

**Town of Garner - Town Council
Work Session Minutes
May 25, 2010**

The Garner Town Council met in a Regular Session at 6:00 p.m. on Tuesday, May 25, 2010 in the Town Hall Council Meeting Room

Attending: Mayor Williams, Mayor Pro Tem Behringer, Council Members Marshburn, Singleton, Kennedy and Johns

STAFF MEMBERS PRESENT: Hardin Watkins, Town Manager; Rodney Dickerson, Assistant Town Manager; Bill Anderson, Town Attorney; Lin Jones, Finance Director; Brad Bass, Planning Director; Frank Powell, Town Engineer and Tony Beasley, Economic Development Director

CALL MEETING TO ORDER AT 6:06 PM

PUBLIC HEARING

Public Hearing on Annexation Petition for Greenfield 40 Associates LLC

Presenter: Brad Bass, Planning Director

Greenfield 40 Associates LLC, Waterfield Drive, Greenfield Business Park has submitted a petition for annexation.

The site development plan for Project F was approved by Council on March 16, 2010. The project is a 95,500 square-foot building on property in Greenfield Business Park South. The project will connect to Town water and sewer. The property is planned to be purchased by Red Rock Greenfield, LLC.

Mayor Williams opened the Public Hearing.

After no one came forward, Mayor Williams closed the public hearing.

Action: Public Hearing continued to August 2, 2010 Town Council Meeting

NEW/OLD BUSINESS

Award Bid for NC 50 Sewer Extension Project – Continuation from 5-18-2010 meeting

Presenter: Frank Powell, Engineering Director

Bids were opened for the referenced project on Friday, May 14 with six bids received. The low bidder for the base bid was Blackmon Contracting at \$79,265.00 and the low bidder for the base bid plus Alternate No. 1 was Blackmon Contracting at \$85,155.00. The base bid reflects the project as originally proposed and is the construction amount that will be used to calculate the property assessments.

Action: Awarded Base Bid plus Alternate No. 1 to Blackmon Contracting in the amount of \$85,155.00.

Motion: Kennedy
Second: Marshburn
Vote: Unanimous

Public Speaks:

Billy Stuart, 1000 New Rand Road, Garner – Representative from the neighborhood

Billy Stuart spoke for the attending property owners. Mr. Stuart and the other property owners met with Frank Powell, Town Engineer last week to discuss the assessments. He said he and the property owners as a whole, decided to go with the scenario of the \$63,000 based on 12 homeowners.

Council Member Kennedy asked Mr. Anderson to explain his memo to Town Council.

Mr. Anderson said the amount of assessment will be the total cost of the project (less any cost associated with the work north of the new road) divided by 13 lots." He said he looked at the assessment statute along with the procedures (NCGS 160A-226) requires the Council determine and assess the total cost of the project. It says "When the project is complete, the Council shall ascertain the total cost." That cannot be done until the close-out of the construction contract.

There are basically three ways under the statute the Council can determine the amount of the assessment.

Option 1 is to assess 100% of the cost including easement cost at the amount of \$7,444.37. Option 2 is to take the figures and determine a percentage of the total cost. Under this scenario the Council could choose to reduce the assessment to, for example, 80-90% of the cost.

If Option 2 is used, less than 100% of the cost would be assessed, the Town must hold a new hearing, duly advertise, and adopt a new preliminary resolution which would supercede the preliminary resolution previously used.

In Option 3 the statute provides some flexibility in terms of what costs are added to construction costs. The statute states that "Costs of right-of-ways (which include the easements) and the cost of publication of notices and resolutions may be included." By saying "may be included," the statute is saying that they may be left out.

There does not appear to be any statutory basis for charging based specifically on the "estimated" construction cost set forth.

As between Option 2 and Option 3, Option 3 would be simpler, not need a second "preliminary resolution" hearing and avoid the expense of publishing notice of hearing. However, if the property owners' are significantly concerned about the potential of a higher figure being presented after the completion of the construction project, the Council can take a look at the matter again after the project is completed and apply the percentage method to reduce the assessment if there should be an unexpected cost overrun. He said tonight our focus is to award the contract only.

Council Member Marshburn said Council needs to get close or nearer to the numbers pertaining to the statues and end up where the people want to be.

