

BOARD OF MAYOR AND ALDERMEN

PUBLIC HEARING

JUNE 30, 2016

The Board of Mayor and Aldermen (BMA) met in a Public Hearing on Thursday, June 30, 2016, at 8:00 a.m., at Town Hall, 123 Boone Street, Jonesborough, TN.

The first item on the Public Hearing agenda was the Ordinance establishing Water and Sewer Rates for FY2016-17. Mayor Wolfe asked if there were any comments. There were no comments.

The next item on the Public Hearing agenda was the Ordinance establishing Garbage and Refuse Collection Fees for FY2016-17. Mayor Wolfe asked if there were any comments. There were no comments.

The last item on the Public Hearing agenda was the Ordinance adopting the annual General Fund, Solid Waste Fund, and Drug Fund budgets and setting the property tax rate for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017. Mayor Wolfe asked if there were any comments. There were no comments.

Mayor Wolfe closed the Public Hearing.

ABBEY MILLER, RECORDER

KELLY WOLFE, MAYOR

BOARD OF MAYOR AND ALDERMEN

CALLED MEETING

JUNE 30, 2016

The Board of Mayor and Aldermen (BMA) met in a Called Session on Thursday, June 30, 2016, at 8:00 a.m., at Town Hall, 123 Boone Street, Jonesborough, TN.

Mayor Wolfe called the meeting to order. Alderman Countermine led the group in an opening Prayer, and Alderman Sell led the pledge to the Flag.

Upon call of the roll those present were: Mayor Kelly Wolfe, Alderman Terry Countermine, Alderman Adam Dickson, Alderman David Sell, and Alderman Chuck Vest. Also present were: Town Administrator Bob Browning, Town Recorder Abbey Miller, Operations Manager Craig Ford, and Town Attorney Jim Wheeler.

The first item on the agenda was the 2016-17 Employee Compensation Plan. Mayor Wolfe said the Town is aware of the change in the Federal law that regulates the use of compensatory time with regard to exempt employees and payment of overtime which has affected the Town's 2016-17 salaries budget. He said Abbey Miller, Bob Browning, and Craig Ford have done a good job working on this and making recommendations. He said by paying an employee more, you can save money by not paying overtime for hours worked, assuming the employee meets the other requirements as an exempt employee. Alderman Vest asked how this affects the Town's compensatory time policy. Bob Browning said in the Personnel Policy there is a section on comp time, and any change to the comp time policy would need to be brought back to the Board as a change in the Personnel Policy; however, a change would not affect the way we keep track of comp time. Alderman Vest asked how this Federal law change impacts the salary increases that are being given. Mr. Browning said that the minimum annual salary an employee can make to be considered exempt from overtime has increased substantially; an exempt employees is not paid overtime, but can accumulate comp time as set forth in the Personnel Policy. He said the increase in pay for several supervisors makes them exempt from overtime payment. Abbey Miller said it is not just the salary that determines if an employee is exempt, but there is a list of parameters such as supervising a number of people and making management decisions. She said the only thing that changed in the Federal Labor Laws was the increase in the minimum annual salary from \$23,660 to \$47,476. She said that is why she, Mr. Browning and Mr. Ford looked at Department Heads and their assistants who were classified as exempt under the old guidelines. Alderman Vest said a company that he worked for adjusted the employees to an hourly rate that factored in the overtime rate. He said he wondered how this would affect accumulation of comp time going forward. Ms Miller said by Town policy an exempt employee can only accumulate one hundred hours of comp time. Ms. Miller said supervisors are encouraged to watch the accumulation of comp time and to adjust employee schedules to minimize the comp time. She said for example, Matt Townsend accumulates a lot of comp time during the Water Park season, and he is encouraged to take time off during November and December which is a less busy time for him. Mr. Browning said there is a reasonable expectation that an employee is working an average of forty hours a week but a lot of the supervisors work more than that in a week. He said employees turn in time sheets every two weeks and their time is documented by the Recorder's office. Mayor Wolfe asked Abbey Miller if she had looked at the difference of average hours the employee is working including overtime and paying them the higher salary and asked if the Town would be coming out ahead. She said several of the employees were already exempt but now had to meet the new salary level of \$47,476 to continue as an exempt

employee. Mr. Browning said Ben Grizzle was listed as exempt and will not be exempt going forward because of his salary level. He said the Department Heads have a responsibility to pay attention to the hours and to work within the work week to keep the comp time down. Alderman Vest asked if we make changes to the Personnel Policy throughout the year, and Mr. Browning said changes can be made whenever the Board wants to make changes. Alderman Vest said several employees are receiving more than 3% salary increases, and he wants to make sure we have not gone too far. He said he would like to look at the vacation policy, sick pay policy, and comp time policy, and in general this is a request for a review of the entire compensation plan. Mr. Browning said an overtime report is submitted to the Board monthly. Mayor Wolfe said Alderman Vest is referring to the fact that with the new pay plan that was implemented, the 25% increase in salaries over the previous five years, and now these new exempt requirements, that we need to look at the compensation policies and make sure the plan is balanced. Mayor Wolfe asked for any revision recommendations to be presented to the BMA within a couple of months. Alderman Vest said he has worked all his life as an exempt employee and has never received comp time so he wants to see how this works. Motion was made by Alderman Countermine, seconded by Alderman Dickson and duly passed to approve the adjustments to the Compensation Plan as presented with the correction that Ben Grizzle is not an exempt employee. Melinda Copp introduced Whitney Williams as the new Social Media Marketing Specialist for the Town. Mayor Wolfe welcomed Ms. Williams and asked that she submit a monthly report to the Board.

