

TOWN OF COATS
Board of Commissioners
Thursday, March 17, 2022
Budget Workshop

The Town of Coats Board of Commissioners met in a scheduled budget workshop session on Thursday, March 17, 2022 at 6:00 p.m. in the Board of Commissioners' Meeting Room at Coats Town Hall.

Members Present:

Mayor Chris Coats
Mayor Pro-Tem Jerry Beasley
Commissioner Allen Mosby
Commissioner Kelvin Gilbert
Commissioner Shirley Allen
Commissioner Marc Powell

Staff Present:

Nick Holcomb, Town Manager
Connie Lassiter, Finance Director/Town Clerk
Ken Storicks, Chief of Police
Rodney Pleasant, Public Works Director
Mike Collins, Parks & Recreation Director

I. CALL TO ORDER

A quorum being present, Mayor Chris Coats called the meeting to order at 6:00 p.m.

Mayor Coats delivered the invocation and led those in attendance in the Pledge of Allegiance.

RESOLVED, to approve agenda.

MOTION BY: Commissioner Kelvin Gilbert, SECOND BY: Commissioner Shirley Allen
APPROVED: 5-0, unanimously approved

II. Department Head Operational Budget Presentation

Town Manager Nick Holcomb informed the board that Library Director Teresa Brown was unable to attend meeting and mentioned that the library had previously been discussed, so the budget should be simple because it will be the same as current year or the same amount will go to Harnett County in a check.

A. Parks and Recreation (Reference #1)

Salaries 10-6120-1260 increase \$35,000

Mike Collins, Parks and Recreation Director, stated that now was the time to decide if the Town was going to have a recreational program or a part time program, and then addressed the benefit of a full time assistant director for the department to fulfill the strategies he had in mind for the recreational program. Mr. Collins conveyed that the full time employee would be able to help with mowing, registration, organizing events, marketing and social media. Mr. Collins requested a salary of \$35,000 for this employee. Mr. Collins noted that hiring a full time assistant did not mean that he would work any less as it would be his responsibility to support the assistant and department.

Program Supplies 10-6120-2280 increase \$5,000

Mr. Collins expressed the need to increase the Program Supplies line item in order to furnish team uniforms and trophies. He indicated that currently parents were responsible for providing money to pay for these items.

Auto 10-6120-2520 increase \$350

Mr. Collins suggested that this line item be increased to purchase new tires for the recreation department's truck due to safety issue.

Capital Improvement 10-6120-5100 increase \$6,000

Mr. Collins asked to increase this line to purchase gates to cover dugouts and to be able to lock gates at night at a cost of \$3,500 and for purchase of water fountain costing \$2,500.

Commissioner Jerry Beasley asked if the amount in Salaries (Other) line would be needed if a full time assistant was hired. Mr. Collins responded that he would need some part time salary for help with events.

Commissioner Shirley Allen inquired about concession stand. Mr. Collins said there is currently a group that does the concessions for adult softball events, and he feels that after July 1 that there should be talk of collecting rent from them as they do a very good business.

Commissioner Marc Powell asked if teams were still being limited for adult softball and did county pay. Mr. Collins said the limit was six teams for adult softball and that the county does not pay for adults, only youth. Mr. Collins noted that during soccer season he would like to allow in-town kids to play for free and charge out-of-town kids \$20 as he believes the \$28 per kid received from Harnett County would offset.

Commissioner Kelvin Gilbert questioned if a full time Director and a full time Assistant Director would benefit the Town with all the growth that is coming to the Town. Mr. Collins said that he doesn't think we are there yet.

B. Street Department (Reference #2)

Rodney Pleasant, Public Works Director, mentioned that he had increases due to inflation for some lines.

Capital Outlay 10-4510-5100

Mr. Pleasant requested \$30,000 for purchase of a new Ford F-150 4WD truck to replace two older vehicles; a 2004 Ford that has over 100,000 miles with brake issues and in need of a fuel pump and a 2005 Chevrolet Chevy with 130,000 miles having oil pressure trouble and in need of engine soon. Mr. Pleasant stated that he believes the addition of one new truck would have the street department set with vehicles for a while. Town Manager Nick Holcomb offered that putting the two older vehicles on Gov Deals could realistically bring in \$13,000-\$15,000 with what used vehicles are bringing now.

