

The Smithfield Town Council met in regular session on Tuesday, June 4, 2019 at 7:00 p.m. in the Council Chambers of the Smithfield Town Hall, Mayor M. Andy Moore presided.

Councilmen Present:

Travis Scott, Mayor Pro-Tem  
Marlon Lee, District 1  
David Stevens, District 2  
Dr. David Barbour, District 4  
Emery Ashley, At-Large  
John A. Dunn, At-Large  
Stephen Rabil, At-Large

Councilmen Absent

Administrative Staff Present

Michael Scott, Town Manager  
John Blanton, Fire Chief  
Lenny Branch, Public Works Director  
Ted Credle, Public Utilities Director  
Julie Edmonds, Admin. Support Specialist  
Gary Johnson, Parks & Rec Director  
Tim Kerigan, Human Resources/PIO  
R. Keith Powell, Chief of Police  
Greg Siler, Finance Director  
Stephen Wensman, Planning Director

Present:

Bob Spence, Town Attorney  
Bill Dreitzler, Town Engineer

Administrative Staff Absent

Shannan Parrish, Town Clerk

**CALL TO ORDER**

Mayor Moore called the meeting to order at 7:00.

**INVOCATION**

The invocation was given by Mayor Pro-Tem Scott followed by the Pledge of Allegiance.

**APPROVAL OF AGENDA:**

Councilman Ashley made a motion, seconded by Councilman Dunn, to approve the agenda with the following amendment:

Add to the Closed Session section (3) *"To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged"*

Unanimously approved.

**PRESENTATIONS: None**

**PUBLIC HEARINGS:**

1. **Community Development Block Grant:** The Town of Smithfield was considering submitting a Small Cities Community Development Block Grant Program (CDBG) – Neighborhood Revitalization Program Application in the amount of \$750,000 for housing revitalization

Mayor Pro-Tem Scott made a motion, seconded Councilman Rabil to open the public hearing. Unanimously approved.

Town Manager Michael Scott introduced Skip Green of Skip Green and Associates. The Town Manager explained the Town previously submitted a grant application for this type of CDBG funding, but was unsuccessful. The Town Manager further explained the Town would be more competitive this time and he felt confident the Town would receive the grant funding.

Skip Green informed the Council that since the Town was resubmitting the grant application, this second public hearing was a requirement. Mr. Green explained that within the project area and the target area, 23 houses were to be rehabilitated, 2 rehabilitations, 1 reconstruction and 3 lots with dilapidated houses would be demolished and cleared. All potentially rehabilitated homes would have to be owner occupied and those owners would have to be classified as having low or moderate income. Mr. Green explained the application was due July 16<sup>th</sup>.

Mayor Moore asked if there were any questions for the Council.

Mayor Pro-Tem Scott questioned how the owners were identified. Mr. Green responded there were a series of neighborhood meetings and he worked with area churches to ensure that everyone who wished to participate were informed. They also conducted a door to door survey. Everyone who chose to participate was required to complete an application.

The Town Manager stated the goal was to obtain funding this year and continue applying for future CDBG grants to revitalize the entire Town.

Councilman Ashley questioned how a lot could be cleared because a structure in poor condition could not be owner occupied. Mr. Green responded that demolition and lot clearance had totally separate rules than home rehabilitation.

Mayor Moore asked if there was anyone in attendance that wished to speak on the matter.

Tony Nixon of 8 Cedar Drive and Chairman of the East Smithfield Improvement Organization (ESIO) stated the ESIO was in favor of the Town applying for this grant because it would be a benefit to not only the target area, but also to the entire Town. Mr. Nixon further stated as the Town's population continued to age, there would be a continued need for housing rehabilitation. These grant funds would improve the quality of life for so many residents.

Councilman Ashley made a motion, seconded by Councilman Barbour to close the public hearing.

Councilman Dunn made a motion seconded by Councilman Ashley to authorize staff to submit the application for CDBG funding. Unanimously approved.

2. **ZA-19-02 Town of Smithfield:** The Planning Department was requesting an amendment to the UDO Article 6, Section 6.5 Table of Uses and Activities to allow food trucks in the O/I (Office/Institutional), B-1 (Business), and B-2 (Business) zoning districts and Article 7, Section 7.25 Food Trucks to revise the supplemental standards for food trucks.

Councilman Dunn made a motion, seconded by Councilman Rabil, to open the public hearing. Unanimously approved.

Planning Director Stephen Wensman addressed the Council on a request by staff to amend the UDO to allow Food Trucks as permitted uses with updated supplementary standards in the O/I, B-1 and B-2 Zoning Districts. Staff discovered food trucks have been operating in Town Parks and in other commercial districts with special events since food trucks have been allowed. Staff believes the UDO should be in agreement with Town practices. Currently, food trucks were only allowed in B-3 with supplementary standards. Outside of temporary events and the flea market, there has been only one food truck in operation and it was located at the Carolina Pottery Outlets. Another was proposed for West Smithfield.

Mr. Wensman explained the proposed amendment to Section 7.25 and it is as follows:

The Article 7, Section 7.25 Supplementary Standard for Food Trucks

- 7.25.1, Food trucks to be permitted to operate from Town property or closed public right of way during a Town-sponsored civic event or Town Council approved special event.
- 7.25.2, Amending the duration of a food truck zoning permit from 20 days, three individual weekend's events, to 90 days per calendar year. The change will be easier to monitor for Staff and would provide an opportunity for seasonal food trucks in some locations.
- 7.25.3, added to location for food trucks that they must be at least 100 feet from the front door of a restaurant or dining area during business hours and changed the text to allow within 5' of a public sidewalk.
- 7.25.4, with the zoning permit, the Town will require a Johnston County Application for a Mobile Food Unit when applicable, NC Sales and Use Certificate, NC Department of Agriculture Permit when applicable, location of approved grease disposal facility, proof of food truck storage location and a copy of the vehicle or trailer registration.
- 7.25.7, allowing a small sandwich board sign for food trucks, similar to what is allowed for other businesses in Town. Food trucks often have the menu on such signs.
- 7.25.8, increased the area in which food trucks must keep the property clean.
- 7.25.9.1, created an exception for food trucks operating at the flea market. The Town has currently been allowing such food trucks to operate under the zoning permit of the flea market like other vendors utilizing the same hours of operation.
- 7.25.9.2, created an exception on the number of food trucks and location of food trucks operating under a Town-sponsored civic event or Town Council approved special event.

