

**Town of Seven Devils
Town Council Annual Workshop
Wednesday – April 26, 2023**

The Town Council of Seven Devils met for the Annual Workshop at 10:00am on Wednesday, April 26, 2023, at Town Hall. In attendance – Mayor Larry Fontaine, Mayor Pro Tem Lambert, Council Members – Wayne Bonomo, Leigh Sasse & Jeffrey Williams.

Staff included – Town Manager Johnathan Harris; the minutes were recorded by Town Clerk Hillary Gropp.

Prayer/Invocation

Mayor Fontaine gave the Invocation for the Annual Workshop.

Call to Order

Mayor Fontaine called the Annual Workshop to order at 10:05am.

Pledge of Allegiance

Council members and staff recited the Pledge of Allegiance.

Amend Agenda

Council Member Bonomo requested to add Citizen's Comments following Item 7) Present Budget FY24. Council Member Williams made a motion to amend the agenda. Mayor Pro Tem Lambert seconded the motion. All members agreed.

Review Accomplishments – FY23

Mayor Fontaine reviewed the following accomplishments with the Town Council.

- Progress on The Park at Seven Devils with recent completion of landscaping, power line removal and plans for a helipad.
- PARTF Grant has been submitted and the awards will be announced in August.
- Paving is completed on Town roads; NCDOT still need to paint lines on Seven Devils Road. Public Works Director Aldridge to follow up with status.
- Meter change outs completed and software update – total installation = 302 meters.
- Town Manager selection process – New Town Manager – Johnathan Harris.
- New Fire Chief promoted – Matt Millsaps – Volunteer Fire Department has increased membership roll; members are participating in EMR class for certifications.
- Police vehicles have been purchased for all; the department is fully staffed with 6 full-time; no OT has been incurred due to full staffing.
- New Town website: Town Clerk is working with Civic Plus on design and other updates, domain name, etc. Estimated launch date – September 2023.

Council Discussion & Goals FY24

Town Council and staff reviewed the following:

- Possible PARTF Grant award; depending on outcome, then funding & progress on The Park at Seven Devils.
- Chestnut Ridge water line project & paving to meet deadlines for SLFRF funds.
- Review of the annual \$44,000 fine for SS penalty; payments through FY25.
- Snowcloud loan payoff – payments through FY24 and 2 payments in FY25.
- Town Hall payments review; Discussion of future loans for infrastructure needs.
- The new website launch will occur in late summer.
- Municipal elections in November 2023.
- FY24 Mid-year budget review in December 2023.

Preliminary FY24 Budget

Town Manager Harris reported the Town is in great shape with over a 50% fund balance. Town Manager Harris provided a preliminary FY24 Budget based on the current .47 tax rate with projected tax revenues of \$1,149,708.09. Harris explained for any projected increase/decrease of .01 for the tax rate is equal to \$24,461.87.

Town Manager Harris reported that during the past 4 fiscal years, the budgets have been presented to the Town Council with the intent of Capital Improvement Projects (CIP) reflected as an expense. However, upon further review with Finance Officer Sappington, the funding is not allotted within a CIP account, but rather the funds are transferred out of the fund balance as needed. The result is the fund balance is decreasing and is unsustainable financially for the Town. It creates a deficit that needs to be dealt with now.

Town Manager Harris would like to create transparency with a CIP account line item reflecting an actual dollar figure, while simultaneously rebuilding the fund balance.

The preliminary FY24 Budget is based on the current tax rate with all Town needs accounted for, including a 5% COLA. However, he advised to accomplish his goal as stated, the Town Council needs to reduce the expenses by approximately \$179,000 to maintain or upwards of \$300,000 should they want to reduce the tax rate for FY24.

The Town Council reviewed the preliminary FY24 Budget with suggestions by Town Manager Harris for reductions totaling approximately \$179,000.00.

Town Manager Harris will present a revised FY24 Budget to the Town Council at the budget workshop on May 10, 2023, for review.

Additionally, the Budget Ordinance fee schedule will be presented for review. Town Manager Harris reported Zoning Administrator Barnes has identified discrepancies within forms/applications and language within the Town's UDO. The Planning Board has met to review the suggested edits and a public hearing will need to be held for the UDO updates. The public hearing should occur before passing the FY24 Budget Ordinance.

The Town Council unanimously agreed to hold a public hearing at 10:00am on Wednesday, May 24, 2023, prior to the scheduled FY24 budget workshop.

Citizens Comments - None

Manager Items

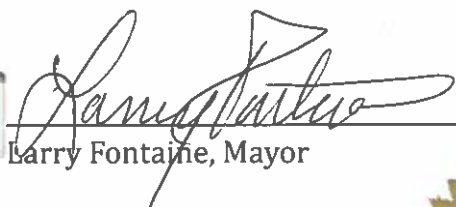
Town Manager Harris provided updates on the following:

- Current Property Tax Valuations
- Cash Position
- Sales Tax Spreadsheet

Council Comments - None

Adjourn

Mayor Pro Tem Lambert made a motion to adjourn the Annual Workshop; Member Bonomo seconded the motion. All members agreed. The Annual Workshop adjourned at 2:50pm.


Larry Fontaine, Mayor


Hillary Gropp, Town Clerk

