

TUESDAY, MAY 14, 2019 – 7:00 P.M.
REGULAR MEETING OF THE OXFORD BOARD OF COMMISSIONERS
OXFORD CITY HALL – COMMISSIONERS’ BOARD ROOM

The Board of Commissioners for the City of Oxford met at the above-mentioned time and place. All members of the Board and local news media were notified of the same as well as the purpose of the meeting.

Present: Mayor Jackie Sergent, Commissioners James (Danny) Currin, Frank Strickland, S Quon Bridges, Ron Bullock, Al Woodlief, and Patricia Fields. Also present were City Manager M. Alan Thornton, City Attorney J. Thomas Burnette, and City Clerk Cynthia Bowen.

Absent: MPT Calvin (C.J.) Harris, Jr.

CALL TO ORDER

Mayor Sergent called the meeting to order at approximately 7:00 PM.

Reverend Glenn Stallsmith with Salem United Methodist Church gave the prayer; the Pledge to the flag followed, led by Commissioner Strickland.

ADJUSTMENTS TO AND APPROVAL OF THE AGENDA

COMMISSIONER CURRIN MADE A MOTION TO APPROVE THE AGENDA AS PRESENTED. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

OPENING REMARKS BY MAYOR SERGENT

Mayor Sergent read the opening remarks statement as stated on the agenda with no conflicts of interest noted.

DELEGATIONS

Anthony Armento gave the yearly HPC presentation and HPC Secretary Lisa Schons presented the stewardship award to Jim Blaine of 109 Rectory Street. The award was accepted by Keri Currin. Keri is the wife A.P. Currin, whose construction company did all of the restoration work on the property.

The May Yard of the Month winners were Douglas & Dot Adcock of 114 Maluli Drive. Mr. and Mrs. Adcock could not attend the meeting due to illness.

PUBLIC COMMENT

Jesse Callis, Toni Wall with Callis Construction – 1306 Broad Street Durham, NC 27705 – Callis construction stated that they completed their work on the sidewalk, but they have not been paid,

Larry Thomas – 207 E. Front Street – Mr. Thomas spoke regarding the new water tower and that he feels that the City missed a great opportunity by not using a pepper to represent the Hot Sauce Contest. He also stated that it is hard to read. Mr. Thomas stated that he is glad to see the resurfacing project moving forward. He also wanted to know the status of the RFQ’s for engineering services.

Commissioner Strickland stated that he has been approached by the owners of Strongarm Bakery. He expressed his opinion that the City is obligated to address the issues of the water pressure. City Engineer stated that there is water available and they are doing everything to assist in getting Strongarm Bakery ready for the Certificate of Occupancy. Commissioner Currin requested updates on this and the Callis Construction issue.

PUBLIC HEARING TO BE HELD JUNE 11, 2019 TO RECEIVE CITIZEN INPUT ON AMENDING THE ZONING ORDINANCE.

No Discussion.

COMMISSIONER CURRIN MADE A MOTION TO CALL FOR A PUBLIC HEARING. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

CITY MANAGER THORNTON PRESENTED THE FY 19-20 BUDGET MESSAGE

The following is City Manager Thornton's budget message as written by him and presented to the Board:

**FY 2019-2020
City of Oxford
Budget Message**

Submitted herein is the Budget for Fiscal Year (FY) 2019-2020. The Budget is balanced in its entirety as required by the North Carolina Local Government Budget and Fiscal Control Act.

The City of Oxford's overall Budget for FY 2019-2020 totals \$ 34,667,996. The FY 2019-2020 Budget for the City of Oxford sees a reduction in the amount of \$ 1,433,078 from the City of Oxford's FY 2018-2019 Budget.

GENERAL FUND

The proposed Ad Valorem tax rate for FY 2019-2020 is recommended to remain at .64 per \$ 100 valuation of \$545,714,791 with a collection rate of 98.72%. A revaluation of Real Property was completed in FY 2017-2018 by Granville County. The Revaluation by the County of Granville initially reflected a growth of \$ 39,618,556 in Ad Valorem taxable property in the City of Oxford between Fiscal Year 2017-2018 and 2018-2019. The County of Granville has determined that the City of Oxford Real, Personal and Motor Vehicle tax values were overstated in FY 2018-2019 and have revised values for Fiscal Year 2019-2020 by \$ 26,579,593 to total valuation for the City of Oxford Real, Personal and Motor Vehicle tax values of \$ 545,714,791. The City of Oxford Fiscal Year 2019-2020 Budget takes this into account and has been formulated based upon the revised tax assessment values.

The General Fund continues to function well as efforts to assess the City's operations and improve upon the delivery of public services grow in status as a priority of the City of Oxford. An improving economy on both the State and local level has assisted in the ability of the City of Oxford to maintain a relatively low ad valorem tax rate. The City of Oxford's tax rate is recommended to remain at \$.64 per \$ 100 valuation.

