

# BUDGET WORKSESSION

May 21, 2019

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In Attendance:

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**Members Present: Mayor Pro Tem, Bill Warren, Commissioners: Larry Chapman, Jonathan Greer, Barry Mitchell, Rick Shew, and Ann Smith**

**Members Absent: Mayor Janet Winkler**

**Others Present: Town Manager, Rebecca Bentley, Assistant Finance Officer, Michelle Coffey and Town Clerk, Tammy Swanson**

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Call to Order:

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Mayor Pro Tem, Bill Warren, called the Budget Worksession to order.

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Present Proposed 2019-2020 Annual Operating Budget:

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Rebecca presented the proposed budget for FY 2019-2020. She presented a draft for the proposed budget, and announced that the draft will be on display for public inspection for 30 days. At our June 18th meeting, we will hold a public hearing to discuss and adopt the budget.

Rebecca reviewed the following information about the proposed budget.

- Budget is balanced and is flat.
- Additional Maintenance Position for HUB Station is included.
- Revenues: includes Local Taxes 36%, Sales tax, 26%, Unrestricted Intergovernmental Funds 8%, Powell Bill 3%, Resource Officers, 5%, Sanitation Fee 4%, Fees and other revenues (HUB, Pool) 9%, Investments, 1% and Appropriated Powell Bill (plan for expenditures) 4%, Appropriated General Funds 4%.
- Property Tax – no rate increase – remains at \$.43 per \$100 valuation.
- Sales Tax – still has been good for the Town – and Sales Tax is based on our population.
- Sanitation Fee – 20% increase which is being passed on to the Town by Republic Services - There will be additional increases over the next 3 years. Residential Fees - \$108 per year – Commercial Fees \$216 per user per year. Commercial sanitation will be billed to the property owners instead of the individual businesses. (Commercial sanitation is for twice per week collection). Businesses can use either a dumpster from Republic or use our services.

Larry asked about a replacement for Simply Green.

Rebecca stated that according to Lenoir, Simply Green plans to continue to pick up for them. She planned to contact Simply Green to see if they plan to continue to pick up for Hudson as well. According to information from the DEQ, there are always fluctuations in the recycling market.

- Lease payments received from HUB – Focus, Red Awning, Building B Rental and other rent.
- Salaries – 30 full-time employees and 15 part-time employees – salary increases proposed - 2% COLA and 1% Merit.
- 3 streets being paved - Rebecca commented that the cost of paving three streets was more than she had planned to spend for Powell Bill this year.
- Retirement – increased this year, and will continue to increase over the next 2 years.

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- Health Insurance – 5.3% increase – Employee Contribution - \$20 per pay period
- Special Separation – We currently have 2 retired officers drawing special separation, and another officer will be eligible for retirement in August.
- Planning – WPCOG – Planner, Regional Code Enforcement Officer and Stormwater Management.
- Contingency - \$156,631.
- Reviewed Capital Improvement Plan – Rebecca discussed the needs that have been presented by that employees that will be needed over the next 5 years.
- Capital Project Funds – often cross fiscal years.

Rebecca stated that the budget will be presented at the May 21<sup>st</sup> meeting for public review. It will also be available on the Town's website, and she commented that we are always happy to hear comments from our citizens.

**Employment Updates & Opportunities:**

Rebecca stated that the Police Dept. has two vacancies – Chief Blevins has made an offer for possible employment to a BLET student.

Rebecca commented that we have hired a landscaper who started last week.

Rebecca commented that we have a few tenured employees who will be retiring over the next few years, which is something will need to be planning for with our budgets.

Rebecca stated that she believes the proposed 2019/2020 Budget is as good a budget as we could have generated. It is a balanced budget and addresses the needs of the community.

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Adjournment:

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**Motion: (Larry Chapman/Jonathan Greer) to adjourn the meeting. Unanimously approved.**

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Tamra T. Swanson, Town Clerk