At a Special Meeting of the Board of Supervisors of Warren County held in the Warren County Government Center on June 09th, 2026, at 6:00 PM

Present – Warren County Board of Supervisors and County Staff: Cheryl L. Cullers, (South River District); Tony F. Carter (Happy Creek District); John W. Stanmeyer, (Shenandoah District) Richard A. Jamieson, (North River District); Hugh B. Henry, (Fork); also, J. David Martin, Interim County Administrator; Alisa Scott, Finance Director; Mike Berry, Director of Public Works; Genel Clark, CSA Coordinator; Jon Martz, Director of Social Services; Zach Henderson, Deputy Clerk to the Board of Supervisors.

Call to Order:

Ms. Cullers called the meeting to order at 6:00 PM.

Adoption of the Agenda:

On a motion by Ms. Cullers, seconded by Dr. Jamieson, and the following vote, the Board adopted the agenda as amended to add a discussion for Development of County Priorities on Tourism.

Dr. Jamieson, Aye; Mr. Henry, Aye; Ms. Cullers, Aye; Mr. Carter, Aye; Mr. Stanmeyer, Aye

Unfinished Business:

Fire and Rescue AFG and SAFER Grant Review:

Mr. Maiatico stated that this item was discussed in the pervious week and the Board had asked him to come back this evening and provide options, emphasizing that the SAFER grant will fund, per position, $91,157.38 as well as what FEMA would and would not cover such as the one time physical cost in the two sets of PPE. He then stated that with regard to staffing Chester Gap, they would advocate that the station is staffed with their current rank structure and they would not fund the salary levels associated with the officer ranks.

Mr. Maiatico then discussed the Fire Chief's recommendation of a 24-position request that would be to increase the staffing at their high-volume stations such as Front Royal and North Warren increased to a two-person dedicated engine, each one of those initiatives would take six positions. Staffing at Chester Gap Volunteer Station, which is a volunteer dependent and subcontractor program currently, and increased staffing at the Linden Station. The SAFER Grant covers 75% of the allowable costs, meaning that $91,000 for years one through three, it reduces it down to 35% in year four. If the Board decided to reduce the staffing request to 18, then Fire and Rescue would prioritize staffing increases for Station #1, Station #10, and Chester Gap, and remove the increased staffing at Linden. If they went with 18 positions, they would suggest utilizing the Cost Recovery program because it is anticipated that the grant will be awarded during Fiscal Year 27 and emphasized that none of this is currently budgeted within the County's budget. The Chief and County Administrator have suggested earmarking the Cost Recovery fund balance for any of the startup costs and the matching requirements associated with the Federal Funds. The Cost Recovery Fund would fund $227,000 for the last quarter of the fiscal year, or the last several months of the Fiscal Year 27 until they would be able to establish the budget in FY 28.

Dr. Martin stated they have looked at a great number of options and configurations of ways to do this and those were, in many ways, in relation to what they would calculate their success with the SAFER grant to be. If they took six positions that are currently scheduled for Station #1, and they go ahead and put those positions at Chester Gap, those positions would remain there. He then recommended that if the County keeps the current contractors there until the SAFER Grant is approved or not, then it offers an opportunity to ensure that Chester Gap will receive the same sort of service that it has always received until it can be staffed permanently.

Mr. Stanmeyer asked about the cost to keep the contractors through December 31st. Mr. Maiatico stated that for 6 months the cost for the contractors is $189,435, and that is at the anticipated July 1st rate for an entry level Firefighter, EMT, and Paramedic. He then stated that the issue with the Cost Recovery Fund is that currently the Chester Gap Volunteer Fire Department is paying their current subcontractors more than $23 an hour and he is unsure if they would continue to pay that.

Mr. Henry asked about where the funding will come from after Cost Recovery is used to help with the initial costs. Dr. Martin stated that if they look at FY 27, he believes that they can carry that costs. But for FY 28, the Board will have to come up with a larger portion of the funds, with no impact on the general fund for FY 27. Me. Henry acknowledged that it was a great program but emphasized his concern that he does not see much new income on the horizon and stated that he will not raise taxes again.

