

MINUTE BOOK XXX, PAGES 42-47
BUDGET WORKSHOP OF THE TROUTMAN TOWN COUNCIL
May 11, 2021

A Budget Workshop of the Troutman Town Council was held in the Troutman Town Hall, 400 North Eastway Drive, North Carolina on May 11, 2021 at 9:00 a.m. with the Mayor Teross W. Young, Jr. presiding.

Councilmembers Present: W. Paul Henkel; Sally P. Williams; Felina L. Harris; Edward R. Nau; George W. Harris-arrived at 10am

Staff Present: Ronald Wyatt, Town Manager; Kimberly H. Davis, Town Clerk; Steve H. Shealy, Finance Director; Adam Lippard, Public Works Director; Darrin Payne, Interim Police Chief; Emily Watson, Parks and Rec. Director; Jonathan Wells, Interim Planning Director

Others Present: See Sign-in Sheet

Press Present: Debbie Page, Iredell Free News

ITEM 1. MAYOR TEROSS W. YOUNG, JR. CALLED THE MEETING TO ORDER

ITEM 2. DISCUSSION OF THE 2020/2021 FISCAL YEAR PROPOSED BUDGET

Town Manager Ronald Wyatt presented a general overview commenting that department heads have worked with Finance Director Shealy and himself streamlining budget request. He highlighted changes in personnel, and held a brief discussion in regards to police vehicles.

Finance Director Steve Shealy presented the Town's \$4,842,869 budget stating that there are very few out of the ordinary budget request from department heads for the upcoming budget year. There are a couple of large ticket items: sewer jetter truck for public works and a concession stand for the ballfields. Staff was very cognizant of not asking for a lot of changes in this budget. Most of the proposed changes are in personnel.

In review of the Town's **General Fund Revenues**, Finance Director Shealy stated that he tries to budget more conservative in revenues highlighting that the Town's Ad Valorem tax base is growing. He stated that there is no water and sewer rate increase nor tax rate increase (currently \$.52 per \$100) proposed in this year's budget unless Council advises otherwise. Mr. Shealy explained that sales tax received under Utility Franchise Tax for electric and gas along with Sales Tax from telecommunications and video programming are down across the state therefore projections are lower. An increase is projected in Local Sales Tax as it is anticipated to continue to climb. Although the Town is expected to receive funds in the amount of \$810,000 from the American Rescue Plan, it is not included in the budget at this time. It depends on how Council chooses to use the funds as to where it will go in the budget. If the funds are used for a capital project such as water or sewer, it would be more appropriate to put the funding into a capital project ordinance. Mr. Shealy explained that there is no revenue proposed for Occupancy Tax stating that the line item was established years ago when a hotel was once proposed at Exit 42. Funds collected from occupancy tax are supposed to go toward promoting travel and tourism; something the Town does not have. Therefore until the Town has a reliable stream of income coming in, he does not feel it is worth budgeting. Mayor Young asked if the Town receives direct gas tax. Mr. Shealy explained that the town does not get direct gas tax stating that the Powell Bill was once based on gas tax revenue but that changed a few years ago. The Powell Bill is now straight appropriation from the state to be spent on streets and is based on population and town maintained street mileage. Planning Review Fees are projected at a \$15,000 increase from last year due to the number of projects on the books.

Finance Director Shealy presented highlights from the following individual departments.

Governing Body:

- Professional Services – Proposing an increase by approximately \$15,000 due to the anticipated increase in work volume of the Town Attorney.

- Contracted Services – Proposing an increase of approximately \$15,000 for codification of minutes and ordinances, and proposed re-codification of the Code of Ordinances through Municode. Discussion was held regarding the Town’s filing system and records retention policy. Mayor requested that staff look at additional funds for file purging.
- Training – Proposing \$5,000 a \$3000 increase from last year budget for Elected Officials training/conferences, etc.
- Special Events – Include funds given yearly to the library, volunteer appreciation dinner, etc. Mayor Young requested an increase from the proposed \$4000 to \$6,000 for a potential team building exercise for Town Council.

