

AGENDA
REGULAR MEETING
BOARD OF ALDERMEN
TOWN HALL
MAY 12, 2009
TUESDAY – 7:00 P.M.

The Board of Aldermen held a regular meeting on Tuesday, May 12, 2009. Members present were Mayor Gavin Brown, Aldermen Gary Caldwell, Libba Feichter, J. Wells Greeley and LeRoy Roberson. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Attorney Woodrow Griffin, Assistant Town Manager Alison Melnikova and Finance Director Eddie Caldwell. Mayor Brown called the meeting to order at 7:00 p.m.

Approval of Minutes of April 28, 2009

Alderman Caldwell moved, seconded by Alderman Roberson, to approve the minutes of the April 28, 2009 meeting as presented. The motion carried unanimously.

Request by Tuscola High School Air Force JROTC

The Town received a request from the Tuscola High School Air Force Junior Reserve Officer Training Corp (JROTC) to be allowed time on the Board's agenda to request funding for the upcoming fiscal year. The unit sponsors a Veterans Day Fundraising Luncheon each year. The Town of Waynesville sponsored one table for eight Veterans last year, and seven of the Veterans at this table were current and retired town employees.

This request, along with that of many other groups and organizations, has been received by Finance Director Eddie Caldwell. All requests have been compiled into a booklet and will be presented to the Town Board as part of the budget package for consideration during work sessions.

Several members of the Tuscola High School Air Force JROTC attended the meeting. Cadet Chief Master Sergeant Desiree Rachael presented a video about Veterans and read about the Veteran "Heroes" that put their lives on hold to serve their Country. She said many Veterans are never thanked for their service and one purpose of the luncheon is to recognize our Veterans and thank them for their service.

Cadet Jordan Brown thanked the Board for their support of last year's luncheon and asked that the Town of Waynesville sponsor two tables this year at \$800 each for a total contribution of \$1,600. He explained this not only pays for the luncheon, but it helps to raise funds for various projects that teach cadets to be better leaders.

Cadets Olsen, Lowe, Brown, Massie and Lewis also spoke to the Board about issues they are involved in such as community service, a recent food drive and participation on a drill team.

Colonel Robert Brown, group leader, said this group has a large inventory to keep up with and time is spent developing training and discipline plans for the future. The group puts together this luncheon which gives them money to flourish and go forth into the community. They also put together a military ball in the spring. By watching this group you can see kids develop into young men and women and it is wonderful to see them at work. This year they have contributed 1,500 hours of community service. He expressed appreciation to the Board for giving them the opportunity to speak.

Mayor Brown and the Board of Aldermen thanked the Cadets for attending. Mayor Brown said their request will be given due consideration during the budget process.

Public Art Commission Recommendation for Folkmoot Public Art Project at Police Department/Development Office

During the past few months, the Public Art Commission has been busy working on their third project for the Town. It was the desire of the Commission members that the art piece selected should be in a public place located in or around the new Police Station, Development Office and Town Community Room opposite the current Municipal Building.

During the fall of 2008, the Public Art Commission selected the location on the site where they would like to see the art piece located. They began inviting potential artists to develop a design that reflected this community's connection to Folkmoot. The three finalists were selected and given notice to proceed with developing a model of their proposal. The Commission invited members of the community to review the proposals at a meeting at Town Hall during April. The comments and input secured at that time have been evaluated and Karen Kaufman attended the meeting, on behalf of the Public Art Commission to present their recommendation to the Town Board.

Karen Kaufman said the PAC met on April 25 to review presentations by the three finalists. The sculpture of Wayne Trapp was chosen. This sculpture will be 16' tall with moving steel flags at the top. Plans are to have children and senior citizens in the community submit designs for the flags. A narrative about the sculpture will be located near the art piece. Plans are to erect the sculpture in the fall. Funds for this project will come from public fundraisers.

Alderman Feichter said all three sculptures are marvelous and it was felt that the recommendation by the PAC was a good choice. Wayne Trapp is a well known artist that started out in the Chicago area and now lives in Boone, NC.

Alderman Roberson added that this is not the only art piece to be located in front of this building. A patchwork quilt art work designed by a Tuscola Senior High School student and approved by the Board of Aldermen at a previous meeting will be displayed in the sidewalk area in front of the building.

Karen Kaufman said this will be a permanent art piece requiring minimal maintenance.

Alderman Roberson moved, seconded by Alderman Feichter, to accept the recommendation of the Public Art Commission regarding this piece of art work. The motion carried unanimously.

Presentation of Fiscal Year 2009-2010 Budget

After many weeks of preparations, Manager Lee Galloway and Finance Director Eddie Caldwell presented the proposed 2009-2010 Town Budget. This extensive document, contains a review of the current budget and an explanation of the variances from that spending plan. It also contains the proposed budgets for the General, Water, Sewer and Electric Funds as well as the proposed spending plans for the Public Works and Garage Operations. The document also contains a tremendous amount of supporting information in the budget, explanations about where the money comes from and where it goes, a listing of the capital outlay requests made by each department and what is being recommended for approval, comparisons of the tax, water and sewer rates with those of other communities and information about tax collections and the Town's debt financing.

