

Meeting Minutes  
January 13, 2014

Mayor Lewis called the regular meeting to order at 7:30pm and gave the invocation. Members present were Commissioners Harold Meacombs, Danny Alford, Cherrye Davis, Ann Lewis, and J.W. McClenny. Approximately eight guests attended.

The December 9 and 18, 2013 meeting minutes were unanimously approved with a motion by Commissioner Alford and seconded by Commissioner McClenny.

Mayor Lewis requested to add item (d) to New Business: appoint Roger Shearin as an unpaid auxiliary police officer. The amended agenda was approved unanimously in a motion by Commissioner Meacombs and seconded by Commissioner McClenny.

Mayor Lewis opened the floor for the public comment session. Robert Johnson was the only guest to address the board and the session was closed.

John Anthony, Anthony & Tabb PA, the town's independent auditor, presented the audited financial statements for fiscal year ending June 30, 2013, which have been approved by the Local Government Commission. John added that we should be receiving a letter from the Local Government Commission at a later date with any comments or recommendations they may have regarding these statements.

He gave the town a standard, unmodified opinion, referred to as "a clean audit opinion" and confirmed the statements give a fair representation of the town's financial condition, adding that no one would be misled. Cash assets totaled \$762,364, with an additional \$211,687 in restricted cash assets, which represents Powell Bill and Library funds. This is \$280,000 less cash than one year ago, but the town has equipment and improvements to show for it and also the town reduced indebtedness and interest by early payoff of a loan. The funds spent were put to good use (invested).

Governmental activities (General Fund) had a change in net assets (gain) of \$105,322. Business-Type Activities (Water and Sewer Fund) had a gain in net assets of \$402,259, which represents a loss of \$16,733, but a gain in capital contributions of \$418,992.

On the General Fund budgetary statements, John added that all departments stayed with budget and the town did a good job monitoring the budget. He pointed out that of the final fund balance appropriated of \$355,000, only \$197 was actually used. John feels this dip in reserves is okay due to the fact that the funds were used for capital projects and debt payoff. He noted the town has good cash reserves, even though they are a little down, but advised the Board to keep an eye on the reserves.

Of the Water and Sewer Fund's \$16,733 loss before transfers and capital contributions, depreciation represented \$155,000. While depreciation is not a cash expense, over time depreciation is a real expense. John added that water and sewer also operated

within budget and the town also did a good job staying within budget, making any necessary budget amendments to cover projects, etc. John reported the town used \$78,000 of the fund balance for water and sewer, which we can't do every year, but the fund remains in good condition.

The ad valorem property tax collection rate of 93.07%, which John reported as fair compared to the state average and last year's rate of 96%. John feels this will increase to about 96-97% next year, as 2012 was the transition year for Nash County to bill and collect Middlesex taxes. John also pointed out that with NC DMV collecting vehicle taxes before a tag will be issued, the vehicle tax collection rate should increase substantially from the 2013 rate of 85.01%.

Finally, John reported the town was in very good financial condition, but cautioned the Board to work on replacing the cash reserves. John commended town staff for doing a good job.

Clerk Lambert reviewed the December financials. Lambert also gave an update on the computer hardware and Logics Utilities Management software upgrade. The December financials were unanimously approved in a motion made by Commissioner McClenny and seconded by Commissioner Davis.

Police Chief Dennis Murray was absent. Chief Murray and Sergeant Scott Pollard were attending the NC GHSP meeting in Concord, NC. Officer Vennie Brock was present in the Chief's place.

Mayor Lewis reviewed the December activities of the utility department. In addition to regular chlorine testing and maintenance duties, the force main at 231 lift station is being flushed weekly. They continued cleaning & organizing the town shop, responded to three lift station alarms, worked on alleys behind Manning Brothers and Woodruff Tire, worked with Underwood, Inc. to replace a T-4 pump at the Selma Road lift station with a new pump, and worked on the bar screen so it operates in the automatic mode. Draw down tests were completed on the other pump at Selma Road and at both pumps at lift stations 6 & 7 to further evaluate what needs to be done next and how to move forward. Mayor Lewis advised that Mike Myers with Envirolink is talking with NC DENR to request emergency funding to cover some of the lift station work and he should have an answer by the end of this week. Also, the town can apply for CDBG funds when the application process opens in February, with funds being available in July-August.

Librarian Cherrye Davis reported Braswell personnel are working to rid the library computers of viruses. She also reported increased usage in Wi Fi and the number of users was 34 versus the 9 showing on the monthly report.

Mayor Lewis reported Stock Components on Planer Mill Road will reopen in March and will have twenty four jobs.

The following 2013-2014 budget amendments were approved unanimously in a motion by Commissioner Lewis and seconded by Commissioner McClenny:

<b><u>GENERAL FUND EXPENDITURES:</u></b>		<b><u>INCREASE</u></b>	<b><u>DECREASE</u></b>
<b><u>Non-Departmental:</u></b>			
10-660-0500	FICA Expense	600.00	
<b><u>GENERAL FUND REVENUES:</u></b>			
10-390-0100	General Fund Bal. Approp	600.00	
<b><u>Governing Body:</u></b>			
10-410-1400	Expense Account	1,500.00	
<b><u>Economic/Physical Dev/Zoning:</u></b>			
10-490-4701	Econ Dev./Zoning Mileage		1,500.00
<b><u>SEWER FUND EXPENDITURES:</u></b>			
30-800-1605	Lift Station Overhaul	15,750.00	
<b><u>SEWER REVENUES:</u></b>			
30-375-9800	Sewer Contingency Approp.	15,750.00	

Pursuant to N.C.G.S.105-378, Commissioner Alford moved to write off 2003 property taxes totaling \$491.55, which are ten years old and uncollectible. His motion was seconded by Commissioner Davis and passed unanimously.

Effective February 1, 2014, Waste Industries is increasing the tonnage tipping fees at the Wilson Transfer Station by 4%.

Mayor Lewis requested the board appoint Roger Shearin as an unpaid auxiliary police officer. Police Commissioners Meacombs and Alford have discussed this appointment with Chief Murray. Mr. Shearin served with the Franklin County Sheriff's Department from February 1998 to June 2013. Before that he served thirteen years with Franklin County Department of Corrections. He has all his certifications and the only cost to the town would be uniforms. He would be available to work the split shifts. Commissioner Meacombs moved to appoint Roger Shearin as an unpaid auxiliary police officer effective immediately. Commissioner Alford seconded and the motion passed unanimously.

Commissioner Meacombs moved to go into Closed Session as allowed by N.C.G.S.143-318.11(a)(6) to discuss some personnel matters. The motion was seconded by Commissioner McClenny and passed unanimously.

Back in Open Session, Commissioner Meacombs moved to convene on February 7, 2014 at 9:00 a.m. to hold a Closed Session for personnel evaluations. Commissioner Alford seconded and the motion passed unanimously.

With no further business, Commissioner McClenny moved to adjourn.

Jennifer Lambert, Clerk

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