

The Town Council of the Town of Nashville held a Called Meeting on Tuesday, May 12, 2020 at 9:00 AM in Town Council Chambers. Members Present: Mayor Brenda Brown, Mayor Pro Tem Kate Burns, Council Member Larry Taylor, Council Member Louise Hinton, and Council Member Lynne Hobbs. Absent: None. Staff Present: Randy Lansing–Town Manager, Tesa Silver –Town Clerk, and Sam Sanchez–Finance Director.

Mayor Brown called the meeting to order at 9:00 a.m. Mayor Brown led the Pledge of Allegiance and Prayer. Mayor Brown welcomed all those who were in attendance. Mayor Brown called for the Budget Worksession for the proposed Fiscal Year 2020-2021 budget. Mayor Brown stated that the budget is the most challenging task that Council faces; they want to ensure they are spending tax payer dollars wisely while being fair in making those decisions. Despite what we are currently facing, Council will do everything that they can to protect the Town and to spend the tax dollars wisely. When she took office she was happy to see that the Town was financially in good shape; the budget was good, the Town had a healthy Fund Balance, and the Town had very little debt. She hopes that it can remain that way. She assured the citizens that they would spend their tax dollars wisely, and to continue to keep them safe. Mayor Brown stated that Council wants Nashville to continue to be a vibrant Town and to be a place where people want to live. Mayor Brown then turned the meeting over to Mr. Lansing and Mrs. Sanchez.

Mr. Lansing stated that an itinerary was put together for today; he and Mrs. Sanchez thought this would give the meeting some structure. Today they hope to discuss the revenues, fees, the garbage truck and other vehicles that are listed to be purchased, the market salary study, and capital request. Mrs. Sanchez pointed out a few updates she made based on comments she received at the budget presentation and questions and comments she has received since then. In the budget presentation on a page eight (8) she corrected the second to last column to \$1,900,000. She referenced the Capital Replacement Plan on page 279 of the budget manual; she stated that several items that were funded in the past will no longer be funded, and that other capital needs will now be funded. The ending balance of \$728,000 that was presented to Council in the budget presentation for capital was correct, there were some items that had not been taken out so they did not properly reflect in the other columns but the current balance is the \$728,000. The amended plan she has provided them with today reflects that as well. Council Member Hinton asked if they should correct it in the chart in the budget presentation on page 29; Mrs. Sanchez stated that they should, that it has been corrected and placed on the website. Council Member Hinton asked what the first number should be. Mrs. Sanchez stated the first number should be \$972,000, but some items had to be reallocated making the reduction amount greater. Council Member Hinton confirmed that the first column should be \$972,688 and the finishing column should be \$728, 804; Mrs. Sanchez stated that was correct.

Mrs. Sanchez stated that she received feedback on the budget, after receiving the feedback the clerk budget has been moved back into the administration budget, all the numbers have been updated in the packet they received. Council Member Hinton asked what the rationale was for moving all the items under the governing body; Mrs. Sanchez stated this was the practice that she's accustomed to seeing. Mrs. Sanchez stated it is seen as a function of the governing body because the clerk primarily serves the Council. Council Member Hinton stated in their experience the clerk has always been included with administration which included the manager, the clerk and human resources. Mrs. Sanchez stated that she has separated human resources from administration. Council Member Hinton stated that with doing that Human Resources is now \$169,975, the clerk and manager is \$283,795, the total combined is now \$453,779. Last year when all three (3) were under administration the total in the budget came to \$317,191, there is an increase of \$136,579. Mayor Pro Tem Burns stated that a lot of the increase is because a lot of items were moved from non-departmental into specific line items in each departmental budget and that non-departmental has been decreased. Council Member Hinton stated that the clerk and human resources are administrative. Mrs. Sanchez stated that we'd like to show human resources as a separate function. Council Member Hinton stated that all she sees is a \$136,000 increase by breaking everything up. Mayor Pro Tem Burns stated that it is because it has been allocated from non-departmental. Mrs. Sanchez stated that there are some slight increases for things like website development.

Mrs. Sanchez stated that there was one thing she would like to discuss, in non-departmental, which is the Carolina Gateway Partnership. There has been some discussion about the Town leaving the partnership and that funding has been moved out of the budget. She wanted to confirm that Council was aware of this and were in agreement with; if not \$20,000 would need to be added back into the budget (\$10,000 in the General Fund and \$10,000 in the Enterprise Fund). Council Member Taylor asked if Council had decided to leave the partnership. He stated that Council had begun to question the partnership. He, Mr. Lansing, and Mayor Brenda Brown met with the County and the County stated they could provide the Town with a partnership similar to the one established with Carolina Gateway Partnership ( at the same rate the Town was paying the partnership)to further success for economic development. He stated that Council has not openly discussed whether or not it is beneficial for the Town to remain or leave the partnership. Mrs. Sanchez stated that she received a request from Carolina Gateway Partnership and this year they are requesting \$25,000 not the \$20,000 that was requested last year.

Council Member Taylor stated that they requested the \$25,000 because Nash County has raised the cost of the coffer. He is not convinced that the Town needs to leave the partnership and began one with the County. He also stated that if the Council chooses to stay in the partnership he suggest that the rate remains \$20,000. There has been some discussion about the partnership not being profitable for the Town, but he would think it would not be a great time to back out at this point. Prior to the new development it did appear that everything was being placed in Edgecombe County, however he felt that could not always be blamed on the partnership. Businesses requesting properties make the determination of where they would like to start their business. He believes that the partnership is pushing for the Town as hard as they can. Council Member Taylor stated that they all needed to remember the things that are still on the table (the hotel and the pharmaceutical company). At this point he believes they need to stay with the partnership at the same rate that they have been contributing.

Mayor Pro Tem Burns stated that she agreed; that they had been some conversations about it because the Town was not seeing any results; the Town did not see any push for its properties. The partnership has provided a lot in setting up and securing the pharmaceutical company that is now located in Town. With the hotel still being on the table, she feels that it has become a very beneficial relationship. She feels it will be beneficial to stay at this point. Council Member Hobbs stated that she also agreed; she feels it is premature for the Town to leave or change especially considering the progress that has been made at the Town's industrial park and the potential hotel coming. She also agreed to keep the funding as the same level as last year. Council Member Hinton stated she is concerned that it took so long for anything to happen. She stated that it took seven (7) years. They were being reassured that something was coming but it took forever. Council Member Taylor asked Council Member Hinton how she felt now. She stated she is very lukewarm. Council Member Hobbs stated that she understood where Council Member Hinton was coming from but she thinks that it is the nature of shell buildings and it takes a very long time to get anyone into them. Council Member Hobbs agrees with continuing forward at this time, but at anytime Council feels like the Town is not benefiting from the partnership to go back and reevaluate at that time. Mayor Pro Tem acknowledged that the County has been doing a wonderful job as well helping the Town; she thanked Susan Phelps, Nash County Economic Development, for all the help she has extended to the Town. Council Member Taylor stated that no matter what he believes the Town will receive support from both the Carolina Gateway Partnership and the County. Council Member Hinton stated that the Town has two (2) lots that are still pallid and the track record is not that great. Council Member Taylor stated that we inform the partnership that the Town is staying because we are anticipating more from them. Mrs. Sanchez stated that she would add the \$20,000 (\$10,000 in each fund) back into the budget.

Mrs. Sanchez asked Council to go back and reference the proposed Capital Replacement Plan. There is \$102,000 left over from the Well Construction Fund; the project was completed. She is requesting to close out the Well Fund, and move that money into the Capital Reserve Fund to the Enterprise Fund. Once transferred the money could be used for future projects. Council Member Taylor asked how much money was left over and Mrs. Sanchez replied \$102,000. Mrs. Sanchez stated she could do this in the current fiscal year with a budget amendment.

Mrs. Sanchez stated it was noted that there were some miscellaneous line items within the budget in past years; she stated that this was not a good practice that most things have a category. The miscellaneous line items have been eliminated from the budget. Council Member Hinton asked about contingency and ancillary line items. Mrs. Sanchez stated that ancillary is for a specific reason; it includes telephone, postage, internet, and any other service that are similar in nature. She stated that 811 is an ancillary service, as well as the scata for the lift stations. Council Member Hobbs stated that she agreed with the miscellaneous line items but the ancillary was new for her, she's accustomed to seeing a line item for whatever the expenditure is. She expresses concern that it still seems like a broad field, auditors are going to want a breakdown of what makes up those totals. She stated that she is ok either way with the ancillary but she agrees the miscellaneous needed to be allocated properly. Mrs. Sanchez assured the Council that ancillary would not be a catch all category. Council Member Hinton asked what about contingency. Mrs. Sanchez stated that there is one. The \$20,000 for the Carolina Gateway Partnership for projects (it had been saved as well for any projects that could be used with Nash County). Council Member Taylor stated that this is so that we can subsidize a project and Mrs. Sanchez stated that was correct. Mrs. Sanchez stated that the only other contingency that is included in the budget is \$20,000 for Parks, Recreation and Cultural Resources. She stated that she placed the money in maintenance but if Council would like she could move it into a contingency line item.

Mrs. Sanchez stated that it was pointed out that some of the funds within the budget were out of balance, those have been fixed. In the packet she distributed this morning, she has included verification that the funds are in balance; it is in the last page of the packet. Mrs. Sanchez stated that it covered all the clean up items that she had.

Mrs. Sanchez stated that she would like to discuss the Town's revenues; she wanted Council to ask any questions that they have about the revenues. Council Member Hinton stated that on page two (2) of revenues for sales and tax distribution, it looks like it has been increased by about \$20,000. Mrs. Sanchez stated that it is up \$20,000 but it is \$20,000 less than the current year's estimate. Council Member Hinton stated that the NC League of Municipalities (NCLM) is anticipating this to be down by 25%. Mrs. Sanchez stated that NCLM is predicting a decrease in the last quarter of this fiscal year and the first quarter of the next fiscal year. NCLM projected revenues to rebound by the third quarter of the next fiscal year. Mrs. Sanchez stated with so many unknowns we really don't know how things will really go. Council Member Hinton stated that we are expecting the motor vehicle tax to be down; Mrs. Sanchez stated that she is expecting those to be down a little. \$280,000 was budgeted this year however; she does not think we will receive the full \$280,000.

Council Member Hinton then asked about the beer and wine tax, and if we are not expecting to receive anything. Mrs. Sanchez stated we have not received any in many years, so she did not project to receive any this year. Council Member Hobbs asked if that had been discontinued; Mrs. Sanchez stated that she believed that it had. Mrs. Sanchez stated that the ABC funding is down as well, and she thought that was strange. Mrs. Sanchez pointed out the automobile fees listed at the top of the page, we receive \$12.50; per the statute part of that money is to be allocated to streets. That has not been done in the past, and she has added a line item for that; \$5.00 of the \$12.50 is used for general purpose the remaining \$7.50 is used for streets.

Council Member Hinton asked if the \$0.03 increase for the Gully Fire Tax District had been approved. Mrs. Sanchez spoke with Donna Wood, Nash County Finance Director, and Mrs. Wood stated that the County did have some questions but it would most likely be approved. Council Member Hinton stated that was an assumption, Council cannot count on that figure. She stated that the sanitation fees were increased to \$700,000, and that was an assumption as well. Mrs. Sanchez stated that the \$700,000 was based on an increase in the fees. Council Member Hinton stated that was a 24% increase. Mrs. Sanchez stated those figures are based on an increase in fees and that is something that she would like Council to decide today. Mayor Pro Tem Burns asked if the increase was to allow the Town to continue to pick up yard waste; we were cited on several things and it was determined to continue properly there would be an additional cost to the Town. Mrs. Sanchez stated that the increases are in the sanitation and recycling fees. She mentioned that the recycling fee had been previously discussed and that it is actually \$0.09 higher (\$5.35). Mayor Pro Tem Burns asked what will happen if they do not increase the fees, and Mrs. Sanchez stated that the revenue would have to be removed from the proposed budget.

Mayor Brown stated that we are currently loading the yard waste and taking it to the dump site; she asked if we are paying \$78.00 per load. Mrs. Sanchez stated that it is \$75.00 per load. Mayor Brown stated that the cheapest way will most likely be the best way to go; she asked if staff had compared different methods of disposing of yard waste. Mr. Lansing stated that Mr. Brown, Public works Director has looked into what it would cost the Town to begin composting including, the staff, equipment, time and materials, and it was quite expensive. It would be much more expensive than what has been predicted in volume to be taken to be disposed of. Council Member Hinton stated she would like a document with those figures to show the breakdown to study. Mayor Pro Tem Burns asked if the material would be sellable material once properly composted. Council Member Hinton stated that the Town would not be able to use the site. Mr. Lansing stated that it depends on what it will be used for, that it had been suggested to use it for a dog park.

Council Member Hinton stated that the citizens of the Town thought for all these years things were being taken care of properly, they counted on the Town doing the right thing. All of a sudden the citizens are seeing this huge increase because we did not take care of business, something fell through the cracks. The citizens are now being penalized and she believes that this is wrong. They counted on the Council, who pays employees to do the right thing and something went wrong. The State came in and stated that our site was toxic and now we have to spend a lot of money. The citizens are asking who was taking care of business; where did things go wrong. Council Member Taylor said that the employees did believe that everything was being done properly; we were inspected every year and never received any type of citation. The staff was under the assumption that everything was being done right and then this year we received a new inspector; each person interprets the regulations differently and they enforce them differently. He stated that we were not the only municipality that was cited that in fact several of the surrounding municipalities, and the County were cited as well.

Council Member Hinton asked if we should challenge the citation we received; the Town and its citizens are taking on the financial burden because of it. Council was under the guise that everything was okay. Mrs. Sanchez stated she was able to reach out to some of the other municipalities to see what their rates are for sanitation and we have one of the lowest rates. Spring Hope's rate is \$20.00 and it includes sanitation, recycling and yard waste, Whitakers is \$20.00, Elm City is the only municipality that has a rate that is lower than ours and the rate is \$17.53, the City of Washington has an annual charge included within their tax bill but she was unable to find out exactly what that was, Wilson is \$20.00, Henderson is \$29.00, Tarboro is \$22.00 and the Town of Louisburg is \$26.70 but does not include recycling. Even with a fee increase we would either be lower or right in line with surrounding similar sized municipalities.

Council Member Hinton stated that she would like a breakdown of how much it will cost to take it to a landfill, and how much it would be for us to continue dumping on our site, if it is cleaned up. Mayor Brown is concerned that they could come back another year and find something else wrong and it cost the Town again. She asked if once it is taken to Mr. Collie's landfill if the Town is through with it; Mr. Lansing confirmed that was correct. Mr. Lansing has spoken with the Public Works Department and the former director, Jamey Baines about yard waste. When he spoke with Mr. Baines, the first question Mr. Baines asked was who the inspector was. In the past the only thing that the Town had been cited for was for a pile of asphalt that was used; it was required to keep the pile tarped. Over time the pile grew largely, people did not come and get it to use; the space begin to become crowded and that's when the problem occurred. There wasn't any place to put the street sweepings, they begin to combine them with the yard waste, once that happened and the materials mixed no one wanted the materials and it compounded from there. When composting it has to be monitored at all times, the temperature has to be checked multiple times daily and it has to be watered, if the goal is to achieve good composite that people will actually want.

Council Member Taylor stated that at this point in time, taking into consideration the budget that this type of endeavor would require new equipment, additional staff or the moving of an employee and he doesn't believe the Town should take that route right now. Mr. Lansing stated that was part of the problem, the department would get busy with something else and it is very easy for time to pass quickly before anyone had addressed it again. Mayor Pro Tem Burns asked if any of the other local governments were challenging the citations that they received, are they questioning why this year, or

are they trying to find a solution and not just paying the citation and clearing things up. Mayor Brown asked Mr. Lansing if we could look at the former inspection reports to see exactly where we went wrong. Mr. Lansing stated that yes they could. Council Member Hinton stated that she believes Council and staff owe that to the citizens before they adopt increases. Mr. Lansing stated that he could have Mr. Brown finalize the figures, and provide that information to Council this afternoon. Mr. Brown has an estimate for the composting however he did not have an estimate for the tonnage based on the number of truck loads we are off loading. We have been taking material out to Mr. Collie's landfill for about eight (8) weeks now and getting an idea of how much we are taking each trip. Nash County has corrected their site; when he spoke with Mr. Collie last week he told Mr. Lansing that he had finished seeding the site for the County.