Council Member Kennedy said we need to come as close to the \$6,300.00 figure as possible.

Council Member Marshburn asked if it is reasonable to put a potential cap of \$200-\$400 more than the going estimate amount. Mr. Powell replied if you put a cap on the amount, then the cap would have to be on the gross amount and not per person.

Council Member Johns stated he would like to stay around \$6300.00 or that territory. Council Member Kennedy said Council will have to come back when the final costs are in and set assessments then.

Mayor Williams asked the audience if they understood what is being talked about. The group responded with a yes.

Council Member Marshburn said we need to get the figure as close to the \$6300.00 figure and not hold the project up.

Mr. Anderson recommended Council to bring back procedures and a proposal for assessing at the amount of \$6,300.00 as an average.

Council Members Singleton, Kennedy and Johns said that was a good recommendation.

Council Member Kennedy said the biggest issue will be if they hit rock, If they do then it would hike up the cost or if a mistake is made in the length of lines, but we should be pretty safe. Council Members Singleton, Behringer and Johns agreed.

Action: Regardless of total project cost the Assessment value will remain at \$6,300.00

Greenbrier HOA Leadership Resolution No. (2010) 2051 Draft

Mayor Williams asked Council to look over the Greenbrier HOA Resolution draft and make any changes. Council Member Kennedy asked to add: Whereas their accomplishments have set a standard and an example for other communities and will be used by the Town's Neighborhood Improvement Program.

Action: Place on June 7 agenda for approval with changes

Storage of Modular Office Units Maxwell Drive Update

Presenter: Brad Bass, Planning Director

Mr. Bass stated that the Town Council received a complaint at its March 16, 2010 meeting regarding the storage of modular units on Maxwell Drive. The Planning Department has completed its investigation of this matter and wanted to brief the Council of their findings for input and comment.

The findings: A site plan was approved by the Town of Garner in 1980 which specifically identified the use as storage of vehicles. Also, the 1980 site plan depicted a smaller area for outdoor storage than what is currently used for the modular unit storage. After reviewing the matter with the Town Attorney, it is our opinion the 1980 site plan does not include approval to operate a storage yard for modular office units. The SB zoning district does allow this use but a new site plan will be needed and it must include screening of the units from Maxwell Drive. Staff had a brief conversation with Mr. Byrd a couple of weeks ago about this situation while we still investigating the matter and he expressed concerns about why this issue was being raised now when the use had operated at this location for a number of years.

The conclusion: In order for the current use to be considered an authorized land use, a new site plan will need to be approved by the Town of Garner. The biggest expense beyond having a site plan prepared appears to be the costs associated with screening the storage area from Maxwell Drive.

Staff Recommendation:

Request a new site plan that would provide include screening the storage area with evergreen shrubs in clusters.

Council Member Johns asked how many units are being stored. Mr. Bass replied there are 50 to 75 units and the number changes over the years.

Council Member Marshburn asked if the units move in and out. Mr. Bass replied yes and that is based on the related construction at certain times.

Mayor Williams asked if the cost to Mr. Byrd is the site plan, fees and screening material costs only. Mr. Bass replied yes.

Council Member Kennedy asked what is the encompass area. Mr. Bass replied everything inside the driveway. Mr. Kennedy asked what the plan of action is. Mr. Bass replied the site plan to be submitted will enlarge the storage area and the fence should not be taller than the units.

Mr. Bass said we need to work out what the best option is. Council Member Kennedy asked why this is being doing now. Mr. Bass replied because we received a complaint and he was not in compliance in a reasonable fashion.

Mayor Pro Tem Behringer asked how Mr. Byrd replied when he found out that he was not in compliance. Mr. Bass replied Mr. Byrd was surprised and he did not know he was in violation. Mr. Bass said Mr. Byrd has been at said location around ten years.

Council Member Kennedy said in this situation we need to be reasonable and he feels this is the correct approach. Mr. Bass said staff needs a definition of the area, buffer along the side property line and along Pine Winds. He said we still need to have more communication with Mr. Byrd. Mr. Bass reminded Council this is just an updated report.

Mayor Pro Tem Behringer asked are these units still usable. Mr. Bass replied yes and securing the units themselves is as important. Ms. Behringer's concern of the storage units is the issue of the possibility of rats next to the school.