Elections:

- Contracted Services – \$2,000 budgeted for the upcoming 2021 election. Town Manager Ron Wyatt stated that it is not official yet, but the state has advised that the 2021 election will be postponed until year 2022 due to not receiving census information in time to allow cities and towns that have districts to realign their districts. Finance Director Shealy suggesting leaving the funding as proposed. If the funds are not used it can be moved into Fund Balance.

Administration:

- M & R Buildings & Grounds – Proposing an increased from \$20,000 to \$26,000 for the additional upkeep of the new town properties located on Wagner Street.
- Contracted Services Tax Collection – Proposing an increase of approximately \$7,000. Mr. Shealy explained that money from this line item is what the Town pays to the county and state explaining that the more taxes the town collects the higher the cost to get them collected.
- IT Expense – Proposing \$25,000 for a rotation system of upgrading/replacing the Towns computers. Mayor Young asked that staff do a cost comparison of leasing computers verses purchasing computers.
- Salaries – Moved Danielle Upright salary into Planning and Zoning Department. Anabel Hernandez-new employee.

Planning and Zoning:

- Salaries & Wages – Proposing \$109,625 for two personnel in Planning and Zoning: Planner I position-\$60,000; and Danielle Upright who was recently promoted to the Planning and Zoning Department-\$49,000.
- Contracted Services – Line item increase of approximately \$76,000 from \$83,704 to \$160,000 to continue with the contracted service of an Interim Planner, Code Enforcement, on-call planning services, and the opportunity to implement some of the specialized studies that were mentioned in the Town’s Strategic Plan. Councilmember Paul Henkel asked if the Town benefited from the contracted services with Kimley Horn regarding transportation. Interim Planning Director Wells responded that Kimley Horn worked on the Bike Ped application for prior Planning Director George Berger that awarded the Town \$50,000 through the NCDOT with a match of 10% costing the Town only \$5,000. Mr. Wells continued to state that the Town would benefit having someone with transportation expertise. Town Manager Wyatt commented that he is not certain if the Town will continue with contracted Code Enforcement. Staff is looking into other options. A brief discussion was held regarding future expectations in a Code Enforcement with enforcement not only being complaint driven, but also being pro-active. Mayor Young asked if the amount proposed would handle compliance and over all work. Manager Wyatt replied that he does not due to Council expectations of being pro-active due to increasing hours and mileage needed. Manager Wyatt commented that in hiring a Planner I with experience or hiring additional staff would allow the Town to handle code enforcement in-house. Manager Wyatt stated that he would have conversation with In-Focus regarding cost to continue with a contract to include the Town’s expectations. He suggested that the Town could continue with contracted services on a month to month basis until a second person is hired in planning, at which point code enforcement could be handled in-house.
- Departmental Supplies – Proposing \$18,000 of which the majority would be for purchase of a state-of-the-art GIS workstation including software, monitors, etc. Interim Town Planner Jonathan Wells commented that the Town is behind the times in GIS technology.

Police Department:

- Salaries and Wages – Finance Director Shealy stated that the Police Department is working to fill vacancies which made it hard to budget salary amounts. Interim Police Chief Darrin Payne stated there are three vacancies at this time. Town Manager informed Council that the Iredell Statesville School Board approved an additional

School Resource Officer (SRO) position for Troutman Elementary School last night providing 10 months of salary. He requested Councils permission (by vote) to add the position either today or Thursday night (no action was taken at this time).

