

MINUTES
BREVARD CITY COUNCIL
Budget Work Session #1
September 28, 2020 – 5:30 P.M.

The Brevard City Council met on Monday, September 28, 2020, for a budget work session. The scheduled budget work session was held in City Council Chambers to discuss the proposed FY21 budget. Mayor Jimmy Harris called the work session to order at 5:30 P.M.

Present: Mayor Jimmy Harris, Mayor Pro Tem Mac Morrow, Council Members Maureen Copelof, Maurice Jones, Gary Daniel and Geraldine Dinkins.

Staff Present: City Manager and Finance Director Jim Fatland, City Clerk Jill Murray, Planning Director Paul Ray, Police Chief Phil Harris, HR Director Kelley Craig, Fire Chief Bobby Cooper, WWTP ORC Emory Owen, Water Plant ORC Dennis Richardson, Assistant Public Works Director Wesley Shook, Deputy Finance Director Tom Whitlock, and Executive Assistant Public Works Letha Cox.

Others: Shelly Webb, Clark Lovelace, & Randy Lytle

Press: None

A. Welcome – Mayor Harris called the meeting to order and welcomed those present to the special called budget work session.

B. Quorum – City Clerk certified a quorum present.

C. Agenda – Mr. Morrow moved, seconded by Ms. Copelof the Agenda be accepted as presented. Motion carried unanimously.

Proposed FY 2020-21 Budget Review

The proposed budget was presented to Council members at their May 18th regular meeting. The agenda was given to each Council member and Department Directors prior to this meeting. Department Directors are in attendance to answer any questions specific to their Departments. Upon review and discussion, if there are no requested changes they will move on to the next item. Council agreed.

The City Manager began by handing out the agenda and stated that staff is prepared to discuss items in detail if necessary.

D. North Carolina Coronavirus Relief Fund.

Mr. Fatland explained that at City Council's August 17th meeting, they approved an interlocal agreement with Transylvania County for the reimbursement up to \$184,599.50 of COVID Relief Fund Expenditures. On August 31, 2020, the City of Brevard submitted a financial report and plan for expenditures for the period March through December, 2020. The COVID expenditures totaled \$187,206.90. On September 3, 2020, Transylvania County reimbursed the City of Brevard \$105,517.84 for costs incurred for the period March through June 2020. The reimbursement included \$70,517.84 for COVID expenditures incurred by the City departments, \$5,000 utility customer assistance provided to the Sharing House and \$30,000 to the Transylvania Tomorrow Small Business Grant Program. The City has submitted reimbursement for \$7,827.27 for expenditures incurred in July 2020.

The financial plan for expenditures for August through December 2020, includes \$22,500 funding for the Sharing House for utility customer assistance (an amendment to the Sharing House Agreement) and an additional \$30,000 for the Transylvania Tomorrow Small Business Grant Program (an amendment to the Heart of Brevard Agreement). Also included in the plan is \$15,000 for live stream equipment for the City Council Chambers.

Mr. Fatland called upon Clark Lovelace, Chamber of Commerce Director and Shelly Webb, Director of the Sharing House to speak about the North Carolina Coronavirus Relief Fund.

Clark explained that the program started in April called the Transylvania Small Business Relief Fund to fund businesses through the initial hit of the pandemic. We gave a maximum of \$3,000 for each business and the City's \$30,000 contribution was a big part of the program. We helped 93 small businesses and gave out a total of \$166,500 so far. It was the difference of staying in business or not. We are reinitiating the program and December 1st, January 1st and February 1st are the new deadlines for businesses to submit applications.

Shelly thanked the Council for partnering with them to meet the needs of Transylvania County. We've seen a 48% increase of households seeking financial assistance as compared to August, 2019. For water, we have already spent \$21,000. Last August we spent \$9,000 in financial assistance, this year we spent \$18,000. I can tell you that they are grateful for the support we give. Neighbors helping neighbors. In a given year, we'll serve 6500 individuals, 1800 households. We gave out 280 food orders which is a week's supply of food per household. It was over 200 cases that we did financial assistance for that's including water, heat and power.

E. FY21 General Fund Budget Revenue Projections.

F. FY21 General Fund Budget Transfers.

G. FY21 General Fund Capital Expenditures.

G. FY21 Water & Sewer Fund Revenue Projections.

H. FY21 Water & Sewer Capital Expenditures.

Tom Whitlock and Jim Fatland went over the worksheet and attachments (Exhibit "A" attached) that explains each of these items in detail.

Mr. Daniel asked about the \$180,000 for Silversteen.

