**Town of Haw River**

**Town Council Special Called Meeting**

**Thursday March 2, 2017**

The Town Council of the Town of Haw River held a Special Meeting of the Town Council on Thursday March 2, 2017 in the Haw River Municipal Building at 6:00 pm.

Council Members Present: Mayor Buddy Boggs, Lee Lovette, Jeff Fogleman, Kelly Allen, and Steve Lineberry

Council Members Absent: n/a

Also Present: Manager Jeff Earp, Clerk Melanie Eveker

Mayor Boggs called the meeting to order and gave the invocation at 6:00 pm.

Manager Earp informed the Council that budget packets have been distributed to department heads and the budget process for 2017-2018 has begun. He then presented the Council with preliminary information pertinent to budget planning.

**Revenue Notes:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund Balance Comparison** |  **14-15**  | **15-16** | **Increase/Decrease** |
| Unassigned General Fund |  649,412  |  578,507  | -11% |
| Powell Bill |  426,060  |  484,206  | 14% |
| Public Safety |  167,223  |  141,711  | -15% |
| Other |  |  |  |
| Reserved State Statute |  199,799  |  343,284  | 72% |
| General Government  |  46,312  |  -  | -100% |
| Civic Center |  59,317  |  59,317  | 0% |
| Reserved Current Year |  49,048  |  75,000  | 53% |
|  |  |  |  |
| Combined Fund Balance |  1,597,171  |  1,682,025  | 5% |
|  |  |  |  |
| Proprietary Fund Cash Reserves: |  |  |  |
| Water/Sewer Fund |  926,177  |  1,070,515  | 16% |
| Stormwater Fund |  81,163  |  92,144  | 14% |
| **Total** |  **2,604,511**  |  **2,844,684**  | **9%** |

# General Fund

1. Property Tax is expected to increase approximately 3% to approximately $690,000 (95%) due to new housing and business personal property. Fire Tax is expected to increase to approximately $263,000 (95%). (Includes approximately $20,000 that will be set aside in a capital reserve fund as noted on the expenditure side.)
2. Sales taxe revenues are projected to come in 5% above projections this year. ($25,000)
3. Interest on investments is slowly increasing.
4. Utilities franchise tax is projected to come in approximately 3.5% below projections this year. ($5,000)
5. All other revenues remain stable.

# Powell Bill Fund

1. Powell Bill revenues will remain relatively steady at $62,000 in the upcoming budget year due to projected state calculations.

**Water/Sewer Fund**

1. Water/Sewer revenues will remain steady and we should see a relatively small increase due to the slip lining project.

**Stormwater Fund**

1. Revenues will remain steady.

**Expenditure Notes:**

General Fund

General Notes:

1. Each year a major factor in our budget development is cost of health insurance for employees and retirees. We have already been notified by the NCLM that our increase in health insurance will be .03%. (less than 1%)

# 3. Current Debt Service will remain at the 2015-2016 levels. But depending on how we handle the capital needs for the 2016-2017 fiscal year debt service could increase.4. We are expecting at least a $1,000 increase in the animal shelter fees and have yet to determine impact of proposed animal services facility.

#  5. I anticipate increased funding for economic development activities, at what level will be determined by council plans.

# Powell Bill FundGeneral Notes:

1. Expenditures: no increase except sidewalk expansion project and capital request for new road mower.

# Water/Sewer FundGeneral Notes:

1. Sewer expenditures should decease due to the decrease in I & I thanks to slip lining leaking lines.
2. Water/ Sewer will have increased costs if there is a Burlington rate increase.
3. Debt service payments for the fund are steady at approximately $33,100 annually. (New Pump Station Debt Service)
4. Capital Outlay needs are addressed in separate capital section of memo.

**Stormwater Fund**

1. No significant change.

**Town Personnel/Capital Needs by Department**

**Town Council Cost**New technology to record meeting minutes $1,200
Revise staff seating in Council Chamber $3,500

**Administration:**Repair Town Hall leaking bricks and windows Unknown
Repair Masonry at entrance $3,000

Police Chief Toby Harrison presented the Council with a PowerPoint and some preliminary budgetary requests. PowerPoint presentation is attached.

**Police:**Patrol (1) and (1) Admin. Police Cars $80,000
Security Camera replacement for Building $1,500
Vinyl PD Building (exposed wood) $10 to 15K

Fire Chief Joseph presented the Council with two PowerPoints along with his preliminary budgetary requests. PowerPoint presentations are attached.

