

**Stoneville Town Council
Special Meeting Minutes
2026 Annual Budget Retreat
March 14, 2026
9:00 AM - Council Chambers**

Special Meeting

Members Present: Mayor Kathy Stanley-Galvan and Council members Jessica Smith, Henry Thornton, Curt Bennett, and Lee Shelton. Councilwoman Daisy Smith was absent (excused). Staff Present: Town Administrator Michael Sands, Finance Officer Mary Ann Greer, Town Clerk Deleia Hutcherson, Fire Chief Joel Freeman, and Police Chief Rebecca Dixon. Public Works Director Byron Curry was absent (excused)

Welcome: Mayor Galvan welcomed the assembly and called the meeting to order at 9:00am

Agenda: Councilman Thornton made a motion to approve the March 14, 2026 agenda. Councilwoman Jessica Smith seconded. Motion carried unanimously.

Department Budget Requests for 2026/2027

Public Works – Public Works Director, Byron Curry was unable to attend. Town Administrator Michael Sands presented on his behalf. The proposed budget maintains three full-time employees and includes projected cost-of-living and merit-based increases.

Discussion included increases in recycling costs tied to CPI (Consumer Price Index) adjustments. A capital allocation of approximately \$250,000 from fund balance was proposed for Phase 2 of the Town’s street paving program. Council discussed the possibility of scaling back this allocation and redirecting funds toward smaller paving projects and prioritized sidewalk repairs.

The proposed budget also includes funding for the purchase of a salt spreader and a snowplow to improve the Town’s preparedness for winter weather events.

Action items for next budget session include:

- Refine paving strategy and evaluate alternative funding levels.
- Develop prioritized sidewalk repair plan.
- Review leaf collection service dates for potential schedule adjustments.
- Consider creation of a contract labor line item for transparency.

Water

The proposed budget maintains one full-time position, 1 part-time position and proposes a new full-time billing clerk.

Discussion focused on anticipated water rate increases by the Town of Mayodan, estimated at approximately 20%. Mr. Sands informed the Council that Mayodan will not be able to provide

the actual rates until their audit review is approved. The rates are expected prior to the next budget session. Council acknowledged that local rate adjustments may be necessary to maintain fund balance requirements and ensure operational sustainability.

Operational increases were noted in utilities, internet services, and online payment processing. A capital request for a portable generator to ensure continuity of service at booster stations and other locations during power outages was also discussed, with consideration given to purchase versus rental options.

Action items for next budget session include:

- Monitor wholesale water rate adjustments and evaluate local rate impacts.
- Assess generator acquisition options.

Waste Water System

The Wastewater Fund budget was reviewed with projected increases aligned with water rate adjustments. Council discussed reduced capital outlay due to prior purchases and the need for continued investment in infrastructure maintenance.

A request for an additional staff position was discussed, along with increased costs for alarm monitoring and system maintenance. Council also reviewed the importance of establishing capital reserves for future lift station rehabilitation and separating on-call compensation into its own line item for improved transparency.

Action items for next budget session include:

- Evaluate staffing needs for wastewater operations.
- Continue building capital reserves for infrastructure improvements.

Public Buildings

Mr. Sands reviewed the Public Buildings budget, noting relatively stable operating costs with minor increases related to fuel and maintenance. The increase is primarily due to the addition of the new Public Works building. Capital projects funded in prior years were not carried forward, with ongoing improvements being managed annually.

Remaining grant-funded improvements to a Town-owned building were discussed, with direction to complete the project and close out associated accounts.

Police Department

Chief Rebecca Dixon engaged in a detailed discussion with the Council that focused on rising operational costs, compliance requirements, and long-term sustainability. She outlined increases in technology, communications, and software systems necessary to meet state and federal reporting requirements. A key topic of discussion was the implementation of an Early Warning System, required under recent legislation, to monitor officer activity and ensure accountability.

Chief Dixon presented the following requests for the upcoming budget year:

- Early Warning System
- New Full-Time Patrol Officer Position
- 2 New Vehicles
- Additional Equipment - handguns, ammo, half transport cages, flashlights, taser cartridges, scales, magazines, outside dog kennel with doghouse, ballistic vests, radar, and traffic equipment

Action items for next budget session include:

- Evaluate proposed increase in salaries line item.
- Review capital outlay strategy for vehicle replacement and other equipment.
- Monitor grant funding opportunities and requirements

Fire Department

Chief Joel Freeman presented his budget requests. The Fire Department budget prompted extensive discussion due to operational demands and significant capital needs.

