Bridge Littleton: Yeah. Yeah. So, I mean, I think in the past when it's been a struggle because of weather and you don't have a lot of people, so you're carrying a debt to the following year. I totally get it totally makes sense and I think if that happens this year you guys will come back and say, Hey, we're in the red, we need help.

Michelle Myers: That makes total sense.

Bridge Littleton: Yeah, but I don't know Peter, you're going to say something.

Peter Leonard-Morgan: I was going to ask actually, Michelle so the parking revenue is there what's the cost to what does Middleburg Barn for example, charge you for that? Is that parking revenue like the profit after you've paid?

Michelle Myers: No, that's everything. Maureen has generously offered it. So she's going to be listed as a sponsor for that same amount of the parade to get us some exposure for her business. So she's not taking any cash in return.

Peter Leonard-Morgan: And is that the same for Lost Barrel and Mickey Gordon?

Michelle Myers: It's the same for Mickey Gordon. Yes. And it's the same for Lost Barrel. They do advertising though so Lost Barrel again gets that as a sponsorship.

Peter Leonard-Morgan: And is the issue more a case of cash flow right now or is it?

Michelle Myers: It is.

Peter Leonard-Morgan: You know like you need cash just to and then balancing up at the end or is this?

Michelle Myers: No. It is, I always get concerned when we get closer to the event because it's always just right to the very last second that we sell out. And the Mayor was very kind to help me understand that maybe we should hold some of the parking back. So I'm doing that right now. So I'm kind of marching it out every couple of weeks and I'm just a tiny bit concerned. We had 10,000 people last year with 1,000 car minimum or maximum, pardon me. And right now we're looking at about 750 cars. So we're getting a lot less people for, you know, we're charging more, but we're getting fewer people. I just want to make sure that we sell the event and we get enough people in town.

Peter Leonard-Morgan: Got it. Okay. Thanks.

Bridge Littleton: Darlene.

Darlene Kirk: Are we getting fewer people because you've scaled back the number?

Michelle Myers: Well, everybody got such great feedback to back to us last year about the size of the crowd that we really want to be complementary to that and we want to keep that in mind. We don't want 20,000 people, and I think we're really trying to keep it at around 10,000. It felt really comfortable for the town. It didn't put as much pressure on the resources. So we're trying to keep that number and trying to make the money match that number.

Bridge Littleton: Cindy.

Cindy Pearson: First question is the Hunt do you have expenses you have to cover for the Hunt?

Michelle Myers: We do not. No, they come totally just gratis.

Cindy Pearson: Okay. And my other I know [multiple speakers]. [laughter] Really, Reggie doesn't work for me. The parking situation. I get it. I understand it totally. For Epicurious, I think was the name of it for Visit Loudoun years ago. And they had it at Morven Park. What they did is parked around through Leesburg and church parking lot. So that allowed maybe 100 parking spaces there, and they bused the people back and forth. I don't know. I know it's not probably not time for this, this year, although you might be able to get one like Banneker School could be a spot or Aldie Church, but it does work nicely and it's actually a treat for I enjoyed it tremendously because you go you park at this church, you don't have to fight crowds and long lines to get in and wait and the bus comes and picks you up and it takes you there. And yes, you need to be back at a certain spot at whatever the time is to get back there. But it's a delight, actually. So maybe for another year, I don't know if they've let you use Well, I'm sure Glenwood is out of the question, but, you know, there might be some other options to do that.

Michelle Myers: Okay. [off mic]

Cindy Pearson: Well, it's fighting the traffic with the Hunt, too so.

Michelle Myers: And it's very important that everyone understand we're getting a lot of pretty difficult feedback from not having any in-town parking, especially for the older folks, people that have children in strollers. They're very upset about getting on the bus. So even though these numbers look really big, they're not real yet. These are projected if we sell every spot.

Bridge Littleton: Right.

Michelle Myers: And we're getting a lot of pretty tough feedback on that too that they don't want to get on a bus or it's hard for them. So, yeah.

Darlene Kirk: A lot of them will and do are all the way up to Ridgeview and that's fine. [off mic] literally lined the streets. [off mic] So most of the people doing that had children so.

Michelle Myers: Yeah.

Bridge Littleton: I have no doubt you'll sell out.

Michelle Myers: Yeah. You think so?

Bridge Littleton: Oh my God. Yeah. It was sold out two or three weeks in advance last year and everybody was screaming, yelling because they couldn't get a spot.

Chris Bernard: [inaudible] For all the naysayers, there's someone right behind them that wants to come.

Michelle Myers: Okay.

Bridge Littleton: Right? I mean I don't know what the metric is, but something like for every one negative on social media, there's ten people who don't have any issues.

Michelle Myers: [multiple speakers] I'm not in Vegas typically, very often, but I am a gambler. And so if you all want to take this gamble and say, maybe in January, if I come with my little hat in hand, maybe I take the gamble and say, Hey, I don't really need the money quite yet. Let's talk about it in January. If it goes sideways, maybe we do that.

Bridge Littleton: No, no. What I was going to recommend and see what everybody here thought was because I understand, you know, there's balancing at the end of the event, but then there's cash flow management, right? So, you know, you don't want your vendors hanging out there because you're waiting for all the parking to clear and all that kind of stuff. I totally get it. So and we want you guys to be successful. But and I mean, this is one of our things while we set up the events committee, right? We want events to be able to ultimately stand on their own and take their own. Yeah. So would there be a comfort level with council like appropriate you guys 10,000? And then once the books are clear and all the bills are paid and all the cash is in, you know, maybe, you know, less than 1000, whatever isn't wasn't actually needed is returned to the town.

Michelle Myers: Love it.

Chris Bernard: Or it gets credit against next year.

Bridge Littleton: Or it gets credited against next year's 10,000 donation.

Michelle Myers: That's beautiful. I love it.

Chris Bernard: Instead of passing it back and forth. [inaudible]

Bridge Littleton: I mean, and the only reason I say ten, I mean I is because you just cash flow's hard, right. If it doesn't sell out, if you get 80% of your sell out two weeks before you've got vendors who've got bills that have already been in for 30 days.

Michelle Myers: Yeah. I've got to pay everything on this piece of paper before any of them appear here. Yeah. And that's got to all be paid before they roll out, including the busses. The full contract has to be paid. The full contract for the crowd control has to be paid the full contract. You know, a lot of that stuff has to be paid in advance.

Bridge Littleton: Yeah.

Michelle Myers: Which is pretty typical. [off mic]

Bridge Littleton: I mean, literally it's I'm just throwing a dart. So what's everybody else think?

Cindy Pearson: So that will be the 10,000 that we normally give them. That's and then plus the 10,000.

Bridge Littleton: And I'm just thinking I'm looking at some of these bills and thinking of cash management. Right. But the stipulation is at the end you come back and go, Hey. Yeah, which is great. [off mic] To break even, here's the eight back which will just apply to the next year.

Michelle Myers: It's great.

Bridge Littleton: What's everybody's thoughts? Let's actually go around the room. Chris, what do you think?

Chris Bernard: Yeah, I mean, it's tricky. It's a lot of money, but if they're unable to pay the bus drivers, it would be a [multiple speakers] Well, and it would be a tremendous loss for the town. So, I mean, if we need to step up to make it happen, then great. I think.

Cindy Pearson: I hope you got it.

Chris Bernard: I think ten is a more realistic number. And once we clear everything at the end, if we can settle it up somehow, I think that makes more sense.

Bridge Littleton: Bud what do you think?

Bud Jacobs: What Chris said. That on a Philosophical Level, I have to confess, I very much would like to see spending not just for this event, but for all of our events, sort of directing applicants to not rely on us so much in the future.

Bridge Littleton: Philip.

Philip Miller: I second that. I think we've said that for years and years and done a really, really bad job of continuing to dole out money. And it's of nobody's real fault. But I mean, we need to pay more attention to that and be a little bit stricter and get out ahead of things and plan earlier. And I think that, you know, this is obviously a critical event for the town. If this is something that's going to be a continual issue with cash flow, then, you know, next year we reevaluate early and talk about something else. Instead of being dependent upon parking, maybe the town looks at sponsoring something like crowd control, something that's important for public safety instead of just, you know, then it gives you a little bit more of a nest egg instead of having to cover all of these expenses. And we know at least something is covered like that.

Bridge Littleton: Darlene.

Darlene Kirk: This is really what Middleburg is known for the Christmas Parade. It's like our premiere event and I think we need to support it and we are one of the co-sponsors. So yeah, I think we should support it.

Bridge Littleton: Peter.

