

**Board of Aldermen
Special Meeting
April 27, 2015
5:30 P.M.
Minutes**

Present: Mayor Dale Baldwin, Alderman Calvin Green, Alderman Tom Hartman, Alderman John Reeves, Alderman Stephen Shoemaker, Alderman Brett Summey, Town Manager Brantley Price, Wesley Barker, Heather Holdaway, Matthew Levi, Jeff Rose.

At 5:30 p.m. Mayor Baldwin called to order the special meeting of the Board of Aldermen.

Discussion of Town Budget- FY 2015-16

Brantley explained the Board could discuss going revenue neutral and increase the property tax rate from \$.42 to \$.43, as one penny equals \$24,063 in revenue. There would be a difference in the tax levy for Fiscal year 2015-16 as the county recently completed their revaluation and the penny raise from \$.42 to \$.43 in the tax rate would help make up for this. Brantley said if the Board chose to not raise the property tax rate, it would ultimately be loss in revenue and the Board could cut budget items to make up the difference or get monies from fund balance. Currently the Town's fund balance is at 80% with the mandate being 8%. The NC League of Municipalities projects a 4% increase in sales tax over FY 14-15. Further, there would be no privilege license tax effective 7/1/15, but the State is still reviewing whether a registration fee would be applicable for all businesses in an attempt to make up for the lost revenue of privilege license taxes. There was consensus of the Board to leave the tax rate at \$.42.

Brantley said the health insurance premium estimate came in at an estimated 10% increase over last year which was an 8% increase. Brantley said the Board would need to decide on benefits and could either leave benefits the same and keep the same coverage or the Town could look at other plans, raise deductibles, or go to different providers if they wished. The Board was in consensus to keep benefit coverage the same as it has been.

Cost of Living Adjustment (COLA) was next to be discussed. Brantley said he had proposed a 3% across the board increase as the Town has a great group of employees and would not want to lose any employees. Also, Brantley felt a COLA is needed to keep salaries in line with other municipalities since the Town does not have an approved pay plan. Brantley said no COLA increase was given in FY 14-15 to employees and a 1% COLA was given in FY 13-14. Brantley told the Board that the decision on salaries needed to be decided on in order to move forward with other budget items. Other items discussed for this year's budget included attorney fees, new police vehicle, replacement of metal roof and sides on maintenance building, adding power to bumpouts and additional paving.

Alderman Green made the motion to go into closed session to discuss personnel employee performance of individual staff. Alderman Reeves seconded with a vote of 5-0 in favor. The time was 5:55 p.m.

The Board returned to regular session at 7:40 p.m. With no further discussion, Alderman Reeves made the motion to adjourn the special meeting. Alderman Shoemaker seconded with a vote of 5-0 in favor.

Dale Baldwin, Mayor

Wesley M. Barker, Town Clerk