Mr. Stanmeyer stated that he is hopeful that by the time that the Federal money is gone, the County will have some Economic Development Efforts that are paying dividends. He then asked, looking at the portion that the County pays over the entry level salary with the Captain and Lieutenant and their functional differences, if there is any possibility of consolidating and having just a captain. Mr. Maiatico stated that if they were going to staff a new station then would want to continue their current staffing arrangements for control and operational issues etc. Currently, the way their system is built is that career staff answer to volunteers and volunteers answer to career staff through a rank structure process.

Dr. Jamieson stated that one of the foundational things that a government is supposed to do is provide public safety. He then commented on a study done in 2009 that was essentially left on the shelf, and every year since then then, the question repeatedly comes up if the County has the ability to hire more fire fighters, and the answer(s) have been no. And now recently another study has been conducted, and the Board knows what is needed for the safety of the community and the first responders. He then asked if the process of getting a consultant, doing a study, and determining what is needed is going to be repeated. He then emphasized the efforts for Economic Development and Tourism and that the County does not know exactly what's over the horizon in terms of non-residential taxpayer revenue, but they have to fulfill the core responsibility of Government with public safety.

Mr. Stanmeyer stated that revenue will hopefully be coming through Economic Development but also the debt service that will be somewhat relieved in a few years. He then commented on the possibility of a referendum depending on what the audit status is, they may or may not be able to do a bond issue. Mr. Henry agreed that in three to four years, the County should have some Economic Development revenue and some of the debt service should fall off, but he is concerned about the next budget with the next three budget cycles. Mr. Carter suggested the possibility of a Fire Tax that can go directly towards the Fire Department and nothing else.

Ms. Cullers stated that she does not disagree with anything that has been said but expressed a concern about the "pocketbooks" of the people that have to pay for it, emphasizing that with a 9-cent increase this year, an the reassessments coming up, she is concerned with what the community can afford on top of everything else.

On a motion by Dr. Jamieson, seconded by Mr. Stanmeyer, and the following vote, the Board authorized the Department of Fire and Rescue Services to submit an application for the Federal Emergency Management Agency

(FEMA) Assistance to Firefighter Grant (AFG) and the Staffing for Adequate Fire and Emergency Response (SAFER) Grant for a total of 18 staff positions upon opening of the application processes.

Mr. Stanmeyer, Aye; Mr. Carter, Aye; Ms. Cullers, Aye; Mr. Henry, Aye; Dr. Jamieson, Aye

New Business:

Grant Agreement — Department of Aviation:

Mr. Berry stated that over the last few years, the Airport Commission and the users have been asking for a supplemental wind cone on the approach in Runway 10 that would provide pilots with more accurate wind direction. The cone will be outside the runway safety area and outside the object free area, and the taxiway object free area. This request is to allow the County to execute the grant that he has applied for with the cost to the airport after the grant will be $3,580.80.

On a motion by Mr. Henry, seconded by Mr. Stanmeyer, and the following vote, the Board approved the Grant Agreement.

Dr. Jamieson, Aye; Mr. Henry, Aye; Ms. Cullers, Aye; Mr. Carter, Aye; Mr. Stanmeyer, Aye

Additional Appropriation - Warren County Public Schools Capital Improvement (HJB):

Dr. Martin stated that on May 26, a chiller unit failed and ceased operation at Hilda J. Barbour (HJB) Elementary School. A technician from Johnson Controls evaluated the equipment and determined that the motor must either be rebuilt or replaced. The estimated cost to rebuild the motor is $49,690; however, a rebuilt motor carries only a limited warranty.

According to the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), the median service life of a chiller is approximately 20-23 years. Additional industry sources indicate that the typical service life of a centrifugal chiller ranges from 20-30 years. While YORK® water-cooled chillers are designed as high efficiency HVAC systems for commercial and industrial facilities, aging chillers are increasingly susceptible to mechanical degradation and operational failure. Given that the chiller at HJB is 29 years old and considering the significant mechanical issues currently being experienced, staff recommends replacement of the chiller rather than rebuilding the existing motor. In addition to the purchase and installation of the new chiller system, it is recommended to rent of a portable chiller to provide temporary cooling capacity during the period of the replacement of the current system. To fund the replacement and installation of a new chiller system and the funds to rent a portable chiller, approval is requested for the Superintendent to seek an appropriation of $700,000 from the Board of Supervisors. Dr. Martin then stated that this is different than the roof replacement because it's not going to be reimbursement at this point and will be taken out of fund balance.

