

**Town of Angier
Board of Commissioners
Work Session
Tuesday, June 20, 2023, 6:30 P.M.
Angier Municipal Building
28 North Raleigh Street
Minutes**

The Town of Angier convened during a regularly scheduled Board of Commissioners Work Session meeting Tuesday, June 20, 2023, in the Board Room inside the Municipal Building at 28 North Raleigh Street.

Members Present: Mayor Bob Smith
Mayor Pro-tem Loru Boyer Hawley
Commissioner Alan Coats
Commissioner Jim Kazakavage
Commissioner George "Jr." Price

Members Absent:

Staff Present: Interim Town Manager Richard Hicks
Town Clerk Veronica Hardaway
Planning Director Jeff Jones
Sgt. Scott Pollard
Finance Director Hans Kalwitz
Public Works Director Jimmy Cook
Parks & Recreation Director Derek McLean

Others Present:

Call to Order: Mayor Smith presided, calling the Board of Commissioners Work Session meeting to order at 6:30 p.m.

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

Invocation: Mayor Smith offered the invocation.

Approval of the June 20, 2023 meeting agenda: The Town Board unanimously approved the agenda with the following amendments: 1) Remove Business Item #4 (Discussion on W. Church Street Parking Lot); 2) add Budget Amendment #9 as Business Item #4.

Board Action: The Town Board unanimously voted to approve the agenda as amended.

Motion: Mayor Pro-tem Hawley

Vote: 4-0; unanimous

Public Hearing

1. FY 23/24 Budget Public Hearing

Interim Town Manager Richard Hicks stated the Town has duly advertised the FY 23/24 Budget Public Hearing. Mr. Hicks presented the recommended FY 23/24 General & Utility Fund Budgets. The General Fund Budget is recommended at \$7,060,129 which is approximately an 8.59% increase from last year. The Utility Fund Budget is recommended at \$4,613,243 which is approximately a 36.8% increase from last year.

Highlights of the General Fund Include:

- Tax Rate will remain at .49 per \$100 valuation
- Current assessed valuation between Harnett & Wake Counties is \$682,035,441 which is a property value increase of 7.28%
- Proposed 4% cost of living increase
- \$28,000 set aside for 2023 Municipal Election
- \$300,000 for a proposed Downtown Farmer's Market
- \$14,000 for NC Fellow Program Intern which will start in August
- 2 new police officers budgeted effective April 1, 2024
- An additional School Resource Officer paid by the Carolina Charter Academy
- \$305,000 for a second parking lot
- \$74,000 to replace the South playground equipment
- Angier Public Library contribution is going from \$167,331 to \$83,417 (FY 24/25 Budget will be zero)
- \$167,734 for the Town's share of the Junny Road Sidewalk Extension

Highlights of the Utility Fund Include:

- 25% rate increase for both water & sewer that generates about \$700,000. Of that \$700,000; \$402,000 is set aside for future debt service costs. Harnett county is raising their water rate by 15.39% and the sewer rate by 19.5%
- \$340,000 taken from System Development Fees and put into the water & sewer fund to cover capital projects

Mayor Smith opened the Public Hearing.

Mike Hill, 48 S. Park Street, spoke in opposition of the budget due to rate increases and would like to see the budget turned down and "trim the fat" off. This will affect retired residents.

Donald Gregory, 62 E. McIver Street, was also in favor of trimming down the budget. There are many people that won't be able to afford those rate increases. He would like to see more money put back into the Town for infrastructure.

Commissioner Price requested information on how much profit the Town has made off utility costs; however, Mr. Hicks explained that information cannot be given until the audit is conducted.

Mr. Hicks explained different scenarios for water/sewer increases:

- **0% increase** – the Town will have to cut \$298,000 from the water & sewer budget. The budget will then have a \$298,000 deficit and will have no funds for future capital reserve projects.
- **6.25% increase** – the budget will then have a \$123,000 deficit and will have no funds for future capital reserve projects.
- **12.5% increase** – there would be approximately \$52,000 for future capital reserve projects. For the average senior citizen that uses 2,000 gallons of water or less, the increase to their bill would be about \$4.55 per month. For a customer that uses 5,000 gallons of water, their increase would be approximately \$10.15 per month.

The Town received \$2,456,250 from the State for the 500,000-gallon water tank that is currently under design. Our current cost estimate, which is several months old, is \$3,313,500 making a short fall of about \$857,000 for this project. The Town received \$4,250,000 from the State for the core water system replacement. Our current cost estimate is \$5,249,815 making a short fall of about \$999,000. Initially the cost estimate to purchase additional sewer capacity from Harnett County was \$8,700,000; however, as of this month, the assessment has gone up an additional \$1,662,500 based on their best estimates. The Town received \$6.18M from the State making a short fall of about \$4.2M. When all of this is added up, based on current best estimates, the Town would be approximately \$6.1M short. If the Town were to borrow those funds on a 40-year note, the debt service each year would be about \$259,000. Through ARPA funding, the Town received just over \$1.7M. If those funds are used to reduce the \$6.1M deficit, the estimated short fall is about \$4.4M. Under the same 40-year loan, it would then cost the Town approximately \$186,000 each year as opposed to \$259,00 in debt service. This is the reasoning behind the increase in rates to help offset those payments. Payments wouldn't need to be made until the FY 24/25 Budget.

