

BUDGET WORK SESSION

April 23, 2019

In Attendance:

Members Present: Mayor Janet Winkler, Commissioners Larry Chapman, Jonathan Greer, Barry Mitchell, Rick Shew, Ann Smith and Bill Warren

Others Present: Town Manager, Rebecca Bentley, Chief of Police, Richard Blevins, Assistant Finance Officer, Michelle Coffey, and Town Clerk, Tammy Swanson

Call to Order:

Janet called the meeting to order, and Mayor Pro Tem, Bill Warren, led the group in prayer.

Personnel Update from Police Department:

Chief Richard Blevins reported that the School Resource Officer (SRO), Stephen Ellis has been experiencing some personal issues, and due to complications from those issues, he is being dismissed from the Department. Chief Blevins stated that Officer Ellis has been with the Town since 2006, and he has been the SRO and D.A.R.E. Officer at Hudson Middle School since April of last year. Officer Ellis has done a fine job with the Department; however, it was unknown to anyone here that he was dealing with serious personal problems. Chief Blevins commented that Officer Ellis is now under medical care, and we wish him the very best for the future.

Rebecca stated Officer Ellis has hours built up that he will need to be paid for, and she stated that we plan to pay him for those hours. She added that she supports Chief Blevins' actions in this matter.

Chief Blevins also reported that Officer Ian Ruark is leaving our Department to work with the S.W.A.T. Team for the Catawba County Sheriff's Dept. Officer Ruark will be leaving May 7th.

Chief Blevins stated that Officer C.J. Curtis now serves as the SRO for Caldwell Community College, and another officer will need to be assigned as SRO for Hudson Middle School. Chief Blevins commented that the State has required that all resource officers be certified, and ideally, we would like to hire an officer who already has this certification.

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Discussion of ETJ Area: Rebecca discussed the Town's ETJ area. She stated that towns zone ETJ areas in preparation for annexation. Counties years ago had no zoning, but that has changed and counties do now regulate the use of property. Rebecca commented that since counties are now involved with zoning, towns sometimes opt to not regulate ETJ areas. She also commented that if we keep the ETJ area, the Town will have to look after stormwater and minimum housing for the area. She added that several of our zoning issues come from the ETJ area.

Jonathan stated that almost every municipality has an ETJ. He stated that we could probably choose whether or not to enforce zoning and minimum housing in the ETJ. Stormwater, however, will have to be regulated in the ETJ.

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Rebecca stated that issues arise when inspections have to be made for certain services, and we could charge an inspection fee for those services. She commented that she is not sure if we can charge fines or fees in the ETJ.

Janet stated that we have approved an agreement with the COG for stormwater regulation, so they will be looking after that for us.

Bill stated that he understood that the stormwater fees would be passed on.

Janet stated that because it is so new, we are probably going to have to wait a little while to implement a stormwater fee.

Department Requests:

Police Department:

Rebecca stated that we have a Police Officer that will be eligible for special separation allowance this year, but he has not said whether or not he will be taking retirement.

No Capital Improvements in the upcoming budget except the leased vehicles and tasers.

Town Hall:

Rebecca mentioned that updates for the Town Hall would be approximately \$32,000. She commented that this estimate would basically be updating all of the offices in Town Hall except her office.

HUB Station:

-Replace Roof

-Window replacements

-Refinishing Auditorium floor

Ann suggested that the second floor bathrooms be renovated so that the space can be renovated. She stated that we have already received a donation of \$25,000 to help offset some of the costs. Ann commented that since the individual who made the donation will be in Hudson in October, it would be good to have the bathrooms renovated by that time.

Ann mentioned that she believes we will get the monies we need to renovate the upstairs at A Building. The painting will probably be done by the individuals renting the spaces. Ann commented that she knows we need to be conservative, but we also need income from renting the space. Ann discussed the people/companies that have been approached for donations for the Art Center.

Public Works:

Bill stated that he would suggest pushing out the purchase of a new chipper, mower, etc., because we can replace this type of equipment as it breaks down. He stated that he supports getting the HUB ready to be rented.

Rick stated that he agrees with the theory of replacing equipment as it tears up.

Barry mentioned that he heard of a place where surplus equipment is sold.

Rebecca stated that this place is called Federal Surplus. She stated that the equipment they have for sale is basically worn out when it gets there.

Rebecca mentioned that one of the things that is not in the budget is a new bucket truck. She stated that we bought our truck used from Granite Falls 25 years ago.

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Rebecca also mentioned that Jimmy Plunk injured his leg during Spring Clean-up, and he is not able to work. She commented that being short staffed in the Public Works Dept. has caused chipping to be behind schedule.

