

Zebulon Board of Commissioners
Minutes
June 6, 2011

Present: Robert S. Matheny-Mayor, Curtis Strickland, Beverly Clark, Roy Collins, Dale Beck, Don Bumgarner, Rick Hardin-Town Manager, Lisa Markland-Town Clerk, Mark Hetrick-Planning, Emily Lucas-Finance, Tim Hayworth-Police, Chris Ray-Public Works, Sidney Perry-Fire, Eric Vernon-Attorney

Mayor Matheny called the meeting to order at 7:00pm.

APPROVAL OF AGENDA

Mayor Matheny stated that the first item of business was to approve the agenda.

Commissioner Clark made a motion, second by Commissioner Collins to approve the agenda. There was no discussion and the motion passed unanimously.

PUBLIC HEARING

Budget Fiscal Year 2011-2012

Mayor Matheny declared the public hearing open and asked for staff report.

Emily Lucas gave a staff report that stated the general fund budget was proposed at \$8,084,000 which was an increase of four percent from the 2011 budget. The three largest items that increased the budget were the addition of the three firefighter positions, capital projects, and finally the increase in costs associated with the beginning of the stormwater program. She stated without those three items the increase would be less than two percent.

The enterprise fund budget was \$566,460 which covered existing debt service payments that were on the books at the time the merger occurred. They were however, covered by reimbursements from Raleigh.

The property tax rate, which was currently \$0.50, would not increase in the proposed budget.

The garbage fee would increase by \$0.76; some of the parks and recreation registration fees would increase and finally the new stormwater fee of \$2.24 which would be added to the customer garbage bill.

To balance the budget staff was proposing to use \$514,200 of which \$47,200 would be Powell Bill reserves. If all of the fund balance proposed were to be used it would decrease the fund balance percentage from 82% to 71%.

Emily gave an overview all the various sections and their percentage of the budget.

There were no questions from the Board.

Mayor Matheny asked if anyone wished to speak on the budget several times. There was no one who stated they wished to speak on the budget.

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Mayor Matheny declared the public hearing closed.

PUBLIC COMMENT PERIOD

Joe Scaruzzo signed up to speak. Mayor Matheny informed Mr. Scaruzzo that he had three minutes to speak.

Mr. Scaruzzo stated that he had something to say on the budget.

Mayor Matheny stopped Mr. Scaruzzo and stated that everyone had been given an opportunity to speak on the budget during the public hearing. The public comment section did not allow for comments that pertained to a public hearing.

Mayor Matheny read the information at the top of the public comment form that they signed up on.

CONSENT

Commissioner Clark made a motion, second by Commissioner Collins to approve the minutes of May 2, 2011. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve the joint public hearing minutes of May 9, 2011. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve the work session minutes of May 18, 2011. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve the tax report for March 2011. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve ordinance 2011-39. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve ordinance 2011-40. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve ordinance 2011-41. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve ordinance 2011-42. There was no discussion and the motion passed unanimously.

Commissioner Clark made a motion, second by Commissioner Collins to approve ordinance 2011-43. There was no discussion and the motion passed unanimously.

OLD BUSINESS

Finance

Ordinance 2011-44—Amendment Budget Ordinance for Fiscal Year 2011-2012

Emily Lucas stated that staff was requesting that the Board approve ordinance 2011-44, the fee schedule, salary schedule and the list of approved position.

Commissioner Bumgarner made a motion, second by Commissioner Beck to approve ordinance 2011-44. There was no discussion and the motion passed unanimously.

NEW BUSINESS

Finance

Foreclosed Properties

Emily Lucas explained that the Town and Wake County co-owned two properties. One was located on E. Barbee Street and the other on W. Barbee Street. They were tax foreclosed properties where no bids were received so they had been sitting vacant since that time.

Currently, there was no agreement with the county that would make either the Town or the County the sole owner of the property. It was being proposed that the Town adopt a resolution that would make the County the owner of all property outside of the corporate limits and the Town would be the owner of all properties inside the corporate limits.