Planning Staff and the Planning Board recommended approval of the zoning text amendment ZA-19-02 with a statement declaring the request consistent with the Town of Smithfield Comprehensive Growth Management Plan and that the request was reasonable and in the public interest.

Mayor Moore asked if there were any questions from the Council

Mayor Pro-Tem Scott questioned subsection 7.25.3 if staff was recommending removing the 100 feet requirement and replacing it with 5 feet. Mr. Wensman responded the 100 feet would still be required during a restaurant's normal business hours. Mayor Pro-Tem Scott further questioned if Planning staff received any clarification from the Planning Board on beer, wine and alcohol sales from a food truck. Mr. Wensman responded there was no clarification.

Councilman Rabil questioned if the owner of the food truck would have to obtain a business license. Mr. Wensman responded they would have to have all zoning licenses and all proper permits as listed in the UDO.

Mayor Moore questioned if this amendment to the UDO limited the number of food trucks at special events. Mr. Wensman responded there would be no limits at special Town sponsored events. Mayor Moore questioned if there was a limit to the amount of food trucks that could operate at the flea market. Mr. Wensman responded there was no limit on food trucks at the flea market because they operate under the special use permit for the flea market. Under this amendment, there would be no limit to food trucks at the flea market because they are treated as another vendor.

Mr. Wensman explained if someone wanted to operate a food truck downtown, you would be allowed to have one food truck as an accessory to an existing business. The food truck owner would have to obtain a permit that would be valid for 90 days. For special events and the flea market, there would be no limit on the amount of food trucks. Special events would require the event coordinator to inform Planning Staff of the amount of food trucks and the location of the food trucks for the event. Staff would then review the information to ensure the amount and location

caused no safety issues. Since the flea market has always treated food trucks like a vendor, the flea market would continue to control where those would be set up on the property.

Mayor Moore questioned if food trucks were approved when the flea market was approved. Mr. Wensman responded it was not specifically approved with food trucks. Mayor Moore stated he had received a lot of complaints about the area in and around the flea market and he did not want to do anything that was going to cause more traffic and more hazard in the area because it was already very congested on weekends. Mr. Wensman responded the flea market was out of compliance with the special use permit and staff was trying to work with the owner of the facility to bring it into compliance. Staff was attempting to correct the ordinance to match the actual practices of the Town.

Councilman Barbour questioned who would decide an acceptable location for a food truck in Town. Mr. Wensman responded staff does not want a food truck competing with a restaurant. The food truck operator would have to locate a willing brick and mortar business partner. The specification location at that business would have to be designated and it would have to be in a safe location. The food truck cannot be a pedestrian hazard and they would have to meet all the other requirements of the code. Mr. Wensman further explained there have only been two requests for food trucks in the Town. All other permitted food trucks have been at Town sponsored special events and the flea market. Parks and Recreation has been allowing food trucks at their events for years. The Parks and Recreation Director decides where the food trucks would be located at these events. Councilman Barbour also questioned if there was a limit on the amount of food trucks. Mr. Wensman responded there could be only one food truck per business. Mayor Moore stated he still did not understand the exception of the flea market. Mr. Wensman responded that food trucks at the flea market were considered as another vendor.

Mayor Moore asked if there was anyone in the audience that wished to speak on this matter.

Pam Lampe of 415 North Second Street questioned if the food trucks at the Park would be allowed to stay for 90 days. Mr. Wensman responded the Town would permit them through special event permits. They could allow them for three months, but typically they would only be there for the event. The Parks and Recreation Director would make the decision about food trucks for all park events.

Councilman Ashley made a motion, seconded by Councilman Rabil, to close the public hearing. Unanimously approved.

Mayor Pro-Tem Scott stated he had concerns about not allowing a food truck to serve alcohol near a place of worship. He also expressed his concerns about not limiting the number of food trucks at festivals and mass gatherings. The Town should be mindful of the congestion it could create and questioned how it would be policed.

Councilman Ashley questioned if the ABC Commission allowed sales of beer and wine from a food truck. Mr. Wensman responded he has seen beer and wine served from food trucks but he was unsure how it was regulated.

Councilman Barbour questioned if the Town could require some type of additional approval process if alcohol was served from a food truck. Mr. Wensman responded that when an applicant applied for a special event permit, they have to have security or police presence. Staff could handle it through the permitting process. Mr. Wensman suggested additional supplementary standards that addressed a distance requirement from places of worship.

Mayor Pro-Tem Scott questioned if it would be appropriate for the Council to table this request for 30 days. Mr. Wensman responded the Town has been in violation of this ordinance for quite some time and now that he's aware of it, it is his responsibility to make sure the Town was in compliance with the code.

Mayor Pro-Tem Scott made a motion, seconded by Councilman Stevens, to table this request until the July Town Council meeting. Revisions should include a distance requirement for the sale of alcohol from food trucks and places of worship. Unanimously approved.

Mayor Pro-Tem Scott questioned if there was any resolution to the Planning Board hearing cases before the Council hears a case. Mr. Wensman responded there was a subcommittee of the Planning Board that has been reviewing the UDO. Mr. Wensman stated he may have a potential solution recommended by the UNC School of Government called conditional zoning. This would eliminate a lot of the special use permits. Mayor Pro-Tem Scott explained the Planning Board was essential to the Town as were their recommendations to the Council.

- 3. FY 2019-2020 Budget:** In accordance with NCGS 159 -12 (b), Before adopting the budget ordinance, the board shall hold a public hearing at which time any persons who wish to be heard on the budget may appear.

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Scott to open the public hearing. Unanimously approved.

Town Manager Michael Scott presented the FY 2019-2020 Budget to the Town Council.

