

MINUTES OF  
CITY OF CREEDMOOR  
BOARD OF COMMISSIONERS MEETING  
**JUNE 27, 2022**  
6 P.M.

**Present in Person at City Hall Boardroom**

Mayor Bobby Wheeler, Mayor Pro Tem Emma Albright, Commissioner Georgana Kicinski, Commissioner Robert Way, Commissioner Ed Mims, and Commissioner Gleason. Also present were Acting City Manager/Director of Community Development Michael Frangos, Attorney TC Morphis, Finance Director Candy Bowman, Recreation Director Christopher Horrigan, Police Chief Keith King, and City Clerk Barbara Rouse.

**Absent**

None

**Call to Order**

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

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

**Roll Call**

Roll call by the City Clerk determined a quorum was present.

**Agenda Approval**

Commissioner Mims asked to remove Item 5d, Veteran's Memorial, from the agenda and put it on a future meeting date. Acting City Manager Frangos asked to remove Item 5e, Creedmoor Music Festival, from the agenda. Commissioner Kicinski then added Item 5i to the agenda to discuss the contract with the Creedmoor Fire Department. Commissioner Gleason made a motion to approve the agenda as amended. The motion was approved by a vote of 5-0.

**Discussion Item | FY 23 Proposed Budget, Acting City Manager Frangos**

Acting City Manager Frangos presented to the Board the final FY 23 Proposed Budget for the City. Frangos thanked Mr. Harmon Crutchfield for his knowledge and experience in putting the budget together along with the new Finance Director, Candy Bowman, and city staff. He then began his presentation by explaining that the Recreation Fund, a historically short-lived fund, had been created to ensure some dedicated funding for that department and has been tracked separately up to and including FY 23. He went on to explain that the operating costs of the Creedmoor Community Center and all general recreation functions that operated within it have outstripped the fund's usefulness making it obsolete and now needs to be budgeted for liquidation and removal.

Frangos then presented an outline of the Projected Fund Balances as of June 30, 2022, with the General Fund-Unrestricted balance of \$6,065,300, Powell Bill Fund \$ 473,053, Storm Water Fund \$502,126, Recreational Fund \$263,276, Capital Projects Fund \$406,262, Capital Reserve Fund \$238,274, Water Economic Development Fund \$281,853, and Sewer Economic Development Fund \$530,292. He continued to explain that there was one change in the numbers because of the June FY 22 Budget Amendment for City Hall Expansion which equaled a subtraction of \$300,000 from the General Fund Unrestricted and

added that same \$300,000 to the Capital Projects Fund. He said that it is recommended (possibly as a future rule amendment) that the City keep about 50 percent (\$2,394,347) of the Operating Fund in reserve because that would cover expenses through December of the fiscal year.

Frangos then presented the Total General Fund Revenue of \$4,167,462, Total Departmental Requests \$4,773,799, Manager Recommendation \$4,788,693, Annual cost of 50 percent proportional compensation plan implementation \$130,797, and actual cost of average 2 percent merit \$25,058. He further clarified that these numbers included the new health insurance rates. Commissioner asked the Acting City Manager if he will be recommending that the City policy be reduced or changed from maintaining 100 percent to something other than that? Acting City Manager answered that he was not asking for this fiscal budget but moving forward for the FY 24 budget it will be asked of the Board.

Major Expenditure Changes were presented, with a total projection amount of \$620,871. General Fund Revenues were then itemized with Taxes-Current Year \$2,257,732, Taxes-Other \$66,750, Sales Tax \$1,360,000, Franchise Tax \$340,000 and Other \$142,980 with a total of \$4,167,462. Commissioner Mims asked if ARPA funds were part of this proposed budget and Acting City Manager explained that they were indeed included in the numbers but the actual ARPA monies could not be divided out as the funds have already been enmeshed into the fund balances. Commissioner Kicinski said that the City had received the ARPA funds last July and Frangos agreed that was correct. Harmon Crutchfield then further explained that the ARPA funds had been applied which then reduced the salaries line of the budget but since FY 22 has not been closed the numbers were not reflected at present.

Expenditures from each department were then presented, General Government \$95,336, Governing Body \$110,062, City Manager \$308,152, City Clerk \$116,800, Administrative Services \$549,674, City Attorney \$75,000, Finance \$338,705, Police \$2,160,997, Public Works \$434,939, Community Development \$327,515, and CVFD \$271,512. Next, Acting City Manager presented the Total Revenue of \$4,167,462 and Total Expenditures of \$4,778,692 which amounted to a negative balance of \$621,230. The Projects for FY 23 totaled \$211,336 which included the R-5705 Post Construction Landscape Betterments \$69,336, Open Space Stewardship \$22,000, Southern Software CAD for the PD \$100,000, and reinstatement or amending of the Façade Improvement Program \$20,000. Commissioner Gleason pointed out that some of these items were one-time costs and that they would not necessarily be in the next budget.

