

**TOWN OF VALDESE
ANNUAL COUNCIL/DEPARTMENT HEAD BUDGET RETREAT
MONDAY, MARCH 18, 2019**

The Valdese Town Council met on Monday, March 18, 2019, 1:00 p.m., for the Annual Budget Retreat, Old Rock School, Waldensian Room, 400 Main Street West, Valdese, North Carolina. The following members were present: Mayor John F. "Chip" Black, Jr., Councilman Keith Ogle, Councilwoman Frances Hildebran, Councilwoman Susan Stevenson, Councilman J. Andrew Thompson, and Councilman Roy Sweezy. Also present: Town Manager Seth Eckard, Deputy Town Clerk Courtney Kennedy, and all Department Heads.

Absent: None

A quorum was present.

CALL TO ORDER At 1:00 p.m., Mayor Black opened the meeting and welcomed everyone. Mr. Black encouraged department heads to be open in sharing thoughts and ideas.

FINANCE DEPARTMENT Finance Director Bo Weichel provided an overview of the Town's revenues, debts, and fund balance. Mr. Weichel informed Council that revaluation of real property is complete; Burke County had a net increase of approximately seven (7) percent; Valdese had a net increase of approximately ten (10) percent. Mr. Weichel shared that these numbers are before any appeals. Mr. Weichel shared that the Town of Valdese may see an increase of \$125,000 in tax revenue.

Councilman Ogle asked for clarification on what options the Town has with regard to the revaluation. Town Manager Seth Eckard shared that Council can set the tax rate every year. This allows the Town to maintain the same tax rate, adjust the tax rate to remain revenue neutral, or some combination of the two. Mr. Eckard shared that the Town may see a reduction of about 1% based on appeals and that \$125,000 is a conservative number. Mr. Eckard pointed out that about eight years ago property values decreased approximately 10% and property values have not reached the prerecession level yet.

ADMINISTRATION & PLANNING DEPARTMENT Planning Director Larry Johnson provided an overview of code enforcement accomplishments for FY 18-19 and a comparison to the previous fiscal year, showing that code enforcement efforts increased significantly during this fiscal year. Mr. Johnson introduced Ms. Alison Adams of WPCOG. Ms. Adams shared that WPCOG currently provides code enforcement services for 18 municipalities. Ms. Adams shared that WPCOG will bring an unbiased approach to minimal housing standards, non-residential minimum standards, nuisances address, abandoned junk nuisance motor vehicles, and abandoned manufactured homes. If Council decides to contract with WPCOG for code enforcement services, Council will be asked to adopt ordinances to be consistent with all other municipalities that participate in the service. Ms. Adams shared that in the Town's current codes, there are some redundancies and the ordinances are wordy, but they are close to what will be presented to Council. Ms. Adams introduced Code Enforcement Officer Billy Rickles. Discussion of the ordinances and a comprehensive overview of the service was provided. Ms. Adams and Mr. Rickles will attend the April 15, 2019 Budget Workshop to provide a presentation on how the software works.

Planning Director Larry Johnson provided Council with a summary of zoning permits issued and housing developments for FY 18-19. Mr. Johnson also informed Council of the Planning Board agenda for 2019, which includes Central Business District expansion, rewrite of the permitted use and standards for the Commercial Zoning District, and complete rewrite of the zoning ordinance and subdivision regulations. Mr. Johnson informed Council that a server upgrade with an approximate cost of \$10,000 will be requested in the FY 20-21 Budget.

UTILITY DEPARTMENTS Water Resources Director Greg Padgett provided a presentation on recent accomplishments at the Wastewater and Water Treatment Plants, identifying various projects that have been completed. R.J. Mozeley of McGill Associates provided updates on current projects and presented the Water Resources Capital Improvement Plan. Dale Schepers of McGill Associates provided an overview of the Water and Sewer Utility Fund Summary Financial Analysis and Funding Awards Summary.

PUBLIC WORKS Public Works Director Bryan Duckworth informed Council that the Public Works Department successfully made multiple water line replacements and completed street improvements throughout the town. Mr. Duckworth noted that the Town did experience an increase in water line breaks due to the extreme cold weather. Mr.

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Duckworth identified priority items for FY 2019-2020 such as the meter replacement project and increased funding for street paving. Mr. Duckworth also discussed the Utility System Performance Report.

