



**Wendell Town Board of Commissioners
Budget Retreat Agenda
The Clayton Center
111 E 2nd St, Clayton, NC 27520
Saturday, February 29th, 2020 @ 9:00 AM**

The Wendell Town Board of Commissioners held their Budget Retreat meeting on Saturday, February 29, 2020, at The Clayton Center, 111 E 2nd St, Clayton, NC, 27520.

PRESENT: Mayor Virginia Gray; Mayor Pro Tem John Boyette, Commissioners: Jon Lutz, Jason Joyner, Joe DeLoach, and Philip Tarnaski

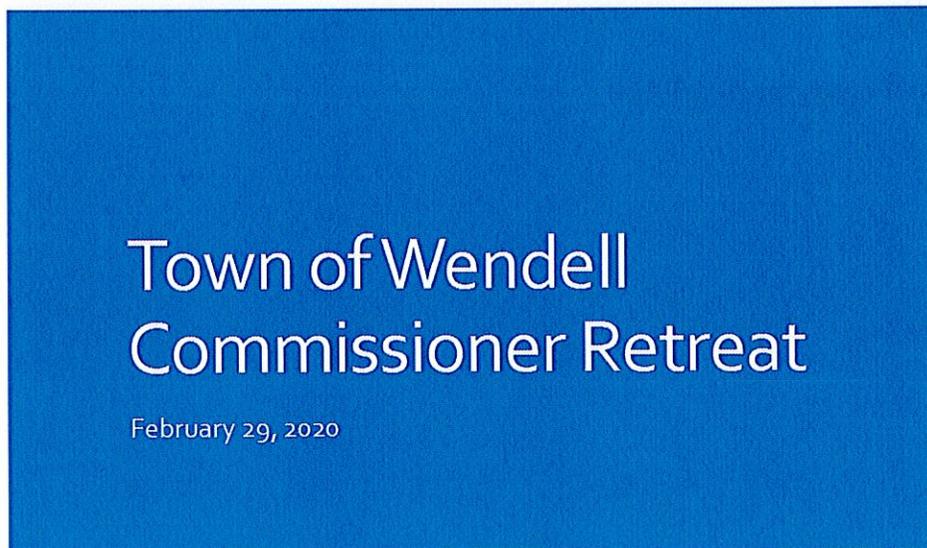
ABSENT:

STAFF PRESENT: Town Manager Marc Collins, Assistant to the Manager Stephanie Smith, Town Attorney Jim Cauley, Planning Director David Bergmark, Public Works Director Brian Bray, Finance Director Butch Kay, and Police Captain John Slaughter.

CALL TO ORDER 9:00 AM

Mayor Gray called the meeting to order at 9:01 a.m.

Town Manager Marc Collins welcomed attendees, presenting the following slides:



Retreat Agenda

- Welcome and Logistics
- Budget Process and Calendar
- Initial Trends, Forecasts, and Projections
- Baseline Budget
- **BREAK**
- Major Initiatives – Employees, Capital, Utility Merger, Revaluation
- Strategic Plan Adjustments
- **LUNCH**
- Department goals and measures
- Budget Layout and GFOA compliance
- Commission feedback
- **ADJOURN**

1. ADJUSTMENT AND APPROVAL OF THE AGENDA

ACTION

Mover: Commissioner Jon Lutz moved to approve the Agenda, as presented.

Vote: 5-0

2. BUDGET TOPICS

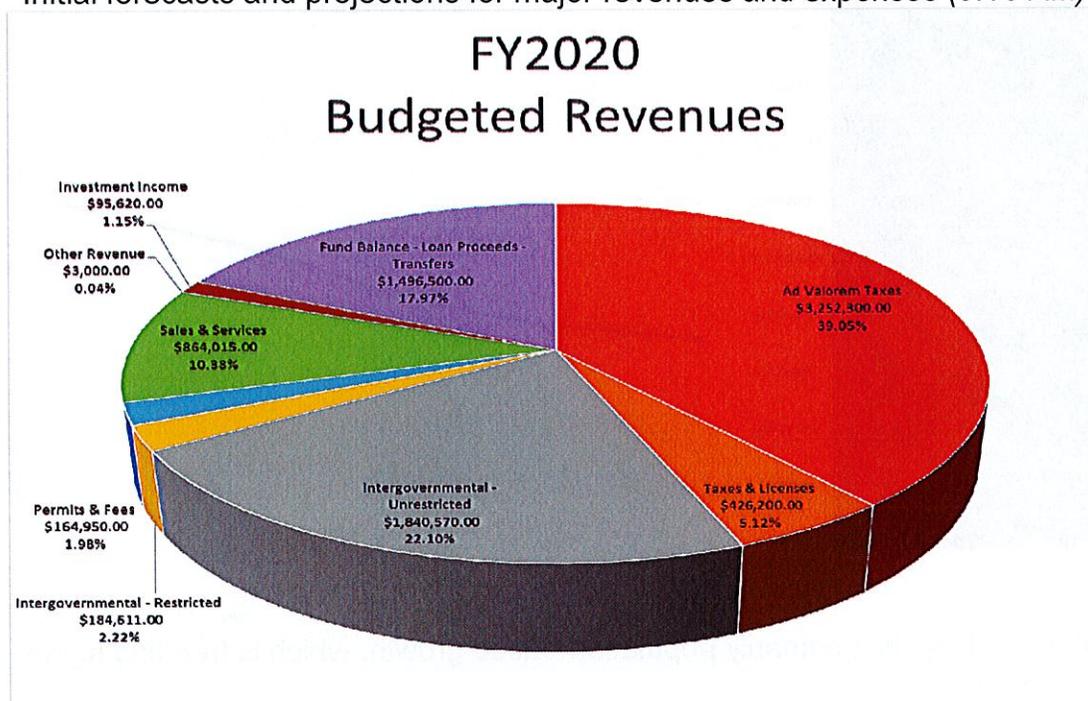
2a. Budget process and calendar (9:05 AM)

FY 2020 Budget Calendar

- January 2020 (COMPLETE)
 - Kickoff and budget introductions
 - Staff preparations for Retreat
- February 2020 (COMPLETE)
 - Strategic initiative prioritization
 - Commission Budget Retreat
 - Initial policy review by staff
- March 2020
 - Financial Policy Update (if needed)
 - Department and Capital Budget Development
- April 2020
 - Manager's Proposed Budget
 - Initial Budget Work Session
- May 2020
 - Budget Hearings
 - Budget Decision
- June 2020 (Reserved, if needed)
- July 1, 2020 (Start of FY 2021)
- August/September 2020
 - Strategic Plan Kickoff for FY 2022 & FY 2023

Mr. Collins said that the Strategic Plan would begin in August and go until November with Board and Community input to staff before adoption.

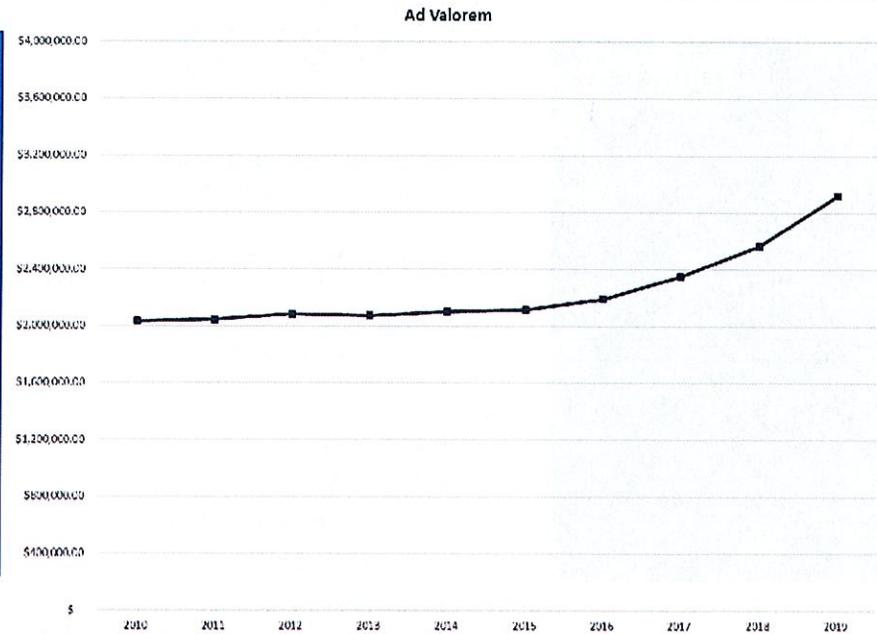
2b. Initial forecasts and projections for major revenues and expenses (9:10 AM)



Mr. Collins explained that this is where the Town gets the resources to do what they do, from property and sales taxes among other revenues.