Peter Leonard-Morgan: I think all very good points taken. I do want to ask one question about last year. There was some parking for staff of restaurants and shops. And do we have that as well? And did any of the business contribute to that? Because obviously they're doing quite well.

Michelle Myers: That was MBPA, I believe. And so I don't know the details on that. That was a separate.

Peter Leonard-Morgan: Okay. Well, got you. Thanks.

Bridge Littleton: Ali you doing that again? I thought I heard from so many staff people and business owners they thought it was great. [multiple speakers]

Cindy Pearson: Oh, very necessary.

Danny Davis: We did not charge, though it was.

Bridge Littleton: No, no, but that makes sense.

Peter Leonard-Morgan: I'm not saying they should. I'm just curious whether, you know, the business is.

Bridge Littleton: Who ran that?

Peter Leonard-Morgan: That other business is doing a lot better? Could they contribute something? Is it a pain in the neck to even think about that? But I mean, Philip, I take your point totally. I mean, I think this is but Darlene is absolutely right. You know, this is our blue ribbon event for Middleburg. And it's perceived as being the Town of Middleburg. I know it's your organizing at your company, etc., etc.. So it's really important we make sure it's a success. But I think that the compromise, if you like, is really a good idea. The 10,000.

Bridge Littleton: Cindy.

Cindy Pearson: Yeah, I agree totally. And if for some reason I don't know what it would be comes up that you actually need some more money for cash flow too that she could come back to us and speak to us again, but maybe you'll be good.

J. Kevin Daly: There's always a fine balance between cost and benefits and the town definitely, I believe, benefits from Christmas in Middleburg. I'm comfortable with the additional \$10,000.

Bridge Littleton: Yeah.

Chris Bernard: To Philips point, I think we do need to be smart about going forward with supporting these events. I think there's a current situation where they're losing parking spots because of something weird that's going on and maybe they're back next year. But I did in that vein, Mickie Gordon I think we need to be very careful at the beginning of the year looking at what Mickie Gordon's plans are for next year because that parking may not always be there.

Bridge Littleton: Well, they do have a long term plan to [multiple speakers]

Chris Bernard: They're building cricket fields and they're not going to let us park on the cricket fields. So I think the parking thing is a real it's a long term problem that we need to solve instead of throwing money at it every year.

Bridge Littleton: Well, I would say a long term problem, Christmas in Middleburg needs to solve. And that we will help.

Chris Bernard: That's right.

Michelle Myers: Yes.

Bridge Littleton: Okay. So would somebody, do we need to make a motion, Danny, I guess?

Danny Davis: That would be good.

Bridge Littleton: Yeah. Cindy you want to wing it?

Cindy Pearson: Yeah, I'll wing it. I'd like to make a motion that we approve \$10,000 additional dollars for Christmas in Middleburg with the agreement that they'll come back after everything is said and done and share your financials with us.

J. Kevin Daly: Second.

Bridge Littleton: Friendly amendment, and refund or apply forward any excess funds from the net balance sheet.

Cindy Pearson: Yes, please.

Bridge Littleton: Okay. Any discussion? All's in favor say aye.

All of Council: Aye.

Bridge Littleton: Opposed, abstentions?

Rhonda North: Mr. Mayor?

Bridge Littleton: Yes.

Rhonda North: Since it involves money we do need to do a roll call vote.

Cindy Pearson: Okay.

Rhonda North: I'm being Martin tonight. [laughter]

Bridge Littleton: Even if it was unanimous?

Rhonda North: Yes. I'm being Martin tonight. [laughter] [off mic]

Bridge Littleton: Oh, Lord. Okay.

Danny Davis: There's a difference of opinion, but the attorney has recommended just to be safe.

Chris Bernard: We don't need to talk about it anymore. Let's just do it.

Bridge Littleton: All right, Chris, go ahead. All right. Sorry. Sorry. Rhonda call the roll.

Rhonda North: Vice Mayor Leonard-Morgan.

Peter Leonard-Morgan: Aye.

Rhonda North: Council Member Bernard.

Chris Bernard: Aye.

Rhonda North: Council Member Daly.

J. Kevin Daly: Aye.

Rhonda North: Council Member Jacobs.

Rhonda North: Aye.

Rhonda North: Council Member Kirk.

Darlene Kirk: Aye.

Rhonda North: Council Member Miller.

Philip Miller: Aye.

Rhonda North: Council Member Pearson.

Cindy Pearson: Aye.

Bridge Littleton: Ok the ayes have it. Thanks, Michelle.

Danny Davis: I was going to say good thing no one changed their vote.

Chris Bernard: [off mic] About whether we are supposed to do that or not. [laughter]. [multiple speakers]

Bridge Littleton: Will, let's put that on the agenda for our next meeting. All right. Next item is Sandy.

Chris Bernard: She's like, Look, you just gave all that money away. Now we got to change the books.

Bridge Littleton: No, that's next year's audit that she's not worried about. [laughter]

Sandy Tondreau: Right. Not tonight, anyway. Okay.

Philip Miller: [off mic] Your back of the napkin math that was [off mic]

Bridge Littleton: I was only 11% off. That's good.

Sandy Tondreau: Okay. Hello. Thank you. I think everybody got a copy of a PowerPoint presentation and a draft of the audit report. As usual, I think most of you have been here for my other reports, I'll kind of try and mostly focus on this PowerPoint presentation and go through some of the numbers. Just so you all know, I have met extensively with Danny and Tina and Will a couple of times going through the draft and the numbers and the presentation. And unfortunately, I wasn't able to be here for the Finance Committee meeting. So they did present that to them. And I know you all received a copy of Tina's memo that kind of talked about some of the final numbers for this year and some of the areas that maybe were more areas of concerns for everybody. Just kind of explain that a little bit and I'll talk about some of those issues tonight. And obviously, I'm here if you have further questions about that. And I was going to say at the beginning, I know and I go back and forth between saying this at the beginning and the end, and someone told me I should say it at the beginning, but then I wonder if no one's going to listen to the rest of what I say. But we issued a clean opinion on the report, and I know that's what everyone's concerned about and but I will go through some of that. And there were just some differences this year that I think were more pronounced in their volume or quantity. I don't know what the term is

between the way that you all are used to seeing the reporting based on your budget versus the way we're required to report it for accounting purposes. And so that's where I think just some of the concern was and we'll address some of those issues. So and I'm not going to necessarily focus on going through the report as usual, but I will refer to some pages and exhibits in there where there's some more detail. So if you need to go back later or if we have questions now, we could kind of dig into that. We usually start off with the balance sheet, kind of looking at your assets and liabilities. We have the funds kind of divided out and look at a comparison year over year. So I'll talk about some of that. The obviously the main focus is what the governmental funds and the water and sewer. And as far as the numbers that are on this comparative balance sheet that we're looking at, they primarily come from the Exhibit one in the report. And just to note that both the governmental fund and what we call the water and sewer does include the CIP activity. And that's the way that we have to report it in here. So that might cause some initial confusion. And there's a couple of different schedules in the presentation where we'll kind of try and break out some of that. So if that gets confusing, I'll try and point out some of those issues as we go along. Obviously, as you can see, you all have a good cash position that includes your cash and your investments, those first lines. And you can see with some of the comparisons that in total your cash is actually down a little bit this year. But as you may remember, you did put more into investments. So in total, you're still at a very good cash position, including the investments, and that's actually grown. You did have the good thing about moving some of that into the investment account, and I believe you did purposely set aside some of it in a new investment account to establish some operating reserves for both the general fund and the water and sewer fund. And as you know, normally you can grow those funds with the interest. And but one of our differences this year was that because the market is so horrible, you did also have to recognize unrealized losses on those investments. And I know that's hard to see those negative numbers. But as you all know, the markets change and we're hoping that goes up. But that was one of those differences that we're seeing in the report. And I know Tina had given you all a kind of a heads up that that might have to happen. And unfortunately, it did. The receivables. They're kind of the typical receivables. You always have some with the property and real estate taxes. A lot of that is timing. As you know, all of that's billed through the county and you have to kind of wait for them to send the money to you all. So most of that part of it is money that you're due from the county which you did receive in like July and August, most of it not very much old accounts sitting in there. And then the biggest part in the general fund is that we've been in the past couple of years accruing some amounts for the meals and occupancy taxes because you don't usually receive the June amounts until July or August. And especially with the growth after COVID, that those jumps have been kind of significant. So a couple of years ago we had chose to kind of like accrue those back. So those even though those numbers seem to be high as far as the receivables and the governmental funds, they aren't receivables that are like bad debts that you're not going to get back. It's stuff that you've probably already received. In the water and sewer account there's something a little different going on as to why those numbers are high. Those also include the normal water and sewer receivables. And again, that's kind of more of a timing issue. The bills for May and June aren't sent out until July, so there's a receivable for those amounts and that's been kind of standard. There's a new accounting pronouncement that kind of caused those numbers to jump a little bit in the water and sewer. They changed how we're supposed to record leases and it's both on the side of lease expense and lease revenues. As far as lease expenses, the town doesn't really have a lot material. You were leasing space for the police department, but that's going to be up soon when they move into the new building and you have little copier leases and stuff. So but the bigger effect for you all was actually on the lease revenue, the water tower leases and the changes. And this just went into effect for the fiscal year ended June 30, 2022. We have to follow this new standard. And what it basically does is we have to do some present value calculations where you take all the lease payments we know of going out and present value and back now and record a receivable and a deferred income and interest expense. It's crazy. And they think that's going to be helpful. I don't know where that's helpful but. [laughter] [multiple speakers] And I have no idea. I mean, we have to do this with all of our clients. The towns were the first that it was affecting as far as these smaller companies. And then we have a bunch coming up. So we actually had to buy a software program to help us with the present value and tracking all of this stuff.