The Town Manager explained the budget was balanced in all funds

\$15,020,150 - General Fund  
\$16,856,000 – Electric Fund  
\$ 8,544,900 – Water/Sewer Fund

The Town Manager explained there was no tax increase. The tax rate would remain at \$.057 as it has been for sixteen years. Electric fees and charges remain the same. Water fees remain the same while sewer rates will increase consistent with Johnston County's increased rate of 10%. The bulk water rate charged to Johnston County will increase by 10%

The Town Manager explained the General Fund Balance remains above the 25% Fiscal Policy requirements set back in 2011.

The Town Manager explained the budget included necessary capital expenditures in all three funds. Total capital expenditures are as follows:

\$ 1,940,300 – General Fund  
\$ 1,070,000 – Electric Fund  
\$ 1,338,000 – Water Sewer Fund

The Town Manager explained the Town maintained employee medical benefits at a similar level. This budget provides for a salary adjustment equal to a 2.5% increase, effective January 1, 2020 and implementation of Piedmont Salary Classification Study July 1, 2019.

The Town Manager explained there were no transfers of funds from the Electric Fund to the General Fund. Several years ago, the Council decided it no longer wanted to supplement the General Fund with Electric Funds even though a percentage of funds could be transferred as authorized by the North Carolina General Statute. All three funds operate as stand-alone funds.

The Town Manager explained some potential future issues. He explained that Utility Financial Solutions were currently evaluating Town Water Rate Structure. Electric Rates were reduced by four and one half percent (4.5%) for Town customers in FY 2018. In April, 2019 ElectricCities increased its wholesale rate for electricity by 1.2%. The Town has not passed along this increase to its customers. An additional 3% increase in the wholesale rate was projected for April of 2020. Smithfield rates are budgeted to remain steady throughout FY 2020. Additional evaluation of the rate structure will need to take place for FY 2021.

The Town Manager further stated property taxes were the major revenue source for General Fund operations such as Police and Fire protection. Unlike other communities, Smithfield does not use the motor vehicle tax to add revenues to the General Fund. The Town Manager also explained the Town's debt.

Mayor Moore asked if there were any questions by the Council.

Mayor Pro-Tem Scott stated the Council has been having budget workshops since April. The Council decided to implement a rate stabilization fund to absorb some of the electric rate increases. There was discussion of increasing the electric rate to lower the tax rate, but since only 2/3 of the Town participates in electric it was unfair to do that because citizens were not being equally taxed for the services they received. In regards to the debt service, this board made a decision to build and finance the SRAC which came at a huge cost. Based on grant agreements, we cannot simply sell the SRAC. In Smithfield we still have options, we still have garbage services while other communities have contracted out those services. Reserve funds also matter because we have suffered some major storms and those funds help us put our Town back together. Mayor Pro-Tem Scott stated he supported this budget.

Councilman Barbour stated the Council has followed a very detailed budget process. The Town of Smithfield was going to experience growth and we had to prepare for that growth. As for the SRAC, it was an asset to the community and we are half way through paying off the debt. Also, we have a lot of great employees and the Council approved a salary study to determine what our employees should be paid. We have to be good stewards of the taxes, but we also have to be good employers.

Councilman Ashley questioned the tax comparison of \$5.6 million projected in 2019 and the \$6.7 million projected in the recommended budget. The Town Manager responded half of that \$1.2 million was new development and the other was property revaluation. Councilman Ashley stated by keeping the tax rate at \$.57, it was considered a tax increase for some based on the revaluation. He stated he didn't like a budget that was not revenue neutral. He further stated the Town was now financially healthy because the Council had been frugal and had put off doing needed things that probably should not have been put off in past years. This budget sets the Town on the right track because we have had to address the real needs. The best economic development we can provide is the services our citizens want and need. We are a high service community. Councilman Ashley stated he supported this budget.

Councilman Stevens stated this was a hard budget for a lot of the Council because we have a lot to do. Two years ago, when he became a member of the Town Council, the Town was in very good shape because of the decisions made by previous Councils. With this budget, the Town had the opportunity to move forward. He stated he disliked that the taxes are the way they are because of the revaluation, but again the Town has the opportunity to move forward. The Council did not want to increase anything. Councilman Stevens stated he felt this budget was the best for the Town at the moment.

Mayor Moore asked if there was anyone in attendance who wished to speak on this matter.

Emma Gemmel of 207 Hancock Street stated she appreciated the services the Town provides. She questioned if the clear well at the water plant was an elevated tank or if it was going to be something in the ground. The Town Manager responded it was a tank that sinks on the ground similar to what is currently at the water plant. Mrs. Gemmel stated that based on her and Pam Lampe's research, the additional clear well was not needed.

Leslie Lazarus of 140 Valleywood Circle questioned the Council's plans to address the SRAC since it was 7% of the Town's overall budget due to its debt service and operational expenses. She questioned the plans for the future on whether the Council should get rid of it or try to determine how to make money. The Town Manager responded the General Fund was a service provider fund and not a revenue generating fund. The Town tries to be as revenue neutral as possible, but the SRAC is not revenue neutral. The Town could increase the fees, but we would price people out of using it. He further explained the reality was it belongs to the Town and it's considered a service we provide to the community. The SRAC is a big economic development driver in the Town. Also, there is a new subdivision being built on Buffalo Road. As part of their HOA fees, those homeowners will pay to be members of the SRAC. Mrs. Lazarus asked the Town Manager to further explain his statement. The Town Manager responded that last year the Council worked with the developer of the East River Subdivision to implement an HOA rate for new subdivisions. As part of their annual HOA fees a SRAC membership would be included. Mrs. Lazarus questioned if the SRAC would be revenue neutral once the debt was paid off. The Town Manager responded when the debt was paid off, the Town would be forced to make decisions on the infrastructure needs. All of that was dependent on growth and how people use it.

Hank Daniels owner of the Sleep Inn and Suites expressed his appreciation to the Town Council for including improvements to Equity Drive in the budget. He stated the additions of sidewalks will make the entire area safer for pedestrians.

Councilman Ashley made a motion, seconded by Councilman Barbour, to close the public hearing. Unanimously approved.

