

**HAMLET CITY COUNCIL REGULAR MONTHLY MEETING  
201 MAIN STREET, HAMLET, NC 28345  
CITY HALL - COUNCIL CHAMBERS  
TUESDAY, DECEMBER 12, 2017  
7:00 P.M.**

**MINUTES**

**Governing Body Present:**

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

**Absent:**

David Lindsey	Council Member
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**Staff Present:**

Jonathan Blanton	City Manager
Tammy Kirkley	City Clerk
T.C. Morphis	City Attorney
Jill Dickens	Finance Officer
Scott Waters	Police Chief
Mark Terry	Police Captain
Billy Stubbs	Public Works Director
Gail Strickland	Zoning Coordinator
Stephanie Thornsbery	Museums Director & Downtown Coordinator

**Others Present:**

Approximately thirteen attendees

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**1. Call to Order**

Mayor Bayless called the meeting to order.

**2. Invocation**

Reverend Tommy Legrand of Prayer Faith and Temple Church offered the invocation.

**3. Adoption of Agenda**

The agenda was unanimously adopted by motions of Council Members Buie and Massagee.

**4. Adoption of Minutes**

The November 14, 2017, Regular and Closed Session Minutes were adopted by motions of Council Members Buie and McQueen. The motion carried.

**5. Comments from Attendees**

**Mr. Jaiden Tillman** presented council to thank the city for the recent demolition of the structure on Monroe Avenue and to also request council's consideration to cut several trees located along Brown Street, a non-paved road, behind his home.

He explained that unwanted activities have migrated near said area located behind his home and it leaves an unsafe feeling from the outdoor perspective. Mr. Tillman explained his family wants to put a fence in the back yard; however, the trees along the roadway are interfering with the project. The Mayor noted the city cannot go on private property and cut trees.

Mr. McQueen suggested the city could obtain a waiver from the property owner compared to the one recently obtained with CSX Transportation along Raleigh Street. Mr. McQueen confirmed with the public works director that the city does use Brown Street as a cut-thru for various pick-ups. Mr. Stubbs confirmed and stated he will check with the County GIS to obtain private property boundaries. Mr. Buie said the city will work on putting a stop to the congregating along this area. Mr. McQueen commended Mr. Tillman for his participation.

**6. Presentation of Annual Audit Report**

City Auditor, Ken Anderson presented council and provided a financial summary for the year ending 2017. The City's fund balance is 40.6%. He reported a solid collections rate at 96.04%, excluding vehicles tax, which is in-line with the state average for property taxes. Vehicle collection increased somewhat and is not handled in the city. Hamlet is not subject to any audits this year. Mr. Anderson reported the annual information has been sent to the Local Government Commission and has been accepted. He also made reference to the difference within Note 7 on page 49 of the report – Change in Accounting Principle/Reinstatement - this was the first year that included an actual study on law enforcement officers. (The summary audit report ending year June 30, 2017, is attached hereto as "Exhibit A" and is an official part of these minutes.)

Council thanked Mr. Anderson for the presentation.

**New Business**

**REORGANIZATIONAL MEETING**

**7. Administration of Oath of Office to Elected Officials: Bill Bayless, Eddie Martin and Jesse McQueen**

Mayor Bayless turned the meeting over to the City Clerk to administer oaths of office. Mrs. Kirkley then called Mayor Bill Bayless, Council Member Eddie Martin and Council Member Jesse McQueen forward and administered individual oaths of office to each member.

**8. Nomination of Mayor Pro-Tem by Governing Body**

Council Members Martin and McQueen nominated and motioned for the current Mayor Pro-Tem, Johnathan Buie, to continue to serve in this capacity. Mr. Buie accepted, and the motion carried.

**9. Appointment of City Clerk**

Council Members Buie and Martin motioned to keep and appoint Tammy Kirkley to serve as the Hamlet City Clerk. The motion carried.

**10. Appointment of City Attorney**

Council Member Buie motioned to keep and appoint T.C. Morphis and the Brough Law Firm to continue to stand with the City of Hamlet as legal representatives. Council Member Martin made the second and the motion carried.

**11. Adoption of the Regular Monthly Meeting Schedule for 2018**

Council Members Buie and Massagee motioned to approve the submitted 2018 Regular Meeting Schedule. The motion carried. Mayor Bayless asked council to look at dates for a January/February Work Session.

**12. Discussion of Employee Christmas Bonus**

Council Member Buie explained his request to discuss an employee bonus. He explained he would like to have something to present to employees as a “thank-you” for their work during the year; he further gave a reminder that staff and the employees save money for the city year to year. Mr. Buie motioned to give each city employee a \$100 gift card, including part-time employees, as a thank-you. Council Member Massagee made the second to the motion.

