

**Marshville Town Council
Special Meeting
Budget Workshop/Retreat
5:30 P.M. Thursday, May 29, 2008
Marshville Community Center
201 West Main St., Marshville, NC**

Present: Mayor Franklin D. Deese, Mayor Pro-Tem Gail Kiker, Council Members Ned Beachum, Dora Bridget, Margaret Bivens, and Denise Whitley, Director of Public Works Bivens Steele, Town Administrator Carl Webber, Park Director Alan Thifault, Police Chief Mike Gaddy, and Town Clerk/Finance Officer Shelley Maness.

Mayor Deese opened the meeting at approximately 5:35 p.m. and welcomed everyone in attendance. Mayor Deese also gave the invocation. All gave the Pledge of Allegiance.

Public Comments. There were no public comments.

Introduction of Mr. Andy Silver, Facilitator. TA Webber introduced Mr. Andy Silver, facilitator for the budget workshop, noting that Mr. Silver was a certified mediator and a resolution expert. TA Webber reminded Council that previous workshops had been facilitated by Dr. John Stephens of the UNC School of Government's Dispute Resolution Center. Unable to facilitate the workshop himself, Dr. Stephens recommended Mr. Silver. Mr. Silver introduced himself to Council and discussed how he became involved in his field of work.

Adopt Agenda. Council Member Whitley made a motion to adopt the agenda as presented, second by Council Member Beachum. Vote: All Ayes.

Discuss "Cash Register Exercise" – Mr. Silver. Mr. Silver pointed out that Council Members have the responsibility to make decisions and often times they may not have all the information they need. Mr. Silver then had the group participate in an exercise that pointed out how easy it can be to make assumptions based on a few known facts and that those assumptions may or may not be accurate.

Mayor / Council Member Program, Project and Financial Goals for FY 2009. Mr. Silver had the group specify that the goal was to have respect, trust and harmony among the Council. Then the group identified ways of reaching that goal including: listen, get to know and accept others, set aside personal feelings and work together, be forgiving, be open-minded, brainstorm, respect other opinions, agree that there are no bad ideas, be willing to compromise, question assumptions, revisit previous decisions and be willing to change. Mr. Silver said that these things should be Council's communication guidelines for this and all future meetings.

TA Webber explained that his proposed budget was developed on the basis of maintaining the current level of operation with no new programs or major projects are proposed. He then asked if Council had any particular goals or projects that they would like to see included in the budget. Mayor Deese said that he would like to see the Town move forward with a wellness center. Council Member Bivens would like to see money budgeted for additional sidewalks and stormwater drainage. She was particularly concerned about a sidewalk to the park. Council Member Bivens

also stated that she would like to see the acreage of the park increased and suggested looking outside of the city limits to do so. She mentioned the possibility of building the Mayor's wellness center outside of city limits. Mayor Deese said that it was his vision to have the center centrally located within the city limits of Marshville and that he already had an idea of where he would like to see it built. He was also hopeful that the land may be donated or at least sold to the Town at tax value. Mayor Deese stressed the importance of the entire Council embracing the idea to encourage people in the community to help raise funds for the project. Mayor Pro-Tem Kiker offered Stegall Lake as a potential location for the wellness center. Mayor Deese felt that the Town would not be able to acquire that property.

Mayor Deese also stated that he would like to see as little encumbered fund balance as possible in the FY 08/09 budget. Council Member Beachum pointed out that if the tax rate is not changed, the Town would see a 12% increase in property taxes due to the revaluation. There was discussion about establishing committees to research such things as user fees. TA Webber informed Council that some projects budgeted in FY 07/08 were never started, such as a columbarium at the cemetery and the Economic Development study. These items were carried forward in the proposed budget.

Mayor Deese called for a five-minute recess at approximately 7:40 p.m. The meeting reconvened at approximately 7:45 p.m.

TA Webber explained that he was required to present a proposed budget to Council by the end of May and that Council was required to adopt a budget by the end of June. TA Webber then reviewed his proposed budget for FY 08/09. Highlights of his review follow.

Being a revaluation year, Marshville's tax base had increased which would result in more tax revenues if the tax rate was maintained at \$0.38. The revenue neutral tax rate is \$0.335. Marshville's newly assessed tax base of \$168,610,204 compared to Indian Trail's more than \$2 billion explains why Indian Trail and other towns' tax rates can be so much lower than Marshville's.

An increase in solid waste collection fees was recommended to offset the increase in the Town's cost for providing the service. The contractor had increased their fees by the CPI rate of 4.4%, going from \$12.78 to \$13.34 per container per month. A 5% fuel surcharge per invoice and a \$2.00 per ton tax would also increase the Town's cost. It was suggested that the Town increase rates to \$14.50 per container per month.

To offset increasing costs to the Town, an increase in water rates of 3.4% and an increase in sewer rates of 4.8% were recommended. Also proposed was an increasing block rate structure for ¾ inch connections and a uniform block rate was recommended for larger connections.

Based on information provided by the NCLM, a COLA increase of 3.3% and a merit increase of 2.28% was proposed for qualifying employees. Other proposed General Fund expenditures included:

- \$15,000 for Marshville's share of a joint economic development study with Wingate
- \$3,667 per department to purchase new municipal software
- Funds to replace clerk's workstation
- Additional funds to cover the cost of having the Town attorney attend two meetings per month

- Increased funding for fuel costs
- \$9,639 to purchase additional Christmas lights
- \$3,000 per Police Department employee for pay scale adjustment
- \$23,130 to purchase a new patrol car
- ½ of funds needed to purchase a new tractor for street right-of-ways
- \$11,000 to purchase a truck for the Parks Department
- Funds to purchase vending machines and make improvements to fencing and walking trails at the Park
- Matching funds for grant to construct new Greenspace Park
- Funds to construct a columbarium for cremated remains (a project funded but not completed in FY 07/08)

There were some questions about funding for specific sidewalk projects. TA Webber said that Council could determine how the budgeted sidewalk funds are spent when the time comes. After discussing the matter, it was the general consensus of Council to eliminate the columbarium appropriation from the budget.

Other proposed Enterprise Fund expenditures included:

- Funds for Professional Services to develop water system plans (partially funded by a grant that is to be applied for)
- Increased funding for the purchase of water and sewer
- ½ of funds needed to purchase a new tractor for right-of-way maintenance
- Funds to provide one-half of a matching grant for the sewer rehab grant applied for in 2008
- Funds to replace utility billing clerk's workstation

TA Webber gave an overview of how the proposed budget would impact taxes and fees on a median value dwelling with average water, sewer and garbage use. Overall, the total average increase was about 7.5% or \$78.46 more per year for taxes, water, sewer and trash combined.

TA Webber pointed out that Marshville is debt free and has a favorable percentage of available Fund Balance in comparison to other similar units of government.

TA Webber answered several questions and then reviewed the required process for adopting the budget, which includes setting a date and time for a public hearing prior to adopting the budget. The budget must also be adopted by June 30th.

There being no further comments, the meeting was adjourned at approximately 9:35 p.m.

These minutes approved this ____ day of _____, 2008.

<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <p style="text-align: center;">Franklin D. Deese Mayor</p>	<p style="text-align: center;">Attest: _____</p> <p style="text-align: center;">Shelley H. Maness Town Clerk</p>
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