

Town of Mount Olive
June 29, 2022
Special Called Board Meeting
Via Zoom
Minutes

Mayor Kenneth Talton called the meeting to order at 2:00 P.M. Those in attendance per roll call of Mayor Kenneth Talton were Mayor Pro-Tempore Steve Wiggins, Commissioner Vicky Darden, Commissioner Tommy Brown, Commissioner Barbara Kornegay, Commissioner Delreese Simmons, Town Manager Jammie Royall, Town Clerk/Administrative Assistant Sherry Davis and Town Attorney Carroll Turner.

Mayor Kenneth Talton welcomed everyone to the meeting.

Mayor Tempore Steve Wiggins delivered our invocation and Commissioner Tommy Brown led us in the Pledge of Allegiance.

Mayor Kenneth Talton read the Conflict of Interest Statement; there were no conflicts.

Mayor Kenneth Talton requested a motion to approve the published agenda. Mayor Pro-Tempore Steve Wiggins made the motion. Commissioner Tommy Brown seconded and the motion passed 5-0.

Mayor Kenneth Talton then discussed Action Memo – 06-56 – Consider Adoption of Budget Ordinance Amendments Numbers 44, 45, 46 & 47. He turned this over to Finance Director Geoffrey Merritt. He advised Budget Ordinance Amendments 44 & 45 affected our leases through Enterprise. The Town of Mount Olive must adhere to GASB87 rule of standards. We have to count these items as if they are loans.

BUDGET ORDINANCE AMENDMENT #44

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Budget Amendment for GASB 87 Auto Leases

A. Revenue

Other Financing Sources	10-3680-0000	\$330,000.00
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B. Expenditure

Capital Outlay – Equipment	10-4150-7600	64,000.00
Capital Outlay – Equipment	10-4510-7401	27,500.00
Capital Outlay – Equipment	10-4700-7700	27,500.00
Capital Outlay – Equipment	10-5100-7400	211,000.00

Section II. Explanation

1. The Town of Mount Olive leases vehicles from Enterprise Fleet Management. There were a total ten vehicles placed in service in the current fiscal year. These leases are capital leases which are required to be accounted for under GASB 87. GASB 87 is required to be implemented in the current fiscal year ending 06/30/2022. The total lease obligation must be recorded in the year the vehicle goes into service.

BUDGET ORDINANCE AMENDMENT #45

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Budget Amendment for GASB 87 Auto Leases in Water & Sewer Fund

A. Revenue

Other Financing Sources	30-3680-0000	\$ 27,500.00
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B. Expenditure

Capital Outlay – Equipment	30-8210-7600	27,500.00
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Section II. Explanation

1. The Town of Mount Olive leases vehicles from Enterprise Fleet Management. There were a total ten vehicles placed in service in the current fiscal year. These leases are capital leases which are required to be accounted for under GASB 87. GASB 87 is required to be

implemented in the current fiscal year ending 06/30/2022. The total lease obligation must be recorded in the year the vehicle goes into service.

Finance Director Geoffrey Merritt stated Budget Ordinance Amendment # 46 is some credit card bills for the current fiscal year that we will not receive the bill for until after July 1, 2022. This amendment is to avoid any department running over budget.

BUDGET ORDINANCE AMENDMENT #46

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Budget Amendment General Fund Additional Revenues

A. Revenue

Ad Valorem Current Year	10-3010-2100	\$ 5,000.00
Local Option Sales Tax	10-3450-0000	35,000.00

B. Expenditure

Contingency	10-4200-9900	5,000.00
Fleet Management	10-4510-1900	5,000.00
Gas Expense	10-4510-3101	5,000.00
Contingency	10-4510-9900	10,000.00
Contingency	10-4700-9900	5,000.00
Contingency	10-5300-8500	5,000.00
Contingency	10-6200-9600	5,000.00

Section II. Explanation

1. The Town of Mount Olive received additional Ad Valorem and Local Option Sales Tax Funds in excess of budgeted amounts. These line items have been adjusted and offsetting expenses for contingencies at the end of the year.

Finance Director Geoffrey Merritt discussed Budget Ordinance Amendment #47. This is related to the water-sewer fund and is for contingency in three departments. He stated legally you can move monies within departments but not across departments.

BUDGET ORDINANCE AMENDMENT #47

BE IT ORDAINED by the Board of Commissioners of the Town of Mount Olive, North Carolina, that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2022:

Section I. Budget Amendment Water & Sewer Fund Contingency

A. Revenue

B. Expenditure

Capital Reserve	30-8250-0600	(\$70,000.00)
Salaries & Wages	30-8100-0200	10,000.00
Department Supplies	30-8100-3300	10,000.00
Contingency	30-8100-9900	10,000.00
Insurance	30-6600-5400	20,000.00
Contingency	30-8110-9900	10,000.00
Contingency	30-8210-9900	10,000.00

Section II. Explanation

1. This budget amendment reclassifies capital reserve money to individual departments in the Water & Sewer fund in order to have enough budget in each department for the year- end.

Commissioner Barbara Kornegay thanked Finance Director Geoffrey Merritt. Mayor Kenneth Talton asked if there were any questions and requested a motion to adopt Budget Ordinance Amendments 44, 45, 46 & 47. Commissioner Barbara Kornegay made the motion to adopt. Mayor Pro-Tempore Steve Wiggins seconded and the motion passed 5-0.

Prior to adjournment of the meeting the Board briefly discussed several issues such as the Fleet Maintenance Program, Employee Raises, Inflation and Transparency. No action was taken.

There being no further business Commissioner Barbara Kornegay made a motion to adjourn. Commissioner Vicky Darden seconded and the motion passed 5-0.

Our next regular meeting is scheduled for Tuesday, July 12, 2022 at 7:00 P.M. in the board meeting room.

Respectfully Submitted,

Kenneth K. Talton
Mayor

Sherry Davis
Administrative Assistant/Town Clerk