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Scott, to adopt the FY 2019-2020 budget and fee schedule.  
*(Attached by reference and made a part of these official minutes is the adopted Budget and Fee Schedule)*

Mayor Moore expressed his appreciation to Town Staff, Department Heads, the Town Manager and the Council for all their hard work on this budget.

### **CITIZENS' COMMENTS:**

- Perry Harris of 1205 Baker Street stating that while going through some paperwork he found a letter dated January 28, 2013 addressed to then Mayor Daniel Evans about the financial state of the Town of Smithfield. Mr. Harris explained as a former member of the Council, he too received the same letter. He read a brief excerpt from the letter from the North Carolina Department of the State Treasurer's Office. The excerpt explained that at June 30, 2012, the Town's General Fund balance was at 4.48% which was a significant increase from .085% the previous fiscal year. Mr. Harris stated the Town had no reserve funds and it was a difficult time. At that time, the statewide average for Town's our size was 34.81% and now the Town's fund balance is in excess of 80%. Mr. Harris expressed his appreciation to the employees of the Town and Council because it was evident that everyone was doing a great job.
- Jay Creecy Johnston Community College Men's Basketball Coach introduced myself to the Council and offered his support to the community. He also asked the Council to support the activities of Johnston Community College and the young people of the community.
- Emma Gemmell of 207 Hancock Street congratulated the Council and Staff for doing such a good job in getting the Town in a better financial position than it had been. She expressed her concerns about unnecessary capital items for the water plant and the water plant expansion. She stated she would like those items removed from the budget. The Town's concerns should be aging water and sewer pipes, lost water and the UFS study.
- Pam Lampe of 415 North Second Street expressed her appreciation to the Council and staff for making Smithfield a great Town to live. She expressed her concerns about how the \$3.25 million from the bulk water agreement with the County would be spent. She stated she felt the clear well was unnecessary. She questioned if a landscape plan would be provided to the North side residents and if North Second Street by the water plant would be closed.

### **CONSENT AGENDA:**

Councilman Barbour made a motion, seconded by Councilman Dunn, to approve the following items as listed on the Consent Agenda:

1. The following minutes were approved
  - April 15, 2019 – Special Session (Budget)
  - April 30, 2019 – Special Session (Budget)
  - May 7, 2019 – Regular Meeting
2. Career Ladder Promotion Police Department: Approval was granted to promote an employee from the rank of Police Officer II to Master Police Officer.

3. Approval was granted to place two "One-Way" signs at the entrance to Rose Manor Subdivision on West Market Street
4. Approval was granted to place the "No Through Truck" signs on Powell Street
5. Bid was awarded to Lee Electrical Construction in the amount \$78,021.17 to construct Phase I of the North Electric Circuit. Bids were received were as follows:
  - Lee Electrical Construction \$78,021.17
  - Carolina Power & Signalization \$314,739.00
  - C.W. Wright Construction Company No bid
  - Davis H. Elliot Construction No bid
  - Gaylor No bid
  - Irby Construction Company No bid
  - MasTech North America No bid
  - Sumter Utilities No bid
  - Volt Power No bid

6. Approval was granted to adopt resolution #643 (10-2019) approving the NCDOT Lighting Plan for Exit 95

TOWN OF SMITHFIELD  
 RESOLUTION NO. 643 (10-2019)  
 Partnership between NCDOT and the Town of Smithfield  
 for Lighting Construction at Exit 95 in Smithfield  
 (NCDOT Project I-5972)

WHEREAS, the North Carolina Department of Transportation will be making roadway improvements at Interstate 95 and US 70 Business Interchange from Outlet Center Drive to West of Yelverton Grove Road in Smithfield, NC; and

WHEREAS, integrated into these improvements is a plan for enhanced lighting of Exit 95; and

WHEREAS, the Town of Smithfield supports the efforts of NCDOT for the installation of enhanced lighting at the most utilized Interstate 95 exit in the Town of Smithfield; and

WHEREAS, NCDOT has requested the Town of Smithfield enter into a cost-sharing partnership to improve the lighting at Exit 95; and

WHEREAS, the total estimated cost of the project is \$319,000 with NCDOT contributing 70% or \$226,000 and the Town of Smithfield contributing 30% or \$93,000 of the lighting construction cost; and

WHEREAS, NCDOT will own and maintain the interchange lighting system and will also be responsible for the annual electricity expense.

NOW, THEREFORE, BE IT RESOLVED THAT THE SMITHFIELD TOWN COUNCIL agrees to the following:

1. Contribute \$93,000 of the lighting construction cost.
2. Enter into a Municipal Agreement with NCDOT for the enhanced lighting of Exit 95 agreeable by both parties.

7. New Hire Report

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Admin Support Specialist	General Government	10-10-4100-5100-0200 30-71-7220-5100-0200	\$14.17/hr. (\$29,473.60/yr.)

P/T Game Official	P&R – SRAC	31-72-7230-5100-0200	
P/T SRAC Instructor	P&R – SRAC	10-60-6200-5100-0210	\$20.00/hr.
P/T SRAC Instructor	P&R – SRAC	10-60-6200-5100-0210	\$15.00/hr.
P/T Pool Staff/Lifeguard	P&R – SRAC	10-60-6200-5100-0210	\$9.00/hr.
P/T Pool Staff/Lifeguard	P&R – SRAC	10-60-6200-5100-0220	\$7.50/hr.
P/T Laborer	PU – Water/Sewer	10-60-6200-5100-0220	\$7.50/hr.
		30-71-7200-5100-0200	\$8.00/hr.

**Current Vacancies**

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>
Meter Technician	Public Utilities – Electric	31-72-7230-5100-0200
Police Officer I	Police	10-20-5100-5100-0200
Sanitation Equipment Operator	PW – Sanitation	10-40-5800-5100-0200

Unanimously approved.

