

**MINUTES OF THE
SUMMERFIELD TOWN COUNCIL
BUDGET WORKSHOP
SUMMERFIELD COMMUNITY CENTER
FEBRUARY 22, 2010
9:00 AM**

NOTE: The official minutes are a CD recording of the meeting. The following is a summary of the events of the meeting.

The meeting was called to order at 9:22 am by Mark Brown.

INTRODUCTIONS:

Council:

Mark Brown, Mayor
Dena Barnes
Alicia Flowers
Dianne Laughlin
Bob Williams
John W. Wray Jr.

Staff:

Michael Brandt, Town Manager
Dana Luther, Finance Officer
Valarie Halvorsen, Town Clerk

LEAN MANAGEMENT PRESENTATION – Ken Hoover and Gene Smith

Hoover and Smith, from the NC State Industrial Extension Service, described LEAN Management, gave examples, and discussed other organizations that have used it. Tools used to eliminate waste include Value Stream Mapping, and measures to eliminate waste in the following areas: Transport, Inventory, Motion, Waiting, Overproduction, Over processing, and Defects. The program is tailored to the needs of each user or organization, with a 3 day training event costing roughly \$3500.

DEBT FINANCING PRESENTATION – Jeremy Fisher

Fisher, of RBC Centura Bank discussed types of financing options (General Obligation, Revenue Bonds, and Installment Purchase), the pros and cons of each and the debt approval process. He noted the most popular debt instrument was the Installment Purchase, also referred to as Lease Purchase. He described the Build America Bond program, part of the American Recovery and Re-Investment (ARRA) Act that can be financed through general obligation or installment purchase. The program expires December 31, 2010, but may be extended. It is available for tax exempt government issuers; however, debt is issued at a taxable interest rate, with a 35% interest reimbursement from the federal government.

There was discussion about getting a debt rating for the Town, which is typically done prior to issuing debt. The rating process typically begins with a \$2,000 onetime fee, with quarterly rating updates requiring no additional fees.

TOWN DEPARTMENT PRESENTATIONS

Planning/Code Enforcement

Chris Anderson, Town Planner, discussed implementation of the Comprehensive Plan, stating there are 83 action items, 66 of which would involve the Planning Department, and 37 of those involve modifications or additions to the Development Ordinance. There was discussion about signs, the sign ordinance, and enforcement, which is addressed in the Comprehensive Plan.

As to Code Enforcement, Anderson stated of the 43 cases in 2009, 33 are closed and 10 are being monitored. He recommended continuing to contract with Benchmark for this service, due to limited Town staff, and the unpredictable nature of the volume of both code enforcement complaints and planning workload.

There was also discussion of acceptance of property dedications, particularly as it relates to floodplain areas. The Development Ordinance requires dedications: the Town either needs to accept the dedications or revise the ordinance. There was discussion of watershed regulations and devices, fees and cost sharing as related to dedications.

Parks & Recreation

There was discussion of programming and support for programming through the addition of a part time position, the need for additional P&R committee members, continued construction of the park, maintenance of existing trails, and expansion of the trail network. Flowers recommended holding another volunteer fair to increase committee membership; Brandt and Council concurred. Flowers feels park programming may be too ambitious and should be scaled back to about 4 events, which could be managed by the committee rather than hiring someone. She further stated this issue could be revisited in a few years when the economy turns around, that now is not the time to consider adding staff.

Administration/Finance

There was discussion about the part time administrative position addressed above assisting with marketing tasks and event planning for town and committee events.

Brandt discussed updates from the NCLM including the following: local government revenues are very vulnerable, local sales tax revenues are down 7% even though projected to be down about 4% below 08-09, LGERS retirement benefit contribution increase, alcoholic beverage commissions can expect change, road transfers, deferred tax on builders inventory goes into effect July 1, 2010, extension of development approvals/permits, and surface water quality triennial review.

Luther discussed changes to the CBO policy that were recommended by the Finance Committee, and there was brief discussion about the review and approval process of non-profit funding requests. Luther asked Council to review the current process and the recommended changes for final approval at the next meeting.

DISCUSSION OF COUNCIL MEMBER PRIORITIES

P&R Maintenance Expenditures

Estimated yearly expenditures for Summerfield Athletic Park are as follows: field maintenance \$25,000, maintenance of other facility areas \$15,000, electricity (lights, field lights, septic/well pumps, etc) \$18,000. Brandt stated there is income potential from banners (\$7,500), concessions (\$8,000), and field rentals (\$9,000).

Property Tax

By consensus, Council agreed that Brandt should present a budget option that includes a property tax.

Solid Waste Collection

Following discussion about universal collection, including implementing a property tax to cover the expense, Laughlin made a motion directing Brandt to gather more information for possible inclusion in the 2011-2012 budget and to start marketing the issue to the public. The motion was seconded by Williams and carried unanimously.

With no further business before the Town Council, Laughlin made a motion to adjourn at 2:42 pm. The motion was seconded by Flowers and carried unanimously.



Mark E. Brown, Mayor



Valarie Halvorsen, Town Clerk