

MINUTES

**Town of Weaverville
State of North Carolina**

**Town Council Workshop
Tuesday, March 19, 2024**

The Town Council for the Town of Weaverville held its Budget Workshop on March 19, 2024, at 6:00 p.m. in Council Chambers within Town Hall at 30 South Main Street, Weaverville, NC with remote access via Zoom.

Councilmembers present: Vice Mayor Catherine Cordell and Council members Doug Jackson, John Chase, Michele Wood, Peter McGuire and Dee Lawrence.

Absent: Mayor Patrick Fitzsimmons

Staff members present: Town Manager Selena Coffey, Town Attorney Jennifer Jackson, Finance Director Tonya Dozier, Planning Director James Eller, Town Clerk Tamara Mercer, Police Chief Ron Davis, Assistant Police Chief Somer Oberlin, Assistant Fire Chief Michael Hunter, Public Works Director Dale Pennell, Water Plant Supervisor Randall Wilson, and Zoom Room Coordinator Lauren Ward.

1. Call to Order Vice-Mayor Cordell

Vice Mayor Cordell called the meeting to order at 6:00 p.m.

2. Overview of Preliminary Revenue Projections - Finance Director Dozier

Finance Director Tonya Dozier provided an overview of preliminary revenue projections for the upcoming fiscal year that included ad valorem property tax, local option sales taxes, North Buncombe Fire District tax revenues, DMV taxes, Utilities tax, interest income, Powell Bull funds, ABC distributions, and facility use rental fees. Ms. Dozier's report included the current year budgeted rates and actual YTD percentages from fiscal year 2021 through fiscal year 2025 estimated projections.

Ms. Dozier reviewed the water revenue as audited from fiscal years 2021 - 2023 with projections estimated for fiscal years 2024-2025. . System Development fees have been hard to forecast due to timing of development projects and annexations coming online. The water rate, system development fees and impacts of those projects still to be completed were calculated in the estimated water revenue. System development fees have averaged \$260,000 annually since 2019.

In response to vice Mayor Cordell's question regarding how much of the Town's total revenue comes from the fire tax Ms. Dozier said the percentage is between 17-19% of total revenues for the Town. .

In response to Council member Jackson's question regarding the drop in revenues from the ABC Board, Manager Coffey said we are working with chairman of the ABC Board, and we will explore the reasons for the decline in revenues.

3. Town Council Preliminary Discussion and Input on Budget - Town Manager Coffey and Town Council

Town Manager Coffey requested the Town Council's input and discussion on Council's upcoming budget priorities, and Staff is seeking input regarding new fees or increasing fees if necessary. New programs and if there are questions for staff to budget for new programs.

Council member Jackson stated there he preferred no ad valorem tax increases.

In response to Council member Chase's question regarding the water treatment plant expansion project, which was funded, he asked what other projects were not funded. Ms. Dozier said the resiliency project as a capital improvement project is a separate capital project fund. The resiliency project includes the generators and chlorine gas conversion..

Manager Coffey clarified that in September this will be brought before Council again as staff assesses the next needs in the resiliency project.

Council member Wood said she supports implementing a COLA this year as one of her top two goals, to which Council member Jackson said he supports as well.

Manager Coffey requested Town Council to address fees such as stormwater fees, trash, and Community Center fees. There was discussion regarding capital expenses and CIP (Capital Improvement Projects), and the Community Center costs.

Council member Jackson was in favor of increasing Community Center fees for non-residents.. Vice Mayor Cordell agreed with increasing Community Center fees but was opposed to trash or stormwater fees. Cordell noted that it has been years since Council raised taxes, so we should raise taxes rather than increase fees. Council member Jackson said due to a healthy general fund balance, he was against a tax increase.

Vice Mayor Cordell said she is in favor of another park, more greenway extensions, and sidewalks, noting that she thought it has been eight years since there was a tax increase and a small incremental tax increase would fund parks.

Ms. Dozier noted that the Buncombe County Tax revaluation is next year and if Council wishes to remain revenue neutral or slightly above revenue neutral that could be considered.

In response to Manager Coffey question regarding a 40% fund balance target, there was general consensus of Town Council to maintain the 40% target.

Manager Coffey addressed employee cost of living increases within her presentation, asking for Town Council's input. The last three years, the previous Councils did not approve a COLA. Manager Coffey explained compression adjustments within job descriptions and salary ranges, the jobs market and regional comparisons, inflation, merit pay, CPI (Consumer Price Index) and sliding scale within the organization. She requested Council to consider implementing a COLA if we do not it may cost more in the long-term.

Manager Coffey explained last year's market adjustment was to address certain employees whose salary was below new employees, so a tenured person was making less than a new employee. That is the consequence of not implementing a COLA. If approved, a COLA will help to retain employees, and we are marketable with other towns and jurisdictions. She cautioned it can cost the town more if we don't get back on par with inflation.

Council member Jackson restated he was in favor of a COLA and merit pay due to food, fuel, heat and other price inflation so we remain competitive with jurisdiction comparisons in our region.

