

**Town of Angier  
Board of Commissioners  
Tuesday, May 5, 2020, 7:00 P.M.  
Angier Municipal Building  
28 North Raleigh Street  
Minutes**

The Town of Angier convened during a regularly scheduled Board of Commissioners meeting Tuesday, March 5, 2020, in the Board Room inside the Municipal Building at 28 North Raleigh Street.

**Members Present:** Mayor Bob Smith  
Mayor Pro-Tem Craig Honeycutt  
Commissioner Alan Coats  
Commissioner Loru Boyer Hawley  
Commissioner Mike Hill

**Members Excused:**

**Staff Present:** Town Manager Gerry Vincent  
Town Clerk Veronica Hardaway  
Planning Director Sean Johnson  
Chief of Police Arthur Yarbrough  
Finance Director Hans Kalwitz  
Parks & Recreation Director Derek McLean  
Library Director Katy Warren  
Public Works Director Jimmy Cook  
Town Attorney Dan Hartzog, Jr.

**Others Present:**

**Call to Order:** Mayor Smith presided, calling the Board of Commissioners meeting to order at 7:00 p.m.

**Pledge of Allegiance:** Mayor Smith led the pledge of allegiance.

**Invocation:** Mayor Smith offered the invocation.

**Approval of the May 5, 2020 meeting agenda:** The Town Board approved the agenda as presented.

**Board Action:** The Town Board voted to approve the agenda as presented.

**Motion:** Mayor Pro-tem Honeycutt

**Vote:** 4-0; unanimous

## **Presentation**

### **1. Year-end Audit – April Adams with Cherry Bekaert, LLP presented findings from the Comprehensive Annual Financial Report for year ending June 30, 2019**

April Adams, Cherry Bekaert, LLP, presented her audit findings from the previous fiscal year. *(Due to its length, a copy of the Audit Report will be filed in the Clerk's office for review.)* Highlights include: assets and deferred outflows of resources of the Town of Angier exceeded its liabilities and deferred outflows of resources at the close of the fiscal year by approximately \$18,872,377. The government's total net position increased by \$496,782. Increase in governmental activities amounts to \$436,446 and increase in the enterprise type activities amounts to \$60,336. As a result of this increase, there have been positive signs of the economy improving in our Town as well as Management instructing staff to curtail spending to aid in the improvement of the Town's financial condition. As of the close of the current fiscal year, the Town of Angier's governmental funds reported combined ending fund balances of \$4,622,520 an increase of \$467,452 in comparison with the prior year. Approximately 15.62 percent of this total amount, or \$737,367 is non spendable or restricted. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,377,277 or 90.77 percent of total general fund expenditures, for the fiscal year. At June 30, 2019, the Town's total debt was \$5,346,752. Decrease of the Town's debt, \$342,973, was the result of timely debt service payments. The Town of Angier has a Municipal Council Rating of 80 which is equivalent to a rating A3/A by the national rating agencies. This rating is considered an investment grade rating and average or better than average for a town of Angier's population.

Ms. Adams concluded by asking the Board if they had any questions on the report presented.

## **Public Comments**

Seeing no one, Mayor Smith closed the Public Comment portion of the meeting.

## **Consent Agenda**

- 1. Approval of Minutes**
  - a. April 21, 2020 – Regular Meeting
- 2. Consideration and Approval to Adopt the Amended Audit Contract, with Cherry Bekaert, LLP**

**Board Action:** The Town Board unanimously voted to approve the Consent Agenda as presented.

**Motion:** Commissioner Hawley

**Vote:** 4-0, unanimous

## **New Business**

### **1. Manager's Recommended Proposed Budget for the Town of Angier's 2020-2021 Fiscal Year**

As required by NC State Statute 159-11 (b), the proposed budget is balanced and includes many of the goals, objectives and strategies from the Board of Commissioners, as discussed and outlined during the Town's Annual Retreat. However, due to COVID-19, the budget represents projections after careful consideration and multiple conversations with North Carolina League of Municipalities, Triangle J Council of Government, area managers, and North Carolina Governor's Office for both the General & Utility Funds. The budget will be closely monitored on a month-to-month basis with a 6-month review and report to the Board in January 2021, if not sooner.

With that being said, the budget will proposed utilizing the Fund Balance from both the General Fund and Utility Fund to prepare for future long term goals, and unfortunately, due to COVID-19, will supplement the costs of Capital Outlay for all departments due to a projected revenue shortfall. In addition, 1/3 of the General Fund within the Administration, Finance and Commissioners budget will be supported by the Utility Fund. This is a strategy to relieve pressure with regards to the General Fund and support planned improvements, keeping fees and taxes level funded. Increases to the solid waste services is a pass-through increase from our private hauler, Green For Life (GFL) to the residents at 3.2%. Increases within the Utility Fund is also a pass through increase due to Harnett County's recommended increases of 9.2% and 12.1% respectfully. In addition, funds have been budgeted to conduct a rate study that will assist the Town to project accurate and timely adjustments, when necessary.

