



**MIDDLEBURG TOWN COUNCIL
REGULAR WORK SESSION MINUTES**



Thursday, February 22, 2018

PRESENT: Vice Mayor Darlene Kirk
Councilmember J. Kevin Daly
Councilmember Kevin Hazard
Councilmember Peter Leonard-Morgan
Councilmember Trowbridge "Bridge" Littleton
Councilmember Philip Miller (late)
Councilmember Mark T. Snyder

STAFF: Martha Mason Semmes, Town Administrator
Rhonda S. North, MMC, Town Clerk
Jamie Gaucher, Business & Economic Development Director
Ashley M. Bott, Town Treasurer
A.J. Panebianco, Chief of Police

ABSENT: Mayor Betsy A. Davis

The Town Council of the Town of Middleburg, Virginia held their regular monthly work session on Thursday, February 22, 2018 in the Town Hall Council Chambers, located at 10 W. Marshall Street. Vice Mayor Kirk called the meeting to order at 6:00 p.m.

Council Approval – Ordinance to Amend the Ordinance Establishing the Middleburg Arts Council

Vice Mayor Kirk questioned why the Council was increasing the number of members. Councilmember Snyder opined that it would not hurt. Councilmember Leonard-Morgan reminded Council that committees did not always have as many members as they would like. He noted that sometimes, they needed more.

Councilmember Snyder moved, seconded by Councilmember Daly, that the Council Amend the Ordinance Establishing the Middleburg Arts Council to increase the number of members from seven to a maximum of nine.

Vote: Yes – Councilmembers Kirk, Daly, Hazard, Leonard-Morgan, Littleton and Snyder

No – N/A

Abstain: N/A

Absent: Mayor Davis and Councilmember Miller

Councilmember Miller arrived at the meeting at 6:02 p.m.

Report – Trash collection survey

Councilmember Snyder opined, based on the report, that the Town did not have a problem. He questioned whether the Business & Economic Development Director agreed.

Business & Economic Development Director Gaucher agreed. He reported that when they asked if the restaurant would benefit from increased Town provided collections, seven out of twelve said they would not. Mr. Gaucher noted that they had heard from everyone, with the exception of the Red Horse Tavern and Thaiverse.

Councilmember Snyder noted that the Red Horse Tavern used a dumpster. Town Administrator Semmes noted that Thaiverse did as well.

Business & Economic Development Director Gaucher reported that only one-third of the restaurants used Town provided collections only, with almost all of the restaurants using a combination of Town and private collections. He recommended that nothing be done at this time.

Councilmember Littleton noted that it may be unreasonable from an operations standpoint; however, he questioned whether the Town could provide an extra day of pick-up, with the Town arranging for the collection but with the restaurant being charged for it. He noted, however, that the restaurants could do this themselves directly.

Councilmember Snyder questioned whether there would be an economy in going to the Town's collection provider and asking if they could provide restaurants with a special rate. Business & Economic Development Director Gaucher noted the need to ask the Town Planner that question as he was more familiar with the new company and the contract.

Town Administrator Semmes reported that the company did not do dumpsters; however, they could do extra curbside collections.

Councilmember Leonard-Morgan suggested that in terms of the Town trying to help with one extra collection, the restaurant could write the check for the extra collection. He noted that this would keep them from having to find a contractor.

Town Administrator Semmes reminded Council that the Town currently had a really good contract. She reported that she just sent notice of the Town's request to renew the contract for two years. Ms. Semmes advised that she was waiting to hear from them; however, they indicated that their intention was to renew. She suggested that if the Town wanted to amend the contract, it could open up the possibility of a rate increase.

Councilmember Littleton suggested the staff say "the Town was interested in expanding services but not in a way that would impact the current contract". He suggested that it be explained that this would assist them when the Town looked to renew its contract in two years.

Town Administrator Semmes noted that the contractor had until March 1st to respond.

Councilmember Littleton noted that the Town had a cheap contract. He suggested the staff lock into it before asking the question.

Business & Economic Development Director Gaucher opined that Go Green would be interested in the fact that only half of the respondents, or six, used Town provided recycling and only two mentioned that they recycled cooking oil. He suggested this was something for their discussion.

Vice Mayor Kirk inquired as to which two. Business & Economic Development Director Gaucher noted that he would have to look up that information. Councilmember Littleton cautioned against putting specific information out into the public domain. He opined that some of the restaurants may have filled out the questionnaire thinking their responses would be confidential.

Vice Mayor Kirk welcomed the Boy Scouts who were sitting in the audience to the meeting.

