

**TOWN OF WENDELL
BOARD OF COMMISSIONER MEETING MINUTES
SPECIAL CALLED BUDGET WORK SESSION
June 23, 2016**

The Wendell Town Board of Commissioners continued its special called budget work session meeting on Thursday, June 23, 2016, at Wendell Town Hall, 15 East Fourth Street in the Planning Conference Room.

PRESENT: Mayor Virginia Gray; Mayor Pro Tem Jon Lutz; Commissioners: Ben Carroll, Jason Joyner, and David Myrick.

ABSENT: Commissioner John Boyette

STAFF PRESENT: Town Manager Teresa Piner, Special Assistant to the Manager-Town Clerk Sherry Scoggins, Finance Director Butch Kay, Planning Director David Bergmark, IT Administrator Tamah Hughes, and Police Chief Bill Carter.

CALL TO ORDER:

Mayor Gray called the meeting to order at 6:00 p.m. and welcomed attendees.

REVIEW OF THE PROPOSED FISCAL YEAR 2016-2017 BUDGET FOR THE TOWN OF WENDELL WITH THE RECOMMENDATIONS RECEIVED DURING THE JUNE 22, 2016, SPECIAL CALLED BUDGET WORK SESSION:

Town Manager Piner stated Commissioner Boyette is working this evening and unable to attend this evening. Staff did go back with understanding that up to \$45,000 of the \$90,000 would come out of the fund balance if needed to bring the items into alignment. Staff began this process four months ago and reviewed revenues numbers that have come in. Instead of \$45,000 out of fund balance, staff proposes to use \$18,000 of the fund balance with a tax rate of 49 cent. Staff is open to making changes as needed. To arrive at the 49 cent tax rate, staff did the following:

- Removed the façade grant for FY 17, lowering the budget by \$4,000
- Reviewed the revenues and recommend an amendment to the auto decal fee from \$10 to \$20 and would bring in an additional \$30,000 in revenue
- Utility franchise projections reviewed and moved it up an additional \$10,000
- Local option sales tax projections reviewed and increased by \$20,177
- Planning Development fees reviewed and increased by \$10,000
- Primarily residential development and anticipate commercial development
- Appropriate \$18,000 from fund balance: Municode and wayfinding

Staff recommends reviewing the FY 17 budget in February to do the following:

- Reassess the numbers and if available, could restore the façade grant.
- Reassess the numbers and if funding available for FY 18, advertise for the second police officer and time the offer of employment after the adoption of the FY 18 budget (after July 1, 2017)
- Business registration fee bill making its way through the State Legislature. **If** the State Legislature approves the business registration fee, could be a revenue source for the Town

QUESTIONS AND ANSWERS:

Commissioner Joyner questioned the cuts. Town Manager Piner stated the only cut was the façade grant. The remaining are increases in revenue in looking at fees: auto decal, utility franchise, local sales tax, and development fees. The auto decal will generate \$30,000. The \$18,000 would come from the general fund.

Commissioner Joyner stated the only new fee proposed is the auto decal.

Mayor Gray stated it is not new, it's an increase.

Commissioner Myrick questioned the accuracy of the projections. Town Manager Piner is comfortable with the numbers. Concerns for Town staff are the unbudgeted deer strikes and bolts falling out of the knuckle boom. This is tighter than last year. This allows staff to use \$18,000 of the general fund balance with \$27,000 of the general fund balance in reserve so that if something did happen staff could use it.

Commissioner Joyner questioned if there is anything the Town is currently providing or any event of the Town that will not be done with this most updated budget. Town Manager Piner stated this keeps services where they are. Believes this improves customer service as Municode and the financial software were kept.

Commissioner Carroll stated the rumor mill was in full swing on "cuts" particularly involving special events. He clarified the Town is not cutting special events; special events will have the same budget as last year. Town Manager Piner stated that is correct.

Commissioner Joyner stated that is a 51 cent tax rate budget with a 49 cent tax rate plus \$18,000 general fund balance. And if anything goes wrong the Board will have to address it. He stated he returned this evening with the same plan he had last night. He commended the staff for its work. He would not tinker any further with the budget.

Mayor Gray asked the rate of the fire tax. Town Manager Piner stated the fire tax was adjusted from 8 cents to 9.6 cents and the Wake County tax rate is 60.05 cents and Wake County property tax is 1.35 above revenue neutral.

Commissioner Joyner clarified the auto decal fee is a \$10 increase and with the amount of resurfacing being done in Town this year is a user based correlation.

Mayor Pro Tem Lutz questioned aside from the auto decal fee, are any other fees being raised. Town Manager Piner stated no.

Mayor Pro Tem Lutz stated this is less cautiously aggressive. Town Manager Piner stated yes. The numbers were looked at based on where they are today and what the Town has in the pipeline for development. He stated it looks good.

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Commissioner Myrick stated he likes it because a majority of the money is coming from next year's tax base. He wants to see the tax base grow so taxes do not have to be raised.

Mayor Gray stated last night there was conversation about the neighboring towns, and she questioned Zebulon's rate. Finance Director Kay stated the Zebulon tax rate is 57.5 cent.

Mayor Gray questioned if that includes the fire tax rate. Finance Director Kay stated Zebulon has its own fire department.

Mayor Gray stated in keeping our tax rate the same, Wendell is one-tenth of a point higher than Zebulon if the fire tax is counted.

NEXT STEP(S):

It was the consensus of the Town Board to place on the regular agenda as one of the Commissioners was unable to attend this evening's continued special called budget work session and would allow an opportunity for the budget changes to be heard by the citizens in attendance.

Town Manger Piner stated staff will prepare a budget based on these amendments for the Monday evening meeting and revise the budget ordinance.

RECESS / ADJOURNMENT:

ACTION

Mover: Mayor Pro Tem Lutz moved to adjourn the special called budget work session meeting at 6:17 p.m.

Vote: Approved 4-0.

Duly adopted this 11th day of July 2016, while in regular session.

ATTEST:

Virginia Gray,
Mayor

Sherry L. Scoggins, MMC
Town Clerk