In response to Vice Mayor Cordell's question regarding which employees received merit pay, Manager Coffey said 4% increase was for seven employees, 5% for twelve, and 46 employees received 6% merit..

Council member Wood noted that elected officials had campaigned to give COLAs in order to retain town services yet Council had not added COLA pay increases.

In response to Council member Chase's question regarding the salary study, Manager Coffey reviewed the Compensation and Salary Study from 2021 which cost \$7,000. The study recommended the town implement comp pay at \$87,000 but at that time the previous Town Council did not approve it. Without implementing the recommended increases, salary compression became worse in departments. We lost tenured employees. Council member Lawrence said without promotions we lose institutional knowledge, and the organization has retention issues if not competitive, he agrees with implementing a COLA every year.

In response to Council member Chase's question, Manager Coffey said it staff's recommendation to be close to the CPI, which was currently at 3.5 % so she believes we will be close to 3.5%.

Vice Mayor Cordell requested benchmark research for COLA and merit pay from other County jurisdictions and agencies.

Council member McGuire said to retain employees in his firm they provide a COLA based on CPI, he explained new employee and tenured employee pay must be raised or is not fair. He asked what the turnover rate is due to not receiving compensation, to which Manager Coffey said in the employees' exit poll, some left due to retirement or for better pay. Council member McGuire noted that his firm uses COLA to retain employees.

Council member Chase said he supports both COLA and merit pay since the last few years requires clean-up now. In response to Council member Wood's question regarding a balanced budget if we implement a COLA and merit pay but still not raise taxes, Manager Coffey said we can still adjust it if need be, but she will provide a draft of a COLA in the budget since there is general consensus that Council was supportive of a COLA, and she will provide benchmark data regarding regional COLA and merit as per Vice Mayor Cordell's request.

Manager Coffey addressed the Water Treatment Plant Expansion Project. Staff reviewed the antiquated equipment in a previous report and those costs are included.

There was discussion regarding land acquisition, a parcel for sale in the drainage ravine which the town owns adjacent to Zaxbys. There was general consensus and interest in the Nature Park improvements that were presented to Town Council earlier this year.

Funding for the trail system and connection from Quarry Road was noted. Council member Jackson added the grading, paving and maintenance for accessibility in the area. The timeline for coordinating with Woodfin and Buncombe County was discussed. Since it is 'year of the trails' Manager Coffey said she will follow up with this partnership as we cannot solely rely on volunteer groups. Buncombe County management plan is in place for the conservation easement using grant funding.

Manager Coffey addressed the Outdoor Recreation Complex at Lake Louise explaining the steps taken for sound abatement. Public Works Director Pennell reviewed the placement of the acoustic panels, screens, and vegetative buffers.

Council member Wood requested payments for the storytellers at the Community Center programs. Manager Coffey said WCCHL is dissolving, and the town can keep the board for WCCHL active which staff recommends. She explained the liability and insurance coverage that the Town carries with the NC League of Municipalities. She recommends that the Community Center Director take over WCCHL programming. We need to determine staffing issues, which will include program funding for musicians and storytellers, etc. There was general consensus to support these changes, no Council member opposed.

There was discussion regarding last year's funding for the Senior Living Meal program, the historic placards on buildings, the Economic Development Committee, and the Weaverville Business Association. In response to Vice Mayor Cordell question regarding social districts, Manager Coffey said the WBA will be requesting a social district for Music on Main. She requested Chief Davis and Assistant Chief Oberlin address this.

Chief Davis and Assistant Chief Oberlin have conducted research and specifically went to Brevard to learn about their social district. The WBA would implement and organize the social district with mapping, scheduling, safety, no volunteers using professional bartenders, and address risks such as no overserving. Chief Davis noted that the topographical area of Brevard is different from Weaverville. He suggested a rollout during the cold months to learn what problems we would encounter, such as signage, and gather more information regarding comparisons. We have narrower sidewalks and up slopes; they don't have churches and schools on their Main Street. Chief Davis suggested that the Town start with a small event and practice on a small footprint for Weaverville if Council is interested in creating a social district. Assistant Chief Oberlin said the WBA needs to address our geographic areas, restrooms and trashcans issues, and staff at the boundaries and extra cleanup. We have their planning and research PowerPoint that Brevard shared. Brevard and Silva's social district occurs seven days a week with dedicated seats and improved streetscape with bathrooms for the social district. The merchants who sell alcohol don't want a social district; they wish to keep their customers at their restaurants.

Manager Coffey suggested establishing a social district is event-specific. She also noted that Music on Main costs increase due to overtime staffing during and clean-up after, etc. Vice Mayor Cordell is in favor of public bathrooms and the closure of Florida Avenue, to which Council member Lawrence agreed with closing Florida Avenue for a potential social district for an event(s).

Manager Coffey encouraged further budget questions can be sent to her and she will reply all as the deliberation budget process continues.

4. Adjournment Vice-Mayor Cordell

There being no further business, Council member Jackson motioned to adjourn at 7:32 p.m. The motion was approved unanimously. 7-0.

ATTEST:



Tamara Mercer, Town Clerk