

**TOWN OF TRYON
BOARD OF COMMISSIONERS
MAY 15, 2018 7:00 P.M.
TRYON TOWN HALL – MCCOWN ROOM**

Present: Mayor J. Alan Peoples Mayor Pro Tem: Bill Ingham

Commissioners: Crys Armbrust, Bill Crowell, Chrelle Booker

Staff Present: Town Manager Zach Ollis Town Clerk Susan Bell
 Police Chief Jeff Arrowood Town Attorney William Morgan
 Fire Chief Geoff Tennant Planning Director Tim Daniels

CALL TO ORDER

Mayor Peoples called the meeting to order and asked for a moment of silence. Commissioner Crowell led the Pledge of Allegiance.

PRESENTATION OF PROCLAMATION

Mayor Peoples presented Missildine owners Gayle and Scott Lane, along with builders Mike & Kim Karaman, architect Dean Trakas and Julie McIntyre and Commissioner Crys Armbrust with a proclamation for the renovation of the Missildine buildings that was recognized as a 2017 North Carolina Main Street Award winner.

AGENDA ADOPTION

Mayor Peoples went over the changes discussed at the work session. Item 1-8 stays the same, 9a is Banking Services, 9b Surplus items, 9c is Fund Balance, 10a Audit Report, 10b Budget FY18-19, 11 Budget Amendment, 17 Closed Session for litigation and 18 Adjourn. He entertained a motion to adopt. Commissioner Armbrust so moved. The motion carried unanimously.

CONSENT AGENDA ADOPTION

Mayor Peoples asked if there were any additions, deletions or corrections. Being none he entertained a motion to adopt the Consent Agenda which included the Board minutes. Commissioner Ingham so moved. The motion carried unanimously.

POLK COUNTY TDA

Manager Ollis stated after the final negotiations with the county he has attached the modified resolution for your approval or denial. He also included the bylaws. Commissioner Ingham made a motion to adopt the modified resolution approving the Polk County Tourism Development Authority. The motion carried unanimously.

WINERY PRESENTATIONS AT TRYON FARMER'S MARKET

Manager Ollis stated Patrick has provided the state statutes that allow wine tasting at the farmer's market. Commissioner Ingham stated if they have the legal right, then there is nothing to discuss. Mayor Peoples entertained a motion to allow wine tastings at the farmer's market. Commissioner Armbrust so moved. The motion carried 3-1 (Booker).

BANKING SERVICES

Manager Ollis stated that First Citizens Bank is closing the local branch. HomeTrust Bank has provided information to us and is located next door. The resolution that will need to be adopted is included. Mayor Peoples entertained a motion to adopt the resolution to make HomeTrust Bank the Town's official depository. Commissioner Ingham so moved. The motion carried unanimously.

SURPLUS ITEMS

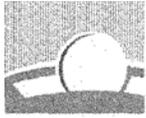
Mayor Peoples stated we have a list of items/properties (1999 Ford Ranger, T7-A33, T1-D10, T5-J6, T5-J7) that need to be declared as surplus. No discussion. Mayor Peoples entertained a motion to adopt the surplus list made up by staff. Commissioner Crowell so moved. The motion carried unanimously.

CONSIDER CHANGING PRESENT FINANCE POLICY

Commissioner Armbrust asked the board to consider revising the percentage held in fund balance. The document reads as 30%. He would like to reduce it to 20%. The state requires 8%. Commissioner Booker asked what the problem is with 30%. Armbrust stated if the state does a general assessment, it comes right off the top, they will take whatever percentage that they require. Peoples stated they can assess the 20% just as easy. It took twelve years to get out of the red when he was elected. He likes having a saving net. Armbrust appreciates his comments, however we will soon learn that we have more money than we originally thought. Commissioner Crowell made a motion to reduce the fund balance to 25% instead of 30%. The motion carried unanimously.

AUDIT REPORT FY 16-17

Manager Ollis asked Terry Andersen of Carland & Andersen, Inc. to make his report on the Audit for FY16-17. Mr. Andersen thanked the board for allowing him to be here tonight. He apologized for the delay on the report. There was a problem with reconciling the ad valorem tax. The actual report will be done in the next several weeks. The financial statements look better than the ones in the past. He went over the report.