**Business Items:**

**1. Consideration and request for approval of various fiscal year end budget amendments**

Finance Director Greg Siler addressed the Council on a request to approve year-end budget amendments, encumbrances, and encumbrances pertaining to purchase orders. Mr. Siler explained these were often required at year end to balance departmental budgets and/or to carry over funds for ongoing projects or items ordered through purchase orders. They are as follows:

Year End Budget Amendments

<u>GENERAL FUND</u>	<u>BEFORE</u>	<u>ADJ.</u>	<u>AFTER</u>
<b>1. Expenditures</b>			
10-10-4100-5125-0610 Gen Govt - Retiree Supplemental	\$ -	\$ 1,005	\$ 1,005
10-10-4100-5125-0600 Gen Govt - Group Insurance	24,900	(1,005)	23,895
10-10-4200-5125-0610 Finance - Retiree Supplemental	-	1,984	1,984
10-10-4200-5125-0600 Finance - Group Insurance	10,500	(1,984)	8,516
10-20-5100-5125-0610 Police - Retiree Supplemental	-	15,367	15,367
10-20-5100-5125-0600 Police - Group Insurance	439,220	(15,367)	423,853
10-30-5600-5125-0610 Streets - Retiree Supplemental	-	13,600	13,600
10-30-5600-5125-0600 Streets - Group Insurance	67,500	(13,600)	53,900
10-40-5800-5125-0610 Sanit. - Retiree Supplemental	-	2,188	2,188
10-40-5800-5125-0600 Sanit. - Group Insurance	162,900	(2,188)	160,712
10-60-6200-5125-0610 Pks & Rec.- Retiree Supplemental	-	4,374	4,374
10-60-6200-5125-0600 Pks & Rec - Group Insurance	<u>88,184</u>	<u>(4,374)</u>	<u>83,810</u>

To separate retiree supplemental from group insurance for better tracking and transparency

**2. Revenue**

10-10-3300-3307-0000 Grant - FEMA	<u>\$ -</u>	<u>\$ 3,812</u>	<u>\$ 3,812</u>
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**Expenditures**

10-20-5300-5300-3350 Fire - Hurricane	\$ -	\$ 105	\$ 105
10-20-5300-5300-0250 Fire - Overtime	16,000	2,000	18,000
10-60-5500-5300-3350 Gen. Services - Hurricane	-	1,428	1,428
10-30-5600-5300-3350 Streets - Hurricane	-	1,977	1,977
10-30-5650-5300-3350 Garage - Hurricane	-	79	79
10-40-5800-5300-3350 Sanitation - Hurricane	<u>-</u>	<u>223</u>	<u>223</u>

	<u>\$ 16,000</u>	<u>\$ 5,812</u>	<u>\$ 21,812</u>
To establish and fund hurricane expenses			
<b>3. Revenue</b>			
10-00-3460-3100-0000 Occupancy Tax	<u>\$ 195,700</u>	<u>\$ 91,400</u>	<u>\$ 287,100</u>
<b>Expenditures</b>			
10-61-4110-5300-5601 Non-Depart. - Occupancy Tax	<u>\$ 190,000</u>	<u>\$ 91,400</u>	<u>\$ 281,400</u>
To increase occupancy tax expenses to match receipts			
<b>4. Revenue</b>			
10-20-3300-3307-0010 SAFR Grant	<u>\$ 77,600</u>	<u>\$ 34,672</u>	<u>\$ 112,272</u>
<b>Expenditures</b>			
10-20-5300-5100-0200 Fire - Salaries	<u>\$ 976,580</u>	<u>\$ 34,672</u>	<u>\$ 1,011,252</u>
To increase salaries paid by SAFR Grant			
<b>5. Expenditures</b>			
10-40-5800-5300-0760 Sanitation - Temp Labor	\$ -	\$ 11,214	\$ 11,214
10-40-5800-5300-0760 Sanitation - Salaries & Wages	<u>510,412</u>	<u>(11,214)</u>	<u>499,198</u>
	<u>\$ 510,412</u>	<u>\$ -</u>	<u>\$ 510,412</u>
To establish and fund temp services during employee shortage			
<b>6. Expenditures</b>			
10-10-4100-5300-3305 Gen. Govt. - Miscellaneous	\$ -	\$ 500	\$ 500
10-10-4100-5300-3310 Gen. Govt. - Non Capital			2,188
Outlay		2,188	19,398
10-10-4110-5300-5503 Non-Depart. -			19,398
Misc./Settlements and Release	-	19,398	
10-10-4200-5300-3300 Finance - Supplies	10,000	1,000	11,000
10-10-4900-5300-1400 Planning - Advertising	-	317	317
10-20-5300-5700-7400 Fire - Capital Outlay	63,823	950	64,773
10-20-5400-5300-1700 EMS- Building Maint./Repair	-	5,920	5,920
10-30-5600-5300-4501 Streets - Service Contracts	-	100	100
10-40-5800-5300-4500 Sanitation - Landfill Fees	210,000	40,000	250,000
10-60-6240-5120-0500 SYCC - FICA	-	650	650
10-00-9990-5300-0000 General Fund Contingency	<u>321,696</u>	<u>(71,023)</u>	<u>250,673</u>
	<u>\$ 605,519</u>	<u>\$ -</u>	<u>\$ 605,519</u>
To balance departments at year end			
<b>7. Expenditures</b>			
10-10-4200-5100-0200 Finance - Salaries & Wages	\$ 59,246	\$ 1,500	\$ 60,746
10-10-4900-5100-0200 Planning - Salaries & Wages	204,787	1,200	205,987
10-20-5100-5100-0200 Police - Salaries & Wages	2,109,068	3,600	2,112,668
10-20-5300-5100-0200 Fire - Salaries & Wages	976,580	4,200	980,780
10-60-5500-5100-0200 Gen. Serv. - Salaries & Wages	187,783	1,500	189,283
10-30-5600-5100-0200 Streets - Salaries & Wages	148,034	1,400	149,434
10-40-5800-5100-0200 Sanit. - Salaries & Wages	510,412	2,450	512,862
10-60-6200-5100-0200 Parks & Rec - Salaries &			300,296
Wages	295,796	4,500	
10-00-9990-5300-0000 General Fund Contingency	<u>250,673</u>	<u>(20,350)</u>	<u>230,323</u>
	<u>\$ 4,742,379</u>	<u>\$ -</u>	<u>\$ 4,742,379</u>

