

AGENDA
REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
TOWN HALL - 9 SOUTH MAIN STREET
APRIL 27, 2010
TUESDAY - 7:00 P.M.

The Board of Aldermen of the Town of Waynesville held a regular meeting on Tuesday, April 27, 2010. 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, Assistant Town Manager Alison Melnikova, Town Clerk Phyllis McClure, Finance Director Eddie Caldwell and Town Attorney Woodrow Griffin. Mayor Brown called the meeting to order at 7:00 p.m.

Mr. Alvin Wyatt - Concerns Regarding Town Services

Mr. Alvin Wyatt, a resident of 8 West Farley Street since 1966, requested time on the agenda to speak to the Town Board about concerns he has regarding Town services. Mr. Wyatt said he has been a resident of Waynesville for about 25 years. When Waynesville planned to annex the properties in the Ninevah area, he was the only person in the neighborhood that did not sign the petition opposing the annexation and this is the first board meeting he has ever attended.

Mr. Wyatt asked that a copy of the pickup schedule for brush/yard waste and bulky items be made available to the Board. He stated that the pickup day for his area is Friday and his concern is that if crews are running behind schedule and do not get Friday's pickup as scheduled it could be as much as three weeks before the crew would be back to his neighborhood to pick up the items. He said this also causes a problem with leaf pick up and bagged grass, which molds within this time period and poses a health hazard to employees that have to pick it up. He added that this puts the Friday pickup day at a disadvantage. He felt that he pays enough taxes to receive better service than this.

Mr. Wyatt also felt that he should have another telephone number besides the number for Streets/Sanitation Superintendent Daryl Hannah, adding that you could not have a better employee than Mr. Hannah, and if he owned a business he would want Daryl Hannah and Robert Hyatt as two of his employees. He just wanted other supervisors to be aware of the problem and would like to have their telephone numbers and know that he could speak with others if there was a problem.

Mr. Wyatt said he would like to see the Town of Waynesville's board meetings televised. He watches the meetings of the Haywood County Board of Commissioners and Haywood County Tourism Development Authority and feels that it would benefit the board and residents of Waynesville if the meetings were televised.

Mayor Brown thanked Mr. Wyatt for attending the meeting and advised him that the Town Manager or another supervisor would contact him within the next week to discuss the issues further.

Approval of Minutes of April 13, 2010

Alderman Caldwell moved, seconded by Alderman Feichter, to approve the minutes of the April 13, 2010 meeting as presented. The motion carried unanimously.

Presentation of 2010-2011 Annual Budget

Over the past several weeks, a great deal of time has been invested in the development of the proposed 2010-2011 annual budget. Town Manager Galloway and Finance Director Eddie Caldwell presented the proposed document to the Board.

Manager Galloway said 2008-2009 was a difficult budget year, but the current year was equally difficult. The economic collapse in September 2008 came as a surprise and during 2008-2009 the town reduced the budget - taking 3% of everyone's budget to make ends meet. In 2009-2010 the town was better prepared because the problems that could occur were anticipated. In 2008-2009 the loss of \$220,000 in sales tax was shocking. Sales tax for the current year is approximately \$240,000 below the budget estimate, ending with a total loss in sales tax of \$460,000. When Interstate 40 closed, the sales taxes began to slide even more. Just as businesses suffered with losses in sales tax, the town and county also suffered. Franchise tax and beer and wine taxes were down with approximately \$70,000 lost in ABC revenues. Enterprise funds were down and water funds did not generate as much revenues. Sewer rates are down approximately \$26,000 and another \$70,000 was lost in taps and user fees. The Town's largest electrical customer, Associated Packaging began purchasing \$35,000 - \$38,000 less electricity per month. They lost one of their major customers and were forced to lay off a number of employees. Although the purchase of wholesale power was lower, fuel charges dropped which saved the town money. However, overall the electric fund had a good year.

During the past year the new Police Department/Development Office was completed. A process was begun to renovate the Hazelwood office, a grant was obtained to help the Eagle Nest Homeowner's Association, a grant was obtained to replace water lines and water meters, and a grant was obtained through the Police Department for two officers for three years. Even in a difficult year there was good news.

The total 2010-2011 budget is \$27,690,790, with a general fund budget \$3,010 larger than two years ago. The expense picture is different with large increases in health insurance and retirement. Health insurance could increase as much as 25% and the town will be required to contribute an additional \$91,840 in retirement contributions. Some items proposed in the new budget include ordering equipment/vehicles to be delivered this year with payment not due until next year. Some debts are being retired and Waynesville is looking at a heavier use of fund balance. \$906,000 in the general fund will be coming from fund balance and the electric fund transfers add \$227,000 (which will cover the parking deck payment). Transfer of funds from the electric fund to the water fund is also recommended. It is felt that this will be a difficult time to

raise taxes and town staff has come up with some ways to maintain close to the same level of services.

