



Staff Report

Department: Administration
Staff contact: Eric Hardy, Town Administrator
Agenda title: Consideration of FY 2021 Budget Amendment
Requested action: Approve Resolution

SUMMARY

The budget amendment under consideration accomplishes the following:

1. \$14,440 - Increases the Sanitation department budget to cover costs of increasing the hiring rate for Sanitation Maintenance Worker from \$13.50 per hour to \$15.00 per hour. Recent recruiting experience indicates that the hiring rate was below market in that applicants were few. A survey of other regional local governments – primarily in Buncombe County – also indicated that the rate was well below average. Some employers have adopted a \$15.00 minimum wage for full-time employees. This hour wage is the basis for the adjustment. In order to minimize wage compression between a new hire and current employees, this amendment funds a \$2.25 per hour increase for all employees (7) in the same job classification.
The increase covers salary and related benefits costs; it is offset by use of the Contingency budget and reduces the remaining available Contingency budget to approximately \$35,000.
2. \$42,360 – Increases the Administration department budget to cover costs of adding one full-time employee – a finance director - to the roster. Currently the town has one dedicated staff position with responsibility for finance and accounting. Duties performed by this Accounts Payable Specialist include accounts payable, payroll processing, statutory/regulatory reporting, financial system (software) administration, personnel records management, and benefits coordination. A contracted accountant (CPA) provides periodic support as needed during the year and in preparation for the annual financial audit. Increasingly complex accounting and reporting requirements related to debt issuance and grant awards drive the need for a proper accounting and finance professional – one ideally having local government experience. A hiring range of \$75,000-80,000 annually is recommended based on a survey of nearby smaller municipalities.
The increase covers salary and related benefits costs; it is offset by an appropriation of fund balance.

BUDGET IMPACT

The budget amendment nets to a \$42,360 increase in the FY2021 annual budget.

STAFF RECOMMENDATION

Staff recommends approval of the budget amendment.

January 19, 2021 Board of Commissioners Meeting