Ms. Cullers stated that hopefully the chiller and the roof can both be replaced before the kids get back into school. Dr. Wright stated that he does not believe that both will be finished in time for the school year, however, they will have the larger chiller unit in for when the kids com back and it will be back out on a large platform that they will pipe in as a temporary set up as the full project is finished. Ms. Cullers then asked if they could bring in a temporary one and not put it on the roof, could they not put the new chiller on the roof. Dr. Wright stated that chillers technically always go on a roof anyway, usually in a mechanical area of the building.

Mr. Stanmeyer asked if the $700,000 was just an estimate or if there were bids at this point. Dr. Wright stated that they do not have bids on this as of now but that it was a pretty good estimate based on previous estimates and research they have done in the past but thinks it's possible the bids could come down to $500,000.

Mr. Carter asked if there was a possibility that the State would reimburse the School for that Chiller once they get their budget complete, and if they do, could the school return the money. Dr. Wright stated that if the State gives them $1.235 Million in flexible spending, they have set that aside in part for the roof, buses, HVAC & lighting systems etc. but that will leave approximately $210,000 remaining that could be contributed back to the County.

On a motion by Mr. Henry, seconded by Dr. Jamieson, and the following vote, the Board approved the following additional appropriations to the School Board's FY 2026-2027 Capital Improvement Budget: increase of $700,000 to Category 66600 - Capital Improvement to fund the replacement and installation of a new chiller system and the funds to rent a portable chiller.

Mr. Stanmeyer, Aye; Mr. Carter, Aye; Ms. Cullers, Aye; Mr. Henry, Aye; Dr. Jamieson, Aye

Authorization to Advertise - Budget Amendment exceeding 1% of total expenditures:

Ms. Scott stated that per the Children Services Act's (CSA) funding projections dated 05/19/2026 and approved by the Community Policy and Management Team (CPMT) an additional $1,782,684.00 is requested for CSA warrants issued. The Local only contribution is $115,000.

Dr. Jamieson asked for an explanation for the local contribution concept in the item, emphasizing that it says $1.7 million but the local contribution says $115,000. Ms. Scott stated that the CSA funding is part of the DSS overall fund. DSS receives funding from the Federal Government as well as State and local only contribution, CSA only receives funding from State and local only. The State revenue needs to increase by that amount in order to be able to increase the CSA warrants issued budget. The distinction between the two is that the County expects to receive additional reimbursements from the State based upon what is spent locally.

Mr. Stanmeyer asked that in subsequent years, if this number will stay the same or is there a point where they would pull back that 95% reimbursement. Ms. Scott stated that they would not pull back that reimbursement, and it is submitted on a monthly basis and that there is documentation that is being provided to the State that approves it as it happens. Ms. Clark stated that reimbursement by the State is determined when the Office of Children's Services submits their budget and there is an increase in the local portion projected for the coming years for community-based services.

Ms. Cullers stated that these are all mandated services that the County does not have a lot of control over. Mr. Martz added that the budget that was forecast for FY 27 took this into account and they did raise the budget request that was approved from the State budget that they had for the past few years.

On a motion by Mr. Stanmeyer, seconded by Mr. Henry, and the following vote, the Board authorized the Budget Amendment exceeding 1% of the total expenditures for a public hearing.

Dr. Jamieson, Aye; Mr. Henry, Aye; Ms. Cullers, Aye; Mr. Carter, Aye; Mr. Stanmeyer, Aye

County Priorities on Tourism:

Dr. Martin stated that at a previous joint meeting, the Town of Front Royal will be coming forward with a Memorandum of Understanding of providing Tourism to the County. One thing that was mentioned during that meeting was the possibility of having a facilitator from the State come in to work with the County and possibly stakeholders surrounding and participating in Tourism. It's been suggested that the County move forward so they know what the goals are in terms of Tourism and the overall vision of the County. This takes nothing away from the Town or the visitor center but will offer a broader range as well as look ahead to what the County would like to see regarding Tourism. The suggestion is to invite members of VTC to come in and have a strategic planning session with the Board of Supervisors and stakeholders throughout the County, including the Town as well.

