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MINUTES

SEPTEMBER 8, 2011

REGULAR MEETING

Mayor Samuel Hardwick called the Regular Meeting of the Town of Youngsville Board of Commissioners to order at 7:08 pm. Mayor Hardwick gave invocation. In attendance were Commissioners Catherine Redd, Graham Stallings, Marvin Roberts, Leelan Woodlief and Joseph Johnson. Also in attendance were Interim Town Administrator Bill Tatum, Town Clerk / Tax Collector Emily Hurd, Administrative Assistant Kathryn Tucker, Town Attorney Pete Tomlinson, and Chief Daren Kirts. Representatives from The Franklin Times and The Wake Weekly were also present.

The first item on the agenda was citizen's comments. Keith Falt stated that he came to the Board Meeting a few months ago with problems concerning the utility billing. He stated that it was important to speak up when action was needed and it was also important to speak up after the action had been taken. He stated that he appreciated the Board taking the problem into consideration and changing the way late bills were handled. Mr. Falt thanked the Board.

Carolyn Palmer wanted to mention a pot hole on East Winston Street. She stated that now that the gas company was putting in the new lines it had made the pot hole worse. Hurd stated that it was on the list for patching and that the Town workers would be getting to it soon.

Al Wojtalik asked what the progress was of the Board in reducing expenses or of finding ways to reduce expenses for the next fiscal year. Mayor Hardwick stated that everyone is trying to find ways, he knows they have been working on the water and sewer and he has also been working with the new Interim Town Administrator to try to clear up the financial situation and things are looking better. Mayor Hardwick stated that later in the agenda, the public will hear some issues that the Board is hoping to use to reduce some expenses. He stated that the Board is getting there but it takes time to make these changes.

The next item on the agenda was the financial report. Tatum stated that he had given the Board a schedule like he did last month showing the cash on hand versus unpaid bills. He stated that at the end of August, we had \$202,000 in the bank and unpaid bills (all current) of \$27,000. He explained that left cash on hand of \$175,000. He stated that the Town got that much by collecting almost half of the Town's property taxes. Tatum explained that the total expected tax collections were \$694,000 and we have already collected \$315,000 which puts the Town in a solid cash position right now. Tatum explained that he extended that out by running a cash projection based on the numbers that the Local Government Commission had given him. He stated that the Town will have a positive cash balance at the end of every month until June, which based on projections will make the Town overdrawn by \$7,000 if all bills are paid. He stated that this is a substantial improvement over last year and that the \$7,000 is very manageable to get things back on track for June. He stated that these projections are based on last fiscal

year's collections and expenditures. He stated that the big variable is collections. Tatum stated that the Town had no control over that. He explained that as long as collections hold close to last year's pattern, the Town should not have an abundance of past due bills again. Tatum stated that our expected revenue year-to-date was \$322,000 but we have already collected \$389,000. He stated that our expected expenditures were \$269,000 but were only \$245,000. He stated that the underpayment of expenditures might be due to the mail being slow so that underpayment does not mean too much. He stated that what was most important was that the Town was running ahead on collections. Tatum stated that the Town needed to look at investing the cash but doing it in a way that the Town can get the money when they need it. He stated that he is exploring those options. Mayor Hardwick wanted to thank Tatum and the ladies for all the work they have done to get the Town in a stronger financial status.

The next item on the agenda was the approval of the Consent Agenda.

MOTION: TO APPROVE THE CONSENT AGENDA

The motion was made by Commissioner Roberts and was seconded by Commissioner Woodlief. It passed unanimously.

