

**TOWN OF RANLO BOARD OF COMMISSIONERS MONTHLY MARCH 2023  
MEETING  
RANLO TOWN HALL  
1624 SPENCER MOUNTAIN ROAD, RANLO, NORTH CAROLINA 28054  
THURSDAY, MARCH 9TH, 2023 6:00 PM**

**MINUTES**

**Governing Body Present**

Mayor Lynn Black  
Mayor Pro-Tem Katie Cordell  
Commissioner Robin Conner  
Commissioner Jamie Fowler  
Commissioner Doug Moore  
Commissioner Wade Morton

**Staff Present**

Town Manager	Jonathan Blanton
Town Attorney	Nick Tosco
Town Clerk	Sarah Rowan
Public Works Director	Jason Green
Asst. Public Works Director	Charles Harper

**I. Call to Order**

Mayor Black called the meeting to order and Town Clerk Sarah Rowan conducted roll call. All members were present.

**II. Adoption of the Agenda**

Commissioner Fowler motioned to adopt the agenda for the March regular meeting. Mayor Pro-Tem Cordell seconded the motion. The vote was 5-0.

**III. Comments from Attendees**

The Town Manager reported that there were no comments from attendees.

**IV. Approval of the February 9th Regular Monthly Meeting Minutes**

Mayor Pro-Tem Cordell motioned to approve the February 9th Regular Monthly Meeting Minutes. Commissioner Conner seconded the motion. The vote was 5-0.

**V. Approval of the February 9th Regular Monthly Meeting Closed Session Minutes**

Commissioner Conner motioned to approve the February 9th Regular Monthly Meeting Closed Session Minutes. Commissioner Morton seconded the motion. The vote was 5-0.

**VI. Fiscal Year 2024 Budget Discussion**

The Town Manager presented the Board with two resolutions requesting federal and state funding for public facilities, sewer line rehabilitation, water line replacements, and a second interconnect with the City of Gastonia.

Commissioner Moore motioned to adopt the resolutions requesting Congressional and Federal Aid and North Carolina General Assembly Aid. Mayor Pro-Tem Cordell seconded the motion. The vote was 5-0.

The Town Manager presented the Board with draft budgets reflecting a revenue-neutral tax rate and a .45 cent tax rate. He noted that both include capital projects and requests from the departments. The requests from the Police Department include the replacement of three computers, the replacement of the drone, and the continuation of financing for two vehicles. The Public Works Department requested three service vehicles with a three-year financing agreement of \$120,000. The Sanitation Department includes new tires for the garbage truck. Additions to the budget include fuel and equipment increases due to inflation and attorney fees.

The Town Manager informed the Board that a revenue-neutral budget would put the Town at a \$207,000 deficit. This is due to the rising cost of materials and salary adjustments from December. The proposed .45 cent tax rate sustains all requests, balances the budget, and puts money back into the fund balance.

The Town Manager added that he has been in touch with the State Treasurer's Office in the hopes of being removed from the Unit Assistance List.

The Board was informed that there are no utility rate increases included in the proposed budget. The Town Manager added that one vehicle from Mr. Green's requests is coming from the Powell Bill fund and half a salary is located in stormwater to alleviate burden from the utility fund.

Commissioner Fowler asked why the code enforcement line item is decreasing. The Town Manager responded that code enforcement is currently costing \$2,000 per month, so the proposed budget more accurately reflects the needs of where the Town is now.

Mayor Pro-Tem Cordell asked if the salaries include cost of living adjustments. The Town Manager responded that they do not include adjustments, but do include the increases approved in December.

Commissioner Fowler noted that the sanitation tire line item went up. The Town Manager responded that the department is replacing all tires for the trucks.

Commissioner Conner inquired about the meter replacement. She asked if all have been replaced. The Assistant Public Works Director responded that there are only 55 left to be replaced. The Town Manager added that the meter replacement project allows the Town to identify leaks in real-time, to be able to cut the water on and off from Town Hall, and more accurately report water loss. The Town Manager noted that the Town is tentatively sitting at 12% water loss which is a decrease from years before.

