



Town of Archer Lodge

AGENDA

Regular Council Meeting

Monday, September 12, 2016 @ 6:30 PM
Council Chambers

Page

1. WELCOME/CALL TO ORDER

- 1.a. Invocation
- 1.b. Pledge of Allegiance

2. APPROVAL OF AGENDA

3. OPEN FORUM/PUBLIC COMMENTS

(Maximum of 30 minutes allowed, 3 minutes per person)

4. CONSENT AGENDA

3 - 11	4.a. Approval of Minutes: Work Session - 01 August 2016 Regular Council - 08 August 2016 <u>Work Session - 01 August 2016 DRAFT</u> <u>Regular Council - 08 August 2016 DRAFT</u>
12	4.b. Approval of BA 2017 02 - Budget Amendment for Veteran's Memorial Payout & Municipal Administration Course Acceptance <u>BA 2017 02</u>
13 - 20	4.c. Approval of 30 Day Contract Extension to J.M. Daniels for Parking Lot Expansion Project
	4.d. Approval of a Resolution Adopting a Cash Management and Investment Policy for the Town of Archer Lodge (Resolution# AL2016-09-12) <u>AL2016-09-12 Resolution Adopting a Cash Management and</u> <u>Investment Policy</u> <u>Cash Management and Investment Policy</u>

5. DISCUSSION AND POSSIBLE ACTION ITEMS

21 - 23 5.a. Discussion to Amend the Town of Archer Lodge Schedule of Fees & Penalties adopted June 13, 2016 with the Budget Ordinance requiring a Budget Amendment (BA 2017 03)
[BA 2017 03 all pages](#)

6. TOWN ATTORNEY'S REPORT

7. ADMINISTRATIVE CONSULTANT'S REPORT

8. FINANCIAL/TOWN CLERK'S REPORT

24 8.a. Financial Summary Ending 8/31/2016
[AUGUST 2016 & FYTD](#)

8.b. UNC School of Government Course Updates
Email Migration Update

9. PLANNING/ZONING REPORT

10. VETERAN'S COMMITTEE REPORT

11. MAYOR'S REPORT

12. COUNCIL MEMBERS' REMARKS

(non-agenda items)

13. ADJOURNMENT

**Work Session - Minutes
Monday, August 1, 2016****COUNCIL PRESENT:**

Mayor Gordon
Mayor Pro Tem Mulhollem
Council Member Castleberry
Council Member Jackson
Council Member Vinson
Council Member Wilson

STAFF PRESENT:

C.L. Gobble, Administrative Consultant
Chip Hewett, Town Attorney
Kim P. Batten, Finance Manager/Town Clerk
Bob Clark, Planning/Zoning Administrator

COUNCIL ABSENT:**MEDIA PRESENT:****WELCOME/CALL TO ORDER:**

a) Mayor Gordon called the meeting to order at 6:33 p.m. in Archer Lodge Town Hall located at 14094 Buffalo Road, Clayton, NC and declared a quorum was present.

ORDER OF BUSINESS:

4 a) **Developing Park Reserve Fund requires
Budget Amendment (BA 2017 01)**

Ms. Batten, Finance Manager, explained that last month Council adopted an Ordinance to Create a Park Reserve Fund and the Budget Amendment (BA 2017 01) was needed to transfer the funds from the General Fund to the Park Reserve Fund. Having no further discussion, the budget amendment will be included in the Consent Agenda at the Regular meeting on August 8, 2016.

[BA 2017 01](#)

b) Johnston County EMS - Training Week

Mayor Gordon asked Council to refer to their packet regarding the Johnston County EMS Course and if any is available to attend, please let Ms. Batten know in advance in order for her to register those attending.

c) Custom Street Banners (Seasonal, Welcoming, etc)

Mayor Gordon began a discussion regarding Street Banners for the town. He noted that Council had previously mentioned in the past of getting banners and didn't know if Council was still interested in pursuing this idea further. Council Member Wilson added that banners would be nice but wanted to know if the power company would install on the poles and Mr. Gobble noted that a pole attachment agreement with Duke Energy would have to be in place to use their poles. Discussion followed. Mayor Gordon instructed Mr. Gobble and Ms. Batten to obtain more information about pricing and styles from a vendor and share with Council at a later time.

