

**REGULAR MEETING, MONDAY, AUGUST 6, 2007**

The regular meeting of the Hope Mills Board of Commissioners was called to order by Mayor Dees at 7:30 p.m. Commissioners Luther, Smith, Gorman, Legge, and Collins were present.

Others present were Town Manager Randy R. Beeman, Town Attorney William R. Davis, Consultant to the Town Manager Bob Nicholl, Public Works Director Bruce McLaurin, Finance Director Jeff Saleeby, Human Resources Administrator Kimberly Lockamy, Parks and Recreation Director Anita Kilgore, Chief Building Inspector Mike Bailey, Street Supervisor Ira Peterson, Police Chief John Hodges, and Police Captain John Smith.

Dr. Dennis Sheppard, Hope Mills United Methodist Church, gave the invocation, and Commissioner Legge led the Pledge of Allegiance.

**1. AGENDA ADJUSTMENTS, ADDITIONS, DELETIONS.**

Commissioner Legge made a motion to add the discussion of personnel matters to the Closed Session. Commissioner Collins seconded, and the motion carried unanimously.

**2. PRESENTATION: FY 2005-2006 AUDIT BY HAIGH, BYRD & LAMBERT, CPAs.**

Mr. Mark Hedgepeth, representing Haigh, Byrd & Lambert, stated the North Carolina General Statutes required municipalities to have an annual audit of their finance statements. He said the objective of their engagement was the expression of an opinion on the Town's financial statements. Mr. Hedgepeth stated in their opinion, the financial statements referred to present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Hope Mills as of June 30, 2006 and the respective changes in financial position thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States. Mr. Hedgepeth stated this was commonly referred to as an "unqualified" or a "clean opinion."

Mr. Hedgepeth reported he had met with the Audit Committee, Commissioner Gorman and Commissioner Smith, and also met with the Finance Committee, composed of the Audit Committee, Mayor Dees, Mr. Beeman, and Mr. Saleeby. He stated that the financial statements were reviewed in detail at that time.

Mr. Hedgepeth briefly referred to the Managements Discussion and Analysis or MD&A, and stated this was prepared by management and presented in narrative form an overview of the financial activities and was intended to enhance the reader's understanding.

Mr. Hedgepeth stated on the statement of net assets, the Town's cash position at June 30, 2006 was \$3,912,368.00 which was down from the prior year end by approximately \$430,000.00. Mr. Hedgepeth also noted capital assets, net of depreciation, in the amount of \$12,040,363.00, and stated there was a net increase in capital assets of \$2,898,318.00 from the prior year.

Mr. Hedgepeth stated the total expense of all of the Town's activities was \$6,849,761.00 with public safety comprising approximately 52% at \$3,506,108.00. He stated charges for various services amounted to \$871,000.00 with approximately \$646,000.00 coming from refuse collection services. Mr. Hedgepeth stated

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operating grants amounted to \$416,600.00 and capital grants of \$1,789,000.00 were received. He stated the Town also received infrastructure contributed by developers in the amount of \$627,000.00. Mr. Hedgepeth stated the general revenue of the Town amounted to \$5,754,000.00 was made up of property tax revenue of \$2,650,000.00, other taxes of \$75,000.00, and state shared revenues consisting of local option sales tax and other state shared revenues totaling approximately \$2,783,000.00. He said the total net assets of the Town as of June 30, 2006 amounted to \$14,636,824.00 with an increase in net assets of approximately \$2.6 million dollars of which approximately \$2 million dollars represented the operating surplus of the Town for the year and \$627,000.00 representing the infrastructure capital assets contributed to the Town.

Mr. Hedgepeth noted that the total revenues of the General Fund were \$7,011,813.00 which was \$756,000.00 greater than the amount budgeted. He stated the total revenues for the year also exceeded the prior year amount by approximately \$437,000.00. Mr. Hedgepeth reported that total expenditures amounted to \$6,809,723.00 which was \$420,000.00 less than the budgeted amount and \$446,000.00 less than the prior year. In summary, Mr. Hedgepeth noted the general fund revenues for the year exceeded expenditures by approximately \$202,000.00. He stated this was the amount by which the general fund balance grew and the fund balance of the general fund amounted to about \$5,404,000.00 at year end.

Mr. Hedgepeth said there were some compliance and statutory findings that were noted in the audit. He said there was one department that reported expenditures in excess of budget which was a statutory violation, and the over expenditure in the amount of \$144,725.00 resulted primarily from not properly re-budgeting the expenditure of lease proceeds from the prior year. He stated two other compliance items were disclosed and there was a deficient fund balance at June 30, 2006 in the Hope Mills Lake Dam Capital Project, the Recreation Center Capital Project, and the Walking Path Capital Project. He stated the deficient fund balances also resulted in the unapproved interfund borrowing from the general fund. In addition, Mr. Hedgepeth stated also disclosed was the fact that various required reports including the audit had been delinquent.

In summary, Mr. Hedgepeth stated the Town's financial position at June 30, 2006 was good. He stated operating results indicated that the Town out performed the budgeted expectations of both revenues and expenditures. Mr. Hedgepeth encouraged the Board to stay informed and to stay involved in the operations of the Town. He stated the Town needed strong, informed, and active leadership now more than ever and encouraged the Board to plan for the future. He stated long range planning was very important to the Town.

In conclusion, Mr. Hedgepeth expressed appreciation to the Town staff for the courtesies extended during the engagement and for the assistance provided. Mr. Hedgepeth stated if there were any questions he would try to answer them or he would take the questions with him and provide an answer as soon as possible. He stated if a question arose at a later time to please feel free to contact him.

