

The Smithfield Town Council reconvened its April 28, 2020 meeting on Tuesday, May 5, 2020 at 6:00 p.m. via Conference Call, Mayor M. Andy Moore presided.

Councilmen Present:

John Dunn, Mayor Pro-Tem (5:57 pm – 8:28 pm)
Marlon Lee, District 1 (5:54 pm – 8:25 pm)
David Stevens, District 2 (6:41 pm – 8:28 pm)
Travis Scott, District 3 (5:51 pm – 8:28 pm)
Dr. David Barbour, District 4 (5:51 pm – 8:28 pm)
Stephen Rabil, At-Large (5:52 pm – 8:28 pm)
Roger Wood, At-Large (5:54 pm – 8:28 pm)

Administrative Staff Present

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

Reconvene: April 23, 2019 Meeting

Mayor Moore reconvened the meeting at 6:30 pm

Roll call of Councilmembers in Attendance

Town Clerk Shannan Parrish conducted the roll call of the Council present. Councilman Stevens was not present at the start of the meeting but joined the conference call at 6:41 pm.

Town Manager Michael Scott provided an update to the Council on the Governor's recent Executive Order whereas the State would move into Phase I.

1. General Fund

a. Revenues

Town Manager Michael Scott explained due to the economic downturn related to the COVID-19, revenues have been decreased by about \$536,000. Current year taxes have been reduced by \$100,000. Also, there was a reduction in the local option sales tax of approximately \$453,000. Other reductions included: \$25,000 in franchise taxes, \$8,000 in recreational receipts, \$43,000 in Aquatic Center fees, \$9,000 in SRAC daily passes, \$10,000 in SRAC rentals and \$55,000 in SRAC program fees. The budget also included appropriating \$1,078,150 of the fund balance for the following: approved and ordered fire engine in the amount of \$560,500, SRAC fitness equipment in the amount of \$114,500, Police radios in the amount of \$145,150, Police cars in the amount of \$91,000, main Fire Station roof repair in the amount of \$87,000 and half the cost of a knuckle boom truck in the amount of \$80,000 (half of which was budgeted in the current fiscal year). Because the fund balance is high and the fire engine and the SRAC equipment were planned to be purchased out of fund balance in fiscal year 21, the remaining purchases were being made due to the anticipated decrease in revenues. The SRAC fitness equipment purchase is planned for July, but all other capital purchases can be made after January 1st. This allows staff to better identify any unanticipated revenue shortfalls that might impact those purchases. All purchases will be evaluated before being made.

In this budget is \$700,000 in loan proceeds for the expansion of the Police Department. The Town Manager explained it is likely that amount would be closer to \$800,000 due to additional planning after the budget draft was created.

b. Debt Service

Town Manager Michael Scott explained that added to the debt service was payments for the ladder truck, the fire engine, and the hook leaf truck. In FY 20, one loan for vehicles matured that included a debt service payment of \$29,210. Also, a second rolling stock roll loan would mature in FY 21.

He explained the Town still had significant debt payments for the SRAC until fiscal year 2028 and the Crossroads project until fiscal year 2044. If the Town moves forward with the Police Department additions, debt service payments would begin in fiscal year 2022 of approximately \$68,700. He reminded the Council the last time equipment was purchased for the SRAC it was done on a lease to own basis. There is an option to do that again, but it does cost additional money. Since there are funds to buy the equipment, it was decided to purchase the equipment instead of leasing it.

Councilman Scott questioned if the stormwater management fee had come to fruition. Planning Director Stephen Wensman explained that a stormwater committee has been formed, but because of COVID-19 the meetings have been put on hold. Once the committee begins to meet, staff believes a recommendation could be brought to the Council in 2021.

c. General Government

i. General Government

Town Manager Michael Scott highlighted the General Government's FY 2020-2021 budget which included the following:

- Not Included in the budget: \$3,700 for Text My Gov. This would allow citizens and visitors to text routine questions and receive canned answers that we would create with this company. It also has a feature leave questions for staff point out issues needs attention, as well as, create opportunities for the town to send out group text to all these individuals at one time for those who choose to sign up for them. The cost is \$3,700 this fiscal year, \$2,700 next fiscal year and the Town would have to enter into a two-year contract with the company
- Salaries and Wages: There is a slight increase in this line from last year because of the increases that were provided to employees in January. This increase will be in all General Fund salary lines.
- Retirement Benefits: Increased from 8.95% to 10.15% mandated by the state retirement system.
- Insurance: Medical insurance increase due to offering employees a lower deductible insurance option.
- Training and Education: \$1,000 increase for additional information technology training.
- Legal Fees: \$15,000 increase to allow for additional assistance with legal counsel.
- Audit Fees: increase due to the additional year-end financial statements reporting required by the LGC.
- IT Supplies: increase of \$4,000 for the computer system upgrades

ii. Other Non-Departmental

Town Manager Michael Scott highlighted the Non-Departmental FY 2020-2021 Budget which included the following:

- Insurance and Bonds: When the budget was drafted, staff did not have solid projections from the League, so we budgeted \$113,565. We have received our renewals and \$99,300 will now be budgeted in all three funds for Workers Comp and Property and Liability insurance.
- Downtown Development Tax and Contribution: Contributions made by the Town has decreased proportionately to what the DSDC will receive in motor vehicle tax.