On a motion by Dr. Jamieson, seconded by Mr. Henry, and the following vote, the Board authorized the Interim County Administrator to contact the VTC to schedule and arrange a strategic planning session with all Warren County Stakeholders and the Board of Supervisors on a Tourism Strategic Plan.

Mr. Stanmeyer, Aye; Mr. Carter, Aye; Ms. Cullers, Aye; Mr. Henry, Aye; Dr. Jamieson, Aye

On a motion by Mr. Stanmeyer, seconded by Mr. Henry, and the following vote, the Business portion of the meeting adjourned at approximately 7:27 PM.

Dr. Jamieson, Aye; Mr. Henry, Aye; Ms. Cullers, Aye; Mr. Carter, Aye; Mr. Stanmeyer, Aye

Work Session:

Discussion - Transfer of Budget Guidelines:

Ms. Scott stated that this fiscal policy provides a guideline for budget transfers. Budget transfers only apply to budget within a line item that has already been adopted by the Board of Supervisors as part of the annual budget adoption process. The Finance & Purchasing Department shall provide a list of budget transfers as a monthly report to the Board of Supervisors. Inter Departmental transfers shall be approved by the Board of Supervisors, with the exception of budget transfers from the non-departmental department budget to health care and salary expenditures. Intra Departmental transfers shall have no annual limitation but must be approved by the Department Head and County Administrator and apply to the following account codes:

- 1000 – 2000 Salary & Benefits Can only transfer between line items and into line items. Board action required to transfer out of line items.
- 3000 – Services Can transfer into and out of line items.
- 5300 – Insurance Can transfer into, but not out of line items.
- 5500 – Education & Travel Can transfer into, but not out of line items.
- All other 5000 Codes Can transfer into and out of line items.
- 6000 – Partner Agencies Board action required to transfer into and out of line items.
- 7000 – Capital Replacement **Can transfer into, but not out of line items.**
- 8000 – Capital Addition **Can transfer into, but not out of line items.**
- 9000 – Debt Service Can transfer into and out of line items.

Discussion - Revenue Diversification:

Ms. Scott stated that Under Va. Code § 58.1-1748, Warren County is authorized to levy a disposable bag tax, authorizing the Virginia Department of Taxation to enforce, collect, and deduct the direct costs incurred by the Department in administering the tax from the amounts due to the county. Warren County must hold a public hearing and approve an ordinance change in order for the revenue to be realized. After the ordinance is approved, the Commonwealth requires a three-month notice for the tax to be effective on the first day of a calendar quarter. If the ordinance is approved in July, the levy would be effective January 1, 2027. The rate limitation is $.05

per plastic bag. The revenue will be used for purposes of environmental cleanup, providing education programs designed to reduce environmental waste, mitigate pollution and litter, or providing reusable bags to recipients of SNAP and WIC benefits.

Dr. Jamieson asked how this would be implemented by the stores and locations that would be impacted by this and suggested that in all likelihood they're going to add a generic amount or percentage. Ms. Scott stated that based upon her experience in joining NBCTB, the Virginia Department of Tax, as the administrator and enforcer of this tax, would reach out to the wholesalers, and it would be the wholesalers responsibility to work with the locations, therefore the tax is enforced and audited by the Virginia Department of Tax and it is a per bag tax rate.

Ms. Scott then asked if the Board would like her to bring this back as a voting item at a later meeting, Dr. Jamieson stated that in his personal opinion, he did not. Ms. Cullers then acknowledged that it was a source of revenue feels like they are "taxing people to death". Mr. Henry stated that he does not strongly support it. This item will not be moving forward as of now.

Discussion - High Top Road Platted Housing Development:

Mr. Carter stated that in the recent past there have been constituents who have approached the Board with issues regarding their wells in correlation to a 50-lot development to be developed and what impact that may have. His initial shot is there is not much that can be done since the lots have already been plotted off decades ago.

