January 13, 2015

7:00 P.M.

The Town of Pink Hill held its monthly board meeting on Tuesday, January 13, 2015 at 7:00 p.m. in the town hall board room. Present for the meeting were Mayor Carol Sykes, Commissioners Mike Hill, Donald King and Debra Grady, Town Attorney George Jenkins, Public Works Director Timmy Kennedy, Police Chief Joey Thigpen, and Town Clerk Kimberly Mitchell.

Visitors present at the meeting were Ashton Davis, Johnny Davis, Barbara Davis, Bill Turner, Susan Myers and Amanda Murphy.

Mayor Sykes called the meeting to order. Mayor Sykes welcomed everyone to the meeting. Commissioner King then led everyone in the pledge of allegiance. Commissioner Hill made a motion to approve the regular board minutes from December 9, 2014. Commissioner Grady seconded the motion and it carried unanimously. Commissioner Hill made a motion to approve the agenda. Commissioner King seconded the motion and it carried unanimously.

The first item on the agenda was the presentation of FY 2013-2014 audit report by Amanda Murphy. Amanda went over the management letter first. She stated that she is not here to pick on anybody but here to help you, encourage you, to lead and guide you, and hopefully offer some suggestions that will help the board in the future. Amanda said Item #1 will be a finding every year in the town’s audit report from here on out and Local Government does realize that there is a problem with segregation of duties in smaller units of government. She stated with that being said it is the boards’ responsibility to provide compensating controls to help mitigate any problems there might be with segregation of duties. Amanda said we are already doing that by reviewing statements and reviewing the budget. She said to continue to do that and play an active part in the operations of the town. Amanda stated Item #2 was a budget overrun in the General Fund and it was with the Fire Department radios. She said Item #3 was nothing major but just one of her items during her cash disbursement testing. Amanda stated she wanted us to pay attention to payment terms on invoices so that we can be sure that we catch those discounts that we get for early payment. She said Item #4 was concerning meal tickets, travel tickets, or anything like that and if we could make sure somebody signs off on them which we do but also include what the purpose of the meal was or what the purpose of the trip was because some that she tested did not note that. She stated also with money coming over from the Fire Department now in the form of cash that we need for two people to sign off on it before they bring it to Town Hall to be deposited to cover everybody. Mayor Sykes asked if the people at the Fire Department that handle cash and checks be bonded. Amanda stated yes. Amanda then asked everyone to look on Page 14 (Statement of Net Position). She stated our cash and cash equivalents increased by $175,000 this year. She said just to note that about 35% of our cash in the Water Fund and General Fund is restricted as to its use so it is not readily available to be spent every day. She said the restricted cash refers to the Firemen’s Relief Funds, Powell Bill Funds, and Community Development money. Amanda said the long term debt increased by one million plus dollars and that is due to the USDA loan that we now have because of the water project. On Page 16 she said on the balance sheet she had highlighted the Total Fund Balance of $647,494. The Local Government wants to make sure that towns have a sufficient amount of fund balance on hand at the end of the year so that they will have enough money to meet their current obligations and in case anything unforeseen happens. She said that number needs to be at least 8% of your general fund expenditures and Amanda stated that we have way exceeded that because we are up to about 80%. On Page 19 (Exhibit 5) she informed the board that you will see an Original and a Final column. She stated the Local Government wants to see those two columns and they want to know if you are adjusting the budget on a regular basis or not. As it shows we have adjusted our budget and made budget amendments as needed throughout the year so we are good. On Page 23 (Statement of Cash Flows for the Water/Sewer Fund) and this particular statement shows how well the Water Fund is operating and how the Water Fund is using its cash. She stated one thing that the Local Government looks at is that you were able to operate the Water/Sewer Fund in the black. She said that number does not need to be negative and it is not. Amanda said we had actually increased our cash by $31,000 in the Water/Sewer Funds. On Page 49, 50, and 51 (Detail of the General Fund) shows all the money that came in and all the money that was spent. It is a line by line detail that shows everything and actually on Page 51 our revenues for the year actually exceeded our expenditures by $66,467 so we were able to add to our fund balance which is really good. She said we had about 9% increase in our tax collections for this year and our actual expenditures were up about $26,000 over last year but a lot of that was due to buying a lot of fixed assets. On Page 52 and 53 (Water/Sewer Fund) this is a detail that shows all the revenues that came in and all the expenses that were spent. The town had an increase in our water charges of $9,200 and our actual expenses for the year only increased about $2,000 and that was not bad considering everything that was going on. On Page 53 for the Water/Sewer Fund our revenues actually exceeded our spending by $53,756 and we actually had a profit in the Water/Sewer Fund this year but a lot of that was due to grant money that came in for the year. There was $427,000 of grant money for the year. On Page 54 and 55 there is a detail of the two water projects that we had going on showing the money that came in and what it was actually spent on. On Page 57 tax levies from last year were up quite a bit from June 30, 2014. She said the state average is around 95% so the town exceeded the state average this year. Amanda stated she appreciated the town letting her do the audit and that she loves coming to work here. She said the town has some good employees who really do care about what is going on and they really do try to watch the spending and the board should be proud of that. Amanda said the town also has a town board that is mindful also. Commissioner Hill thanked Amanda for the work she does. Commissioner King asked Amanda if they continue to do like they are would they be in good shape and is there anything in particular that we need to be looking out for that would disrupt our smooth sailing so far? Amanda said she thinks that the town just needs to continue watching their spending. Mayor Sykes said she wanted to say to the public that even though it sounds like the Town of Pink Hill has plenty of money that it is not true and this is something we have to work on daily to have this much profit. Mayor Sykes thanked Amanda for coming and giving the audit report. Commissioner King said that we had problems in the past and we finally got the budget in hand and he wanted to commend all the department heads. They cut their budgets drastically to us within range of what we were looking for and Kim rode hard on it and our Mayor did even better by putting her fist down and said we were not going to do this or that and we done it.