Discussion – Joint Meeting with Loudoun County Board of Supervisors

Councilmember Littleton reminded Council that there would be a joint discussion on March 29th with Chairman Randall and two other members of the Board of Supervisors. He opined that the other two members would likely be Supervisors Buffington and Higgins. Mr. Littleton advised that the Mayor felt it would be a good idea to keep the meeting small so they could talk in-depth about the issues. He suggested they include Envision Loudoun, the Comprehensive Plan and transportation. Mr. Littleton advised that the Mayor wanted to get feedback from the Council on whether this should be attended by the full Council or only one or two members.

Vice Mayor Kirk noted that she would probably not be available that week.

Councilmember Littleton advised that the meeting was scheduled for 6:00 p.m. on March 29th. He further advised that Chairman Randall planned to bring the Deputy County Administrator or her main staff person but no one else. Mr. Littleton noted that these were the Mayor's thoughts and questioned what the remainder of Council thought about it.

Councilmember Snyder advised that he would like to attend the meeting. Vice Mayor Kirk suggested all of the members attend. She further suggested there be tables so everyone could sit around one. Ms. Kirk asked that there be light refreshments.

Councilmember Littleton noted the need to be focused and suggested the meeting would last for a maximum of one hour. He advised that he would love to talk about Envision Loudoun and how their Comprehensive Plan update was going. Mr. Littleton inquired as to what the other members felt should be a focus of the discussions.

Vice Mayor Kirk asked that the members send any ideas they may have to Councilmember Littleton. She suggested he consolidate them into the framework for an agenda and provide it to the Mayor.

Councilmember Littleton noted that Chairman Randall was thinking about policy level items or one level down, such as implementation. He asked the members to provide him with their ideas by February 28th. Mr. Littleton advised that he would assemble them into a list and send it to the Council so they could pick a few items for discussion.

Councilmember Snyder advised that he would like to know how Middleburg could coordinate better with the County; and, noted that this always seemed to be up in the air. He acknowledged that there was communication through the staff.

Councilmember Littleton opined that the County had not engaged with the Town as much as they promised.

Councilmember Leonard-Morgan opined that the fact that the County was coming here would bring that issue to the surface. Councilmember Snyder agreed it was a good first step.

Vice Mayor Kirk reiterated her request to have some light refreshments that evening.

Councilmember Littleton suggested the members be invited to come at 5:30 p.m., with the meeting starting 6:00 p.m. Vice Mayor Kirk suggested it be held at 6:00 p.m.

Discussion – FY '19 General Fund Budget

Town Administrator Semmes advised Council that the purpose of this meeting was to give the members an overview of the General Fund and Health Center Fund budgets. She noted that they would receive the Utility Fund briefing at their March 8th meeting. Ms. Semmes advised that the staff would also review the budget schedule with the members and noted that they had plenty of time moving forward to look at the budget in detail.

Town Administrator Semmes opined that in looking at the current year, the staff felt they had made progress on the Council's strategic priorities, including the preparation of a CIP. She advised that it would be used to form the budget as the Council moved forward. Ms. Semmes reported that the space needs and parking studies were underway. She further reported that the Town was going to select a consultant for its branding project. Ms. Semmes noted that in preparing the budget for next year, the staff recognized there would be a continuation of those projects, which would include some unknowns on the capital spending side. She suggested other items may become clear as the Ad Hoc Property Committee came forward with their report in March.

Town Administrator Semmes reported that the General Fund budget was proposed to decrease by 4.7% compared to this year, with the main reason being that the County CIP funding would be spent down due to the completion of the Marshall Street Sidewalk Project. She noted that this project was in the final design and expressed hope that it would be completed by the end of June. Ms. Semmes reiterated that there was a large decrease in expenditures as some of the capital projects would be complete this year.

Town Administrator Semmes advised that because of the difference in revenues and expenditures, the contingency was proposed at \$206,000. She reminded Council that this number would decrease as they went through the budget process.

Town Administrator Semmes reported that real property assessments were up 11.84%, which was substantial. She explained that because of that, the equalized tax rate would be \$0.153 versus \$0.165. Ms. Semmes reported that the proposed budget was based upon the equalized rate. She advised that the staff wanted to show that, pending any unknowns, the budget could be adopted at the equalized rate. Ms. Semmes reported that the budget included business personal property tax revenues and noted the need to talk to the Town Attorney about how to do that. She expressed appreciation to Councilmember Littleton, Delegate Gooditis and Senator Vogel, who got the Town's charter amendment approved so the Town could impose the business personal property tax as it had in the past. Ms. Semmes reported that the only thing left was for the Governor to sign the bill, as it had already passed both the Senate and the House.

Town Treasurer Bott advised that a salary adjustment of 3% was included in the proposed budget and noted that it was based upon what neighboring jurisdictions were proposing. She further noted that the CPI was 2.2% when she looked at it in January. Ms. Bott reported that the proposed budget kept the \$30,000 for charitable contributions in the General Fund. She advised that the staff did not know whether the Council wanted to do that again this year.

