

JULY 1, 2008, CITY COUNCIL MEETING

The City Council of the City of Clinton, North Carolina, met in regular session at 7:00 PM on July 1, 2008, in the city hall auditorium. Mayor Starling presided. Councilmembers Becton, Harris, Stefanovich, Strickland, and Turlington were present. The city attorney Dale Johnson; city clerk Elaine F. Hunt; city manager John F. Connet; finance director Betty Brewer; planning and community development director Jeff Vreugdenhil; planner Mary Rose; recreation director Judi Nicholson; public works director Chris Doherty; police chief Mike Brim; human resource manager Lisa Carter; and assistant city manager Shawn Purvis were present.

City Clerk Elaine F. Hunt gave the invocation.

Houston Bouchard led City Council and all in attendance in the pledge of allegiance.

CITY COUNCIL

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, the minutes of the June 3, 2008, and June 17, 2008, regular city council meetings with amended change and March 5, 2002; May 7, 2002; February 3, 2004; March 17, 2005; April 5, 2005; May 3, 2005; December 6, 2005; January 24, 2006; May 1, 2006; May 25, 2006; June 6, 2006; July 11, 2006; October 3, 2006; October 26, 2006; November 6, 2006; November 14, 2006; December 12, 2006; February 6, 2007; August 7, 2007; February 5, 2008; and April 1, 2008, closed session council meetings were approved unanimously.

P & Z – 709 COLLEGE STREET -- SAMPSON COUNTY ARTS COUNCIL

Mayor Starling opened a public hearing on a request by Sampson County Arts Council for a conditional use permit to operate a Civic and Social Organization at 709 College Street in an R-8 Residential district. Vreugdenhil stated the request and gave the staff and Planning and Zoning Board recommendation to approve the request. No one wished to be heard, and the hearing was closed.

Mayor Starling stated that Councilmember Turlington's daughter-in-law, Lisa, was appearing before City Council with the request and therefore she asked to be excused from voting. It was also noted that she has not spoken to any councilmember regarding this request. Councilmember Strickland moved Councilmember Turlington be allowed to abstain. Councilmember Becton seconded the motion and it passed unanimously with Councilmember Turlington abstaining.

Mayor Starling read Standard 1: The use will not endanger the public health, safety, or general welfare if located where proposed and developed according to plan. He then called for a vote on whether the requested use would

meet this standard. Four voted that the standard would be met with Councilmember Turlington abstaining.

Mayor Starling read Standard 2: The use meets all required conditions and specifications as outlined in the conditional use application, and/or as imposed by the city council. He then called for a vote on whether the requested use would meet this standard. Four voted that the standard would be met with Councilmember Turlington abstaining.

Mayor Starling read Standard 3: The conditional use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, or substantially diminish and impair property values within the neighborhood, or is a public necessity. He then called for a vote on whether the requested use would meet this standard. Four voted that the standard would be met with Councilmember Turlington abstaining.

Mayor Starling read Standard 4: The location and character of the use if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and in conformity with the Clinton Development Plan. He then called for a vote on whether the requested use would meet this standard. Four voted that the standard would be met with Councilmember Turlington abstaining.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, and after determination that this request is in accordance with the provisions of NCGS 160A-383, a conditional use permit was unanimously approved with Councilmember Turlington abstaining for Sampson County Arts Council to operate a Civic and Social Organization at 709 College Street.

APPOINTMENTS

Notification was given of expiration term of Cary Taylor on the ABC Board.

Notification was given of expiration terms on the Fireman's Relief Board. City Manager Connet stated that City Council has two appointees on this Board.

RESOLUTIONS – FUND BALANCE POLICY – GENERAL FUND

City Manager Connet stated that at last month's meeting, he presented a resolution to City Council establishing a fund balance policy for the City of Clinton General Fund. He further stated that he was instructed to amend this proposed fund balance policy to include more detailed information regarding the General Fund and to include the Water and Sewer Fund.

Upon a motion made by Councilmember Strickland, seconded by Councilmember Becton, the following resolution was unanimously adopted:

A RESOLUTION ESTABLISHING AN UNDESIGNATED AVAILABLE FUND BALANCE POLICY FOR THE CITY OF CLINTON GENERAL FUND

WHEREAS, for the purpose of improving and maintaining fiscal responsibility as required under the Local Government Budget and Fiscal Control Act, NC General Statue Chapter 159 it is prudent to establish a clear policy defining the level of undesignated available fund balance and retained earnings to be held in reserve by the City; and

WHEREAS, the NC Local Government Commission is charged with overseeing the fiscal health of cities and counties and recommends a minimum undesignated available fund balance reserve of no less than eight percent (8%) of expenditures; and

WHEREAS, it is necessary to maintain undesignated available fund balance reserves and retained earnings to provide appropriate cash flow for operation of city services, to address emergencies and unexpected opportunities, to increase the potential for investment income, and to enhance the city's credit rating to provide the city the ability to borrow at the lowest possible interest rate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLINTON, NORTH CAROLINA THAT:

Section 1. All revenue in excess of expenditures realized at the end of any given fiscal year will be credited to undesignated available fund balance until a minimum goal of thirty eight percent (38%) is realized. It is further resolved that the City will adjust this minimum as appropriate based upon recommendation from the NC Local Government Commission and the changing financial outlook.

Section 2. Once the thirty eight percent (38%) goal is realized, all revenue in excess of expenditures realized at the end of any given fiscal year be credited to capital reserve funds heretofore recommended by the City Manager and established by formal resolution of the City Council.

Section 3. All revenue in excess of expenditures realized at the end of any given fiscal year will be credited to undesignated retained earnings until a minimum goal of fifty percent (50%) is realized. It is further resolved that the City will adjust this minimum as appropriate based upon recommendation from the NC Local Government Commission and the changing financial outlook.

Section 4. Once the fifty percent (50%) goal is realized, all revenue in excess of expenditures realized at the end of any given fiscal year be credited to the capital reserve funds heretofore recommended by the City Manager and established by formal resolution of the City Council.

Section 5. The City Manager is charged to annually monitor and report to City Council during the preparation of the annual operating budget regarding the status of available fund balance/retained earnings and compliance with the stated thirty eight percent (38%) and fifty percent (50%) goals.

Section 6. This Resolution shall become effective upon its adoption and approval.

WEB SITE POLICY

Upon a motion made by Councilmember Strickland, seconded by Councilmember Harris, the Web Site Policy created by Assistant City Manager Purvis to inform citizens of the City's intent as it relates to the Web Site was approved unanimously.

REPORTS

City Manager Connet acknowledged that the financial, police, personnel, and public works reports were received and he stands ready to answer any questions from City Council regarding the reports.

City Manager Connet thanked City Council for allowing him to be the city manager of the City of Clinton. He stated that today marked 6 years he has held the position as city manager.

RECREATION -- JULY 4TH CELEBRATION -- SOFTBALL TOURNAMENT

Mayor Starling stated that Parks & Recreation Director Judi Nicholson and the Recreation Department were gearing up for the Annual July 4th Celebration. He stated that activities would begin at 3:00 PM.

Parks & Recreation Director Nicholson briefed all regarding the Dixie Youth Girls Softball District 6 Tournament held on Saturday, June 28, 2008. She stated teams from Hoke County, Hope Mills, Spring Lake, Fayetteville, and Clinton participated in the tournament. Nicholson said \$2,611 was brought in from the gate receipts. She thanked Mayor Starling for throwing out the first pitch.

ADJOURNMENT

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, and passed, this meeting adjourned at 7:25 PM.

City Clerk

Mayor