

**Stoneville Town Council
Special Meeting Minutes
Proposed 2024/2025 Budget Presentation
May 14, 2024
6:00 PM – Council Chambers**

Special Meeting

Present were Mayor Kathy Stanley-Galvan, Council Members Johnny Farmer, Curt Bennett, Henry Thornton, Lee Shelton, and Daisy Smith. Also present were Town Administrator Barbara Hollerand, Finance Officer Shannon Tucker, Town Clerk Deleia Hutcherson, Town Attorney Eugene Russell, Public Works Director Byron Curry, Fire Chief Joel Freeman, Interim Police Chief Brandon Rivera. Parks and Recreation Director, Dillon Brown was unable to attend.

Welcome: Mayor Galvan welcomed everyone and called the meeting to order after the Pledge of Allegiance and Invocation at 6:05pm.

Agenda: Mayor Galvan asked for a motion to approve the May 14, 2024, Agenda. Councilman Farmer made a motion to approve the agenda. Councilman Thornton seconded. Motion carried.

Special Meeting Items:

1. **Present Certificate of Sufficiency for the Petition of Annexation (Parcel 183318Z1)** – Town Clerk, Deleia Hutcherson presented the Certificate of Sufficiency to the Council certifying that she investigated the Petition of Annexation submitted by Charles Rakestraw and Brenda Hair for Parcel 183318Z1. She stated the petition was signed by all owners.
2. **Consideration of Resolution R-2024-06 Fixing Date of Public Hearing on the Question of Annexation Pursuant to N.C.G.S. 160A-31** – Town Clerk, Deleia Hutcherson presented the Resolution and asked Council for their approval on setting the Public Hearing date for the proposed annexation. She stated the date will be set for June 4, 2024, at 7:00 p.m. in the Council Chambers at 101 Smith Street, Stoneville, N.C. for Parcel 183318Z1 – approximately 18.6 acres (+/-). Councilman Farmer made the motion to approve Resolution R-2024-06 Fixing the Date of the Public Hearing on the Question of Annexation Pursuant to N.C.G.S. 160A-31 as presented by the Town Clerk. Councilman Thornton seconded. Motion carried.

Councilman Farmer asked to discuss a couple of action items he requested at the last budget meeting in April. He questioned why the budget being presented is not updated with the last three years of actuals as he requested. Town Administrator, Barbara Hollerand, stated Ms. Tucker has been working on adjusting the reports to show actuals. She has completed the revenues and will provide those but has been unable to complete all the actuals requested due to other priority items. She apologized for not being able to complete the request. He also questioned the request he made at the last budget meeting for some of the money in the budget to be dedicated to some type of repaving project or a paving project using Powell Bill funds and doesn't see that in the proposed budget. Ms. Hollerand explained there are several additional projects she will discuss further at the October meeting. She wants to wait until we receive the actual ad valorem revenue numbers that are expected in September. Councilman Farmer asked that the Council be notified in advance going forward if requests cannot be met prior to meetings. Ms. Hollerand explained the challenges of using QuickBooks for local government financials and said staff is currently looking into upgrading to a more robust financial software to be able to maintain the budget and projections more efficiently.

3. **Presentation of Proposed Budget for Fiscal Year 2024/2025** – The Proposed Budget for 2024/2025 was presented by Town Administrator, Barbara Hollerand. She stated the millage

rate has been flat for the last 5 years at \$0.69 which equates to \$855,700 in ad valorem revenue. The revenue neutral rate is \$0.59 yielding \$731,686. A millage rate of \$0.64 would yield \$793,693. The budget is based on holding at a millage rate of \$0.69. Councilman Farmer spoke in favor of leaving the millage rate at \$0.69. Councilman Thornton would like to see the millage rate lowered to give citizens a break. Motion made by Councilman Farmer to leave the millage rate at \$0.69 for fiscal year 2024/2025. There was further discussion and Councilman Thornton confirmed he would like to lower the millage rate by five cents. Councilman Bennett stated his main concern is taking care of the employees and staff first and foremost. He suggested the motion be held until we go through the budget items and re-evaluate the rate at the end of the meeting.

Ms. Hollerand continued with the budget presentation and provided highlights on the revenue section. She also provided explanations for any increases or decreases in the expenditures for each department.