Commissioner Gorman stated he had been on the Audit Committee since 2003 and there were a lot of things he could not comment on due to personnel matters. He thanked Mr. Hedgepeth, Mr. Beeman, Mr. Saleeby, Mr. Nicholl, Mrs. Register, and Ms. Krist. He stated these people had pulled the Town through the audits and the Town

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was now current. He stated the next audit was due October 31<sup>st</sup>, and he appreciated everything that Mr. Hedgepeth has done for the Town.

Commissioner Luther stated she felt Commissioner Gorman's comments were shared by the entire Board. She said the Town had a lot of faithful workers who were owed a debt of gratitude. She stated they had worked beyond the call of duty, and it was greatly appreciated.

Commissioner Collins expressed appreciation to Mr. Hedgepeth for answering all his questions and for always taking time to answer his questions. He thanked Mr. Hedgepeth for everything he had done for the Town.

Commissioner Legge expressed appreciation to Mr. Hedgepeth for all his hard work. He said there were so many people working behind the scenes, and he greatly appreciated everyone involved in getting the Town back on schedule.

Mayor Dees expressed appreciation and gratitude to Mr. Hedgepeth for all his hard work. He said he could not imagine what it must have been like to have been that far behind and have that much to make up. He stated the letter from the Local Government Commission the Town received after the report was submitted said it all, and he would like to share it for the benefit of those who have not heard it.

"While this audit was received twelve months after fiscal year end we are aware of the efforts made by the Town to bring it current starting with the 2004 audit. We commend the Board, the staff, and town citizens for steps taken to complete the 2004, 2005, and 2006 audits in the last eight months. We urge the Board to continue its vigilance in monitoring the commencement and the completion of the audit for the fiscal year which ended June 30, 2007 and for future years and continue to take the appropriate actions needed to ensure that the audited financial statements for the current fiscal year are completed and submitted by October 31, 2007."

Mayor Dees said he would like to publicly thank Finance Director Jeff Saleeby, Diana Krist, who served as Interim Finance Director, Town Manager Randy Beeman, Bob Nicholl, who served as Interim Town Manager, Assistant Town Manager/Town Clerk Phyllis Register, and Mark Hedgepeth, of the accounting firm of Haigh, Byrd & Lambert, LLP, for their efforts. He noted work on the audit for fiscal year 2006-2007 has already begun.

**Commissioner Luther made a motion to accept the FY 05-06 Audit as presented. Commissioner Gorman seconded, and the motion carried unanimously.**

**3. STATUS REPORT ON HOPE MILLS LAKE/DAM PROJECT.**

Mayor Dees reported the demolition of the western end of the existing dam has been completed. He stated they were working to stabilize the area where they will install sheet metal piling to help with the diversion of the creek and they hope to have the stream rerouted in the next 60 days.

Mayor Dees said as probably all heard there was some excitement last week when the contractor dug up some old timbers. He noted that Ken Robinson, Director of Public Archeology, Wake Forest University, was contacted and he responded immediately. Mr.

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Robinson noted the timbers were indeed old, probably 100 to 140 years old. Mr. Robinson stated in his findings, "I examined the timbers and determined that they do not represent an intact historic structure, but are salvaged pieces of 19<sup>th</sup> century structures most likely the old timber spillway from the 1870s or 1880s, or the old mills from the mid 19<sup>th</sup> century. I have informed Crowder they were clear to proceed with construction." Mayor Dees noted the letter thanked Crowder, McKim & Creed, and the Town of Hope Mills for informing him about the findings and said that the discussions on "unexpected findings" at the beginning of the project certainly paid off because everyone knew what to do, who to contact, and how to resolve the issue.

Mayor Dees noted the web camera had been installed and the construction could be watched at <http://crowder.oxblue.com/hmdr/>.

Mayor Dees opened the floor for public comments and or questions, and there were none.

**4. PUBLIC COMMENTS.**

There were none.

**5. CONSENT AGENDA:**

Mayor Dees presented the consent agenda, and asked the Board if there were any items they wished moved to the regular agenda for discussion.

Commissioner Luther made a motion to approve the consent agenda items as presented. Commissioner Smith seconded, and the motion carried unanimously.

- a) Consideration to approve Minutes of the June 11, June 12, June 13, 2007 Special Meetings (Budget Workshop); June 18, 2007 Regular Meeting; and June 25, 2007 Special Meeting (Budget Workshop).

**Minutes approved as written.**

- b) Consideration to accept Tax Administrator's Settlement of Taxes for FY July 1, 2006 - June 30, 2007.

Mr. Aaron Donaldson, Tax Administrator, reported the North Carolina General Statutes required a copy of the tax settlement of fiscal year July 1, 2006 through June 30, 2007 be provided to the Town of Hope Mills.

|  |                               |
|--|-------------------------------|
| <u>Charge:</u>                                     |                               |
| Charge 2006  | \$ 2,688,561.92               |
| Charge 2006 Vehicles                               | \$ 476,855.76                 |
| Added Charge 2006                                  | \$ 10,385.38                  |
| Added Charge Vehicles 2006                         | \$ 657,936.00                 |
| Refuse Tax 2006                                    | \$ 288.00                     |
| Refuse Tax 2006 Added Charge                       | \$ 416.26                     |
| Hope Mills Gross Receipts Vehicle Tax Current Year | \$ 19,196.66                  |
| Total Interest Collected                           | \$ -                          |
|  | <b><u>\$ 3,856,037.60</u></b> |

|  |                               |
|--|-------------------------------|
| <u>Credits:</u>                                    |                               |
| Deposit with Finance                               | \$ 3,029,229.60               |
| Total Discount Allowed                             | \$ -                          |
| Refuse Tax 2006                                    | \$ 652,503.76                 |
| Hope Mills Gross Receipts Vehicle Tax Current Year | \$ 416.26                     |
| Interest Deposited with Finance                    | \$ 19,196.66                  |
|  | <b><u>\$ 3,701,346.28</u></b> |

