

**STATE OF NORTH CAROLINA
COUNTY OF GASTON
TOWN OF CRAMERTON**

March 27, 2017

The Board of Commissioners for the Town of Cramerton met in a budget workshop session on Monday, March 27, 2017 at 8:30 a.m., in the G.M. Michael Room at the Cramerton Town Hall.

Board Members present: Mayor Will Cauthen, Mayor Pro Tempore Demetrios Koutsoupas, Commissioners Dixie Abernathy, Houston Helms, Susan Neeley, and Donald Rice.

Staff Present: David Pugh, Town Manager; Bill Brown, Town Attorney; Chief Greg Ratchford; Dave Pettine, Planning Director; Joel Lineberger, Finance Director; Lance Foulk, Fire Chief; Rodney Baker, Public Works Department; Eric Smallwood, Parks and Recreation Director; and Wilene Cunningham, Town Clerk.

Call to Order and Determination of Quorum: Mayor Cauthen called the meeting to order and determined a quorum was present. The Board thanked everyone for being at the meeting.

Adoption of Agenda for this meeting: A motion was made by Commissioner Neeley to adopt the proposed agenda. The motion was seconded by Commissioner Helms and passed by unanimous vote.

FY 17-18 Budget introduction and overview of current Capital Projects: The Town Manager distributed a memo with a spreadsheet regarding the Capital Projects against the current amount in the different Fund Balance “savings” of General Fund, Powell Bill, and stormwater. The Cramerton General Fund balance as of March 31, 2017 is \$3,616,200.00. Deductions for Capital Project is \$984,300.00 and projected 2016-2017 remaining expenses are 1,449,900.00. The balance of \$1,182,000.00 remaining represents a General Fund Balance that is over 26.6% of the anticipated budget and exceeds the state’s minimum requirement of 8% Fund Balance.

The Board discussed multi-year expenses such as constructing a fire department in the future. Mr. Lineberger stated the Cramer Mountain Sidewalk project and Lakewood Greenway are already funded and are in capital project funds but have not been spent at this time. The Town Manager stated the 1997 ladder truck will need to be replaced in the next few years and grant funding continues to be requested. Commissioner Abernathy asked about future expenses for Goat Island. Mayor Cauthen stated there may be some future amenities. The Town Manager stated Phase I and II of Goat Island have been completed. Mr. Smallwood stated that additional trails may be installed later.

FY 17-18 Revenues, Board and General Government expenditures presented by David Pugh and Joel Lineberger: The Finance Director stated that the projected values from Gaston County usually increase 1.3 to 1.5% for normal growth and an updated tax valuation should possibly be completed in the next four to eight years. Current approved developments include The Groves and The Haven apartments on Wilkinson Boulevard, TRU Homes development on Peach Orchard Road, New Style Communities on Armstrong Road, completion of fourteen town homes at Stuart’s Landing, and sixty-five single-family homes at the Villages at Cramer Mills. Commissioner Helms asked about the addition of one police officer and one public works employee. Mayor Cauthen stated the town’s population is growing which increases the need for additional employees. The Finance Director stated the population for apartments is calculated as 1.5 resident per apartment and 2.85 residents per single-family homes. There is also an estimated 900 cars as part of the calculation.

Commissioner Rice asked about stormwater fees. The Town Manager stated currently the town uses a flat fee whereas other municipalities calculate the fee based on the amount of impervious area. The Finance Director stated stormwater funds collected are not part of the General Fund. The Town Manager stated the stormwater fund could be used to pay part of the Planning Director’s salary and to assist the Public Works Department in leaf collection and street cleaning.

The Board discussed the timeline for the sale of the firing range and closing date. Attorney Brown stated the closing may cross over into the 2017-18 fiscal year. Mayor Cauthen stated this item needs to be expedited. Discussion was held regarding maintaining a 40% self-imposed General Fund Balance. Attorney Brown reminded the Board that emergencies happen and the town has to be prepared. The Town Manager stated that even with this proposed budget exercise the town's General Fund Balance would be over a million dollars at 26.6 percent. The Finance Director stated the self-imposed forty percent has been in place for several years. Commissioner Helms stated the town has to be aware of commitments regarding funding for any grants. The Town Manager stated the Board will see the unabridged version of the budget with requests from the department heads and may need to consider taking priority items out of the General Fund Balance instead of financing.

