

BUDGET WORKSHOP MEETING MINUTES

March 5, 2019 - 6:00 p.m.

A budget workshop was held on March 5, at 6:00 p.m. in the conference room of the Village Hall. Present at the meeting were Mayor Mark Baker, Mayor Pro Tem Myron Marion, Councilor Lee Ault, Councilor Boyce Shore, Councilor Lori Shore-Smith, and Administrator Dan Corder. Attendance was 6. No members of the press or public were in attendance.

Mayor Baker called the meeting to order and asked Administrator Corder to update the Council concerning the status of the 2018-2019 budget and the preparations for the 2019-2020 budget. Administrator Corder reviewed the budget spreadsheets and described how the Village would finish the current financial year. He presented several items to the Council. The review proceeded as follows:

- **Revenues** -The Village should receive \$608,984 of revenue for the next fiscal year prior to any consideration of appropriations. Some Powell Bill revenue may be received, but it will be a partial receipt only. All other revenue has improved from the previous fiscal year. Revenue estimates will change as more information is available.
- **Council Department Expenses** – Election costs will be budgeted this year. The three year agreement with Gibson & Company for accounting services is in its last year with cost being \$13,810. Interest has been shown in renewing annexation agreements that will be expiring soon. Some new expenses for ornaments or banners may occur. We do not expect any increases in liability insurance and most expenses in this department will remain consistent from last year.
- **Administration Department** - The Village saved quite a bit of money converting over to the State Health Care Plan 2 years ago. This cost has remained fairly consistent from year to year. No recommendations were made at this time for salaries but the contributions to the retirement system were discussed along with the number of hours worked by employees in order to be covered by the retirement system. Recommendations were made to move to the State Holiday Schedule which would add one day at Christmas and Veterans Day to the paid holiday schedule. All Village computer systems need to be upgraded to Windows 10 and all hardware as well as software needs to be upgraded. The server software as well which is running Windows 7 also needs upgrading. Cost will have to be allowed for this. The cost to do a pay and classification study and a rewrite of the policy manual was discussed. Retirement system rates have gone up due to financial needs of the states retirement fund. The Village can save newsletter mail costs by going to an online version only of the newsletter this fiscal year if the Council wishes.
- **Park Department Expenses** – We will once again need a summer employee to work in the Park. The Village should receive the PARTF money and be able to budget this into the next budget cycle for an architect to do a Park Master Plan. Current planning for an RFP to determine cost and scope of the project is being done. All of the Department of Commerce Grant should be expended by June 30th. If for some reason it is not, the remaining grant funds will need to be budgeted for expenditure. We need to evaluate the surfacing of the tennis and basketball courts and will have need for a tractor if funding becomes available for that. The PARC budget and the rest of the operational needs will be very similar to next year. It was brought up that the Village should consider how we might start renting the softball field as people have been asking us to

do this. We will have to check to see how others are doing this and how their contracts and requirements are structured.

- **Services Expenses** – The garbage and recycling contract estimated costs for next year are \$171,858. The cost is driven up due to the recycling destination our carrier used in the past being destroyed in a fire. We now pay haul fees to North Wilkesboro and pay disposal cost where we used to not pay those fees. Residents pay 59% of costs of the contract with ad valorem taxes. 41% is subsidized by other revenues. The growth in housing is also making this gap wider. The average home brings in \$88 in tax revenue and garbage and recycling costs \$149 per residence. We are in the last year of a three year contract. The budget number allows for growth of 15 houses in 2019-2020. Powell Bill funds status was reviewed. The Village will be considering paving projects for next fiscal year to be paid with Powell Bill funds. A bill has been filed at the Legislature (House Bill 129 to allow the Village some additional leeway in spending Powell Bill Funds).
- **Capital Project Expenses** – Payment on Village Hall is \$33,923 this year. We owe three years on the loan. Paying off early would save the interest expense and was considered. It was decided to wait till June to determine if fund balance in the General Fund is projected to increase. If that is the case, Council may decide to pay off this loan early.

Mayor Baker notified the Council that Representative Conrad and others have filed House Bill 129 in the Legislature and are meeting tomorrow morning in Committee to determine if it can be sent to the Transportation Committee. Because this item needs our support and time is of the essence, a Resolution has been prepared (Resolution 165 A Resolution of Support for House Bill 129). House Bill 129 would allow cities of 3000 residents or less to spend Powell Bill Funds for the maintenance and construction of parks. All members present considered this item should be added to the agenda due to the timing requirements. Councilor Boyce Shore made a motion to add Resolution 165 to the agenda for consideration. Councilor Lori Shore-Smith seconded the motion. The vote was unanimous in favor of the motion to add. Mayor Pro Tem Myron Marion made a motion to pass Resolution 165 and Councilor Boyce Shore seconded the motion. The vote was unanimous and Resolution 165 was approved. Administrator Corder will forward this resolution when signed and attested to Representative Conrad prior to her Committee meeting on March 6, 2019. A motion was then made to adjourn by Councilor Lee Ault and seconded by Councilor Lori Shore-Smith. The vote was unanimous and the meeting adjourned at 8:45 pm.

Minutes Prepared By:

Dan Corder, Administrator