CARLAND & ANDERSEN, INC.
CERTIFIED PUBLIC ACCOUNTANTS

307 NORTH CHURCH STREET ▪ HENDERSONVILLE, NC 28792

MEMBER - AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER - NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

May 10, 2018

To the Honorable Mayor
and the Members of the Town Council
Tryon, North Carolina

Audit of the Town of Tryon for the Fiscal Year Ended June 30, 2017

Unmodified audit opinion will be issued -the financial statements will present a fair presentation of the Town's financial standing as of June 30, 2017 and for the year ended.

Governmental Funds, General, Fire, and Harmon Field, all present positive fund balances as of June 30, 2017.

- o General Fund total fund balance is \$1,273,414 of this amount \$749,607 is unassigned, compared to an unassigned amount of \$210,120 at June 30, 2016.
- o Fire Department Fund total fund balance is \$42,806 with an unassigned amount of \$36,040, an increase in the unassigned amount of \$30,553 from the balance at June 30, 2016.
- o Harmon Field Fund total fund balance is \$110,582 at June 30, 2017 with an available amount of \$109,627, compared to an available amount of \$13,729 at June 30, 2016.

Governmental funds all present revenues in excess of expenditures for the 2016-2017 fiscal year resulting in these increases in fund balance in comparison to the previous year.

- o General Fund a net increase of \$294,031.
- o Fire Department Fund a net increase of \$31,909.
- o Harmon Field Fund a net increase of \$95,969.

- »- General Fund unassigned fund balance at June 30, 2017 is 51.7 percent of the General Fund total expenditures for the 2016-2017 year, compared to 13.6 percent for the June 30, 2016 year.

- »- Enterprise Funds -Water and Sewer Fund and the Sanitation Fund
 - o As of June 30, 2017 the Water and Sewer Fund reports total net position of \$3,975,733 and an unrestricted amount of \$744,187.

 - o Sanitation Fund continues to have a negative net position, \$38,695 as of June 30, 2017. This amount must be eliminated by an operating transfer from the General Fund.

 - o Both Enterprise funds report a decrease in net position for the 2016-2017 year.
 - Water and Sewer Fund is a decrease in net position of \$94,048, however, excluding depreciation expense, revenues exceeded expenses by \$149,978.

 - Sanitation Fund decrease in net position is due to expenses exceeding revenues, excluding depreciation expense, by \$16,094.

-);;> Upon issuance of the report, management recommendations will be similar to prior years. The primary recommendations are related to periodic (monthly) financial reconciliations, and monitoring of budget versus actual performance including the adoption of budget amendments on a regular and recurring basis, not just at year end.



Carland & Andersen, Inc.

Mayor Peoples asked if there were any negative findings. Mr. Andersen stated that the final report would include his recommendations, which includes monitoring expenses, actual verses budget.

FY18/19 BUDGET

Manager Ollis stated the budget will be posted in the clerk’s office and online if anyone wishes to look at it. He read over the budget message.

The Town of Tryon’s FY 18-19 budget includes 7 major funds. The table below presents an overview of each fund.

General Fund	\$1,543,086.23
Powell Bill Fund	\$80,000.00
Fire Fund	\$494,729.00
Harmon Field Fund	\$179,500.00
Tourism Fund	\$20,000.00
Water / Sewer Fund	\$1,628,264.18
Sanitation Fund	\$218,000.00
TOTAL	\$4,163,579.41

This budget represents a decrease of \$4,899.77. The General Fund is balanced with a property tax rate of 50.28-cents per \$100 valuation. Taxes have not been raised this fiscal year. It is recommended that the Board seriously look at raising taxes in the near future for long-term fiscal growth. The Real Property Tax base is estimated by the Polk County Tax Office to be \$152,909,893 and is anticipated to produce \$768,830 in revenue at a 100% collection rate. Other property taxes that included things such as boats and motor homes create an additional \$16,765 in revenue at a collections rate of 100%. Factoring in a 98% collection rate for these revenues would create \$769,883 in total revenue. The budget relies on a revenue of \$768,000 for current property tax, which keeps the figure under a 98% collection rate.

