

TOWN OF BISCOE
BOARD OF COMMISSIONERS MEETING
February 12, 2018

The Town of Biscoe Board of Commissioners met in a regular session on February 12, 2018 at 7:00 pm in the Municipal Building. Present were: Mayor Jimmy Blake, Mayor Pro-Tem Jerry Smith, Commissioners Gene Anderson, Kay Cagle Kinch, and John Beard. Town Manager Brandon Holland and Town Clerk Laura Morton were present.

(James E. Cagle, Jr. "Jimmy" Cagle's seat is vacant due to his death on December 30, 2017)

Call to Order/Pledge of Allegiance

Mayor Blake called the meeting to order at 7:00 pm. The Pledge to the American Flag was recited and a moment of silence was observed a Moment of Silence.

Consent Agenda

A motion was made by Mayor Pro-tem Smith, seconded by Commissioner Kinch, and so the motion carried unanimously to approve the consent agenda items.

- a) Approval of December 2017 Meeting Minutes
- b) January 2018 Monthly Financial Report
- c) Approval of January 2018 Meeting Minutes
- d) February 2018 Monthly Financial Report

Early Voting Site Approval Request

A motion was made by Mayor Pro-tem Smith, seconded by Commissioner Kinch, and so the motion carried to approve the Town Hall as an Early Voting Site.

Black History Month Proclamation

A motion was made by Commissioner Beard, seconded by Commissioner Kinch, and so the motion carried unanimously to approve the following Black History Month Proclamation:

Proclamation
Designating February as Black History Month

WHEREAS, the 2018 theme for National Black History Month is "African Americans in Times of War" honoring those brave men and women who served their countries in the armed forces, especially those who made the ultimate sacrifice while defending the American ideals of freedom and democracy.

WHEREAS, Black History Month is the observance of a special period to recognize and honor the determination and commitment of generations of African Americans in pursuing the promises of America; and

WHEREAS, it was initiated in 1926 by Dr. Carter G. Woodson as Negro History Week; and

WHEREAS, since 1976 it has been celebrated the entire month of February; and

WHEREAS, African American leaders such as Sojourner Truth, Phyllis Wheatley, Harriet Tubman, Ida B. Wells, Rosa Parks, Shirley Chisholm, Booker T. Washington, Martin Luther King, Jr. and Leon Sullivan

caused America to examine its heart and to respect the dignity and equality of all people, regardless of race; and

WHEREAS, African Americans have made significant contributions as leaders at the highest levels of the military, business, education, law, government, the arts, sports, and religion;

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Council of the Town of Biscoe, North Carolina, do hereby proclaim the month of February as Black History Month and urge all citizens of our community to give full regard to the past and continuing service of African Americans in our city, our state and our nation.

This 12th day of February, 2018.

Girl Scouts of America Proclamation

A motion was made by Commissioner Beard, seconded by Commissioner Kinch, and so the motion carried unanimously to approve the following Girl Scout Proclamation:

**Proclamation
DESIGNATING GIRL SCOUTS HORNETS' NEST
COUNCIL NATIONAL COOKIE WEEKEND**

WHEREAS, Girl Scouts offers the best leadership development experience for girls in the world by building girls of courage, confidence and character who make the world a better place.; and

WHEREAS, The Girl Scouts Hornets' Nest Council serves 17,000 girls and adults in eight North Carolina and South Carolina counties including Montgomery, Anson, Cabarrus, Mecklenburg, Rowan, Stanly, Union and York; and

WHEREAS, The Girl Scouts Hornets' Nest Council is designed to teach young female entrepreneurs essential business skills during cookie season and all year including goal setting, decision making, money management, people skills and business ethics that help shape their future as leaders; and

WHEREAS, The Girl Scouts Hornets' Nest Council's National Girl Scout Cookie Weekend is a time to bring awareness to the important work of the organization, the lessons it teaches the girls and also to encourage Biscoe residents to purchase the tasty treats loved by generations.