Council Member McQueen stated he is ok with gift cards; however, inquired if gift cards are allowable and questioned the taxes on same. The attorney noted it is a grey area and there will be a tax responsibility. The finance officer explained per her understanding, it will be taxable; she confirmed the city will pay the taxes if necessary. The tax amount was discussed. Mr. Buie retracted his earlier motion, and motioned to give a \$110 bonus check to each full-time and part-time employee, and Mr. Martin made the second. The motion carried.

**13. Approval of Tax Releases**

Council Members Buie and Massagee motioned to approve the submitted tax releases. The motion carried.

**Other Business**

**14. City Manager’s Report**

Mr. Blanton thanked council and the mayor for their generosity on behalf of all employees. Mr. Blanton congratulated the newly elected officials. He then reported the specifics for the garbage pickup schedule during the Christmas season. The recent parade was a success and he thanked everyone who helped with the event. The manager noted there were officials from Rockingham and Richmond County departments who were inadvertently not contacted in reference to the parade and he offered apologies. The manager welcomed Mr. Tillman to the meeting, and he extended wishes to everyone for a Merry Christmas.

**15. Comments of Council**

**Jesse McQueen** thanked all city employees for the fine job this calendar year. He said council did a fine job in hiring Mr. Blanton as the city manager and noted his professionalism. The manager congratulated the city clerk and the city attorney. He thanked the citizens of Hamlet for coming out and voting during the election. Mr. McQueen stated he will continue to do the job he thinks needs to happen for this city.

**Eddie Martin** reiterated Mr. McQueen’s remarks. He wished all a Merry Christmas and a healthy and prosperous New Year.

**Johnathan Buie** congratulated the clerk and all of reelected board members. He stated it was good to hear the auditor report the city has little debt. Mr. Buie thanked Jaiden Tillman for attending the meeting and he thanked Stephanie Thornsby for a job well done with all of the recent city- hosted events. He offered congratulations to Mr. Morphis and wished all a Merry Christmas.

**16. Mayor's Comments**

Mayor Bayless stated it has been a great year for Hamlet. He said although the financial report indicated a slight decrease, there were a number of purchases made this year. The Mayor gave his appreciation to the citizens of Hamlet for their support. He thanked Stephanie Thornsby for organizing the parade and the Downtown Christmas event. All were extended a Merry Christmas.

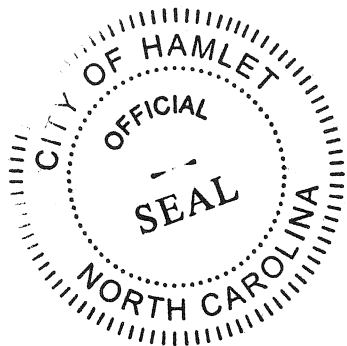
**17. Motion to Adjourn**

Council Members Buie and Massage motioned to adjourn the meeting at approximately 7:40 pm. The motion carried.

Respectfully submitted,



Tammy Kirkley, City Clerk



**Exhibit A**

**TO:** City of Hamlet

**FROM:** Ken Anderson, CPA

**DATE:** December 12, 2017

**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, 2017, Undesignated	\$2,225,312	\$1,946,484
Percentage of fund balance to expenditures	40.6%	
Year End June 30, 2016, Undesignated	\$2,277,520	\$2,115,686
Percentage of fund balance to expenditures	42.3%	
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%	

Property tax collection percentages are as follows:

	<u>Overall</u>	<u>Excluding Vehicle</u>	<u>Vehicle</u>
Year End June 30, 2017	96.53%	96.04%	100.00%
Year End June 30, 2016	94.79%	95.61%	89.83%
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%

CITY OF HAMLET, NORTH CAROLINA  
AUDIT REPORT COMMENTS  
JUNE 30, 2017

**AUDIT REPORT**

1. PAGE 1     **INDEPENDENT AUDITOR'S REPORT**  
THE CITY RECEIVED AN UNMODIFIED OPINON ON THEIR JUNE 30, 2017 FINANCIAL STATEMENTS = GOOD REPORT
  
2. PAGE 17   **NET CHANGE IN FUND BALANCE GENERAL FUND**  
CURRENT YEAR EXPENDITURES EXCEEDED REVENUES BY \$66,392.
  
3. PAGE 19   **NET CHANGE IN FUND BALANCE WATER & SEWER FUND**  
CURRENT YEAR EXPENDITURES EXCEEDED REVENUES BY \$493,776.
  
4. PAGE 47   **CHANGES IN LONG TERM LIABILITES – DEBT**  
GOVERNMENTAL ACTIVITES DEBT DECREASED FROM \$185,443 TO \$139,519 OR A CURRENT YEAR DECREASE OF \$45,924.  
BUSINESS TYPE ACTIVITIES DEBT DECREASED FROM \$406,342 TO \$304,687 OR A CURRENT YEAR DECREASE OF \$101,655.

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

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