C. Water Department (Reference #3)

Rodney Pleasant, Public Works Director, noted that some items increased due to inflation in the water department.

Professional Services 60-7110-1990

Mr. Pleasant requested to increase this line to \$11,000 to cover the expense of Heartland credit card processing fees. Town Manager Nick Holcomb remarked that this was more of an administrative/finance change. Mr. Holcomb explained that the Town received a 3% convenience fee from customers that pay water bill with credit card online, but the service charge paid to Heartland had been coming out of the General Fund; if the revenue is going to Water Fund, then the service fee should come out of Water.

Capital Outlay 60-7110-5100

Mr. Pleasant requested \$70,000 for this line item for the following:

1. Waste Corp \$59,423 – Trailer Vacuum Pump for pumping out muddy water while working on water leaks would allow quicker repair and cleaner job site; help with clean up; safer with not having to manually handle a pump and hoses
2. Core & Main \$6,150 – Valve Exerciser Bat PWR Head Drive Shaft would allow routine valve exercising in a timely manner and more efficient record keeping; save future problems and a schedule maintenance
3. Core & Main \$2,936 – Tapping Kit to assist with water taps will allow Town to do 2” taps and not call on Harnett Regional Water; this kit can do ¾” to 2” water taps; present tap not working well and is extremely old

D. Police Department (Reference #4)

Ken Storicks, Chief of Police, informed the board that a few of the line items went up due to inflation and shipping cost and addressed the following lines:

1. Police Drug Acct Expense 10-4310-1900 up from \$500 to \$1,000 doesn't have any budgetary impact as it just creates amount that can be spent from drug account
2. Uniforms 10-4310-2120 increase of \$1,500 to allow for \$500 per officer for uniforms; this will allow for a more uniform look for all Patrol Officers and get rid of older, worn out uniforms
3. Tires 10-4310-2520 for set of tires needed for truck
4. Capital Outlay 10-4310-5100 increase of \$1,336.06 for purchase of new Dodge Durango; quote from Ilderton Dodge for \$33,667 on budget request isn't guaranteed for July nor availability as production can stop again; Kentucky dealership has guaranteed to hold car for July 1 at price of \$35,796

Chief Storicks expressed that the police department was at the point of needing more help and made the following statement:

The fundamental mission of any Police Department is to protect life and property. The Coats Police Department at times falls short of this basic mission. With having one Police Officer on per shift, there are many times that the Town of Coats is left unattended without a Police Officer. It is not at the fault of the Officers or the Administration. It is due to a lack of personnel. Any call or action that an Officer answers or takes may lead to them having to leave the Town of Coats unattended for a period of time. Some are short, but others may take hours. Now with growth coming to Town and the surrounding areas, I feel this is an issue that needs to be resolved with the hiring of two additional Police Officers.

Chief Storicks emphasized that the National Average was 2.8 Officers on road per 1,000 population and the State Average was 2.9 Officers on road per 1,000 population; these figures do not count Administrative Personnel. He informed the Board that the Town would need 6 total Officers to meet these averages; we only have 4 Officers.

Chief Storicks pointed out the benefits of additional officers as follows:

- Community Safety
 - More Officers on patrol; more patrols; more visibility
 - Greater potential for Officer to be in Town at all times
 - Calls can be handled safer and more efficient
 - Potentially more time can be spent on a call
 - More opportunity for specialized enforcement
 - Greater ability to do business checks and escorts
- Officer Safety
 - Officers will be working less hours alone
 - Less stress on Officers and Administration
 - Vehicle stops, warrant service, domestic disturbances can be handled with a better level of safety
 - Major crimes can be handled safer and more efficiently
 - Increase in confidence
 - More opportunity for mentoring younger Officers
- Benefit for Town and Officers
 - Greater opportunity for training; potential for more training
 - More opportunity to take vacation
 - Reduction of comp time/overtime
 - Less potential for Officers to run emergency traffic
 - Buffer for turnover of personnel
 - Coverage for extended injury/illness
 - More training and better training for new Officers
 - More opportunity for Officer advancement
 - More opportunity for community engagement
- Recent Changes That Exemplify The Need
 - Staffing shortages of assisting agencies
 - Shortage of recruits; shortage of quality recruits
 - Potential for more serious crimes
 - Current and future growth in Town and outside Town
 - Bar in Town; possibility of a second
 - Increase of traffic in and through Town
 - Increased need for accountability