GENERAL UPDATES:

a) iCompass Update

Ms. Batten stated that iCompass is progressing and thanks to Andy Holland, the CivicWeb Portal is live on our website. She demonstrated with the laptop in Council Chambers on how to access this portal through the Town's website. She displayed some features with the CivicWeb portal. Also, Ms. Batten assisted Mayor, Council, Attorney and Staff with installing the application on their iPads, Tablets and Laptops once the Wi-Fi was established. Council was asked to bring mobile devices to all future meetings. Additional training would follow on using this new application.

b) ALCC Recreational Service Agreement & Lease Agreement for Soccer Field

Mayor began a discussion regarding renewing the contract with ALCC for recreational services and lease agreement for soccer field. Attorney added that he would update contract with an automatic annual renewal clause like in the animal control contract. Council Member Vinson inquired about liability insurance and Attorney noted that contract only states that both entities confirm coverage. No further discussion, both contracts will be under consent agenda at the August 8th meeting.

c) Town Council Rules & Procedures Policy

Mayor began a discussion to see if Council would like to create a Town Council Rules & Procedures Policy. Attorney mentioned that he had drafted several for other towns and sent a draft to Ms. Batten as a starting point for Council. Council Member Jackson and Mayor Pro Tem Mulhollem agreed that the policy would be good. All agreed to begin the process of drafting a policy.

d) Farmer's Market Closure

Mayor mention that the town received a letter from the Farmer's Market stating they were officially closed due to lack of interest. The letter noted that \$1500 remained and was donated to the FFA at Corinth Holders High School. Some discussion about grant money and tent purchases followed. Council was hopeful that closure would not be forever. Mr. Gobble noted that the metal sign had been retuned to town hall.

ADJOURNMENT:

a)

Having no further business, Mayor adjourned meeting at 7:29 p.m.

Michael A. Gordon, Mayor

Kim P. Batten, Town Clerk

BA 2017 01

Town of Archer Lodge
Budget Amendment
Fiscal Year Ending

June 30, 2017

Budget Amendment
Date

BA 2017 01
08-Aug-16

General Fund/Park Reserve Fund

Account	Account Number	Budget	Amendment	Amended Budget
Revenues:				
Fund Balance Appropriated	10-3990-0000	105,016.00	55,800.00	160,816.00
Transfer from General Fund	31-3900-3910	-	55,800.00	55,800.00
Total Increase (Decrease) in Revenues				
			<u>111,600.00</u>	
Expenditures:				
Transfer to Park Reserve Fund 31	10-9931-1000	102,065.00	55,800.00	157,865.00
Recreation Development	31-6120-5500	-	55,800.00	55,800.00
Total Increase (Decrease) in Expenditures				
			<u>\$ 111,600.00</u>	
			<u>\$ -</u>	

Justification for Budget Amendment:

To appropriate or reappropriate unanticipated revenues and expenditures

Adopted this 8th day of August 2016

ATTEST:

Michael A. Gordon, Mayor

Kim P. Batten, Town Clerk

R. Carlton Vinson, Budget Officer



DRAFT

**Regular Council - Minutes
Monday, August 8, 2016**

COUNCIL PRESENT:

Mayor Gordon
Mayor Pro Tem Mulhollem
Council Member Castleberry
Council Member Jackson
Council Member Vinson
Council Member Wilson

STAFF PRESENT:

C.L. Gobble, Administrative Consultant
Chip Hewett, Town Attorney
Kim P. Batten, Finance Manager/Town Clerk
Bob Clark, Planning/Zoning Administrator

COUNCIL ABSENT:

MEDIA PRESENT:

Drew Jackson - N&O

WELCOME/CALL TO ORDER:

a) Call to Order & Invocation

Mayor Gordon called the meeting to order at 6:33 p.m. in Archer Lodge Town Hall located at 14094 Buffalo Road, Clayton, NC and declared a quorum was present. Mayor Pro-Tem Mulhollem offered the invocation.

b) Pledge of Allegiance

Mayor Gordon led in the pledge of allegiance to the US Flag.