Revenues: The Finance Director stated ad valorem taxes of \$2,109,167.00 were collected through March 21, 2017. Commissioner Helms asked if additional ad valorem taxes were expected to be collected by June 30th. Mr. Lineberger stated the bulk of the ad valorem taxes has been collected for this past fiscal year. Ad valorem taxes penalties and interest has been proposed for the upcoming budget of \$4,000.00. Sales and Use tax distribution is through the county on either an ad valorem or per capita basis. The tag and tax revenues collected by the state remains at about ninety-nine percent. Commissioner Helms asked about proceeds from borrowing. The Finance Director stated this is considered as incoming revenue as a choice was made last year to purchase the police vehicles as opposed to installment financing. Commissioner Rice asked about any distribution revenue from the ABC Board. The Finance Director stated he did not expect any additional revenues at this time. Commissioner Helms asked about the grant revenue. The Finance Director stated the Wildlife Fund Revenue may need to move over into the upcoming fiscal year budget as the project is not completed at this time. Commissioner Rice asked if the proceeds from the sale of magnets and stickers is being placed in the veterans memorial account. The Town Manager stated a line item has been created to allow profits to be placed in the veterans memorial account to allow for purchases for fundraising as currently these are processed under the Parks and Recreation Department.

Governing Board: The Finance Director stated there is an increase of \$6,000.00 due to the November 2017 municipal election. A line item of \$3,000.00 has been added to include any special project expenditure items that may be added to include merchandise for fundraising that could include the veteran's memorial. Travel and training covers the clerk's conferences and seminars, ethics training for elected officials, and attendance at the annual Town Hall Day event. Mayor Cauthen asked about the Wi-Fi expense. Mr. Lineberger stated this expense covers the static address that allows this service for the downtown area. Commissioner Rice asked about contract negotiations with the Town of McAdenville regarding fire and police services. The Town Manager stated the contract for fire services is being renewed for five more years this week. A meeting will be held in the future with the Town of McAdenville's Board for discussion regarding upgrades and renegotiation of the interlocal agreement for fire services.

General Government: There will be a decrease in the line item for the attorney's salary and this amount will be moved into contract savings. Mayor Cauthen asked when a college intern may be hired. The Town Manager stated an intern would be considered for hire next year. The Finance Director stated health insurance premiums should see an increase next year due to changes in the health care system. Discussion was held regarding the ongoing contributions to the Go Gaston campaign and Centralina Council of Government. Commissioner Abernathy asked about the line item for postage. Mr. Lineberger stated this is for postage for the monthly newsletter. Mayor Cauthen asked about proposed salary increases. The Finance Director stated this represents a 2.5 percent increase. Mayor Pro Tem Koutsoupas asked about the line item regarding Verizon, Time Warner Cable, and AT&T. Mr. Lineberger stated these items are for the analog phone line for the elevator, security, and internet service. Commissioner Rice asked about the line item for Sunshine Uniform. The Finance Director stated this is for the door mat cleaning service. Mayor Pro Tem Koutsoupas asked about the updating of the town's website and the Town Manager stated this is scheduled for this upcoming fiscal year.

Police Department: Chief Ratchford stated that he and Captain Robinson are scheduled to retire within the next six months. At this time the police department is requesting that a full time officer be hired to work investigations only. It is being proposed to move one of the current officers laterally to this position. Three of the fleet vehicles are budgeted for replacement and one vehicle will be needed for the investigations officer. All police vehicles that are scheduled for replacement

will be traded in for SUV's. Chief Ratchford stated the police radio system is being discussed regarding conversion. Commissioner Rice asked if the police department is considering adding another canine and Chief Ratchford stated no. Commissioner Neeley asked if the police department uses bicycles. Chief Ratchford stated the bicycles have been phased out. Commissioner Rice asked about the timeline regarding change out of the police radios. Chief Ratchford stated the radios would be changed to 800 megahertz and he is waiting to see if Motorola will be offering any incentives. The Town Manager stated a grant for radios through Gaston County for the fire department is being processed and an answer will be available sometime in June or July.

