

TUESDAY, JANUARY 12, 2016 – 7:00 P.M.
REGULAR MEETING OF THE OXFORD BOARD OF COMMISSIONERS
COMMISSIONERS' BOARD ROOM – CITY HALL

The Board of Commissioners for the City of Oxford met at the above-mentioned time and place. All members of the Board and local news media were notified of the same as well as the purpose of the meeting.

Present were Mayor Jackie Sergent, MPT Calvin (C.J.) Harris, Jr., Commissioners James (Danny) Currin, Frank Strickland, S. Quon Bridges, Patricia T. Fields, Ron Bullock and Al Woodlief. Also present was Attorney J. Thomas Burnette, Interim City Manager Mike McLaurin and City Clerk Barbara Rote.

CALL TO ORDER

Mayor Sergent called the meeting to order. Reverend Chris Aho, Oxford Baptist Church gave the prayer; the Pledge to the flag followed led by Commissioner Strickland.

AGENDA APPROVAL

COMMISSIONER BULLOCK MADE A MOTION TO APPROVE THE AGENDA WITH THE ADDITION OF APPROVING THE RENOVATIONS AT 101 COLLEGE STREET. ALL VOTES WERE IN THE AFFIRMATIVE, **THE MOTION CARRIED.**

AREA RESIDENTS RECOGNIZED FOR ACHIEVEMENTS

Mayor Sergent recognized the following citizens for their outstanding achievements by presenting them with a plaque.

- Brad Clayton as 2015 winner of the PGA's Deacon Palmer Award
- Charlie Easton for receiving an Outstanding Alumni award by the College of Agriculture and Life Sciences at NC State
- David Hinton for receiving Water Conservationist of the Year by the NC Wildlife Federation
- Bessye McGhee as Spectacular Magazine's Woman of the Year
- Rob Rivers for induction to the Virginia Aviation Hall of Fame

ANNUAL FINANCIAL REPORT BY WINSTON, WILLIAMS, CREECH & EVANS

Carleen Evans with Winston, Williams, Creech & Evans presented the highlights of the 2014-2015 audit report. The net position of revenues over expenditures increased from 2014 to 2015 by \$857,399. The City continued to keep expenditures under budgeted amounts. The

City now has a Fund Balance of 44.06%; up from 24.9 % in 2013. Below are a few slides highlighting the presentation.

City of Oxford



Audit Report Presentation
June 30, 2015

Winston, Williams, Creech, Evans & Co., LLP

1

Summary 

- ▶ The City of Oxford again received the Certificate of Excellence in Financial Reporting for the year ended June 30, 2014 and submitted the June 30, 2015 report to GFOA.
- ▶ For the 2015 year, the City of Oxford was a Single Audit which means there were over \$500,000 in federal expenditures.

2

GASB #34 Highlights

▶ Statement of Net Position-page 35

	<u>2014</u>	<u>2015</u>
Total assets & deferred outflows	\$ 35,781,638	\$ 47,011,886
Total liabilities & deferred inflows	<u>10,360,126</u>	<u>20,823,553</u>
Net Position	\$ 25,421,512	\$ 26,188,333

3

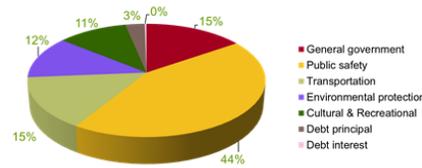
GASB #34 Highlights

▶ Statement of Activities-page 36

	<u>2014</u>	<u>2015</u>
Revenues	\$ 13,231,808	\$ 14,316,197
Expenditures	<u>12,789,509</u>	<u>13,016,499</u>
Increase in Net Position	\$ 442,299	\$ 1,299,698

4

General Fund Expenditures p. 40



Category	Percentage
General government	44%
Public safety	15%
Transportation	15%
Environmental protection	12%
Cultural & Recreational	11%
Debt principal	3%
Debt interest	0%