Projections, Trends, & Forecasts

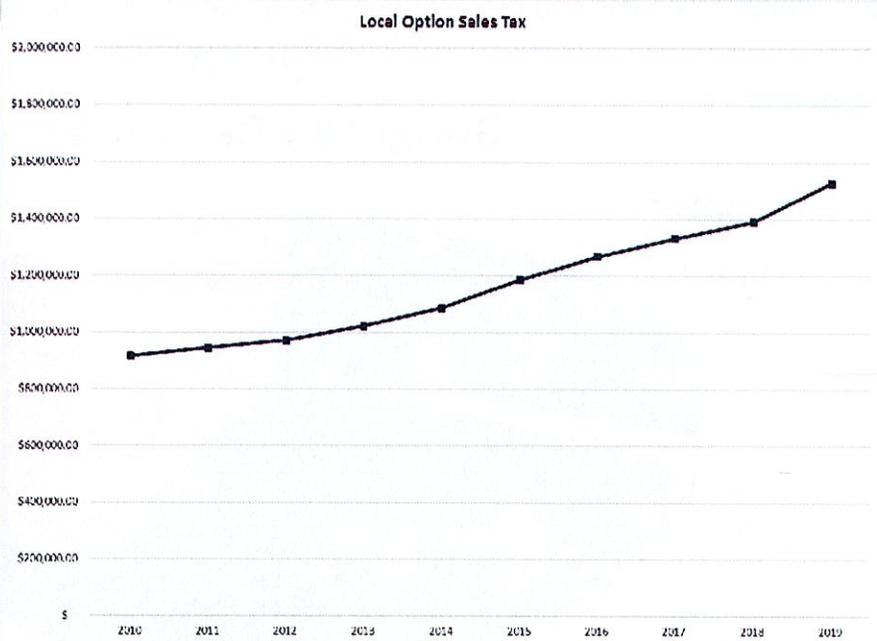
Property Tax



Mr. Collins said that the Town is getting past the big dip of 2010 and the growth is reflected in an increase of Ad Valorem taxes.

Projections, Trends, & Forecasts

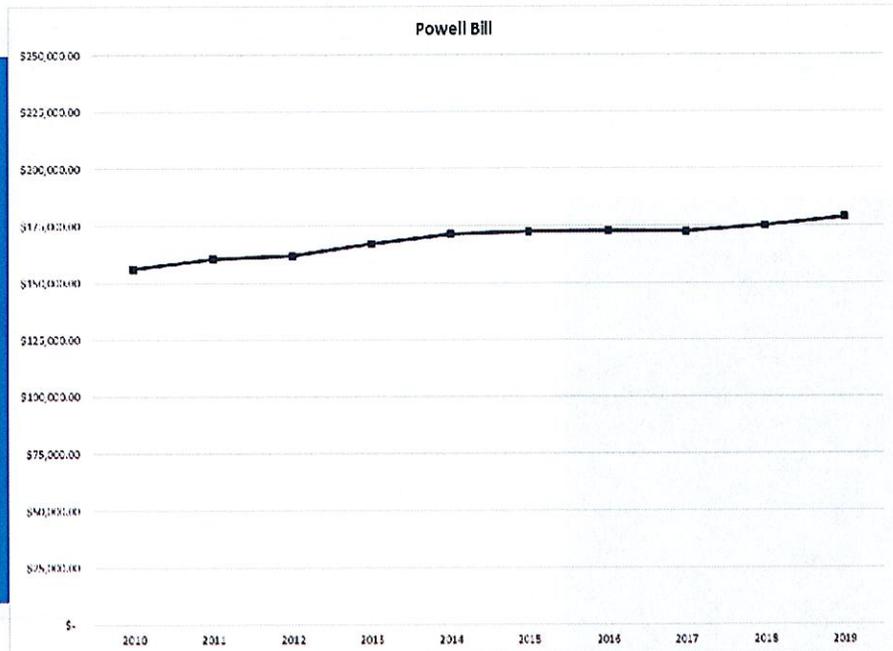
Sales Tax



Mr. Collins said this is a primarily population-based growth, which is trending higher than the county.

Projections, Trends, & Forecasts

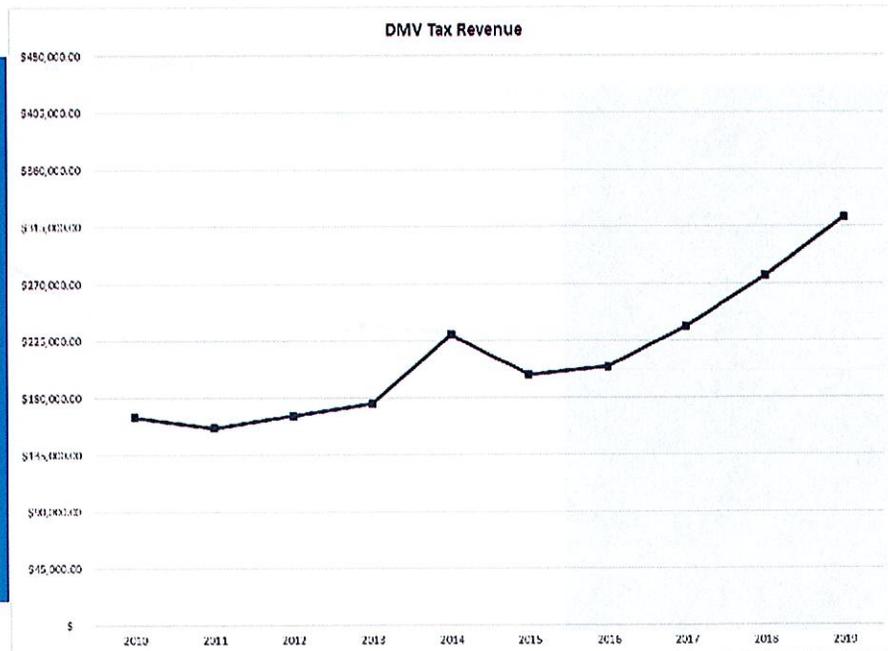
Streets



Mr. Collins said that as the Town takes in new roads and curb and gutter, this amount will increase. The cost of adding the new streets is always higher than the revenues that the Town gets from the state.

Projections, Trends, & Forecasts

Vehicle License



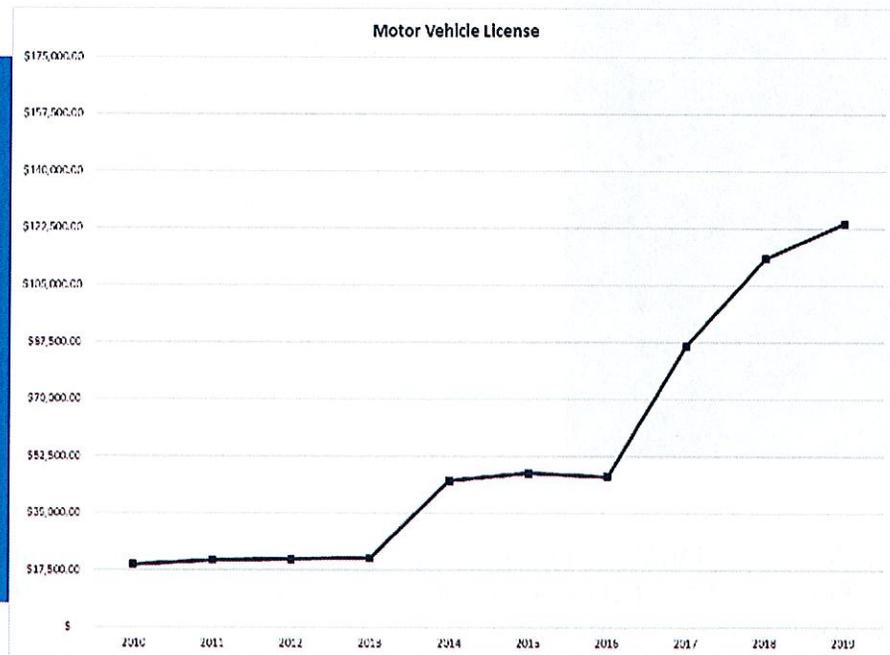
Mr. Collins said both of these Motor Vehicle License fees are increasing.

Mayor Pro Tem John Boyette asked what happened in 2014.

Finance Director Butch Kay said that the state took over vehicle tax collection from the county at this time. Being that the Town was still in a recession, people were less likely to buy a new car.

