

TOWN OF BROADWAY
BOARD OF COMMISSIONERS
MEETING MINUTES
DECEMBER 19, 2022

A scheduled meeting of the Board of Commissioners was held on Monday, December 19, at 6:00 p.m. in the Council Chamber, 103 N. Main Street, Broadway, North Carolina.

Board members present were Mayor Donald Andrews, Commissioners April Collins, Lynne Green, Teresa Kelly, and Jim Paschal. Also, Town Counsel Jimmy Love, Town Manager John Godfrey, and Town Clerk Laura Duval were present. Mayor Pro Tem Beal was unable to attend the meeting due to illness. Mayor Andrews asked everyone to remember Mr. Beal in their thoughts and prayers.

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

Commissioner Paschal made the motion to accept the Agenda as presented. The motion was seconded by Commissioner Kelly. Motion carried unanimously.

Consent Agenda – November Board Meeting Minutes and November financial statements. Commissioner Kelly made the motion to accept the consent agenda as submitted. The motion was seconded by Commissioner Collins. Motion carried unanimously.

New Business – Shelton Ennis, of Joyce & Company, presented the audit highlights for fiscal year 2021-2022. Mr. Ennis reported the Town received an unmodified or “clean” opinion, which means the financial statements present fairly in all material respects the financial position and the results of the operations for the Town for the year ended June 30, 2022. The Town is in sound financial condition at year end.

Cash balances increased over prior year by \$392,000 as a result of receiving half of the American Rescue Plan Act funds - \$205,000, \$50,000 for the NCVN grant funds, and the remaining comes from the operations of the Town both in governmental and proprietary (water & sewer) operations.

Governmental fixed assets net depreciation decreased by \$18,000 from prior year. These assets include Town Hall, police cars, and infrastructure including sidewalks. Proprietary fixed assets (lines and tank) decreased by \$108,000 over prior year as a result of depreciation of existing assets.

General fund is the main operating fund of the Town. Total fund balance increased by \$76,000, making the total \$1,281,000 at year end. The increase was a

result of increased sales tax revenues, as well as, the downtown festival which was held again this year.

Cash balances in water and sewer fund increased by about \$80,000, mainly attributable to the payoff of the loan in Water & Sewer Fund, so there is no longer any debt payment.

One of the biggest revenue sources for the Town is property tax. Ad valorem tax revenues increased by \$18,000 over prior year based on assessed valuation of \$102 million, an increase of about \$3.5 million from prior year. 99.3% is the collection rate. This compares favorably to other small municipalities.

Long-term debt consists of general governmental debt consisting of the Town Hall, and police car lease. Debt increased \$4,000 due to the payoff of a Town truck and the lease of the new police vehicle.

Mr. Ennis clarified an error (typo) on Page 13 of the audit. The budget ordinance for the Watson Lake dam project was actually appropriated in the amount of \$12,000 not \$120,000. On Page 6 Mr. Ennis noted under findings and responses the governing board has been reviewing bank account reconciliations for a couple of years rather than just beginning now. That verbiage will be updated in next year's audit.

The Town had one recurring finding, which is a lack of segregation of duties. This finding is caused by the small number of staff. This risk is mitigated by having dual control as much as possible. The Mayor and Town Board review the financials, and Mayor Andrews reviews the bank account reconciliations monthly.

Mr. Ennis expressed his thanks to Barbara, John, and Laura for their help with the audit. They've been tremendous in answering questions and have been very responsive. He also thanked Beth Kelly, Glenda Rosser, and Bethany Stephens, with the City of Sanford, who help write the financials and get the information that the auditors need for their working papers.

Mayor Andrews thanked Beth, Glenda, and Bethany as well as Town staff, including Barbara Cox who recently retired. Much work goes into the audit process throughout the year. The audit results speak for themselves as the Town receives a good report every year. That's because the Town has a dedicated staff and a great working relationship with the City of Sanford.

Mayor Andrews presented a plaque to Barbara Cox upon her retirement as Finance Officer. The Town has been fortunate to have Barbara for 16 years because she has made a dramatic impact to the Town's financials and helped the Mayor grow as an elected official. Mayor Andrews expressed the Town's appreciation for Barbara's 16 years of service. Everyone in attendance gave Barbara a standing ovation of appreciation.

Amy McNeill, Zoning Administrator, presented the recommendation of the Planning Board pertaining to the proposed UDO text amendment removing the prohibition for religious complexes (churches) within the CBD zoning classification. The Planning Board recommended by unanimous vote that the Town Board approve the text amendment. Commissioner Paschal made the motion to approve the text amendment as stated. The motion was seconded by Commissioner Green. Motion carried unanimously.

Ms. McNeill presented the recommendation of the Planning Board pertaining to the proposed UDO text amendment to add supplemental development regulations pertaining to the definition, location, and standards for mobile food vendors. The Planning Board recommended by unanimous vote that the Town Board approve the text amendment. Commissioner Kelly made the motion to approve the text amendment as stated. The motion was seconded by Commissioner Collins. Motion carried unanimously.

