



Minutes of  
City of Creedmoor  
BOARD OF COMMISSIONERS  
**Regular Meeting**  
June 22, 2010  
7:00 p.m.

**PRESENT**

Mayor Darryl D. Moss, Mayor Pro-Tem Jimmy Minor, Commissioner Tim Karan, Commissioner Otha Piper, Jr., Commissioner John Stallings and Commissioner Herman Wilkerson. Also present were Mr. Tom Mercer, City Manager, Ren Wiles, Finance Officer/City Clerk, Korena Weichel, Deputy City Clerk, and Attorney Lori Dutra.

**INVOCATION & PLEDGE OF ALLEGIANCE**

Mayor Moss provided the Invocation for the evening. Commissioner Piper led the Pledge of Allegiance.

**ADOPTION OF AGENDA**

Prior to adoption, Mayor Moss proposed that Item 9 (a), the Creedmoor Small Area Plan, be deferred until City Planner Dave Roesler's return from leave. This suggestion was accepted.

Commissioner Wilkerson made a motion for a closed session on a personnel matter. The Mayor consulted City Attorney Dutra on procedural issues re: the motion for the closed session and the motion on the table for budget adoption, held over from the last meeting.

Motion by Commissioner Wilkerson to adopt the agenda; Seconded by Commissioner Piper. The motion carried unanimously.

**REQUESTS TO ADDRESS THE BOARD**

None

**ADOPTION OF MINUTES**

The Mayor called for approval of the minutes provided in the Board Packet. The minutes for approval included the May 25, 2010 Regular Meeting, the June 7, 2010 Continuation Meeting, and the June 14, 2010 Work Session. Commissioner Wilkerson asked to be excused from voting on the minutes. This request was granted. Motion by Commissioner Karan to approve the minutes as presented. Seconded by Commissioner Minor. The motion carried unanimously, with Commissioner Wilkerson not voting.

**PUBLIC COMMENTS**

No one approached when the Mayor provided the opportunity for public comment.

**CITY MANAGER'S REPORT**

The Mayor referred to the written report from the Manager, provided earlier to the Commissioners in their Board Packets. Both the Mayor and the Manager asked if there were additional questions from the Manager's Report. No questions were asked.

## **OLD BUSINESS**

- As noted above, the Creedmoor Small Area Plan discussion was deferred until the next meeting.
- The Mayor called for adoption of the Fee and Rate Schedule for Fiscal Year 2010-2011. Commissioner Stallings asked if the previous budget adoption motion should be removed from the table. A brief discussion followed. To remove any question at this point, the Mayor asked if there was a motion to take the previous budget discussion off the table. Motion by Commissioner Minor to take the previous budget discussion off the table. Seconded by Commissioner Karan. The motion carried unanimously. Motion by Commissioner Minor to adopt the Fee and Rate Schedule for Fiscal Year 2010-2011; Seconded by Commissioner Piper. Manager Mercer summarized the various updates to the Fee and Rate Schedule. Commissioner Stallings raised a question about a previous policy of exempting city employees and volunteer fire fighters from fishing and boating fees at Lake Rogers. The Mayor suggested research into whether the benefits might be taxable or not. The Mayor called for the question. The motion carried unanimously.
- Motion by Commissioner Wilkerson to go into closed session regarding a personnel matter per G.S. 143-318.11(a); Seconded by Commissioner Minor. The motion carried unanimously.
- The Board resumed the regular meeting at 7:39 pm.
- The Mayor announced that there was a motion on the table to adopt the Annual Budget for Fiscal Year 2010-2011. He then asked if there was any further discussion and reported that (i) funding to the “Creedmoor Cemetery” was restored, (ii) a review of salary impact (\$750 minimum) had been done, and (iii) the video surveillance funding had been reviewed. A discussion regarding the opportunity to improve the process for funding non-profit agencies followed. Commissioner Karan shared a form intended for future funding requests by outside agencies seeking city funding and expressed his wish to withdraw his previous motion to adopt the budget because the budget ordinance had changed from the time of his original motion. Subsequently, Motion by Commissioner Piper to adopt the budget ordinance with the 70¢ tax rate as presented. Seconded by Commissioner Minor. Commissioner Wilkerson asked for clarification on the three action points listed above. The Mayor stated that the items were addressed in the budget ordinance and further clarification was provided regarding funding for City Hall video surveillance totaling \$25,000. The Mayor called for the question. The motion carried, 4 to 1; Commissioner Karan was the dissenting vote. A copy of the Budget Ordinance appears at the end of these minutes.