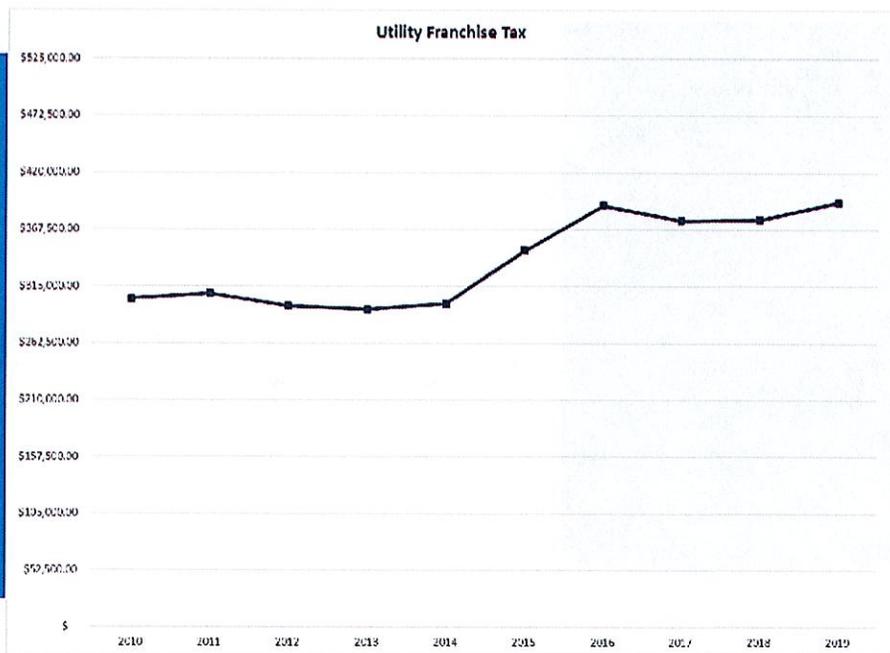
Projections,
Trends, &
Forecasts

Vehicle Tax



Projections,
Trends, &
Forecasts

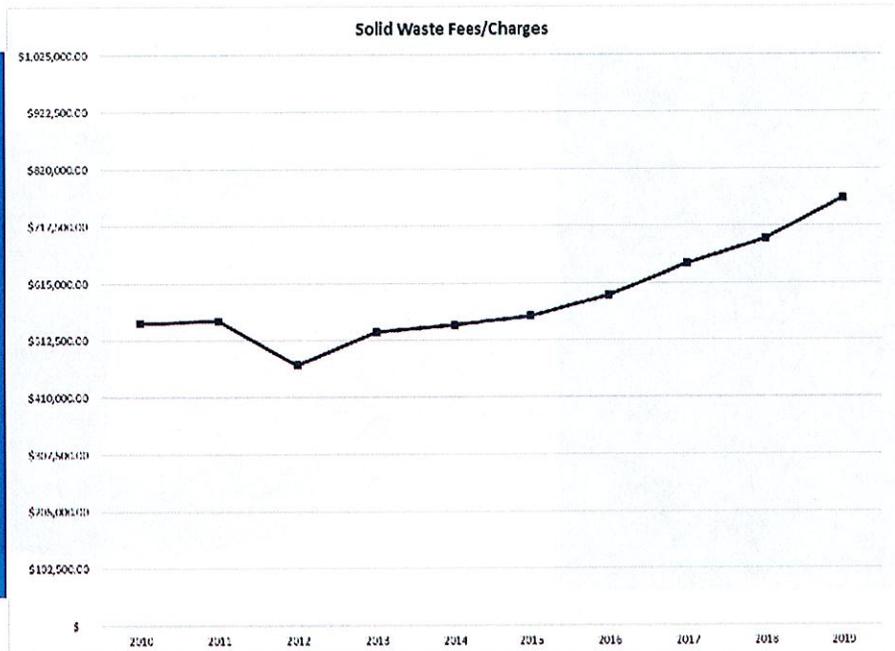
Utility Franchise



Mr. Collins said that the Utility Franchise Tax is one that would normally be seen trending flat. He said that people adding new utility services has increased due to growth in population.

Projections, Trends, & Forecasts

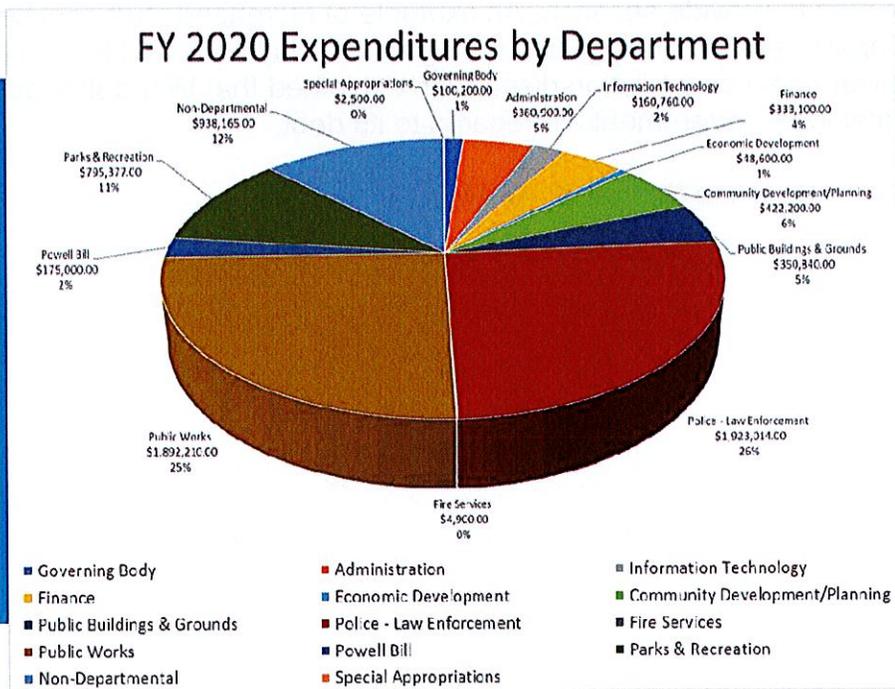
Solid Waste



Mr. Collins said solid waste fee growth also has to do with population growth of new homes and businesses.

Projections, Trends, & Forecasts

Expenses by Department
Includes Capital

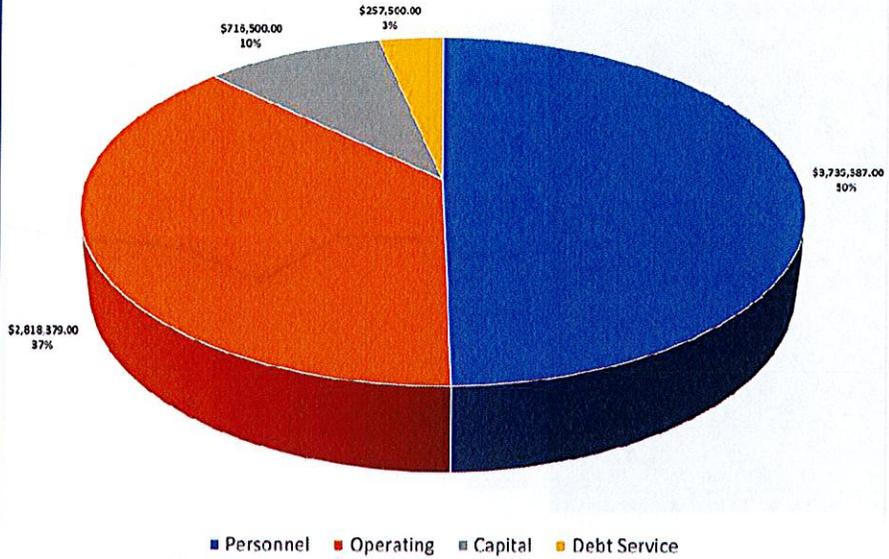


Mr. Collins said that money is spent largely on Public Works and Police, which is common in local government.

Projections,
Trends, &
Forecasts

Expense Categories

FY 2020 Expenditures by Category



Mr. Collins said that local government is a service organization, meaning its human capital is most important and largest cost center. Increases in service relate to addition of staff to provide services. An example of increased staff service is with the Planning Department in writing grants during the holiday season. He said that the local government commission discussion explained that Wendell is doing a lot better than most local governments in regards to its debt.

2c. Baseline Budget (9:40 AM)

FY 2021 Baseline Budget (Handout)

□ Baseline Budget IS...

- First glance of past, current year, and look forward
- Provides sense of operating budget challenges and opportunities
- Provides for maintenance of current service (baseline)
- Identifies likely additions (baseline plus)

□ Baseline Budget is NOT...

