



Town of Indian Trail
Minutes of Council Budget Workshop
May 7, 2009
Civic Building
3:00 P.M.

The following members of the governing body were present:

Mayor: John J. Quinn

Council Members: Gary D'Onofrio, Jeff Goodall, Shirley Howe, John Hullinger, and Dan Schallenkamp.

Staff Members: Planning Director Shelley DeHart, Town Engineer Scott Kaufhold , Interim Town Manager, Peggy Piontek, Tax Collector Janice Cook, Assistant to Town Manager Miriam Lowery, and Interim Town Clerk Trena Sims.

CALL MEETING TO ORDER

Mayor Quinn called the meeting to order.

PRESENTATIONS FROM NON-PROFIT OUTSIDE AGENCIES

The following agencies were represented requesting funding assistance from Town Council: United Family Services, Literacy Council of Union County, Council on Ageing, Hospice of Union County, Union County Arts Council, American Red Cross, Union County Historic Preservation Committee, Indian Trail Athletic Association, Turning Point, Indian Trail Arts and Historical Society, Boy Scout Troop 276, Boy Scout Troop 21

ACTION GARBAGE

Mr. Nelson O'Neal brought pictures to show some of the dilemmas from Indian Trail customers. Mr. O'Neal addressed questions that Ms. Sutton previously sent to him. As the population has increased, so has garbage and recycling needs. He feels that there needs to be some type of

agreement between the Home Owners Associations and the Town concerning the amount of garbage generated. There are certain areas in which there are more problems than others. Mr. O'Neal explained how recycling credit works, yard debris, and bulk items crammed into roll out carts. It was decided that educating the citizens of the rules via the newsletter, putting a letter in the tax bill, information on the website and having a cut off date when the trash that does not comply with the rules will no longer be picked up.

INTRODUCTION TO BUDGET

Ms. Sutton introduced the budget for the 2009-2010 year; explain the format is entirely different from previous budgets presented to Council. Some of the new items instigated this year are: new general ledger accounts, new departments/call centers (departments are an area where they are actively employed, call center are people employed by a contract or a particular area Council would like to track). This will assist us in having more transparency and retrieving information as quickly as possible. The budget does not call for a tax increase it will remain 14.5 cents. We will continue to function at the same level while helping the citizens out. Ms. Sutton thanked the Department heads and Ruth Roberts for their assistance in creating the budget.

Mr. Schallenkamp commented that this is his fourth budget and it is by far the easiest to understand and most informative format he has received. He credited Ms. Sutton and her Department for it.

PLANNING DEPARTMENT

Ms. DeHart presented the budget for the Planning Department. The goal was to reduce the overall budget by 10%, resulting in 9.63% while insuring that new initiatives were incorporated and could be implemented to represent the Comprehensive Plan, while improving efficiency and on going projects continue.

On going plans - Park Master Plan is currently underway with a completion date by late fall 2009; Bicycle Master Plan, is being reviewed by NCDOT Bicycle and Pedestrian Grant Division and the estimated cost submitted was \$50,000, the local match is \$15,000, award announcement is anticipated in June of 2009; Earth/Arbor Day celebration majority of costs are applied to the Tree City USA designation this is found under the Event Budget; Farmer's Market has started up and the goal is that it will generate enough revenue between the fees and sale of town merchandise to cover it's expense and making it self sufficient.

Opportunities for Indian Trail - applying for grants available for parks and a home for farmers market - looking at vacant parcel behind the Development Service building and also property where Sherriff's Department is located. Funding available: PATRTF Grant up to 5000,000, North Carolina Tobacco Trust Fund Grant. Last year there was one half cent allocation for parks and staff recommends another half cent allocation for a park fund. This would enable the Town to take advantage of any opportunity that may arise. Clean Water grant for water demonstration can be used for combination park and farmers market this can be purchased

At the retreat mention was made of some business improvement districts one tied to highway 74 corridor which would qualify as a transit oriented development and one in the downtown area. The highway 74 corridor does not qualify however the downtown area does qualify. With Council approval staff would pursue studying this over the next year. It would require a higher tax rate in the subject area, which is why we would to study it over the next year to pull the program together. It would pay for street lights, street furniture, specialty sidewalks (including pavers), and initial start up (research by town staff).

In the budget Planning is allocating funds to have online access to the permit process. Residents can apply for us to monitor and pay for alarm permits. Currently the alarm permit the town is not breaking even, if available over the internet, this would be an easier process for everyone involved.

Other web site improvements Phase II, photo album, stormwater listing, showing stormwater cases, contact us form with data base.

A GIS License maintenance fees the early subscription fees shared by Planning and Engineering. Luke indicated the town should consider developing a strategic vision for information technology infrastructure.

