

Middlesex Governing Body Meeting Minutes
June 10, 2019

Mayor Lewis called the public hearing to order. Mayor Lewis presented the final draft of the upcoming budget for 2019-2020 (see Page1204a). There was one public comment at the public hearing. With no further comments, Mayor Lewis declared the public hearing closed.

Mayor Lewis called the meeting to order at 7:30pm and gave the invocation. Members present were Commissioners J.W. McClenny, Danny Alford, Cherrye Davis, and Ann Lewis. Commissioner Harold Meacombs was not present. Police Chief Mike Collins was present. Public Works Supervisor James Liles was not present. A representative from ***The Wilson Times was present.*** There were 2 other guest.

Monica Thornton with USDA presented the proposed grant for 100,000.00 and a seven-year loan for \$47,000 at a 4.25% interest rate. The town would be responsible for \$1999.64 to round out the offer. These grant funds will be used for (see Page 1204b).

John Anthony CPA, Anthony & Tabb firm presented the 2017-2018 audit report. John stated that the town's 2017-2018 audit that at the beginning fund balance was \$786,033 and ending fund balance is \$851,681 reflecting a profit of 65,648. The audit has been formally submitted to the state for approval. He said that the transition from Jennifer Lambert to Gloria Vinson has gone really well. If Gloria has had a question she has not hesitated to call to get the right answer and that she is very self-conscious about her work. It has been formally submitted to the state for approval.

The May meeting minutes were approved as presented in a motion by Commissioner Lewis and seconded by Commissioner Davis and the motion was carried unanimously.

The meeting agenda was then approved in a motion by Commissioner Alford and seconded by Commissioner McClenny and the vote was carried unanimously.

Gloria Vinson, The Town Clerk, reviewed the May financials, which were unanimously approved as presented in a motion by Commissioner Meacombs and seconded by Commissioner Davis. The vote was unanimous.

Mayor Lewis commented that we had 2 miscellaneous permits and 1 in town new house permit for May.

0-2019-1193

**TOWN OF MIDDLESEX BUDGET ORDINANCE
FISCAL YEAR 2019 – 2020**

Be it ordained by the Board of Commissioners of the Town of Middlesex, North Carolina, and meeting on June 10, 2019 that fund revenues; departmental expenditures; rate schedules; salary changes; and any other policy changes as follows are hereby adopted for fiscal year 2019 - 2020 by department:

SECTION I. GENERAL FUND (FUND 10) BUDGET

Total Revenues:	884,290
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Expenditures by Department:

Governing Body	6,420
Administration	130,770
Tax Collection	6,600
Legal	4,500
Economic/Phys Dev/Zoning	21,890
Public Buildings	31,550
Community Building	3,550
Police Department	361,290
Police Drug Fund	1,200
Streets & Sidewalks	68,915
Powell Bill Expenditures	54,500
Sanitation	129,970
Parks & Recreation	24,100
Swimming Pool	16,510
Cemetery	5,500
Non-Departmental	2,700
Library	<u>14,325</u>
Total Expenditures	884,290

SECTION II. WATER AND SEWER FUND (FUND 30) BUDGET

Water Revenues:	191,575
Water Expenditures:	<u>191,575</u>
 Sewer Revenues:	 488,890
Sewer Expenditures:	<u>488,890</u>

Total Water & Sewer Fund: **680,465**

GRAND TOTAL BUDGET: **1,564,755**

The General Fund budget totaling \$884,290 requires \$90,158 in fund balance appropriations to meet expenditures. Hanes Park upgrades makes up \$20,000 of the fund balance needed. The Water Fund budget totaling \$191,575 requires \$7,175 in fund balance to be appropriated, and the Sewer Fund budget totaling \$488,890 does not need any fund balance to meet expenditures. The draft budget has been posted in the Clerk's office for public inspection since June 1, 2018.

SECTION III. Tax Rates:

The ad valorem tax rate for the Town of Middlesex will remain unchanged from 2018 at \$.57 per 100 of valuation for the 2019 tax billing. This tax rate will be adopted by the Board of Commissioners by adoption of this Budget Ordinance. Nash County bills and collects fire tax and remits directly to the Middlesex Volunteer Fire Department, which operates independently from the town.

Nash County bills and collects all town property taxes for a 2% collection fee, and 1½ % vehicle tax collection fee. The town continues to collect unpaid taxes for year 2011 and prior. The real and personal property valuation estimates received from Nash County for the 2019 billing were \$51,234,000 (after exemptions). At the rate of \$.57/100, this is equivalent to budgeted property tax revenues of \$284,734, according to budgeting guidelines. Budget estimates are based on the prior year collection rate of 97.5%. Estimated vehicle tax values for 2019 are \$6,795,000 compared to \$5,861,000 for 2018. Vehicle tax revenues are budgeted at \$37,763 based on state budgeting guidelines. Vehicle taxes are collected by NC DMV at the time the vehicle tag is purchased/renewed.

