

MINUTES

**TOWN OF STOKESDALE
SPECIAL CALLED TOWN COUNCIL MEETING
8325 ANGEL PARDUE ROAD
STOKESDALE, NC 27357
MARCH 4, 2021 AT 7:00 PM**

Members present were: Mayor John Flynt, Mayor Pro-Tem Thearon Hooks, Council Members: Jimmy Landreth, Derek Foy, Jim Rigsbee, Town Clerk Alisa Houk, Finance and Budget Officer Kim Thacker and Deputy Clerk Priscilla Hunsucker.

1. Call To Order.

Mayor John Flynt called the meeting to order.

2. Discussion on 2021-2022 Annual Budget.

Mrs. Kim Thacker explained that she took recurring expenses from last fiscal year and plugged those into this year's budget. She looked back a little farther for the Town's income.

Mrs. Thacker began with the General Fund and explained the allocation split for salaries between the general fund and water fund. She then noted a change in the Town's Cable Franchise Fees that will now be coming from the NC Department of Revenue and included in the State Collected Revenues.

Mrs. Thacker noted that contribution & donations will remain the same. She noted a decrease in investment earnings which has decreased for everyone. She noted a decrease in Planning & Zoning Fees. Mayor Flynt questioned the decrease and noted that we have already received \$36,000 this year and would expect that much or more next year. Mrs. Thacker stated that this can be increased if we believe we will get more revenue. Councilman Foy agreed with the Mayor and stated that we have seen a big year so far and that looking ahead there are some big developments out there that we haven't seen yet. Mayor Flynt recommended at least \$35,000 and noted developments being planned. By consensus, the Council felt that \$35,000 was acceptable for Planning & Zoning Fees.

Mrs. Thacker explained that she has gone back several years to review the State Collected Revenues and noted that the larger revenue sources come in in March and June, so we don't have those yet. She used the Department of Revenue website, which anyone can go look at, to estimate those revenues for next year. Several Councilmembers agreed with the \$315,000.

Mrs. Thacker stated that that concludes the Town's Revenues.

Mrs. Thacker then noted Expenses for Capital Outlays, Events funds and line items left blank since she felt that it is up to the Council to decide what you want to do next year. The numbers included are basically fixed expenses. She noted that since we raised the Planning Fee Revenues, we may need to increase Planning expenses as well. Mayor Flynt stated that the fee to Guilford County remains at \$25,000 and he would like to increase that to \$50,000 and consider hiring a Town Planner. Councilman Foy recommended that Planning Advertising be increased to \$4,000.

Mayor Flynt again recommended the Town hire a Town Planner and noted the complaints being received with every zoning case, we have major projects coming up in the near future and no one with the Town currently has the time or expertise to take on these items. Councilman Foy stated that he would like more information before that decision is made.

Mrs. Thacker stated that the Administrative and Property Expenses are mostly fixed but welcomed any comments on changes the Council feels is needed.

Expenses for the park was discussed, such as tree work and mulch. \$40,000 was reasonable but it was recommended that we take a look at it later and adjust it if needed.

Mayor Flynt asked about IT Security and Website Design. It was noted that we are not doing any website design now. After a discussion that amount was reduced to \$8,000.

Mrs. Thacker stated that the Audit has been consistent at \$13,200. Legal for Mr. Medlin, it was noted things coming up and internal issues that he does in addition to the Council meetings. By consensus \$50,000 was agreeable.

Mrs. Thacker stated that she had a request from a Councilmember to figure in a 3% raise in salaries. Mayor Flynt stated that he did not think that was enough since no raise was given last year. He noted that since Mrs. Thacker just started and recommended a raise for her be delayed until next year. Councilman Foy stated that he was the one that recommended the 3% across the Board. Mayor Flynt then recommended something for merit and longevity since a cost of living only allows them to break even and recommended 6% which amounts to another \$2500. Various other amounts were discussed, both increases and decreases by the State and private sector. Salaries were left as presented.

Mrs. Thacker referred to Public Safety and stated that those expenses are pretty much set in stone. Mayor Pro Tem Hooks stated that inspections are fixed however, investigations can go up or down depending on cases in town and noted a recent increase in charges being filed. He recommended the Town make sure it is covered in this area and recommended \$15,000. The Council discussed previous cases that were investigated, and the amount spent this year. It was decided to leave it as presented and do a budget amendment if needed.

Mayor Flynt asked to go back and discuss Payroll Processing Fees. He stated that the service has been unacceptable and that we may need to go back to the old provider. Mrs. Thacker stated that she agrees with the Mayor on the lack of response from ADP. Mrs. Thacker explained the transfer of information from one provider to the next and how W2's are computed. She stated

that she and Councilman Foy have repeatedly contacted them about the corrected W2's. She noted that their payroll service is wonderful. Mayor Flynt stated that if it takes a payroll company 6 months to get us a corrected W2 then he wanted to increase the budget and go back to the original provider. Council discussed the issues caused by not having a W2 here on March 4th and wanted a company that appreciates the Town of Stokesdale. Councilman Landreth recommended this amount be increased by \$300 and it be brought before the Council at their next meeting.

Mrs. Thacker then noted the Reimbursements from Water Fund, \$129,661. She then noted that Revenues and expenses difference should now be zero, however, it is \$64,513.22 difference.

Councilman Rigsbee stated that he wanted to go back to our Parks and recommended \$25,000 be put in the budget so that we can get a building started this year. The Council discussed increasing that amount to \$100,000 for improvements and pulling from reserves what is needed.