Vice Mayor Kirk suggested they be increased to \$40,000 this coming fiscal year.

Town Administrator Semmes reminded Council that it was a policy decision as to whether the Council wanted to make the contributions, at what level they wanted to do them and how they wanted to fund them.

Town Treasurer Bott reported that the Health Center Fund was conservative and reminded the Council that the rental revenues were based upon the current tenants. She advised that the budget unknowns included the Town's VMLIP insurance costs. Ms. Bott noted that the health insurance costs would increase by 4.2%. She reminded Council that the bank franchise tax was an unknown and advised that she should know more in a couple of weeks.

Councilmember Littleton noted that the franchise tax revenues were reduced. Town Treasurer Bott confirmed she reduced them, as she did not want them to be too inflated.

Councilmember Snyder noted that their business cards referred to the Middleburg Bank as a division of Access National Bank.

Town Treasurer Bott noted the timing of existing and potential capital projects. She advised that if the Council was ready to do so, it could make a decision on the real estate tax rate that should be advertised for public hearing. Ms. Bott noted that if they were not ready, the decision could wait until March 8th. She reminded Council that if they did not want to go with the equalized tax rate, they would have to hold a public hearing and noted that they could always advertise a higher rate but approve a lower one. She reiterated the need to discuss the imposition of the business personal property tax with the Town Attorney and suggested it may require a special advertisement.

Town Treasurer Bott advised Council that Leesburg and Loudoun County, as well as some other jurisdictions, were doing away with vehicle decals and noted that some of the Town's residents had asked about it. She reminded the members that in 2020, the consolidated billing would be in place and explained that at that time the County would take over the billing for both personal property and real estate taxes. Ms. Bott advised that the County could add the vehicle decal fee to their personal property tax bills as a license charge. She noted that the County would not, however, issue decals. Ms. Bott suggested the Town could do away with the decal, could maintain the status quo for now until the County could charge the fee or could go to a permanent decal. She further suggested that if the Council opted for the permanent decal, the Town could bill for the stickers this year as usual and move to the permanent one the following year. Ms. Bott reminded Council that there was no way to force the payment without a decal as the Town did not charge personal property taxes on vehicles.

Vice Mayor Kirk inquired as to what would happen if the Town went to a permanent decal and the individual moved elsewhere, thinking it would be good there. Town Clerk North noted that the permanent sticker would only be valid in Middleburg.

Councilmember Littleton opined that the new locality would think the car was registered in Middleburg because of the decal. Town Administrator Semmes noted that this happened now when people moved into Middleburg.

Councilmember Littleton suggested there be an expiration date. Town Treasurer Bott confirmed there would not be under a permanent sticker.

Vice Mayor Kirk opined that there needed to be an expiration date. Councilmember Littleton noted that currently, all of the stickers had an expiration date so a police officer would know whether it was expired.

Town Treasurer Bott explained that if they were a new Town resident, they would have to get a Town sticker.

Vice Mayor Kirk questioned how the police would know this if they had a valid sticker. Town Clerk North explained that if the officers saw a vehicle parked in town for thirty days, they issued a citation for not having a Town sticker. She noted that this was what currently occurred.

Councilmember Snyder opined that this would always be an issue and noted that motorists had other stickers in town all the time.

Councilmember Miller suggested the staff provide the Council with a proposal on the options. He further suggested this be discussed separate from the budget.

Councilmember Leonard-Morgan inquired as to the rationale for Leesburg doing away with their vehicle sticker. Town Treasurer Bott advised that it had to do with its administration and explained that vehicle stickers were labor intensive.

Town Clerk North explained that years ago, in order to collect personal property taxes, towns imposed a vehicle sticker requirement, with the individual not being allowed to purchase them unless their personal property taxes were paid. She advised that as other tax collection tools came about, such as the State Tax Debt Set-Off Program, there became better ways to collect personal property taxes. Ms. North noted that Middleburg had done away with its personal property taxes; therefore, that tool was not needed. She acknowledged that it was a revenue source for the Town.

Town Treasurer Bott noted that the staff was recommending either going to a permanent sticker or no sticker, as the annual stickers were very labor intensive. Town Administrator Semmes reminded Council that the fee would be collected by the County in the future.

Councilmember Snyder suggested this issue be discussed outside of the budget.

Vice Mayor Kirk noted that the money in the Pink Box Fund would be depleted by the end of the next fiscal year. She questioned whether the Town would have to supplement it. Ms. Kirk further questioned whether the Town should hire someone to head the Pink Box, who could be aware of the expenditures. Ms. Kirk questioned whether this should be a new person or whether someone from the staff should be given this assignment.

