

**Zebulon Board of Commissioners**  
**Work Session**  
**Minutes**  
**May 18, 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, Tim Hayworth-Police, Sidney Perry-Fire, Greg Johnson-Parks & Recreation, Jim Furr-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**

Public Works

*Stormwater Management Program*

Chris Ray stated that the program had been presented on several occasions starting with the retreat in March. It was reviewed, revised and reviewed again by staff and the engineer and they thought that it met the requirements of the state mandate and asked for the Boards approval.

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

**NEW BUSINESS**

Finance

*Budget Presentation for Fiscal Year 2011-2012*

Emily Lucas presented a PowerPoint on the proposed budget for the upcoming year. There were three challenges when working on the budget which were the slow economic recovery, no growth in the property tax base and slow growth in consumer spending. The census number certified for Zebulon was 20 percent lower than the state estimate that had been used. The current population number was 4464 for the Town of Zebulon and that would be the number used by the state to distribute funding to the Town.

The proposed general fund budget was \$8,084,000 which was a 3.6 percent increase from the fiscal year 2010-2011 budget. The increase was mainly due to the three additional firefighters funded through the SAFR grant, increased cost for stormwater operations and some capital project replacements. The enterprise fund budget was \$566,460.

Board of Commissioners

Minutes

May 18, 2011

Emily reviewed where the revenues were coming from for the general fund and enterprise fund. There was no recommendation to change the tax rate of 50¢.

The main fee change that was being proposed would be the increase in the garbage fee from \$17 to \$17.76. That would cover the increase in the charges for pick up fees for garbage, white goods and recycling.

The new fee for the stormwater program would be \$2.24 per month and charged to customers that were currently being billed for trash pickup.

To help with balancing the budget was a proposal to temporarily reduce the maximum merit available to employees by 50 percent from five percent to 2.5 percent for one year.

There were five new positions proposed for the budget; three firefighter positions and two in the stormwater department (stormwater superintendant starting in July and an equipment operator I to start in October).

Emily stated that the Town was required to set their own utility rates and staff was recommending a 7.5 percent increase to meet the requirements of the proforma/merger agreement.

Summary of the proposed budget was an overall increase of 3.6 percent, no increase in the property tax, about a one percent increase in other revenues, delay capital projects, temporarily reduce the merit program for employees by 50 percent and hold the line items on operations.

The property tax base numbers were projected to be a decrease of \$2 million.

The proposed use of fund balance would be about \$8000 less than originally proposed.

Commissioner Bumgarner asked about GSK property tax and the powell bill decrease.

Commissioner Bumgarner asked about the condition of the 800mhz radios. Chief Hayworth and Chief Perry stated that mechanically they were in good shape but they had to be reprogrammed and refurbished to stay on that system. The upgrade was a requirement.

There was discussion about the water and sewer rates and what the administrative fee, base fee and the other things were that made up that base number. The garbage fee was discussed as well and Commissioner Strickland thought that it might be better to not pickup the white goods since there was only an 80 percent cost recovery.

Commissioner Strickland asked about the Stormwater Superintendant position and wanted to know if it was mandated or not. Chris Ray stated that it was not mandated but thought that it would be better to have a superintendant position to handle the program, reporting and so on and then have an entry level person to do the cleaning and help with the other parts of the program.

Board of Commissioners

Minutes

May 18, 2011

Chris stated that they were promoting someone from within and then hiring an entry level person.

There was discussion about appealing the numbers that were certified by the census and thought that needed to be looked at. Rick Hardin explained that they would be bringing that back to the June meeting to give the findings and recommendations.

Mayor Matheny made statement about the loss of revenue that would be coming when they lost the hold harmless money in the coming years.

*Resolution 2011-13—Setting Date for Public Hearing*

Commissioner Strickland made a motion, second by Commissioner Clark to approve resolution 2011-13 setting the date for the public hearing on the budget for June 6, 2011 at 7:00pm. There was no discussion and the motion passed unanimously.

Emily reported the following budget transfers.

Fire

Moved \$450 from Equipment Maintenance to Building Maintenance

Streets/Powell Bill

Moved \$350 from Computer equipment to Vehicle Maintenance; moved \$500 from Fuel to Vehicle Maintenance

Police

Moved \$600 from Printing materials to Postage/Telephones

Buildings & Grounds

Moved \$2,000 from ZMC Utilities to ZMC Maintenance; moved \$500 from Part-time salaries to Regular salaries

Parks & Recreation

Moved \$1,000 from Vehicle Maintenance to Equipment Maintenance; moved \$1,000 from Contract Services to Grounds Maintenance

Governing Body/Administration

Moved \$500 from Group Insurance to FICA; moved \$500 from Supplies to Contract Services

**MANAGERS REPORT**

Rick Hardin stated that Brad Miller would be at the fire station on Friday at 9:00am and at Town Hall at 10:00am. He would be presenting the SAFR grant to the Town.

Saturday would be the Bike Rodeo at the Community Park at 9:30 and the Recycling Day would be at the Municipal Complex from 8-12.

Board of Commissioners  
Minutes  
May 18, 2011

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