Bridge Littleton: And everybody's NPV is going to be different by accounting firm.

Sandy Tondreau: And yeah, and it's kind of crazy and really bottom line with the effects on the income and that sort of stuff, it was really immaterial. So to me it seemed kind of silly, but. You know, your water tower stuff was significant enough that we didn't want to leave it out and have your balance sheet not reflect what it's supposed to. So that's why those numbers look funny. And we actually had to go back because in the water and sewer, we do comparatives. In your report, we actually had to kind of go back and like restate 21. So we threw in 21's and then added 22. So that's why that

receivable amount looks kind of high. And then there's kind of an offset down under the liabilities, under the other obligations. That's kind of the deferred revenue piece of that. So a little weird accounting stuff. [laughter]

Bridge Littleton: It would be interesting to see how that accounting treatment would be on a lease that's month to month. What's the net present value this month?

Sandy Tondreau: Yeah, I mean, technically for those, you wouldn't have to deal with it. It's more looking at these things or multiple years kind of thing. So yeah, short term is sort of excluded. But yeah, yeah, it's, I don't know, I think some of the accounting standard boards are maybe board they have nothing to do, so they're creating problems for the rest of us.

Chris Bernard: To justify existing.

Sandy Tondreau: Yeah, I guess that's what's happening. But so that's why those numbers look high. Again, nothing that you all are not have bad debts and stuff like that sitting out there. But that's what that is. Fixed assets. You know, the biggest difference you'll see in this report is the exhibit one. I know normally the general fund doesn't really record fixed assets per se, but in this particular report, we do put them in there. And the big jump is obviously the town office. So that kind of explains that and the water and sewer actually here kind of looks like it's going down because it's net of the depreciation and there wasn't huge increases last year. So the depreciation kind of wiped that out a little bit. The other assets, primarily in the general fund that relates to the pension adjustments that we need to do at the end of the year. Another kind of accounting thing, the good news related to the pensions, though, is this was the first year that you all are actually a positive. You don't have a pension liability. You have a pension asset.

Danny Davis: That's what I thought yeah.

Sandy Tondreau: Granted, that was based on the June 30, 21 years. So next year it might not be the same. But but we can rejoice for one year and the pension is another one where it's kind of a bunch of things that we have to put in there. You have that liability or asset, which this year was an asset, and then there's some other what they call deferred inflows and outflows and that is also kind of in there and also under that other obligations in the general fund. And those are basically we record all these entries based on the information that we get from the VRS because they have their own auditors and accountants and actuaries that calculate all this stuff. And then they provide a report to Danny and Tina, who passed it on to me. And we book we help them book the entries based on that. So it's nothing that we're calculating and everybody in the state is having similar allocated portions of that basically. As far as liabilities, accounts payable, accrued expenses, those are kind of just your normal bills that are owed at the end of the year. The big jumps with payables is related to the town hall again, because as if you remember, we are including the Capital Projects Fund in there and there were some bills to the builder outstanding at the end of the year. Otherwise pretty much normal month to month stuff. As far as long term debt as you know, the increase in the general fund was also the new 2.5 million bond that you had issued this past year. Other obligations, as I had mentioned, is in the general fund, primarily the pension and accrued vacation for the town employees and the water and sewer fund is primarily that lease accounting that we talked about. Once you take the assets plus all those liabilities, you get what's left your fund balance or equity, which in all of the cases you know has been growing. So the town is in a good position to support a lot of this work that you are doing. We are required to kind of separate out anything that basically we're supposed to report what portions of your fund balance would be considered restricted or by and usually that's just what could have been restricted by someone who donated it or gave you the money. All that we have as far as restricted for the general fund was some of the ARPA funds that were still being held in the general fund and hadn't been used yet. And then if you remember, you all usually get the money from the state for the fire program that then eventually gets passed through to the fire department. So that's in there.

Bridge Littleton: Sandy, I have a quick question. So we set our budget reserve policy at 125% of annual expenses. And we have you know, so we have to keep that money. It can't be touched other than by, I guess, vote of Council. Why wouldn't that be considered restricted?

Sandy Tondreau: Technically, the description for financial reporting is restricted by a donor. We did mention in and that was in exhibit. [off mic]

Danny Davis: Three.

Sandy Tondreau: Three. That one gives us a little bit more leeway for the general fund to with some other categories. And we put it in there as called it, assigned for reserve. So that's basically saying that you all separated it out. It's just that one exhibit doesn't really give us the option. It's kind of just unrestricted or restricted. So it is shown in there. And then we also in there have separated out committed for and there's kind of in here, there's something that explains what those different categories are in the footnotes on. [off mic] On page 29 of the footnotes, it kind of explains the different categories. And so we have put in the committed kind of fit more with the parking fund. And then the assigned was kind of something more that you all set aside, and that was where we put the reserve. Any questions about any of this balance sheet stuff? Okay. And then as for the next slide, as far as the profit and loss summaries, and I think this is where things get a little more confusing, but as far as the governmental funds, you could see more detail on Exhibit 4. And again, that and the Exhibit 4 also kind of breaks out what is general fund and what is Capital Projects Fund, which is kind of the way you're probably more used to seeing it. But governmental in total this year had revenues of about 7 million versus prior year of about 12 million. Those differences are primarily that for these we call the proceeds that you get from a loan would be considered revenue. So that's kind of like the biggest difference. We do have if you hadn't looked ahead, there's a couple other slides we'll look more specifically at some of the revenue categories. But just as a generalization, those were that was the biggest cause there. And then as far as expenses, they were obviously up this year, 7 million versus three and a half million last year, primarily because of the town hall costs, which gives you with the two combined a net deficit of 74,000. And I know that's the number that's a little concerning, but don't panic. The next slide, I'll show you what happened there. So that'll kind of explain everything on there. The water and sewer revenues are up there, and that's primarily because the general fund transferred some of the ARPA funds to the water and sewer fund to be used for those projects. And technically that was considered revenue to the water and sewer fund. So that was the biggest difference there. And we will again also look at some more detail on that account. And expenses were also a little bit up on that side to relate somewhat related to the other activities that money was being used for there. So to get into some more detail, if you flip to the next page, this is kind of a reconciliation that we started doing a couple of years ago because it can be a little bit confusing some of the stuff that we record for accounting purposes that might not be what you're used to seeing. So basically, if you start with that deficit of 74,000, kind of did a few things to sort of back out that capital project fund activity. So it'd be what you're used to seeing as general fund activity. So taking out the debt proceeds and adding back the bond issuance costs and the capital projects costs and then kind of getting rid of that little investment loss because it's not really it wasn't a realized loss, it was unrealized. And then the big thing was the transfers to the other funds. I think when you originally got your numbers, the transfers were shown more as like a direct coming out of the fund balance. But technically, because the revenues were shown as income to the general fund last year, the fact that they were getting transferred to the water and sewer, they needed to be shown as an expense this year. But for purposes of kind of trying to get back to what you were used to seeing, we added those back. So actually the general fund had a surplus of 1.7 million. So they were in a good position. So that deficit is scary looking but explainable. And then just to kind of look at some of the big categories of revenues, if you go to the next slide, the biggest drivers, as you know, in coming out of the pandemic has really increased a lot, even more so than pre-pandemic is the meals and occupancy tax and the business licenses. So those are really the big drivers of you all having that good healthy surplus. And then on the next slide, we also have we have a similar schedule for the utility fund, although not quite as drastic, but trying to get to where there's more of an operating flow versus the accounting way to show things. So this year it actually goes a little bit reverse for the water and sewer fund. But we showed a surplus of \$389,000. And then once you back out the tower rental income, which isn't really operating and back out the transfer of those funds from the water from the general fund and add back depreciation and do account for the principal debt service, you really had a net operating surplus of only \$76,000. But as we and I know we talked about this, I talked about this with Danny and Tina, but, you know, some years it goes the other way and some, you know, so it just depends how it works out and what stuff goes. But at least you're still having a surplus. I know there were years before that, that the water and sewer has definitely gotten to a point where it's supporting itself versus some of those old years where it was always a deficit. So I think that kind of explains that one. And then to look at some of the details of the revenues as far as operating revenues, obviously the biggest drivers are your water and sewer charges. And those have also seen a rebound this year after the pandemic. And I know those some of those prior years you were giving credits. And so that has helped that fund a lot, too. And the tower rental, the reason that looks a little low is because of those adjustments that we had to do related to the new lease standard. So it kind of

averages that out a little bit and made that look a little lower. But you still basically we're getting close to the same. Anybody have questions on any of these things so far that we've [off mic]?

