

**MINUTES OF THE SPECIAL MEETING OF
THE TOWN BOARD OF COMMISSIONERS
TOWN OF WILLIAMSTON, NC**

January 26-27, 2018

The Board of Commissioners of the Town of Williamston met in special session on Friday, January 26, 2018 at 5:30 p.m. at the Hitchin' Post and then convened in the Assembly Room at Town Hall at 6:30 pm.

PRESENT Mayor: Joyce Whichard-Brown
Commissioners: Mayor Pro Tem Al Chesson, Ronell Rodgers, Jerry Knox, William Coffield and Junious J. Horton
Town Administrator: David Jaynes
Town Clerk: Christina Craft
Finance Officer: Linda Harrison

CALL TO ORDER AND INVOCATION

The Mayor called the meeting to order and welcomed everyone. Commissioner Knox offered the invocation.

FINANCIAL OVERVIEW

The Town Administrator and the Finance Officer presented a comprehensive picture of the Town's Finances. A Financial Dashboard was presented showing FY 2016-2017 revenues and expenditures in the General Fund and the Enterprise Fund. Historically the revenues and expenditures are adjusted to the auditor's final financial report. The auditor's financial report has not been received and is not expected until the end of February. The Town Administrator reported that the department directors did very well, staying within budget which is how the Town was able to move some money into the reserve fund. Powell Bill is listed separately for tracking purposes only. Those funds are General Funds. The Town has been frugal with Powell Bill funds as the funds are limited and can be used for other large expenses instead of borrowing funds if saved. The Powell Bill expenditures are reported to the State annually. A Financial Dashboard for the first 6 months of current FY 2017-2018 demonstrates that revenue and expenditures for both the General Fund and the Enterprise Fund have been reasonably projected. The administrative salary total appears low due to the monthly transfer of salaries to the enterprise fund as many hours are spent working on water related items. There is an increase in EMS supplies as the hospital will no longer replace supplies used on the trucks. The County did contribute \$25,000 to cover some of the supplies.

The Finance Officer gave the following financial overview of the General Fund Revenue:

\$ 3,133,256 Available Fund Balance
\$ 5,877,985 Current Year Revenues
\$ 398,720 Powell Bill Reserves
\$9,409,961 Total Available General Fund Revenues

Expenditures:

\$ 5,774,543 Current Operating Expenditures (less debt service and OPEB Transfer)
\$ 128,442 Total Current Debt Service

A net of \$69,641 is projected to be available to add to Fund Balance.

The Finance Officer gave the following financial overview of the Enterprise Fund:

Revenue:

\$ 7,386,593 Available Retained Earnings
\$ 4,224,168 Operating Revenue for Water and Sewer Services
\$ 26,684 Principal and Interest payments from General Fund
\$ 4,250,852 Total Available Enterprise Fund Revenue

Expenditures:

\$ 2,203,998 Water Sales
\$ 1,876,925 Sewer Sales
\$ 46,566 Water/Sewer Capital Projects
\$ 4,127,489 Total Expenditures

A net of \$123,363 is projected to be available to add to Available Retained Earnings.

FINANCIAL COMMITMENTS

The Finance Officer reported that since the process of borrowing money from the Enterprise Fund has recently been denied per the legislature, she is now purchasing approved items with a loan. If the revenues and expenditures continue at the rate, the police cars will most likely be purchased with General Fund without a loan. This will decrease the loan obligations. The Police Department has two cars in the budget for this year and three in the upcoming budget. There will not be an OPEB transfer in this year unless funds are available. Last year, the Town was able to make an OPEB transfer for this year and hopefully will be able to contribute at year end as this helps with balancing next year's budget. The Enterprise Fund was annualized which shows a projected increase to retained earnings. One issue with water billing is that there have been so many rechecks due to huge variances in the water usage, which equates to 30,000 additional gallons of water used. The bills for this month are being mailed late this month due to the increase in rechecks. The Town policy is that customers are only allowed one bill adjustment each year. With the increase in the number of leaks, the department is expecting a rise in adjustment requests. The magnitude of the issue will not be apparent until the bills are mailed and this should be revisited at the next regular board meeting. No other utilities give a break due to high usage. It was the Board's direction to adhere to the policy as written.

The Local Government Commission (LGC) strongly suggests that the General Fund balance should be 55.5%. In 2009, the general fund balance was under 10% and is now 58.69%. The total General Fund balance to include the Powell Bill funds is 65.51%. The LGC refers to this percentage whenever the Town attempts to borrow money. The Department Heads strive to keep expenses as low as possible which is evident with the increase in General Funds. Of the 4 financial commitments in the General Fund, the Powell Bill loan for the Annexation Area "A" was added last year at \$600,000. The Town Administrator reported that the Powell Bill money and the \$25 increase on vehicle license implemented two years ago are designated funds to cover street repairs. The \$25 increase on vehicle tax cannot be used on equipment or salaries. The Sales Tax is distributed by assessed values and are in line with last year totals. The USDA loan for the Skewarkee Canal Culvert Project payments will start in 2018-19 as the project is anticipated to be completed in this fiscal year.