Town Administrator Semmes reminded Council that the Pink Box was the Town's. She further reminded them that this function worked through the Economic Development Department and noted that Cindy Pearson used to oversee it. Ms. Semmes explained that their budget was for office supplies, the Internet, etc. which came through the staff. She reminded Council that there had been talk about the Pink Box's relation to the museum and advised that in the future, the two may wish to share a position.

Councilmember Littleton advised Council that the Museum Foundation had linked up with a funding group that helped non-profits raise money. He reported that they felt they could raise a \$1 million endowment in the next four to six months. Mr. Littleton reminded Council that the Foundation had the money to build the museum; however, it did not have the money to run it. He reported that their goal was that once they had the first \$500,000, they would start construction. Mr. Littleton opined that once construction was complete, they would have the full \$1 million. He noted that he and the Town Administrator had discussed hiring a full-time person to run the museum, with the Foundation giving the Town money to cover the salary. Mr. Littleton explained that this person would be a Town employee so they could participate in the Town's health insurance. He noted that in order for the Foundation to get health insurance for one person, it would cost \$2,000/month. Mr. Littleton advised that this plan was not set in stone. He opined that this position could manage an overall budget for both sides. Mr. Littleton suggested the person be hired two months before the museum was completed.

Town Treasurer Bott inquired as to whether the Council had any questions regarding the proposed budget. Vice Mayor Kirk noted that she did; however, she would wait until the next discussion to ask them.

Councilmember Snyder noted that he had a policy comment on the General Fund Administrative budget. He advised that he would like to strike the line item for health insurance for Town Council and suggested that if a member(s) wanted health insurance through the Town, they should pay the entire cost. Mr. Snyder opined that by subsidizing it, the Town was offering more to a councilmember than it was in compensation for the Mayor. He suggested this was bad policy and recommended the Town not bill taxpayers for members' health insurance. Mr. Snyder advised that he had no problem with the member being on the Town's insurance; however, he reiterated that the members should pay the full amount.

Town Administrator Semmes advised that this could not be done. She reminded Council that the Town did not have to have a policy allowing the members to be on the Town's insurance; however, if they were, they must be considered to be part-time employees and the Town must pay half of the premium cost.

Councilmember Snyder advised that, under that condition, he would like to remove the policy as he did not believe the taxpayers should help members pay for their health insurance.

Town Administrator Semmes noted that this was a policy decision of the Council.

Vice Mayor Kirk suggested the issue be tabled for discussion at the next meeting.

Town Administrator Semmes questioned whether the members had any questions the staff could research prior to the next meeting.

Vice Mayor Kirk noted that the revenues were not proposed to increase. She questioned why and opined that the Town would get more money in the coming year.

Town Administrator Semmes reminded Council that the current year's revenues were inflated by the amount of the County CIP grant for the sidewalk project. She advised that the staff was not looking to have any General Fund grant projects in the coming year.

Vice Mayor Kirk questioned whether the Town charged for false alarms and opined that it should.

Councilmember Leonard-Morgan noted that the Town Committee Support line item jumped from \$291 to \$30,500 in FY '18 and questioned why. Town Treasurer Bott explained that this included the amount the Town gave away as charitable contributions.

Vice Mayor Kirk noted the line item to pay the refuse collection company. She questioned whether they had indicated whether they wanted to continue to provide service to the Town. Town Administrator Semmes confirmed they did during their first meeting.

Vice Mayor Kirk questioned why the expenditures for the Liberty Street Restroom & Parking Lot were projected to increase by 200%. Town Administrator Semmes reported that the Town Planner prepared that budget. Town Treasurer Bott opined that it was because of the year-to-date expenses. She noted that they were even up in FY '17.

Councilmember Miller questioned whether the expenditures were related to the pulling of the parking meters from the lot. Town Administrator Semmes opined that it was the costs related to signage.

Councilmember Littleton noted that the signage was broken on the building and reported that new lettering was needed. He advised that they had not yet been replaced and were only removed, leaving holes in the walls.

Councilmember Leonard-Morgan noted the change to the Visit Loudoun contribution. Town Administrator Semmes advised that the Business & Economic Development Director included a memo that described the changes in his budget. She noted that he wanted to recommend major changes in direction to the Council.

Vice Mayor Kirk noted that she liked having the budget work sheets for the Economic Development and Police Department budgets.

Councilmember Snyder advised that he was pleased with the overall direction of the budget.

Town Administrator Semmes reminded Council that they did not have to make a decision by March 8 on the real estate tax rate; however, next year, the deadlines would be tighter.

Town Treasurer Bott advised that she asked about the timing with the County and found the real estate tax rate must be set by the second meeting in March. She further advised that they would like to have the personal property tax rate before the end of the prior year. Ms. Bott suggested this should not be an issue for the Town.

