



MINUTES OF
CITY OF CREEDMOOR
BOARD OF COMMISSIONERS
WORK SESSION
APRIL 18, 2022
6 P.M.

Present in Person at City Hall Boardroom

Mayor Bobby Wheeler, Commissioner Georgana Kicinski, Commissioner Robert Way, Commissioner Emma Albright, and Commissioner Ed Mims. Also present were City Manager Gerald Smith, City Clerk Barbara Rouse, Police Chief Keith King, Finance Director Sonal Mehta, Community Development Director/Assistant City Manager Michael Frangos, and Recreation Director Christopher Horrigan.

Absent

None

Call to Order

Mayor Wheeler called the meeting to order at 6:00 p.m.

Invocation and Pledge of Allegiance | Commissioner Albright offered the invocation, and Commissioner Kicinski led the Pledge of Allegiance.

Roll Call

A roll call by the City Clerk determined a quorum was present.

Approval of Agenda

Mayor Wheeler moved Agenda Item 4a, Approval of Fourth of July Fireworks Contract with Zambelli, to Item 4c. He then added Item 4a, Acceptance of the resignation letter of Commissioner/Mayor Pro Tem Kechia Brustmeyer-Brown to the agenda as well as Item 4b, Appointment to fill the remainder of the term of the vacant Board position. Commissioner Kicinski moved to approve the agenda as amended. The motion was approved by a vote of 4-0.

Resignation Letter of Mayor Pro Tem Brustmeyer-Brown | Mayor Wheeler

Mayor Wheeler said it was with sadness that he had to inform the Board that Mayor Pro Tempore Brustmeyer-Brown had submitted her letter of resignation, effective April 15, 2022. A motion was made by Commissioner Kicinski to accept Mayor Pro Tem's letter of resignation. The motion was approved by a vote of 4-0.

Appointment of Mayor Pro Tem for the Remainder of the Term | Mayor Wheeler

The Mayor explained to the Board that there were two ways to fill the vacant Board position. He said that the Board could elect to elevate the next in line for Mayor Pro Tem now and let that person serve out the remainder of the vacant term and continue into their regular term or the Board could opt to nominate a member of the Board to fulfill the remainder of the vacant term. The discussion was had which ultimately ended with the question of whether to vote on the vacant position at this meeting or to put it off until the next meeting. Mayor Wheeler suggested that the Board hold off on any decision and put it on the agenda of the next Board meeting. No action was taken.

Approval of Contract with Zambelli | Recreation Director Christopher Horrigan

Recreation Director Horrigan presented to the Board the contract with Zambelli for the Fourth of July Fireworks to be held on July 1, 2022. The Board discussed the best way to move forward with the contract because the total amount of this contract was different than originally presented at the previous Board meeting. Commissioner Kicinski pointed out that the original contract was in the amount of 18,600 and this contract was for \$18,000. She then made a motion to rescind the previous motion authorizing the city to spend and not exceed the amount of \$18,600 for the contract. The motion was approved with a vote of 4-0. A second motion was made by Commissioner Kicinski to approve the presented Zambelli Contract in the amount, not to exceed, \$18,000 for the fireworks on July 1, 2022. The motion was approved by a vote of 4-0.

Establishment of Fire District | Greg Grayson

Mr. Grayson presented information to the Board about the establishment of a Rural Fire District in Granville County and an update on where the County was in that process. He stated that the County's focus was on sustainability with funding for growing costs of the present and in the long term as well equity across the county and a higher level of accountability. He continued that a public hearing had been held and a resolution adopted by the County to put the service district in place effective July 1st of 2022 and would apply to all unincorporated areas of Granville County. He stated that no rate had been established for the service district because that would be part of the budget process adding that the service district had been approved and the public hearing had been held. Granville municipalities may request to join the service district and be given consideration by the Board of Commissioners which may be done now or at a later time in the process. The statutory process to join is by a resolution, which would be the official notification that the City would participate. Mr. Grayson then verified to the Board that the rate would not be known if the City adopted the resolution now. He told the Board that there were 14 Fire Districts and that 3 residents and 3 fire service representatives would serve on the Board. The discussion ended with the presentation of the several options available to the City which were to choose to adopt a resolution to be a part of the Rural Fire District now or the City could hold off joining for now, possibly until the next cycle in the process. No action was taken.

Piedmont Compensation Study | Matt Reece - Tabled

Presentation of City Auditor | Jay Sharpe – Tabled

FY23 Budget Presentation | Finance Director Sonal Mehta

Finance Director Sonal Mehta presented a financial overview of the recommended FY23 operating budget for the Board to consider during their work on the upcoming budget. Mehta presented an overview of the City's current fund balance figures with Projected Balances as of June 30, 2022, of \$8,760,535. The General Fund Balance for FY22 was projected to be \$6,365,399. The State of North Carolina would require Creedmoor to retain \$359,278 in the General Fund Balance, and the City's internal policy requires \$4,490,975. Mehta recommended that the City of Creedmoor not let the General Fund Balance dip below 50% of the operating budget (approximately \$2,245,488).