7

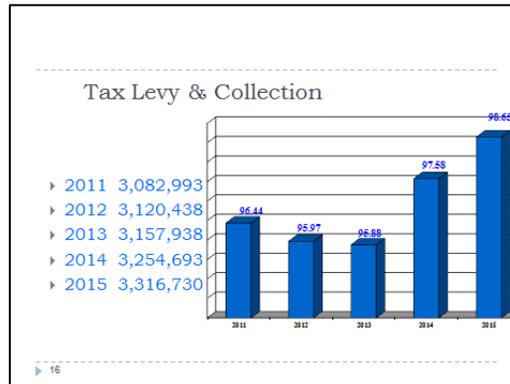
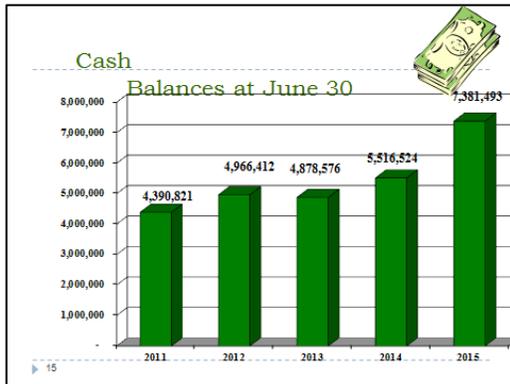
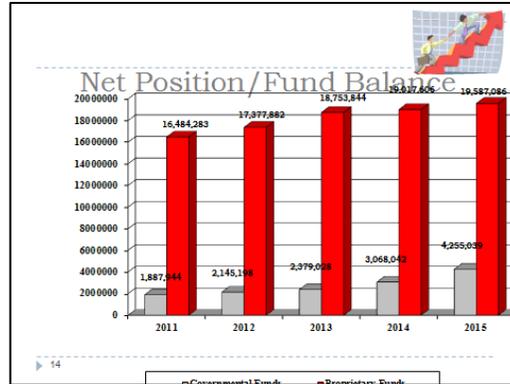
FUND BALANCE AS % OF EXPENDITURES

Fund Balance-Available for Appropriation	<u>2015</u> 3,667,288
Expenditures	8,322,486
Percentage of Expenditures	44.06%

10

Unassigned Fund Balance as a Percentage of Expenditures

Year	Percentage
2013	24.9%
2014	31.7%
2015	44.06%
Statewide	72.50%



FISCAL YEAR 2015 AUDIT REPORT ACCEPTED

COMMISSIONER CURRIN MADE A MOTION TO ACCEPT THE 2014-2015 AUDIT REPORT AS PRESENTED BY WINSTON, WILLIAMS, CREECH, EVANS and CO, LLC. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED**

PUBLIC COMMENT

Larry Thomas, 207 E. Front Street – Mr. Thomas recently attended a special meeting of the Board related to Public Works activities and commented on statements made during that meeting. He was in favor of piggybacking on NCDOT’s repaving contract but was not in favor of waiting for the estimated 2 years by NCDOT for the City to begin its work. Some streets are in poor condition and will need repaving soon. He was also concerned about not using the \$125,000 of Powell Bill money for the street sweeper expenses; and supported continued payment of the expenses from the Powell Bill Fund or making sure the street sweeper expense would be covered elsewhere.

CONNECT NC BOND RESOLUTION ADOPTED

Mayor Sergent presented a Resolution Supporting Connect NC Bond. The NC General Assembly authorized a bond package during the 2015 Legislative Session. If approved by the voters, the bonds will provide \$2 billion dollars in funding, including \$309.5 million for

upgrades for water and sewer projects in Tier 1 & Tier 2 counties, and \$3 million in funds for the Parks and Recreation Trust Fund to provide matching grants for local governments for adaptations to and building parks that are accessible to children with disabilities and veterans with disabilities. In addition, the bond would provide millions of dollars for other investments including the Community College and University Systems, agriculture, state parks, National Guard Training Center, and Public Safety. The bond should not lead to a tax increase and is expected to be paid utilizing existing taxes. The North Carolina League of Municipalities endorses the Connect NC Bond initiative.

