

Work Session - Minutes Monday, May 20, 2019

COUNCIL PRESENT:

Mayor Mulhollem
Mayor Pro Tem Castleberry
Council Member Bruton
Council Member Jackson
Council Member Locklear
Council Member Wilson

STAFF PRESENT:

Mike Gordon, Town Administrator
C.L. Gobble, Administrative Consultant
Chip Hewett, Town Attorney
Kim P. Batten, Finance Officer/Town Clerk
Bob Clark, Planning/Zoning Administrator
Julie Maybee, Town Planner

COUNCIL ABSENT:

MEDIA PRESENT:

None

1 WELCOME/CALL TO ORDER:

- a) **Mayor Mulhollem called the meeting to order at 6:30 p.m. in the Jeffrey D. Barnes Council Chambers located at 14094 Buffalo Road, Clayton, NC and declared a quorum present.**

2 RECOGNITION:

- a) **Ms. Julie Maybee, Part-Time Town Planner ~ Mike Gordon**

Mr. Gordon welcomed Ms. Maybee, newly hired Part-Time Town Planner, and introduced her to the Town Council. Ms. Maybee thanked the Council for the opportunity to join the Town.

3 OLD BUSINESS:

- a) **Ordinance(s) Continued Discussion ~ Mike Gordon**

Mr. Gordon provided Council with **DRAFT** Ordinances for review and discussion regarding "complaint driven" problems within the town limits:

- Discharge of firearms within the Town of Archer Lodge
- Requiring developers to add a covenant prohibiting the discharge of firearms in new residential subdivisions in the Town of Archer Lodge
- Domestic Fowl restrictions within the Town of Archer Lodge

He suggested that Council review each and provide feedback to him or staff prior to next meeting. Discussion followed.

4 NEW BUSINESS:

- a) **July Regular Council Meeting**

Mayor Mulhollem began the discussion regarding the Regular Town Council Meeting scheduled for Monday, July 8, 2019. Several people will be on vacation the week of July 8th; therefore, he recommended changing the meeting date to Monday, July 1, 2019. Since there were no objections, the

change to the 2019 Meeting Schedule will be under the Consent Agenda at the June 3, 2019 Regular Town Council meeting.

Also, Mayor Mulhollem mentioned that the Work Session on June 17, 2019 may potentially be changed to a Special Meeting for the Purpose of Adopting the Annual Budget Ordinance. If you could not be in attendance for the June 17th meeting, please notify Ms. Batten as soon as possible.

b) Clayton Chamber of Commerce ~ Mayor Pro Tem Castleberry

Mayor Pro Tem Castleberry shared information following a recent Clayton Chamber of Commerce meeting that he was invited to attend:

- The purpose of the meeting was to discuss the growth and development on Covered Bridge Road between the Town of Clayton and the Town of Archer Lodge.
- He was asked to meet monthly with the Clayton Economic Development Board on behalf of the Town of Archer Lodge. Mayor Pro Tem agreed that Archer Lodge should have a representative but did not consent to be the person at that time.
- Mayor Mulhollem agreed that it was in the best interest of the Town if a representative could attend the monthly Clayton Economic Development Board meetings. Mike Gordon volunteered, and Mayor wanted the item added to the Agenda at the June 3, 2019 Regular Council meeting for discussion and possible consideration.

c) April 30, 2019 Financials & Year-to-Date Comparison (FY18 compared to FY19) ~ Kim Batten

Ms. Batten provided a financial summary for all funds ending April 30, 2019 and noted that the fiscal year was 83% complete. Of the anticipated revenues, 83% have been collected in the General Fund while expenditures were slightly lower at 80%. The Capital Reserve Fund and Park Reserve Fund were still doing well, and the Town Hall Expansion Project was near completion.

Comparing the year-to-date totals for April 2018 with year-to-date totals for April 2019, revenues and expenditures were slightly higher in 2019 than in 2018. No further comments or discussion.

d) Budget Amendment (BA 2019 05) ~ Kim Batten

Ms. Batten shared the proposed Budget Amendment (BA 2019 05) for the General Fund only. She noted that unanticipated revenues had been received and appropriations for General Fund expenditures must be recorded to stay in balance. Having no concerns or questions, Mayor advised the Town Clerk to place Budget Amendment (BA 2019 05) under the Consent Agenda at the June 3, 2019 Regular Council meeting.

Budget Amendment (BA 2019 05) appears as follows:

Budget Amendment

BA 2019 05

Town of Archer Lodge

Fiscal Year Ending 06/30/19

Budget Amendment

BA 2019 05

Date

03-Jun-19

General Fund

Account	Account Number	Budget	Amendment	Amended Budget
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Revenues:

2019 Property Taxes	10-3119-0000	-	1,000.00	1,000.00
ABC Profits Johnston County	10-3337-0000	25,000.00	3,000.00	28,000.00
Permits and Fees	10-3340-0000	7,000.00	1,000.00	8,000.00
PEG Channel Support	10-3461-0000	52,000.00	2,000.00	54,000.00
Total Increase (Decrease) in Revenues			7,000.00	

Expenditures:

