

**Town of Pinetops
Board of Commissioners
Special Call Meeting
Annual Budget Retreat
Minutes
March 6, 2020
Pinetops Lions Club**

Attendance: All Board Members were present for the retreat. Also in attendance was the Town Attorney, Town Administrator, Finance Officer, Police Chief and Public Works Director.

Call to Order: Mayor Harrell called the meeting to order.

Invocation: Public Works Director, Phil Webb led the Invocation.

Board Meeting Logistics/Town Hall Conference Room Setup: Administrator Bess explained that sometimes there are changes or additions to the Agenda but she will try to get the agenda out the week before the meeting. She also told the board that she can't always get the financial or departmental reports in time because of how the month ends. The board asked if they could get the reports the Friday before the meeting with data through that date.

Commissioner Mabry presented a layout recommendation for the conference room. His suggestion would give the citizens more room to sit, have all the board members sitting together, and allow them to view the audience and TV. The board members said they had no problem with trying it. Commissioner Taylor made a motion to allow the conference room setup to be changed to see how it flows. Commissioner Pender seconded the motion. Motion passed unanimously.

Budget Discussion/Financial Overview:

A. Fiscal Year 2020-2021 Budget Schedule/Overview

The Finance Officer presented the board members with the 1st draft of the proposed budget for fiscal year 2020-2021. She told the board that the proposed budget didn't include any salary increases, no utility rate increase proposed, no tax rate increase proposed, and no changes to current benefit package. She told the board that she can't finalize her budget numbers until a couple of questions are answered such as salaries, benefits, and utility rates.

B. Committee Budget Requests

a) Christmas Parade

Commissioner Mabry told the board that he had asked the Parade Committee to furnish their budget. He had asked for this information because he wants complete transparency. Administrator Bess told the board that the Parade Committee is currently not set up as a Non-Profit group and this has created a problem for the people who made donations towards the purchase of an expandable Christmas Tree. The Parade Committee can apply for non-profit status but the main question is whether the town board wants to leave things as they currently are or be totally responsible for the Christmas Parade. Commissioner Mabry suggested this issue be tabled until they can have a chance to discuss it further. Commissioner Sugg seconded the motion. Motion passed unanimously.

b) Departmental Requests/Changes

- 1) Public Works Director, Phil Webb took a little time to discuss his requests/changes for the upcoming fiscal year. He still wanted the board to consider the purchase of some vehicles that he had asked for in FY 2019-2020. (a) 1 pickup truck that is 20 years old \$25,000 (b) digger derrick/line truck that is 25 years old \$50,000-\$70,000 (c) 1997 model service bucket truck. He told the board that there is a lot of areas around town that need repaving so they may want to create a paving project listed the worst areas first so they can budget a few areas each year. Mr. Phil stated that at some point the wastewater treatment plant is going to require modification and may need replacing. Along the same line he mentioned that Well #4 is being replaced but Well #5 is 34 years old and our newest well is over 20 years old. The expected life of a well and water lines is about 40 years. He also mentioned that at some point the shop needs reskinning. There are some utility poles throughout town that are in need of replacing. He asked the board to consider salary merit increases depending upon getting certifications as well as a COLA increase since the employees didn't receive one in the current fiscal year 2019-2020.

Commissioner Sugg recommended a Comprehensive Assessment Study be done on the Wastewater Treatment Plant. This would be helpful in determining the problems areas and hopefully give a projected costs of any repairs/replacements that are needed.

Commissioner Sugg made a motion to designate the \$28,949 from the US Bank Account which was money left in escrow when the knuckle-boom truck was purchased towards the purchase of a line truck. Commissioner Webb seconded the motion. Motion was passed unanimously.

