

**Special Meeting of the Town Board of the Town of Lillington, Monday, May 20, 2019 at 8:30 a.m. at the Lillington Town Hall (102 E Front Street), Lillington, North Carolina.**

Board Members Present: Mayor Glenn McFadden  
Mayor Pro Tempore Rupert Langdon  
Commissioner Dianne Johnson  
Commissioner Judy Breeden  
Commissioner Marshall A. Page, Jr.  
Commissioner Paul B. Phillips

Staff Present: Joseph Jeffries, Town Manager  
Lisa Young, Assistant Town Manager  
Alicia L. Gregory, Management Analyst & Town Clerk

**Call to Order:** Mayor McFadden called the meeting to order.

**Fiscal Year (FY) 2019-2020 Proposed Budget Considerations:** Mayor McFadden recognized Town Manager, Joseph Jeffries.

Mr. Jeffries stated that Lillington is in one of the fastest growing regions in the United States. He identified the Town has been faced with many challenges and growing pains but he feels the Town continues to move forward. He wanted to thank staff and Lisa Young, Assistant Town Manager for their hard work and dedication during the Budget Process.

Mr. Jeffries stated that a copy of the proposed budget for Fiscal Year (FY) 2019-2020, including the Fee Schedule, General Fund, Enterprise (Water and Sewer) Fund and the Powell Bill Fund, has been provided to the Town Board members. A public notice will be posted and advertised stating that the proposed budget is available for public inspection prior to the June 11, 2019 public hearing and adoption. By state law, the proposed budget has to have expenditures and revenues that balance.

*Fiscal Year 2019-2020 Powell Bill Fund Review:* Mr. Jeffries reviewed the Powell Bill Fund and stated the projected revenues and expenditures for this fund is \$233,500, which is an increase of 19.35% from the current fiscal year.

New project spending for the Powell Bill Fund include the following:

- Install Pipe in Spring Hill Subdivision
- Drainage/Stormwater 14<sup>th</sup> Street
- 1<sup>st</sup> Street/Duncan Street at the Park

There were questions on the exact location of the repair of the drainage on 14<sup>th</sup> Street, but location was verified.

There were no questions on information presented to the Board on the Powell Bill Fund.

*Fiscal Year 2019-2020 Fee Schedule Review:* Mr. Jeffries began briefing the Board on the proposed changes in the Town of Lillington Fee Schedule. A copy of the proposed fee schedule was provided to the Board.

Mr. Jeffries went through the proposed changes in the FY2019-2020 Fee Schedule. Mr. Jeffries began with the Planning and Inspections section of the Fee Schedule. He explained there is a new proposed site visit fee of \$75.00. There was also an increase in watershed permit from \$35.00 to \$100.00 and Flood Damage Prevention Permit from \$35.00 to \$100.00. He also briefed the Board on vested rights and the new fee of \$400.00. He then moved on to Site Plan Review with the proposed Major Site Plan fee of \$1000.00. He presented the change in the fee schedule for the subdivision fees for Major Preliminary Plat from \$200.00 + \$50.99 per lot to \$500.00 + \$50.00 per lot.

Mr. Jeffries then moved to the proposed new Recreation Fee. His proposal was to have a matching Recreation Fee of \$500.00 to be in alignment with Harnett County. The Board decided that they would like to remain competitive and to set the rate at \$250.00. They agreed they wanted to approve a lower fee in order to have leverage when new developments showed interest in Lillington.

Mr. Jeffries briefed the Board on the change in the Board Request section of the Fee Schedule. Mr. Jeffries suggested separating request for text amendment and having request for ordinance amendments and Rezoning/Conditional Rezoning Request separate fees. The new proposed fee for Rezoning and Conditional Rezoning Request is \$350.00 for 3 acres + \$25.00 per additional acre. The Request for Text Amendment Request for the Code of Ordinances would remain \$400.00.

Under the Building Inspections section of the Fee Schedule the proposed changes is Trade Fees (Residential):

- Electrical \$70.00 to \$80.00
- Mechanical \$70.00 to \$80.00
- Plumbing \$70.00 to \$80.00
- Building \$70.00 to \$80.00

Additional Fees previously not included:

- Solar Panel \$100.00
- Generator \$100.00

Residential Additions (includes all trades)

- Up to 400 sq. ft. \$250.00 to \$300.00

Under the Solid Waste Collection section of the Fee Schedule the rates reflect the increases from GFL. For residential and churches/non-profits the price went from \$15.23 to \$16.40 monthly fee.

Under the Tap Fee section of the Fee Schedule there are new proposed fees for meters for new taps. The proposed fees were determined by the cost the Town is charged per meter plus the cost of the meter box. The proposed water tap fees are listed below:

**Meter Charge**

¾" Meter	\$257.00
1" Meter	\$322.00
1.5" Meter	\$658.00
2" Meter	\$806.00
3" Meter	\$2,107.00
4" Meter	\$2,500.00
6" Meter	\$4,050.00
8" Meter	\$4,553.00

Mr. Jeffries then moved to the proposed changes for Water Tap Fees the proposed fees are listed below:

**Water Tap Fees**

¾"	\$1,200.00
1" Water Tap	\$1,500.00
1.5" and above	Costs plus 10%

Mr. Jeffries stated that in addition to the increase, if concrete or asphalt is cut during installation of a tap there will be an additional charge of \$500.00.

