

**MINUTE BOOK XXIV, PAGES 51-52**  
**BUDGET WORKSHOP OF THE TROUTMAN TOWN COUNCIL**  
**May 15, 2020**

A Budget Workshop of the Troutman Town Council was held in the Troutman Town Hall, 400 North Eastway Drive, North Carolina on May 15, 2020 at 9:30 a.m. with the Mayor Teross W. Young, Jr. presiding.

Councilmembers Present: W. Paul Henkel; Sally P. Williams; George W. Harris; Paul R. Bryant; Edward R. Nau

Councilmembers Absent: None

Staff Present: James W. Freeman, Interim Town Manager; Kimberly H. Davis, Town Clerk; Steve H. Shealy, Finance Director

Others Present: Ron Wyatt

Press Present: None

**ITEM 1. MAYOR TEROSS W. YOUNG, JR. CALLED THE MEETING TO ORDER**

**ITEM 2. DISCUSSION OF THE 2020/2021 FISCAL YEAR PROPOSED BUDGET**

Interim Town Manager Jim Freeman complimented Finance Director Steve Shealy in budget preparation and in presenting Council with a balanced budget and stated that this session is to provide a proposed budget for Councils review. In addition, Council is encouraged to bring back questions and/or proposed changes to discuss during each department heads presentation at Monday's Budget Session (May 18<sup>th</sup>). He presented an overview of past and current finances and how COVID-19 and other influences could impact/decline the Town's revenues. Thereby, Council should take such influences into consideration (i.e. property tax, sales tax, and utility fund revenues). Other potential revenue decreases to consider include: development (new and ongoing), zoning permit fees, utility sales tax, natural gas, and electric; all of which the Town has very little control. Alcohol beverage tax and ABC Store Revenues appear to be on an increase during the pandemic. A question was asked regarding the 3.2 million in COVID Relief Funds that Iredell County received as to whether the funds will be shared with the municipalities. Mayor Young replied that he understands there is a County plan being developed, but how much the Town will receive in funds is unknown at this time.

Finance Director Steve Shealy highlighted internal budget considerations stating that a large part of the Town's budget is property valuation. The Town's last estimation from the tax office is 12.41% increase over last fiscal year and if the collection rate holds up, there could be some potential upcoming fiscal year growth. He stated that there is no increase proposed in the tax rate (currently \$.52 per \$100); budgeted at 96% provides the Town some cushion. Proposing a 2% increase in the sewer rate due to sewer treatment cost from verses revenue being over 50%. No water rate increases proposed due to water revenue remaining fairly steady at 35%. A conservative total regarding sales tax was presented with no increase proposed. Mr. Shealy stated that sales tax is the biggest concern due to the uncertainty of the economy. He explained that sales tax is distributed from the total sales tax countywide based on the Town's population. As directed at Council Planning Retreat, there is \$450,000 proposed in Parks & Rec. for an additional ballfield and paved parking, but recommended to delay allowing time to access the uncertain economic condition. Mr. Ron Wyatt suggested that the project could possibly be funded by stimulus funding. Mr. Shealy continued by proposing a 2% increase for Group Health Insurance; increase of 11.75% for police and 13.2% for other employees in local retirement; due to rate increases. He is also proposing a 2.5% cost of living increase in salaries. Discussion was held as to the appropriate time to implement a salary increase. Mr. Wyatt commented that the employees are the Town's biggest asset, and an increase will help keep up morale and if there is ever a time, July is it. Councilmember Henkel requested that Mr. Shealy provide true figures/cost of the 2% proposed increase.

Finance Director Shealy presented highlights from individual departments.

*Police Department:*

- . 1 new SRO for next year with Chief Fleming recommending to split their time between the elementary school and the Charter School. Discussion was held regarding funding and the need for an updated MOU between agencies.
- . 4 radio replacements at \$2,300 each. Council was in agreement that replacement of the radio's be a top priority and should be replaced as soon as possible.
- . Flock License Plate Readers Contract (\$28,000).
- . 3 new police vehicles under Capital Expenditure (\$135,000).

*Planning Department:*

- . Part-time contracted Planning person at 25 hours a week (\$30,000). Councilmember Bryant commented that he feels a full-time qualified person is needed.
- . No proposed CRTPO grant participation.
- . Increase Code Enforcement contract with N-Focus, adding additional days (\$28,704).
- . Professional service contract with Kimley Horn for Transportation Planning (\$25,000).

*Parks and Rec. Department:*

- . Part-time Parks and Rec. person (increased to \$40,000).
- . Additional ballfield with parking (\$450,000 in Transfer to Other Funds/Capital Reserve Funds).
- . New Christmas tree and holiday decor (\$20,000).
- . Replacing and/or upgrading playground equipment (20,000).

*Public Works Department:*

- . Increase street sweeping contract based on growth.
- . Roof repair-Public Works building (\$19,000). Staff to research if roof damage is due to weather.
- . Water tanks Maintenance Contracts (\$32,000).
- . West Engineering-additional services (\$18,000).

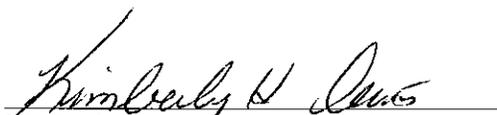
*Governing Body and Admin.*

- . Replacement of printer-Clerks Office (\$2,000).
- . Increase of \$10,000 in Professional Services (Audit and Attorney Fees)
- . Code of Ordinances Re-codification (\$16,000)
- . Agenda Management Software (\$2,700).

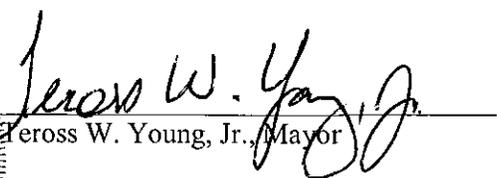
Mayor Young requested that Council review the proposed budget over the weekend and prepare questions for the Department Heads during their presentations on Monday. Council requested that Planning Director Berger attend Monday's Budget Workshop in person verse Zoom. Interim Manager Freeman informed Council that Finance Director Shealy will cover Public Works due to the absence of Public Work Director Adam Lippard.

**ADJOURNMENT**

Upon motion by Councilmember Williams, seconded by Councilmember Henkel and unanimously carried, the May 15, 2020 Budget Workshop was adjourned at 11:25 a.m.

  
Kimberly H. Davis, Town Clerk



  
Jeron W. Young, Jr., Mayor