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|                                    |    |                   |
|------------------------------------|----|-------------------|
| Releases Allowed                   | \$ | 46,708.49         |
| Real & Personal & Vehicles Balance | \$ | 102,262.59        |
| Refuse Tax Release                 | \$ | 1,872.00          |
| Refuse Tax Balance                 | \$ | 3,848.24          |
| Adjustments                        | \$ | -                 |
|                                    | \$ | <u>154,691.32</u> |

Total Credits: **\$ 3,856,037.60**

Charge:

|   |    |                   |
|---|----|-------------------|
| Real & Personal & Vehicles Balance 2005         | \$ | 94,577.82         |
| Real & Personal & Vehicles Balance 2004         | \$ | 18,795.74         |
| Real & Personal & Vehicles Balance 2003 & Prior | \$ | 99,211.37         |
|   | \$ | <u>212,584.93</u> |

Barred by Statute:

|   |    |                  |
|---|----|------------------|
| Barred by Statute - 1996                | \$ | 12,462.19        |
| Credit for Five Year & Prior Insolvents | \$ | -                |
|   | \$ | <u>12,462.19</u> |

Credits:

|   |    |                   |
|---|----|-------------------|
| Real & Personal & Vehicles Collected 2005         | \$ | 68,684.15         |
| Real & Personal & Vehicles Collected 2004         | \$ | 2,971.47          |
| Real & Personal & Vehicles Collected 2003 & Prior | \$ | 6,240.82          |
| Release Allowed 2005                              | \$ | 5,375.20          |
| Release Allowed 2004                              | \$ | 654.60            |
| Release Allowed 2003 & Prior                      | \$ | 699.44            |
| Real & Personal & Vehicles Balance 2005           | \$ | 20,518.47         |
| Real & Personal & Vehicles Balance 2004           | \$ | 15,169.67         |
| Real & Personal & Vehicles Balance 2003 & Prior   | \$ | 79,808.92         |
| Adjustment  | \$ | -                 |
|   | \$ | <u>200,122.74</u> |

Total Credits: **\$ 212,584.93**

**Tax Settlement approved.**

**c) Consideration to approve Fayetteville Landscaping & Lawn \$7,200.00 bid for irrigation system at the Recreation Center.**

Finance Director Jeff Saleeby reported the following bids were received on August 1<sup>st</sup> for the irrigation system at the Recreation Center:

|                                      |            |
|--------------------------------------|------------|
| Fayetteville Landscaping & Lawn      | \$7,200.00 |
| Blackwell Landscaping                | \$7,500.00 |
| Green Thumb Landscaping & Irrigation | \$9,750.00 |
| Green Biz                            | No Bid     |

Mr. Saleeby recommended approval of the low bid, Fayetteville Landscaping & Lawn, \$7,200.00, and that the Town Manager be authorized to execute the contract on behalf of the Town. He stated funds were available in the current budget for this expenditure.

**Fayetteville Landscaping & Lawn \$7,200.00 bid approved.**

**d) Consideration to approve report of surplus fixed assets for FY 2006-2007.**

Finance Director Jeff Saleeby reported the following fixed assets had been declared surplus for Fiscal Year 2006-2007:

|        |    |           |                    |
|--------|----|-----------|--------------------|
| 10-410 | \$ | 600.50    | Governing Body     |
| 10-420 | \$ | 351.03    | Administration     |
| 10-440 | \$ | 373.20    | Finance            |
| 10-500 | \$ | 431.96    | Building & Grounds |
| 10-530 | \$ | 322.00    | Fire               |
| 10-560 | \$ | 244.08    | Street             |
| 10-620 | \$ | 10,598.49 | Parks & Recreation |

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|        |             |                |
|--------|-------------|----------------|
| 10-627 | \$ 3,820.00 | Service Garage |
| 20-570 | \$ 395.00   | Powell Bill    |
| TOTAL  | \$17,136.26 |                |

**Report of surplus fixed assets approved.**

**"END CONSENT AGENDA"**

6. **PUBLIC HEARING: CASE NO. P07-50. CONSIDERATION OF REZONING 0.79 ACRE FROM R6A RESIDENTIAL DISTRICT TO C(P) PLANNED COMMERCIAL DISTRICT, OR TO A MORE RESTRICTIVE ZONING DISTRICT, FOR AN AREA LOCATED AT 2637 HOPE MILLS ROAD, OWNED BY ELMWOOD PARTNERS, LLC.**

Mr. Ed Byrne, Cumberland County Planning Department, displayed a map of the subject property, and reviewed the current zoning and land uses of the area. He reported the Hope Mills Zoning Board met on July 23<sup>rd</sup> and recommended approval of C(P) zoning for this property.

Mr. Byrne stated the Planning and Inspection staff recommended approval of the C(P) district based on the following:

1. The request is consistent with the 2010 Land Use Plan, which calls for Heavy Commercial at this location.
2. The subject property is adjacent to commercially zoned property.
3. The subject property is located on a Major Thoroughfare.

The O&I(P) and C1(P) are other suitable zoning districts to be considered for this site.

Mr. Byrne reported at the Zoning Board meeting, one person spoke in favor of the requested rezoning, and no one spoke in opposition.

Mayor Dees opened the public hearing, and there being no one to speak in favor or in opposition to the matter, the public hearing was closed.

Commissioner Collins made a motion to approve the rezoning request from R6A to C(P) for case No. P07-50. Commissioner Smith seconded, and the motion carried unanimously.

**AMENDMENT**  
**TO THE**  
**ZONING ORDINANCE**  
**OF THE**  
**TOWN OF HOPE MILLS, NORTH CAROLINA**

**THE BOARD OF COMMISSIONERS OF THE TOWN OF HOPE MILLS, NORTH CAROLINA, DOES ORDAIN:**

1. That an area located at **2637 Hope Mills Road**, 0.79 acre +/-, owned by Elmwood Partners, LLC, and being more particularly described as follows is hereby rezoned from R6A Residential District to C(P) Planned Commercial District.