APPROVAL OF AGENDA:

a) No additions or changes noted.

Moved to Approve Agenda by Council Member Wilson, seconded by Council Member Jackson

Agenda Approved

CARRIED UNANIMOUSLY

OPEN FORUM/PUBLIC COMMENTS:

(Maximum of 30 minutes allowed, 3 minutes per person)

- a) No public comments.

- b) Ms. Batten made a public announcement to Archer Lodge citizens regarding the new CivicWeb portal that is available through the Town's website. Citizens can utilize this tool to access Town Council Agendas, Meetings, Calendars and other documents.

CONSENT AGENDA:

- a) **Approval of Minutes:**
Regular Council Minutes - 13 June 2016
Regular Council Minutes - 11 July 2016

- 7 b) **Approval of Budget Amendment BA 2017 01**
[BA 2017 01](#)

- 8 c) **Release Form for Ordinance# AL2016-06-2 (Ordinance relating to Model and Unmanned Aircraft on Town of Archer Lodge Property)**

[Release Assumption of Risk Form](#)

Moved to Approve Consent Agenda by Council Member Vinson, seconded by Mayor Pro Tem Mulhollem

Consent Agenda Approved

CARRIED UNANIMOUSLY

DISCUSSION AND POSSIBLE ACTION ITEMS:

- a) **Recreation Service Agreement with ALCC**

Mayor began the discussion regarding the Recreation Service Agreement. An item that had been mentioned in the past about the town contracting recreational services with Archer Lodge Community Center (ALCC) was concerns with their fee schedule. Mayor noted that ALCC had adjusted and published the rates for 2016 and did not want to change it during the year. However, Mayor mentioned that the board was not opposed to making adjustments in 2017 to rates that are charged to out-of-town participants versus rates charged to in-town participants. Mayor informed Council that ALCC manages their own fee schedule and the town can only make suggestions since the town only contracts with them.

Moved to Approve Recreation Service Agreement with ALCC as presented by Council Member Vinson, seconded by Mayor Pro Tem Mulhollem

Recreation Service Agreement with ALCC Approved

CARRIED UNANIMOUSLY

b) Lease Agreement with ALCC

Mayor noted that both the Recreation Service Agreement and the Lease Agreement with ALCC had one change to include an automatic renewal section. Attorney replied that both agreements may be terminated for any reason by either party upon a 60 days notice.

Moved to Approve Lease Agreement with ALCC as presented by Mayor Pro Tem Mulhollem, seconded by Council Member Jackson

Lease Agreement with ALCC Approved

CARRIED UNANIMOUSLY

c) UNC School of Government - Municipal Administration Course Offering 2016/2017

Mr. Gobble explained this Administration course and is offered to key town employees. Ms. Batten applied and has been accepted for admission. The cost of the course is approximately \$3,000. Council needs to authorize her to attend and provide funding. Mr. Gobble said he does not feel like we will need a budget amendment at this time and funding can either come from Training or Administration. Mr. Clark emphasized that this is a great opportunity for the town and the course is equivalent to a Master's Degree in Public Administration. He added that it's competitive to get accepted in the program. Mr. Gobble mentioned that attendees get to know key staff at the School of Government. In addition, Ms. Batten indicated that she is currently attending the Clerk Certification course at the School of Government and that would end in October. The Administration course begins in September and involves seven sessions ending in April 2017. Other items she mentioned to Council involved expenses for part-time assistance in her absence as well as travel related expenses and there were funds available in the budget. With no further discussion, Council Member Vinson recommended approval.

Moved to Approve Ms. Batten's attendance to UNC School of Government's Municipal Administration Course by Council Member Vinson, seconded by Mayor Pro Tem Mulhollem

Ms. Batten's attendance to UNC School of Government's Municipal Administration Course Approved

CARRIED UNANIMOUSLY

TOWN ATTORNEY'S REPORT:

a) No report.

