

Fletcher Town Council  
Budget Meeting  
Minutes  
May 2, 2020

Call the meeting to order at: 08:46 am

Those who were in attendance are as follows:

Mayor Rod Whiteside  
Mayor Pro-Tem Bob Davy  
Councilwoman Sheila Franklin  
Councilman Eddie Henderson  
Councilman Preston Blakely  
Town Manager Mark Biberdorf  
Assistant Town Manager Heather Taylor  
Town Clerk Christine Thompson

The purpose of this meeting is to review the upcoming budget for the 20/21 Fiscal Budget year in which Town Manager Mark Biberdorf will be doing a power point presentation.

Overview of Proposed FY 2020-2021 Budget

- a) The Balanced Budget totaling \$7,632,684.00 in revenues and expenses.
- b) This is an of \$37,912.00 increase from the 2019/2020 budget year.
- c) COVID-19 impacts to economy contribute to lower than anticipated overall revenues.
- d) The proposed tax rate would remain at 34 cents under this recommended budget.
- e) The remaining 11.5 cents of the tax rate goes to contracted fire protection services.

Overall Economic Outlook for FY 2020-2021

- a) Still growing but at a slightly slower pace (projected GDP growth of 2%)

- e) Gross State product (GSP) for NC projected to be positive in 2020
- f) Manufacturing picking up speed and housing steady.

#### Local Economic Factors

- a) Residential growth still occurring (Sycamore Cottages) -151 unit development entering Phase 2 of construction; former Rutledge Heirs property approved for a 311 unit development.
- b) Commercial/Industrial growth continues to be strong-Smartrac expansion, Mainetti building 300,000 sf facility and Hunter Automotive relocation on Hwy 280.
- c) Retail sales continue on positive trend for the state and locally.
- d) And then the Coronavirus hit!!!!

#### Revenue Outlook

- a) Ad Valorem values projected to increase from \$1,355,232,000 to \$1,389,191,000.
- b) Largest portion of increase in values is from real improvements-new construction.
- c) Business personal property grew by the second largest amount from the prior year.
- d) Motor vehicle values contributed slightly to projected growth.
- e) 6% increase (additional \$229,756) in real personal property taxes.
- f) 6% increase (additional \$14,657) in Motor Vehicle property taxes.
- g) 1% increase (additional \$2,000) in Powell Bill funding.
- h) 19% increase (additional \$830) in ABC Law Enforcement.
- i) 4% increase (additional \$8,000) in ABC Distribution
- j) 6% increase (additional \$325) in Tippling fee tax.
- k) 18% decrease (drop of \$7,000) in Interest on Investments.
- l) 1% decrease (drop of \$2,600) in Utilities sales tax
- m) 9% decrease (drop of \$144,143) in local sales tax.
- n) 14% decrease (drop of \$15,000) in Recreational Activates.
- o) 25% decrease (drop of \$2,000) in land use permits.

### Budget Requests

- a) Budget requests initially came in \$185,000 above prior year revenues.
- b) Requests included one additional full-time position –Maintenance Worker in Parks & Recreation.
- c) Replacement off all MDT's for all the police department.
- d) Hardware replacements and safety upgrades with IT
- e) Equipment replacement within Parks & Recreation.
- f) Equipment upgrade within Public Works
- g) Continued contracting for Phase II storm water compliance measures
- h) Expense requests funded within current tax rate of 34 cents.
- i) Reductions or additions in some line item requests were made at the Manager's recommendation.
- j) Initially looking at a 32.4% increase in health insurance premiums (Blue Cross/Blue shield)
- k) Reduced the renewal to quote to 14.6% by making adjustments to the plan (deductibles increase and coinsurance and copayments provision added)
- l) Continue health reimbursement account (HRA) contributions at slightly higher amount of single coverage.
- m) Costs for stream monitoring behind Town Hall ending (\$4,500)
- n) Reductions in contract services at Town Hall
- o) Decrease in incentives budgeted for economic development (over \$90k)
- p) No increase in tonnage fees budgeted for municipal solid waste.

**Mayor Whiteside** commented on the HRA "Vested Health" accounts and the amount that the town puts in these accounts for employees should be the same amount across the board whether the insured is an individual employee or has a family plan since the town already pays half the premium on a family plan.