- The Manager's Proposed Budget
- Final numbers or needs
- Capital and Debt Schedule
- Policy

Mr. Collins said that this is a glance at our current year's budget while being the most conservative in future projections. Baseline plus is a continuation of service plus additional programs that the Town might need to prioritize. Baseline plus is subject to change and is not a part of the proposed budget. Mr. Collins said that this is not a part of the policy document. It is a future projection that takes challenges into account with changing tax rates.

Town of Wendell FY 2021 Baseline Budget - Revenue Neutral									
FY 17 Actual	FY 18 Actual	FY 19 Actual	FY 20 Budget	FY 20 Projected	Description	FY 21 Baseline	FY 22 Projected	FY 23 Projected	FY 24 Projected
					REVENUES				
2,367,259	2,577,258	2,936,942	3,252,300	3,300,351	Ad Valorem Taxes	3,728,992	3,877,796	4,032,849	4,194,159
323,035	390,883	450,518	426,700	447,134	Taxes & Licenses	426,200	451,878	458,656	465,536
1,773,645	1,836,252	1,993,515	1,840,570	1,938,322	Intergovernmental (Unrestricted)	1,840,570	1,971,150	2,010,579	2,050,784
200,267	473,425	268,253	184,611	240,721	Intergovernmental (Restricted)	187,487	190,487	198,487	196,487
126,323	146,629	186,315	164,950	112,398	Permits & Fees	164,950	168,249	171,614	175,046
855,909	957,324	1,102,005	864,015	903,685	Sales & Services	864,015	881,295	898,921	916,900
4,427	11,841	158,997	3,000	8,300	Other Revenue	3,000	3,200	3,200	3,200
32,227	67,884	168,226	95,620	115,000	Investment Income	95,620	115,000	115,000	115,000
2,185,851	507,000	0	696,500		Loan Proceeds and Transfers	500,000	4,500,000		
7,868,943	6,966,496	7,264,171	7,527,766	7,865,911	Total Revenue	7,810,434	12,158,935	7,884,294	8,117,112
					EXPENSES				
					Department				
					Governing Body				
89,124	96,059	79,881	100,200	97,100	Administration	4,794,000	5,052,689	5,321,164	5,589,605
254,105	263,544	360,066	380,900	414,300	Information Technology				
111,039	124,940	105,021	160,760	162,760	Finance				
254,370	267,705	315,269	333,100	337,000	Economic Development	2,462,466	2,497,837	2,544,047	2,591,111
878	1,153	1,631	48,600	51,100	Community Development/Planning				
291,884	323,736	247,943	422,200	480,150	Public Buildings & Grounds	231,000	4,686,000	238,000	246,000
246,568	660,928	289,704	350,840	1,163,040	Police - Law Enforcement	466,200	833,800	709,000	692,500
1,268,803	1,757,274	1,599,951	1,923,014	1,856,340	Fire Services				
-1,968	691	2,243	4,900	4,900	Public Works				
1,202,262	1,481,348	1,653,699	1,906,710	2,160,735	Parks & Recreation				
1,377,953	155,370	143,651	175,000	237,100	Powell Bill				
740,185	1,305,029	764,377	795,377	812,527	Non-Departmental				
606,543	756,108	853,115	923,665	922,500	Special Appropriation				
1,000	2,500	2,500	2,500	2,750					
6,442,745	7,196,386	6,419,051	7,527,766	8,707,302	Total Expenses	7,933,666	13,070,326	8,809,210	9,119,217
1,426,198	-231,890	845,120	0	-1,636,391	Surplus/Deficit	-123,232	-911,331	-924,914	-1,002,104
Assumptions:									
* <i>Ad Valorem Tax</i> - based on revenue neutral rate of .41 (rate obtained from Wake Co.) and growth of 4% (trend analysis and population)									
* <i>Remaining revenues</i> - were based on trend analysis (between 1% and 3%)									
* <i>Personnel</i> - implement comp and class study, cola increase (match CPI 1.85%) and includes new salary positions per staff projections									
* <i>Operating</i> - based on needs of operating within the departments and projecting 1.85% increase (using CPI rate)									
* <i>Capital</i> - based on replacement of vehicles/equipment and town hall, no other capital items included									
* <i>Debt</i> - remaining outstanding debt plus debt payment for town hall, no other new debt included									

Town of Wendell FY 2021 Baseline Budget - Current Rate										
FY 17 Actual	FY 18 Actual	FY 19 Actual	FY 20 Budget	FY 20 Projected	Description	FY 21 Baseline	FY 22 Projected	FY 23 Projected	FY 24 Projected	
2,367,259	2,577,258	2,936,342	3,252,300	3,300,351	Revenues					
323,035	390,883	450,518	426,200	447,134	Ad Valorem Taxes	4,567,525	4,750,226	4,940,235	5,137,844	
1,773,645	1,835,252	1,993,515	1,840,570	1,938,322	Taxes & Licenses	426,200	510,119	517,770	525,537	
200,267	473,425	268,253	184,611	240,721	Intergovernmental (Unrestricted)	1,840,570	1,971,150	2,010,573	2,050,784	
126,323	145,629	186,315	164,950	112,398	Intergovernmental (Restricted)	187,487	158,487	159,487	156,487	
855,909	957,324	1,102,005	864,015	903,685	Permits & Fees	164,950	168,249	171,614	175,046	
4,427	11,841	158,997	3,000	8,300	Sales & Services	864,015	881,295	898,921	916,900	
32,227	67,884	168,226	95,620	115,000	Other Revenue	3,000	3,200	3,200	3,200	
2,185,851	507,000	0	696,500		Investment Income	95,620	115,000	115,000	115,000	
					Loan Proceeds and Transfers	500,000	4,500,000			
7,868,943	6,966,496	7,264,171	7,527,766	7,065,911	Total Revenue	8,649,367	13,031,485	8,791,686	9,060,798	
					Expenses					
89,124	98,059	79,881	100,200	97,100	Department					
254,105	263,544	360,066	380,900	414,300	Governing Body					
111,039	124,940	105,021	160,760	162,760	Administration	4,794,000	5,052,689	5,321,164	5,589,605	
254,370	267,705	315,269	333,100	337,000	Information Technology					
878	1,153	1,631	48,600	51,100	Finance	2,452,466	2,497,837	2,544,047	2,591,111	
291,884	323,736	247,943	422,200	480,150	Economic Development					
246,568	660,928	289,704	350,840	1,163,040	Community Development/Planning	231,000	4,688,000	235,000	246,000	
1,268,803	1,757,274	1,599,951	1,923,014	1,856,340	Public Buildings & Grounds	456,200	833,800	709,000	692,500	
-1,968	691	2,243	4,900	4,900	Police - Law Enforcement					
1,202,262	1,481,348	1,653,699	1,906,710	2,160,735	Fire Services					
1,377,953	156,370	143,651	175,000	237,100	Public Works					
740,185	1,305,029	764,377	795,377	812,527	Parks & Recreation					
606,543	756,108	853,115	923,665	922,500	Powell Bill					
1,000	2,500	2,500	2,500	2,750	Non-Departmental					
					Special Appropriation					
6,442,745	7,198,386	6,419,051	7,527,766	8,702,302	Total Expenses	7,933,666	13,070,328	8,809,210	9,119,217	
1,426,198	-231,890	845,120	0	-1,636,391	Surplus/Deficit	715,701	-38,843	-17,524	-58,419	

Assumptions:
 ^ Ad Valorem Tax based on current rate of .40 and growth of 4% (trend analysis and population)
 ^ Remaining revenues were based on trend analysis (between 1% and 3%)
 ^ Personnel - implement comp and class study, cola increase (match CPI 1.85%) and includes new salary positions per staff projections
 ^ Operating - based on needs of operating within the departments and projecting 1.85% increase (using CPI rate)
 ^ Capital - based on replacement of vehicles/equipment and town hall, no other capital items included
 ^ Debt - remaining outstanding debt plus debt payment for town hall, no other new debt included