The next item on the agenda was Old Business. The first item under Old Business was David M Cyrus concerning water / sewer training. Cyrus handed out a cost analysis to the Board for his proposal. He explained that the Town paid Envirolink \$28,500 a year and adding up the costs for certifications at a cost of \$1,447. He had a quote for Tritest was for \$2,271 annually. He also had a quote for a local ORC for training that would cost \$5,520. There were also quotes on this cost analysis from two companies for 2 days of jetting sewer lines. Cyrus explained that during the first year, while he was in training, the Town would save \$15,788.46. He stated that the second year would bring savings of \$22,755.46 since he would not have the costs of schooling. Commissioner Redd how many hours a week would this take away from his normal duties. Cyrus stated that the company would pick up the water samples so that would not take any time away for testing. Cyrus stated that the water testing would only be once a month. Commissioner Redd asked what Cyrus' new responsibilities would be and Cyrus explained that they would include checking pump stations (which they do daily), fix our own leaks (which they already do), and maintain our water / sewer lines. Commissioner Redd stated that some of the requirements stated that the Town has backup ORC's on call and Cyrus stated that you can get an ORC off of a list online from the NC DENR Webpage. Commissioner Redd asked if the Town needed to have a backup ORC all the time and Cyrus stated that we would need one for sewer and someone else would have to go to school for that. Mayor Hardwick clarified that the cost analysis did not include the costs of sending a second person to school. Commissioner Redd wanted to clarify that the training took one year and that if Cyrus were to leave the employment of the Town, it would take another year of hiring outside of Town employees while another person was trained. She stated that it made her a little nervous that the Town only had one person that would be trained. Cyrus stated that it was up to the Board to decide how many people they want to train. Mayor Hardwick asked if the certifications were annual. Cyrus stated that he would have to attend a yearly class and Commissioner Redd asked if that would be an additional cost as well and Cyrus stated yes for continuing education. Commissioner Woodlief stated that he felt the Board needed to understand this procedure

better. Mayor Hardwick stated now was the time to ask questions and then take the information and review it. Cyrus stated that he spoke with Bunn, who had gone this route and their savings were outstanding. Mayor Hardwick asked how many people they had certified and Cyrus stated that he thinks they did just one person. He explained that Bunn was working with a company called O'Brian and Geer that was helping them get their certifications. Commissioner Roberts asked if the Town would save money and Mayor Hardwick stated yes. Tatum wanted to follow up on a question that Commissioner Redd asked. He stated that the cost presented did not include the labor costs. Cyrus stated that the Town employees already do the majority of the work and they are already getting paid for it normally. Commissioner Redd asked Cyrus what the Town was paying Envirolink for if the Town employees are already doing the work. Cyrus stated that the Town was paying them for their certifications mostly. Mrs. Oakley wanted to clarify that the Town employees just needed to be certified to continue the work that they are already doing and Cyrus stated yes. Commissioner Stallings asked how this compared to letting Franklin County take over the system and do all of this. He suggested looking into seeing how much Franklin County could run our water and sewer for. Tomlinson stated that it was looked at years ago when the Town went from wells to water and sewer and it was primarily political reasons that the Town kept their own system. Commissioner Stallings asked if that was something that could be revisited. Mayor Hardwick stated that he has had conversations with the County Manager and that there are always options out there. Mr. Schriver wanted to clarify that Cyrus is working on the Town systems under the direction of Envirolink which is where the fee comes into play. Mayor Hardwick stated that the Board would put this up for consideration.

The second item under Old Business was a discussion of the Capital Improvement Plan. Commissioner Stallings stated that he and Commissioner Roberts had met and produced this plan but he wished for a motion to table this until such time as the new Town Administrator could be hired so that the committee could have the new Administrator's input in this plan. Commissioner Stallings stated that he did not want to jump the gun with this plan.

MOTION: TO TABLE THE DISCUSSION OF THE CAPITAL IMPROVEMENT PLAN UNTIL THE NEW TOWN ADMINISTRATOR CAN BE HIRED AND LOOK OVER IT.

The motion was made by Commissioner Stallings and was seconded by Commissioner Woodlief. It passed unanimously.

The next item on the agenda was New Business. The first item under New Business was the Petition for Zoning Amendment for Michael Schriver for the vacant lot on North Cross Street and East Winston Street. Mayor Hardwick stated that Mr. Schriver had received a Favorable Recommendation from the Planning Board.

MOTION: TO APPROVE THE REQUEST TO REZONE BY MICHAEL SCHRIVER FOR THE VACANT LOT ON THE CORNER OF NORTH CROSS STREET AND EAST WINSTON STREET.

The motion was made by Commissioner Stallings and was seconded by Commissioner Woodlief. It passed unanimously.

The second item under New Business was a Conditional Use Permit from Hazin Auto, Inc. for 888 Park Avenue. Mayor Hardwick stated that they had received a Favorable Recommendation from the Planning Board.