The cost of wages is one of the largest expenses. In 2010 five full time positions were eliminated and this proposed budget includes the elimination of four additional full time positions, resulting in an annual savings of \$360,000. The property tax remains the same, \$.40 per \$100 valuation. Also proposed is a change in the residential garbage collection fee (\$5.50 to \$6.50 per month), increases in building inspection fees, 5% increase in water rates and water pump fees, and a charge is proposed for irrigation meters. No increases are proposed in sewer and electrical rates. Ideas are being solicited from department heads regarding cost saving measures. These ideas are to be turned in by May 3 and Manager Galloway said he plans to accumulate these recommendations for the board to evaluate.

The Town will be absorbing the higher costs in health insurance, maintaining the contributions to 401k, law enforcement and retirement systems. No cost of living or merit increases are being proposed.

Manager Galloway said Finance Director Eddie Caldwell is a joy to work with, adding that having someone so detailed with financial issues makes a lot of difference. This is the sixteenth budget they have worked on together.

Alderman Roberson moved, seconded by Alderman Feichter, to schedule a budget workshop for Monday, May 3 at 5:30 p.m. The motion carried unanimously.

Mayor Brown expressed appreciation for the amount of time spent by Manager Lee Galloway and Finance Director Eddie Caldwell on the budget. Manager Galloway asked that the board contact him or Mr. Caldwell if they have any questions.

Manager Galloway said comments are received occasionally regarding Waynesville's employees. An e-mail was received this morning from a small business owner on Montgomery Street about one of the meter readers "jogging" along Russ Avenue from meter to meter getting his job done. Manager Galloway also announced that Waynesville's Tax Collector James Robertson received the 2010 Tax Collector of the Year Award. Through the years Mr. Robertson progressed from being meter reader to customer service representative to tax collector. There have been many improvements in tax collections by Mr. Robertson during his years of employment with Waynesville. Alderman Feichter added that Tax Collector Robertson always has a positive attitude and smile, and is always eager to get the job done. Manager Galloway said he has never heard a complaint about tax collections by Mr. Robertson and he feels that this is because he genuinely works with people and treats them with respect, adding that he is a "people person." Mayor Brown pointed out that when Mr. Wyatt spoke earlier he had good comments about Waynesville's employees. Mayor Brown said the town has treated its employees well and they in turn treat the citizens/taxpayers well.

Fire District Contract Town of Waynesville and Haywood County Waynesville Rural Fire Protection Service District

During early 2009, Haywood County worked with the municipalities and the volunteer fire departments in the county on redoing the fire districts. Prior to that time and dating back to at least 1990, there was an agreement between the Town of Waynesville and Haywood County covering three fire districts (South Waynesville, Big Cove and Camp Branch). The Waynesville Fire Department would respond to properties within those districts and the County would collect a 6 cent per \$100 fire tax from those districts and pay Waynesville to provide that service.

There were other areas outside of those three fire districts to which the Waynesville Fire Department provides fire service. One major area is Lake Junaluska Assembly area, and the Town has a separate fire service agreement with the Assembly. The Assembly collects a fee on utility bills they send to properties on their utility system and pays the Town a fee per household for providing fire service.

There were still other areas that received fire service from the Waynesville Fire Department. If those properties were on the Waynesville Water System, they were billed a monthly fire fee. If they were not on the Waynesville Water System, they paid nothing but received the service free.

The new Fire Service Contract with Haywood County merges most of the outlying areas into a new fire district called the Waynesville Rural Fire Protection Service District with a fire tax of 6 cents per \$100 collected by the County and paid to the Town. This contract was distributed to the Board for review and has been discussed with the County over the past several months. Town staff asked for the Board's approval.

Manager Galloway said there are still areas outside of the town that are not included in the new fire district and for which the Town is not receiving compensation to provide fire service. Fire Chief Joey Webb is working with Haywood County to try and resolve that issue, hopefully in the near future.

Alderman Greeley moved, seconded by Alderman Roberson, to approve the Fire District Contract between the Town of Waynesville and Haywood County regarding the Waynesville Rural Fire Protection District. The motion carried unanimously. (Cont. No. 6-10)

Adjournment

With no further business, it was the consensus of the board to adjourn the meeting at 8:20 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Gavin A. Brown
Mayor