NOW, THEREFORE, I, James E. Blake, Mayor of Biscoe, do hereby proclaim Feb. 23-25, 2018, as

"GIRL SCOUTS HORNETS' NEST COUNCIL NATIONAL COOKIE WEEKEND"
in Biscoe and commend its observance to all citizens.

WITNESS MY HAND and the official Seal of the City of Biscoe. This 12th day of February, 2018.

Budget Amendment Request

Budget Amendments (Playground Equipment and General Budget Amendments)

A motion was made by Commissioner Anderson, seconded by Commissioner Beard, and so the motion carried unanimously to approve the following Girl Scout Proclamation:

AMENDMENT TO THE BUDGET ORDINANCE
General Fund Budget Amendment 02122018

BE IT ORDAINED by the Governing Board of the Town of Biscoe, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2018:

Section 1: To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct No.</u>	<u>Account</u>	<u>Decrease</u>	<u>Increase</u>
10-4120-183	Group Insurance (Admin)		\$ 15,100.00
10-4120-189	Supplemental Retirement (Admin)		\$ 3,400.00
10-4120-194	Economic Development Grant for Signs (Admin)		\$ 50,000.00
10-4120-311	Travel/Training/Meetings (Admin)		\$ 12,000.00
10-4120-450	Insurance/Bonding (Admin)		\$ 3,600.00
10-4120-498	Elections (Admin)		\$ 800.00
10-4500-550	Capital Outlay (Streets)		\$ 2,500.00
10-6120-352	Maintenance/Repair Equipment(Parks & Rec)		\$ 4,000.00
10-6120-430	Senior Program (Parks & Rec)		\$ 6,000.00
10-6120-550	Capital Outlay (Parks & Rec – Playground Equipment)		\$ 43,000.00
	Total		<u>\$140,400.00</u>

This will result in an increase of \$140,400.00 in the appropriations of the General Fund. This is budgeting for Family Insurance that is a monthly payroll deduction (1,596.96 x 12), supplemental retirement match, to budget for Economic Grant (Wayfinding Signs) received, travel/training/meeting line items, increase the insurance line item, elections line item, capital outlay, maintenance/repair equipment, the senior program and capital outlay.

Section 2: To amend the General Fund, the estimated revenues are to be changed as follows:

<u>Acct No.</u>	<u>Account</u>	<u>Decrease</u>	<u>Increase</u>
10-3991-000	Fund Balance Appropriated (Central Depository)		\$ 47,400.00
10-3994-000	Economic Development Grant for Signs (Central Depository)		\$ 50,000.00
10-3431-920	Fund Balance NCCMT General Fund		\$ 43,000.00
	Total		<u>\$ 140,400.00</u>

We are therefore recommending that the current year’s budget revenue of the General Fund be amended as indicated, increasing the budget revenues by \$140,400.00.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the Governing Board, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 12th day of February 2018.

Before the motion carried the Board discussed whether to keep the older playground equipment. It was decided the Board would make the final decision after checking for safety.

Fiscal Year 2018-2019 Audit Request for Proposals (RFP)

A motion was made by Mayor Pro-tem Smith, seconded by Commissioner Beard, and so the motion carried unanimously to approve the following Audit Request for Proposals:

The Town Council of the Town of Biscoe (hereinafter called the "Town") invites qualified independent auditors (hereinafter called "auditor") having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the Town of Biscoe to reimburse firms for any expenses incurred in preparing proposals in response to this request.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the Town of Biscoe. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Montgomery County, North Carolina.

Type of Audit

The audit will encompass a financial and compliance examination of the unit's Comprehensive Annual Financial Report (CAFR). The Town would like to submit its second CAFR if possible for review purposes. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; *Government Auditing Standards*, July 2011 revisions; the Single Audit Act of 1984; the Single Audit Act Amendments of 1996; the provisions of OMB Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including revisions published in *Federal Register* June 27, 2003 and June 26, 2007; the State Single Audit Implementation Act; and all other applicable laws and regulations.