MOTION: TO APPROVE THE CONDITIONAL USE PERMIT FOR HAZIN AUTO INC. AT 888 PARK AVENUE.

The motion was made by Commissioner Redd and was seconded by Commissioner Johnson. It passed unanimously.

The third item under New Business was Mike Myers with Envirolink. He stated that Tony Arnold, who used to run the program for NC for the operators certifications and technical assistance, was also with him. He stated that Envirolink has been managing the Town's system for 10 years and is aware that towns across the state are experiencing trying times. He stated that they were supportive of the Town and the fact that they are looking a cost savings. Mr. Myers stated that Cyrus brought up a good option that does need to be looked at. He wanted to list some of the services that Envirolink provided Youngsville with. Mr. Myers explained that they provide the Operator in Responsible Charge for Youngsville's water distribution system, cross connection control, and for the collection system which also has a backup operator. He stated that they were available 24/7 for emergency responses. He stated that the answering service will contact them so no matter what time they are called; we will get a live person. He stated that their offices were about a half hour away but they had employees that live in the Youngsville area. Mr. Myers stated that Envirolink cleaned about 21,000 feet of sewer each year, averaging about 3,000 feet a day, cleaned the lift stations twice a year, also assist the Town in its Fats, Oils, and Grease Program which is state required. He stated that they also prepared all of the regularity reports and prepares notices for the citizens of Youngsville. Some of the regularity reports include a monthly report prepared that includes all of the monthly testing, which is mostly water samples including lead and copper and disinfection sampling, for the State. Also, they prepare the annual Consumer Confidence Report for the Town which covers the results of the water testing. Mr. Myers stated that they also prepared the Waste Water System Performance report. They are also required to do a visual inspection of the entire collection system on an annual basis, though some parts require them twice a year. He stated that they also provide management support. Mr. Myers stated that he was a former regulator and so was Mr. Arnold, which makes them a resource to the Town should problems occur. Envirolink employees have a total of over 75 years of experience in managing utilities from small to large systems. Some of the advantages are personnel, meaning that if the Town's ORC was hurt or left employment, there were other ORC's on staff that can take their place immediately so the Town would never be out of compliance. Mr. Myers stated that Envirolink has over \$1.5 million dollars worth of equipment at their disposal for emergency response. He stated that during Hurricane Irene, they had people stationed all over the state with emergency equipment so that they could be mobilized for any situation. All of their systems were kept up and running. He stated that he had employees monitoring pump stations and clearing streets, making sure that the water and sewer systems stayed online. None of their clients went without water and sewer during that time. Mr. Myers also stated that they guarantee regulatory compliance. If there is an issue that is their fault, they will make it right. Mr. Myers stated that they were involved with the community. He

explained that he had helped some of the towns that were hit hard by Hurricane Irene do their clean up as well as help them with the FEMA paperwork at no cost to the towns. Mr. Myers stated that there were options to help save costs, such as them taking on other roles with the water and sewer functions and even in the public works department. According to their numbers, they estimate the town spends about \$255,000 a year on services that they provide and they may be able to help save 20% of that. Mayor Hardwick stated that the Town was fortunate to have Mike being the one who was checking on the lift stations during Hurricane Irene. Mrs. Wood stated that there was a manhole in front of her house that had a horrible smell during the summer time and she knew the town had tried to block the odor but that didn't work well. She wanted to know if there was anything that could be done about that. Mr. Myers stated that there were several options available, including chemical solvents and solutions. He stated that this would be an expense that the Town would have to approve. Mr. Myers explained that there was also another option of maybe changing the design of the sewer lines to help make the sewage flow better but that may need major construction to do. Mayor Hardwick stated that the sewer lines in town were very old. Commissioner Stallings asked to clarify the amount of \$255,000 and Mr. Myers stated that the Town was paying that much for services that Envirolink could provide. Commissioner Stallings also verified the 20% savings and would this constitute a new agreement with Envirolink and would the Town be able to back out of that agreement if they were not happy with the services. Mr. Myers stated that their contracts were typically 5 year contracts, but for one of their towns they have instigated that after 1 year there is an out clause. They would have the choice to back out of the contract if things were not going the way they wanted or to continue on for the next four years. Mayor Hardwick stated that the Board had been presented with a lot of information for ways to improve the Town's expenses and costs. He stated that this information would help the Board come up with the best plan for the Town. Mayor Hardwick stated that he did appreciate the work that Envirolink has done over the years. Mr. Myers stated that regardless of what direction the Town chose to go in, Envirolink would still be here to support us.