The Finance Officer reported on the status of the Accounts Receivable for utility billing. The Board authorized the movement from a 60 day billing to a 30 day billing which was fully implemented in January 2015. The amount of accounts receivable has decreased with the more aggressive approach. In the months of November and December, late accounts are not cut off until after the holiday as a courtesy to our customers.

The health insurance cost has decreased due to the switch to Aetna last year. The premium paid by the town and employees were lower than previous years.

The actuarial has been received but the audit is incomplete. The Other Post Employment Benefits (OPEB) contribution annually is approximately \$100,000 for a total OPEB contribution of \$597,068. The net obligation still shows at \$1,436,929. The annual cost is \$339,226. Per direction of the Board, no new employees hired after July 1, 2013 can be added to OPEB. The obligation will decrease dramatically in the next 10 years due to the limitation of new additions. The OPEB funds are in a trust and cannot be used for any other purpose. The Town Administrator reported that if the funds are available, the board may consider instituting a plan for the employees that do not benefit from the OPEB plan.

Commissioner Chesson questioned that many revenue items under budgeted if the Finance Director is confident that the trend will continue. Ms. Harrison reported that there are many leaks and the repair of the fire truck may increase the expenses. These expenses are unexpected which makes it harder to foresee. The large water main break will affect the cost as the rates are set by prior year's usage. At this time, the Town does not plan to increase water charges.

The Mayor reported that there is an upcoming meeting in Raleigh that she would like to attend. The current budgeted amount for travel for the entire board is \$2,000 which has been depleted. It was the consensus of the Board that only meetings that benefit the Town should be attended or required meetings such as the Ethics Training. The NCLM (North Carolina League of Municipalities) meeting was held in Greenville that costs \$500 per person with three commissioners attending. Commissioner Chesson reported that the NCLM meetings and the Rural Association are appropriate meetings to attend. The budgeted line item for the Board was increased to \$3,500 for the 2017/2018 fiscal year and the administrative training line item is to be reduced by \$1,500. Ms. Harrison reported that she will do a budget amendment to increase the line item at the February meeting.

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CLOSED SESSION

At 8:18 p.m., it was moved by Commissioner Rodgers, seconded by Commissioner Chesson and unanimously passed to go out of Open Session and into closed session to address a Personnel Issue per N.C.G.S. 143-318.11 (a) (6).

At 9:52 p.m., it was moved by Commissioner Chesson, seconded by Commissioner Knox and unanimously passed to go out of Closed Session and into Open Session.

RECESSED

There being no further business, the Mayor recessed the meeting at 9:25 p.m. and will reconvene the meeting January 27, 2018 at 8 a.m.

Saturday, January 27, 2017

Present

Mayor: Joyce Whichard-Brown

Commissioners: Al R. Chesson, William Coffield, Ronell Rodgers, Junious J Horton and Jerry Knox

Town Administrator: Brent Kanipe

Town Clerk/Administrative Assistant: Christina Craft

Finance Officer: Linda B. Harrison

Human Resources Administrator: Martha-Brown Lilley

Recreation Director: Allen Overby

Planning and Development Director: Brent Kanipe

Police Chief: Travis Cowan

Fire Chief: James B. Peele, III

Assistant Fire Chief: Michael Peaks

Public Works Director: Kerry Spivey

Zoning and Planner: Cameron Braddy

Absent

None

WELCOME

The Mayor welcomed everyone. Commissioner Knox offered the invocation.

CAPITAL IMPROVEMENT PLAN (CIP) DISCUSSIONS

The Fire Chief reported that the department needs a new utility truck to replace the 2001 model. There is an ambulance that also needs to be replaced. The self contained breathing apparatus (SCBA) is an item that will be on the budget every year to stagger the replacement needs over each year. The LifePak heart monitor/defibrillator is due for replacement. The Town has not had to purchase a lifepak in the past as grants covered the replacement cost. A grant application has been completed for the lifepak with a \$5,000 match. If the application is accepted, the grant will be brought before the board for approval. The heavy rescue vetter bag will replace 20-year old equipment. The HVAC unit at the base will need to be added to the CIP. The building was built as a total electric building with four heaters. Two of those heaters have not worked in a couple of years. It is his recommendation to add one HVAC unit that will cover the entire space.

The Police Chief reported that he has a vehicle cycle in place with three vehicles one year and two vehicles the next. The cycle has been completed as set for the first time. The patrol cars last approximately 4-5 years. He consults with Public Works as to which vehicle will need to be replaced each year. The building renovations remain on the CIP as the department needs to be expanded to meet current needs.