The General Fund consists of:

-Governing Body	-\$74,033.05	-4.79% of General Fund
-Administration	-\$517,476.98	-33.53% of General Fund
-Police	-\$656,608.97	-42.55% of General Fund
-Streets	-\$294,967.22	-19.11% of General Fund
- TOTAL	-\$1,543,086.22	100% of General Fund

Powell Bill this year includes appropriating \$15,000 from the Powell Bill Fund to accompany the \$65,000 allocated from Powell Bill this year. He intends to pave some streets with the money.

The Fire Department Fund has been presented to FRAC and has increased to make the department more efficient in general and to prepare for the upcoming World Equestrian Games. The department still includes

the \$32,000 expense for the General Fund repayment plan. The \$30,786.23 admin service charge has also been included to pay for the administrative services of the General Fund. This budget also allows the department to place \$76,399.80 back into the Fire Department Fund Balance.

Harmon Field totals \$179,500 for this FY. The fund budget projects no serious changes to revenue other than minor adjustments. Clearly Terry has updated you on their fund balance.

The Tourism Fund budget has shown a slight increase due to the projections based on the past FY's taxes. Occupancy taxes have been estimated at \$20,000.

The Water/ Sewer Fund has an operating budget of \$1,628,264.18. This is a \$10,450.42 increase from the previous FY. This new figure is a result of rising costs and projects being accomplished.

The expenditures for the Water/Sewer Fund contain a number of changes. We have included \$20,000 for improvements to the Waste Water Treatment Plant. These improvements consist of clarifying weirs, computers, and software. There are some other key changes to this budget that should be noted. This budget provides up \$50,000 for meters, registers, and equipment instead of the standard \$32,000. This is for the Town to help implement the changeover to newer infrastructure faster than originally projected.

The Sanitation Fund has an operating budget of \$218,000. Notable changes to this budget include a part-time position to take over for a full time as well as cost sharing one employee across different departments. The budget allows the department to put back \$9,000 into its fund balance.

We are looking to provide similar services without raising taxes and intend to put \$39,000 back into fund balance. He asked if there were any questions. None at this time. This proposed FY 2018-2019 budget has to be displayed for a minimum of 30 days and a Public Hearing needs to be set.

Commissioner Armbrust asked for clarification concerning the tourism \$20,000. Ollis stated this budget was created in case you denied the Polk County Tourism Authority. Basically this budget will stay in place until the Polk County TDA is passed. Armbrust stated presuming the house does pass this are you going to do a budget amendment to take this out. Ollis stated yes. Armbrust asked about the present fund balance. Ollis stated the money we have, we will keep and will be spent following the laws that have been set.

Mayor Peoples entertained a motion to change the date of the regular scheduled meeting to June 21, 2018. Commissioner Armbrust so moved. The motion carried unanimously.

Mayor Peoples entertained a motion to set the public hearing June 21, 2018 at 7:00 p.m. Commissioner Crowell so moved. The motion carried unanimously.

BUDGET AMENDMENT NO. 2

Manager Ollis stated the budget amendment recognizes revenues and expenditures for emergencies. The revenues are increasing by \$192,040 to be spent by Governing Board \$1,100, Administration \$30,000 and Police \$159,940. Harmon Field budget is increasing by \$37,138. General Fund is basically recognizing the insurance money for the tower. Harmon Field is recognizing the purchase of a mower.

Commissioner Ingham made a motion to adopt budget amendment No. 2. The motion carried unanimously.

TDDA UPDATE

Jamie Carpenter gave an update on what is going on downtown. Tryon Blooms planting went very well. Farm to Trade is June 24 and they wish to sell alcohol and are working with the local wineries. Painting the fire hydrants on June 9th and 10th. She is working with Chief Tennant. She, along with Zach have met with Peter Eisenbrown to discuss a sound system for downtown. The Cowan's building has been reduced in price. TDDA's annual meeting will be June 25.

