

TOWN OF BROADWAY  
BOARD OF COMMISSIONERS  
BUDGET WORK SESSION

MAY 10, 2022

The Town of Broadway Board of Commissioners held a budget work session on Tuesday, May 10 beginning at 3:30 p.m. Members present were: Mayor Donald Andrews, Commissioners Lynne Green, Teresa Kelly, April Collins, and Jim Paschal. Also in attendance were Town Manager John Godfrey, Finance Director Barbara Cox, and Town Clerk Laura Duval. The work session was called to order by Mayor Andrews.

Current Projects:

Mayor Andrews gave an update on current Town projects.

- The EAP is being worked on for Watson Lake dam.
- The S. Main Street sidewalk project EB-5870 is moving forward. Letters have been sent to property owners. Ten parcels will be affected by the sidewalk. One parcel consists of 1,200 sq ft. The project will be let in July or August. Securing easements will be done in house.
- At Watson Lake Park benches have been installed and more have been ordered. Placement of the water fountain will be spotted and connected soon.
- The old town hall parking lot will be resurfaced by Gaither Dycus.
- As the Town can get to them, the fire hydrants are being worked on. During an inspection several were found that need to be raised.
- Digital mapping for the cemetery has not yet been completed.
- The street sign replacement program is ongoing.
- There is no update on the time capsule. The Mayor was advised it is a slow process.
- Work is continuing on the NC Disabled Veterans Monument. Funding and manpower have been a challenge.

Future Projects:

The Mayor discussed future Town projects.

- Repairs are needed at the Community Building. The wood needs to be wrapped in vinyl, and shingles need to be replaced on the shelter. The maintenance building also needs to be wrapped in vinyl. It has been difficult to find someone to make the repairs since these are such small jobs.
- Cats and Fiddler Drives are next on the schedule for resurfacing. They need to be speeded out and then put out for bids.

- Roots need to be cut out and asphalt patched on East Lake, Stevens, and Beale Drives.
- Repair work is needed on S. Main sidewalk. Some of it has been pushed up by trees, and there is a broken curb.
- There is no update on the N. Main improvements.
- There has been discussion about adding a pier and bathrooms to Watson Lake Park. The lake may need to be restocked. Commissioner Collins asked if a sign could be placed at McLeod Avenue directing folks to Watson Lake Park. Mayor Andrews said a price could be obtained for installing a sign. McLeod Ave is being paved to the county line today.

Upcoming Events:

Mayor Andrews announced upcoming events.

- Memorial Day Service      May 30 10:00 a.m.
- Veterans Day Service      Nov 11
- Christmas in the Park      Dec 4
- Christmas Parade      Dec 10
- BOW Festival      April 15

Department Updates:

- Mayor Andrews advised the Finance Officer position has been posted.
- The police recruit may be joining the BPD soon. He passed his BLET test and will be scheduled for various employment screenings.
- Public Works has been very busy. The dump truck has been in the shop, so brush pickup is delayed. The WWTP was down one pump for a week. The new pump was installed last Friday.
- Commissioner Kelly asked if Code Enforcement is functioning as it should. The Mayor advised the Town is starting to see results. Fifteen letters were sent out about junk vehicles and 12 have been resolved. The other three vehicles may be towed. Several letters have been sent out about mowing grass. Rich, with SCEI, has learned the Town and communicates what he sees. He meets with the Town Manager every week. The NC General Assembly decriminalized ordinances, so SCEI may update our minimum housing ordinance. That cost is included in the budget. Commissioner Kelly questioned if code enforcement was taking more or less time than budgeted. Mayor Andrews stated it is a little under budget right now. Most folks have been responding to the letters. Only a few haven't. Code enforcement is a process. Some citizens don't realize there are steps that must be followed in order to resolve issues.

- The Town has a contract with Cape Fear Rural Fire Department. The department is trying to improve their daytime hours. They put a new tanker on line last year. The many accidents occurring at 421 and Swann Station Road are a concern. Mayor Andrews sent a letter to DOT Div 8 Engineer requesting something be done about that intersection. He sent a letter in 2017 with no results.

ARP Funds Discussion:

- The first installment was received last July, and the second installment will be received this July. When all the funds are received, a decision should be made as how to use them. The ARP funds are invested with NC Capital Management Trust. The total amount received is approximately \$409,000.

Preliminary Budget Discussion:

Mayor Andrews distributed a worksheet document for review.

