

**TOWN OF TRYON
BOARD OF COMMISSIONERS
FEBRUARY 11, 2021 2:00 P.M.
BUDGET WORK SESSION
TRYON TOWN HALL – MCCOWN ROOM**

Present: J. Alan Peoples, Mayor

Commissioners: Crys Armbrust, Bill Ingham

Absent: Commissioner Chrelle Booker, Bill Crowell

Staff Present: Zach Ollis, Town Manager Susan Bell, Town Clerk
Josh Walton, Fire Chief Jeff Arrowood, Police Chief

CALL TO ORDER

Mayor Peoples called the meeting to order.

BUDGET WORK SESSION

Town Manager Ollis explained the increases to the bids for 55 Melrose Avenue.

Ollis went over the tax projections from last year. Personal property is like boats, trailers, items that are not your homes. We take the millage rate after the appeals and multiply it by the tax rate that you have set, then we budget for 98% of that. We have used \$760,000 as an average. During COVID we used more of this. Fire is set up so that we receive the Township tax, motor vehicle tax and we also receive the fire tax off of the millage inside Town limits. Harmon Field is set up off of the Township tax and motor vehicle tax. The figures are setup at 98% collection rate.

He has figures also if you were to choose to raise taxes, this is the amount for one cent, two cents and three cents.

The County prediction numbers will change because of exemptions and assessments. They will not give him a value. We have our budget done by January and then work on building in projects as you desire.

The Town went from roughly 158,000,000 in the city to 193,000,000 increased 30,000,000. The Town has grown by 30 million. Some places are being predicted where they should be. Some are catching up. What happens when you do this, you are breaking it down to revenue side. You are pulling \$944,000. Some will change because of the exemptions. It could drop dramatically.

If you leave the tax rate the same the increase will go to \$944,756 general fund, but could drop dramatically with the disability and elderly exemptions.

With the fire we have been planning for years with Chief Tennant and then Chief Waters and now Chief Walton is beginning to see that we need a tax increase. We will be golden if left as is, but the County is trying to squash the issue before it gets started. Telling FRAC they are going revenue neutral, not to put anything in front of them. FRAC was requested to be in place by the county and municipalities to make proposals of needs for the Fire Departments.

Fire would go up to \$570,000 and Harmon Field would go up to \$319,000 respectfully.

He showed on his spreadsheet that you take the numbers, minus the appeals and multiply by .5028 to get the numbers and a 98% collection rate.

The county did an evaluation in 2008. The county didn't do an increase within the 8 years and they didn't want to go down, because property values were going down and they didn't want to decrease.

He has taken some of your proposals and the tax projections from the city and put into the budget. You take the \$948,000 minus \$4,000 just to even off the numbers. The sales tax predictions are taken off of this year 19-20 collections. FY19-20 and FY20-21 look very similar. Same with City Hold Harmless and Utility Franchise. The Fire Department's last payment owed to General Fund is this year. Rents and zoning are fairly similar. Using FY19-20 receivables to predict for taxes. Until we get figures from the county this is what we are using. These numbers are fairly conservative. The township tax was increased for Harmon Field. The Board was giving a discount to the parks and recs. The occupancy tax has been very high this year. \$21,000 and hoping trend continues. Water charges are higher, sewer is lower, so he dropped those. He will get you the numbers soon. Working the debt numbers in.

Phillip from sanitation will come to you at one of the meetings to discuss his concerns and talk about raising rates \$1 a month, which is \$12 a year per customer. This would give them \$245,000 and get us out of transferring money to them.

For now, he has \$100,000 spent on your recommendations. \$20,000 for kudzu eradication and use Flat Rock's plan as an example. PD façade project and possibly looking at a Town Hall facade project. He has \$60,000 set aside for the PD project. You can let me know if you would like to proceed with this. He is starting with \$60,000 and you will have to decide what y'all want, whether it be rock or whether or not you want to paint windows, shutters, etc. Included also is \$20,000 for a boardwalk or alleyway and still putting \$23,000 back into fund balance, plus two percent cost of living raise across the board.

Mayor Peoples asked what we lost when we went revenue-neutral. Ollis explained we would have to raise taxes two cents. This is with you keeping the rate the same. The values have gone up dramatically, so you don't have to raise taxes to make money with these values.

Mayor talked about reducing taxes with the new property values. Ollis explained if the numbers come back in June a lot less than predictions, the first thing to go is the money we are putting back into fund balance. From there the projects would be cut.

POLICE DEPARTMENT

Jeff is here to discuss the Police budget. When he got here and our finances were bad and Jeff cut his budget dramatically for us to make it through. The time came and he gave the raises to the remaining officers. He doesn't have any big items on the list. He has one vehicle coming off and will be ready to add a new one.

STREETS-Nothing to report in streets

PARKS/CEMETERY is the same

ZONING – demolition has been doubled, because we have been able to make some progress with tearing homes down. Mayor asked with this increase is it coming from the new values. Ollis yes, we are not raising the tax rate, it's the value. He was told by one person that their value went really high. Ingham claimed forty-two percent.

Ollis explained that we have accomplished more with less money than ever before. A decision for y'all to make.

