

Town of Mount Olive  
May 31, 2022  
Special Called 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 Dennis Draper delivered our invocation and Commissioner Harlie Carmichael led us in the Pledge of Allegiance.

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 Harlie Carmichael seconded and the motion passed 5-0.

Mayor Kenneth Talton requested a motion to go into the Public Hearing. Commissioner Dennis Draper made the motion. Commissioner Barbara Kornegay seconded and the motion passed 5-0.

The Public Hearing was turned over to Finance Director Geoffrey Merritt. He presented the Budget Message from the Town Manager and Budget Ordinance from the Mayor. He stated there were some small changes from the original proposed budget. Some salaries have been added to some departments. The Water-Sewer Fund is unchanged but the General Fund has some small changes. He is using the American Rescue Plan Funds to bring down costs so we will be able to continue paying for these salary increases in the future.

Finance Director Geoffrey Merritt said he should not have as many budget amendments in the next fiscal year. Commissioner Barbara Kornegay commented the county is planning to increase their tax rate and wanted to know if that mean additional revenue for us. Finance Director Geoffrey Merritt stated, no we would have to increase our own tax rate.

Commissioner Barbara Kornegay complimented Finance Director Geoffrey Merritt, she said this is the first time she has ever been presented with such a thorough budget message. Finance Director Geoffrey Merritt stated he highlighted a few things and is actively looking for grants to work on some of the issues we have. He advised Phase I of our spray fields is nearing completion and work on Phase II has begun. We will be receiving one point four million dollars from the American Rescue Plan. We have applied for an additional fifteen million dollars in funding from the North Carolina Department of Environmental Quality. We have also applied for a one million dollar grant for flow mitigation on Center & Maple Streets. We were awarded seven hundred and fifty thousand dollars for a Community Development Block Grant – Neighborhood Revitalization and a two million dollars in Community Development Block Grant – Sewer Infrastructure.

Finance Director Geoffrey Merritt wanted to highlight some of these items. He provided a summary of where funding goes in Budget Message. He stated the employees are working hard to keep costs down. Mayor Kenneth Talton asked what the average cost of living raise is. Finance Director Geoffrey Merritt answered two point five percent and more for some. There will be a large increase to the Police Department to be able to compete with other municipalities. There will also be larger increases to Public Works and the Fire Department. We are trying to look at for as many employees as we can. We are now competitive. Mayor Talton wanted to know what kind of increase the lowest paid Public Works employees. Finance Director Geoffrey Merritt stated it is very necessary. Thirty nine percent of our revenue comes from property tax and twenty seven percent comes from sales tax. Water-Sewer is thirty percent of our wages and forty three percent of our expenditures. Expenditures are so much higher now and we are trying to retain our qualified employees at the Waste Water Treatment Plant. Our revenue comes from the Water-Sewer bills we mail out. We have made significant improvements for routine maintenance that has previously been neglected.

Mayor Kenneth Talton discussed the streets and Powell Aid. He stated we receive approximately one hundred and forty thousand dollars per year. Finance Director Geoffrey Merritt advised sidewalk construction has begun. Mayor Kenneth Talton asked if there are any suggestions for future projects. Finance Director Geoffrey Merritt stated you have to save up to two years to be able to have enough to do anything. Commissioner Barbara Kornegay commented there is no private or public sources for street paving in all our grant searches. Mayor Kenneth Talton agrees there is plenty of need for street repair.

Finance Director Geoffrey Merritt asked if there were any other questions or concerns. Commissioner Vicky Darden wanted to know about repair to the railroad at Pollock. Town Manager Jammie Royall advised he has been in contact with CSX. He received an email stating they are checking with engineering. Commissioner Barbara Kornegay thanked Finance Director Geoffrey Merritt for his hard work.

Mayor Kenneth Talton asked when our last tax increase was. Town Attorney Carroll Turner stated that every ten years the county performs appraisal re-evaluations. He said Walmart added significantly to our tax base. Finance Director Geoffrey Merritt commented Tractor Supply did as well. Our current tax rate is sixty four cents per one hundred dollar evaluation. We are on the low end and can't keep it that way for long with inflation. We should be good for next year but after that we need to do something. Mayor Kenneth Talton stated we need to get out from under the moratorium.

