

**HAMLET CITY COUNCIL REGULAR MONTHLY MEETING
COUNCIL CHAMBERS ROOM
201 MAIN STREET, HAMLET, NC 28345
TUESDAY, JANUARY 12, 2016
7:00 PM**

MINUTES

Governing Body Present:

| | |
|----------------|----------------|
| Bill Bayless | Mayor |
| Johnathan Buie | Mayor Pro-Tem |
| Jesse McQueen | Council Member |
| Eddie Martin | Council Member |
| David Lindsey | Council Member |
| Wendy Massagee | Council Member |

Staff Present:

| | |
|------------------|-----------------------|
| Marcus Abernethy | City Manager |
| Tammy Kirkley | City Clerk |
| TC Morphis | City Attorney |
| Jill Dickens | Finance Officer |
| Scott Waters | Police Chief |
| Calvin White | Interim Fire Chief |
| Billy Stubbs | Public Works Director |
| Robert Brown | WTP Superintendent |
| Gail Strickland | Zoning Officer |

Others Present: Approximately 20 attendees. Matt Harrellson, Richmond County Daily Journal

Call to Order.

Mayor Bayless the meeting to order.

Invocation.

The invocation was offered by Dr. Rev. Tommy LeGrand of Prayer Faith and Temple Church.

Adoption of Agenda.

The Agenda was adopted as presented by Council Members Buie and McQueen. The vote passed 5-0.

Adoption of Minutes.

The December 8, 2015, Regular Monthly Meeting minutes were unanimously approved by motions of Councilman Buie and Martin. The motion carried 5-0.

Comments from Attendees.

None were presented.

Personnel Recognition by Police Chief Waters.

Chief Scott Waters recognized a promotion of Sergeant Matthew Lee and gave background information. He introduced the following new officers and gave background information: Michael Sale, Destiny Flores, Rene McMillan and Brandon Beasley.

Adoption of Proclamation of Appreciation and Key to the City of Hamlet to L. Earl Bradshaw.

Council Members Johnathan Buie and Wendy Massagee motioned to adopt the Proclamation and the vote passed 5-0. Mayor Bayless called Mr. Earl Bradshaw forward and proceeded to read aloud the Proclamation of Appreciation as well as presenting Mr. Bradshaw with a Key to the City of Hamlet. The audience gave a round of applause and Mr. Bradshaw presented comments of his appreciation for council's actions.

Presentation of Audit by Ken Anderson.

Mr. Anderson presented council and reviewed the Summary of the past fiscal year's audit. The auditor stated the available fund balance that was computed after deducting any amount budgeted forward in next year's budget, the Year End June 30, 2015, undesignated percentage of fund balance to expenditures for the General Fund \$2,056,787 (41.4%) and the Water and Sewer Funds \$1,958,043. The tax collections for Year End June 30, 2015 were as follows: Overall: 96.61%, excluding vehicles: 96.20% and with vehicle: 99.22%. Mr. Anderson then gave audit report comments for Year End June 30, 2015 from Pages 1, 17, 19 and 46 of the audit (a copy of the audit summary for year ending June 30, 2015 is incorporated herein as a permanent part of the minutes) Mr. Anderson reported that the city was not subject to any compliance audit this year and that the city's audit report was submitted to the Local Government Commission and was accepted. The state requires an 8% fund balance and the city has 31.4%. Mr. Anderson said a good report was given. He complimented the finance officer in her job with the city and said the information was submitted in a good timely manner. Council offered thanks to Mr. Anderson.

Consideration of Ordinance No. 2016-01 to Demolish 223-225 Spring Street.

Gail Strickland explained that the demolition will be the city's second project for the year. Council Member Lindsey asked for an update on the demolition of the apartments and Mrs. Strickland replied that the first demolition should begin next Tuesday. Ordinance No. 2016-01 was approved with a 5-0 vote by motions of Council Members Buie and Martin.

Ratification of Additional Employee Holiday Pay December 2015.