The Planning Board also reviewed an application by Blue Snow BM, LLC, for preliminary major subdivision plat approval for the Rolling Hills Major Subdivision, a 220-lot single-family detached home development. Most of the site is located within the jurisdiction of Harnett County; however, 43 of the lots are located within the Town of Broadway's ETJ in Harnett County. All lots proposed are to be served by Harnett County maintained public water, private individual septic systems, and NCDOT maintained public streets. There will be no sidewalk, curb and gutter. It is located on Seminole Road between Broadway and Hwy 421. Both driveway entrances to the development are located on Seminole Road. No rezoning and no public hearing is required. Harnett County must approve the public works service. Conditional approval must be given by the Harnett County Developmental Review Board. Phase 1 (43 homes) of the project happens first in the Broadway ETJ. The Broadway Planning Board recommended by unanimous vote that the Town Board approve the preliminary plat for the Rolling Hills Major Subdivision.

Mayor Andrews voiced his concerns about both driveway entrances on Seminole Road, the volume of traffic, and the 55 mph speed limit. He reached out to NCDOT and Harnett County about reducing the speed limit but has received no response. Beth Blackman, with the Timmons Group, is the project engineer. She advised it would take a year of permitting before the project begins, and 2024 is the earliest the project would start. Ms. Blackman mentioned there are plans for three other connections to streets in the future. Commissioner Paschal made the motion to approve the preliminary plat as presented for Rolling Hills. The motion was seconded by Commissioner Kelly. Motion carried unanimously.

The Town Board reviewed the Special Event Ordinance that would allow the sale of craft beer in the central business district at Town sponsored events on closed streets only. Commissioner Paschal stated two citizens approached him about this ordinance. They said alcohol had never been served at the festival, and everything went smoothly. These citizens see no point in starting it now. No motion was taken on this agenda item.

A budget amendment was presented for adoption appropriating \$5,000 for the Watson Lake Dam Project. \$5,000 will be appropriated from General Fund to Parks & Rec – Dam Project. Mayor Andrews explained Hazen & Sawyer advised DEQ wants additional documents prepared and sent to the state so that application can be made for a federal grant. Hazen & Sawyer needs \$5,000 to complete this extra part of the project. This amount was not budgeted, so it has to be pulled from Fund Balance. The additional information is due by the end of the month. Commissioner Green made the motion to adopt the budget amendment as presented. The motion was seconded by Commissioner Kelly. Motion carried unanimously.

Manager's Report – Town Manager Godfrey reported he has met with Stored Tech representatives a few times to discuss IT options for the Town to possibly update to Office 365 and for firewall protections. The Town has recently upgraded to the Cloud with Harris Cloud services and is moving away from the current server.

The office is on track to begin the updated billing system with Harris Print Services for next month.

On December 7 the Town Manager and Mayor met with city officials of Sanford to discuss future options with the water and wastewater systems.

Mr. Godfrey and Mr. Andrews participated in a WebEx meeting with Tim Schueler, of Hazen & Sawyer, to discuss our EAP for the Watson Lake Dam.

They also participated in a WebEx meeting with Withers Ravenel to continue discussions on our current AIA grant application related to our water and wastewater systems.

The Town Manager continues to meet with vendors, stakeholders, and officials in an effort to meet the Town's daily operations. He takes calls and in person meetings from citizens to answer any questions or concerns.

All staff continue to maintain a high standard in providing effective service to the Town and he appreciates their efforts very much.

Commissioner Comments – Commissioner Collins has heard only favorable comments about the Christmas parade. She feels it was very successful, and she is thankful to the Broadway Lions Club for hosting the parade. Commissioner Collins wished everyone a Merry Christmas.

Commissioner Paschal mentioned John Eldridge told him the Town is decorated beautifully. He wished all a Merry Christmas.

Commissioner Kelly stated everyone is very pleased with the lights on the water tank. She thanked all those responsible for making it happen. Commissioner Kelly wished everyone a Merry Christmas.

Commissioner Green extended Christmas greetings to all.

Mayor Comments – Mayor Andrews thanked the Broadway Lions Club for their hard work on the parade. There were more floats this year with a good turnout of spectators.

The Mayor stated the tree lighting service was great. The addition of Santa was a nice touch. A good crowd attended, and he has heard positive comments.

The Christmas decorations look very nice, and he has heard only positive comments about the Town. He hopes more citizens will be encouraged to decorate next year.

Most of the easements have been received for the sidewalk project. There are two property owners left to sign easements, and the Mayor hopes to have those by the end of the year. The Mayor would like the project out to bid the first of the new year.

Road widening project R-3830 has begun. The utility company is trying to finish the above ground work before the relocation of water and sewer lines begin.

Mayor Andrews thanked the Town Board for their support in serving the citizens. He thanked staff for their hard work. The Mayor believes the Town has a great, dedicated staff that makes the Town Board's job much easier.

The Mayor remarked that the Town is glad to have Gail on board as finance officer.

With no further business to come before the Town Board, Commissioner Paschal made the motion to adjourn the meeting. The motion was seconded by Commissioner Kelly. Motion carried unanimously to adjourn.

Donald F. Andrews
Mayor

Laura K. Duval, Town Clerk