

**RANLO BOARD OF COMMISSIONERS SPECIAL BUDGET MEETING
RANLO TOWN HALL
1624 SPENCER MOUNTAIN ROAD, RANLO, NORTH CAROLINA 28054
FRIDAY, MAY 8, 2020
6:00 PM**

MINUTES

Governing Body Present:

Mayor	Lynn Black
Mayor Pro-Tem	Katie Cordell
Commissioner	Robin Conner
Commissioner	Jamie Fowler
Commissioner	Effie Locklear
Commissioner	Doug Moore

Staff Present:

Town Manager	Jonathan Blanton
Town Attorney	Jim Windham
Chief of Police	Jimmy Lunsford

I. Call to Order and Roll Call

Mayor Black called the meeting to order and Town Manager Jonathan Blanton conducted the roll call. Commissioner Locklear offered the invocation.

II. Adoption of the Agenda

Commissioner Moore motioned to adopt the agenda and Commissioner Locklear provided the second. The vote was 5-0.

III. Summary of Changes from FY 2019-2020 to FY 2020-2021

Mr. Blanton presented the Board of Commissioners with an overview and summary of changes from FY 2019-2020 to FY 2020-2021. Mr. Blanton asked the Board for any questions or concerns relating to the overview of the General Fund.

Commissioner Locklear sought clarification on the money allocated to renovations at the Lodge. The Town Manager verified that the money allocated will initially go towards planning studies with remaining funds being allocated towards renovations. The Mayor commented that any asbestos in the building would be problematic for future renovations.

The Mayor raised concerns about potential raises to the Governing Board and for health-care coverage. He stated it may be best to wait until a later time to move forward with any pay adjustments. The Mayor then asked for clarification on costs of insurance benefits. The Town Manager responded that the budget provides for coverage for two commissioners. Commissioner Locklear commented that the Town would not know the final insurance costs

until the renewal is received. The Town Manager confirmed that the renewal proposal would be received in the upcoming weeks.

Commissioner Moore asked for verification that the Town of Ranlo is on a separate renewal schedule than other municipalities and the Town Manager confirmed.

Commissioner Fowler asked when the Town would be transitioning to utilizing Waste Management and the Town Manager stated that clearance was granted today to begin dumping at the facility. The Town Manager stated he would like to see a gradual transition with a comparison of costs over the next few months.

The Mayor commented that the Town is short on labor with the suspension of inmate labor due to the COVID-19 pandemic and the Town Manager added that a renewal agreement has been signed, but that no release date has been determined. The Mayor stated that utilizing Waste Management would save time and decrease depreciation of garbage trucks.

The Town Manager sought clarification on adjustments to the Governing Board's salary and health insurance. Mayor Pro Tem Cordell clarified that this adjustment would bring Ranlo in-line with neighboring municipalities and the Town Manager confirmed.

Commissioner Locklear inquired as to whether all municipalities provide health insurance to their commissioners and the Town Manager stated that based on his research the practice varies from municipality to municipality and is at the Board's discretion. Commissioner Locklear then inquired about the deductible for the insurance policy and the Town Manager stated that the Town pays the deductible and that employees pay the co-pay. Mayor Pro Tem Cordell asked the cost of insurance for each employee and the Town Manager stated the cost is approximately \$6000 per year. Commissioner Locklear added that she felt this would be a large expenditure to add the entire Board and the Town Manager advised that an as needed, opt-in, approach for commissioners would likely be the most cost-effective proposal.

The Town Manager asked for consensus of the Board in regards to the issue of insurance for the Governing Body. Commissioner Locklear stated she would not need health insurance coverage. Mayor Pro Tem Cordell stated she was in favor of the opt-in method and that she also would not need the coverage. Commissioner Moore and Fowler both concurred with the to the opt-in method and Commissioner Conner stated she would not need the coverage, but was not opposed to the measure.