Council Member Hinton asked how much the Town has spent hauling off debris at this point. Mr. Lansing stated in total we have spent \$75,000, we have not exceeded that. There is about 20% more material down there than Mr. Collie originally figured. Mr. Collie has also taken the material that was at the cemetery, & the old building that was at the cemetery. Mr. Collie gave us a price not to exceed and he is honoring that despite the Town exceeding the amount in materials. Mayor Brown stated that she has heard in conversation that people aren't using the material liked they did at one time; she asked Mr. Lansing if that was true. Mr. Lansing stated that it is; he believes that part of that is because street cleaning material had been mixed in. Council Member Hinton asked if we were granted an extension on the clean up by the State. Mr. Lansing confirmed that the Town was granted an extension. Council Member Hinton confirmed that the Town had not had to pay a penalty; Mr. Lansing stated the Town had not. Mayor Brown asked what the extension date is; Mr. Lansing replied that the Town was given a month and that if we needed additional time to ask. He stated that it will be completed by the end of the month; the only thing left to do is to seed the site. Council Member Hinton stated could they receive figures giving the comparison on how much it will cost to clean it up and use the site as it had been used in the past opposed to hauling everything off.

Mrs. Sanchez reiterated that if Council does not approve the fee increase then the revenues will need to be reduced in the proposed budget and some significant cuts would need to be made within the sanitation budget to balance the budget. She recommended that Council at least increase the recycling fee to \$5.35 to cover the cost of the contract, otherwise the Town will be subsidizing the contract. Council Member Hinton stated that was a 14% increase. Mrs. Sanchez stated that the Town has been at a \$0.10 deficit this year. Council Member Hinton asked if that was due to fuel and Mrs. Sanchez confirmed that it was. Mrs. Sanchez wants to eliminate the deficit and ensure that the charge covers the cost of the contract.

Council Member Hinton stated that in looking at the revenues there are a lot of assumptions, we don't have any idea about sales tax, we aren't sure about the Gulley Fire District, and we also don't know about the sanitation fees, so all of those figures are assumptions that we really can't count on. Mayor Pro Tem Burns stated that the projections are based on professional literature and research. Mrs. Sanchez stated the Town has a very stable economy, the Town does not see volatile change in businesses where businesses are shutting down constantly. She stated if the Town were a larger municipality like the City of Raleigh or the City of Durham, she would have different expectations. After researching and also speaking with finance directors of municipalities of similar size she does expect some decrease, but not drastic decreases and has budgeted conservatively.

Council Member Hobbs stated that there are various pieces of Sales Tax; there is a local option sales tax that is heavily driven by retail sales; there is telcom which she does not think will be impacted as negatively, and utility franchise sales tax, those may hold stable or just be slightly impacted. She believes the Town will be impacted from local sales tax. She stated that Wal-Mart had not missed a beat since the pandemic began, she is not alluding that their sales are not down, but she thought it would be interesting to hear from the manager of Wal-mart to see what their situation has been. Mrs. Sanchez stated that she would reach out to Wal-Mart and see if she could find out any information. She also stated that the worst case scenario would be if the State decided to withhold any of our sales taxes, but nothing has been decided at this time. With the amount of lobbying that is currently occurring she does not believe that this will occur.

Council Member Hinton confirmed that the \$650,000 in loans included the garbage truck. Mrs. Sanchez stated it included the garbage truck as well as two (2) vehicles for the fire department and three (3) vehicles for the police department. Council Member Hinton stated that the Town has not historically taken out loans for vehicles that have to be purchased each year, or for smaller sized vehicles. Based on her calculation she stated the interest that the Town would accrue would be about \$55,000. Mrs. Sanchez does not believe the interest will be that high, she budgeted very conservatively and believes that she will be able to secure a loan with an interest rate of less than 2%. Council Member Taylor stated he had the same question. He doesn't want to do this and have the same situation each year, we would finance three (3) police cars for five (5) years; the following year we would do the same thing. Every year the Town would be acquiring a new loan and the interest would compound. He would prefer to pay for the smaller priced vehicles out right. Mayor Brown was in agreement with Council Member Taylor.

Mayor Pro Tem Burns asked if that was the plan for the upcoming years she believed it was only going to be for one year. Mrs. Sanchez stated that was correct, this was a way for the Town to acquire some easy debt, that can be easily be repaid this will allow the Town to apply for more grants. When the Town applies for grant, most grants take into consideration how much debt the Town has and because the Town doesn't have any debt it makes it more difficult for the Town to obtain grants. Mrs. Sanchez was attempting to find a way to provide the Town with some debt that would not be a burden to the Town. Mayor Brown stated the Town should be very careful.

Mayor Brown asked why the Town could not use some of its Fund Balance to pay for these items, and then build the Fund Balance back up; the Town would not have to pay interest. Mrs. Sanchez stated that it is an option Council could consider. Council Member Hinton stated that she thought there had been money set aside for the garbage truck; Mrs. Sanchez stated \$183,000 is set aside for the garbage truck. Council Member Hinton stated that if the Town is looking at a price of \$380,000 then they could subtract \$183,000 from the total that to give them the balance Mrs. Sanchez stated that she would recommend not to spend cash, if we can secure a loan at a very low interest rate. Mayor Brown questioned how much the interest would add up to even with a low interest rate, she is not very fond of acquiring debt.

Mrs. Sanchez included the debt outlook in the budget, and stated that this was done very conservatively as well at 3.25%. For all six (6) vehicles the interest paid back at 3.25% in the first year would be \$19,000. Council Member Hinton stated that the interest for five (5) years would be around \$55,000. Mayor Pro Tem Burns confirmed this was at a 3.25% interest rate and Mrs. Sanchez stated yes. Council Member Hinton stated the Town has always tried to get loans for large vehicles like the sewer vac. Mrs. Sanchez stated that if Council does not want to finance the smaller vehicles she would like them to at least consider financing the garbage truck. Mayor Brown stated that she is in agreement with financing the garbage truck but she believes fund balance should be used to purchase the smaller vehicles.

Mayor Pro Tem Burns stated that still leaves the issue that has been expressed about obtaining grants and if the Town has no debt then there will be grants the Town will not receive. She stated that she agreed with the Mayor and that if we have the money to buy the smaller things to go ahead and buy them. However, she stated that if the interest rate is going to be in the ones (1's) and the amount of interest can be cut in half, and it will help the Town obtain grants, then the Town will be in a better situation. Council Member Hobbs agreed with Mayor Pro Tem Burns. Council Member Hobbs stated that it is truly a balancing act; she completely understood what Mrs. Sanchez has explained. When the LGC and loaning entities are reviewing a local government, they want to see that there is a balance. The LGC will review the Fund Balance to ensure the Town is appropriately maintaining it at a healthy level. She believes that there should be a balance of acquiring some debt and using some Fund Balance. At the same time Council should not want to continually hit the Fund Balance.

Mayor Brown stated that she just doesn't like debt; she questioned how much debt the Town would need in order to obtain to qualify for grants. She wanted to know what the threshold is. Council Member Taylor stated he too sees what Mrs. Sanchez is trying to accomplish; when our grants are reviewed they may ask why they should provide the Town with the grant when the Town has money. He stated that

long term items the Town will have to continue to manage (the garbage truck, the sewer jet vac, and the fire station) will show that we do have a debt level. He thinks by financing these items will provide the balancing act the Town needs. Mayor Brown stated that grantors should take into consideration how the Town has wisely spent and managed money, and because of that fiscal responsibility award the Town grant funding. Council Member Hinton stated that it is as if the Town is being penalized for living within its means. Mrs. Sanchez stated that grantors are stating that it appears that the investment is not there; they want to see that the Town is invested and that is how you show that the Town is invested.

Council Member Hinton stated the sewer vac was purchased at a rate of 1.84% and is soon to be paid off, the last garbage truck the interest rate was 2.81%, excellent interest rates. The Town has tried to buy large vehicles during times when good interest rates could be obtained and they paid for smaller vehicles. The life of a police vehicle is not going to be the same as a garbage truck; a garbage truck is about ten (10) years. Council Member Taylor stated that police cars will have to be purchased every year. Council Member Hinton stated yes, three (3) each year. Council Member Hinton stated that there are three (3) police vehicles for \$165,000. Mrs. Sanchez stated this is correct; there is an increase. Last year the Town was able to purchase Dodge Chargers and this year they are no longer available. The police department is proposing to purchase trucks, they have determined that the department has a need for trucks, and since the Chargers are not available they felt it would be a good time to purchase the trucks.

Mayor Pro Tem Burns asked if the department started with trucks last year, and Council Member Taylor stated that the department purchased one. Council Member Hinton asked if the trucks were doubled cabbed so they could get people in. Council Member Taylor stated he thought they were purchasing SUVs and Mrs. Sanchez stated they are pickup trucks and not SUV's. Council Member Taylor confirmed that they are proposing to buy trucks. Council Member Hinton asked if they were purchasing three (3) pickup trucks and Mayor Pro Tem Burns asked what the reasoning behind this was for. Council Member Taylor asked if they were doubled cabbed pickup trucks; Mr. Lansing stated yes. Council Member Hinton asked who would be using the vehicles. Mrs. Sanchez stated that they could get Chief Puckett to come in and explain the request. She did believe that one of the vehicles was for a higher ranking officer but she thought the other trucks would be used by the general staff. She also mentioned that she knew they needed pickup trucks for hauling.

Council Member Hobbs asked if the Chargers aren't available if there are other police rated vehicles that are available. Mrs. Sanchez stated that according to Chief Puckett there are not, that no one is making any at this time; in the past Ford made the Interceptor but they are not currently making those. Council Member Taylor stated that the Chargers are going off line and that we will see Highway Patrol going from chargers to whatever they choose; if you look at the sheriff's department more and more of their deputies are driving SUVs. Council Member Taylor stated that he understands the use of SUVs; he stated that pickup trucks are more versatile. In the past when he was an officer, in the winter time when the roads got bad he would often exchange his patrol vehicle for one that had 4wd. If the department had trucks they would have the ability to haul, they would not have to depend on other agencies to pick up recovered property.

Mrs. Sanchez stated she would not want to see a whole fleet of pickup trucks and Council Member Taylor agreed with her. Mrs. Sanchez stated that the Chargers aren't available at this time and they do have a hauling need. Mayor Brown stated she could see spending the money on staff out doing the work, but she doesn't want to waste money just to get pickup trucks. Mayor Brown asked why the money for the sewer jet vac couldn't come out of the Town's enterprise money. Mrs. Sanchez replied that the funding is slated to come out of the enterprise fund. Mayor Brown confirmed that the Town was not borrowing money for that; Mrs. Sanchez stated that was correct. Council Member Taylor stated that he thought it was being financed as well.

Mayor Brown stated that she thought the Town may need to secure a grant writer to help the Town obtain more grant funding. In her background, the school was able to obtain a lot grant funding; they used grant writers who knew how to write grants. Being able to obtain grants allowed them not to accrue large amounts of debt. Mayor Brown asked how many grants have been written over the past six

(6) months. Council Member Taylor stated that he believed the Fire Department was currently writing a grant. Mrs. Sanchez stated that the fire department, police department, and parks, recreation, and cultural resources department had written many grants. Council Member Taylor stated he believes that there are grants out there that the Town is not tapping into and a grant writer would know what to look for. He stated that when grants are written, grantors are looking for specific key words, and that grant writers know what those specific words are.

Council Member Hobbs stated that she agrees with trying to write grants but she thinks that the Town will find that with the police and fire department that the grants won't tend to be as big. When you get into utilities, water and sewer projects, and things like that is where you can really get some good funding. Those type of grant can be worth a million or more and that is why she agrees that getting some debt on the books is going to be beneficial for the Town. Mrs. Sanchez stated that water and sewer grants are an entirely different animal. She attended training at the UNC School of Government recently, and they are looking for the Town to complete some infrastructure projects. In tandem with taking out debt for the Town, the Town needs to start some infrastructure projects to be considered for these grants.

Council Member Hinton stated that the Town has done those in the past and they had a professional grant writer. When working with them each time, they applied for a grant the Town was awarded the grant. Council Member Hinton stated the service had to be paid for but it paid for itself in the end. Mayor Pro Tem asked Council Member Hinton if she remembered the cost of the grant writer and she did not. Mayor Pro Tem Burns stated that this is something that the Town should look into. Council Member Hinton stated that it was key to have people who wrote grants for a living.

Mrs. Sanchez asked if everyone was in agreement with the revenues that she would like to discuss some of the fees, she wanted to be sure that they wanted to keep the fees as estimated and that the additional revenue did not need to be removed from the budget. Mrs. Sanchez stated that the only change on the first page of the fee schedule (page 23) was \$150.00 for the public utilities administrative fee for people who do not provide a social security number; she wanted to be sure that Council agreed with raising that fee. Mr. Lansing pointed out on that same page, that there is an impact fee; when he attended a course provided by the UNC School of Government, they have explained that these types of fees are no longer allowed. Mrs. Sanchez stated that it was her understanding that those charge were for the meters themselves; that it was just to recover the cost of the tap itself. Council Member Hobbs asked if it should be renamed and Mrs. Sanchez stated yes it should. Mr. Lansing stated that in talking with staff they could not recall every preparing a billing to someone for any impact fees. Mr. Lansing stated he would recommend that Council remove those fees completely.

Council Member Taylor stated on page twenty-five (25) that there are multiple charges listed under white good pickup; there is a \$15.00 charge for the first bulk item, \$8.00 for each additional item, and \$10.00 for each additional appliance. He asked what were the additional items; he stated the additional items should be white goods i.e., refrigerators, stoves and items of that nature. He wanted to know what else would be an additional item. Mrs. Sanchez stated furniture. Council Member Taylor asked if we are charging for each piece of furniture that is picked up; Mrs. Sanchez stated probably not. Council Member Taylor stated he believes the \$8.00 for each additional item should be removed and that it should be \$10.00 per appliance; the way it is currently written is complicated. Council Member Hobbs stated let's say she purchased a new washer and dryer so she has two (2) items; would there be a charge for each item or is one trip one charge. Mrs. Sanchez stated that she believed it was Mr. Brown's assumption that there would be a charge for each item. Council Member Hobbs stated that she believes that it means that if she has a washer and a dryer that I would be charged \$15.00 for the first item and \$8.00 for each additional item rather than \$30.00 for both. Council Member Taylor stated that it may be. Mrs. Sanchez pointed out that the Town has not been charging this fee; the fee has been on the books but we have never charged. She stated it was a policy that the Town needed to start enforcing and collecting on.

Mr. Lansing asked Council to look on page twenty-five (25) at the yard trash/flatbed load. There are people that clear trees out of an area and place what has been cleared on the side of the road. They then proceed to call Town Hall repeatedly for weeks and complain that it has not been removed. A few

weeks ago a part of the public works staff spent two (2) and a half days clearing a pile and running the pile through the chipper. He was not aware at the time, but since has given the staff instructions to inform him and Mr. Brown. This will allow the homeowner to be notified that this is not the intent of the service. When citizens hire a company to take trees down, they should remove what they have taken down. Mr. Lansing would like for Council to increase this fee to \$125.00. When the piles become that large and everything has to be pulled out by hand it becomes a safety issue for our employees. Council Member Hinton stated we have become so lax that people are taking advantage of the service. Everything that is cleared comes to the street, the Town picks it up, and that is taking advantage.

Mr. Lansing stated that the Town should take some of the blame. He spoke with the staff and they stated they would continuously get calls because they didn't pick up at a certain location because it was too much. After a while they would receive a call from Town Hall or a Council Member to go pick it up, so they have saved time by going to pick it up. Mayor Pro Tem Burns confirmed that Mr. Lansing wanted the current fee of \$25.00 to go to \$125.00. Mrs. Sanchez stated that Mr. Brown recommended an increase to \$40.00. In light of what the staff have had to encounter, Mr. Lansing feels that the \$40.00 fee is too low but for \$125.00 residents may be willing to take care of it themselves. Mayor Pro Tem Burns stated that this then is a deterrent; Mr. Lansing is trying to get them to take care of the debris. Mr. Lansing stated he feels that this maintains the integrity of the program and why Council in the past put the service in place. The service was created for convenience for a few limbs and leaves, from things like wind gust or storms, however if it is a flatbed load then that is a lot of materials. Council Member Taylor stated that he looks at yard waste being shrubbery clippings or pieces of a broken down tree after a storm. There are people who are clearing a lot or cutting down trees and placing out for the Town to pick up.

