



## **Council Budget Workshop Minutes, August 12, 2020**

Call to Order at 7:46 p.m.

Roll Call

- Councilmember Noble
- Council member Zemaitis
- Mayor Dudley
- Council member Hautt
- Vice Mayor Howell
- Manager Campbell
- Attorney Mora

### Discussion of Proposed FY 2020/21 Budget

#### *Trim Notice & Millage Information*

Councilmember Zemaitis commented on the roll-back and current year millage rate. Questioned why ad valorem on this sheet does not match the ad valorem in the revenue section. She stated we are in a pandemic and she is trying to save tax dollars for our residents. She stated if we are going to approve the 5.374 millage rate, we should give back to the residents, for example the recreation reimbursement. She also wanted to know why we were going with the 5.374 vs the 4.9034 millage rate.

Manager Campbell stated staff can identify what lines 16,17 and the automated County forms represent. Staff can bring back to Council what revenues would be at different millage rates and how it would affect budgeting for the next fiscal year and outyears.

Councilmember Hautt stated that the Town increases its millage rate because of continually decreasing revenues. The cost of doing business consistently rises, many contracts and wages increase 3%. If we don't continue to fund our Town, sooner or later it will become a problem.

#### *General Fund Revenue*

Manager Campbell stated that municipalities are experiencing declining revenue sources, making it difficult to sustain their Town with the money coming in. We had the highest ad valorem rate increase this year, higher than any other municipalities. We have tapped out the funding sources for additional revenue streams. The ones remaining are the storm water impact fee or a fire tax.

The figures will be provided to illustrate the amount that will be borrowed from reserves if we go with the lower millage rate.

Councilmember Nobel had questions on the Audit Report.

Manager Campbell suggested Councilmember Nobel speak with the Auditor Paul Crawford in reference to her questions.

Attorney Mora stated there are rules and guidelines governing the production of an audit and how it is formatted. He stated Councilmember Noble's questions are better directed toward the professional who produced the Audit.

Councilmember Noble questioned the decrease in license and permits.

Manager Campbell explained that COVID-19 may affect those revenues.

Councilmember Noble questioned what is put under miscellaneous revenue.

Manager Campbell explained what line items on page 25, go into the category of revenues. Staff will work on a detail of revenues, similar to the detail of expenditures.

#### General Gov't Expenditures

Councilmembers asked questions on the following items listed below:

##### *Communications – Telephone/Cell/laptops*

Councilmember Zemaitis wanted to know what these items included.

Manager Campbell explained the line items.

Mayor Dudley referred her to the Detail of Expenditures section.

##### *Fuel*

Councilmember Noble wanted to know how this was calculated.

Manager Campbell stated an inhouse study has been completed, very accurate accounts of fuel use by department.

##### *Electricity/Water & Sewer*

Councilmember Noble asked where the meters are and how we divvy up the costs.

Manager Campbell explained Duke Energy billing, meters and how we budget.

##### *Printing/Other printing*

Councilmember Noble asked for the description of what is including in these line items.

The details are listed in the Detail of Expenses section.

Councilmember Zemaitis questioned what Communications/lap-tops, entailed. The details are in the detail of expenditures section of the budget.

Councilmember Zemaitis questioned the 1% increase for the Town Clerk and what her plan and timeframe to complete her certification.

Clerk Matson stated the plan is an 18 month plan starting last April. However due to COVID-19, the classes are fewer at a time.

#### *Website*

Councilmember Zemaitis wanted to confirm the increase in the website budget was to cover the cost of updates.

Manager Campbell stated it was design costs and upgrades to the website.

#### *Law Enforcement*

##### *Ammunition*

Councilmember Zemaitis questioned the reason for the ammunition increase.

Chief Riley stated prices are soaring due to riots and the pandemic. Almost all ammunition, is backordered for months on end. He also stated the PD never spend its full budget.

##### *Communications- cell/laptop*

Councilmember Noble asked if we buy or lease the laptops.

Chief Riley stated laptops are purchased every three years and are exposed to a lot of heat. They are purchased at special prices from a state contractor.

#### *Public Works*

##### *Generator Maintenance, new line item*

Councilmember Noble and Zemaitis asked about generator maintenance line item.

Manager Campbell explained. She was referred her to the Detail of Expense section.

#### *Emergency Disaster Relief*

Councilmember Noble asked what this included.

Manager Campbell stated it is anything that is not budgeted and relates to disaster expenses, i.e., hurricane or pandemic or some other major disaster.

#### *Other Human Services*

##### *Recreation Fee Reimbursement*

Councilmember Zemaitis questioned if this could be implemented again.

Mayor Dudley stated the majority of sports/municipal sports do not charge non-resident fee anymore.

There was consensus by Council to add an additional amount to in the recreational fees line item.

Councilmember Noble stated she would like the Revenue/Expense report in an excel form.

Attorney Mora stated that nothing prevents the Council from speaking with staff about their specific questions, outside of the Council meeting. That might help the Council be better informed and prepared.

Adjournment at 9:11 p.m.

- i. Motion Councilmember Hautt
- ii. Second Vice-Mayor Howell

Respectfully submitted,  
Cindy M. Matson, Town Clerk