

**MINUTES OF THE  
SUMMERFIELD TOWN COUNCIL  
SPECIAL CALL MEETING  
SUMMERFIELD TOWN HALL  
May 27, 2009  
6:30 PM**

**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 6:33 pm by Mark Brown.

**PRESENT:**

**Council:**

Mark Brown, Mayor  
Dena Barnes, Pro Tem  
Alicia Flowers  
Becky Strickland  
Bob Williams  
John Wray

**Staff:**

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

**Consent Agenda**

Wray made a motion to approve the Consent Agenda, which consists of the Meeting Agenda. The motion was seconded by Barnes and carried unanimously.

**Presentation of 2000-2010 Fiscal Year Operating Budget**

Brandt read the Budget Message and described the following aspects of the budget: Budget Process; Economic Outlook; Revenue Projections; Budget Priorities; Future Fiscal Outlook; Revenue, Expenditures, Committees, Boards, and Services, and Changes in Committee Requests.

There was discussion about the tax rate, which is proposed in the budget to be reduced to three cents. This rate, extended over 20 years provides enough annual income to support capital project expenditures at the rate of one million dollars, adjusted for inflation, one every five years while keeping the fund balance over nine million dollars.

Brandt noted the Park and Recreation Committee had the largest budget allocation, 42% of the entire budget, but it had been reduced by \$25,000. There was discussion of the Summerfield Athletic Park, and the possibility of rebidding the entire job, to include elements not in the original bid.

There was discussion of CBO funding, what documents would be required from organizations making requests each year, and the request of funds by organizations to cover administrative costs associated with compiling and providing the documents. It was decided to discuss this issue further at the June 9, 2009 meeting.

Brandt stated the revenue is \$2,700,951, which is also the amount of expenditures; approximately \$43,000 was removed from various committee budget requests: approximately

\$40,000 removed from other areas; and the Public Hearing will be held during the June 9, 2009 meeting.

Luther discussed the projections with a 3 cent property tax, 2.5 cent property tax and zero property tax, noting this information is based on a number of assumptions (cost of living increases, number of capital projects, etc. Strickland asked how many Finance Committee members approved this budget and Luther replied 3 committee members were absent from the final meeting. Strickland noted the budget was approved by a committee majority of council and staff. Luther noted that there were several meetings in which budget aspects were discussed, and two of those absent during the final meeting emailed Luther stating they had no concerns other than those already addressed.

Flowers asked how relevant it was to project the property tax rates out so many years. Brandt said it was the only way to at least attempt to project what would happen financially based on implementing other tax rates. Luther noted most larger companies also provide expanded budgets and it is required in some cases, and even though it is very subjective, it is better than not providing any such information. Flowers questioned the relevance of extending it out to 2016 and Luther stated it is due to the question each year of when the fund balance would be depleted with different tax rates. Brandt stated the key issue is planning for the future. There was general discussion about allocating funds for specific future projects such as transportation, infrastructure, and other capital projects. Flowers feels that this has not been done in the past, noting that typically, a tax has been charged and that money put in the bank to fund non-specified future projects. Brandt agreed, but noted that there was some planning behind past actions, even though money was not always allocated specifically. However, he stated there has been some attempt to allocate monies for transportation and parks and recreation in the designated fund balance. Luther noted if something was budgeted one year but delayed and not spent then it was inadvertently designated in the next year for that project. Flowers recommended allocating a certain amount each year for a specific project and then waiting until all the necessary funds were gathered to do the project, rather than pulling money from the fund balance for projects. Brandt agrees, but says when the money is gathered there may be some other reason for not doing the project. He noted that all funds do not have to be allocated to a specific project, but the citizens should be aware of the intended use of the money. Flowers feels that one project should be finished before starting another and money should be designated or allocated to specific projects and gathered prior to starting a project.

Strickland feels the Armfield Park Master Plan development project could be put off to another year and Brandt stated council could change the ordinance if they so chose. Flowers asked about the Summerfield Road property and Brandt noted council should advise staff on what to do with it. Following brief discussion, including the possibility of selling the property, it was decided by consensus to discuss this issue at the June 9, 2009 meeting.

There was discussion of charging a fee for movies at the amphitheater, as well as discussion of fund raising by committees and the need for a fund raising policy. Strickland asked about the increase in Operating costs in the Parks & Rec budget and Brandt stated that was mostly for maintenance and mowing costs. Flowers asked about donations and Luther responded that

donations for a specific purpose would be carried forward until expended. or the donor designates an alternate purpose for the funds or requests a refund.

Brown asked if council was ready to go into Closed Session.

**CLOSED SESSION:**

**A) Consider the qualifications, competence, performance, character, fitness, conditions of appointment or conditions of initial employment of an individual public officer or employee or prospective public officer or employee as provided under NCGS 143-318.11(a) (6); and**

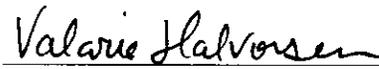
Barnes made a motion to enter into closed session at 8:30 pm. The motion was seconded by Flowers and carried unanimously.

Barnes made a motion to return to open session at 8:47 pm. The motion was seconded by Williams and carried unanimously.

With no further business before the Town Council, a motion to adjourn was made at 8:47 pm by Barnes. The motion was seconded by Wray and carried unanimously.



Mark E. Brown, Mayor



Valarie Halvorsen, Town Clerk