Public Relations Budget - recommend an amount be put aside for Public Relations. Hire firm for assistance, branding items, promotion Indian Trail magazine partially funded by businesses, ads for athletic events programs - sponsor contributions for national events - bags other give away and leader's forum.

We put \$5,000 in budget to develop web enhancements for business directory, identify business parks and center in an interactive map. We would need consultation assistance with web page, program development, and recommendation - budget line item.

Council Member Schallenkamp inquired if the 250,000 matching funds for grants are in budget. Ms. Sutton replied it is in the budget under grants page.

Ms. Howe advised that the business directory example handed out is great Ms. DeHart advised that some of the costs can be covered by businesses advertising.

ENGINEERING DEPARTMENT

Mr. Kaufhold presented Engineering and Stormwater budgets. He briefly went over the employees of the department, their responsibilities and the responsibilities involved for the Department.

Planned Work for 2009 - Construction Management, Transportation Planning and Stormwater management.

Construction Management: we hope to see construction projects underway this year. Dependant upon stimulus funding we hope to have Faith Church Road improvements done, along with 4 miles of sidewalk projects under design. Depending on the Old Monroe intersection improvement suggestions from MUMPO who has hired a consultant to look at the intersections,

when that is finished we're hoping to implement some improvements as well. We'd like to wrap up the Clearwater Drive project, once NCDOT finishes their project there. There's the potential of 30+ miles of streets the Town plans on taking over for maintenance operation.

Transportation Planning - Federal money requires transportation planning process which requires time and cost - Our plan is for Indian Trail Road/Chestnut Connector/Old Monroe Road. Mr. Kaufhold reminded Council that Barry Moose will be here on Tuesday. Looks like Chestnut Connector will work and feels this is the direction Raleigh will take and time frame. Implementation of intersection ranking process, implement adopted CIP/pedestrian master plan, develop comprehensive transportation plan.

Stormwater Planning: Develop and adopt stormwater 5 year capital improvement program, flood relief/water quality capital improvement program, develop and adopt stormwater maintenance improvement program -identify and schedule routine maintenance operations. Lastly complete the town wide storm drainage system inventory, finish up remainder of town that was used for the pilot plan.

Mr. Kaufhold pointed out page 20 in Engineering budget, under professional services \$105,000.00, explaining \$100,000.00 is for engineering services and \$5,000.00 for annual MUMPO membership. Page 44 in stormwater, is broken down the same way, highlighting the professional services, \$70,000.00 for planning and design efforts with consultants along with geotechnical and environmental. Mr. Kaufhold further topics included: problem solving on major thoroughfares in regard to why certain areas flood; other items in budget for stormwater; and the breakout for construction projects.

Powell Bill Options: these funds are based on the number of street miles we have and population - this will not affect the budget, this is a long term plan.

Considering the number of State projects we have coming up, the desire to implement the Pedestrian Plan, additional street maintenance abilities, staff thought we'd come up with a couple of options on a plan.

Option 1 - add 25 miles to our street inventory for the next five years, add some crew and equipment within a year or so to utilize the road funds and the Powell Bill funds to get projects completed;

Option 2: the only difference is there is a possibility that Charlotte will take all the stimulus money for the region. Should that happen our stimulus money for Faith Church Road and Unionville Indian Trail Road intersections gets put out on right of way purchase for 485. We have that TIP project included in this option. We would be reimbursed for that but not until Fiscal Year 2014.

Option 3: this identifies the use of Powell Bill funds only, we can get things done, but it would be a very tight budget and there will be minimal street maintenance funds remaining.

Mayor Quinn - questioned if there was a meeting today at the TCC with regard to these issues? Mr. Kaufhold replied that Mr. McLamb went today; it consisted of information on 485, it's going political and the TCC decided to let those discussions take place and then pick it back up.

Mr. Hullinger inquired about engineering personnel budget that another position is planned to be added. Mr. Kaufhold replied staff got together and discussed sanitation and other contracts that effects Administration (who is currently handling these matters). We suggest moving those matters to Engineering and put under a Public Works. Ms. Sutton advised that because of our growth, we have proposed a maintenance type person is needed; roads that may need attention, garbage issues, just general items which Engineering would supervise.

Mr. Hullinger confirmed that this individual would not deal with stormwater issues, which is why this salary does not split like the others. Mr. Kaufhold advised he is correct.

Mr. Schallenkamp commented on the three options for Powell Bill - suggesting Council consider weighing it more heavily in the first couple of years with Powell Bill funds as opposed to the Town's transportation funds.

He inquired what equipment would possibly be required for the Public Works individual. Ms. Sutton replied: they will need a mid to heavy duty truck, we can use whatever equipment we have in the first year then anticipate that as a need in the following year.