The next item under New Business was a donation request for the Fall Festival. Hurd stated that every year the Board has been donating \$250.00 to the Fall Festival. The Youngsville ECA took over this project when the Town was unable to continue doing it. She stated that most of the money that is raised by the Fall Festival does go back into the community. Mayor Hardwick stated that it is one of the highest attended events in Youngsville.

MOTION: TO APPROVE THE \$250.00 DONATION TO THE FALL FESTIVAL

The motion was made by Commissioner Stallings and was seconded by Commissioner Roberts. It passed unanimously.

The next item on the agenda was Executive Session (if necessary). Mayor Hardwick asked if there was any need to go into Executive Session and the answer was no.

MOTION: TO BYPASS EXECUTIVE SESSION

The motion was made by Commissioner Roberts and was seconded by Commissioner Woodlief. It passed unanimously.

The next item on the agenda was Reports and Other Business. Mayor Hardwick mentioned that there would be a Flag Raising Ceremony at the Luddy Park on Sunday, at 5:30pm in honor of the September 11th victims. He stated that YABA and the citizens and businesses of Youngsville had done a great job in coming up with the funds for the new flag pole. Mayor Hardwick also mentioned that the Fall Festival was on September 17th from 9am – 4pm at the Youngsville Armory. He stated again that this was well attended and helped to raise funds for the Town. Mayor Hardwick explained that the ABC Board was made up of three members, Brenda Robbins, James Underwood, and Everett Pearce. He stated that they needed a motion to remove Brenda Robbins from the ABC Board.

MOTION: TO REMOVE BRENDA ROBBINS FROM THE ABC BOARD

The motion was made by Commissioner Roberts and was seconded by Commissioner Woodlief. It passed unanimously.

Mayor Hardwick then recommended that the Interim Town Administrator be placed on the ABC Board on an interim basis to help out.

MOTION: TO APPOINT INTERIM TOWN ADMINISTRATOR BILL TATUM TO THE ABC BOARD

The motion was made by Commissioner Redd and was seconded by Commissioner Roberts. It passed unanimously.

Mayor Hardwick told Tatum that he appreciated the help. Mayor Hardwick also wanted to update the Board on the progress of the applications. He stated that a lot of them have come in. He explained that the Board was still going through them but had responded to some of them at this point.

Commissioner Stallings stated that month's ago, the Board had decided on paving some sidewalks and he wanted to know the status of the incoming money. Hurd stated that the new Powell Bill money is expected to come in on October 1st. Commissioner Stallings stated that there was about \$30,000 mentioned and wanted to know where that money was. Hurd stated that it was still in the account. She explained that there had been a vote to pave one of the streets but that she would have to check to make sure which one. Commissioner Redd stated that she thought it was the sidewalk on North College Street. Hurd stated that the remaining roads and sidewalks were waiting to be voted on until we got the money in October. Tatum stated that there was \$24,376 left in the Powell Bill at this time. Mayor Hardwick stated that at that meeting, the Board was estimating about another \$30,000 to come in and that we could do more at that time. Commissioner Redd asked if October was too late and Hurd explained that it was a good time as the temperatures were just right. Hurd stated that last month, Cathy Oakley had mentioned the Pine Street railroad crossing being in need of repair. Hurd stated that the railroad paved the section where the tracks were located but what needs to be fixed by the town is the section of road leading up to the railroad tracks. Mayor Hardwick stated that there was a list from that Board meeting that the Commissioners was going to look at and

decide later what needed to be done. He stated that everyone needed to relook at this for the October Board Meeting so that the plans can be made. He urged the Board to get the information back to Hurd as soon as possible so that she can have the information ready by the next Board Meeting. Mayor Hardwick asked Hurd to email that list to the Board to make sure they have it. Mrs. Oakley suggested that the Town put a stop to the transfer trucks that are using the back streets. She stated that they are going up Pine Street often. She stated that there was a sign at one end of the street but not at the other.