The Town Manager asked for consensus of the Board in regards to a pay increase for the Governing Body. Commissioner Locklear stated that she would not want the raise and clarified as to what increases the Town is assessing for utilities for the upcoming year. The Town Manager confirmed that the budget recommended a garbage increase and a tiered water/waste water billing system. Commissioner Locklear asked about a rate increase on the Town from the City of Gastonia and the Town Manager confirmed that there would be a 5% increase on the Town. Commissioner Locklear asked what the Town Manager was recommending in regards to a rate increase.

The Town Manager commented that he was recommending a tiered, pay-for-what-you-use system for water and sewer billing. This recommendation includes a \$4 base charge for water

and \$4 base charge for sewer. The Town Manager commented that the new structure would result in an overall rate increase, but would ensure that those customers who use the least would not be adversely affected by a total percentage rate increase. The Town Manager also mentioned that his biggest concern with low rates is the ineligibility of the Town to apply for grants in the future with a \$33.00 minimum needed for 5000 gallons of water and sewer. The Town Manager commented that by failing to raise rates in the past, the Utility Fund has struggled and aging infrastructure continues to cause large expenditures for the Town.

Mayor Pro Tem Cordell sought clarification on the comparison of these rates to neighboring municipalities and the Town Manager stated that the rates are competitive, but vary based on the needs and structure of other municipalities' systems.

The Mayor inquired as to what the biggest consumer of water for the Town is and the Town Manager advised that a commercial rate may be considered in the future. The Mayor stated that impact on businesses should be considered when addressing this issue.

Commissioner Moore stated that he felt moving to a tiered structure would have the least impact on the residents by ensuring residents only pay for what they use. The Town Manager confirmed that this would result in an overall rate increase, but would ensure that those who use the most pay the most.

Commissioner Fowler stated this would promote conservation and the Town Manager mentioned that conservation promotion would earn the Town points on potential grant funding.

Mayor Pro Tem Cordell inquired as to whether the Town would be competitive for grants if the rate increases were deferred. The Town Manager stated that grant agencies typically look at rates as of the time of the grant deadline, but that municipal audits also play a large role in applying for grants. The Town Manager recommended that if the Board would like to defer a rate increase that it could be made effective at the completion of the last three fiscal years audits. Mayor Pro Tem Cordell stated that she felt that although a rate increase is needed, that the timing is not right given the current state of affairs. Commissioner Moore stated that the rates could be adjusted at a later time when the audits were complete.

The Town Manager clarified that a fee schedule would not be adopted at this time, but a later date and any changes could be made and approved by the Board during June or July. The Mayor stated he felt that any increase by the City of Gastonia needs to be covered by the rates of the Town and Commissioner Fowler inquired as to when the rate increase would be effective. The Town Manager confirmed that the rate increase would be effective July 1, 2020 and that both availability charges and tiered increases would result in additional revenue for the Town.

Mayor Pro Tem Cordell asked how garbage rates for the Town compared to other municipalities and the Town Manager stated that to his knowledge no neighboring municipality had a rate as low as Ranlo for two cans per week. The Town Manager recommended that a \$12 per month charge be levied for two garbage cans with the option to sign out a second can out for a one can price of \$9 per month. The Mayor stated that this option sounded feasible.

The Town Manager then gave an overview of the Utility Fund, the Powell Bill Fund, and the Stormwater Fund. The Mayor asked for clarification on what the Stormwater Fund will be funding and the Town Manager stated supplies and postage were the only two expenditures funded in the upcoming fiscal year. The Town Manager then reiterated that all capital outlay projects are included in the budget.

Commissioner Locklear inquired as to the number officers currently with the Town and Chief Lunsford confirmed that there are eleven officers. Commissioner Moore verified that we have only enough vehicles for the officers we have employed with no spare. The Mayor inquired as to the take-home policy for officers and Chief Lunsford verified the policy is still in place and works well.

The Town Manager recapped that the Board is comfortable with moving forward on all projects and recommendations in the recommended budget.

IV. Adjournment

Commissioner Locklear motioned to adjourn the meeting and Mayor Pro Tem Cordell provided the second. The vote was 5-0.

ATTESTED TO:

Mayor Lynn Black

Recorder and transcriber of the minutes for the Regular Board Meeting on May 8, 2020