Councilmember Leonard-Morgan inquired as to the details of the stewardship fee repayment line item. Town Administrator Semmes advised that it was related to the Salamander open space easement. She explained that a land trust must manage that easement and advised that, in this case, it was the Potomac Conservancy. Ms. Semmes reported that they charged the Town an upfront fee of \$40,000, which Salamander advanced to the Town. She advised that the Town had since reimbursed them. Ms. Semmes noted that the Town Planner met with the representatives from the Conservancy to look at the easement annually.

Town Treasurer Bott reported that the revised draft General Fund Budget would be brought to the Council, along with the draft Utility Fund budget, in March.

Discussion – Employee Handbook Final Review

Town Clerk North advised that unless the Council had any questions about the language the staff proposed, there were only two items that needed discussion. She further advised that the first was related to the retiree health insurance benefit. Ms. North reminded the members that during their last discussion of this, they expressed an interest in providing a \$200/month benefit; however, the question was the point at which that would apply. She further reminded the members that they requested information related to cost and advised that it was included in the agenda packet. Ms. North reported that based upon the cost, the staff was recommending the \$200/month benefit apply to retirees who retired effective with the date of the adoption of the revised handbook, with past retirees continuing to receive whatever they received at the date of their retirement.

Vice Mayor Kirk inquired as to when the two most recent retirees retired. Town Treasurer Bott reported that one retired in August and the other in October of 2017.

Vice Mayor Kirk advised that she would like to include them, as they retired during the time the Council was working on this amendment.

Town Administrator Semmes noted that it was a policy decision for the Council. She advised that the staff could check with the Town Attorney to make sure this was allowed. Ms. Semmes opined that it was acceptable to pick a date when this would apply.

Town Clerk North advised that rather than inserting the date of adoption of the handbook, the date would be July 1, 2017.

Councilmember Leonard-Morgan opined that the number of retirees getting \$100/month was three. He further opined that the two in question were already getting \$100/month. Town Clerk North confirmed that one was; however, the other was not as he did not elect to continue with the Town's health insurance. She advised that it would cost the Town an extra \$300/month to apply the increased benefit to those two employees.

Vice Mayor Kirk opined that this would only occur if the one retiree elected to take the Town's health insurance.

Town Clerk North advised that it would not as the Council expressed an interest in allowing retirees to receive the \$200/month benefit regardless of whether they were on the Town's health insurance or not. She reiterated that the additional cost would be \$3,600 per year with an effective date of July 1, 2017.

Town Administrator Semmes reminded Council that the reason they wanted to make the benefit available regardless of whether the retiree stayed on the Town's health insurance was that when they stayed on it, it increased the risk of the pool. She opined that it was great to have the option; however, if retirees wanted to go on another plan, this should not be a deterrent.

Councilmember Snyder opined that the main purpose was to limit the Town's liability by having a fixed cost. Town Administrator Semmes advised that the staff's recommendation was to not offer a percentage, as some communities did. Councilmember Snyder noted that a fixed cost made it easier to manage the budget. Town Administrator Semmes noted that it also made the auditors happy.

Councilmember Snyder advised that he was fine with moving the date forward.

Councilmember Hazard noted that the Town had a small staff. He opined that, looking forward, the number could double; however, it would not be a large amount.

Vice Mayor Kirk inquired as to which retirees were on the Town's health insurance plan. The staff reported on the three members who were currently on the policy.

Councilmember Hazard questioned whether this only applied if the individual retired from the Town of Middleburg. Town Clerk North confirmed it did.

Councilmember Hazard opined that the Police Chief that was here for a year would not be eligible for this benefit. Town Administrator Semmes confirmed he would not, although he did retire from Middleburg. Town Clerk North advised that he would only be eligible if the Council set the effective date back so it would apply to all retirees; however, the staff was not recommending they do so.

Councilmember Littleton questioned whether it was the consensus of the Council that it would be a fixed stipend, with an effective date of July 1, 2017 or July 1, 2018. The Council agreed to go with an effective date of July 1, 2017.

Councilmember Littleton noted that this would remove the uncertainty of the cost in the future and would allow all retirees to be treated the same.

Councilmember Snyder noted that the amount of the stipend could be easily changed in the future.

Town Clerk North reported that the other issue was related to the conversion of annual leave to sick leave once an employee's balance exceeded 240 hours. She reminded Council that Chief Panebianco had suggested that after reaching the 240 hour level, any excess be converted to sick leave and that the employee accrue their annual leave in the form of sick leave until their annual leave balance fell below 240 hours. Ms. North advised that the Town Treasurer checked with the financial software vendor and determined that the system could handle the transfer of leave from annual to sick leave; however, for each payroll after that, the system could not automatically change the annual leave to sick leave, meaning the Town Treasurer would have to manually do so for the employee(s) until his/her annual leave balance fell below 240 hours. She reported that the staff was recommending this just be addressed once a year, with any leave over the 240 hours being transferred to sick leave. Ms. North reiterated that this would mean this would only be addressed once a year.

