

**MINUTES OF THE TOWN OF FRANKLIN TOWN COUNCIL
SPECIAL CALLED MEETING
BUDGET WORK SESSION
APRIL 21, 2025**

THE FRANKLIN TOWN COUNCIL held a special called meeting on Monday, April 21, 2025, at 6:00 p.m. in the Town Hall Board Room located at 95 East Main Street Franklin, NC.

1. CALL TO ORDER

Vice Mayor Stacy Guffey called the meeting to order at 6:00 p.m. with the following members present: Council Members Joe Collins, David Culpepper, Rita Salain, Mike Lewis and Robbie Tompa.

Mayor Jack Horton was absent and excused.

2. Request for approval of Budget Amendment appropriating Grant Funds for Police Department – Amie Owens, Town Manager

The Police Department received a grant for \$1,000 from Walmart. They are going to purchase rescue throw bags and spike strips.

Council Member David Culpepper made a motion, seconded by Council Member Robbie Tompa to approve the budget amendment for Police Department as presented. The motion carried unanimously. Vote: 6-0.

3. BUDGET OVERVIEW

Town Manager Owens gave FY 2025-2026 Proposed Budget Overview

- General Fund
 - Utilize the same tax rate of \$0.33, budgeted with a 97% collection rate
 - The proposed budget is balanced with zero appropriation for the fund balance
 - Operational budget holds steady even with the material cost increase
 - Set aside remaining funds for Capital Improvements for Recreation projects
- Water/Sewer
 - Proposing 10% rate increase due to the escalating cost of materials and chemicals
 - Utilize approximately \$729,000 in retained earnings to balance the water/sewer budget

Councilman Culpepper asked about the schedule for escalating the water/sewer increase. Discussion was held about the proposed 10% increase and what the increase would be the following year. Town Manager Owens said it would depend on cost of materials and debt service.

Councilman Collins asked how much revenue would be generated from the 10% increase. Finance Director Sarah Bishop said approximately \$350,000 - \$400,000. Councilman Collins noted that if the rate remained revenue neutral then the retained earning appropriation would need to increase by that amount. There was discussion about rate increases across the State and Town's CIP plan for rates. Town Manager Owens noted that the average increase for customer would be \$6.50, for the base usage.

- Fire Department
 - District Tax no increase requested (currently \$.07)
 - Debt Service for fire substation is \$44,842 annually

Councilman Culpepper inquired about the road easement near the substation to the highway. He said there was a new neighboring landowner.

- Budgeted Personnel Cost
 - 4% Cost of Living Adjustment (COLA) for all employees
 - \$200 monthly stipend adjustment for Town Council Members
 - Reclassification of two (2) Positions
 - Police Captain to Assistant Chief
 - Budget and Fiscal Analyst to Deputy Finance Director
- Expense increase total for all funds - \$338,968
- Council Retreat Priorities included in Budget
 - \$25,000 website redesign
 - \$25,000 roundabout beautification and \$7,500 Franklin Garden Club
 - \$60,000 Economic Development incentives
 - Main Street Coordinator (20-hour part-time position)
 - \$277,443 Greenway Connector- Recreation Capital Improvement

There was additional information discussed about the Main Street Program/Coordinator and the Greenway Connector project cost.

- Other Budgetary Considerations (Fee Schedule changes)
 - 3-tiered account deposits \$100- \$200 (credit checks with Online Utility Exchange)
 - Appeals of Planning and Zoning Decisions - \$100
 - 10% Water/Sewer increase
 - 5% Availability Fee increase
 - 15% Tap Fee increase

There was additional discussion about deposits on accounts and how often bills are not paid in full or skipped out on.

4. TOWN COUNCIL DISCUSSIONS AND RECOMMENDATIONS

- Funds from Fund balance to spend to get within policy - \$1.5 million to \$2.5 million
- Whitmire Property – begin Phase 2 after Phase 1 is complete
- New ABC Store location
- Greenway Connector paving
- Water/Sewer increase (educating customers on increase- to be included in budget message)
- RFP for website development (bids due 5/30/2025)
- RFP for Fleet Maintenance (bids due 06/05/2025)
- Trees on Main Street bulb-outs (get with NCDOT)

- Main Street Coordinator
 - Finance Director Bishop offered to help get the program started
 - Will attend meetings (virtual)
 - Relook at posting position in the future
- Town Manager Owens will provide the proposed budget with budget message on May 5, 2025 and the Town Council will call for a Public Hearing on June 2, 2025.
- Councilman Culpepper asked if the Town Council stipend can be supplemented for health insurance.

5. ADJOURN

Vice Mayor Stacy Guffey adjourned at the meeting at 7:10 p.m.

Stacy J. Guffey, Vice Mayor

Nicole Bradley, Town Clerk