Town of Wendell FY 2021 Baseline Budget - Current Rate										
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2,367,259	2,577,258	2,936,342	3,252,300	3,300,351	Revenues					
323,035	390,883	450,518	426,200	447,134	Ad Valorem Taxes	4,567,525	4,750,226	4,940,235	5,137,844	
1,773,645	1,835,252	1,993,515	1,840,570	1,938,322	Taxes & Licenses	502,580	510,119	517,770	525,537	
200,267	473,425	268,253	184,611	240,721	Intergovernmental (Unrestricted)	1,949,500	1,988,490	2,028,260	2,068,825	
126,323	145,629	186,315	164,950	112,398	Intergovernmental (Restricted)	1,387,487	865,487	158,487	1,156,428	
855,909	957,324	1,102,005	864,015	903,685	Permits & Fees	178,500	182,070	185,711	189,426	
4,427	11,841	158,997	3,000	8,300	Sales & Services	911,450	929,679	948,273	967,238	
32,227	67,884	168,226	95,620	115,000	Other Revenue	3,200	3,200	3,200	3,200	
2,185,851	507,000	0	696,500		Investment Income	115,000	115,000	115,000	115,000	
					Loan Proceeds and Transfers	500,000	4,500,000			
7,868,943	6,966,496	7,264,171	7,527,766	7,065,911	Total Revenue	10,119,242	13,844,271	8,931,936	10,203,557	
					Expenses					
89,124	98,059	79,881	100,200	97,100	Department					
254,105	263,544	360,066	380,900	414,300	Governing Body					
111,039	124,940	105,021	160,760	162,760	Administration	4,623,500	5,279,244	5,766,987	6,278,623	
254,370	267,705	315,269	333,100	337,000	Information Technology					
878	1,153	1,631	48,600	51,100	Finance	2,771,480	2,935,662	3,109,571	3,293,782	
291,884	323,736	247,943	422,200	480,150	Economic Development					
246,568	660,928	289,704	350,840	1,163,040	Community Development/Planning	2,200,894	6,404,184	721,474	1,670,691	
1,268,803	1,757,274	1,599,951	1,923,014	1,856,340	Public Buildings & Grounds	456,200	833,800	709,000	692,500	
-1,968	691	2,243	4,900	4,900	Police - Law Enforcement					
1,202,262	1,481,348	1,653,699	1,906,710	2,160,735	Fire Services					
1,377,953	156,370	143,651	175,000	237,100	Public Works					
740,185	1,305,029	764,377	795,377	812,527	Parks & Recreation					
606,543	756,108	853,115	923,665	922,500	Powell Bill					
1,000	2,500	2,500	2,500	2,750	Non-Departmental					
					Special Appropriation					
6,442,745	7,198,386	6,419,051	7,527,766	8,702,302	Total Expenses	10,252,074	15,452,891	10,307,032	11,935,596	
1,426,198	-231,890	845,120	0	-1,636,391	Surplus/Deficit	-136,832	-1,608,620	-1,375,096	-1,732,039	

Assumptions:
 ^ Ad Valorem Tax based on current rate of .40 and growth of 4% (trend analysis and population)
 ^ Remaining revenues were based on trend analysis (between 1% and 3%), also includes outside grant opportunities
 ^ Personnel - implement comp and class study, cola and merit increase (CPI 1.85% and 4%) and includes new salary positions per staff projections
 ^ Operating - based on needs of operating within the departments and projecting 1.85% increase (using CPI rate) and growth needs (using 4% - trend for growth)
 ^ Capital - based on replacement of vehicles/equipment and town hall, land acquisition (park/facilities), road resurfacing, sidewalks, and other equipment needs
 ^ Debt - remaining outstanding debt plus debt payment for town hall, no other new debt included

Revenue Neutral is at \$0.41. Mr. Collins said that revenue neutral means that after a revaluation, the tax rate is what generates the prior year revenue plus any new growth. It's what tries go get you back to the revenue that you would have had if they hadn't done a revaluation. From the additional numbers that the Town received from the Wake County Tax appraiser, that number is 41 cents. FY 21 Baseline is a projection based on a 41-cent tax rate, with a 4% trend growth looking out at future years. Mr. Collins said that the Comp and Class Study and Cost of Living are matched to CPI as an

incremental merit of approximately 2%. CPI is Consumer Price Index, which means the cost of goods with a ten-year smoothing for the Wendell area, with a focus on goods and services. Mr. Collins said that Capital has added the construction of the new Town Hall and kept police vehicle purchases consistent with previous years. There's no additional project or borrowing costs included. Mr. Collins said that surplus deficit is sizeable for next year, at \$1 million annually. He offered to answer any questions that the Board might have.

No questions were asked.

Mr. Collins said the tax rate will remain at \$0.49 with the same assumptions on costs built in. He said that there's a little bit of a surplus, with projections showing a smaller deficit when leaving the rate where it is. Mr. Collins said that this would allow for a sustainable budget, moving forward.

Baseline plus adds in anticipated grants for capital projects that were in the past capital budget. The Town is looking at moving staff more aggressively through pay scales, over time. Mr. Collins said a 4% annual movement will be proposed so long as the economy stays the same. He said that year two will introduce new challenges, with the Town looking at how to still achieve strategic initiatives such as sidewalks and stormwater. These considerations will require problem-solving to prevent going into the negative and Board prioritization of these projects will be vital. Mr. Collins reminded the Board that the baseline plus is the worst-case-scenario projections. He said that historically, there's an average of 13% of revenues going up, per year. In order to complete infrastructure improvements, the rate would need to be at \$0.49 rather than \$0.41.

Mayor Pro Tem Boyette asked what the tax rate increase was in 2008-2009.

Mr. Collins said it's likely to have been flat and the reality of today is what the Town is going to have to deal with. He said making the budget sustainable over time is what staff is focusing on with projections by making minor incremental adjustments.

Mr. Boyette said he's heard constituents say that Wendell has the highest tax rates in the county, which he doesn't think is the truth anymore. He asked where Wendell is sitting in the county with regards to tax rates.

Commissioner Philip Tarnaski mentioned the impact of tax rate increases on the senior population in Wendell.

Mr. Collins said that if all the Town is doing is looking at one revenue stream, and not the total picture, there will be an impact. He said that other municipalities take the Fire Tax into effect, which puts the Town of Wendell at a lower tax rates than other municipalities that would be paying that tax, such as Zebulon. Other municipalities also have taxes in effect that account for size, commercial development, etc., meaning the Town is the lowest assessed value in the county. He explained that assessed value

creates a communication challenge, in addition to the fact that there's no profit motive to provide a service such as public works, police, and town hall staff.

Mayor Gray said there was an issue in the past when the Town discontinued white goods left on the curb as trash.

Commissioner Boyette said that Raleigh doesn't even provide leaf and limb service, weekly.

Mr. Collins said that it's more costly for the Town to have larger lots with fewer homes than having smaller lots with more home, as it generates more tax value. Additional revenue from industrial or commercial uses can be used to provide services to residents in the Town. He said that it's a communications challenge to reach residents on this.

Commissioner Boyette said there's benefits to increasing property values to stay revenue neutral. He said that all of the benefits from these increases go to property owners, but none of them go to the Town. If the Town has to split it somewhere, the Town either takes on the hit from revenue for promotions, hiring opportunities, and service availability versus residents making more on the sale of their homes.

Commissioner Lutz said that if there's a reduced level of service, the Town wouldn't be as appealing for the sale of property, either.

Commissioner Boyette said if the Town doesn't have a varied housing stock, that can affect revaluation of property values, too.

Mayor Gray said that sometimes the Town has to have a variation of houses.

Mr. Collins said that it's interesting to look at tax implications of land use. Land use needs to be different and more than that, looking at what you want the community to look like in the future. What are appropriate uses for appropriate locations to stimulate a healthy economy. Providing industrial and commercial development allows for residents to work where they live and spend money in the local economy, rather than on transportation to get to cities like Raleigh to work.

Mayor Gray said the Town is lacking in housing for growing families.

Mr. Collins encouraged the development discussion to coincide with what residents need and land use planning with staff.

Mayor Gray asked what the average age of the Town's population is.

Mr. Collins said 30% of Wendell's population is 19 or younger. 20 to 30-year olds are the next highest population in the Town, higher than the national and state average.

He said that this came up in the Parks and Recreation Master Plan. Mr. Collins said that there's ways to get to what the Town needs instead of building more expensive homes everywhere, which would just cost the departments more to provide service.

Commissioner DeLoach said that he's heard families ask where they can purchase a "step-up home" before they get to Wendell. He said when people get here and realize what the community has in Wendell, they've stayed here instead of going somewhere else. He said he thinks the way people are buying homes now doesn't necessarily trend towards McMansions and trends more towards less maintenance and the makeup of the neighborhoods.

Commissioner Boyette said that Wendell is the "best-kept secret of Wake County." He said that there hasn't been a 1,000 square-foot starter home built in Wendell in the past six years that he's been here. He said most neighborhoods are at middle-range and developers are interested in building in Wendell.

Mr. Collins spoke about how schools can drive the residential market, as well.

Commissioner Lutz said a lot of middle school aged children's families that he knows are putting their kids in charter schools.

Commissioner Boyette said that it's a perception issue and that the public schools offered in Wendell are well-run, even with facilities issues that they've had.