Mayor Williams asked if the site could go back to allowing the storage of vehicles. Mr. Bass replied yes.

Mr. Watkins said we are reacting with our code enforcement personnel and being proactive looking at these violations.

Action: Request a new site plan to include screening the storage area

Work Session

Proposed Budget Review

Presenter: Hardin Watkins, Town Manager

This is the fourth Work Session on the Town's FY2010-2011 Budget, which is scheduled for adoption on June 28, 2010. The Public Hearing will be held on June 7, 2010.

Garner Volunteer Fire Rescue Department Discussion
Deputy Fire Chief Matthew Poole addressed Council

Deputy Fire Chief Poole addressed questions that Council had on the GVFD Financial Assets

Question:

Capital Outlay CD - \$114,177.80

Explanation:

This money was dispersed into CD's to draw more interest than a Money Market Account.

Question:

Contingency Fund - \$41,579

Explanation:

This fund was created to cover unexpected expenses. The recent attorney's fees are being deducted from this fund.

Question:

ST Disability Fund (FCB) - \$21,720

Explanation:

This fund was created because of the high insurance premiums for short term disability.

Council Member Kennedy asked what ST stands for. Deputy Fire Chief Poole replied it means short term disability.

Council Member Marshburn asked does this fund fluctuate. Mr. Poole replied yes and the balances are as of today 5-25-2010.

Deputy Fire Chief Poole said the Garner's vehicle maintenance and repair service falls below average on the chart for the standard deviation. Mr. Poole said the department fixes their own vehicles. They are running more calls than anyone else. The electricity for the stations fall just

above average. The maintenance and repairs of the building fall in the middle range. Garner never falls out of the deviation of what the Fire Department operates in per the County.

Council Member Marshburn asked if the number of calls stated is accurate. Deputy Fire Chief Poole replied yes, this is an accurate count for the total number of calls.

Deputy Fire Chief Poole said the Fire Department will open their doors to Wake County EMS. Starting June 1st Wake County EMS should be in the fire stations. Mr. Poole said they would like an ambulance in every fire station. He said they put in \$500 for supplies.

Deputy Chief Poole said vehicle fuel for FY2010 was budgeted at \$75,000 and for FY2011 the budget request is for \$40,959 with the explanation for calculation of costs being \$8,000.

Mr. Poole said the electricity varies and a fire prevention fund raiser helps cover the cost. He said they have combined the contracted services. The volunteer fire fighters receive \$7.00 per call. This is calculated in the personnel side of the budget.

Mayor Pro Tem Behringer asked why the \$28,000 is not accounted for. Mr. Poole replied this amount is for next year's budget.

Council Member Marshburn said there is a \$48,000 decrease for bookkeeping. Deputy Chief Poole replied they are working with Cherry Bekaert & Holland. He said they are well below their audit fees.

Mr. Jones asked what the Wake County EMS rental fee is. Mr. Poole replied the fee is \$1500 a quarter. He said Wake County may reduce it to \$1,000 a quarter. Mr. Watkins asked if the cost is for all three stations. Mr. Poole replied yes.

Council Member Kennedy asked about the salary line items. Mr. Poole replied that nothing has changed on this item.

Mayor Pro Tem Behringer said looking at the Fire Department it seems that Garner has more money than other Fire Departments. Mr. Poole said Wake County recommends 5% to 10% to put aside. Ms. Behringer asked about the fuel account and why more money was billed for in the future years. Mr. Poole replied he did not know and stated that the budget is not his only job. Ms. Behringer said to Mr. Poole that he is not held responsible for others before him. She said he has done a good job thus far.

Council Member Kennedy said he was glad to see that Mr. Poole worked on a budget to reduce costs. He said the operating expenses are in salaries and it is difficult to chase down. Mr. Poole said the fire fighters have not had a raise in the last three years. Mr. Kennedy said Council still has reservations on a number of budget items and thanked Mr. Poole for shining some light on these things.

Deputy Chief Poole said the next budget year he can work with the Town and Wake County to combine the two and develop what is needed to take care of the budget items. Mr. Kennedy said he thinks it is a very good idea to work together and he appreciated this outlook for next year's budget as a giant step forward.