To fund vacation compensation program

**WATER/SEWER FUND**

**8. Expenditures**

30-71-7200-5125-0610 Wtr Plant - Retiree			\$ 2,708
Supplemental	\$ -	\$ 2,708	\$ 2,708
30-71-7200-5125-0600 Wtr Plant - Group Insurance	90,082	(2,708)	87,374
30-71-7220-5125-0610 Wtr Plant - Retiree			12,496
Supplemental	-	12,496	12,496
30-71-7220-5125-0600 Wtr Plant - Group Insurance	128,026	(12,496)	115,530
	<u>\$ 218,108</u>	<u>\$ -</u>	<u>\$ 218,108</u>

To separate retiree supplemental from group insurance for better tracking and transparency

**9. Expenditures**

30-71-7200-5300-3350 - Hurricane	-	519	519
30-71-7220-5300-3350 Wtr Coll/Sewer Dist - Hurricane	-	36,375	36,375
30-00-9990-5300-0000 Water/Sewer Contingency	196,763	(36,894)	159,869
	<u>196,763</u>	<u>-</u>	<u>196,763</u>

To establish and fund hurricane expenses from contingency as damages was non-reimbursable through FEMA

**10. Expenditures**

30-71-7200-5100-0250 - Overtime	-	11,500	11,500
30-71-7220-5100-0250 Wtr Coll/Sewer Dist - Overtime	-	10,000	10,000
30-00-9990-5300-0000 Water/Sewer Contingency	159,869	(21,500)	138,369
	<u>159,869</u>	<u>-</u>	<u>159,869</u>

To increase overtime due to hurricane

**11. Expenditures**

30-71-7200-5300-0771 Water/Sewer - Unemploy. Comp.	\$ -	\$ 1,400	\$ 1,400
30-00-9990-5300-0000 Water/Sewer Contingency	138,369	(1,400)	136,969
	<u>\$ 138,369</u>	<u>\$ -</u>	<u>\$ 138,369</u>

To fund unemployment claims reimbursement to the State

**12. Expenditures**

30-71-7200-5100-0200 Water Plant - Salaries & Wages	\$ 393,140	\$ 5,500	\$ 398,640
30-71-7220-5100-0200 Wtr Dist./Sewer Coll. - Salaries	\$ 526,100	\$ 3,000	
30-00-9990-5300-0000 Water/Sewer Contingency	136,969	(8,500)	128,469
	<u>\$ 1,056,209</u>	<u>\$ -</u>	<u>\$ 527,109</u>

To fund vacation compensation program

**13. Revenue**

30-71-3900-3900-0000 Fund Balance Appropriation	<u>\$ 626,432</u>	<u>\$ 500,000</u>	<u>\$ 1,126,432</u>
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**Expenditures**

30-71-7220-5300-4500 Water/Sewer - Sewer Treatment	\$ 2,100,000	\$ 450,000	\$ 2,550,000
30-00-9990-5300-0000 Water/Sewer Contingency	128,469	(128,469)	-
	<u>\$ 2,228,469</u>	<u>\$ 321,531</u>	<u>\$ 2,550,000</u>

To increase budget for additional sewer treatment cost

**14. Revenue**

30-71-3900-3900-000 Fund Balance Appropriation	<u>\$ 626,432</u>	<u>\$ 9,045</u>	<u>\$ 635,477</u>
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**Expenditures**

30-76-7220-5970-9102 W/S - Transfer to Booker Dairy Rd Project	<u>-</u>	<u>9,045</u>	<u>9,045</u>
To fund Engineering overages for the Booker Dairy Road Project			

**ELECTRIC FUND****15. Expenditures**

31-72-7230-5125-0610 Elect. - Retiree Supplemental	\$ -	\$ 18,218	\$ 18,218
31-72-7230-5125-0600 Elect. - Group Insurance	<u>194,200</u>	<u>(18,218)</u>	<u>175,982</u>
	<u>\$ 194,200</u>	<u>\$ -</u>	<u>\$ 194,200</u>

To separate retiree supplemental from group insurance for better tracking and transparency

**16. Revenue**

31-72-3700-3307-0001 Grant - FEMA	<u>\$ -</u>	<u>\$ 2,002</u>	<u>\$ 2,002</u>
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**Expenditures**

31-72-7230-5300-3350 Electric - Hurricane	<u>-</u>	<u>2,002</u>	<u>2,002</u>
To establish and fund hurricane expenses			

**17. Expenditures**

31-72-7230-5300-4800 Electric - NCEMPA/Non Demand	\$ 12,600,000	\$ (7,456,200)	\$ 5,143,800
31-72-7230-5300-4801 Electric - NCEMPA/Demand	-	6,300,000	
31-72-7230-5300-4802 Electric - NCEMPA/Non Demand Electric Purchase	<u>-</u>	<u>1,156,200</u>	<u>1,156,200</u>
	<u>\$ 12,600,000</u>	<u>\$ -</u>	<u>\$ 6,300,000</u>

To redistribute electric power purchase budget into specific categories

**18. Expenditures**

31-72-7230-5300-4501 Elect. - Service Contracts	\$ 213,000	\$ (70,000)	\$ 143,000
31-72-7230-5300-4401 Elect. - Debit/Credit Card Fee	<u>-</u>	<u>70,000</u>	<u>70,000</u>
	<u>\$ 213,000</u>	<u>\$ -</u>	<u>\$ 213,000</u>

To move bank charges for merchant services to expense line solely dedicated to these cost for better tracking

**19. Expenditures**

31-00-9990-5300-0000 Electric Contingency	\$ 441,990	\$ (1,400)	\$ 440,590
31-72-7230-5300-0771 Electric - Unemployment Comp.	<u>-</u>	<u>1,400</u>	<u>1,400</u>
	<u>\$ 441,990</u>	<u>\$ -</u>	<u>\$ 441,990</u>

To fund unemployment claims reimbursement to the State

**20. Expenditures**

31-72-7230-5100-0200 Electric - Salaries & Wages	\$ 919,224	\$ 8,000	\$ 927,224
31-00-9990-5300-0000 Electric Contingency	<u>440,590</u>	<u>(8,000)</u>	<u>432,590</u>
	<u>\$ 1,359,814</u>	<u>\$ -</u>	<u>\$ 1,359,814</u>