Mr. Fatland jumped ahead and explained that in the Rosenwald Fund we have an appropriation of fund balance of \$62, 0000 that was not spent as of June 30th. I'd like to transfer \$180,000 from the General Fund to Rosenwald and then we raised about \$13,000 for Silversteen so far and I'm budgeting \$20,000. We met last week with the Mary C. Jenkins Community Task Force about the playground and we have a budget of around \$120,000 so I'm recommending that that get funded this time. We also have \$142,000 to be appropriated to Mary C. Jenkins parking lot. One of the projects that I've been working on is coming back to Council as early as next month is to talk about an update on the Mary C. Jenkins project. The design is finished, the architect is working on construction drawings and I have discussions going with the Local Government Commission. Since the property tax numbers are ahead of last year's pace, my recommendation is that City Council consider doing a construction loan this year and we'll pay off the construction loan when it's finished. We did talk about doing a \$.01 cent tax increase next year to help make this debt payment which would be a total of two million dollars. It will be in this budget at the October meeting. We can just do an amendment. The property tax numbers were the key number for this. If they let us go ahead without LGC approval, and they normally do, I want to get that confirmed and then get some bids from some local banks what the price would be for a construction loan and then we just pay it off with the LGC approved loan. Mr. Daniel asked if we could potentially break ground this year and Mr. Fatland said yes. Mr. Fatland said he'll have more details for Council at the October 19th meeting.

In speaking about the dog park, under the Multi-Use Path Funds, Ms. Copelof explained that the \$75,000 would allow phase one to be completed. It would include the utilities, the fence, the pathways and that would be enough for us to be able to open the dog park and then we will raise the money from the general public for all of the different amenities inside the park.

Mr. Daniel said that he thought when he was in a Parks, Trails and Recreation Committee Meeting, the group said they were going to raise all of the money for the park.

Mr. Fatland said that he had put together a budget of \$140,000, \$75,000 that would come from the City and we're looking to raise at least \$30,000 for the amenities. I'm recommending that the infrastructure of the fencing and the bones of the trail system, the City make that happen so the dog park could open.

Mr. Daniel said that raised another question. We're selling ourselves short here. If you have a community that's willing to raise a lot of money, are we rushing this and not getting the best? Ms. Copelof said we are not rushing at all. We've designed a stunning dog park. The dog park team is convinced that our dog park will be world class. It's designed so that we have shade and open areas, a splash pad, a gazebo and agility equipment. We're actually partnering with other groups and working with the hospital to get a path from the hospital. We did not skimp on the dog park. We can be raising money while the dog park is open.

Ms. Dinkins asked if the money is taking away from the bike path fund because the perception is that we're not moving on the bike path and Mr. Fatland answered no. Ms. Copelof added that all of these projects are moving forward and are complimenting each other. It's not taking from one to another, its supporting our diverse projects that complement one another. Ms. Dinkins said that it looks like the dog park is the new kid on the block and moving forward fast to which Ms. Copelof answered that the dog park has been around for at least three years. This has been years in the making and its moving fast because we got the land and have a dynamic team. She added that we are still costing out some of the amenities. We know how wide the trails are and are ADA compliant. We know that the \$75,000 will get us phase one. We are costing out the splash pad, community partners for building the gazebo and phase two is still a work in progress.

Ms. Dinkins asked what the City has put in so far. Mr. Fatland said that the land worth \$685,000 was donated to the City and the City put forth about \$35,000 in in-kind contributions.

After much back and forth, Mr. Morrow said this is a wonderful budget and thank you for putting it together.

I. Salary Adjustments for City Employees.

Mr. Fatland explained that his recommendation is to approve at 2% salary adjustment starting October 4, 2020 through June 30, 2021.

J. Consider Approval of Budget Ordinance Amendment No. 2.

Mr. Morrow moved, seconded by Mr. Jones to approve budget amendment no. 2 as presented. Motion carried unanimously.

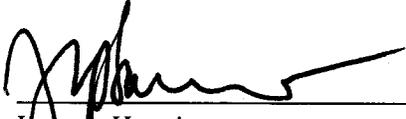
K. Amendment to Non-Profit Agreements.

Mr. Fatland explained as mentioned previously, that these amendments are to give the Heart of Brevard an additional \$30,000 payable to Community Focus Foundation to distribute with its grant program Transylvania Tomorrow Emergency Relief Fund and to give the Sharing House an additional \$22,500 to assist with low-income residents and their inability to pay City utility bills.

Mr. Morrow moved, seconded by Mr. Jones, to approve the Amendment to Non-Profit Agreements. Motion carried unanimously.

Mayor and Council Members thanked Mr. Fatland and staff for their hard work on the budget. Mayor Harris added that is standing shoulder to shoulder with David Lutz and I think you all know that.

E. Adjourn – There being no further business or discussion, a motion was made by Mr. Jones and seconded by Mr. Daniel the meeting be adjourned. Work Session was adjourned at 7:00 p.m.



Jimmy Harris
Mayor



Jill Murray
City Clerk

Minutes Approved: October 19, 2020