



**MINUTES OF
CITY OF CREEDMOOR
BOARD OF COMMISSIONERS
MEETING
MARCH 18, 2024
6:00 PM**

Present

Mayor Bobby Wheeler, Mayor Pro Tem Georgana Kicinski, Commissioner Emma Albright, Commissioner Edward Gleason, and Commissioner Archer Wilkins. Also present were City Manager Michael Turner, City Clerk Barbara Rouse, Executive Assistant Sarah Spruill, Public Works Director Steven Edwards, Community Development Director Michael Frangos, Finance Director Lee Faines, City Engineer Carl Barclay, and Police Chief Troy Wheless.

Absent

Commissioner Robert Way (excused)

Call To Order And Invocation

Mayor Wheeler called the meeting to order at 6:01 p.m. and Commissioner Wilkins led the invocation.

Pledge Of Allegiance

Commissioner Wilkins led the Pledge of Allegiance.

Roll Call

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

Approval Of Agenda

Mayor Wheeler added a Closed Session pursuant to NC GS 143-318.11 (a)(6) Personnel, to the agenda. Mayor Pro Tem Kicinski made a motion to approve the agenda as amended. The motion was approved by a vote of 4-0.

Discussion Item | Monthly Financial Report Ending February 29, 2024

Finance Director Lee Faines presented the financial update for the month ending February 29, 2024, telling the Board that this update included the revenue for the rentals at the Community Center as per their request. Faines said 69 % of the General Fund Revenues had been collected, 45% of the Stormwater Fund Revenues collected, and 116% of the Powell Bill Revenues collected, adding that Stormwater Expenditures were at 48% and Powell Bill Expenditures were at 70%. There were a few questions from the Board after which the Mayor thanked the Finance Director for his report.

Discussion Item | Budget Workshop Update For The FY 2024-2025 Annual Operating Budget

City Manager Michael Turner presented the FY 25 Budget Calendar to the Board and explained that this was the first of three Board Budget Workshops scheduled for March, April, and May respectively, adding that since the February 10th Board Retreat, department heads have assembled and made their FY25 budgets requests with no adjustments or cuts included because, City Manager said, he wanted to get the Board's input first. The City Manager told the Board that the Cost Projection for the City Hall Renovation project had been reviewed and updated to include two (2) changes: moving the replacement generator (\$50,000) from FY 27 on the CIP to FY 25, and the addition of a PD Shelter for LED boards (\$25,000). The City Manager then told the Board that the total project cost exceeded the \$250K Legislative grant by \$118,720 for a total project cost of \$368,720, adding that the Finance Director would discuss the options for funding the operating budget later in the presentation.

The City Manager presented the Capital Improvement Plan (CIP) reminding the Board that the Five-Year CIP was initially presented to them for comment on November 20, 2023, and again at the February 10, 2024 Retreat, adding that the CIP presented here was for FY 2025 only, as it relates directly to the FY 2025 budget, and again, adjustments had been made to reflect comments from the Board including two changes for the addition of white PVC deck rails at the Community Center, near the Senior Center; the purchase of a 54 inch Super Z Mower; a box, push, and cutter attachments for the skid steer and twenty (20) portable radios and four (4) mobile radios for the PD, bringing the FY25 CIP total now to \$1,124,007.

The City Manager then presented a preliminary overview of departmental requests (with no manager cuts or adjustments):

General Government	- FY24 Adopted \$	15,500	-FY25 Requested \$	44,500	
Governing Body	- FY24 Adopted \$	148,469	-FY25 Requested \$	107,988	
City Manager	- FY24 Adopted \$	326,411	-FY25 Requested \$	356,774	
City Clerk	- FY24 Adopted \$	123,675	-FY25 Requested \$	124,221	
Administrative Services	- FY24 Adopted \$	635,187	-FY25 Requested \$	712,601	
City Attorney	- FY24 Adopted \$	60,000	-FY25 Requested \$	62,000	
Finance	- FY24 Adopted \$	254,012	-FY25 Requested \$	257,354	
Police	- FY24 Adopted \$	2,373,307	-FY25 Requested \$	2,630,183	
Fire Protection	- FY24 Adopted \$	277,029	-FY25 Requested \$	451,587	
Public Works	- FY24 Adopted \$	568,028	-FY25 Requested \$	617,735	
Community Development	- FY24 Adopted \$	206,075	-FY25 Requested \$	510,210	
Parks & Recreation	- FY24 Adopted \$	566,019	-FY25 Requested \$	719,826	
Total	- FY24 Adopted \$	5,553,712	-FY25 Requested \$	6,594,979	~\$1,041,267 Increase