Commissioner Redd asked that there either be a "Children at Play" or at least a speed limit sign be put up on West Franklin Street. Her neighbor has a small child that they are concerned about. Tomlinson stated that there were no legal problems putting that type of signage up.

Commissioner Johnson mentioned that looking through the new applications; the Board would need to make a decision about how to handle the interviews for people that live out of state. He stated that Hurd and Tucker had mentioned video conferencing and that Ritchie Duncan at Economic Development could help him find a good place to set that up. He stated that he felt this would be the most cost effective way to handle those interviews. Mayor Hardwick stated that Skype was a good way to do that and all you would need would be a laptop with a camera. Next, Commissioner Johnson stated that he was looking at the Budget information and wanted to know if the Town was still looking to get a dump truck and Mayor Hardwick stated that it was a pickup truck that had been budgeted for. He stated that he and Tatum had been talking about used trucks.

Commissioner Johnson wanted to clarify what the truck was for and Mayor Hardwick stated strictly for the maintenance. Commissioner Johnson stated that his problem was that even though it was approved in the budget, the Police Department needed new cars. He stated that he had promised Kirts that he would get some of the local industries to help get money for items needed for the Police Department. Commissioner Johnson stated he felt that the Board needed to reevaluate the need of the truck. He stated that the Town had 2 trucks and one was operational and the other was not. He stated that the Town could just use the operational truck. Mayor Hardwick stated that is what the Town's already doing. He stated that they are just looking but not actually set to buy and Commissioner Redd stated that she felt the Town shouldn't even bother looking at this point. Commissioner Johnson stated that he felt that there were other things that were more important. He stated that this was one way to cut cost because he had no intention of raising taxes. He stated that he felt anything that can be done to keep the tax rate steady needed to be done. Commissioner Johnson also wanted to mention that he was glad that the vacant lot is gone and that something that looks nice has replaced it. His concern is that there are turning lanes into the store but not at the light. He stated that there needed to be turn lanes at 5 Points. He wanted to know how it happened that the store rated turn lanes but not the actual stop light. Mayor Hardwick stated that he remembered that they had tried to get turn lanes before but DOT had turned us down. He stated that their solution had been to place a roundabout at that intersection. Mayor Hardwick stated that he thinks the Board had voted that down because a small roundabout would not help with the Town's problems but would create more. Commissioner Johnson stated that citizens had come to him complaining about not getting turn lanes, especially ones that had to take their children to school. Mayor Hardwick stated that it was dangerous for everyone. Commissioner Johnson stated that he understands that it would help the flow of traffic. Commissioner Redd asked if

CAMPO could help and Commissioner Johnson stated that he didn't think it would help. Mayor Hardwick stated that Youngsville had no pull with DOT. He stated that it was one reason why he pushes so hard for the bypass so that it would at least get rid of the truck traffic. Commissioner Johnson stated that the trucks were part of the problem as they had such a large turning radius that if cars were not where they were supposed to be, the truck could not make the turn. Commissioner Redd asked how one went about asking DOT for something. She stated that she walks her children to school and it's dangerous with the traffic in all directions. Tomlinson stated that if you notify DOT, they will come and talk with us. Mayor Hardwick stated that that is what we needed to do. Commissioner Redd asked Hurd to set up a meeting. Mayor Hardwick asked if they could be brought to one of the Board Meetings to talk to the Board and the citizens about the concerns we have. Tomlinson suggested that a committee be set up to discuss what items that the Board wants to discuss so that they will be prepared. Mayor Hardwick asked who wanted to serve on the subcommittee to help make this happen for the October Board Meeting. Commissioners Redd and Johnson stated that they would. Mayor Hardwick stated that he felt that there was always room for a turn lane on Main Street at least for a left turn towards the school but the final plans from DOT had them turning into the Wilco Hess. Commissioner Johnson stated that if they can't at least see if they can do something. Mayor Hardwick stated that the main items were the turn lanes and the crosswalks. He mentioned that the Town had been shot down on the crosswalks before.