Bridge Littleton: Bud.

Bud Jacobs: The revenue increase in water charges, do you have a sense of how much of that might be attributable to the new meters we've installed? I think we're doing a better job of capturing water use and billing it.

Sandy Tondreau: I wouldn't know exactly, but I know in talking to Tina about that, I know she thought and kind of getting onto the next when we get onto the next slide and we're talking about build versus pumped kind of things. I know Tina had indicated.

Bud Jacobs: Oh so you got to look at all the slides.

Sandy Tondreau: Yeah. [laughter]

Bridge Littleton: Bud I'm so impressed you didn't read ahead.

Danny Davis: Very quickly, we did some interim meter changes in the April, May, June timeframe, but the primary changes occurred late June into even early July. So we really probably won't see much of the impact until current fiscal year. This really is the resurgence of activity throughout the town as well as the 3% user fee increases.

Bud Jacobs: Salamander's in there somewhere, right?

Danny Davis: Yes, sir.

Bridge Littleton: Oh yeah. Oh, go ahead, Cindy. Go ahead.

Cindy Pearson: Question on the net surplus when it's in the deficit. And the regular person just looks at this and they're hearing Bridge saying we had a 1.7. We are good for that. And they're seeing this [off mic] not telling the truth. Got to read. I understand, But I didn't. I did read a lot of your report. Now, I didn't read every word. Is there somewhere in there that explains this more for regular citizen? [multiple speakers]

Sandy Tondreau: Well, and that's what we were going to. No, I understand what you're saying. Totally.

Cindy Pearson: Okay.

Sandy Tondreau: But I think probably and I think this was something that you all were going to expand on, but this first part that they call the management discussion and analysis, we prepare it for you all because there are some portions of it that are kind of like required things to put in there. But there's a lot of space in there where you all can add your own verbiage. And Danny and Tina have given me some verbiage for that. And I think after the Finance Committee meeting, you all had discussed maybe making some changes in additions to that. So that would be kind of the place where and Danny already threw in some of that, saying, well, we recorded this, but, you know, explaining some stuff about the unrealized gains and that sort of stuff. So [off mic]. Yeah. So before we finalize the report, that's definitely somewhere where we can add more. So feel free to let me know or I think Danny and Tina we're going to work on that so you could funnel through them and they'll get it to me.

Danny Davis: Yeah.

Sandy Tondreau: Yes, there is that opportunity.

Danny Davis: Absolutely. And even the parts that I've edited in the past have been like three pages down in the MDNA. And there is, there are the key bullet points right at the very beginning. I think it's important to throw some of those

additional positive numbers in there right at the beginning. When you look at that exhibit three and we compare our fund balance for the end of fiscal 22 to the fund balance at the end of fiscal 21, [off mic] after all the bills are paid and you've done all of the other moving of money around from, you know, transfers here or transfers there. The essentially unassigned fund balance is \$926,000 more than it was in fiscal year 21. And so after paying for, you know, capital cash expenditures towards wayfinding and after doing everything else behind the scenes, that's what I look at often now. Even that number still has in it the the loss for this investment loss. So really it's it's even more than 926. It's more like 1.1. But again, there's just so many numbers floating around.

Bridge Littleton: Well and the fundamental problem is this is accounting. Yeah, right. And there are specific reporting rules they're required to follow. So and I get that that's what impacts the way it's displayed. I'm not saying I understand how it works. Yeah, but I think what Danny, just so you know, to Sandy's point, right there's 1.7 million. Actually, it's really not. It's about \$900,000 when you take all the revenues we took in and all the expenses we paid in that year, we ended up with about \$920,000 more than we spent, you know, just from a strictly cash basis. Right. Not the accounting treatment and stuff like that so I think that's what, you know, look, and next year if it's a negative, but the accounting treatment shows it as a positive. No, we need to say the exact same thing. Actually, we were in the hole this year by 50 grand or whatever it was. So I think Danny and those guys and I think the Finance Committee recommended this as well, we need to put that as part of the narrative upfront on the managers memo.

Cindy Pearson: Because you do know that someone is going to find it and say.

Bridge Littleton: Oh yeah.

Sandy Tondreau: Yeah. And that's why it's good that you have that opportunity. And like Danny pointed out too, I mean, the biggest thing is that fund balance. And I do have a slide in here about that, but you know, because there's always going to be those ups and downs. But if you have the reserve that you all have established, plus extra fund balance just there, then you know you have that cushion for the good years and the bad years. And, you know, so that's important. So the next slide kind of relates to the point two the gallons billed versus pumped and I know we've looked at this for years and no, I didn't forget something on here, but the two other towns that we usually use as our comparison, their audits aren't completed yet. So I didn't have those numbers for this year. But you know, that number kind of fluctuates and it is up maybe not as much as you're hoping, but I know that there were some issues at the beginning of the year with some meters. So this is kind of like an average of the whole year. So I know you all had worked out some of those issues. And I know Tina said more recently in checking those numbers that it's a lot higher than this. So I know a lot of progress has been made for any of you that were here in the old days. I remember back was like 2014, 15. I mean, it was like 50%. So and I mean, granted, some of it has been better capture of information these days and stuff like that, but there have been definite improvements. And I think it's very important that Tina and Danny are keeping an eye on that. And I think all of you too, you know, because if you're pumping out that water, you want to have somebody pay for it. [laughter] So and then as for the next slide, kind of looking at the surplus as we were talking about, and that's another one, you look back at that 2013, you know, where you were, and it was lower than that before that. And you know how much you have grown.

Bridge Littleton: It was nonexistent before.

Sandy Tondreau: Yeah, Yeah. [laughter] So, you know, so you're definitely in that good position. And if people are questioning, you know, the numbers for this year, I mean, I think pointing them to the surplus is the place to go too. And then the next slide, just one that we've kind of always thrown in there. You know, just kind of, you know, pointing to the budget process. And I think you all do a great job of keeping on top of that budget, monitoring the budget and getting even better at keeping in mind, you know, in the past sometimes you talked about revenues. You maybe were a little bit too conservative in the budget and things have been good, but those looked really in line this year. And obviously you don't want to be in a position where you're overspending your budget unless obviously that gets approved. So just looking at this over the years to point out that you all have done a good job with that and it's great that the council monitors that and keeps on top of that. And then just my little summary slide with some of the little issues just as far as required communications, We just a reminder, we do work for the Council. We enjoy working with Tina and Danny and Will and everybody else, but we work for you all so we are required to present this all to you, and if there were any big

issues or problems, we would come to you all first. There wasn't anything significant. So that's good. And as I said before, we issue a clean opinion on the audit. As far as the federal grant, I just bring up I think we talked about this last year, but I know you all are hoping to or already at least have semi approved the money to help with the town hall. So just being aware that you may have a bigger audit requirement, there's some extra requirements for having more spending, more federal money. Bullet dodged for you. [laughter] And then as far as I think we already talked mostly about the pension reporting again, that this year you guys are in a great position. I don't know where it'll end up next year, but you know I know for years everyone was concerned because you had the liability, but you all have been doing what you were supposed to do as far as paying in what you're supposed to do. And this was definitely evident that it was product of the market, too. So so hopefully.

Bridge Littleton: One thing rising interest rates are always good. [laughter] [off mic] liabilities.

Sandy Tondreau: And at lease reporting. I think we pretty much talked about that one to death and the MDNA. So those comments I'll get from Danny and Tina. But I guess if you have questions or more things you suggest to them, they'll get that to me. So before we finalize the report, we'll try and get that in there and help hopefully that explanation. Anybody have any questions?

