

**MINUTES OF THE BOARD OF ALDERMEN  
TOWN OF KERNERSVILLE, N.C.  
BRIEFING SESSION JUNE 19, 2013**

The Board of Aldermen of the Town of Kernersville met in a briefing session at 6:30 P.M. on the above date in the Town Hall Executive Conference Room at the Municipal Building at 134 East Mountain Street.

**Present:** Mayor Dawn Morgan, Mayor Pro Tem Dana Caudill Jones, Alderman Keith Hooker, Alderman Irving Neal, Alderman Tracey Shifflette and Alderman Neal Stockton.

**Absent:** None

**Staff Present:** Curtis L. Swisher, Town Manager; Jayne Danner, Deputy Town Clerk; John Bain, Town Attorney; Sharon Richmond, Senior Planner; Captain Tim Leonard, Police Dept.; Terry Crouse, Fire Rescue Chief; Doran Maltba, Public Services Director; Russell Radford, Engineering Director; Ernie Pages, Parks & Recreation Director; Gray Cassell, Chief Information Officer; Franz Ader, Finance Director and Ray Smith, Human Resources Director.

**Ceremonial Presentation of Plaque in Memory of Larry R. Brown**

**Call to order and invocation.**

Following the Ceremonial Presentation of a Plaque in Memory of Larry R. Brown and a brief reception Mayor Dawn Morgan called the meeting to order at 6:38 p.m. and Mayor Pro Tem Dana Caudill Jones delivered the invocation.

**1. Continued Discussion on FY13-14 Budget.**

Mayor Morgan informed the Board of the productive trip to Raleigh she, Mr. Swisher and Alderman Stockton made in order to speak with representatives about the State Budget proposals. She commended Mr. Swisher for the fact sheet he compiled to share with each of the representatives to illustrate the impact the proposed House and Senate Budgets would have on Kernersville.

Mr. Swisher stated that as the Board is aware it has been very difficult to determine what impact the State Budget could have on the Towns Intergovernmental Revenues since the Senate and House budget proposals are very different. He added that the North Carolina League of Municipalities have done an excellent job of informing the Town of the tax reforms proposed by the Senate and House. He further added that the House reforms would not have such a negative impact on the Town as the Senate tax reform proposals would, which could be a loss of \$1.6 million in revenues over 6 years. He stated that there has been some talk about continuing the Hold Harmless Sales and Use Tax. He noted that if the recommended tax reforms pass it would not impact Kernersville's budget until FY14-15, therefore unless the Board of Aldermen has any

recommended changes he is recommending that the Board adopt the FY13-14 Budget at a tax rate of .5338 per \$100 value.

Alderman Hooker asked how the loss of the \$700,000 Hold Harmless Sales and Use Tax affects the proposed tax rate.

Mr. Swisher stated that it equates to 3 cents.

Alderman Hooker stated that if the Town's proposed tax rate could be set at 52.75 this could then be justified for the loss of Hold Harmless revenue rather than revaluation.

Mr. Swisher suggested that the Board inform the citizens of the impact the State budget proposal has on the citizens. He added if the Town was to lose \$1.6 million over 6 years; a 6 cent tax increase would need to be implemented to make up for the loss of revenue.

Mayor Morgan asked if the Board had any recommended changes to the Budget and if not this evening then to contact Mr. Swisher by Monday so a Budget Ordinance could be prepared for adoption on Tuesday evening.

Alderman Hooker asked Mr. Swisher if he could cut \$120,000 from the Budget in order to set a tax rate of 52.75.

Mr. Swisher stated that he could not cut \$120,000. He added that he would have to use additional funds from the Fund Balance to balance the Budget. He stated that if this was the Board's desire he could look into what could be cut and send the recommended cuts along with the additional monies needed from the Fund Balance to balance the Budget in order to set a tax rate of 52.75.

Mayor Pro Tem Jones concurred with Alderman Hooker's proposal.

## **2. Update and Presentation on Traffic Calming Devices for Old Orchard Road.**

Mayor Pro Tem Jones stated that Mr. Norm Dudley, resident of Old Orchard Road neighborhood, had contacted her to inform the Board that they were very appreciative of the speed monitoring conducted by the Police Department. She added that they hope this will continue and that the residents are not in a position where they want to contribute financially to any additional traffic calming costs at this time.

## **3. Consideration of amending the June 25<sup>th</sup> agenda to add the Presentation of the "Growth and Traffic Data 2012 Annual Report" as Agenda item #4.**

Mayor Morgan stated that this item was continued to August 6, 2013 Agenda, however Mr. Hatling and the citizen members of the committee are available to make the presentation on June 25<sup>th</sup>.

Alderman Tracey Shifflette made a **Motion** to amend the June 25<sup>th</sup> agenda to add the Presentation of the “Growth and Traffic Data 2012 Annual Report” as Agenda item #4. Mayor Pro Tem Jones seconded the motion and the vote was all for and motion carried.

**4. Briefing on the June 25 (July) Regular Meeting Agenda.**

**Item # 1 PUBLIC HEARING: on a request by L. E. Pope Building, Co., Inc. to close a portion of the street known as Little John Road.**

Mr. Swisher briefed the Board on this request to close a portion of the road in the vicinity of the VA Healthcare Center. He added that no opposition has been received from neighbors.

**Item # 3 Presentation of the Annual Report by Kernersville Soccer Association.**

Mr. Swisher stated that Mr. Doug Everett, KSA president would present the report on Tuesday and answer any questions.

