

Town of Mount Olive
June 14, 2022
Regular Board Meeting
Minutes

Mayor Kenneth Talton called the meeting to order at 7:00 P.M. Those in attendance per roll call of Mayor Kenneth Talton were Mayor Pro-Tempore Steve Wiggins, Commissioner Vicky Darden, Commissioner Harlie Carmichael, Commissioner Barbara Kornegay, Commissioner Dennis Draper, Town Manager Jammie Royall, Town Clerk/Administrative Assistant Sherry Davis and Town Attorney Carroll Turner.

Mayor Kenneth Talton welcomed everyone to the meeting.

Commissioner Harlie Carmichael delivered our invocation and Commissioner Dennis Draper led us in the Pledge of Allegiance.

Mayor Kenneth Talton conducted a roll call and all were present.

Mayor Kenneth Talton read the Conflict of Interest Statement; there were no conflicts.

Mayor Kenneth Talton requested a motion to approve the published agenda. Mayor Pro-Tempore Steve Wiggins made the motion. Commissioner Dennis Draper seconded and the motion passed 5-0.

Mayor Kenneth Talton requested a motion to approve the May 10, 2022 regular and the May 31, 2022 special meeting minutes. Commissioner Barbara Kornegay made a motion to approve the May 10, 2022 regular and the May 31, 2022 special meeting minutes. Commissioner Vicky Darden seconded the motion and it passed 5-0.

Mayor Kenneth Talton then moved to the Public Forum. Mrs. Linda Boykin of 600 East Main Street, Mount Olive, NC 28365, 919-922-9364 wanted to comment on Action Item Memo- 06-46. She feels a two and one half percent raise is a slap in the face to the employees who have not had a raise in four years. She wonders how one hundred thousand dollars can be budgeted for demolishing buildings but not the funding for employee pay raises. She thinks this is disgraceful, the employees show up rain, snow, sleet, shine, hot or cold. If the employee is only making thirty thousand dollars per year, the raise is only around seven hundred and fifty dollars annually. She suggested the employees making eighty thousand or more per year give up their two and one half percent pay raise.

Mr. Joe Hatch of 501 West James Street, Mount Olive, NC 28365, 919-658-2998 thanked the Public Works employees for cleaning out the storm drains throughout town and marking them with painted arrows. This indicates work is being performed. He thinks property taxes should be raised; this will provide more revenue for drainage repair and street paving. His street has not been paved in eighty years. He stated John Street near Mount Olive Middle School is terrible. He is also in agreement with and supports employee pay raises.

Mayor Kenneth Talton thanked everyone for his or her comments and closed the Public Forum.

Mayor Kenneth Talton then discussed Non-Action Memo – 06-46 – Consider Adoption of the Proposed 2022-2023 Budget, Budget Ordinance & the Town Manager’s Budget Message. He advised this is not a public hearing, it is for Board discussion. He asked Town Manager Jammie Royall if he wanted to discuss this or Finance Director Geoffrey Merritt. Finance Director Geoffrey Merritt stated there have been several questions regarding employee salaries since the May 31, 2022 Special Called meeting. The Public Works and Trash Department employees’ raises and the property tax increase of one cent, two cents and three cents. These issues have been addressed. The Public Works and Trash Department employees will receive an additional two and one-half percent raise for a total raise of five percent. Our current property tax rate is sixty-four cents per one thousand dollar value. A property tax increase would bring in additional revenues as follows:

- One cent = twenty five thousand dollars annually (sixty five cents)
- Two cents = fifty thousand dollars annually (sixty six cents)
- Three cents = seventy five thousand dollars annually (sixty seven cents)
-

Finance Director Geoffrey Merritt asked if there were any questions. Commissioner Vicky Darden wanted to know if the five percent salary increase is across the board because it should be across the board. Finance Director Geoffrey Merritt said it is five percent across the board for Public Works and Trash Department employees who have been with us for over a year.