Chief Storicks highlighted the handouts of the organizational charts of the Police Departments of Youngsville, NC and Franklinton, NC citing that those departments are good examples to use for Coats Police Department because of where we are headed with growth. Chief Storicks brought to the attention of the Board the sheets given to them with the cost analysis of hiring an Officer at a starting salary of either \$35,000 or \$38,000; both showing breakdown of benefits as well. (Reference #5)

Commissioner Jerry Beasley agreed there was a need for what Chief Storicks was asking for; and when we get Revenue figures, we need to look at it.

Commissioner Marc Powell asked if we are on par with similar town salaries. Chief Storicks stated that we are the smallest, so we are always last on salaries.

Chief Storicks concluded with conveying that his focus was not on going up on salaries because of the need of more Officers, and that his current staff agreed to willingly forego raises because of worry for their safety; proving that they are vested in this Town.

E. General Management (Reference #6)

Town Manager Nick Holcomb noted items in the General Management expense lines as follows:

1. Fuel increase from \$37,000 to \$45,000 due to the recently rising prices; may be able to adjust closer to completion of budget
2. Repairs to the building can be cut if needed; it has been used as place holder in past years for replacement of AC units and roof repairs; keep for emergency fund for buildings
3. Computers – currently renting which is not best option when looking at yearly cost of rent compared to purchasing; 3 computers are being replaced in the current budget year; looking to replace three computers next year

Commissioner Jerry Beasley inquired about updating financial software and the recording system. Finance Director Connie Lassiter expressed that she would like more time to evaluate the current financial software to make sure the right options were presented that would best suit the needs of the Town when upgrading software. Ms. Lassiter stated that she had not experienced any problems with the recording system other than not being able to hear recording of persons not speaking close enough into microphones.

Town Manager Nick Holcomb mentioned the idea of tablets for the board to receive agenda to eliminate paper. Mr. Holcomb expressed that it could be a benefit as long as paper agenda packets didn't have to be sent out in addition to using the tablets. Commissioners Beasley and Allen indicated that they liked having paper to make notes. Commissioner Mosby stated that he had previously asked to have the agenda emailed to him to prevent the clutter of paper. Mr. Holcomb said maybe that could be an option.

F. Governing Board (Reference #7)

Town Manager Nick Holcomb noted items in the Governing Board expenses as follows:

1. Increase the annual salaries to \$2,000 for each Commissioner and \$2,500 for the mayor
2. Increase audit line item to \$12,000; RFPs have gone out and will present to board in April; may have to tweak depending on direction board chooses
3. Legal services remain same; Town Attorney has a proposal to present about a flat fee for two hours every month since he is coming to at least one meeting a month; this wouldn't necessarily increase his total fees
4. No election this year, so no need to budget
5. Kept Chamber at same amount; leave to board to choose when and how much of it to disperse based on events

Commissioner Shirley Allen questioned the amount in YTD expense for Coats Museum. Finance Director Connie Lassiter verified that it was a typographical error and that the amount should have been listed as \$800.

G. Planning/Zoning (Reference #8)

Town Manager Nick Holcomb requested \$100,000 for Demolition Structures mentioning that there are commercial structures on Main Street holding the Town back, but we have to go by state statutes not what looks like. Mr. Holcomb noted that unsafe buildings condemned in localities, if it appears to be vacant or abandoned, and it appears to the inspector to be in such a dilapidated condition to cause or contribute to blight, disease, vagrancy, fire safety hazards, danger to children, and would tend to attract people with criminal activity or other activities that would constitute a public nuisance; in terms of the statute we have a case.

Mr. Holcomb reminded the board that the Town has been successful with this for 12-14 residential homes making a difference and expressed that with our Downtown Plan now is the time to discuss this. Mr. Holcomb recognized that it would be a big increase to the budget, but that it wouldn't be coming every year; and hopefully, we wouldn't have to spend any of it; even if we do, it would come back to the Town at some point in the future in the form of a lien.