Gov Body: Election Expenses	10-4110-2500	4,000.00	(2,000.00)	2,000.00
Admin: Salaries (Part-Time)	10-4120-1220	13,200.00	2,800.00	16,000.00
Admin: FICA Taxes	10-4120-1810	9,580.00	940.00	10,500.00
Admin: Vehicle Maintenance	10-4120-3050	-	80.00	80.00
Admin: Contracted Services - Consultant	10-4120-3550	35,000.00	(7,000.00)	28,000.00
Admin: Dues & Subscriptions	10-4120-4000	915.00	300.00	1,215.00
Public Bldg: Electric	10-4190-3330	5,000.00	1,000.00	6,000.00
Public Bldg: Communications	10-4190-3340	6,000.00	500.00	6,500.00
Video Prog: PEG Media Partners - EWT	10-4200-3500	52,000.00	2,000.00	54,000.00
Public Safety: Contracted Services - ALVFD	10-4300-3500	265,000.00	9,000.00	274,000.00
Public Safety: Contracted Services - Animal Ctrl	10-4300-3550	3,000.00	1,250.00	4,250.00
Public Safety: Law Enforcement Designation	10-4300-3600	25,000.00	(25,000.00)	-
Public Works: Contracted Services	10-4510-3500	10,000.00	(7,000.00)	3,000.00
Plan/Zone: Salaries (Part-Time)	10-4910-1220	-	4,250.00	4,250.00
Plan/Zone: FICA Taxes	10-4910-1810	1,200.00	800.00	2,000.00
Plan/Zone: Vehicle Maintenance	10-4910-3050	-	80.00	80.00
Transfer to Public Safety Reserve Fund 32	10-9900-0032	-	25,000.00	25,000.00
Total Increase (Decrease) in Expenditures			\$ 7,000.00	

\$ -

Justification for Budget Amendment:

To appropriate or reappropriate unanticipated revenues and expenditures as recorded.

Adopted this 3rd day of June 2019

ATTEST:

Matthew B. Mulhollem, Mayor

Kim P. Batten, Town Clerk

Teresa M. Bruton, Budget Officer

e) Capital Project Ordinance Amendment - Town Hall Expansion (CPOA 2019 01) ~ Kim Batten

Ms. Batten explained that the expenditures as detailed in the Town Hall Expansion Capital Project Ordinance needed to be re-appropriated as recorded in the Capital Project Ordinance Amendment (CPOA 2019 01) below:

Capital Project Ordinance Amendment

CPOA 2019 01 (TH EXPANSION)

Town of Archer Lodge

Fiscal Year Ending 06/30/19

CPOA 2019 01

Date 03-Jun-19

CAPITAL PROJECT ORDINANCE - TOWN HALL EXPANSION

Account	Account Number	Budget	Amendment	Amended Budget
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Revenues:

				-
Total Increase (Decrease) in Revenues			-	

Expenditures:

Contracted Services-Construction	40-4190-3500	420,000.00	(20,000.00)	400,000.00
Small Equipment & Furnishings	40-4190-5000	30,000.00	20,000.00	50,000.00
				-
Total Increase (Decrease) in Expenditures			\$ -	

\$ -

Justification for Budget Amendment:

To reappropriate expenditures as recorded.

Adopted this 3rd day of June 2019

ATTEST:

Matthew B. Mulhollem, Mayor

Kim P. Batten, Town Clerk

Teresa M. Bruton, Budget Officer

Having no concerns or questions, Mayor Mulhollem advised the Town Clerk to place Capital Project Ordinance Amendment (CPOA 2019 01) under the Consent Agenda at the June 3, 2019 Regular Council meeting.

f) Engaging May & Place, PA to Prepare Financial Statements and Audit Financial Records for FY18-FY19 and 4 years following ~ Kim Batten

Ms. Batten explained that Auditing services provided by current auditing firm, May & Place, PA, for fiscal year ending June 30, 2019 would be increasing due to increased time in preparation of the Annual Financial Statements and constant changes required by NC Department of State Treasurer's and State Auditor's offices. Prior to preparing and mailing Request for Proposals (RFP) of Auditing Services, Ms. Batten researched the costs of Auditing Services as provided on the NC Department of State Treasurer's website and that information revealed the proposed increase would still be lower than what other Towns were paying Accounting/Auditing Firms. Therefore, Ms. Batten suggested maintaining and engaging May & Place, PA for the next fiscal year. Discussion followed.

Following the discussions, Mayor Mulhollem recommended that the Town stay with the current auditing firm and asked the Town Clerk to place the Engagement Letter and the Audit Contract with May & Place, PA for fiscal year ending June 30, 2019 on the June 3, 2019 Regular Council Meeting Agenda under the Discussion and Possible Action Items section.

g) Establishing a Public Safety Reserve Fund by Ordinance ~ Kim Batten

Ms. Batten shared a **DRAFT** Ordinance Establishing a Public Safety Reserve Fund which appears as follows:

ORDINANCE # AL2019-06-1

**AN ORDINANCE ESTABLISHING A PUBLIC SAFETY RESERVE FUND FOR
THE TOWN OF ARCHER LODGE**

WHEREAS, the Town of Archer Lodge is a municipality duly organized under the laws of the State of North Carolina; and,

WHEREAS, the Town Council finds a need to establish a separate Public Safety Reserve Fund in which funds shall be accumulated for Public Safety; and,

WHEREAS, the Town Council has determined there is a need to fund the Public Safety Reserve Fund for future Public Safety demands,

BE IT THEREFORE ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ARCHER LODGE AS FOLLOWS:

- 1) The Town of Archer Lodge hereby establishes a Public Safety Reserve Fund. The monies in the Public Safety Reserve Fund shall be used solely for Public Safety expenditures. For purposes of this Ordinance, Public Safety Expenditures are intended to last more than one year. Expenditures may include real property purchases, personal property purchases, new hires and other public safety demands intended to last more than one year.
- 2) The Public Safety Reserve Fund shall be funded by transferring funds from the General Fund to the Public Safety Reserve Fund as adopted in the Annual Budget Ordinance each fiscal year.
- 3) Accordingly, the Public Safety Reserve Fund shall also include any funds previously assigned for Public Safety.
- 4) This Ordinance shall be effective upon its adoption.