Period

The Town intends to continue the relationship with the auditor for no less than three years on the basis of annual negotiation after the completion of the first year contract. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. The Town of Biscoe reserves the right to request proposals at any time following the first year of this contract. Thus, prepare proposals for the following years, with Year one being the only obligated year:

- July 1, 2017 to June 30, 2018
- July 1, 2018 to June 30, 2019
- July 1, 2019 to June 30, 2020

Requirements

The audit must be conducted in accordance with generally accepted auditing standards; *Government Auditing Standards*, July 2011 revisions issued by the Comptroller General of the United States; Office of Management and Budget Circular No.A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, ;including revisions published in *Federal Register* June 27, 2003 and June 26, 2007; the State Single Audit Implementation Act of 1996, and any other applicable procedures for the audit of a government's financial statements prepared in accordance with GAAP.

The Auditor will prepare year-end adjusting journal entries. The auditor will be ultimately responsible for the preparation, typing, proofing, printing, and copying of the Basic Financial Statement, supplementary information and compliance reports, conversion from fund to government-wide statements, and Working Statement of Net Position.

The Town of Biscoe Town Manager and Finance Officer will be actively involved in the MD&A, and other schedules section preparation. The auditor will submit a draft of the Financial Statement to be reviewed in detail by the Town Manager and Finance Officer. This draft should be submitted to the Town of Biscoe in time to allow ample review and corrections. The timing of this should insure final completion of the Financial Statements no later than the annual October 31st deadline.

The Town of Biscoe prefers interim fieldwork be completed in early June. Year-end fieldwork should begin in late August or early September and be completed by September 21st. An agreed upon post-closing trial balance must exist by October 5th. The Finance Officer will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

The audit must be completed and reports rendered four months following the fiscal year end (October 31). A preliminary draft of the audit and required journal entries must be submitted to the Finance Director by October 12 for proofing and reconciliation to the unit's records.

Twenty copies of each audit report, management letter, and other applicable reports must be supplied to the Finance Director within the time frame cited above. In addition, the auditor is responsible for submitting the required two to the staff of the Local Government Commission (LGC). Any other copies required will be charged on an as needed basis in addition to the quoted fee.

The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, the financial statements of the aggregate discretely presented component units, each major fund, and the remaining fund information, which collectively constitutes the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basis financial statements taken as a whole. The auditor shall also express an opinion on the budgetary comparison information for the general fund, the major funds, and any annually budgeted special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the audit report.

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Audit Contract & Payment of Audit Fees

The audit contract must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC staff and the appropriate Grantor Agency, if applicable, prior to processing by the Town of Biscoe. If grant funds will be used to pay for the audit, the grant agreement may require the Grantor Agency's approval before the invoice may be paid. Interim or progress billings will be accepted up to 75% of the total fee prior to submission of the audited financial statements to the staff of the Local Government Commission and their approval of the audited financial statements.

Other Services

The auditor will prepare, type, and print the audited financial statements (or Comprehensive Annual Financial Report – if applicable). The auditor will submit a draft for review by the Finance Director and

Assistant Finance Director. The Finance Director will return the draft with proposed revisions within 10 working days.

- a. Capital asset records which have not been audited previously;
- b. Assistance to management's efforts to obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting;
- c. Auditor will prepare and submit all online REAC reports required by HUD for the Department of Public Housing within the HUD prescribed timeframe.
- d. Auditor will prepare the Annual Financial Information Report required to be filed with the staff of the Local Government Commission.
- e. Calculation of the Debt Service Coverage Ratio as required by certain revenue bond covenants.
- f. Assistance with calculation of Pension Liability.

Description of Selection Process

(Two) copies of each section of the proposal should be submitted at the time and place indicated under the section entitled "Time Schedule for Awarding Contract."