2d. Major initiatives – capital, revaluation, and utility merger (10:15 AM)

FY 2021 Major Initiatives

- Human Capital
- 5-Year Capital Improvement Plan
 - Year 1 – Capital Budget, Year 2 to 5 – Planning
- Complete Utility Merger with Raleigh & Revaluation

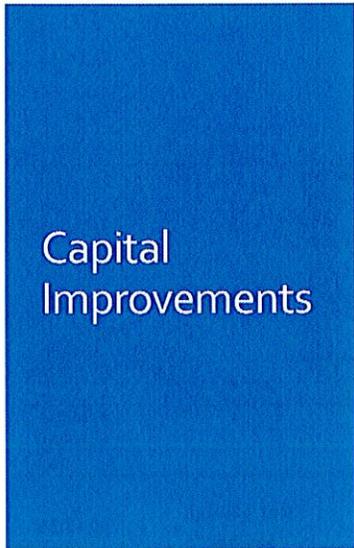
Mr. Collins said that the comp and class study would be presented at the next Town Board of Commissioners meeting.

Human Capital

- Compensation & Classification Study
 - Presentation on March 9 at Board Meeting
 - Sets pay grades and ranges to market average
 - Keeps employees at same point in range
 - Finding – correct ranges & senior staff non-competitive
 - Additional % to avoid compression (move employees in range for coming year)
- New Positions due to growth (Police, Public Works, Finance)
- Continue investment in training & professional development

Mr. Collins said that the Comp and Class study does not evaluate the employees or their performance. It is saying in order for the Town to remain competitive in the market for hiring employees, the different positions need to have their pay grades and pay scales assessed and adjusted. Mr. Collins said that turnover has a cost to the Town and this Comp and Class study would reduce the rate by retaining good talent. He said that

the Town will be at market average, so there will be no need to increase cost of living salary in next year's budget. Mr. Collins explained a need for continued training for existing staff and the replacement of new equipment for Public Works and the Police Department.



- Vehicles & Equipment – Police & Public Works
- Infrastructure – Wendell Boulevard Pedestrian Project and Neighborhood Improvement Program
- Facilities – Town Hall & related projects (entry road, paving, etc.)
- Parks & Recreation – Splash Pad, Main Street Greenway, Open Space/Park Acquisition
- Technology – Take bite from technology needs assesment

Mr. Collins explained that the water use described is an average. He said if the Town merged and had the Raleigh rates applied, there would be a savings of \$450.83 a year per average water use household. He explained the increase on tax rate in comparison to the savings from the Raleigh merge with water.

Commissioner Lutz asked what the cost is going to be to the Town to complete the merger with Raleigh.

Mr. Collins said the Town is still waiting on an exact number, but it's approximately \$4.5 million and the Town has the funds from past development fees and the Newland development funding. He said they might be interested in options such as leaving the merger open, but changing the rates today and the Town provides a payment later, guaranteeing them some extra revenue. He said staff will get back to the Board when they have the exact numbers to be put into affect July 1, 2020.

Planning Director David Bergmark said that they received \$300,000 from the Treelight Square development.

Mayor Gray asked if the Town is the last to merge with Raleigh.

their own considerable costs. He said that there's other legal requirements for upkeep of those systems that would create an additional cost.

Commissioner DeLoach said he agreed that that ship sailed long ago when the merger originally was put in place.

Commissioner Joyner said that he's interested in the plan up to the point to protect the rate for the long-term. He said if there's room in the budget to aggressively go after and reduce that debt, it's worth it in exchange for the rate.

Commissioner Lutz said that he agrees with keeping things revenue neutral, even without the water change. He said if it will save money in the long term, he thinks it's a good time to present that along with everything else.

Mayor Gray said that one thing that might help with the messaging is having the one home at a \$170,000 property value and it went up, you could add some "above and below" median so that people could see something that's closer to their situation on there.

Mr. Collins said that if you have a larger house, you recall that the property assessor values on larger, more-expensive homes went up at a lower rate, you might argue that they also have more people using more water in that larger house that would benefit from that savings.

Mayor Gray said that you could also value the increased or decreased usage.

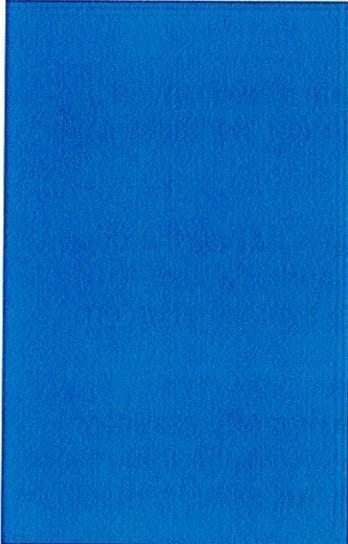
Finance Director Butch Kay said that they have that information, which is why they chose this rate. He said that the average home value in Wendell is \$168,000 with the average water bill being 5 ccfs. He said it would help people to see the variations of the savings.

Mr. Collins said that he agrees with Mr. Tarnaski's idea of making an infographic showing that this budget does save an average home X number of dollars, keeping service levels the same, along with the details backing up all of that messaging. People will see that the tax rate is at 49 and will ask why doesn't the town drop it down to 41? If the town can show that the resident is saving this amount of money on average, and how you get to that amount of savings based on the budget.

Commissioner Boyette said that you can't make all of the people happy all of the time. There are going to be people who want the lower rate on property taxes and the lower rate on water. Then there are others that will want the town to raise the tax rate so the town can build a Wendell Station Park.

Mr. Collins said he needs the Commissioners' feedback and what their constituents are saying over the budget creation. He said he wants to know what the community wants and tie service into what the town is buying.

2e. Strategic Plan prioritization (11:15 AM)



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Strategic Plan Adjustments

Mr. Collins said that if there is a strikethrough, the majority of that item for this two-year period is done. The Town will continue to evaluate and track how things go on these items. He said if it's highlighted in yellow, it's the Town Board's top priority item, with 4-5 Commissioners in favor of it. If it's green, it is a high priority item, which means that 3-4 Commissioners have been in favor of it. Mr. Collins said that all of the strategic

initiatives are important, but this prioritization helps staff on where to work.

Goal 1: Downtown
Vibrancy,
Economic Growth,
& Community
Character

1. Seek to implement recommendations developed during the NC Department of Commerce engagement meeting with Downtown stakeholders and businesses.
2. Evaluate existing Downtown grant opportunities, like the façade grant program, and update to reflect goals related to desired uses.
3. Revise the zoning uses for the Downtown are in the Unified Development Ordinance to community and business preference and market needs.
4. Review current special events sponsored by the Town and work with community organizations to enhance existing events and develop sustainable, year-round events.
5. Establish a Special Event policy and process.
6. Identify opportunities for mid and long-term use for the Wendell Elementary School property in coordination with Wake County Schools.
7. Identify opportunities for infill housing and commercial development in Downtown and establish a program to promote the potential development or redevelopment projects.
8. Update the economic development strategic plan to reflect the NC Department of Commerce vision, stakeholder, and engagement sessions to include an action plan for implementation.

Mr. Collins said that the town is making good progress on Goal 1. He asked the Board to let him know if the direction staff is going on is misaligned throughout the presentation or if there were any questions.

Commissioner Boyette asked if there had been any movement on item 6 in goal 1. He asked if there were plans as far as the school board was concerned.

Mr. Collins said not necessarily—there’s nothing in their Capital Improvement Plan on the replacement of Wendell Elementary at this time. He said that planning staff and school staff are going to get together to start discussing this. When the town gets into the Comprehensive Plan Update, the town can receive community input on what they would like to see in that area.

Mayor Gray said that she spoke to Heather Scott and she said that she has an idea about the possibility of a swing space being created that would serve Wendell and Knightdale. She said they haven’t decided on whether they’re going to tear the old one down and build it in the same space, but one of the concerns is that the school is growing and where to put the kids while you’re building something new. Mayor Gray said that she encouraged Mrs. Scott to reach out to the planning department about land and acreage requirements.

Mr. Collins said that the town’s relationship with Wake County’s planning department has improved in the past year. After meeting with them to discuss the Neighborhood Improvement Plan, they started talking about Zone 2 and Wendell Elementary. In moving from Zone 1 to Zone 2, one thing that the county staff mentioned facilitating that conversation with the school system so that all three entities can be on the same page

with timing, transition and funding. Mr. Collins said the process will begin in the next two years and will continue to the next Strategic Plan. He said that the town is working on building a better relationship with the Wake County School System and asked for the Commissioners' assistance in building those relationships.