Duly adopted, this the 3rd day of June 2019.

TOWN OF ARCHER LODGE

Matthew B. Mulhollem, Mayor

ATTEST:

Kim P. Batten, Town Clerk

Discussion regarding paragraphs 1) and 3) followed with Council Member Bruton asking for further clarification. Mayor Mulhollem asked for an updated **DRAFT** as discussed and place the Ordinance on the June 3, 2019 Regular Council Meeting Agenda under Discussion and Possible Action Items section.

h) Service Agreement between the Town of Archer Lodge and N-Focus for FY2020 ~ Mike Gordon

Mr. Gordon advised that having employed Ms. Julie Maybee as Part-Time Town Planner, the proposed budget reduces the N-Focus Contract for Fiscal Year 2019-2020 to 12 hours per week and includes Planning, Zoning but not Code Enforcement. Ms. Maybee can provide Code Enforcement on a weekly basis and not just monthly. N-Focus continues to partner with the Town, and if other services are needed again in the future, N-Focus services would be available.

Mayor Mulhollem commented that he thought having those services covered more frequently would better serve the public. There were no objections for placing the N-Focus Service Agreement for Fiscal Year 2019-2020 on the June 3, 2019 Regular Council Meeting Agenda under the Consent Agenda.



STATE OF NORTH CAROLINA
COUNTY OF JOHNSTON

AGREEMENT WITH
LOCAL GOVERNMENT

THIS AGREEMENT made the ____ day of _____, 2019 by and between Town of Archer Lodge, a North Carolina unit of Local Government (hereinafter known as "Local Government"); and, N-Focus, Inc.; a North Carolina corporation (hereafter known as "Contractor"), by signatures below, enter into the following Agreement:

WITNESSETH:

WHEREAS, Contractor has expertise in local government functions and Local Government has a need for such functions; and

WHEREAS, Local Government and Contractor desire to enter into this Agreement;

NOW THEREFORE, Local Government and Contractor agree as follows:

Section A. SCOPE OF FUNCTIONS

Contractor will provide Contractor personnel to perform the following specialized Functions for Local Government:

1. Planning & Implementation Functions include:

- a) Conduct comprehensive field studies of land use and development patterns throughout Local Government jurisdiction;
- b) Conduct comprehensive review of adopted policies applicable to land use and development throughout Local Government jurisdiction;
- c) Conduct comprehensive review of Local Government programs and policies to serve existing and future development within Local Government jurisdiction;
- d) Prepare plans and policy documents to achieve stated goals of Local Government through information gathering techniques to be determined and agreed upon with Local Government;
- e) Preparation of governing and/or advisory board/council/commission reporting materials;
- f) Presentations of governing and/or advisory board/council/commission reporting materials;
- g) Conduct review of applications for land development permits and approvals in accordance with applicable policies and ordinances; and
- h) Coordinate with Local Government staff for the proper filing of records within the official record of Local Government.

N-Focus

Initials: JAF Date: 05/16/19

Archer Lodge – FY 20 Planning

Initials: _____ Date: _____

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Section B. TERMS AND CONDITIONS

1. **Contractor Personnel:** To ensure performance of Functions defined in "Section A." herein above meet the expectations of Local Government, Contractor shall assign a primary professional, an employee of the Contractor, to Local Government. The primary professional shall be responsible for Contractor employees performing the agreed upon Functions. Contractor personnel performing the Functions shall be either certified or licensed in their respective fields or apprentice under direct supervision of the primary professional. Contractor personnel performing these Functions shall have considerable knowledge in the principles and practices of local government. The primary professional, supporting personnel and subordinate person(s), if applicable, assigned to perform these Functions shall be skilled in the use of work-related computer software packages and other technology used to perform position Functions.
2. **E-Verify:** Contractor represents and warrants that it is in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, Contractor warrants that any subcontractors used by Contractor will be in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.
3. **Certification:** Contractor certifies that, as of the Effective Date of this Agreement, Contractor is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.58. In compliance with the Iran Divestment Act and N.C.G.S. § 147-86.58, Contractor shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.
4. **Status of Contractor:** Contractor and Local Government agree that in the performance of the Functions defined in "Section A." herein above, Contractor personnel shall not be deemed to be an employee(s) of Local Government for any purpose whatsoever, nor act under Color of State Law.
5. **Work Products:** All materials produced by Contractor personnel assigned to Local Government shall be the property of Local Government and shall be filed on-site in the offices of Local Government, unless otherwise authorized for purposes and intent of the performance of Functions. Contractor shall be entitled to retain copies, both electronic and paper, of any work products prepared for the benefit of Local Government. Contractor shall not copyright any work products on behalf of Local Government; however, Contractor shall retain the right to utilize work products, such as improved administrative forms, plans, etc., or any portion thereof, for the purpose of performing similar Functions to other jurisdictions.
6. **Progress Reporting:** Contractor shall communicate progress of work performed to Local Government's administrative officer and/or department head periodically or as determined by Local Government.