Proposals will be submitted in two sections. The first section will be comprised of the audit firm's prior experience and qualifications of its personnel in performing governmental audits. The audit committee (or Finance Office staff) will evaluate the auditor/firm on educational and technical qualifications. The top five firms from the first section will have their second section opened and evaluated. The firm best meeting the Town of Biscoe expectations for experience, audit approach, and cost requirements will be selected.

PLEASE KEEP IN MIND THAT COST, WHILE AN IMPORTANT FACTOR WILL NOT BE A SOLE DETERMINING FACTOR. UNUSUALLY LOW BIDS THAT ARE OBVIOUSLY OUT OF LINE WITH OTHER BIDDERS OR ARE SIGNIFICANTLY LOWER THAN OUR CURRENT FEES WILL RAISE CONCERN. THE LOWEST BID WILL NOT AUTOMATICALLY BE AWARDED PREFERENTIAL CONSIDERATION.

The Town of Biscoe requests that no Town of Biscoe officials be contacted during this process. The Finance Officer may be contacted only to clarify questions concerning the RFP.

The Town reserves the right to reject any or all bids, waive technicalities, and to be the sole judge of suitability of the services for its intended use and further specifically reserve the right to make the award in the best interest of the Town of Biscoe.

Failure to respond to any requirements outlined in the RFP, or failure to enclose copies of the required documents, may disqualify the bid.

First Section

The first section should address the requested information below. The corresponding responses should begin with the number below for the requested information.

1. Indicate the number of people (by level) located within the local office that will handle the audit.
2. Provide a list of the local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each. Responsive firms should include any relevant information regarding audits performed on financial statements prepared under the new reporting model.

3. Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
4. Describe your audit organization's participation in AICPA-sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.
5. Describe the professional experience in governmental audits of each senior and higher level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site. Again, relevant experience with the new reporting model should be clearly communicated.
6. Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.
7. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., utilities, solid waste, transit, airports, or health authorities and school systems).
8. Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.
9. Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference.
10. Describe the office's experience in preparing governmental financial statements and in providing assistance in obtaining the GFOA's Certificate of Achievement. List those municipalities for whom you currently prepare or have prepared a CAFR, and those who received the Certificate of Achievement during your tenure as auditor. Comment on your ability to assist Town personnel in submitting their CAFR.
11. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2011 Revision. Provide a copy of the firm's Statement of Policy and Procedures.
12. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
13. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
14. Please list your experience relating to HUD audits and REAC reporting.

Second Section

Proposals should include completed cost estimate sheets and any other necessary cost information in a *separate, sealed* envelope marked – "Cost Estimate." The Town plans to evaluate the qualifications of all firms submitting proposals before considering the Cost Estimate. This second section should consist of completed cost estimate sheets, which will include the following information:

1. Type of audit program used (tailor-made, standard government, or standard commercial).
2. Use of statistical sampling.
3. Use of computer audit specialists.
4. Organization of the audit team and the approximate percentage of time spent on the audit by each member.
5. Information that will be contained in the management letter.
6. Assistance expected from the government's staff, if other than outlined in the RFP.
7. Tentative schedule for completing the audit within the specified deadlines of the RFP.
8. Specify costs using the format below for the audit year July 1, 2017 to June 30, 2018. For the two audit years, which follow, list the estimated costs. The cost for the audit year ending June 30, 2018 is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a "not-to-exceed" amount.
 - A. Personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
 - 1) Estimated hours – categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor's office.
 - 2) Rate per hour.
 - B. Total cost for each category of personnel and for all personnel costs in total.
 - C. Travel – itemize transportation and other travel costs separately.
 - D. Cost of supplies and materials – itemize.
 - E. Other costs – completely identify and itemize.
 - F. If applicable, note your method of determining increases in audit costs on a year to year basis
10. Please list any other information the firm may wish to provide.
11. Please include the Summary of Audit Costs Sheet with your proposal.

Time Schedule for Awarding the Contract

If you are interest in receiving a proposal package, please let us know your intent to respond with a proposal by *March 2, 2018*. Request for proposal packages will be mailed by *March 16, 2018*.