Priorities:

-In Car Cameras

-Hire full time maintenance staff at HUB Station - Pam Pennell who currently works part-time at HUB Station is going to take the position.

-Roof at HUB

-Windows at HUB

-Refinishing Floors at HUB

- **Marketing:**

Ann stated that she did not see marketing included in the budget.

Rebecca stated that there is \$10,000 in marketing and we have spent \$4,000.

Ann stated that she wants us to start advertising and marketing ourselves. She commented that she believes we need to do billboards, etc., to advertise what we are doing. She mentioned that for example, we have Jan Karon coming, and we could advertise her being here.

Rebecca suggested that we get a marketing plan together.

Ann asked if there is any type of ethical conflicts with using Dillon Warren, Bill Warren's son, to do our marketing.

Bill stated that he had no problems working with Dillon, and the Board agreed.

Janet stated that we need to let him know what we want and work with him and get his suggestions.

Ann stated that Kathy Carroll worked well with Dillon, and they could come and talk with the board about a plan.

The Board was in favor of contacting Dillon about doing a marketing plan.

- **Salaries:**

Janet stated that she is concerned about salaries, and the possibility of losing employees to other agencies.

Rebecca stated that a 1% salary increase equates to approximately \$10,000.

Rebecca stated that in her opinion, we should have left our tax rates alone for revaluation years, which would have helped to make our revenues stronger.

The Board discussed the fact that circumstances change with the times, and decisions have to be made to suit the times.

Rick agreed with doing renovations at the HUB Station to increase our revenues. However, he also agreed that we need to keep an eye on salaries.

Larry agreed that we do need to keep an eye on salaries. He stated that the proposed raises in this budget represent a 4% increase (2% COLA and 2% merit). He commented that in his opinion, we may not afford a 4% increase.

Rick asked how salaries are in the other departments besides the Police Dept.

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Janet commented that our salary study a few years ago helped some. The problem with the Police Dept. is that there is competition out there among the different entities, with officers going for the best offers.

Larry stated that we just have to realize our size, and we cannot compete financially with Lenoir or Caldwell County.

Rebecca reminded everyone that the Police Department has a promotion path instead of a merit raise.

Larry suggested a 2% COLA and 1% merit.

Rick suggested we could also consider a 1% increase with a one-time bonus.

- **General Discussion:**

Bill suggested that we not purchase anything unless it is absolutely necessary.

Rebecca stated that traditionally, she sends the budgets back to the Department Heads, and they come back with requests for what they absolutely have to have.

Bill asked about bathrooms for Windmill Park.

Rebecca stated that it is on the Capital Outlay schedule.

Janet stated that Rebecca has said that she would send the budgets back to Department Heads for adjustments, and that is probably what we should do.

Rick also asked about doing the renovations to the Town Hall in phases, and not consider the renovations a priority for this budget.

Bill stated that he understood the stormwater costs would be passed on in a fee to the residents.

Janet stated that because it is so new, we are probably going to have to wait a little while to implement a stormwater fee.

Janet suggested that the budgets be sent back to the Dept. Heads, with the salary increases as they have been presented until we see if cuts can be made in the departments. For the capital items, use the rule of thumb that if it breaks, we will replace it.

Update on Anderson Properties:

Janet stated that things are happening with the totes at Anderson Properties. It appears that they may have gone through maybe 1,000 totes. She commented that it also appears the EPA is taking action.

Rebecca stated that she understood the DEQ put a deadline on a plan for removal, and when the time limit was up, the EPA took over and took action.

Janet stated that the EPA has hired STAT, Inc. to do the removal.

Rebecca commented that Kenneth Teague had estimated that it would take 13 to 16 months as least to remove all of the totes.

Discuss Payment of Property Taxes:

Rebecca stated that we were contacted by the Caldwell County Tax Office that there was a 2018 tax bill owing for the property the Town purchased from Glenn T. Hickman Heirs (Elaine Tapper) along the greenway off Dogwood Street. The amount of the tax bill was \$182.18, and Rebecca commented that Elaine

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probably thought the Town would take care of the taxes after the property was purchased. Rebecca added that the County has indicated that the property taxes will be advertised as delinquent if the taxes are not paid within the next few days.

It was consensus of the Board to pay the taxes owing on the Tapper property.

Set Next Budget Work Session:

The next Budget Work Session was scheduled for Tuesday, May 7th at 6:00 p.m.

Adjournment:

Motion: (Larry Chapman/Bill Warren) to adjourn the meeting. Unanimously approved.

Tamra T. Swanson, Town Clerk