The next item on the agenda was the Ordinance establishing water and sewer rates for FY 2016-17. Mayor Wolfe said there is no increase in water or sewer rates, and there are some capital expenses included in the Water and Sewer Fund budget. He said over the last several years we have gone from 60% water loss to 27% water loss, and we have built a new sewer plant. He thanked the Department Heads for a job well done. Motion was made by Alderman Countermine, seconded by Alderman Vest and duly passed to approve on second and final reading an Ordinance establishing water and sewer rates to provide the necessary funds for the operation, maintenance and the debt service of the Jonesborough water and sewer systems.

INSERT ORDINANCE

The next item on the agenda was the Resolution establishing the Water and Sewer Fund budget for FY2016-17. Motion was made by Alderman Dickson, seconded by Alderman Countermine and duly passed to approve the Resolution establishing a budget for the Water and Sewer Fund for Fiscal Year ending June 30, 2017.

INSERT RESOLUTION

The next item on the agenda was the Ordinance establishing garbage and refuse collection fees for FY2016-17. Mayor Wolfe said this Ordinance includes an increase in garbage and refuse collection fees. Mr. Browning said the fee for residential garbage collection is \$13.50 if the resident recycles and \$15.50 if the resident does not recycle

and there is an additional \$10.00 fee per dumpster pick-up. Mayor Wolfe told Jeff Thomas that his department is doing a very good job. He said the Board appreciates the effort of his employees, meeting the high level of customer service that our residents expect. He thanked the crew for always going the extra mile. He said this is a small town with a small solid waste department and the cost of equipment is very high. He said with these rate increases, the Town is going to get on good footing and establish an equipment fund and make the Solid Waste Department a sustainable operation. He said the people of the Town value what the Solid Waste Department employees do. Alderman Vest said he does not agree with the proposed increases. Alderman Sell said this is a service that is essential to the Town, and he has had citizens come to him to say they do not mind paying the extra fee because of the service level. He said we could not get this level of service by contracting the service out which is the only other option. Motion was made by Alderman Countermine and seconded by Alderman Sell to approve on second and final reading the Ordinance setting the garbage collection fees within the Town of Jonesborough. Those voting Aye: Alderman Countermine, Alderman Sell, and Alderman Dickson. Those voting Nay: Alderman Vest. Motion passed.

INSERT ORDINANCE

The next item on the agenda was the Ordinance adopting the annual General Fund, Solid Waste Fund and Drug Fund budgets and setting the property tax rate for Fiscal Year ending June 30, 2017. Mayor Wolfe read the Ordinance caption. He said that the 2016 property tax rate is the same as the 2015 tax rate, and added that there were some adjustments in the compensation plan. He said projects aside, the Town does a very good job keeping the base line of Town operations close to the same each year. He said he is proud of how responsible the Town is with its spending. Alderman Vest said he has one comment on Mr. Browning's statement that if revenues do not come in as budgeted at the McKinney Center that we may look at using the reserve funds at the McKinney Center. He said we need to make sure that the Town is not always depending on reserves and instead that items in the budget should be cut if revenues don't meet the budgeted amounts; using the reserve funds is the easy way out. Mayor Wolfe said he remembers when the recession hit and the Board voted that each department had to cut its budget 3% because it was a period of uncertainty. He said the Town is willing to respond to the needs of a budget, but we do not want to always go to the reserve funds. Mayor Wolfe said the Board asked for a presentation on the McKinney Center and the Board received a plan to use extra revenue from classes to supplement the budget. He added that the McKinney Center is still in the beginning stages and a model that is developing. He said Theresa Hammons is a fantastic Director and has a great staff, and the Board stands behind the staff to make the McKinney Center successful. Alderman Vest said he would like to see the McKinney Center become a profitable endeavor. Mayor Wolfe thanked Theresa Hammons, Bob Browning and others for their efforts to make it successful. Bob Browning said the Mary B. Martin Arts Program collected \$12,000 in revenues over expenses in FY2015-16 and did not spend any of the reserves. Alderman Sell asked about one item in the McKinney Center budget where they are going to be selling memberships. Theresa Hammons said it is a friends of the McKinney Center

organization with different levels - \$25 up to \$10,000; for each level of membership, there will be different benefits such as discount rates for various classes. She said they have secured some sponsorships already. Alderman Sell said the Water Park looks good and Matt Townsend is doing a great job. Matt Townsend said the hot weather is really helping and the revenues at the park are ahead of where they were this time last season. Alderman Sell asked about the Visitor Center sponsorship line item for \$5,000. Mr. Browning said that line item has been eliminated. Motion was made by Alderman Vest, seconded by Alderman Sell and duly passed to approve on second and final reading an Ordinance of the Town of Jonesborough, Tennessee, adopting the annual General Fund, Solid Waste Fund, and Drug Fund budgets and setting the property tax rate for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

INSERT ORDINANCE

The next item on the agenda was approval of the Budget Amendments for FY2015-16. Ms. Miller said this is the first reading and these numbers will change before the second reading. She added that the Comptroller's Office requires that budget amendments be addressed on first reading by June 30th. Motion was made by Alderman Countermine, seconded by Alderman Vest and duly passed to approve on first reading the Budget Amendments for FY 2015-16.

INSERT ORDINANCE

The meeting was duly adjourned.

ABBHEY MILLER, RECORDER

KELLY WOLFE, MAYOR