### Governing Body

- a) Small decrease in overall funding for the department going from \$52,183 to \$ 52,024.
- b) Slight increase in salaries line item for 1.6% COLA from \$ 36,932 to \$ 37,523.00
- c) Slight increase in FICA line item \$ 2,998 to \$ 3,043.
- d) Travel & Training decreased slighted from \$6,800 to \$ 6,000.
- e) Dues & Subscriptions line increased from \$240 to \$245.

### Administration

- a) Moderate increase in total departmental appropriations from \$ 542,702 to \$ 575,012.
- b) Largest increase is in Salaries from \$ 384,534 to \$ 399,637.
- c) Moderate increases for fringe benefit line items (Retirement sees biggest impact)
- d) Travel & Training increased from \$3,500 to \$ 4,000 due to increase in cost for classes.
- e) Dues & Subscriptions increased from \$800 to \$ 2,100 due to LexisNexis increasing.

### Professional Services

- a) A significant decrease in departmental budget from \$266,827 to \$ 133,287.
- b) Professional services/contract line item decreased from \$33,700 to \$ 22,000
- c) The Town Center line was decreased from \$56,000 to \$ 30,000 due to land now secured.
- d) Economic Development lien decreased from \$135,827 to \$ 45,000 due to no incentives.
- e) Increase in Apple Country Transit match from \$5,000 to \$9,687 to fully cover match.  
**(Council agrees to keep funding at last year's amount of \$5,000)**
- f) Elections line at \$0 due to no elections.

### Planning Department

- a) Slight increase in total departmental appropriation going from \$156,601 to \$ 161,058.
- b) Biggest increase is in Salaries line going from \$92,033 to \$ 95,081 for merit and COLA

- c) Slight adjustments to salary and fringe benefit lines due to merit pay and COLA.
- d) Travel & Training, Advertising, and Dues & Subscriptions all decreased slightly.
- e) Workers Comp adjusted up slightly due to salaries impacting premium.

#### Town Facilities

- a) A slight decrease in total departmental appropriations from \$ 131,238 to \$ 131,138
- b) Utilities line increase from \$ 58,000 to \$61,000 due to incase in utility costs for Town Hall.
- c) Wellness Program line increased from \$ 5,500 to \$ 7,000 for exercise equipment.
- d) Newsletter Expenses adjusted down slightly from \$400 to \$300.
- e) Contract Services decreased from \$18,000 to \$13,500 due to removal of stream monitoring expense.

#### Police Department

- a) A moderate increase in the overall budget going from \$1,499,776 to \$1,592,034.
- b) Most of the expense increase associated with adjustments to salary fringe line items with COLA and merit included
- c) Request for new MDTs is not included.
- d) Law enforcement separation allowance budgeted for employee retiring.
- e) Largest portion of increase is in the salaries line item going from \$896,700 to \$ 931,978.
- f) Second largest portion of the increase is in the fringe benefit line item items for COLA merit, and health insurance.
- g) LEO Separation Allowance line added at \$8,364.
- h) Decrease in Holiday pay line from \$26,238 to \$ 25,300 due to less projected need.
- i) Increase in Workers Comp from \$19,930 ti \$22,930 due to salaries update and experience modification factor.
- j) All other line items are level or no increase or decrease.
- k) Possibly consider funding MDT's after midyear assessment or revenues.

**Suggestion was made by council that in order to fund MDT's which seem to be needed is to only purchase 2 new patrol vehicles in this upcoming budget year thus have funding to be available to go towards MDT's.**

IT Department

- a) Nearly 13 years with One Who Serves and they continue to provide high quality support at a cost effective price.
- b) Slight decrease in overall departmental budget from \$215,880 to \$208,580.
- c) This is mostly due to a decrease in capital related projects being recommended.
- d) Decrease in Contract line from \$73,400 to \$57,000 due to less hourly time needed for installing or updating systems.
- e) Increase in Dues line from \$25,420 to \$ 37,420 for security training.
- f) Increase in Subscriptions IT line from \$47,260 to \$ 50,710 for new security audit software.
- g) Capital Expense line includes funding for police department server upgrade (\$15,000) and misc. parts & Equipment (\$5,000).
- h) A/V system upgrade considered at mid-year.

Contacted Services Fletcher Fire & Rescue

- a) Fletcher Fire & Rescue (FF& R) will receive what tax levy produces on 11.5 cents of the Town's 34 cent tax rate this year.
- b) Total appropriations for FF&R will increase from \$1,371,104 to \$ 1,473,071.
- c) This includes \$24,000 that is budgeted for prior year adjustment.

