

Town Council Work Meeting
June 11, 2025
FINAL Minutes

Council

Jean Krause
Mistie Baird
Paul Luwe
Valerie Wenz
April McKeon-Zoom

Attendance

Krystal Percival
Becky Galvez
Kent Peterson

Online

Thomas Iphone
Marianne
Monica Bowcutt
Charles Matsler

REGULAR MEETING: 6:07pm

A. CALL TO ORDER Jean Krause

DISCUSSION ITEMS:

A. NON-ACTION ITEMS / NO VOTE

1. Budget FY 2025-2026

Budget and Capital Improvement Review

The Town Council reviewed the budget and the 5-year Capital Improvement Plan (CIP). Updates to the June 11th budget were discussed, including maintenance figures for streets and roads. The Council reviewed various Capital Improvement requests, including road repairs, cemetery maintenance, and dark sky lighting initiatives. They noted that some items, such as Town Park public restrooms and lighting upgrades (including a town-wide lighting audit), were pending further study or pricing.

The Council also highlighted the need for a stormwater plan before proceeding with certain projects.

Pavement Management Plan Review

Councilmember April McKeon expressed concerns regarding the current pavement management plan, noting that chip sealing is not an effective solution for roads in poor condition. She suggested the need to reassess the plan.

The Council emphasized the importance of prioritizing roads based on age and condition, noting that older, more deteriorated roads should be addressed before newer ones. They also discussed the budget implications of the pavement management plan, acknowledging that adding the recommended projects would exceed the current budget.

April McKeon stated she planned to discuss her concerns with Rod Mills (the Town Engineer), the individual responsible for managing the pavement plan.

Town Budget Deficit and Projects

The Council discussed budget constraints, noting a \$500,000 deficit between projected revenues and expenditures, with \$2.1 million in expenditures compared to \$1.1 million in revenue.

The Council determined that, due to limited available revenue, no new General Fund Capital Improvement projects can be funded at this time. However, projects funded by impact fees, such as park and water-related initiatives, may proceed.

The Town agreed to consult with Rod Mills regarding the specific allocation of funds for water line replacements, noting that these projects would require a combination of general funds and impact fee financing.

Town Revenue and Budget Planning

Councilmember April McKeon and the Council discussed the Town's revenue and budgeting practices. The Council explained that they are taking a conservative approach to income, following the recommendation of the Town's CPA, Candus, to increase revenue projections by only 10%. They noted that the Town is currently on track to reach \$1 million in revenue for the first section of the budget.

April McKeon inquired about the Town's 5-year Capital Improvements plan. The Council clarified that the budget could be amended during the year to accommodate additional spending on specific projects if extra revenue becomes available.

The Council also shared a calculation of the Town's impact fee revenue from 2021 to 2024, noting that the total was approximately \$1.1 million, with the majority coming from road and water projects.

Impact Fee Revenue and Spending

The Town Council discussed the use of impact fees, noting concerns about potentially losing unspent funds. The Council explored options for utilizing these funds, including road and water projects, while acknowledging that some projects may require funding from the General Fund. The Council reviewed recent financial statements, which showed strong revenue growth, including nearly \$100,000 in tax revenue received in May, indicating the Town may reach \$1 million in revenue for the fiscal year.

Councilmember April McKeon inquired about the source of the revenue, which was clarified as coming from various tax sources.

Budget Review Amid Economic Slowdowns

The Town Council discussed budget expectations, noting a significant economic slowdown affecting revenue from building programs and licenses. The Council reviewed projected revenues and expenditures, suggesting they adopt the current budget while maintaining flexibility to adjust for specific projects as needed.

The Council also expressed a desire to separate Capital Improvement projects into distinct categories, particularly for parks and roads, to better track actual spending versus allocated funds.

Park Impact Fee Management Discussion

The Council discussed the management of park impact fees, noting that significant funds are being held in various PTIF accounts, including \$236,776 in park impact fees, with additional amounts in other accounts not reflected in the current financial statements.

The Council acknowledged that, while the budget shows a need to spend these funds, the Town has the flexibility to amend the budget and allocate the money to specific projects as needed, including the BMX track, which requires at least \$53,000.

They emphasized that these funds are specifically designated for impact-related projects and are being held separately to avoid creating a false impression of overspending.

Budget Transparency and Tracking Challenges

The Council discussed budget transparency and tracking issues, expressing concerns about the lack of clear categorization in the current budget, which makes it difficult to explain specific allocations to constituents.

The Council discussed the need for an improved tracking worksheet to monitor expenses accurately and suggested that the public should have access to and be able to understand the budget. They also addressed questions regarding project funding, noting that some accounts do not appear in the current financial statements but are still part of the overall budget.

Budget Review and Salary Planning

The meeting focused on budget discussions, particularly regarding revenue projections and salary planning. The Council reviewed a budget proposal that included a \$200,000 adjustment and discussed the need to adopt a salary plan by June 30th, as required by the personnel manual.

2. Review of General Plan Survey Data

Mayor Jean Krause requested that Councilmembers review the results along with the Draft General Plan prior to the upcoming discussion. She noted that this item will be addressed in the next Council meeting on Tuesday.

CLOSE PUBLIC MEETING AND OPEN CLOSED MEETING 7:25pm

Closed meeting will be held at 114 S Mill St. Virgin UT 84779. (Old Church Building) Topics for the closed meeting are:

52-4-205(1)(a) discussion of the character, professional competence, or physical or mental health of an individual.

52-4-205(1)(c) strategy sessions to discuss pending or reasonably imminent litigation.

Jean Krause made a motion to close the work meeting and open the closed meeting / Mistie Baird seconded the motion /

Roll call vote:

Jean Krause- Aye

Paul Luwe – Aye

Mistie Baird – Aye

Valerie Wenz -Aye

April McKeon – Aye

Result: Motion carried unanimously

Jean Krause made a motion to close the closed meeting and re-open the work meeting / Valerie Wenz seconded the motion / **Vote:** All Aye; No Nay. The motion carried unanimously.

ADJOURN MEETING 8:40pm

Motion to adjourn work meeting

Jean Krause made a motion to adjourn / Paul Luwe seconded the motion / **Vote:** All Aye; No Nay. The motion carried unanimously.


Krystal Mercival Clerk/Recorder

November 18 2025
Approved Date