General Fund Expenditures were reviewed first.

Governing Body:

The Mayor and commissioners agreed their salaries will remain the same.

There is no election in 2022.

Travel - \$200 budgeted

Miscellaneous - \$550 budgeted

Total Request for Governing Body is \$10,060.

Administration:

Town Manager salary - 3% COLA included in the budget for all employees.

That increase impacts FICA and Retirement.

Group Health Insurance increased 22% this year, but the Manager has other health insurance. \$800 budgeted for ancillary insurance.

Departmental Supplies - increased by \$3,000.

Training - \$500 budgeted for webinars.

Telephone - \$200 increase to keep up with costs.

Postage - \$200 increase to keep up with costs.

Printing – remains the same.

Advertising – remains the same.

Contracted Services - Harris Software indicated a slight increase. \$13,500 is budgeted for accounting software management.

Insurance & Bonds – slight increase for all general insurance for the Town.

Dues & Subscriptions remains the same. This line item covers NCLM, UNC SOG membership.

Miscellaneous remains the same at \$1,400.

Total Request for Administration is \$114,555.

Finance:

The request for Clerk & Staff includes half of the clerk's salary and a full-time Finance Director. The Town Board asked if there are applicants for the Finance Director's position. Mayor Andrews advised there have been no qualified applicants yet. Experience in municipal or county government is desired.

FICA – increase due to addition of full-time position

Group Insurance – increase due to addition of full-time position

Retirement – increase due to addition of full-time position

Insurance & Bonds – Town's general insurance divided between departments.

Professional Services – covers audit contract with Joyce & Company

Miscellaneous remains the same.

Bank Service Charges remain the same.

Lee County Tax Collector remains the same. It is fee for tax collections.

NCVTS Collection Fees remains the same for motor vehicle tax.

Departmental Supplies decreased a little.

Attorney Fees remain the same.

Total Request for Finance is \$167,375.

Maintenance & Public Buildings:

Salaries are for maintenance/public works staff including 3% COLA.

COLA impacts FICA.

Group Insurance increased 22% per health plan.

Retirement impacted by COLA.

Utilities for Town Hall – increased \$4,000.

Utilities for Maintenance - decreased a little.

Community Building includes funds for repairing the wood around the building and new shingles on shelter.

Building Maintenance & Repairs was trimmed down a little.

Truck, Maintenance & Repairs - increased \$4,000. Hopefully, \$15,000 will cover projected fuel costs.

Insurance & Bonds - increased a little.

Lease Payments - budgeted \$9,800 for a new Town pickup.

Miscellaneous - budgeted at \$500.

Commissioner Collins asked what salaries are included in maintenance. These salaries cover one full-time maintenance worker, half of the Public Works

Technician's salary, and a few part-time hours. All of the Public Works Director's salary is in Water/Sewer Fund.

Total Request for Maintenance & Public Buildings is \$162,335.

Police:

Salaries will be adjusted to accommodate an increase in starting pay for a patrol officer. The starting pay will increase to \$42,000. This change will have a domino effect. Each salary will be increased \$5,000. The salary increase impacts FICA, Retirement, and 401K, which is mandated by the state.

SEP Allowance will be paid to retired police officers until they reach age 62.

Uniforms - increased a little.

Fuel - increased \$6,500. The PD drives more than Public Works staff.

Departmental supplies remains the same.

Telephone & Utilities - decreased a little based on current year expenses.

Lease Capital - budgeted \$10,940 for the patrol car payment.

Lease Payments - budgeted \$11,000 for four body cameras, tasers, and storage. This is a straight lease. The Town will not own this equipment. The lease is for five years.

Dues & Subscriptions remains the same and includes fee for Southern Software.

Miscellaneous remains the same.

Contract Services remains the same and includes Leads Online and the police copier lease.

Total Request for Police is \$377,480.

Special Appropriations:

Street Expenditures – Other increased a little to \$3,500. Tree cutting is needed. Streets, Contracted Powell – Resurfacing repairs increased to \$10,000. Streets, Powell Capital Outlay – Powell Funds are used for resurfacing large projects. It is a separate entity or reserve money for streets. Approximately, \$100,000 is in Powell Funds now, and the Town receives approximately \$40,000 every year.

Streets, Utilities – increased \$3,000 for streetlight bills.