Contracted Services Mills River Fire & Rescue

- a) Mills River Fire & Rescue's portion of the tax rate will remain at 11 cents
- b) Total appropriations for Mills River will increase from \$129,172 to \$ 152,114.
- c) This appropriation may change slightly as we receive final property value estimates from the county.

### Public Works

- a) Moderate decrease in total departmental appropriations from \$1,218,753 to \$1,145,175.
- b) Large purchase of recycling and garbage carts last year of reason for drop in total departmental expenses.
- c) This budget includes request for lowboy equipment trailer for hauling backhoe and other equipment.
- d) Does not include request for utility vehicle to replace golf cart.
- e) Salaries line sees moderate increase for merit and COLA adjustments from \$366,872 to \$378,570.
- f) Fringe benefit line item increased for merit and COLA adjustments.
- g) Increase in M & R Town Facilities from \$ 70,000 to \$74,000 for all ongoing maintenance costs.
- h) Increase in Fuel Expenses from \$22,500 to \$24,500 for increased fuel consumption.
- i) Department Supplies decreased from \$143,000 to \$8,000 no recycling carts.
- j) Capital Outlay line increased to \$24,500 for lowboy trailer
- k) Landfill Charges staying level at \$105,000 due to increase in recycling activity.
- l) Increase in uniforms line from \$11,266 to \$11,766 for cost of safety shoes.
- m) Decrease in Tools & Equipment form \$15,000 to \$10,000 due to lower than anticipated costs for purchases.
- n) Slight increase in funding for Powell Bill revenues from \$195,000 to \$197,000.
- o) \$197,000 budgeted on the revenue and expense side.
- p) This is primarily used for re-surfacing streets.

### Parks & Recreation

- a) Slight decrease in overall departmental appropriation from \$683,635 to \$661,187.
- b) Additional full-time Maintenance Worker position not recommended at this time.
- c) Recommend replacement of Scag zero-turn riding mower
- d) Recommending permanent part-time Maintenance worker instead of current practice of hiring seasonal help.

- e) Part-time Salary increased from \$81,950 to \$86,300 for permanent part-time maintenance position.
- f) Increase in Holiday Decorations from \$ 4,000 to \$5,000 for additional lights.
- g) Program Materials increased from \$32,000 to \$34,000 to match costs for 12 events.
- h) Advertising increased from \$1,500 to \$2,000 to better promote events.
- i) Department Supplies increased from \$2,600 to \$ 4,000 to match increased activity.
- j) Concessions decreased from \$ 9,000 to \$ 7,000 based on decreased demand.
- k) Capital outlay at \$ 14,000 for replacement of Scag mower.
- l) Uniforms line increased from \$ 1,400 to \$1,750 for increased cost of clothing.
- m) Park Maintenance line increased from \$41,674 to \$45,000 to cover park activity.
- n) Arboretum line increased from \$1,000 to \$2,000 for creation of community garden.

#### Capital Improvement Budget CIP

- a) Recommended capital budget includes \$0.85 of the tax levy to fund eligible projects.
- b) 0.85 generates \$1,169,004 in revenue for FY 2020-2021
- c) 0.65 generates \$1,169,004 in revenue for FY 2020-2021.
- d) 0.65 would be dedicated for projects supported by debt service and the remaining .02 would be for non-debt service projects, or pay as you go.
- e) The amount of levy available for debt service supported projects will be \$893,945.
- f) Amount of levy available for new projects without debt will be \$275,059.

#### CIP-Debt Service

- a) Two projects funded under debt service – 1) Town Hall Improvements Project; 2) Highway 25 Land Acquisition.



- b) Debt Service requirements for the Town Hall Project will be \$563,962.
- c) Projected debt service requirements for the Highway 25 Land Acquisition will be \$182,266.
- d) Surplus debt service available is \$147,717.
- e) Recommend payment to Unassigned Fund Balance with surplus debt service funds.

CIP-Non-Debit Service or pay as you go projects

- a) Police Vehicles- 3 Patrol Cars \$119,500.
- b) Public Works Dump Truck \$110,000.
- c) Surplus non-debt service funds available is \$45,599.
- d) Recommend payment to unassigned fund balance with surplus non-debt service funds.