N-Focus

Initials: PAK Date: 05/13/19

Archer Lodge – FY 20 Planning

Initials: _____ Date: _____



7. **Period of Service (POS):** Functions defined in "Section A." herein above shall be performed routinely based upon a mutually agreeable schedule during the period July 1, 2019 and ending June 30, 2020. POS as defined herein may be amended through either Termination, as set forth in "Section B.13." herein, or, Extension, as set forth in "Section B.15." herein.
8. **Level of Service (LOS):** Functions defined in "Section A." herein above shall be performed at a LOS of approximately 624 hours during the POS as defined in "Section B.7." herein or 30% Full Time Equivalency (FTE) and shall be delivered at approximately 12 hours per calendar week on average. LOS will be monitored monthly, with quarterly invoicing for overages. LOS may be amended by either separate agreement, subsequent addendum hereto, or written/e-mail authorization with Compensation as defined in "Section B.9." herein, and Payments as defined in "Section B.10." herein, adjusted accordingly.
9. **Compensation:** The fee for Functions to be performed as defined in "Section A." herein above shall be Forty-Seven Thousand Four Hundred Eighty-Six and 40/100's (\$47,486.40) dollars for the POS as noted in "Section B.7." herein. The fee is inclusive of all personnel costs including but not limited to:
- a. Base Salary plus:
 - i. Social Security & Medicare (FICA)
 - ii. State Unemployment Insurance (SUTA)
 - iii. Federal Unemployment Insurance (FUTA)
 - iv. Worker's Compensation Insurance
 - b. Benefits:
 - i. Health, Life Disability Insurance
 - ii. Paid Vacation & Personal Time
 - iii. Paid Holidays
 - iv. Paid Travel Time
 - c. Professional Development & Certifications;
 - d. Cellular Communications;
 - e. Company Vehicle with
 - i. Vehicle Insurance
 - ii. Vehicle Operations & Maintenance
 - f. Meals & Lodging; and
 - g. Management cost

Printing and reproduction shall be provided by Local Government. Any direct expenses (i.e. printing, postage, etc.) provided by Contractor on behalf of Local Government, shall be reimbursed at actual cost plus seven (7%) percent. Travel cost to and from Local Government by Contractor personnel is included in the fee above. Travel by Contractor personnel on behalf of Local Government to perform inspections within Local Government, or attend meetings outside Local Government, shall be reimbursed at the current IRS Standard Mileage Rate.

N-Focus

Initials: FAH Date: 06.15.19

Archer Lodge – FY 20 Planning

Initials: _____ Date: _____



10. **Payments:** Local Government shall provide twenty-six (26) equal bi-weekly payments per "Exhibit A" attached herewith in the amount of One Thousand Eight Hundred Twenty-Six and 40/100's (~~\$1,826.40~~) dollars without invoice. Bi-weekly payments shall be made during the bi-weekly POS with the first payment due and payable within ten (10) days of the beginning of the POS defined in "Section B.7." herein. Monthly invoicing for travel & direct expenses as noted in "Section B.9." herein and quarterly invoicing for LOS overages as noted in "Section B.8." herein shall be due and payable within ten (10) days of invoice. A late payment penalty equal to 1.5% of the unpaid balance of either bi-weekly payments or monthly invoicing may be assessed.
11. **Access:** Local Government shall provide Contractor personnel with legal access to the primary work area during normal operating hours.
12. **Liability:** Contractor personnel assigned to Local Government are acting as contracted agents of Local Government in accordance with NCGS 160A-20.1 and no liability is implied or assumed for actions on behalf of Local Government, its administration, appointed officials and/or elected officials. General liability insurance shall be maintained by Contractor throughout the POS as defined in "Section B.7." herein for the Functions to be performed under this Agreement. Contractor shall provide Local Government with a Certificate of Insurance prior to beginning Functions defined in "Section A." herein above. This certificate will become a part of this Agreement upon execution of this Agreement. Contractor shall further indemnify and hold Local Government harmless from any/all worker compensation claims by Contractor personnel and any other claims arising out of Contractor personnel's conduct.
13. **Termination:** Contractor or Local Government may terminate this Agreement for any reason with sixty (60) days written notification. In the event of early termination by Contractor or Local Government, compensation for all Functions actually provided by Contractor through the date of termination will be due and payable at the unit costs in effect at the time of termination. Compensation for any part of a billing cycle based upon the days within said cycle shall be prorated through the date of termination. In the event Contractor personnel currently employed, recently separated/terminated or retired from Contractor become employed directly by Local Government either during the POS as defined in "Section B.7" herein or within one-hundred-eighty (180) days of the effective date of Agreement termination and/or expiration, Contractor shall be entitled to supplemental compensation by Local Government equal to three (3) months of said employee's full time gross salary equivalent in effect at the time of Agreement Termination and or/Expiration; furthermore, the supplemental compensation shall be due and payable within ten (10) calendar days of the date Contractor personnel begins employment with Local Government.
14. **Expiration:** This Agreement shall expire at 11:59 pm on June 30, 2020, unless extended, as defined in "Section B.15." herein.

