

Middlesex Governing Body Special Meeting Minutes
May 31, 2017

Mayor Lewis called the meeting to order at 10:00 am and gave the invocation. Members present were Commissioners J.W. McClenny, Ann Lewis, Cherrye Davis, Danny Alford, and Harold Meacombs. James Liles, Public Works Supervisor and Interim Police Chief Otto Hayes were present. There were no guests.

The purpose of the special meeting was to hold a budget workshop. Clerk Lambert distributed the first draft of the 2017-2018 budget.

Mayor Lewis reviewed all General Fund revenues and expenditures by department and by line item. He pointed out the major difference in this budget versus the 2016-2017 budget is the loss of \$39,600 in lease revenue from the dental facility. This accounts for \$40,000 of the needed \$63,865 to balance this budget, for a net difference of \$23,000 compared to \$14,000 needed to balance the current 2016-2017 year budget. The building is empty and Mayor Lewis indicated the advertising yielded no calls. He has talked to two dentist groups which indicated no interest. He also discussed with a realtor, which would market the building for about 5% commission.

When Crystal Finnegan made the town the original offer, and the town reduced the rent from the original offer, which according to realtors, is a fair amount more than the building should rent for according to the market. Input from realtors indicate the building rent should be in the \$2,000 to \$2,500 range. Mayor Lewis advised he would check with another realtor, and recommends the town place the building with a realtor. The lost revenue is equal to \$.07 ½ cents property tax increase at the current rate of \$.57/\$100 valuation. The Board agreed and authorized Mayor Lewis to find a realtor to list the building as soon as possible.

In salaries, Jennifer Lambert's salary and benefits is budgeted for only two months, since she will be retiring August 31, 2017. Interim Chief Otto Hayes was budgeted for four months, so \$6,000 in salary can be taken out. We should have a new full time Chief and there should only be about two months overlap (July & August). The new Police Chief's salary was budgeted at \$44,000, and we are in the process of reviewing applications. Also, there is mistake for a Public Works Seasonal Worker budgeted at too many hours, which will reduce salaries by \$4,480. This budget includes a full time Public Works position added with benefits.

Health insurance increased 5.8% for the same United Health Care plan we now have. Since we have age-banded rates, we used ages 21 and 25 for rates as these were the ages of the last person to hold the position.

The police department roof needs repair, and needed carpet and paint at town hall was not completed this year. These items are budgeted in Public Buildings in a lump sum of \$25,000. No money is included in this budget for a police car. The police budget is \$298,000 up from \$278,000 in the current budget.

Commissioner Meacombs asked if it would be an advantage to change our street lights to LED, adding that some towns are changing. Mayor Lewis stated he did not know, but would try to check with Duke Progress.

Powell Bill revenues and expenditures total \$54,500, with \$51,000 included for paving streets. Commissioner Ann Lewis requested a manhole be checked near the end of South Walnut Street.

The Sanitation budget increased and there will be further discussions about the garbage truck and possible outsourcing. Capital Outlay of \$3,350 is included in this new budget to purchase garbage carts.

In Parks and Recreation, no money has been included for any park upgrades. Commissioners Lewis and Davis reviewed the parks and noted cracks on the basketball court need a serious look, the equipment needs painting, and a bar was missing at the top of the slide. Mayor Lewis said a quick fix to the basketball court would be to blow and cover cracks with tar. He noted he would get some prices. Lewis and Davis requested something be done now about the fire ants at the Wellness Park on Highway 231 (South Nash). James Liles advised he has been spraying and trying to control them but they just move from one place to another. Liles noted he just bought some more spray. Commissioner Lewis recommended a certified person who sprayed her yard and the fire ants are gone and have not returned.

Mayor Lewis noted the pool had a great turnout over the Memorial Day weekend. The pump is worn out and when it quits, a new pump will run about \$900. He reported there was a safety inspection completed for the electrical. Electrician Wayne Bryant advised the town to replace the panel box next year and completely redo the service and place it outside the fence. Also, the pool was just painted.

Christmas lights will run about \$500-\$600 per pole for new lights, if any are to be included in this budget. Some poles will require electrical work completed for the hookup.

Commissioner and Librarian Cherrye Davis advised that Braswell Memorial Library has applied for a state grant to take over all the county libraries. If a municipality chooses to keep its library and not be part of the Braswell system, they are responsible for their own computer system (hardware and software). The \$14,000 contribution from Nash County would go to Braswell. Braswell would set

the hours and the town would still maintain the building. Davis noted the biggest problem would be if the town choose not to go with Braswell, it would cost about \$5,000 to get a new computer system back up and running. Braswell representatives are willing to come and talk with the Board regarding the grant, the changes, and answer any questions.

The total budget for the General Fund is \$785,975 for this first draft. The Sewer Budget totals \$363,260 and the Water Fund budget is \$172,515, for a total of \$535,575.

Mayor Lewis began reviewing the Water and Sewer Fund revenues and expenditures by line item. The Water Fund needs \$11,065 in fund balance and Sewer needs \$40,760 in fund balance appropriated.

Raleigh sewer treatment is budgeted at \$90,000, same as last year, even with the 2% increase. Envirolink's 2% increase of \$7,000 is included in the new budget. A Utility Department vehicle totaling \$14,505 was included in the 2016-2017 current budget, and was split three ways (\$4,835 for each for water, sewer, and streets and sidewalks). This was included again in the 2017-2018 budget.

The Zebulon Sewer Line Project Loan payment budgeted in the new Sewer budget and is the final payment. The majority of the payment is already in CD reserves. The Southern Bank loan payment for \$12,000 plus interest is included in the new Sewer budget. The water tower contract will increase according to the CPI, which will increase about \$200.

The new Envirolink Contract Proposal is not included in this budget. Mayor Lewis will come back with some new numbers comparing this budget with contracting all Public Works with Envirolink. Mayor Lewis asked everyone to review the proposal and get their questions together so they could be presented to Mike Myers with Envirolink before he comes here for discussions with the Town Board.

With no further business, Commissioner Lewis moved to adjourn. Commissioner McClenny seconded and the vote was unanimous.

Jennifer Lambert, Town Clerk

Mayor Luther H. Lewis, Jr.
Commissioners
Harold Meacombs
Danny Alford
Cherrye Davis
Ann Lewis
J.W. McClenny