Mrs. Sanchez stated that there needs to be some customer education specifically for these items. She stated that the Town of Louisburg has a very good policy and they simply just don't allow it to occur. Council Member Taylor stated that maybe the policy should be explained more. Mayor Brown suggested taking a look at the Town's current policies. Mrs. Sanchez stated that many people call in for this service and they do not expect a charge, so customer education is necessary for the policy to be effective. Mayor Brown stated that we want to service the citizens but we do not want to be taken advantage of, she really thinks that we need to revisit our policy (Police Chief Anthony Puckett arrived at this time). Mrs. Sanchez verified that Council wanted to have the fees be \$15.00 for the first item, \$8.00 for the second item, and \$125.00 for the flat bed fee. Mayor Brown asked Council what they thought; Council Member Taylor suggested \$100.00 instead of the \$125.00 and the rest of Council agreed. Council Member Taylor stated that when the Town receives a call they need to have a conversation with the caller about exactly what needs to be picked up; he wants to ensure that people are charged correctly.

Mrs. Sanchez stated that Council had some questions for Chief Puckett in reference to the vehicles he is requesting. Chief Puckett stated that he is looking at purchasing pickup trucks to have an array of vehicles within the police fleet. He stated that during the Blooming Festival they have to haul a lot of items and it is difficult to do with only one (1) pickup truck. He also said it is difficult to recover large evidence with only one (1) pickup truck, having multiple trucks would allow officers to secure evidence when patrolling. An example he provided was this past Friday, the County had a chicken sale for its employees; the truck the department has was being utilized and it made it difficult for Sergeant Withrow to setup traffic control for the chicken sale. The truck would have been helpful to haul cones to set up to control the traffic flow. Council Member Hinton clarified that the sale was for the County. Chief Puckett stated that was correct. Council Member Hinton asked why the County didn't help us out. Chief Puckett stated that his philosophy is that if it falls within the Town of Nashville then it falls under the realm of the police department; the County did not request our help, however it is the police department's job to ensure the safety of the Town of Nashville. Chief Puckett stated he offered assistance. Council Member Hinton stated that this was the second time they had done that. Chief Puckett confirmed that it was the second time; he stated that this time was a pre-order event and it was a bit more troublesome than the first time. Council Member Taylor confirmed that there would be no additional pre-order events and Chief Puckett stated that was correct.

Council Member Taylor asked how many pickup trucks is Chief Puckett anticipating getting for the police department; he understand the need for the trucks but he does not want the department to turn into a pickup truck department. Chief Puckett assured Council that would not happen. He stated that if approved the department would have a total of four (4) trucks; the department has a total of seventeen (17) vehicles. He would like an array of vehicles because each type of vehicle has its specific purposes. The department does not have adequate transport cages; we have one (1) in an older model Crown Victoria (which he is hoping to take out of service) and an Interceptor. He would like to have transport vehicles in cages on every shift. This ensures officer safety when dealing with someone who has been apprehended but may be unruly. He doesn't want every vehicle to have a transport cage.

Mrs. Sanchez pointed out that they looked at specifications for several types of vehicles; a Ford Explorer was about \$35,000 and a Dodge S2500 was about \$31,000. Chief Puckett stated that it is often the luck of the draw when it comes to what available for purchase, however whatever vehicles are purchased they have to be pursuit rated. The Ford F-150 that he would like to purchase is about \$38,000 and is pursuit rated, Dodge trucks are not pursuit rated. Mayor Brown confirmed that the F-150 could be used for pursuit and Chief Puckett stated that was correct. Mrs. Sanchez stated that the cost of the F-150 is around \$37,000. Mayor Pro Tem Burns stated that there was very little difference between the cost of the SUV and the truck.

Council Member Hinton stated that in the past the Town would purchase three (3) vehicles for \$98,000 and that was before outfitting. Chief Puckett stated that was correct that they did not include outfitting, but the price before Council includes the outfitting of the vehicles. Mrs. Sanchez stated that the additional equipment was previously in a different line item. Chief Puckett stated that the rotation the department is on should have the department purchasing four (4) vehicles this year and two (2) next year, but because of the budget and the pandemic they are only requesting three (3). Council Member Taylor asked if we would purchase them right out and Chief Puckett stated that they would be under a State contract.

Council Member Hinton asked if the trucks would be assigned to specific people. Chief Puckett stated that all the vehicles in the police department are assigned to a specific officer. By assigning a specific vehicle to each officer it allows the department to hold each officer accountable if something happens to the vehicle. Council Member Hinton asked who would receive the trucks. Chief Puckett stated that four (4) vehicles needed to be replaced which are an Inceptor, two (2) Crown Victorias that have approximately 100,000 miles or more on each of them and a 2008 Honda that has about 165,000 miles on it. Based upon the service history, the Crown Victorias are having more problems and would be replaced first. Chief Puckett doesn't believe that you should give a brand new vehicle to a brand new officer, so it would be based on seniority. Council Member Taylor asked if the Honda was a seizure vehicle, Chief Puckett stated he could not answer that question.

Mayor Brown asked Chief Puckett if the Town received drug money. Chief Puckett stated when we work with the DEA on asset forfeiture the Town can receive up to 80% depending on whether or not the Town is working in conjunction with other agencies. If State prosecution is used the money is returned to State for the public school system. He hopes that they will be able to do more joint efforts with the Sheriff's Department, the Rocky Mount Police Department and other agencies to continue to work on these types of cases. The main goal is to keep drugs off the streets, however when the DEA plays a role we do want funding to go back into our police department. Mayor Pro Tem Burns asked while Chief Puckett was present if Council could go ahead and ask any questions that they may have about the police budget so that he does not have to be called back. And Council was fine with this.

Mayor Pro Tem Burns asked if the increase in salary and wages (line item 10-510-0200, found on page 86) if the \$91,000 was due to new officers or was it because the police department was fully staffed. Mrs. Sanchez stated it was because the department is now fully staffed and it does include the additional staff the department initially requested but it was recommended not to fund. Mayor Pro Tem Burns wanted to know what was included in ancillary (line item 10-510-1100). Mrs. Sanchez stated this was to cover internet, telephone, and postage. Mayor Pro Tem Burns stated that the description located in the back stated that \$15,500 for telephone, postage and internet was requested however \$21,000 is what is reflected within the budget. Mrs. Sanchez stated that it was a line item she changed

she's aware of the exact cost for the internet, telephone service, and cell phone service. Chief Puckett stated that there is an increase in ancillary because all supervisors have been issued cell phones, in the past they did not have phones. He also stated that each officer has been issued a mifi box; the department only had six (6) and they would have to be checked out by a staff member. This caused problems with each officer being able to use them and the effectiveness of patrolling. Chief Puckett also clarified that the 2008 Honda was purchased from Craigslist. Mrs. Sanchez stated that ancillary includes Verizon \$14,700 which includes all the cell phones and mifi boxes, VC3 phone service \$4,300, internet charges of \$560 and the remainder is for postage.

Mayor Pro Tem Burns wanted clarification on where the rifles requested were placed within the budget; if it is included in supplies (line item 10-510-3300) or in law enforcement equipment (line item 10-510-7100) they were similar and she believed they were both around \$15,000. Mrs. Sanchez stated that she is trying to make a designation. Supplies are things like office supplies that are very generic; she wanted to break out things that are very specific for law enforcement. Mayor Pro Tem stated that supplies would be things that are needed in the office like staplers and paper. Chief Puckett stated that is correct. He stated this would enable the department to track what has been purchased for law enforcement purposes. Mayor Pro Tem Burns clarified that the rifles, ammo, and cartridges would come from the law enforcement equipment line item; Chief Puckett stated that was correct.

Mayor Pro Tem Burns stated that uniforms line item (10-510-3600) has increased; it looks as if \$15,000 was requested but the budget shows \$20,000. There is an additional \$5,000 and there was not an explanation as to why and she wanted Chief Puckett to also address dress hats. Chief Puckett stated that part of the increase was due to the dress hats; dress hats cost approximately \$300.00 each. Mayor Pro Tem Burns asked if this was a dress uniform hat; Chief Puckett stated that it is. The hat is worn when an officer goes to a ceremony, to an officer's funeral, or a peace memorial. He doesn't want the department not dressed properly during times when needed; it is a matter of respect and to show respect they must be dressed properly. No one in the department has a dress hat at this time. Mayor Pro Tem Burns asked why there was an increase from \$15,000 to \$20,000. Mrs. Sanchez stated that during budget meetings it was determined that the figure should be \$20,000 and not the \$15,000. This year the department actually spent \$40,000. Chief Puckett stated that the department did not have uniforms that appropriately fitted all the employees so they had to be ordered; new uniforms were purchased for each new hire. Moving forward if something happens to an officer's uniform, they will have to be replaced; they have the bare minimum now. He doesn't anticipate anyone leaving but if they had to bring on a new hire, uniforms will need to be purchased for them as well. Mrs. Sanchez stated that the law enforcement uniforms are quite expensive and they include lots of accessories; in the past they were purchased out of whatever line item had available funding. She is trying to show what is being spent on uniforms. Chief Puckett stated that everyone needs at least one dress uniform and everybody does not have at least one dress uniform, which caused the line item to increase as well. He explained that the department has switched to a class b uniform for everyday use, they are slightly more durable and they are cheaper. He reiterated that all the officers need a dress uniform for ceremonial purposes, and he stated that they need a dress uniform to appear in superior court. He stated the all the officers at this point don't even have ties and that he himself is using a tie that he has had for several years.

Mayor Pro Tem Burns asked who will be receiving plain clothes from the plain clothing allowance (line item 10-510-3700) and how much would be allocated to each position. Chief Puckett stated when they requested funding for the budget; they did so with the intent to request a new position. He stated that there is \$500 allocated for each person. The allowance provides one suit for each officer. Detective Jones and Sergeant Shockley need to be able to look professional as possible when out in the field speaking with victims.

Mayor Pro Tem Burns had a question in regards to drug enforcement (line item 10-510-5701), she is fine with the increase because we want to keep drugs out of Nashville but she wanted to know if the police department is working closely enough with the Sheriff's Department, the Tar River Task Force, and the Rocky Mount Police Department. Chief Puckett stated the department works in conjunction with all these entities and the department is thankful to have their assistance. Nashville can't do it by themselves, Rocky Mount can't do it by themselves, Nash County can't do it by themselves, they all have to work together. The search warrant that was served this morning was done with the assistance of the

Sheriff's Department and the Rocky Mount Police Department. In the past the Town was reliant on other agencies; he stated this funding will help the department to start to stand on its own as well. Council Member Taylor asked if the department was successful this morning, and Chief Puckett stated that they were.

Mayor Pro Tem Burns asked if Chief Puckett could provide more details about what will be included in the citizens' academy. Chief Puckett stated the citizen academy caused an increase in the advertising budget (line item 10-510-2600). He stated he was unsure when he would be able to start but the intention is to start the week of July 1<sup>st</sup>. The academy will be a six (6) to eight (8) week academy that will be advertised to the community. Each session would be one (1) night a week for two (2) hours; during each session the citizens would receive instruction about what law enforcement does. Not only will it allow the department to teach the citizens what the department does but it will provide an avenue for community engagement. He did state that they would like to purchase polo shirts for the participants. He hopes that the citizens who volunteer will continue to volunteer in the future. He is unsure of when they will be able to start due to the pandemic but the department is looking forward to it. Council Member Taylor stated that he would like to help with the class.

Council Member Hobbs stated that she had a question about what is included in software (line item 10-510-7000). Mrs. Sanchez stated that this money is for annual maintenance and support for Zucker. Council Member Hinton asked for confirmation that the annual maintenance is \$29,000 and Mrs. Sanchez stated that the \$29,000 was the annual maintenance for the Zucker and Pennlink software. Council Member Hinton asked if this would increase annually and Chief Puckett stated that it may.

Council Member Hinton questioned why dues and subscriptions (line item 10-510-5300) increased to \$5,125. Chief Puckett stated that in order to send management staff to specific law enforcement trainings and conferences they must be members of the organizations; the memberships typically range between \$250 and \$300. Those memberships also allow the department to receive proper training and to network and build relationships with other departments. Council Member Hinton stated that travel and training (line item 10-510-1400) increased from \$2,000 to \$10,000. Chief Puckett stated the budget was \$10,000 in 2018, and the department has requested that it be increased back to \$10,000 to ensure there is adequate funding to provide training opportunities for all officers. Mayor Pro Tem Burns asked anyone if they remembered why it was decreased; Council Member Taylor stated that he thought it may have been because they were trying to save and reduce the budget. Mr. Lansing stated that he believed that part of it was not being used. Council Member Taylor stated that training has been brought up in the past as a reason the department had problems with retention. Chief Puckett also explained that when we send employees to conferences we also have to provide fuel and lodging for the employee. He stated that the training that they receive at Nash Community College is good training, however to grow leadership within the department we need to provide advanced training opportunities to the staff.

Council Member Hinton asked what was included in equipment under \$5,000 (line item 10-510-7400). Chief Puckett stated that this is for radios; Nash County was gracious enough to donate their radios to the Town when they purchased new radios, however as of January 2020 the manufacturer no longer makes parts for those radios. The department would like to transition to a plan where they will buy radios each year. If an officer's radio breaks today the department won't be able to replace the parts.

Mayor Brown asked what the state the police department is currently. Chief Puckett stated that they are happy to have a job and happy to be working. Every officer is fortunate to be essential employees and they serve at the pleasure and discretion of the Town. Morale is high and they want to be sure that morale stays high. The department had been doing really well within the community, especially by offering the active shooter training course and then the pandemic hit and it stopped everything. He stated it won't take long for them reengage with the community once restrictions have been lifted. The department has had to become a little less proactive for the safety of the officers due to the pandemic, but they are ready to get back out in the community. He stated that a lot of the staff is young and eager and that the administration within the department has to ensure their safety and that

they are trained properly. The department is very fortunate to have the officers and administrators that it has.

Council Member Hinton confirmed that this is not limiting them from patrolling. Chief Puckett stated that it does not but as far as approaching people when on patrol, especially the elderly community, they are not wanting to interact they are afraid. The officers are really active in community policing; they are checking the businesses and patrolling the neighborhoods but they miss being able to get out and talk with people. Council Member Hinton stated that patrolling is very important and that the citizens need to see that. Chief Puckett mentioned the armed robbery that occurred yesterday. Officer Stone's quick response allowed him to capture the suspect. The larceny that occurred last week at Wal-Mart was handled quickly; policing the area allowed the officer to apprehend the suspect as he was exiting the building. He stated that he is really proud of the police department. Mayor Brown stated that the officers have really good attitudes and are always smiling. Chief Puckett stated that they make him proud to be a part of the police department; they make him look good. He stated that the officers are out in the field doing the work, patrol is the backbone of any police department, and it is the officers who make them look good. Council Member Hinton asked if all positions were filled. Chief Puckett stated that they were. Mayor Brown asked Chief Puckett to let the staff know that Council appreciates them. Chief Puckett was dismissed from the work session at that time (Lee Brown, Public Works Director arrived).

Mayor Brown questioned if Council truly decided what to do about the police and fire vehicles; Mrs. Sanchez stated she would like direction from Council. Council Member Taylor stated that he would like to pay for the three (3) police vehicles and the two (2) fire department vehicles. He wanted to finance the garbage truck and the second fire station. He strongly suggests that the Town just pay for the vehicles. Council Member Hobbs asked Council Member Taylor if he is proposing to use Fund Balance in order to pay for those vehicles rather than borrow money for them. Council Member Taylor stated that was correct. Mayor Pro Tem Burns stated that she is fine with that if it is not going to affect the Town's ability to obtain grants. If we don't have enough debt and this is easy low interest debt, that can be paid off in five (5) years then she would prefer to do it that way; she does agree that she believes that the 3.25% is too high. She would be fine with a loan if the interest rate could be within the ones (1s).

Mrs. Sanchez stated that she is concerned about using Fund Balance and there is uncertainty about the revenues the Town will generate. Council Member Hinton stated that loans were used for large vehicles, not for the smaller ones. If we are looking at \$55,000 in interest every five (5) years, that is a total for \$650,000. Mrs. Sanchez stated that would be at the 3.25% interest rate. Council Member Hinton stated the interest rate had not been confirmed at a certain rate; they are unsure what the interest rate will be right now they are just speculating. Council Member Hobbs stated that if Fund Balance is not used for the purchase and they rely on the revenues the Town will be very hard pressed next year, which may force the Council into another decision later. Council Member Hinton stated she cannot emphasize enough that they don't know about the revenues right now that we are in uncharted territory and it doesn't look good. Mrs. Sanchez stated she wanted to briefly cover the vehicles that they want to replace they are 2008s and a 2010. Even with replacing those three (3), the Town will still have two (2) vehicles that are a 2011 and 2013 (they are seven (7) and nine (9) years old). She does recommend that the Council move forward with purchasing the vehicle, that the Town does not want a fleet that is aging this way; we don't want the Town to fall behind on replacement. Mayor Brown asked if Fund Balance is used and later we are in dire straits if then the Council could then decide to take out a loan and Mrs. Sanchez stated that they could. Mrs. Sanchez stated that she still recommends simple installment financing for the vehicles. She believes that revenues will hold pretty steady, however she stated that they don't want to spend all the available cash now and run into a problem later.