N-Focus

Initials: PAK Date: 06/16/19

Archer Lodge – FY 20 Planning

Initials: _____ Date: _____



- 15. Extension:** This Agreement may be extended by either separate agreement, subsequent addendum hereto, or written/e-mail authorization. Upon extension of this Agreement, POS as defined in "Section B.7." herein, LOS as defined in "Section B.8." herein, Compensation as defined in "Section B.9." herein, and Payments as defined in "Section B.10." herein, are subject to change. All other Terms & Conditions defined herein shall remain the same.
- 16. Certifications:** Contractor personnel shall not be required to sign any documents, no matter by whom requested, that would result in Contractor personnel having to certify, guarantee or warrant the existence of conditions whose existence Contractor personnel cannot ascertain. Local Government agrees not to make resolution of any dispute with Contractor or payment of any amount due to Contractor in any way contingent upon Contractor's personnel signing any such certification or document.
- 17. Force Majeure:** Contractor shall not be responsible for any delays, damages, costs, expenses, liabilities or other problems that may arise as a result of a force majeure. A "Force Majeure" is defined as any event arising from causes beyond the reasonable control of Contractor, including but not limited to fire, flood, unusual inclement weather, acts of God, civil strikes or labor disputes, riots, acts or failures of Local Government or others.
- 18. Conflicting Terms and Provisions:** In the event of conflict among this Agreement and any hereto attached exhibits, this Agreement shall govern.
- 19. Dispute Resolution:** It is acknowledged this Agreement shall be governed by the laws of the State of North Carolina in the event of dispute. Any dispute, controversy or claim arising out of or relating to this Agreement, in particular its conclusion, interpretation, performance, breach, termination or invalidity, shall be finally settled by the courts having exclusive jurisdiction within the county of Local Government.
- 20. Counterparts:** This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.
- 21. Entire Agreement:** Local Government and Contractor acknowledge this Agreement and any Attachments hereto constitute the entire agreement between Local Government and Contractor concerning the subject matter hereof. All prior agreements, discussions, representations, warranties and covenants are merged herein. There are no warranties, representations, covenants or agreements, expressed or implied, between Local Government and Contractor except those expressly set forth in this Agreement. Any amendments or modifications of this Agreement shall be in writing and executed by Local Government and Contractor. Unless stated otherwise in this Agreement, this Agreement may not be modified.

N-Focus

Initials: BAK Date: 06/15/19

Archer Lodge – FY 20 Planning

Initials: _____ Date: _____



22. **Representatives:** On behalf of Contractor, only the following individuals have authority to modify or alter the terms and conditions of this Agreement:

F. Richard Flowe, President & CEO
Patricia A. Rader, Secretary/Treasurer & COO

23. **Notification:** All correspondence shall be directed to:

Patti Rader, Manager
N-Focus, Inc.
315 South Main Street, Suite 200
Kannapolis, NC 28081
704.933.0772
PRader@NFocusPlanning.org

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N-Focus

Initials: PRF Date: 05.15.17

Archer Lodge – FY 20 Planning

Initials: _____ Date: _____

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Section C. ACCEPTANCE:

Patricia A. Rader

May 15, 2019

Patricia A. Rader, Manager
N-Focus Planning & Design, Inc.

Date

ACCEPTED on behalf of Local Government by:

Signature

Date

Printed name of authorized person signed above

Seal of Local Government

ATTEST:

Clerk to the governing board/council of
Local Government

Date

PRE-AUDIT:

This document has been pre-audited in accordance with applicable North Carolina General Statute.

Finance Officer

Date

N-Focus

Initials: *PAR* Date: *05/15/19*

Archer Lodge – FY 20 Planning

Initials: _____ Date: _____

N-Focus, Inc.

- Town of Archer Lodge
- FY 20 Planning Agreement

"Exhibit A"
Payment Schedule

Contract Payment Due Dates	Payment Dates	Check Number	(26) Bi-Weekly Payments of	Contract Balance	Notes
			\$ 1,826.40	\$ 47,486.40	
2019					
1 July 10th		1	\$ 1,826.40	\$ 45,660.00	
2 July 24th		2	\$ 1,826.40	\$ 43,833.60	
3 August 7th		3	\$ 1,826.40	\$ 42,007.20	
4 August 21st		4	\$ 1,826.40	\$ 40,180.80	
5 Sept. 4th		5	\$ 1,826.40	\$ 38,354.40	
6 Sept. 18th		6	\$ 1,826.40	\$ 36,528.00	
7 Oct. 2nd		7	\$ 1,826.40	\$ 34,701.60	
8 Oct. 16th		8	\$ 1,826.40	\$ 32,875.20	
9 Oct. 30th		9	\$ 1,826.40	\$ 31,048.80	
10 Nov. 13th		10	\$ 1,826.40	\$ 29,222.40	
11 Nov. 27th		11	\$ 1,826.40	\$ 27,396.00	
12 Dec. 11th		12	\$ 1,826.40	\$ 25,569.60	
13 Dec. 25th		13	\$ 1,826.40	\$ 23,743.20	
2020					
14 Jan. 8th		14	\$ 1,826.40	\$ 21,916.80	
15 Jan. 22nd		15	\$ 1,826.40	\$ 20,090.40	
16 Feb. 5th		16	\$ 1,826.40	\$ 18,264.00	
17 Feb. 19th		17	\$ 1,826.40	\$ 16,437.60	
18 March 5th		18	\$ 1,826.40	\$ 14,611.20	
19 March 19th		19	\$ 1,826.40	\$ 12,784.80	
20 April 2nd		20	\$ 1,826.40	\$ 10,958.40	
21 April 16th		21	\$ 1,826.40	\$ 9,132.00	
22 April 30th		22	\$ 1,826.40	\$ 7,305.60	
23 May 14th		23	\$ 1,826.40	\$ 5,479.20	
24 May 28th		24	\$ 1,826.40	\$ 3,652.80	
25 June 11th		25	\$ 1,826.40	\$ 1,826.40	
26 June 25th		26	\$ 1,826.40	\$ (0.00)	