Discussion was held regarding the \$850,000.00 from the proceeds of the sale of the firing range property. Chief Ratchford asked that \$250,000.00 be placed in a restricted account donated to the Gaston College Foundation, Inc. to be used for improvements at the Gaston College Firing Range facilities at Rankin Lake Park in Gastonia. In lieu of this donation Gaston College will allow the Cramerton Police Department to continue its current firearms training program at their facilities per written agreement. A sum of \$10,000.00 was requested to be placed yearly into an account for donation to the Gaston College Foundation, Inc. for a period of 25 years for continued improvements and maintenance to the Gaston College firing range. In lieu of this donation Gaston College will allow the Cramerton Police Department to continue its current firearms training program at their facilities per written agreement. An amount of \$250,000.00 was requested to be appropriated for the purchase of communications hardware to allow for the police department to become 800 megahertz capable. This amount is reflected in the police department's proposed 2017-2018 budget. An amount of \$100,000.00 is to remain in a separate and restricted account for future use by the Cramerton Police Department for use with regards to training, equipment, technological advancements, etc. This is primarily due to any unintended and unforeseen consequences that may occur due to the transition of training facilities after nearly 30 years in one location.

Mayor Cauthen asked what would happen if Gaston College sold this asset. Attorney Brown stated that the \$10,000.00 annual donation would cease. He reminded the Board that this property is leased from the City of Gastonia and the property would return to their ownership. Commissioner Neeley asked about funding received from Homeland Security. Chief Ratchford stated that funding goes directly to the county.

Fire Department: Chief Foulk stated there are two firefighters scheduled to work Monday through Friday from 8:00 a.m. to 6:00 p.m. and last year a person was added to work on Saturdays. He stated there is a lot of foot traffic around the fire department area and he would like to add five additional hours for two firefighters on the weekends. Chief Foulk stated the fire department likes to keep the bay doors and offer tours of the facility. Chief Foulk stated the fire department responded to 335 calls last year.

Chief Foulk stated there are several grant opportunities available for 2018. Replacement of five breathing apparatus will be offset by a 50/50 grant. Mayor Cauthen asked about replacement of the 2004 Tahoe. Chief Foulk stated this was formerly Chief Ratchford's vehicle and is used for pulling the boat and for travel to and from training. No personal vehicles are allowed access at fire scenes.

The Board asked about the status of the ladder truck. Chief Foulk stated this vehicle has several more years of usability and ISO credit was given for this vehicle. If the ladder truck is taken out of service the state will need to be notified. Chief Foulk stated the ladder truck is used for structural fires and the ISO rating may be affected if no ladder truck is available. Commissioner Rice asked about the conversion of the radios. Chief Foulk stated the fire department has been allocated 29 radios and the radios are part of a 95/5 grant. The cost to the fire department would be \$130,000.00.

Commissioner Helms asked if any monies have been put aside to purchase a ladder truck. The Finance Director stated no. Attorney Brown stated that fire apparatus is usually financed.

Planning: The Town Manager stated technology support and licensing increased. Plan review for development of an additional small area plan along with streetscaping, wayfinding, and the NCDOT Bicycle Grant are included in the line item for professional engineering services. Mr. Pettine stated he is working with NCDOT regarding Wilkinson Boulevard and Market Street

projects. The Town Manager stated Food Lion is considering some upgrades and there is proposed development at Market Street and Eighth Avenue Extension.

Public Works: Rodney Baker stated that there is a possibility that he will be losing the inmate labor contract as of July 1st as the prison system is considering dropping this program. Mr. Baker stated he needs to add one additional full time employee and one part time employee. Due to the sale of the firing range property, Mr. Baker stated brush and leaves will need to be transported to the county landfill. During the past leaf pick up season the Public Works crew made 117 leaf dumps. The cost for this service will be \$24.00 per trip to the landfill and the Public Works crew will only be able to make about four trips per day. Mayor Cauthen asked about the additional cost of fuel and if the leaves could be composted or mulched. Mr. Baker stated he would have to locate a facility that offers this service.