Mr. Holcomb mentioned the \$8,900 in Outside Contracts was the third and final installment of contract with N-Focus for the new UDO.

Mr. Holcomb stated that next year he may be asking for more to do the Future Land Use Plan.

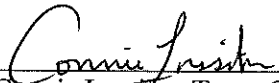
Recess

RESOLVED, to recess the meeting to Saturday, March 19, 2022 at 9:00 a.m.


MOTION BY: Mayor Pro-Tem Jerry Beasley, SECOND BY: Commissioner Marc Powell

APPROVED: 5-0, unanimously approved

Meeting recessed at 7:48 p.m.



Connie Lassiter, Town Clerk



Chris Coats, Mayor

TOWN OF COATS
Board of Commissioners
Saturday, March 19, 2022
Recessed Budget Workshop

The Town of Coats Board of Commissioners reconvened the recessed Thursday, March 17, 2022 scheduled budget workshop session on Saturday, March 19, 2022 at 9:00 a.m. in the Board of Commissioners' Meeting Room at Coats Town Hall.

Members Present:

Mayor Chris Coats
Mayor Pro-Tem Jerry Beasley
Commissioner Allen Mosby
Commissioner Kelvin Gilbert
Commissioner Shirley Allen
Commissioner Marc Powell

Staff Present:

Nick Holcomb, Town Manager
Connie Lassiter, Finance Director/Town Clerk

A quorum being present, Mayor Chris Coats called the meeting to order at 9:00 a.m.

III. Capital Planning Presentation

A. Capital Planning

Town Manager Nick Holcomb presented the following:

Grant Preparedness

1. Streetscape Master Plan
 - \$2-3M
 - Final approval 4/14
 - Implementation of plan will be a home run for citizens and businesses; when people see something getting done, it helps business
 - Once approved; push State Reps hard for funding

2. Water Capital Improvement Plan
 - No CIP since 2008; we need a plan; what are projects; how do they score for grants; how do they rank
 - Proposed Projects
 - Delma Grimes & Willis Pope Loop
 - Replacing AC 6" Patterson, Church, Washington, Jackson streets
 - Replacing valves
 - Poor chance at grants because our system isn't distressed or at-risk system
 - Need project ready for State Budget requests
 - \$50,000 cost to create CIP Plan; Withers Ravenel said not likely to get adequate funds without expert analysis

Commissioner Jerry Beasley asked if the \$50,000 to create CIP Plan would come out of Water Fund, and Mr. Holcomb responded yes.

Mayor Chris Coats asked if the \$40,000 we are getting could be used, and Mr. Holcomb replied that would be a good idea and that he would check to see if it is an allowable use.

Mr. Holcomb instructed the board that they would need to decide on use of Water Funds between the CIP Plan and the new Vac Truck; and evaluate water system needs in order to develop 5-10 projects that would be the CIP for the next 20 years.

Federal ARP

1. AMI Water Meters

- \$400,000 already in hand
- \$6,000 cost sharing with Harnett Regional Water
- Rep from Ferguson still on schedule
- We will have to sign contract
- Eligible project for ARP
- Piggyback off Harnett County; we need to “talk” to their equipment

2. Stormwater Feature

- Potentially use 2nd \$400,000 for this
- Golden Leaf – Flood Mitigation Program – Up to \$250,000
- September deadline for more State Stormwater funding
- \$50,000 engineering specific site
- \$300,000 detention pond feature
- No distressed criteria; more money; more time than waterline projects

Mr. Holcomb informed the Board that ARP funds have to be under contract by the year 2024 and spent by the year 2026. He explained that we could use ARP funds on some water lines as follows:

- Replacing 1,800 linear feet of 6” AC line along Patterson and Main and adding connection to Brick Mill 6”
- Replacing existing 700 linear feet of 6” AC line along Jackson St. and adding connection to existing 12” line along Carrie St.
- Replacing the existing 700 linear feet of 3” AC line along Washington St. and adding connection to existing 12” line along Carrie St
- Would be eligible for ARP; ballpark cost of \$750,000

Mr. Holcomb noted that we have more eligible on stormwater side than water side; we would have property acquisition involved; we would have to pay for property not eligible for ARP funds; estimated \$50,000 for engineered plans. Mr. Holcomb indicated that use for stormwater makes sense, would be worth money and could provide for a park area if we can pull it off.