COMMISSIONER BRIDGES MADE A MOTION TO ADOPT THE RESOLUTION SUPPORTING THE CONNECT NC BOND FOR \$2 BILLION. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

**CITY OF OXFORD
RESOLUTION SUPPORTING
\$2 Billion Bond Campaign
for Education, Agriculture, Parks, Water & Sewer**

WHEREAS, North Carolina has seen its population grow by 2 million people since 2000, and there is a need to expand and repair existing infrastructure so we can continue to meet our growing population and continue to create new jobs and grow our economy; and

WHEREAS, a primary driver of job creation is our higher education system of community colleges and universities and \$1.3 billion dollars will be invested across the state in capital construction and repair and renovation; and

WHEREAS, 13 colleges and universities will be beneficiaries and all of the community colleges will have new construction, repairs and renovations; and

WHEREAS, \$300 million in loans and grants will be invested in sewer and water projects; and

WHEREAS, \$100 million will go to 48 state parks and the NC Zoo to repair and renovate as well as updating some park facilities to make them more accessible to children with disabilities and Veterans with disabilities; and

WHEREAS, \$180 million will be invested in agriculture which contributes \$78 billion to the state's economy and accounts for 17 percent of the state's income; and

WHEREAS, \$70 million will be spent to modernize National Guard facilities which will also make the guard eligible for additional federal funding as North Carolina moves towards more centralized facilities;

NOW, THEREFORE BE IT RESOLVED, that the City of Oxford, Board of Commissioners support the \$2 Billion Connect NC Bond that invests in North Carolina's future.

Adopted this 12th day of January 2016

LARRY THOMAS APPOINTED TO PLANNING BOARD TO FILL VACANT SEAT

COMMISSIONER STRICKLAND MADE A MOTION TO APPOINT LARRY THOMAS TO FILL A VACANCY ON THE PLANNING BOARD WITH TERM EXPIRING JUNE 2017. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

BUDGET AMENDMENT APPROVED – BUDGET CORRECTIONS FOR FY 2015-2016

Interim City Manager McLaurin presented for consideration a budget amendment and booking the corresponding entries so that previously misstated budget figures will now be correct and adjusted accordingly for FY 2015-2016.

The original budget for FY 2015-2016 inadvertently included a variety of clerical related processing errors that need to be corrected. The previous City Manager and Finance Director Kehoe were both relatively new to the City of Oxford's budgeting process, so mistakes that normally would have been avoided were made when the previous Finance Director retired unexpectedly.

This requested Budget Amendment is being issued to adjust for a variety of previous oversights in the current year's budget, so that the actual intended use of city funds in FY 2015-2016 will now be recorded correctly and reflect the previous wishes of the City of Oxford's Board of Commissioners.

It was noted that to date for FY 2015-2016, \$190,000 has been allocated from the undesignated Fund Balance. The Fund Balance remains at 42%.

COMMISSIONER WOODLIEF MADE A MOTION TO APPROVE A BUDGET AMENDMENT AND BOOKING THE CORRESPONDING ENTRIES SO THAT PREVIOUSLY MISSTATED BUDGET FIGURES WILL NOW BE CORRECT AND ADJUSTED ACCORDINGLY FOR FY 2015-2016. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

BUDGET AMENDMENT			
Account Number	Description	Increase	Decrease
GENERAL FUND (GF)	ADD'L. USE OF FUND BALANCE		
010-000-39900-000	Appropriated Fund Balance	\$85,089	
GENERAL FUND	ADDITIONAL EXPENDITURES		
010-440-41000-132	HR-Career Development	\$5,500	
	<i>(Offsetting \$5,500 Decr. in WF)</i>		
010-502-41000-121	PW-Salaries and Wages		\$66,459
010-502-41000-176	PW-Dental Insurance		\$260
010-502-41000-177	PW-Vision Insurance		\$84
010-502-41000-178	PW-Life Insurance		\$58
010-502-41000-181	PW-F.I.C.A.		\$5,084
010-502-41000-182	PW-Retirement		\$4,699
010-502-41000-183	PW-Hospital Insurance		\$9,798
010-502-41000-186	PW-Workers' Comp. Insurance		\$2,378
010-561-41000-121	SL-Salaries and Wages	\$33,230	
010-561-41000-176	SL-Dental Insurance	\$130	