Mr. Baker stated additional lighting will be added for the Cramer Mountain sidewalk project. Commissioner Helms asked about the cost regarding waste services. The Finance Director stated the budget line item reflects 2.7% CPI increase for the last twelve months and the addition of apartments does not affect this amount as they do not receive this service. Mr. Baker stated the trees on Eastwood are in good shape and they were just recently trimmed up. The tree replanting would be at the entrance sign. Commissioner Neeley asked about tree maintenance on Cramer Mountain Road. Mr. Baker stated NCDOT is responsible for that area. Commissioner Helms asked who does this task in the Town of McAdenville. Chief Ratchford stated they use different vendors. Mr. Baker stated they asked us to take over their bulk service pickup but their streets are too narrow to accommodate our trucks.

Mr. Baker stated with appropriate crack sealing this would seal the pores in the asphalt and increase the length of service for several roadways. This process works well on low traffic streets and can increase the lifespan of the roadway up to five years.

Commissioner Rice asked about the leaf collection process being changed and the effect it may have on this service. Mr. Baker stated the leaf truck was a former dump truck converted for use by adding a leaf box. The leaf truck has a manual transmission and Mr. Baker stated it would be more practical to have an automatic transmission vehicle. No commercial driver's license (CDL) is required to operate the leaf truck. Mr. Baker stated that Public Works has a 1989 and 1991 truck that are still being used. His newest vehicle is a 2005.

Mr. Baker stated the Public Works Department is requesting a bank mower attachment which would allow one person to mow. The process now requires two employees as one crew member mows and the second crew member does the weed eating. Dixie Lawn mows the larger banks around town.

Recreation: Mr. Smallwood stated that he is proposing that every lifeguard be drug tested and will be required to wear a uniform while on duty. He stated trail maintenance such as mulching and adding natural trail screenings needs to be done on several of the trails as part of the C.B. Huss trail is crumbling. In order to assist with pool maintenance he recommends allowing the pool to remain filled as this would maintain pressure. Mr. Smallwood stated addition of gravel parking at Central Park near the loop trail is being considered as there is currently only on street parking. Additional street parking is being reviewed for Riverside Park. Mayor Pro Tem Koutsoupas asked how many spaces are currently available at Riverside. Mr. Smallwood stated nine with one space being marked for handicapped parking. Eight to ten street parking spaces could be added with the addition of parallel parking without taking away any green space. Mayor Cauthen asked about the possibility of paving parking spaces at Central Park as opposed to gravel. Mr. Smallwood stated the cost to pave the area would be an additional \$9.00 as opposed to only \$7.00 for gravel. The Town Manager stated the paving contractor will be in the Washington area and this could be accomplished at that time. The Board asked if there would be an issue with overnight parking. Mr. Smallwood stated signage would be placed regarding no overnight parking. Mayor Pro Tem Koutsoupas asked about the connection to Cramer Village. Mr. Smallwood stated this area is maintained but he is not sure how much it is used.

Commissioner Rice asked for details regarding what a power rake would be used for. Mr. Smallwood stated this would be used to assist in maintaining trails and on the ballfields. The Parks and Recreation Department currently uses a disc plow and the skid steer.

Commissioner Helms asked about the volleyball standards line item. Mr. Smallwood stated this setup would allow adjustment of the net to allow younger children to be able to play. Commissioner Rice asked about the purchase of a UTV and a new pickup truck. Mr. Smallwood said the UTV would be used to drag the ballfields and natural trails and a new pickup truck would replace the current vehicle. The pickup truck is used to transport materials and water to various sites. Discussion was held regarding the cost of park maintenance and other reoccurring costs and how much are the trails being used. Mayor Cauthen asked about the possible set up in the future for a farmer's market and other sporting activities. Mr. Smallwood stated it needs to be determined what people want and expect. Mayor Cauthen asked about the portable toilets at Goat Island. Mr. Smallwood stated a portable toilet will be on the Lakewood side of Goat Island. Commissioner Abernathy asked about the possible installation of a volleyball pit. Mr. Smallwood stated the new volleyball system will allow more ages to participate as the new system has a floating support system and provide adjustable net heights.