Proposals signed by authorized officials can be submitted to Laura B. Morton, Town Clerk/Finance Officer PO Box 1228 Biscoe, NC 27209 until *March 16, 2018 at 10:00 a.m.* Envelopes containing proposals should be clearly identified on the front with the words "RESPONSE TO RFP FOR AUDIT SERVICES". The Finance Office will review the proposals and make a recommendation to the Town Council on *April 9, 2018* at which time the contract will be awarded.

Description of the Governmental Entity and Its Accounting System

Entity

Town of Biscoe is a Town in North Carolina with a population of approximately 1,700. The Town operates a Water/Sewer Project.

Funds

The Town of Biscoe maintains the following funds:

Governmental Funds

- General Fund
- Powell Bill Fund
- Capital Reserve Fund
- Leo Separation Trust Fund

Proprietary Fund

- Water Sewer Fund

Budgeted revenues, excluding project amounts, were estimated at \$2,661,495 in FY 2016/2017. In addition, outstanding debt totaled \$140,542.22 as of June 30, 2017. The Town is not rated for bonds.

Budgets

The unit budgets all funds on the modified accrual basis of accounting as required by North Carolina law. Appropriations are made at the departmental level; the budget is adopted at the Town Council level by ordinance.

Accounting Records

The Town of Biscoe maintains all its accounting records at the finance office located at 110 West Main Street, Biscoe, NC 27209. The Town maintains its cash receipts journal, cash disbursements journal, general ledger, and accounts receivable ledger on the Southern Software's Financial Management Software.

Assistance Available to Auditor

The unit will make available to the auditor sufficient help to pull and re-file records, and prepare and mail all necessary confirmations. A trial balance with budgeted amounts will be made available via Excel (or hard copy, e-mail, etc.) by August 31, 2018. The following accounting procedures will be completed and documents prepared by the unit's staff no later than *August 31, 2018*.

The books of account will be fully balanced.

All subsidiary ledgers will be reconciled to control accounts.

All bank account reconciliations for each month will be completed.

The Town's personnel will prepare the following items:

General

1. Working Balance Sheet for each fund.
2. Working Statement of Revenues, Expenditures, and Transfers for each fund.
3. General Ledger transaction detail report for each account.
4. A copy of the original budget, all amendments, and the final budget as of June 30, 2018.
5. A copy of all project ordinances and all amendments for active projects during the audit period.
6. A copy of the operating and capital lease schedules itemizing contracts in force during the audit period as well as access to the lease files maintained in the Finance office.
7. A copy of board policies.
8. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), unit letters, faxes regarding the audited financial statements and compliance reports for the previous year.
9. Management's Discussion and Analysis
10. Required supplementary information, e.g. actuarial information of the Law Enforcement Officers' Separation Allowance and OPEB

Cash and Investments

1. All bank reconciliations for each month
2. List of outstanding checks by account, showing check number, date, and amount.
3. Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year-end.

Receivables

1. Listing of unpaid tax bills in detail totaled by year as of fiscal year end as provided by the County.
2. Listing of outstanding Enterprise Fund accounts receivables by account as of the fiscal year end.
3. Schedule of miscellaneous receivables booked as of the fiscal year end.

Other Assets

1. Schedule of insurance coverage.

Capital Assets

1. Printout of all capital asset acquisitions made during the audit year.
2. Printout of all capital asset dispositions made during the audit year.
3. Access to printout containing calculations used in balancing the Capital Assets subsystem to the government-wide statements.
4. Printout of depreciation expense posted for the audit year.

Current Liabilities

1. Schedule of accounts payable including batch printouts.

Long-Term Debt

1. Computation of vested vacation payable as of the audit date.
2. Debt Schedule for each debt issue and related payments.

Grants

The following will be compiled for each grant:

1. Grant agreement.
2. Budget.
3. All financial reports.
4. Correspondence with the grantor agency, including monitoring reports.
5. CFDA # and/or pass-through grant #.

