**MINUTES OF MIDWAY TOWN COUNCIL REGULAR MEETING HELD ON FEBRUARY 3, 2014 AT 7:00 P.M. IN THE MEETING ROOM AT THE MIDWAY FIRE AND RESCUE BUILDING, 228 MIDWAY SCHOOL ROAD, MIDWAY, NORTH CAROLINA**

## CALL TO ORDER
Mayor Norman Wilkes called the meeting to order and welcomed everyone present.

Councilor John Byrum gave the invocation and led in the Pledge of Allegiance prior to the opening gavel.

Councilors present were: Mike McAlpine, John Byrum, Keith Leonard, Robin Moon, and Todd Nifong. Absent: None. Town Manager Ryan Ross, Town Attorney Jim Lanik, and Town Clerk Linda Hunt were present.

Each Councilor had been furnished an agenda prior to the meeting.

No members of press were in attendance.

## APPROVAL OF MINUTES
On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor John Byrum, Council voted unanimously to approve the minutes of the December 30, 2013 Town Council regular meeting as presented.

On motion by Councilor John Byrum, seconded by Councilor Keith Leonard, Council voted unanimously to approve the minutes of the January 6, 2014 Town Council regular meeting as presented.

## PUBLIC ADDRESS
There were none.

## ADOPT AGENDA
On motion by Councilor Nifong, seconded by Councilor Moon, Council voted unanimously to adopt the agenda as presented.

## OPENING REMARKS BY MAYOR
Mayor Norman Wilkes announced that, weather permitting, the small "Town of Midway" signs are ready to be installed on the gates of the fence that runs along the Town's property on Gumtree Road.

## REGULAR BUSINESS

## AUDIT REPORT – FOR YEAR ENDED JUNE 30, 2013 – EDDIE CARRICK, CPA, PC
Mr. Eddie Carrick of Eddie Carrick, CPA, PC presented the Town's Audit Report for fiscal year ended June 30, 2013, stating that the Town received an unmodified opinion (i.e. "clean opinion").

The following is a brief overview of the highlights of the audit report (pages 3-9):

**Financial Highlights**
- The assets of the Town of Midway exceeded its liabilities and deferred inflows of resource at the close of the fiscal year by $4,166,658 (*net position*).
- The government's total net position increased by $481,041 due to increases in the governmental type activities net position.

- As of the close of the current fiscal year, the Town of Midway's governmental funds reported combined ending fund balances of $3,291,179 with a net decrease of $265,546 in fund balance.   Approximately 4 percent of this total amount, or $133,379, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $3,157,800, or 214 percent of the total General Fund expenditures for the fiscal year.
- The debt for the Town decreased by $147,984 due to principal payments of $150,000 and an increase in accrued vacation of $2,016.

The Town of Midway adopts an annual budget for its General Fund as required by the General Statutes.  The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them.  It also authorizes the Town to obtain funds from identified sources to finance these current period activities.  The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted.

A conservative spending approach by management influenced the total unrestricted governmental net position.

**General Fund Budgetary Highlights**
During the fiscal year, the Town revised the budget.  Generally, budget amendments fall into one of two categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Amendments to the General Fund budget did not increase the overall budget but shifted funds as follows:
- Increased general governmental expenditures by $472,000
- Decreased reserves by $472,000

**Capital Asset and Debt Administration**

**Capital Assets.**  The Town of Midway's investment in capital assets for its governmental activities as of June 30, 2013, totaled $1,529,439 (net of accumulated depreciation).  These assets include signage, a safe and sewer construction.

Major capital asset transactions during the year included the following additions:
- Sewer construction                    $  86,486
- Land                                          513,133

**Outstanding Debt.**  The Town of Midway's total debt decreased by a net of $147,984 during the past fiscal year.

**Economic Factors and Next Year's Budgets and Rates**
The Town of Midway is mostly residential with no significant business activity; therefore, economic factors do not have a critical impact on the growth and prosperity of the Town.

A full and complete copy of the Audit Report for the Town of Midway for Fiscal Year Ended June 30, 2013 is on file at Town Hall for public inspection.

## TOWN MANAGER'S REPORTS

## HIGH MAST LIGHTING – INTERCHANGE OF US HIGHWAY 52 AT HICKORY TREE ROAD
Town Manager Ryan Ross reported that at their last meeting, the Davidson County Board of Commissioners voted unanimously to support the Town of Midway's Resolution requesting funds from State of North Carolina for Hi-Mast Lighting at the Interchange of US Highway 52 at Hickory Tree Road. The document has been signed and mailed to State Senator Stan Bingham.

Currently there is no lighting at the ramps from US Highway 52 to Hickory Tree Road and the area is extremely dark at night making it difficult to see the interchange.

For information only.

## SET DATE FOR TOWN COUNCIL WORKSHOP
It was the consensus of Council that the workshop be held on Saturday, March 1, 2014.  Time and location to be determined.

## ADJOURNMENT
On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Nifong, Council voted unanimously to adjourn the meeting.


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           Norman L. Wilkes, Mayor


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Linda A. Hunt, Town Clerk