During the Fire Department overview, Councilman farmer proposed that the Fire Chief salary be increased. There was a lengthy discussion surrounding this request. Councilman Farmer made a motion to increase the Fire Chief salary to \$7,000. Councilwoman Smith seconded. Motion carried. Chief Freeman brought up the topic of funds received from the county for the fire department. He stated the County is giving \$181,177 to the Fire Department for fire protection services. The County stated that \$77,000 must come off the books by June 30, 2025, as this amount has been held in reserve from previous years and this is no longer allowed. Chief Freeman would like to use the funds to purchase firefighter turnout gear for 15 firemen at a cost of \$75,000 and tires for engine 71 that will cost approximately \$7,000. He said he is mentioning in case the revenue and expenditures need to be included in the 2024/2025 budget. Finance Officer Tucker stated this is the first time she is hearing about these items and has never received any documentation from the County stating the amount we will receive. Our Town Attorney advised Ms. Tucker to reach out to the County for clarification on the reserve funds and confirm they are still in the County's possession. Also, if the funds still sit with the County, find out the timing of the disbursement to the Town. There was further discussion on how these funds were allowed to build up in reserve and Mr. Tim Brown confirmed that previous Fire Chiefs made those decisions. Councilman Farmer stated that going forward, the Council needs to be informed and the Town Attorney agreed that it is in our best interest to coordinate on these items.

Town Administrator, Barbara Hollerand continued through the budget expenditures by department and provided explanations for significant increases and/or decreases.

Police Department proposed budget is \$532,647 which is an increase of \$30,000. The most significant change is the salary increase from \$232,000 to \$245,000.

Public Works proposed budget is \$436,582 which is an increase of \$76,000. Items that contribute to the increases are road construction maintenance that was increased by \$50,000, salary increases for additional positions, and the future purchase of a knuckle boom truck.

Parks and Recreation proposed budget is \$50,516 which is an increase of \$10,492. The line item contributing to the increase is park maintenance going from \$6,000 to \$16,000. The replacement slide for the park playground is included in park maintenance in case we are unable to secure a grant for this item.

The Economic Development fund budget proposed is \$85,915. The increase relates to moving the Core Group Grant to the appropriate location in the budget. This was also based on a recommendation by our auditor.

Proposed budget for the Council is \$39,600 which is a \$5,500 decrease. This is due to no election expense needed in 2024/2025. Councilman Farmer asked Town Administrator Hollerand to get quotes on updating our Code of Ordinances and would like for the Unified Development Ordinance (UDO) to mirror the county.

Public Buildings proposed budget is \$386,361. This is a significant increase of \$317,000 due to the Public Works building. Also, the asphalt in front of the fire department bay windows needs to be repaired and is included in the budget.

Water and Waste Water fund revenues proposed budget is \$703,000, which is a \$25,000 increase. One significant item contributing to the increase is the water and sewer charge revenue that increased by \$30,000. Staff is recommending rates remain the same for 2024/2025.

Mayor Galvan brought up the issue of manual meter reads. The Public Works Director advised that he and the Town Clerk have discussed the situation and there are approximately ninety endpoints that need to be replaced and reactivated. There are approximately 156 manual reads each month and the number should be reduced significantly once the endpoints are installed. Councilman Farmer suggested that Mr. Curry look at contracting options due to the number of endpoints that need to be replaced.

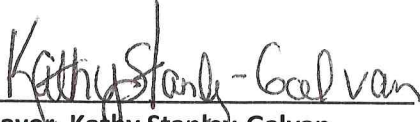
Councilman Farmer made a motion that the proposed budget presented by the Town Administrator is okay to be presented at the public hearing with the requested change to the Fire Chief salary. Councilman Bennett seconded. Motion carried.

Councilman Farmer made a motion to leave the millage rate at \$0.69 for 2024-2025. Councilman Bennett seconded. Motion carried.

Upcoming May events were announced including the next Council meeting scheduled for June 4, 2024, at 7:00pm.

Motion to adjourn made by Councilman Thornton. Councilman Bennett seconded. Motion carried.

Adjourned at 8:25pm


Mayor, Kathy Stanley-Galvan




Town Clerk, Deleia Hutcherson