Bridge Littleton: Any questions for Sandy? Any [inaudible] other inputs? Okay.

Sandy Tondreau: Well, thank you all for all the years. I guess you've all heard by now that I'm going to be cutting back my hours and I'm not going to be able to work with you all. I'm passing on my audits to somebody else at our firm, and she's kind of can't take them all because Jeff's also stepping back. So she kind of made this strategic decision not to do the town ones just as a way to limit. And she was going to concentrate in some other areas. But we've really enjoyed working with you all. It's been, yeah, like 20 something year. Yeah, 20 years and I've been doing it most of the time. So I'll miss you all. And I'm sad that I won't get to work in the new building.

Bridge Littleton: You can come by and visit any time.

Sandy Tondreau: Great.

Danny Davis: The second meeting of October next year, you can come for the audit report. [laughter]

Sandy Tondreau: I'll come see.

Bridge Littleton: That's not the way I would have done it. [laughter] [off mic] In the background, so. But no Sandy, thank you for all your years of support to the town. We really appreciate it.

Sandy Tondreau: Well thank you. Thank you very much. Let me know if anybody comes up with any other questions. [off mic]

Bridge Littleton: Will do. Thanks.

Sandy Tondreau: Thanks.

Cindy Pearson: Enjoy your extra time.

Sandy Tondreau: Yeah, thank you. I will.

Bridge Littleton: Okay going on to the next item, which is Project Status Update. Mr. Moore.

Will Moore: Thank you, Mr. Mayor. Just a couple of things to highlight. The Mayor asked earlier when Stuart was up here about the septic conversion meeting. So Estee organized a meeting that took place earlier this week with all the affected property owners. We have five properties on Stonewall, two of which are currently on septic, three of which are

on pumps that we need to do some revisions to the way they're hooked up to our manhole. And then we have two properties over on Lincoln Road. I think the meeting went very well, a lot of good questions asked, but it seems overall that everybody is supportive of the project. We have a follow up meeting to do onsite visits with those folks here in a couple of weeks. Actually, one of those is tomorrow because one of the residents is going out of town for an extended period. But Danny and I will cover that. But then our engineer will be in town in a couple of weeks and we will be visiting each of these individual properties to do some specific assessments. But everything's moving as it should at this point.

Bridge Littleton: Is the other one on Lincoln Road? Is that Reverend Swan?

Will Moore: It is.

Bridge Littleton: Okay.

Danny Davis: So and also on that Estee is also trying to pursue an additional grant for that project as well, which is federal DEQ dollars that are ARPA funds coming in.

Bridge Littleton: Bud.

Bud Jacobs: Who handles the close out And the I guess there's a certification requirement for closing out septic systems. How does that all work?

Will Moore: Yes. So that's all going to be wrapped up in this project. So the town will be coordinating. And the intent right now is to fund this completely. So no funds of any of the individual residents. It looks like all the dollars will line up, but we will be handling the permitting and proper close out of those three septic systems.

Bud Jacobs: And Loudoun County is the certifying authority for that? Is that how it works?

Danny Davis: Correct. Yeah.

Bud Jacobs: Yeah. [off mic]

Bridge Littleton: Not DEQ?

Danny Davis: Correct.

Will Moore: Just an update on the East Marshall Street Water Tank project. We had an on-site today with our tank maintenance contractors as well as a representative of T mobile, so we're getting well ahead of next summer's project. It was, I think, a very positive meeting, very productive, and we have a follow up in two weeks with them, but definitely heading in the right direction this time. And then finally on Asbury Church, two things there. Jane Covington came and presented to you at your last meeting about this idea of getting the preliminary information form submitted to DHR doesn't really put any obligation on us at this point, but she had handled doing all the research. I worked with her to tweak a couple of things in that application. The Mayor did sign that, so that's going forward to get that preliminary approval. And then finally, tentatively, the structural engineer will be in town next week to take a look at Asbury. One of the things that you did when you approved retaining was to direct us to do an immediate assessment to see if there's anything that really needs to be done right away to further stabilize it while we initiate the planning project for the full restoration. So again, tentatively, he'll be in town next week.

Cindy Pearson: I have a question on that. Is there a blue tarp on that building?

Will Moore: No, it's no, it's got the roof was completely gone. [off mic]

Cindy Pearson: Oh.

Bridge Littleton: That's the building. Yeah, it's the house next to it. [laughter] [off mic] We replaced that roof and the blue tarps been gone for a while. But I know, I drove by and I thought, what happened? You know? [multiple speakers]

Cindy Pearson: I don't go that way. I go that way.

Bridge Littleton: No, I did see it a couple of weeks ago and I thought, oh, no, I just drive over there. Any other questions for Will? All right. Will, thank you.

Will Moore: Thank you.

Bridge Littleton: Oh. Rhonda's favorite topic.

Rhonda North: Thank you, Mr. Mayor. So during the last meeting, we reported that we were awaiting a revised schedule. We did receive that on Downey and Scott and the town reviewed it. We had some comments that we forwarded it back to Cooper and we are awaiting the revised, revised schedule, which they are now telling us we will have tomorrow. Again, I'm not holding my breath on that one.

Bridge Littleton: Hey Rhonda which tomorrow. [laughter]

Rhonda North: The architect was in town earlier this week. He did review the mockup wall for the EIFS and did approve that. So with that approval, they have begun to install the stone water table. You'll see a silver flashing. That's where they start with the flashing and then they move to the stone. They'll also start sealing the dense glass in anticipation of applying the EIFS.

Peter Leonard-Morgan: EIFS?

Rhonda North: It's sort of like a stucco. It's like a stucco coating.

Danny Davis: Yes, Styrofoam. [multiple speakers]

Rhonda North: So there's a thick there's like a four inch thick Styrofoam and then like a stucco overlay over top of that. So some people call it EIFS some colored IFAS or so whatever.

Bridge Littleton: Stucco.

Rhonda North: Yes. So on the roof, the trusses have all been set. We did have a little minor issue that had to be corrected. The plywood sheathing is almost on. The roofers mobilized today to start tomorrow installing the EPDM, the rubber membrane roof. And then if all goes well, one week from today, they'll start installing the standing seam metal roof. All of these things are really important because this is what helps to waterproof the building. They've installed plastic windows for now until the regular windows arrive and they're also starting to install the doors. They will have temporary doors in place for the nice wooden public doors because we don't want to ding all of those up with all the construction work. But all of this will help temporarily make the building weather tight so then we can start doing more things inside than we've not been able to do so far. And along with that, next week, they should start setting the temporary OAU unit HVAC unit, and they're looking for a temporary power source. This will help them condition the building once those systems are started. Again, that helps us to progress on the interior with some things that we couldn't do before. Parking lots going really well. Danny and I went out and looked at the North parking lot the other day. It's amazing how much stone it takes to do a permeable paver parking lot. There's about four feet of various sized stone involved, and they started today grading to sub grade so they can install the curb and gutter around the north. They're going to start around the north parking lot and then do the north side of the parking lot adjacent to the Village Green. So they'll be doing that curb and gutter here pretty soon as well. And the thing Danny likes to watch nowadays, the architect also approved the mockup of the retaining wall. So we've got the east retaining wall that's going up. They can do about

three feet of wall per day. It's quite a sight to see. So things are progressing. Not to say we're still not having problems with the project, but things are progressing.

Danny Davis: The site work company had three crews out multiple days this week, so they've kicked into high gear getting ready for much of this. So it definitely felt like a lot more activity than we had seen in the prior weeks. I will also note I am expecting to get the signed project agreement from HUD tomorrow. I was hoping it was today, but hopefully it'll be this week and that will then allow us for any expenditures basically from that date forward are eligible to be reimbursed with the \$2 million dollars of federal funding. So very excited that we are this far along in the process. And I'll keep you updated on that. Yeah.

Rhonda North: And finally, the next council walk through is Monday, November the 7th. It's probably a good time if you haven't walked through the building you have to walk through it. You can actually see rooms and visualize things now. So probably be a good one to attend if you're available.

Bridge Littleton: Awesome. Any questions for Rhonda? Rhonda thanks, as always.

Rhonda North: Thank you. [off mic] Every single day. [laughter] Okay.

Cindy Pearson: You're probably calling over here, checking on you if they don't hear from you. [laughter]

Bridge Littleton: All right, so moving on to the consent agenda, would anybody like anything removed from the consent agenda? [off mic] Hold on. We'll get to you in a minute.

Chris Bernard: Peter goes last.

Bridge Littleton: Whatever order I choose. [off mic] Would anybody, like anything removed from the consent agenda. If not, is there a motion?