TOWN MANAGER'S REPORT/MONTHLY PROJECT PRIORITIZATION LIST

Manager Ollis reported:

COMPLETED

- Water wheel at Harmon field repaired.
- Three rain gardens fully trenched. Seeding will begin shortly. 3 out of projected 7
- Replaced more water infrastructure downtown where streetscape is occurring.
- Coordinated with private property owners to replace private lines while streetscape work had concrete removed.
- Coordinated with Engineer regarding streetscape progress.
- Coordinated repair of light pole behind town hall
- Assisted with delivery of plants for TDDA project downtown.
- Prepared Harmon Field for Afro-Latino Fest Mother's Day 5k. Assisted with coordination of routes, security, and emergency planning.
- Prepared downtown for Afro-Latino Fest
- Assisted with Huckleberry's festival by both performing prep work and post cleaning.
- Repaired multiple broken lines both water and sewer with largest line being the water line at School St.
- Paved over repairs at School St.
- Trace has continued curb and sidewalk installation.
- Repaired and paved the broken Carolina Drive culvert
- Did repair work in space above New View Realty
- Met to discuss possible archive area being placed above Police Department
- Restrooms Repairs at Harmon Field finished

IN TRANSITION

- Started brick work to building to repair wall. Working to line up roof work after brick is completed.
- Working to coordinate repair of light poles downtown.
- Installing camera system lines for recording of meetings.
- Moving and preparing visitors area in town hall
- Working to adjust how faxes are arranged through Water and Sewer plants. May go to a scanning system to drop the fax lines.
- Preparing overhaul to online payment system.

- Started process to secure permit for septic system.
- Coordinating the paving date for Aspen.
- Leaf pick-up has begun. Brush pick-up continues. Leaf Machine is still down. Repairs will be made in coming weeks. Until then, leaf pick-up is being performed with truck and back hoe.

TO DO

- Rebuild intersection at Maple and Trade
- Golf Cart Parking stamping at Maple St.
- Pothole repair when weather warms up.
- Sign straightening as needed.

THANKS

- Carol Browning, TDDA, Jamie Carpenter for plants downtown
- Aaron Greene assistance and effort during School St. repairs.
- Huckleberry's
- Steven Green – Afro-Latino Fest
- Andrew, Jody, Bobby, James Waters, Geoff Tennant, Town Crews who worked until about six in the morning making it possible for school to continue
- Jeff, Geoff, Roger Walker

COUNCIL/MAYOR REPORT

Commissioner Crowell thanked TDDA for all their hard work downtown. He thanked Carol for all of her hard work and the flowers. The two weekend festivals went well. He thanked the street guys for repairing the potholes. We have a good budget.

Commissioner Armbrust congratulated Harper's Eatery on their opening. He also congratulated Huckleberry's on the opening of their outdoor bar. He thanked the Afro-Latina festival organizers. He thanked TDDA for the blooms in Tryon. He gave Trace crews a shout out on the streetscape. Mark your calendars for June 19, a concert in Rogers Park with a pretty large roster of musicians to help celebrate Nina Simone. He thanked everyone for coming out tonight.

Commissioner Booker stated a lot of work has been done and accomplishments made. She thanked Anne Day for helping with Officer Rickman's retirement party. She thanked everyone for coming out tonight.

Commissioner Ingham echoed the thoughts on the Huckleberry's event and the Afro-Latino fest. He reminded everyone about the music festival at Harmon Field, Farm to Trade and the Summer Tracks concerts. The Town has taken a position on the Highway 108 widening. There was no one from Polk County at the last RPO meeting that he attended. Officials from the entire county needs to attend those meetings.

Mayor Peoples stated the Board has a letter concerning the widening of Highway 108 that will be sent in tomorrow. He has sent his personal letter in. Hats off to Jamie who helped the businesses come together during the road closures. Spend locally.