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BEING all of Lot Number 9 in a subdivision known as CUMBERLAND TERRACE, and the same being duly recorded in Book of Plats 15, page 46, Cumberland County Registry, North Carolina.

2. This ordinance shall be in full force and effect from and after its adoption.

ADOPTED by the Board of Commissioners of the Town of Hope Mills, North Carolina, this 6<sup>th</sup> day of August, 2007.

\_\_\_\_\_  
EDDIE DEES, MAYOR

ATTEST:

\_\_\_\_\_  
Phyllis C. Register, MMC, Town Clerk

7. **PUBLIC HEARING: CASE NO. P07-55. CONSIDERATION OF REZONING A 0.37 ACRE TRACT FROM R10 RESIDENTIAL DISTRICT TO C(P) PLANNED COMMERCIAL DISTRICT, OR TO A MORE RESTRICTIVE ZONING DISTRICT, FOR AN AREA LOCATED ON THE NORTH SIDE OF CAMDEN ROAD, EAST OF THOMAS STREET, OWNED BY FRANKLIN R. FOWLER.**

Mr. Ed Byrne displayed a map of the subject area and reviewed the current land uses and zoning of the area. He stated the Hope Mills Zoning Board met on July 23<sup>rd</sup> and recommended approval of C(P) District for the property.

Mr. Byrne stated the Planning and Inspection staff recommended approval of the C(P) District based on the following:

1. Although the request is not consistent with the 2010 Land Use Plan, which calls for Medium Density Residential at this location, rezoning the subject property is in character with the zoning and uses in the immediate area.
2. The subject Property is located on a Major Thoroughfare.

There are no other suitable zoning districts to be considered for this site.

Mayor Dees commented that he and Commissioner Luther attended the Zoning Board meeting, and he understood that the front of the property had already been rezoned C(P) and when Camden Road is widened, the property owner will lose some property due to additional right-of-way, and this small portion was needed to be rezoned in order to accommodate his plan development.

Following brief discussion, Mayor Dees opened the public hearing and asked if there was anyone to speak in favor or in opposition to the matter. There being no one to speak, the public hearing was closed.

Commissioner Legge made a motion approve C(P) Planned Commercial district zoning for case no. P07-55. Commissioner Luther seconded, and the motion carried unanimously.

**AMENDMENT**  
**TO THE**  
**ZONING ORDINANCE**  
**OF THE**  
**TOWN OF HOPE MILLS, NORTH CAROLINA**

**THE BOARD OF COMMISSIONERS OF THE TOWN OF HOPE MILLS, NORTH CAROLINA, DOES ORDAIN:**

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1. That an area located on the north side of Camden Road, east of Thomas Street, 0.37 acre +/-, owned by Franklin R. Fowler, and being more particularly described as follows is hereby rezoned from R10 Residential District to C(P) Planned Commercial District.

LYING in Rockfish Township, Hope Mills, Cumberland County, North Carolina, this subject property being a portion of that property conveyed to Franklin R. Fowler as described and recorded in Deed Book 4704, Page 514, Cumberland County Registry. Subject property being bounded on the north by the property of which this is a part; bounded on the east by property conveyed to Juan Macias as described and recorded in Deed Book 3952, Page 869, Cumberland County Registry; bounded on the south by the northern right of way margin of Camden Road; SR 1003; bounded on the west by property conveyed to Harold Kidd as described and recorded in Plat Book 119, page 194, Cumberland County Registry, and being more particularly described as follows:

COMMENCING from a point at the intersection of the eastern margin of Thomas Street and the aforementioned margin of Camden Road, thence North 50 degrees 44 minutes 32 seconds East for a distance of 195.41 feet with said margin of Camden Road to the southeastern corner of the aforementioned Kidd property and the southwest corner of the aforementioned Fowler property, thence North 28 degrees 01 minutes 56 seconds West for a distance of 220.00 feet to a point; said point being the TRUE POINT AND PLACE OF BEGINNING. Thence North 28 degrees 01 minutes 56 seconds West for a distance of 56.32 feet to a new point; thence North 62 degrees 33 minutes 14 seconds East for a distance of 276.48 feet with a new line to a new point; thence South 27 degrees 02 minutes 48 seconds East for a distance of 276.31 feet to a point; thence South 62 degrees 33 minutes 14 seconds West for a distance of 2.88 feet to a point; thence North 26 degrees 45 minutes 00 seconds West for a distance of 220.00 feet to a point; thence South 62 degrees 33 minutes 14 seconds West for a distance of 273.82 feet to a point; said point being the TRUE POINT AND PLACE OF BEGINNING. Said property contains 0.37 acres.

2. This ordinance shall be in full force and effect from and after its adoption.

ADOPTED by the Board of Commissioners of the Town of Hope Mills, North Carolina, this 6<sup>th</sup> day of August, 2007.

\_\_\_\_\_  
EDDIE DEES, MAYOR

ATTEST:

\_\_\_\_\_  
Phyllis C. Register, MMC, Town Clerk

**8. CONSIDERATION OF REQUEST FROM WILLIAM E. GENTRY TO ALLOW UNAUTHORIZED SPEED BUMPS TO REMAIN ON DUNROBIN DRIVE, SOUTH VIEW TOWN HOMES (THREE LOCATIONS).**

Mr. William E. Gentry, 5838 Dobson Drive, Fayetteville, stated speed bumps were installed at 4718 Dunrobin Drive, South View Town Homes, without permission from the Town of Hope Mills. He said it was his decision to install speed bumps without prior approval and this was wrong. Mr. Gentry apologized for the mistake in the installation of the speed bumps without permission and requested the speed bumps be permitted to remain for speed control in the housing area. Mr. Gentry assured the Town and his employer this would never occur again without proper permits and authorization. Mr. Gentry stated he had provided an invoice showing that the cost of the installation of the speed bumps was \$850.00.

