

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

**April 10, 2014**

The Board of Commissioners for the Town of Cramerton met in a budget workshop session on Thursday, April 10, 2014 at 7:00 p.m. in the G.M. Michael Room at the Cramerton Town Hall.

**Board members present:** Mayor Ronnie Worley, Mayor Pro Tempore Will Cauthen, Commissioners Sam Carpenter, Demetrios Koutsoupas, Tammy Lawrence and Sandra R. Ware.

**Staff present:** Michael Peoples, Town Manager; Greg Ratchford, Police Chief; Joel Lineberger, Finance Director; and Wilene Cunningham, Town Clerk.

**Call to Order and Determination of Quorum:** Mayor Worley called the meeting to order and determined that a quorum was present.

**Adoption of Agenda for this Meeting:** A motion was made by Mayor Pro Tem Cauthen to approve the agenda as proposed. The motion was seconded by Commissioner Lawrence and approved by all.

**Review of Budget Calendar and Discussion of Rescheduling April 24, 2014 Meeting for Thursday, May 1, 2014.** Mayor Pro Tem Cauthen stated he would out of town on April 24<sup>th</sup>. The Board agreed to meet on Thursday, May 1<sup>st</sup>, at 6:00 p.m. for the next scheduled budget meeting.

**Discussion of General Overview of Proposed Revenues for FY 2015 General Fund.**

- **Fund Balance Review.** The Finance Director stated the Town was in good financial shape regarding the fund balance.
- **State Shared Review Update.** Information from the North Carolina League of Municipalities regarding State Collected Local Taxes and FY 14-15 Revenue Projections were included in the Board of Commissioners' packets.
- **Gaston County Re-Evaluation will affect FY 2016.** Preliminary information should be available in summer of this year. The re-evaluation will affect the budget for fiscal year 2016.

**Discussion of Reoccurring Budget Items (Salaries, Benefits, Fuel, etc...).** Ad valorem taxes reflected a \$39,800.00 tax increase over last year due mainly to the increased collection percentage. A reduction of \$9,000.00 for motor vehicle taxes is shown due to a significant decrease in the assessed value of motor vehicles as reported by the County. A more favorable collection percentage should be shown with the impact of the current DMV Tax and Tag program. Sales and use tax distribution and utility franchise tax distribution revenue lines have been increased. The revenue line item for stormwater has been decreased by \$15,000.00 due to the proposed appropriation of allocated personnel costs to be paid directly to the fund rather than reimbursed to the General Fund as in past years. The total increase in revenues proposed is \$82,800.00. An increase will be shown in ad valorem taxes with the addition of the Village of South Fork project and the Villages at Cramerton Mills project.

A merit adjustment of 2.5 percent is proposed for January 1, 2015. The cost of the merit increase would be \$15,480.00. Health insurance premiums are estimated to increase between 25 to 30 percent. Potential impact to the fiscal year 2014 budget with a 30% health insurance premium increase would be \$25,617.00. Rates for workers compensation remain unchanged. The budgeted amount for fuel costs was reduced by \$4,900.00 to reflect current fuel prices. Total budgeted cost for fuel is \$94,900.00. A seven percent increase is budgeted for general insurance to provide for a premium rate increase plus changes in coverage including new vehicles and facilities not previously included. Capital expenditures include the purchase of radios for the Police Department for \$100,000.00, potential grant expenditures in the Fire Department of \$110,000.00 with half being matching funds, and pavement resurfacing and repair projects of \$315,000.00 in the Public Works Department. The radios for the Police Department are in need of an update. The Fire Department is working on a matching FEMA grant for a new fire pump

truck. A \$30,000.00 grant from the Department of Insurance has been awarded to the Town two years in a row.

The Public Works Department shows an increase of \$40,000.00 in funds for miscellaneous street and sidewalk repairs. A pavement survey will be completed in the near future. Mayor Worley stated paving of the Town's roads and streets is good for all of the citizens.

There will be a reduction of \$5,000.00 as there will not be any election costs. A transfer of \$5,000.00 will be budgeted for the Veterans Memorial Capital Project Fund.

The Town Manager stated the general fund summary shows an overall reduction of \$2,500.00 for the Governing Board as no election costs will be incurred. The Police Department incurred increased costs for purchase of ammunition due to qualification requirements for the change out to different guns. The Police Department receives revenue from Gaston County Schools for the school resource officer, the interlocal agreement with the Town of McAdenville, and services provided to the ABC Store. Chief Ratchford and the Town Manager will begin negotiating the interlocal contract with the Town of McAdenville sometime in late May or June. Commissioner Ware asked if an office for the Police Department was being provided at the Village of South Fork. The Town Manager stated this would be discussed at the time of the commercial phase. Mayor Worley stated he did not want this overlooked. Chief Ratchford stated the Police Department uses the Town of McAdenville's Town Hall as their secondary base. Commissioner Ware stated this was part of the original conditions. The Town Manager stated he would follow up as the developer is looking at a possible anchor store.

