



**Minutes of the Burlington
City Council Meeting**
425 S. Lexington Avenue, Burlington, NC
7:00pm - Tuesday, January 21, 2020

The City Council of the City of Burlington held a regularly scheduled meeting in the Council Chamber, Municipal Building, 425 South Lexington Avenue, Burlington, NC, 27215, on January 21, 2020 at 7:00p.m.

Mayor Ian Baltutis presided.

Council Members Present:

Mayor Ian Baltutis
Mayor Pro Tem Kathy Hykes
Council Member Robert Ward
Council Member James Butler
Council Member Harold Owen

Staff Present:

City Manager Hardin Watkins
City Attorney David Huffman
Interim City Clerk Beverly Smith

Council Members Absent: None

CALL TO ORDER: Mayor Ian Baltutis

INVOCATION: Council Member Harold Owen

Mayor Baltutis recognized Cub Scouts in attendance for the PAWS for Action Program and thanked them for attending the City Council Meeting.

REPORT: Auditor's Report FY 2018-2019– Stout, Stuart, McGowen & King, LLP

Mayor Baltutis announced City Council will receive the Auditor's Report for FY 2018-2019.

Director of Finance and Risk Management Peggy Reece introduced Patricia Rhodes and Tom McGowen of the firm, Stout, Stuart, McGowen & King, LLP.

Patricia Rhodes stated this report to Council is an opportunity to discuss the audit report for the City of Burlington for year ending June 30, 2019 and expressed appreciation to work for the City Council. Ms. Rhodes stated this report was submitted to the Local Government Commission to review which is required by all governmental units annually. She stated this report was prepared in the prescribed format of the governmental accounting standards board. She stated the Comprehensive Annual Financial Report (CAFR) for June 30, 2019, was prepared by the City of Burlington Finance staff. She explained the sections of the CAFR that were actually prepared by Stout, Stuart, McGowen & King, LLP, are the audit opinion letter, the compliance section report on internal control over financial reporting, the report on compliance for each major federal program and the report on compliance for each major state program.

Ms. Rhodes reported the Certificate of Achievement for Excellence in Financial Reporting has been received by the City for June 30, 2018, and this marks the twentieth consecutive year that this award has been received by the City which is a great accomplishment due to all the recent reporting changes for pension and other post-employment benefits. She stated the opinion rendered by the auditors on the financial statements is an unmodified opinion, which is the best and cleanest opinion that can be received.

Ms. Rhodes provided an overview of the management’s discussion and analysis, which is an excellent overall summary of their report including financial highlights, financial analysis and economic factors, and budget highlights for 2020. She pointed out some new schedules that appear in this report that were not in last years report are the capital projects schedules of revenues, expenditures and changes in fund balance for the Dentzel Carousel Restoration Project fund and the North Park Pool Project fund. She reported the overall city-wide tax collection rate for the 2018 taxes was 98.66% which is an excellent collection rate.

Ms. Rhodes reported on the compliance section which provides a list of grant monies expended during the year. She stated as part of their audit process, internal controls are considered, and found no material weakness or significant deficiency. She explained if something had come to their attention, it would have been reported to Council in a separate letter. She summarized the letter from the auditor’s which communicates performance and it states they did not encounter any difficulties with management while performing the audit, nor were there any disagreements with management over any accounting, reporting or auditing matters. She explained they continue to work with Finance staff on the implementation of any new governmental accounting standard board statements that are issued and the effects they may have on future financial reporting for the City of Burlington.

With no questions or comments from Council, Ms. Rhodes expressed appreciation to City Manager Hardin Watkins, Peggy Reece and City staff for their assistance during the audit, as well as thanked Council for allowing them to be the independent audit firm for the City.

Council Member Owen commented he would like City staff at some point in time to provide a history of where we are with capital reserves, especially in General Fund starting with Fire Station #6 and what’s been the process since then and where we are now to give us a review in terms of looking forward to other projects City Council will have to make decisions on.

City Manager Watkins responded staff will do so.

CODE OF ETHICS DISCLOSING CONFLICTS OF INTEREST: Interim City Clerk, Beverly Smith
There were no conflicts reported.

ADOPTION OF AGENDA

Upon a motion by Council Member Owen, seconded by Council Member Butler, it was resolved unanimously to adopt the agenda.

CONSENT AGENDA:

- A.** To approve Budget Amendment 2020-19 for Animal Services to use donations received between July 1, 2019 and December 31, 2019, to fund the medical care of animals.

Budget Amendment 2020-19

Increase Revenues:

01004503 30104	Donations – Animal Shelter	\$ 18,435
----------------	----------------------------	-----------

Increase Expenditures:

01052503 43319	Medical Supplies	18,435
----------------	------------------	--------

- B.** To approve Budget Amendment 2020-20 for Burlington Police Department to use funds received from insurance proceeds to acquire a pre-owned sprinter van for the Evidence Unit.

