

ERWIN BOARD OF COMMISSIONERS
SPECIAL CALLED MINUTES
MAY 23, 2013
ERWIN, NORTH CAROLINA

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The Board of Commissioners for the Town of Erwin with Mayor Patsy Carson presiding, held its Special Called Meeting in the Town Hall on Thursday, May 23, 2013 at 5:30 P. M. in Erwin, North Carolina.

Board Members present were: Commissioners William Turnage, Randy Baker, Frankie Ballard, Frank Taylor, and Ricky Blackmon.

Board Members absent was: Commissioner Norma Ennis.

Interim Town Manager Pete Connet and Town Clerk Cynthia Patterson were present.

AGENDA ADJUSTMENT

Commissioner Ballard made a motion to add under New Business Item B Discussion of Two (2) Applicants for Planning Board and was seconded by Commissioner Baker. The Board voted unanimously.

NEW BUSINESS

**OVERVIEW PRESENTATION OF 2013-2014 FY BUDGET SECOND DRAFT
WITH REVISIONS FROM FIRST DRAFT**

Discussion with Health Benefits

Insurance Solutions Andy Hester came forward and addressed the Board. Mr. Hester informed the Board that for the past three years they have been managing the benefits for the Town. Prior to that, was managing the supplemental benefits.

Blue Cross Blue Shield started out with a 13.45% increase and Mr. Hester negotiated to a renewal of 6.5%. Basically what has happened with the employee only cost at which the Town covers a 100%, the cost is from \$381.77 to \$408.77. This is the same plan nothing changed.

Mr. Hester then presented two (2) options to the renewal. Option A is a 19.80% decrease with a \$5,000 deductible but it's a 70/30 co-insurance. The 30% has a cap of another 10,000 on it with a total of \$15,000 deductible. This is not recommended.

Mr. Hester then advised the Board to look at Option B. This is actually a better plan than what you have now. It's also a little cheaper. It's a \$2500 deductible with a 70% co-insurance with a 30% employee responsibility with a cap of \$5,000, a total out of pocket of \$7500 rather than \$10,000. There is now office co-pay at which a regular doctor visit would be \$25.00 no matter is being done. There is no specialist co-pay just like currently, no co-pays for urgent care, ER however there is still co-pay for prescriptions similar to the current plan. This plan is a 1.3% decrease from the current plan. Each covered employee gets an Employer sponsored debit card to pay the first \$1,000 of their \$2500 deductible. The PCP copay is not paid using this card. The BCBS discount applies. The employee is responsible for the next \$1500 of the deductible.

Interim Town Manager Pete Connet stated that his recommendation to the Board would be to go with Option B. This will also continue to cover the Retirees as well.

Changes/revisions from 1st draft are as follows:

Revenues:

1. Reduced the Property Tax estimated revenues to reflect a \$.48 tax rate
2. Reduced the Solid Waste fees to an across the board 2% CPI increase above the current rates, with revenues and expenses equaling each other at \$322,000
3. Eliminated the revenue line for Inspection fees (\$15,000) to reflect a recommendation that all inspection permitting be returned to the County
4. Increased the Privilege License fees back to \$10,000

Expenses:

1. Adjusted the Salary Proposal (implementation of pay study) to 2.5% vs. the original 5% adjustment recommend by the consultant.
2. Eliminated the two requested positions. One in the Police Dept. and the other in the Recreation Dept. The Street Dept. position is not new and was budgeted last year but not filled. Mark has moved one of his part-time help to fulltime to fill this position that was the result of a termination of an employee in May/June of 2012.
3. Adjusted the FICA, retirement, 401K, and insurance in all depts. to reflect the changes in pay plan revision and the two positions which were eliminated
4. Eliminated the \$18,000 payment to the County for Inspection services to reflect the recommendation to move all Inspection permitting back to the County
5. Added a \$10,000 discretionary contribution line to the Non-Departmental budget for requests from non-profit agencies, per your discussion.
6. Added a \$4,000 Contingency line to the Non-Departmental budget.

In summary, the proposed FY 2014 Budget is balanced without a tax increase and only a 2% CPI adjustment to the Solid Waste fees. The appropriation from the General Fund balance remains at \$200,000.

Public Works Admin/Shop-----\$107,150

There are no major changes to this line item

Street Dept.-----\$313,750

Capital Outlay of Equipment---\$8,000. This is for light tower that was discussed at the Retreat Salaries-----\$77,850. This shows taking the part-time over to fulltime status

Salaries for part-time----\$45,325. Part-time help has to stay under 1,000 hours

Commissioners would like to have a list of all the employees in each department with salaries and positions. This should be in the back of the budget.

Sanitation Dept. -----\$322,600. A 2% increase for Republic Waste is figured in this line item.

Recreation Dept.-----\$360,100

Capital Outlay of Equipment---\$18,000. This is for Gator/ Top Dresser.
Take \$10,000 out of Non-Departmental Funds to go toward part-time position

Library-----\$78,000

No major changes.
Capital Outlay of Equipment---\$2,000. This for half HVAC

Community Center----\$10,150

No major changes.
Capital Outlay of Equipment---\$2,000. This for half HVAC
Contracted Services was increase to allow for buffering the floors for a total of \$2,400

Powell Bill Fund----\$336,250

Anticipate \$138,000 coming in this year.
Professional Services---\$4,000 for engineering.
Contracted Services---\$180,000 for resurfacing
Capital Outlay of Equipment---\$88,000. This is for a backhoe

DISCUSSION OF TWO (2) APPLICANTS FOR PLANNING BOARD

At last month's Board Meeting the Board accepted the resignation of Mr. Edward Johnson, Planning Board Member. Staff has advertised and has received two (2) applications for the In Town Seat. One applicant, Mr. Rick West has applied to take this position due to the fact that he is a current Alternate Member of the Planning Board. The other applicant is Steve West. There is no relation between the two men.

The Consensus of the Board was recommending current Alternate Planning Member Mr. Rick West into the remaining term of Mr. Edward Johnson. He term will end September 2014 and accept Mr. Steve West as Alternate of In Town Planning Board Member.

This will be approved under Consent Items at the Regular Board of Commissioner's meeting on Thursday, June 6, 2013.

CLOSED SESSION

Commissioner Blackmon made a motion to go into Closed Session at 7:00pm to discuss Personnel Matters G.S. 143-318.11(a) (6) and was seconded by Commissioner Baker. The Board voted unanimously.

Commissioner Turnage made a motion to go back into Regular Session at 7:30pm and was seconded by Commissioner Taylor. The Board voted unanimously.

RECESSED

Commissioner Blackmon made a motion to recess until Tuesday, May 28, 2013 at 5pm and was seconded by Commissioner Baker. The Board voted unanimously.

RECONVENED

Commissioner Turnage made a motion to reconvene on Tuesday, May 28, 2013 at 5pm and was seconded by Commissioner Taylor. The Board voted unanimously.

Commissioner Ennis was absent.

CLOSED SESSION

Commissioner Blackmon made a motion to go into Closed Session at 5:00pm to discuss Personnel Matters G.S. 143-318.11(a) (6) and was seconded by Commissioner Baker. The Board voted unanimously.

Commissioner Blackmon made a motion to go back into Regular Session at 7pm and was seconded by Commissioner Baker. The Board voted unanimously.

ADJOURNMENT

Commissioner Blackmon made a motion to adjourn at 7pm and was seconded by Commissioner Baker. The Board voted unanimously.

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

**Patsy Carson,
Mayor**

**Cynthia B. Patterson, CMC
Town Clerk**