7:42 pm

Mayor Boggs called a recess.

7:50 pm

Mayor Boggs called the meeting back to order

**Fire:**Personnel – 5 Firefighters $156,275 + benefits
Other Cost of Personnel (bedding, uniforms, etc.) $26,500
Increase funding requested for P/T staffing ($10/HR to $12/HR) no funding increase
and per call pay ($8/per call to 10/per call $8,000
Upgrade Portable (20 ea.) and mobile radios (7 ea.) with 7 yr./lease $31,970.00/yr.
New chief’s vehicle $34,000
IPad Pro project for trucks (3 ea. with wifi) $3,000

Chief is also asking permission to order 2 apparatus (1 Engine and Rescue/Utility vehicle). The lead time is 500 days. The cost will be approximately $630,000.

**Public Services**

Public Services Director King presented the Council with his preliminary budgetary requests.

**Parks & Rec: COST**Tennis Courts Rehabilitation $30,000
1 replacement Vehicle $30,000
Replace Security System $2,500 to 3,000
Add Bocce Courts $2,500
Replace Picnic tables $4,500

-Need discussion about replacement of concession stand ($180,000) or contracting with third party to provide services.

-Increase programming to add Movie Nights and a Founder’s Day Celebration

Manager Earp presented the remaining departmental preliminary budget requests.

**Public Works:**Replace Lawn Mover – O turn $12,000

**Utilities:**Upgrade to Lang St Pump Station Loan/Grant $700,000 TO 1,000,000
Replacement Truck (Glen) $28,000
Replace Backhoe (1990) $95,000 to 110,000
Replace fire Hydrants and valves (4 ea.) $22,500
Replace Pipe Locator (current 15 years old) $6,000
Replace Wilkins Road Pump ( 1) $15,000

**Powell Bill Fund**
Replace ROW Mower ( current 1992 Model) $ 125k to 150 k
Paving expense expected $150,000

**Things to keep in mind:**

* 1 cent on the tax rate is approximately $14,445.

**DEBT SERVICE:**

|  |  |  |  |
| --- | --- | --- | --- |
| Debt Service Payments |  |  |  |
|  |  |  |  |  |
| General Fund  |  |  |  |
|  | Fire Truck | Wells Fargo | Feb-18 |  47,574.00  |
|  |  |  | Feb-19 |  47,574.00  |
|  |  |  |  |  |
|  | Police Cars | Wells Fargo | Jan-18 |  18,935.00  |
|  |  |  | Jan-19 |  18,935.00  |
|  |  |  | Jan-20 |  18,935.00  |
|  |  |  | Jan-21 |  18,935.00  |
|  | Boom Truck | Carters B&T | Mar-18 |  22,067.00  |
|  |  |  | Mar-19 | 22,067.00 |
|  |  |  | Mar-20 |  22,067.00  |
|  |  |  | Mar-21 | 22,067.00 |
|  |  |  | Mar-22 |  22,067.00  |
|  |  |  | Mar-23 | 22,067.00 |
|  |  |  | Mar-24 |  22,067.00  |
|  |  |  |  |  |
| Water/Sewer |  | Jun-17 |  33,089.00  |
|  | Pump Station | Revenue Bonds | Jun-18 |  33,089.00  |
|  |  |  | Jun-19 |  33,089.00  |
|  |  |  | Jun-20 |  33,089.00  |
|  |  |  | Jun-21 |  33,089.00  |
|  |  |  | Jun-22 |  33,089.00  |
|  |  | Jun-23 thru | Jun-52 |  33,089.00  |
|  |  |  |  |  |
|  |  |  |  |  |
|  | CWSRF loan (sliplining project)  | Loan | May-17 |  25,000.00  |
|  |  |  | May-18 |  25,000.00  |
|  |  |  | May-19 |  25,000.00  |
|  |  |  | May-20 |  25,000.00  |
|  |  |  | May-21 |  25,000.00  |
|  |  |  | May-22 |  25,000.00  |
|  |  | May-23 thru | May-36 |  25,000.00  |
|  |  |  |  |  |

9:32 pm

Councilmember Allen made a motion to adjourn. Motion carried 5-0.

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Buddy E. Boggs, Mayor Melanie R. Eveker, Clerk