

## TOWN OF FRANKLINTON

May 14, 2019

Mayor Arthur Wright  
Mayor Pro Tem Anita Fuller  
Commissioner Alvin Holder  
Commissioner Phil Meador  
Commissioner John Allers  
Commissioner Brad Kearney

Dear Mayor and Commissioners

I am proud to submit the Proposed 2020 Franklinton Service Plan and Budget. This Plan is the staff's recommendation for how to address and implement the goals set by the Commissioners in their March 2019 retreat, while maintaining other essential services.

The Board of Commissioners set seven (7) goals for the Town. These goals are:

1. To take Effective Steps to have a Sustainable Property Tax Rate
2. To Improve the Town's Response to Crime
3. To Improve the Capacity of the Town to Support Quality Development
4. To Improve the Relationship/Communications Between the Staff and the Community
5. To Improve the Roadways of Franklinton
6. To Incentivize the Revival of a Prosperous Downtown
7. To Maintain a Small, Capable and Competitively Compensated Workforce

This budget proposal seeks to make progress on these goals during the fiscal year. I will discuss each goal and associated activities. Then I will list the detailed budget.

There is no increase in the tax rate proposed in this budget. The Town tax rate is 72 cents for each \$100 of assessed value. Based on this rate the Town expects to receive \$920,000 in property taxes during FY2020.

There are, however, proposed increases in development fees. All other fees are proposed to stay the same. Likewise, there is no increase in the number of positions.

## **Goal 1. To Take Effective Action to have a Sustainable Property Tax Rate**

The Commissioners have set a goal of reducing the tax rate to a sustainable rate. We have benchmarked our rate to the average effective tax rate of comparable North Carolina communities under 2500 in population. Last fiscal year that rate was 43 cents compared to our rate of 72 cents.

The goal to reduce our rate almost 30 cents is ambitious. However, it is important in attracting and keeping businesses and households who are sensitive to the bottom-line cost of living and doing business. A rate that is significantly higher than other communities will stymie our growth while a more competitive rate will increase the Town's attractiveness.

During FY2020 the staff will present a plan for making our tax rate sustainable. While the tax base of Franklinton is growing, this budget does not include much of the growth that we are experiencing. The base has grown by 3% from last year. The increase in tax value of the Sterling Mills, Essex Place and Crawford Townhomes projects is not in this increase of the tax base since they were not complete in January 2019. These tax base improvements will show in the FY2021 budget. The plan to make our tax rate sustainable will balance tax base improvements with judicious long-term cost containment. The plan also anticipates some modest additional revenues.

Included in the FY2020 budget are two options to generate additional revenues that can offset property taxes.

### **Activities Related to Goal**

- This budget proposes that the Town bulk purchase solid waste collection. The Town will take over the billing for this service. This will allow us to monitor these services. The Town can also efficiently collect the fees charged for this service since we have our existing billing software for solid waste collections. Our contractor, Waste Industries, has offered to reduce the rate they now charge to offset the Town's cost for billing. The Town may also increase the types of trash that are collected. Bulky items such as couches are not picked up now. If we include these new bulky items, the Town may need to charge for the collection separately or raise the overall rate.
- Because of our rapid growth, there has been a sharp increase in zoning related matter for the Board and staff to consider. Our existing development fee structure has not been updated recently and lag behind those fees charged by Youngville and Louisburg. This increase in fees will help to offset the cost of reviewing, advertising and inspecting the zoning changes. Development fee increases are estimated to generate an additional \$10,000 in FY2020.

## **Goal 2. To Improve the Town's Response to Crime**

The most important question for businesses and citizens looking for a place to live and work is: "How safe is our Community?" Safe communities grow while those considered unsafe often struggle to keep good businesses. Crime happens everywhere but those communities that effectively deal with the crime that occurs will be seen as safe. To feel safe, citizens must believe that criminals will receive swift and sure punishment. Like other communities, Franklinton's role in assuring that criminals receive punishment is generally limited to investigating and apprehending criminals. Our Police Department has done an excellent job.

### **Activities Related to Goal**

- This budget proposes to enhance the efforts of the Police Department. The budget includes \$35,000 for a portable surveillance unit that will be placed in areas to assist in investigating crimes and accidents. These cameras will allow the department to make more efficient use of personnel in determining what occurred and who the perpetrators were.
- In addition, this budget anticipates that the Police Department will focus its analytical skills in assessing the outcome of cases that have been adjudicated. This process began earlier this year when the Police gave a report on the cases that were settled in 2018. The assessment will allow the staff to determine what practices have been most effective in successful prosecutions. The staff will also be able to bring attention to areas that need adjustment and create a feedback loop for officers.
- During FY2020 the Police Department will continue to encourage everyday citizens and businesses to join the efforts to keep Franklinton safe. The Department will hold quarterly informal chats with citizens. We will ask businesses and churches to host these events.