Bud Jacobs: I move we approve the consent agenda as presented.

J. Kevin Daly: Second.

Bridge Littleton: Any discussion. All those in favor say aye.

All of Council: Aye.

Bridge Littleton: Opposed, abstentions? Okay. Next. Does any member of Council wish to give a Town Committee Report?

Bud Jacobs: No. [multiple speakers]. [laughter]

Bridge Littleton: I just you can't false start like that.

Peter Leonard-Morgan: I have a quick announcement to make. We have the Town Cleanup on Saturday. [off mic] It's a Town Committee. Thank you very much. Point of order.

Bridge Littleton: Okay. All right. Go ahead.

Peter Leonard-Morgan: We have the Town Cleanup starting at 8:00 at the Community Center. So any volunteers would be welcomed with a nice cup of coffee and a sticky bun.

Bridge Littleton: Salamander Scone. Salamander Scone. Yeah. Yes. Ok. Next item we're going on to is. Yeah. Discussion Items Review Update Memo for the FY 23. I believe this is Mr..

Danny Davis: This is the Finance Director.

Bridge Littleton: Thank you. Ms. Staples.

Tina Staples: We have decided to try to look at Quarterly Assessments of the revenues to see if we need to make any adjustments for the budget along the way. So this is just your first quarterly report. We're still going to review expenditures at the 6 month and 12 month period. So not Quarterly because they kind of come in a little different. So and not all of these balances are completely totaled because some of these taxes didn't come in until after I had to get the report in. So it actually increased it a little bit more. But the budgeted balance for the first quarter was \$721,889. The projected balance was \$742,045 and then your actuals were \$858,658. So it's 19% above the budgeted revenues and 16% above the projected revenues. So it's a good, good start.

Danny Davis: And the two key indicators being the meals tax and occupancy tax being meals tax more than we've budgeted projected/ projected. I mean, that's still always you know, you kind of don't exactly know how it's going to play out month by month, but right on track with where we'd like to see that and occupancy tax almost exactly where we projected it would be.

Philip Miller: But what drove that spike in miscellaneous revenue?

Tina Staples: I can tell you. I have an itemized list, if you like.

Bridge Littleton: Well, just top three.

Philip Miller: Categorically.

Tina Staples: County grants, interest earned from investments, franchise fees.

Bridge Littleton: Okay.

Darlene Kirk: But I can go through the whole list.

Bridge Littleton: No. No, but I mean, that's it's about 100 grand, right, that we are off and 90 of it is in the miscellaneous. So that's kind of where I mean, where I'm going with that is how you guys looked at potential revenues for this year and what you both your budgeted and projected. We're good we're doing a good job at estimating what our revenues are likely going to be coming in at.

Danny Davis: Correct. We have last year's data plus pre COVID years data to kind of really get a sense of how we see the cyclical nature of meals and occupancy tax primarily. And so, yes, I think we're getting a little better sense of how these things roll out. It'll be really interesting to see the October meals tax numbers. It was a fantastic year or month weather wise. And so we'll see how that plays out. Yes, sir. No, I thought Philip had a question.

Bridge Littleton: Any questions for Tina on this?

Chris Bernard: I have two very little ones.

Bridge Littleton: Yes.

Chris Bernard: This is great. Can you to the left of the percent change. Can you put the dollar change?

Tina Staples: Oh, sure. Of course.

Chris Bernard: So some of them are really big and some are smallest when you're just looking at the percent. Just nice to see the delta.

Bridge Littleton: Yeah, like 700%.

Chris Bernard: Yeah. I mean, I mean, you can do the math. Yeah, it's easier if you don't have to. And then when we look at this next quarter. Is it going to be quarter two by itself or is it going to be a year to date?

Tina Staples: Quarter two by itself?

Chris Bernard: Is it also possible to see the year to date?

Tina Staples: Sure.

Chris Bernard: As the second page. You can blend the two together?

Tina Staples: Yeah.

Chris Bernard: And then maybe just throw this one in so that we have all three.

Bridge Littleton: Thank you.

Danny Davis: And then if you're interested, really to dive deeper in her monthly report that she provides, it actually has the breakdown month by month of how we anticipate the meals and occupancy coming in. So that will give you a sense looking into where we see the rest of the fiscal year.

Tina Staples: At this time, we're just recommending to leave the budget as is. We're not recommending any amendments.

Bridge Littleton: Okay next item. Mr. Davis.

Danny Davis: Thank you, Mr. Mayor and Council members, as committed to you, wanted to provide you with our quarterly update on this strategic initiatives that you adopted back in April. We updated you in July and now this is your second update. As noted in here, we're excited, as completed the investment policy pretty much in April when the strategic initiatives were were adopted. As you know, the R2 zoning changes have been adopted. So that's half of the strategic initiative related to zoning amendments and subdivision ordinance amendments. You will be seeing the short term rental zoning ordinance amendments likely as a briefing in December and then likely or maybe a hearing in December. It's further in the action plan. I forgot already. My apologies. Likely a hearing in December or January and then approval as you see fit in either January or afterwards. We are making progress greatly on the charitable foundation. I had noted in the update here and to Councilmembers Kirk and Miller that we completed all the documentation, submitted it to the IRS in early mid-September, and we are now waiting on being assigned a reviewer to officially review the documentation and then declare it a not for profit. The according to their website, they have not assigned a reviewer to any application submitted after March 2nd. So that means we are six months out from just getting assigned a reviewer.

Chris Bernard: [off mic] 500 million people.

Danny Davis: So as of this time we will continue with the health center fund for contributions and donations for this fiscal year. But the good news is, and I appreciate Mr. Shep's and all his efforts in this signing all the documentation, getting the articles of incorporation, the bylaws into the State Corporation Commission. So we are a state. The charitable foundation is now a state recognized entity. We have an EIN from the ERS, IRS excuse me [laughter] so many and [off mic] yes, and then the form I'm going to get the form number.

Bridge Littleton: Make sure full compliance with IRSA.

Danny Davis: That's correct. In the form I think it's a 1023 has. [laughter] [multiple speakers] I know you'll fact check me later. It has been submitted and it is waiting. So it's just great that we're at this far along in the process. Ms. MacIntyre [off mic]

Danny Davis: Yeah, well, it's been a while 4 years. You sold it, right when I started, yeah. Ms. MacIntyre has been working with Council Members and closely with Punkin and Ann Marie with the MBPA, and we anticipate having that MOA to the Council.

Cindy Pearson: We were if somebody else [off mic] listen to this.

Danny Davis: Oh, it's great, right? You know what it is? And so we discussed at the last Council Meeting and there were a few tweaks and we're going to make those revisions and bring that back to council at the next meeting.

Bridge Littleton: So before you go on, I do want to note one thing about the charitable foundation. So Danny and I talked about this earlier in the week just as an anecdote. My company was an LLC. In April of 2020, we filed to change to a C Corp or S Corp I can't remember what it was, and we filed all the stuff with Delaware, you know, that's done in a week. We filed all the paperwork with the IRS because we didn't want to have to get a new EIN number. And they said, Yeah, yeah, no, that's what you do. You file with us, give us your stuff, and we will change you in the IRS system. Last week I got my letter saying that we have been in the IRS system transition from an LLC to I guess it's a C corp. I'm making it up. [off mic] But I mean. Oh, going on two years going on. Two years? No, two and a half years. Yeah. It was April 2020. Two and a half years. [off mic] Yeah, well. Maybe so. But the other thing I mentioned to Danny was and just get a sense of Council if you guys are in agreement with this, while it probably doesn't make sense for them to start doing actual funding activities, because until you're actually a recognized charitable foundation, you know, you could run into tax problems and accounting problems and all that kind of stuff. I don't see anything wrong with the board getting together and starting to do some of its organizational things right, like set up their meeting structure, how they want to have a voting structure. You know? Create the process by which they're going to solicit requests for funding and how the review and approval of all that stuff happens. I mean, that could take weeks or months to get set up. It's painful process, right? But it's public and it's there's a form and all that's going to be created. So I think the idea would be for, you know, go ahead and get that started.

Darlene Kirk: In two and a half years later when we get it, all of us [off mic]

Bridge Littleton: Well knowing you all. [multiple speakers]

Cindy Pearson: Wow. [multiple speakers]

Bridge Littleton: So it'll take you all two and a half years just to create a form anyway, so. Yeah, just a thought. Yeah. Okay. Danny go ahead.