Auditor will complete with assistance from Finance

1. Reconciliation of fund and government-wide statements

Size and Complexity of Unit

Personnel/Payroll

Number of employees	19 Full Time	27 Part Time
Frequency of payroll		monthly
Number of payroll direct deposit advises	19 Full Time	27 Part Time

Property Tax (disclose if collected by another agency)

Number of tax bills issued (without motor vehicles)	0 (issued by County)
Number of motor vehicle tax bills issued	0 (issued by County)
Total dollar amount of most recent year's collections	\$439,685.12 at 12/31/17
Total dollar amount of levy	\$669,780.00 at 12/31/17

(Name of enterprise fund) Billing

Public Utilities: Number of statements each month	910
Average number of delinquent accounts at month end	100
Average number of cut-offs	12

Bank Accounts

Number of bank accounts	17
Average monthly activity in main accounts	
Number of deposits (Central Depository)	(approx. 5-10 total)
Number of deposits (Central Investments)	once daily plus daily credit card collections (approx. 70)
Number of checks:	
Central Depository (checks)	150
Payroll (direct deposit)	25-48

Management Information Systems:

Number of PCs on the premises	Approximately 25
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The following financial applications are on the computer system:

- General Ledger
- Accounts Payable
- Miscellaneous Accts Receivable
- Grants/Project Accounting
- Human Resources

- Payroll
- Capital Assets
- Payment Central/Accounts Receivable
- Taxes Receivable (We do not have detail, only the dollars as the County does our billing)
- Public Utilities (Water Sewer)

Special Conditions

Does the unit collect taxes for others? NO

Does the unit perform fiscal or accounting functions for others? No.

Contact information:

Name: Laura B. Morton
 Title: Town Clerk/Finance Director

Address: Town of Biscoe
 110 West Main Street
 PO Box 1228
 Biscoe, NC 27209

Phone: 910-428-4112

Fax: 910-428-3975

Email: laura.morton@townofbiscoe.com

SUMMARY OF AUDIT COSTS SHEET

1. Base Audit	Includes Personnel costs, travel, and on-site work	\$ _____
2. Financial Statement Preparation		\$ _____
3. CAFR Preparation		\$ _____
4. AFIR Preparation		\$ _____
5. Extra Audit Service	\$ _____ per hour	\$ _____
6. Other (explain)		\$ _____
<hr/>		
5. Other (explain)		\$ _____
<hr/>		
TOTAL		\$ _____

Ellerbe Telephone Utility Easement Contract (10 year agreement with a 5 Year Renewal)

A motion was made by Mayor Pro-tem Smith, seconded by Commissioner Kinch, and so the motion carried unanimously to approve the following Utility Easement Contract with Ellerbe Telephone:

Drafted by: Alden B. Webb/ks
Kitchin Neal Webb Webb & Futrell, P.A.

NORTH CAROLINA)
)
MONTGOMERY COUNTY) **UTILITY EASEMENT**
)
_____)

This **Utility Easement** is given this December 18, 2017, between **Town of Biscoe**, a North Carolina municipal corporation (*Grantor*), and **Ellerbe Telephone Company**, a North Carolina corporation (*Grantee*).

WITNESSETH:

Grantee desires to furnish certain telecommunication and internet services to Grantor and, in order to do so, needs to install certain equipment on one of Grantor’s water towers. Grantor desires to receive such services and has agreed to grant an easement to Grantee for the installation, repair and maintenance of such equipment.

Now, therefore, for and in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby convey, transfer, and set over unto Grantee and its successors and assigns, an exclusive easement for the installation, repair and maintenance of equipment on and over the following described property:

- A. Atop the water tank on its tower located at 110 West Main Street in Biscoe, N.C. Together with the right to run cables along the entire length of the tank and its support structure.

Together with the right of egress, ingress and regress, over and across the real property on which such water tank is located for the installation, repair and maintenance of Grantee’s equipment.