ADMINISTRATIVE CONSULTANT'S REPORT:

a) Parking Lot Expansion Project

Mr. Gobble stated that he will be getting in touch with contractor to get an idea of their start date.

FINANCIAL/TOWN CLERK'S REPORT:

a) Financial Summary Ending 7/31/2016

Ms. Batten stated that the audit is ongoing. The July financial statement is not showing anything out of the ordinary and the ALCC's quarterly payment has been made.

b) VC3 Update

Ms. Batten indicated that everything is on track with VC3. All email addresses have been provided and are expected to go live on August 22nd with Office 365. Also, she noted that she will be having a conference call with VC3 this week and will get more details on this switch over.

PLANNING/ZONING REPORT:

- a)** Mr. Clark stated that 28 single family houses for fiscal year July 2015 through June 2016 were issued occupancy certificates for the town with an average of 3 people per household.
- b)** Also, Mr. Clark added that the Planning Board's Annual Conference is September 13-16 in Asheville, NC. Funds were budgeted for this conference. Bob Clark and Don Belk will be attending and he is waiting on responses from our town planning board members.
- c)** Mr. Clark stated that at the upcoming Planning Board meeting, they will discuss subdivision ordinance "draft" amendments; sign ordinance amendments; review nuisance abatement codes (junk cars, weeds, etc.) and the board's priorities for the future.
- d)** Mr. Clark mentioned that Angela Lee resigned and Animal Control is still handled through the Town of Clayton's Police Department. He concluded that during the month of July there were a low number of Animal Control calls.

VETERAN'S COMMITTEE REPORT:

a) Doug Long stated that the ALVM account total was \$30,166. The brick sales were \$16,620 and biscuit sales at \$14,134. The committee had developed a letterhead to be used for thank you letters and general correspondence. Mike Mulhollem and Mark Jackson will jointly handle the Treasurer position. They have established a bank account and still waiting on 501 (c)(3) status. At their August meeting, they will be discussing new fundraising ideas.

MAYOR'S REPORT:

a) **ALCC Ballfield Sign**

Mayor was concerned why the Town did not have a sign on the ball field as a supporter and the Community Center said they will get one ordered.

COUNCIL MEMBERS' REMARKS:

(non-agenda items)

a) Council Member Jackson stated that White Oak Baptist Church will be having the Teacher's Appreciation Dinner on August 22, 2016 at the Archer Lodge Community Center.

ADJOURNMENT:

a) No Further Business

Moved to Adjourn at 7:31 p.m. by Council Member Jackson, seconded by Council Member Vinson

Adjourn Meeting Approved

CARRIED UNANIMOUSLY

Michael A. Gordon, Mayor

Kim P. Batten, Town Clerk

BA 2017 02

Town of Archer Lodge
Budget Amendment
Fiscal Year Ending

June 30, 2017

Budget Amendment				BA 2017 02
Date				12-Sep-16
Fund	General Fund			
Account	Account Number	Budget	Amendment	Amended Budget
Revenues:				
Fund Balance Appropriated	10-3990-0000	160,816.00	30,057.00	190,873.00
Total Increase (Decrease) in Revenues				<u>30,057.00</u>
Expenditures:				
Training & Meetings (Admin)	10-4120-3110	3,500.00	5,000.00	8,500.00
Contracted Services-Administration	10-4120-3550	50,000.00	(5,000.00)	45,000.00
Veteran's Memorial	10-4190-5200	-	30,057.00	30,057.00
Total Increase (Decrease) in Expenditures				<u>\$ 30,057.00</u>
				<u>\$ -</u>

Justification for Budget Amendment:

To appropriate or reappropriate unanticipated revenues and expenditures:

- 1. Veteran's Memorial Committee pay-out to become independent of town**
- 2. Acceptance into Municipal Admin Course - UNC SOG**

Adopted this 12th day of September 2016

ATTEST:

Michael A. Gordon, Mayor

Kim P. Batten, Town Clerk

R. Carlton Vinson, Budget Officer

**RESOLUTION ADOPTING A CASH MANAGEMENT AND
INVESTMENT POLICY FOR THE TOWN OF ARCHER LODGE**

WHEREAS, it is the desire of the Archer Lodge Town Council to use all of public funds of the Town of Archer Lodge (hereafter the "Town") in a most efficient and effective manner;

WHEREAS, it is the responsibility of the Finance Officer and Finance Manager, who is appointed by and serves at the pleasure of the Archer Lodge Town Council, to supervise the investment of idle funds of the Town;

WHEREAS, First Citizens Bank, KS Bank, Inc. and NC Capital Management Trust (NCCMT) are currently authorized and approved to provide and do provide investment services to the Town;

WHEREAS, the Archer Lodge Town Council has found and determined that the first and foremost objective in the investment of public funds is the safety and preservation of principal; that the second important objective is the maintenance of sufficiently liquid investments to meet all operating requirements that may be reasonably anticipated; and the final objective is obtaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity requirements; and

WHEREAS, the Archer Lodge Town Council has found and determined that the aforesaid objectives and the sound, efficient and professional investment of public funds can be best achieved by the adoption of a written policy statement;

NOW, THEREFORE, BE IT RESOLVED, that the Archer Lodge Town Council hereby resolves and agrees that:

- Section 1. The Cash Management and Investment Policy, attached and made apart hereof, is hereby approved and adopted.
- Section 2. The Finance Officer and Finance Manager is hereby authorized and directed to review the qualifications of all financial institutions, depositories and broker-dealers providing investment services to the Town to determine compliance with the requirements of the Cash Management and Investment Policy.
- Section 3. All employees of the Town are hereby directed to implement the Cash Management and Investment Policy as adopted and the provisions of this resolution, and the willful or continued failure to do so is sufficient cause for immediate dismissal from employment with the Town.
- Section 4. This resolution shall take effect immediately upon its passage.

Adopted this 12th day of September 2016.

Michael A. Gordon, Mayor

ATTEST:

Kim P. Batten, Town Clerk

Town of Archer Lodge

Cash Management and Investment Policy

I. Governing Authority

Legality

The cash management and investment programs of the Town of Archer Lodge (hereafter the “Town”) shall be operated in conformance with federal, North Carolina, and other legal requirements, including provisions of the North Carolina General Statutes (hereafter “G.S.”) , specifically The Local Government Budget and Fiscal Control Act (the “LGBFCA”), primarily G.S. 159-30 – Investment of idle funds; G.S. 159-31 – Selection of depository, deposits to be secured; and G.S. 159-32 – Daily deposits; and the related statutes.

II. Scope

This policy applies to the management of cash and investment of all funds, excluding petty cash accounts.

III. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

a. Credit Risk

The Town will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in Section VII of this Investment Policy,
- Pre-qualifying the financial institutions, broker-dealers, intermediaries, and advisers with which the Town will do business in accordance with Section V, and
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

b. Interest Rate Risk

The Town will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- Investing operating funds primarily in shorter-term securities and deposits or The North Carolina Capital Management Trust and limiting the average

maturity of the portfolio in accordance with this policy (see section VIII).

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in a mutual fund for local government investment approved in accordance with G.S. 159-30(c) (8).

3. Yield

The cash management portfolio of the Town shall be designed with the objective of regularly meeting or exceeding a performance benchmark, which could be the average return on three-month U.S. Treasury bills, The North Carolina Capital Management Trust, or the average rate on Fed funds, whichever is higher. These indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

The primary objectives, in priority order, of the cash management activities shall be safety, liquidity, and yield:

1. Safety

Safety of principal is the foremost objective of the cash management program and, accordingly, the activities shall be undertaken in a manner that seeks to ensure the safety of funds on deposit and the preservation of capital.

2. Liquidity

The Finance Officer and Finance Manager shall prepare adequate forecasts of anticipated cash receipts and disbursements to permit the identification of the liquidity needs of the Town.

3. Yield

The cash management activities shall support the investment activities by maximizing the funds available for investment by assuring that amounts due to the Town are promptly collected, that funds received are properly accounted for and deposited daily in an official depository, and that disbursements are properly controlled.