Mayor Pro Tem Kicinski questioned the Governing Body line requesting to raise the Board of Commissioners stipend by saying that this Governing Board's stipend was bought up to match municipalities around the City two (2) years ago, and she said, if there is an increase now, this Board will be the highest-paid around the county (specifically Butner and Oxford), but she added, that she was good with raising the pay for the Board of Adjustment (BOA) and Planning Board. Commissioner Wilkins told the Board that he was the one who requested the 5% raise for the BOC be added to the FY25 budget to account for inflation. Commissioner Gleason agreed with Mayor Pro Tem, saying that this Board received a substantial increase a couple of years ago, and he also thought the BOA and Planning Board should receive increases. Mayor Pro Tem reiterated her position saying that they (the Board) received a 30% increase in 2022 so she would not feel right taking another increase at this but she did want the BOA and Planning Board to get the requested increase. Commissioner Gleason suggested the BOA and Planning Board members get the increase. Mayor Wheeler recommended they raise the BOA and Planning Board pay to \$60.00 and he instructed the City Manager to adjust the rates accordingly for the next budget meeting.

After the City Manager's FY25 Budget Requests were explained, Mayor Wheeler asked the City Manager if he had begun the process of finding his successor to which he answered he had been reaching out and talking to people. Mayor Wheeler suggested the City Manager include an amount in next year's budget to cover the overlap of the outgoing City Manager and the incoming new City Manager.

The City Manager told the Board that the line item for Granicus (\$12,000) would be moved over to the City Clerk's budget from the Administrative Services line and the Board would see this at the next budget meeting.

Commissioner Wilkins asked about the Community Development FY25 request for a City Planner position, saying that he did not think the position needed to be filled for at least another year. He then asked why now. Community Development Director Michael Frangos answered by saying that the position is an integral part of the Community Development Office and the position's primary purpose is to support the everyday departmental functions of walk-in, email, and phone call inquiries and to provide timely customer service and to be quickly responsive to all resident's needs. Frangos continued that for the Community Development department to perform the fully expected range of services, the return of the Planner position, as it had been before FY24 is essential. By performing their job duties as Planner, the job duties of other Community Development staff and the department as a whole are more effective. The City Manager then told the BOC to keep in mind that the City is getting ready to grow. Mayor Pro Tem Kicinski said she would go with whatever the Board decided to do with the position, and Commissioner Gleason said he agreed with Frangos that the Community Development Office needed the position filled. Commissioner Wilkins then reiterated that the position does not need to be filled at this time and he requested it be taken out of the budget for FY25. Commissioner Albright said she understood the necessity and importance of the position and would want it filled. Mayor Wheeler suggested the position be left in the budget for now.

Following the presentation of the Parks & Recreation line, there was a question the Board about the two (2) requested paddle boats as the consensus of the Board was that nobody uses them. After some discussion, Commissioner Wilkins added that if the paddle boats were old and needed replacing, then he wanted them to be replaced to which the Mayor agreed.

The City Manager presented the County Service Contributions for FY25 to the Board:

Families Living Violence Free	- FY25 Suggested \$1,000 - Same as prior year
Creedmoor Cemetery Association	- FY25 Suggested \$4,200 - Up \$200 from prior year
GC Human Relations Committee	- FY25 Suggested \$ 0 - \$375 prior year
Granville County Search & Rescue	- FY25 Suggested \$2,000 - Same as prior year
Granville County Historical Society	- FY25 Suggested \$ 500 - Same as prior year
Granville County Veterans Affairs Committee	None recommended
Creedmoor Veterans Organization	None recommended

There was a brief discussion about the funding for the Granville County Human Relations Committee with Commissioner Gleason advocating for adding the \$375 back into the budget. Commissioner Wilkins said that he thought the money was better spent in Creedmoor, with the Mayor concurring. The City Manager wrapped up his presentation by asking the Board if they had any further questions or feedback before he turned the floor over to the Finance Director.

Finance Director Lee Faines presented the FY 2025 Budget Update explaining that the FY25 Revenue at the current tax rate of 61.5¢ was \$7,392,183, and the FY25 Revenue at the neutral tax rate of 36.4¢ was \$5,719,905. Next, Faines presented the FY25 Total Requested Expenditures of \$6,594,979, which, he explained, at the current tax rate would yield \$797,202 and at the revenue-neutral tax rate would yield a shortage of \$875,074, adding that the FY24 Adopted Budget was \$5,553,712 and the FY25 Request is \$1,041,267 more than that. There was some discussion and questions by the Board on the current tax rate versus the revenue-neutral tax rate and the implications to the residents of the City. After some clarification, Faines presented the Board with the projected General Fund Balance as of June 30, 2024, of \$9,377,503, Board Amendments Adopted was \$855,055, and the Available Fund Balance was \$8,522,498, 70% of General Fund FY25 Expenditures was \$4,649,821 and the Fund Balance Available for Projects was \$3,872,677.

