

Stoneville Town Council
Special Meeting Minutes – Budget Presentation
May 15, 2025
6:00 PM – Council Chambers

Special Meeting – Budget Presentation

Present were Mayor Kathy Stanley-Galvan, Council members Curt Bennett, Henry Thornton, Johnny Farmer, Lee Shelton, and Daisy Smith. Also present were Town Administrator Michael Sands, Finance Officer Shannon Tucker, Town Clerk Deleia Hutcherson, Police Chief Rebecca Dixon, Public Works Director Byron Curry, Fire Chief Joel Freeman, and Town Attorney Eugene Russell.

Welcome: Mayor Galvan welcomed everyone and called the meeting to order at 6:00 p.m.

Councilman Thornton made a motion to approve the meeting agenda for May 15, 2025. Councilman Shelton seconded. Motion carried unanimously.

Mayor Galvan turned the meeting over to Town Administrator, Michael Sands. Mr. Sands stated the primary purpose of the meeting was to present and discuss the proposed Fiscal Year 2025-2026 Budget, and address policy and contract considerations related to grant compliance and municipal operations.

Agenda Items:

Appoint James Michael Sands as Budget Officer – Councilman Thornton made a motion to appoint James Michael Sands as the Budget Officer. Councilman Shelton seconded. Motion carried unanimously.

Consideration of Resolutions:

- a. R-2025-07 Adopt Uniform Guidance Property Management Policy (ARP)
- b. R-2025-08 Adopt Program Income Earned from Expenditure Policy (ARP)
- c. R-2025-09 Adopt Eligibility Determination/Use Policy (ARP)
- d. R-2025-10 Adopt Nondiscrimination Policy (ARP)
- e. R-2025-11 Adopt Allowable Costs and Cost Principles for Expenditures (ARP)

Mr. Sands stated the resolutions were required to update language and ensure compliance with grant-related documentation. Councilman Shelton made a motion to approve Resolutions R-2025-07 through R-2025-11 as presented by staff. Councilwoman Smith seconded. Motion carried unanimously. Copies incorporated into minutes.

Consideration of Policies:

- a. Risk Assessment and Internal Control Policy
- b. Preaudit Policy
- c. Internal Purchasing Policy
- d. Disbursement Policy
- e. Record Retention Policy (ARP)

Mr. Sands stated the policies presented have been updated and revised with proper language.

Councilman Farmer made a motion to approve all policies (a through e) as presented by staff. Councilwoman Smith seconded. Motion carried unanimously. Copies incorporated into minutes.

Consideration of Quote from KEB Services, Inc. in the amount of \$8,074.77 for audio and video equipment to livestream monthly Council meetings – Mr. Sands confirmed the upgrades would be funded by the PEG (Public, Educational, and Government Access Grant and installation is expected to be completed by July 1, 2025. Councilman Farmer made a motion to approve the quote from KEB Services, Inc. in the amount of \$8,074.77 to upgrade the Council Chambers. Councilman Thornton seconded. Motion carried unanimously. Copies incorporated into minutes.

Consideration of contract with Dexter Media to record and livestream monthly Council meetings - Mr. Sands requested approval to contract with Dexter Media at a cost of \$3,000.00 annually to manage the audio and video equipment as well as manage the live stream uploads of the meetings. He will also submit the files to the county for uploading on the Peg Channel. This will be funded from the PEG Grant. Councilman Shelton made a motion to approve the contract with Dexter Media in the amount of \$3,000.00. Councilman Farmer seconded. Motion carried unanimously. Copy incorporated into minutes.

Presentation of Proposed Budget for Fiscal Year 2025-2026 - Mr. Sands provided the following highlights:

- \$250,000 from General Fund allocated to pavement study related projects
- Updated cost-of-living adjustment (COLA) to 3%
- Adjusted department salary schedules

There was discussion to clarify the per-call pay rate for the Fire Department. It was the consensus of the Council to have a flat rate of \$20.00 per call, regardless of the emergency type. Councilman Farmer made a motion to approve a rate of \$20.00 per call. Councilwoman Smith seconded. Motion carried unanimously.

Council Comments and Requests:

- There was discussion over tracking and reporting of fund balance and interest. The Council requested clarification on fund balance classification (unrestricted and designated) and better transparency. They emphasized separating and tracking fund balances, including interest earnings. Staff agreed to consult the auditor for best practices.
- A request was made to provide monthly personnel reports reflecting any salary changes including raises, COLA, or any other adjustments.
- A discussion was held about exempt vs non-exempt employees and FLSA compliance. A request was made to adjust Recreation Director pay to hourly wage.
- Request was made for date to be provided on all reports that are provided to Council.
- Council commented on the Code Enforcement line item and suggested that since the services are contracted, this should be shown as contracted services versus salaries.

Staffing Updates:

- Police Department - nearing full staff capacity; final interview pending
- Fire Department - no full-time employees; only paid per call
- Public Works - part-time labor position included in the proposed budget

Water and Sewer Rates:

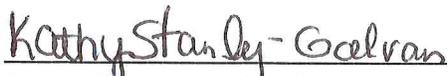
- 2025 budget includes a 25% water rate increase (year 1 of 5-year recommendation). The original consultant proposal was a 55% increase in year 1.
- Citizens raised concerns about compounding rate hikes and the Council clarified that only one year is being approved and the rates will be reviewed and considered on an annual basis.
- Staff emphasized goal of achieving a sustainable enterprise fund. The LGC (Local Government Commission) also recommended an increase. Staff confirmed that fund balance transfers have been used the last two years to address water and sewer shortfalls.

Staff informed the Council that quotes were still pending from private insurance brokers for employee benefits (health, dental, vision, etc.)

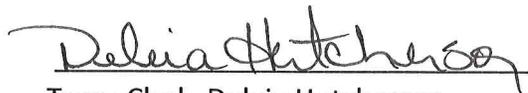
Mayor Galvan thanked everyone for coming out and announced the Public Hearing scheduled for June 3, 2025 for the 2025-2026 Budget.

Motion to adjourn made by Councilman Thornton. Councilwoman Smith seconded. Motion carried unanimously.

Meeting adjourned at 7:02 p.m.



Mayor, Kathy Stanley-Galvan



Town Clerk, Deleia Hutcherson