Mr. Kennedy said the budget number is above our budget and we have two more meetings to take action on this. He said he was glad to see movement made on the Fire Department's side.

Mr. Poole said he is a fire fighter and he is time sensitive. He said he would need to know when the meeting is as soon as possible and then he could have the information available. He said it takes time to stop what you are doing and change direction to do the budget.

Mayor Pro Tem Behringer asked who was responsible to notify Mr. Poole. Mr. Dickerson replied he gave notice to Fire Chief Mitchell but the Chief did not respond. He said then he emailed Deputy Fire Chief Poole a reminder of the meeting date.

Mr. Watkins stated that at the May 18 it was referenced when the next meeting will be held on May 25 for further discussion. Mr. Poole said on that night he missed understood. Council Member Marshburn said we need to work on better communication. Mr. Dickerson said he will notify Mr. Poole as early as he can.

Mayor Williams thanked Deputy Fire Chief Matt Poole.

Action: Update received

Council Member Kennedy recommended to continue the discussion on the budget regarding Garner Volunteer Fire Department.

Council Member Kennedy said he is trying to understand the issues with the Fire Department's budget with regard to the embezzlement and many more items. He said Fire Chief Mitchell has lost the Council's confidence and trust.

Presentation by Council Member Kennedy:

"I will preface my remarks by stating that what I am about to present is directed at the Garner Volunteer Fire Department management (Chief) and leadership (Board of Directors) and not at the fire fighters, paid or volunteer. And to avoid any misunderstanding, my comments are not directed at you, Matt Poole.

1. Over the past 2 years, the Town's budget has contracted 12%.
2. For 2011, the Town's budget calls for the freezing of 2.5 positions and the elimination of 3 positions.
3. All of the budget cuts have been accomplished through tough management decisions – but also with the direction and support of Town Council. The result is a balanced budget proposal by our Town Manager and budget team...all without having to raise taxes.
4. By contrast, the budget requested by GVFD over the past 2 years has increased rather than decreased.

5. The budget request by GVFD for 2011 is \$181k greater than funds available and is over \$130,000 above last year's budget allocation.
6. Each year for the past 6 years (budget cycles) that I have been on Town Council, elected officials and town staff have tried to work with the GVFD to understand their budget needs. Each year we have asked for "specificity"...i.e., a line item budget. Each year we have failed in that endeavor to secure budget details.
7. This 7th year (budget cycle) since joining the Council, we have gained a better insight as to budget scope and apparent cost of operation (thank you, Matt), albeit as a result of the embezzlement of hundreds of thousands of tax dollars...money that could have funded the much desired additional fire fighting positions.
8. Even with the expanded budget allowances for new Fire Station #4 (\$56,964) and the new truck/fire engine being requested (\$32,603), the GVFD budget would still be greater than \$45,000 above last year's budget – and with no increases in salaries.
9. Therefore, there is something inherently wrong with this scenario (asking for more than last year with no justification) and particularly so if the Fire Department has not had to use reserve funds and especially so considering the embezzlement of GVFD (and town and county tax) funds.
10. During such economic times as we are now experiencing, we must develop a strategy of complete cooperation and openness (transparency, if you must) in order to not only understand the budget needs but also to make those critical budget decisions in order to balance the budget.
11. Instead, during the course of the year's budget deliberations, we have discovered that GVFD management, in the past, has been requesting (and receiving) a separate (extra) debt service payment for Station 3 when in fact the debt service payment was already included in the base budget jointly funded by the Town and County. Said another way, GVFD management, i.e., Chief Mitchell on behalf of the Fire Department, has requested and received an extra debt service payment in the amount of \$50,000 for Station 3, apparently with the foreknowledge of it being a duplicate request.
12. During these challenging economic times, we cannot afford to be double billed as happened during the 2010 budget and perhaps prior years as well.
13. In these challenging economic times, neither can we afford to have duplicate Rescue Services. The Town is spending \$270,000 on the Garner Rescue Squad that could be used to more fully staff our Fire Department to appropriate levels to ensure safety as well as effectiveness.
14. In addition, we could eliminate the duplication of rescue equipment (primary rescue vehicle) and reduce the combined debt service portion of the budget by retaining the better truck and disposing of the other (and perhaps recovering some of the equity).