Between the two revenue sources, the DSDC will receive approximately \$150,000. The Town Manager explained the DSDC was requesting an additional \$20,000

- Occupancy Tax: \$270,630 is budgeted in this line consistent with the revenue line because the Town acts as a collector for this tax which ultimately passes onto the Johnston County Visitor's Bureau in accordance with the general statutes.
- Non-Profit and School Requests: Town Manager Michael Scott explained these requests were status quo from last year. No new requests had been added to the budget. He asked Council to provide direction on what organizations they wished to have included in the budget and the amount they wished to allocate to the organizations.
- Economic Development: \$25,000 is included in FY2020-2021 budget because \$25,000 will be encumbered from the current year's budget.
- Public Library: The library was requesting \$400,000 an additional \$130,000 from last year. Included in the proposed budget for the Library was \$270,000.

iii. Finance

Finance Director Greg Siler highlighted the Finance Department's FY 2020-2021 Budget which included the following:

- Not included in the budget: one new clerk's position at the cost of \$55,610, \$.50 per hour increases for the part-time collection assistants and \$5,000 of additional equipment for the clerk's position that is not included in the budget.
- Salary and wages: Mr. Siler explained the assistant finance director had not been hired due to the need for office space at town hall. With some moving of current staff to another location, Mr. Siler believed he can have the position filled in this fiscal year.

Mayor Moore questioned the relocation of staff if an assistant finance director was hired. Mr. Siler responded the utility billing supervisor and the contracted meter readers would be relocated to the Operations Center. He would move to the current meter reader's office and the assistance finance director would move into the officer Mr. Siler currently occupies.

Councilman Barbour stated he believed the purpose of the assistant finance director's position was to fill in the gaps when other finance department employees needed assistance. Mr. Siler stated that was partly correct, but that position would also allow him to focus on the totality of the Town's overall finances. The assistant finance director would be trained to perform every function in the finance department.

- Capital Outlay: Included in this budget are new furnishing for the assistant finance director and an additional lap-top.

Councilman Barbour questioned the Finance Department's overtime. Mr. Siler responded the overtime is typically attributed to inputting meters once they have been changed out. One of the customer services representatives will work overtime to input all the necessary data for the new meter.

iv. Planning

Planning Director Stephen Wensman highlighted the Planning Department's FY 2020-2021 Budget which included the following:

- Training and Education: Increase in this line due to the senior planner requiring additional training because he also serves as the floodplain manager for the Town.

- Service Contracts: \$12,500 will be carried over from this fiscal year for the bike pedestrian plan grant through NCDOT. This would be the Town's contribution to the grant should it be awarded to the Town.
- Comprehensive Plan and Transportation Plan: No funds are budgeted in these lines because these projects have been completed.
- Capital Outlay: Since staff was unable to locate a contractor for office renovations, \$12,000 will be carried over from the current fiscal year to the next fiscal year for office renovations.

v. Police

Chief of Police R. Keith Powell highlighted the Police Department's FY 2020-2021 Budget which included the following:

- Not included in the budget: Replacement of a UTV for greenway patrols at a cost of \$19,500, enclosed pull behind trailer to store mobile traffic light generators at a cost of \$20,500, salary schedule changes at a cost of \$174,000. Also, half of the canine unit in the amount of \$7,000 is budgeted because the additional \$7,000 for the canine will be paid from forfeiture monies.
- Separation Allowance: Decreased by 20% due to two former police personnel being no longer eligible to receive the benefit as mandated by the general statute.
- Training and Education: This line increased by \$1,000 because officers will be applying for the tuition assistance program.
- Equipment Maintenance and Repair: This line increased by \$1,000 due to aging equipment requiring additional repairs.
- Fuel: This line increased by 3% due to additional officers being eligible to take home their vehicles.
- Uniforms: This line increase by \$12,500 for the purchase of 41 helmets necessary for the firing range.
- Service Contracts: This line increased by 23% because of IDI Core which is a phone tracing system used by detectives and because of a partnership with Triangle J. Council of Governments for police officer recruitment.
- Capital Outlay: include the purchase of 3 cars, replacement of ½ the canine unit (other ½ to be paid from forfeiture funds), replacement of 35 vehicle radios, 2 watch guard cameras, building expansion, 24 office chairs and 23 maintenance trackers.

Mayor Pro-Tem Dunn questioned how many officers were taking advantage of the take home car program. Chief Powell responded there was currently one officer, but another officer indicated he was considering the purchase of a home in Town.

Mayor Pro-Tem Dunn also questioned if salary schedule changes in the amount of \$174,000 were added into the budget. Town Manager Michael Scott responded those funds were not included in the budget.

Councilman Barbour reminded everyone that a discussion on the competitiveness of Police salaries still needed to happen.

Councilman Scott agreed with Councilman Barbour that the Police Department salaries be addressed. He questioned if the Manager and the Police Chief could

provide an explanation of their plan to increase the salaries and make the department competitive with other police departments.