Commissioner Fowler asked if Gastonia is increasing water rates. The Town Manager responded that there have been no talks of an increase.

Mayor Pro-Tem Cordell calculated her property tax bill under the current, revenue neutral, and the .45 cent tax rate. She noted that not everyone in Town can afford to pay increased tax bills, but she does not see a place in the budget where cuts can be made. The Town Manager noted that property values shot up about 70% from the last revaluation. Gaston County has informed municipalities of a 10% appeal rate and advised them to conservatively budget. He added that it would not be wise to project to run Ranlo in 2027 with what it is costing in 2023.

The Town Manager presented three options to the Board: cut costs by decreasing capital projects, increase water and sewer rates, or drop the tax rate. He noted that if the tax rate decreases, it will likely need to increase in the future. The Town Manager added that a .45 cent tax rate is the lowest rate in order to balance the budget and put money back into the fund balance.

Mayor Black inquired about the difference in administration salaries. The Town Manager responded that in the revenue-neutral budget, the Finance Director and Town Manager are split between the general and utility funds. In the .45 cent tax rate proposed budget, both positions are fully in the general fund.

Commissioner Fowler asked the Public Works Director to confirm that he has been asking for the requested vehicles for years. Mr. Green responded that he has. Commissioner Fowler noted that the Town might begin to spend more on repairs rather

than replacing the vehicles. Mayor Pro-Tem Cordell and Commissioner Fowler agreed that the request cannot keep being delayed.

The Town Manager noted that at revenue-neutral, the utility fund is projected to run at an approximate \$40,000 deficit while at a proposed .45 cent tax rate it runs at an approximate \$73,000 surplus. The administrative salaries in the general fund would eliminate the deficit.

Commissioner Fowler inquired about the costs of emergency situations. The Town Manager responded that it depends on the severity, but the surplus is just one major disaster of being eliminated.

The Board discussed the necessity of funding Christmas lights. The Board agreed that they would love to see an extension of the lights, but it is not necessary at this time.

Mayor Black said that putting \$90,000 back into the fund balance is not necessary. He noted that the fund balance is already healthy. The Town Manager informed the Mayor that in order to break even, the Town would have to have a .38 cent tax rate. Mayor Pro-Tem Cordell added that costs will continue to increase. Commissioner Moore noted that he does not think the Town needs to go lower than .45 cents. Commissioner Fowler asked the Town Manager if the current fund balance is where the Local Government Commission wants the Town to be. The Town Manager responded that the current fund balance is 67%, and he suspects that the LGC would be satisfied with any increase in the fund balance. Mayor Black added that debt is low and the current fund balance is good.

Commissioner Conner asked the Town Manager to share the benefits of a healthy fund balance. The Town Manager responded that it is essentially a savings account. In the fiscal year 2020, the fund balance was 20%, which was a decrease from a 127% fund balance in 2016-17. The decrease was due to fleet purchases made from the fund balance rather than financing. The fund balance in the fiscal year 2022 increased to 67%, meaning that the Town can account for 67% of the year in the fund balance account in order to sustain services in the case of an emergency.

Commissioner Conner asked the Town Manager what fund balance he would like to see. He responded that he is happy with the progress the Town has made over the past few years. The Town Manager added that he is very conservative when it comes to budgeting and he feels that the Town is more secure with a higher fund balance. A high fund balance reflects positively on the Town from a State perspective. He noted that difficult conversations were needed to make progress, but he is proud of the changes that have been made.

The Town Manager added that decreased fund balances are a red flag for the LGC. Commissioner Fowler asked if the fund balance affects grant competitiveness. The Town Manager responded that it is a factor that the LGC looks at when evaluating audits. He added that when submitting grant applications, a copy of the audit is usually required. Commissioner Conner added that the Town has struggled to increase the fund balance, so the Town should not touch it. Mayor Black noted he would rather nothing go into the fund balance and the budget be balanced.