To fund vacation compensation program

**Booker Dairy Road Capital Project Fund****21. Revenue**

44-75-3870-3870-000 Transfer From Water/Sewer Fund	\$ <u>-</u>	\$ <u>9,045</u>	\$ <u>9,045</u>
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**Expenditures**

44-71-7220-5700-4501 C.S. / Engineering	<u>101,621</u>	<u>9,045</u>	<u>110,666</u>
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To fund Engineering overages for the Booker Dairy Road Project

**Firemen Relief Fund****22. Revenue**

50-3900-3900-0000 Fund Balance Appropriations	\$ <u>-</u>	\$ <u>12,300</u>	\$ <u>12,300</u>
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**Expenditures**

50-20-5310-5300-3500 Firemen Supplemental Retirement	\$ <u>9,060</u>	\$ <u>12,300</u>	\$ <u>21,360</u>
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To balance the Firemen Relief Fund at year end

**General Fund Capital Projects Fund****23. Revenue**

46-10-3410-4900-4115 Visitors Wayfinding	\$ <u>75,000</u>	\$ <u>58,919</u>	\$ <u>133,919</u>
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**Expenditures**

46-10-4900-5700-7400 Wayfinding	\$ <u>203,631</u>	\$ <u>58,919</u>	<u>\$ 262,550</u>
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To fund phase 2 of Wayfinding Project with Visitors Bureau Tourism funds

**24. Revenue**

46-75-3870-3870-0304 Transfer From GF (Hook Lift)	\$ -	\$ 13,495	\$ 13,495
46-75-3870-3870-0300 Transfer From GF	<u>1,555,673</u>	<u>(13,495)</u>	<u>1,542,178</u>
	<u>1,555,673</u>	<u>-</u>	<u>1,555,673</u>

To move Hook Lift transfer to separate designated transfer line

**25. Revenue**

46-75-3870-3870-0300 Transfer From GF	\$ 1,555,673	\$ 175,000	\$ 1,730,673
46-75-3870-3870-0302 Trnsfr From GF Cap. Reserv.		<u>(175,000)</u>	<u>-</u>
Fund	<u>175,000</u>	<u>(175,000)</u>	<u>-</u>
	<u>1,730,673</u>	<u>-</u>	<u>1,730,673</u>

To move monies set aside in capital reserve for street sweeper and bucket truck as purchases are complete

**Water/Sewer Capital Projects Fund****26. Revenue**

45-75-3870-3870-0302 Transfer From WF (Riverbank)	\$ -	\$ 117,000	\$ 117,000
45-75-3870-3870-0301 Transfer From WF	<u>2,981,233</u>	<u>(117,000)</u>	<u>2,864,233</u>
	<u>2,981,233</u>	<u>-</u>	<u>2,981,233</u>

To move Riverbank transfer to separate designated transfer line

**Electric Fund Capital Projects Fund****27. Revenue**

47-75-3870-3870-000 Transfer From Electric Fund	\$ <u>1,100,000</u>	\$ <u>115,000</u>	\$ <u>1,215,000</u>
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**Expenditures**

47-72-7230-5700-7411 Bucket Truck/Tractor & Sled	\$ <u>150,000</u>	\$ <u>115,000</u>	\$ <u>265,000</u>
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To move budget set aside in FY18 for half of bucket truck.

## ENCUMBRANCES FROM 2018-2019 TO 2019-2020

### GENERAL FUND

10-10-3300-3307-0020	Grant - Revitalization (WiFi)	\$ (25,000)
10-10-4100-5700-7400	General Gov. - Capital Outlay (WiFi)	25,000
10-61-4110-5300-5712	Non-Departmental - S.H.A.R.P Reimbursements	14,372
10-61-4110-5300-5716	Non-Departmental - PEG	2,700
10-20-5100-5300-3702	Police - Community Policing Projects	2,700
10-10-4900-5300-4502	Planning - Condemnation	25,000
10-10-4900-5300-4501	Planning – Service Contracts (Engineering Standards Manual)	30,000
10-60-5500-5300-3440	General Serv. - Appearance Commission	19,365
10-60-5500-5700-7400	General Serv. - Capital Outlay (Painting Mausoleum)	3,000
10-30-5600-5300-7301	Streets -Street Paving (Equity Drive)	173,000
10-10-3300-3307-0020	Grant - JC Visitors Bureau (1/2 half of basketball ct resurfacing)	<u>(7,500)</u>
		<u>\$ 262,637</u>

### WATER FUND

30-71-7220-5700-7400	Water Plant - Capital Outlay (SCADA Upgrades)	\$ 26,000
30-71-7220-5300-5710	Water Dist/Sewer Coll. - Economic Development	<u>100,000</u>
		<u>\$ 126,000</u>

### Electric FUND

31-72-7230-5300-5710	Electric - Economic Development	<u>\$100,000</u>
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### J.B. GEORGE BEAUTIFICATION FUND

40-61-4100-5300-3400	J.B. George Projects	\$ 970
40-61-4100-5300-3410	J.P. George Projects	<u>403</u>
		<u>\$ 1,373</u>

## **ENCUMBRANCES FOR PURCHASE ORDERS ISSUED PRIOR TO 6/30/19**

<b>GENERAL FUND</b>			<b>PO Number</b>	
10-10-4100-5700-7400	General Government	Municipal Code Corporation	20186293	\$9,600.00
10-10-4900-5300-4500	Planning	Jewell Engineering Consultants	20186704	\$54,521.80
10-10-4900-5300-4504	Planning	Stewart Engineering	20186702	\$1,648.07
10-10-4900-5300-4505	Planning	Kimley Horn & Associates	20186703	\$18,888.67

