

Mayor

David Phillips

Mayor Pro Tem

Ed Samaha

Town Manager

Ryan Spitzer

**Town Council**Chris McDonough
Amelia Stinson-Wesley
Danielle Moore**Town Clerk**

Lisa Snyder

BUDGET MEETING #6
APRIL 30, 2024

The Town Council of the Town of Pineville, NC, met in a Budget Workshop on Thursday, April 30, 2024 @ 6:00 p.m. The meeting was held at the Town Hall Council Chambers.

ATTENDANCE

Mayor: David Phillips

Mayor Pro-Tem: Ed Samaha

Council Members: Chris McDonough, Danielle Moore

Absent: Council Member Amelia Stinson-Wesley

Town Manager: Ryan Spitzer

Town Clerk: Lisa Snyder

Finance Director: Chris Tucker

Mayor Pro Tem Samaha moved to open the budget meeting followed by a second made by Council Member Moore. All ayes.

Finance Director, Chris Tucker, announced that this is the last budget meeting for this fiscal year. We are presenting a balanced budget. The May 14th council Meeting will include the public hearing.

Town Manager Spitzer gave an official budget presentation to Council and provided an overview. There will be no tax increase this fiscal year. He reviewed the budget impacts for FY25: employees (COLA and benefits), debt for new Town Hall, financial plan, electric rate increase (there has not been an increase since at least 2017), major paving projects will be complete after Industrial Drive.

Budget pressures include salaries, the Fire Department station, the substation, the electric/PCS building, police radios and Parks and Rec. Funds are \$36,855,000 combined: General Fund = \$20,175,000; Electric = \$13,150,000; Telephone combined = \$3,330,000; and the 911 Fund = \$200,000. General Fund revenues = \$20,175,000.

General Fund expenses: Police and Fire make up about 50% of the overall budget; COLA of 4% and a 2.5 merit for the average employee; compensation and classification study next year; paving of Industrial Drive; Capital expenditures of \$1.4 million (this is a decrease of about \$300,000 from last year); the use of Asset Forfeiture in the PD (for one-time expenditures); and one new position (dual role) which council requested. He noted that the Powell Bill Funds must be used for roads and streets.

Incentive Pay at the PD: 5% language; 5% advanced certificates, 2.5% intermediate certificates; For 911 Telecommunicators: create a TC Career Development track and 5% language; For civilians: 5% language for front-facing jobs. Also not included but discussed: a one-time payment of 5% for residency and a bonus for the Mint Hill contract.

Mr. Spitzer also reviewed the Sponsorship Funding as follows: Pineville Neighbors Place \$50,000 (moved to Governing Board), PCAA \$10,000, Polk Site \$10,000, Arts & Science Council \$10,000, Pineville Players \$7,000, Hope Soccer Ministries \$2,000 (if they are a Pineville resident), and Downtown Merchants \$10,000, for a total of \$49,000.

Enterprise Funds were reviewed. The total department budget is \$3,330,000 with ILEC = \$1,700,000 and CLEC = \$1,630,000. Customer growth is stagnant. Fund Balance Transfer is lessening. Revenue is covering operations. There are projects that we will have to hold off on.

The Electric Department's total budget is \$13,150,000. Utility Financial Services did a rate study and recommends a 3% increase this year. They are modeling to pay for the substation and a new facility.

ARPA Funding. There is \$500,000 left in this fiscal year. We are looking at the possibilities to spend these funds on which include a Pour and Play (\$227,000), a new playground (\$50,000), the Cranford intersection (\$350,000 to \$650,000) and Cone Mill Memorial (\$510,000).

Future budget pressures, by fund: General Fund = Fire Station, Parks & Rec, salaries, and a pedestrian study; Electric = new substation, new building, and competition;. For fiscal year 2026, new Fire Department staff, the Fire Department loan, and a full year of new pay and classification study.

Town Manager Spitzer concluded his presentation with a total proposed budget for all funds: \$36,855,000. This is a 1.3% increase from last year (due to inflation and salaries). The budget is presented balanced. We will continue to set up project funds. The tax rate will remain at \$0.285 (staying level). They will do a complete electric cost of service study recommendations. He noted that when budgeting toward their strategic goals, 6 out of 6 are being met. We are building a roadmap for future obligations stemming from the Davenport presentation at the beginning of our budget meetings.

The budget ordinance will come before Council in May or June for approval. It has to be approved by June 30th.

Mayor Pro Tem Samaha moved to adjourn followed by a second made by Council Member McDonough. All ayes.

ADJOURNMENT: The meeting adjourned at 7:05 pm.

David Phillips, Mayor

ATTEST:

Lisa Snyder, Town Clerk