Danny Davis: All right. Two of the strategic initiatives had correlation to the BLA concepts. Those are the strategic initiatives related to the protective green belt around Middleburg and also options and strategies for attainable housing. There are other components of that that can continue under conversation and discussion as well, specifically whether it's related to continuing to suggest and push for conservation easements around the area, working with Loudoun County on some of the zoning changes that are under review or consideration. Of course, the Mayor is involved in much of that through ZOC and other interactions with COLT and then for attainable housing, continuing to stay engaged in what's happening with Loudoun County related to attainable housing. The final item on your list of priorities is the planning for the Rural Preservation Summit. We do have a date that I believe is locked down, which is January 27th, and I believe Ms. MacIntyre is working with the Mayor and Councilmember Bernard to finalize other aspects of that so we can begin getting that out and promoting that.

Bridge Littleton: So let's the three of us get back together next week,

Philip Miller: Monday or Tuesday.

Bridge Littleton: Okay.

Danny Davis: Very good. So that's our update, I'm feeling confident to say. And thanks very much to the team who continues to work hard on these items in addition to all the daily work and other activities that go on.

Bridge Littleton: Any questions for? Mr. Bernard?

Chris Bernard: What's the status on Federal Street? Did we pause that? [off mic]

Danny Davis: So, yes, Yes. So Federal Street, officially by Council, was placed on hold in April just with everything else going on, specifically with all the time being focused on the consideration of the boundary line adjustments and the process to that date there, I believe, is ongoing interest in not losing sight of that. I also think that depending on what happens in the coming months, whether there are any formal requests that come forward, the specifically excuse me, staff time devoted to those VISAV Federal Street and other items, we'd need to discuss that further. So not to speak for you, but for the rest of the Council who were not there, didn't read the minutes. EDAC did have a conversation about how to improve visibility and access to Federal Street.

Chris Bernard: Two meetings in a row that's almost all we talked about.

Danny Davis: One from a business owner that has a business on West Federal Street behind Atlantic Union Bank in that strip of five or six shops there and how to continue to draw people down to Federal for shopping. There was a lot of good conversation. Some of it is about physical improvements should there how do we focus on the real big challenge is pedestrian You know because you're getting into where there's not sufficient right of way and all of that that goes into it. Others is what's just simply going to be a draw down there. One of the conversations recently was how do we strategically look at should we consider food trucks, for instance, that we would permit down on Federal Street, draws people down and then helps provide visibility to the shops that are in that area? That's something that EDAC is in discussion with before anything formal would move forward that would come to Council. So I want to assure you that this is a conversation of intrigue and interest that they're exploring and then would bring forward a recommendation if there is a legitimate possibility or I shouldn't say possibility, legitimate feasibility, that something even could occur in that area. And then a conversation with Council to say, is this something you're interested in pursuing? So did I capture that close enough? So yeah, Federal Street is one of continued interest. It's also one that I think we can continue to stay connected with our traffic engineers as we look at possible future grants for VDOT or other or other dollars that could go into planning of some of those improvements that are the more physical improvements for pedestrian access. Boy. I just dropped a lead balloon. I'm sorry. When I'm talking about VDOT grants. [multiple speakers]

Bridge Littleton: No, I mean, one comment I'm going to make is I think we I think we need to not lose sight of South Madison Street. That in and of itself is a street which is you know, set up for success for retail. And it's always a challenge and if we can't make South Madison successful, forget Federal Street. I'm not saying forget it, but I mean, you know, it's an integrated issue. It's not just Federal Street.

Danny Davis: It's true.

Bridge Littleton: Right?

Chris Bernard: It's the expansion of the commercial district beyond just.

Bridge Littleton: Well, and there's also.

Philip Miller: Physical constraints too.

Bridge Littleton: Yeah. I mean, and the other other part of it, too, is right. There's only so much we should be doing and should be responsible for. And the other part of it is, you know. Right. I mean, we're good at infrastructure. Right. That's what government's for. That's how you helped support those kinds of things. I just I hear things like food trucks and I'm like, whoa, You know, I do not want to trash the town with a bunch of mobile businesses everywhere.

J. Kevin Daly: And don't we have the restaurants over [off mic]?

Bridge Littleton: But yeah, that just was like I'm like, I mean, one thing, if it's temporary, right? But if you're talking about, like for an event or something, but you're talking about food trucks for years to draw people down there, that's not actually a solution.

Darlene Kirk: No, it's not.

Bridge Littleton: If it's going to be, you know.

Peter Leonard-Morgan: Well, let's see what?

Bridge Littleton: Yeah. Yeah. No, I'm just I mean, but.

Philip Miller: Food trucks in and of themselves are not a silver bullet. And people like to bring up food trucks as if they are a silver bullet. They actually require a lot of man hours, a lot of marketing. And you need to bring people and make sure they know where they are. You have to have a dedicated area. It's a lot more complicated than just having a band or a food truck or, you know, look at how many years we had the farmer's market there and we had a failure. I mean.

Bridge Littleton: It's tough.

Philip Miller: It is a lot bigger and a lot more complex than a simple food truck issue.

Peter Leonard-Morgan: I think. What?

J. Kevin Daly: I'm sorry.

Bridge Littleton: Go ahead, Kevin.

J. Kevin Daly: Going on your infrastructure, being a pedestrian that walks up and down Federal Street, there's no good sidewalks on the south side of Federal Street and that crossing from Federal and Madison. It's really tough getting across there, especially when you're dealing with the slopes.

Bridge Littleton: Peter.

Peter Leonard-Morgan: No, I'm just saying, I think what, Danny said is ideas were like a food truck. I don't think we should start making decisions and opinions until we actually see something.

Bridge Littleton: Well, no, I mean, so. But I guess where I'm going with this is something if you're going to do it right, it's very big. It's very complex. You're talking about millions and millions of dollars if you're going to make the long term investment for its success. Right. So are we talking about that kind of question? Are we talking about quick fixes or quick wins? Right. So and I think understanding what needs to happen is Right. Because if it's quick wins, that's different, right? If you're talking sidewalks and street moving and poles and that isn't food trucks.

Danny Davis: No, that's.

Chris Bernard: EDAC is looking for quick wins in response to some of the businesses down there asking about it. But it should not get in the way of our long term plans, which are those big things, because big things need to happen over there.

Darlene Kirk: And we can't let it hurt our restaurants in town because they can. We just can't let that happen.

Chris Bernard: Not enough restaurants in town.

Bridge Littleton: That's a whole different thing. Yeah. Okay, Well, so. Okay.

Philip Miller: So back to the strategic initiative of Federal Street. Should we plan to revisit it, say, January or maybe after we're in the new building and we have at least one big project off?

Bridge Littleton: That's a good idea. [multiple speakers]

Chris Bernard: How much do we to hostage by these potential applications? There's a fine line. We need to be ready to handle them, but we also can't just put everything on hold in case they come in.

Danny Davis: Yeah, and I think the question for and I appreciate you bringing it up is do we feel that this is probably the next key priority to put back on this on the strategic initiatives it was on for a couple of years. COVID got in the way, then zoning rewrites and subdivision rewrites and all these are also impeding. But now we're near the end of those. We can't be held hostage by what may or may not come. And town hall opening up. I think it is fair to say we typically try to revisit these as a daylong retreat sometime in the early winter. Early spring. [off mic] Asbury is another big one. So as we look at deploying our resources here, as well as what's next key strategic initiative, I think absolutely Council would want to look at putting this back on the table.

Bud Jacobs: I think it might be helpful when we do revisit the Federal Street Strategic initiative to perhaps think about some more modest outcomes. If we do the charrette as originally planned. I can't remember the Mayor or someone had a conversation with a developer who said very clearly, look, if this were to happen, it's going to take millions of dollars. It's going to require a surprising amount of interest on the part of developers and builders and businesses. And quite frankly, I think we all recognize that the likelihood of that occurring is very low. If that's true, then what are more modest outcomes for improvement that we can come up with? And it sounds like EDAC has started that process already. So if we're going to pursue it, I'd frankly be in favor of doing it more on the line that EDAC is considering bite sized chunks and things that we can actually influence rather than broad blue sky programming that's or planning that's simply never going to come to fruition.

Chris Bernard: And it may be worth. So I think it's part EDAC, part Planning Commission, right. Maybe having those two groups work together on it from two different angles because EDAC everyone's coming at it from a quick fix, like, how do we boost sales because it's all business owners.

Bud Jacobs: Sure, that's quite legitimate.

Chris Bernard: Well, totally. But it's also I think the Planning Commission will give a little more strategic long term guidance to it.