General Fund Revenues

General Fund Revenues

Revenue Source	<u>FY 19-20</u>	<u>FY 20-21</u>	<u>Inc./decr</u>	<u>% Incr.</u>
	\$	\$	\$	
Current Taxes	4,167,987	4,397,743	229,756	6%
	\$	\$	\$	
Motor Vehicle	263,619	278,276	14,657	6%
	\$	\$	\$	
2018 Taxes & Prior Years	15,500	11,000	(4,500)	-29%
	\$	\$	\$	
Tax Interest	8,000	7,000	(1,000)	-13%
	\$	\$	\$	
Tax Advertising	1,500	1,000	(500)	-33%
	\$	\$	\$	
Interest on Investments	40,000	33,000	(7,000)	-18%
	\$	\$	\$	
Powell Bill Interest	1,200	600	(600)	-50%
	\$	\$	\$	
Misc. Revenue	11,000	5,000	(6,000)	-55%
	\$	\$	\$	
Utilities Sales Tax	718,000	715,400	(2,600)	0%
	\$	\$	\$	
Beer & Wine Tax	35,950	36,100	150	0%

Cable Franchise	\$ 60,900	\$ 58,000	\$ (2,900)	-5%
Powell Bill	\$ 195,000	\$ 197,000	\$ 2,000	1%
Local Sales Tax	\$ 1,680,000	\$ 1,526,865	\$ (153,135)	-9%
Recreational Activities	\$ 105,000	\$ 90,000	\$ (15,000)	-14%
Business Registration Fee	\$ 7,800	\$ 7,800	\$ -	0%
Land Use Permits	\$ 8,000	\$ 6,000	\$ (2,000)	-25%
ABC Law Enforcement	\$ 4,470	\$ 5,300	\$ 830	19%
Sale of Fixed Assets	\$ 25,000	\$ 20,000	\$ (5,000)	-20%
Grant Funding	\$ -	\$ -	\$ -	#DIV/0!
Lease Revenue	\$ 8,000	\$ 8,000	\$ -	0%
Tipping Fee Tax	\$ 5,583	\$ 5,908	\$ 325	6%
Concession Stand	\$ 10,000	\$ 5,000	\$ (5,000)	-50%
ABC Distribution	\$ 192,000	\$ 200,000	\$ 8,000	4%
Police Revenue	\$ 4,000	\$ 4,000	\$ -	0%
Memorial Golf Tournament	\$ 5,000	\$ 3,500	\$ (1,500)	-30%
Community Park Dvlpmnt. Fund	\$ 1,000	\$ 1,000	\$ -	0%
Appropriated Fund Balance	\$ 20,263	\$ -	\$ (20,263)	-100%
<b>Total General Fund Revenues</b>	<b>\$ 7,594,772</b>	<b>\$ 7,623,492</b>	<b>\$ 28,720</b>	<b>0%</b>

**Mayor Pro-Tem Bob Davy** suggested that we review things in six months to see where we are with the budget given the current situation.

Discussion Followed:

Council agrees to review things in 6 months of the 20/21 FY Budget to see where funds are at the time.

Council agrees to review things in 6 months of the 20/21 FY Budget to see where funds are at the time.

**Mayor Whiteside** asked for a motion to adjourn and it was so moved by Councilman Eddie Henderson and seconded by Mayor Pro-Tem Bob Davy.

**Motion carries all in favor.**

Adjourned: 11:51 am

Approved:

6/8/2020

Date

  
\_\_\_\_\_  
Mayor Rod Whiteside

Town of Fletcher  
Regular Meeting  
Minutes  
May 11, 2020

Call the meeting to order at: 5:55 pm

**Mayor Whiteside** called the meeting to order and did a roll call for all attendees in the meeting.

Those who were in attendance (electronically) are as follows:

Mayor Rod Whiteside  
Mayor Pro-Tem Bob Davy  
Councilman Preston Blakely  
Councilman Eddie Henderson  
Assistant Town Manager Heather Taylor  
Planning & Zoning Director Eric Rufa  
Police Chief Erik Summey  
Parks & Recreation Director Greg Walker  
Public Works Director Jabbo Pressley

**Councilwoman Sheila Franklin** was not in the meeting at this time.

**Town Manager Mark Biberdorf & Town Clerk Christine Thompson** were at town hall for this meeting.

Invocation: Moment of silence for all those who lost lives due to COVID-19.

Pledge of Allegiance: Omit at this time

\*\*\*Public Comment\*\*\*

**No comments were submitted to the clerk to be read at the meeting.**

Approval of minutes-corrections, additions or deletions.

