



**VILLAGE COUNCIL
MINUTES FOR REGULAR MEETING OF MAY 12, 2020
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM**

The Pinehurst Village Council held a Regular Meeting at 4:30 p.m., Tuesday, May 12, 2020 remotely, via Zoom. Assembly Hall, located at Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina was open to the public to view the remote meeting live and to provide public comments in real time.

The following were in remote attendance of the meeting:

Mr. John C. Strickland, Mayor
Ms. Judy Davis, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Beth Dunn, Village Clerk

And approximately 5 attendees, and 5 staff members.

Excused Absence: Mr. Kevin Drum Councilmember

1. Call to Order.

Mayor Strickland, called the Village Council meeting to order.

The consensus of Council was to excuse the absence of Councilmember Kevin Drum.

2. Reports:

Village Manager

- Four (4) portable speed radar signs are being purchased.
- Eighteen (18) responses for the RFQ on the Small Area Plans have been received. He and staff will start reviewing these to get a shorter list for Council to interview.

Village Council

- Councilmember Boesch thanked staff for getting library information to them and for being so responsive.
- Mayor Pro Tem Davis said to keep in mind all the high school seniors that are graduating this year.
- Mayor Strickland stated we continue to be lucky in regards to the pandemic, as things are stable. He encouraged residents and visitors to continue to follow state and County orders. He said that he and Council are receiving many letters in regards to the pandemic and the library and noted the letters are helpful.

3. Motion to Approve Consent Agenda.

All items listed below are considered routine or have been discussed at length in previous meetings and will be enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

- Resolution 20-10 Honoring David Kelley for his Service on the Board of Adjustment and the Planning and Zoning Board.
- Approval of Village Council Meeting Minutes.
 - April 28, 2020 Regular Meeting
 - April 28, 2020 Closed Session
 - April 28, 2020 Work Session
- Budget Amendment Report

End of Consent Agenda.

Upon a motion by Councilmember Hogeman, seconded by Councilmember Boesch, Council unanimously approved the Consent agenda by a vote of 4-0.

4. Q3 Update on the Status of the Fiscal Year 2020 Strategic Operating Plan.

Natalie Hawkins, Assistant Village Manager, gave an update on the third quarter status of the fiscal year (FY) 2020 Strategic Operating Plan. She stated that the FY 2020 Strategic Operating Plan includes 8 Initiative Action Plans (IAPs), which are defined and measurable activities needed to accomplish our strategic objectives. Ms. Hawkins stated of those IAP's, 5 are in progress and on schedule, 2 are completed, and 1 is in progress but not on schedule. As of March 31st, the Village achieved projected performance for 6, or 75%, of the 8 IAP's.

Ms. Hawkins reviewed the IAP for Police Department Accreditation, which is currently behind, as it was delayed for one year due to staff turnover. The Police Department continued to work through policy change approvals and required documentation for accreditation during the 3rd quarter. One metric not met was for the number of participants in the Parks and Recreation Program, which is due to having to cancel programming because of COVID-19. Ms. Hawkins explained the other metric not met was for average number of days to issue single family permits for new construction or additions/alterations. This goal was slightly off due to applicants submitting incomplete applications. Staff is currently reviewing the best way to measure this data.

Mayor Pro Tem Davis asked what the time line for the Police Department Accreditation is. Ms. Hawkins stated that IAP will carry over into the next fiscal year and Manager Jeff Sanborn noted the accreditation application is due in the fall of 2020.

5. Presentation of the Fiscal Year 2021 Budget and Strategic Operating Plan.

Jeff Sanborn, Village Manager, stated this agenda item is to present the Fiscal Year (FY) 2021 Budget and Strategic Operating Plan (SOP) that was based on the guidance provided by the Council at the annual Strategic Planning Retreats and subsequent meetings. Mr. Sanborn reviewed the Strategic Challenges and Opportunities identified by Council and the key components in the Strategic Operating Plan.

Mr. Sanborn explained the proposed FY 2021 General Fund Budget is \$21.3 million, which is 3% below the FY 2020 amended General Fund budget. The property tax rate is proposed at \$0.305, which is an increase of \$0.005. Mr. Sanborn noted this budget would include \$1.4 million of appropriated fund balance and they expect an ending fund balance of 46.9% of expenditures, which includes the \$1 million returned from the library fund.

Mr. Sanborn explained revenue projections were lowered for several revenue sources, due to the COVID-19 pandemic and staff have identified expenditures that could be delayed. Revenue projections include 1.28% growth in the real property tax base, assumes 100 new homes in FY 2021, building permits and planning/zoning fees at an estimated \$286,000 decline from FY 2020, and an estimated decline in investment income by \$155,000 from FY 2020. Mr. Sanborn stated that the revenue for the local options sales tax is forecasted at \$3.72 million in this budget, which is substantially less than what we would typically forecast. The North Carolina's League of Municipalities (NCLM) prepared three local option sales tax growth/loss scenarios ranging in severity from moderate to most conservative. The Village's estimate on local option sales tax is most similar to the NCLM severe projection. Mr. Sanborn noted that the Village may also absorb a \$1.45 million decline in revenue, 39% less than budgeted, and still maintain

fund balance at 40% of expenditures.