All of this background information has led us to the following conclusions:

15. Under current management, GVFD has apparently double billed the Town which now destroys our trust and confidence in Chief Mitchell.
16. Under current management, we still have been unable to break through the stone wall of budget transparency.
17. Under current management, we have unable to have constructive dialogue regarding the duplication of rescue services – to the detriment of both the Garner Rescue Squad and the GVFD.
18. Under current management and leadership, we have an out of balance budget proposal with no apparent hope of resolution...except, of course, to accede to the Fire Department's demands and to either use Town reserve funds or raise taxes....neither of which is defensible or reasonable.
19. Under current management, Chief Mitchell has failed in his fiduciary responsibility of managing the finances of the GVFD. Chief Mitchell, you have lost our confidence and trust.
20. As a result of current circumstances, I recommend the Town Council take the following actions:
 - a. Withhold funding of the Fire Chief's position (line item 2001 of the budget) for 2011 for an immediate budget reduction of \$119,383 and call for his **immediate resignation**. Without such resignation, we recommend to the GVFD Board of Directors that his services be terminated immediately.
 - b. That the purchase of a new Fire Engine be delayed at least for the current year (continue with existing equipment) at an annual cost savings of \$32,600.
 - c. That the Town's annual allocation of funds be established at \$1,300,000, rather than the \$1,764,789 most recently requested or the \$1,583,100 that was requested on May 15, 2010.
 - d. In its place, GVFD reserve funds will be used to balance the 2010-11 budget.
 - e. That no other fire fighter positions are eliminated other than the Chief as noted above.
 - f. As a condition of budget approval by the Town, that a "nepotism" clause for all management, Board and supervisory positions be established and implemented effective July 1, 2010.
 - g. Should the recommended changes in management not take place as requested on or before July 1, 2010, the Town shall notify the GVFD of the Town's intention

to assume fire protection responsibility for the Town and to negotiate a similar agreement with Wake County, said action to become effective July 1, 2011. In the letter of notification, it shall be stated that all employees of GVFD, paid and volunteer, with the exception of the Chief, will be encouraged and welcomed to become employees of the Town of Garner (full time and part time) in a similar capacity as currently held within the GVFD. (As employees of the Town, the fire fighters will be accorded the same range of benefits as set forth in the town's personnel policy.)

- h. As one of the first steps in creating a stronger bond between the GVFD, the Town and Wake County, the structure of the GVFD Board of Directors be modified to include additional voting representatives from both the Town and County in order to better represent the parties funding the fire fighting operation.
- i. The Town and GVFD work toward the merger of the Garner Rescue Squad by December 31, 2010 (sooner if possible) conditioned on the basis of the recommended changes in management and leadership having taken place and in the time frame outlined above.
- j. That, on an on-going basis, a balance sheet of the GVFD (containing assets and liabilities) is provided to the GVFD BOD and the Town of Garner on a monthly basis beginning July 1, 2010.
- k. Determine if the \$50,000 payment during this fiscal year was appropriately disbursed and actually reduced the debt on Station #3.

In summary, although there are multiple and far reaching implications included in the recommendations regarding the relationship between the GVFD and the Town of Garner, it is not the intent of the Town Council to dismantle operation of the Garner Volunteer Fire Department. In particular, we commend the volunteers that created and developed the department and have continued to work in a volunteer capacity, even to this day. Instead, the Town's desire and objective is to **strengthen** the **staffing**, planning, training, safety, and **financing** of the organization and to avoid these annual budget debate charades that unfortunately have been divisive. In so doing, our objective is to restore the confidence and trust of the citizens of Garner with the Fire Department that was widely held until the erosion of reliable management and leadership as a result of recent events.

The positive reputation of the GVFD has been stained by not only the embezzlement of funds but also the lack of management in being forthright, open, upfront and honest about the budget. It is time for a change in management and for the fire Department to work towards regaining its stature in the community. Yes, I personally recommend calling for Chief Mitchell's resignation and ask that Council be unanimous in that recommendation."

Council Member Singleton said he too believes Fire Chief Mitchell should be terminated, possibly in the second week of July. He said there needs to be changes on the Board of Directors. The Fire Department makeup has changed. The Board of Directors needs to note the changes. The Town of Garner and Wake County need to appoint members to the Board.