Mayor Gray said that the county has a great school board representative that visits Wendell and has met with her every 2-3 weeks to talk. She said she has made some leeway with communicating the town's school needs to be taken back to the board.

Commissioner DeLoach asked if it was possible with the rest of the Board to meet with more than two members as an informational meeting.

Mr. Collins said there's a way for the Board to meet and post that they're meeting with that representative to adhere to open meetings law. He said he would inquire with the county representatives to figure out what needs to be fixed and report back to the board.

Goal 1: Downtown
Vibrancy,
Economic Growth,
& Community
Character

9. Evaluate the establishment of either an in-house contract or hybrid service delivery for economic development.

10. Develop marketing material and service level data to assist in economic recruitments and annexation.

11. Establish a Wendell Falls Corridor Action Plan to encourage appropriate development, connectivity, and infrastructure extension.

12. Establish a broadband policy and action plan.

13. Work with Newland Communities and area health systems to encourage the development of a hospital and medical park in the Wendell Falls commercial district or other suitable location.

14. Conduct a comparative growth analysis with area jurisdictions to determine best practices and avoidable issues related to growth to maintain a positive quality of life.

15. Establish growth boundaries with Archer Lodge and Rolesville.

16. Complete a small area plan with a focus on connecting Downtown to major interchanges to evaluate opportunities and impediments to development, annexation, public facilities, and preservation.

17. Initiate planning to update the Comprehensive Land Use Plan and update associated development and transportation plans to incorporate the update.

Mr. Collins asked if the Board had any immediate opportunities in goal 1 that staff needed to focus on. No immediate opportunities were raised, so he moved on to goal 2.

Goal 2: Public Safety and Neighborhood Improvement

1. Establish an action plan for the police department to achieve Commission on Accreditation for Law Enforcement Agencies (CALEA) accreditation and initiate policy review and development to implement.
2. Identify methods and seek department-wide training to proactively and consistently utilize community engaged policing methods.
3. Identify opportunities to improve officer health and safety through the promotion of physical fitness, use of employee assistance programs, ergonomic equipment, and like practices.
4. Seek opportunities and programs to improve traffic and pedestrian safety near school sites.
5. Evaluate the towing rotation policy and parking enforcement practices to incorporate Wendell Falls streets and Downtown event parking.
6. Expand officer participation in Crisis Intervention Training to expand existing capabilities beyond the supervisory level to properly assist persons in crisis receive appropriate agency referrals.
7. Partner with external stakeholders to address illegal drug (opioid) issues in the community to include enforcement and referral to treatment and support opportunities as the problems are identified.
8. Develop a pilot project for a "neighborhood clean-up day" to connect citizens in-need to resources for home and yard improvements, encourage voluntary efforts, and improve public spaces for a targeted geographic area.
9. Evaluate housing stock and identify opportunities to encourage diversity of housing types, promote infill development, and provide for connectivity, beautification, and park improvements.

Mr. Collins highlighted the accreditation process for a CALEA officer in the police department, which is a three-year process. He said there are opportunities to improve officer health and safety, such as employee assistance programs.

Planning Director David Bergmark mentioned item 9, saying that as the town looks at amendments to the town's water allocation policy, that could be a useful tool to alleviate it and make it easier in certain areas.

Mr. Collins said that the comprehensive planning, brownfields program, and neighborhood improvement program could also be useful in this area.

Goal 3: Infrastructure, Transportation, and the Environment

1. Establish an infrastructure plan for the connection and extension of water and sewer for inclusion in the capital improvement plan to promote development, annexation, and close service gaps.
2. Evaluate the water allocation policy for efficiencies in cost and providing necessary infrastructure to encourage appropriate growth.
3. Complete a review of comparative stormwater practices and programs and present a recommended program that includes a prioritization of needed projects and maintenance of existing infrastructure.
4. Seek opportunities to improve the Transportation Plan to balance necessary improvements to occur in a timely manner with economic development, including the Wendell Boulevard widening.
5. Prioritize and prepare intersection improvements for NCDOT and CAMPO funding processes.
6. Establish an eligible projects list for transportation, bike, and pedestrian improvements through CAMPO administered funding sources for inclusion in future capital improvement plans.
7. Establish a facility and lands prioritization list to identify future acquisition needs with funding strategies for inclusion in the capital improvement plan.
8. Submit the Wendell Boulevard Sidewalk Project to CAMPO in FY 2020 for construction in FY 2021.
9. Identify new bus stops and work with regional transit partners to develop implementation strategies.
10. Review solid waste service levels and contract for efficiencies and service improvement options.

Mr. Collins said that staff has met with Raleigh DOT on the infrastructure of item 1. He said putting those discussions on paper will be a part of the Comprehensive Plan process. Concerning item 5, Mr. Collins said that conversations have started and looking at intersections to assess improvements will continue.

Goal 4: Parks, Recreation, Special Events, & Culture

1. Complete the development and plan for implementation of a comprehensive parks and recreation master plan to guide future recreation services and facility needs.
2. Evaluate the fee-in-lieu policy for parks in the Unified Development Ordinance (UDO).
3. Identify and provide for the acquisition for the next active recreation site identified in the parks and recreation master plan.
4. Update the park plan for the Wendell Town Park to identify next steps for the use of the "new" areas.
5. Develop a plan to link Wendell Falls to Downtown and the Park by greenway that allows for multiple transportation options.
6. Evaluate the transition of Main Street Extension to a greenway connector to Downtown rather than a street for vehicles.
7. Initiate planning for signature special events to ensure sustainability, maintain attendee interest, and provide for appropriate growth.
8. Coordinate the development of a new Wendell Branch Library with Wake County to include space for historic preservation and community group meetings.
9. Identify methods to incorporate sports tourism and visitor marketing for awareness of special events and recreation offerings.

Commissioner Boyette asked about what happened to the property acquired near Old Zebulon Road regarding item 3 and the area becoming a part of park space after it's cleaned of underbrush.

Mr. Collins said it's not definitive as far as the use for that property at this time. One there is a safety concern at the intersection for a playground. He said it could be resolved with design measures and looking at adjacent developments that might be clearer with time. He mentioned that other properties might become available that are a safer use for building another playground or park space. He said he would like some feedback on competing interests on property from the board.

Goal 5: Organization culture and communication

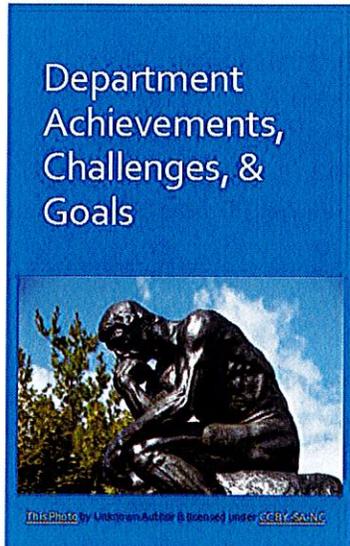
1. Maintain GFOA financial reporting recognition and seek recognition for the budget submission as well.
2. Establish a quarterly (at least) update of strategic initiatives that includes the responsible party and timelines.
3. Evaluate current department policies and practices to enhance efforts to improve customer service.
4. Establish an online agenda that includes background materials and the opportunity for public comment.
5. Develop a communication plan to market Wendell to external interests and increase communication for internal interests.
6. Establish biannual retreats for the Commission and a biennial strategic planning process that provides for community and stakeholder input.
7. Determine requirements for compliance with the Americans with Disabilities Act, as amended, and prepare a transition plan as necessary for facilities, infrastructure, programs, and communication.
8. Complete a review of the Charter and procedural rules of the Commission.
9. Evaluate human resources policies for overtime, insurance selection, employee evaluation, compensation, comparative benefits, and training programs.

Mr. Collins said a lot of work has been done regarding communications and the charter updates. He said that the midyear decision to allocate additional resource will help cross off some of these other strategic initiatives.

3. BREAK - LUNCH

4. DEPARTMENT PRESENTATIONS

4a. Parks & Recreation (12:00 PM)



This IS...

- Recognize achievements and challenges
- Connection between core service and organization goals
- Ability for Commission to direct policy
- An opportunity to improve...

This is NOT...

- The department line item budget
- All that departments do or accomplish
- Final wording and needs

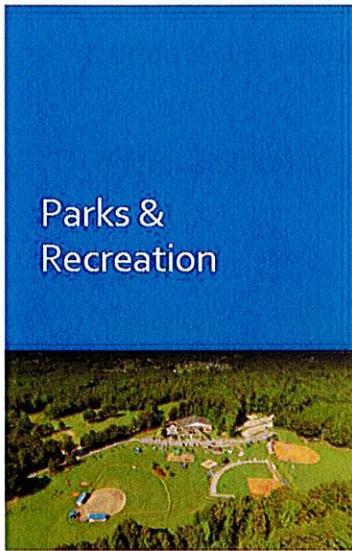
Parks and Recreation Director Jeff Polaski presented the following achievements and challenges to the board. He discussed new programs like adult kickball and how that has increased participation in parks and rec. He expanded on the needs for more staff due to increased participation and facility use.

