Mayor and Council Budget Workshop
6 p.m. May 23, 2023
Holly Springs Law Enforcement Center and livestream

MINUTES

The Holly Springs Town Council held a budget workshop meeting on Tuesday, May 23, 2023 at the Law Enforcement Center and via livestream. Mayor Mayefskie presided, calling the meeting to order at 6:00 p.m. A quorum was established as the Mayor and three Council members were present as the meeting opened.

Council Members Present in the room: Mayor Sean Mayefskie, Mayor Pro Tem Dan Berry, Council members Aaron Wolff, Shaun McGrath, Timothy Forrest, and Danielle Hewetson.

Council Member present by electronic means: Dan Berry
Council Members absent: Tim Forrest.

Staff Members Present in the room: Randy Harrington, Town Manager; Linda McKinney, Town Clerk (recording the minutes); Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; Tina Stroupe, Finance Director; Corey Petersohn, MaryBeth Spoehr, and Shane Digan, Budget, Innovation & Strategy; Jeff Wilson, IT director; Mathew Muter, IT; John Schifano, Town Attorney; LeeAnn Plumer, Parks and Recreation Director; LeRoy Smith, Fire Chief; Kendra Parrish, Executive Director of Utilities and Infrastructure; Aaron Levitt and Seann Byrd, Utilities and Infrastructure; Jamie Joyner, Director of Human Resources; Irena Krstanovic, Director of Economic Development; Paul Liquorie, Police Chief; Cassie Hack, Director of Communications and Marketing; Paige Scott, Director of Public Works; Chris Hills, Director of Development Services.

Mayor Mayefskie said the intent of tonight's meeting was to review the recommended budget, give feedback and get answers to questions.

1. Overview: Randy Harrington, Town Manager, gave an overview of the budget process. He said that staff started working on the budget in November; he made his presentation on the budget to the Council two weeks ago; last week was the public hearing; and now it was time for them to make sure that the budget meets their expectations and advances their priorities. He reminded them that any additions, deletions, or amendments to the recommended budget required support from at least three Council members, and that state law requires a balanced budget, so any additions require an offsetting expenditure reduction or identification of new funding.

2. Additional Budget Highlights:

Mr. Harrington said that he would share some noteworthy budget highlights other than those that were discussed over the last two meetings, including addressing the resident's request for additional horseshoe pits.

He said the Community Investment Plan (CIP) recommends $850,000 for a replacement fire engine. The new engine would replace Engine 3 which would be moved to reserve status and the current reserve engine sold or surplussed. The replacement time frame can take 18-24 months, and actual expenses and financing would not take place until FY25 or FY 26.

Mr. Harrington said the Southern Access Road at the business park is required for Fujifilm Diosynth Biotechnologies site access, as well as serving other tenants in the business park. The road is funded by DOT, but the Town would be responsible for right-of-way and other items. The initial estimate is about $500,000 - $600,000 for right-of-way and fence relocation. The funding strategy would utilize fund balance reserved for Holly Springs Rd. west. He said that other budget items to note were that $30,000 remains unallocated in the General Fund; ($30,000 could be set aside for intergovernmental/state lobbying funds); and that the new Ting naming rights agreement (anticipated for June 6th agenda) would add an additional $20,000 in revenue. He said there was a technical correction on p. 134 & 140 of the budget book where the title should read Capital Projects Administrator (rather than Inspector) to better reflect the job description. He said the grade and salary remain the same.

Mr. Harrington said that the public hearing request for additional horseshoe pits at Womble Park was first brought to staff's attention at a meeting of the Parks and Recreation Advisory Committee (PRAC), when the resident asked for additional lanes, a scoreboard, and a sign with the rules. The PRAC recommended erecting a scoreboard and rules sign and, when possible, adding additional lanes. Staff received a quote for $2,500 per lane. Typically two lanes are installed at a time, for a total cost of $5,000.

Mr. Harrington said that he had a small list of "Budget What-ifs" that could be pursued if there were additional grants or funds received. They include a Small Business/Downtown Coordinator; a Crime Analyst; a Parks and Recreation Program Assistant; and an update to the Comprehensive Plan for at least one of the chapters on Community Facilities, Infrastructure and Utilities, or Natural Resources.