## **NEW BUSINESS**

- City Attorney Dutra provided the Board with the contract between the Creedmoor Volunteer Fire Department and the City. Motion by Commissioner Karan to adopt the Fire Protection and Rescue Agreement. Seconded by Commissioner Stallings. Commissioner Minor asked if he should recuse himself from voting. Attorney Dutra indicated that in her opinion that would not be necessary. The motion carried unanimously.
- Introduction of Budget Amendment 7: Year End Adjustments. Finance Officer Wiles gave an overview that this budget amendment makes final adjustments for those line items needing additional funding for the rest of the year. Revenues in this amendment are adjusting to actual revenues already received. Motion by Commissioner Stallings to adopt Budget Amendment 7. Seconded by Commissioner Karan. Motion carried unanimously.
- The Mayor introduced the ordinance for the establishment of a Capital Project Fund for General Government purposes. Finance Officer Wiles provided a summary of the capital project fund. The intent is to account for building projects and activities crossing two or more fiscal years. The projects accounted for here would benefit the city as a whole, as opposed to the current capital project funds for water and sewer purposes. The Mayor, Commissioner Wilkerson and

Commissioner Stallings asked procedural questions about the difference of this budgeting technique vs. the annual budget. Motion by Commissioner Wilkerson to adopt the General Government Capital Project Ordinance. Second by Commissioner Piper. Motion carried unanimously.

### **MAYOR'S REPORT**

- Mayor thanked citizens, commissioners and staff for the spirited budget debate this season.
- The Mayor called on Business Development Manager Wilkins to report on the award received by the City from the 4-H group for its efforts to provide community service opportunities for youth.
- The Mayor acknowledged the material donation from the Sun Rock Corporation for the local ball field improvements.
- The Mayor, Manager Mercer, and Commissioner Karan attended Town Hall Day sponsored by the League of Municipalities.

### **COMMISSIONERS' REPORTS**

- Commissioner Karan, Nothing at this time.
- Commissioner Wilkerson. Fireworks organization and planning continues. The Commissioner questioned how the street repair is coming. The majority is done. Staff members will soon be developing a "punch list" of items needed to complete the agreed upon work. At Commissioner Stallings question, Commissioner Wilkerson reported on a call he received from the owners of Cross Car Wash. The issue centered on changing prices to do necessary wastewater updates. The Mayor reported that the owners' daughter was also calling. Per the Mayor, there have been two issues. Survey stakes have been disturbed and have been replaced. An oil separator has been designed and approved by the city inspector. The appearance is that the cost of the repairs/remediation is more than the owners expected. The Mayor indicated that he did not believe that the situation was something that the Board needed to take action on.
- Commissioner Stallings. Raised the question about fees paid to surveyor for work done. Staff members expressed their belief that everything had been taken care of.
- Commissioner Minor. Nothing at this time.
- Commissioner Piper. Thanks Commissioner Wilkerson for his efforts on the fireworks display.
- Commissioner Stallings commended the City Manager for his reporting. The Commissioner especially praised the way the manager updated the Board on the activities of all committees so that each commissioner would know the basic activities of all the committees.

### **ADJOURNMENT**

- Motion by Commissioner Stallings to adjourn this meeting. Seconded by Commissioner Piper. The motion carried unanimously. The meeting adjourned at approximately 8:05 pm.

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Darryl Moss, Mayor

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Ren E. Wiles, Finance Officer/City Clerk  
A copy of the FY10-11 Budget Ordinance follows.



**CITY OF CREEDMOOR  
 ANNUAL BUDGET ORDINANCE  
 FOR FISCAL YEAR 2011**

BE IT ORDAINED by the Board of Commissioners of the City of Creedmoor, North Carolina, a municipal corporation in the State of North Carolina, that the following anticipated fund revenues and departmental expenditures, together with certain fees and charges schedules, and with certain restrictions and authorizations, are hereby appropriated and approved for the operation of the City government and its activities for the Fiscal Year beginning July 1, 2010 and ending June 30, 2011:

**SUMMARY**

General Fund	\$3,101,860
Water Fund	1,112,955
Powell Bill Fund	100,964
Recreation Fund	121,000
Sewer Fund	1,501,507
	\$5,938,286