IV. Standards of Care

1. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial and investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Town.

2. **Delegation of Authority**

Authority to manage cash and the investment program is granted to the Finance Officer and Finance Manager and derived from G.S. 159-30. The Finance Officer and Finance Manager shall act in accordance with established written procedures and internal controls for the management of cash and the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery versus payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral and depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer/Finance Manager. The Finance Officer and Finance Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

V. Authorized Financial Institutions, Depositories, and Broker-Dealers

1. **Authorized Financial Institutions, Depositories, and Broker-Dealers**

A list will be maintained of financial institutions and depositories authorized by resolution of the Mayor and Council pursuant to G.S. 159-31 to act as its official depositories and to provide banking services. In addition, a list will be maintained of security broker-dealers authorized by resolution of the Mayor and Council to provide investment services and selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

All financial institutions, depositories and broker-dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines,
- Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties),
- Proof of state registration,
- Completed broker-dealer questionnaire (not applicable to Certificate of Deposit counterparties),
- Certification of having read and understood and agreeing to comply with this investment policy of the Town, and
- Evidence of adequate insurance coverage.

An annual review of the financial condition and registration of all qualified financial institutions, depositories and broker-dealers will be conducted by the Finance Officer/Finance Manager.

VI. Safekeeping and Custody

1. **Delivery versus Payment**

All trades of marketable securities will be executed by delivery versus payment (“DVP”) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

2. Safekeeping

To reduce custodial credit risk or the risk that in the event of failure of a counterparty the unit will not be able to recover the value of collateral securities or then collateral securities in possession of a third party, securities will be held by an independent third-party custodian selected by the Town as evidenced by safekeeping receipts in the name of and for the benefit of the Town. The custodian shall be a trust department with an account with a Federal Reserve Bank and authorized to act as trustee in North Carolina. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards (SAS) No. 70 – Service Organizations).

Certificated securities are to be avoided where possible. Any certificated securities shall be registered in the name of the Town and held in the custody of the Finance Officer/Finance Manager.

3. Internal Controls

The Finance Officer and Finance Manager are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following points:

- Control of collusion,
- Separation of transaction authority from accounting and recordkeeping,
- Prompt reconciliation of accounts,
- Custodial safekeeping requirements,
- Avoidance of physical delivery securities,
- Clear delegation of authority to subordinate staff members,
- Proper training and supervision of subordinate staff members,
- Written confirmation of transactions for investments and wire transfers,
- Dual authorizations of wire transfers, and
- Development of a wire transfer agreement with the lead bank and third-party custodian.

Accordingly, the Finance Officer and Finance Manager shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or alternatively, compliance should be assured through the annual independent audit of the Town.

4. Deposit and Investment Risk

In establishing internal controls, consideration should be given to the risk and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 40 – “Deposit and Investment Risk Disclosures”.

VII. Suitable and Authorized Investments

1. Investment Types

Only the investments authorized by G.S. 159-30 will be permitted by this policy.

2. Collateralization

As required by G.S. 159-31 (b) - Selection of depository; deposits to be secured, full collateralization will be required on all funds on deposit or deposited at interest.

The Finance Officer and Finance Manager are to notify the depository at the time a new deposit account is opened or a certificate of deposit is purchased that the account is a public deposit account subject to the collateralization requirements.

3. Repurchase Agreements

Repurchase agreements shall be consistent with G.S. 159-30(c) (12).

VIII. Investment Parameters

1. Diversification

To reduce credit risk, the investments shall be diversified by:

- Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities), and
- Limiting investment in securities that have higher credit risks.

To reduce interest rate risk, the investments shall be diversified by:

- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as a mutual fund for local government investment certified by the Local Government Commission pursuant to G.S. 159-30(c)(8), currently The North Carolina Capital Management Trust.

2. Maximum Maturities

To the extent possible, the Town shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Town will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. The Town shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the Mayor and Council prior to the investment.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as The North Carolina Capital Management Trust or FDIC insured money market deposit accounts to ensure that appropriate liquidity is maintained to meet ongoing obligations.