SECTION IV. Workers Compensation and Property and Liability Insurance

The estimated 2019-2020 Property and Liability premium has not been received at this time. The premium for 2018-2019 was \$17,065 and this may increase slightly with the addition of newer equipment and another new vehicle in the near future. The estimated 2019-2020 premium for Workers Compensation is \$9,546 compared to the 2018-2019 premium of \$8,867. This premium will be adjusted based on actual payroll after an audit is completed in April-May 2019.

SECTION V. Nash County Library Contribution

Braswell Memorial Library now operates the Middlesex Library. Nash County remits their annual contribution of \$14,000 to Braswell, and Middlesex will contribute 14,325.

Librarians are employees of Braswell and the town is only responsible for building insurance and maintenance. Inside contents are the responsibility of Braswell.

SECTION VI. Powell Bill

The Powell Bill budget totals \$54,500. This includes \$50,000 for paving and \$2,500 for the town's portion for maintenance of the Manning Street railroad crossing, along with budgeted supplies and maintenance of \$2,000. The fund balance appropriation needed is \$28,100.

SECTION VII. Parks and Recreation

Included in this budget is \$20,000 for improvements to Hanes Park. This budget also includes \$200 for Middlesex's half of the cost of liability insurance for the Bailey-Middlesex Park.

SECTION VIII. Swimming Pool

The Middlesex swimming pool is already open for 2019 season and the rates remain the same as in 2018-2019. A season pass is available for \$250 for out-of-town patrons and \$200 for in-town patrons. The ten-visit pass is \$35, and a \$4.00 per day pass. Swimming pool expenditures are estimated at \$16,510, while forecasted revenues are \$8,000.

SECTION IX. Public Buildings

Funds totaling \$25,000 are budgeted for necessary repairs to the public buildings. The total budget for public buildings is \$31,550.

SECTION X. Community Building

No upgrades are budgeted for the community building in 2019-2020. The total budget is \$3,550, the same as 2018-2019.

SECTION XI. Police Department

The Police Department budget totals \$361,290. This includes a \$8,950 loan principal and interest payment due to USDA for police vehicles.

SECTION XII. Sanitation Rates

Waste Industries contract will increase by 3% and we will have to have our waste yard debris ground up this year so there will be an increase in the Sanitation charge of \$1.75 to \$21.75 per month for residents and \$29.75 per month for businesses. The monthly fee includes household and bulk garbage, recycle, and yard waste programs.

Garbage and recycle pick up is contracted through Waste Industries. The town employees continue to pick up all yard waste and bulk waste.

SECTION XIII. Other Capital Projects

There are no Capital Projects in the General Fund. However, we will be adding capital equipment in the Public Works Department and a new vehicle in the Police Department through a USDA grant/loan program. Also, \$20,000 is budgeted for upgrades to Hanes Park as stated previously.

The town was awarded an Asset Inventory Management Grant for \$150,000 to identify the town's sewer lines and map the lines, lift stations, etc. The revenue and expense for this project is included in this budget.

SECTION XIV. Water and Sewer Rates

The City of Raleigh has not advised us an increase for Middlesex wastewater treatment flow for 2019-2020. The water and sewer rates remain unchanged from 2018-2019 as follows:

Water Accessibility Fee	\$8.00 per month
Water Usage Rate per 1,000 gallons	\$4.50
Sewer Accessibility Fee	\$15.00 per month
Sewer Usage Rate per 1,000 gallons	\$13.75

We have not received notification of an increase from Envirolink for the existing contract as the town's ORC, however an anticipated 2% increase is included in this budget for water and sewer services for 2019-2020 based on rate increases in the past.

Southern Corrosion is contracted for maintenance on the town's water tower. The budgeted amount of \$8,900 is \$200 more than the current contract to cover a possible increase.

SECTION XV. Water & Sewer System Development Fees

Water and sewer taps remain unchanged. The new System Development Fees are determined based on the meter size installed on a lot not on the size of the lot. The most common for us is a residential lot with a ¾ inch meter. The fees for that meter size are \$850.00 for water and \$2480 for sewer. All other meter sizes can be seen on the chart in the town office

SECTION XVI. Debt Service

The remaining sewer debt is the payment on a 150,000 loan for lift station repairs, which was borrowed from Southern Bank. Only one payment remains at \$64,260, including interest, and the 2019-2020 payment is included in this budget.

There are two USDA loans for the Police Cars and the Public Works Vehicle. Payments for these are listed in the respective departments and they total \$8950 for the Police Department, \$1,150 for Water and \$1,150 for Sewer.

