

1 **Town of Pleasant Garden**
2 March 31, 2009
3 Kirkman Municipal Building
4

5
6 **WORK SESSION ON THE 2009-10 BUDGET**
7 **MINUTES**
8

9 **In attendance**

10 Mayor Anne Hice
11 Councilwoman Chris Johnson
12 Mayor Pro Tem Nancy Jo Smith
13 Councilman Wallace
14 Councilman Bob Wyrick
15

16 **Also in attendance**

17 Sandy Carmany / Town Administrator/Clerk/Finance Officer
18 Linda Baker, Assistant Clerk
19 Blair Carr, substituting as the Town Attorney in the absence of Town Attorney Hill
20

21 **Audience**

22 7
23

24 **Call to Order**

25 Mayor Hice called the meeting to order at 7:00pm.
26

27 Mayor Hice welcomed everyone.
28

29 Councilman Wallace delivered the invocation.
30

31 Mayor Hice led the Pledge of Allegiance.
32

33 **Roll Call**

34 Town Administrator/Clerk Carmany called the roll, and all members were in attendance. A quorum
35 was present.
36

37 **Approval of Agenda**

38 **MOVED by Mayor Hice to approve the agenda, seconded by Mayor Pro Tem Smith.**
39 **APPROVED 5-0**
40

41 **Overview of current budget status and revenue trends**

42 Finance Officer Carmany reviewed the March 31, 2009 financial report. The total of the General
43 Fund and Capital Reserve fund balances passed the \$3 million mark; March interest payments were
44 not available when the report was generated. The "Budget versus Actual" report was the most
45 important one at the moment; spending should be around the 75% level nine months into the fiscal
46 year.
47

1 Councilman Wallace inquired about the fund balance at the beginning of the fiscal year. Mrs.
2 Carmany responded it was \$2,844,896.

3

4 Finance Officer Carmany reviewed revenue projections for the year. Revenues from the property
5 tax, Cable TV Franchise Tax, Sales and Use Tax, Greensboro ABC, NC Beer and Wine Tax and
6 soccer registrations were meeting or exceeding the projections in the budget. Revenues from the
7 Franchise Utility Tax, interest earnings, planning and inspections fees and soccer sponsorships will
8 be less than projected. Total projected revenues for 2008-09 were \$441,000; counting anticipated
9 revenues to be received by June 30, Mrs. Carmany estimated that \$398,590 will be collected for the
10 year. She gave a rough estimate of revenues for 2009-10 to be in the \$385,000 range and noted that
11 there is a significant fund balance available to draw on if needed. Councilman Wallace questioned
12 the projected interest income on the general fund and capital reserve fund balances and asked Mrs.
13 Carmany to check those figures and seek more competitive rates.

14

15 **Question of levying a tax on gross receipts from retail short-term lease or rental of heavy**
16 **equipment**

17 Finance Officer Carmany reviewed a September 30, 2008 memo from Andy Romanet of the NCLM
18 explaining that local municipalities could impose a .8% tax on gross receipts for retail lease or rental
19 of heavy equipment to replace the removal of heavy equipment from the property tax base.
20 Councilmembers briefly discussed the proposal and decided not to pursue it.

21

22 **Known or projected costs and possible increases**

23 *Grounds maintenance contract:* The contract approved by the Town Council with Still's Lawn
24 Service for 2008-09 contained a provision for renewal up to three years if both parties agree. Jeff
25 Still told Mrs. Carmany the rate for 2009-10 would remain the same because the Town was no
26 longer requiring him to maintain the Idol Field, offsetting any cost increases. He projected a 3%
27 increase for each of the next years; Councilwoman Johnson expressed concerns about fairness if the
28 Town should add additional land to be serviced. Either party can terminate the contract with 30 days
29 written notice. Mrs. Carmany was instructed to prepare the updated contract for approval at the May
30 5 meeting.

31

32 *Insurance:* Mrs. Carmany briefly reviewed the projected costs provided from Risk Management
33 Services for health benefits, Workers Compensation, and property/liability insurance. Some cost
34 increases are expected.

35

36 *Staff salaries:* Finance Officer Carmany referred to the provision in the Personnel Policy for annual
37 increases in staff salaries. Councilman Wallace suggested not implementing an increase at this time
38 and waiting until the revenue picture was clearer, and Councilman Wyrick agreed that a temporary
39 freeze was appropriate given the economic situation. Mayor Pro Tem Smith noted upcoming
40 evaluations and the need for consideration of pay increases at that time, and Councilwoman Johnson
41 concurred. Mrs. Carmany was instructed to budget at the current salary level in the draft budget.

42

43 *Animal Control:* Mrs. Carmany reviewed a letter from Ken Carter of the Guilford County
44 Department of Public Health stating that the county would resume charging for animal control
45 services on July 1, 2009. The county has not charged for these services since 2003 when the sales
46 tax distribution formula was changed. The range of potential charges is between \$16,000 – 18,000.
47 There was discussion about the services provided by the county that includes the animal shelter and
48 if alternatives were available.