010-561-41000-177	SL-Vision Insurance	\$42	
010-561-41000-178	SL-Life Insurance	\$29	
010-561-41000-181	SL-F.I.C.A.	\$2,542	
010-561-41000-182	SL-Retirement	\$2,349	
010-561-41000-183	SL-Hospital Insurance	\$4,899	
010-561-41000-186	SL-Workers' Comp. Insurance	\$1,189	
	<i>(Offsetting \$44,410 Incr.in WF)</i>		
010-660-41000-039	Granville County Sales Tax	\$8,889	
010-660-41000-666	OPA (MSD)-Payment of Taxes	\$24,000	
010-660-41000-667	EDC (MSD)-Payment of Taxes	\$40,000	
010-660-41000-800	NC State Sales Tax	\$15,110	
010-829-41000-551	To Fund (CMAQ) CIP Program	\$36,000	
	<i>(To correct for missing \$Amts.)</i>		
GENERAL FUND	ADDITIONAL REVENUES		
010-000-39908-000	Proceeds From Financing	\$128,400	
	<i>(for new Garbag./Trash Truck)</i>		
GENERAL FUND	ADDITIONAL EXPENDITURES		
010-561-45000-550	SL-Fixed Assets – Over \$5,000	\$128,400	
	<i>(for new Garbag./Trash Truck)</i>		
GENERAL FUND	OFFSETTING EXPENDITURES		
010-410-41000-673	Treasure of Joy (FEMA Debris)		\$500
010-410-41000-676	Treasure of Joy	\$500	
010-490-41000-200	Planning Board (Alloc.GF-Payr)		\$4,750
010-490-41000-506	Zoning Board Expenses	\$2,375	
010-490-41000-507	Planning Board Expenses	\$2,375	
010-502-41000-132	Schools&Training(Career Dev.)		\$2,500
010-502-41000-395	Schools & Training	\$2,500	
010-561-45000-132	Schools&Training(Career Dev.)		\$5,500
010-561-45000-395	Schools & Training	\$5,500	
	<i>(To correct Account # errors)</i>		
GF-CAPITAL PROJ.s.	ADDITIONAL REVENUES		
015-000-35131-000	CMAQ Grant-State Contrib.	\$240,000	
015-000-35132-000	CMAQ Grant-County Contrib.	\$24,000	
015-000-36914-000	Transfers from General Fund	\$36,000	

	<i>(To correct for missing \$Amts.)</i>		
GF-CAPITAL PROJ.s.	ADDITIONAL EXPENDITURES		
015-829-41000-926	Project Costs	\$300,000	
	<i>(To correct for missing \$Amts.)</i>		
DEBT SERVICE FUND	EXPENDITURE CORRECTIONS		
020-670-41000-736	WWTP-a/Original Loan 04		\$1
020-670-41000-747	FY 13 – Equipment Financing		\$11,005
020-670-41000-752	FY 16 – Equipment Financing	\$11,388	
(NOTE: These three lines are for budget reporting purposes only. The previous total for Debt Service-Expenditures was correct, but the corresponding budget details were misstated.)			
WATER FUND (WF)	ADD'L. USE OF FUND BALANCE		
030-000-39900-000	Appropriated Fund Balance	\$65,009	
WATER FUND	ADD'L. REVENUE CHANGES		
030-000-33703-000	NC Sales Tax Refund	\$3,900	
	<i>(To correct for missing \$ Amt.)</i>		
030-000-37621-000	Alloc. Fee-Triangle N. Granville		\$30,000
	<i>(To correct previous \$ Amount)</i>		
WATER FUND	ADDITIONAL EXPENDITURES		
030-665-41000-39	Granville County Sales Tax		\$4,000
030-665-41000-039	Granville County Sales Tax	\$6,043	
030-665-41000-800	NC State Sales Tax		\$2,044
	<i>(To correct Acct.#&redistrb.\$s)</i>		
030-828-71000-132	Schools&Training(Career Dev.)		\$5,500
	<i>(Offsetting \$5,500 Incr.in GF)</i>		
030-828-71000-121	WS-Salaries and Wages	\$33,229	
030-828-71000-176	WS-Dental Insurance	\$130	
030-828-71000-177	WS-Vision Insurance	\$42	
030-828-71000-178	WS-Life Insurance	\$29	
030-828-71000-181	WS-F.I.C.A.	\$2,542	
030-828-71000-182	WS-Retirement	\$2,350	
030-828-71000-183	WS-Hospital Insurance	\$4,899	
030-828-71000-186	WS-Workers' Comp. Insurance	\$1,189	
	<i>(Offsetting\$44,410 Decr.in GF)</i>		