PARKS & RECREATION Parks and Recreation Director Doug Knight discussed various improvements within his department. Mr. Knight provided an overview and compared current revenues to previous years, identifying an increase of at least \$3,000. Mr. Knight compared current fees to other municipalities and highlighted consistencies or reasons for differences. Mr. Knight shared that a goal for this year is to implement software that will provide additional data tracking capabilities at the Recreation Center, such as program enrollment, type of membership, and other facility usage information. Mr. Knight informed Council that the vision for the Valdese Lakeside Park during FY 19-20 is to continue seeking grant funding based on a phased approach to the park, with no Town funds being spent on the project.

FIRE DEPARTMENT Fire Chief Charlie Watts shared departmental accomplishments including the acquisition of the new ladder truck, the Junior Firefighter Program, and the Mingle with Kris Kringle event. Chief Watts informed Council that he is requesting CIP funding to purchase a rescue UTV. Mr. Watts also provided an overview of calls and activities throughout FY 18-19 at the Fire Department. Mr. Watts expressed concerns with recruiting fire engineers. Chief Watts informed Council he will be retiring June 30, 2019.

POLICE DEPARTMENT Police Chief Jack Moss shared Police Department accomplishments for FY 18-19 and identified objectives for FY 2019-2020. Chief Moss informed Council that he is not requesting any CIP money for his department this year. Chief Moss shared that the overall call volume has increased at the Police Department, totaling over 14,000 calls. Chief Moss expressed concern over recruiting officers. Chief Moss informed Council that he would like to implement a take-home-car policy for officers; the policy will have parameters and will be contingent on what the fleet can support.

Councilman Ogle asked if it was possible to pay to send officers to school as a condition of employment. Chief Moss expressed concerns about contracting with employees, especially if there are performance concerns.

DINNER At 5:30 p.m., Mayor Black invited everyone to enjoy dinner by Myra's Catering. At 6:00 p.m., Mayor Black called the meeting back to order.

HUMAN RESOURCES Human Resources Director Courtney Kennedy provided an overview of departmental accomplishments in FY 18-19 and goals for FY 2019-2020. Ms. Kennedy informed Council that staff has partnered with HR Essentials Consulting to conduct a market study and personnel policy rewrite. The personnel policy will be presented at the April 15, 2019 Budget Workshop. Ms. Kennedy informed Council that several revisions and modifications were made to the pay study in an attempt to have the largest impact on the largest number of employees. At the last minute, it was determined that a final version of the study was ready to be presented at this meeting and David Hill of HR Essentials Consulting was asked to attend.

Mr. Hill provided an overview of the study he conducted and shared that the Town of Valdese is 7.5 percent behind the market. Mr. Hill shared that the municipalities he used for this study are within driving distance and would not require relocation, if the employee left their position with the Town of Valdese. Mr. Hill also studied compression within the Town of Valdese; identifying two people in the same position, one with fourteen years of service and one with under two years of service. The fourteen-year employee is making only \$20.00 more per year. After discussing the findings, Mr. Hill recommended that Council move every employee to the minimum salary of the market supported grade for their position, at the same compa-ratio to their current classification and grade. This option would cost the Town approximately \$500,000. After analyzing approximately ten options, the recommendation is to move all employees to five percent above the new minimum for their position classification, if their current salary is not in excess of this number, the employee will be given an additional percentage increase based on years of service. If the employee's current salary is in excess of all of those steps, they will be given a 1% increase so that every employee receives an adjustment.

Mayor Black asked that supporting information, including Mr. Hill's presentation, be sent to Council.

COMMUNITY AFFAIRS Community Affairs Director Morrissa Angi summarized major events that were held in FY 18-19. Ms. Angi shared that the storage space behind the Waldensian Room has recently been transformed into additional, rentable space at Old Rock School which provides an opportunity for additional revenue. Ms. Angi highlighted the growth of the Town's social media presence and changes to the Family Fun Nights schedule. Ms. Angi finished her presentation by identifying FY18-19 accomplishments the proposed fee schedule and lease rates at Old Rock School, and FY 19-20 CIP requests to paint the auditorium at Old Rock School and replace the flooring and roof at Teacher's Cottage.

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GENERAL DISCUSSION None.

ADJOURNMENT – Mayor Black adjourned the meeting at 8:03 p.m.

The next meeting is a regularly scheduled meeting on Monday, April 1, 2019, 6:00 p.m., Valdese Town Hall.

Town Clerk

Mayor

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