The city manager explained that council simply needed to ratify the additional day that was given to city employees during the Christmas holidays to be a part of the minutes. Council Martin and Buie motioned to accept the ratification and the vote passed 5-0.

Updates to Personnel Policy.

Article VII, Section 1: Holidays

The manager explained that the previous holiday ratified the extra holiday to be given; he stated it was initiated by the council and these changes will permanently give employees three days for Christmas no matter what day the holiday falls on.

Article VI, Section 13: Compensation for Business Travel.

The manager explained the changes to the guidelines include accommodations for the night prior to event in certain situations. The standard room rate will only be covered if an employee for has a class beginning at 9:00 am and the travel time is more than one and a half hours. Council Member Martin motioned to approve the updates as presented. Mr. Morphis suggested the manager may approve other circumstances case by case. Mr. Abernethy explained that the city reimburses for meals after the trip. Council Member Martin agreed to the changes and it was agreed that the manager may approve other

reservations at his/her discretion. The vote passed unanimously 5-0 in favor of the changes to the Personnel Policy.

Approval of Submitted of Tax Releases.

Council Members Buie and Lindsey motioned to approve the tax releases as presented. The motion carried 5-0.

Mayoral Proclamation in Observance of Martin Luther King Jr. Day.

Mayor Bayless read aloud the Mayoral Proclamation for Martin Luther King Jr. Day to be observed on Monday, January 18, 2016.

Appointment of City Representative to the Lumber River Council of Governments.

Council Member Martin motioned to appoint Johnathan Buie to serve on the LRCOG Board as the primary city representative and Council Member McQueen made the second to the motion on the floor. Mr. Buie accepted the nomination. The vote passed 5-0. Council Members Buie and McQueen nominated David Lindsey to serve as the city's alternate member to the LRCOG Board. Mr. Lindsey accepted the nomination. The vote passed 5-0 among council.

There were no departmental reports presented.

City Manager's Report

The city manager confirmed that city offices will be closed on Monday, January 18 in observance of Martin Luther King, Jr. Day and that the garbage pickup will not be affected by the closing.

Comments of Council

David Lindsey asked if the city's billing system has the option to send out letter type billing and one that would have a section to send out special notices to the public. Jill Dickens replied that the software can do this; she noted that it will be an increase in postage and time for folding and stuffing envelopes. Mr. Lindsey stated that there is communication with the water clients that needs to be addressed. Mr. Buie agreed that the letter billing is a good idea. Mr. Lindsey talked about the folding/stuffing machinery and asked Mrs. Dickens to check on the matter so that council may consider what they want to do. The idea of also emailing statements was mentioned. Mr. Lindsey welcomed Crystal Strickland's new business to Hamlet.

Johnathan Buie apologized for missing the December meeting due to an unavoidable work obligation. He thanked Earl Bradshaw for being at the meeting to accept the proclamation and key to the city and thanked Mr. Bradshaw for all that he's done for Hamlet. Mr. Buie went on to offer thanks to the groups who put on the Main Street and Hamlet Avenue Christmas events and for Bernice Owens' efforts. He then named many of the people who helped with the Christmas parade: the HBDA, Alan Thomas, David & Kim Lindsey, Ron Mayo, Oscar Sellers, Sam Ballard, Jane McCall, Riba Dilley, Patricia Black, Deb Holmes, Doc Sylvain, Robin Wise, Wendy Massagee, Mac Steagall, Bill Cleveland and Zach Garner for taping the parade.

Mayor's Comments

Mayor Bayless reiterated Mr. Buie's comments of appreciation to the people and groups for their assistance with the events. He thanked the employees for their work and said he was glad to give them another holiday for Christmas.

Mr. Buie added that he was able to join a crew in public works and do a ride along on the garbage truck and on a leaf & limb truck on the Tuesday prior to Christmas. With that being said, he reminded everyone to place their trash in a bag before putting it in the cans. Mr. Buie thanked the employees at public works for taking the time to let him do a ride-along.

Mayor Bayless then congratulated TRG Signs for being selected as Business of the Month.