The Fire Department has not received any information regarding the FEMA grant or the Department of Insurance grant. Building improvements were completed after the flood. A 2.5 percent merit increase is being proposed for the part time staff.

The Public Works Department has presented a working list of streets that are in need of repairs. The paving study will not include sidewalks. Commissioner Ware asked about the expense line for irrigation regarding Woodlawn Circle. The Town Manager stated the Town pays for water service to Two Rivers Utilities. Mayor Worley asked about the amount of water that seems to be coming from the irrigation system at the Lakewood Road roundabout. Commissioner Koutsoupas stated there is standing water and on cold days it was frozen on the roadway. The Town Manager stated he would have someone follow up on this issue.

The Planning Department's budget includes reimbursement for use of personal vehicle to attend professional conferences and seminars.

The Parks and Recreation Department requested the addition of two part time employees. This position would allow Mr. Craft to be available to work on the fields and Ms. Busler to coordinate special events. This position would require someone to be available to open up the gym and do signups for athletic programs. Mayor Worley asked if a volunteer might be a solution. The Town Manager stated the Parks and Recreation Department's office is at the front of the building and there is constant interaction and activity which interferes with the staff's completion of their daily work. He also stated that volunteers are not always a dependable source of personnel. Mayor Pro Tem Cauthen asked if there was the possibility of a college student that has interest in that field being considered. The Parks and Recreation Department will be purchasing front porch type swings and they will construct the frames in house. The Finance Director stated that this could be a possible Scout project. The swings will be placed on Goat Island Park and Riverside Park. A budget line item for \$10,000.00 for the Centennial Celebration is included. Notification should be received from Caromont regarding any possible donations in May. Commissioner Koutsoupas asked about the services the Town receives from Dixie Lawn Care. The Town Manager stated there is very little in house mowing. Commissioner Ware stated Waste Management did not pick up her recyclables. The Town Manager stated the new recycling calendars from Waste Management should be available next week. The Town Manager stated the Parks and Recreation Department has requested a pump sprayer as there is no available water source on Goat Island Park and this is needed in order to clean the shelters. New tables and chairs have been requested for the Community Center. Benches, picnic tables, and trash receptacles are needed for Goat Island Park. The number of participants in the athletic programs has grown significantly.

**Discussion of Capital Improvement Items for General Fund.** The gym lighting upgrade will cost approximately \$12,000.00. Mayor Pro Tem Cauthen asked if Duke Energy had any current programs to assist with this project. He stated he recently spoke to someone at LIME and they said there was a 70% match from some power companies. Mayor Pro Tem Cauthen stated he would forward this information to the Town Manager. The funding for the fields at Stuart W. Cramer High School is budgeted at \$25,000.00. The proposed capital project improvement items for FY 2015 totals \$592,333.00. Commissioner Ware asked why personnel costs were in the stormwater fund. The Finance Director explained the LGC would like to see direct costs be budgeted in the fund rather than transfers to the General Fund.

Debt service includes payments to USDA for the Town Hall/Police Department renovation, vehicle purchases, and public works facility note. The total for FY 2015 is \$148,914.00.

**Discussion of Capital Project Ordinances and Future Capital Projects.**

- **Goat Island Park, Phase II.** No discussion.
- **Veterans Memorial.** No discussion.
- **Fire Apparatus.** The Town Manager stated the Town has applied three times for the FEMA matching grant.
- **Lakewood (Goat Island) to US 29/74 NCDOT Greenway Project.** No discussion.
- **Lakewood and Eagle Road Sidewalk Project.** No discussion.

**Discussion of Proposed FY 2015 Fee Schedule.** The fee schedule now contains an entry regarding minimum housing fees. The Parks and Recreation Department has requested light fee charges for field usage. Team sport registration fees have been increased by \$5.00 for residents and non-residents. Mr. Krouse stated the stormwater fees should be reviewed next year for commercial and industrial users regarding possible increases based on square footage of impermeable surfaces. The Town Manager stated Two Rivers Utilities is recommending a zero percent increase in water and sewer fees with the possibility of an increase in FY 2015 being no greater than one percent. Mayor Pro Tem Cauthen thanked the staff for all of their hard work.

**ADJOURNMENT:** A motion was made by Mayor Pro Tem Cauthen to adjourn the meeting at 8:34 p.m. The motion was seconded by Commissioner Ware and approved by all.

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Mayor Ronald E. Worley

**ATTEST:**

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Wilene Cunningham, Town Clerk