N-Focus

Initials: MB Date: 06/13/19

Archer Lodge - FY 20 Planning Agreement

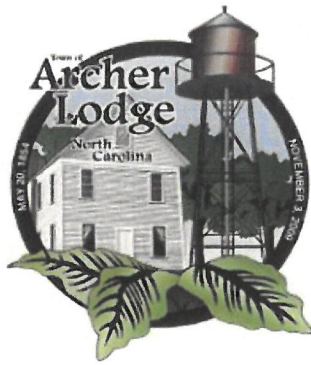
Initials: _____ Date: _____

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i) **Proposed Annual Budget Presentation for Fiscal Year
Ending June 30, 2020 ~**

Teresa Bruton, Budget Officer/Council Member
Mike Gordon, Town Administrator
Kim Batten, Finance Officer/Town Clerk

Budget Officer/Council Member Bruton began the presentation with reading the FY2019-2020 Proposed Annual Budget Message which appears as follows:



TOWN OF ARCHER LODGE
14094 Buffalo Road
Clayton, NC 27527
Office: 919-359-9727
Fax: 919-359-3333

Mayor:
Matthew B. Mulhollem

Council Members:
Clyde B. Castleberry
Mayor Pro Tem
Teresa M. Bruton
J. Mark Jackson
Hearbert A. Locklear
Mark B. Wilson

**Annual Budget Message
2019-2020 Fiscal Year Budget**

To: Honorable Mayor and Members of the Town Council
Town of Archer Lodge, North Carolina

From: Teresa M. Bruton, Budget Officer

Date: May 20, 2019

Presented herein for your review and consideration is the proposed budget for fiscal year 2019-2020. This budget is based on the goals discussed during our annual budget retreat, with thoughtful consideration of the Town's ability to fund these goals with limited revenues.

Please be advised that North Carolina counties are required to conduct a revaluation of real property every eight years. The reevaluation is based on current property values and ensures that the overall tax burden is distributed fairly and equitably throughout the county. Since Johnston County's last revaluation was in 2011, the County partnered with Pearson Appraisal Service to perform the state mandated 2019 Revaluation of all real property in the County. Ms. Jocelyn Andrews, Tax Administrator for Johnston County, anticipated a county-wide increase of 24.07%, as well as a town-wide increase for Archer Lodge of 26.67%.

Additionally, when the County conducts a general revaluation of real property, that year's budget must include a statement of the **revenue-neutral property tax rate** for comparison purposes. Please note that the revenue-neutral property tax rate is the rate that is estimated to produce revenue for the next fiscal year that is equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no revaluation had occurred. With an average adjusted growth rate of 2.58% for the Town of Archer Lodge, the revenue-

neutral property tax rate would be \$0.1831 / \$100 value. However, due to the uncertainty of the actual revenue increase, the proposed fiscal year 2019-2020 budget reflects the Town's current tax rate of \$0.22 / \$100 value.

Please also note a few of the more significant revenues and expenditures included in this year's budget below:

REVENUES

- Sales tax revenues are projected to increase by 4.5%
- Electric franchise sales tax revenues are projected to increase 1.5%, but other franchise taxes, such as video programming and telecommunications, are projected to decrease by as much as 3.9%
- Due to several new subdivisions, it is anticipated that approximately \$45,000 for "fee-in-lieu of recreation" funds will be collected and designated to the park reserve fund
- As detailed in the table below, it is anticipated that next year's Ad Valorem and Motor Vehicle Taxes collection rate will be between 97% and 98%:

Date	Type	Net Assessed Value	Provided By	Levy \$0.22 / \$100
12/31/2018	Motor Vehicles	\$ 44,942,553	Jo Co Tax Office	\$ 98,874
08/30/2018	Public Service Companies	\$ 1,655,636	NC Dept of Rev	\$ 3,643
05/02/2019	Real and Personal Property	\$ 330,169,746	Jo Co Tax Office	\$ 726,373
07/01/2019	TOTAL	\$ 376,767,935		\$ 828,890
PROPOSED	AD VALOREM	TAXES	CONSERVATIVE	\$ 811,000

EXPENDITURES

- Due to the anticipated \$811,000 in revenues noted above, the Fire District Tax portion of the Archer Lodge Tax Rate (\$0.09 / \$0.22) will result in the Archer Lodge Fire Department receiving approximately \$325,000
- Salary increases for the Mayor, Mayor Pro Tem and Town Council Members
- Salary increases for both the Planning Board and the Board of Adjustment members for meetings attended during the fiscal year
- Cost of living increases that become effective July 1, 2019, as well as potential performance-based merit increases that become effective January 1, 2020 for Archer Lodge employees
- Town's 10th Year Anniversary Celebration