Commissioner Vicky Darden was concerned about a three cents property tax increase and thought the board was going to wait because the Mount Olive Tribune stated there would be no increase. She wanted an explanation regarding the proposed increase.

Commissioner Dennis Draper stated he was the one who raised this issue of the property tax increase at the last regular meeting because there was no more new revenue sources. The tax rate will still not be as high as it was in 1979. He advised a one cent increase would only cover this upcoming year and the board would have to look at an additional increase the next year. We have to balance income and expenditures. He supports both the employee raises and the property tax increase. We have to pay for services that are provided such as fire, police, water and sewer. A property tax increase is necessary to support these.

Mayor Kenneth Talton thanked Commissioner Dennis Draper for his comments. He asked if Finance Director Geoffrey Merritt had any additional comments. Finance Director Geoffrey Merritt stated there have been price increases in every department, gas prices, chemical prices and inflation. These are all big concerns for all municipalities now. Commissioner Barbara Kornegay said our property tax rate would increase from sixty four cents to sixty seven cents. Goldsboro's current rate is sixty-eight cents and Fremont's is sixty-nine cents. She stated the board has listened to public request for employee raises and she supports this budget. Commissioner Harlie Carmichael advised he thought this budget was unfair at first but now he realizes we are just catching up. He agrees with this budget. Mayor Pro-Tempore Steve Wiggins said the original budget message did say no tax increase but that was before we realized employees needed an increase and had to find additional revenues to support the increases.

Mayor Kenneth Talton respects everyone's opinion. He understands the article from the Mount Olive Tribune stated there would be no property tax increase and employees would receive a two and one half percent salary increase. However, we had citizens that requested more than a two and one half percent employee salaries increase. Our last property tax increase was in 2017 and this board has taken all of these in consideration. Employees are our greatest asset and we want to take care of them. We wanted to raise up as many employees as possible by five percent and wanted to do more than that for fire and police because this are critical services for our town and we need to retain them.

Mayor Kenneth Talton advised the board had concerns and had to go back a revisit options for additional revenues. The nation is in a tough economic environment right now. Groceries, gas and everything else is going up in price. We are under a moratorium and have no way of increasing our tax base. We have applied for a one-time fifteen million dollar grant but will not know until the fall whether it was awarded to the Town of Mount Olive. Raising property taxes three cents per one thousand dollar evaluation is the only additional revenues we are going to be able to get at this time. I hope that this will help and the board is doing all we can to pull it all together. We want what is best for the employees and the community, this increase is needed to continue providing the same level of service. We urge the public to please understand and want you to know that we heard your request to provide additional employee raises.

Mayor Kenneth Talton asked Town Manager Jammie Royall and Finance Director Geoffrey Merritt if they could have found the extra funding for the employee raises without this property tax increase. They both answered, no. Mayor Kenneth Talton asked Town Attorney Carroll Turner what is the absolute last date to approve this budget if this item is tabled tonight. Town Attorney Carroll Turner advised June 30, 2022. He stated the public hearing has been held and the board can legally make any amendments after approval. He stated this would be a courtesy to the new board members, so as not to task them with adopting a budget they had absolutely no input. If the proposed budget is not adopted tonight there will have to be a special called board meeting.

Mayor Kenneth Talton said he wants full clarity for the public. Finance Director Geoffrey Merritt stated the budget is a guide and can be amended. Mayor Kenneth Talton asked if the property tax rate increase could be amended if adopted. Finance Director Geoffrey Merritt advised no, once adopted we have to stick with it.

Mayor Kenneth Talton stated he would like to entertain a motion to adopt the proposed 2022-2023 budget. Commissioner Dennis Draper made a motion to adopt the proposed 2022-2023 budget with a three cents property tax increase and the additional two and one half percent payroll increase indicated for the Public Works and Trash Pick-up Departments. Commissioner Barbara Kornegay seconded the motion. Mayor Kenneth Talton asked if there was any further discussion, there was none. He asked that each board member to state yay or nay to the motion to adopt the proposed 2022-2023 budget. The motion passed 4-1 as follows: Mayor Pro-Tempore Steve Wiggins – yea, Commissioner Barbara Kornegay – yea, Commissioner Harlie Carmichael – yea, Commissioner Dennis Draper – yea and Commissioner Vicky Darden – nay.