**Section 1                      General Fund**

Forecasted Revenues by Category-	
Ad Valorem Taxes	\$1,849,415
Other Taxes and Licenses	497,800
Unrestricted Intergovernmental	315,160
Restricted Intergovernmental	57,425
Permits and Fees	53,800
Sales and Service	306,100
Investment Earnings	7,960
Miscellaneous	14,200
Total	\$3,101,860

Authorized Expenditure by Department

Business Development	\$ 42,000
Governing Body	87,727
City Manager	71,297
City Clerk	4,000
Administrative Services	309,729
Legal	64,000
Finance	333,951
Police	1,194,923
Fire	90,547
Inspections and Permits	46,960
Public Services	681,782
Planning and Development	168,444
Stormwater Management	6,500
Total	\$3,101,860

**Section 2 Water Fund (Operations)**

Forecasted Revenue and Funding Source by Category

Water Sales	\$1,025,464
Fees and Other Charges	74,100
Fund Balance Appropriated	<u>13,391</u>
Total	\$1,112,955

Authorized Expenditure by Department

Water Department (Operations)	\$1,112,955
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**Section 3 Powell Bill Fund**

Forecasted Revenue and Funding Source by Category

Restricted Intergovernmental	\$ 87,582
Investment Earnings	400
Fund Balance Appropriated	<u>12,982</u>
Total	100,964

Authorized Expenditure by Department

Powell Bill Department	\$ 100,964
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**Section 4 Recreation Fund**

Forecasted Revenue and Funding Source by Category

Cell Tower Lease	\$ 102,800
Donations and Concessions	2,200
Fund Balance Appropriated	<u>16,000</u>
Total	\$ 121,000

Authorized Expenditure by Department

Recreation Department	\$ 121,000
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**Section 5 Sewer Fund (Operations)**

Forecasted Revenue and Funding Source by Category

Sewage Charges	\$1,355,153
Fees and Other Charges	67,100
Fund Balance Appropriated	<u>79,254</u>
Total	\$1,501,507

Authorized Expenditure by Department

Sewer Department (Operations)	\$1,501,507
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**Section 6 Levy of Taxes**

There is hereby levied, for Fiscal Year 2011, an Ad Valorem tax rate of 70¢ per one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 1, 2010, for the purpose of raising the revenue from Ad Valorem Taxes as set forth in the foregoing estimates of revenues, and in order to finance the foregoing applicable appropriations. This tax rate is based on an estimated valuation of \$268,186,577.

**Section 7 Revenue Neutral Tax Rate**

North Carolina General Statute 159-11(e) requires that in the year of a general revaluation, the revenue neutral tax rate be published. By state law, the revenue neutral tax rate is adjusted for the average annual growth in the tax base and for annexations and deannexations. The Finance Officer of the City of Creedmoor has calculated the revenue neutral tax rate as 72 1/2¢ per \$100 of assessed value.

**Section 8                      Restrictions on Budget Officer**

Interfund and interdepartmental transfer of moneys, except as noted below, shall be accomplished only with specific advanced approval of the Creedmoor Board of Commissioners.

Special Authorizations of the Budget Officer

- A. The Budget Officer shall be authorized to reallocate any appropriation within departments.
- B. The Budget Officer shall be authorized to execute interfund and interdepartmental transfers in emergency situations. Notification of all such transfers shall be made to the Board of Commissioners at the next meeting following the transfer.

**Section 9                      Expected Spending in Capital Projects**

Currently the City's most active capital project is the Joe Peed Booster Station Project. The bulk of the project is expected to happen in Fiscal Year 2011. Spending on this should approximate \$800,000.

The City obtained grant and loan funding from the US Department of Agriculture, to fund \$9.4M in water and sewer rehabilitation work. Budgeting for the project has been broken into a water portion and a sewer portion. At this time, no construction bids have been solicited. Any amounts published here would be highly speculative.

**Section 10                    Utilization of the Budget Ordinance**

This ordinance shall be the basis of the financial plan for the City of Creedmoor municipal government during the fiscal year beginning July 1, 2010 and ending June 30, 2011. The Budget Officer shall administer the Annual Operating Budget and shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the budget.

The Finance Officer shall establish and maintain all financial records, which are in accordance with this ordinance, and in accordance with the appropriate state statutes of the State of North Carolina.

Adopted this 22<sup>th</sup> day of June 2010.