The CVFD Agreement was discussed by City Attorney, TC Morphis. He explained that the City had received the CVFD Agreement late last week and that most of the content was the same as the agreement from last year and that the major change was in the funding. He went on to explain that the way the contract is structured, is open-ended, and consequently, if City property values go up or down or if the fire tax rate goes up or down, the amount the City pays would go up or down each year. City Attorney said that he did not see an issue with that but there could be instances where the City can incur a large and unexpected increase in what they are obligated to fund. He suggested that the Board have a conversation with the CVFD before they approve the agreement. Commissioner Kicinski asked that there be no conversation with the CVFD without the Board's involvement and any potential decision-making on the agreement must be presented to the Board. City Attorney then suggested that the Board look over the draft agreement at the July 5<sup>th</sup> meeting and then provide feedback on how they propose to fund it and then take it back to the CVFD at a later date. The Mayor asked the Board if they wanted to look over the agreement, give it some thought and deal with it at the next meeting. After some more discussion on the matter, the consensus was for the Board to agree to the amount of \$271,512 for FY23 and to have a discussion on the rate structure in the contract at the July 5<sup>th</sup> BOC meeting.

Acting City Manager Frangos then presented the Recreational Fund with he quantified included the addition of a new full-time Recreation Supervisor and (6) part-time Recreational Coordinators. The projected fund balance for 2022 was \$263,276 with a 50% comp amount of \$23,382 and a 2% merit amount of \$3,299.

He went on to present the Recreational Fund Revenues FY 23, Granville County \$25,000, Fees \$118,450, Cell Tower Leases \$127,415, Fund Balance Appropriated \$309,013, and Other \$9,900 with a total of \$589,778. The Recreation Fund Expenditures were then presented, General Recreation \$356,015, Community Center \$200,463, and Lake Rogers \$33,300 totaling \$589,778. Frangos reiterated the need to focus on a cost-recovery policy for recreational services and determine how to keep costs down since the recreation fund can no longer support itself because the costs associated with the operation outstrip the revenue-generating ability.

The Storm Water Fund was then presented with a Projected Fund Balance at the end of FY 22 of \$502,126. Acting City Manager explained to the Board that the projected fund balance is very strong because, for the first 10 years of the Stormwater program, the City was preparing for the second half of the Falls Rules to become due. This was projected to be the construction of retro-fit BMPs of existing development. Instead, he continued, UNRBA has facilitated the IAIA method of compliance, an Inter-Local agreement with Granville County, SGWASA, Butner, and Stem to greatly reduce the City's mitigation obligation and guarantee their contribution over the next few years. The Stormwater Revenues were presented and totaled \$294,650 with all revenues being collected with a property owner's tax bill and this year the fund is projected to generate \$302,000. In FY22 the Stormwater Expenditures totaled \$370,117 with Administration and Planning \$190,466, Repairs and Improvements \$148,952, and Service Payments \$30,700.

Frangos next presented the Powell Bill with a June 2022 Fund Balance projection of \$473,053. The estimated revenue for FY 23 is \$135,000. He reiterated to the Board that there were no major paving projects anticipated for FY 23 but there were paving repairs in the budget and that 10 % of the Public Works Department and the City Engineer's salary were funded here. The Capital Projects Fund had a projected fund balance as of June 2022 of \$406,262 with most of the Capital Projects almost complete and the last NCDOT payment for the CCT (Cross City Trails) review fees invoiced in May (\$60,449.59) will still need to be paid. Acting City Manager told the Board that the City hall Expansion was the primary project currently under consideration as the design agreement had been approved by the Board. In closing, Acting City Manager summarized the FY 23 Proposed Budget Presentation to the Board with the FY23 Projected General Fund Balance of \$5,744,168, Stormwater Fund \$426,659, Powell Bill Fund \$559,961 Totaling \$6,685,051.

The Commissioners were given the opportunity to ask questions, and the discussion centered around some additional budget issues. Commissioner Mims asked about the Dam at Lake Rogers. Acting City Manager said there had been no projects identified for funding in the FY23 budget for the Dam as the City Engineer had deemed any construction or reconstruction of the Dam unnecessary at this time. Commissioner Way asked if the City could look into adding fees for false fire alarms to help correct the issue of the number of false alarms the CVFD receives.

