

MINUTES OF MEETING OF THE  
CITY COUNCIL OF THE CITY OF SANFORD  
SANFORD, NORTH CAROLINA

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, January 20, 2015, at 7 P.M., in the Council Chambers. The following people were present:

Mayor T. Chet Mann

Council Member Byron Buckels

Council Member Jimmy Haire

Council Member Rebecca Wyhof

City Attorney Susan Patterson

Council Member Sam Gaskins

Council Member Norman Charles Post, III

City Clerk Bonnie Davis

City Manager Hal Hegwer

Absent:

Mayor Pro Tem James Williams

Council Member Charles Taylor

Mayor Mann called the meeting to order. Council Member Byron Buckels delivered the invocation. The Pledge of Allegiance was recited.

**PUBLIC COMMENT**

There was no public comment.

**APPROVAL OF AGENDA**

Mayor Mann requested to add an item to the Regular Agenda – Consider Presentation of Audit by Martin & Starnes.

Council Member Gaskins made the motion to approve the agenda as amended. Seconded by Council Member Buckels, the motion carried unanimously.

**CONSENT AGENDA**

Approval of City Council Meeting Minutes Dated December 2, 2014 - (Filed in Minute Book 82)

Approval of City Council Meeting Minutes Dated December 16, 2014 - (Filed in Minute Book 82)

Approval of City Council Meeting Minutes Dated January 6, 2015 – (Filed in Minute Book 83)

Approval of City Council Work Session Minutes Dated January 6, 2015 – (Filed in Minute Book 83)

Council Member Sam Gaskins made the motion to approve the consent agenda. Seconded by Council Member Buckels, the motion carried unanimously.

**REGULAR AGENDA**

Consider Presentation of Annual Audit by Martin & Starnes – (Exhibit A – Presentation and Exhibit B – Responsibility Letter)

Financial Services Director Beth Kelly introduced Senior Auditor Kathy Wilson, with Martin & Starnes Associates, who handled the City's annual audit. Mrs. Kelly presented Council Members with a responsibility letter (Exhibit B) that Martin & Starnes has drafted for the Fiscal Year ending June 30, 2014. Ms. Wilson said that they issued an unmodified opinion on the City's audit report

which means it is a clean report and there were no material findings or questioned costs that were reported. Ms. Wilson went over the powerpoint presentation listed as Exhibit A.

Mr. Hegwer explained that the comprehensive financial annual report will be online tonight.

Council Member Gaskins made the motion to accept the report/audited financial statements for 2014. Seconded by Council Member Haire, the motion carried unanimously.

Consider Resolution Directing that the Project be Undertaken for the Hawkins Avenue Sewer Line Extension – (Exhibit C)

City Engineer Paul Weeks explained that this resolution is the next step in the petition process for the petition assessment of the Hawkins Avenue Sewer Line Extension. One hundred (100) percent of the property owners signed the petition.

Council Member Post made the motion to approve the Resolution Directing that the Project be Undertaken for the Hawkins Avenue Sewer Line Extension. Seconded by Council Member Gaskins, the motion carried unanimously.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2014-2015 – (Risk Management) - (Exhibit D)

City Manager Hegwer explained that the budget amendment transfers \$3,520 from Contingency to Risk Management for the purchase of two defibrillators – one for the Police Department and one for the Public Works Service Center. These will be located in areas where they will be available for staff and the public in an emergency situation.

Council Member Gaskins made the motion to approve the Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2014-2015 – (Risk Management). Seconded by Council Member Buckels, the motion carried unanimously.

Consider Joint Resolution of the Sanford City Council and the Lee County Board of Education Requesting Repeal of Session Law 2013-220 and Return the Method of Election to Non-Partisan – (Exhibit E)

Council Member Gaskins made the motion to approve the Joint Resolution of the Sanford City Council and the Lee County Board of Education Requesting Repeal of Session Law 2013-220 and Return the Method of Election to Non-Partisan. Seconded by Council Member Haire, the motion carried unanimously.

**OTHER BUSINESS** – (Exhibit F)

Council Member Jimmy Haire mentioned that Lee County traditionally gets about 50 inches of rain each year. Last Monday on January 12, he left his house at 6 A.M., and the rain gauge registered two inches. At 9:30 A.M., the rain gauge registered four inches of rain. One gentleman at Clearwater Drive told him he had six inches of rain last Monday. He said since winter began, we have had ten inches of rain – 20 percent of what we traditionally get in one year. Council Member Haire also added that Girl Scout cookies are now on sale and will be until March 1.

