

**TOWN OF TRYON
BUDGET WORK SESSION
MAY 11, 2020 10:00 A.M.
MCCOWN ROOM - TOWN HALL**

Present: Mayor J. Alan Peoples

Commissioners: Crys Armbrust, Bill Crowell

Absent: Mayor Pro Tem Chrelle Booker, Commissioner Bill Crowell

Staff Present: Town Manager Zach Ollis

Town Clerk Susan Bell

CALL TO ORDER

Mayor Peoples called the work session to order and turned over to the Town Manager.

Town Manager Ollis – Estimated loss of 10% to 30% in sales tax, revenue is down, property and motor vehicle revenues for prior years are similar. Line item 39, 32, 44 never budgeted for 44. Last couple of years whatever comes in for that line item is profit. That has allowed us to build up our bank account and have money for projects throughout the year. Line items 39, 40, and 42 dropped from what was expected with a normal year. Also, represented revenue coming in for 44. By representing that money we've taken \$33,000 off of the expected \$67,000 hit on sales tax. We think we should be ok. There is no way to tell at this point given the economy. Received transfer from Fire Department. Full payment this year and a payment next year. The loan should be satisfied after that payment. In this budget we are not pulling from fund balance. Powell bill doesn't change, but it may be adjusted down. We will keep the same number until we hear otherwise. We have always budgeted lower. Property Tax Fire Department dropped a little bit, but we don't know what COVID will do to property tax. We are hoping that given our demographic that we may not see as many issues. We may see issues with those that have second homes. Lake Lanier tax has gone up. Discounts are active. Over a \$500,000 for Fire Department and \$253,000 for Harmon Field. Expenditures have not changed and going into fund balance to help build it back up. Occupancy Tax has not been adjusted yet. We don't have enough information at this point for it to be adjusted. Because of the way the state wants us to record salaries it looks as if we are spending more on salaries. Water - has not changed much. People will use water and pay bills. We are going to look at matters on a case-by-case basis. We will have to start cutting people off depending on their situation. Sanitation - those numbers should hopefully stay the same. Revenue of \$4.1M total for this year a little lower than last year. Values given by the county. Fire District and Harmon Field District top number includes different property values such as, motor homes, boats, trailers. Bottom number is homes. Budget to receive 98%. Fire and Harmon Field numbers are a lot higher than budgeting for. Governing Board has not changed. We are still doing the museum. We pulled the TDDA funds out. Looking at putting the salary in. Built into the budget for top end for TDDA and Fire Chief. Administrative - not much has changed. Principal and interest is owed, but for now it should be ok. Police Department has not changed and at a lower rate in regard to salary. Streets - this number is lower for salary. He took

Jody's position and divided it up between all departments. Automatically calculate 401k, FICA, and SS. All of the fulltime positions paid that percentage. Every department is covering their share of the position. \$15,000 in demolition costs. Powell Bill we have \$53,000 set back after principle and interest. Would like to get Chestnut and Beaver done. We would like to get quotes for June on the bridge work and if approved begin in July. The lowest quote is \$53,000. There are gas lines out there that cannot be moved. Needs to be hand dug. State highway will need to be traffic controlled. That is not in this budget. There is another version of the budget where we will pull from the fund balance to pay for this project if that is what the BOC chooses to do.

Ollis - Fire Department - not much has changed other than salaries. Previous Fire Chiefs ran 24-hour coverage. Both did with the understanding that we can put money back where we need such as, trucks. That is no longer an option. We no longer have 24-hour coverage. It will be next to impossible to find someone who will provide the 24-hour coverage without being compensated. Three paid fulltime staff members could allow for 24-hour coverage. Turn office into bunk room with beds. Currently, one person on staff during the day. Heather to works nights. If we could go to 24-hour coverage with 8-hour shifts is very expensive. We can go to 24-hour shifts with different types of arrangements. This will be cheaper than 8 hours a day Monday-Friday. Goal is to have 24-hour coverage by October.

Mayor Peoples - how many certified EMTs? Ollis – about five certified EMTs and most are volunteers. Mayor Peoples – lives are saved when fire department is EMT certified. Fire Department is going well. We just need to get the personnel in place.

Ollis - things are standard at Harmon Field, not much change. Tax increase is in effect. Not buying anything and trying to save up and rebuild. Commissioner Crowell - how many employees? Ollis - Two full-time and One part-time.

Ollis - Tourism \$13,000 is salary. Includes Town Manager, Administrator/Cashier, and TDDA. We have received four applications for TDDA. The number is built-in for the higher end.

Ollis - Water/Sewer – Nothing has changed. Water treatment is more due to supply and materials due to cost of chemicals. No new positions. Originally things were going well to discuss raises, but given COVID it would not be smart to approach that. Commissioner Armbrust asked for a figure of what that would look like. Ollis – that would need to come out of fund balance.

Ollis - Sanitation nothing changed.

Ollis - Currently, at a balanced budget for what we need. Another version of the budget that pulls \$100,000 from fund balance. \$100,000 in contracted services to pay for bridge improvements and other projects. Commissioner Armbrust- bridge improvements for Lake Lanier? Is it possible for us to charge a boat fee for Lake Lanier? Ollis – I don't know, but we can look at it. Commissioner Crowell - turn the lake over to Greenville County and pay a lease on pump. Ollis – liability will be an issue.

Ollis - Projects for the dam. Don't know how much it will cost. With this budget it's difficult to find money in advance without pulling it. Will probably have to come back for an adjustment.

Ollis – These are the two budgets that don't touch taxes. A conversation for future use needs to happen. Need to talk about capital improvement. Are we continuing with it? Commissioner Crowell - need to increase property tax and go ahead and start. Ollis should have everything ready for water and sewer to go up to fund Capital improvement. Commissioner Crowell - Yes. Mayor Peoples – We have done this before. Can we start it in January? Ollis – will delay the projects by at least six months to a year and a half depending on financing. We are at \$.50 for a rate increase.

A \$.01 tax increase gets us \$15,400, which is not a lot. \$.03 and \$.04 could fund some projects. Commissioner Crowell – Gradual increase throughout the years. Ollis – we can raise taxes and specifically allocate the money.

Mayor Peoples entertained a motion to adjourn. Commissioner Armbrust so moved. The motion carried unanimously.

J. Alan Peoples, Mayor

Attest:

Susan B. Bell, Town Clerk