Mr. Berry stated that he is involved on the roadside angle but has gotten questions from the Sanitary Districts and Skyland Estates. With regard to the wells, there is not much that the County can do and wells are handled by the Health Department on that level. In terms of the roads, Mr. Berry stated that that is his biggest concern with setbacks for well and septic but is still unsure if there is anything the County can do to restrict that.

Mr. Henry acknowledged the water issue that the residents are facing and emphasized that it is not due to the subdivision, he had emailed the Board a copy of a water study that a developer had done before construction had started and they had done due diligence to get a water study and most small developers don't forgo that. With regard to the roads, Mr. Henry stated that he is always critical of road structures and emphasized that in the first section of the roadway the hill is narrow but from there back the hard surface is improved but narrows again when it gets past the pavement. He then asked if there are any requirements by the Sanitary District or if there is anything that County can do to ensure future roads are wide enough. Mr. Berry stated that he believes so and mentioned that the County does road drain studies and after speaking with Mr. Bowman, the County does have a precedent.

Ms. Cullers stated that she would like to see developers have to build to minimum state standards to minimize the burden and Mr. Henry stated that he would like to see if there is an enforcement through the Sanitary Districts

Dr. Jamieson asked if having the well drilled and produced prior to construction would change anything. Mr. Henry stated that it would add a lot to the construction costs to come in and do a plan and a temporary road and drill the well first.

Dr. Jamieson then stated, with regard to the well-water issue, that there are two categories of people. One is the individuals who have spoken to the Board and already live out there in that community that are experiencing problems already without the subdivision being built or drawing any sort of power. The other category being individuals who are less familiar with the area who buy a home only for the well water to dry up shortly after. He then stated that there is more concern about the people who have been there for some time and are experiencing issues and emphasized that one of the things that the County can do is educate, provide information to people who are not only already living there, but who may prospectively want to live there.

Mr. Stanmeyer stated that what concerns him is a drought situation update from Lieutenant Willbanks' drought chart that shows that while Warren County has come up a notch due to the recent rain, the County is still clearly in a drought, and areas in the South are in a megadrought and could happen here at any point.

Discussion - Warren County Board of Supervisors and Warren County School Board MOUs:

Dr. Martin stated that the three of these MOU's are coming from Warren County Schools, Carry-Over Funding, Lump Sum Funding, and Meals Tax.

With regard to the Memorandum of Understanding for Lump Sum Funding, Dr. Martin stated that he has had conversations with legal counsel and one of the things suggested is that the Board does not obligate themselves beyond a one-year period on any of these and that the Board would vote on these three on an annual basis. Currently, the Board is giving categorial appropriations to the schools. The Code of Virginia allows the Board to do either categorial appropriations or lump sum. Lump Sum means that the Board gives the appropriate amount and the schools has the authority to put that funding in their categories and to move the money around from category to category, and Categorial Appropriations is that they Board appropriates those dollars into very specific state designed categories. If the school wishes to move money amongst the categories, then they need Board approval. Based on a recent work session discussion, the recommendation from the County Administration is that the Board provide the lump sum funding but also offer to help the school system manage the textbook and capital funds. This would take the form of helping them manage the funds in a sense if a capital purchase was needed, they would come forward and the County would help them find the money etc. Dr. Wright then stated that he and the School Board are in favor of Lump Sum Funding with the exception of the Capital Funding as well as the Textbook Funding.

With regard to the Memorandum of Understanding for Carryover Funds, Dr. Martin stated that at the end of every year, once the audit has been verified, there could be carryover funds from the school division, and those funds would automatically, or by vote of the Board, be placed in a capital improvements fund that the Board has just talked about managing.

Mr. Carter stated that the County didn't have an agreement and by State law, when the school comes to the end of the fiscal year if they have extra money, they have to turn it back to the Board and they always turn it back for Capital Improvement. He then emphasized the language in the MOU that stated, "following the close of each fiscal year, the County's independent audit process shall determine the amount of unexpected funds remaining within the approved operating budget of Warren County Public Schools." Since the schools do their own audit, they would have that information based on any surplus at the end of the year. Dr. Wright stated that they do their own audits, but the carryover funds will be dependent on the Board of Supervisor's Audit.