The Public Works Director reported that Sanitation, Sewer and Cemetery Department needs consist of the normal rotation of equipment. The metal roof on the building leaks and needs to be repaired. The primary water supply transmission mains are scheduled for repair/replacement. The project is very expensive and not feasible without a developer or a grant to cover the expenses. A chipper was purchased to reduce the landfill costs two years ago. The material still needs to be destroyed. An air curtain burner would reduce the waste. The state regulations support an air curtain burner now but those regulations change and will be closely monitored before that expenditure is made.

The Recreation Director reported that many of the Parks and Recreation needs consist of the normal rotation of equipment. It was mentioned that resurfacing the tennis court cost is historically shared with the school system as they heavily utilize the courts. He consults with Public Works as to which vehicle will need to be replaced each year. There is one truck that will require replacement due to a computer issue. The older truck will be sold on "govdeals" when replaced.

The Town Administrator reported that the Administrative Department has computers and revenue system upgrades in the CIP. The finance director reported that these items are replaced as required. The computer system upgrades will always be included in the CIP. The Tax system was upgraded last year for less than \$2,000 and there were no system upgrades budgeted for the upcoming fiscal year. The computers are listed due to the annual cost and are listed under small equipment.

The Planning Department's Long Range Plan requires an update. It will take approximately \$22,076. This is very important in obtaining grants to have a current Long Range Plan. The Long Range Plan addresses at all portions of the Town's operations. A consultant will meet with the staff in order to compile the needs and update the plan. Cameron Braddy is very skilled with the maps and will be able to save expenses in the update of the plan. There is a USDA grant that will be available in the near future and needs to be applied to bringing a new business and adding job opportunities. The way-finding signs are not in the CIP but a project that needs to be finalized.

DEPARTMENT UPDATES/LONG RANGE NEEDS

Planning and Development Director reported that the department heads held a meeting to discuss the issue of renovations and space issue in the public buildings as discussed in the last budget session. Three proposals were considered. In 2008, the Town did research in the possibility of a Public Safety Facility beside the Piggly Wiggly building to include the Police Department and the administrative offices of the Fire/Rescue departments. The estimated cost of the project is \$2.9 million. This project did not include any improvements to Town Hall and would move the Police Department from the immediate downtown area. Another proposal is for the Police Department to remain in the Town Hall building at an approximate cost of \$1.3 million. The department would be expanded into the parking lot and an entrance on Smithwick Street. This option would include upgrading the building to be ADA (American Disabilities Act) compliant. The third proposal is to purchase an unoccupied building in the downtown area to relocate the Police Department. This option would allow room for future expansion for Town Hall and the Police Department. A benefit of this option is that the Police Department will remain downtown. The new building will accommodate the current needs and future needs. The Fire/Rescue building needs to be expanded at an estimated cost of \$710,000 which will allow for the larger trucks and secure area for record retention. The CIP for the departments included remodels, flooring, roof repair and HVAC issues. It is the recommendation to the Board to not perform the renovations but to move forward with one of the three options discussed on a 20-year loan to decrease interest costs. If the project is financed through the USDA, the first payment will not be due for approximately two years. Commissioner Chesson suggested utilizing more operational funds to decrease the loan amount. The Police Chief reported that the footprint of the Town Hall property is limited. Since the original plan was drawn by ECU, there have been additions to the department such as a crime prevention officer. He is concerned of the growth of the responsibilities and duties that are involved with State mandates. If the project is to move forward with the expansion of town hall, there will be no additional room to harvest in the future. It was the Board consensus to approach the owner of the building to establish the feasibility with the option of moving forward with the third option.

The Police Chief reported that recruitment and retention of new officers is a challenge. There is a change in law enforcement in North Carolina in the recruitment of officers. Without consideration of administration positions, there are currently 14 uniformed patrol officers to cover 2 shifts daily. Seven of those will work two days, then the second shift will cover the next two days. Minimum staffing requirements states that there must be no less than 5 officers, three during the day, two in the evening. Currently the department has 1 vacant position, one in the military who is serving outside of NC for the next 30 days, one that is currently in BLET that will graduate in three months, and two out on maternity leave. In order to cover minimum staffing, the department is pulling detectives into patrol positions. The department is not receiving applications. It takes at least 9 months from hire date, BLET program education and orientation before the individual is ready to work alone. Greenville has started a new program to hire 20 people and pay for their education. To market the department, they have developed a pamphlet to distribute to every BLET student. We are tailoring a recruitment presentation to entice candidates to join our workforce. In the last two years, the department was fully staffed for two weeks. The Police Chief requested the Board to allow him to add one additional position. The additional position will guarantee an opening to a recruit that is in the program. It would allow him to actively recruit a candidate when the department is fully staffed. It was the consensus of the Board to allow the addition of one position.