Mayor Kenneth Talton moved on to Action Memo – 06-47 – Consider Approval of Budget Amendments Number 37 – Number 43.

Budget Amendment # 37

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Allocation of Town Manager Department Employee Wages to Water and Sewer

A. Revenue

B. Expenditure

Salaries and Wages	30-8200-0200	\$ 23,800.00
FICA	30-8200-0500	\$ 1,800.00
Health Insurance	30-8200-0600	\$ 3,300.00
Retirement	30-8200-0700	\$ 2,700.00
Dental Insurance	30-8200-0801	\$ 100.00
401(k)	30-8200-0900	\$ 1,000.00
Transfer to General Fund	30-6600-8300	(\$ 32,700.00)

1. This budget amendment properly allocates a portion of the Town Manager Department salaries to the Water and Sewer Fund. When reviewing all of the duties of the Town Manager Department staff it has been determined that amounts should be allocated to properly show expenditures for time spent on Water and Sewer.

Budget Amendment #38

BUDGET ORDINANCE AMENDMENT #38

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Correct Budgeting for General Fund Revenues and Expenditures

A. Revenue

Ad Valorem Prior Year	10-3010-2000	\$ 3,000.00
Ad Valorem Current Year	10-3010-2100	22,600.00
Rental Vehicle Tax	10-3030-0100	300.00
Penalties & Interest on Taxes	10-3170-0000	1,000.00
Business Registrations	10-3200-0000	200.00
Interest Earned	10-3290-0000	300.00
Beer & Wine Excise Tax	10-3410-0000	16,700.00
Court Cost	10-3510-0000	500.00
Permits	10-3550-0000	1,500.00
Sale of Cemetery Lots	10-3610-0000	5,800.00
Cemetery Fees	10-3970-1900	3,000.00

B. Expenditure

Salaries & Wages	10-4150-0200	9,500.00
Department Supplies	10-4150-3300	1,000.00
Contracted Services	10-4150-4500	600.00
VC3	10-4150-4800	1,400.00
Overtime	10-4510-0100	5,000.00
Salaries & Wages	10-4510-0200	12,000.00
FICA	10-4510-0500	2,000.00
Dental Insurance	10-4510-0801	1,100.00
Maintenance & Repair Equipment	10-4150-1600	1,900.00
Gas	10-4510-3101	7,500.00
Uniforms	10-4510-3600	1,000.00
Salaries & Wages	10-5300-0200	1,000.00
FICA	10-5300-0500	500.00
Health Insurance	10-5300-0600	300.00
Salaries Overtime	10-6200-0100	3,500.00
Telephone & Postage	10-6200-1100	300.00
Uniforms	10-6200-3600	300.00
Contract Labor	10-6200-4500	2,500.00
Contracted Services	10-9200-4500	3,500.00

1. This budget amendment increases budgeted revenues for the excess revenues deposited in the fiscal year above budgeted amounts. This is offset by an increase in expenditures for the Public Works department wages that were under budgeted as well as other under budgeted expenditures in the General Fund.

BUDGET ORDINANCE AMENDMENT #39

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Adjust Budget for Revenues and Expenses for Municipal Airport Fund

A. Revenue

Metro Aviation Lease	35-3310-0300	\$ 6,000.00
County of Wayne	35-3500-0000	100.00
Other Departmental Revenue	35-3690-0100	3,300.00

Sale of Aviation Fuel	35-3810-0000	24,500.00
Jet Fuel Sales	35-3820-0000	20,000.00
B. <u>Expenditure</u>		
Utilities	35-7200-1300	\$ 3,900.00
Jet Fuel Purchases	35-7200-7700	40,000.00
AV Gas Cost	35-7200-7900	10,000.00

Section II. Explanation

- Increase under budgeted revenues for the Municipal Airport Fund. Also, increase costs for utilities, Jet Fuel and AV gas costs for the fiscal year.

