Special Budget Workshop Meeting
March 21, 2013
Jamestown Park Club House
7041 E. Fork Rd.
6:00 pm

Special meeting of the Town Council, March 21, 2013, Jamestown Park Club House.

Council Members Present: Mayor Volz, Council Member Montgomery, Nixon-Roney, Thomas & Walls

Staff Present: Chuck Smith, Paul Blanchard, Judy Gallman, Matthew Johnson and Martha Wolfe

Ragsdale High School Representative – Marissa Walsh

Visitors Present: None

1. Call to Order – Mayor Volz called the meeting to order.

2. Discussion of funding of Non-Profit Grants – The Town Manager reviewed with the Town Council the 4 applications for grants. Applications received were: Historic Jamestown Society, Jamestown Public Library, Ragsdale YMCA and Family Services. No application was received from JYL or JBA. Per Council Member Thomas, there was a change in officers and this application process slipped through. They will apply next year. Council Member Montgomery stated that JBA chose not to submit an application.

   Smith said up to 2 years ago the Council would appoint 2 members to be on the grant committee. However, it was decided to abolish the committee and have the full Council review and discuss the grant application. Smith stated included in the preliminary budget for 2013/2014 is the same grant funding as last year:

Jamestown Public Library	$60,000.00
Ragsdale YMCA	$50,000.00
Historic Jamestown Society	$ 8,500.00

   Council Member Thomas questioned what the total commitment the previous Council made to the Ragsdale YMCA. Smith stated the total pledge was 2 million to be used for debt service. It was suggested granting $100,000.00 each year for 20 years or until the pledge was paid. To date, the Town has given the Ragsdale YMCA 1.3 million. Council discussed the pledge. The Town Manager stated this is a pledge only and the Council is not legally bound to continue it.

   The Town discussed the Flowers Bakery pledge to the Ragsdale YMCA in the amount of $70,000.00. This funding came from the cell tower rental at Flowers Bakery. The

revenue from this cell tower rental was being pledged from Flowers Bakery to the Ragsdale YMCA. Flowers Bakery owns 25% of the water tower. Smith stated the $70,000.00 pledge was almost paid. Flowers Bakery decided to end its pledge.

Smith asked for direction from the Council as to the grant allocation.

Council discussed the grant request from Family Services. The request was for $5,000.00. These monies do not go to the Family Services but just go to the special event; Pig Pickin. This Pg Pickin is a fundraiser for Family Services. Council felt this event was self sufficient. Most items are donated for this event.

Council Member Montgomery stated her priority is the Jamestown Library. The Jamestown Library does not get money from other resources (except Guilford County) and that all the services the library provides is free to the patrons.

Council discussed that Guilford County granted $55,000.00 to the Jamestown Public Library last year. However, they are not obligated to do that each year. Gallman stated there is $12,000.00 in the proposed preliminary budget from Guilford County. The remaining $43,000.00 is unfunded. We should all contact the County Commissioners to seek the additional funding.

Smith asked the Council if they wanted to establish a Non-Profit Grant Funding Policy. Set a policy which directs how much money we have allocated for grants. It could be based on a cap of a set amount or a tax rate. The policy would be a guide line and a procedure to follow. It would help staff when preparing the budget.

Mayor Volz thought a guideline would be helpful. Council Member Montgomery has a problem funding grants when the Town doesn't have money in the budget to do Town projects or we can't get a grant because the Town does not have the matching funds. Our responsibility is to run the Town.

The Town Manager stated a policy could be drafted to determine the amount available each year for grant funding. (Ex. .02 of tax rate = $80,000.00) then that is the allocation available for grant funding.

Smith stated the proposed budget given to the Council is a preliminary budget. It is not complete. Operationally it is fairly sound, but still waiting on some information to come in April. He said currently the proposed budget has $118,500.00 included for grant funding. To balance the proposed budget, we have to appropriate $88,024.00 from fund balance. Council Member Montgomery is not happy with taking from fund balance. The Town Manager said it is the same scenario as last year.

Mayor Volz stated we have to have some funds in reserve to fix the Town's assets. We have allowed it to drop to an insufficient amount. That is where we stand. Look out how the tax rate has gone over the years. In 1959/1960 the Town's tax rate was €.75.

Mayor Volz said we need to build up a maintenance balance. Council discussed the tax rate and other ways to increase revenue verses tax increase. Council Member Nixon-Roney said if we are going to raise the tax rate, we should raise it €.05. This is a sufficient amount to accommodate the public safety expense and critical CIP projects.

Council Member Walls stated he feels we need to balance the scales between the businesses and the property owners. He feels we need to re-visit as a Council, the business privilege license tax. Council Member Thomas stated if a plan was presented for the use of the privilege license revenue, he would consider it again. But he does not want to tax just to tax. If we can show that money was going back into the business district, he would look at it again.

Council Member Nixon-Roney stated her concern was that there is the upfront cost to the Town and the cost to maintain it. The numbers presented at the Council meeting were not sufficient, in her opinion, to make the Privilege Tax License feasible. Council Member Montgomery also felt the numbers presented were inaccurate.

Mayor Volz feels prior to businesses developing around the Sheetz area; the Town should have an established privilege license tax in place. We need to look ahead and have a plan in place for usage of the revenues.

Council Member Walls stated the Town Manager has a plan and price quote for Public Parking Signs, approximate cost $8300.00. Council Member Walls stated revenue from the privilege license tax should be used to purchase these signs for the downtown area.

Mayor Volz stated it seems as though the Council is willing to re-visit the Privilege License Tax. The Council would like to see a realistic projection of revenue.