## **Goal 3. To Improve the Capacity of the Town to Support Quality Development**

Franklinton is fortunate to have demand for new housing. The Essex Place, Sterling Mills and Crawford Townhomes projects will add almost 200 new homes and an estimated 500 new citizens during FY2020 to our community of 2100 (almost 25%). This development of the new Franklinton has not always gone smoothly. During the existing year, the Town has approved a new zoning ordinance, contracted with a planning and engineering consultants to assist the staff. The Board and the staff have also participated in training to improve our skills.

### **Activities Related to Goal**

- The budget assumes that we will continue these initiatives. The contract with N'Focus will continue with 16 hours of planning assistance. We have begun the rewrite of the Subdivision Ordinance and the creation of a Unified Development Ordinance with the help of CodeWrite. The staff will continue to use our mapping skills. We will also work with the Planning Committee and the Economic Development committees to deal with development issues and their roles.

#### **Goal 4. To Improve the Roadways of Franklinton**

The staff is working on a 10-year Capital Improvement Plan to have all Town streets repaved. The cost of this program has increased from \$1.2 million to almost \$2 million. On our recent review of our streets, we determined that most of them must be grinded down before they can be repaved. This extra step, while expensive, will assure that the repaved streets will be able to provide years of a stable surface for vehicles. Our Street Maintenance staff have attended training to become more effective pavers.

##### **Activities Related to Goal**

- In this fiscal year the Town purchased a street sweeper, that after some initial repair issues has now given weeks of good service. The coming budget has funds for a street patching machine to do large areas that will allow us to improve the patching we do while awaiting the full repaving of the streets.
- Franklinton has a large number of private streets. These streets are not maintained by the Town. They are the responsibility of those who live on these streets. Unfortunately, these streets are often not as well constructed as Town streets. While the Town might want to assist our citizens who live on these streets, it would be financially unwise to do so. The option that we will propose in FY2020 for private street landowners is a process to bring these streets up to standard by assessing the cost to these property owners. While this might be an expensive option, the landowners will have the option to rid themselves of the ongoing maintenance of the street.

#### **Goal 5. To Incentivize the Revival of a Prosperous Downtown**

##### **Activities Related to Goal**

- During FY2019, the Town along with the Department of Commerce has worked with a group to improve downtown Franklinton. During FY2020, we will continue to have the assistance from the Department of Commerce. The members of the citizens committee have agreed to continue to serve. We hope to create a stable organization to lead the downtown efforts. This group, similar to a Chamber of Commerce, will keep our focus on downtown.
- The staff will aggressively assure that the unsafe buildings in downtown are eliminated. The Town has contracted with a building inspector who has already inspected several buildings. The owners have been contacted and we are working with them to make sure the buildings come into compliance.

## **Goal 6. To Maintain a Small, Capable and Competitively Compensated Workforce**

The Town has an excellent workforce. The management team will be reviewing all positions/employees to make sure that that each employee can perform their duties as independently as possible without sacrificing safety and productivity.

### **Activities Related To Goal**

- We will widen the span of supervision, reward excellent service and encourage the acquisition of usable skills. These efforts must be done while considering the market for the skills that our employees have so that we can keep turnover low.

### **SUMMARY**

The current fiscal year has been challenging. There have been many changes. The pressures of development and the needs of existing citizens have focused us on the work. The Board has responded with a willingness to aggressively chart a future for Franklinton that is bold and exciting. The staff, with your support, is ready to forge ahead.

With such a vast number of things to do, the staff has struggled to include all the funds and programs needed to make meaningful progress on these goals during the coming fiscal year. As a result, hard choices were made and some items that I wanted to include had to be delayed. That is the inevitable reality of a budget for an organization that is on the verge of much promise but has neglected its basic infrastructure. Alas, this plan is to follow the adage of "fixing the plane while we are flying the plane."

Fortunately, I had the assistance of Kim and John. They crunched the numbers and provided the professional insights and organizational history that informed our choices. I am proud to present this budget and I look forward to responding to your questions.

Sincerely,

  
Gregory Bethea,  
Franklinton Town Manager