There was discussion about possibly not moving forward with the Farmer's Market to offset some of the aforementioned costs; however, it was explained the Farmer's Market is included in the General Fund not Utility Fund and would have no affect on rate increases. There was then discussion about removing the proposed dump truck, lawn mower, and equipment trailer. Commissioner Coats voiced that he was not in favor of a 4% cost of living increase for employees. There was discussion about possibly leasing large equipment to which Mr. Hicks explained that after making payments, the Town wouldn't own the equipment.

It was the consensus of the Board to give a 1.5% cost of living increase effective July 1st and then another 1.5% increase in January along with giving the two remaining employees the 12% salary adjustment increase effective July 1st. No increases for the Town Board. It was agreed to move

forward with a 6.25% utility rate increase and to include the dump truck, lawn mower, and equipment trailer. The Board would like to reassess the budget in January.

Seeing no one else, Mayor Smith closed the Public Hearing.

New Business

1. Adoption of FY 23/24 Budget Ordinance

Board Action: The Town Board unanimously voted to adopt the FY 23/24 Budget Ordinance with the following changes: a 1.5% cost of living increase for employees effective July 1st; then an additional 1.5% increase to be effective January 1st. A 12% salary adjustment to the two remaining staff members that have yet to receive it effective July 1st. Effective July 1st, a 6.25% water and sewer rate increase. A reassessment of the Budget will be discussed in January.

Motion: Mayor Pro-tem Hawley

Vote: 4-0; unanimous

2. Approval of Request for Qualifications for the Construction of the Angier Police Department

Mr. Hicks stated the proposed Request for Qualifications is for the construction of the Angier Police Department building using the design-build delivery method. This establishes the process and timeline for moving forward on the construction of the building and selecting the design-builder. If approved, the staff would also begin an application with USDA Rural Development for the financing of the project. The Town will borrow the funds for the completion of the project and adopt the necessary Capital Projects Ordinances required for the project.

Board Action: The Town Board unanimously voted to approve the Request for Qualifications for the construction of the Angier Police Department building using the design-build delivery method and authorize Town staff to submit a funding application with USDA Rural Development.

Motion: Commissioner Coats

Vote: 4-0; unanimous

3. Appointment of Planning Director as Wake County Review Officer

In discussions with the Wake County Planning Department regarding the recordation of subdivisions in Angier's Wake County jurisdiction, it has been recommended that Planning Director, Jeff Jones become appointed as Wake County Review Officer. Review Officers sign plats before they are taken to the Register of Deeds for recordation to certify that all statutory

requirements are met. This appointment would allow the Director to sign both plat certifications and save the applicant an extra step in the process.

Board Action: The Town Board unanimously voted to approve Resolution #R014-2023 to appoint Planning Director Jeff Jones as Wake County Review Officer.

Motion: Mayor Pro-tem Hawley

Vote: 4-0; unanimous

4. Budget Amendment #9

Finance Director Hans Kalwitz stated this balanced budget amendment pertains to the General Fund, Parks & Recreation Field Rental/Donation Fund, HWY 210/Park Street Sidewalk Extension Fund, Water & Sewer Fund, and Pump Station & Force Main Fund. Through this amendment we are recognizing revenue received beyond anticipation, managing any remaining overages, and ensuring we are prepared for our FY 2023 audit. This will be the last Board approved budget amendment for the fiscal year. This budget amendment will acknowledge fund level increases regarding the General Fund, Parks & Recreation Field Rental/Donation Fund, and Water & Sewer Fund amounting to \$50,563; \$664; and \$183,509 respectively.

Board Action: The Town Board unanimously voted to approve Budget Amendment #9 that pertains to the General Fund, Parks & Recreation Field Rental/Donation Fund, Hwy 210/Parks Street Sidewalk Extension Fund, Water & Sewer Fund, and Pump Station & Force Main Fund.

Motion: Mayor Pro-tem Hawley

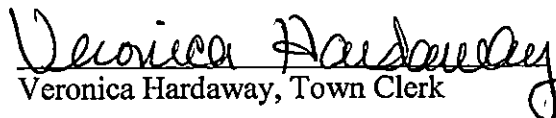
Vote: 4-0; unanimous

Adjournment: There being no further business, the Town Board voted unanimously to adjourn the meeting at 8:23pm.

Motion: Mayor Pro-tem Hawley

Vote: Unanimous, 4-0

Attest:


Veronica Hardaway, Town Clerk



Robert K. Smith, Mayor