Mayor Cauthen asked if there are any anticipated major repairs regarding the docks or piers. Mr. Smallwood he was not aware of any. The Riverside area kayak launch needs handrails installed. The bridge on the Lakewood side of Goat Island needs to have repairs made to the decking as several boards are showing signs of wear and tear. Commissioner Rice asked about the maintenance regarding the fields at Stuart W. Cramer High School. Mr. Smallwood stated improvements are being planned in order to begin using these fields for games and to provide ADA access.

Debt Service: The Finance Director stated the town has three notes with the USDA. Commissioner Helms asked if there were any prepayment penalties and Mr. Lineberger said no. There is a lease agreement with the City of Gastonia on the Public Works Department building and they will need to give the town two weeks' notice if they choose to sell this property. The note for the paving project is with Park Sterling Bank and the LGC meets in April with a closing date of April 10th to April 13th. Mayor Cauthen asked about the financing regarding police vehicles. The Finance Director stated BB&T holds that note. The Board asked about Park Sterling considering financing of the town hall. Mr. Lineberger stated the note with Park Sterling has to be secured. The Finance Director advised the Board that all discretionary spending by department heads ends in June. The Board asked if anyone could think of any activities the town would want to add or discontinue. Mr. Smallwood stated there had been some interest stated regarding starting several adult recreation programs such as flag football, volleyball, kickball, and softball. Commissioner Neeley asked if pickle ball was being considered. Mr. Smallwood stated he had not had any interest shown regarding pickle ball.

The Town Manager stated the largest budget item is the radio replacement for the police department. The Finance Director stated a balanced budget needs to be prepared by June 1st. Discussion was held regarding reduction of the budgeted line item for crack sealing. After Board discussion they consented to reduce the line item for crack sealing from \$75,000.00 to \$60,000.00. Chief Foulk stated replacement of the 2004 Tahoe could be delayed until next year. Commissioner Abernathy asked about the part time gym leader. Mr. Smallwood stated this is a part time position and would replace using two to three people to cover this position. Mayor Cauthen reminded the Board that Chief Ratchford and Captain Robinson are retiring in the next year and the need for the Town to remain competitive in salaries. The Town Manager stated salaries were reviewed and they remain competitive with other municipalities of the same size.

The Board consented to addition of an investigator for the police department, adding fire department staff, public works staff, and gym supervisor. The Board consented to purchase of the SCBA equipment for the fire department. Commissioner Helms asked if there was any revenue funds to be received prior to the closing of the proposed budget. The Finance Director stated \$46,000.00 is still pending from the NC Wildlife Commission once inspection has been completed on the piers and docks. The Town Manager stated there was the possibility of adding a tag and tax fee which would add approximately \$20,000.00. Commissioner Abernathy asked about the cost for producing the monthly newsletter. The newsletter is printed and distributed through the mail and via e-mail. Commissioner Helms asked about the timeline regarding the sale of the firing range. Attorney Brown stated there is a 90 day period to close with an inspection.

Mayor Cauthen and the Board thanked everyone for attending the meeting today. The Town Manager stated a half-day follow up session could be scheduled for an upcoming Saturday. The joint Arbor Day celebration is scheduled for Saturday April 29th in Belmont. The Board decided

to meet on Saturday, April 29th, from 8:00 a.m. to 11:00 a.m. Commissioner Abernathy stated she would not be able to attend the April 29th meeting.

Adjournment: A motion was made by Commissioner Abernathy to adjourn the meeting at 3:38 p.m. The motion was seconded by Commissioner Rice and approved by all.

Mayor Will Cauthen

ATTEST:

Wilene Cunningham, Town Clerk