

**ERWIN BOARD OF COMMISSIONERS
WORKSHOP MINUTES
MAY 23, 2017
ERWIN, NORTH CAROLINA**

The Board of Commissioners for the Town of Erwin with Mayor Patsy Carson presiding, held a Workshop in the Town Hall on Tuesday, May 23, 2017 at 6:00 P. M. in Erwin, North Carolina.

Board Members present were: Commissioners Alvester McKoy, Billy Turnage, Frankie Ballard, Ricky Blackmon, Randy Baker and Thurman Whitman.

Interim Town Manager Richard Hicks, Asst. Town Manager/Planner Snow Bowden, Town Clerk Cynthia Patterson and Finance/Human Resource Director Debbie Chestnut were present.

Mayor Patsy Carson called the meeting to order at 6PM.

DISCUSSION OF THE PROPOSED 2017-2018 BUDGET

Interim Town Manager Richard Hicks went through some of the highlights of the proposed 2017-2018 budget. They were the following:

- The budget does not include an increase in the property tax rate. The current rate of \$.51 would remain. The final tax numbers for the Town showed a slight increase in property values as opposed to the reductions that were originally estimated. Vehicle taxes are also increasing.
- A contribution to the Erwin Fire Department based on a \$.085 tax rate. This is an increase from the \$.08 tax rate for the current fiscal year.
- There is no proposed increase on the storm water utility fee.
- For the first time in several years, the budget does include a 3% salary increase for the Town Employees.
- In the Legislative budget, there is a contingency of \$25,000 to cover unanticipated expenditures during the year, or to add back to the fund balance.
- For the second year in a row, the budget does not include an allocation from Fund Balance. There is a proposed \$25,000 transfer from the Capital Reserve Fund to boost the funding for the demolition of dilapidated properties in Town. This budget should continue putting the Town back on track to maintain or improve the Town's Fund Balance.
- Have received two checks back from FEMA around the amount of \$12,000 and \$64,000 at which all will go back into the fund balance.
- There are no new positions proposed in the budget.
- The part-time position in the Library is proposed to remain vacant. The current employee being paid through the Senior Program has will utilize all of her hours prior to June 30, 2017 and will more than likely be moved to another employment agency. We may or may not be able to get a replacement.
- The only Capital Outlay proposed in the budget is the purchase of 2 police cars and the rake for the parks and recreation department. Items is Public Works budget has already been taken care of out of this year's budget.
- An 8.07% increase in employee health insurance costs. By continuing to require that retirees are included in the Town's basic policy, the Town is very limited in exploring other options.

- The budget would eliminate my position as Interim Manager as of June 30, 2017.
- The budget does include the part-time Building Inspector at which has gone well. We will continue to explore options for providing Fire Inspections services.
- The budget does include funds to update the Town Code of Ordinances on an annual basis. Funds are also included to continue contracting the janitorial services for the Town Hall and Community Center at which is going well.
- Anticipating renewing our Property, Liability and Worker's Compensation coverage with Travelers Insurance. There will only be a slight increase for the coverage.
- The budget does include \$12,000 for the installation of the remaining lights on US Highway 421, which may not occur until the latter part of the FY 17/18 budget. These funds could be used in the following fiscal year to pay the annual operating costs of the lights.
- The Town is seeing an increase in sales tax revenues. There is a bill pending in the General Assembly to further adjust sales tax revenues again, which is estimated to provide an additional \$17,000 in sales tax revenues to Erwin. There is a strong likelihood that this bill will pass. Those additional funds have not been included in the proposed budget.
- The Powell Bill budget includes \$233,000 to begin construction on the first phase of the East Erwin drainage project.
- All of the personnel changes have been made in the Police Department, and the department is current back to full staff levels.
- We anticipate additional FEMA funds after July 1, 2017 for some of the street drainage projects. Budget amendments will be presented next fiscal year as the funds are received and work begins on the projects.

Mr. Hicks informed the board again that staff were not using any of the fund balance. At the end of the fiscal year, there will be some funds left over so the Town can continue to build the fund balance.

Town Planner/Asst. Manager Snow Bowden informed the board of a change to the 2017-2018 Fee Schedule.

In the proposed budget:

Residential additions, Renovations and Fire Damage Renovations.

➤ Building Permit includes Trades

0- 2,000 Square Feet	\$700.00
2,001 Square Feet or greater	\$805.00

Residential attached and detached garage/storage building (accessory structure)

➤ Building Permit Only- All trades to be purchased at the same time

0-500 Square Feet	\$100.00
501-1,200 Square Feet	\$175.00
1,201-2,000 Square Feet	\$250.00
2,001 Square Feet or more	\$325.00

Staff recommend it be changed to the following

Residential attached and detached garage/storage building, renovations and fire damage renovation (building permit only)

➤ **Building Permit Only- All trades to be purchased at the same time**

0-500 Square Feet	\$100.00
501-1,200 Square Feet	\$175.00
1,201-2,000 Square Feet (Includes Trades)	\$700.00
2,001 or more Square Feet (includes Trades)	\$805.00

Mr. Hicks also informed the board that he had done some comparison for the health insurance. Currently the town has Blue Cross Blue Shield for health insurance however Mr. Hicks has received a quote from Aetna at which would be a town savings of \$19,122.48. He will look to see if this is accepted where the employees go and make sure that the retiree's will be covered as well.

The board was in agreement with the proposed 2017-2018 Budget. Thanked Interim Town Manager Richard Hicks for all of his hard work.

ADJOURNMENT

Commissioner Baker made a motion to adjourn at 6:34pm and was seconded by Commissioner Whitman. **The Board voted unanimously.**

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


Patsy M. Carson, Mayor


Cynthia B. Patterson, Town Clerk