He said Council should make sure there are representatives on the Board who can make the right decisions. He said September 1st would be the time to make the changes on the Board of Directors.

Council Member Singleton said administrative help is needed for the Fire Department. The \$120,000 should be put back into the Town's budget. Mr. Singleton stated that no one was allowed to look at any bank statements. Now Council is requesting a copy of each monthly statement by email or hard copy. He also said the embezzlement money could have helped the fire fighters with manpower issues.

Council Member Singleton said his recommendation were to terminate Fire Chief Mitchell, make Board of Directors member changes, he would like to see positive changes in operations and administration, the budget process should be up front, add one fire fighter and administrative assistance.

Mayor Pro Tem Behringer Comments said when she learned that Council was double billed for station 3, she was very disappointed. She felt that a demand for this money wasn't really needed. Ms. Behringer supports Fire Chief Mitchell's termination and also agreed there is a need to change up the Board of Directors members. She said she believed we can arrive at a solution.

Council Member Marshburn said since coming on the Council he was inform on the Police and Fire Departments on what they do. Council Members Singleton and Kennedy were on the committee to look at merging with Wake County. He said he had some uncertainties with the EMS merger whether it would work with the current management in place. Mr. Marshburn said his concern was when Council first came aware of the embezzlement and still did not know any of the details. He said in his experience it tells him if you're a head of an organization and things go haywire then management is responsible. He said this was a time of crises with the missing funds along with the budget creating some very difficult times.

Council Member Marshburn said his recommendation were to terminate Fire Chief Mitchell and make Board of Directors member changes. He said need to step forward to a positive direction and he is in support of all recommendations said this evening.

Council Member Johns asked if Fire Chief Mitchell refuses to resign, than what will happen to the Fire Department. Mr. Poole replied if funding is cut it will affect the operations of the department. He said he cannot speak for or against his immediate supervisor. Council Member Johns asked how long the Fire Department could survive with Fire Chief Mitchell in place. Mr. Poole replied he had no answer to that question. Mr. Johns said the investigation has not determined who is at fault. Mr. Johns said he believes in giving everyone the benefit of the doubt. Mr. Johns said he cannot just terminate someone without an explanation. Tax payers of Garner will be hurt by this. He said he was going to sleep on it and said his heart goes out to someone at fault.

Council Member Singleton said if someone took money over a period of years he would no longer be employed and you should move forward and correct the mistakes.

Council Member Kennedy said he had no reason to believe that Fire Chief Mitchell got any money, only the practice of what has been going on. He said Council has requested change in the Fire Department and it did not happen. Embezzlement has been an embarrassment to the fire fighters and to the Town. What will strengthen the Fire Department is to keep the department as a volunteer department. He said he had no interest for the Town to take over operations of the Fire Department. Mr. Kennedy said he believes we can strengthen the operation and freshen up with new leadership. Money should be earmarked for reserves and underwrite the strength of the Fire Department and not put back into general fund. He said Council needs to see the Fire Department's budget balance sheet every month.

Mayor Pro Tem Behringer said once the issue of the missing funds came up Fire Chief Mitchell shifted that burden to Deputy Chief Poole.

Steve Woodall, President of the Board of Directors, said the department owes Fire Chief Mitchell some type of service package for all his years of service. Mr. Woodall said Fire Chief Mitchell did not know about the missing funds and he is as honest as the day is long. He said Fire Chief Mitchell does have a contract with the Fire Department.

Council Member Marshburn said he feels that some type of severance package should be discussed for Fire Chief Phil Mitchell.

Richard Gulley Honorary Member GVFD, said Fire Chief Mitchell through the years has always looked after his men, fire trucks and he trusts him. He said there is a need to do something good for him for all his service to the Town. The contract he has states, if he did not renew it would then roll over. He felt that Deputy Fire Chief Poole should be the next Fire Chief.

Kevin Radford Vice-President for the Board of Directors, said Fire Chief Mitchell has two more years before his retirement. The Board of Directors has to change the by-laws in this case and it will be tight to meet the timeline for the 2nd week in July. He said there are other things to think about such as no insurance and one year of sick time to be taken.

Council Member Kennedy said the severance package for one year or two years is totally out of the question. He said tonight is not the time to negotiate. Mr. Kennedy said to come back with a recommendation on what to do in this case, but we still have a budget to solve. He said to stretch out the year(s) just does not help the situation.