The next item on the agenda was to discuss Eagle Scout Project by Ashton Davis. Ashton said he was with Boy Scout Troop #244 in Pink Hill. He states that he is a Life Scout working on his Eagle. Ashton said he is planning on his Eagle Scout Project to be a new lighted sign for the Town of Pink Hill that will have the capability to let announcements and bulletins for the community to be posted on the sign. It will be located at the current location of the present sign coming into town on Highway 11 from Kinston. He said the current sign could be relocated to another location like maybe coming in from Kenansville. He said the idea will have to be discussed with Mr. Dean Rouse since that is his property. Ashton said he would need to know what kind of sign that the town would want such as a single sided sign or a double sided sign. Mayor Sykes stated that the board would need to discuss about moving the cement sign before they determine what kind of sign. She said the cement sign was put there by the Jaycees and the board really needs to discuss this first and then come back and tell him more. Mayor Sykes said they also need to look into the zoning of the sign also. She asked Ashton if he was talking about a flashing sign or marquee type of sign. Ashton said he was talking about a digital sign or like a sign that lights up with letters. Commissioner Hill said the only thing about a digital sign is how to get electricity to it. Mayor Sykes said and who would pay the bill for it. Commissioner Hill said it is a good idea for the sign to be put out there to let people know what is going on in town but we have to contact the Jaycees about moving the other sign. Ashton’s father stated that he just needs to get quotes because Ashton has to have a whole proposal written up. It has to be approved by the Scout Master, approved by the Troop Committee, and then it has to be approved by the beneficiary of the project which would be the town. Once all of those are approved then Ashton still has to go in front of the Eagle Board to get approval before anything can be done. Mayor Sykes asked if the quotes would be at Ashton’s expense because the town does not have the money. Ashton stated yes. Mayor Sykes told Ashton to come back next month to the meeting with his proposal and then they can give him an answer. She said he might want to have a second alternative just in case. Mayor Sykes thanked Ashton and his parents for coming.