- 2) Police Chief, Stacy Harrell handed out to the board members a copy of the Pinetops Police Department Report and Projections for 2020-2021. Along

with the handout he also prepared a power-point presentation. During his presentation he asked for a 2% COLA increase for his department since they didn't receive one in the current fiscal year. He also asked that the longevity pay be kept in the budget because his officers depend on it and it helps in retention. He told the board that he will be trying to use more reserve officers since he has more control of how they are scheduled and you don't have to pay them the benefits associated with a regular position. He was also requesting another police car be purchased through USDA. If awarded through the USDA the loan term would be 7 years with an annual payment of around \$3,500. He also mentioned that if awarded he would try to sale the old police car as surplus.

C. Employee Christmas Bonuses

Administrator Bess asked the board if they wanted to change the way the employee Christmas Bonuses are currently paid. Currently the employees receive a Christmas bonus based on 2% of their annual salary from the previous calendar year. The amount paid last year for Christmas Bonuses was \$ 15,548. Commissioner Mabry made a motion to pay Christmas Bonuses this year at 2% of the employee's base salary until the merit performance system can be implemented. He also suggested that all employee be made aware this year when they receive their bonus that from this point forward it will not be paid out the same way. Commissioner Taylor seconded the motion. Motion passed unanimously.

D. Employee Benefits Review

The Finance Officer made the board aware of a potential problem with the 457 Plan which could cost the town potentially \$43,000 if all eligible employees joined. Currently only 3 previously retired employees have joined with the town contributing 5% with no employee match required. After researching the plan there is no restriction on who can join so if all eligible employees did decide to join it would increase the towns cost by around \$40,000 annually. She went on to explain that the full-time employees are only receiving 2.5% towards there 401-k plan while the previously retired employees receive 5% on the 457 plan. Commissioner Mabry made a motion to amend the personnel policy so that the plan will no longer be available to other employees. Commissioner Taylor seconded the motion. Motion passed unanimously.

The employee's health insurance and dependent coverage was also talked about briefly. The Finance Officer mentioned that the dependent coverage is paid on a percentage basis determined by the length of employment. She mentioned that a couple of employee's dependent coverage is paid 100% making that coverage more expensive than the actuals employee's coverage. Mayor Harrell told the board that

this benefit was offered in the past to try to help offset the expense of medical coverage. The board wanted to get a few different options to look at before any decisions are made. They recommended contacting a couple of medical providers, check into offering a flex plan again and looking at getting a benefit administrator to come down.

Discussion: "Deputy David Sean Manning Way"

Town Attorney, Brian Pridgen told the board that he has not seen a process in place for municipalities concerning street name changes even though there is one on the county level. He suggested the board adopt new policy procedures pertaining to requesting a street name be changed and begin following that. Once that is done he told the town that they can revisit the issue to rename the street back to what it originally was if they so choose too. Commissioner Taylor told the board that she has been in contact with the family and they just want the issue resolved one way or another so it can finally be put to rest. Commissioner Taylor made a motion to move Deputy David Manning's picture out of the town hall lobby and put it upstairs in the police department. Commissioner Webb seconded the motion. Motion passed. Mayor Harrell asked the board to consider hanging Milton Carlton's picture in the conference room instead of back in town hall because he wouldn't want it on display. Commissioner Sugg made a motion to hang Milton Carlton's picture up in the conference room. Commissioner Pender seconded the motion. Motion passed unanimously. Along the same line, Mayor Harrell suggested the board think about developing a policy pertaining to hanging pictures, plaques, etc. in the town hall due to the lack of space there and the fact it could get overwhelming.

Strategic Planning

The Town Attorney suggested the board pick 2 or 3 items now to be discussed for strategic planning. He explained that if you go ahead and pick a couple of items now then you will know how to prioritize them moving forward and how to budget appropriately. One item that was brought up for discussion was the drainage issues throughout town. Commissioner Pender made a motion to appoint Commissioner Sugg and Commissioner Mabry to head up the strategic planning. Commissioner Webb seconded the motion. Motion passed. Commissioner Mabry suggested they meet with the public works director to outline all the ditches in town and then prioritize so that when funds become available they will know exactly how to proceed.