WATER FUND	OFFSETTING REV.S.& EXPENDS.		
030-000-37222-000	WWTP Flow Equal. Loan Proc.		\$600,000
030-000-37224-000	750-K Tank & Hwy.15 Loan Pr.		\$2,100,000
	<i>(Offsetting <u>Rev.</u> Incr.in WT-CP)</i>		
030-947-71000-926	WWTP Flow Equalization Basin		\$600,000
030-948-71000-926	750-K Tank & Hwy.15 12"WM		\$2,100,000
	<i>(Offsetting <u>Exp.</u> Incr.in WT-CP)</i>		
030-827-71000-550	Fixed Assets – Over \$5,000	\$6,200	
030-828-71000-203	Contract Labor (for SCADA)		\$6,200
WT-CAPITAL PROJS.	ADDITIONAL REVENUES		
031-000-37222-000	WWTP Flow Equal. Loan Proc.	\$600,000	
031-000-37224-000	750-K Tank & Hwy.15 Loan Pr.	\$2,100,000	
	<i>(Offsetting <u>Rev.</u> Decr. in WF)</i>		
031-000-37500-000	Transfer from Water Fund	\$855,000	
	<i>(To correct for missing \$Amt.)</i>		
WT-CAPITAL PROJS.	ADDITIONAL EXPENDITURES		
031-947-71000-926	WWTP Flow Equalization Basin	\$600,000	
031-948-71000-926	750-K Tank & Hwy.15 12"WM	\$2,100,000	
	<i>(Offsetting <u>Exp.</u> Decr. in WF)</i>		
031-949-71000-926	15"Water Main on Outer Loop	\$855,000	
	<i>(To correct for missing \$Amt.)</i>		
STORMWTR. FUND	OFFSETTING EXPENDITURES		
033-727-71000-551	Alston Court Project (CIP)		\$538,000
033-727-71000-926	Alston Court Project (CIP)	\$538,000	
	<i>(To correct Account # error)</i>		

BUDGET AMENDMENT APPROVED – REPLACE PD VEHICLE

Mayor Sergent presented for consideration a budget amendment in the amount of \$28,320 to replace a wrecked police car. \$28,320 is payable from insurance company proceeds from the wrecked vehicle. Additional costs in the amount of \$728, will be covered by the current PD budget. No money is appropriated from the Fund Balance.

COMMISSIONER FIELDS MADE A MOTION TO APPROVE A BUDGET AMENDMENT IN THE AMOUNT OF \$28,320 TO REPLACE A WRECKED POLICE CAR. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

BUDGET AMENDMENT			
Account Number	Description	Increase	Decrease
010-000-38508-000	Proceeds from Insurance Co.	\$28,320	
010-510-43000-550	Fixed Assets – Over \$5,000	\$24,875	
010-510-43000-543	Fixed Assets-Under \$5,000	\$3,445	
010-510-43000-550	Fixed Assets-Over \$5,000	\$24,875	

BUDGET AMENDMENT APPROVED – MERCER GROUP

Mayor Sergent presented for consideration a budget amendment in the amount of \$23,000, payable from the Fund Balance, for non-budgeted professional services by The Mercer Group, Inc. to conduct the City Manager search.