The next item on the agenda was Rose Festival and road. Susan said she had two things to talk about. The first thing was about the Rose Festival coming up and that she is in charge of it this year. She said they have had some art work done and they are selling them for $7 apiece. She stated they are in the process of organizing and the Rose Festival is scheduled for May 16, 2015. She said they are going to have Steve Hardy and the Mighty Saints of Soul. She said she would be giving them more details about it and they really want to try to get 5,000 people to come here. Susan said the other thing was about the flower fund. She said she is getting ready to start planting roses and they are scheduled to be here by the first Friday in February. She said they are going to dig up some of the roses by the Fire Department and plant low growing roses there. Susan stated they are going to finish the low growing roses out on Old Beulaville Road and then they are going to take whole sections up on a curbing and plant a whole section of low growing roses that they will not have to cut back because they will not be too tall for the traffic and also the town will not have to weed eat around them.

The next item on the agenda was Request to use Police Bay for Community Meetings in February and March. Kim stated that Ms. Alice Scott had contacted her and said the Pink Hill Preservation Committee is planning on having strategic planning meetings starting Thursday, January 29, 2015 at 7:00 p.m. They are going to have it at the Wellness Center on the 29th but Ms. Scott wanted to know if the board would be in agreement to let them use the Police Bay to have the community meetings in February and March. Commissioner Hill made a motion to allow the Pink Hill Preservation Committee to have their community meeting in February and March in the Police Bay provided they do the set up and cleanup after their meeting. Commissioner Grady seconded the motion and it carried unanimously.

The next item on the agenda was WASA Report. Commissioner Hill said they are still working on the airburst lines and they have got until February 13, 2015 to get them finished. He stated the weather has not cooperated very much. He stated when the project was first done, there was some things taken out like the City of Kinston had a well that was down and they have come back and reworked the well and put it back online. They came back to WASA and wanted WASA to pay for the Chloramines equipment to go in that well. Commissioner Hill said they had a finance meeting the other day and the finance committee disagreed with the City of Kinston and were not going to pay for the equipment. The reason is because when they ran the water lines (12” lines) into Pink Hill they dead ended it at Cherry Tree Creek. We just finished it ourselves and we spent our own money and put it in during this project. Deep Run had put in a couple of lines that were supposed to have been in the project and Bell Author had two so the committee denied the request because it was taken out of the scope of the project then. Commissioner Hill said he told the committee if he goes back to his board and says if you do this for the City of Kinston, then they are going to tell me that they want the money for this 12” line to the water tank. He said this is one of the reasons why it was dropped. Mayor Sykes thanked Commissioner Hill.

The next item on the agenda was Police Updates. Chief Thigpen stated since the last meeting on December 10, 2014 they have had 4 reported incidents, 1 arrest, 1 accident, issued 11 citations with 13 charges, and issued 9 warning citations. They have not had any break-ins and it has been really quiet. He said they still have not got the charger back because they are still working on it. He said he called yesterday and they had not really started on it yet. Chief Thigpen said the charger is under warranty and the main part is covered but not the spark plugs that they are going to change. He said the charger is at National Dodge in Jacksonville. They have had the charger for about a month now. Mayor Sykes thanked Chief Thigpen for all he does.

The next item on the agenda was Fire Department Report. Timmy stated since the last meeting they have had 5 EMS calls, 3 structure fires, 2 vehicle accidents, 2 electrical fires, 1 fuel spill, 2 automatic alarms, 3 brush fires, and 1 smoke investigation. Timmy said on Friday, March 6, 2015 the Fire Department is assisting with the benefit for Teresa Byrd. They will be selling barbeque plates and chicken plates. Timmy stated they are not the ones sponsoring it but they are helping. Mayor Sykes asked who was sponsoring it and Timmy stated actually the community started it and his church is handling all the monies because they are a nonprofit.

