

## Information for Further Discussion of Ordinance to Increase Input from Parties Responsible for Potential Future Debt Repayment

During the September 2024 Town Council meeting, an initial discussion occurred regarding using an ordinance to increase the opportunity for “residents” (or more accurately those who will shoulder debt repayments) to provide input to the Council prior to taking on Town debt.

The goal is to develop additional requirements to provide the opportunity for “residents” to share their thoughts on any proposed Town debt. Anything stated in the ordinance would need to occur before the Council started the process to vote on debt. It may be best to occur after the Council has decided on a path forward for a specific project and has firm costs in hand.

The ordinance has the following “variables” that should be discussed further:

1. The threshold at which the ordinance is “triggered.” The Commonwealth requires a referendum if the proposed debt is 10% of the prior year’s property value (from the “Landbook”). The proposal included 3% as a starting point. See the next page for additional information on potential thresholds.
2. The number of additional public hearings or public meetings that need to be held. The proposal suggested 1 public hearing and 1 public meeting. Please note, the public meeting is actually a “town hall.”
  - a. A town hall is described as “The term ‘town hall’ encompasses any type of interactive and participatory meeting the council may have with its citizens. Often these meetings can be run in “charettes” style with free dialogue, perhaps “sticky dot” informal voting, instant feedback electronic polling, and other participatory techniques. Meetings like this can effectively engage the public in such topics as strategic planning and goal setting, or in determining budget priorities. They usually occur at a school or library, rather than in the council’s chamber, and may be moved around the jurisdiction from neighborhood to neighborhood. Council voting on issues rarely occurs at town hall meetings, but they can be a refreshing and effective alternative to the courtroom setting and formal procedures typically experienced in a council meeting room.” (*Handbook for Virginia Mayors & Council Members, 7<sup>th</sup> edition, August 2021*; [https://www.vml.org/wp-content/uploads/pdf/21Handbook\\_FINALweb9-1-21.pdf](https://www.vml.org/wp-content/uploads/pdf/21Handbook_FINALweb9-1-21.pdf), p. 25)
3. The number of business days between public hearings and/or public meetings. The proposal suggested 10 business days between the public hearing and the public meeting. The goal here is to allow Council and Staff time to address concerns and comments shared during the public hearing prior to the town hall.
4. An indication at the end of the final meeting of “resident” support for the debt. The proposal suggested a non-binding show of hands.

Some possible thresholds

|   |  | FY 2024-2025      | FY 2024-2025      | FY 2023-2024                               | FY 2022-2023 | FY 2021-2022 | FY 2020 - 2021 |
|---|--|-------------------|-------------------|--|--------------|--------------|----------------|
| <b>Previous year landbook value (land + building)</b> |  | \$ 290,236,300.00 | \$ 211,998,900.00 | Unable to locate previous landbook numbers |              |              |                |
|   |  |                   |                   |  |              |              |                |
| <b>State threshold - 10%</b>                          |  | \$ 29,023,630.00  | \$ 21,199,890.00  |  |              |              |                |
| 3%  |  | \$ 8,707,089.00   | \$ 6,359,967.00   |  |              |              |                |
| 2%  |  | \$ 5,804,726.00   | \$ 4,239,978.00   |  |              |              |                |
| 1%  |  | \$ 2,902,363.00   | \$ 2,119,989.00   |  |              |              |                |
| 0.5%  |  | \$ 1,451,181.50   | \$ 1,059,994.50   |  |              |              |                |
| 0.17%   |  | \$ 493,401.71     | \$ 360,398.13     |  |              |              |                |

|  |  |  |               |               |              |              |               |
|--|--|--|---------------|---------------|--------------|--------------|---------------|
| <b>Current year Operating Budget + Tourism and Community Support</b> |  |  | \$ 443,436.36 | \$ 360,500.00 | \$338,670.00 | \$311,538.00 | \$ 290,431.00 |
| 3%   |  |  | \$ 13,303.09  | \$ 10,815.00  | \$ 10,160.10 | \$ 9,346.14  | \$ 8,712.93   |
| 2%   |  |  | \$ 8,868.73   | \$ 7,210.00   | \$ 6,773.40  | \$ 6,230.76  | \$ 5,808.62   |
| 1%   |  |  | \$ 4,434.36   | \$ 3,605.00   | \$ 3,386.70  | \$ 3,115.38  | \$ 2,904.31   |
| 0.5%   |  |  | \$ 2,217.18   | \$ 1,802.50   | \$ 1,693.35  | \$ 1,557.69  | \$ 1,452.16   |
| 0.17%  |  |  | \$ 753.84     | \$ 612.85     | \$ 575.74    | \$ 529.61    | \$ 493.73     |

|   |  |  |               |                 |  |  |  |
|---|--|--|---------------|-----------------|--|--|--|
| <b>Current year Full budget (inc capital budget for the year)</b> |  |  | \$ 964,436.36 | \$ 1,040,500.00 | Unable to find the approved capital budget |  |  |
| 3%  |  |  | \$ 28,933.09  | \$ 31,215.00    |  |  |  |
| 2%  |  |  | \$ 19,288.73  | \$ 20,810.00    |  |  |  |
| 1%  |  |  | \$ 9,644.36   | \$ 10,405.00    |  |  |  |
| 0.5%  |  |  | \$ 4,822.18   | \$ 5,202.50     |  |  |  |
| 0.17%   |  |  | \$ 1,639.54   | \$ 1,768.85     |  |  |  |