Budget Amendment 2020-20

Increase Revenues:

01008000 30556	Insurance Refund	\$ 16,226
----------------	------------------	-----------

Increase Expenditures:

01051511 47410	Vehicles	\$ 15,926
01048500 45400	Insurance Bonds	300

Upon a motion by Council Member Ward, seconded by Mayor Pro Tem Hykes, it was resolved unanimously to approve the foregoing consent agenda.

NEW BUSINESS:

ITEM 1: Wastewater Agreement Amendments – Town of Elon and Town of Gibsonville

Mayor Baltutis announced City Council will consider approving amendments to wastewater agreements between the City of Burlington and the Town of Elon and Town of Gibsonville to allow the Town of Elon to accept flow from the Town of Gibsonville at additional connection points including the Travis Creek Pump Station.

Water Resources Director Bob Patterson presented proposed amendments to the wastewater agreements between the City of Burlington and the Town of Elon and the Town of Gibsonville. He reported in November of 2019, the Town of Elon and the Town of Gibsonville established a new annexation line that runs along Gibsonville-Ossipee Road which has resulted in modifications of the two municipalities extraterritorial jurisdictions. He explained with the said annexation agreement, both towns operate using the Travis Creek Wastewater Pump Station, the Travis Creek Wastewater Force Main and portions of the Travis Creek Sewer Outfall are now on the Town of Elon’s side of the annexation agreement. He reported as part of the agreement the Town of Elon will purchase the pump station and force main from Gibsonville and take over ownership and maintenance of that operation. He noted the City’s agreements do not allow other municipalities to serve other municipalities without the City of Burlington’s permission. He explained these modifications allows them to do so. He stated there is no change in the volume of flow or the infrastructure, simply a change in the billing procedures and ownership of the pump station.

Upon a motion by Mayor Pro Tem Hykes, seconded by Council Member Ward, it was resolved unanimously to approve the modifications to the wastewater agreements between the City of Burlington, Town of Elon and Town of Gibsonville.

PUBLIC COMMENT PERIOD

There were no public comments.

CITY COUNCIL COMMENTS

Mayor Baltutis recognized City Manager Watkins to provide a brief update on Minor League Baseball (MiLB).

City Manager Hardin Watkins mentioned City Council has been made aware and informed of Major League Baseball's proposal eliminating forty-two teams in the minor league which does not affect the 2020 season but would affect the agreement between minor league baseball and major league baseball for the 2021 season. He recapped the occurrences since last fall reporting a national effort of one hundred members of congress signed a letter to the commissioner of baseball, including support from Representative Walker, Representative Budd, and Representative Price. He reported the next action steps, included discussion at the winter baseball meetings in December of 2019 between the negotiating between both sides. He explained there is currently an effort to seek Resolutions with the House and Senate and staff will bring a local Resolution to City Council at the February City Council Meeting for consideration.

City Manager Watkins explained the importance of thousands of jobs around the country, preserving the legacy and influence of something throughout the history of minor league baseball that goes back for decades, and obviously appealing to us is its affordable family friendly entertainment. He reported more than 41,000,000 fans attended MiLB games with an average attendance of over 40,000,000, growing by 2.6% while major league dropped by 1.6%, with communities across the nation having spent \$911.5 million since 2003 improving facilities housing MiLB teams. He mentioned the conditions of facilities is evaluated every five years and provide you a list of what needs to be improved. He reported locally, the City invested about \$1.3 million in the total upgrades to the Burlington Athletic Stadium for fan facing elements. He shared the Royals have told the City that we have the second-best infield in the entire Kansas City Royals system, the best one being Kauffman Stadium in Kansas City with number two being right here. He explained the City is investing in a \$300 million upgrade to the outfield this year, which will bring the outfield up to the same standards as the infield. He expressed there will be a concerted effort Over the next couple of weeks to reach out to members of congress here and across the country. He reported there are national stories circulating about this with the Associated Press recently contacting the City of Burlington.

Mayor Baltutis announced the following upcoming events:

- Expressed gratitude for the support of the Burlington Alamance Sister Cities 8th year hosting students.
- E-Waste event at Public Works on February 1, 2020 – Drop off electronics e-waste for free at 234 Summit Avenue from 9:00am-2pm.
- Public Transportation Advisory Committee and the Burlington Housing Authority is seeking volunteers to serve.
- Adoption Specials at the Burlington Animal Services - \$20 for a cat or dog until January 25, 2020.
- The City of Burlington will celebrate its 127th anniversary on February 14, 2020.
- Census2020 is seeking help for the upcoming census count with paid opportunities to help the community and guide the nation in how we steer the community going forward.

ADJOURN

Upon a motion by Council Member Ward, it was resolved unanimously to adjourn at 7:22pm

Beverly D. Smith

Beverly D. Smith, Interim City Clerk