BUDGET ORDINANCE AMENDMENT #40

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Amend Budget for Reserve and Purchase of New Pump at NE Church Rd

A. <u>Revenue</u>		
Interest Earned	30-3290-0000	\$ 700.00
Water Taps	30-3730-0100	3,400.00
B. <u>Expenditure</u>		
Transfer to General Fund	30-6600-8300	(\$127,900.00)
Telephone & Postage	30-8110-1100	800.00
Overtime Salaries	30-8210-0100	9,000.00
Capital Outlay – Equipment	30-8210-7600	24,300.00
Capital Reserve	30-8250-0600	97,900.00

Section II. Explanation

- The Sewer Collections department replaced a 4” pump at the Northeast Church Rd lift station #2. This expenditure was not in the original budget. This amendment budgets the expenditure and moves the budgeted item Transfer to General Fund to the Capital Reserve budgeted account for the Water and Sewer Fund. Also budgeted are additional revenues that were under budgeted for the year along with expenditures under budgeted in the Water and Sewer Fund.

BUDGET ORDINANCE AMENDMENT #41

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Budget for AWOS Site Preparation Grant 36237.52.15.1

A. <u>Revenue</u>		
State Grant	36-3470-0000	\$219,100.00
Grant Funds 36237.52.15.1	36-3470-0001	\$156,200.00
B. <u>Expenditure</u>		
Administrative	36-4300-0100	(\$ 23,000.00)
Land Acquisition	36-4300-0300	14,700.00
Engineering	36-4300-0400	7,700.00
Construction Grant 36237.52.14.2	36-4300-0900	219,700.00
Construction	36-4301-0105	156,200.00

Section II. Explanation

- The Town of Mount Olive received a municipal airport grant from NCDOT Division of Aviation in the amount of \$156,107.00. This grant will be used for the new AWOS system site preparation. This amendment also updates airport grants 36244.71.4.1, 36244.71.3.1, and 36237.52.14.2.

BUDGET ORDINANCE AMENDMENT #42

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Budget for Insurance Reimbursement for Wiring of Building that Burned

A. Revenue

Insurance Reimbursement	10-3970-6400	\$ 8,700.00
-------------------------	--------------	-------------

B. Expenditure

Capital Outlay Buildings	10-5000-7200	8,700.00
--------------------------	--------------	----------

Section II. Explanation

1. The Town of Mount Olive received an insurance reimbursement of \$7,305.73 for wiring improvements to 114 East James St office that burned. We have also received notice that the Town will receive an additional \$1,375.00 for temporary wiring for the town managers office.

BUDGET ORDINANCE AMENDMENT #43

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Budget Amendment for Waylin Fire Fund Additional Revenues

A. Revenue

Interest Earnings	51-3290-0000	\$ 500.00
Wayne County Sales and Property Tax	51-3960-0000	28,000.00

B. Expenditure

Transfer Waylin Reserve Fund	51-5300-7700	28,500.00
------------------------------	--------------	-----------

Section II. Explanation

1. The Town of Mount Olive received Interest Income on the cash management account and Wayne County tax beyond what was originally budgeted. This amendment increases those revenues while increasing the reserve of the Waylin Fund.

Commissioner Barbara Kornegay wanted to confirm these amendments are for the current budget and not the one that was just voted on. Finance Director Geoffrey Merritt stated that is correct. Commissioner Barbara Kornegay thanked him for his work. She then made a motion to approve Budget Ordinance Amendments Numbers 37-43. Mayor Pro-Tempore Steve Wiggins seconded and the motion passed 5-0.

Mayor Kenneth Talton stated that Town Clerk Sherry Davis advised him that we must also vote to approve the Budget Ordinance and Town Manager’s Message for Action Item – Memo 06-46. Commissioner Harlie Carmichael made a motion to approve the Budget Ordinance and Town Manager’s Message. Commissioner Vicky Darden seconded and the motion passed 5-0.