The recommended budget by the City Manager was \$4,490,975 in expenditures from \$4,043,880 of the General Fund Revenue. The Manager's draft budget included a 2% cost of living increase and a 2% merit pay increase. No numbers were available for insurance but it is assumed that the cost will increase from FY22 by 7-8%. Mehta reminded the Board that if the cost of living and merit percentages adopted are higher than proposed, the overall expenditures in the projected budget would be higher. Expected capital needs in FY23 included \$69,336 for R-5707 Post Construction Landscape Betterments, \$20,000 for Open Space Stewardship (Lake Rogers North), \$25,000 for Open Space Stewardship (Surveying and Marketing),

\$37,000 for National Institute for Economic Development, \$40,000 for Retail Strategy and \$15,000 for the Facade Improvement Program.

Mehta moved on to discuss the Recreation Fund which she stated has a projected balance of \$263,276 at the end of FY22 and that number includes the cost of living increases totaling \$1,999 and merit pay increases of \$2,255. Recreation funding comes from fees for services, lease payments for the City-owned cell tower, Fund Balance, and Granville County. The Recreational Fund Revenues for the FY23 budget year are estimated at \$280,765 and the Recreation Fund Expenditures are estimated at \$565,214.

The Stormwater Fund has a projected balance of \$502,126 at the end of FY22 which paid for 15% of the Planning Director's salary, 50% of the Planning Technician's salary, and 25% of Public Works salaries. The FY23 draft budget proposes to cover 90% of the City Engineer's salary from the stormwater revenue. The Powell Bill Fund had a projected balance of \$473,053 with projected revenue for FY23 of \$135,000 with a budget request of \$35,000. No paving projects are projected in FY23 and 10 % of the revenue from the Powell Bill will go towards funding the Public Works Department.

For FY22 the Capital Projects Fund balance is expected to be \$106,262 with a majority of the Capital Projects almost completed. The expansion of City Hall is the primary project that is currently under consideration by the Board and will be included in the FY23 budget if the necessary information is available by the end of May. The Lake Roger's Dam was discussed and it was reiterated by the Board and City Manager that it is a priority in the budget moving forward.

Mehta concluded her presentation with the following issues that the Board will need to take into consideration and address moving forward with the budget workshops: increases to health, property and casualty/workers compensation insurance, the ARPA funding projects, COLA rate, Employee Retention Strategy, Implementation of the Compensation Study, merit rate average, recruitment expenses for the new police chief, other personnel changes as well as any capital expenses.

City Hall Expansion | Alan Steinbeck and Julie McLaurin

Alan Steinbeck from PSG presented a proposal to the Board for the next phase of work in the City Hall Expansion project that included every aspect of the expansion right through the actual construction. He reminded the Board that this phase involves a major commitment as PSG moves from a conceptual design to the definitive design of the expansion, including the budget for the project, drawing up the final plans, site plans, civil engineering plans, etc. Commissioner Kicinski requested that PSG add solar energy into the proposal for the expansion and Ms. McLaurin said it could be added. Community Development Director/Assistant City Manager Michael Frangos asked what the time frame would be for the entire project. Ms. McLaurin answered that the potential next phase would fall somewhere around February of 2023 and the actual construction could be completed within 2 years. The discussion was had as to the total final cost of the expansion and Ms. McLaurin said this is a 4 to 6 million dollar project. Mr. Steinbeck told the Board that to move forward they would have to get a legal review of the PSG agreement completed by the City Council and a budget amendment would need to be adopted so if and when the City was ready to move forward everything will already be in place. There was a consensus of the Board to wait until the next legislative meeting to act on the project. No action was taken.

Lease Renewal of 211 N. Main Street Community Development Office | Community Development Director/Assistant City Manager Michael Frangos

Director Frangos explained to the Board that the lease of 211 N. Main Street is up for renewal and the new rate had gone up 26% from the previous year which came to a new total yearly lease of \$26,550 which was a \$5467 increase annually from FY22. He told the Board that the lease contains an option to extend the clause for 2024 that contained a 2% increase *or* the accumulated increase in the consumer price index. Director Frangos recommended that the Board approve the 2-year lease as presented. Commissioner

Kicinski requested that Frangos ask the property owner if he would renew for the next 2 years at the \$26,550 rate. No action was taken.

Adjourn

There being no further business to come before the Board, Commissioner Way moved to adjourn the meeting at 8:04 p.m. The motion was approved by vote 4-0.

Robert V. Wheeler

Robert V. Wheeler, Mayor

ATTEST:

Barbara Rouse
Barbara Rouse., City Clerk

