

FY-17 BUDGET WORKSHOP
MAY 17, 2016 – 10:00 A.M.
TOWN HALL

I. CALL TO ORDER

The FY-17 Budget Workshop was called to order at 10:00 A.M. by President Correll. Present: Commissioners Tim Banks, Lawrence Tassone and Town Manager Jesse Savage.

II. QUORUM PRESENT

A quorum was present, despite the absence of Commissioners McDowell and Banks.

III. CAPITAL BUDGET DISCUSSION

Town Manager Savage previously met with Department heads concerning their budgetary needs.

Transfer Tax of \$312,898.00 has been collected above what is needed to balance the FY-16 budget and is currently available to pay down debt in FY-17.

- Administration: No new vehicle is included in the budget. The 2001 Crown Victoria is used for local meetings; replacement is in the future. Extra Police vehicles are not in good shape. Town Manager Savage suggests a small SUV for Admin/Commission use; mileage re-imbursement would no longer be necessary. This is not in the FY-17 budget and will be considered in the future.
- The Town is advertising for a new, certified Police officer and has applicants. As of July 1 the Town should only be down only one officer. \$35,000 is allotted in this budget for a new Police vehicle.
- Street Dept: “Bike Path/Ball Park Lane” – anticipates receiving full funding for re-surfacing; however, will place a match in the budget, if needed. The Town re-surfaced John’s Alley last year at no cost, due to its location next to Dollar General. Ball Park Lane, used by Little League/Pop Warner, is on the list for replacement. Portions are in fairly good shape; however there is extreme deterioration beyond the fields. Representative Wilson has indicated he would help fund the paving and Town Manager Savage recommends that it be done. The Bike Path would branch off from this road. Town engineer DBF, Inc. is working on the project. Since it is close to the Bike Path, it can be a joint project.
- Wastewater Dept: Will try to postpone replacement of a Clarifier Sludge Pump until the treatment plant upgrade. It will stay in this year’s budget with the hope that the replacement won’t be needed.
- Water Dept: Will save money in this dept. for possible future water line replacements.
- Transfer Tax – Capital: Includes debt principle payments on water/sewer loans (w/ May/June yet to go – might rise to \$350,000.)
- Water Dept: \$1.92 million outstanding on two loans
- Wastewater Dept: Town Manager Savage listed all loans and amounts due and efforts to re-finance loans due to the upcoming Treatment Plant Upgrade.
- The Commission will return to this issue at year’s end to determine transfer tax availability.
- President Correll advised the Town will be required to go to Referendum for the new WWTP.
- Town Manager Savage recommended paying the principal on the 4-1/2% USDA loan (1996).
- Taxes must be raised at some point. Small bites seem more palatable to homeowners than large increases less often. Taxes need to be reviewed every 2 years.
- The Town is using \$225,000 in transfer tax to balance this budget.

- A Resolution for both capital and operating budgets will be on the June Agenda.

IV. PAY SCALE

There was general agreement at the last Budget Workshop to include a .7% CPI increase. All employees with a satisfactory evaluation would receive a 2% level increase and .7% CPI increase for a total of 2.7% increase.

Motion to approve the pay scale as presented – Tassone; 2nd – Banks; motion carried with three Commission members voting.

V. INTRODUCTION OF RESOLUTION TO APPROVE THE FY-17 OPERATING BUDGET

Town Manager Savage advised this is a tight budget with only necessities included; however, it does not defer any necessary maintenance. The proposed budget is a 4.3% increase. The large jump in the Administrative Department is the addition of transfer tax. The largest increase on the expense side is the principal on the new Water Dept. loan.

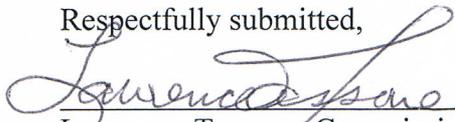
President Correll congratulated Town Manager Savage concerning his efforts with this budget. She added that our Department Heads have been very frugal.

Per Town Manager Savage, the Town must introduce a new budget by the first Tuesday in June. It will then be adopted at the June Commission meeting. This satisfies the Charter.

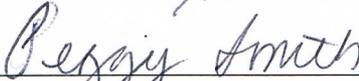
VI. ADJOURNMENT

Motion to adjourn – Tassone; 2nd – Banks; motion carried. The meeting was adjourned at 10:34 A.M.

Respectfully submitted,



Lawrence Tassone, Commission Secretary



Peggy Smith, Transcriptionist