Mr. Ira Peterson, Street Supervisor, stated the speed bumps were in good condition, and there should not be any problems with vehicles crossing the speed bumps if they did so at a reasonable speed. He suggested the speed bumps be allowed to remain.

In response to a question from Commissioner Legge concerning repair or maintenance to the speed bumps, Mr. Peterson stated if the Town approves the speed bumps, then the Town would accept maintenance.

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Commissioner Legge stated he had talked with several residents in the area and they were pleased with the speed bumps.

Mr. Beeman suggested Mr. Gentry, or the owner, pay for all signage that would be necessary warning motorists of speed bumps ahead as well as providing all the legal paperwork required.

**Following discussion, Commissioner Collins made a motion to allow the speed bumps to remain, property owner pay for all appropriate signage, and provide all proper paper work as requested by the Town Manager. Commissioner Legge seconded the motion.**

Commissioner Smith asked if in the future if there were any other installations of any unauthorized speed bumps was there any penalty that the Town could access. Mr. Peterson stated at the present time there was none in place, but there were plans to develop this in a future ordinance.

**The motion carried unanimously.**

**9. PRESENTATION: PERSONNEL POLICY BY KIMBERLY A. LOCKAMY, HUMAN RESOURCES ADMINISTRATOR.**

Kimberly Lockamy, Human Resources Administrator, presented a draft of the Personnel Policy and stated there will be no action recommended tonight in order to allow the Board time to review it and make changes if necessary. She stated there were a lot of policies that are needed in the town administration currently that the Town does not have. Mrs. Lockamy said the bulk of the policy was created by Robin Davis, Personnel Attorney with Cranfill, Sumner, & Hartzog in Raleigh. Mrs. Lockamy stated Ms. Davis was unable to approve and review the final format of the draft, but she felt confident that if action were taken tonight, it would be in the best interest of the Town. Mrs. Lockamy said basically Ms. Davis took the current ordinance Chapter 66 and totally revamped a lot of the policies, deleted some of the policies, and made it more consistent with federal, state and local laws.

She noted there were some policies in the book that were newly created and they did not incorporate any of the old sections of the grievance policy into what the Town currently has today. She stated EEO was outdated and the Town did not have a workplace violence section in its policy and there were a lot of needed policies within the new policy handbook. Mrs. Lockamy stated they were recommending at the next meeting to repeal Chapter 66 by ordinance, totally removing it from the ordinance book and adopting the new policy by resolution.

Mayor Dees commented this was something that had been worked on for over a year and was something that most other municipalities have, and the Town was behind in bringing the Town up to date. He stated for clarification, nothing was in Chapter 66 of the ordinances that needed to be addressed that was not addressed in this new policy manual. Mrs. Lockamy stated that was correct.

Commissioner Gorman stated Mrs. Lockamy had done an excellent job in developing the policy. He stated from his understanding this had not been finally reviewed by Ms. Robin Davis, and with the accountability for the Town with FMLA requirements and Workman's Comp., he really felt the Town needed a personnel lawyer to look at this to make sure everything is correct, and hopefully they could have it done prior to the next meeting so the Board can approve it.

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Mrs. Lockamy stated the FMLA Policy was adopted December 4, 2006, which was created by Ms. Robin Davis and some things were added to it to be more consistent with Town operations, as far as PTO accrual, time off accrual, short term disability, and with FMLA running concurrently with workers comp. Mrs. Lockamy noted they did make the FMLA policy unique for the benefit of the Town of Hope Mills. Also, she stated Ms. Davis had ultimately created more of the things that were of interest to the Town currently, such as a grievance policy, FMLA, workman's comp. issues, as well as EEO, Fair Labor Standards, and consistency with Fire and Law Enforcement personnel, 207K which is a different guideline for the law enforcement as well as fire. She stated there are some things in the policy that ultimately Ms. Davis has created, but she has not finalized and reviewed the whole book. Commissioner Gorman reiterated that the Town needs a personnel attorney to look this over.

Mrs. Lockamy stated that Municipal Code Corporation which currently codifies the Town's Ordinance Book is proposing to assemble the policy handbook and they do offer specialized legal review and on site consultation if the Town decides to take that route. In response to a question from Mayor Dees, Mrs. Lockamy stated in her professional opinion, she believes the Town was better off today to go ahead and adopt it, but it is not recommended at this time and the personnel ordinance is very outdated and the new policy handbook is more consistent and up to date with the current regulations, state, federal, and local.

Commissioner Legge commented he would like to thank Mrs. Lockamy for her part in working on the policy handbook. He said he was taken by surprise about some things he thought the Town had coverage on and policies it did not have. He said he thought the bottom line with this presentation was going to be a better relationship between the employees, Town staff, and Supervisors etc. He stated he was looking forward to having a recommendation from an attorney that specializes in that field.

Mrs. Lockamy stated the key also is to follow the ordinance, and the Town has not always followed the ordinance, and it had to be consistent with the practice of administering the personnel handbook, ordinance, whatever method the Board chose. She noted the Town could keep the Ordinance Book or adopt this by resolution.

Commissioner Gorman read and briefly discussed the Municipal Code Corporation proposal. In response to a question from Commissioner Gorman, Mrs. Lockamy stated for the base fee they will format, edit, and prepare the handbook in the right format, etc., which is approximately \$4,450.00 and upon request they will give a quote on legal services as far as reviewing, making sure it is in compliance with federal, state, and local laws also as well as on site consultations.