Capital Outlay items contained in the FY 2019-2020 Budget within this Fund include funding for the continuation of a Vehicle Replacement Plan within the Oxford Police Department, replacement of an aged backhoe, replacement of vehicles at the OFD, OP&R, and OPW. The Oxford Parks and Recreation

Department has funding allocated to continue to make significant improvements to facilities, including a new roof at Hix Gym, improvements to the driveway accessing Hix Gym and crack repair and resurfacing of the City's tennis courts.

Anticipated State collected local revenues have been calculated utilizing data supplied by the North Carolina League of Municipalities and local economic data. The City is anticipating some moderate increase in most of these revenue sources as a result of the improving local State and national economy. However, the loss of the Privilege License Fee continued low investment interest rates and general uneasiness regarding traditional municipal revenue sources that continue to draw the attention of the NC General Assembly remain a concern.

The FY 2019-2020 Budget for the City of Oxford seeks to conservatively hold the line on expenditures while meeting the established objectives of providing extremely high quality and desirable public services to residents, business and industry. General Fund revenues and expenditures are balanced at \$ 9,719,765. This amount represents a \$ 6,827 decrease in the FY 2019-2020 General Fund Budget in comparison to the FY 2018-2019 Budget.

WATER AND SEWER FUND

The Water and Sewer Fund should continue to receive close observation and scrutiny as the City of Oxford continues to amass financial responsibility to its portfolio as additional infrastructure projects are undertaken. While it is the obligation of the City of Oxford to make necessary system repairs, upgrades and improvements to meet State and Federal quality standards, it is also the responsibility of the City to achieve these objectives while diligently working to maintain the affordability of this most valuable and life-sustaining public service.

In addressing the need to build Fund reserves to address approved and anticipated system improvements, maintain solvency and meet the challenge of unanticipated emergencies, staff continues to evaluate financial needs through the updating of our rate modeling analysis. A rate modeling analysis update is scheduled and funded in the FY 19-20 City of Oxford Budget.

The Water and Sewer Fund for the City of Oxford in Fiscal Year 2019-2020 is balanced between anticipated revenues and expenditures at \$ 7,055,290. This figure includes an anticipated appropriation of \$ 1,044,748 to the W&S Fund Balance which continues to strengthen the City's financial position in this Fund and position the City of Oxford to meet its future financial and debt service obligations related to the City's Infrastructure Improvement and Enhancement Initiative.

The City of Oxford has more than \$ 16,000,000 worth of major infrastructure improvement projects work anticipated for FY 2019-2020 as part of a larger nearly \$ 100,000,000 infrastructure improvement ten-year plan. The City of Oxford anticipates nearly \$ 10 million of this \$ 16 million infrastructure work scheduled for FY 2019-2020 coming from the State and Federal Government via grant funds.

The City of Oxford participates in the Kerr Lake Regional Water System and receives its potable water from this source. The Kerr Lake Regional Water System is currently in the process of a major updating and renovation project for the KLRWS Water Treatment Plant as well as a Phase II planned a major expansion of capacity that will double the output capacity of the Water Treatment Plant.

No increase in Water & Sewer utility rates is proposed in the FY 2019-2020 City of Oxford Budget.

STREET IMPROVEMENT FUND

Essentially, this Fund encompasses the revenues and expenditures reflected by the Powell Bill Program. The FY 2019-2020 Street Improvement Fund reflects a desire of the City of Oxford to initiate a more aggressive program of resurfacing and renovating municipally maintained streets. Previously, the City had utilized a significant portion of the annual Street Improvement Fund to provide for funding for the salary and associated benefits for a position within the City's Street Department. This practice has been revised for FY 2019-2020 to provide a greater level of funding that will be available to be directed to municipal maintained street and sidewalk renovation and resurfacing needs. As a result, \$ 700,000 is budgeted in FY 2019-2020 to initiate a Street Improvement Program aimed at some of the City's streets that are in the greatest need of attention.

OPERATIONS

Each departmental line item within the FY 2019-2020 City of Oxford Budget has been carefully reviewed with the intention of maximizing cost savings, improving efficiencies and the delivery of services.

Funding for a phone system replacement initiative has been included in FY 2019-2020's Budget as well as funding to address a continuing issue with the HVAC system at City Hall.

PERSONNEL

Employees of the City of Oxford would see the results of the implementation of recommendations from the recently completed Compensation and Classification Study. A 1% Cost of Living Adjustment is also included in the FY 2019-2020 City of Oxford Annual Budget for employees who are not affected by the Compensation and Classification Study. The Staff of the City of Oxford continues to review the merits of a Merit-Based Pay System and may well approach the Board of Commissioners in the near future with a plan for its implementation.

Worker's Compensation insurance costs are projected to increase slightly for FY 2019-20. General Liability and Property Insurance costs are anticipated to remain steady.

Health insurance costs are projected to increase by a bit more than 7%. This increase in the cost of providing health insurance to the City's employees and qualified retirees is a result of the City of Oxford shifting to a new health insurance provider/program. Beginning on July 1, 2019, the City of Oxford will join the North Carolina Health Insurance Plan (NCHIP). Had the City of Oxford remained with its current provider, costs would have escalated by nearly 30%. Management of the City of Oxford continues to monitor the City's health insurance program and will continue to take steps to mitigate large increases to the best of our ability.