Manager Galloway said the 2009-2010 budget totals \$26,563,350. The current year's budget has been like none other. With signs of a weakening economy, discussions began about the possibility of budget cut backs with town staff during September and October of 2008 and by November, department heads had worked with management to develop a list of reductions totaling \$580,896. During the months sales tax revenues declined, and so did the sale of automobiles and revenues in motor vehicles taxes. Powell Bill income dropped more than \$30,000 from the prior year. Lower interest rates led to a decline in interest earnings, dropping from \$331,543 in 2007-2008 to an estimated \$180,240 in 2008-2009, reducing revenues of \$223,303.

Manager Galloway commended department heads and employees for the way in which they have responded to the budget situation in 2008-2009. They have made adjustments to their expenditures at a loss of 3% of their budgets. Five positions were frozen and been left unfilled.

In the Water Fund, a much larger portion of reserves had to be used to replace the roof at the water plant and because of the increased cost of chemicals used in the water treatment process. In the Electric Fund it is expected that \$22,750 of the \$168,850 in reserves will be used due to delays in the construction of the electric substation.

There have been many projects completed in the current fiscal year, including the dedication of the new fire station, the beginning of construction on the new Police Station, the new electric substation, expansion of the lab at the water plant and a new roof at the water plant. Despite these projects the Town remains in very good financial shape.

Highlights of the 2009-2010 budget include:

In the General Fund the tax rate will remain the same at 40 cents per \$100. Garbage collection rates will increase from \$5.00 to \$5.50 per month, commercial and dumpster fees will increase 5%, cemetery fees will increase \$100 per lot or columbarium niche (one half will be placed in the perpetual care fund and recreation department fees will increase to offset the loss of financial support from Haywood County.

The Water Fund will see a 5% increase for both inside and outside customers and pump fees will increase 5%. No increases are proposed in the Sewer Fund. Electric rates are recommended to

increase 5.5% due to the new contract with Progress Energy and costs for security lights will increase as well. Adjustments will continue to be made on the fuel adjustment charge.

A public hearing on the budget will be scheduled for Tuesday, June 9. Budget workshops will be scheduled for Monday, May 18 and Tuesday, May 19 beginning at 5:00 p.m. each day.

There are still several unknown factors and there is a rumor that the State of North Carolina may again take some of the revenues it collects on behalf of the municipalities and counties. Manager Galloway said it is felt that Waynesville should develop a contingency plan in dealing with their budget. He said it is also important that the Town's operations be scrutinized, determining what could be done differently, how things can be done more efficiently and how money can be saved. He added that Waynesville is blessed with the best finance officer in the World and they have worked together on sixteen budgets. Manager Galloway said Waynesville is also blessed to have an excellent Board to work with and they have worked through tough times before and will work through tough times again. Waynesville has good department heads and there is an obligation to supply them with the resources to do their jobs.

Alderman Roberson said State revenues are not expected to be back up to where they were until 2015. Alderman Feichter said Manager Galloway and Finance Officer Caldwell always prepare for the unknown and this is always a comfort to her during difficult times.

Mayor Brown said it is important to look at this budget and understand how it works. It is important that we look at changes, adjustments and cuts that may need to be made.

Town Manager Galloway said after the budget is distributed and Board Members begin to review the document, they were encouraged to contact Eddie Caldwell, Alison Melnikova or himself to seek answers to questions that arise.

Update on Police Department/Development Office

Manager Galloway said the monthly construction meeting will be held tomorrow at Town Hall. The architects were here last Thursday to discuss the project. It will probably be August before Board Meetings will be held in the new building. Assistant Town Manager Alison Melnikova and Purchasing Agent Julie Grasty have been working through the furniture purchases for the new facility and this process has taken longer than expected. Assistant Manager Melnikova said it is hoped that bids can be opened on the furniture on May 27. A special meeting may need to be scheduled the first week in June to approve the bids so the furniture can be ordered.

Update on Eagle Nest Water System Project

Manager Galloway said a pre construction meeting is scheduled tomorrow at Town Hall. Approval from the State has not been received yet and a Notice to Proceed cannot be issued until this approval is received.

Manager Galloway reported that we are still within the time frame and continue to work through the stimulus projects.

Whole Bloomin' Thing Festival in Frog Level

Alderman Caldwell, referred to as “the Mayor of Frog Level” because of his work in this area, reported that the Whole Bloomin' Thing Festival in Frog Level went well this past Saturday. A heavy rain in the afternoon affected the later part of the festival.

Adjournment

With no further business, Alderman Caldwell moved, seconded by Alderman Greeley to adjourn the meeting at 8:28 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Gavin A. Brown
Mayor