The good news, last year's financial audit will return approximately \$436,446 back to the General Fund Balance and \$60,336 back to the Utility Fund Balance. These funds will supplement the anticipated shortfall in revenues (capital projects only) from the respective Fund Balance accounts.

On March 6, 2020, the Board of Commissioners and staff held its Annual Board Retreat at Campbell University. During the course of the day, the following strategies and recommendations were developed:

- Establish a Fund Balance Policy of 50% as the Town's "rainy day" fund and earmark the estimated 34% to top priority projects as future debt service and/or Capital Outlay.
- Separately, establish future debt service for the inevitable Harnett County Wastewater Treatment Plant expansion, and new water line extension to the City of Dunn or Harnett County Water Distribution Plant.
- Continue to track grant opportunities to replace aging infrastructure, downtown improvements, public safety and other improvements for the delivery of services.

In addition, Mr. Vincent thanked the entire staff for their hard work, support and inclusiveness during this budget process while also keeping safe and providing services at a high level. The highlights of the proposed budget is as follows:

General Fund:

- Ad Valorem Tax Rate will remain level at \$0.53/\$100 property valuation.
- 4% Cost of Living Adjustment (COLA) Effective July 1<sup>st</sup> 2% & January 1<sup>st</sup> (2021) 2% for all full time employees.
- 5% will be contributed to all full employee's 401K
- General Fund Revenues represent an -8.7% decrease minus the Fund Balance contribution to Capital Outlay projects.
- Hwy 210 Project will be completed in FY21;
- Willow Street/Junny Road Sidewalk Project will be funded at a 10% level to begin engineering; although, NCDOT funds may not be obligated to this project for FY21;
- Replacement of the existing antiquated, outdated financial software system (Tyler Technologies, LLC)
- Future Debt Service for a new Town Hall/Police Station;
- Anticipated Grants will be funded at \$13,000 (Administrative Costs);
- Continue to support staff with appreciation events throughout the budget year.
- Health Insurance rates with Cigna, United Health Care and Blue Cross/Blue Shield began at a 30% increase; however, after much deliberation, it was negotiated to 2% as a "bundle" package including medical, dental and vision; other plans were considered including the NC League of Municipalities.
- Household garbage, recycling and commercial rates was recommended to increase by 3.2% as per the Town's Agreement with Green For Life (GFL). (CPI-U All Items published by the Department of Labor, Bureau of Statistics). However, at this time, only an increase to the recycling rate due to an increase from the processing of those materials from \$0.72 to \$1.22/household will be applied for FY21.
- Continue to support federal and state funding (80%/20% match) to install sidewalks throughout Angier.
- Hiring two (2) new police officers, vehicles and equipment at a delayed date of employment (January 1, 2021)
- Staff continues to work the Susan Hatchell Consulting firm to prepare the Town's Parks & Recreation Comprehensive Master Plan.
- Utilizing Fund Balance to repair, renovate and build new facilities at Jack Marley Park.
- The Planning Department will hire a new Planning Technician to assist with the growth of the Town at a delayed date of employment (January 1, 2021) & installing Downtown Tree Lighting throughout the Downtown;

Utility Fund:

- Water & Sewer rates will increase based on Harnett County's correspondence to maintain operations and cover outstanding debt service (Water increase at 9.2% and Sewer increase at 12.1%).
- Utilizing a combination of the remaining BB&T loan (Water Tank Project) and Fund Balance to purchase equipment, replace/repair, extend and install new water & sewer connections.

- Future Debt Service will be budgeted to prepare for an anticipated water line extension and wastewater plant expansion.
- A new position to accommodate Board of Commissioners new Water Tap Policy to assist developers with in-fill development will be funded at a delayed date of employment (January 1, 2021). This position is split 1/3 throughout Streets & Sanitation, Water & Sewer funds respectively.

In summary, the above-mentioned measures will create a tremendous cost savings due to COVID-19. The strategy is to delay new hires that have been identified as a priority by the Board & staff, level fund and/or reduce projected revenues, and monitor progress over a 6-month period. Now is not the time to “freeze” positions and all operations. Now is the time to take advantage of a situation and press forward. During a temporary recession, to continue with projects and purchasing of equipment could be advantageous to the Town. There are precautions built into the budget if the economy does not show signs of improvement. The budget is recommended to offset possible shortfalls, but to continue to support growth, repair/improve the Town’s infrastructure, and improve the Town’s overall operations. The “rainy day” fund (Fund Balance) had accumulated over the subsequent years for this exact purpose.

An advertisement will be published in the local newspaper for a Public Hearing on June 2, 2020 & adoption on June 16, 2020.