The next item on the agenda was Water/Sewer Updates. Timmy stated everything in the water department is going well. He said they have been working on cold weather problems. Timmy said one of the bigger problems he is having right now, and it actually started when the speed bump was put on Lynwood Avenue, is the road washing out. There is a lot of water that comes down off of Front Street and Lynwood Avenue right there and why the water stays on the highway and does not run off into the ditch he does not know why because there is no shoulder there. Timmy said it may be the grade of the road but it is washing the road out right at the speed bump. He stated they cut a hole on one side and that helped but it actually made it worse because now when we get a couple of inches of rain like we did the other day it washed out another hole. He said it is starting to mess the highway up. Timmy said they have put rock, netting, and they have even put a curtain up there and packed dirt on both sides of it. Mayor Sykes asked what would have to be done to remove the speed bump. Timmy stated they took a chop saw and cut some little slits in it so that when the water comes down on a certain side it will go through but it is not working. He said he would like to have permission to take the speed bump down if it keeps washing the highway out. Commissioner Hill made a motion to remove the speed bump. Commissioner Grady seconded the motion. Mayor Sykes asked if there was any discussion. Commissioner King stated yes, he thought they needed to study it a little bit. Commissioner Hill stated that if it keeps on washing out we will have to redo the road. Commissioner Hill said there wasn’t a washout problem until the speed bump was put there. Mayor Sykes asked all in favor signify by saying aye. Commissioner Grady and Commissioner Hill voted aye. Mayor Sykes asked all who opposed and Commissioner King opposed. Commissioner Hill wanted to commend Timmy and his workers for their work.

Budget Amendments if needed was next on the agenda. Kim said there were some budget amendments for the Water Fund. She said the bill is $8,484.44 and we are recognizing that is the bill that we have to do the budget amendment for in equipment maintenance. We are recognizing revenue income of $3,617.02 and that money is from selling the old meters and hydrants that Timmy reported on at our last meeting. She said we are going to credit that money to equipment maintenance so that leaves a balance of $4,867.42. Kim said she was sad to say but they were going to have to take that from savings because we do not have it on any other line item in the budget. She said it is for the piece of equipment (auger) that Timmy mentioned they are working on. Kim said she had already spoke with Amanda about this because they had already done another budget amendment which was almost $15,000. So we have took close to $20,000 out of savings this year but there again this is older equipment that we are having to repair and things like that happen. Commissioner Hill made a motion to approve the Water Fund budget amendment. Commissioner King seconded the motion and it carried unanimously.

The next item on the agenda was Remarks by Town Attorney. George stated they have done a lease for the library building and it is ready to be signed and sent to the library.

The next item on the agenda was Comments by the Board. Mayor Sykes wanted to talk about the welcome sign. She said instead of moving that sign and possibly breaking it, why not put the new sign somewhere else. Commissioner Hill said to leave the Jaycee sign where it is and put the new sign further out so more people see it coming into town on Highway 11. Commissioner King said why not put both of the signs there. Timmy said the Fire Department has a sign out there now that they put letters on when they have community activities going on. His idea to Barbara was to leave the welcome sign there and take up the Fire Department sign and replace it with the new sign. Kim said why not ask Dean Rouse if the new sign could be put somewhere near his big sign because his sign already has power running to it. Commissioner King made a motion to put the Eagle Scout sign where the Fire Department sign is and remove the Fire Department sign. Commissioner Hill seconded the motion. Commissioner Hill stated he agreed with Commissioner King a little bit but thinks it will look funny with two signs there. He said right there at Byrd’s where the Town of Pink Hill sign is. George said before they make a motion and vote on anything that they look at where they want to put the sign, where electricity is available to it, and legally where you can put it. Commissioner Grady made a motion to table the issue. Commissioner Hill seconded the motion and it carried unanimously. Commissioner Hill said he and Timmy will check two to three places where the sign could possibly be put.

The next item on the agenda was Public Comment Period. There were no public comments at this time.

The next item on the agenda was Closed Session. There was no need for a closed session at this time.

With there being no further business to be discussed the meeting was adjourned.