

BUDGET WORK SESSION

May 14, 2020

In Attendance:

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

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

Call to Order:

Janet Winkler called the Budget Work Session to order.

Update on Status of Road Repairs/Reimbursement Update – Hickman Avenue & Holly Hill:

Rebecca stated that she received a call from Doug Chapman, McGill & Associates, and he reported that they received approval from the Corps of Engineers and the DEQ, for the corrections submitted for the two sites, and McGill plans to cover the costs of the additional repairs. He added that they are planning to use the same contractors that did the initial work for the two sites. Rebecca stated that one change will be to put in live plants to help hold the bank areas, and these plants have to be left alone. Rebecca requested, in writing, that the plants cannot be manicured and have to be left alone. We plan to send this information to the property owners around the site areas.

Also the Village of Cedar Rock has received their reimbursements from the State for their collapsed culverts, and they received 75%. Their contact is the same representative that we have been working with, so hopefully we will also be reimbursed 75%. Rebecca commented that Cedar Rock did not get reimbursed for any of their engineering fees associated with their repairs.

Discuss FY 2020-2021 Budget:

Rebecca made a presentation of the proposed budget for FY 2020-2021. She stated that it is a balanced budget at \$3,062,020, which reflects a 14.5% decrease from last year's budget.

She highlighted the following:

- Budget contains no new programs or initiatives.
- Capital purchases are to be kept to a minimum – includes:
 - o SRO vehicle for the Police Department
 - o New Rifles (Chief Blevins stated that the officers fire hundreds of rounds from the rifles at target practice, and he thought it was time to replaced them.)
- Top 10 employers in Town– 50% employment is in Education - Top Manufacturing – RMP Wood Finishes BeoCare, Shurtape, Sealed Air, Davis Wood Products, Town of Hudson
- Top 10 Taxpayers – represent almost 20% of our tax base
- Fund Balance - Drops from 38% to 33% with this budget
- No tax increase in the budget
- Powell Bill Funds – None available
- Insurance for employees – will remain the same (Insurance increase to the Town is 6.4%)

- Sales Tax:
 - o 25% Deduction – April, May, June 2020
 - o For FY 2020-2021 1st Quarter – Take 20% Deduction
 - 2nd Quarter – Take 10% Deduction
 - 3rd Quarter – Take 5% Deduction
 - 4th Quarter – Back to normal
- (Overall equates to approximately a 14% reduction in sales tax)
- Sanitation – No increase to citizens – Will remain \$108 annually for residential pickup and \$216 annually for business pickup.

Expenditures

- Cell Phone Service - Changing to Carolina West Wireless for an approximate 60% savings annually.
- New Officers – one hired, and job offered to rookie.
- 3 Retired Officers receiving Special Separation Allowance (David Greene, Andy Day and Grant Medlock)
- Planning Contracts – Keep Planner at 1 day per week, not renew Code Enforcement Officer’s Contract, and Keep Stormwater Contract
 - o Regional Code Enforcement – not funded for next year
 - o Stormwater mapping – WPCOG plans to write grant to help fund. All stormwater conveyances have to be mapped.
 - o Comprehensive plan updates – pushed out until next year.
 - o Update all of ordinances to align with statutes – pushed out until next year.
- No Capital Improvement Plan for this budget.
- PARTF Grant - will be pushed out another year.
- Stormwater fee – There are regulations about how this fee can be implemented. Other cities in the area has also tried to implement a stormwater fee, and they had to hire consultants to help with the process. The problem is the fee has to be billed on a utility bill. To charge the fee on a tax bill takes special legislation, which is not a quick thing.
- **HUB Station:**

Ann asked the Board - if we had someone willing to give a \$150,000 donation, would we consider naming the business center after them.

The consensus of the Board was yes we would name the center after them.

Arts Festival – Ann stated that she does not want to cancel the Arts Festival at this time, but she would like to modify how the festival is set up. She stated that she would like some art on display, music, and a reception for “room naming.” She stated that she does not want to have booths this time. Ann added that she is hoping the publicity will encourage other people to get involved, especially with naming rooms.

HUB Station Room Renovation Updates – Ann stated that the Steering Committee has paid several renovations at the HUB, and they have agreed to put windows in the music room. She asked if windows should be replaced in the east wing (former Focus space). She stated that it would probably be a good thing if we are hoping to lease the space. Ann commented, however, that the steering committee does not want to fund the replacement of any more windows.

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Janet stated that she realizes this window replacement would not be a lot of money, but she wants to wait until we see how much money we are reimbursed from the State for the road repairs before we do the renovations.

Dinner Theater Update - Ann asked if, in October, we can do theater again, would it be a good idea to just have theater and serve popcorn instead of a meal.

Janet commented that she is not sure if the people that regularly come to our dinner theaters would settle for popcorn. She commented that the meal is a big part of the dinner theater experience.

Elevator Update – Ann stated that in Kathy Carroll’s report at the last meeting, she mentioned that the elevator fund was approximately \$18,000 short. Ann reported that since that time, the “room naming” fundraising has raised \$20,000, which covers the amount that was short.

Ann asked the Board if the feeling is still to move forward with the elevator if the money is in hand.

Rebecca stated that the quote from Schindler for the elevator was done in February and was good for only 45 days. So, we will need a new quote in writing. Rebecca also stated that we have to verify with the LGC that we can do the promissory note with Blue Ridge Electric.

Janet stated that the Board cannot vote on the elevator tonight, but will probably vote Tuesday at the regular meeting. Janet commented that she believes if the money is in hand for the elevator, the Board would support moving forward with the project.

Signs for HUB Station - Ann stated that in Jan Karon’s visit to the HUB, she was very impressed with the Shurtape sign in the lobby. Ann suggested that signs also be put up for other contributors including Broyhill Family Foundation and Blue Ridge Electric. She commented that Jan Karon has donated approximately \$75,000 which is wonderful.

The Board agreed that signs would be very appropriate. The comment was also made that we are very appreciative for the amount of money that has been raised by the Steering Committee.

Recreation Department:

Rebecca discussed the status of the Recreation Department during the COVID-19 shutdown. She stated that some recreation departments across the state have furloughed employees while things have been shut down; however, our recreation employees maintain the park which keeps them busy.

As far as opening the pool this summer, Chuck has stayed in contact with the other recreation department in the area, and they are all trying to decide wither or not to open. Chuck has a lot of daycares and churches that like to rent the pool in the summer. Rebecca stated that as soon as the Governor says 50 people are allowed at gatherings, a decision can be made to open. She commented that we don’t open the pool until after Memorial Day anyway, so we should have a better idea of things by that time. Rebecca commented that we do not make money on the pool, but it gives families a chance to get out of the house.

Janet stated that she would like to leave the decision whether or not to open the pool this year up to Rebecca and Chuck.

Jeff stated that we want to do what is best for our community.

Livestreaming our Meetings - Rebecca asked if the Board would like to have our meetings livestreamed. At our meeting May 19th, the Governor’s guidelines will still only allow 10 people in the room, so we will need to provide some way for visitors to at least hear the meeting.

It was the consensus of the Board to continue livestreaming the meetings, even beyond the COVID-19 limitations. It was commented that more of our citizens may be interested in what we have going on if our meetings are available for them to watch online.

Adjournment:

Motion: (Larry Chapman/Ann Smith) to adjourn the meeting. Unanimously approved.

Tamra T. Swanson, Town Clerk