

TOWN OF BROADWAY
BOARD OF COMMISSIONERS
MEETING
MINUTES
JANUARY 24, 2011

A scheduled meeting of the Board of Commissioners was held on Monday, January 24, 2011 at 7:00 p.m. at the Council Chambers, 100 East Lake Drive, Broadway, North Carolina.

Board members present were Mayor Donald Andrews, Commissioners Tommy Beal, Lynne Green, and Clem Welch. Also, Town Attorney Jimmy Love and Town Manager Bob Stevens were present. Commissioners Woody Beale and Jim Davis and Town Clerk Laura Duval were unable to attend the meeting.

The meeting was called to order by Mayor Andrews, and Town Manager Stevens gave the invocation, which was followed by the Pledge of Allegiance.

Commissioner Green made the motion to accept the January Agenda with the addition of A. 1. Audit Contract. The motion was seconded by Commissioner Welch. Vote was unanimous.

Commissioner Tommy Beal made the motion to accept the December Minutes as submitted. The motion was seconded by Commissioner Welch. Vote was unanimous.

Town Manager Stevens reviewed the audit results summary for fiscal year 2009-2010. General Fund revenue increased approximately 2.3% or \$18,343 compared to the prior year. Actual revenue was \$20,219 (2.5%) more than budget. General Fund expenditures increased by 10.5% or \$76,762 compared to the prior year. Actual expenditures were \$85,827 (10.7%) less than budget. Fund Balance increased by \$27,200 in fiscal year 2009/2010. At June 30, 2010, Fund Balance was \$885,176. Fund Balance available for appropriation is \$757,711 which includes \$276,599 designated for Powell Bill expenditures and \$481,112 undesignated. Fund Balance available for appropriation including 10/11 appropriation and excluding the designation for Powell Bill is at 62.1%. LGC recommends 66% for Fund Balance, so the Town is still a little under that figure.

Utility Fund revenue increased approximately 0.7% or \$2,704 compared to the prior year. Actual revenue was \$25,089 (6.8%) more than budget. Compared with the prior year, utility fund expenditures increased by 5.1% or \$14,330. Actual

expenditures were \$49,345 (16.9%) less than budget. Net income was \$74,434 in fiscal year 2009/2010 compared to a net income of \$56,139 in prior year. Mr. Stevens feels the Town is headed in the right direction and is on sound financial footing. The Town Manager expressed his appreciation to all staff who work to make our operation efficient. He also thanked Beth Kelly, Assistant Finance Director – City of Sanford and her staff for providing financial oversight to the Town. Under Utility Customer Accounts Write-Off on Page 2, Ms. Kelly stated these are suggestions, and the Town received a clean audit. Mayor Andrews referred to Page 30 and asked a question about the possibility of refinancing the outstanding bond total of \$635,000. Ms. Kelly will look at the bonds and determine which ones could possibly be refinanced to benefit the Town. Mayor Andrews thanked Barbara Cox and Beth Kelly for their hard work on the audit preparation.

The three year contract with McGladrey & Pullen is now up. The City of Sanford and the Town of Broadway are required to have an annual independent audit under G.S. 159-34. After receiving proposals from eight audit firms and reviewing the criteria set forth by the LGC, Martin Starnes and Associates ranked highest overall. The City of Sanford's Financial Services Department recommended the Town of Broadway award the contract to Martin Starnes and Associates contingent upon approval by the Sanford City Council.

Commissioner Tommy Beal made the motion to award the audit contract for fiscal years ending 6/30/11, 6/30/12, and 6/30/13 to Martin Starnes and Associates. The motion was seconded by Commissioner Green. Vote was unanimous.

Lee County Commissioner Charlie Parks spoke to the Broadway Commissioners and expressed he feels privileged to serve the citizens of Broadway. Commissioner Parks stated he is dedicated to helping our citizens in any way he can.

Town Manager Stevens presented a Water Supply Resolution to the Board. The Water Supply Plan is done every 4 or 5 years as required by the state. It was submitted in 2007. Commissioner Welch made the motion to adopt the Water Supply Resolution. The motion was seconded by Commissioner Green. Vote was unanimous.

Mayor Andrews discussed the possibility of applying for an NC Parks & Recreation Trust Fund Grant in 2012. The application is rather involved and would take quite some time to complete. Mayor Andrews would like to use the grant for the installation of a tennis court on the corner of Forest Avenue and First Street. The Town already owns this property. The grant is a match dollar for dollar. Mr. Stevens reported the cost of the tennis court would be approximately \$50,000. The Town's portion would be \$25,000. The grant stipulates the land would be designated for public use forever, and the Town would have to maintain

the tennis court for 25 years. The Commissioners expressed concerns regarding cost, maintenance, and designation of land.

A budget ordinance amendment appropriating \$25,200 from Festival Proceeds to Parks and Rec – Festival was presented. Commissioner Welch made the motion to adopt the budget ordinance amendment for the Broadway Our Way festival. The motion was seconded by Commissioner Green. Vote was unanimous.

Commissioner Tommy Beal made the motion to accept the Financial Statements as presented. The motion was seconded by Commissioner Welch. Vote was unanimous.