Stormwater was presented next, with Stormwater Estimated FY25 Revenues of \$355,000 and Stormwater Requested FY25 Expenditures of \$455,566 (Admin and Planning \$289,454, Repairs and Improvements \$145,412, and Service Payments \$20,700) leaving a gap of \$100,566 to balance the stormwater budget, with Faines reminding the Board that this number will change if the Board decides to implement a stormwater fee rate change. The projected Stormwater Fund Balance as of June 30, 2024, was presented with a balance of \$493,145, Board Amendments Adopted was \$439,763, and the Fund Balance Available was \$53,382, reminding the Board that this amount is bare minimal to provide for stormwater projects unless the City funds the projects from the General Fund, with Faines adding that a big portion of the cost is charged to Community Development and Public Works for the work they do for stormwater repairs.

Next up, the Powell Bill Fund was presented, with Revenues estimated at \$186,000, Powell Bill Requested Expenditures of \$351,000, and the Fund Balance Appropriated was \$165,000 for Capital Projects (Sidewalk Gap ROW acquisition and the sidewalk gap engineering and design). In closing, Faines told the Board that there were still questions pending: increases to property and casualty were still unknown, COLA amount if any (1% = \$34,080), Stormwater fee increases were unknown, the tax rate was still unknown (1¢ = \$66,588) and the Board direction for the organizational funding requests was undecided. After a few questions, Mayor Wheeler thanked Finance Director Faines for his presentation.

Discussion Item | Stormwater Fee Rate Study

Jennifer Tavantzis, with Raftelis Financial Consultants, introduced herself and presented the Stormwater Fee Rate Study to the Board. First up, Tavantzis outlined the City of Creedmoor's Stormwater activities, including; drainage system maintenance, street sweeping, leaf/brush collection, repairs and replacement of stormwater infrastructure, illicit discharge detection and elimination, stormwater hotline response, construction site monitoring, Falls Rules compliance for new and existing development, municipal separate Storm Sewer System (MS4) permit compliance, dues and memberships (UNRBA, SWANC, CWEP) and stormwater program management development reviews and administration, adding that these are wide-ranging and pretty comprehensive activities, some obvious and others somewhat more behind the scenes but critical nevertheless. Tavantzis went on to explain that it takes significant staff power to run stormwater projects, presenting the breakdown by personnel: Mike Frangos 50%, Carl Barclay 90%, Rebecca Middleton 50%, Gerard Seibert 10%, Stephen Edwards 15%, Phillip Howell 25%, Amanda Adcock 25%, Jimmy Jackson 25% and Ronnie Clayton 25%. Moving on, Ms. Tavantzis talked to the Board about the importance of stormwater programs within the City and the big investments the City has made in the last couple of years, citing examples such as new inlets, the curb work in front of the CVFD on Elm Street, the Lopez Project on Bowden Drive, and the Conway Project on Clifton Avenue.

Projections for the FY25 year were then presented: System Maintenance projected at \$285,000, Program Management at \$182,000, Asset Renewal at \$50,000, Regulatory Compliance at \$48,000, and Administration at \$11,000, for a total of

\$576,000. Tavantzis then explained to the Board the three (3) stormwater fee structure rate alternatives for their consideration. The One-Year Increase, she explained, would be to just get the City to a revenue-sufficient place in one year with modest increases each year and with about an 80% increase for single-family residences, going from \$107 (2024) to \$192 (2025), \$197 (2026), and \$209 (2027). The Three-Year Increase would blunt the impact to residents, increases each year for three (3) years, but requires the gap be filled by the fund balance, would increase for three (3) consecutive years, and would result in a 30% increase for single-family residences going from \$107 (2024) to \$139 (2025), \$169 (2026), and \$209 (2027). Lastly, the Five-Year Increase was presented, which, Tavantzis explained would spread the increases out five (5) years, with a 19% increase for single-family residences but more years will not be fully funded so there would be a gap to fill there. Rates in the Five-Year projections would go from \$107 (2024), \$127 (2025), \$147 (2026), and \$175 (2027). Comparing all three alternatives, Tavantzis outlined the Revenue Sufficiency of each, telling the Board that opting for the One-Year Increase would result in no deficit in FY25, opting for the Three-Year Increase would result in approximately a \$159,000 deficit (in that year and future years), and opting for the Five-Year Increase would result in approximately a \$194,000 deficit (in that year and future years). There were questions from the Board and some discussion after which Commissioner Wilkins and Mayor Pro Tem each said they would like to see the City implement the One-Year Increase. Mayor Wheeler thanked Ms. Tavantzis for her presentation.

Closed Session | Closed Session per 143-318.11 Attorney-Client Privilege

Commissioner Gleason made a motion to go into Closed Session at 7:53 p.m. pursuant to NC GS 143-318.11 (a)(6). The motion was approved by a vote of 4-0.

Commissioner Wilkins made a motion to leave Closed Session at 8:21 p.m. The motion was approved by a vote of 4-0.

Adjournment

As there was no further business to come before the Board, Commissioner Gleason made a motion to adjourn at 8:22 p.m. The motion was approved by a vote of 4-0.


Mayor Robert V. Wheeler


Barbara Rouse, City Clerk, CMC

