

Regular Meeting of the Town Council
December 20th, 2011
Council Chambers
6:00 pm

Minutes & General Account

Regular meeting of the Town Council, December 20, 2011, 6:00 pm, Council Chambers, Town Hall.

Council Members Present: Mayor Volz, Council Member Nixon-Roney, Thomas, Gray & Ragsdale

Staff Present: Chuck Smith, Judy Gallman, Matthew Johnson, Paul Blanchard, Jay Gardner, Jeff Greeson, Martha Wolfe and Beth Koonce, Town Attorney

Visitors Present: Keith Lackey, Carol Brooks of the Jamestown News, Brandon Flinchum of Dixon Hughes Goodman, Joyce Volz, Buddy Mann, Barbara Lynch, Ben Lynch, Karen Walls, Larry Lain, Mark Scott, Rebecca Lasley and Ginger Gray

1. Call to Order – Mayor Volz called the meeting to order.
2. Community Reflection – Mayor Volz stated this is the Christmas Season and soon to be New Year. Hope we all take a moment to remember the good things that have happed this year in Jamestown. Please remember the folks in the Midwest dealing with severe snow storms. Please bow our heads for a moment silence.

Mayor Volz recognized Gloria Adedoyin, Ragsdale High School Representative. Gloria said the new construction at the High School is continuing. There will be a new science building and a music room. The new building connects with the old building of Jamestown Middle School. Since she is a senior, she will not get to experience the new school, but hopes to come back to tour it when it is completed.

3. Approval of minutes from November 15, 2011 Regular Council meeting and November 15, 2011 Closed Session meeting. Council Member Gray made a motion to accept the November 15th, 2011 Regular & Closed Session minutes as written. Council Member Ragsdale made a second to the motion. The motion passed by unanimous vote.
4. Public Comment Period – No one registered to speak.
5. Presentation of Audit report for fiscal year ending June 2011 - Judy Gallman stated the auditors this year were Dixon Hughes Goodman. Brandon Flinchum was present to give a presentation of the Financial Statement for the Town. Flinchum stated the Town received a clean audit. This means the financial statement as prepared was accurate.

We found no control weaknesses that were identified as a result of our audit. This year the Town was required to implement GASB54. This required the Town to change the classification of the Fund Balance. The Town submitted the Financial Statement to the State of NC Local Government Commission by the October 31, 2011 deadline. The Town staff should be commended that they were able to prepare their own financial statement and implement GASB54 with no assistance from Dixon Hughes Goodman. This really speaks to the Financial Department. Flinchum said while he had no statistics, he would imagine that Towns (especially the size of Jamestown) that were able to do this would be less than 25-50%. The Finance Department should be commended for that. He thanked them for all their hard work.

He handed out a one page summary of the financial report which compared the years ending June 30, 2011 & 2010. He reported the following:

- i. Total cash is up about \$220,000.00 primarily result due to the water/sewer fund
- ii. General Fund available fund balance is down approximately \$670,000 or 42%. This is a statistic that the NCLGC looks at very closely. We will discuss this in more detail later in the meeting. This decrease is primarily due to the General Fund funding the installation of the irrigation system at the Golf Course.
- iii. General Fund Revenues – property taxes are up about 8% primarily result of higher property tax base. Permits & fees are down approximately \$130,000. Due to less golf course fees that were charged during the year. Some of the decrease in play at the course was due to periods of construction at the course. Investment earnings are down roughly \$22,000.00 due to low interest rates.
- iv. General Fund Expenditures – The general government expenditures are relatively flat. Public Services is down approximately \$230,000. Public safety is up due to the Pinecroft-Sedgefield Fire Dept. contract. Decreases in debt service due to loan payoff. The Capital Outlay is up approximately \$600,000.00.
- v. Percentage of Fund Balance available is 21%. This is something we want to watch. He said the general average for a town our size is approximately 70%.
- vi. Enterprise Fund change is net assets. Changes in the Water/Sewer Fund balance are down about \$300,000. In 2010 there was a contribution of water/sewer lines at Shannon Gray Facility.
- vii. Property Tax collection rate remains strong

Dixon Hughes Goodman did issue one management letter comment regarding the fund balance available. This is something that the NCLGC is monitoring closely. We need to do what we can to rectify this.