Waste Management Fees - increased a little because GFL increased their fees.  
Tipping Fees - decreased a little. Brush will now be hauled to City of Sanford instead of Weeks in Johnsonville. That will save time and fuel.  
Cemetery Utilities remains the same for the area light.  
Cemetery Maintenance remains the same.  
Planning & Inspections remains the same for the interlocal agreement with the City of Sanford.  
Code Enforcement - increased \$2,000 to cover the revisions to the housing standards, and SCEI increased their fee.  
Sanford Area Growth Alliance – membership dues remain the same.  
Parks & Recreation - decreased to \$10,000 for utilities.  
Festival - \$5,000 budgeted for seed money.  
IT Support – Stored Tech - \$9,600 budgeted because the Town currently has no tech support. Stored Tech will protect against malware, ransomware, and assist with resolving issues.  
Funding will have to be pursued for the Watson Lake Dam Project.

Total Request for Special Appropriations is \$252,000.

#### Debt Service

Debt Service – Town Hall remains \$25,945.

Total General Fund Expenditures budgeted - \$1,109,750.

#### General Fund Revenues were reviewed.

Property Tax needs to increase by \$.04 cents in order to cover the \$1,109,750 budget.  
Sales Tax projection came from the NCLM. It is budgeted at \$201,000, an increase of \$1,200.  
Powell Funds - budgeted at \$41,265  
Beverage Tax - budgeted at \$5,560.  
Utility Franchise Tax - budgeted at \$60,000, which is a slight increase.  
Police Fees remain the same. The fees are for copies of police reports.  
Sanitation Fees - budgeted at a slight increase to cover a 5% CPI increase and additional new customers.  
Cemetery Lot Sales - decreased. This revenue cannot be projected.  
Interest Income - decreased because very little interest is earned now.  
Community Building Rent - budgeted with a \$500 increase. There will be discussion on increasing the out-of-town rental fee.  
Miscellaneous - reduced to \$500.  
Festival Funds are taken out of festival reserves.  
Reimbursement from Water/Sewer Fund - budgeted at \$10,000. This is the payment to General Fund for the loan made to the Enterprise Fund for purchase of a lift station.

Interlocal Agreement - budgeted the same at \$90,000. The Town has this agreement with Lee County.

Total General Fund Revenues budgeted \$1,109,750.

Water & Sewer Fund (Enterprise Fund) Expenditures:

W&S Salaries include all of Public Works Director, half of Public Works Technician, and half of Clerk's salary. COLA is included. That increase impacts FICA and Retirement.

Credit Card Charges remain the same. This cost covers the fees for accepting credit card payments.

Contract Services - increased a little. This includes repairs of water line main breaks by Sandhills Contractors and engineering services for projects.

Telephone remains the same.

Postage remains the same and is used for mailing water bills.

Electricity increased a little. This covers electricity for lift stations.

Insurance & Bonds covers general insurance for the Town.

Miscellaneous remains the same.

Meters, Pumps & Supplies - increased \$1,000.

Water Purchases remain the same. The Town purchases water from the City of Sanford.

Engineering Services remain the same.

Capital Outlay remains the same.

There is no longer any water/sewer debt.

Dues & Certifications includes licenses and memberships.

Reimbursement General Fund Loan is the loan payment from the lift station purchase.

Total Water & Sewer Expenditures budgeted - \$447,150

Water & Sewer Fund Revenues:

Water & Sewer Revenue - budgeted \$20,000 increase due to new growth in Town.

Water & Sewer Taps – decreased because taps are on hold.

Late Fees remain the same.

Miscellaneous remains the same.

Total Water & Sewer Revenue budgeted - \$447,150.

Total Budget - \$1,556,900

Total Budget Last Year - \$1,545,275

The formal budget presentation will be given at the May 23 Town Board meeting. A Public Hearing will be held for citizen comments. The Town Manager will

present his budget message and the budget ordinance for 2022-2023. The budget will be presented for adoption at the June 27 meeting.

Mayor Andrews entertained a motion to go into closed session to discuss a personnel issue and a potential contract per G.S. 143-318.11(a)(6) and G.S. 143-318.11(a)(5) respectively. Commissioner Paschal made the motion to go into closed session. The motion was seconded by Commissioner Kelly. Motion carried unanimously.

After returning to regular session, Mayor Andrews adjourned the budget work session.

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Donald F. Andrews, Mayor

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Laura K. Duval, Town Clerk