- Due to the ever-changing GASB, NC Department of State Treasurer: State and Local Government Division and Office of State Auditor requirements, Professional auditing fee increase of approximately 56%
- The Town's 20% cost share with NCDOT for curb and gutter and sidewalk along Buffalo Road
- Public safety enhancements that may include decorative street lights on Buffalo Road and a mobile solar powered radar sign for traffic calming
- Continuation of recreational support with ALCC, N-Focus, the Capital Reserve Transfer and the Park Reserve Transfer of three-cents (\$0.03) of ad valorem
- A new Public Safety Reserve Fund with an annual transfer of funds instead of a designation of funds
- Due to the recent Town Hall Expansion and purchase of park land, the Town's debt increase of \$98,669 as detailed in the table below:

Loan	Lender	FY 2018-2019	FY 2019-2020	FY 2020-2021
Town Hall	BB&T Gov't	\$ 43,565	\$ 42,428	\$ 41,291
Park Loan	M/M G. Smith		\$ 66,000	\$ 64,000
Town Hall Expansion	KS Bank		\$ 33,806	\$ 39,774
TOTAL		\$ 43,565	\$142,234	\$145,065

As noted above, the proposed 2019-2020 budget maintains the Town's current tax rate of \$0.22 / \$100 valuation. Additionally, the budget was prepared in accordance with NC General Statue 159-11 and is balanced. I would like to thank Ms. Kim Batten, Ms. Joyce Lawhorn, Mr. CL Gobble, Mr. Mike Gordon and Mayor Matt Mulhollem for their assistance and guidance in developing this budget. It is my pleasure to present the Town of Archer Lodge 2019-2020 Annual Budget and I look forward to another successful and productive year.

Respectfully submitted,



Teresa M. Bruton
Budget Officer

Following the reading of the Budget Message, Mayor Mulhollem thanked Mrs. Bruton for her commitment and reiterated her message thanking staff or their hard work and support in the budget process. Following Mayor Mulhollem's comments, Ms. Batten shared a PowerPoint Presentation highlighting the Proposed Annual Budget Ordinance for FY2019-2020 and appears as follows:

TOWN OF ARCHER LODGE

Proposed Annual Budget Ordinance

FY 2019~2020

Pursuant to G.S. 159-8 thru G.S. 159-17, be it ordained by the Town Council of the Town of Archer Lodge that: (1) Departmental Expenditures for the Fiscal Year shall not exceed the estimated departmental totals as depicted on the following page, the total being **\$1,391,500**; and (2) Revenues for Fiscal Year 2019~2020 shall equal total Expenditures; and (3) Revenues from the Ad Valorem Property Tax shall be levied in the amount of **\$0.22** per \$100 evaluation; and (4) Due to 2019 being a Tax Revaluation Year for Johnston County, the Revenue Neutral Tax Rate adjusted for growth would be \$0.18 for the Town of Archer Lodge and is provided for comparison purposes only.

Adopted this ____ day of June 2019

Matthew B. Mulhollem, Mayor

Teresa M. Bruton, Budget Officer

ATTEST:

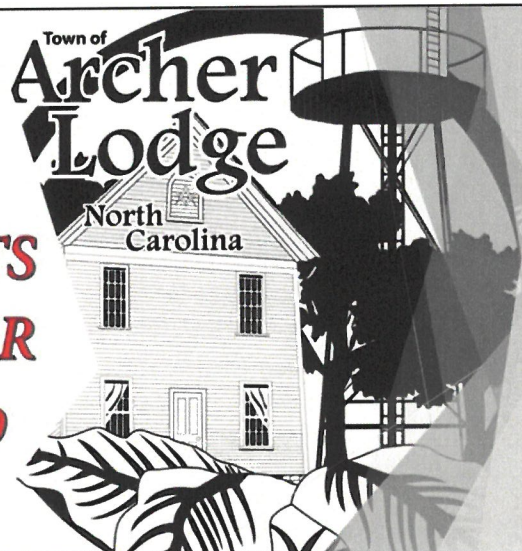
Kim P. Batten, Town Clerk

Town of Archer Lodge, North Carolina
PROPOSED ANNUAL BUDGET ORDINANCE
For the Fiscal Year July 1, 2019 to June 30, 2020

Revenues and Expenditures

	<u>Amount</u>
General Fund Revenues:	
Ad-Valorem Property Taxes	\$ 812,300
State Sales Tax Distributions	181,010
Unrestricted Intergovernmental Revenues	204,000
Restricted Intergovernmental Revenues (PEG Media)	53,000
Permits and Fees	6,000
Fee in Lieu of Recreation	45,000
Investment Earnings	24,000
Miscellaneous Revenues	190
Total Revenues	\$ 1,325,500
General Fund Expenditures:	
General Government	
Governing Body	\$ 53,900
Administration	253,853
Tax Collections	23,000
Legal	13,000
Property Tax	100
Public Buildings	49,550
PEG Media Partners	53,000
Public Safety	
Law Enforcement	2,500
Animal Control	4,000
Archer Lodge Fire Department	325,000
Transportation - Public Works	
Streets	92,500
Planning and Zoning	123,860
Parks and Recreation	45,000
Debt Service	
Principal and Interest	142,237
Total Expenditures	1,181,500
Revenues Over (Under) Expenditures	144,000
Interfund Transfers:	
General Fund Balance Appropriation	-
Transfer in from Park Reserve Fund	66,000
Interfund Transfers to Cap Res Fund, Park Res Fund & Public Safety Res Fund	(210,000)
Total Other Financing Sources (Uses):	(144,000)
Total Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -

