

**YANCEYVILLE TOWN COUNCIL
MEETING MINUTES
Tuesday February 6th, 2024**

6:00pm

The meeting of the Town Council was held in the Yanceyville Town Council Museum of Art at the Yanceyville Municipal Services Building located at 158 East Church Street, Yanceyville, NC and streamed through the Webex platform on Tuesday, February 6th, 2024, at 6:00pm.

Council Members present: Mayor- Alvin Foster, Mayor Pro Tem- Darrell McLean, Kenneth Darnell, Brian Massey, and Keith Tatum

Staff present in person: Kamara Barnett-Town Manager/Clerk, Miranda Harrelson- Deputy Clerk, Lee Farmer- Town Attorney, Kathryn Hinton-Administrative Assistant, and Elvis Strader, Public Works- Maintenance Supervisor

Item 1: Call to Order

Mayor Alvin Foster called the Town Council Meeting to order at 6:02 pm. The meeting opened with a prayer. He asked all to stand for the pledge of allegiance. Mayor Foster also stated that the Yanceyville Town Council rules and procedures reflect the revisions of the North Carolina open meeting law of the North Carolina General Statutes, a copy of the Yanceyville Town Council rules and procedures are available upon request. Yanceyville Town Council also has rules and procedures for electronic meetings that reflect the revisions of the North Carolina open meeting law of the North Carolina General Statutes, a copy of the Yanceyville Town Council rules and procedures are available upon request.

Item 2: Review of Agenda – Mayor

Mayor Foster asked Town Council to review the Agenda. After a brief review, Mayor Foster added Item: 12a. Caswell County Republican Party request to use Yanceyville Municipal Services Building and Item: 12b. Resolution Re- Authorizing the Levy and Deferment of an authorized 3% Room Occupancy Tax under New Business. He asked are there any additions or deletions to the agenda at this time.

Item 3: Consent Agenda

a.) Minutes from January 11th, 2024, Town Council Meeting.

Mayor Foster asked Town Council to review the Consent Agenda. After a short review, Councilman Tatum made a motion to adopt the Consent Agenda as presented. The motion was seconded by Mayor Pro Tem McLean and passed with a unanimous vote.

Item 4: Public Comment

Mayor Foster asked if we have anyone signed up for public comment, and if you please come to the podium and state your name and address for the record as your name is called.

Mr. Matthew Fair, 53 W. Main St, Yanceyville, NC stated that that at the last meeting I talked about the order of business, and I do appreciate you listening to me and trying to adjust the agenda. I do have, however, some additional comments regarding the rules of meeting procedures Rule # 4 the Town Manager shall prepare an agenda for each meeting. The items need to be on Agenda seven working days before the meeting. Town Council does have the ability to amend this at the beginning of the meeting and Mr. Mayor you did that. He added that the Town Council needs to determine in good faith that those new items need are essential to be acted on in the meeting otherwise it needs to be 7 days before. All Town Council members need to be present, and it needs to be a unanimous vote under (Open meetings) Part C . He further noted that you are not allowed to take action on items that are discussed the, order of business (comments on Agenda section) open meeting laws for the State of North Carolina. Mr. Fair thanked Town Council for their time.

Mrs. Vicki Hasting read aloud; my name is Vicki Hastings. I reside at 336 W. Main St Yanceyville, NC. Mrs. Hastings stated “I want to share with you today that my husband and I recently received an interesting solicitation in the mail. This direct mail piece was from a New York investor that is seeking to purchase land in Yanceyville. While we immediately threw it in the trash, its context was quite thought provoking. This simple piece of mail made me reflect on Yanceyville’s unique opportunities to attract investors and developers who may find our town as an affordable opportunity. As you are well aware, the excitement of the Danville expansion and the resurrection of the Ceasar Casino is going to bring both opportunities and challenges to our small town. I am quite certain that the piece of junk mail I recently received will not be the last I see in the coming months. I am certain they will become more frequent and perhaps more persuasive. While this is an exciting time, with future opportunities and expansion on the horizon, it does not come without its test to our town mission and vision. It is stated on our Town’s website that . “This mission of the Town of Yanceyville is to provide its citizens and visitors a clean safe, hometown atmosphere that anyone would be proud to call home. Yanceyville will strive to prepare and build for the future, while at the same time maintaining and preserving our deep-rooted heritage that has been and important part of this community for over two-hundred years.”

As leaders of the Town of Yanceyville, and now more than ever, I urge you to continue to strive to prepare and build for the future but do not forget to exercise your due diligence when new opportunities arise.”