Mayor Kenneth Talton then discussed Action Memo 06-48 – Consider Approval of Analysis of Impediments to Fair Housing Choice for the CDBG- Sewer Infrastructure Grant and Action Memo 06-49 - Consider Approval of Affirmatively Furthering Fair Housing Plan for the CDBG- Sewer Infrastructure Grant. He turned this over to Grant Administrator David Harris with RSM Harris and Associates. Mr. David Harris advised the Town of Mount Olive practices Non-Discrimination in all activities. The Federal Government requires an analysis in all sectors. The analysis of impediments is a review to determine if any discrimination is going on. He had contacted the State of North Carolina, local banks and realtors and the categories of census data. He found no evidence of any behaviors of discrimination. This is a positive thing but we have to undertake activities to the public and create an atmosphere where discrimination does not occur in the future. This analysis of impediments is required to be updated. He has worked with the Town of Mount Olive on many projects over the years and there have been no reports of discrimination. As a town and a community that is something, we want to maintain.

Mr. David Harris then discussed Action Memo 06-49 - Consider Approval of Affirmatively Furthering Fair Housing Plan for the CDBG- Sewer Infrastructure Grant. He sent out surveys to all agencies and residents. In the responses, residents feel that we need more affordable housing. He advised low income housing equals tax credits. It is these tax credits that eighty to ninety percent of low-income housing comes from. All of this comes from grant funding and does not require any out of pocket from the Town of Mount Olive. Mr. David Harris asked if there any questions and stated these items can be adopted separately or together.

Mayor Kenneth Talton requested a motion to approve Action Memo 06-48 – Consider Approval of Analysis of Impediments to Fair Housing Choice for the CDBG- Sewer Infrastructure Grant and Action Memo 06-49 - Consider Approval of Affirmatively Furthering Fair Housing Plan for the CDBG- Sewer Infrastructure Grant together. Commissioner Barbara Kornegay made the motion. Commissioner Harlie Carmichael seconded the motion and it passed 5-0.

Mayor Kenneth Talton then discussed Action Memo – 06-50 - Consider Amended Grant Project Ordinance for the Town of Mount Olive American Rescue Plan Act of 2021. Finance Director Geoffrey Merritt the total is still the same but section 3 page 2 explains the differences. He said this would go in next year’s budget (2022-2023).

Section 3: The following amounts are appropriate for the project and authorized for expenditure:

Internal Project Code	Project Description	Expenditure Category (EC)	Cost Object	Appropriation of ARP/CSLFRF Funds
001	Law Enforcement Services for period of March 3, 2021 through March 31, 2023	6.1	Salaries	\$200,000
002	Water and Sewer Infrastructure Project	6.1	Capital Improvements	\$1,258,997
	TOTAL			\$1,458,997

Mayor Kenneth Talton asked if there were any questions. There was none so he requested a motion to approve Action Memo – 06-50 - Consider Amended Grant Project Ordinance for the Town of Mount Olive American Rescue Plan Act of 2021. Mayor Pro-Tempore Steve Wiggins made the motion. Commissioner Barbara Kornegay seconded and the motion passed 5-0.

Mayor Kenneth Talton then discussed Action Memo – 06-51 - Consider Authorizing Sale of 608 & 610 Connor Street Lots by Upset Bid Process. Town Attorney Carroll Turner stated if a citizen wishes to purchase property, they present a letter. Wayne County and the Town of Mount Olive jointly own these two lots. Town Attorney Carroll Turner has permission from the county to authorize these sales. Mr. Jerome Newton has authorized Town Attorney Carroll Turner to advertise the bid amount and wait the ten days for other potential buyers to respond. If the current bid of one thousand two hundred dollars is raised it must be raised by ten percent of the first one thousand dollars and by five percent of the remaining balance. For each upset bid received the ten-day process starts over again.

