

**MONDAY – 10:00 A.M.    JANUARY 24, 2013    FINANCE COMMITTEE**

The Finance Committee of the City Council for the City of Elizabeth City met on the above date and time in the City Council Chambers of the Municipal Administration Building with Chairwoman L. A. Hummer presiding. Members attending were: L. A. Hummer, R. T. Donnelly and L. M. Hill-Lawrence. J. W. Peel was absent. City Staff members in attendance were: City Manager R. C. Olson, City Clerk D. S. Pierce-Tamplen and Finance Director S. E. Blanchard.

Chairwoman Hummer established a quorum was present and called the meeting to order at 10:00 a.m. She called for a moment of silent reflection after which she led the Pledge of Allegiance to the Flag of the United States of America.

**1}    AGENDA APPROVAL:**

Chairwoman Hummer called for any adjustments and/or approval of the prepared agenda.

Chairwoman Hummer asked to ***add consideration of a request from the Housing Authority and miscellaneous items.***

***A motion was made by Councilwoman L. M. Hill-Lawrence, seconded by Councilman R. T. Donnelly to approve the prepared agenda to include the above noted items. Those voting in favor of the motion were: Hill-Lawrence, Donnelly and Hummer. Against: None. Motion carried.***

**2}    MINUTES:**

a}    January 9, 2013 – Regular Meeting:

Chairwoman Hummer called for the Committee's pleasure as to the approval of the minutes of the January 9, 2013 meeting.

***A motion was made by Councilwoman L. M. Hill-Lawrence, seconded by Councilman R. T. Donnelly to approve the minutes of the January 9, 2013 Finance Committee meeting. Those voting in favor of the motion were: Hill-Lawrence, Donnelly and Hummer. Against: None. Motion carried.***

b}    January 9, 2013 – Closed Session Minutes:

***A motion was made by Councilwoman L. M. Hill-Lawrence, seconded by Councilwoman L. A. Hummer to approve the Closed Session Minutes of January 9, 2013 as presented. Those voting in favor of the motion were: Hill-Lawrence, Hummer and Donnelly. Against: None. Motion carried.***

**3} SURPLUS/SALE OF CANINE NERO:**

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson advised that Chief Buffalo recently received notification of the need to retire "Nero", a nine year old canine officer. Nero's age and overall health condition are the reasons his veterinarian and his K-9 handler think the canine is no longer able to perform his law enforcement duties. Officer Caleb Hudson has been assigned to canine Nero since 2008 when the dog was first purchased by the City. Officer Hudson is the only canine handler the dog has known for the last 4½ years and it would be difficult for Nero to adapt to a new environment at this stage in his life. Officer Hudson has expressed an interest in purchasing canine Nero, who he will keep as the family's pet and no longer use for the administering of police duties. He would be given a safe environment to live out the remainder of his days.

***A motion was made by Councilman R. T. Donnelly, seconded by Councilwoman L. A. Hummer to recommend to City Council to adopt a resolution authorizing the City Manager to remove Canine Nero from service; recommend the sale of Canine Nero to Officer Caleb Hudson for \$1.00 and authorize the purchase of a new canine for the police department. Those voting in favor of the motion were: Donnelly, Hummer and Hill-Lawrence. Against: None. Motion carried.***

**4} BUDGET CALENDAR:**

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson stated the City Council needs to adopt a budget work session calendar for the 2013-2014 budget process; and staff is seeking direction regarding development of the schedule. Staff is also requesting that a pre-budget work session be scheduled for the City Council at the end of February so that the Council can provide direction to staff regarding initiatives that need to be provided for in the Manager's recommended budget. The committee then went over proposed dates for budget meetings.

***A motion was made by Councilman R. T. Donnelly, seconded by Councilwoman L. M. Hill-Lawrence to recommend to City Council to accept the following budget calendar for the preparation of the FY 2013-2014 Budget. Those voting in favor of the motion were: Donnelly, Hill-Lawrence and Hummer. Against: None. Motion carried.***

<b>Date</b>	<b>Time</b>	<b>Purpose</b>
February 25, 2013	5:30 p.m.	Full Council Pre-Budget Work Session
April 15, 2013	5:30 p.m.	Full Council Budget Presentation
April 25, 2013	5:30 p.m.	Finance Committee Budget Meeting
May 2, 2013	5:30 p.m.	Finance Committee Budget Meeting
May 7, 2013	5:30 p.m.	Full Council Budget Work Session
May 20, 2013	5:30 p.m.	Finance Committee (or Full Council) Budget Meeting (TBD)
May 28, 2013		Call for Public Hearing on Budget during Regular City Council Meeting
June 10, 2013		Hold Public Hearing on Budget (Possible adoption of budget)
June 24, 2013		Adoption of Budget during Regular Meeting, if needed