Mayor Pro-Tem Cordell noted there are no living adjustments included in the budget and that costs are going to increase for the Town and its employees. Mayor Pro-Tem Cordell said that a lower tax rate could be sustainable for one year but not in the future. She added that it is not responsible to increase and decrease tax rates. The Town Manager added that there was no cost of living adjustments in fiscal years 21 and 22 and the Town saw the consequences including low retention and difficulty hiring quality candidates.

Mayor Black commented on the financing of vehicles. He expressed concern over paying interest on financed vehicles. Mayor Black wants the Town to pay upfront for vehicles. Mayor Pro-Tem Cordell added that paying in cash for vehicles has been a problem in the past. She noted that financing options are advantageous because the cost is the same every year and can be easily built into the budget.

Mayor Black asked if Waste Management fees increased. The Town Manager responded that they did and the Town has almost hit the budget for this fiscal year. He noted that with increased fees, it is still more advantageous for the Town to go to Waste Management.

The Town Manager asked if there is consensus on a tax rate projection. Mayor Pro-Tem Cordell and Commissioner Fowler noted that a .45 cent tax rate is the best option at the time.

## **VII. Discussion Regarding Revising Towing Ordinance**

Commissioner Fowler motioned to adopt the revised towing ordinance. Mayor Pro-Tem Cordell seconded the motion. The vote was 5-0.

## **VIII. Installation of Town Attorney**

Mayor Black administered the Oath of Office to Town Attorney Nick Tosco.

## **IX. Town Manager's Report**

The Town Manager announced that the Town will be having an Easter event on Saturday, April 1st from 11-2. The event will be located on the ball field, weather permitting.

The Town Manager reported that good progress has been made on Boulder Court and the final pipe was laid this week. He added that the Town is working on permitting with NCDEQ for the South Ranlo waterline upfitting.

The Town Manager noted that Town Hall will be closed on April 7th in observance of Good Friday. He added that there will be no delay in garbage pickup.

The 60th Anniversary Celebration will be held on July 28th and 29th. The Town Manager added that he has been working with the marketing team for the event. He added that he has been working on getting t-shirts made and securing bands. The Town Manager expressed excitement for the event and the carnival, fireworks, and vendors that will be present.

The Town Manager asked the Board if they would like to have an additional budget meeting or meet at 6 PM for the regular April meeting. The Board reached a consensus to meet at 6 PM on April 13th.

Mayor Pro-Tem Cordell inquired about the School of Government Fellow. The Town Manager responded that the Town acquired a fellow from a highly competitive program for both students and local governments. He noted that the Town had been previously denied in years prior but was approved this year. The Town Manager added that the fellow will start in August and be with the Town for one year.

Mayor Black asked how the Department of Transportation meeting went. The Town Manager responded that it went well, and the widening of the intersection scored high at 43. He noted that the threshold is 40.

## **X. Comments from the Mayor**

Mayor Black noted that he had a good time at the Mayor/Manager Luncheon in Cramerton.

## **XI. Comments from the Board of Commissioners**

Commissioner Fowler welcomed Golden Conner. The Town Manager added that Ms. Conner has been interning with the Town of Ranlo for the Highland School of Technology.

**XII. Closed Session Pursuant to North Carolina General Statute 143-318.11(a)(3)(6) for Attorney-Client Privilege and Personnel Matters**

Mayor Pro-Tem Cordell motioned to open the closed session. Commissioner Moore seconded the motion. The vote was 5-0.

**XIII. Return to Open Session and Consideration of Closed Session Action**

Commissioner Moore motioned to return to open session. Commissioner Fowler seconded the motion. The vote was 5-0. No action was taken.

**XIV. Adjournment**

Commissioner Moore motioned to adjourn the regular March meeting. Mayor Pro-Tem Cordell seconded the motion. The vote was 5-0.

ATTESTED TO:

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Mayor Lynn Black

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Recorder and transcriber of the minutes for the Monthly March 2023 Meeting