FIRE

Josh is here today with some long term and short-term items to discuss. This budget provides similar items and he has added money to the supplies/materials line item and medical supplies with \$8,800 going into fund balance.

Josh reported several needs upcoming – more specific to vehicles. Currently they have the rescue truck and primarily Engine #3, two secondary trucks Engine 1 and Engine 2, a brush truck, a tanker and the new pickup truck. We also have two ATVs. What he is looking to do with your permission, is to sell 3 trucks and replacing it with 2 and sell one ATV. The rescue truck was bought for a medical truck. They took out the medical option and used it as an extrication vehicle. It rarely gets used. Brush truck bought to help, but will not go in some places.

Engine 3 is a 2007 due to be replaced. It's still a good truck, but we are looking at replacing it. The way they look at it is, once an engine reaches its time frame, 20 years, they can't classify it on our ISO rating.

Engine 1 holds a thousand gallons of water with a dump tube out of the back of it. The tanker holds one thousand gallons with a dump tube in the back of it.

His plan, with your permission is to sell the tanker, the rescue truck, the brush truck and one ATV and take engine 1 and reclassify it as a tanker. Talking to ISO guy as long as we have one tanker, we don't have to have two tankers. Only use one ATV. The other one just sits there, along with the rescue truck and the brush truck. The brush truck holds seventy-five to one hundred gallons of water. He would like to replace the brush truck with a mini pumper (400 gallons). It is short, but would function like the brush truck. A lot of driveways in the valley and on Carolina drive we can't get there with Engine 3. With the mini pumper he can get more gallons of water and hoses out, if you have a house fire.

Mayor asked for clarification. You could pump 400 gallons and someone could be running the hose to the fire hydrant or pumper truck and wouldn't have to cut it off at all. Josh – correct.

Ollis-Aspen Street, a very long drive, he has been in the tanker going down that street. He has seen Tank who had been driving for many years take a while to get in there. With the sale of the trucks, there would be no debt. The mini pumper could go down the drive and bring the tanker to the edge of the road to pump water. Josh stated this would up our water time to at least seven minutes instead of two. You are saving someone's house quicker. If we sell the trucks and ATV it would be a wash out, free and clear purchase and possibly put \$5,000 in the bank. This would be money to help with a new truck. If you told him today to purchase a new truck, it would take approximately two years for him to get it. He would look at a new engine truck with boxes to include their rescue supplies. They could do this out of one truck. They are looking to get \$60,000 out of the rescue truck. Could use that money to outfit the new engine. They are looking at a truck committee to start looking in the next three or four months for

your approval. He is looking at the aging equipment and wants to update. The sale of the ATV will be straight profit. He has talked to a gentleman about the skid unit.

Ollis-the rescue truck has been used for Tank's funeral, Chief Tennant's funeral and in the Christmas parade. The brush truck at some point was refinanced.

Josh-Last but not least – mutual aid on a fire, they take engine 3 and you still have a fully equipped and stocked new truck in Town or if a second mutual aid call came in.

HARMON FIELD

Ollis-Harmon Field is the same. Not too much going on there- looking at \$42,892 going into fund balance. Travis is working on getting quotes for some small equipment that is needed. A new lawnmower. Two major issues that we are going to address this year is the driveway by the tennis courts. We are going to patch and tack pave. If TAC helps then we might do more. The track needs to be repaved. No other big issues right now. Mayor Peoples asked if the putt putt course was still there. Ollis-yes.

Armbrust asked where the \$500,000 went – Mayor said it went to Polk County Community Foundation.

TOURISM

Ollis-Nothing is really changing in Tourism. The cost sharing of wages is going down.

WATER & SEWER

Distribution for water - would like to put more money in registers/meters. He would like to see where we sit with the finances. Mayor asked if the money for the meters is being put back into that. Ollis-we are replacing meters/registers with what we collect.

Water Treatment Plant – supplies continue to go up, salaries are going to be lower, because Roger is retiring once the new position is trained and certified.

Sewer Plant – going smooth there - everything is working right now.

Collections – everything looks good, interest in Gary Walker coming back part time-he already helps when he can.

SANITATION

Having trouble making ends meet – with the increase he is hoping to be able to put \$7,200 back. The equipment needs replaced. He is looking at transferring the vehicles that wear down to sanitation.

Agencies funds leave bank and make adjustments throughout the year.

Position- looking to replace Pam and training with her until she retires in April, cost shared. The more stressed funds will lose Pam's salary and they will be able to adjust to the new employee.

Also, a part time admin position is there just in case, but can be cut.

We'll no more when we get the tax projections.

Armbrust would like to suggest at our next meeting we do a resolution to go on record stating that we are concerned about the extenuating values. Ollis-if that is what the Board wants, he can do that.

Ingham-you can't raise taxes and do pretty things. He will give up his project (PD façade) to see no tax increase.

Ollis-You as a board are going to have to make the decision about taxes. We will build it however you want it. There will be some things that I have to drop. You can say we gave a tax break, last time evaluations were done, but we can't this time. The county dropping the ball on the evaluations is not your fault. They are just catching up at this point.

ADJOURN

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