Commissioner Langdon stated this seemed like a lot of money, but in comparison to installing a well and septic tank it is cheaper to connect to the system.

Commissioner Phillips questioned if these fees were in alignment with Harnett County Regional Water.

Mayor McFadden stated these fees were in alignment with Harnett County. He also stated that when you have a sewer tap to cost \$15,000, we are still going to be losing money.

Mr. Jeffries explained these new fees are to try and recover cost. He explained the capacity fees are restricted and can only be used for future capacity and growth.

Mr. Jeffries then briefed the Board on the proposed changes to the Water and Sewer Rates. He explained that during the Board Retreat WR Martin suggested increasing the water and sewer rates in FY2019-2020 budget eight percent and those changes are reflected in the proposed Fee

Schedule. It was a flat rate increase of eight percent across the spectrum, for the base rate and variable rate.

He also stated that the current Lillington tax rate of \$0.52/\$100 property valuation will remain unchanged for Fiscal Year 2019-2020.

Mayor McFadden addressed the Board and asked if everyone was in consensus with the changes to the Fee Schedule.

There were no objections.

*Fiscal Year 2019-2020 Enterprise Fund Review:* Mr. Jeffries reviewed the Enterprise Fund and stated the projected revenues and expenditures for this fund is \$2,269,000, which is an increase of 21.2%% from the current fiscal year.

Mr. Jeffries explained that this has been a very challenging year for the Public Works Department. He stated this year we have had negative impacts on the enterprise budget based on the usually high amount of wastewater treatment and the effects of Hurricane Florence. Mr. Jeffries explained that this year he would like to take a more conservative approach to the enterprise budget. He explained he wanted to decrease the Fund Balance transfer to \$109,000 by reducing Lift Station Upgrades and SCADA System Upgrade. In addition, he suggested removing the John Deere Tractor, and the vacuum excavator.

The Board expressed they wanted to focus on repairing the system in FY2019-2020 Annual Budget. They wanted to use the Hydrostructures study and begin to repair the water and sewer system.

Proposed new project spending, operational expenditures and special notations for the Enterprise Fund include the following:

- Lift Station Upgrade
- SCADA System Upgrade
- Sewer Line Improvement – 1<sup>st</sup> Street
- Sewer Line Improvement – 9<sup>th</sup> Street
- Sewer Line Improvement – 1<sup>st</sup> Street Park
- Short-Lived Assets Program
- 2% COLA Increase
- On Call Pay (New)
- Healthcare costs increased 7% for FY2019-2020
- Retirement costs increased 1.2% for FY2019-2020
- Water and Sewer rate increase of 8% (Based on WR Martin Study)

The Board of Commissioners stressed that they wanted to decrease spending on contractors and move repairs back to the staff.

There were no more additional questions on the water sewer fund.

Fiscal Year 2019-2020 General Fund Review: Mr. Jeffries reviewed the General Fund and stated the projected revenues and expenditures for this fund is 4,411,810, which is an increase of 8.6% from the current fiscal year.

New project spending, operational expenditures and special notations for the General Fund include the following:

- Demolition of 102 W Ivey Street Purchase of two mowers for Public Works
- 8<sup>th</sup>/Ivey Parking Lot
- Traffic Island at Railroad
- Roof at Ems/Storage Building
- Roof at Museum
- Landscaping Trailer
- Patrol Car
- Thermal Imaging Camera/Light Bars
- Drainage at Stewart/Lewis
- Rive Park Tables, trash cans, misc.
- Fire Department New Position
- Half year salary for new Finance Tech II
- 2% Cost of Living Adjustment for all Employees
- Special Salary Adjustments for Police and Finance
- Slight Funding Increase for Healthcare Costs of 7% FY2019-2020
- Retirement Cost for regular employees increased 1.2% for FY2019-2020 to 9.0%
- Retirement Cost for Police increased 1.2% for FY2019-2010 to 9.7%


Mr. Jeffries noted that the General Fund was fiscally extremely healthy and responded to various questions. Mr. Jeffries noted that several items had been removed previously before coming before the Board. He explained that there were many desires but just not enough resources at this time. Mr. Jeffries recommended to remove the Ventrac this year because of the high cost and to reduce the Fund Balance transfer to \$278,980. He also stated he was working with North Carolina Department of Transportation to assist with the funding of the traffic island at the railroad tracks.

Mayor McFadden thanked Town Manager, Joseph Jeffries, and Assistant Town Manager, Lisa Young, for their hard work during the budgeting process.

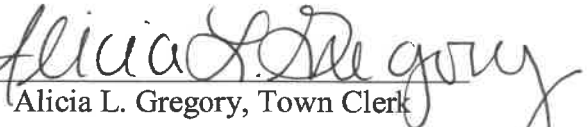
*Lillington Board of Commissioners  
May 20, 2019 Special Meeting/Budget Work Session Minutes*

There was no other discussion.

**Adjournment:** Motion by Commissioner Johnson, second by Commissioner Phillips that the meeting be adjourned. The motion was unanimously approved.

  
Glenn McFadden, Mayor



  
Alicia L. Gregory, Town Clerk