LAW ENFORCEMENT

Sgt. Coble presented the information and talked about public safety recommendations. There is a need for radar trailer (average cost \$10,000.00). It belongs to the County, but currently stays here and requires constant repairs. Citizens are requesting the trailer to be used in certain areas. This would enable us to record how many cars go over the road, average speed, and other information that would possibly be beneficial to the engineering department.

Currently the costs of the vehicles are amortized in the contract, but potential change would be for the town to purchase the vehicle without equipment. At the end of four years view car and see if it's still viable for patrol. Also there has been talk about phasing in the purchase of cars; Indian trail would own the cars. The town would lease the car to the County for a dollar; the vehicle could still be carried under the County umbrella policy.

Mr. Hullinger noticed that the public safety recommendation was not in here. Sergeant Coble advised this is the previous Manager's recommendation. Ms. Sutton advised this is a draft and Council can make any changes they desire, but cautioned, what you give to one, you take from the other, she will revise the budget if they want and present it to them on May 18th. Mr. Hullinger said he would like to see that, there is \$242,000.00 that was not spent on the grant this year and he would not be opposed to some of this coming out of road fund. Ms. Sutton advised once Council determines a dollar amount, she will review the budget and make recommendations. General conversation pursued resulting in asking Ms. Sutton to revise the budget to include 5 Deputies, 1 Lieutenant, one Sergeant and a Community Safety officer as recommended by the Public Safety Committee. Sergeant Coble recommends that if Council chooses to add onto to Law enforcement, that a Community Safety Officer be strongly considered to promote knowledge in the town and he feels that would be a good salesman for the town. He also feels that it's important to establish a supervisory flow chart, as the town grows it's important to establish that rank and structure now.

Ms. Sutton just did a rough estimate to add all 8 officers, considering the higher paid positions being added and 3 more cars, we currently have approximately \$312,000.00 and it's approximately \$325,000.00 for the additional officers and cars.

Council took a short break.

Council returned from their break.

HUMAN RESOURCES

Miriam Lowery presented the Human Resource needs for the upcoming year. Some items included in the budget to benefit staff are as follows: staff training, increase the level of life insurance for each employee to one times their annual salary and the implementation of debit cards for the flexible spending program. Ms. Lowery stated that finance has set up a new general ledger to isolate and capture expenses associated with human resources. Ms. Lowery advised that a permanent part time person is requested and has been included in the Human Resource budget. This individual would be shared by the Town Manager until such time as he requested a full time position. Included in the budget are some software expenses to assist in keeping track of vacation, sick leave and compliance issues. Additionally \$3,200.00 is in the budget to purchase 2 Automated External Defibrillators.

Mr. Hullinger inquired if there is any supporting data as far as other towns of similar size staff have for Human Resources Department? Ms. Lowery advised that the League of Municipalities does a salary study each year and the towns that fall within the range of Indian Trail it indicates how many people are in the Human Resource area. Mr. Hullinger advised he would be curious to see a town similar to ours and see what they have for Human Resources. Ms. Lowery advised she will get that information to Council. He would like the information to reflect the staff/budget size, not the population.

Mayor Quinn inquired about the comparison of total number of employees as well. He's aware that it depends on the departments within the towns, how one would determine the staff size of our departments in comparison to other towns with the same departments. He requested that Ms. Lowery provide figures as to whether we are overstaffed, adequately staffed or at least as compared to towns our size with similar demographics or is that too difficult to try. Ms. Lowery advised she can get an analysis of other towns this size and whether they do have police and public works and other departments, ensuring that Mayor Quinn would like to know the number of staff for each department. Mayor Quinn confirmed that is correct, Ms. Lowery advised she would get that information. Both the Planning Director and the Town Engineer advised they have that data available for Ms. Lowery.

TAX DEPARTMENT

Tax Collector Janice Cook Presented information concerning tax collection figures. Tax value is used with tax rate and determines the revenue for the tax department. We have a 96.6

% collection rate and went over what the tax department is working on and how they are pursuing those that still owe.

Ms. Howe inquired what are the banks doing if there is nothing in escrow and they foreclose on a home. Ms. Cook advised that although we've been fortunate and the foreclosure rate is very low in Indian Trail, we always get the tax funds from the bank. When they foreclose it takes a little longer, but we always receive the funds.

EVENTS

Interim Town Manager Peggy Piontek pointed out the budget increase for events due to the tough economic times. She explained that although we will diligently work on getting sponsors there are concerns about getting sponsors and donations contributed for the events. In previous years these events were budgeted conservatively allowing for sponsorship, this year she has taken the entire cost of each event from 2008 -2009 and put that as a line item in the budget. Advertising was not put in previous budgets, this year all anticipated advertising is included. This is the result of the citizen survey where, when asked why people did not attend our events, they advised they were unaware of them.

