

ERWIN BOARD OF COMMISSIONERS
SPECIAL CALLED MINUTES
MAY 16, 2013
ERWIN, NORTH CAROLINA

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The Board of Commissioners for the Town of Erwin with Mayor Pro Tem Randy Baker presiding, held its Special Called Meeting in the Town Hall on Thursday, May 16, 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.

Mayor Patsy Carson was absent.

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

AGENDA ADJUSTMENT

Commissioner Blackmon made a motion to add under Old Business Item A Conditional Use Application to Establish an Auto Sales Dealership at 201 E. Jackson Blvd and was seconded by Commissioner Taylor. The Board voted unanimously.

OLD BUSINESS

**CONDITIONAL USE APPLICATION TO ESTABLISH AN AUTO SALES
DEALERSHIP AT 201 E. JACKSON BLVD
HARNETT COUNTY PIN# 0597-76-2827.000**

Erwin Planner Kathy Blake informed the Board that this was tabled at the last meeting due to not having a majority vote. Ms. Blake stated that this is a Conditional Use Application CU-2013-001 to establish an auto sales dealership at 201 E. Jackson Blvd., Erwin, NC. The applicant is Michael R. Montgomery and the property owner is James Douglas West. The property is zoned B-2 and in that zoning district auto oriented business establishments are considered Conditional Uses. On the site plan provided by the applicant, he has included a condition that no cars will be stored or parked beyond the existing pavement. At the Planning Board meeting, both the applicant and the property owner spoke in favor of this Conditional Use Application. The Planning Board voted in the affirmative on each of the Findings of Facts and they voted to recommend approval of the Findings of Facts and the Conditional Use Permit.

Commissioner Turnage made a motion to excuse Commissioner Ballard due to a conflict in interest and was seconded by Commissioner Blackmon. The Board voted unanimously.

Commissioner Blackmon made a motion to approve the Findings of Facts by the Planning Board and also approve the Conditional Use Application for an Auto Sales Dealership at 201 E. Jackson Blvd and was seconded by Commissioner Turnage. The Board voted 4 for and 1 absent (Commissioner Ennis) and 1 excused (Commissioner Ballard).

RECESSED

Commissioner Blackmon made a motion to recess at 7:10pm for 10 minutes and was seconded by Commissioner Taylor. The Board voted unanimously.

RECONVENED

Commissioner Turnage made a motion to reconvene at 7:20pm and was seconded by Commissioner Ballard. The Board voted unanimously.

NEW BUSINESS

OVERVIEW PRESENTATION OF FIRST DRAFT 2013-2014 FY BUDGET

Interim Town Manager Pete Connet informed the Board that we will do a quick overview of the revenues and two (2) of the Departments which will be Planning and Police. The overall budget proposal is \$3,993,885 of that the general fund is 2,947,700 as proposed. Other capital funds will make up the rest to get the total of \$1,046,185. The proposed tax rate is 51 cents. The current tax rate is 48 cents. This increases the estimated tax revenues by \$66,000. This goes along with the appropriation budget of \$200,000. The estimated remaining funds in this account should amount to approximately 54% of the projected General Fund expenses for FY 2014.

SOLID WASTE FEES

Currently the solid waste fees are \$14.27 a month. The current individual rates are \$6.67 per month for residential trash service including a \$.15 fuel surcharge, \$3.21 residential recycling, and \$4.39 monthly yard waste. The proposed rates would be \$6.96 residential trash service including a .31 fuel surcharge, \$3.27 residential recycling, and \$4.77 monthly yard waste. These three fees total to \$15.00 per month.

STATE SHARED REVENUES

The estimates contained in the budget are based on the analysis provided to towns and cities by the NC League of Municipalities. The percentage of increases or decreases over the previous year estimated revenues comes to a 3% proposal.

CAPITAL RESERVE FUND APPROPRIATION

What is being appropriated \$96,000 in the Capital Reserve Fund to be transferred to the General Fund for equipment purchases and the balance of the Recodification Project. The equipment purchases are:

Park and Recreation-----	\$18,000
Street-----	8,000
Police-----	60,000
Town Code-----	10,000

The equipment purchases are detailed on a sheet entitled "Expense Details FY 2013-2014".

EXPENSES**Personnel**

The budget reflects the implementation of the revised pay plan that you received in April. The salaries reflected in the proposed budget take those employees whose pay grade changed, to the extent that they were outside the new range, at least to the probationary step of the new range. Those employees whose range changed, but whose current rate of pay fit within the new range, are proposed to receive a 2% pay adjustment July 1, 2013. The cost to implement these changes with the current workforce is approximately \$55,200. These changes would also impact the amount of FICA tax, and retirement contributions the employer pays. Those numbers have been factored into the proposed budget.

There are two requests for additional personnel included in the proposed budget. The first is for a maintenance person in Recreation to help with the construction of the Rail Trail project and future maintenance needs within the department. The Manager is recommending funding for the position. The second position is for an additional police officer as was recommended in the study by Greg Jarvis in November 2012. This position is recommended to be added January 1, 2014.

Health Insurance

Our broker brought back a proposal of which reflects a 1.3% decrease by BCBS and is also a 70/30 plan which will reduce the deductible to \$7500 instead of \$10,000. We will have a presentation on this at the next workshop which will be Thursday, May 23, 2013 at 5:30pm.