Councilmember Snyder advised that he would like to see something in the language that required the leave to be authorized. He suggested that someone could take thirty days' vacation and opined that the staff was talking about people who were getting hurt on the job. Town Clerk North explained that the staff was only talking about annual leave. Town Administrator Semmes reminded Council that any leave must be authorized before it could be taken.

Vice Mayor Kirk noted that with the federal government, the employees could only carryover a maximum of 240 hours and if they did not use it, they lost it. She opined that this was what the Town had offered in the past. Ms. Kirk advised that the Town encouraged the employees to take their leave.

Town Clerk North explained that currently, the policy provided that the employee would be paid for any annual leave above the 240 hours. She reported that the staff was recommending this not continue as it was essentially an unbudgeted item. Ms. North reminded Council that when they discussed Chapter 4, Chief Panebianco suggested the transfer of any excess and that the continued accrual be in the form of sick leave, to which the Council agreed. She advised that as the staff moved forward with that, it realized there were some issues.

Vice Mayor Kirk opined that this mostly affected the Police Department. Town Clerk North advised that it affected all of the employees. Town Administrator Semmes advised that it hit the staff the hardest as they accrued comp time that must be used before their vacation time. She noted that this resulted in the vacation time adding up.

Vice Mayor Kirk opined that the employees were paid for their sick leave in the end. Town Clerk North reminded Council that if an employee retired from the Town, they were paid for 25% of their sick leave balance; however, if they left for other reasons, they received nothing. She reiterated that the employee must retire from the Town in order to be paid for a portion of their sick leave.

Councilmember Littleton summarized that at 240 hours, any annual leave would stop accruing as annual leave and would become sick time and that the staff wanted to do the accrual once a year.

Town Clerk North explained that as written, once an employee reached a balance of 240 hours of annual leave, they would stop accruing annual leave but would instead accrue the time in the form of sick leave. She further explained that the financial software would not support that policy; therefore, the staff did not want to handle it in that manner. Ms. North advised that the staff was recommending the Town Treasurer look at each employee's balance at the end of the fiscal year and that if anyone had more than 240 hours, the amount of the overage be transferred to sick leave.

Councilmember Littleton opined that the staff was recommending the same policy.

Town Clerk North explained that the staff was recommending the elimination of the requirement that thereafter, the accrual of leave be in the form of sick leave as opposed to annual leave.

Councilmember Littleton inquired as to the limit on the accrual of sick leave. Town Clerk North confirmed there was no limit on the accrual of sick leave. Vice Mayor Kirk noted that if an employee retired, they would be paid for 25% of their sick leave. She advised that this would mean an employee could accrue sick leave faster, which was both good and bad.

Town Clerk North explained that the recommended change was related to the accrual of sick leave instead of annual leave. She advised that as recommended, an employee would continue to accrue vacation time. Ms. North explained that what this meant was that in August, an employee's annual leave balance could again exceed 240 hours and would stay above 240, unless the employee used it, until the Town Treasurer again transferred the leave on June 30th. She reiterated that it would only be addressed once a year as opposed to being addressed throughout the entire year.

Councilmember Littleton noted that the staff was talking about the administration of the policy; however, he opined that Vice Mayor Kirk and Councilmember Leonard-Morgan raised an important policy question. He questioned whether the Council wanted to incentivize the employees to not take their annual vacation. Councilmember Miller opined that it did not.

Councilmember Snyder advised that the industry standard was to use-it-or-lose-it. Councilmember Littleton agreed and noted that it was good for the employees' health to take their vacation time. Town Clerk North agreed and noted that that was the policy she was used to working under. She advised that it forced the employee to manage his/her vacation time so they did not lose it.

Councilmember Hazard inquired as to the amount of comp time that was being discussed. Town Administrator Semmes noted that employees accrued vacation time at different amounts, depending on how long they had been employed with the Town. She reminded Council that the staff also accrued comp time and advised that it was on an hour-for-hour basis based on required meeting attendance. Town Treasurer Bott reported that currently, the maximum amount of comp time that could be acquired was 20 hours per pay period. She advised that under the proposed policy, it was forty hours. Town Administrator Semmes explained that currently, an employee could accrue up to twenty hours of comp time per month but they must use it within sixty days of accrual.

Vice Mayor Kirk questioned whether the employee lost the comp time if it was not used within the sixty days. She further questioned whether the employees were using the comp time as opposed to their vacation time.

Town Treasurer Bott confirmed they were using their comp time. Town Administrator Semmes reiterated that they were using their comp time as opposed to their vacation time. She noted that this was difficult as the Town had a small staff.