Mr. Hullinger inquired why there was no indication of revenue received year to date. Ms. Sutton explained it was captured in the miscellaneous revenue account under the Administration Department. This year events have their own line item and whatever revenue is generated or expended will appear on this page next year.

Mr. Hullinger inquired what "the Events Committee meals" is. Ms. Piontek explained that all committees get fed a meal on the night of the meetings because they generally come right after work.

As Interim Town Manager thanked all the Department Heads Marsha Sutton for doing such a great job in pulling all this information together and presenting it in an easy understandable format.

FINANCE DEPARTMENT

Finance Director Marsha Sutton thanks Council and staff for their input and patience. She reminded everyone that this is a draft/living document and can be revised at any time until it is adopted. She advised she is not recommending any tax increase for the citizens. She informed Council that the Sales Tax revenue line was increased, as we had received 100% of the revenue budgeted for last year 4 months before the year is up, although informing them that this is how a fund balance is created by under budgeting revenue and at the end of the year all surplus goes into the fund balance. Ms. Sutton addressed the following issues:

Stormwater rates will remain the same.

Park Fund - the appropriation started last year of 1/2 cent is included in the budget and explained the uses for it.

Road Improvement - is also in there at two cents, some of the funds can be used for the CMAQ Grant.

Sanitation - she has made many endeavors to obtain a per household rate from the provider but it has not been provided. She used the rate from this year based on the CPI which is either zero or a negative amount (depending on the source used). There are 300 new homes estimated and added those numbers into the budget.

Law Enforcement - when you add officers you must get the funds from another revenue source, as discussed previously.

Staff salary - pursuant to conversations with the previous Town Manager, instead of a 3% Cost of Living Adjustment, a 3% reserve was set up so that should the economy improve and Council decides they want to give staff an increase, these funds have been appropriated for that use. It is not a given that these funds will be used, all staff members are aware of this and are supportive of keeping costs minimal during these tough economic times. She suggested increases for the 5 lowest paid employees to bring them into the salary range that their position identifies. She is recommending a salary increase for those employees.

Additional staffing positions - a request for a part time employee for a 20 hour week position. There will be no benefits available for this individual. Ms. Sutton advised she is desperate for assistance in her department. A part-time position to be shared between Human Resource/Assistant to the Town Manager. Public Works position has been requested, it is hoped that this individual will assume some of the Town responsibilities for solid waste collection and work closely with Mr. O'Neal.

Ms. Sutton advised that this budget is the result of all departments contributing their professional advice and thoughts on creatively increasing/improving services to the citizens without incurring a tax increase. It was a team effort.

Information Technology - Ms. Sutton advised that there is a \$12,000.00 line item for a new server for Administration. Just an upgrade for software would cost approximately \$9,600, so it makes economical sense to replace the server which is now approximately 5 years old.

QUESTIONS & COMMENTS

Ms. Howe clarified the budget item of 2 cents strictly dedicated to roads and it stays that way unless Council changes it. Ms. Sutton confirmed she was correct.

Mayor Quinn inquired what the anticipated salary for this position would be. Ms. Sutton advised \$25,000.00 - \$30,000.00. He then inquired about the number of homes we service for sanitation, the answer was approximately 11,000. Mayor Quinn inquired about the additional tipping fees, Ms. Sutton explained the expenses are currently \$10.58 per month for each household, 50 cents per recycle bin, the tipping fee goes by weight of trash collected from the County and is charged back to us, we also receive a recycle credit, yard debris. Mayor Quinn advised he wondered what the total cost per house is on average as opposed to other towns that might be getting more comprehensive service and inquired if Ms. Sutton thought it might be easier to go with that kind of service? Ms. Sutton advised she has not given that any consideration at this time, she has been focusing on the issues with Action Garbage and get us something to get into the budget. She has not analyzed any of the other municipalities and would not feel comfortable guiding Council on something she is not equipped to guide them on.

Mr. Schallenkamp confirmed that this conversation is not suggesting that we modify the contract that remains in effect for another 3-4 years. It is his understand that we need to work together

with our provider on an education program for the citizens and help him by drawing a line and advising them of the restrictions.

Mr. Schallenkamp inquired if there were any changes to the Planning Department's fee schedule. If there are any up or down, he would appreciate having those fees highlighted in red. He then requested that the separate salary schedule show the combined salaries of those staff member's salaries that are split between stormwater and appropriate departments.

Mayor Quinn commented on the use of appropriated half cent park fund to assist the Indian Trail Athletic Association.

ADJOURN

Dan Schallenkamp made a motion to approve.
Council voted unanimously in favor of the motion.

APPROVED:

John J. Quinn, Mayor

Attest:

Trena Sims, Interim Town Clerk