



**TOWN OF AYDEN
GOVERNING BOARD MEETING
MINUTES**

May 18, 2016 – 4:30 pm (Special Called Meeting – Reconvened from May 9th)
Ayden Town Hall – Second Floor Boardroom

I. CALL TO ORDER

A. Call to Order

Mayor Tripp called the meeting to order at 4:45 p.m.

B. Roll Call

Present:

Mayor Tripp

Commissioners Davenport, Harris, Mewborn, Ross and Skinner

Absent:

None

Also Present:

Leonard Barefoot – Interim Town Manager

Alicia Simpson – Finance Director

Sherri Scharf – Town Clerk

II. BUDGET DISCUSSION

Interim Town Manager Barefoot and Finance Director Simpson continued their negotiations with the Governing Board regarding the need to provide a balanced budget in time for the June 21st public hearing on the FY 2016-17 budget. A draft budget ordinance was presented for \$23,355,714, and Manager Barefoot emphasized that although cuts had been made since the May 9th budget workshop, department heads had stressed that they had capital needs, not merely “wants” when it came to their budget requests.

Manager Barefoot stated that based on the last meeting, they will move forward on borrowing the \$1.5 million for the proposed budget, and he reiterated that roughly the same amount had been paid in cash (from the electric fund balance) for the substation repairs last year. Most of the money being borrowed would still be used for the electric department except for about \$500,000 which would be transferred to the General Fund.

In order to cover the Town’s increased cost for having its water treated at CMSD, the Town must increase its sewer rate by 7.5%. Also included in this revised budget is a 3% cost-of-living pay increase for all employees. There were many questions on this point, including the possibility of replacing the “step increases” or auto adjustments to employee payroll with a

cost-of-living increase every year. Also presented and questioned was the need to adhere to "best case practices" and hire both a human resources and a finance professional, as pointed out by a human resources consultant/expert and the Town's auditors, respectively.

Mr. Barefoot and Ms. Simpson took the Board through each department's revised budget and fund figures to illustrate where cuts were made and to discuss revenue vs. expenditures.

There was a brief mention made about the activities of the ad-hoc committee (Ayden Historical Society) that is responsible for providing a vision for the Town's museum. Both Mayor Tripp and Commissioner Mewborn agreed that the Town would need to consider a future allocation in the budget to support the museum project.

Mayor Tripp initiated a conversation about the Town's responsibility for maintaining the District Park, asking which department was in charge of mowing and bathroom maintenance. Public Works & Utilities Director James Proctor stated it was his understanding that when the park was built it was determined that Public Works would mow. However, he has estimated that it takes several staff members `1.5 days or 15 hours per week to mow the 52 acre park. It was agreed that with only 3 staff, the Parks & Recreation Department was struggling to keep the District Park grounds maintained. A great deal of discussion occurred without a firm decision on how to resolve. The Town Manager will follow up with staff to seek a resolution.

During a general discussion, questions were raised about having taken so much from the electric fund balance last year and why so much more would be needed in the new fiscal year to cover operational expenses. General consensus was that the Town Manager and Finance Director needed to present a breakdown showing how much of the proposed \$1.5 million loan proceeds would be used for capital and how much for operational expenses. Mayor Tripp especially felt that the Board could not make an informed decision without seeing the numbers broken down. He added that in any event, cuts would need to be made to the budget until the Town's revenue picked up again, due to anticipated growth in perhaps in three or four more years.

Mr. Barefoot asked the Board if they had reached a decision on funding the Accounting Technician position that was discussed at the last budget workshop session on May 9th. Time if of the essence as it will need to be advertised and applications received before it can be filled.

Mayor Tripp called for a show of hands to vote on the matter.

Motion: Commissioner Skinner

Second: Commissioner Mewborn

Discussion: None

Approved: 4-1, with Commissioner Davenport opposed.

The motion to authorize the town manager to advertise for a Finance/Human resources (a/k/a: Accounting Technician) passed.

III. RECESS

Having discussed when Board members could meet again to complete budget negotiations and agree on a final draft, Mayor Tripp called for a motion to recess the meeting.

Motion: Commissioner Skinner

Second: Commissioner Mewborn

Discussion: None

Approved: 5-0

The motion to recess the Special Called Meeting/Budget Workshop until May 30, 2016 at 12:00 pm passed.

CERTIFICATION

Minutes from May 18, 2016 Special Called Meeting were adopted and certified this 21st day of June 2016 in Ayden, North Carolina.

AYDEN, NORTH CAROLINA


Stephen W. Tripp, Mayor

ATTEST:


Sherri Scharf, Town Clerk