Administrator Bess told the board that she can work on developing a draft of a strategic plan for infrastructure and personnel which are two key areas that need addressing. Commissioner Mabry stated that we need everyone's feedback from the public, to businesses, to employees, to board members. Commissioner Sugg

mentioned that the other day he and the Mayor met with Mr. Height from the Upper Coastal Plain Council of Governments who informed them that the NC Commerce would help municipalities develop strategic plans. Commissioner Sugg made a motion that Mr. Height be contacted about helping the town develop a strategic plan. Commissioner Mabry seconded the motion. Motion passed.

The board took a few moments to talk about the Beautification funds. Commissioner Mabry suggested the board go back to just approving work that is done to the outside of the building; don't pay for inside improvements. They felt like all businesses in Pinetops should be eligible and not just the ones on Main Street. They also liked the idea of leaving the total budget line item amount at \$3,000 which will allow six businesses to qualify for the \$500 limit. Commissioner Webb made a motion to budget \$3,000 to the line item Beautification and that it be divided up to a \$500 limit per eligible business for outside improvements only. Commissioner Mabry seconded the motion. Motion passed.

Commissioner Mabry made a motion to appoint Wanda Harrison to fill the vacancy on the Planning Board. Commissioner Webb seconded the motion. Motion passed.

Commissioner Sugg made a motion for the Town of Pinetops to keep providing security for the annual Tractor Pull at a cost of around \$4850. Commissioner Mabry seconded the motion. Motion passed.

Commissioner Mabry had to leave the retreat a little early due to personal reasons but before he left he asked the board to consider implementing the 2% electric decrease that citizens were promised over 2 years ago. He stated that he hates to hear that the electric department is the town's money maker but we can't afford to lower the rates. He also said he realizes that the electric fund makes transfers to others departments but maybe we should consider making other changes to help offset that.

Commissioner Sugg wanted to know if we can adopt a Resolution stating that employees or department heads cannot serve on a town board. The attorney explained that this is tricky because when you have a municipality sometimes it is hard to fill positions from outside sources. There are times when positions may overlap.

Commissioner Sugg asked why the town board don't know more about the operations of the Volunteer Fire Department. He was questioning the fact that the town purchases the equipment & vehicles as well as the town owning the building. The Attorney asked how much the fire department receives from the town budget

to which the finance officers responded around \$49,000. The budget amount is divided between several line items for the fire department and not recorded as just one line item for contracted service. The fire department currently submits invoices to the town for payment. The board just wanted to make sure that everything is transparent.

Commissioner Sugg asked that the board be made aware of all current and future projects of the town and that they receive progress reports at every phase in order to be kept abreast of all on-going projects.

Commissioner Sugg asked the finance officer to explain the process of making budget amendments and asked if they had to go before the board for approval. She explained that when they approve the propose budget along with the budget ordinance they are authorizing the finance officer to make funds between departments as needed. Any transfers made outside of the same fund must go before the board for approval. She went on to explain that she keeps all budget amendments and at the end of the fiscal year will present them to the board for approval. She also said that if they would like to approve them quarterly or monthly she could do that also.

Commissioner Sugg recommended the town look into purchasing a new generator for the town hall because the one we currently have is under-scaled.

Administrator Bess informed the board that she is looking into outsourcing the Payroll as well as Tax Collection. Edgecombe County will only charge a percentage based on the amount it collects for the town. By contracting this service out the town will not have to pay for the tax program, advertise delinquent taxes, or appoint a new tax collector. By outsourcing both of these items the town will save on salaries and benefits by not having to fill the vacant administration position.

Chief Harrell recommended the town pass an ordinance on "No Firearms Allowed on Premises" for all town owned property. He would also purchase signs stating this ordinance to be placed on all doors. Commissioner Sugg made a motion to pass an ordinance prohibiting Firearms on all town owned property. Commissioner Webb seconded the motion. Motion passed.

Commissioner Webb made a motion to adjourn. Commissioner Sugg seconded the motion. Motion passed.

Date: 4/21/2020

ATTESTED:

Tammy Keesler
Finance Officer/Town Clerk Tammy Keesler

Brenda Harrell
Mayor, Brenda Harrell