Commissioner Collins commented that Mrs. Lockamy had done a great job. He stated he started speaking on this personnel policy book right after he was elected due to the fact in all his years that he was employed with the Town, employees were never given a personnel policy book, and they had no guidelines whatsoever to go by. He said this was long over due. In response to a question from Commissioner Collins, Mrs. Lockamy said there was one section that is being totally deleted, such as the definitions of separations because it does allow for more discretionary type situations. She stated the Town would not want to put step by step of what it is going to do throughout the document because it would

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not offer any flexibility or any discretions to handle situations that may occur.

Commissioner Collins stated he agreed with Commissioner Gorman, and said he thought the Board should get a personnel attorney to review this policy to make sure the Town was proceeding correctly.

In response to a question from Commissioner Collins, Mrs. Lockamy stated once it is approved, she will be conducting department head and supervisor training so the supervisors and department heads could train their employees on the new policy and guidelines. Mrs. Lockamy said she felt it was very wise to have the employees sign that they did receive it and the appropriate training. Mayor Dees stated the employees needed to sign saying not only did they receive it, but they were responsible for the content.

In response to a question from Commissioner Gorman, Mr. Beeman said he recommended the document and it was a very good document and very appropriate in the modern world in which we transact business and work with personnel policy and personnel issues on a daily basis. He stated that possibly 70%-80% of the document had been reviewed legally, but from overall compliance or inconsistencies, he believes that had been addressed fairly, so certainly if the Board desired to have a second legal opinion or a legal opinion over all, he would encourage quick action as soon as possible to resolve this.

Mayor Dees said he would encourage all the Board members when they finish reading the policy, if they have any questions, comments, or concerns to address them to Mrs. Lockamy and Mr. Beeman so that there are no questions about it in their minds, and said there are never too many proofreaders.

Commissioner Collins said Mrs. Lockamy was very helpful, she was very knowledgeable in what she is doing, and she will take the time to go over it with you.

Attorney Davis said he has read it and again he is not a personnel law expert, but it appears to him to be a good document the way it is written and he did not see anything that he personally thought contradicted laws, but he felt someone needed to look at it that has the expertise.

**Commissioner Luther made a motion to authorize the Manager on behalf of the Board to obtain a legal opinion from an attorney specializing in personnel law on the proposed personnel policy. Commissioner Legge seconded, and the motion carried unanimously.**

**10. PRESENTATION: FY 2007-2008 BUDGET AND BUDGET MESSAGE.**

Mr. Beeman stated the fiscal year 2007-2008 Town of Hope Mills budget is presented for consideration and adoption. Input of all the department heads was used in arriving at the recommended budget, and the budget document has been thoroughly reviewed by management. The budget is based on sound financial information as per the most recently approved audit.

The budget includes capital outlay items, highlighted below. The necessity for sound fiscal management does not allow full funding of all capital requests, but the implementation of a capital improvement plan beginning fiscal year 2008-2009 will provide an orderly method for addressing these needs. This year's

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unfunded items will be prioritized for purchase within the capital improvement plan. Funding cycles in the plan will be approximately five years, with elected officials ranking new items for inclusion annually. Mr. Beeman said there will be further information on the capital improvement plan in the following months and prior to the next budget cycle.

The following capital items are included in the 2007-2008 budget at a cost of **\$516,000.00**.

- \_ Radio system upgrade and control stations with lease purchase of 5 years
- \_ Two (2) new patrol vehicles
- \_ Police department records management system replacement and upgrade
- \_ Parks and Recreation equipment to complete the recreation center needs
- \_ Professional services (review of fire department building and needs)
- \_ Fire Department replacement of exterior concrete aprons
- \_ Fire Department replacement of bay doors
- \_ Fire Department replacement of roofing
- \_ Fire Department improvement contingency funds
- \_ Sanitation Department purchase of one (1) new trash truck
- \_ Public buildings and grounds cemetery information system and associated equipment to operate the software
- \_ Service garage acquisition of scan tools and computer equipment requirements
- \_ Administration/Finance system server upgrade (1<sup>st</sup> install of 2 year funding requirement)

budget provides a cost of living increase of **3%** for all town staff.

The cost of living increase is effective retroactively to the first full pay period of the current fiscal year. Additional staff positions requested by various departments were not funded.

budget also includes a Stormwater Phase II Enterprise Fund with a loan from the general fund for **\$100,000.00**.

Beeman recommend adoption of the balanced fiscal year 2007-2008 budget as presented. The budget provides for no tax increase and maintains the current tax rate of **46** cents. One (1) cent of tax will create revenues of approximately **\$69,000.00**.

Beeman said every effort has been made to develop a realistic and conservative budget and he believed it to be worthy of Board approval.

Mayor Dees commented he knew the recommended budget will still undergo a public hearing and the Commissioners will be looking at that closely between now and then. He said he would like to encourage all of the Board members if they have any questions or concerns to discuss them with Mr. Beeman. He remarked if there were things the Board wanted changed to also have recommendations for the Manager of what to cut in order to balance the budget.

Mayor Dees stated there would be a public hearing on the budget on August 20<sup>th</sup>. He said at the conclusion of the public

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hearing, the Board may or may not take action. He said if the Board did not take action on the budget, then a special meeting would be scheduled before the end of the month for the purpose of adopting the budget. Mayor Dees stated no funds were being used from the general fund to balance the budget.

Commissioner Legge commented he understood the City of Fayetteville as well as Cumberland County were giving their law enforcement officers raises. He said he thought the Town should at least check into this to see what it could do for its police officers.

Commissioner Legge also asked for a study of the commercial garbage service as he stated the residents had been paying for the commercial garbage service. He said he would like to have a study to see if it was beneficial for the Town to continue with the commercial garbage service.