By this I mean 1) I challenge you all to familiarize yourselves with the town codes, ordinances and procedures and be prepared to showcase your knowledge and expertise when opportunity comes knocking at your door.

2) I empower you all to negotiate to, and above, our standards and not allow others to compromise our integrity.

3) I challenge you to stand up to those that want to take short cuts and who will consciously work against our expectations or regulations.

4) I empower you all to do the right thing even when it is not the popular resolution or stance.

5) I challenge you to now set precedent by bending the rules because it may affect our future outcomes.

6) And lastly, as a member of this great community, I have an expectation that you all will vow to enforce these ordinances when necessary; even when it is uncomfortable. To sum this all up, I guess what I am saying is that I want to gently remind the members of the town council, and all those that serve this town, to take a stance in following its rules, enforcing them, and taking ownership and pride in doing so. Thank you for the opportunity to speak this evening.”

Mrs. Julia Fair, 53 W. Main St. Yanceyville, NC thanked Town Council for the opportunity to speak. She noted that Town Council would be voting to fill the Planning Board Member vacancy on tonight. She stated that she would like for Town Council to consider Mr. Matthew Hoagland for the position. Mrs. Fair indicated that Mr. Hoagland is high qualified and knowledgeable for the position. She mentioned that in her opinion he is the most qualified. She noted that he has been a diligent member of this community and has been trying to be a part of it for a very long time he has put himself out there in order to better this community in a lot of different ways. Mrs. Fair stated that as part of this community, I want the best people to be serving on our committees within our government. She thanked Town Council for their time.

Mayor Foster thanked the Public for their comments.

Item 5: Audit Report for Fiscal Year 2023: Becky Loy- Cobb Ezekiel Loy & Company, P.A. and Joey Purgason- Stout, Stuart, McGowen & King LLP

Mayor Foster introduced Becky Loy, Cobb Ezekiel Loy & Company P.A to Town Council to review and discuss the Town’s audit financial reports for Fiscal Year 2023. Mrs. Loy thanked Town Council for allowing her to present information to them. Mrs. Loy stated that she would like to provide Town Council a summary of the report, and then answer any questions that Town Council may have. After giving a summary, Mrs. Loy informed Town Council that the Town received an un-modified opinion, which is the best and cleanest opinion that can be received. The procedures, policies, and the way that data is collected supports the information that you are getting in your financial statements. Mrs. Loy stated that there are a lot of numbers and combination of numbers and you as a Town Council want to have confidence that the numbers are correct, and that is what the audit is designed to do. Mrs. Loy asked Town Council to turn to page eleven the Government Wide Financial Analysis Report. She explained that the net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of the Town of Yanceyville exceeded liabilities and deferred inflows \$15, 905,683 as of June 30, 2023. The Town’s net position increased by \$469,829. However, the largest portion (69.55%) reflects the Town’s net investment in capital assets (e.g., Land, buildings, machinery, and equipment). The Town uses these capital assets to provide services to citizens, these assets are not available for future spending. Although the Town’s net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources,

since the capital assets cannot be used to liquidate these liabilities, an additional portion of the Town's net position, \$1,976,079 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$2,866,778 is unrestricted.

Mrs. Loy explained that she had no problems or disagreements with Town Management while performing the audit, but there were concerns. She indicated the following.

Segregation of Duties:

Criteria: The assignment of responsibilities should be segregated so that one person is not responsible for the authorization and recording of a transaction and the custody of the related asset. There needs to be a reconciliation or control activity to provide reasonable assurance that transactions are handled appropriately.

Condition: Key duties and functions are not segregated among Town personnel. This is especially a concern in the cash management, account receivable, purchasing, and payroll functions.

Effect: Transaction could be mishandled, due to errors or fraud that could lead to loss of assets or the reporting of misleading financial information.

Cause: There are a limited number of personnel for certain functions.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2022-01.

Recommendation: The duties should be separated as much as possible, by possibly training and utilizing non-financial personnel and utilizing alternative controls. The governing board should provide some of these controls.

Contractual Violation:

Criteria: The Bond Order required debt service coverage to be no less than 110% G.S 159-28(a)

Condition: The debt service coverage is (12%)

Effect: The Town is out of compliance with the Bond

Cause: The water and sewer revenues were less than the expenditures due to receiving less revenue than expected.

Recommendation: The Town of Yanceyville needs to charge for a sufficient amount of water and sewer services to cover the required debt service payments.