Under Commissioner Comments, Commissioner Welch thanked the Finance Director and the Town Manager for their diligent oversight of the Town budget. Commissioner Welch suggested the Commissioners hold a retreat in Broadway since some projects are yet to be completed. The four corners are on schedule, however, the welcome sign has no light; the police building needs a new awning, etc. She suggested the Commissioners devise a wish list, prioritize the items, complete them over time, and amend the list as needed. The other Commissioners were in agreement with this suggestion.

Commissioner Tommy Beal suggested changing the April meeting date due to the Easter holidays. Commissioner Tommy Beal made the motion to change the date of the April meeting from the 25th to the 18th. The motion was seconded by Commissioner Green. Vote was unanimous.

Commissioner Green extended her thanks to the Town staff and the City of Sanford staff. She also appreciated Commissioner Charlie Parks and Broadway citizens attending the meeting.

Mayor Andrews spoke to the Broadway Woman's Club last Monday. They volunteer and take an active part in helping the community.

The Broadway Our Way Festival committee meeting is scheduled for Tuesday night at 7:00 p.m. The meeting will be held at the Town Hall.

A Lee County EDC meeting is scheduled for February 16 at 4:00 p.m. The location is to be determined. The Mayor and Town Manager were unable to attend the January EDC meeting due to other commitments.

The landscaping has been completed for Section 3, and the historic marker has been touched up and re-located. The last section is left to be completed. The funds left over from the festival have almost been exhausted. They will meet with Watson's Nursery to devise plans for the last section.

Mayor Andrews encouraged everyone to follow the General Assembly. They convene Tuesday and have a \$3.7 billion deficit to resolve.

The state has done a good job of putting down brine before inclement weather. Berton Twiss also did a good job of clearing the Town streets of snow. It is not cost effective for the Town to invest in the brine or salt and sand business, so we have a good system in place.

Mayor Andrews read a letter he received from Bob Etheridge. He encouraged all of us continue to work together to improve the quality of life for the citizens of the second district of North Carolina as well as our friends and neighbors.

The Mayor mentioned the Lee County Community Health Assessment document is quite interesting. It is available on the county website: www.leecountync.gov. In 2009 the population for the county was 60,477. The county median income level for 2006-2008 was \$43,000. The document states heart disease is the leading cause of death. It also lists other information that may be of interest.

The News & Observer has brought a recycling bin for all newspapers and magazines. There is also a bin designated for cardboard only, and the longest bin is for all other recyclables. E-cycling can be taken to the Convenience Center at Woodland Trails or placed at the curb for Town pick up.

The Mayor has received complaints about speeding in Town. Chief Hinnant and his officers are doing what they can to curtail this problem. 35 is the speed limit on Town streets unless otherwise posted.

The Armed Forces Community Covenants have been framed and two will be placed at the Council Chambers and the Town Hall. One of the framed covenants will be presented to the American Legion.

Mayor Andrews mentioned inviting Bob Joyce of the Chamber and Bob Heuts of the EDC to the Town Board meeting in February. They could give a brief presentation of what they're working on, and it would be good to have an opportunity to interact with them. The Mayor would also like to invite the Police Chief or the Sheriff and the Fire Chief to come in March to discuss any issues they are having. In April he would like to invite the American Legion to the meeting so that they can be presented with the Armed Forces Community Covenant. Mayor Andrews suggested incorporating these guests in the retreat or inviting them to the monthly meetings.

Commissioner Green suggested the community be made aware prior to the meetings so that they could attend and interact with these entities. The

Highlander could announce the upcoming meetings, and they could also be posted on the Town facebook page and the community calendar.

Mayor Andrews agreed with the idea of a Board retreat. The Board and Town Manager could meet in an informal setting one afternoon and discuss ways to improve the community. They could also discuss long-range plans and available grants.

Commissioner Welch mentioned the Mayor was very well received at the Woman's Club meeting. They enjoyed getting an update on the community and were shocked at the median household income of \$63,500. The club felt the median household income should be used to promote the Town. Town Manager Stevens stated Bob Heuts concurred when a municipality doesn't qualify for a grant, promote something that's upscale.

Under Manager Comments, Town Manager Stevens encouraged citizens to use the appropriate recycling bins. The cardboard and newspaper bins are emptied at no charge to the Town. The charge for emptying the miscellaneous bin is based on weight. The Town has had very good response to the recycling.

Mr. Stevens reminded the Board of the Chamber lunch on Wednesday at 12:00 noon. He asked to be informed of those who plan to attend.

The Town Manager authorized the Town Clerk to attend the UNC School of Government to receive her municipal clerk certification. The cost is \$1,500 and the money is budgeted in contracted services. She will attend the School of Government for three weeks during the course of this year. The Board agreed that the Clerk should be certified because it would benefit the Town.

Being no further business, Commissioner Tommy Beal made the motion to adjourn the meeting. The motion was seconded by Commissioner Welch. Vote was unanimous to adjourn.

Donald F. Andrews
Mayor

Laura Duval
Town Clerk