Commissioner Collins asked if there was any way something could be cut from the budget in order to give the police officers raises as they definitely needed raises. He said last year the fire department got raises, and he thought this year the police department should get raises, and next year another department and so forth.

**11. INFORMATION ITEMS:**

- a) Human Resources Administrator Kimberly A. Lockamy receives certification as Professional in Human Resources (PHR) designation.**

Beeman stated it was his pleasure to announce that Mrs. Kimberly A. Lockamy, Human Resources Administrator, has achieved the prestigious certification as Professional in Human Resources (PHR) as awarded by the Human Resources Certification Institute.

Beeman noted the Human Resources Certification Institute was the credentialing organization for human resource professionals and was an affiliate of the Society for Human Resource Management, the world's largest organization dedicated exclusively to the human resource profession. He said the purpose of the institute was to promote the establishment of professional standards and to recognize professionals who achieve those standards.

Beeman remarked this certification signifies that Mrs. Lockamy possesses the knowledge and practical experience of human resources management necessary to pass a rigorous examination demonstrating her knowledge of the human resources field.

Beeman said the Town of Hope Mills is fortunate to have Mrs. Lockamy as a valued member of its administrative staff. He stated he was sure the Board would join in congratulating Mrs. Lockamy for this outstanding accomplishment and for investing the time and energy necessary to earn this prestigious professional certification, and to further commend her for demonstrating initiative, leadership, and commitment to her profession and to the Town of Hope Mills.

- b) Calendar of Events.**

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Mr. Beeman presented the August, 2007 Town of Hope Mills Calendar of events.

- c) Finance Director Jeff Saleeby to attend Finance Officer's Conference, School of Government, September 24-28, 2007.**

Mr. Saleeby reported he would be out of the office September 24-28 attending a Finance Officer's Conference in Chapel Hill at the School of Government.

- d) Defense Economic Development and Trade Show, August 7<sup>th</sup> Fayetteville Technical Community College.**

Mr. Beeman presented a letter from Congressman Robin Hayes announcing his office was hosting the Annual Defense Economic Development and Trade Show on August 7<sup>th</sup> at Fayetteville Technical Community College. Congressman Hayes encouraged the town officials and other business representatives from the area to attend. Congressman Hayes stated the event promised to continue the growth and successes of years past and would serve to maintain existing momentum as everyone continued to prepare for the BRAC relocation.

- e) Fire Department Monthly Activity Report - July 2007.**

Fire Chief Chuck Hodges presented a summary of the Fire Department activities for July, 2007 along with citizens comment sheets on fire services responses.

**12. OLD BUSINESS: CONSIDERATION TO SET A SPECIAL MEETING (WORKSHOP) FOR INFORMATION AND PRESENTATION - STORM WATER, PHASE II.**

Mr. Beeman requested the Board consider establishing a special meeting during the month of August to provide an opportunity for gathering information concerning storm water. He stated the presentation will provide information addressing storm water, and Storm Water Administrator Ms. Melanie Clerkley from the Town of Spring Lake would be the presenter. Mr. Beeman stated the meeting would be for the sole purpose of gathering information addressing storm water issues.

Following brief discussion, it was Board consensus to set Monday, August 13<sup>th</sup>, 7:00 p.m., as a special meeting (Workshop) to discuss Storm Water Phase II.

**13. STAFF CONCERNS.**

There were none.

**14. OFFICIAL CONCERNS.**

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1. Congratulated the Hope Mills Dixie Youth Association.
2. Stated he was at the lake last week when the artifacts were found, and he saw some logs that were possibly over a hundred years old.
3. Thanked Mrs. Lockamy and said she had done a very good job.
4. Thanked Dr. Sheppard for the invocation.
5. Stated he had read in the Fayetteville Observer where some had said the Police Department did not have training in the area of child abuse cases under the age of 16. He said from past experience, he would put their experience up against anybody in Cumberland County.

Commissioner Luther commented as follows:

1. Thanked everyone for attending the meeting, and asked everyone to bring someone next time as that was the only way citizens would really find out what goes on in the Town. She stated matters were reported in the newspapers, but there was a lot that goes on that was not reported.
2. Thanked Mrs. Lockamy for the work she has done and to everyone that worked to help her.
3. Thanked Mr. Beeman, Mr. Nicholl and everyone who helped work on the budget.

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4. Stated if anyone has not driven down the new Bypass to please do so in the next few days as it was absolutely beautiful.

Commissioner Smith commented as follows:

1. Thanked Dr. Sheppard for the invocation.
2. Thanked the Finance Department for the work to update the audit.
3. Expressed sympathy to Mr. Gordon Rose and family in the loss of his father.
4. Thanked Mrs. Lockamy for the work on the employee handbook and expressed congratulations on her certification.
5. Thanked all the employees and residents at the meeting and said it showed how much they care for the Town.
6. Stated that Ms. Pat Edwards needs some recopies for the fall cookbook for the Sunshine Center.

Commissioner Gorman commented as follows:

1. Thanked Mrs. Lockamy for a wonderful job on the employee handbook.
2. Thanked Mr. Beeman and Mr. Saleeby for working on the budget, and thanked Mr. Hedgepeth for the update on the audits.
3. Stated he and Commissioner Luther attended an Appearance Committee meeting a couple of weeks ago and during the meeting several things were brought up to them and one had to do with Tin City and Jackson's Garage and how it looked.

In response to a question from Commissioner Gorman, Mr. Mike Bailey stated the matter concerning Mr. Jackson's facility was that in 2004 there were about 10 to 12 provisions that were agreed upon with Mr. Jackson and the Town Board relating to the expansion of Hope Mills Road and the Bypass, and there was an agreement that they would postpone some of these requirements until the completion of the Bypass and the expansion of Hope Mills Road. Mr. Bailey said last Monday he went to Mr. Jackson and delivered those provisions, and he went back later in the week and told Mr. Jackson he did need to be working towards the goal of those 10 provisions, so there was a joint agreement that he will start working on it and his department will be monitoring Mr. Jackson's progress.