Commissioner Vicky Darden asked how long it has been since employees have had a raise. Finance Director Geoffrey Merritt answered three years.

Mayor Kenneth Talton asked if there were any further questions or comments from the Board of Commissioners. At this time he opened the floor for public comment.

Mr. Tommy Brown of 601 North Church Street, Mount Olive, NC 28365, 919-738-2288. He wanted to know what percentage the raise is for the Police Department. Town Manager Jammie Royall advised four to five percent. Finance Director Geoffrey Merritt stated the raises start at two and one half percent and go as high at nine percent. Mrs. Doris Yates of 1202 South Church Street, Mount Olive, NC, 28365 919-299-4000 asked who gets the nine percent raises. Finance Director Geoffrey Merritt answered the police department. Mrs. Doris Yates wanted to know why the public works employees getting more of a raise. Town Manager Jammie Royall advised the police department salaries are the reason we on the low end of the salary scale. Mrs. Doris Yates said two and one half percent is a very low raise and asked the board to please reconsider. Mayor Kenneth Talton commented the budget has to be approved by July. Town Attorney Carroll Turner advises the board is allowed to make any changes without any further advertisements. If you want to increase to five percent across the board you can wait until the June 14, 2022 meeting to adopt before the swearing in. Or you can adopt the budget as it is tonight and amend it at a future meeting.

Mr. Hobart Yates of 1202 South Church Street, Mount Olive, NC 28365 919-988-4252 said he wants to talk about sidewalks. He stated there is not strategy or proposals for doing sidewalks in the upcoming years. Why have we not identified Franklin, Nelson or Hillsboro Streets. Finance Director Geoffrey Merritt advised the sidewalks have already been placed in this year's budget. He informed everyone the monies would roll over to our fund balance. That work will continue to be performed and one hundred thousand dollars has been budgeted for contracted services. Mr. Hobart Yates asked how you put something not identified into a projected budget. He said there are ten streets that have no sidewalk and only three have been identified. He wanted to know if he needs to identify them in the Public Works Advisory Committee Project sheet. Mayor Kenneth Talton asked Mr. Hobart Yates to please identify the sidewalk needs in the Public Works Advisory Committee Project sheet.

Mayor Kenneth Talton commented we are working off the current year and asked where the street signs are allocated. Town Manager Jammie Royall answered in Public Works.

Mayor Kenneth Talton asked if there were any further questions. He the requested a motion to come out of Public Hearing. Commissioner Harlie Carmichael made a motion to come out of Public Hearing and back into regular session. Commissioner Vicky Darden seconded the motion and it passed 5-0.

Back in regular session Mayor Pro-Tempore Steve Wiggins stated the board had several budget workshop meetings so it is pretty clear what's in this budget. With the exception of the raises. Commissioner Dennis Draper said Finance Director Geoffrey Merritt needs to give us figures and how to pay for them. Without that he is not sure what questions to ask. Originally the budget included no raises and the board requested figures for two and one half percent, five percent and ten percent. We need to wait until we have these information before voting. Commissioner Harlie Carmichael said there is no perfect budget that's why we have amendments. Commissioner Vicky Darden stated you agrees with Mrs. Doris Yates, the Public Works employees do need more of a raise. Everything else is increasing and so should their wages. Mayor Kenneth Talton commented this is an ongoing issue with all municipalities and Mount Olive always has and always will be somewhat of a training ground. He said those who sacrifice the most receive the least. We have to provide those critical services and need to be able to fund everybody across the board.