Council Member Hobbs stated she does agree with Mrs. Sanchez in that she doesn't believe that the Town will be significantly impacted but there are so many things that we just don't know. She suggested starting July 1<sup>st</sup> very conservatively, she even suggested that Mr. Lansing put additional restrictions in place for spending (not a freeze but restrictions); that department heads should understand that we are going to "hold the line" until we see how things flesh out. Council Member Hinton agreed that we need to "hold the line". Goldman Sachs is projecting a 24% decrease; Bank of America and several other financial institutions are all predicting around 21%, but Goldman has typically

been on point. If they are predicting a 24% decrease then it probably will be and that is going to permeate the entire economy. Eastern NC had a hard time rebounding from the 2008 financial debacle, related to mortgages, it took us forever to come back we are still at tier one county. This just exacerbates that. Mrs. Sanchez stated that Council could eliminate the vehicles from the budget and the debt service; she would recommend that they continue forward with the debt service for the garbage truck and then they could revisit the vehicles in December. She also told them that this had been discussed during budget meetings and often times when waiting to December the vehicles are no longer available or often not received until the following next fiscal year.

Mayor Brown asked if we would be able to get a better idea on revenues in June. Council Member Hobbs stated that it will be some time before we know how much we will receive. Mrs. Sanchez stated that there is a three (3) month lag. Council Member Hobbs stated that is why she believes in the first quarter the Town should be conservative with hopes by October or November the Town should know more information about where the Town will stand on revenues. Mayor Brown asked if the vehicles could then be looked at and Mrs. Sanchez stated the issue of availability would remain; she also explained that with police rated vehicles that only so many are made every year. Once they stop making them they are done for the year, this holds even truer at the turn of the calendar year. Council Member Taylor stated that if we are going to purchase the vehicles then they needed to go ahead and get them now. Council Member Hinton asked if this would be the same for the fire department vehicles and Mrs. Sanchez stated that was correct; the vehicles that they are requesting are fire rated vehicles and they are specifically for fire.

Mayor Pro Tem Burns asked if Council would be more comfortable if Mrs. Sanchez could confirm what the interest rate will be to finance the vehicles. Mrs. Sanchez stated that she could reach out and get some rates. Council Member Hinton stated she would like if they could nail something down. Council Member Hinton asked if Mrs. Sanchez had it at 3.2%. Mrs. Sanchez stated that she had asked for rates a while back and 3.2% was the highest rate that she received. In speaking with other directors, she is confident if bid out we would receive a lower rate. She also stated that the bid would be open to more than local options to ensure the Town received the best possible rate.

Mayor Brown welcomed Mr. Brown for coming. Mr. Brown provided estimates for yard waste discussion. Mr. Lansing asked if Mr. Brown could go ahead and summarize the information that he has provided. Mr. Brown stated that the first box in the left corner is the yard waste notification for the compost facility; this is what the Town previously had off of First St. Ext., which was the old water sewer treatment plant. The site is a specially permitted site, with its own set of rules and regulations that are set by the State. Mr. Brown stated that Mr. Lansing had previously asked him what it would like if the Town were to continue operations there as we had in the past or if we began selling compost, wood chips and/or mulch. The document has a rough estimate for used equipment that would be needed for composting; they would need a loader, a screener to produce quality compost, a grinder, a mulcher, an irrigation system for the compost itself, a shed, storage space for the various materials, and fencing to secure the site. He stated that he believes an additional two (2) employees would need to be hired just to monitor and maintain the facility. It is not noted on the information, but the Town would still be subject to hauling fees, because the Town would only be able to hold so much material at the site within a twelve (12) month period. Mayor Pro Tem Burns asked if he had an estimate on how much the Town would have to haul. Mr. Lansing stated that it really depends on how good the material is. Mr. Brown stated it really depends on if the Town is able to produce something of quality that people want; it would be very hard to estimate the amount of material that the department would have to haul annually. He stated that Mr. Collie had received around three hundred (300) loads. He stated that what he has provided is a very rough draft of what a compost facility might look like.

Mr. Brown stated that once we received the violation, the Town reached out to Mr. Collie; Mr. Collie has a landfill relatively close to Town. Mr. Collie has offered rates that have helped the Town while we have been in need. Mr. Brown mentioned that street sweepings need to be treated differently; they need to be treated as municipal solid waste because it is more prone to containments. Street sweepings have to be sent to municipal solid transfer site, the department is currently taking it's sweepings to the City of Rocky Mount. The department stated during this time of year, the amount of street sweeping that it is being hauled off when the sweeper is full is about two (2) tons per load. Mr. Brown stated

some of the hauling fees may appear to be liberal but there will not be much leeway because of the volume the Town produces. The document also provides various rates for street sweepings because they have to be treated differently.

Mr. Brown stated that the department uses two (2) trucks to haul the material, one (1) is the leaf truck that is used for yard waste, and the other is the chipper truck; the Town hauls about five (5) loads a week. The figure listed is an annual figure and is based upon the assumption that the truck will be ran for fifty-two (52) weeks but it can fluctuate. He wanted to provide Council with the whole picture, and what the cost could potentially be. Mrs. Sanchez stated that the annual expense will be higher than what is listed because the cost for staff would need to be added into the cost. She stated that they also need to add the cost of the irrigation and to think about the wear and tear that would occur because of the nature of the operation. Mr. Brown stated he might not have been clear; the yard waste notification is one (1) portion of the yard waste program; this is loading everything and hauling it away and its startup cost, equipment, and staff. The next three (3) columns are how we currently operate. Mayor Pro Tem Burns stated that these columns do not include staff and equipment cost. Mr. Brown stated that was correct that those are just tipping fees for what we currently have and what we are currently doing. Street Sweepings are \$62.00 per ton. The leaf truck and the chipper truck are the primary vehicles for hauling yard waste, the leaf truck is the biggest truck and they can see the difference in the price. He stated the fees are reasonable; the site does not have a scale which is a benefit to the Town. We are charged based on the volume of the load and not the weight of the load.

Mayor Brown asked Mr. Brown if we are currently taking the loads to Mr. Collie's site; Mr. Brown stated that was correct. Mayor Brown asked based on his expertise what he would recommend. Mr. Brown stated taking everything into consideration he would continue operation as they are, even if the Town would be allowed to keep the material; once a year the Town would still be required to load everything up and dump the excess material. In keeping the material once a year, the Town would have to pay additional money to haul the excess material and it would reroute staff. Mrs. Sanchez agreed with Mr. Brown's recommendation; the Town would have \$45,000 in startup plus the cost of equipment and staff and then the Town would still have to pay for hauling. She stated that having a site to keep compost is highly regulated. She also stated she had concerns about whether or not the Town had a demand for the product. Council Member Taylor stated that if the site is set up that would be another site that the State would have to come in and inspect.

Mr. Brown stated that he did reach out to his three (3) points of contact this morning at the State Solid Waste Division as he was listening to the meeting and he was unable to reach anyone; he was hoping that he would be able to get some information about the past inspections. Mrs. Sanchez stated that there are some Towns that do this but they give the material away for free. Council Member Taylor stated that many years ago the Town had a mulch pile and that the mulch was free to Nashville residents; the Town received no profit from it at that time. Mayor Pro Tem Burns stated that it sounds like the demand wasn't there then either. Mr. Lansing stated that the Town did not have to pay to get rid of it, the Town had good product and people wanted it. Council Member Taylor stated he'd like to keep it the way it is; pick it up, haul it away, and be done with it. Mr. Brown stated that he believes it is the easiest, most efficient way, and the best use of all the Town resources.

Mayor Brown stated that in the long run it will save the tax payers money; Mr. Brown agreed. He stated that the Town wants to be able to continue the service while doing it in a responsible manner. Mr. Brown stated that it is important that it becomes a shared responsibility. As they have been working, the department has learned that many of the residents are not very familiar with the policy that was amended in 2018. He would like to see the policy amended again to be more comprehensive, including the current needs, and ensuring that this information is communicated to all residents. Mr. Brown stated that getting communication out to citizens is one of the Town's largest obstacles; finding a way to overcome that burden to ensure services are extended to all citizens equally is something that he is working on and has been discussing with Mr. Lansing. He believes once these things are worked out the service will run even better.

Mayor Brown stated that she wished the Town had the ability to call all the residents, that way they would all receive the messages; she stated a lot of the elderly community are not computer savvy and

we need to be able to get messages to them. Council Member Taylor stated once the water bill process is worked out, since we are looking at outsourcing; Mrs. Sanchez stated that she researched outsourcing the water bill and it would cost the Town approximately \$20,000 annually. For \$6,000 a year the Town can rent a machine that folds, seals, stuffs, and stamps. Council Member Taylor stated then we could do it ourselves. Mrs. Sanchez stated the entire Town could use the machine. Mrs. Sanchez also stated the Town would save a little money in postage that way; she stated that there would be an increase in postage compared to the post cards currently used, but there would be a savings. She stated it allows the department to have control of the billing process and allow the Town to get more information out to the citizens. Council Member Taylor stated by using the machine and the Town could place any information or educational materials in the bill.

Council Member Taylor stated that in the document that Mr. Brown provided about composting there is cost for maintenance. He stated that if someone throws something away that goes through the grinder it will tear the equipment up, how much it will cost the Town to maintain. Mr. Brown stated that was a really good example of what needs to be included when the yard waste policy is amended. That is one of the biggest challenges the department faces; last year an item was placed in the chipper that had a wedge inside of it, one of the employees has started a collection of what gets sucked up into the leaf vac machine. Some of it is to be expected but there is a shared responsibility of following the policy, so things aren't being thrown into piles and being sucked up. Something like that could cause \$3,000 worth of damage to a \$150,000 truck, causing the truck to be down for two (2) weeks while the department waits on parts to try and fix it. Council Member Hinton stated that the Town had to buy a new chipper; Mr. Brown stated yes the Town had to buy a new one last fall. Council Member Hinton asked how much the chipper cost; Mr. Brown believed it was \$39,000.

Mayor Brown asked Mr. Brown if he has been looking for a garbage truck for the Town. Mr. Brown stated that he and his staff have been looking for a truck; they are working with about four (4) vendors within the region to try and secure a truck. Kevin Taylor and Thurman Evans consulted with the City of Rocky Mount; the City has provided staff with good insight and helped the department get started in the right direction. Mr. Brown thanked the City of Rocky Mount for all the help that they have extended to the Town. Mr. Brown stated that they would like to pursue the vendor that provides government contracts; the process is relatively easy because of that, the department will list the specifications wanted, the vendor will provide the truck and issue the contract. He believes the company is SourceWell. The department has not decided which type of truck they would like to purchase; one that works in tandem like we currently have or one with an electrical arm. The truck will be a thirty-one (31) or thirty-two (32) yard truck; the more waste we can hold within the truck, the less amount of time we have to go to dump the load. Mr. Brown stated the budgeted amount would cover anything they selected. He confirmed that the amount was \$380,000; Mrs. Sanchez stated that was correct and the garbage truck would have to be bid out.

Council Member Taylor stated that there have been several discussions about the two (2) types of trucks; he stated that we would have to buy new trash cans for the truck with the electrical arm. He mentioned that he saw a video on FaceBook that showed a city that had a garbage truck with the arm; in the video about ever third (3) or fourth (4) stop wasn't completely dumped in the truck and trash was everywhere. After each occurrence the driver would have to stop, get out and clean up the trash if he chose to do it. He asked if there had been any concern about how neat that particular type of truck would be; Mr. Brown stated that there had not. The discussion had come up in regards to the Solid Waste Ordinance, especially with COVID-19, when waste is not sealed or bagged and is put in the trash can. He feels it is reasonable to discuss whether or not the trash should be dumped. He expressed that garbage that is not bagged and sealed will blow and end up in the street, and the employees who dump the trash are more susceptible to whatever is in that trash can. Mr. Brown stated that when speaking with vendors this did not come up but he would think the weather conditions would also be a variable. Council Member Hinton asked Mrs. Sanchez if there was \$183,000 set aside for a garbage truck; Mrs. Sanchez stated that was correct.

Mrs. Sanchez stated she thought it would be a good time to discuss the increase in fees for sanitation; she stated that the proposed increase includes both sanitation and recycling. The net cost for sanitation in the upcoming fiscal year is \$369,000; this is because of the purchase of the garbage

truck. Mayor Pro Tem Burns asked if the garbage truck was removed what would the Town's position be; if they were to look at this for the following year would there still be a cost to the Town, or would the Town be breaking even. Mrs. Sanchez stated that the Town would have just enough to start saving towards the purchase of the next garbage truck. Mr. Lansing reminded the Council that the fees are listed on page twenty-five (25) of the budget manual. We are proposing to increase the sanitation fee to \$18.78, and the recycling to \$5.35. Mrs. Sanchez stated even with the fee increased the net cost to the Town would remain \$369,000, the following year they would not see a net cost because they would not be purchasing a garbage truck, there would be just enough to set aside for the Capital Replacement Plan. Mr. Lansing asked what page the sanitation budget could be found on and Mrs. Sanchez stated page 208.

Mr. Lansing stated that Council could ask Mr. Brown questions about Public Works budget since he was present. Council Member Hinton stated that she had a question about the water rate; she stated the federal mandate was \$6.00 now we are calling it a flat fee and it is \$7.87, so there would be an increase of \$1.87. Mrs. Sanchez stated that was correct. Council Member Hinton wanted confirmation that the mandate would be going away. Mrs. Sanchez stated that the mandate would be eliminated and it would be replaced; she stated that the mandate is a base fee but the Town has been referring to it as a Federal mandate. She stated that it is misleading to call it a mandate, it is a base fee; the base fee should be charged based on the Town's fixed cost. She stated that she eliminated the mandate which had not been changed in some time and replaced it with a new fee. She stated that the net increase is \$1.87. Council Member Hinton stated that we are now just calling it something different, that it was like a euphemism. Mrs. Sanchez stated that the staff is asked often what the federal mandate is, it makes it appear that we are being mandated by the Federal Government to charge the fee, which we are not the fee is a base fee. She proposes to call it what it is and have it be based on a fixed cost.

Mrs. Sanchez stated that she had a rate study done and she received the results a few days ago; she provided Council with a copy of those results. She stated that the company used a similar methodology to what she had used; the rates that they provided are in line with the rates she proposed. They suggested \$7.98 as the base fee for water with a rate of \$5.33, and a sewer base fee of \$7.21 and \$13.86; they suggested a higher base fee in sewer. The company is proposing a lower base fee but a higher rate; the more a person used the higher the rate would be. Council Member Hinton stated that the mandate would become a flat fee and it would increase by \$1.87; Mrs. Sanchez stated that is correct. Council Member Hinton reiterated that the mandate is now the flat fee. She stated the first 1,000 gallons is \$5.74; Mrs. Sanchez stated that was correct. Council Member Hinton stated that a person who uses 1,000 gallons is charged \$5.74 and then it decreases to \$4.18 for the second 1,000 gallons. She questioned why the first 1,000 is higher. Mrs. Sanchez stated they could add the cost of the first 1,000 gallons to the \$7.87 and call it the base fee; that is actually what a lot of other municipalities are doing. Spring Hope's water base fee is \$17.00, Whitakers is \$41.60, Elm City is \$17.00, Washington is \$15.20, Wilson is \$11.00, Henderson is \$12.02, Louisburg is \$19.33, and Tarboro's is \$6.33 however their fee does not include the first 1,000 gallons. Mr. Lansing stated if we combined the fees the Town's would charge \$13.60.