To purchase the two properties and own them outright the cost would be approximately \$4000 and \$1150 would be town taxes.

Rick Hardin explained that the property on West Barbee would be difficult to develop since there was a ditch going through the middle of the property. The property on East Barbee could be developed but the driveway associated with the adjoining property was located on that piece of property.

Emily explained that with the County and the Town both owning the properties it made it very difficult to sell since anyone interested would have to go through two upset bid processes and the Town was not getting any taxes for those properties.

There was discussion about the properties and if the Town wanted to pay for them to sit and have nothing happen and not be able to sell. Commissioner Beck and Mayor Matheny stated they did not see any reason why the Town would want them.

Mayor Matheny asked if there could be an interlocal agreement that would allow for either the Town or the County to be the manager of the sale of property depending on where it was located and that party would have the authority to sell it. Eric Vernon said that was really what the resolution was trying to do that was being proposed. The public policy justification was that it was in the Town's jurisdiction and was essentially abandoned property and made sense for the administration of the property to be with the Town.

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There was discussion about whether the law allowed for the Board to give up their authority or interest in the property. The attorney said that the sale of public property was very strictly construed and had to be followed precisely.

Eric Vernon said that he would go back to the county and see what they had to say about the request made by the Board and would bring it back at a later date.

Property Insurance for Five County Stadium

Emily Lucas stated that currently the Town held the insurance for Five County Stadium and Wake County reimbursed the Town for 85% of the cost of the insurance. The total premium was around \$20,000 a year. The deductible was \$2500 and there had been no claims against the policy.

Wake County wanted to look into assuming the property insurance and the Town reimbursing them for 15%. It would \$10,000 but the deductible would be \$100,000. It would save the Town a good deal of money by allowing the County to put the property insurance for the stadium in their name.

Staff was recommending to make the adjustment to put the stadium insurance in Wake Counties name. Emily also stated that the \$1500 in premium savings could go into the reserve account and could go toward a future capital project or a deductible if it should be needed.

Mayor Matheny asked if there could be a line item for a deductible escrow account of \$15,000 so that it would be available. Emily stated that could be done. He also said going with the County would be a good idea.

Commissioner Strickland made a motion, second by Commissioner Clark to move the property insurance into Wake County's name for Five County Stadium.

Commissioner Beck asked if the \$1500 would be going into a reserve line item for deductibles. The Board stated that they wanted that money to go into that reserve line item. It was decided that a resolution would be done and brought back to the Board at a later date to make that a policy.

There was no further discussion and the motion passed unanimously.

General

Board Appointments

Lisa Markland presented the various appointments for the Planning Board- three positions; the Board of Adjustment-two positions; and Parks and Recreation Board-two positions.

Commissioner Beck made a motion, second by Commissioner Clark to appoint the following people to the specific boards:

Planning Board

Larry Ray—ETJ

Gloria Driver—In Town

Ayden Carroll—In Town

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Board of Adjustment
Annie Moore—In Town Alternate
Erica Parsons—In Town

Parks and Recreation Board
Glenn York—In Town

There was no discussion and the motion passed unanimously.

BOARD COMMENTS

There were no board comments.

MANAGERS REPORT

Emily reported the following transfers.

\$400 from fire contract services to the fire postage and telephone line; moved \$400 from buildings and grounds equipment maintenance to buildings and grounds mowing equipment maintenance; moved \$900 from streets electricity to streets materials and supplies; moved \$500 from parks and recreation contracted services to parks and recreation arts in the park and \$850 from parks and recreation vehicle maintenance to parks and recreation equipment maintenance.

Rick Hardin said that there would be a joint public hearing on June 13, no work session, working on a census report, the July meeting would be July 5th due to the fourth of July holiday, Board of Adjustment meeting to be on June 23rd for the ST Wooten hearing, and June 18 would be the Chamber of Commerce 5K Road race.

Commissioner Beck made a motion, second by Commissioner Clark to adjourn. There was no discussion and the motion passed unanimously.

Date

Robert S. Matheny—Mayor

SEAL

Lisa M. Markland, CMC—Town Clerk