10-20-5100-5300-3600	Police	Lawmens Safety Supply	20197271	\$625.00
10-20-5100-5300-3600	Police	Lawmens Safety Supply	20197322	\$876.00
10-20-5100-5300-3600	Police	Lawmens Safety Supply	20197394	\$670.00
10-20-5100-5700-7400	Police	Deacon Jones	20197152	\$22,400.00
10-20-5100-5700-7400	Police	Eastern Emergency Equipment	20197321	\$8,345.94
10-20-5100-5700-7400	Police	FCB Visa (NCDMV)	20197407	\$1,500.00
10-60-5500-5700-7400	Public Works	Mark Gregory Roofing	20197362	\$14,800.00
10-60-5500-5700-7400	Public Works	Dennis Evans	20197408	\$10,000.00
10-60-6200-5300-1700	Parks & Rec	Blade Equipment	20197351	\$2,815.94
10-60-6200-5300-1700	Parks & Rec	Barrs Recreation	20197355	\$4,000.00
10-60-6200-5300-1700	Parks & Rec	J & J Floors	20197365	\$1,708.00
10-60-6200-5300-1700	Parks & Rec	Interstate Contract Glazing	20197370	\$1,525.42
10-60-6200-5300-1700	Parks & Rec	Molinas Tree Service	20197390	\$2,000.00
10-60-6200-5300-1700	Parks & Rec	Prosource Fitness	20197396	\$2,500.00
10-60-6200-5300-3300	Parks & Rec	Super-Net	20197350	\$3,775.00
10-60-6200-5300-3300	Parks & Rec	BSN Sports	20197354	\$3,438.65
10-60-6200-5300-3300	Parks & Rec	Power Mulch	20197395	\$2,250.00
10-60-6200-5700-7400	Parks & Rec	Capital Ford	20196913	\$47,670.00
10-60-6200-5700-7400	Parks & Rec	North State Resurfacing	20197197	\$8,950.00
10-60-6200-5700-7400	Parks & Rec	David Hinton Construction	20197280	\$15,400.00
10-60-6200-5700-7400	Parks & Rec	Barrs Recreation	20197343	\$1,706.25
10-60-6200-5700-7400	Parks & Rec	Barrs Recreation	20197344	\$4,943.00
10-60-6200-5700-7400	Parks & Rec	Barrs Recreation	20197345	\$3,845.00
10-60-6200-5700-7400	Parks & Rec	Barrs Recreation	20197346	\$4,558.75
10-60-6200-5700-7400	Parks & Rec	David Hinton Construction	20197364	\$5,000.00
10-60-6220-5300-3900	Parks & Rec	Colorado Time Systems	20197254	\$1,089.35
10-60-6220-5300-3900	Parks & Rec	Creative Caps	20197352	\$1,000.00
10-60-6220-5300-3900	Parks & Rec	Southern Metro Swim League	20197353	\$1,200.00

\$263,250.84

**WATER FUND**

**PO  
Number**

30-71-7200-5300-1700	Water Plant	FCX Performance	20197413	\$1,000.00
30-71-7200-5300-3300	Water Plant	Clear Water	20197172	\$30,000.00
30-71-7200-5300-3300	Water Plant	Mechanical Equipment Co	20197357	\$17,803.00
30-71-7220-5300-3300	Water/Sewer	Tec Utilities	20197381	\$1,997.80

\$50,800.80

**GENERAL CAPITAL PROJECT FUND**

46-10-4900-5700-7400	Wayfinding	ACSM Inc	20197166	\$154,549.00
46-40-5800-5700-7404	Hookleaf Truck	NCDMV	20197333	\$2,006.00
46-40-5800-5700-7404	Hookleaf Truck	Carolina Industrial Equipment	20197334	\$212,840.00
46-60-6200-5700-7407	Miracle Park/Phase II	David Hinton Construction	20197280	\$34,387.00

\$403,782.00

**ELECTRIC CAPITAL PROJECT  
FUNDFUND**

47-72-7230-5700-7407	Voltage Conversion	Anixter	20197422	\$227,944.55
47-72-7230-5700-7407	Voltage Conversion	Wesco	20197423	\$6,851.80
47-72-7230-5700-7411	Bucket Tk/Tractor	Terex	20196863	\$784.00
47-72-7230-5700-7411	Bucket Tk/Tractor	Terex	20196864	\$203,923.00

\$439,503.35

Councilman Ashley Made seconded by Councilman Rabil, to approve the budget amendments, the encumbrances and the encumbrances pertaining to purchase orders. Unanimously approved

Mayor Pro-Tem Scott questioned the contingency line item in the General Fund. Mr. Siler responded there was \$321,000 available in the contingency fund. \$71,000 was used to balance General Fund Department budgets and \$20,350 was used to fund the approved vacation pay outs for General Fund employees that participated. Depending on revenues received, \$230,000 may be returned to the fund balance or may be used for expenses.

## 2. FY 2019-2020 Budget Discussion

Due to the adoption of the budget, this item was not needed.

### Councilmembers Comments: None

### Town Manager's Report:

Town Manager Michael Scott gave a brief update to the Council on the following items:

- Movie in the Park will take place at Johnson Park on June 22<sup>nd</sup>. This event was postponed due to rain.
- The Three Little Pigs Triathlon was scheduled for June 15<sup>th</sup>
- The Police Department will hold its next Coffee with a Cop on June 22<sup>nd</sup> at Starbucks.
- The 301 Endless Yard Sale was scheduled for June 14<sup>th</sup> and June 15<sup>th</sup>. There will be extra Police presence for this event.
- A highlight of each department's monthly activities was given to the Council

### Close Session pursuant to NCGS 143-318.11 (a) (3) & (4)

Mayor Pro-Tem Scott made a motion, seconded by Councilman Stevens, to go into close session pursuant to the aforementioned statute. Unanimously approved at 9:12

### Reconvene in Open Session

Councilman Dunn made a motion, seconded by Mayor Pro-Tem Scott, to reconvene in Open Session. Unanimously approved at 10:00pm.

### Adjournment

Being no further business, Councilman Barbour made a motion, seconded by Councilman Dunn, to adjourn the meeting. Unanimously approved. The meeting adjourned at approximately 10:01 pm.

\_\_\_\_\_  
M. Andy Moore, Mayor

ATTEST:

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Shannan L. Parrish, Town Clerk