SECTION XVII. Other Miscellaneous Rates/Fees:

The fees for utility deposits, copies, faxes, dispensed water, community building rent and deposit, will not change effective July 1, 2019. The community building rent and deposit remains at \$175 each per occurrence or rental. Grave opening fees were reviewed and will remain unchanged at \$1,000, regardless if it is a weekday or weekend. Zoning permits will remain at \$50 each.

SECTION XVIII. Salary/Personnel Changes:

Following are the pay increases which were recommended by the Board of Commissioners and will be approved by the adoption of this budget ordinance and are effective July 1, 2019 and incorporated in the 2019-2020 budget:

POLICE:

Chief Mike Collins – increase \$2,500 / year
Sgt. Andy Andrews – increase \$1.00 / hr
Detective Juvenile Officer Roger Shearin – Paid by Grant no increase
David T. Mooring-Officer – increase \$1.25 / hr
Andy Cone-Officer – increase \$1.00 / hr
Reserve Police Officer Rate – unchanged at \$14.00 / hr

PUBLIC WORKS:

James Liles-FT Public Works Supervisor - increase \$1.25 / hr
Angelo Cameron- FT Public Works Worker - increase \$1.00 / hr
Cody Wilson-FT Public Works Worker-increase \$1.00./ hr
Pool Attendants – Seasonal Worker - same at \$9.00 per hour
Walt Manning-Seasonal CPO for pool - same at \$12.70 per hour
Full Time Public Works Worker Part-time Position if needed budgeted at \$8,400 [16 hrs/week]

ADMINISTRATION:

Lu Harvey Lewis, Jr., Part time Town Administrator - increase \$2.50 / hr.[19 hours per week]
Gloria Vinson – Town Clerk/Finance Officer – increase \$1.00 / hr
Lorrie Gray – Administrative Financial Asst – increase \$1.00 / hr

SECTION XIX. Group Insurance Changes:

The Employee Medical coverage plan for 2019-2020 will remain with United Healthcare and there was a decrease in premium from 2018-2019. There was a slight change in prescription copays.

The Municipal Insurance Trust (MIT) premiums for vision, dental, life, and short term disability had a 2.3% increase in the Dental coverage only from last year.

SECTION XX. Retirement Contribution Rates:

Retirement contribution rates received from the NC State Treasurer, Retirement Systems Division indicate an increase from 2017-2018 and are as follows:

Local General Class:	9.10% (up from 7.90% in 2018-2019)
Law Enforcement Class:	9.70% (up from 8.50% in 2018-2019)

SECTION XXI. 401K Contribution Rates:

The town's 401k contribution rates remain unchanged for 2019-2020 as follows:

Local General Class:	3.5%
Law Enforcement Class:	5.0%

SECTION XXII. Adoption of Ordinance:

This Ordinance shall be effective July 1, 2019 and is duly adopted this, the 10th day of June, 2019.

Luther H. Lewis, Jr., Mayor

ATTEST: _____
Gloria Vinson, Town Clerk

2019 Grant Request Item

New Bandit Chipper with holding box	
Model 90xp	\$ 39,023.60
New 100KW 3-Phase Generator for	
Well # 5	\$ 29,371.03
2-Kubota Z421 Zero turn mowers	\$ 12,703.25
Amazing Machinery 4000psi Jetter	\$ 25,368.00
New 2019 Ford F-150 crew-cab truck	\$ 40,633.38
4wd for the Police Department	
Attorney Fees, Tax, Title and DMV	\$ 1900.38
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Total	\$ 148,999.64
Grant Amount	- \$ 100,000.00
Loan Amount	- \$ 47,000.00
Town Contribution	- \$ 1999.64

In new business, the board voted to repeal section 3 of the town's ordinance to remove this policy concerning town employees with 30 years of service will remain on the town's group insurance until retirement age. This study was costing the town about \$2300.00 dollars a year from the company called Cavanaugh Macdonald Consulting LLC. Commissioner Alford made a motion to approve and Commissioner Lewis seconded and the motion was carried unanimously.

The board also approved to submit an application for a resolution for N.C. Scenic Byway Resolution US 264 to the NC Department of Transportation to nominate the 11-mile Nash County stretch of U.S. 264 to the state Scenic Byway program. Commissioner Davis made a motion to approve and Commissioner Lewis seconded and it was carried unanimously.

The 2019-2020 budget was reviewed, discussed, and approved after the public hearing from the start of the regular meeting. Commissioner Lewis made the motion to approve the 2019-2020 Budget. Commissioner McClenny seconded and it was carried unanimously.

Mayor Lewis opened the floor for public comment. There were two public comments at this time.

With no further business, Commissioner Lewis moved to adjourn. Commissioner McClenny seconded and the vote was unanimous.

Gloria Vinson, Town Clerk/Finance Officer

Mayor Luther H. Lewis, Jr.
Commissioners
Ann Lewis
Danny Alford
Cherrye Davis
J.W. McClenny
Harold Meacombs