Commissioner Kelvin Gilbert agreed if it is a park we can use and not just for stormwater.

State Budget

1. Building or Grounds

- \$40,000 approved in technical correction wide open for Capital Project
- Building
 - Library upfit

- Old Public Works shop upfit
- Land
 - Landscaping, fencing, picnic shelter

Commissioner Jerry Beasley suggested selling old Public Works shop, so it can bring in property tax. Town Manager Nick Holcomb stated that he thinks it should be a long-term plan. Commissioner Kelvin Gilbert asked if it was the plan to put everything at the current Public Works Building. Mr. Holcomb said a fence and open shelter would have to be built.

Mr. Holcomb mentioned underutilized property of 2 acres W Main Street, 0.21 acres E Lemon Street and old Public Works Shop; now is the time to put on market; we have to be transparent with upset bids; could funnel through developers.

Mr. Holcomb acknowledged that potential property acquisition of 1 acre at Hwy 55 & Hwy 27 (triangle) and 10 acre field on Hwy 27 was no longer an option as both properties have been sold, but the Old Depot was still available for acquisition.

B. Rates & Fees

Nick Holcomb, Town Manager, explained that we have to publish a Revenue Neutral Tax Rate in order to say we haven't gone up on taxes; new property evaluations should go out March 24 and could be significantly higher. Mr. Holcomb noted that the amount of increase would be the most important piece of information for the Boards' decisions.

Commissioner Jerry Beasley requested another work session when increase of property value is known to decide on cutting tax rate. Mr. Holcomb suggested meeting the last week of April.

C. Salary & Personnel

Town Manager Nick Holcomb highlighted the following points concerning salary and personnel increases:

- Need to respond to inflation; currently at 7%
 - 5% across the board raise
 - 3% 401K match; employee would have to contribute
- As the Town grows so will demands on staff
 - 250+ residential units
 - \$1,500/home x 250/homes = \$375,000/year tax increase
 - 3-4 years until build out
- Staff is obvious place for increased revenues

Mr. Holcomb informed the board that Public Works is cancelling cell phone plans for employees and looking to roll that savings into employee salaries.

Mr. Holcomb presented option of using ARP funds for a one-time employee bonus. Commissioner Beasley asked would it be worth it for all the additional paperwork. Commissioners conveyed consensus for 5% across the board instead.

Town Manager Nick Holcomb communicated that the Parks and Recreation Department youth programs are in decline; and although the adult programs are strong and stable, the County does

not give reimbursement for adults. He presented the board with the questions of what they want in regards to number of leagues, teams and participants; what are we willing to invest to get there; thoughts on proposed full-time employee.

Commissioner Jerry Beasley suggested getting teachers to help recruit for registration. Mr. Beasley commented that Mike Collins, Recreation Director, should be informed that if a full-time assistant is approved and things do not get better then the next year we will do different. Mr. Beasley expressed if a full-time assistant was hired that the line item for Salary Other line used for paying part-time employees was not needed.

Commissioner Allen Mosby voiced that he understands the need for a full-time employee in Parks and Recreation but is concerned over who we will lose in Police Department if we pay an Assistant Recreation Director \$35,000.

Commissioner Kelvin Gilbert stated that he was okay with a one year trial for the new full-time position. Mr. Holcomb suggested creating job description for full-time Recreation Assistant so that benchmarks to be met are clear.

Nick Holcomb, Town Manager, suggested no cost to Town residents to increase participation to have full ball teams and mentioned that finding sponsors for banners at ballfield would bring in revenue.

Commissioner Shirley Allen offered that 5K runs generate income. Commissioner Allen indicated the need for a strong recreation committee. Commissioner Kelvin Gilbert inquired about the responsibility of the committee. Mr. Holcomb stated that the committee needs to be made up of people that are willing to work and recruit for programs.

