

**ERWIN BOARD OF COMMISSIONERS  
MEETING MINUTES  
BUDGET WORKSHOP  
THURSDAY, APRIL 30, 2009  
ERWIN, NORTH CAROLINA**

The Board of Commissioners for the Town of Erwin with Mayor Patsy Carson presiding held a Budget Workshop in the Town Hall on Thursday, April 30, 2009 at 6 P.M. in Erwin, North Carolina.

Board members present were Commissioners Norma Ennis, Mark Whitman, Randy Baker, William Corbett, Michael West and Frank Taylor.

Town Manager Bryan Thompson and Cynthia Patterson, Town Clerk were present,

Mayor Patsy Carson called the meeting to order at 6 P.M.

Commissioner Frank Taylor gave the invocation.

Those present recited the Pledge of Allegiance.

Town Manager Bryan Thompson informed the Board that the Staff began relatively early working with the 2009-2010 Budget. The primary goal of tonight's meeting is to take a look of what we have now and offering a direction of where the budget is going. With that, on the Revenue side it's going to be a late season in turning in a complete budget. Mr. Thompson stated he will go through the Revenue and Expense and will give general direction on where the departments are going in Capital purchases that are being requested and any abnormality from last year to the current year. Mr. Thompson also stated that he was proud of the department heads for putting together their own departmental budget and they did a very excellent job in doing so.

**Ad Valorem 2009 (10-3010-2009)**

Assuming rev-neutral tax rate and collection rate at 97%, this number reflects the revenues neutral tax rate. This was complied by determining the rate that would produce revenues equal to those produced for the current fiscal year and then increasing the rate by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal. If the Town used the proposed rev-neutral tax rate the Town's side on the AdValorem would be 39 cents, however, that does not pin this Board in to making a decision based on that necessarily saying that has to be 39, it could go higher or lower whatever the Governing Body determines is necessary.

**Ad Valorem DMV (10-3011-009)**

Projected amount will be \$83,000 for the New Year. That is based on the 39 cent rev-neutral and if the tax rate should go up or down from what is currently here then this will affect that line item.

**BUDGET WORKSHOP MINUTES CONTINUED****Interest Earned (10-3290-000)**

Interest earned was budgeted \$225,000 for the current year. This was assuming that at this point the 30 Water Fund would have been closed out and transferred to the 10 General Fund. Mr. Thompson stated that just two (2) months ago the Town was sitting at less than 1 percent. A monthly interest check of several thousands dollars a month dwindled down to just a couple hundred. The Staff shopped around to other local banks such as BB&T, SunTrust, and First Federal and got their best rate on the money market. The Town received a rate with First Federal at 2 percent. The Staff is projecting at the end of the year that will have made the Town between 30,000 to 40,000 just in the number of months left in the year. Assuming the projected 1.2 percent with the investment in the money market with First Federal the Town will be looking at \$72,000.

**NC Step Grant (10-3320-380)**

The Step grant is reflected in revenues and the expense side and as the step program expands over one fiscal year the Town will be looking at the recommendation of the Board to adopt a project ordinance which would effectively pool the step program funding out of the general budget and in it's own project ordinance that way it does not have to be adopted every year.

**Other Financing Sources (10-3350-020)**

This is primarily used for loan proceeds for capital purchases. Mr. Thompson stated that the Town does not have many capital improvements or capital purchases scheduled out this year throughout various departments; however, the Town does have a couple and will try to keep this low.

**Powell Bill (10-3430-000)**

This year our current operating budget was an 11 percent decrease. A lot of that has to do with State cut back mostly fuel consumption. The League of Municipality and the State are looking at additional 11 percent decrease from this year, so between this current year and this next year you are looking at a total projection of 22 percent decrease in just a two year span.

**Garbage Fees (10-3940-010)**

The main goal with garbage fees is to approach our Solid Waste Collections and the fees that are applied in an equitable manner, which means, if the customer does not want a garbage container and no one is living there or simply do not want a trash can the Town will keep a monthly tally and at the end of the month give the information to Republic Waste to adjust their bill that is sent to the Town of Erwin based on collections. Mr. Thompson also stated there is still more work that needs to be done in order for this to work.

**GENERAL FUND EXPENSE****Board of Commissioners**

Mr. Thompson stated that there was only one significant change which is the Municipal Elections with an estimate of \$5100.

## **BUDGET WORKSHOP MINUTES CONTINUED**

### **Administration**

The Town had one person to retire this current year and some positions within the department were shifted. There is some saving where that is concern and should help the Town. Mr. Thompson informed the Board that the Staff has taken some preliminary cuts for instance, employee training, and utilities.

Mr. Thompson informed the Board that the staff has increased the janitorial supplies from \$1000 to \$5000 in hopes to move toward to in-house cleaning.

### **Planning & Inspections**

The Town is looking into an in house Planner/Code Enforcement and contracting out Building Inspections with Harnett County. If the Town finalizes the agreement with the County the Town will receive 25% of the revenue and the County will profit 75%.

### **Police Dept.**

Mr. Thompson stated that a creative approach to the organizational structure that will do a number of things. Of those things it will help burn and maintain a reasonable level of comp time for our full time employees. It will also create a buffer between different tenure within the same rank. However, there are draw backs to this. The difference between the Police Dept. and the other departments is that you are going to have the police 24 hours a day. The Staff is working on different program ideas and checking other statues and federal guidelines to make sure that our approach the one we are receiving now is not a liability to the Town. Mr. Thompson also stated that this department has a good number of comp time built up and would want to be fair to the employees.

The primary change from last year to the current year is the capital purchase of a vehicle. In order to free up cash on hand is to go with three (3) year finance.

### **Public Works - Streets**

In general the Town will see a decrease in salaries due to the fact we have shifted one person to another department.

### **Recreation**

There are a number of expenses that were not made last year that are being requested to be made this year such as the pitching machine and Z-Track Mower.

Also looking at doing consolidating responsibilities. Will be taking one person out of parks and recreation when Calvin Dickenson leaves and will be splitting the responsibilities shared by Calvin, Alan, and Jeff. Allan Autry will become the Parks Director and also take care of the athletic programs that he was doing before while also training Jeff Harmon who will then take programming which also consist of maintenance of the fields and Mickey Warren will take care of the general maintenance. Mr. Thompson stated he was looking at this as a temporary adjustment for the time being.

Mr. Thompson also stated this budget does not reflect any kind of increase in schedule of fees for Parks & Recreation.

**BUDGET WORKSHOP MINUTES CONTINUED**

It was the interest of the Board to go ahead with installing restrooms at W.N. Porter Park located on North 13<sup>th</sup> Street.

**Library**

The major cost of this current year was the new roof. Hopefully, in this next budget will get new carpet.

Mr. Thompson stated that this is not a balanced budget it is in construction stage and if you take the bottom line for the total revenue and expense then you will find a difference of a total of \$295,000 short.

It was the consent of the Board to not increase taxes.

Mr. Thompson advised the Board that there will be another Budget Workshop prior to approving the Budget in July.

**ADJOURNMENT**

Commissioner Ennis made the motion to adjourn at 8:45 P.M. and was seconded by Commissioner Mark Whitman. The Board voted unanimously.

**MINUTES RECORDED AND TYPED BY CYNTHIA B. PATTERSON, TOWN  
CLERK**

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**Mayor Patsy M. Carson**

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**Cynthia B. Patterson, Town Clerk**