Mr. Bailey stated he had spoken with the Mr. Barefoot, the owner of Tin City, this morning and he and Fire Captain Bryan Marley were going to meet with him on Monday morning and hopefully they can work towards getting that cleaned up.

In response to a question from Commissioner Gorman, Mr. Bailey stated he had gone by the CVS and spoken with the Manager and he was given the number for their landscaper, and he spoke with him this morning and was told blowing trash and grass in the drains was an isolated incident because they have a vacuum to pick up the trash and grass. Mr. Bailey stated the district manager for the

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landscape company said he had already talked with the employee and by no means were they to blow debris into the street and drains.

4. Expressed concerns with the walking path by the Recreation Center and Fire Department. He stated there were rules/signs there that needed to be replaced.

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5. Stated he appreciated everyone coming to the meeting.
6. Asked everyone to keep Ms. Carleen Miller in their prayers.

Commissioner Legge commented as follows:

1. Thanked Dr. Sheppard for the invocation and said after what the Town had been through with the audits for the last year, his words were very timely.
2. Thanked everyone for coming to the meeting.
3. Thanked everyone who worked on the budget, the audits, and the personnel handbook. He said there was a lot of work that goes into those things and these people worked hard not only in their office but on their computers and communicating with people in other areas.
4. He said he concurred with Commissioner Collins in saying Hope Mills was well represented on the state level this year, and was one strike away from the World Series. He stated people who represented Hope Mills from the Parks and Recreation Department, and Maxey Dove was there on a regular basis, Chairman of the Parks and Recreation Advisory Commission, Gary Dove, Mayor Dees, Commissioner Gorman were all there to support Hope Mills, and he was very proud of them and what they accomplished.
5. Asked everyone to be really careful this week with the heat index what it is.
6. Thanked the Sandspur and the Fayetteville Observer for all coverage and what they had done for the kids of Hope Mills this past year.
7. Thanked Mr. Nicholl and former Commissioners Strong and Maynor for attending the meeting.

Mayor Dees commented as follows:

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1. Welcomed everyone to the meeting and said as always they were glad to have everyone present. He stated the agenda was very long and he appreciated everyone's interest and involvement.
2. Stated there had been a request to start a Quality of Life Committee, and said the Board would need to publicize this and take applications and asked what were the wishes of the Board.

In response to a question from Mayor Dees, Mrs. Register said she was wondering whether the Board would want to discuss defining the committee responsibilities, establishment, make up, and some guidelines that they should be focusing on. She remarked volunteers usually wanted to know what they would be doing before they would make a commitment.

3. Stated he and Commissioner Gorman attended a Consolidated Government meeting and they expressed they were not in favor of Hope Mills losing its identity and becoming a part of the Fayetteville Metro Government. He said he did not think it would happen anytime soon. Mayor Dees noted he thought some services could be consolidated, but if it were to happen, Hope Mills would either have to join them or it could remain on its own, but if it remained independent, the Town would not be able to annex, would not be able to grow and it would be the death of Hope Mills as we now know it one way or the other.
4. Said that he and Mr. Beeman had been going to some transportation meetings, and they were discussing bus service. He noted they did a recent household travel survey of over 10,000 vehicles here in the county over a span of a 1½ weeks. Additionally, Mayor Dees said they talked about their external origins, where they came from, where they were going to, and further the information was available on the Fayetteville Area Metropolitan Planning Organization website. He said to state the obvious the number one destination site in our area was Walmart, and it was the highest ranking Walmart in the county, and it was the 32<sup>nd</sup> overall destination spot in Cumberland County, and Fort Bragg was number one.
5. Expressed condolences to Mr. Gordon Rose on the passing of his father.
6. Stated he went with the members of the First Baptist Church today to meet with the Salvation Army staff about the Love Lunch program. He said it will start in Hope Mills on Monday, August 20<sup>th</sup>, 12:00 noon, and anyone wanting a free Love Lunch can pick it up in front of the Alms House. Mayor Dees said these are intended for the homeless, but anyone can get a free boxed lunch.
7. Stated the Hope Mills Area Chamber of Commerce produced a very attractive Hope Mills map.
8. Reminded everyone of the next meeting on August 20<sup>th</sup> and the public hearing on the budget will be held that night. He said the special meeting on storm water will be on August 13<sup>th</sup> and is open to the public.

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**15. CLOSED SESSION: PURSUANT TO NCGS 143-318.11 (A)(3)(5)(6) TO CONSULT WITH THE TOWN ATTORNEY ON MATTERS WITHIN THE ATTORNEY-CLIENT PRIVILEGE.**

At 9:04 p.m., Commissioner Gorman made a motion to enter Closed Session for the purposes as stated. Commissioner Luther seconded, and the motion carried unanimously.

Mayor Dees called for a ten minute break prior to entering Closed Session.

**16. RETURN TO REGULAR SESSION.**

At 10:01 p.m., upon a motion by Commissioner Legge, seconded by Commissioner Collins and unanimously carried, the Board returned to regular session.

**17. CONSIDERATION OF CLOSED SESSION MINUTES.**

Commissioner Gorman made a motion to seal the minutes of the Closed Session until such time as the release of the information would no longer frustrate the purpose of the Closed Session, and further no action was taken.

**18. ADJOURNMENT.**

At 10:02 p.m., upon a motion by Commissioner Luther, seconded by Commissioner Collins and unanimously carried, the meeting was adjourned.

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EDDIE DEES, MAYOR

ATTEST:

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Phyllis C. Register, MMC, Town Clerk