Mr. Stanmeyer asked that when the audits are up to date, and if that determines that there is an accumulated carryover, that would be due to the schools but it is more than the Board can give at that time, if there was a reset button when this is approved and starting from scratch, or would there be an IOU that comes out of this once those debts are ready. Dr. Wright stated that that is typically at the discretion of the Board of Supervisors. If there is a large sum, the Board could give the schools a certain amount based on projects they have but also keep any remainder for needs in the County.

With regard to the Memorandum of Understanding for Carryover Funds for Meals Tax Revenue, Dr. Martin stated that back in August 2015, communication was made to Davenport who is the County's debt counselors about the tax impact analysis for meals tax revenue. A referendum was held on November the fourth 2003 and Food & Beverage Tax was placed on the ballot and passed. The final court order states that the revenue collected from this tax shall be used solely for public schools' capital improvement projects.

Ms. Scott stated that the county appropriates funding to the school capital beginning in 2017 through 2025 and the meals tax revenue collected, which is the county only portion. The total difference between the County Appropriation to the School's Capital, which is tax generated revenue from the meals tax collected, is $137,678. The focus and intent of tonight's conversation is what is the offset of the meals tax revenue collected to the debt service.

Mr. Carter stated that it was his understanding that the meals tax money has gone strictly to debt service and made reference to the MOU language that stated, "The Board of Supervisors affirm its intent to continue providing funding sufficient to pay 100% of the debt service and parties acknowledge that the County's assumption of these debt service obligations represent a substantial public investment." Mr. Carter then stated, based on the MOU, meals tax revenue can be used for such purposes that may include and are not limited to the construction of new school facilities. Additionally, if the County were to take the meals tax money and appropriate that for a new roof or chiller, then that means the County will have to come up with an additional $1.2 million.

Mr. Henry stated that he thought it was fair that if that is what has been done for the last few decades then it would disrupt the budget by putting it into something else and emphasized that with regard to meals tax, the number should grow if the EDA is effective.

Dr. Jamieson stated that based on the information provided, the County has appropriated approximately $6 million to School Capital over a period of time and the County portion of meals tax revenue collected is similar. Additionally, the memorandum states, "such purposes may include but are not limited to school capital improvement projects" and then emphasized that his interest is focusing on voter intent of a referendum that said capital improvement projects for schools. He further stated that voter intent is critical and a necessity for the citizens to be able to know that if it says the referendum is to be used for X, then it gets used for X, and he does not fundamentally agree with the use of language to say capital improvement projects for schools includes paying the debt service for schools. In his estimation, the average voter was thinking capital improvement projects for schools meant things like roofs, chillers, and windows.

Ms. Cullers stated that from a historical perspective the decision to build schools came after the referendum and the first school was opened in 2004 and school construction is exactly what people were told the referendum was for.

Mr. Stanmeyer stated that this was before his time and cannot speak to voter intent specifically but that he can see this both ways, maintenance projects for schools, and construction for a brand-new school. He then commented on the data analysis from Davenport and emphasized that it clearly shows that the Board has been supporting the schools over the years in different ways. He then commented on the County only portion and that 30% going to the town that was not part of the referendum and that the County is spending a lot of money through different avenues fund balance dips, and debt services etc. and are spending a similar amount of the meals tax in addition to the debt service as it is.

Ms. Cullers agreed that the County needs to maintain the buildings and there should be funding for that, but the debt has to be paid and deserves oversight to make sure that it is because the whole reason it is categorized is because funding designated for certain and expected things were moved to pay for something else.

Dr. Jamieson stated that there would be no impact according to the provided information if the Board allocated the meals tax to capital improvements for projects for schools per the wording in the referendum because it is the same dollars either way but emphasized that there has not been resources to do steady capital improvement and that it is a matter of consistency over time for them or will have to come to the Board when projects begin to pile up.

Adjournment:

On a motion by Mr. Carter, seconded by Mr. Henry, the meeting adjourned at 9:11 PM.