CITIZEN COMMENTS & RESPONSES

David Murphy handed out a diagram of his dock on Lake Lanier. The boathouse next to his dock is being built to close for them to navigate in and out of their dock. The Town's rules and regulations are not being held to. On page 4, paragraph 4, the regulations state the projection of a proposed structure into the water may be further restricted if it represents a navigational hazard or has an adverse impact on neighbors properties. He feels that the dock is a navigational hazard and impacts him. He wants to be able to get his boat in and out of his dock. Mrs. Murphy stated they did have a boathouse and they tore it down and moved it down on the side of their dock. They are putting a wall in and they can't back out. The City of Tryon permitted this. A gentleman spoke in Tryon's defense. The Town permitted it with an amendment to the regulations that they have to follow and it states where the boathouse has to be located. Within the bounds of the permit there is reason to say that the dock blocks it per the boathouse permit issued. On paper it states that he can build that, but as permits are, you have regulations that you have to follow. This is presenting a problem, being that he can't get his boathouse in with the way the property lines work. David has approached the neighbor and has not got a friendly response. We are asking for you to revoke the permit. He needs to give them the egress and ingress that they need.

Commissioner Armbrust asked for the date the structure was permitted. Mr. Murphy stated 11/14/17 and he found out about it eight days ago. Mrs. Murphy stated they just want to be able to get their boat in and out.

Mayor Peoples recommended they get this to the attorney.

Attorney Morgan stated that he hasn't come to a conclusion yet, but he had talked with Paula and her understanding was that the Murphy's structure was meant for a lack of a better word a sitting dock, not a boat dock. The Murphy's have to appeal within thirty days. Mr. Murphy stated the permit has to be displayed within three days. Mayor Peoples asked if this was enough to get a stop order. Attorney Morgan stated he wasn't at that point yet, because there is only a five foot setback provision. Paula did not understand the issue as a navigational problem, but the Murphy's have been informed that they have a right to appeal. He would like to get all the facts. Sheryl Simms asked if the Murphy's permit was issued was it permitted to sitting only. Attorney Morgan stated he did not know the answer to that question yet. Commissioner Ingham stated he understands they have a valid point and wished the town could do a temporarily stop order. Mrs. Murphy stated it states you are only supposed to build 500 square feet and theirs is 800 plus square feet. Ollis stated one of the issues we found in discussing this is that platforms and docks should not exceed twenty-five feet in length nor exceed five hundred square feet in area. Then there is the discussion on boat garages. These ordinances could be read that you can add those two figures together. This is the way that Paula came to her conclusion. The attorney kept him from addressing this issue on the front end to protect us long term. He is working on something to present to you both. Mr. Murphy stated that it goes on to say combined with the area of existing platforms or docks. He doesn't want to run into their dock with his boat.

Attorney Morgan stated the permits are issued by the Town of Tryon reviewed if necessary by the Board of Adjustment, but any appeal of the Board of Adjustment goes to South Carolina rather than Polk County. The right is the same. He will do the best he can to review and get back with you by end of week. There are several issues that he needs to review.

Stu Davidson submitted a complaint about boathouse that is non-conforming structure that is nineteen feet tall, regulations say sixteen feet in height and now it's being built as twenty-two feet tall. You can't change any dimensions, you have to stay within the footprint. Obviously Paula issued permit and she

wrote on the permit that you can't increase the size and they have went ahead and built. What are we going to do? Mayor Peoples said we have taken one of these to court, spent thousands of dollars and got nothing.

Joyce Kimpton suggested using the fund balance for infrastructure instead of beautification. John Vining stated a group of twenty-five from Mari-corp came and spent half a day working in Woodland Park. They did make some progress. There is no one in this room more outspoken on the widening of the road than him. He asked if the Lynn Bridge was structurally unsound or do they just want to widen the road. He would like to ask Tryon to take over the bridge like the bridge in Lake Lure.

Karandall Gary stated he has picked up trash from here to Harmon Field. Mayor Peoples stated they do appreciate what he is doing.

Anne Day thanked Chief Tennant for the way he handled a medical alert in our community. He was very sweet and sympathetic. Also reminded everyone of National Police Officer Week.

Commissioner Booker reminded everyone that Chief Arrowood was going to speak at the Tryon Historical Museum on Thursday at 5:30.

CLOSED SESSION

Mayor Peoples entertained a motion to enter into closed session to discuss litigation. Commissioner Armbrust so moved. The motion carried unanimously.

J. Alan Peoples, Mayor

Attest:

Susan B. Bell, Town Clerk