Tatum wanted to mention that the reason the one truck had been parked was because it was unsafe. He stated that he was not going to let the employees drive it when it could be dangerous, since the seatbelt doesn't work and the doors won't stay shut. In the budget for streets and sanitation, there is a total of \$15,000 for equipment payments. He stated that the Town was leasing a dump truck and has already spent \$3,000 leaving only \$12,000 for that line item. If the Town continues to keep the dump truck that would eat the remaining portion of those funds. Tatum stated that he cannot find any provision or documentation in the budget for the new truck. Tatum stated that the Fire Department had brought to our attention that they had a used truck for sale and that the Town was not looking into buying a new truck at this time but he was not going to let the employees drive an unsafe vehicle. Tatum stated that if they bought anything it would be a surplus vehicle and Mayor Hardwick stated that the only reason they had looked at the other one was because it was brought to their attention. Tatum stated that at the same time the police cars needed work too. He stated that the Town needed to replenish its funds. He explained that if the Town stayed within the budget and the revenue holds, then the Town would be ok. He explained that there were some things that the Town could get rid of that they don't use anymore. Tatum stated that it was brought to his attention that there were mowers in the back (a 40" and a 72") that don't get used at this time.

Commissioner Redd stated that she wanted to get an inventory list and Tatum stated that the auditors had a depreciation list on items over a \$500 value. Commissioner Redd stated that her problem is that she doesn't know what everyone does daily so she doesn't know what equipment that they really need. She stated that she felt the Town in general wasn't working together. She stated that she felt that the Planning Board needs to work with her and she needed to sit down and meet with the workers and there needs to be more intermixing going on with everyone in town. Mayor Hardwick stated that he's urged the Board to do just that, to come to Town Hall and with all that is going on at this time, it's even more important. Tatum stated that he felt that he and Commissioner Redd are saying the same thing when it comes to what the Town owns. He stated that he can

get a list from the auditors. He explained that all of the vehicles need to be reworked. Mayor Hardwick stated that the key is that the Town not go spending money now that we're in a better financial situation and Tatum stated that we actually were not in a better financial situation and that the Town needs to follow the budget.

Chief Kirts stated that he had good news first. The Police Department had been approved for a Highway Safety Program Grant. This would pay for a new full time officer, car, equipment for 4 years, with the State paying less each year. He stated that this would be a whole new position completely equipped specifically for traffic. Next, Chief Kirts wanted to thank Commissioner Johnson for his efforts to help the Police Department get some items. He explained that the state of the Police Department has declined. He stated that he was now driving his personal vehicle at this time. He stated that the last six months have seen an increase in DWI's and other calls for service. He stated that they were extremely overworked and under equipped. He stated that he had three cars that were out of commission at this time. He stated that he has not heard anything from anyone in town about his new cars. Chief Kirts stated that he did not know what was in the budget since it changed at the last minute. Mayor Hardwick stated that there was one car and one truck in the budget that passed. Commissioner Roberts stated that it didn't matter what was in there, if there was no money. Tatum stated that he was looking in the budget to see if there was anything for the new truck and if there was stuff in the budget that was unnecessary maybe he could shuffle the money around to get necessary items. Chief Kirts stated that he felt that the Town needed to put public safety at the top of its priority list. He stated that at this rate, it was almost impossible to maintain. He stated that he felt he had done his part by getting low or no cost items. He stated that cars are his number one priority. Chief Kirts stated that he needed 3 new vehicles plus new tires for some of the old ones. He stated that since there had been some recalls that they were able to get some of the repairs done for free. He explained that he was trying to maintain a 24 hour business and stay equipped. Tatum stated that surplus vehicles were not an option but new cars were needed. Chief Kirts stated that ideally cars should be rotated out every couple of years but we were unable to do that. Chief Kirts stated that he just wanted to make the Board aware of the situation at the Police Department. Tatum stated that the Police had \$7,000 budgeted for equipment and \$15,645 for car payments. He stated that he would look into the numbers and figure something out. Chief Kirts stated that this is the budget that was cut down. He stated that the original budget had three cars in it. Commissioner Redd stated that computers were also on his budget list. Chief Kirts stated that two of the cars had been paid off and he didn't know why those lease payments were not rolled over. Tatum stated that they were paid off last fiscal year. He stated that his suggestion is to find out what is in the budget and then look at what we can do with what we have. He stated that there may be money that can be shifted around and the Board can decide what we need to do. Tatum stated that he needed to identify areas that have the potential to solve these vehicle problems. Mayor Hardwick stated that he thought there was the option in the budget that after 6 months the Board could change it to add another vehicle if the financial situation changed. Chief Kirts stated that the Board needed to look at it hard because he did not have six months left on his equipment. Commissioner Redd asked how long it would take to finish getting the information from Cyrus and Envirolink and to start seeing a savings that would help with some of these problems. Mayor Hardwick stated that it depended on when all of the final numbers came in. He stated that he was working on something that he hoped to get to the Commissioners to look at before the next Board meeting. Commissioner Redd stated that