The Fire Chief requested an increase in volunteer compensation from \$20 to \$25 per call to enhance recruitment and retention efforts in response to rising call volume. Council discussed the importance of maintaining strong volunteer participation. He also proposed increasing the tiered pay rate for part-time employees and introducing 12-hour shifts, seven days a week, to improve coverage during periods of high call volume. The Chief noted that the 12-hour shifts may overlap with existing 8-hour shifts and stated that he is continuing to evaluate scheduling options to determine the most effective approach.

A major focus was the anticipated replacement of a 26-year-old fire truck, with estimated costs nearing \$1 million. Council emphasized the importance of long-term capital planning and discussed establishing a reserve strategy to prepare for this expense. Grant opportunities and associated matching fund requirements were also reviewed.

Action items for next budget session include:

- Evaluate proposed increase in volunteer and part-time compensation.
- Develop capital reserve strategy for apparatus replacement.
- Monitor grant funding opportunities and requirements.

Parks & Recreation

Town Administrator Michael Sands presented the proposed budget items for review. The Council noted a significant increase in proposed expenditures compared to prior years. Members expressed concern regarding the sustainability of the requested funding levels and emphasized the need for prioritization. Mr. Sands explained that the notable increases in the proposed Parks and Recreation budget are primarily attributed to the transition from a part-time position to a full-time Director, including the associated salary and benefits.

He further noted that additional increases are related to park maintenance needs resulting from recent and planned renovations to equipment and facilities. Other proposed expenditures include funding for a potential July 4th celebration and events commemorating the Town of Stoneville's 150th anniversary.

Discussion included the potential for generating revenue through Town-hosted events, tournaments, and expanded programming. Council supported further exploration of these opportunities while ensuring compliance with applicable regulations.

The importance of maintaining existing facilities and focusing on core services was emphasized, with direction to prioritize maintenance before expanding programming.

Action items for next budget session include:

- Refine Parks and Recreation budget to align with available funding.
- Evaluate feasibility of revenue-generating programs and events.
- Prioritize maintenance of existing facilities.

Governing Board

Mr. Sands explained that the proposed budget expenditures are generally consistent with the current budget, and no significant changes of concern. There was discussion on the election related expense that will not impact the budget until the 2027/2028 fiscal year. Also, a proposed increase to the PEGG Grant expense was discussed, with clarification that these costs are offset by corresponding revenues.

Action items for next budget session include:

- Adjust election-related expense for the upcoming budget year.
- Review PEGG Grant expenditures as well as grant programming for this item.

Administration

The Administration budget was reviewed with a focus on staffing structure, cost allocation, and operational efficiency. A key adjustment includes consolidating administrative staff costs entirely within the Administration budget to improve transparency and consistency. Currently, the Town Clerk's position is allocated between Administration and Water/Sewer due to utility billing responsibilities. The proposed budget establishes a dedicated full-time Water/Sewer billing position.

Council emphasized the importance of maintaining strong administrative support while continuing to identify efficiencies.

Action items for next budget session include:

- Continue monitoring overtime and operational efficiency.
- Evaluate professional service contracts for cost effectiveness.

General Budget and Operational Discussion

Council discussed broader financial considerations, including:

- Improving transparency in contract labor tracking.
- Monitoring fuel usage and identifying cost-saving opportunities.
- Maintaining long-term sustainability of enterprise funds through rate planning and reserve development.


Staff was directed to incorporate Council feedback and return with updated budget proposals for further consideration at the next budget work session scheduled for April 14th at 6:00 p.m.

Councilman Lee Shelton excused himself from the meeting at 11:08 a.m.

Mayor Galvan announced the next budget work session scheduled for April 14, 2026, at 6:00 p.m.

Motion to adjourn made by Councilman Bennett. Councilman Thornton seconded. Motion carried unanimously.

Adjourned at 12:03 p.m.



Mayor, Kathy Stanley-Galvan



Town Clerk, Deleia Hutcherson