Town Manager Michael Scott asked Police Chief Powell to explain the maintenance tracker requested in the capital outlay line. Chief Powell explained the tracker will allow the department to set parameters and monitor the cars on the speeds, how long they sit idle, where they sit and idle. This will provide better accountability of police vehicles.

vi. Fire

Fire Chief John Blanton highlighted the Fire Department's FY 2020-2021 Budget which included the following:

- Not included in the budget: replacement SUV at a cost of \$47,000.

The Town Manager explained the Fire Chief requested an hourly wage increase for the Fire Inspector's positions by \$3.27 per hour and requested increasing the volunteer firefighters' stipends by \$114,700.

- Part-Time Salaries: Chief Blanton explained after reviewing other Towns, he proposed a model for salaries that is based on certifications since inspectors are highly sought after.
- Volunteer Firemen: Chief Blanton explained that he did request an additional \$114,000 for volunteer firefighters. He explained increasing volunteers was difficult. The goal was to staff with additional volunteers during the shifts. The request was to reimburse or pay a stipend for 2190 shifts per year. That would allow more personnel on a scene. He further explained that he approached the Town Manager about a FEMA grant for recruitment and retention. It is no match grant that could offset the increase if awarded. The grant closes on May 15th, so it this was something the Council wished to pursue, applying for the grant would have to be approved.

Councilman Lee questioned if volunteer firefighters were being paid. Chief Blanton explained volunteers are provided a stipend for things like the cost of travel and uniforms. They are not considered employees.

Councilman Barbour questioned how the volunteers would work on shifts. Chief Blanton explained volunteers would be scheduled for a shift. Councilman Barbour questions the amount of the stipend. Chief Blanton responded it was \$85.00 per shift.

Mayor Moore questioned if the volunteers would be at the station during a twelve-hour shift. Chief Blanton responded the volunteers would be at the fire station performing normal duties during a 12-hour shift.

Councilman Wood questioned if current volunteers would be added to this program. Chief Blanton responded FLSA rules for volunteers, mandated they can only work 20% of what a full-time employee in that position makes plus benefits. Those volunteers can only make \$9,000 - \$9,500 a year and can only work 90-100 shifts. There are currently 5 volunteers that do not participate in this program and those five are required to respond to 25% of the fire calls. Volunteers who chose to work the shifts are reimbursed as they work a shift. Volunteers who do not work shifts will only receive stipends based on the percentage of fire calls they attend. Also, instead of providing stipends once a year, they now receive their stipend bi-weekly.

Mayor Moore cautioned the Council because there were volunteer firefighters that serve on the Council that would financially benefit from this.

Mayor Pro-Tem Dunn stated for the record he would not financially benefit from this because he does not volunteer for shift work.

Councilman Scott stated he too was a volunteer firefighter and believed that none of the three sitting Council that also served as volunteers were a part of this program. Chief Blanton responded the three sitting Councilmembers were not a part of this shift program.

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Dunn, to authorize the Fire Department to apply for the FEMA grant. Unanimously approved at 7:49 pm.

- Training and Education: \$1,000 increase in this line for additional water training and additional publications
- Uniforms: \$3,100 increase in this line due to the replacement of turn out gear and additional fees for dry cleaning.
- Capital Outlay: Includes 2 bay heaters, Station One roof repair, Station One parking and drive repair, 2 security cameras, 2500 4x4 pickup truck and a 1500 4x4 pickup truck for inspections.

Councilman Scott questioned the amount of fire hydrants that are not operational in Town. Chief Blanton responded the Fire Department was responsible for maintenance records of hydrant flow and for the painting of the hydrants. Any issues with the hydrants are forwarded to Public Utilities. Councilman Scott further questioned if funds should be placed in the budget for the repair of these hydrants. Public Utilities Director Ted Credle responded his water/ sewer crews were repairing them just not as quickly as they should be due to more pressing issues. Councilman Scott stated because of the safety issues with nonfunctioning hydrants, staff should make it a priority to fix the hydrants. Chief Blanton was asked to provide a list of hydrants that were inoperable to the Town Manager to be sent to the Council.

Council Lee stated there was a hydrant on Old Goldsboro Road that needed to be repaired.

Councilman Barbour questioned if the Town should allocate funds for the High School Firefighter Academy and possibly implement a Junior Firefighter program. Chief Blanton responded the department cannot have anyone younger than 18 due to insurance restrictions. He stated that he and the department were involved with the program. Councilman Barbour stated \$1,000 could be included in the Fire Department's Training budget to help assist with the Fire Academy.

Town Manager Michael Scott informed the Council that the Safer Grant for the three firefighters will expire in FY 2020-2021 and will only receive \$11,000. In future years, the Town will be responsible for their total salaries and benefits.

Recess

Councilman Scott made a motion, seconded by Councilman Wood, to recess the meeting to Wednesday, May 6th at 6:00 pm. The meeting recessed at approximately 8:26 pm.

ATTEST:

M. Andy Moore, Mayor

Shannan L. Parrish, Town Clerk