Mayor Gray asked what the percentage increase was from the previous year.

Mr. Polaski said it was 36% the previous year.

Mayor Gray asked if the fee that kids pay for sports includes the jerseys.

Mr. Polaski said that it does not cover the cost of jerseys. He said that Dick's Sporting Goods Sponsorship is a grant that he applies for every two years. He said they give the town a check for \$500 and give participants 20 percent off in the store on a specific day. He said they also do an equipment ball bucket and fill it full of facility needs. This year, they will be supplying the town with T-balls.



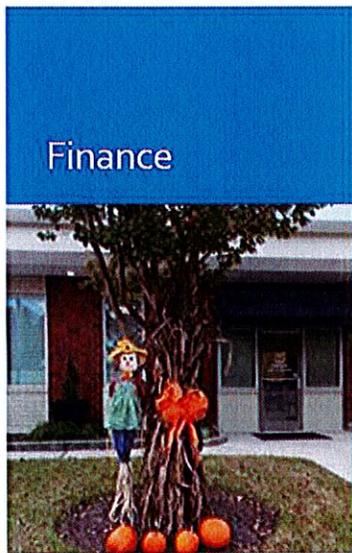
▣ Achievements in FY 2020

- ▣ Completed Parks & Recreation Master Plan
- ▣ Youth Athletic Scholarship program established
- ▣ Participation increase of 21%

▣ Challenges in FY 2021

- ▣ Facility & Equipment wear-and-tear
- ▣ Part-time and contract employee increases
- ▣ Implement Master Plan to acquire property for parks and connectivity (and prepare for construction)

4b. Administration & Finance (12:10 PM)



▣ Achievements in FY 2020

- ▣ Received 1st GFOA Distinguished Budget Presentation Award
- ▣ GFOA Award received for FY 2018 CAFR and submitted for FY 2019
- ▣ Unqualified Audit Opinion for FY 2019

▣ Challenges in FY 2021

- ▣ Staffing to maintain segregation of duties for compliance with auditing standards and maintain LGBFCA compliance.

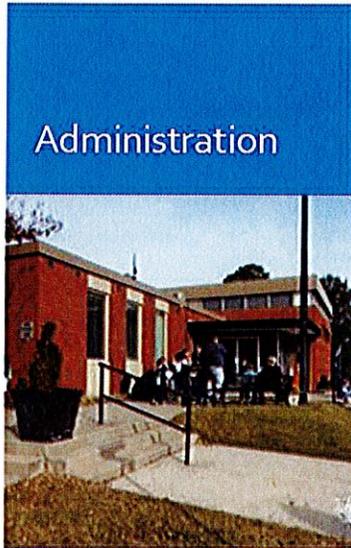
Finance Director Butch Kay presented the above achievements and challenges for the Finance Department.

Mr. Collins said staffing needs needed to be addressed so that the Finance departments remains efficient.

Commissioner DeLoach asked how much foot traffic Finance receives for bill pay.

Mr. Kay said the amount has reduced since Raleigh has introduced e-pay, around 3-400 a month.

Mr. Collins presented the following achievements and challenges for administration, IT, and economic development.



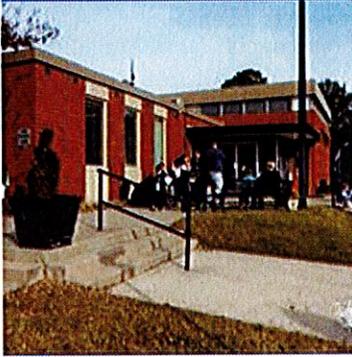
☐ Achievements in FY 2020

- ☐ Assistant to the Manager and Human Resource Administrator recruitments
- ☐ Compensation & Classification study completed
- ☐ Communication plan established and products enhanced

☐ Challenges in FY 2021

- ☐ Updating HR policies, programs, and training
- ☐ Town Hall project
- ☐ Time management

Information Technology



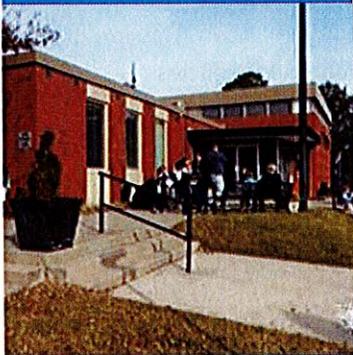
▣ Achievements in FY 2020

- ▣ IT Consultant Selection
- ▣ Assessment of Current Technology
- ▣ Replace a Server

▣ Challenges in FY 2021

- ▣ Sustainable technology replacement schedule
- ▣ Training for employees

Economic Development



▣ Achievements in FY 2020

- ▣ Established an Economic Development Program
- ▣ Economic Development Strategic Plan updated
- ▣ Special Event Policy established, partner events reviewed/enhanced, and new events

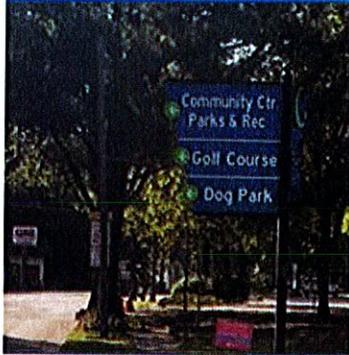
▣ Challenges in FY 2021

- ▣ Existing business program development
- ▣ Advance product development
- ▣ Sustainable downtown development/redevelopment

4c. Planning (12:20 PM)

Planning Director David Bergmark presented the following achievements and challenges for the planning department.

Planning



□ Achievements in FY 2020

- Downtown Redevelopment Projects
- Development Activity
- Advanced special projects for pedestrian projects, open space, greenways, and neighborhood improvements

□ Challenges in FY 2021

- Comprehensive Plan Update
- Staff development and training
- Move to implementation of special projects and plan for new projects

4d. Police (12:30 PM)

Police Captain John Slaughter presented the following achievements and challenges for the police department.

Police



□ Achievements in FY 2020

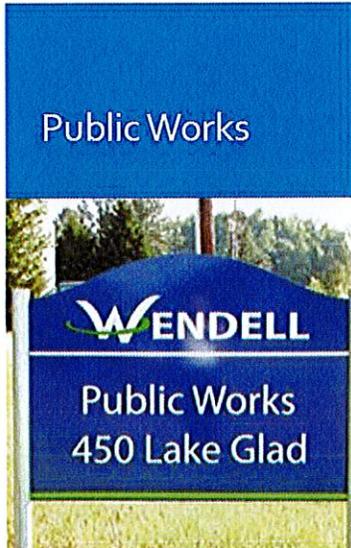
- Grant received for Handguns and Equipment will all officers qualifying with new weapons
- Filling positions (3 officers and 1 CALEA manager)
- Medicine Drop-off Box
- Watch for Me NC program for pedestrian and bicycle safety

□ Challenges in FY 2021

- Maintain Four (4) Officers for each Patrol Shift
- Staffing to meet increased community event needs
- Initiate CALEA policy reviews
- Training, resources, and legal consultation

4e. Public Works (12:40 PM)

Public Works Director Brian Bray presented the following achievements and challenges for the public works department.



☐ Achievements in FY 2020

- ☐ Downtown utility replacement and road resurfacing with Raleigh and NCDOT partners
- ☐ Facility maintenance efforts at Senior Center and Community Center sewer extension to Ballfields
- ☐ Improved training and professional development

☐ Challenges in FY 2021

- ☐ Staffing for stormwater program compliance
- ☐ Front end loader for solid waste program
- ☐ Two (2) trucks

5. BUDGET DOCUMENT

5a. Layout & GFOA compliance (12:50 PM)

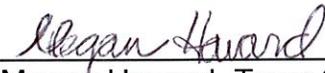
Mr. Collins encouraged the board to contact him with any questions they or their constituents might have. He said he would schedule meetings with each commissioner to discuss the budget process in the coming weeks.

6. ADJOURN 1:00 PM

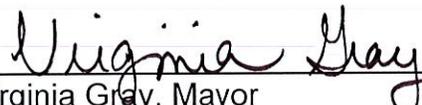
Mayor Gray adjourned the meeting at 12:56 p.m.

Duly adopted this 8th day of June, 2020.

ATTEST:


Megan Howard, Town Clerk




Virginia Gray, Mayor

