

City of Saluda

Budget Workshop Minutes

Board of Commissioners



Date 4/21/2021
Time 05:30 PM
Location Saluda Library Chambers Room

1 - Call to Order

Mayor Baisden called the meeting to order at 5:30pm.

Mayor Baisden read a notification that the meeting was a video broadcast with closed captioning to the public via Zoom.

2 - Roll Call

Attendance was taken, and those present were **Mayor Fred Baisden, Commissioner Stan Walker, Commissioner Mark Oxtoby, Commissioner Paul Marion, City Manager Steve Orr, Finance Officer Julie Osteen, Police Chief Charles Conner, and City Clerk Tola Mueller.**

3 - Budget Discussion

Finance Officer Julie Osteen presented Version #1 of the proposed budget for the 2021-2022 FY.

Mr. Orr added that this will probably be the first discussion of three (3).

Ms. Osteen explained that the budget does include state retirement mandates and an assumption of a 1.0% COLA adjustment. May 1st will be actual release rate for COLA.

It also includes a 3% merit bonus and the highway use tax for transportation. It does not include vacation accruals that the City is required to budget for.

Ms. Osteen adjusted property taxes based on Henderson County and Polk County levies and current year collection percentage. She did receive the updated levy from HC today but, that has not been reflected yet. It was \$100,000 less than what was given a week ago.

She increased the sales tax number back up to what was originally anticipated in 2021. The City is \$3,000 ahead of where she thought the City would be last year.

Mayor Baisden asked about local option sales tax that is being utilized in SC. He wanted to know if North Carolina has to petition. Mr. Orr and Ms. Osteen said that the City will need to get a local bill.

For Property Tax Calculations, Ms. Osteen read the reminder: House Bill 119 is pending before the General Assembly and addresses both real and personal property tax owed by businesses that have been affected by COVID. If the bill passes in its current form, it could have a significant effect on FY2021 and FY2022 collections as well as values upon which businesses are taxed at the local property tax level. She has not heard PC's stance on it yet.

She suggested that it would be a good recommendation to declare opposition to the House Bill. Mayor Baisden instructed city staff to put it together.

Ms. Osteen has not heard regarding the Powell Funds yet so, it was budgeted based on this year's figures. But she anticipates it going down. She added that it normally is available by the 2nd budget retreat.

She went over the notes on pg. 3 for the Administration Department and explained that pg. 15 breaks down pg. 3. She said that the biggest noticeable change in salaries is that one position was eliminated.

Commissioner Marion refused his increase in salary and the remainder of the Board agreed. He stated that the money can be used elsewhere.

Mayor Baisden asked where the generator will be located. Mr. Orr said that it could be housed in the police lobby and be elevated. Commissioner Marion asked about the size needed. Mr. Orr replied 10K and he explained that he received a quote to begin discussions.

Discussion ensued over options and pricing and why it is necessary.

Mr. Orr said that the wage survey will be discontinued, and the research will be in house. Commissioner Walker asked to narrow the salary grades and steps. Ms. Osteen said that the City does not have to use the League, but she recommended that the City uses the MAPS group. Discussion ensued of ramifications for internal survey and what is realistic for a small municipality and potential of apprenticeship program for the police department.

Mayor Baisden suggested that police uniforms be rented out in case of turnover so that expenses can be kept lower.

Discussion ensued over current police vests and policies and budgeting for newer vests.

Next, the notes on pg. 4 were discussed.

Ms. Osteen stated that the Fire Department is requesting a 0.01 increase in taxes. This expense will go from \$122,100 to \$132,534.

The water reimbursement has been reduced from \$4,200 to \$3,000.

Commissioner Marion suggested that an explanation be provided to residents as to what an increase in taxes means for them and how it affects various items such as insurance and any other benefits.

Pg. 6 referenced an additional 20' of sidewalk to be completed.

Commissioner Marion suggested that the TDA fund a portion of the sidewalks and then the City can continue their attention at Pace Park. Ms. Osteen replied that she would need to consult City Attorney Jana Berg.

Commissioner Marion suggested moving the old water fountain as a project to Main Street and to have the TDA involved. Staff said they will research costs and details and bring to the Board.

As the notes for Cultural and Recreation on pg. 10 were reviewed, discussion ensued of continuing repairs on the library roof and windows. Mr. Orr stated that he needs to receive bids for the roof.

On pg. 1, it reflects a need of \$35,498 for Appropriated Fund Balance.

Ms. Osteen stated she still needs info from Blue Cross/Blue Shield and that there are 1-2 employees being paid under \$15 an hour. Chick-Fil-A pays more.

Mayor Baisden requested that staff factor in Tailgate Market organizer rate.

Then, Mr. Orr presented a list of items for consideration in the budget:

- Addressing and 911 address signs-reached out to mapping company (highly recommended)
 - Integrating Saluda addressing into E-911 will create a better health and safety coverage
 - Hope to have PC Sheriff to present and Mr. Orr will provide maps that contain a visual for the potential coverage
 - Received quote \$7,600

Discussion ensued as to how addressing does not affect legal documentation or parcel IDs and what the costs entails.

- Websites/webhosts (willing to come up with some numbers)
 - Mr. Orr explained how WIX has been affecting our domain names and our emails
 - Need to get the City isolated and inoculated

(First two items will add \$17,000)

- Apprenticeship program
- Hydraulic hammer for Kubota that Kevin would like to propose.
 - Will bring him into the 2nd and 3rd workshops
- Allot a line item for Public Works building for some workspace (personnel), breakroom etc.
 - Items that were left out to get building ready that are deemed essential-security, lighting etc.
- Storm Water Ordinance & Management Plan
 - Need dollar amount to the presented plan
 - Does not anticipate the City following through but, still need to have discussion
- Wayfinding Signs
 - Already purchased last fall
 - Mayor Baisden mentioned that PC has money set aside for wayfinding and should pursue

Discussion ensued regarding parking on Main Street and vehicles that are intrusive into the main road. Also, potential parking for Cullipher.

- Striping
 - Crosswalks that staff would like to put in and amplifying current ones (adding some yellow in the middle to the white)
- Capital Improvement Plan
 - Hipp Rd water line (on and off Capital Improvement)
 - Would like to work on boring machine and fix it very inexpensively
 - Laurel Drive lift station
 - Depending upon what the AIA documents reveal, maybe laying whatever amount aside for potential funding through the State
 - Patterson Street Lift Station is substandard
 - May get fined one day by the State

- Could set money aside, talk to residents, have them go on septic system and get rid of lift station

Ms. Osteen shared that the new COVID money from the federal government can be used for infrastructure. However, there are no details yet.

- Street Signage
 - Speed limits
 - Traffic regulation
 - Parking

- Training Budgets
 - Will look at later

- Compensation Brackets
 - Discuss at another time

- McCreery Park
 - Start a line item for maintenance (annual and semi-annual basis)
 - Janitorial service

Commissioner Marion made a motion to enter Closed Session to discuss Personnel. Commissioner Oxtoby seconded, and all were in favor.

The Board entered a Closed Session at 7:49pm.

With no further items to discuss, **Commissioner Walker made a motion to adjourn the meeting. Commissioner Oxtoby seconded, and all were in favor.**

The meeting adjourned at 9:01pm.

4 - Adjourn

Respectfully submitted by Tola Mueller, City Clerk. Adopted this 10th day of May, 2021.

Fred Baisden, Mayor

Tola Mueller, City Clerk