Mayor Kenneth Talton requested a motion for Action Memo – 06-51 - Consider Authorizing Sale of 608 & 610 Connor Street Lots by Upset Bid Process and approving Town Attorney Carroll Turner to move forward with the sale process. Mayor Pro-Tempore Steve Wiggins made the motion. Commissioner Dennis Draper seconded and the motion passed 5-0.

Mayor Kenneth Talton then moved on to the swearing in ceremony for our elected officials. He turned this over to Town Attorney Carroll Turner to lead the program. Town Attorney Carroll Turner welcomed everyone to the ceremony. He wanted to recognize Commissioner Dennis Draper and Commissioner Harlie Carmichael who are retiring.

Mayor Kenneth Talton stated he has had the pleasure of serving under Commissioner Dennis Draper and Commissioner Harlie Carmichael for the past two and one half years. He has never seen a board work as hard. They have made him proud and he thanked them for the time they have given. This is not an easy job and you put a lot of time into it. You are appreciated and he has thoroughly enjoyed working with them.

Commissioner Vicky Darden thanked both Commissioner Dennis Draper and Commissioner Harlie Carmichael. Commissioner Barbara Kornegay and Mayor Pro-Tempore Steve Wiggins thanked them as well. Commissioner Dennis Draper commented that Commissioner Vicky Darden always has to get the last word in.

Town Attorney Carroll Turner began the swearing in ceremony by introducing – the very distinguished North Carolina Senator Don Davis. Mayor Kenneth Talton thanked Senator Don Davis for coming. He advised they both got their start in 2005 and they share the same passion to help the community.

North Carolina Senator Don Davis swore in Mayor Kenneth Talton. North Carolina Senator Don Davis swore in Mayor Pro-Tempore Steve Wiggins. North Carolina Senator Don Davis swore in Commissioner Barbara Kornegay. North Carolina Senator Don Davis swore in Commissioner Vicky Darden.

Town Attorney Carroll Turner recognized North Carolina Superior Court Judge Will Bland who swore in Commissioner Tommy Brown.

Town Attorney Carroll Turner recognized North Carolina Representative Raymond Smith who swore in Commissioner Delreese Simmons.

Mayor Kenneth Talton then discussed the selection of the Mayor Pro-Tempore. He asked for a nomination from the Board. Commissioner Tommy Brown made a motion to nominate Commissioner Steve Wiggins. Commissioner Delreese Simmons seconded the motion.

Commissioner Vicky Darden nominated Commissioner Barbara Kornegay. She stated she was of the understanding that the Mayor Pro-Tempore serves one term (two years) and then someone else is selected.

Town Attorney Carroll Turner advised the Council of Government follows a policy like that. It used to be the highest vote getter was selected as Mayor Pro-Tempore but that was when there were no districts.

Mayor Kenneth Talton stated the selection is through a simple majority. He asked if there were any other nominations, there were none. Town Attorney Carroll Turner said by law the board can vote by secret ballot if that is the way they wish to proceed.

Mayor Kenneth Talton advised they would forego the secret ballot. He asked who votes for Commissioner Steve Wiggins as Mayor Pro-Tempore. The votes were as follows: Commissioner Steve Wiggin – yea, Commissioner Tommy Brown – yea and Commissioner Delreese Simmon – yea.

Mayor Kenneth Talton asked who votes for Commissioner Barbara Kornegay as Mayor Pro-Tempore. The votes were as follows: Commissioner Barbara Kornegay – yea and Commissioner Vicky Darden – yea.

Commissioner Steve Wiggins was selected as Mayor Pro-Tempore. He was then sworn in as Mayor Pro-Tempore by North Carolina State Senator Don Davis.

There being no further business Commissioner Barbara Kornegay made a motion to adjourn. Commissioner Tommy Brown seconded and the motion passed 5-0.

Our next regular meeting is scheduled for Tuesday, July 12, 2022 at 7:00 P.M. in the board meeting room.

Respectfully Submitted,

Kenneth K. Talton
Mayor

Sherry Davis
Administrative Assistant/Town Clerk