There were no questions from the Council.

6. Resolution Honoring Sharon Lynn Montgomery – Mayor Volz called Lynn Montgomery forward. Due to her recent election to the Town Council, Lynn is resigning from the Planning Board to serve as a Council Member. Mayor Volz read & presented a Resolution honoring her work on the Planning Board.

(Resolution)

7. Appointments to the Planning Board – Mayor Volz stated since Lynn Montgomery has resigned from the Planning Board, the Council needs to appoint a member to serve out her unexpired term through January 1, 2015. Mayor Volz also said the two alternates currently serving on the Planning Board have resigned as well. Council needs to appoint 2 alternates for the Planning Board. The Town has received 3 citizen applications on file of individuals interested in serving on an advisory board for the Town. Those individuals are: Sarah Glanville, John Capes and John Fete. Council Member Nixon-Roney made a motion to appoint Sarah Glanville to serve the unexpired term of Lynn Montgomery through January 1, 2015 and appoint John Capes and John Fete as the alternates to the Planning Board. Council Member Gray made a second to the motion. The motion passed by unanimous vote.
8. Monthly report on Jamestown Golf Course Activity – Chuck Smith said Michael Hutcheon had a family matter and he apologized that he could not be here. Chuck Smith presented the monthly golf report. Smith reviewed that the report provides rounds of play and revenues for Jamestown and rounds of play & revenues for other area municipal courses. The monthly report will not provide a comparison of the Golf Course activity for the current year and the previous year. (Also the previous month)

Smith turned the meeting over to Judy Gallman to discuss the remainder of the report. She stated the report shows a comparison between November 2010 and November 2011. There was a decrease in revenues of approximately 5%. There was a decrease in expenditures of approximately 7%. Also included is the data for year to date. July through November 2011 and from July to November 2010. Revenues are down about 6% and expenditures flat. The rounds of play are down about 11%. Weather and the economy affect the revenue at the course.

Smith called on Jay Gardner, Park Superintendent, to give an overview of projects at the golf course. Gardner said during the winter months staff works harder and does more labor than in the spring months. In the winter the crew takes care of issues with drainage, re-doing bunkers, clearing away debris, areas we can't do during the playing season. The crews also do edging irrigation heads, repairing and painting restrooms on the course and in the Park. They do a lot of cleaning up of trees; taking down dead trees, grind stumps, clearing debris and removal of underbrush, cleaning & repairing the fence around the course and in the Park, clean & paint tee markers and build bird houses.

October – December is leaf eradication on the course. Presently they are working on bunkers and sowing new grass along edges of cart paths. This time of year we haul in top soil and repair areas that we could not do before we had irrigation. We repair picnic shelters & we are re-roofing one of the bathrooms in-house. In early winter we do post emerging. In Feb. we will start pre-emerging. In Jan. & Feb. we spend a lot of time in the shop doing maintenance of the equipment. (Preventive maintenance)

9. Budget amendment – Judy Gallman presented a budget amendment #4. This deals with the primary voting that was required and not in the budget. Per the Election Board, it will cost about \$2500.00. Council Member Nixon-Roney made a motion to approve budget amendment #4 in the amount of \$2500.00. Council Member Ragsdale made a second to the motion. The motion passed by unanimous vote.

(Budget amendment)

10. Analysis of Financial Position of the Town of Jamestown – Gallman presented the financial statement for the month ending November 30, 2011. She reported that cash balance is just over 7 million of that funds are reserved for Randleman Reservoir, Powell Bill, General Capital Reserve and Water/Sewer Capital Reserve Fund. Debt balance of the Town is \$89,000.00 in the General Fund.

Gallman reported that at this point the:

- General Fund Revenue is at 46% of budget and General Fund expenditures at 39%.
- General Capital Reserve Fund revenues at 75% and 0% expenditures
- Water/Sewer Fund revenues at 39% and Expenditures at 31% of budget

The detailed report for the month ending November 30, 2011 shows the Town paid the fees to Guilford County for tax collection in the amount of \$8,919. This is now an annual payment. We also had some electrical repairs.