The Board of Commissioners previously directed the Interim City Manager and the Human Resources Director to hire an executive search firm to provide services associated with the recruitment of a new City Manager. Based on this request, an agreement was entered into with The Mercer Group, Inc., whereby they would conduct an executive search and be compensated \$17,500 for professional services and up to (& not-to-exceed) \$5,500 in expenses. The requested budget amendment is being issued to adjust for the monetary effect on the current year's budget.

COMMISSIONER CURRIN MADE A MOTION TO APPROVE A BUDGET AMENDMENT IN THE AMOUNT OF \$23,000, PAYABLE FROM THE GENERAL FUND, FOR NON-BUDGET PROFESSIONAL SERVICES BY THE MERCER GROUP, INC. TO CONDUCT THE CITY MANAGER SEARCH. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

BUDGET AMENDMENT			
Account Number	Description	Increase	Decrease
010-000-39900-000	Appropriated Fund Balance	\$23,000	
010-440-41000-215	Recruiting Expenses	\$23,000	

101 COLLEGE STREET RENOVATIONS APPROVED

Interim City Manager McLaurin presented a letter from the N.C. Department of Insurance approving requested renovations by Shayne Fenton at 101 College Street within the Primary Fire District. They determined that the renovations do not increase the fire hazard. According to G.S. 160A-436, the City Council will also need to approve renovations to this building. In addition, interior modifications are being performed in accordance with the 2015 existing building code and will meet all fire, building and zoning regulations.

COMMISSIONER STRICKLAND MADE A MOTION TO APPROVE RENOVATIONS TO 101 COLLEGE STREET. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

DECEMBER FINANCIAL HIGHLIGHTS BY FINANCE DIRECTOR KEHOE

Finance Director Kehoe presented and summarized the December financial report.

<u>December 2015 Financial Report</u> <i>50% of FY Complete</i>	<u>General Fund</u>	<u>Water Fund</u>	<u>Other Funds</u>
REVENUES			
YTD	\$ 5,503,023	\$ 3,940,346	\$ 989,558
YTD Percent of Budget <i>(minus loan proceeds and fund balance allocation)</i>	58%	61%	18%
EXPENSES			
YTD	\$ 4,971,630	\$ 2,146,873	\$ 615,705
Budget	\$ 9,507,251	\$ 1,793,473	\$ 5,978,864
YTD Percent of Budget <i>(minus loan proceed, and fund balance allocation)</i>	52%	35%	10%
DIFFERENCE <i>(Revenues – Expenses) 2015-16 YTD</i>	\$ 531,393	\$ 1,793,473	\$ 373,853

CONSENT AGENDA APPROVED

COMMISSIONER BULLOCK MADE A MOTION TO APPROVE THE CONSENT AGENDA. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

Accepted the December Financial Report by Finance Director Kehoe.

Approve the following 2015 meeting minutes:

* Nov. 30, Agenda Session

* Dec. 16, Special Session

* Dec. 8, Regular Session

CITY MANAGER SEARCH UPDATE

Interim City Manager McLaurin updated the Board on the schedule for the City Manager Search. January 22nd is the deadline for application to the Mercer Group. Following their screening, they will provide no more than 10 applicants for the Board to review for further screening and interviews. McLaurin will try to coordinate the Board review of applications with the February 9 monthly Board meeting.

ADJOURNMENT

WITH THERE BEING NO FURTHER BUSINESS, AT APPROXIMATELY 8:30 P.M., COMMISSIONER FIELDS MADE A MOTION TO ADJOURN. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

Barbara J. Rote, City Clerk

ATTEST:

Jacqueline vdH Sergent, Mayor