- Capital Outlay-Equipment – No funds are proposed in the budget as of yet, but the department is looking to purchase a new radar unit for Wagner Street (cost \$4,500) to replace the existing worn out unit; a mobile radar trailer that would also be used as a message board with the addition of a flock camera mounted to it. (Flock camera-approximately \$2,500 per year and \$250 for install; Kustom Signals Radar Trailer with message board-\$14,770 or Speed Alert 24 All Traffic Solutions-\$15,850 depending on the choice between two items). Interim Chief Payne recommended purchasing the Kustom Signals Radar Trailer with flock camera. He also recommended a new pole mounted radar on Wagner Street. Mayor Young commented that there is concern across the state of increased speeding that impacts safety suggesting staff looking into signage to assist in reducing speed in Town. Councilmember Henkel suggested getting rid of the old radar and trailer and purchase new. Town Manager Wyatt requested Council's permission to purchase the radar trailer with the messaging in this year's budget if there is remaining funds. Council was in agreement.
- Capital Outlay-Vehicle – Interim Police Chief Payne requested an addition to the budget for purchase of a patrol vehicle and an investigator vehicle. Manager Wyatt presented performance reviews and ratings of seven potential patrol vehicle options and options of three investigator vehicles. Captain Tony Sharpe of Cornelius Police Department is bringing two trucks to Town Hall today (one marked and one unmarked) as examples for Council to view. He also explained the pros of purchasing a truck verses a vehicle. Manager Wyatt recommended trucks which will benefit the department for various means plus the resale value and gas mileage being a major factor. Interim Chief Payne's recommended purchasing the option of a Ford F150 Responder for the patrol vehicle and investigator vehicle-Cost-approximately \$49,300 each (in Capital Expenditures).
- Departmental Supplies – Requested amount 2,000 for purchase of six 8' Reflective A Cade Barricades (\$800 total) and ten Reflective Cone Bars (\$400 total).

Street Maintenance Department:

- Salaries & Wages – Paxton Hix has moved to the Public Works Department, therefore ½ of his salary (\$21,316) falls under Street Maintenance and the other ½ is in Maintenance-Utility.

Council held a discussion regarding town streets and street lines. Mayor Young commented that it may be something Council may want to consider and suggested that staff establish a plan with classifications and standards in lining town streets. Council was in agreement.

- Patching/Paving Contracted – Mayor Young commented that currently the Town has \$18,000 budgeted and are proposing in the upcoming budget \$15,000. He asked if staff feels the town will have to do less patching and paving in the upcoming budget year. Finance Director Shealy responded that his thought process is that the Town has already taken care of the major street problems, but if council thinks the proposed \$15,000 is insufficient, he will increase the line item. Mayor Young stated that there are probably some areas that will continue to need patching.

Councilmember George Harris expressed safety concerns regarding the school crossing at Thomas Street recommending crossing flag. Staff advised that crossing flags do not work well. Mayor Young suggested staff look into flashing pedestrian crossing signs.

- Debt Service – Finance Director Shealy stated that upcoming year debt service includes the Inglewood Street Project that still has 4 years left on the loan; Lytton Street loan; the 2018 street project and this year's property acquisition totaling \$554,942.

Sanitation:

- Sanitation includes three line items: leaf and limb pickup, garbage pickup, and recycling. Finance Director Shealy stated that he has built in growth in the garbage and recycling pick-up line items by approximately \$25,000. There is no increase proposed in leaf and limb pickup.

Upon motion by Councilmember Sally Williams, seconded by Paul Henkel, and unanimously carried, approved to suspend the workshop for lunch. Time: 12:00 pm.

Upon motion by Councilmember Sally Williams, seconded by Councilmember George Harris, and unanimously carried, approved to reconvene the Budget Workshop. Time 1:15 pm.

Parks and Recreation

- Salaries – Part-time position request (\$30,000 proposed).
- M&R Buildings and Grounds – Increased from \$17,000 to \$25,000 due to the addition of ballfields.
- Departmental Supplies – Proposed increase of \$5000. Finance Director Shealy stated additional funds are needed as the Town continues to add more facilities.
- Special Events – Requesting to maintain funding of \$23,240 for events such as Party's in the Park, Front Porch Fest, etc.
- Park Upgrades – Proposing \$40,000. Approximately \$20,000 for additions or upgrades to the park and an equal amount (\$20,000) for additional Christmas decorations. Parks and Rec. Director Emily Watson expanded on park needs commenting that the park needs additional shelters. She also stated that new and improved banners are needed for the greenway. Ms. Watson recommended purchasing 3 sets requesting Council's advice regarding design. Council was in agreement that Ms. Watson bring back design options for their consideration.