1 *PTCOG Cable Administration Program:* Mayor Hice reviewed the letter from Dave Harris at the
2 Piedmont Triad Council of Governments listing the dues for continued participation in the Cable
3 Administration Program at \$700. Councilmembers agreed the Town should remain in the program.
4

5 *UNC School of Government dues:* Mrs. Carmany noted that the dues will remain the same for 2009-
6 10. Councilman Wallace inquired about the NCLM dues; that notification has not yet been received.
7

8 **Proposed policies that could affect the budget**

9 *Advertising:* Councilmembers reviewed the financial information on past advertising expenses and
10 various options that could be used. They discussed how frequently meeting notices should be placed
11 in the *Pleasant Garden Post*, if at all, given other available venues. Legal notices must be placed in a
12 newspaper of record; Councilman Wyrick noted a November 1997 vote to also publish those notices
13 in the Post as a matter of courtesy. Mrs. Carmany will research if that is still in effect. All
14 councilmembers should submit their preferences to Mrs. Carmany by April 10 to include in a draft
15 policy to be considered for adoption at the May 5 meeting.
16

17 *Council travel and expenses:* Mrs. Carmany reviewed the basics of a draft policy based on Mayor
18 Pro Tem Smith's motion at the March 10 Town Council meeting and Mrs. Carmany's experience as
19 a former councilmember in Greensboro. There was discussion if there was an existing policy in
20 place to identify possible travel during the budget preparation process; the new proposal would give
21 each individual councilmember a set amount for travel expenses. Books and informational items
22 would be placed in a separate line item as would essentials training for newly-elected
23 councilmembers. Mayor Hice expressed concern about the economic situation and if travel should be
24 frozen for the year. Councilman Wallace spoke to the value of education to councilmembers and the
25 Town; Councilman Wyrick expressed concern about restricting councilmembers ability to travel.
26 Councilmembers were asked to submit their preferences by April 10 to Mrs. Carmany to be included
27 in a draft policy for consideration at the May 5 Town Council meeting.
28

29 *Requests for funding from community organizations and citizens:* Requests for funding were
30 received from Senior Resources of Guilford, Friends of the Greensboro Parks and Recreation
31 Foundation, Pleasant Garden Lions Club, Operation Safe County, Crime Stoppers, and Kids Voting.
32 [NOTE: A request from the Pleasant Garden Community Center postmarked on March 31 arrived
33 later in the mail.] Councilmembers were asked to review the applications for a funding decision at a
34 later meeting.
35

36 Councilmembers reviewed a memo from Town Attorney Hill regarding budget requests submitted
37 by a citizen. Despite the request, no one from the Pleasant Garden Community Center has
38 approached the Town to operate the community center. The Town cannot acquire the Roy Carroll
39 property north of Ritters Lake Road since it would violate the agreement with Greensboro regarding
40 annexations. Funding to improve private roads and Hagan Stone Park are permissible; this would be
41 a policy decision of the Town Council.
42

43 Councilwoman Johnson asked if other towns fund the Senior Luncheons; Councilman Wyrick
44 responded that Senior Resources does offer the program in other locations. Mayor Pro Tem Smith
45 said this was part of the rural outreach efforts. Assistant Clerk Baker was asked to get additional
46 information about the program.
47
48

1 **Suggestions/requests from councilmembers**

2 Mayor Hice said the Healthy Living Committee wants to offer CPR training to staff and soccer
3 coaches; she suggested the purchase of a defibrillator at a cost of \$1,500-2,000. She asked that the
4 Town explore the possibility of the purchase of a digital sign to replace the current one at the
5 Pleasant Garden Fire Department; Chief Cole suggested this last fall. Approximately \$3,000 is
6 needed for the Kidneyville Cruiser at the Health Fair on the last day of the Farmers Market; grants
7 are being pursued to offset some of that cost.

8
9 **General direction regarding the property tax rate**

10 Councilmembers suggested waiting until the projected expenses indicated the need. Mrs. Carmany
11 was instructed to project property tax revenues on tax rates ranging from 2.5 cents to 5 cents. Mayor
12 Hice reminded everyone of the available fund balance.

13
14 **Capital Reserve Fund discussion**

15 The Town Council must adopt a Capital Reserve Fund budget to comply with the General Statutes.
16 Mayor Hice said that the Town Hall Site Plan would be a good place to start; Councilman Wallace
17 said his first preference would be the multi-purpose building instead of the soccer fields and parking
18 lot. Mayor Hice suggested a special meeting to review the Plan and discuss possible uses of the
19 money. Finance Officer Carmany reminded councilmembers that they would still have to approve
20 any expenditure from that fund.

21
22 Councilman Wallace suggested that streets and street lighting, trash collection, police and fire
23 protection, planning, water and sewer, and recreation be included as possibilities as well. Mrs.
24 Carmany shared information about Senate Bill 758 that was introduced in the General Assembly to
25 return street construction and maintenance to counties; it is unclear how Pleasant Garden would be
26 affected.

27
28 Mayor Hice noted a need to redo the landscaping at Town Hall; no grass will grow and the shrubbery
29 is dying. There is a need to assess the cost to enrich the soil and replant. Councilwoman Johnson
30 agreed that landscaping should be addressed.

31
32 Councilman Wallace said the Town must also consider additional expenses that may be incurred due
33 to the Jordan Lake Rules requirements.

34
35 **Adjournment**

36 **MOVED by Mayor Hice to adjourn the meeting, seconded by Councilman Wallace.**

37 **APPROVED 5-0**

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39 The meeting was adjourned at 8:43pm.

40
41
42 _____
43 Clerk

_____ Date

44
45
46
47 _____
48 Mayor