3. Mayor & Council Discussion on the Recommended FY 2023-24 Budget

Council discussed the four Budget "What-ifs" and what their preferred priority order for them would be, and any possible costs to delaying those items. Consensus was to prioritize them in the following order:

1. Parks & Recreation Program Assistant;
2. Update Comp Plan (Infrastructure & Utilities chapter);
3. Crime Analyst;
4. Small Business/Downtown Coordinator. Council said they wanted to see an analysis of what the Small Business Coordinator would do before they voted for it.

Council asked what things beyond these four would bubble up if funding were found from other sources. Mr. Harrington said that there were some positions and one capital item. The capital item is new holiday decorations as the Town's have been used for many years and are getting tired. That would cost $100,000 or more. The positions would be Public Works Concrete Crew Technician, Equipment Operator; Development Services a Senior Planner; and a Human Resources Assistant Director, as one Human Resource position per 100 employees is the best practice, and we are over 400 employees with this budget. He would also recommend adding a Fleet module to CityWorks in IT, and an Assistant Fire Marshal would be a bonus.

There was discussion around the fact that the Town has operated on very conservative budgets over the last several years and whether there was an appetite to raise taxes in order to catch up from those lean years. Consensus was to leave the tax rate as it is.

There was discussion about current grant applications and the likelihood of receiving additional funds in the next fiscal year. Mr. Harrington said if we receive grant funding staff would come back to Council with some requests.

Council discussed the request for additional horseshoe pits and whether that should be rolled into the bond or funded in this budget by cutting something else, or through PAYGO. Council suggested staff could bring it back to a workshop with a priority list of Parks &

Recreation projects. Mr. Harrington said staff would be happy to bring it back but the PAYGO program is intended to be administrative / staff level to update park facilities. He suggested that staff look at the priorities and give Council feedback on where they see the horseshoe pit project landing with other priorities.

Council discussed whether the UDO updates could be done, even one chapter, for $30,000 or if they could be done in-house. Chris Hills, Director of Development Services said he believed staff had the capacity and talent to address it in-house. There might be a need for small technical services that would be less expensive than having a consultant look at the entire thing. Mr. Harrington said that at this point a majority of Council have asked to talk about the UDO. That is plugged in at the June workshop and Council will get more clarification at that point. The funding is there if you need it, but Council can make that decision at that time.

Council discussed the removing funds from the Nonprofit Civic Grant line item and creating a strategic partnership with the Food Cupboard to provide them with stable funding of $5,000 per year. Consensus was to reduce the grant line-item to $20,000, create a $5,000 strategic partnership with the Food Cupboard, and direct the Town Attorney to draft an agreement requiring the Food Cupboard to account to Council, either in person or with a written report, on how they spent the funds.

Council discussed whether or not to hire a lobbyist to work on state and Federal programs, and the importance of hiring one with a good relationship with the Mayor and Council who would work toward Council's goals and could possibly pay for itself in increased funding opportunities.

MPT Berry asked if the increase in solid waste fees was tied to the new cart model. Mr. Harrington said this was the top request for Public Works to get that department right-sized for success. The other thing it does is help us fund the convenience centers that we hope to have in strategic areas of town to give residents other options for disposing of yard waste. Those are the core components it would help fund. Scott Chase, Assistant Town Manager said we have been working towards right sizing that department for a while. In lean years we cut back on that crew and we are trying to get this right sized. Mr. Harrington said this gets us into a position to do what we need to do. Paige Scott, Director of Public Works, said the five technicians are not directly tied to the cart model. We are down three positions and are working at a deficit. This deficit goes back to the reorg. We are moving towards a proactive, scheduled approach and we want to be sure we are meeting the residents needs and those five technicians help us get there.

Mr. Harrington said he heard that we need to reorder the "what-ifs." We need to come back on the UDO to see what we need from a resource aspect. We will look to fund the horseshoe court from the PAYGO, but evaluate it against other needs. We will make Food Cupboard a strategic partner at $5,000 and reduce the special grants line item to $20,000 and carry forward the $5,000 that wasn't spent from this fiscal year.

Mayor Mayefskie praised staff for their hard work on the budget.

4. Adjournment: There being no further business for the evening, Motion to adjourn was made by Council member McGrath, second by Council member Wolff, and passed with a unanimous vote. The May 23, 2023 meeting of the Holly Springs Town Council was adjourned at 7:19 pm.

Respectfully Submitted on Tuesday, June 6, 2023.

Linda C. McKinney

Linda McKinney
Town Clerk