Mayor Young asked the condition of the Town's Snapper. Ms. Watson commented that Parks & Rec. use it to drag ballfields. Town Manager Wyatt led a brief discussion regarding items proposed to be surplus on GovDeals one of which is the blue Golf Cart purchased from Janice Larew. Mayor Young suggested to surplus the Snapper along with the golf cart and purchase something decent.

Economic Development

- Downtown Enhancement – Proposed increase from \$15,000 to \$20,000. Councilmember Henkel asked next steps for the town owned Wagner Street building. Manager Wyatt responded stating that a commercial contractor is working on a quote. Staff will need Council's direction on how to proceed following the quote. Estimated cost to up-fit the downstairs units for commercial use is approximately \$60,000 to \$75,000. The upstairs tenant has moved out and the upstairs is in the process of being up-fitted to continue to rent as residential. He explained that there is commercial interest in the downstairs unit. The town can rent it out as retail space or use as a community center holding different type of classes and/or events. Mayor Young asked to make sure that the downstairs unit is appropriately wired for technology. Council was in agreement to add \$75,000 for up-fitting. Emily Watson, Parks and Rec. Director recommended upgrades to the downtown landscaping and repaving of the Town parking lot on Wagner Street. Mayor Young asked that staff research the cost; the more the Town can do downtown the more it will encourage others.
- Tax Grant Incentives – \$23,000 is for CR Onsrud who has three more years of incentives.
- Dues-IEDC – Increased from \$17,738 to \$24,000.
- Bus Service – Proposed \$10,000. Conversation was held regarding the number of people that ride. Finance Director Shealy to research ridership to see if it is worth the cost to the Town.

Capital Expenditures

- Police Vehicle – Requesting \$100,000 for the purchase of 2 vehicles. Manager Wyatt commented that he recommends purchase of the Ford F150 crew cab for use of a marked vehicle and a Ford F150 for an unmarked vehicle. He advised that the Town is not going to order the vehicles until we have the materials that go in the vehicles. He also requested Council's input regarding markings of the marked vehicle. Discussion was held

whether one vehicles could be purchased in this year's budget. Manager Wyatt stated that he will check and see if there is one on the lot.

Insurance & Bonds

- Requested amount of \$95,000 is the same amount as last year's budget request. Finance Director Shealy stated that workers comp increased slightly but property and liability came down.

Transfers to Other Funds

- Transfer to Other Funds – Requesting \$325,000 – Proposing to move into the ESC Park Fund for the concession stand at the baseball fields.
- Transfer to Facilities (\$70,000), Economic Development (\$70,000), and Industrial Recruitment (\$10,000) all remain the same as previous year with Finance Director Shealy stating that these are funds established by Council for future needs.
- Greenway Fund – Proposing \$100,000 for the two sidewalk projects (Talley and Downtown) to assist with design and engineering of the projects. The Town will need to borrow the funds for construction (estimated cost of 1 million dollars).

Contingencies

- Contingencies – Zero dollars proposed. Finance Director Shealy commented that he does not feel the needs for funds in contingencies at this time with the Town having a healthy fund balance.

UTILITY FUND

Finance Director Shealy commented that based on current rates, projected revenues is going to be a struggle to balance. In presenting a general overview he stated that the total utility fund budget is almost 3 million dollars; Statesville has announced a 20% rate increase in the Town's sewer treatment; a half of a position/salary has been added by moving Paxton Hix to Public Works; addition of Debt Service due to the Mill Village project; and the purchase of equipment is proposed.

Utility Fund Revenues

- Transfer From Other Funds – \$233,220 will come out of capital reserve with an offsetting expense if the Town needs to buy another block of capacity from Mooresville.
- Lease-Purchase Proceeds – Proposing \$286,550 for purchase of a jetter truck.