Bridge Littleton: Well, and I think too what's helpful is and I hate just going out to a consultant. Right. But to your point. Right. The business is how do I get more people coming down here? They're not urban planning experts, and our Planning Commission is great, but they're not commercial traffic, you know, manipulation planning experts either. But there are people who do that, Hey, if you want to get people to go down the street, this is what you do, right? So these are the things you try. This is what works. This is what doesn't work. But, and Bud, what you just mentioned, I think something that's really, really important is that at the outset of this we have to, and I think it's fine, but we should have a conversation to make a decision. You know what? That big Virginia Tech idea from 2011, whatever. We're just not going to embrace that because who would want to go build a bunch of sidewalks and then be on a path that five years

later the whole thing gets redeveloped with some big project and you just wasted a bunch of money? You know, let's just if we firmly believe that a \$30 Million dollar total redevelopment just ain't ever going to be in the cards, then let's just take it off the table. And if we make investments and we make the right investments, that we're not going to, you know, tear back up five or ten years down the road. So there's a lot to this.

Cindy Pearson: And I would suggest maybe not January because you're still going to be busy here and a few other things are going to be on the calendar. I'd give it maybe to April. [off mic] Yeah, spring.

Bridge Littleton: You know what? Let's get moved in and then we'll have it a couple of weeks after that. Yeah. Yeah. [off mic] We come out of this.

Bridge Littleton: What's that? All right. Was there anything else on the strategic initiatives? Okay Next item was Time Capsule.

Rhonda North: Thank you, Mr. Mayor. So a while back when we were discussing the town hall project, some members of Council suggested we incorporate a time capsule into the project. We were thinking we put it into the phase two portion, which is the park portion, but we do need to start planning for that and altering the plans, whatever amendments that we need to do to the plans. So I'd like some input from the Council as to exactly what do you want to put in the time capsule so I can have some idea of how large a capsule we need to order so we can start identifying exact locations for it. There have been a few things that individual members of Council have suggested, such as photographs of the groundbreaking of the existing town office of the town in general. Maybe a letter from the Mayor, one of our current shopping guides, some of our items that we have that that market Middleburg pens.

Chris Bernard: Street signs.

Bridge Littleton: Philip. So let's do this if we've got ideas send them to Rhonda. Okay. And it's. I have a letter from the entire Council and all staff that we all sign.

Bud Jacobs: Good idea.

Bridge Littleton: Except Danny. [laughter]

Danny Davis: Using using millennial language. Is that it?

Chris Bernard: Jump drive with all the video from all of our meetings.

Bridge Littleton: Yeah. [laughter]

Bridge Littleton: So plug this into. Yeah, yeah, yeah.

Rhonda North: So that's the thing. The one thing is, you know, there's some recommendations, you know, what the experts recommend and they do recommend not putting in technology that 100 years from now no one will be able to use.

Cindy Pearson: And it's kind of like.

Bridge Littleton: [multiple speakers] Yeah, QR code. Yeah, what's that? [laughter] I'll give you my Nokia flip phone. So, all right, everybody, just look at that second bulleted list and you know, think of some ideas and send them to Rhonda. All right, we'll go over it in a meeting or two. Okay. Oh, no, that's great. I think it's a great idea.

Darlene Kirk: [off mic] We're going to put it in the park and not the building.

Rhonda North: Yes. Yeah, Put it somewhere in the park. And that way it can that way. And maybe like near the flagpoles or something like that.

Bridge Littleton: You could put it on the flagpole.

Rhonda North: Yeah.

Bridge Littleton: And I've seen that before. Yeah. Yeah. The pedestal and the flagpole. Yeah.

Rhonda North: Yeah.

Bridge Littleton: Okay. Any other information items from anybody?

Darlene Kirk: Peter has one.

Peter Leonard-Morgan: I would say [off mic] was correct information on my apologies for that, but I'm not going to repeat it.

Rhonda North: Mr. Mayor. Yeah. Reminder of the Annual Volunteer Appreciation Reception on Tuesday from 5:00 to 7:00 at the Emmanuel Episcopal Church Parish Hall.

Chris Bernard: [off mic] State of the Town.

Bridge Littleton: State of the Town is on Thursday, next Thursday. Real quickly, Windy Hill, you all saw the grant request letter that Bob Dale sent in.

Danny Davis: I'm not sure I sent it to The rest of Council. I sent to you.

Bridge Littleton: Okay, let's send it to council. So Windy Hill's been making a ton of repairs and spent a lot of money on that. They sent in a grant request more than they normally do, but you guys will see the letter. But I spoke to Tom Northrop and Eloise earlier this week. They want to come in and present the specific details behind it at the next meeting. But also, Eloise just wants to introduce herself since she is taking over effective November 1st from Bob Dale as the new head of Windy Hill. So we'll have that on the agenda. Kevin mentioned election. State of the Town next Thursday. I also want to say a big, huge thank you to Danny, Ali, and everybody on the staff and all the police for a fantastic job with the Mille Miglia and the film festival. You guys did a phenomenal job. I was responsible for the weather, but you all were responsible for everything else. [laughter] And all the people in town and all the participants had a fantastic time. And I think it went off really, really well and have heard nothing but positive feedback from everybody. So thank you guys so much for working as hard as you did to make it a world class five star event. On that note, and this might be a strategic discussion or whatever, but just something to put everybody's mind from an events perspective. Do we want to start at some point I think we need to have a conversation. You all please disagree with me if you think I'm off base on this, on, you know, are we getting to a break point of too many? Right. I mean, end of September through October is so jam packed that I mean, I know staff is run ragged. I know residents are like, oh, you know, it's a little fatigue. So. You're never stagnant. But do we want to start thinking about the load that we've got? And then the other thing is, and somebody mentioned this, I thought, you know, that's actually a really interesting point. Do we want to think of one or two events that we have or put one or one on the calendar or something like that, that really is only focused at residence? We're not trying to pull in people from out of town. We're not trying to, you know, make it a big sales kind of thing.

Darlene Kirk: [off mic] Farmer's Markets.

Chris Bernard: Farmer's Market, the Chili Cook-off was a.

Bridge Littleton: That's what I'm talking about that like the Chili Cook-off, right? [multiple speakers] That was not anything that's.

Chris Bernard: [multiple speakers] Already doing it.

Bridge Littleton: Yeah, well, but I mean, you know, I think a lot of people really enjoy just being able to get out with their neighbor like we do 4th of July and stuff like that so.

J. Kevin Daly: National Night Out is probably the biggest event that I've seen.

Bridge Littleton: So anyway, just food for thought. Not no action. No, no, whatever. But and the other one was the Veterans Appreciation lunch that the community center did. Right. That's great. So anyway, just food for thought. Ok. Any information item for anybody else? Yes, ma'am.

Cindy Pearson: Because the State of the Town is on that Thursday night. That's usually HDRC. HDRC has been moved to Monday the seventh. Thank you. Monday the 7th.

Bridge Littleton: Ok If there's nothing else, we will go to close session. Who would like to read the motion?

Bud Jacobs: Peter would.

Bridge Littleton: No Philip's back.

Philip Miller: I move that Council, go into Closed Session as authorized under section 2.2-3711 of the Code of Virginia for the discussion or consideration of one and appointment to the Middleburg Arts Council, two a project bonus for a town employee. And three the performance of town staff members as allowed under subsection A1 I further move that Council thereafter reconvene in open session for action as appropriate.

J. Kevin Daly: Second.

Bridge Littleton: Any discussion. All's in favor say aye.

All of Council: Aye.

Bridge Littleton: Opposed. Abstentions. Okay. Hit the magic button.

Cindy Pearson: The red one? Yep.

Bridge Littleton: Thoroughly enjoyed it.

Cindy Pearson: Yes, of course I did too.

Bridge Littleton: Ok. Oh, wait. I got to read the motion.

Cindy Pearson: Needed.

Bridge Littleton: Hang on. I got to hold on. Everybody I got to read the motion. I got it. Oh, wait. Yeah, Mine's not coming up. Ok. I ask that Council certify to the best of each member's knowledge, one only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and two only such public business matters as were identified in the motion by which the closed meeting was convened were heard discussed or considered in the closed meeting. I would like to remind those present for the closed session that any discussion that occurred within it should be treated as confidential.

Chris Bernard: Yes.

Bud Jacobs: Yes.

Philip Miller: Yes.

Bridge Littleton: Yes.

Darlene Kirk: Yes.

Peter Leonard-Morgan: Yes.

Cindy Pearson: Yes.

J. Kevin Daly: Yes.

Bridge Littleton: Okay. Next item. Yeah. [off mic] The Council directs the need to move forward with the employee actions, as noted in the Closed Session. All right. I don't think there was anything else we had to cover. So with that meeting adjourned. Fajitas.