

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 #3
MARCH 21, 2024

The Town Council of the Town of Pineville, NC, met in a Budget Workshop on Thursday, March 21, 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: Amelia Stinson-Wesley, Chris McDonough, Danielle Moore

Town Manager: Ryan Spitzer

Town Clerk: Lisa Snyder

Finance Director: Chris Tucker

Mayor David Phillips called the meeting to order at 6:02 pm. Chris Tucker, Finance Director, stated that the meeting will be about the General Fund. The good news is that the budget is balanced. Debt service is our biggest obligation.

Town Manager Spitzer began the presentation for Administration and stated that \$2,000,000 is typically appropriated for CIP. The budget is balanced, but it's imbalanced from the road map that we've used the past few years. CIP is actually at \$1,400,000 (for capital projects). The reason is the salaries and incentives. Those salaries and incentives carry on forever. CIP is a one-time expenditure. We are following the Davenport presentation, which they had a 1.06 cent increase, and he has a 1.5 cent tax increase for the Fire Station. Remember the sale of the property is fundamental in that one cent tax increase. If we don't sell the Cone Mill site, and we don't get the money for College and Church, that one cent goes up to three or four cents that we would need to cover that debt. This is important because we are taking that money in and directly putting it into a fund balance to start paying off debt for the first three or four years until that penny tax rate catches up and helps us pay for that debt, and we're also using part of our Fund Balance to fund the radios. You will not see it in Mr. Tucker's debt payments because it's just taken out of Fund Balance and putting it toward that project.

There are COLA and merit increases town wide. There are incentives proposed for the Police Department this year. We have one new position which Council wanted him to add. The proposal for COLA and merit is 4% COLA for everyone and 2.5 merit increases. Each percent is about \$100,000 in the budget. The 2.5 merit is typically what we've done and has always worked well with the step plan in the PD and with staff, too. Other municipalities were compared with this proposal, and we are competitive with them.

Mr. Spitzer said that we have been receiving a lot of complaints from the PD that their radios are not working in certain areas and not having service. If we spend the \$5 million for the PD radios on July 1st, it will take a year to get the radios up and running so we would pay on the back end of this fiscal year. We still have \$5 million set for Cone Mill and \$2 million set to come from College and Church.

Chief Hudgins and Mr. Spitzer discussed additional incentives for the PD: \$89,000 for those who have: 5% for people who speak another language, 5% for advanced certifications, 2.5% for intermediate certifications, and FTO payments.

For 911 Telecommunicators it was proposed \$4,277 which will create a TC Career Track hours, in addition to additional pay for the extra work related to the Mint Hill contract. We get about \$162,000 from that contract and it goes into the General Fund for the three telecommunicators to work.

For Civilians: 5% language bonus for front-facing jobs but will be required to take a language proficiency test. Council Member Stinson-Wesley would like them to consider ASL (American Sign Language), as well. Other options were also discussed. Once we do these options, we match up pretty well with other towns.

Mr. Spitzer said that they always like to see more people live in town. If you work for us and you live in town, Council could consider giving 2.5% for employees who live in Pineville. We give longevity pay to employees that is determined by their years of service. This is paid in November each year. We are also looking at "top out" one-time bonuses as part of our Pay and Classification study.

Mr. Spitzer is proposing an internal promotion of one of his department heads. They will have the added responsibility of this position as well as an increase in their salary up to \$30,000. We are saving money by not spending money on creating a whole new position.

These items were requested, but not budgeted for this fiscal year: \$300,000 in Public Works projects, \$291,000 in the Police Department for new vehicles and some incentives, \$400,000 Fire Department for two full-time employees, incentives for all staff, Pay & Classification Study, a Quiet Zone and Main Street crosswalk. These are things that may be considered next fiscal year. Mr. Tucker said that the first cuts have already been done.

Mr. Tucker reviewed the Governing Body (Council and Operations). This includes Council's salaries and stipends, and half of our Town Clerk's salary. Several employees get accounted for in multiple funds. Comments included giving \$50,000 to Pineville Neighbors Place, \$50,000 for an increase in insurance based on claim history, Tuition Reimbursement Program, and a decrease in Planning projects. Mr. Tucker noted that there is plenty of capacity for legal fees in order to have an attorney present at the meetings.

Finance pressures include an increase in the Audit Contract fees and Debt Book software for Finance, and Actuarials, The increase for the department is 20.62% and it is included in the balanced budget. Administration will see an increase of 5.16% due to the new position for Assistant Town Manager.

Human Resources will see an increase due to the cost of Employee Appreciation Events, which include Team Building, Employee Recognition events) and Contract Services (Background checks, drug tests, HRA, Market Pay Study and police leadership coaching). Mr. Spitzer is asking Human Resources to promote the Life Balance Account to all employees.

Mr. Tucker outlined Planning budget, which includes paying the Planning Board, and Board of Adjustment meetings, Contract Services went down. This includes the Animal Control contract, which is charged to his department. Any time there is a zoning violation and Town staff has to take care of, there's cost associates with that. Debt Setoff and People Finder services, and GIS services to track our street and electrical programs. Community investment could be used for the murals that Downtown Partners is requesting. This budget went down.

Overall, General Government, consisting of five departments, is seeing a 6.48% increase.

Mr. Spitzer reminded Council that if they approve COLA and merit that those begin on July 1, 2024, and January 2025 the Pay Study will be done and they can take the results from that and decide what they want to do about salaries. There was general discussion on miscellaneous budget items.

Council Member Stinson-Wesley moved to adjourn followed by a second made by Council Member Danielle Moore. All ayes.

ADJOURNMENT: At 8:55 p.m. the meeting adjourned.

David Phillips, Mayor

ATTEST:

Lisa Snyder, Town Clerk