Motion to go into Closed Session.

At 7:47 pm, A motion to go into closed session was made by Council Members Buie and Massagee per NCGS 143-318.11 (a)(3)(5)(6) for attorney client privilege, contract for land acquisition and personnel matters.

At 9:12 pm, Open Session reconvened. The Mayor stated there was nothing to report from Closed Session.

At 9:15 pm, Council Members Massagee and Buie motioned to adjourn the meeting. The motion on the floor passed 5-0.

Respectfully submitted,


Tammy Kirkley, City clerk



TO: City of Hamlet

FROM: Ken Anderson, CPA

DATE: January 12, 2016

RE: Available Fund Balance, Tax Collection Percentages and Other Audit Information.

Available fund balance, computed after deducting any amount budgeted forward in next year's budget, are as follows:

| | <u>General</u> | <u>Water and Sewer</u> |
|---|----------------|----------------------------|
| Year End June 30, 2015, Undesignated | \$2,056,787 | \$1,958,043 |
| Percentage of fund balance to expenditures | 41.4% | |
| Year End June 30, 2014, Undesignated | \$1,867,721 | \$2,000,170 |
| Percentage of fund balance to expenditures | 35.9% | |
| Year End June 30, 2013, Undesignated | \$1,888,609 | \$1,850,180 |
| Percentages of fund balance to expenditures | 39.1% | |
| Year End June 30, 2012, Undesignated | \$1,942,314 | \$1,576,493 |
| Percentages of fund balance to expenditures | 41.2% | |
| Year End June 30, 2011, Undesignated | \$2,198,527 | \$1,330,739 |
| Percentages of fund balance to expenditures | 42.4% | |
| Year End June 30, 2010, Undesignated | \$2,235,107 | \$1,475,263 |
| Percentages of fund balance to expenditures | 41.0% | |

Property tax collection percentages are as follows:

| | <u>Overall</u> | <u>Excluding Vehicle</u> | <u>Vehicle</u> |
|------------------------|----------------|------------------------------|----------------|
| Year End June 30, 2015 | 96.61% | 96.20% | 99.22% |
| Year End June 30, 2014 | 95.66% | 95.94% | 94.21% |
| Year End June 30, 2013 | 94.08% | 96.06% | 78.15% |
| Year End June 30, 2012 | 94.68% | 96.61% | 78.83% |
| Year End June 30, 2011 | 94.41% | 96.27% | 78.68% |
| Year End June 30, 2010 | 94.29% | 95.98% | 79.99% |

CITY OF HAMLET, NORTH CAROLINA
AUDIT REPORT COMMENTS
JUNE 30, 2015

AUDIT REPORT

1. PAGE 1 **INDEPENDENT AUDITOR'S REPORT**
THE CITY RECEIVED AN UNMODIFIED OPINON ON THEIR JUNE 30, 2015 FINANCIAL STATEMENTS = GOOD REPORT

2. PAGE 17 **NET CHANGE IN FUND BALANCE GENERAL FUND**
CURRENT YEAR REVENUES EXCEEDED EXPENDITURES BY \$326,292.

3. PAGE 19 **NET CHANGE IN FUND BALANCE WATER & SEWER FUND**
CURRENT YEAR EXPENDITURES EXCEEDED REVENUES BY \$148,594.

4. PAGE 46 **CHANGES IN LONF TERM LIABILITES – DEBT**
GOVERNMENTAL ACTIVITES DEBT DECREASED FROM \$136,531 TO \$121,609 OR A CURRENT YEAR DECREASE OF \$14,922.
BUSINESS TYPE ACTIVITIES DEBT DECREASED FROM \$626,001 TO \$508,550 OR A CURRENT YEAR DECREASE OF \$117,451.

THE CITY WAS NOT SUBJECT TO ANY COMPIANCE AUDIT THIS YEAR.

THE CITY AUDIT REPORT WAS SUBMITTED TO THE LOCAL GOVERNMENT COMMISSION AND WAS ACCEPTED.