The Mayor then opened the floor for a Public Hearing on the FY 23 Budget. As there was no one from the public wanting to speak, the Mayor closed the Public Hearing.

Commissioner Gleason made a motion to adopt the FY 23 Budget as presented. The motion was approved by a vote of 4-1.

Commissioner Kicinski – Yes  
Mayor Pro Tem Albright – Yes  
Commissioner Mims – No  
Commissioner Way – Yes  
Commissioner Gleason – Yes

**Discussion Item | IAIA Agreement, Acting City Manager/Director of Community Development Michael Frangos**

Acting City Manager/ Director of Community Development Frangos presented the IAIA Agreement to the Board. He explained that this joint compliance approach for meeting the requirements for stage I, existing development rule (part of the original Falls Lake Rules) is referred to as the IAIA (Interim, Alternative, Implementation Approach). This agreement formalizes the partnership within Granville county for all IAIA contributions to go directly to SGWASA for wastewater infrastructure improvements that will help to eliminate any illicit discharge. He continued to say that the minimum required investment for the City is \$16,926, based on the City's population and its proportional share for Granville County. Acting City Manager said that the payment must be made by June 30, 2022, for FY 22.

Commissioner Kicinski made a motion to approve the IAIA Agreement for \$16,926. The motion was approved by a vote of 5-0.

Commissioner Kicinski then made a motion to accept Budget Amendment #11 for \$16,926. The motion was approved by a vote of 5-0.

**Discussion Item | DEI Student Applicant Ash Mangum**

Ms. Mangum introduced herself to the Board and answered some questions. The Board thanked Ms. Mangum for volunteering to serve on the DEI Advisory Board. Commissioner Mims made a motion to appoint Ms. Mangum to the DEI Advisory Board as the DEI student representative. The motion was approved by a vote of 5-0.

**Discussion Item | Hester Road Property Update, Commissioner Mims**

Commissioner Mims asked the Board what the status was on the Hester Road property. Acting City Manager Frangos answered that the property had been advertised for sale twice, once in July 2020 with the minimum asking bid of \$137,613 and again in October 2020 with the minimum asking bid of \$125,000, and both produced no bidders and no further action was taken since then. Commissioner Mims said that in light of the current housing market, the Board needed to decide on what to do with the property, either reduce the price or possibly parcel it out. Commissioner Gleason asked how much the City paid for the property, Acting City Manager answered that the City paid \$128,000 in 2013. The Mayor suggested they could put it for sale without a minimum bid on it. The Board continued with some additional discussion with Acting City Manager reminding the Board that this vacant property had no water or sewer available to it, is zoned AR-40 by Granville County which is an agricultural/residential district, and the only and the only thing interesting about it is that it borders the Tar River Basin and it was originally purchased specifically for its geographical location. After some additional discussion from the Board, Acting City Manager reminded the Board that there was no cost to maintain the property. Commissioner Kicinski suggested that the City hold on to the property for now as there was no cost to the City. As there were no further questions, the Mayor moved on to the next Discussion Item.

**Discussion Item | Update on 109 Park Avenue Property, Commissioner Way**

Commissioner Way told the Board that he would like to see the City sell 109 Park Ave. After a brief discussion, it was suggested the matter continue at the next BOC meeting. The Mayor asked the City Clerk to add the Sale of 109 Park Avenue Property to the next meeting agenda. A question about the cost of the roofing was brought up by Commissioner Kicinski and Acting City Manager Frangos said he would look into it and get back to the Board.

**Discussion Item | Kerr-Tar Liaison**

Commissioner Albright made a motion to appoint Commissioner Gleason to the Kerr-Tar Board. The motion passed with a vote of 5-0.

**Discussion Item | CVFD Contract**


Commissioner Kicinski thanked the CVFD for getting the contract to the City in a timely manner. The Mayor added that he appreciated the detail in the contract and he wanted to thank them also. Commissioner Kicinski then asked Chief Fischer to make a public statement on the record, that she is, in no legal capacity, in no way affiliated with the CVFD, she is not a ranking member, she is not an officer, and she does not serve on any CVFD Boards. Chief Fischer answered in the affirmative to the Commissioner's statement. As the Board had previously agreed to discuss the contract in detail at the July 5<sup>th</sup> BOC meeting, no action was taken.

**Adjourn**

There being no further business to come before the Board, a motion was made by Commissioner Mims to adjourn the meeting at 7:32 p.m. The motion was approved by a vote of 5-0.

  
Robert V. Wheeler, Mayor

ATTEST:

  
Barbara Rouse, City Clerk