Gallman said staff talked about ways to increase our fund balance. Some of the suggestions we discussed were:

- Increase our revenues (some of our revenues are out of our control -Shared revenues with the State)
- Raise taxes & increase our property tax revenues
- Increase fees ex: garbage, golf course, planning & development
- Cut expenditures
- Set a level and lessen amount of funding the Town can do for Non-Profit grants
- Cut services (this year cut our garbage bags)

Per Gallman, there is one thing we can do this year. She talked with the LGC and this is something they suggested as a possibility for the Town. The LGC knows Jamestown borrowed money from the Water/Sewer Fund to fund the irrigation system. Instead of repaying the loan to the Water/Sewer Fund for the General Fund, the LGC said we can do a onetime non-reoccurring transfer from the Water/Sewer Fund to the General Fund thereby the General Fund would not have to pay back the Water/Sewer Fund. That will bring our fund balance level back up to where it should be, to the target amount in our fund balance policy. This is a onetime non-reoccurring transfer. The Council would need to approve this transfer. If Council did vote to forgive this repayment amount it would bring fund balance to approximately 35% which is where we should be. This debt forgiveness is an item the Council may take action on at this meeting.

Part of the reason the LGC has allowed this is due to the state of the economy. This may not be allowed in future years. Council Member Thomas asked for the opinion of the Finance Director and the Town Manager. Smith feels our recommendation would be to forgive the loan from the Water/Sewer to the General Fund and build our fund balance. Gallman said she expects to get a letter from the LGC regarding the fund balance and the need to increase that amount.

Council Member Thomas made a motion to approve the onetime non-reoccurring transfer of \$746,231.00 from the Water/Sewer Fund to the General Fund. Council Member Ragsdale made a second to the motion. The motion passed by unanimous vote.

At this time Mayor Volz moved Agenda item Resolution Honoring Guilford County Sheriff Deputy Al Williams to later in the meeting.

11. Public Comment Period – No one registered to speak.

12. Old Business – Council Member Frank Gray read a prepared speech thanking the Council, Town Staff, citizens and his family for their support during his accumulated 10 years of service as a Councilman. He enjoyed his time and wished the best for Jamestown’s future.

(Speech attached)

13. Resolution Honoring Council Member Frank Gray and Will Ragsdale – Mayor Volz called Council Member Frank Gray to come forward. He read & presented a Resolution Honoring James Frank Gray for his service as a Council Member Gray received applause from the audience. Mayor Volz also presented Gray with a Certificate of Recognition of Donation of a commemorative brick to be placed at the Wrenn Miller Park in his honor.

(Resolution & Certificate)

Mayor Volz asked Will Ragsdale to please come forward. The Mayor read and presented a Resolution Honoring William Gannaway Ragsdale IV for his service as a Councilman. Ragsdale received applause from the audience. Mayor Volz thanked Will Ragsdale for his work in organizing the Jamestown Swing Event. Mayor Volz also presented Ragsdale with a Certificate of Recognition of Donation of a commemorative brick to be placed at the Wrenn-Miller Park.

(Resolution & Certificate)

14. Resolution Honoring Guilford County Sheriff Deputy Alfonso Williams, Jr. – Mayor Volz called Deputy Williams forward. He read & presented a Resolution Honoring the Retirement of Deputy Alfonso Williams, Jr.

(Resolution)

15. Oath of Office – The Town Clerk asked the newly elected Council to stand, and administered the Oath of Office to the members listed:

Mayor Keith L. Volz, Council Members Georgia Nixon-Roney, R. Brock Thomas, S. Lynn Montgomery and William Thomas Walls.

(Oaths)

16. New business – Mayor Volz said under new business the Council needs to nominate a Mayor Pro-Temp. Council Member Nixon-Roney made a motion to nominate Lynn Montgomery as Mayor Pro Temp. Council Member Thomas made a second to the motion. The motion passed by unanimous vote.

Mayor Volz said the next Council meeting date is January 17, 2012. The Mayor asked to hold a work session one hour prior to the Regular Council meeting at 6:00 pm and the Regular Meeting immediately following at 7:00 pm.

17. Adjournment – Council Member Nixon-Roney made a motion to adjourn. Council Member Thomas made a second to the motion. The motion passed by unanimous vote. The meeting ended at 7:05 pm.