**5} 2011-2012 ESCROW ACCOUNT:**

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson stated that during the preparation of the 2011-2012 budget, staff included the purchase of several pieces of equipment and repairs to the Knobbs Creek Recreation Center in an installment purchase agreement. The City entered into an installment purchase agreement with BB&T for \$755,245. Due to cost reductions the actual amount spent to date is \$578,407. That leaves a balance in the escrow amount of \$177,079.44. The City can utilize these funds for other eligible equipment or projects. During the fiscal year 2012-2013, Council decreased the number of police vehicles from five to two. Staff is recommending that the police department purchase one additional vehicle. \$135,753.27 in savings remains in the escrow account after the new flooring at Knobbs Creek. Staff would like to propose that the surplus funds be used to improve the former Mack Sawyer building. The escrow funds would be used to renovate the building. Finally, the \$1,514 difference in the Inspections Department be used for computer enhancements.

***A motion was made by Councilwoman L. M. Hill-Lawrence, seconded by Councilman R. T. Donnelly to recommend to City Council that staff be authorized to purchase an additional police vehicle utilizing the escrow account; and authorize staff to take***

***bids on the renovation of the Mack Sawyer building. Those voting in favor of the motion were: Hill-Lawrence, Donnelly and Hummer. Against: None. Motion carried.***

**6} MISCELLANEOUS:**

a} Request to TDA:

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson stated that this morning the TDA met concerning our request for \$75,000 for the Middle School Project and \$38,000 to pay for our share of the CAMA grant for the purchase of the Mack Sawyer Building. Both grants were approved, but a restriction put on both those, that TDA would provide us the \$38,000 for the Mack Sawyer Building as soon as possible however, because of some cash flow issues that were discussed that they would pay us the \$75,000 for the Middle School Project by mid-June. We have not done a budget amendment for either one those and what we are asking now since Council has already taken the action to allow us to go ahead and put those on the agenda for Monday night.

***A motion was made by Councilman R. T. Donnelly that we present to the City Council the Budget Amendments for the TDA funds for the Mack Sawyer Building (\$38,000) and the Middle School Project (\$75,000). Councilwoman L. M. Hill-Lawrence seconded the motion. Those voting in favor of the motion were: Donnelly, Hill-Lawrence and Hummer. Against: None. Motion carried.***

b} Request from Housing Authority:

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson advised in 2011, the Housing Authority requested the City to waive their payment in lieu of taxes from February 2010 to February 2015. Council granted a five year waiver. It was the intent of Council that the funds would be used for capital improvements to the 330 units of the Housing Authority. They are requesting to be allowed to utilize \$1,182.67 to pay an overspent in funds through the ABCDE Grant. The City does not account for how the Housing Authority spends these funds. We trust the Authority will utilize the funds for the intended purpose.

***A motion was made by Councilwoman L. M. Hill-Lawrence, seconded by Councilwoman L. A. Hummer to recommend to City***

**Council that the Housing Authority be authorized to utilize \$1,182.67 in PILOT funds to repay money owed to the ABCDE Grant. Those voting in favor of the motion were: Hill-Lawrence, Hummer and Donnelly. Against: None. Motion carried.**

c} Request from Company in conjunction with NC State University:

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson stated the City has been approached by a company in conjunction with North Carolina State University to see if we are interested in putting three wind towers on the property we own where the shooting range is located. There are some issues associated with the radar system that Wayne went over at the ADC meeting. The advantage of our site is there is already telecommunication towers that are permitted by the FAA on our site that have the same type of requirements so they don't believe there would be any objections. We don't have an agreement yet but he just needs to know if the Finance Committee would like for staff to work with them to see if we can facilitate something.

**A motion was made by Councilwoman L. M. Hill-Lawrence, seconded by Councilman R. T. Donnelly that staff investigate and work with company to see if we can facilitate something with them on this project. Those voting in favor of the motion were: Hill-Lawrence, Donnelly and Hummer. Against: None. Motion carried.**

7} **ADJOURNMENT:**

There being no further business to come before the Finance Committee at this time, Chairwoman Hummer adjourned the meeting at 10:49 a.m.

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Dianne S. Pierce-Tamplen, MMC  
City Clerk

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L. Anita Hummer  
Chairwoman