Board of Commissioners
Special Meeting- Budget Workshop Minutes
May 24, 2024

Board members present: Mayor Tim Helms
Mayor Pro Tem Mason Blake
Commissioner Jane Alexander
Commissioner Kitty Fouche
Commissioner Tom Widmer

Board members absent: Commissioner Grant Dasher

Town staff present: Savannah Parrish, Town Manager (via Zoom)
David Arrant, Chief of Police
Barry Creasman, Public Works Director
Rachel Eddings, Finance Officer
Angie Murphy, Town Clerk

There were four members of the public present in Town Hall.

Agenda Adoption

Commissioner Tom Widmer moved to adopt the agenda as presented. Commissioner Jane Alexander seconded, and the motion carried 4/0.

Budget Workshop 2024-2025 Fiscal Year Budget

Presentation of Proposed FY 24/25 Annual Budget

A recording of this meeting is available at the following link: Budget Presentation Workshop 5/24/24 (youtube.com)

Town Clerk Angie Murphy advised that Town Manager Savannah Parrish was out sick but was watching the presentation via zoom. Ms. Murphy took a moment to thank Town Staff for all their hard work on the budget preparation process. Ms. Murphy gave extra thanks to Finance Officer Rachel Eddings who spent a great deal of time working on the budget as well as today's power point presentation. Ms. Murphy advised that this budget was thorough but conservative.

The proposed FY24/25 Annual Budget shows an increase of 14.21% in the General Fund over FY23/24 and an increase of 5.98% in the Water Fund over FY23/24 for a total increase of 12.86%.

The Budget was then broken down by department and percentage increase/decrease over last fiscal year.

- Governing Body 7.92%
- Administration -4.55%
- Public Buildings 7.14%
- Police -3.84%
- Planning & Zoning 11.49%
- Public Works 21.37%
- Streets 67.57%
- Sanitation 7.75%
- Recreation 4.34%
- Water 5.98%

Total 12.86%

Governing Body Notable Items

- Anticipating an increase in audit costs
- Increase in School of Government Membership Fees
- Increase in NCLM Membership Fees
- Kiwanis Membership
- Chamber of Commerce Membership

Administration Notable Items

- Tyler Technologies Financial Software Implementation is complete
    - The reduction of providing fund for two financial software systems

Public Building Notable Items

- Increase in property and liability insurance

Police Notable Items

- No vehicle purchases in FY24/25
- Reflects an initial salary increase for newly hired police officers

Planning & Zoning Notable Items

- Increase in Zoning Administrator's Contract
- Increase in Building Inspector's Fees

Public Works Notable Items

- Purchase Snow Plow
- Increase in Stormwater Program Fees

Streets Notable Items

- Bucket Truck Tires and Repairs
- Leaf Removal Service

- Sidewalk Project
- Texas Road Pedestrian Bridge Project

Sanitation Notable Items

- Convenience Center Upgrades
- Significant Repairs Required on 2006 Truck
- Continued Increases in Rental and Dumping Fees
- Sanitation Calendars

Water Notable Items

- Meter Purchases
- Budgeted Utility Billing Clerk Salary

Budget Summary – Highlights

- Up to a 3% Merit Increase
- 3% COLA Increase
- Town provided family insurance coverage
- Sidewalk Project
    - Completing and connecting sidewalks from the corner of Rainbow Terrace to Lake Susan
- Convenience Center Upgrades
    - Additional lighting for safety
    - Fencing
    - Security System
- Water Meter Replacement – continuation
- Texas Road Pedestrian Bridge Project

Public Comment

Letta Jean Taylor of 386 Oklahoma Road expressed her happiness in seeing the 3% COLA and up to 3% merit included in this proposed budget. Mrs. Taylor was also happy to see the family insurance proposal. Mrs. Taylor stated that she hoped any employees currently making below the Living Wage would be adjusted to the Living Wage amount before the addition of the COLA and merit increases. Mrs. Taylor also stated that the Town has trained and dedicated employees and they need to be compensated for their efforts. She mentioned that Public Works saved the Town money by seam sealing Assembly Drive and doing work on Texas Road in-house. Mrs. Taylor stated that she did not see any budgeted paving projects for the upcoming year. She stated that once the Town gets behind in paving it will be hard to catch up. Mrs. Taylor also stated that she would rather use the money slated for the Texas Road Pedestrian Bridge for much needed paving projects in Town. Ms. Murphy added that paving projects may be added later after the receipt of Powell Bil Funds.

Dr. Mary Standaert of 118 Shenandoah Terrace agrees with Mayor Pro Tem Mason Blake in that the

Water Fund accurately reflects the resources used by the Town. Dr. Standaert stated that she agrees with the basics of making the Texas Road Pedestrian Bridge safe and feels that adding a covered portion will be just deferred maintenance for future generations. Dr. Standaert also stated that she appreciated Commissioner Fouche's comments about the $15 a month sanitation fee. Dr. Standaert stated that as a citizen she would expect the sanitation fee to be included in her taxes not as an additional "add-on" fee. Dr. Standaert advised that if they want to move forward with the sanitation fee then the Commission needs to raise taxes. Dr. Standaert also expressed her agreement in increasing building and zoning permit fees. Dr. Standaert also suggested that residents in the ETJ pay their proportionate share of they are using Town services. Dr. Standaert took a moment to thank Town Clerk Angie Murphy for leading the budget discussion.

Jean Norris of 192 Mississippi Road expressed her delight upon hearing that the sidewalk completion project will be included in the upcoming budget. Ms. Norris also recommended adding an ADA sidewalk which would add cost but also safety. Ms. Norris stated that she would like to see sanitation costs only funded by the $15 per month sanitation fee.

Commissioner Tom Widmer stated that there was a huge wage, and benefits increase slated for this budget. Commissioner Widmer stated that the City of Asheville was only offering a 4.1% increase which they would have to dip into their Fund Balance to be to afford. Commissioner Widmer stated that the payroll and benefits would continue to increase as the years go by. Commissioner Widmer felt that a 6% overall salary increase, an increase in retirement percentages, and paid insurance was more than the small budget of Montreat could afford one year. Commissioner Widmer also stated that he prefers merit raises over COLA raises and feels that the extra $90,000 set aside for wages/benefits is excessive in comparison to other projects that need to be addressed. Mayor Helms stated that in local government it has recently become very competitive to retain good employees. Mayor Helms also stated that police salaries are much higher in nearby communities which makes attracting new officers difficult. Mayor Helms felt that the family insurance and merit/COLA raises would help retention. Commissioner Widmer suggested sharing the cost of family insurance with employees. Mayor Helms suggested that Ms. Eddings and Ms. Parrish investigate shared cost versus 100% town paid family insurance. Commissioner Alexander expressed her interest in providing family insurance for retention purposes. She also supports the COLA raise. Mayor Pro Tem Mason Blake felt that the Town should aim for fully paid family coverage over the next 1-3 years. Mayor Pro Tem Blake also shared his thoughts that probably other people would want to move over the leaf removal option and pay that money to Town employees. He went onto say that Montreat has a great group of employees and if they start to move on the Town will have a hard time replacing them.

Commissioner Jane Alexander moved to adjourn the meeting. Commissioner Kitty Fouche seconded, and the motion carried 4/0. The meeting was adjourned at 5:24 p.m.

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Tim Helms , Mayor Angie Murphy, Town Clerk