Mr. Sanborn reviewed key items for FY 2021 General Fund expenditures. Cost of living adjustment of 1.8% plus merit pay raises at an average of 2% are included. This budget assumes the Village will continue to pay 100% of employee health and dental insurance premiums, which will include an estimated 10% increase in those premiums. Mr. Sanborn explained there is \$506,000 included for Comprehensive Plan strategies, which is almost \$0.015 on the tax rate. Mr. Sanborn also reviewed items staff have identified as potential expenditure deferments, due to COVID-19 revenue shortfalls. Mr. Sanborn suggested maybe deferring the items on this list at least for the first quarter until we see the actual revenue impacts for COVID-19. Mr. Sanborn reviewed the capital projects for FY 2021, which total \$2.2 million.

Mr. Sanborn reviewed the highlights of the proposed FY 2021 five-year forecast, which includes a tax rate increase of \$0.005 per year for FY 2022-2024, no tax rate increase planned for FY 2025. Mr. Sanborn explained that key external sources of operating expenditure pressures continue to include the state mandated retirement contribution increases and County mandated tipping fees. Salaries and benefits in the 5 year forecast include cost of living adjustments of 1.8%, merit raises averaging 2% funded in FY 2021-2025, an addition of .75 full-time equivalents (FTEs) in FY 2021-2025, and restructuring one department.

Mr. Sanborn explained that the uncertainty of local option sales tax continues to be a concern, however, the Village has the capacity and will be alright. He noted that the Village will not see the impacts on revenue until June, when we receive the sales tax received for March. Once those numbers start coming in we can run new projections and amend the budget as necessary.

Mayor Strickland stated he would like to discuss, in the budget workshops, if there is any changes state mandated pension contributions and also maintenance and up keep of Pinehurst. Mayor Tem Davis noted she would like to see the sales tax projections that were used in the 5 year forecast. Councilmember Hogeman asked the number for FY 2020 sales tax was. Broke Hunter, Financial Services Director, stated that the mid-year sales tax projection was 3.8 million for FY 2020.

Budget workshops will be held on May 19th and May 21st. The public hearing on the FY 2021 budget will be at the next regular Council meeting, May 26th at 4:30 pm. Council will adopt the budget at their regular Council meeting on June 9th at 4:30 p.m.

6. Other Business.

No other business was discussed.

7. Comments from Attendees.

- Michael and Brenda Xeroteris, Idlewild Road, submitted the following public comment by email: Dear Village Council Members, This letter is to appreciate the great services provided by the Pinehurst Police Department, and of Glen Webb, Deputy Chief of Police. Earlier this month, we wrote a letter to the Village Council to address some neighborhood concerns particularly related to street safety. Whether you're a concerned resident, a visitor, a worker, you want to do everything you can to make sure you, your loved ones and your neighbors can enjoy driving, walking and playing safely in your neighborhood and we were facing numerous street safety issues particularly related to speeding, disregard of roadway signage (stop signs), and NC Bicycle Helmet Laws. As you may or may not be aware, roadways without sidewalks are more than twice as likely to have vehicle and pedestrian related accidents and injuries and as the saying goes, "An ounce of prevention is worth the pound of cure". After our letter was sent to the Village Council, we received an email on April 16, 2020 from Glen Webb, Deputy Chief of Police who wanted to personally reach out to let us know that our concerns have been heard and he (Webb) ordered a patrol team, traffic team, and impact team to conduct high visibility patrols. We immediately started to see a few patrols; however, the safety concerns did not seem to improve, and we started to notice more pedestrians and more children at play on bicycles, skateboards and scooters playing in the streets, close to intersections. On Sunday, May 03, 2020, we forwarded a letter to him (Webb) that we had received and had sent to our Neighborhood Watch Committee, as we knew he seemed genuinely interested about our concerns. Upon receiving this e-mail (which was on a Sunday evening), he immediately responded and followed up again responding several times on Monday, as well as taking additional follow-up actions again on Wednesday. The increased patrols, in our opinion were already making a difference as we noticed a few cars that regularly drove fast in our neighborhood had started to slow down. The Village of Pinehurst Police Department has an excellent team who are working hard for the residents of Pinehurst. We personally want to thank the Village Council, the Pinehurst Police Department, and specifically acknowledge Glen Webb for his extraordinary customer service and mindfulness for community safety and for a better neighborhood." They also submitted screen shots of comments, on the website Next Door Neighbor, from residents in the community recognizing the increased patrols.

8. **Motion to Adjourn.**

Upon a motion by Mayor Pro Tem Davis, seconded by Councilmember Boesch, Council unanimously approved to adjourn the regular meeting by a vote of 4-0 at 5:51 p.m.

Respectfully Submitted,



Beth Dunn,
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org

Vision: The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions.

Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.

Values: Service, Initiative, Teamwork, and Improvement