CAPITAL OUTLAY

Capital Outlay expenditures and their funding sources for the upcoming Fiscal Year for the City of Oxford are fully detailed in the City of Oxford FY 2020-2025 Capital Improvement Plan.

OTHER

The 2019-2020 Budget for the City of Oxford seeks to conservatively hold the line on expenditures while meeting the established objectives of providing extremely high quality and desirable public services to all who rely on them. The FY 2019-2020 Budget for the City of Oxford implements the results of a recently completed Compensation and Classification study for all full-time employees. The 2019-2020 Budget also manages to successfully allocate an appropriate level of funding for the acquisition of necessary equipment, continues to provide funding at a level that will provide high quality public services to citizens who rely on them and to progressively move forward with the City of Oxford's aggressive infrastructure

improvement program without raising property taxes, water and sewer utility rates or solid waste collection fees.

I want to thank the Mayor and City Board of Commissioners, City Staff and the citizens of the City of Oxford for all of their efforts and support in continuing to progress the City of Oxford. Without all of your effort, support and involvement in your local government, none of this would be possible.

Respectfully,

M. Alan Thornton, Mgr. /Budget Officer
City of Oxford

A PUBLIC HEARING CALLED FOR THE JUNE 11, 2019 MEETING TO HEAR CITIZEN INPUT ON THE FY 2019-2020 BUDGET.

COMMISSIONER WOODLIEF MADE A MOTION TO CALL FOR THE PUBLIC HEARING FOR THE JUNE 11TH REGULAR MEETING. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

CORRECTIONS TO JOURNAL ENTRIES TO THE ASSET/LIABILITIES ACCOUNTS APPROVED.

COMMISSIONER BULLOCK MADE A MOTION TO APPROVE THE CORRECTIONS TO THE JOURNAL ENTRIES. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

FOUR PORTABLE CROSSWALK SIGNS TO BE ADDED IN THE DOWNTOWN AREA.

A Public Safety meeting was held on April 25th and a recommendation to add four portable crosswalk signs in the downtown area.

COMMISSIONER WOODLIEF MADE A MOTION TO ADD FOUR PORTABLE CROSSWALK SIGNS IN THE DOWNTOWN AREA. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

TWO ADDITIONAL NO U-TURN SIGNS TO BE ADDED IN THE DOWNTOWN AREA.

A Public Safety meeting was held on April 25th and a recommendation to add two No U-turn signs to the downtown area.

Commissioner Strickland stated that this is a safety issue as there have been accidents in the downtown area. Commissioner Bridges stated that it is unnecessary and makes life in the downtown area difficult. There was a consensus of the Board that only warning tickets be given until June 30th to give citizens a chance to get used to the new signs.

COMMISSIONER WOODLIEF MADE A MOTION TO ADD TWO MORE NO U-TURN SIGNS IN THE DOWNTOWN AREA. THE VOTE WAS 5 TO 1 WITH ONLY COMMISSIONER BRIDGES VOTING NO. **THE MOTION CARRIED.**

THE CITY MANAGER AUTHORIZED TO NEGOTIATE AND SIGN A TASK ORDER WITH WITHERSRAVENEL FOR THE 2019 CITY RESURFACING PROJECT.

The Task Order with WithersRavenel is for the 2019 City Resurfacing Project that will precede the NCDOT resurfacing contract. No discussion.

COMMISSIONER BULLOCK MADE A MOTION TO AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND SIGN A TASK ORDER FOR THE 2019 RESURFACING PROJECT. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

BUDGET AMENDMENT TO PURCHASE A STREET SWEEPER APPROVED.

A budget amendment for \$186,448 was approved to purchase a new street sweeper to replace the old one that was damaged beyond repair.

COMMISSIONER BULLOCK MADE A MOTION TO APPROVE THE BUDGET AMENDMENT. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

A BUDGET AMENDMENT FOR \$39,950.00 WAS APPROVED.

A check in the amount of 39,950 as payment for the Street Sweeper that was damaged beyond repair was received from the insurance company. This money is allocated for the replacement Street Sweeper and will be received into the General Fund – Proceeds from Insurance account # 010-3840-384000-85. No Discussion.

COMMISSIONER BRIDGES MADE A MOTION TO APPROVE THE BUDGET AMENDMENT. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

CONSENT AGENDA APPROVED

Approved the April 2019 Financial report.

Approved the following meeting minutes:

*April 1 - Agenda Session

*April 9 - Regular Session

COMMISSIONER BRIDGES MADE A MOTION TO APPROVE THE CONSENT AGENDA. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

COMMISSIONER COMMENTS

Commissioner Woodlief - Discussed the upcoming work at the airport.

Commissioner Fields – Mentioned the accident on the loop road and that there should be more than a flashing light.

Commissioner Bridges – Discussed the grass cutting at the entries to the City, we need to do a better job.

ADJOURNMENT

WITH THERE BEING NO FURTHER BUSINESS, COMMISSIONER WOODLIEF MADE A MOTION TO ADJOURN. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

Cynthia Bowen, City Clerk

ATTEST:

Jacqueline vdH Sergent, Mayor