Council Member Rebecca Wyhof complimented the community. There were several fantastic events this weekend to commemorate Dr. Martin Luther King Jr. and it was a nice reminder of how

important it is to come together as a community to reflect on things that would make our community a better place to be and what we inspire to be as people. She encouraged everyone to take the opportunity to do some service in their community to keep the spirit alive to be the very best Sanford possible.

Council Member Buckels echoed Ms. Wyhof's comments concerning Dr. Martin Luther King weekend. The City came out and supported the events. He praised the work that Martin Luther King did to change the conditions of our society. He said he received a couple of calls from residents concerning a neighborhood on Boykin Avenue. They have been having problems with people dumping a lot of trash on City property in that area. The resident mentioned to him maybe no dumping signs could be placed on the property.

Mr. Hegwer gave Council an article that list things about Martin Luther King that he was not aware of about Dr. King.

Mayor Mann said that Dr. King sacrificed to heal the nation and he feels we have a lot more work to do. We are always making progress and want to continue in the endeavor.

Mayor Mann mentioned that this year, we have been working on big issues with the streetscape projects and making investments in our community. He informed the public regarding Moody's Investors Service and the bond ratings the City received. All bond ratings came back great. The summary ratings were that the City's Aa3 rating reflects a stable, moderately sized tax base with below-average demographics and close proximity to institutional presence. The rating also reflects a sound financial position with healthy reserves and manageable debt. One of the reasons for a higher rating was that we have a sound financial position with ample reserves despite planned spending for capital. Sanford's financial position is expected to remain strong given by the city's track record of conservative budgeting practices, prudent fiscal policies and strong reserve levels supported by a formal fund balance policy, which calls for the maintenance of an unassigned General Fund balance at a minimum of 25% of operating expenditures with a target of 30%. The city has consistently maintained a reserve position in excess of its policy using any reserves in excess of the 30% policy for one-time capital. He said the \$2.4 billion tax base will continue to benefit from its central location within 30 miles of Research Triangle Park, Chapel Hill, and Fort Bragg. The City has benefited from growth in these areas and has experienced 20% population growth since the 2000 US Census.

Mayor Mann said it was not lost in the rating agencies that Chatham Park was coming as they mentioned it. They were very aware of our location geographically which is a plus. Housing has slowed somewhat but officials report stability in housing values. The primarily manufacturing base has seen some decline in jobs but remains a significant presence in North Carolina. We continue to have the largest concentration of manufacturing jobs in the state with an average wage of \$45,411 but you can compare that to the county average of \$37,492. This is where we have to work on things and make investments to bring us out of this. The City's unemployment rate of 7.9% remains above the state and nation but continues to decline over the past two years. Wealth levels which improved remain below the state and nation with median family income at 80.7% of the nation and full value per capital trails the state median of \$100,095 at \$85,816.

Mayor Mann said that the debt profile is expected to remain low given its limited plans for borrowing. They also noted that Sanford participates in the North Carolina Local Governmental

Employees' Retirement System. The annual required contribution for both plans totaled \$1.2 million or 4% of general fund expenditures. This means we can handle people retiring out; other cities may have failed to plan for it.

Mayor Mann said that he thinks the way we solve many of our problems is to make the decisions we talked about tonight in the work session, to make hard investments even if it cost us more than we anticipated, so that we can get the full return that people get when they make smart investments. He hopes to see some spectacular results in the next one to three years as we start and complete these projects as we see private investment.

Mayor Mann reminded everyone that we have a Strategic Asset Value meeting on Friday, January 30 at 9 A.M., in the West End Conference Room regarding the O. T. Sloan Park.

**ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.**

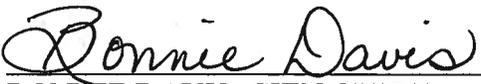
**ADJOURNMENT**

Council Member Wyhof made the motion to adjourn the meeting; seconded by Council Member Gaskins, the motion carried unanimously.

Respectfully Submitted,

  
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T. CHET MANN, MAYOR

ATTEST:

  
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BONNIE DAVIS, CITY CLERK