she felt this was something that did need to be looked at between meetings so that the Board can be ready to act. Mayor Hardwick stated that it was one of the reasons that water and sewer was looked at first was because it was a big ticket item. Once we get that squared away, there may be more savings down the road that will help to afford more items at a later date, maybe another car. He stated that financially the Town needed to get to a place where there was available funds to be able get needed items. Mayor Hardwick stated that the Board has always been supportive of the Police Department but the finances have to be looked at as well. He stated that taxes could have been raised but the citizens would not have been happy about that and the Board could not do that to them considering how the economy has been these past few years. He explained that this was why everything was cut back to help build up the finances. Commissioner Stallings stated that he had a memo for the proposed budget from April 1, 2011 for the proposed budget and it states that under the Police Department it states \$25,000 for police cars. Mayor Hardwick stated that was the original proposal and it was changed after that. Commissioner Redd stated that she felt that the budget she and Commissioner Stallings worked on said one thing and the budget that came before the Board said something else. Chief Kirts agreed. Mayor Hardwick stated that everyone had received the emails and agreed to change it and cut back on expenditures to help the financial situation. He stated that this Board voted to do that in open session and it was discussed at that time. Chief Kirts stated that the April was the original one that was worked out then it was changed. Mayor Hardwick explained that as Commissioners started to look at it and found ways to cut expenses was when it was changed. Commissioner Stallings asked Tatum how the budget for the Town worked since it seemed to be different from the budget he was used to at Franklin County, where he worked. Tatum stated that there was not a line item for capital outlay at this time but it can be put in there. Commissioner Stallings stated that there should be a better way to identify items on the budget to be less confusing. Tatum stated that there are two sides to this, revenue and expenses. He explained that you have no control over revenues but did have control over expenses. He stated that the Board is going to have to decide what to do with the money. Tatum stated that Police cars are needed but the budget was what they had to work with. He stated that there was the option to shift money if needed. Commissioner Johnson asked when the grant would become effective and Chief Kirts stated that the paperwork needed to be signed and once filed then they could start purchasing. Commissioner Johnson stated that at that time there would be funds available for a new car, but Chief Kirts stated that would be for a new officer and it would still leave the other cars needing to be fixed for current positions. Commissioner Johnson stated that at a previous meeting, it had been mentioned about getting another officer and Chief Kirts stated that he was in the process of doing that. Commissioner Johnson stated that the budget was not itemized to help tell what the figures represent. Tatum stated that there were probably figures in his office that tell him that, he just needs to find them. He stated that all the vehicles are lease payments, and once he finds out when the lease expires he will know more about the numbers in the budget. Commissioner Roberts stated that when he adopted this budget, he thought that there was at least \$200,000 in the bank. Tatum explained that the budget document showed how much money was coming in and going out. He stated that the Board can allocate the money back and forth. However, the biggest expenditure that the Town has is labor and benefits. Trying to work around that does not leave a lot of room. He stated that the main priorities of the Town are public safety and running the water and sewer system. Tatum stated that Chief Kirts can't run a Police Department with no equipment, so we'll just have to find the money in the budget and reallocate the money

between line items. Commissioner Redd asked if the new Town Administrator would look at the budget, get familiar with it and then add line items like Commissioner Stallings was talking about, maybe make it more specific. Mayor Hardwick stated that was one of the things that Tatum was in the process of doing was getting the Town in line and making it clearer. He stated that Tatum was working with the Local Government Commission who is making recommendations as well. Tatum stated that the Board can make these line items as detailed as they want to. He stated that it would not be ideal to make it too detailed in the General Ledger. Tatum stated that supporting schedules should be made available for any line item that has major money in it. Chief Kirts stated that Tatum is doing a great job.

The meeting adjourned at 8:26 pm.