Steve Woodall, President of the Board of Directors, said we have to have the money to pay for the service package. Council Member Kennedy said the Board of Directors needs to find that money.

Deputy Fire Chief Poole said he is his own man. He said he can vouch for the Chief who made a lot happen from his leadership not his management. Mr. Poole said the man had a vision for the Fire Department and is accountable for it in many ways.

Action: Update Received

Receive GVFD budget before the Public Hearing on June 7, 2010

REPORTS

Economic Downturn Update

Presenter: Lin Jones, Finance Director

Mr. Jones reported on the following:

- National Outlook, Wells Fargo Economic Group Month Outlook, May 12, 2010
- Dr, Donald Ratajczak May 17, 2010
- AP News May 7, 2010
- WRAL May 25, 2010
- North Carolina Outlook (NC Unemployment rate drop for second straight month)
- Town of Garner Outlook

- Property tax collections April 30, 2010 and 2009

	Y/E 6/30/2010	Y/E 6/30/2009
Tax Collections	\$13,825,000	\$13,387,000
Collection Percentage	98.3%	98.0%

- Property taxes, including vehicles, billed through April 30

Billed through April 30, 2010	\$15,274,726
Billed through April 30, 2009	\$14,972,773
Increase in taxes billed	\$301,953
Percentage increase	2.02%
Budget percentage increase	.50%

Sales and Use Tax Revenue

Sales and tax revenues representing seven month of collections were as follows:

Collections year Ending June 30, 2010	\$2,719,424
Collections Year Ending June 30, 2009	\$2,955,71
Decrease in collections	\$(236,337)
Percentage decrease	(8.00)%

Sales tax collections to date and budget to date are as follows:

Collections to date	\$2,719,424
Budget to date	\$2,680,000
Collections to date over budget	\$39,424

- 2009 Safety Awards

Action: Update received

The Council voted to take a ten minute recess.

Resume Discussion on GVFD Budget

Options by Council Members Kennedy and Singleton:

Council Member Kennedy:

Option #1

GVFD Request	1,716,789
Fire Chief Salary	119, 383
New Fire Engine	32,603
Bond Payment	100,000
\$\$ Lost in 2009	76,000
Rescue Truck	53,755
Out of Reserves	35,000

\$1,300,000 Total

\$1,583,100 Manager's Request
\$283,000 (reserve earmarked for GVFD needs)

Council Member Singleton

Option #2

\$1,553,100 Manager's request
(\$394,000) Embezzlement
\$1,189,000
\$1,200,000 Total

Council Member Singleton

Option #3

\$1,583,100 Manager's Request
(\$394,000) Embezzlement
(\$119,383)
(\$105,024)

\$964,693
\$56,994
\$1,021,657 Total

Council Member Singleton

Option 4

\$1,583,100 Manager's Request
\$100,000
\$76,000
\$92,000

(\$146,596)
(\$119,383)

\$1,317,121.00 Total

Mayor Williams asked if there is a possibility to meet with Wake County Fire Commission regarding budget items. Council Member Singleton said we need to decide on a budget number not another committee. Mr. Dickerson said he would make the call to Wake County Fire Commission to see when their next meeting will take place.

Action: \$1,260,000 GVFD Budget Request to presented June 7th meeting

Mayor Williams asked the Council if they would accept an early retirement from Fire Chief Mitchell rather than being terminated.

Council Members Behringer, Kennedy, Marshburn and Singleton indicated that they would accept an early retirement announcement from Mr. Mitchell. Council Member Johns indicated that he was undecided.

Town Manager Update

1. There will be a presentation given by Davenport & Company to Town Council
RE: Debit Capacity Study and Fiscal Policy Guidelines
June 7th from 8:00-10:00 AM in the Town Council Meeting Room
2. June Work Session date has been changed from Tuesday, June 29th to Monday, June 28th
Adoption of FY2010-2011 Budget is anticipated at this meeting.

There being no further business the meeting was adjourned.

ADJOURNMENT 10:00 P.M.

Motion: Kennedy
Second: Marshburn
Vote: Unanimous

Respectfully Submitted,

Catherine Reynolds, Deputy Town Clerk