Mayor Pro Tem Burns stated that she knew we were specifically looking to increase fees for grant purposes; we were denied several grants because of our fee structure. She is concerned about the cost to the citizens; she would like to know what fee amount would allow the Town to be eligible for grants but would also be the lowest cost to the citizens. Mrs. Sanchez stated that she believes increasing the base fee to the \$7.87 will accomplish this. She stated that one of the suggestions provided in the rate study was to use a sliding scale so that a heavy water user would be charged more than a general or moderate user; most residents are general or moderate users. Council Member Hinton stated that made sense; she stated it was similar to electricity and how it is controlled, the less you use the less the charge, why not water. Mrs. Sanchez stated that businesses tend to be heavy water users, and we want the Town to remain business friendly. Council Member Hobbs asked if commercial rates could be established; businesses are currently charged at the same rate as residents. Mrs. Sanchez stated if Council were to go that route she would recommend keeping the commercial rate the same as the residential rate but establishing an industrial rate for businesses that have operations that are heavily water based.

Mayor Brown asked which grants we were denied on based on a fee structure. Mrs. Sanchez stated that we applied for several. Mr. Lansing stated that we were denied mandatory asset grants. Council Member Hinton asked if it was only one (1) grant. Mr. Lansing stated that there were two (2) one (1) for water and one (1) for sewer for \$150,000 each. Mrs. Sanchez stated that a lot of grants require that the rates meet a certain threshold. Mr. Brown stated that they went to a course at the UNC School of Government; at the course it was stated that when the rates don't meet the threshold that the local government would be automatically disqualified from majority of the available water and sewer infrastructure grants, except for the mandatory asset grants. Mayor Pro Tem Burns confirmed that we were still denied for those and Mr. Lansing stated yes. Mrs. Sanchez stated that the Town hasn't done any major infrastructure projects that is another piece they consider when evaluating applications. She stated if we had at least one we may have been granted more points when the application was scored. We didn't have either and we are trying to put the Town into a better position for grant opportunities. Mr. Lansing stated they were trying to wait to begin any major infrastructure projects until the major problem areas had been identified. We do know there are problems on Jones Street, and on Virginia Street; we know these are the older parts of the Town, and they may still actually have original water lines.

Mayor Brown stated that Mrs. Sanchez had at one time provided Council with information that by not increasing fees it would put the Town in the hole. Mrs. Sanchez stated that essentially we would be dipping into the Fund Balance, it would be around \$200,000; she stated that we shouldn't do this each year and that is why she recommended the fee increases. Mrs. Sanchez stated that information could be found in her rate increase presentation. Council Member Hinton asked if we had received any notification from Rocky Mount about rate increases. Mr. Brown stated that there would not be any this upcoming fiscal year. Council Member Hinton asked if we had that documented and Mr. Lansing stated we did. Mayor Brown stated that they know the Town will receive a recycling increase. Mrs. Sanchez stated at this time she would leave the increase in the proposed budget. Council Member Hinton stated there would be a total increase of \$7.50, it was \$7.41 but now it is \$7.50 and Mrs. Sanchez stated that was correct.

Mayor Pro Tem Burns stated that within each of the individual budgets that fall underneath the Public Works department that there is a line item for travel and education, she asked for information about the travel and education that will occur and whether any of it could be combined. Mr. Brown stated that there was a recommendation for Kevin Taylor, the head of fleet maintenance to pursue some formal training. He is not exactly what that will look like but he is thinking of an ASE Certification in some specified field. He is not too familiar with what opportunities are available for the remainder of the staff but he would like to provide opportunities for his employees to learn skills, techniques and receive certifications. It would build the team and be beneficial for the employees. He also felt the amounts in the line items previously within each department were low. Mayor Pro Tem Burns confirmed that it was generic until he is able to find something specific, and Mr. Brown stated that was correct.

Mayor Pro Tem Burns stated on page ninety-one (91) in materials and supplies (line item 10-580-3300), the amount increased quite a bit from \$18,000 to \$50,000 for truck cleaning solutions and tools; she asked if this was due to a greater need because of the pandemic. Mrs. Sanchez stated \$30,000 had been included to purchase trash cans. Mr. Brown stated in the next week he planned to send the employees out to get an inventory on the short trash cans, the department will know how many need to be replaced and set goals for the future in regards to the trash cans. Truck or not the shorter trash cans will be the first ones to fail.

Mayor Pro Tem Burns stated her next question was in regards to contract services (line item 10-580-4500) on the same page, there is \$175,000 budgeted. On page 210 recycling services are listed at or \$135,000 and then it says trash service for \$175,000. Mrs. Sanchez stated it was requested that they look into a contract to outsource trash pickup; she stated it is costly to contract trash out. Mayor Pro Tem Burns stated that in the budget recycling is listed at \$175,000. Mrs. Sanchez stated that there was an increase for hauling yard waste. Council Member Hinton asked if the total included hauling to Mr. Collie, and Mrs. Sanchez stated that was correct. Mayor Pro Tem Burns stated that this was the \$175,000, and Mrs. Sanchez stated that was correct. She stated there was an increase in the amount but

a decrease in what was requested to what was recommend because we chose not to contract out the trash.

Mayor Pro Tem Burns asked what capital improvements (10-580-7300) were included in the \$35,000. Mr. Brown stated that it is for the covered storage for the street sweepings. Mayor Pro Tem Burns stated the request reflected three (3) items that are way more costly, she wanted to determine what is being funded. Mr. Brown stated that it included the cart replacement project; Mrs. Sanchez stated that was moved into materials and supplies. Mr. Brown stated the next item was the storage for street sweepings and the yard waste site improvements. Mayor Pro Tem Burns stated the figures provided in the request are higher it looks as if one and a half of those are being funded. Mrs. Sanchez stated that during the budget discussions they were able to determine some more realistic estimates of what the two (2) items will cost. Mayor Pro Tem Burns confirmed that both items would be funded and Mrs. Sanchez said yes.

Mayor Pro Tem Burns asked about the capital reserve (line item 10-590-9700) found on page 92; this was included in stormwater. Mrs. Sanchez stated this is mandated; if a fee is charged for stormwater, then that fee and all the money collected is reserved for stormwater projects. The fees that we charged this year were not completely allocated out, so she is placing that money in a capital reserve for future projects. Council Member Burns asked about the \$10,000 for transfer station fees (line item 10-590-3200). Mrs. Sanchez stated these fees are associated with the street sweeping materials that are collected and hauled; the money was moved out of the sanitation and placed specifically within the stormwater budget.

Council Member Hinton stated that there a lot of drainage ditches around town and supposedly stormwater takes care of that; Mr. Brown stated that was correct. Council Member Hinton asked if the drains are being taken care of properly. Mr. Brown stated that the Town has open and closed ditches, the problems normally occur within the open ditches but they are being taken care of properly. Mayor Brown asked if there was any way to treat the drains; she had a resident approach her and stated that large bugs were coming out of them, that one had gotten into their home. Mr. Brown stated that we don't treat storm drains or ditches for bugs; the regulations do not allow for anything to be placed into storm drains outside of water to prevent any type of water contamination. Mrs. Sanchez mentioned that future drainage projects are now included in the capital replacement plan; this will allow the Town to plan accordingly financially. Council Member Taylor asked if the bugs are there because material has gotten stuck within the drain; the bugs could be feeding on the trash that is in the bottom. Mr. Brown stated that it could be. Council Member Taylor stated we couldn't put any chemicals down the drain but we could flush the drain out.

Council Member Hobbs wanted to know if there were any specific projects the Powell Bill funds would be used for; she mentioned that Mrs. Sanchez had stated that \$55,000 of the total \$200,000 was coming from reserve but she wanted to know if they had something specific in mind or if it be used for general projects. Mrs. Sanchez stated it would be used per the streets and sidewalk repair schedule, the Town will fill follow through with the plan. It does include \$30,000 for unforeseen maintenance of the sidewalks. She also mentioned that there are two (2) line items that have been used for the reserves she would only be utilizing the new line item. Council Member Hinton confirmed that the Town receives approximately \$145,000 a year in Powell Bill Funds. Mrs. Sanchez stated that was correct and the NCLM has stated that they do not believe Powell Bill Funds will be impacted, that they are derived differently than the other sources of funding.

Mayor Brown thanked Mr. Brown and asked him to thank the employees for what they do for the Town. Council Member Hinton asked if Mr. Brown ever heard back from Republic; Mr. Brown stated he has not. Mr. Lansing stated that he has called at least four (4) different times and he has not heard anything back from them. Mayor Pro Tem Burns stated she had a question under water and sewer administration on page ninety-eight (98). She asked if professional service (line item 30-720-0400) was for mapping. Mrs. Sanchez stated that line item included VC3 for IT service and \$10,000 for a consultant for the department. Mayor Pro Tem Burns stated that there is \$22,550 in ancillary (line item 30-720-1100). Mrs. Sanchez stated that includes VC3 phone service, internet and postage. She stated that postage is high in previous years postage was placed in water operations, but it is an administrative

function and should be reflected there. \$18,000 is budgeted for postage alone. Council Member Hinton asked if this had to do with the new billing system. Mrs. Sanchez stated there will be a slight increase, but the cost is attributed to the volume of mail that is sent out; \$17,000 was budgeted this year.

Mayor Pro Tem Burns asked what the \$40,000 listed in software & data service (line item 320-720-7000) was for. Mrs. Sanchez stated that this is associated with the request for new financial software; this is the utilities portion of the software. Mrs. Sanchez stated that she has looked at multiple vendors, but the one that we really like the most is willing to work with us and split the cost out over a three (3) year period, there should be a reduction in this fund and in the general fund. Mayor Pro Tem Burns stated she thought she saw the full amount in Mrs. Sanchez's budget, at \$100,000. Mrs. Sanchez explained that although she requested new software the Town will continue to pay the current software provider until everything is running with the new software. The amount that is shown in her budget includes the cost of the new software and the cost to continue paying the current vendor. Mayor Pro Tem Burns confirmed that she included \$140,000 for the software and Mrs. Sanchez stated that was correct at the time she was unsure of the cost so she budgeted highly for it. The software includes an HR component, a planning component, and a fleet maintenance component; Council will see the cost for the HR and planning component in those departmental budgets. Council Member Hinton asked everything totaled \$100,000 and Mrs. Sanchez stated it does not. Council Member Hinton confirmed that it was an addition and Mrs. Sanchez stated yes. Council Hinton stated that the \$100,000 was for the financial piece; Mrs. Sanchez stated that \$100,000 also includes the cost of the current financial software. She stated that the total cost was \$96,000 and that was split out amongst the departments.

Council Member Hinton stated the financial software is \$100,000 then the HR software is an additional cost. Mrs. Sanchez stated that was correct that there was an additional cost; she believes that it was \$5,000 or \$10,000 but the amount is included in the departmental budget. Mayor Pro Tem Burns stated she had a lot of questions about software request within each department, there seemed to be a lot of request for software. Council Member Hinton asked for a total for the new financial software it was hard to nail down a figure. Council Member Hobbs asked if we were working with current software vendor to receive a prorated rate and Mrs. Sanchez stated that she is working with them on that.

Mayor Pro Tem Burns noticed that there is funding included to purchase computers but she thought we were going to rent computers through VC3. Mrs. Sanchez stated that after reviewing the cost in the long run, it would be more costly for the Town to rent computers; it is cheaper to purchase computers. Mrs. Sanchez stated that some departments' budget for computers may be reduced or cut down due to the purchase of computers for teleworking. Some computers will be able to reused in other departments. Council Member Hinton stated that there was \$6,000 in the police department for computers; Mrs. Sanchez stated that would not be cut, that was for the purchase of MDTs, the laptop used specifically in police vehicles.

Mayor Pro Tem Burns stated that she had a question about meters (line item 30-810-3300) listed on page ninety-nine (99); the dollar amount listed at \$140,000; she wanted to know if this is what the Town should expect every year for adequate replacement of meters. Mr. Brown stated that was correct. Mayor Brown asked if the Town would ever catch up and Mr. Brown stated it is a continual process. Mayor Pro Tem Burns stated that on page one hundred (100) under sewer operations in professional service (line item 30-820-0400) if the \$15,000 included another consultant and Mrs. Sanchez stated that it does. Council Member Taylor asked if we changed vendors for maintaining the water tower; Mr. Brown confirmed that we had but they had not serviced it yet.

Mayor Pro Tem Burns asked if the \$62,000 in equipment over \$5,000 (line item 30-820-7460) on page 101 was for the sewer vac jet and Mrs. Sanchez stated that was correct. Mayor Pro Tem Burns stated that the remaining items appear to have been placed in specific places depending on what they are instead of being lumped together as they had been before. Mrs. Sanchez stated that was correct, we are trying to attribute everything to a specific function and/or location that way the Town has a better understanding of the cost. Mayor Pro Tem Burns wanted to know what the maintenance and repairs line items listed under public buildings on page eighty-five (85) are for. Mrs. Sanchez stated that maintenance and repairs town hall (line item 10-500-1500) \$8,000 is for electrical repair to the battleship. Mr. Lansing stated that the underground electric grid in the battleship needs to be repaired;

when the Christmas lights were on the default was tripping every day. Mrs. Sanchez stated that the \$5,000 for police and fire (line item 10-500-1510) is for possible repairs and problems. The \$17,000 for the library and council chambers (line item 10-500-1520) is for the connection of the generator and landscaping. Mr. Lansing stated that the generator was moved from the Elm Street Lift Station and has been sitting for three (3) years. Mr. Lansing stated that a transfer switch is needed to connect. Mrs. Sanchez stated that maintenance and repairs for public works (10-500-1540) \$25,000 is for fencing for the facility and several miscellaneous repairs that need to be done. Mr. Brown stated that they have a generator at the shop as well. Mr. Lansing asked if the fencing was going to be replaced or painted; Mr. Brown stated it was his intention to replace the fencing on the back side.

Mayor Pro Tem Burns asked what the \$20,000 listed on page twenty-six (26) for capital improvements town hall (line item 10-500-7300) was for. Mrs. Sanchez stated that it is for a lobby area upgrade; it includes plexi glassing the counter area, a camera system, and flooring. Mr. Lansing stated if possible he would also like to secure an additional night deposit box. Mrs. Sanchez stated that the drop box we have is very small, the staff is checking the box multiple times a day and each time it is overflowing. Mr. Lansing stated that weekends are really a challenge. Mrs. Sanchez stated it is a strange problem to have but we should upgrade the box for something larger and more secure. The \$5,000 for the library and council chambers (line item 10-500-7320) is for the awning, signage and façade. Mayor Pro Tem Burns thought that purchase would be made in this fiscal year; Mr. Lansing stated that it was not. Mrs. Sanchez stated that the \$20,000 listed for parks (line item 10-500-7330) was the contingency that was discussed earlier. The \$10,000 for public works (line item 10-500-7340) is for renovations at the current public works facility to remodel and enclose an area to create an additional office space and a camera system for the inventory held there. Mr. Lansing stated that Mr. Brown is planning ahead, in a future fiscal year, he will need to hire a compliance officer, to do this that person will need a workspace; Mr. Brown wants to go ahead and create that space in the next fiscal year. Council Member Taylor confirmed that an office would be framed up within the existing building that we were not building a standalone office and Mr. Lansing stated that was correct. Mr. Lansing stated that it should not be a costly project.

Council Member Hobbs stated that the part time salaries (line item 10-500-0300, page 85) under public building has increased from \$8,120 to \$12,300. Mrs. Sanchez stated that this increase was due to the market study; the custodian's rate of pay will go from \$10.00 to \$12.00 at 1000 hours. Council Member Hinton asked if the new sewer vac will be more nimble. Mr. Brown stated it would be. He provided clarification on the terms being used interchangeably; the department has a large vac truck which has a jetting component built into it. This equipment is smaller and is the quick response truck; this is the bread and butter of what the department does. The one (1) the department has is pushing twenty (20) years old and leaking. This tool is used primarily for sewer back up calls. It is half the size of the larger truck but it serves the same purposes. Council Member Hinton asked if the larger one was for larger backups and Mr. Brown stated that it is for routine sewer maintenance.

Council Member Hinton asked if the department used the asphalt recycling machine or if it was purchased for no reason. Mr. Brown stated it is utilized a little bit, it is burdensome and cumbersome and there are safety concerns with the staff using it. If you drive around Town and look at the areas where it has been used you can tell that it gives an inconsistent product. They use it if they must but they are exploring ways on how they may be able to achieve a better product. Council Member Taylor stated that when the Town purchased it, it was the best thing since sliced bread. Council was told we were going to use it and we even paid for it to be repaired and now they are being told that it is a bad piece of equipment. Mrs. Sanchez stated that they had actually proposed to sell it and the infrared heater. Council Member Hinton stated that Council Member Taylor was correct; that it was sold to Council like it was the best thing; that people would bring the asphalt to us; we would recycle it and use it to fill every pot hole from here to Raleigh.