The Council discussed Events/Community line item. Contributions to the schools was discussed and the impact a Guilford County tax increase would have on the school's budget. It was recommended that the Council do something to help the teachers so that money does not come out of their pockets. It was recommended that we combine Events and Community and set it at \$12,000 and do an amendment later if something comes up. It was agreed to combine the two line items.

Mrs. Thacker stated this brings our undesignated funds to \$47,486.78.

Councilman Foy reminded Mrs. Thacker that we need to have a line item for \$3,000 for elections expense for this coming up election in November.

Councilman Foy stated that the \$100,000 allocated to our park is the biggest allocation made for the Town in a decade. Mayor Pro Tem Hooks asked if we expected any grant money to be added to this project. It was noted that this is from the Town's budget. Mayor Flynt noted that at one time we discussed equipment and hiring our own maintenance crew and asked if that is still being considered. Councilman Rigsbee stated that we don't know how much a building will cost and it will be next summer before its built. Let's get the building done so we will have a place to store the equipment then work on that.

Mrs. Thacker then moved onto the Water Fund. She explained the average used for backflow fees. Investment fees same as general fund. She explained her projections for Taps & Connections fees, Water Capacity Fees and Water Sales. She noted a decrease in late fees due to Covid although we are coming out of that now. Total income was estimated to be \$527,000.

Mrs. Thacker stated that the \$1.1 million mentioned earlier was not included since she felt that it was up to the Council to decide where that money is to be spent. Councilman Foy recommended adding a line-item titled House Bill 436 and include the amount.

Council discussed whether or not this grant amount should be included in the budget. It was noted that the money comes in and out so it balances out for our budget. The Council and staff pointed out the requirements that must be met to get this money that seems to be guaranteed.

By consensus the Council agreed to include the grant as a separate line item.

Mrs. Thacker stated that for Water Purchased she used what was purchased last year and the year to date for this year to come up with an estimate. She explained what is included under Contracted Operations. Under the Engineering & Infrastructure Consulting, we have finished up some projects and this amount should cover the costs that are left.

Mrs. Thacker stated that most of the remaining line items are mostly fixed however, explained Salaries. She explained that this is Gary's salary, \$10,000. She looked at the last couple of years and felt it would be under that amount.

Mrs. Thacker noted a zero amount in line item 13005 for Water Line/Meter Installation and recommended that be merged with 13008 Water Line Repair. All agreed.

Town Clerk Houck pointed out that most of the bills from Yates are for contract work, but sometimes we get a call for a watermain leak that the Town pays for. The bills are broken down for each item and sometimes we are billed separately for these type events. She explained that Mrs. Hunsucker checks these bills with our workorders to make sure they balance out.

The Council discussed the line item for Electronic Water Meters -Changeout. Town Clerk stated that Water Works that provides our meters has offered to do a study to see if we could save money by changing out the meters and have a central system read the meters instead of them riding around to read them. However, it was going to be thousands of dollars. She and Mrs. Thacker discussed what was spent previously and year to date. They agreed that this amount is sufficient.

Mayor Flynt reminded everyone that Hazen & Sawyer will be coming in with a proposal shortly and felt we should take some money out of reserves to close up some of these loops around town. He added that they looked at replacing the meters with the electronic ones several years ago and noted that it is a safety issue with people reading these meters on busy highways. Not sure how much it would cost to switch them out but would like this to be looked into. Councilman Foy stated that if this would be a permissible expense, we could use the grant money. Mayor Pro Tem Hooks added that it would improve the quality of our water by not having dead ends and more consistent inspections. It was noted that the Town still has approximately 400 of the old meters and 200 auto read meters. It was noted that the life span of a transponder is about 10 years, and it would be best to stagger them, so they don't go out at the same time. Council was interested in getting more information and figures on this matter. A line item 16001 was added for Meter Changeout in the amount of \$25,000. Staff will pull information together and email out to the Council.

Mrs. Thacker then briefly explained the changes in both funds and stated that we are out of balance by \$23,531.20. Where do you want to pull this money from? Mayor Pro Tem Hooks

stated that we have two more meetings to work on the budget and asked for new sheets to reflect what has been discussed tonight.

Council discussed the current number of water customers and what increase the Town might see over the next year. It was decided to base figures on 650 customers.

Mrs. Thacker stated that she will update her sheets and email out to Council. Councilman Foy asked that on the Balance Sheet presented to the Council at their monthly meetings, show the current rate of return and maturity date for the CR's. Mrs. Thacker agreed.

The Town Clerk stated that the next meeting is April 20th.

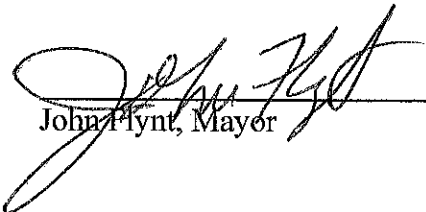
3. Citizen Comments

None presented.

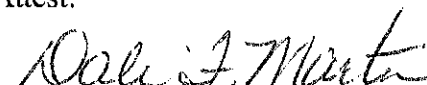
4. Adjournment.

Mayor Flynt made a **Motion** to adjourn the meeting. Councilman Landreth seconded the motion and the vote was all for and motion carried. The meeting adjourned at 8:40 PM.

Approved: August 12, 2021.


John Flynt, Mayor

Attest:


Dale F. Martin
(Interim Town Clerk at time of signing)

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