IX. Reporting

1. Methods

The Finance Officer and/or Finance Manager shall prepare a monthly financial report and should be provided to the Mayor and Council.

2. Statutorily Required Reports

The Finance Officer and/or Finance Manager shall prepare and timely file the following reports:

- A “Notification of Public Deposit” on form COLL-91 (formerly INV-91) with each depository and provide a copy to the State Treasurer as of June 30 of each year;
- The semi-annual reports on form LGC 203 required to be filed with the Local Government Commission pursuant to G.S. 159-33 – Semiannual report on status of deposits and investments;
- The Annual Financial Information Report (“AFIR”) required to be filed with the Local Government Commission pursuant to G.S. 159-33.1 – Semiannual report of financial information; and
- Such other reports from time to time, may be required.

2. Performance Standards

The cash management portfolio of the Town shall be designed with the objective of regularly meeting or exceeding a selected performance benchmark, selected from the average return on three-month U.S. Treasury bills, The North Carolina Capital Management Trust or the average rate of Fed funds. These indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio’s rate of return.

3. Marking to Market

The market value of the portfolio shall be obtained from an independent source monthly and a statement of the market value of the portfolio shall be issued monthly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed.

In defining market value, consideration should be given to the requirements of Governmental Accounting Standards Board (GASB) Statement No. 31 – ***“Accounting and Financial Reporting for Certain Investments and for External Investment Pools”*** as amended.

X. Policy Considerations

1. Exemption

Any investment not in compliance with G.S. 159-30 shall be sold in accordance with the provisions of G.S. 159-33.

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

2. Review

This policy may be reviewed on an annual basis. Any changes must be approved by the Finance Officer, Finance Manager and any other appropriate authority, as well as the individuals charged with maintaining internal controls.

XI. Approval and Amendment of Cash Management and Investment Policy

The cash management and investment policy and any amendments shall be formally approved and adopted by resolution of the Mayor and Council of the Town.

XII. List of Attachments

The following documents are attached to this policy:

- G.S. 159-30 – Investment of idle funds,
- G.S. 159-31 – Selection of depository; deposits to be secured,
- G.S. 159-33 – Semiannual report on status of deposits and investments,
- G.S. 159-33.1 – Semiannual report of financial information

XIII. Other Documentation

Current versions of the following documents shall be maintained and available for inspection and reference:

- NC Department of State Treasurer - Financial Operations Division publication, **“Collateralization of Public Deposits in North Carolina”**
- NC Department of State Treasurer, Policy Statement 30 – Cash and Investments,

Policy adopted by AL2016-09-12 Resolution dated: September 12, 2016

Town of Archer Lodge
Budget Amendment - Schedule of Fees & Penalties
Fiscal Year Ending June 30, 2017

Budget Amendment BA 2017 03
Date 12-Sep-16

Justification for Budget Amendment - Schedule of Fees & Penalties

The Town of Archer Lodge Schedule of Fees & Penalties for Fiscal Year 2016/2017 were adopted with the Budget Ordinance on June 13, 2016 and is being amended to include a Planning/Zoning Open Space Fee for Fee-in-Lieu of Recreation for Subdivisions Outside Town Limits upon Petition for Annexation.

Cover Page of the Schedule of Fees & Penalties and Page 2 accompany this Amendment Page.

Adopted this 12th day of September 2016

ATTEST:

Michael A. Gordon, Mayor

Kim P. Batten, Town Clerk

R. Carlton Vinson, Budget Officer

TOWN OF ARCHER LODGE

SCHEDULE OF FEES & PENALTIES



FISCAL YEAR 2016/2017

PLANNING & ZONING

Rezoning Fees	
Less than 3 Acres	\$ 375.00
3.01-6.00 Acres	\$ 625.00
6.01 + Acres	\$ 1,250.00 + \$ 20.00/acre
Land Use	
Special Use Permits/Conditional Use Permits	\$ 250.00
Zoning Permit -- Single-Family Residential construction & manufactured home	\$ 65.00
Zoning Compliance/Zoning Certification Letter	\$ 20.00
Zoning Permit — Accessory Structures and residential additions	\$ 20.00
Zoning Permit for a Home Occupation	\$ 65.00
Non-Residential Fees	
Construction Value Less Than \$50,000	\$ 125.00
\$50,001 - \$100,000	\$ 250.00
\$100,001 - \$150,000	\$ 500.00
\$150,001 +	1/2 of 1% of construction cost with a maximum of \$ 2,500.00 (\$ 750.00 min)
Subdivision Review	
1-4 lots (minor)	\$ 250.00 + \$ 5.00/lot
Family Exception-Exemption (private road certification/disclosure) 5-10 lots	\$ 250.00 + \$ 5.00/lot
5+ Lots (Major)	\$ 1,000.00 + \$ 20.00/lot
Open Space	
Fee-in-Lieu of Recreation (Subdivision inside Town Limits)	\$ 1,000.00/lot
Fee-in-Lieu of Recreation (Subdivision outside Town Limits upon Petition for Annexation)	\$ 400.00/lot (Equivalent to Johnston County)
Exempt Subdivision Review	
Creation of Lots for Heirs/Estate Map (Exempt Certification)	\$ 65.00
Recombination (Exempt Certification)	\$ 65.00



**TOWN OF ARCHER LODGE
FINANCIAL SUMMARY REPORT
FOR MONTH ENDING
AUGUST 31, 2016**

GENERAL FUND				
REVENUES	BUDGET	MONTH ACTIVITY	ACTUAL TO DATE	Y-T-D % COLLECTED
AD-VALOREM TAXES	537,224.00	683.09	683.09	0.13%
SALES TAXES	106,010.00	0.00	0.00	0.00%
FRANCHISE TAXES	148,500.00	0.00	0.00	0.00%
BEER & WINE TAXES/JO CO ABC DIST	41,000.00	0.00	0.00	0.00%
PERMITS AND FEES	5,850.00	440.00	1,155.00	19.74%
FEE IN LIEU OF RECREATION	25,000.00	0.00	0.00	0.00%
PEG CHANNEL SUPPORT	55,600.00	0.00	0.00	0.00%
MISCELLANEOUS REVENUES	7,825.00	15.00	1,883.74	24.07%
INVESTMENT EARNINGS	3,600.00	317.73	635.27	17.65%
FUND BALANCE APPROPRIATION	160,816.00	0.00	0.00	0.00%
	1,091,425.00	1,455.82	4,357.10	0.40%
EXPENDITURES	BUDGET	MONTH ACTIVITY	ACTUAL TO DATE	Y-T-D % SPENT
GOVERNING BODY	37,355.00	413.01	7,968.01	21.33%
ADMINISTRATION	200,227.00	20,979.72	37,714.94	18.84%
JO CO TAX COLLECTION FEES	13,900.00	17.06	17.06	0.12%
LEGAL	19,500.00	618.75	618.75	3.17%
PROPERTY TAXES	130.00	0.00	0.00	0.00%
PUBLIC BUILDINGS	69,996.00	2,491.86	33,859.43	48.37%
PEG MEDIA PARTNERS	55,600.00	0.00	0.00	0.00%
PUBLIC SAFETY	238,000.00	312.03	312.03	0.13%
TRANSPORTATION-PUBLIC WORKS	46,884.00	478.80	957.60	2.04%
PLANNING & ZONING	92,130.00	9,319.98	15,508.80	16.83%
CULTURAL & RECREATION	64,000.00	0.00	13,750.00	21.48%
DEBT SERVICES	45,838.00	0.00	0.00	0.00%
TRANSFER TO CAP RESERVE	50,000.00	0.00	0.00	0.00%
TRANSFER TO PARK RESERVE	157,865.00	55,800.00	55,800.00	35.35%
	1,091,425.00	90,431.21	166,506.62	15.26%
Y-T-D GENERAL FUND INCREASE (DECREASE)		(88,975.39)	(162,149.52)	

D. Miller Balliet

FINANCE MANAGER