## **2. Annexation Petition**

Mr. Johnson stated the Planning Department has received a voluntary annexation petition for an approximately 6.2 acre tract of land located at 7904 S. NC 55 Hwy in Willow Spring (Wake PIN: 0675246135). The property is currently in Wake County’s planning jurisdiction and is zoned R-30. Because no rezoning application was received for the property in question, staff will recommend a new Town of Angier zoning district upon annexation approval. If annexed, any future development will require the extension of Angier water and sewer services to serve the property.

**Board Action:** The Town Board unanimously voted to adopt Resolution #R009-2020 Directing the Clerk to Investigate the Sufficiency of the Petition and report results at the June 2, 2020 meeting.

**Motion:** Commissioner Hill

**Vote:** 4-0, unanimous

## **3. Policy for Disposing of Personal Property Valued at Less than \$30,000**

Mr. Vincent stated that per UNC School of Government, this policy is designed to secure fair market value for property sold, and may specify that public advertising and Board approval is not required. The policy only needs to be adopted once. The official or employee authorized under the policy negotiates and conducts private sales on an as-needed basis. The official or employee must keep a record of all property sold describing

the property, the buyer, and the sale price. Board approval and published notice is not required.

**Board Action:** The Town Board unanimously voted to adopt a policy authorizing the Town Manager to dispose of any surplus personal property owned by the Town valued at less than \$30,000.

**Motion:** Commissioner Coats

**Vote:** 4-0, unanimous

### **Manager's Report**

- Department Reports (Informational Items included in Agenda packets)

Town Manager Gerry Vincent updated the Board on various items. Those items are the following:

1. At the May 19<sup>th</sup> Workshop, the Board of Commissioners will consider the following:
  - a) Recommendation for audit services
  - b) Town of Angier Facility (Depot) Rental Policy
  - c) Former Town Limits Entrance Sign & Location (N. Raleigh St./N. Board St. E.)
  - d) Discussion regarding Town owned alleyway outdoor seating
  - e) Downtown Advisory Board Vacancy
  - f) Library Update – Painting of Sign (“Public Library”)
  - g) Bike Fest to be rescheduled to July 31<sup>st</sup>/August 1<sup>st</sup>
2. Downtown Parking Lot Project:
  - a) Parking Lot North – Letters will be hand delivered to engage with property/business owners to allow easements for the replacement of water and sewer lines, and acquire property for a pavement parking lot solution.
  - b) Parking Lot South – Contact property/business owners to remove approximately 16 garage/recycling carts for one dumpster location. Simon’s owners have agreed to allow a dumpster on the existing concrete pad as a temporary measure; however, the power lines are too low for GFL trucks. We will continue to work out details.
3. COVID-19:
  - a) We are phasing employees back into the office setting slowly.
  - b) We have ordered face guards for the front counter, very similar to the local DMV. Its purpose is two-fold, safety & security, and protection from the coronavirus.
  - c) We have ordered a 50 pack of N-95 facemasks.
  - d) There are no real expenses to report to FEMA for reimbursement.
  - e) The Utility Fund has absorbed approximately \$32,000 in loss revenues from the waiving late fees and disconnect fees.
  - f) There is a potential that the Spring sports at Jack Marley Park will not take place. Staff’s decision will be announced after the Governor’s press release on May 8<sup>th</sup>. If canceled, the impact with regards to refunds will be approximately \$15,000.
  - g) Gov. Cooper’s Announcement on May 8<sup>th</sup>:

- i. A three part phasing in approach begins May 8<sup>th</sup> with limited number of gatherings at 10;
- ii. Phase 2 begins approximately at the end of May, increasing the number of gathering at 50 or less;
- iii. Phase 3 begins approximately mid July, which will open everything back to the new normal

### **Mayor & Town Board Reports**

**Board Action:** The Town Board unanimously voted to go into Closed Session pursuant to NCGS 143-318.11 (a)(5) to discuss economic development at approximately 7:54pm.

**Motion:** Commissioner Hawley

**Vote:** 4-0, unanimous

**Board Action:** The Town Board unanimously voted to reconvene in open session at approximately 8:25pm.

**Motion:** Commissioner Hawley

**Vote:** 4-0, unanimous

**Adjournment:** Being no further business, the Town Board voted unanimously to adjourn the meeting at 8:27pm.

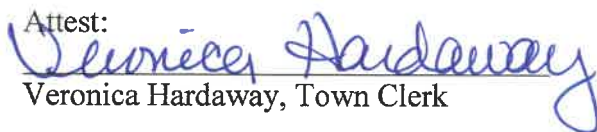
**Motion:** Commissioner Hawley

**Vote:** Unanimous, 4-0



Robert K. Smith, Mayor

Attest:



Veronica Hardaway, Town Clerk