Vice Mayor Kirk noted that in the past, the Town had a staff member who preferred to get the payout. She explained that this was the reason a change was recommended to this policy. Ms. Kirk reiterated that there had been instances in which staff members sold their annual leave back to the Town because they needed the money. She further reiterated that this would be eliminated. Ms. Kirk advised that the proposed change was that at the end of the fiscal year, the Town Treasurer would transfer any amount over 240 hours of annual leave to sick leave. She questioned whether this was acceptable to the Council.

Councilmember Leonard-Morgan opined that to not take vacation for an employee's health was insane. Town Administrator Semmes noted that the staff did take time; however, the problem was that it was difficult to take vacation time due to the accrual of comp time.

Councilmember Snyder suggested the Council consider placing a cap on the amount of vacation time that could be rolled over into sick leave. He noted that this would encourage the employee to take vacation time in order to refresh themselves. Vice Mayor Kirk agreed.

Councilmember Leonard-Morgan suggested the need to explain why this was being done and noted that it was not because the Town was being cheap. He opined that the employees worked very hard.

Councilmember Snyder inquired as to the amount of annual leave that the Council was talking about on an annual basis. Vice Mayor Kirk noted the need for numbers. Town Administrator Semmes advised that the staff would have to go back and compute the number.

Councilmember Snyder suggested the employee not be allowed to roll over more than half of their annual leave into sick leave. Vice Mayor Kirk noted that the Council was only talking about rolling over the amount above 240 hours.

Councilmember Snyder acknowledged that and suggested the amount be capped at up to half of their annual leave. He noted that he was talking about the number of hours.

Vice Mayor Kirk reiterated that the Council was only talking about the hours that were above 240 hours of annual leave. She noted that if one employee only had 100 hours of annual leave, that employee would not roll over anything; however, if another employee had 340 hours, she would roll over 100 hours of annual leave into sick leave.

Councilmember Snyder suggested that if an employee accrued 200 hours per year, she could only roll over 100 hours of it.

Councilmember Littleton questioned whether this would be in addition to the 240 hour balance.

Vice Mayor Kirk opined that the employee could only accrue 240 hours per year.

Town Clerk North advised that, unless otherwise specified in an employee's employment contract, the most an individual could accrue was 20 days of annual leave per year, or 160 hours. She reminded Council that this was the top tier of the annual leave schedule.

Councilmember Hazard questioned how an employee could accrue 240 hours. Town Clerk North explained that 240 was the cap on the amount of the annual leave balance that an employee could have.

Councilmember Hazard reiterated his question as to how an employee reached 240 hours of annual leave if they only accrued 160 hours per year. Town Clerk North explained that this occurred when the employee did not use all of the annual leave that they earned each year.

Vice Mayor Kirk noted that governments tended to encourage newly hired employees to not take vacation for the first three or four years, which meant they would build it up.

Councilmember Daly noted that in the military there was no PTO or sick leave, with the service member only getting 30 days per year. He advised that when a member retired, they were allowed to get payment for up to 60 days. Mr. Daly noted that it was only 60 days regardless of how much more they had.

Vice Mayor Kirk advised that in civilian government, the amount was generally 240 hours.

Councilmember Snyder reiterated that he was talking about capping the amount of excess vacation time that could be rolled over into sick leave.

Councilmember Hazard questioned whether the Council was suggesting the maximum amount be 80 hours, which would be half of the 160 hours that could be earned a year.

Councilmember Snyder advised that he would prefer it only be a quarter of the amount earned annually.

Councilmember Littleton questioned whether this would continue to be a liability for the Town even if it was transferred to sick leave. Town Treasurer Bott confirmed it would and noted that it was accounted for in the annual audit. She reminded Council that the employee was only paid for 25% of the balance and only if they retired from the Town. Ms. Bott noted that the staff always assumed that everyone would retire.

Councilmember Snyder suggested the maximum amount be forty hours, which was the equivalent of one week's vacation time per year. The remainder of Council agreed.

Town Clerk North advised Council that these were the only questions she had. She reported that unless the Council had questions, the handbook would be placed on the March 8th agenda for adoption.

Vice Mayor Kirk advised that she was happy this project was complete.

