

Town of Marshville
Town Council Budget Workshop
Monday, May 18, 2015
Marshville Community Center – 118 E. Union St.

Special Meeting

Present: Mayor Deese, Mayor Pro-Tem Virginia Morgan, Council Members Norma Carpenter, Gary Huntley, Margaret Bivens and Jim Rowell.

Staff Present: Town Manager, Fern Shubert; Clerk/Finance Officer, Tonya Johnson. Other department heads were present at various times throughout the day to give FY2015-2016 departmental budget presentations.

Welcome and Breakfast

The Town Manager welcomed everyone to the budget workshop while a light breakfast was enjoyed.

Prior to the department presentations Mayor Deese requested that another budget work session be scheduled for Tuesday, May 26, 2015 if necessary. The consensus was that a public hearing for the FY2015 – 2016 Budget will be called for at the June 1, 2015 council meeting.

The Town Manager reported that the budget draft proposes no tax increases and that it is her desire that rate and/or fee increases may be avoided. She added that last year's budget did not propose pay increases since she had only been here a short time and had not had an opportunity to evaluate the employees' performance. The manager stated, "It is more effective to pay competitive wages to retain good people than to spend time on hiring and training again and again..."

Police Department

The Town Manager reviewed some of the police department accomplishments for the past year.

Chief Tarlton presented the FY2015-2016 budget proposal for the police department. He stated that the police department was restructured last year to get some of the officers pay more in line with what other agencies are paying. Chief Tarlton reported that he expects that 98% of the current year's budget will be spent. One of the challenges the police department is facing is that other agencies are increasing their pay scales due to losing trained employees to higher paying agencies. Chief Tarlton proposed that Marshville increase officers' pay in order to recruit and maintain professional staff. Chief Tarlton proposed ways to meet the challenge of increasing pay to retain good employees. No new vehicles are requested for FY2015-2016. Plans are to ensure proper maintenance of the current fleet. Chief Tarlton informed the council of plans to apply for grants to replace equipment. Chief Tarlton reported that last year, by reaching out to the community, donations were received for the purchase of 2 tasers and 6 holsters, saving the town approximately \$3,000. Chief Tarlton reviewed the various community events the police department participated in. He also reviewed training requirements for an officer, stating that training is an important element of a professional police department. Chief Tarlton pointed out that training is an investment. Chief Tarlton reviewed the proposed major budget increases. He presented a proposal for body cameras for consideration. Discussion ensued concerning the development of a policy governing the use of body cameras. Chief Tarlton proposed a FY2015-2016 pay scale and illustrated the costs to train a new officer. Chief Tarlton presented FY2015-2016 goals for the Marshville Police Department.

Community Development / Parks & Recreation

The Town Manager reviewed some of the Community Development department's accomplishments and events including overall improvement in town appearance due to the litter patrol, the rose project, working with owners to improve town properties, upgrades to town hall, training & job skill courses, participation in county and regional parks and recreation meetings and new bike racks. Events throughout the year include an Easter Egg hunt, a senior luncheon, National Night Out, Small Business Saturday, the annual Christmas Tree lighting and participation in the Small Town Main Street meetings.

Director of Community Development, Alan Thifault, gave a report concerning community development and parks & recreation. He commented that the accomplishments and events could not be carried out without the assistance of other departments. Alan reported that he worked with John Ganus, Code Enforcement Officer, to get several old houses demolished and cleaned up. He also worked to handle nuisance complaints throughout the year.

Alan reported that recreation programs have moved to Wingate. However, baseball will be coming back to Marshville and the town will begin having travel ball tournaments at the park.

Alan reviewed the proposed budget requests for community development and parks & recreation. Council Member Rowell questioned the appropriation of \$5,000 for Small Town Main Street and if the amount can be reduced.

Discussion ensued regarding code enforcement and minimum housing as well as the process for nuisance abatement. Council Member Carpenter questioned the appropriation for contracted services, more particularly, N-Focus Planning and Design. Council Member Carpenter commented that two people are working on code enforcement and no one is doing a good job. The manager stated there is a problem with turnover at N-Focus. She added that she feels Mr. Ganus and Alan are working well together. Council Member Rowell stated that the council should be receiving monthly reports of what is going on with code enforcement. Alan stated that minimum housing is not part of his job responsibility, only public nuisance abatement. It was the consensus of the council to have staff include on the consent agenda a monthly code enforcement report as well as a manager's monthly report.

Admin/Finance

The Town Manager provided an update of the duties/functions of the Town Clerk/Finance Officer and provided some of the accomplishments of the department. Town Clerk/Finance Officer gave the council information regarding insurance renewals, property tax valuation and reassessment information, and state collected revenues for the current year and also projections for FY2015-2016. Clerk/Finance Officer Johnson stated that she and the manager will be working on current year's budget review and cleanup. Council Member Rowell stated there needs to be a line item added for an appropriation to an ABC Board and questioned if the town can use beer and wine distribution tax as an appropriation. Council Member Rowell suggested conversations take place with the Town of Wingate regarding how it started. Council Member Rowell feels that \$10,000 would be a sufficient appropriation.