Parks and Recreation

The Parks and Recreation Director reported the Gaylord Perry Park Master Plan renovations is included on the CIP for Fiscal year 2019/2020 at a reduced rate with the assumption that grants will be received to pay for the remainder. He and the Town Administrator met with a Partner for Parks foundation that will assist in raising funds. The total estimated cost is \$450,000 to \$500,000 without the splashpad. The PARTF grant requires matching funds and the Town's portion will be approximately \$250,000. He is hopeful that other grants can be obtained to assist with the matching fund requirement. He requested direction from the Board as to how to proceed. Once the grant is approved, the Town will be required to move forward with the project. The director estimates that 95% completion Master Plan can be done without any cost. The Town Administrator reported that the timeline for the Master Plan is relevant per PARTF for five years.

Planning, Zoning, and Economic Development

The Planning and Development Director submitted an annual report for the Planning and Development department. The county-wide Strategic Economic Development Plan has been adopted by all participating members with great progress. Many requests have been sent to the NC Department of Transportation Division to provide lighting at the 512 and 514 exits on US64. Local Division support has been minimal at best. Staff is not sure if a push at the State level would have any better results. Environmental remediation work has been completed and the results have been approved by NCDENR for review and release of the property for us to begin redevelopment. The metal building that remains on the Windsor site has been cleared for occupancy. The Town, through tax foreclosure, owns the old service station site beside WIAM Radio.

Commissioner Chesson requested an update on the Annexation. Mr. Kanipe reported that the Annexation is close to completion with the exception of lighting. The power company requires an easement from the back of the property to the road to put an underground service to a light pole. At this time, no one has provided an easement. There are a couple of lawsuits still active on the Annexation. The Annexation Area "A" will be the responsibility of the Town Administrator as of January 31, 2018.

Fire/Rescue/EMS

The Fire Chief submitted an annual report of operations for the year. In 2013, the department has a rating inspection. The rating was a 4 which is very good. To maintain and improve the ISO rating, the department must conduct annual hydrant inspections and pre-incident surveys, maintain/update operational guidelines and policies annually and issue "after the fire" surveys to citizens who suffer a loss from a structure fire. The Fire Chief recommends the addition of one full-time employee to assist with the compliance requirements. Another option is to contract with Rivers and Associates.

Public Works

The Public Works Director reported that the newly constructed enclosed building has now been insulated and is used to store very expensive equipment. In the six departments under Public Works, succession planning is

important as roughly seven of the higher level staff will retire within the next five years. The training required to replace some of these positions can take years. He reported that he has staff training to move into these positions. He recommends the Board's consideration to close Tank Street as runs in the middle of the Public Works. Commissioner Chesson reported that there is no reason to keep Tank Street open and should be reviewed by the Town Attorney. The Town Administrator reported that there is also a back taxes issue with the property on the corner of Tank and Martin Luther King Street. One of the owners of the home wishes to give the property to the town. The Town Attorney is currently assessing the house in question. Notice of intentions would have to be given to those affected and a public hearing held before the Board could pass an ordinance to close the street.

There were approximately 120 water cut offs that were requested by the resident. The Town Ordinance requires the citizens to have water shut-off valve on their side of the meter. He recommends that a fee be associated with the requested cut-offs to offset the cost to the town. Commissioner Rodgers questioned if there could be an age-related exception as the elderly may have difficulty turning the water off to the residence. It was the Board's recommendation to research the issue, develop a plan and bring back to the Board. The Finance Director reported that cutoffs for nonpayment were not done this month. If the bill is not paid timely next month, there will be two late fees applied.

SALARY DISCUSSION

The Town Administrator reported that the MAPS group had performed a salary study and the board approved a 1.5% living adjustment the past year along with a ½% merit increase. The Town Administrator requested direction from the Board as to whether to continue with the plan of a cost of living adjustment is 2% across the board with a 1/2% merit increase. The Finance Director reported that a decision should be made on the additional fire department staff request then review the budget to see if the COLA if it is possible. Commissioner Chesson reported that he would rather have additional staff than to outsource. It is the consensus of the Board to move forward with the additional fire fighter/EMT.

Vision Review

The Town Administrator presented the current vision statements to the Board. He presented goals and strategies to complete the goals for each of the vision statements.

CLOSED SESSION

At 1:48 p.m., it was moved by Commissioner Rodgers, seconded by Commissioner Chesson and unanimously passed to go out of Open Session and into closed session to address a Personnel Issue per N.C.G.S. 143-318.11 (a) (6).

At 2:40 p.m., it was moved by Commissioner Chesson, seconded by Commissioner Knox and unanimously passed to go out of Closed Session and into Open Session.

ADJOURNMENT

There being no further business, the Mayor declared the meeting adjourned at 2:40 pm.

Submitted By:

Approved By:

Town Clerk

Mayor