3. Discussion concerning adoption of a Public Safety Policy – Smith said the cost for Guilford County Sheriff Dept. contract shows a steady increase since 2006. There are fluctuations due to the number of vehicles purchased and rates of deputies. The Guilford County Sheriff's budget is based on actual expenses.

   PSFD has shown an increase. We do know that the fire contract will increase by $22,000.00 for the upcoming budget year.

   The only way to re-negotiate the Sheriff contract would be to reduce services. At present, the Town has 24/7 protection.

Mayor Volz asked if we should consider a safety tax instead of absorbing this expense from the general fund. The Mayor proposed a 0.03 safety tax to pay for the last two (2) years and the upcoming year. Council Member Montgomery said she feels the safety tax is a defendable position. People can recognize the value of this service. Council Member Nixon-Roney stated we should do a 0.04 or 0.05 cent tax rate and state that a portion of the tax increase is for the safety tax and a portion is for the approved CIP projects. Mayor Volz agreed.

4. Council discussed the facilities at the Park and the need for repairs - Mayor Volz discussed constructing an income producing facility at the Park for special events. The Town Manager stated if we are adding a new function or activity at the Park, PARTF is receptive to a grant request.

   Council Member Montgomery asked for a list of acceptable projects for a PARTF grant. Council Member Nixon-Roney stated she was more receptive to a tax increase because it is spread over all the citizens verses Privilege Tax which costs the Town money upfront and may hurt the businesses. Also, she does not think it will bring the revenue we think it will. Johnson said we cannot give numbers on gross receipts until we ask for them. It is pure speculation until we go through the process.

   Council Member Nixon-Roney said she would like to see a list of tax rates from surrounding towns. Gallman stated the LGC puts out a list showing each municipality's tax rate. 2012 rates would be available in a couple of months. If Jamestown is significantly lower that would be a good thing to know and chart out. This list would not show the different services provided by each municipality, which makes a difference in the tax rate. Similar municipalities would be Elon, Clemmons or Gibsonville. Mayor Volz asked if we approve a 0.05 tax increase would the LGC be receptive to lending the Town money for Park Facilities.

   Gallman stated she was not sure. We talked to the LGC when we were contemplating the golf course renovation about 3 years ago. They basically said in this economy recreation is not a necessary item and you have to show full support of the Town and the Town Council before they approve debt.

   Staff explained the PARTF grant process. Smith said we cannot encumber the clubhouse due to PARTF grant restrictions. We must invest in ourselves before others would invest in the Town.

   Discussions took place on new facilities at the Park, possibly income producing property and how to make it happen. Council reached a consensus that a 0.05 tax increase is required. The Town collection rate is 97%. Council Member Nixon-Roney asked if this 0.05 tax is implemented, what projects could the citizens expect to see happen quickly. Smith said in 2015, a pedestrian bridge across City Lake at E. Fork Rd. could be expected. In the near future, citizens will see sidewalks at Yorkleigh Lane and Oakdale Rd. This tax

increase would help fund these projects. The Town's tax rate is still less than it was in 1974.

Council Member Walls stated that for the last few years, Town Employees have not received substantial compensation for the work they do. We did add Veterans' Day as a Town holiday last year. He proposed two (2) more holidays for the Town and Town Employees; President's Day and Columbus Day. The Town would benefit a savings with two additional days that equipment and buildings would not be in use. To keep and retain good employees a compensation package with holidays is a good bargaining tool. He feels the Town employees deserve it.

Council Member Nixon-Roney agreed the Town employees deserve it, but she was not in favor of adding those holidays. She feels public opinion is that the Town has too many employees now. Council Member Thomas would like to see a list of the current approved holidays. Smith stated that the Town reduced staff last year by two (2) and eliminated Gibson Park, which was another two (2) employees. Smith stated it was a very nice gesture to offer the holidays, but that is entirely up to the Town Council.

The Town Manager said included in the proposed preliminary budget is a 1 ½% COLA & 0-3% merit raise which is based purely on merit.

Council Member Walls left the meeting at 8:00 pm. He stated he was available on April 4th, 2013 if an additional budget meeting is necessary.

Gallman went over the proposed 2013/2014 summary budget. She stated the general fund proposed revenues are similar to last year's budget. Gallman stated at the end of last year we were at 47% appropriate fund balance. She predicts at the end of this year this percentage will decrease. However, with a tax increase we will be adding to the fund balance.

Council Member Nixon-Roney would like to see a way to start putting funds in reserves for the golf course. Smith suggested if funds go back into the fund balance this year and we continue to build fund balance then apply for a PARTF grant.

Gallman stated another concern is if Guilford County doesn't fund the Library. The Town may have to make up that difference.

Gallman stated the Town Council approved $25,000.00 from the current budget year for Capital Reserve Golf Capital Project.

The water/sewer budget reflects almost a 10% increase. Several capital projects are included in this year's proposed budget. Budget includes about $600,000 of net assets balance. This fund is in good shape. Smith said that there are expensive future projects that will be paid out of this fund. (Eastside Treatment Plant)

The Randleman Reservoir is the same as last year.

Council discussed the Park & the need for equipment and repairs now and in the future. The staff at the Park really puts there heart into stretching dollars at the Park. The Town Manager stated the goal is to continue to try to build fund balance and apply for PARTF grants to do projects at the Park.

Council discussed special events & fund raising efforts for the Golf Course and Park. Council discussed concert events, black tie events, etc. to increase play at the golf course and to appeal to non-golfers as well. Council discussed partnership opportunities to have special events at the Park.

- No water/sewer rate increase is proposed
- A new fee proposed for revision to existing plan $250.00
- Proposed full day field rental fee for soccer fields - $1,000.00.

The meeting adjourned at 9:00 pm.