Finance Director Geoffrey Merritt advised we will have to dig and claw for any additional raises. It was already a struggle without raising any taxes. Commissioner Dennis Draper asked how much does a penny increase in our tax rate generate. Finance Director Geoffrey Merritt stated we are currently at sixty four cents per one hundred dollars. We need to charge at least sixty seven cents to sixty nine cents to be competitive. Mayor Kenneth Talton asked Commissioner Dennis Draper if he was suggesting a tax increase. Commissioner Dennis Draper commented he doesn't think we can ignore it. We were told a few years ago that a penny increase would generate an additional twenty five thousand dollars. We can't continue to operate depending on others to pay our bills. Commissioner Vicky Darden wondered if this would be taking away from the raises. Commissioner Dennis Draper stated no, we are just trying to figure out how to pay for them. Mayor Kenneth Talton said if people know what their money is being allocated for, most will understand. In this current state of the economy a lot of people are coming to realizations. Commissioner Barbara Kornegay suggested we increase trash pick-up costs by one dollar. Town Manager Jammie Royall advised that is state mandated next year. Mayor Kenneth Talton advised those funds could only be used for water/sewer. He requested that Finance Director Geoffrey Merritt please perform a property tax analysis of one, two and three percent. This has to be adopted with the budget. Commissioner Dennis Draper feels we don't have a choice but to look at this now. Finance Director Geoffrey Merritt informed the board there have already been deep cuts in all departments. If we don't raise taxes there will be no excess in this budget to spend. Commissioner Dennis Draper commented we have to think about the revenue at the same time. A responsible government needs to examine revenues and expenditures.

Commissioner Barbara Kornegay asked Finance Director Geoffrey Merritt to find out when the last tax increase and decrease were. Mayor Kenneth Talton advised the City of Goldsboro has also increased their service fees such as inspections and parks and recreation fees. They also offered not to tear down any houses in this year's budget. Commissioner Dennis Draper stated you don't fund ongoing cost with one time funds. Commissioner Dennis Draper said we operate short because we haven't been willing to fund.

Commissioner Barbara Kornegay asked Finance Director Geoffrey Merritt to please calculate a five percent increase for the public works employees. He stated he already has that calculated. Mayor Kenneth Talton asked him to see if he can make that work. He said having all the information we need will make it easier moving forward. Finance Director Geoffrey Merritt stated he does not see that happening, he can't pull any more from the

departments they are at a bare minimum now. Mayor Kenneth Talton wanted to know if the nine percent raises allotted to the police department can be redistributed. Commissioner Dennis Draper commented we are losing officers now. Finance Director Geoffrey Merritt stated we have to inform Wayne County of any property tax increases. Commissioner Dennis Draper said the property tax re-evaluations are performed every eight years. Finance Director Geoffrey Merritt advised the last one was performed in 2019.

Mayor Kenneth Talton asked if there were any other questions or comments. Commissioner Dennis Draper made a motion to table this discussion of Budget Revenues and Expenditures until the Regular Board Meeting on Tuesday, June 14, 2022. Commissioner Harlie Carmichael seconded the motion and it passed 5-0.

Town Attorney Carroll Turner stated the swearing in of the elected officials should be no later than the June 14, 2022 meeting. The North Carolina State Board of Elections has ruled local boards of elections can certify the votes as of Thursday, June 2, 2022. He said they normally mail them out. He suggested the current board should adopt this budget then swear in the new board of commissioners. After the swearing in a Mayor Pro-Tempore should be selected. Town Attorney Carroll Turner asked newly elected officials Tommy Brown and Delreese Simmons if they are okay with waiting until the June 14, 2022 meeting to be sworn in. They both stated they are.

Mayor Kenneth Talton commented a reception will be held at the Train Depot immediately following the swearing in ceremony. The ceremony will recognize the outgoing officials and welcome the newly elected officials. Town Clerk Sherry Davis will organize this event. Please let her know how many guests you will have attending. Commissioner Elect Tommy Brown said Judge Will Bland has agreed to swear him in. Commissioner Elect Delreese Simmons stated North Carolina Representative Raymond Smith has agreed to swear him in. Commissioner Vicky Darden advised North Carolina Senator Don Davis has agreed to swear her in.

Commissioner Vicky Darden wanted to know how many guests they can invite. Mayor Kenneth Talton said there really is no limit but the Train Depot's occupancy capacity is ninety-six.

There being no further business Commissioner Barbara Kornegay made a motion to adjourn. Mayor Pro-Tempore Steve Wiggins seconded and the motion passed 5-0.

Our next regular meeting is scheduled for Tuesday, June 14, 2022 at 7:00 P.M. in the board meeting room.

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Respectfully Submitted,

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Kenneth K. Talton  
Mayor

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Sherry Davis  
Administrative Assistant/Town Clerk