

Zebulon Board of Commissioners
Work Session
Minutes
February 23, 2011

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

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

APPROVAL OF AGENDA

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

OLD BUSINESS

Finance

2011 Capital Improvement Plan Update

Emily Lucas gave an update on the capital improvement plan. She addressed not using the sale of the old parks & recreation building which made the projected revenues \$7,395,285 with projected expenditures being \$7,387,252 and that would be without completing any of the projects on hold. Emily explained that there were five projects that were recommended for completion and would cost \$55,000.

There was discussion about the proposed projects and their cost. Mayor Matheny asked about the defibrillators at \$1,600 each and if training would be needed for their use. It was stated that training was not needed; the system talked the operator through the use and would not allow for someone to be shocked if they did not need it. In town there were currently three with EMS and three with the Fire Department. The Police Department stated that they had needed one on several calls. Commissioner Strickland asked if the Community Center had one and it was explained that they did.

Commissioner Clark made a motion, second by Commissioner Strickland to approve the five projects recommended by the staff at \$47,800 be completed this year. There was no discussion and the motion passed unanimously.

NEW BUSINESS

Finance

Fund Balance Policy

Emily Lucas stated that she thought it was necessary to update the Fund Balance Policy especially since there were new reporting required by GASB. The old way of reporting had three categories: reserved, unreserved designated and unreserved undesignated. The new requirements were nonexpendable, spendable restricted, spendable committed, spendable assigned, spendable unassigned.

Board of Commissioners

Minutes

February 23, 2011

Emily explained that with the new rule requirements that it might be a good time to officially adopt a fund balance policy. There was an unofficial policy which was to have fund balance equal to 50 percent as calculated by the Local Government Commission. With the LGC calculation the Town had a fund balance percentage of 86 percent.

The LGC and the GFOA were recommending that the spendable funds be used for the basis of developing a policy. Currently, with using spendable funds as recommended the Town would have a fund balance percentage of 80 percent.

The factors to consider when formulating a policy were discussed and they were; size of the government, volatility of budget, reliance on a few tax payers, expanding versus contracting budget, timing of revenues and expenditures. Staff recommended that the minimum be set at 40 percent and a maximum of 65 percent. The first five months of the year need to be covered and staff thinks that 40 percent would do it.

There was discussion on how the minimum cash on hand would affect the bond rating. Mayor Matheny stated that he was concerned about that. But he also thought that having a cap was good as well. There was also discussion on not wanting future Boards to spend the money that took a while to accumulate but it was explained that the current Board could not bind a future Board. Finally, the Board discussed the minimum and maximum percentages and said that they thought it should be a minimum of 50 percent and 75 percent for the maximum.

General

Resolution 2011-08—Appointing a Downtown Overlay Study Committee

Mayor Matheny said that he would like the Board to give him the authority to appoint the members of this committee. He explained that he had called for a meeting of anyone who was interested in serving on that committee.

Commissioner Strickland asked if the committee would only have downtown people or others. Mayor Matheny said it would be tenants downtown, business owners downtown, or building owners downtown. Commissioner Strickland stated that it needed to have other people on that committee from the community as well. It should be a mixture of people to share how they want the downtown to look. Mayor Matheny stated that he did not think that all the people downtown would be against having an overlay district and he would see.

Commissioner Bumgarner made a motion, second by Commissioner Clark to adopt resolution 2011-08. There was no discussion and the motion passed unanimously.

Mayor Matheny stated that the committee was subject to the same open meeting laws as all the other boards or committees for the Town of Zebulon. They also had the authority to ask staff to provide information as needed.

Board of Elections Agreement

Lisa Markland explained that the agreement with Wake County Board of Elections allowing them to conduct all elections in the Town of Zebulon. It would be an agreement that would be in effect until one of the parties terminated it. It also stated that the Town would reimburse the County for the cost of the election.

Board of Commissioners

Minutes

February 23, 2011

Commissioner Bumgarner made a motion, second by Commissioner Beck to adopt the Board of Elections Agreement. There was no discussion and the motion passed unanimously.

MANAGERS REPORT

Rick Hardin stated that the retreat was scheduled for March 1 at 8:00am at the Community Center.

The Parks & Recreation department was exploring a grant opportunity for walking trails in the amount of \$85,000.

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

Date

Robert S. Matheny—Mayor

SEAL

Lisa M. Markland, CMC—Town Clerk