Mr. Brown stated that he could see the business who sold it to the Town overselling the product; he hasn't been able to make contact with them in the nine (9) months he has been here. The staff has told him similar information that when it was sold to the Town that it was supposed to be the best thing since sliced bread. It really has been cumbersome to operate, there is a lot of down time to operate it; They have to wait at least thirty (30) minutes for the machine to heat and then additional time for the

asphalt to get hot with hopes that the product it is going to produce will be satisfactory. Mayor Brown asked if we were dependent upon people to bring asphalt to the Town; Council Member Taylor stated that yes that was the case. Mayor Brown asked if the people didn't bring the asphalt. Council Member Hinton stated that they did bring it.

Mayor Pro Tem Burns asked if we are not using the machine then how are we filling in pot holes. Mr. Brown stated that since he has been with the Town they have used the asphalt machine a few times and they have ordered a batch of hot mix/cold patch. Long term he thinks the Town would get better results with an asphalt hot box loaded on a dump truck, a trailer mount or a pickup bed. If handled in a proactive way the department could purchase what would be needed from a local producer like Barnhill, using a superior product would give better results. Mr. Lansing stated we probably could do better if we purchased a small roller and put it on a trailer; once the hot mix is put in it could be rolled out to be level. Mr. Brown stated that the roller they have is sufficient for small repairs but he again stated it all starts with the quality of the product. Mayor Brown asked if we would be able to sell the machine. Mr. Brown stated that he does think there are some places that have a need for it and there are several avenues that they could pursue to put some feelers out for it. Council Member Hinton stated if she recalled correctly the Town paid about \$79,000 for the machine; Council Member Taylor stated they paid a lot of money for it. Mr. Brown stated he could not recall the exact figure. Council Member Taylor stated it cost about \$80,000, when it broke it was down for awhile and cost quite a bit to get repaired.

Council Member Hinton asked if we were still using slurry for various streets. Mr. Brown stated that he has received lots of compliments on the sidewalk repairs, and that the contractor did some good quality work. As far as the Powell Bill and street repairs are concerned we are sticking the scheduled that Mrs. Sanchez previously mentioned; he wouldn't call it a slurry seal but it is a NCDOT rated protected seal coating that will increase the durability and life of the street. Council Member Hinton stated that in the past they dealt with slurry because it was cheaper than asphalt. She stated the slurry was used on some of the streets; it was used on Fort St. and Green St. Council Member Taylor stated the slurry is not lasting like they thought it would, that on Fort St. the material is cracking and it looks like it was never done. Mr. Brown stated he wasn't sure of the life span or who did the work but we are hoping to see seven (7) to eight (8) years of extended life. Council Member Taylor stated this particular section is not seven (7) years old; Council Member Hinton stated it is a maximum of three (3) years old. Mr. Brown pointed out that he has been made aware by asphalt contractors that plow blades lessen the life span of the coat and he would assume that it could be the same with the slurry.

Mayor Brown thanked Mr. Brown. Mayor Brown called for a motion to recess for lunch. Council Member Hinton made the motion seconded by Mayor Pro Tem Burns. There being no discussion, Mayor Brown called for a vote. The motion was unanimously approved (4-0). The meeting recessed at 12:11 pm and was set to reconvene at 1:15 pm. Mayor Brown called the budget worksession back into order at 1:15 p.m. Fire Chief Christopher Joyner was present to answer questions that Council had in regards to the Fire Department.

Council Member Taylor asked if the seven (7) radios the department is requesting are radios that would be secured in fire trucks; Chief Joyner stated that they would be handheld radios. Chief Joyner stated that the ladder truck has six (6) seats and that each seat is suppose to have a handheld radio. Chief Joyner stated that the department's budget is very conservative; most of the increases that are within the budget are attributed to the ladder truck. There is a \$5,000 increase included in the budget for that is for testing on the big ladder on the ladder truck, which cost \$1,500 alone. The other six (6) ladders on the fire truck have to be tested as well. Council Member Hinton asked what the cost would be of the ladder truck be in general. Chief Joyner stated it is about \$10,000. Council Member Taylor asked if the truck was ready for service yet. Chief Joyner stated that we are waiting on air packs for the truck. Cary was going to give the Town air packs however they were going out so he decided to go ahead and replace the air packs. He stated that the plan is to use the Capital Reserve Fund Balance that the department has with the County to purchase the air packs. Council Member Hinton asked how much each air pack cost, and Chief Joyner stated they are approximately \$8,000 each. Mayor Pro Tem Burns asked if that funding was included in the budget and Mrs. Sanchez stated it is not. Once the Town receives the revenue it will be added into the budget. Council Member Taylor asked if absolutely

necessary if the truck could be utilized and Chief Joyner stated that it could. Council Member Taylor asked if it was called Ladder 14, and Chief Joyner stated it is.

Chief Joyner asked if he could touch on a point that was discussed earlier in the morning; in regards to the \$0.03 fire tax increase. He spoke with Robbie Davis, and explained that the Town needs the second fire station; there are several places within the County and within the Fire District that the department needs to be able to cover. Mr. Davis told Chief Joyner that they have never told a fire district that requested an increase that they could not have the increase. Chief Joyner answered all of Mr. Davis' questions in reference to fire service and let him know that he would be requesting the funds from the fund balance. Chief Joyner really feels like they will pass the increase, in his thirty-four (34) years of experience he has never seen them not approve a fire tax increase. Chief Joyner stated that he offered as the president of the association to go and speak to him if he had additional questions about fire departments.

Chief Joyner stated the FEMA grant that the Town was awarded last year is almost completed and the Town should receive \$47,000. He stated he has been successful with four (4) grants. He was awarded three (3) as the Fire Chief at Coopers and has been awarded one (1) with the Town. He has submitted the FEMA SAFER Grant, it is due this Friday but he submitted it last week. The Town will know by June 15, 2020 if we have been awarded the grant, and if awarded the Town can begin hiring as of July 1, 2020; the grant mandates that the Town hire the new employees with 180 days. Mayor Brown asked how staffing is within the department; Chief Joyner stated that we recently had one (1) leave to go to Garner, the process is currently running to secure a new employee. He stated the department averages losing one (1) and half people a year going to larger municipalities. He stated that we have some staff that have been here for quite some time and that they do an excellent job. Mayor Brown asked how long the person had been with us that recently left and Chief Joyner stated five (5) years. Council Member Hinton asked what classification the position was and Chief Joyner stated he was an engineer. Council Member Taylor asked who it was and Chief Joyner replied Ryan Landrum. Chief Joyner stated he began here as a volunteer, he went through the academy and received his credentials. He thinks of him like a son, but unfortunately he left for money. Mayor Brown stated she hopes we get a good replacement and Chief Joyner stated he believes so; we have some very good candidates. Mayor Brown asked Chief Joyner to let his staff know Council really appreciates everything they are doing during this time. Chief Joyner stated that he would, that the department is blessed to have a very strong career staff, part time staff, and group of volunteers.

Council Member Hobbs stated there is a new line for insurance and bonds (line item 10-530-5400); she asked if this had been allocated here from somewhere else within the budget. Mrs. Sanchez stated that was correct. Council Member Hinton asked if it had been non-departmental before and Mr. Sanchez said yes. Mayor Pro Tem Burns stated that there is \$17,300 in travel and training (line item 10-530-1400); she wanted to know if this was moved from somewhere else or if it had been increased to this amount. Mrs. Sanchez stated that the amount was the same; she moved it to this line item to maintain consistency throughout the budget.

Mayor Pro Tem Burns wanted to confirm that the fire department was receiving the public safety discount for their cell phones like the police department and Chief Joyner stated that they were. Mayor Pro Tem Burns asked for a breakdown of what is included in software and data (line item 10-530-7000), on page 198. Mrs. Sanchez stated it included Tri-Tech, Emergency Incident Software Reporting, and Active 911. Chief Joyner stated this software is similar to the police department in that once they respond to a call; this allows the department to complete a report to submit to the State. Mayor Pro Tem Burns confirmed that it was previously listed somewhere else and Chief Joyner stated that was correct.

Council Member Taylor asked if the reimbursements for the volunteers were taken out; Chief Joyner stated that Mrs. Sanchez moved it into a different line item. Mrs. Sanchez stated it is actually a form of insurance; she was unsure why it was named that way but it has been moved into insurance. Council Member Taylor asked what we do for the volunteer staff; he stated that we use to provide a Christmas party for the volunteer staff. Chief Joyner stated that was removed from the budget under Mr. Raper. Council Member Taylor asked what we are doing for the department now. Chief Joyner stated that they

host a 5<sup>th</sup> Monday night family night, everyone who attends pays \$5.00 and the money they collect all year is used to hold a small gathering. Council Member Taylor confirmed that they are using their own money to pay for this and the Town isn't provided anything. Chief Joyner stated that the volunteers are provided an insurance policy in that a \$75,000 that the Town pays annually.

Council Member Taylor stated he was once a volunteer and it was something that the volunteers looked forward to. Mr. Raper did not believe in showing appreciation for them, but the volunteers are unpaid, they are leaving their homes at two (2) and three (3) o'clock in the morning to help assist the fire department and help make us what we are. They also have to go into their regular jobs and at the end of the year we use to give them a Christmas party to show appreciation. Now we do nothing. Mayor Pro Tem Burns asked what the cost is for the party that Chief Joyner puts on at the end of the year; he stated it cost approximately \$1,200. Council Member Taylor asked if morale is good at the fire department. Chief Joyner stated that it is and he currently he has twenty (20) active firefighters. He stated that because of the volunteer's excellent response to calls our insurance rating will be better (the rating takes into account the number of responders present for calls).

Council Member Taylor asked the Council how they felt about allowing them to continue this tradition. Council Member Hobbs stated that she is fine with it; she asked if Chief Joyner if the County still did something for all the departments at the end of the year and Chief Joyner stated it is still done but it is put on by the Nash County Fire Association. Council Member Taylor clarified that the association still held dinners and Chief Joyner stated that was correct. Council Member Taylor clarified that Chief Joyner spent \$1,200 for the last dinner and Chief Joyner stated that was correct they had also received a donation that helped cover the cost. Mayor Pro Tem Burns stated that she thought that the Town should be doing something that there was no reason that everyone should be paying out of their own pocket.

Council Member Taylor asked Mrs. Sanchez where the money could be found. Mrs. Sanchez stated that he has \$13,400 in the supplies line item (10-530-3300) but everything within that has been allocated dollar per dollar. Chief Joyner stated that he and Mrs. Sanchez were able to reduce the supplies line item by about \$15,000; he doesn't have to purchase as many items for the ladder truck. Council Member Taylor suggested that a line item be created for \$1,200 for volunteer appreciation. Council Member Hinton stated they should wait to see what will happen with the revenues. She stated they already know they have a large problem with revenues. She told Chief Joyner she would like to give him everything right now, but from her point of view the Town needs to see what revenues will be like and right now we don't know. Council Member Taylor clarified that he is suggesting that \$1,200 be moved from another line item to provide the funds for the department not add an additional \$1,200 to the budget. Mayor Pro Tem Burns stated that \$500 could come from the police department's plain cloth allowance line item, since Chief Puckett stated he only needs to provide the allowance to two(2) not three (3) employees. Chief Joyner stated if Council would give him permission he will try to work it out within his uniform line item; he doesn't want to take funding from somewhere else and cause problems. He stated he will make arrangements to make that happen with Council's blessing. Council gave him their blessing. Council Member Hinton stated that the Chief will find it within the existing budget, and Council Member Taylor stated to do it even if that means finding it within another department. Mayor Pro Tem Burns stated if volunteerism is down the Town needs to do something to lift it back up. Council Member Taylor stated the Town will always need volunteers and Chief Joyner stated that volunteer numbers are down across the country. Mayor Pro Tem Burns stated that we should really be thanking and appreciating them. Council Member Taylor stated that without volunteers we would need additional employees and the Town doesn't have the budget for that either. Council thanked Chief Joyner and Chief Joyner was dismissed from the meeting (Lou Bunch Human Resource Director, arrived at Council Chambers).

Mrs. Sanchez recapped the items from the morning to assure she had correct action items. She is leaving the sanitation and recycling fess within the budget. Council Member Hinton stated the total increase is \$7.50 opposed to the \$7.41 that was given during the budget presentation. Mrs. Sanchez stated we are eliminating the federal mandate of \$6.00 and establishing a flat fee of \$7.87 with an out-of-town rate of \$18.90. Mrs. Sanchez stated that there are some changes to the planning department fee structure on page twenty-five (25); the miscellaneous fee is proposed to be increased from \$30.00 to

\$40.00 and the site development plan from \$100.00 to \$150.00. Mayor Pro Tem Burns asked if these changes were needed to cover cost and Mrs. Sanchez stated that was correct. Council Member Taylor asked where the rationale came from to increase the major plat review from \$25.00 to \$100.00; the rest of the fees appeared to be doubled but this one is more than doubled. Mr. Lansing stated this was based on a review of what other similar sized towns are charging for review, such as Wilson, Zebulon, and Roanoke Rapids. Mrs. Sanchez stated that this is also one of the more labor intensive tasks handled by the department.

Mrs. Sanchez stated that there are no fees listed for parks and recreation at this time. Mrs. Sanchez asked Council to review the business registration fee. Several years ago Towns were able to charge a privilege license fee, and the State did away with that. The Town decided to charge a business registration fee to recover some revenue, the maximum that can be charged per registration is \$20.00. The task is administratively burdensome, it is not very business friendly, and we don't generate enough revenue to make it a worthwhile venture. The staff is requesting to eliminate the fee. Mr. Lansing stated that we do not collect from every business and the \$20.00 is not enough to spend the effort to try to collect. Mrs. Sanchez stated that it is estimated that the Town would collect \$2,100 from the registrations fees; at least \$1,000 is spent in billing and administration. It is a burden to business owners. One (1) reason that has been stated as to why it was created was to keep track of businesses; she suggested that this could be done through water and sewer accounts system.

Council Member Hinton stated that Mrs. Sanchez is stating that someone could open a business within the Town limits without coming to Town Hall and informing the Town that they are opening a business. Mr. Lansing stated that it depends, if it is a home based business possibly, but if they are using a commercial property established in Town already they would have to come in and sign up for water and sewer services. Council Member Hinton stated that it is a good idea to keep track of who is doing business in the Town. Mr. Lansing stated that there are many businesses in Town that don't even show up on this list, because of the type of business they are. Mrs. Sanchez stated that there is no penalty or enforcement mechanism for the fee; if they don't pay or don't register there is nothing that the Town can really do. It is an extra burden on the business that do pay. Mayor Brown confirmed that some are paying and that some are not, Mrs. Sanchez said yes. Mayor Pro Tem Burns stated that we could have registration to keep track of who is doing business in Town but not charge a fee. Mrs. Sanchez stated that we could, but it would still be an administrative burden and would come at a cost to the Town. Mayor Pro Tem Burns stated that they have to consider this if it is costing more than it is generating and the fairness factor because everyone is not paying. Council Member Taylor asked if it was suppose to be collected every year and Mrs. Sanchez said yes. Council Member Hinton asked if the County requires registration. Council Member Hobbs believes that the County got rid of it as well because of the same reasons; it was very minimal income and difficult administratively. Council Member Hinton stated that she guesses the privilege tax is what they got rid of and that was a business tax; Council Member Hobbs stated they got rid of the tax. Council Member Hinton stated this was a substitute to make up for the tax.

Council Member Taylor stated he agreed with Council Member Hinton that this was a way to keep track of business within Town. Mrs. Sanchez stated that she feels that information is kept within the utility system, that each customer is listed as residential or commercial. Council Member Taylor asked if he asked for a list for all the businesses in Town could she provide him that list; Mrs. Sanchez stated we could do that; that she would go to that as the better source of information. Mr. Lansing stated the question could be posed of what we are doing with the information. He has asked the planning department what they do with the list and their response is that they do nothing with it all year long until the following year and then it is updated. Everyone on the list is sent a bill for the fee. Council Member Taylor stated they would not know about the home business anyway. Mrs. Sanchez stated she wanted to bring that request to their attention.

Mrs. Sanchez stated the fee increases will remain in the budget, but she will be adding the additional \$0.09 to the recycling fee. Concerning the garbage truck and the vehicles they are going to eliminate the vehicles at this time; another look would be taken to the vehicles in December and the garbage truck would be in debt service. The Carolina Gateway Partnership will be placed back into the budget. The funds from Well Eight (8) will be moved into capital reserve fund. She is going to reach out

to some retail and banking institutions to see what some of the impacts from the pandemic are. She is going to eliminate the business registration fee from the fee schedule and find money within the budget to allocate to the fire department for volunteer appreciation. Mayor Pro Tem Burns stated that the vehicles were dependent upon what Mrs. Sanchez was able to find out about the interest rates. Council Member Taylor confirmed that the yard trash/flat bed rate was increased to \$100.00; Mrs. Sanchez stated that was correct.