The terms and conditions of this easement are as follows:

The term of this easement shall be for ten (10) years, commencing on January 1, 2018. Provided Grantee is not in default under any of the terms hereof. Grantee shall have the right to extend the term of this easement for two additional terms of five (5) years each by giving written notice to Grantor at least sixty (60) days prior to the expiration of the then current term.

As consideration for said easement, Grantee shall furnish to Grantor, the following internet services at no cost to Grantor during the term of this easement or any extension thereof:

- Town Hall - 15 x 5 internet connection
(which includes Police Dept. and Fire Dept.)
- Pool/Park - 3 x 1 internet connection
(221 Mill Street, Biscoe, NC)

At the end of the term of this easement or any extension thereof, Grantee shall remove its equipment from the property of Grantor.

Grantee shall indemnify Grantor and hold it harmless for damage to Grantor's tank arising from or as a result of Grantee's equipment or any work performed on said equipment. Grantee shall indemnify Grantor and hold Grantor harmless from and against any and all liability for damages to property or injury or death to persons arising out of Grantee's equipment or any work performed on said equipment.

Grantor warrants to Grantee that it is the owner of the water tank on which Grantee's equipment will be installed and the owner of the land upon which it sits. Grantor has the right to grant this easement without the consent or joinder of any other party.

Any notice required to be given hereunder shall be by certified mail return receipt requested and addressed as follows:

Town of Biscoe
110 West Main Street
Biscoe, NC 27209

Ellerbe Telephone Company
PO Box 220
Ellerbe, NC 28338

TO HAVE AND TO HOLD said Easement unto Grantee and its successors and assigns subject to the terms and conditions herein set forth.

IN WITNESS WHEREOF, the parties have hereunto executed this Easement on the day and year first above written.

Region 8 Clerk's Conference Hosted by the Town of Biscoe

Town Clerk Laura Morton announced that Biscoe would be hosting the Regional 8 Clerk's Conference on April 20, 2018. The event will be held at the Biscoe Community Center. Approximately 40 clerks are expected. She invited the Board to stop by and welcome the Clerks.

Manager Report

Budget and Preparations for the Spring

Manager Holland said he had been meeting with staff regarding the Upcoming Budget and Preparations for the Spring.

Economic Development Meeting

Manager Holland said the Economic Development Workshop was a success and the report would be presented at the March meeting.

Mayor's Minutes

Mayor Blake presented the following:

Met with 2 gentlemen from the railroad Re: Railroad signals on Hwy 24/27

Met with First Health Representatives Re: Occupational Health awareness

Met with Mickey Maness, architect Re: Gazebo

Marched with the Police Department for Martin Luther King, Jr. Day

Met with county mayors, Jim Matheny, Jackie Morris, Matthew Woodward, Re: County's future

Attended conference at UNC School of Government for 2 days with Commissioner Kay Kinch

Attended 2-day workshop for Economic Development at Town Hall. 3 providers were present, including Darren Rhodes state coordinator
Met with Billy Myrick Re: Conditions on Hyde St.
Met with Sam and Alex Re: Park playground equipment
Went with Jackie Morris to Kernersville to attend COG Executive Meeting

Gazebo

The Mayor said he had been working on the plans for a gazebo to be built at the main stoplight. He said it is being donated by different businesses in the town. The only cost to the Town will be future maintenance.

A motion was made by Mayor Pro-tem Smith, seconded by Commissioner Beard, and so the motion carried unanimously to approve the construction of the gazebo.

Commissioner Comments

Commissioner Anderson said that he definitely wants to keep the old playground equipment if it is safe.

Commissioner Kinch asked if No Littering Signs could be posted throughout Town because there are areas that look bad because of litter.

Public Forum

No one spoke during the public forum.

Adjournment

There being no further business to bring before the Board, Commissioner Beard made the motion to adjourn, and Mayor Pro Tem Smith made the second. All voted in favor. Meeting adjourned at 7:45 p.m.