**BUDGET
HIGHLIGHTS
FISCAL YEAR
2019 ~ 2020**

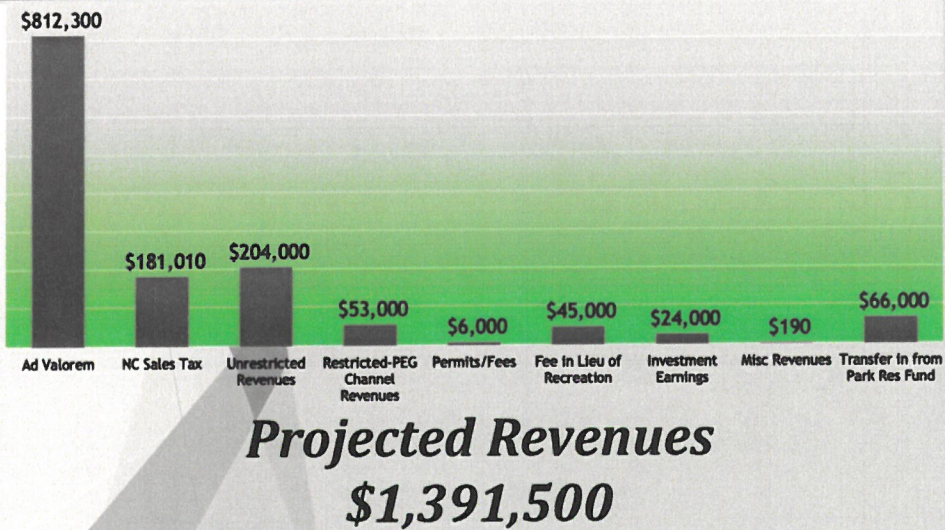
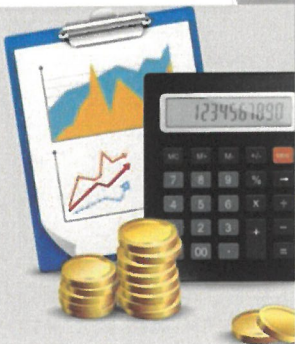


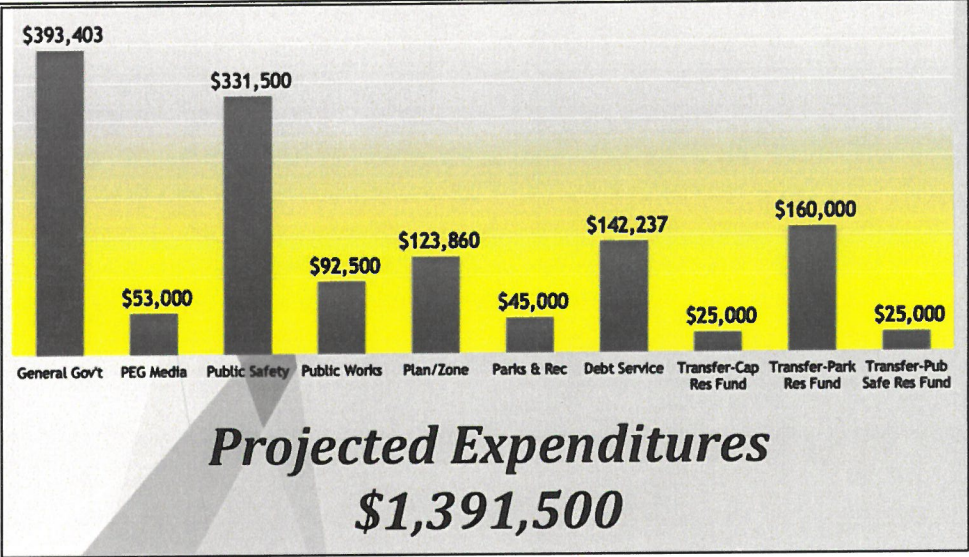
TOWN OF ARCHER LODGE TAX RATE



Town of Archer Lodge	\$0.10	45%
Archer Lodge Fire Tax	\$0.09	41%
Park Reserve Fund	\$0.03	14%

RNR **TAX**
Revenue Neutral Rate
\$ 0.1831







Ms. Batten briefed Council on the FY2019-2020 Proposed Annual Budget Ordinance workbooks and advised each to please contact Budget Officer Bruton, Mr. Gordon or herself with any questions and/or concerns they may have.

With no comments or discussion, Mayor Mulhollem announced that a Public Hearing on the Proposed Annual Budget Ordinance for FY2019-2020 will be held at the Regular Town Council Meeting scheduled for Monday, June 3, 2019 at 6:30 p.m. in the Jeffrey D. Barnes Council Chambers located in Archer Lodge Town Hall. He added that all meetings are open to the Public and the Public Hearing provides a time for citizens to offer written or oral comments on the Proposed Annual Budget Ordinance for FY2019-2020.

In addition, he stated that a copy of the Proposed Budget as presented this evening will be available for public inspection in the office of the Town Clerk in the Archer Lodge Town Hall, and on the Town's Website at <https://www.archerlodgenc.gov>.

5 ADJOURNMENT:

- a) **Having no further business, Mayor Mulhollem adjourned the meeting at 8:37 p.m.**

Matthew B. Mulhollem, Mayor

Kim P. Batten, Town Clerk