Administration-Utility

- **Salaries and Wages** – Finance Director Sealy explained the proposed increase in salaries stating that he proposing a pay scale adjustment of 2% with a 2% COLA across the Board and up to a 2% merit increase proposed January 01 (not retro active) proposing an average of 5% per employee for the annual budget. He advised that the Town has been steadily falling behind the county and surrounding municipalities and it shows when trying to recruit/attract employees.

Councilmember Sally Williams left the meeting at 2:30 pm.

Capital Items – Utility

- Purchase of Sewer Capacity – \$233,220
- Capital Outlay-Equipment – Requesting an increase from \$74,314 to \$286,550 for a jetter truck.
- Debt Payment-Jetter Truck – Requesting \$105,260 for annual financing of a combination unit (truck and jetter pump with vacuum system). Public Works Director Adam Lippard presented the pros and cons of the combination unit stating that it is more efficient and cost effective. Finance Director Shealy stated that the loan would be for three years. Councilmember Henkel asked if the Town could purchase the jetter truck outright from capital reserves rather than borrowing the funds; savings would be approximately \$30,000. Mr. Shealy responded yes it could come from utility funds capital reserves (balance \$700,000) but keep in mind the Town also has a lot of needs as discussed at Council's planning retreat such as pump station upgrades, sewer issues, etc. Council was in agreement to purchase outright from utility funds capital reserve.

- Sewer Treatment Fees – Requesting \$565,000. An increase of \$65,000 over last year’s request due to an increase in Statesville’s sewer treatment fees.

Town Manager Wyatt presented the following items to be listed on GovDeals as surplus property:

- . Old projector from Council Chambers
- . 2 old projector screens from Council Chambers
- . Gray Crown Vic - used as an Admin vehicle
- . Printer
- . Blue Golf Cart-purchased from Janice Larew
- . Snapper
- . Front Porch prop

Mayor Young ask that an inventory list be provided.

Upon motion by Councilmember Eddie Nau, seconded by Councilmember George Harris, and unanimously carried, approved the above proposed items for surplus.

OTHER:

Parks and Rec. Director Emily Watson informed Council of the rocking chairs in the Town Hall lobby from Troutman Chair Company. Mayor Young asked staff to see if Troutman Chair Company would be willing to raffle rockers at events as a fundraiser project for the park.

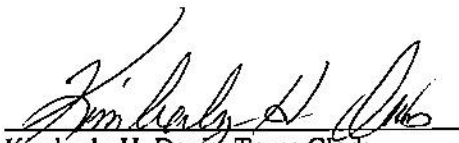
Mayor Young also asked that the leather chairs in the Council Chambers at some point be updated and that staff make a recommendation for replacement chairs in Council Chambers that is used by the public.

Mayor Young commented that the Town still lacks artwork that is not in the budget as well as entryway signage on the south end of town.

Town Manager Wyatt informed Council that Dean Swain, son-in-law of Jackie Overcash, has purchased the T-Town Jewelry and Pawn Shop from Kevin Palmer and has donated space on top wall for a town mural. Ideas were discussed as to how to come up with a mural and who makes the final decision. Holding a contest was suggested with Council having the final approval. Parks and Rec. Director Watson commented that she will check with other communities in search of options.

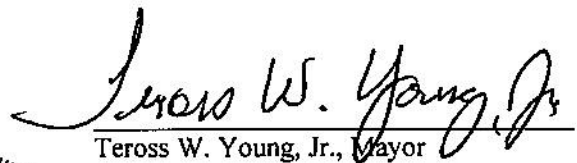
ADJOURNMENT

Upon motion by Councilmember George Harris, seconded by Councilmember Felina Harris, and unanimously carried, the May 11, 2021 Budget Workshop was adjourned at 3:25 p.m.



Kimberly H. Davis, Town Clerk





Teross W. Young, Jr., Mayor