(4/13)

**Mayor Whiteside** asked if council had any questions or comment on the minutes as presented. And if not do I have a motion and it was so moved by Mayor Pro-Tem Bob Davy and Councilman Preston Blakely and seconded by Councilman Eddie Henderson.

**Motion carries all in favor.**

**Council Updates**

**Mayor Pro-Tem Bob Davy** stated that he received an email from Steve Abbott of DOT stating that funds are so low that they are stopping projects that have not been funded and there will be no new contracts at this time.

**Consent Agenda**

Approval of Robert Hutchison to serve another 3 year term on the ABC Board that would expire in 6/23.

Approval of Budget Amendment #1 to that FY 19/20 Budget Ordinance

Approval of Resolution R-20-02 to adopt a Hazard Mitigation plan with Henderson County.

**Town Manager Mark Biberdorf** went over the Consent Agenda items and answered questions council had on these items.

Discussion Followed:

**Mayor Whiteside** asked do we have a motion to accept the Consent Agenda and it was accepted by Councilman Eddie Henderson and it was seconded by Councilman Bob Davy.

**Motion carries all in favor.**

**Update on response efforts and impacts to services with COVID-19-Mark Biberdorf, Town Manager.**

**Town Manager Mark Biberdorf** gave an update on the recent impacts on COVID-19 in the town.

Discussion Followed:

**Councilwoman Sheila Franklin** joined the meeting at 6:20 pm.

**Draft RFP for Town Center project-Mark Biberdorf, Town Manager.**

**Town Manager Mark Biberdorf** went over the proposed RFP draft from Kathleen Rose of Rose & Associates and answered the questions that council had on this proposal. He also stated that he has had several phone calls with interest in our property and that he recommends that we move forward with this.

Discussion Followed:

**Comments from the Town Manager Mark Biberdorf.**

On the proposed development (to keep council informed and not engage in discussion) on Rutledge Road, Eric has been working really hard on this and he has been getting a lot of feedback on this and he provides a brief response that the land is not zoned for this purpose. He has been keeping good records on this and I have as well. This is going before Planning Board by a zoom meeting this month and it will be presented in June to council with the Public Hearing in July.

On the Town Center project and the status of the land closings. Kenneth Youngblood's property has closed and we are close to the land swap with the Lipe property and the town property. Hopefully with the Kenneth Walker property we are getting very close to closing on that as well. On the Hwy 25 project I know Bob mentioned something earlier on the crosswalks and they are not as attractive as stamped asphalt this is a thermoplastic coating that is colored and it looks ok once they get some striping done around it and they are essentially done with the project. I think what looks rough about the crosswalks is that you have got the old material that looks kind of faded Eric if you could make a note to see if something can be done to sort of clean that up.

**Planning & Zoning Director Eric Rufa** stated that from the very beginning of this it has gotten whittled down where initially it was stamped concrete that would have been the most sturdy and we might have assumed we were going to get fresh pavement into the vicinity of these crosswalks which much later into the process DOT informed us that would not be happening. Sooner or later at some point when Hwy 25 gets repaved and then they will have to replace the crosswalks at that time.

Discussion Followed:

I know it was brought up at the meeting last month about creating a general Facebook page that would be different than the Police Department and the Parks & Recreation Facebook page for town matters. We are working on researching on what other places towns etc. are doing. Christine has been doing some research on this and hopefully we will have some information to bring to you at the June meeting. We hope to get that operational in the next month or so.

On the budget retreat on May 2 we are making the adjustments per the feedback from council. I have let department heads know what is in their recommended budget and we will get one more set of values on May 20 and then we will make some final tweaks. If it is more revenue we will apply that by taking the sales tax

figure down. I will have the budget message ready by no later than June 1. Our public hearing will be at the regular meeting and that will be June 8<sup>th</sup>. I appreciate council's feedback.

I mentioned trying to do a call out to the general public on a litter sweep and Jabbo has a list of recommended streets. Does council have any objection with this?

Council is ok with a call going out to residents to get involved in a litter sweep.

**Mayor Whiteside** asked for a motion to adjourn and it was so moved by Mayor Pro-Tem Bob Davy and seconded by Councilman Eddie Henderson.

**Motion carries all in favor.**

Adjourned: 06:51 pm

**Approved:**

6/8/2020  
Date

  
\_\_\_\_\_  
Mayor Rod Whiteside