Mrs. Sanchez stated that the next item she would like to cover was the market salary study and she asked Mrs. Bunch to come forward. Mrs. Bunch has compiled all the data into a chart for Council to review; she stated that it was the same format that was used in the 2019 budget. Mrs. Bunch used the population group that was comparable to the Town, so municipalities with populations between 4,500 and 6,500 to determine an average for the Town staff. There were 19 municipalities that participated in the league's study. Mrs. Bunch stated she compared the positions we have in the Town to those listed from the other municipalities. Page three (3) displays the average hiring rate, average maximum salary, and the average salary for each classification.

Mrs. Bunch used the Town Clerk position to explain how she completed the pay study. The average hiring rate throughout the State in our comparable size is \$45,692. She takes that data and finds one of the Town's comparable pay bands to put that position in. Mrs. Bunch stated that the Town has been behind year after year. She then looked at the smaller municipalities where the Town Clerk takes on multiple roles; she took those out and only looked at municipalities where the clerk is just the clerk. On the bottom of page four (4) the current classification, the Town Clerk fits best in pay grade twenty-seven (27); no other positions are within that grade at this time. This was done for every position in the Town.

For the purposes of the study every employee was moved to the minimum of the pay band and then given 1.5% increase per year for years of service. Mrs. Bunch stated that one of the longest tenured employees is a maintenance worker; he has twenty-one (21) years of service. His new title is now a maintenance technician I; she took the minimum pay and applied the interest based on his twenty-one (21) years of service. In doing this it appropriately places him where he needs to be. This was done for each position. Mrs. Bunch stated the current hiring rate is around \$24,000, this amount is \$2,000 less than like sized municipalities. If an employee leaves the Town, we don't want them to be so far behind that they will be at a disadvantage because of their pay level; she stated if the Town wants to retain employees we want to be sure that they are paid appropriately.

Mrs. Bunch stated that on page five (5) Council would see the recommendation; the compression charts shows that 52% of the employees have been with the Town five (5) to fifteen (15) years. Majority of the Town employees are below mid-point, it should be expected for half of the employees to be above mid-point. She stated that the Town is pretty close; the pay study that was done in 2017 did a lot to bring the employees up to where they need to be. Mrs. Bunch stated that the Town has made a lot of progress unfortunately the Town is still behind. The primary challenge that the Town now faces is when we are trying to bring in extremely qualified candidates; they will be hired making more money than someone who has worked for the Town for several years. The pay study will keep the Town from having equity issues. Mrs. Bunch stated that Council directed her to put each employee at the minimum while taking into consideration the years of service at 1.5%. Mrs. Bunch stated that the custodian position discussed earlier would increase by \$2.00 to bring the pay rate more in line with the custodian position of other municipalities.

Mr. Lansing asked Mrs. Bunch if she would explain page seven (7) of the study to Council. Mrs. Bunch stated that the first (1<sup>st</sup>) column seen are the hiring salaries for the Town, the next column displays how the Town is behind compared to similar sized municipalities. The maintenance worker position is \$1,934 less than our average population group. The second set looks at the whole State's population (in the study the Town is grouped in the 5,000 to 9,999 grouping); we are \$2,046 behind in the hiring range. The next column shows an average of the two (2) groupings. Some positions had to be adjusted; some of the smaller times did not have the positions and it caused some discrepancies; this happened particular in Finance; but we are asking them to do more than what is required.

Council Member Taylor asked if the pay study is reflected in the proposed budget and Mrs. Sanchez stated that it is. Mayor Brown asked if there were any questions to Mrs. Bunch regarding this. Council

Member Hobbs asked Mrs. Bunch if she remembered the total of the cost of the study. Mrs. Bunch stated that her initial estimate was \$136,930, and Mrs. Sanchez stated it is \$142,000. Mr. Lansing reminded Council that within the current fiscal year the pay study was implemented for public safety, with the understanding that in the next fiscal year they would consider the non-public safety employees.

Council Member Hobbs stated that she felt it was prudent for Council to do this. She went back and read the minutes and it was brought out in the work sessions regarding the budget last year that when this was put in place for public safety that the intent was for it to be implemented, in fact she thought Mr. Barefoot stated that if they weren't going to do it for the whole staff then don't do it. She thinks Council needs to do this. She stated that the Town's most important asset is its employees. Council Member Hobbs stated she is in favor of Council implementing the pay study. Mayor Pro Tem Burns stated she agreed. Mayor Brown asked if the Town would have the money and Council Member Hinton stated that we didn't know that.

Council Member Hobbs stated that maybe some other things need to go but the pay study is critical. Council Member Hinton stated that this is ongoing, that is not like a vehicle that you buy one time. Council Member Hobbs stated that you cannot go back and take away from the public safety people. Council Member Hinton stated that the Town was not facing the virus when that pay study was implemented. Council Member Hobbs stated that it would be a great disservice to the Town, to the staff and morale if the pay study is not put in place. Council Member Hinton stated that she agreed that we needed it, but we did not know about revenues. Council Member Hobbs stated she thinks Council needs to move forward with it. Mayor Brown stated that she agreed with Council Member Hobbs that if they see that the money is tight then they need to cut some other things. Council Member Hobbs stated that it is an entire budget year that needs to be looked at not just the pay study.

Mrs. Sanchez reminded Council that the cost of living adjustment (COLA) has already been eliminated. It was initially requested to also implement a 2% COLA; she stated that in her conversations with several other municipalities and reviewing the listserv that even in the current state they are still proposing to implement a COLA. Mrs. Sanchez stated that the cut was done under the assumption the pay study would be funded especially since some employees have received a year of increase. Council Member Taylor stated that the remainder of the staff is expecting this. Mrs. Sanchez stated that if they look line by line in the document they will see where the largest amounts of increases are. The staff that have been with the Town the longest are some of our lowest paid employees. Mrs. Sanchez stated that when the calculations were put into the budget, retirement was estimated because we had not received information on the actual percentage. It is reflected at 10.4% the actual figure came in at 10.22% and it will result in approximately \$7,000 in savings between the General Fund and the Enterprise Fund.

Council Member Hobbs asked if that was reflected in the budget, and Mrs. Sanchez stated that it is not. Mayor Brown confirmed that Mrs. Sanchez would revise that to bring back before Council and Mrs. Sanchez stated she would. Council Member Taylor stated that even though we are in trying times and we don't know what the future will bring, the time, money and effort have been spent to create the pay study, it was done for a purpose to not implement would be throwing money away. He would like to implement it. Mayor Pro Tem Burns stated that last year they discussed that if they did half of it that they had to do all of it; Council cannot promise to one and not do the other. Mayor Pro Tem Burns stated that they needed to keep their promise. Council Member Taylor stated that if something else has to be cut then so be it but their word is based on what they do with the pay study. Council Member Hinton stated that Council may have to rethink a lot of things then.

Mr. Lansing asked Council to look at the Human Resource Budget on page 139 to ask Mrs. Bunch any questions that they may have while she is present. Mayor Pro Tem Burns wanted to know what is included in professional service (line item 10-450-0400); she asked if these were things we already have or if this was something that is new. Mrs. Bunch stated that there was not anything new. Mrs. Bunch stated that the only new item is the request for the HR software. Mayor Pro Tem Burns asked if the software and data support (line item 10-450-7000) are items we currently have. Mrs. Sanchez stated that is new it includes the HR software. Mayor Pro Tem Burns asked if the HR software was included in the \$100,000. Mrs. Sanchez stated that it is one large software and she is allocating that piece to the department.

Mayor Brown asked if we would have this expense every year, and Mrs. Sanchez stated we would have annual maintenance fees. Mayor Brown confirmed the amounts would not be as high and Mrs. Sanchez stated that was correct. Mrs. Bunch stated that software and data support includes her current scanning program with virtual image technology. Mayor Pro Tem Burns confirmed that the number will go down because Mrs. Sanchez negotiated for the cost to be split over a three (3) year period, and Mrs. Sanchez stated that was correct. Mayor Pro Tem Burns asked if they would have an updated book for next time, and Mrs. Sanchez stated yes.

Council Member Hinton stated that the new HR Budget was \$169,975, the clerk and the manager budget is \$283,795 together this was formally the administration budget, and now it balloons to \$453,770. Last year the administration budget was \$317,191, there is a difference of \$136,579. Council Member Hinton stated that these are things specifically for the manager, the clerk, and HR and this does not include the non-departmental. Mayor Pro Tem Burns stated that she thought that those items were now allocated within these budgets. Council Member Hinton stated that she had already checked that. Council Member Hinton stated that these are the things that are specifically for the manager, for the clerk and HR and they are not in non-departmental Mayor Pro Tem Burns stated they weren't now and Council Member Hinton stated that they were not before.

Mayor Pro Tem Burns asked if Council Member Hinton could provide an example. Council Member Hinton stated that by separating HR and putting the clerk back into the administration it is costing the Town more money; it is costing the town \$136,000 more. Mrs. Sanchez stated that she did not agree with this; that there are increases due to salary, the website, and the software. She stated that if they looked at page 142 they could see every single item that Mrs. Bunch has requested; she requested that every single department create something like this to show why they are asking for the request. Mayor Pro Tem Burns stated that she had the same assumption that Council Member Hinton had but was able to find them within non-departmental, and that the huge contract for \$100,000 is included; she asked if that was included in Council Member Hinton's review; Council Member Hinton stated no. Mayor Pro Tem Burns asked for an example of what she is looking at that is new. Mrs. Sanchez stated that \$46,000 came from moving insurance out of non-departmental. Mrs. Bunch stated that employee appreciation, bereavement, workers compensation, unemployment, wellness and safety were also in non-departmental but now have been allocated to HR.

Mayor Pro Tem Burns stated that Council Member Hinton is stating that when you take what use to be in the administration budget (the manager, the hr representative, and the clerk); now that we've broken them apart, it appears that there is a \$150,000 increase. Mayor Pro Tem Burns stated that what Mrs. Sanchez is stating is that many items have not been allocated to specific line items and moved from non-departmental, decreasing non-departmental by several hundreds of thousands of dollars. Looking at non-departmental in this budget, there are only like four (4) or five (5) things left within that line item; it looks like an increase but she doesn't believe that there is a huge increase. Mrs. Sanchez stated that non-departmental decreased by \$330,000. Council Member Hinton stated that they she understood that, things were put into each department, and she would like to sit down one on one with Mrs. Sanchez over the budget. Mrs. Sanchez stated that if they looked at the HR budget that everything has been budgeted dollar per dollar, that they can see the breakdown of her request on page 142. Mayor Pro Tem Burns confirmed that everything in the proposed budget is within this year's budget except the request for software for \$10,000, and Mrs. Sanchez stated that was correct.

Mayor Brown stated that she saw where Council Member Hinton was getting her figures from and that things were not clear for her either. Council Member Hobbs asked Mrs. Sanchez if she could provide Council the items that have been pro-rated or have been spread out into other departments that is causing the confusion. Mrs. Sanchez stated that \$76,000 in property and liability insurance has been allocated from non-departmental as well; she stated that \$1,600 was in the governing body's budget as a government officials bond. Worker's Compensation totaled \$87,874, the total IT cost of \$164,000 has been allocated to each department. Legal fees were also allocated out of non-departmental, it was one of the harder items to budget for, and the HR legal fee line item is slightly higher than some of the other departments.

Council Member Hobbs stated that in the amended 2019 budget year, the manager, hr, clerk, and non-departmental total \$1,275,103 and if you take those same departments for the proposed budget year the total is \$976,814. If you take into account those three large items that Mrs. Sanchez spoke of, the \$76,000 for property and liability insurance, the \$87,875 for worker's compensation and the \$164,000 for IT then we would be comparing it to \$947,228. She did feel like it would still be very helpful for Mrs. Sanchez to provide a chart with the non-departmental totals. Seeing this year's department totals for each department with the titles would be helpful. Council Member Hobbs stated it can be difficult to follow when so many things are being reclassified.

Council Member Hinton stated that when all those things were put under governing body, all those litany of things that should not have been put under there confused things even more; a lot of those things were in non-departmental. Mrs. Sanchez stated that she knew going into this there would be some questions because it is different, she'd be happy to provide them with some information. Her objective is to clearly show what is allocated for each department and truly show what is non-departmental. Mayor Pro Tem Burns requested that in the explanations for each department that the new request be bolded so that they stand out from the Town already has; it would be extremely helpful for Council. She stated when she reviewed the budget she questioned if a lot of things were new expenditures; if they could have new items highlighted or bolded it would allow them to consider whether or not the item is really needed. Mrs. Sanchez stated that the details are what the department gave to her; Mayor Pro Tem Burns stated that they are all different, some of them gave great detail, and some of them gave minimal detail.

Council Member Hinton stated that software was included in the budget for every department it looks like the Town is spending a fortune on software. Mayor Pro Tem Burns stated that they need to figure out what is needed. Mrs. Sanchez stated that our software needs are great; that some departments don't have any software including hr and planning and what we do have is outdated. COVID-19 has shown us in particular where we are lacking in software and how we can better serve the citizens. Council Member Hinton stated that she thought planning had software. Mrs. Sanchez explained that they have GIS software but they do not have planning software. The planning department is using spreadsheets and Microsoft Word to try and get by; it doesn't tie into anything for any other department to use. From a customer service stand point, when a person comes in and wants to pay a permit fee, the staff has to get Ms. Price to come to the front to see exactly what the person needs, she then has to go back to her office to find it before the person can pay; it is not very well put together. We should be able to receive the person's name, pull up their information and allow them to pay for the service. We are trying to move into a more comprehensive work flow in all the departments. This should be something not just for now but something to carry the Town forward. The financial software the Town currently has, has carried the Town for the last fifteen (15) years, we are looking for something that will have the same useful life for the Town.

Mr. Lansing clarified that they liked the explanation from the HR department about its request and, that they want new items highlighted. Mayor Pro Tem Burns stated that was correct. As they are going through it, it would be nice to have the new items highlighted or bolded; they don't have anything to compare them to. As she was going through and looking back it appeared that there was a large amount of new software. This will allow Council to discuss whether or not the new items are actually needed; this will allow them to understand how much they are spending in comparison to what needs to be maintained. Mrs. Sanchez stated that she did not do this for the smaller items, however she did provide that information for the major items which can be found on page 276; she also showed major items that were cut for Council's consideration.

Mayor Pro Tem Burns stated that she understands we are required to comply with records retention; she saw that a cheaper way was screen shots. She understands that they are not searchable but nobody said you had to make it easy. She asked if these were things that the Town could hold off. Mrs. Silver stated that she would not recommend the Town hold off on social media retention, the Town currently has eleven (11) social media accounts. Mayor Pro Tem Burns asked what the eleven accounts were: Mrs. Silver stated the Town has a twitter account and a YouTube account, fire and police have Facebook and Twitter, the library has Facebook and InstaGram and parks and recreation has FaceBook, Twitter, and InstaGram. Mrs. Silver also stated that screenshots are not admissible in court. Mayor Pro

Tem Burns stated that things would only be deleted by the admin who handles the social media; she questioned if they wanted to give someone the master administration role. Mrs. Silver stated that she would be hesitant to do that; there could be problems with allowing all of that to be placed on one (1) employee. Mr. Lansing stated on page 276 they can see the things that are included in this budget.

Mr. Lansing asked if the money that had been allocated for the yard waste site would still be needed if we are going to dump it Mr. Collie's landfill; Mrs. Sanchez stated that was Council's discretion. Mayor Pro Tem Burns stated that she thought Mr. Brown needed a shed for temporary storage. Council stated that it is taken to the landfill, and Mayor Pro Tem Burns stated that she believed Mr. Lansing was right. Mr. Lansing mentioned that the rehab of the lift station located at NCDOC is included in the budget. Mayor Brown asked Mr. Lansing if he had the area checked out by a surveyor. Mr. Lansing stated that he has and is waiting on a price estimate. He explained that former Mayor, Donald Street, had stated for several years that the prison could gravity fall and it looks possible. He has spoken with Kevin Varnell of Stocks Engineering and Mr. Varnell has stated that it looks possible but distance has to be factored in. Mr. Varnell stated he believes it is about seventeen (17) feet short of elevation; that the only way to know for sure is to have Strickland shoot the elevation. Mayor Brown stated that if it will work it will save the Town money and if it does not the Town has no other choice. Council Member Hinton asked if we had already spent \$25,000 on this project and Mr. Lansing stated that was correct. Mr. Lansing stated even with getting this done, the Town would be looking at another three (3) years before fully starting on any additional project there; the lift station will not survive another three (3) years without putting major money into it. He stated that it is not money spent for nothing. Mayor Pro Tem Burns asked if there was any funding or grants that we could get to help the Town. Mr. Lansing stated that it is being researched and he doesn't believe that they qualify under CDGB grants. Mayor Pro Tem Burns stated that any type of assistance would be great, that the Town is already providing the service. Mr. Lansing stated that he has even asked the State if they would like to take over the lift station and they do not at this time. Mayor Pro Tem Burns stated that her thought was since they are using this, the State would help with some of the cost. Mr. Lansing stated that they feel that they are in what they pay in sewer fees.