Account Reconciliation:

Criteria: In accordance with the Generally Accepted Accounting Principles the purpose of account reconciliations is to provide accuracy and consistency in financial accounts. To ensure all cash outlays and inlays match cash flow statements and income statements it is necessary to carry out reconciliation of accounts.

Condition: in reviewing cash account balances the Town's main checking account was not properly reconciled to the general ledger balance. We were not able to trace any of the outstanding deposits and were only able to trace one of the 35 outstanding checks to subsequent bank statements or the detailed General Leger. The detailed general ledger also does not contain the level of detail needed to trace these items.

Effect: The Town did provide a reconciled cash balance as for fiscal year end; however, we were not able to track of the outstanding items on the reconciliation to subsequent bank statement of the detailed general ledger, this resulted in concerns regarding account of reconciliation.

Cause: The contract accountant is working with an old system that has limitations regarding the bank reconciliation process. The Town’s Contract CPA firm was also unable to trace outstanding items to the detailed general ledger subsequent bank statements.

Recommendation: Cash accounts should be accurately reconciled on a timely basis and agreed to the General Leger.

Ms. Loy thanked Town Council for allowing her company to be the auditors for the Town. Mrs. Loy thanked Town Council and Town Staff for their assistance during the audit. Mayor Foster thanked Mrs. Loy for her work.

Item 6: Water and Wastewater Treatment Facilities Update: Matthew Malone, Regional Manager Inframark –

Mayor Foster introduced Mr. Matthew Malone, Reginal Manager, Inframark. Mr. Malone presented the monthly update as follows:

Yanceyville Water Treatment Plant:

No violations were recorded for the month.

Had no excursions for TOC or DBPs for the entire year. No longer required to send Quarterly Reports to state.

Collected weekly samples from the distribution system to check water quality.

Yanceyville Wastewater Treatment Plant:

No Violations were recorded for the month.

Working on training new Maintenance tech to operate Wastewater facility.

Underwood still has a mixer offsite waiting on parts to make the repairs needed to return to service.

Mayor Foster thanked Mr. Malone for presenting a detailed report.

Item 7: Consideration of Budget Amendment II for Fiscal Year ending June 30th, 2024: Harmon Crutchfield- HECrutchfield & Associates, Financial Consultant

Mayor Foster introduced Mr. Harmon Crutchfield to Town Council. Mr. Crutchfield presented the Budget Amendment II for FY 23-24.

BE IT ORDAINED by the Yanceyville Town Council that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2024:

Section 1. To amend the General Fund, the appropriations change as follows:

	<u>Decrease</u>	<u>Increase</u>
General Government	\$0.00	\$25,000.00
Fire Department		\$ 5,250.00

This will result in a net increase of \$30,250.00 in the appropriations of the General Fund Budget.

Section 2. To amend the General Fund, the revenues change as follows:

	<u>Decrease</u>	<u>Increase</u>
Other Revenue	\$0.00	\$30,250.00

This will result in a net increase of \$30,250 in revenues from the General Fund Budget.

Section 3. To amend the Water and Sewer Fund, the appropriations change as follows:

	<u>Decrease</u>	<u>Increase</u>
Operating	\$0.00	\$169,868.00

This will result in a net increase of \$169,868.00 in the appropriations of the Water and Sewer Fund Budget.

Section 4. To amend the Water and Sewer Fund, the revenues change as follows:

	<u>Decrease</u>	<u>Increase</u>
ARP Funds (adding to ordinance)	\$0.00	\$169,868.00

This will result in a net increase of \$169,868.00 in revenues from the Water and Sewer Fund Budget.

Section 6.1. To amend the Special Revenue Fund, the appropriations change as follows:

	<u>Decrease</u>	<u>Increase</u>
Operating	\$169,868.00	\$ 0.00

This will result in a net decrease of \$169,868.00 in the appropriations of the Special Revenue Fund Budget.

Section 6.2 To amend the Special Revenue Fund, the revenues change as follows:

	<u>Decrease</u>	<u>Increase</u>
ARP Funds	\$169,868.00	\$0.00

This will result in a net decrease of \$169,868.00 in the revenues of the Special Revenue Fund Budget.

Mayor Foster asked Town Council for a motion. After a brief review, Councilman Massey made a motion to adopt Budget Amendment II for Fiscal Year ending June 30th, 2024. The motion was seconded by Councilman Tatum and passed with a unanimous vote. (*attached*)

Item 8: Consideration and Appointment of Yanceyville Planning Board Member

Mayor Foster mentioned that a Planning Board Ballot sheet was included in the agenda packets. He noted that all ballots were submitted to and tallied by Deputy Town Clerk Harrelson. He indicated that it was a unanimous vote for Mrs. Jennica Lawson to fill the vacancy on the Yanceyville Planning Board.

