



**C O U N C I L M I N U T E S      M A Y 2 7 , 2 0 2 1 , 6 : 3 0 P M , S F D C O M M U N I T Y C E N T E R**

The meeting was called to order at 6:30pm by BJ Barnes. Tim Sessoms provided the invocation, followed by the Pledge of Allegiance.

The following were present:

**Council**

BJ Barnes, Mayor  
 Tim Sessoms, Mayor Pro-tem  
 Lynne Williams DeVaney  
 John O'Day  
 Teresa Perryman  
 Reece Walker

**Staff**

Scott Whitaker, Town Manager  
 Dee Hall, Finance Officer  
 Lance Heater, Town Clerk

**APPROVAL OF AGENDA**

Upon motion by DeVaney, seconded by Walker and carried unanimously, the meeting agenda was approved as amended.

**MANAGER PRESENTATION OF FINAL DRAFT OF FY21-22 BUDGET**

Whitaker presented the recommended FY21-22 budget, the document of which was distributed to Council members and described its location on the Town website. Whitaker provided an overview of the budget document and responded to questions from members of Council regarding specific budget items. The total expenditure budget proposed was \$4,665,739, which was \$2,502,039 higher than FY20-21.

Budgeted revenues covered all operational costs with a fund balance appropriation of \$3,323,014 to address capital needs, the largest of which was funding for development of the new Summerfield Town Hall in the amount of \$3,140,000. Other major expenditures included \$50,000 for right-of-way progress for the A&Y Greenway (South); \$30,000 for ongoing repairs/renovations to Summerfield Community Center; \$30,000 for Land Use Plan development; \$27,400 for Historical Committee site projects; \$25,000 for SAP improvements, \$20,000 for purchase/implementation of an electronic planning management system; \$13,500 for Senior programs; and salary and Cost of Living Adjustments (COLAs) to better align compensation with state public sector rates and duties.

Whitaker noted that capital expenditures were consistent with the upcoming year of the proposed 5-year Capital Improvement Plan (CIP), which would be considered by the Finance Committee at its next meeting and by Council during its July meeting. The revenue budget proposed no change in the real property tax rate of 2.75 cents per \$100 in property valuation. The budget projected reserves in excess of \$7,000,000 for the end of FY20-21. It was noted that a public hearing on the budget would be conducted at the 6/8 Council meeting.



### COUNCIL DISCUSSION

Council members expressed appreciation to Whitaker and Hall for their work in developing the budget. In response to a question from DeVaney, Whitaker stated that if additional funds were needed for renovations/repairs to the Community Center, Council could consider a budget amendment at that time. In response to a question from Perryman, Whitaker stated that he had not received annual reports from the standing committees, but he had not pushed the committee chairs to produce the annual reports because Council receives monthly minutes of all committee meetings and it would be redundant to require a separate report. Whitaker proposed eliminating the annual report requirement the next time the Consolidated Committee Ordinance is amended. Also in response to a question from Perryman, Whitaker stated that an updated cost estimate for the Town Hall project was not available, although the budget for the project remained at \$3.5 million. In response to a final question from Perryman, Whitaker stated that the budget included a 4% COLA plus individual merit and market rate adjustments and Hall clarified that total salary changes total \$46,800. In response to a question from Walker, Whitaker confirmed that current revenues would fund proposed operating expenditures with no need to appropriate funds from the fund balance. The fund balance appropriation was only proposed due to capital expenditures.

### BUDGET-RELATED PUBLIC COMMENTS

Mary Ann Driscoll, 7512 Sarah Marie Drive, expressed concern regarding the increase in the proposed budget from FY20-21 to FY21-22. Several Council members explained that the increase was primarily due capital expenditures, mainly the Town Hall development project. In response to a question from Barnes, Whitaker stated that the Local Government Commission recommends that towns maintain at least 8% of the annual budget in unexpended fund balance, but that a past Council had set a 30% minimum. Currently, the Town has roughly 500% of the budget in unexpended fund balance, and even with the large draw-down projected in the upcoming fiscal year due to capital expenditures, the percentage would far exceed either of those percentages.

### OTHER BUSINESS

Barnes reported that Guilford County would be considering the Town's request to establish an extraterritorial jurisdiction (ETJ) in a work session during the month of June, with the item to be placed on the County Board's July meeting agenda. Barnes also noted that Guilford County would be sending information to the Town which would allow for legal advertising to be done on the County's website rather than published in the newspaper, which would result in savings.

Upon motion by DeVaney, seconded by Walker and carried by a unanimous vote, the meeting was adjourned at 7:24pm.

\_\_\_\_\_  
 BJ Barnes, Mayor

\_\_\_\_\_  
 Lance G. Heater, Town Clerk