Mr. Swisher and Mr. Ernie Pages concurred that the Town has a good working relationship with the Kernersville Soccer Association.

**Item # 4 Presentation of the “Growth and Traffic Data 2012 Annual Report.” (If approved at the June 19th Briefing Session.)**

Mayor Morgan noted that this item was approved.

**Item # 5 Consideration of an Ordinance establishing the Town Manager’s Compensation.**

Mayor Morgan noted that the Board had previously discussed this matter during the Town Manager’s evaluation.

**Item # 6 Consideration of an Ordinance adopting the Operating Budget for FY 2013-14.**

Mayor Morgan noted that the Budget Ordinances would be prepared as discussed earlier this evening.

**Item # 7 Presentation of Annual Sidewalk Implementation Report.**

Mayor Morgan stated that Mr. Jeff Hatling or a committee member would present the report.

**Item # 8 Update Regarding Land Use Plan Area Study.**

Mr. Swisher stated that Mr. Hatling would share information compiled based on citizen comments from the community meeting.

**Item # 9 Discussion on Enforcement of Sign Ordinances.**

Mr. Swisher advised that this item is a follow up from Speakers from the Floor questions at the June 4, 2013 meeting.

**Item # 10 Consideration of Budget Amendment No. 4 for Fiscal Year 2012-13.**

Mayor Morgan noted this would be the final Budget Amendment for FY12-13.

**Item # 11 Consideration of an Ordinance Amending the Kernersville Code of Ordinance Book:**

**Chapter 5.5 Cable TV  
Chapter 14 Railroads**

Mr. John Bain, Town Attorney stated that this item is part of the continued effort to update the Town Code of Ordinance Book.

**Item # 12 Consideration of Resolutions to Initiate Condemnation Proceedings for Utility Easements for the Piney Grove Road project.**

Mr. Swisher briefed the Board on this matter. He stated that Duke Energy requires these properties for additional utility easements for the road widening project and in order to meet the NCDOT timeline for preconstruction condemnations proceedings are required.

**Item # 13 CONSENT AGENDA: All of the following matters are considered to be routine by the Board of Aldermen and will be enacted by one motion. There will be no separate discussion unless a Board member or citizen so requests, in which event the matter will be removed from the Consent Agenda and considered under the following item.**

**C-1 Approval of Minutes for May 7, 2013 Regular Session  
Approval of Minutes for May 7, 2013 Closed Session  
Approval of Minutes for May 29, 2013 Briefing Session**

**C-2 Consideration of Banking Service Contract with PNC.**

**C-3 Consideration of Auditing Service Contract with Dixon Hughes Goodman.**

Mr. Swisher briefed the Board on items C-2 and C-3. He added that both of these are renewals. He added that the Town has a good working relationship with both organizations and it is Staff's recommendation to renew both agreements.

**5. Matters to be presented by the Town Manager and Town Attorney.**

Alderman Irving Neal informed the Board that he had just received an email from the NCLM.

Mr. Swisher read the email to the Board stating that the Tax Reform Legislation HB 998 is being sent back to the Senate Finance Committee for further review as they have realized the burden the tax reforms recommended would have on the cities and counties. He added that if the Town was to receive Hold Harmless funds a list of recommended items would be prepared for the Board's approval. He reiterated the good job the NCLM has done advocating for the municipalities this budget season; adding it has been well worth the dues.

Mr. Swisher stated that Mr. Maltba would update the Board on the resurfacing project in Salem Crossing and the "MTN" street sign.

Mr. Maltba advised the Board that the contractor did come out and inspect the roads and made some repairs. He added that he has received no further complaints from residents. He also stated that he would probably only use this process again for roads that are not as wide.

Mayor Morgan suggested that we hold community meetings prior to any other road resurfacing projects to allow citizens the opportunity to ask questions.

Mr. Swisher noted that no funds were budgeted for resurfacing in FY13-14.

Mr. Maltba stated that he had contacted NCDOT regarding the Mountain Street signs in the town limits requesting that they be changed to say "Mountain". He explained the process for street signage and added that he could replace the "MTN" sign with "Mountain" at the intersection of Main and Mountain Street at a cost of approximately \$400 if the Board wished.

Alderman Stockton stated that it would be best if signs were consistent.

Mayor Pro Tem Jones asked that we change the signs that we have jurisdiction over.

Alderman Tracey Shifflette made a **Motion** to go into Closed Session at 7:37 p.m. to discuss matters that fall within the Attorney-Client privilege as permitted by NCGS 143-318.11(a)(2). Alderman Keith Hooker seconded the motion and the vote was all for and motion carried.

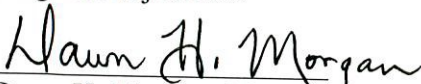
Alderman Neal Stockton left the meeting at 8:14 p.m.

The Board returned to Open Session at 8:18 p.m.

## 6. Adjournment.

Alderman Keith Hooker made a **Motion** to adjourn the meeting at 8:18 p. m. Alderman Irving Neal seconded the motion and the vote was all for and motion carried.

Being no further business to come before the Board, the meeting was adjourned.

  
Dawn H. Morgan, Mayor

Attest:

Jayne Danner

Jayne Danner, CMC, NCCMC Deputy Clerk

I, Jayne Danner, Deputy Clerk of the Town of Kernersville, North Carolina, do hereby certify that this is a true and correct copy of the minutes of the meeting duly held on June 19, 2013.

This the 12<sup>th</sup> day of August, 2013.

Jayne Danner

Jayne Danner, CMC, NCCMC Deputy Clerk