Mayor Foster asked Town Council for a motion. Councilman Tatum made a motion to appoint Mrs. Jennica Lawson to the Yanceyville Planning Board term ending December 31, 2025. The motion was seconded by Mayor Pro Tem McLean and passed with a unanimous vote.

Item 9: Town Attorney Report- Lee Farmer

Town Attorney Farmer noted that he had two items, just informational. He indicated that it's been over 20 year since the Town had a political limits (boundaries) map completed. He added that the Secretary of State's Office had contacted him regarding the update. Town Attorney

Farmer noted that in the upcoming Budget Year we need to have a new map of the Town's limits which will update all the recent annexations.

Town Attorney Farmer indicated that we may need to call a Special Meeting before the March Town Council meeting to address the Delinquent Tax issue the County and the Town. He noted that he would be in touch with Town Manager Barnett concerning the meeting.

Item 10: Town Manager Report- Kamara Barnett

Town Manager Barnett provided several announcements, updates and reminders to Town Council as follows:

She noted that on Thursday, February 15th, 2024, at 6pm, Joint Council Meeting with Caswell County Board of Commissioners, Milton Town Commissioners, and Yanceyville Town Council will be hosted / held here at the Municipal Services Building.

She also mentioned to Councilmembers the upcoming City Vision conference held by the North Carolina League of Municipalities on April 23rd -25th, 2024 in Winston Salem. All interested please contact Deputy Town Clerk Harrelson to register for the event.

Town Manager Barnett noted that the Yanceyville roster with the North Carolina League of Municipalities has been updated at this time. The ethics training for re-elected and newly elected officials has been made available to Councilman Darnell, Mayor Pro Tem McLean, and Mayor Foster.

She also noted that the Public Works/ Maintenance monthly report was placed on your desk. If you have any questions, please let me know. We also have Elvis Strader, Public Works here tonight to answer questions as well.

Item 11: 2024 First Friday Schedule- Kathryn Hinton, Administrative Assistant

Mayor Foster introduced Ms. Kathryn Hinton to the Town Council. Ms. Hinton noted that the 2024 First Friday event calendar is complete at this time. All bands have been secured. She noted that Cruise In would be a part of the events all shows starting at 7pm. She read aloud the list below.

May 3 rd	NuSoul
June 7 th	Matt Bosewell & The HBB
June 28 th	Retro Vinyl
August 2 nd	3 Staxx
September 6 th	The Megan Doss Band
October 4 th	Buttermilk Creek

Mayor Foster thanked Ms. Hinton for reporting on the 2024 First Friday Event Calendar.

Item 12: New Business

12a. Caswell County Republic Party Request to use the Yanceyville Municipal Building on Friday February 9th, 2024, 6pm to 8pm.

Town Manager Barnett explained that the Municipal Building Use Policy indicates that events advocating for specific partisan causes, political issues or candidates must seek approval from the Yanceyville Town Council.

Mayor Foster asked Town Council for a motion. Mayor Pro Tem McLean made a motion to all the Caswell County Republican Party use of the Yanceyville Municipal Services Building on Friday, February 9th, 2024, from 6pm until 8 pm. The motion was approved by Councilman Massey and passed with a unanimous vote.

12b. Resolution Re- Authorizing the Levy and Deferment of an authorized 3% Room Occupancy Tax

Town Attorney Farmer presented the Resolution Re- Authorizing the Levy and Deferment of an authorized 3% Room Occupancy Tax under New Business to Town Council.

Mayor Foster asked Town Council for a motion. Councilman Massey made a motion to adopt the Resolution Re- Authorizing the Levy and Deferment of an authorized 3% Room Occupancy Tax. The motion was approved by Mayor Pro Tem McLean and passed with a unanimous vote. *(attached)*

Item 13: Adjournment

Mayor Foster asked Town Council for a motion to adjourn. After no further discussion, Councilman Tatum made a motion to adjourn the February 6th, 2024h, 2024, Town Council Meeting Councilmen Massey seconded the motion that passed with a unanimous vote. The meeting ended at 7:08pm.

Kamara Barnett, Town Clerk and Miranda Harrelson, Deputy Town Clerk prepared the above minutes. They represent a brief description of those matters that were addressed at this meeting.

Respectively Submitted:

Alvin Foster, Mayor

Kamara Barnett, Town Clerk

Miranda Harrelson, Deputy Town Clerk