Police Department Grant: Vehicle, Equipment and Personnel

We now will be going into our second year with an officer in place and all the equipment purchased. The reimbursement, this coming year, for this position from the State is on a 70/30 basis. The salary and fringes are included in the Police Department budget, with a revenue reimbursement line in the General Fund.

PARTF Porter Park and Rail Trail Grant Projects

We have only heard that we have been funded for the Rail Trail Project in the amount of \$89,200. We should hear about the funding for Porter Park by the end of May 2013. Both projects have been setup as separate capital projects with their own revenue and expense sheets. Appropriation for the local match for Porter Park is coming from the Capital Reserve Fund in the amount of \$123,700.

We did not get into the 1st round of funding however there is another round of funding in August. We placed 19th and only funded the first 12.

Downtown Parking Lot Improvements

A separate capital project budget has been established for this project too. The funding is \$75,000 RBEG from USDA and the rest is local funding, again being taken from the Capital Reserve Fund in the amount of \$23,300.

We will meet with Tyrus Clayton along with Duke Energy next week to see if we can get started installing the lines underground.

Powell Bill Fund

This year the Interim Manager is recommending that the Powell Bill be setup in its own Fund and taken out of the General Fund. We have a separate checking account for Powell Bill items and with a separate fund it will make things easier to track. The Pavement Condition Survey is due on or about May 17th. Based on the results of this study, he is recommending that the Town increase its funding for repairs and resurfacing from approximately \$60,000 to \$180,000. With the funds anticipated for FY 2013 and FY 2014, and a more than adequate fund balance of Powell Bill funds, he recommends that you appropriate \$198,250 to go towards an aggressive repair/resurfacing project and the purchase of a new backhoe for the Street Department.

There were some questions concerning the three (3) full time positions of what would be the total cost including benefits. They are as follows:

Salary-----	\$80,122
FICA-----	6, 129
Retirement-----	5,665
<u>401K-----</u>	<u>4,000</u>
Total-----	\$95,916

The Board stated that they liked how Mr. Connet put the proposed budget together in dealing with what he had to work with however they were not in agreement with raising taxes nor solid waste. They asked Mr. Connet to go back and figure a way to balance the budget without an increase in taxes and solid waste.

Suggested in the Park and Recreation in increasing part time line item and see how it goes. Also, with the Map Study, it was suggested in a 2.5% adjustment with additional 2% for those whose salaries did not change.

Expense Projections for FY 2013-2014

Board of Commissioners remain the same with addition to Municipal Election this year for a total budget of \$28,600

Administration is more salaries and operating the administration for a total budget of \$289,925

Non Departmental is more on the professional service such as the attorney, studies, website maintenance, etc. for a total budget of \$236,550

There were questions concerning the Harnett County Tax Contract. Was advised to pull contract. Should be 1%.

The Chamber of Commerce has asked for the Town to give them \$10,000 in the next Fiscal Year. It was recommendation not to do this however suggested in having some money set aside for various groups as long as they are promoting the Town of Erwin with possibly looking at the Cell Tower money.

Planning

Kathy Blake presented her budget. She presented a new Fee Schedule for FY 2013-2014. Her total budget proposed for Planning & Inspections is \$140,310.

Commissioner Baker asked what the projected fees were collected for permits. Mr. Connet replied by saying \$9,000. As of today, what has been collected is \$7,000. We are spending \$18,000 to the County for the services.

Recommendation to the Board is to send permitting back to the County. Let us, the Town issue zoning permits to the County for any new building. They would not charge anything and would not have any payments to them as well.

Police Dept.

Salary Auxiliary Policemen proposed is \$13,000 this year. The proposed budget for the Police Dept. is \$885,760. Chief Morrisette has asked for additional personnel which would allow time off for those that have accumulated hours.

There was some discussion concerning the Holiday Pay. Commissioner Ballard asked how much it would cost the Town to pay the officers their Holiday pay. Mr. Connet stated that it would run around \$43,000. It was suggested to let them take the time off when they can and with additional personnel it can be done.

Commissioner Ballard also asked if there were some way in this current budget that we could end this holiday time and begin the New Year with a zero. Mr. Connet replied that we could take a look at it.

Commissioner Baker informed the Board that his concern is how it was kept up. This was not kept up in an appropriate matter and before we write a check for \$43,000, I want to make sure this was done right.

Chief Morrisette informed the Board that since he had been with the Town (Sept. 2009) he could prove the time for Holiday Pay for his officers. Anything before he could not.

It was suggested to take the numbers and compare them with Chief Morrisette and contact the League to see what our options are that way we will have a better understanding in how to handle this problem. None of the Board wants to cheat anyone out of their pay however we don't need to get in to trouble either.

RECESSED

Commissioner Turnage made a motion to recess at 7:35pm for 10 minutes and was seconded by Commissioner Taylor. The Board voted unanimously.

RECONVENED

Commissioner Turnage made a motion to reconvene at 7:50pm and was seconded by Commissioner Ballard. The Board voted unanimously.

CLOSED SESSION

Commissioner Ballard made a motion to go into Closed Session at 7:50pm to discuss Personnel Matters G.S. 143-318.11(a) (6) and was seconded by Commissioner Taylor. The Board voted unanimously.

Commissioner Turnage made a motion to close the Closed Session at 10pm and was seconded by Commissioner Ballard. The Board voted unanimously.

ADJOURNMENT

Commissioner Taylor made a motion to adjourn at 10pm and was seconded by Commissioner Ballard. The Board voted unanimously.

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

**Randy L Baker,
Mayor Pro Tem**

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