



| TOWN COUNCIL BUDGET WORKSHOP

April 22, 2021 at 3:00 PM
Training Room - Apex Town Hall, 73 Hunter Street

Town Council and Administration

Mayor: Jacques K. Gilbert | Mayor Pro Tem: Nicole L. Dozier
Council Members: Brett D. Gantt; Audra M. Killingsworth; Cheryl F. Stallings; Terry Mahaffey
Interim Town Manager: Ralph Clark | Assistant Town Managers: Shawn Purvis and Marty Stone
Town Clerk: Donna B. Hosch, MMC | Town Attorney: Laurie L. Hohe

In attendance were Mayor Jacques K. Gilbert, Mayor Pro Tem Nicole L. Dozier, and Council Members Audra M. Killingsworth, Brett D. Gantt, Terry Mahaffey, and Cheryl F. Stallings. Also in attendance were Assistant Town Managers Shawn Purvis and Marty Stone, Town Clerk Donna B. Hosch, Budget and Management Analyst Amanda Grogan, and Human Resources Director Mary Beth Manville. Also in attendance were various support staff.

COMMENCEMENT

Mayor Gilbert called the Workshop to order.

Staff explained the framework for the budget. The strategic focuses were presented along with the related strategy/action items.

The budget highlights were presented: the total budget was \$161,674, 500 for all Funds and Expenditures. General Fund Revenues were \$78,691,900, the tax rate was \$.39/\$100, and this Fund included \$1,149,000 from Fund Balance. Staff expounded on these figures.

General Fund

The General Fund Revenue Summary was presented with explanations. Responding to Council, staff explained the population component. There was the potential for an adjustment when the final population figures come in.

General Fund Rates were broken down for Solid Waste Collections and property tax. Presented was the development fee update. Council complimented staff for putting together the latter in a short period of time.

The General Fund Expenditure Summary was presented with explanations. Responding to Council, staff explained cost sharing for emergency vehicles. General Fund Revenues vs. Expenditures were presented and explained.

General Fund Expenditures for personnel were presented for the requested full-time and LSE positions. Responding to Council, staff explained the reason for the Police Crisis Counselor position and why it would be beneficial. Staff provided a brief description of the duties of the Support Services Manager. More information will be forthcoming. The Community Relations Specialist position was outlined. Staff explained the process for determining funded and non-funded positions this year compared to previous years. The Housing Program Manager position was explained, this position currently being out for hiring.

The significant proposed changes were presented for merit compensation, the living wage, retirement system contribution rate, and healthcare and dental. There was some discussion about merit compensation and its distribution. Staff explained the proposed change in classification grades to a non-grade system for director-level positions which will be off job market.

The OPEB Impact was presented and explained. With the changes made, we may be able to project better in the coming years.

Capital Equipment was presented and explained. There was some discussion about hybrid and electric vehicles, staff stating we are looking at two electric vehicles. Responding to Council, staff spoke about Council Chamber upgrades. This has been looked at, but there are challenges to match up with what is in place. Discussion ensued about streaming, screens, and microphones. Staff stated we seem to have gotten behind on this.

Capital Improvements were presented and explained for the CIP projects. Responding to Council, staff explained how capital improvements are equitably distributed around town. Staff briefly explained how this was determined. We are looking at creating a CIP dashboard. Responding to

Council, there was discussion about how the public can better participate in remote meetings. There was discussion about single-use bathrooms and signage boards, there being a plan in the works for finalization. Discussion ensued on the use of recovery funds when they are received. We will set up a special fund for these, and staff explained how this will work and how the monies could be used.

Capital Reserves and Projects were presented and explained for the transportation capital reserve fund, the recreation capital reserve fund, and the affordable housing fund. There was discussion about Parks & Recreation fees and how monies will be maintained in the affordable housing fund. Noted was that projects for the latter have been started.

Fund Balance figures were presented and explained. By June, there will be a better representation of this Fund.

Fund Expenditures related to Non-profit Support were presented and explained. This year the model has been shifted to a fixed amount which was asked for previously. Council presented his thoughts on variable amounts.

Wrapping up the General Fund, there was question from Council as to our having enough staff to carry out the strategic goals and funding for projects.

Water-Sewer Fund Revenues

Staff presented a summary of these revenues with explanation, noting there was a decrease on the revenue side. Revenue Trends were presented and explained as were Rates.

The Expenditure Summary was presented and explained. The Expenditure Overview for personnel, vehicles and equipment, and capital projects was presented and explained.

The current Fund Balance for Water-Sewer is \$22.2 million and Capital Reserves is \$7,127,300. Both were explained.

Stormwater Utility monthly and annual rates were presented and explained. Non-residential rates were detailed along with the Timeline.

Potential Revenue Projection rates were presented and explained by staff. Staff further clarified Council questions related to these rates. The Timeline for this was presented and explained.

The Expenditure Overview for Stormwater Expenses was presented as \$2.3 million, and this figure was explained.

Electric Fund

Electric Fund Revenues were overviewed, projected revenues being \$45,776,200. The Revenue Trends were presented and explained.

Rates were presented and explained, stating that we have a review underway to restructure some of the rates. Staff explained how we are looking at tiered rates, responding to Council.

Projected Expenditures of \$45,766,200 were presented and overviewed, including explanation for personnel, capital projects, and vehicles and equipment. The water tower and street light replacement were briefly discussed.

Reserves of \$11.7 million were presented and explained.

The Rate Change Cumulative Effect on residents was presented and explained, which included the property tax rate comparison.

The Strategic Goal Alignments were presented and explained.

Staff overviewed the upcoming budget dates which would incorporate small, minor tweaks to the budget. He spoke about the few public comments received, primarily about the greenways. We will see how this plays out at the public hearing.

Responding to Council, staff addressed questions about items which can be distributed to the public on behalf of the various initiatives. He explained how these items for initiatives such as Think Apex can be worked into the budget. Discussed was upcoming communication to the public about the Bond projects. Public Safety Station 6 was discussed regarding its financing and aesthetics.

Council spoke about moving up the Tunstall House in the CIP, especially with the Senior Center coming online this year. Council added pushing it back will most likely increase the costs to bring the house to a suitable state. Staff stated there is a report being done now to determine what it will cost for renovation. There was brief discussion about the transit area study and what uses could be tied to it. Council was comfortable with reaching out to the Tunstall family to propose uses for the property. Consensus was that we would start on the physical aspects of the property and then discuss possible uses. This initiative would be moved up one year in the CIP.

There was some clarifying discussion about a People's Choice award related to the artwork being showcased throughout the Town. Staff stated there would be presentation on this made at a later Council meeting.

Conversation ensued about a mural in the downtown area.

Council commended the hard work by staff on the FY 21-22 budget!

ADJOURNMENT

With no further business, Mayor Gilbert adjourned the meeting.

Donna B. Hosch, MMC, Town Clerk

ATTEST:

Jacques K. Gilbert, Mayor

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