Public Works

The Town Manager reviewed some of the accomplishments of the public works department. Bivens Steele, Public Works Director, reported on the new section of the Marshville Cemetery. He estimated the town can project to sale approximately 10% of the plots if properly advertised. The Town

Manager added that revenues from the sale of plots can be used to aid in the maintenance and ongoing costs of maintaining the cemetery. Bivens Steele commented that the town should devise some guidelines for the cemetery.

The Public Works Director reported that capital outlay needs to be included in the proposed budget to replace the roofs on the old meter room building as well as the building occupied by Affordable Cleaners. No capital outlay has been budgeted for streets. In department 5700, Powell Bill, a new LED Arrow Sign Board has been requested. No capital outlay has been budgeted for in the Sanitation department. Discussion ensued about the possibility of a recycle center. The Public Works Director reported that revenues for the Enterprise Fund include tap fees for ten Habitat for Humanity houses proposed to be constructed on Elaine Street.

The Water Operations budget includes capital outlay to replace ten fire hydrants and property for a new Booster Pump Station (once land is located).

The Sewer Operations budget includes a \$45,000 appropriation for a new sewer camera. Mayor Pro-Tem Morgan commented that she feels the money could be spent more wisely. Alicia Melton, Utilities Director, commented that Marshville could partner with another town like Wingate to share the cost of purchasing the equipment. It was duly noted that Marshville has an old sewer system. The equipment would be best utilized with a developed maintenance plan.

Council Member Rowell questioned the Public Works Director about salaries. Discussion ensued. Council Member Rowell stated that four employees in the department earn below the federal poverty level. Council Member Rowell commented that no employee should have to supplement his/her income with welfare. Discussion ensued and the Town Manager suggested a \$1 per hour increase for the lower paid employees. It was the consensus of the council to consider a higher percentage pay increase for lower paid employees. The Town Manager stated that the council cannot just look at the police department when considering pay increases. She added that the town has good experience with the continuity of employment.

Alicia Melton, Utilities Director, led a discussion concerning rates for water, sewer and solid waste. Ms. Melton requested/recommended that the new billing format be utilized to breakdown utility charges. Council Member Rowell requested to discuss option 1 of the water rate study. Council Member Rowell recommended that the outside water rate for both the base rate and the cost per 1,000 gallons be twice the inside rate. The excess funds could be placed in a reserve fund for capital improvement projects. Ms. Melton also reviewed option 2 of the water rate study. After some discussion it was the consensus of the council to have Ms. Melton run numbers utilizing option 2 of the water rate study.

Council Member Rowell commented that the sewer rate study provided no options. The manager stated she will propose a recommendation for sewer in the proposed budget which may substantiate a change in the rate. Ms. Melton reported that most of the sewer revenue is generated from outside customers. The current year's budget made a provision to set aside reserve funds in the Enterprise Fund.

Ms. Melton reported that the water department is in good standing, have exceeded projected revenues and coming in under appropriated expenditures. The sewer department is also coming in below appropriated fiscal year expenditures.

Ms. Melton inquired about budgeting for engineering costs if the SRF project application is awarded. She also pointed out the need for the council to establish a charge for getting water from a hydrant. Discussion ensued and Ms. Melton was directed to look into a rate and bring information back to the council.

Ms. Melton commented that the grant cycle for a possible recycle center would be in fiscal year 2017-18.

Ms. Melton discussed capacity fees. This is a cost to new customers to access the system and would apply to all new development. The manager stated that new customers moving in would pay their

proportionate share to use the town's system. It was the consensus of the council to leave the fee schedule as is other than possible rate changes for water, sewer and solid waste, and to incorporate capacity fees into the fee schedule.

Manager's Report

Town Manager Shubert reviewed the year's accomplishments. She discussed Union County sewer issues and substantive discussions with the county regarding sewer billing. The manager reported that the town applied for \$1,000,000.00 to address sewer issues and the most recent update from the funding agency indicates the town is third in line for funding in the way of a fifteen year, interest-free loan. The manager reported that the results of the loan application should be received later in the week.

Town Manager Shubert stated that salary increases are an important budget proponent. The town has good staff and the desire is to retain good employees. The manager commented that salary increases were not proposed last year because she did not know the staff well enough. The manager requested a manager's discretionary fund in lieu of a raise for herself to be used for unbudgeted expenses.

The manager stated she will have a proposed budget for council's review at the June 1, 2015 council meeting.

Adjourn

There being no further comments the meeting was adjourned at 3:09 pm.

These minutes approved this 1st day of June, 2015.

By: _____

Frank Deese, Mayor

ATTEST: _____

Tonya D. Johnson, Town Clerk