Committee Reports

Councilmember Daly reminded Council of the meeting regarding the intersection of Zulla Road and Route 50. He advised that it was attended by Senator Vogel, Chief Panebianco, Councilmember Littleton, himself and DeeDee Hubbard. Mr. Daly thanked Ms. Hubbard for coordinating the meeting and allowing for the use of her home. He reported that Senator Vogel had spoken with VDOT concerning the safety issues at this intersection. Mr. Daly advised Council that the recommended solutions included improved signage, the placement of rumble strips on the road and the removal of the confusing visual signals that could cause a motorist to make a left turn into Ms. Hubbard's driveway in the face of oncoming traffic. He displayed a photograph of a truck that turned at the wrong location into oncoming traffic within a week of the

meeting. Mr. Daly noted that the Police Department had to stop traffic to get the truck going in the correct direction. He reported that VDOT stated that it would take on the task of improving safety at the intersection, although they have not provided a timeline for doing so. Mr. Daly advised that they would continue to monitor their progress. He noted that the driver of the truck was using GPS that told him to turn left at that location. Mr. Daly advised that the visual signals also indicated this was the place to turn left. He suggested the need for improved signage and the removal of the wall that appeared to be a person's driveway.

Ms. Hubbard reported that the driver was very upset when he saw cars coming at him.

Councilmember Snyder reported that the Utility Committee met earlier in the week and was working on Well 4. He reminded Council that the plant still had the original design flaw and advised that the Committee was working with the Town Engineer to remedy it. Mr. Snyder reported that they developed a short- and a long-term solution. He explained that the long-term solution involved adding a clear well and the short-term one was a combination of elbow grease and programing changes in the PLC.

Vice Mayor Kirk inquired as to which was better. Councilmember Snyder advised that the short-term solution was relatively expensive. He further advised that the long-term one would cost a couple hundred thousand dollars. Town Administrator Semmes reported that it would cost over \$350,000.

Councilmember Snyder advised that it was necessary and explained that it would get the plant more in line with the Stonewall plant, which was designed correctly. He reminded Council that the design flaw went back to before the tenure of any of the members of Council and advised that the previous Council cut nickels when designing the plant, including on items that were needed.

Councilmember Leonard-Morgan reported that Go Green's HEAL Expo would be held on March 24th at the Community Center. He noted that a 5K would be held at the same time. Mr. Leonard-Morgan reported that Go Green would hold a Spring Town Clean-Up on April 14th and a battery collection on April 28th, in conjunction with the drug take back program.

Councilmember Leonard-Morgan advised that there was no update on the cigarette holders. He noted that the sample one disappeared. Mr. Leonard-Morgan advised that Go Green talked about finding out whether there was a location where they could do a dry run. Town Administrator Semmes agreed to check on the sample cigarette holder.

Councilmember Leonard-Morgan reminded Council that the HDRC wanted them to be the same color as the trash can; however, Go Green wanted them to be a contrasting color.

Vice Mayor Kirk opined that they were hard to see.

Closed Session – Appointments to the Middleburg Arts Council, Disposition of Public Property & Assignments of Certain Town Employees

Councilmember Miller moved, seconded by Councilmember Littleton, that Council go into closed session as allowed under the Virginia Freedom of Information Act Sections 2.2-3711(A)(1) and (3) pertaining to the discussion, consideration or interviews of prospective candidates for employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees and employees of the public body and the disposition of publicly held property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body. Councilmember Miller further moved, seconded by Councilmember Littleton, that these matters be limited to (1) appointments to

the Middleburg Arts Council; (2) the disposition of public property for economic development purposes; and (3) the assignments of certain Town employees. Councilmember Miller further moved, seconded by Councilmember Littleton, that in addition to the Council, the following individuals be present during the closed session: Martha Mason Semmes, Rhonda North and Jamie Gaucher for the first part; and, Martha Mason Semmes and Jamie Gaucher for the second part. Councilmember Miller further moved, seconded by Councilmember Littleton, that the Council thereafter reconvene in open session for action as appropriate.

Vote: Yes – Councilmembers Kirk, Daly, Hazard, Leonard-Morgan, Littleton, Miller and Snyder
No – N/A
Abstain: N/A
Absent: Mayor Davis

Vice Mayor Kirk 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 the members so did. She reminded those present for the closed session that any discussion that occurred within it should be treated as confidential.

Councilmember Snyder moved, seconded by Councilmember Daly, that Council reaffirm Maribe Chandler-Gardiner’s appointment to the Middleburg Arts Council to a term expiring June 14, 2018. Councilmember Snyder further moved, seconded by Councilmember Daly, that Council appoint Goksin Carey to the Middleburg Arts Council for a two-year term, said term to expire June 14, 2020. Councilmember Snyder further moved, seconded by Councilmember Daly, that Council appoint Jennifer Long to the Middleburg Arts Council for a one-year term, said term to expire June 14, 2019.

Vote: Yes – Councilmembers Kirk, Daly, Hazard, Leonard-Morgan, Littleton, Miller and Snyder
No – N/A
Abstain: N/A
Absent: Mayor Davis

There being no further business, Vice Mayor Kirk declared the meeting adjourned at 7:52 p.m.

APPROVED:

Darlene Kirk, VICE MAYOR

ATTEST:

Rhonda S. North, MMC, Town Clerk