Council Member Hinton asked how the Town mitigated the \$287,000 water leak issue. Mrs. Sanchez stated that they received a credit on their account. Mayor Pro Tem Burns asked how long it would take for the credit to be used and Mrs. Sanchez replied six (6) months. Council Member Hobbs how much longer the credit will last and Mrs. Sanchez stated that she thought it would be used up by the end of June. Council Member Hinton stated that it is one of the Town's largest users. Mrs. Sanchez stated as far as increases are concerned there is a \$1,900,000 increase from the original current year budget. The items that they see requested on page 276 equal \$1,700,000 that accounts for almost everything that is within the proposed budget. Council Member clarified that we are \$2,000,000 over the 2019-2020 budget and Mrs. Sanchez stated that was correct for the original budget. Mayor Pro Tem Burns asked how much over the amended budget and Mrs. Sanchez stated that it is a decrease from the amended 2019-2020 budget; that there is approximately a \$400,000 decrease (Mrs. Bunch left the meeting).

Mrs. Sanchez stated that this was largely because of a transfer that she had to complete in the water and sewer fund. Council Member Hinton stated that, that needed to be explained, she was not sure that anyone really understood that. She also stated the transfer inflated the amended budget enormously, that it skewed it. Council Member Hinton stated that they are looking at a skewed overage. Mrs. Sanchez stated that the transfer should have been completed a few years ago. Mayor Pro Tem Burns asked how much the amendment was for. Mrs. Sanchez stated it was for \$1,200,000 and that she has completed it now. Council Member Hinton instructed everyone to look page four (4). She stated that the amended budget shows a difference of \$2, 348,087, so what did we do. Mrs. Sanchez stated that she went in and reconciled; that it can be seen on page five (5) and page (6). These pages show all the budget amendments that have been done; in the General Fund there was a non cash reimbursement to the Enterprise Fund. Mrs. Sanchez stated that she had to add a journal entry; this was an auditor entry that was supposed to have been done back in 2014. The liability was booked but they never carried the process forward. Council Member Hinton stated that this was something that they did not understand and Mrs. Sanchez explained that it is a non-cash item, no money is actually being spent but it has to be accounted for.

\$319,000 was transferred from the General Fund to the Capital Reserve Fund; the money had been allocated and was just sitting there waiting to be properly allocated. Council Member Hinton stated that this again skews the budget. Mayor Pro Tem Burns states it makes it look like the budget was larger than what it was. Council Member Hinton stated that in fact the only things we purchased were the cemetery outlay building, repairs for the police vehicles, software for the police department, and the chipper repair. Council Member Hinton stated that she thought we bought a new chipper, and Mr. Lansing stated we had insurance money for that. Mrs. Sanchez stated the other major non-cash item, was a transfer within the Enterprise Fund for \$1,200,000 to clear out the old capital projects that had negative cash balances. Council Member Hinton stated that it makes it look like the Town was spending money left and right. Mrs. Sanchez stated it was money that was already spent and the problem was that it was never shown that way and we have to show it. Council Member Hinton stated that actually only about \$200,000 was above and beyond the original budget, so this skews the entire budget. Mrs. Sanchez stated that anytime a transfer is done it increases the budget. Council Member Hinton stated that takes them back to page four (4) and it makes it look like the Town look like we spent more money than we actually did.

Mayor Brown asked about the \$2,000,000 and Mrs. Sanchez explained that the current year budget was not increased \$2,000,000 in cash, or in spending. Mayor Pro Tem Burns stated that what she thinks Council Member Hinton is saying is that if we look at next year's budget compared to this year's amended budget it looks like we are under but in fact if you take out the big transfers that were made we are over. Mrs. Sanchez stated that was correct, that is why she included the reconciliation, and that it is in fact a \$1,900,000 increase and where \$1,700,000 came from. Mrs. Sanchez stated that some of that \$200,000 is the sanitation increase including the recycling so the overage is \$1,900,000. Mayor Brown asked what exactly the increase is. Mrs. Sanchez stated that compared to the 2019 original budget there is a \$1,900,000 increase. Mrs. Sanchez stated that they tried to maintain a conservative operating budget and most of the things listed are one time cost; the market rate study and IT Services will be ongoing. She stated the next payment for the comprehensive plan will have to be paid within the next fiscal year and the financial software will be paid out of the next three (3) fiscal years. She stated that there are things that will have to be replaced annually within the fire and police department like radios and vehicles. She stated that they won't be purchasing a garbage truck the following fiscal year and yard waste site improvements could be eliminated as well. She stated we would not be working on the NCDOC rehab lift station project but there could be another lift station project. Council Member Taylor stated that just about everything within public buildings is a onetime thing.

Council Member Hinton stated the \$1,900,000 over the original budget is a 19% increase that is a big increase from our original budget. She stated that they have to think about revenues, if we are 19% over from where we were last year in our original budget, where's the money coming from if they are telling us we are going to have reduced revenues. Mrs. Sanchez stated she budgeted conservatively when it came to revenues, but of course there is still some uncertainty. Council Member Taylor stated that there are a lot of one times items that if those were removed the budget would not look as bad as it currently does. Council Member Hinton stated that then means they may have to reconsider all of those things.

Council Member Hobbs suggested that next week if possible Mrs. Sanchez provide an updated line item budget so that everything is in place and to have each item spelled out in a comparison form from the original 2019-2020 to the 2020-2021 proposed budget. She believes receiving this in addition to receiving the whole budget revenue wise and expenditures wise they will be able to see where everything falls. She stated the key would be whether or not the Town has enough revenue to sustain the budget that is being recommended. Mayor Brown stated that the citizens may be concerned that taxes will be increased. Council Member Hobbs stated that they can say that there is no tax increase involved in this. Council Member Hinton stated that they will see the \$7.50 in water and sewer and sanitation; they are going to see that as an increase. Mrs. Sanchez stated that all the fees that have been proposed are specifically dedicated to the programs. Mayor Pro Tem Burns stated the only way to get rid of it is for the Town to pay for it which is the tax payer dollars, or they could eliminate the yard waste pickup. She thinks that would be a very unpopular decision to make.

Mayor Brown asked Council if they had any additional request for Mrs. Sanchez; she thanked Mrs. Sanchez for all of her hard work. Council Member Hinton stated that they are just trying to understand. Council Member Hinton asked what project the non-cash reimbursement of \$1,200,000 came from; Mrs. Sanchez stated that it was two (2) different projects and she couldn't quite remember what they were for. Council Member Hinton stated that she wanted to know. Mrs. Sanchez stated that the project information was included in the budget amendment. Council Member Hobbs stated that she was surprised that our auditors hadn't pointed it out in prior years. Council Member Hinton stated that it is coming back to them now and it skews the budget. Council Member Hobbs stated that some of it is for record keeping purposes to make sure that we have everything allocated; she also stated that she would have thought it would have been caught from an audit perspective by now. Mrs. Sanchez stated that she thought it was caught; that she felt it had already been reflected and done in the audit. Council Member Hobbs clarified that Mrs. Sanchez was stating that an audit entry was done but it was never done internally on the financial system.

Council Member Hinton stated aside from that the Enterprise Fund only increased by \$200,000, but it looks much worse on the books. She stated that with the comparison on page four (4) it looks as if the Town has been "cooking the books." Mrs. Sanchez stated that she hasn't, and her intentions are to put in policies and procedures to get our books in order. Council Member Hinton stated it makes you begin to think where did we go wrong, what wasn't done, who didn't do what, it is very similar to what happened at our waste site. Mrs. Sanchez clarified with Council how they would like all the information requested presented. Mayor Pro Tem stated that they would like to see the original 2019-2020 budget and items that were purchased pulling the non-cash items aside. Mrs. Sanchez clarified that they just wanted expenditures and Council Member Hinton stated that was right only what was actually spent. Mayor Pro Tem Burns stated that they would like to see the recommended this year, they have the amended 2019-2020 budget which shows what was actually spent within the departments. She stated that these figures would not really change much and that is what is skewing the budget. Mrs. Sanchez stated that all the non-cash items could be found within the 660 budget. Mayor Brown stated that she would like to see a simple visual that she can understand.

Council Member Hobbs stated that the line item budget was fine, but asked if Mrs. Sanchez could provide a summary by department including the original budget for this year, the amended budget for this year, and the recommended budget for the next fiscal year. It would be nice to have something to explain what increases or decreases are for the total department without going line item by line item. Mrs. Sanchez stated that some of this may be included in the budget summary tab, she showed the total dollars versus Town dollars (the Town dollars are what we are actually spending). Council Member Hinton asked her what she meant by Town dollars and Mrs. Sanchez stated basically property tax. Council Member Hinton stated that they had never used that term before. Mrs. Sanchez stated that they are the available funds less the fees. Council Member Hobbs stated that departmentally Mrs. Sanchez is trying to show that certain fees that are collected are only applicable to certain things. She used the fire tax as an example; it can't be used for anything else so it reduces the amount the Town has available from property taxes for fire services. She is trying to show departmentally where there is a case of that; so there may be fees that are associated with one specific function whereas everything else has to be paid for with property or sales tax. She would like Mrs. Sanchez to add columns to the budget summary to show the original 2019-2020 budget, the 2020-2021 proposed budget and a comparison of the two (2) showing the difference between the two (2). She also thinks it should include some type of information on what the increase is. Mrs. Sanchez asked Council Member Hobbs if what she had on page eighteen (18) would work but with adding in the additional column and Council Member Hobbs said yes.

Mayor Pro Tem Burns stated that the chart Mrs. Sanchez pointed out answers most of her questions, however we didn't have the manager, clerk, and human resources separated out and Council Member Hinton is pointing that out when you add it all together it comes up to a very different number. Because of that it is very hard to provide a comparison; we don't have an administrative budget anymore. She stated she was fine using the amended budget for police and fire it is clear to see what was purchased, however things become unclear in water and sewer because of the large figures. Mayor Brown stated that she liked Council Member Hobbs suggestion and Council Member Hobbs stated that it would be nice to have something to show how we got from one point to the next. She

stated that Mrs. Sanchez did not have to include every single dollar amount but the larger amounts. Mrs. Sanchez asked them to keep in mind that all the departments would increase because of the allocations from non-departmental. Council Member Hinton asked that she look at the clerk, manager, and hr, how it is all organized now and how it was organized before, there is a difference, and if she is wrong she would like to see it. She stated that all she could see that it is costing us more to reorganize. Mayor Brown stated that it is costing the Town more because their salaries went up. Mayor Pro Tem Burns stated that the total salaries for everyone are less than the difference Council Member Hinton is finding.

Mayor Pro Tem Burns confirmed what was included in professional service (line item 10-410-0400) under the governing body. She stated that it appeared to include Municode, and VC3. She also brought up the website and website development; she asked if they had talked about website development and what happens to what the Town currently has because she didn't believe that they had. Council Member Hinton stated that it seems like they just got a new website and that was going to be the be all end all for the website. Mayor Pro Tem Burns stated it appears that things will not function as of this upcoming year. Mrs. Silver stated that the technology that was used to write the programming for the website is becoming extinct; features that are included on the website will no longer function as of December 31, 2020. Mayor Pro Tem Burns asked what features and Mrs. Silver stated flash player and scripts will no longer work. She stated that she was unsure if this was discussed when this project was initiated but from a tech standpoint the Town should expect to update every three (3) to five (5) years. Mayor Pro Tem Burns asked if they should expect to spend \$18,000 every three (3) years and Mrs. Silver stated that may be more as things continue to increase in price. Mayor Pro Tem Burns asked if the new site will still allow people to pay online and Mrs. Silver stated the new site will have better functionality and will be more user friendly. Mrs. Sanchez stated that it will be able to integrate with the financial software as well. Mayor Pro Tem Burns stated that her expectations for Nashville are different than she would expect of Raleigh; she wanted to be sure we kept online payments because so many people responded positively to that. Mrs. Silver clarified that the total cost is \$35,000 but they were willing to break that into three (3) payments across three (3) fiscal years; she explained that the \$18,000 included a third of the price of the upgrade and the \$9,000 that is paid annually for maintenance and support.

Mayor Pro Tem Burns asked in software & data support (line item 10-420-7000) if these were items we already have or if they are new items, which included Smarsh and ICompass; Mrs. Silver stated those were new. She stated that ICompass is agenda software; the agenda software will guide the agenda process, it will provide the manager with a means to hold the clerk accountable. The software would be used by the clerk, the manager and all department heads; it will give them an avenue to submit their work directly to Mr. Lansing and provide opportunities to collaborate with one another in the agenda creation process. The software does some things that we don't currently do because we simply don't have the software to do this. She provided examples of page numbering the agenda and once completed automatically publishing the agenda packet to Council, the media, the sunshine list, and the website for the public. Mrs. Silver said that it will reduce cost, the Town spends a lot of money on the agenda packets; money is spent on the paper for printing, the time spent by the clerk, printing, copying, assembling, and many other cost. She stated that she could continue to print for Council but the department heads would have access without the cost of printing the extra copies. Mayor Pro Tem Burns asked what the cost is and Mrs. Silver stated \$3,850. Mayor Pro Tem Burns asked if it was an every year fee or a onetime fee with annual maintenance and Mrs. Silver stated every year.

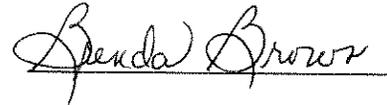
Mrs. Silver stated that Smarsh is social media and text retention. The Town is responsible for retaining social media because they are public records; this is a searchable platform, so it is a database and not a catch all for the records. The software captures comments that are deleted, even when they are deleted by whomever and it provides records that are legally compliant and admissible in court. Mrs. Silver stated that the Town currently has eleven (11) social media pages, Mr. Lansing has approved for the Town and for Downtown Strong to have FaceBook pages which will increase the number of accounts to thirteen (13). Mayor Pro Tem Burns asked how much this will cost and Mrs. Silver stated that it is \$8836.35. Mayor Pro Tem Burns asked if this is annually as well and Mrs. Silver stated that \$500 would be removed from the annual cost. Council Member Hinton asked what the grand total for all of that would be \$20,065. Mrs. Silver stated that also included in that figure was the recording system for Council Chambers that it is no longer going to be supported or maintained. Mayor Pro Tem Burns stated

that they couldn't use it even if they wanted to and Mrs. Silver stated that was correct. She stated that was an additional \$4,477.10. Mrs. Silver stated that it also includes three (3) other items the Town already has which are Municode \$735 for our online ordinance, MCCI \$705 for our online minutes, and ADS \$1,100 for annual maintenance and support of the recording system. Mayor Pro Tem Burns confirmed that the new items are Smarsh, ICompass, and an upgrade to the website. Mrs. Silver confirmed that and pointed out that the \$4,477.10 would be a onetime cost that once replaced the recording system would not have to be replaced for some time as well.

Mayor Brown asked if there would be anymore question. Mayor Brown thanked everyone for coming out today and stated that she felt the work session had been productive. Council Member Hinton stated that she would like a grand total of all the software, new versus what we have. She would also like the maintenance fees or anything associated with the software.

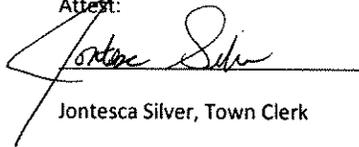
### 3. Adjourn

There being no further business, Mayor Brown called for a motion to adjourn. Council Member Hinton made the motion to adjourn, seconded by Council Member Hobbs. There being no discussion, Mayor Brown called for a vote. The motion was unanimously approved (4-0). Mayor Brown declared the meeting adjourned at 2:55 pm.



Brenda Brown, Mayor

Attest:



Jontesca Silver, Town Clerk