D. Streets & Garbage

Powell Bill

Town Manager Holcomb relayed that budget based on revenue; \$70,000 coming in; spend \$70,000; any additional would come from Powell Bill fund balance. Mr. Holcomb noted potential streets for paving and patch areas as follows:

- Streets
 - Winchester (poorest condition)
 - Orange
 - Mason
 - Durane
 - Remainder of Church (most bumpy)
- Patch 15-20 areas where street is degrading (keeps integrity of street)
 - Dip on Hunter Run
 - Settled Areas
 - Breaking Intersections

Mr. Holcomb mentioned that pavement assessment could be paired with water plan.

Garbage

Town Manager Nick Holcomb informed the Board that expense is going up and presented the following:



	Carolina Trash & Septic 7/22	Waste Management Current 7/21 Rate
Bid Item #1 --	8.25	8.16
Bid Item #3 --	4.75	2.98
Customer Total	13.00	11.14

$\$1.86 \times 900 \text{ customer} = \$1,674/\text{mo.}$

$\$1,581 \times 12 = \$20,088$

Commercial Dumpsters

$\$990 \times 12 = \$11,880$

Est. Yearly Inc= $\$31,968$

Mr. Holcomb noted that we were losing the free dumpster benefit; also noted, the customer solid waste charge of \$19.73 breakdown:

\$2.73 Profit

\$4.00 Leaf, Limbs, Furniture

\$4.75 Bi-weekly recycling

\$8.25 Weekly garbage can pickup

Mr. Holcomb suggested rounding charge to \$20 per month. Commissioner Beasley questioned if the \$0.27 increase in cost be worth it. Commissioner Gilbert expressed that he did not want to raise the cost.

Commissioner Mosby mentioned that people had cans and were not paying. Commissioner Gilbert offered that should be solved with new company placing new cans. Mr. Holcomb stated that we need address of those people to verify.

Mr. Holcomb expressed that we could hold steady on garbage rate as we don't have to replace knuckleboom this year.

Town Manager Nick Holcomb asked Commissioners for their top budget priority and received the following feedback:

Mayor Pro-Tem Jerry Beasley

- Drainage
- At least one new Police Officer
- Recreation -- go with plan on table; let know will do different the next year if doesn't work out
- Give 5% raise if we can afford

Commissioner Marc Powell

- Police – One if not two new Police officers; new car from Kentucky dealership
- Drainage
- Recreation – important, don't know if we can afford; but need to build program and get word out
- Street – Power wrench beneficial; no to pump, not used a lot
- Salary – give 5% raise

Commissioner Shirley Allen

- Employee raise
- Recreation needs
- One new Police Officer

Mayor Chris Coats

- Police needs
- Water survey
- Employee raise
- Save money and manage Parks and Recreation better

Commissioner Kelvin Gilbert

- Parks and Recreation high on list
- Police – no problem with increase of one Officer this year and one Officer the next year
- Would like to see minorities hired in all departments
- Raises – yes
- Signage to direct people to Town Hall, Park, etc.

Commissioner Allen Mosby

- Employees – hire employees and look after our employees; hire best applicant as long as equal opportunity
- Parks and Recreation – gates if it is for safety reasons, not to keep people out
- Police - purchase new vehicle, sell old vehicle; need to add two Officers, add at least one Officer; uniforms
- Governing Board salary increase – not looking for it, but will take it
- Planning – Code Enforcement, Housing Enforcement, Demolition

Commissioner Allen asked Nick Holcomb, Town Manager, for his priorities. Mr. Holcomb responded with the following:

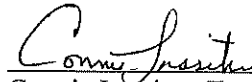
- Main Street – Demolition; taking care of problem that should never have gotten so far
- Salaries – making fit within budget
- More money in Parks and Recreation with thoughts for how we get there
- Police – don't want Officers alone at night; start with adding one Officer
- Stormwater – clear that it is the goal for use of \$400,000

IV. Adjourn


RESOLVED, to adjourn the budget workshop meeting.

**MOTION BY: Commissioner Allen Mosby, SECOND BY: Commissioner Shirley Allen
APPROVED: 5-0, unanimously approved**

Meeting adjourned at 12:41 p.m.



Connie Lassiter, Town Clerk



Chris Coats, Mayor