

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
Regular Meeting
January 25 , 2022

THE WAYNESVILLE BOARD OF ALDERMEN held a regular meeting on Tuesday January 11, 2022, at 6:00 pm. in the Town Hall Board Room located at 9 South Main Street Waynesville, NC.

A. CALL TO ORDER

Mayor Gary Caldwell called the meeting to order at 6:03 pm with the following members present:

Mayor Gary Caldwell
Mayor Pro Tem Julia Freeman
Alderman Jon Feichter
Alderman Chuck Dickson
Alderman Anthony Sutton

The following staff members were present:

Rob Hites, Town Manager (Via phone)
Jesse Fowler, Assistant Town Manager
Eddie Ward, Town Clerk
David Adams, Police Chief
Elizabeth Teague, Development Services Director
Misty Hagood, Finance Director
Martha Bradley, Town Attorney
Beth Gilmore, Downtown Director

The following media representative was present:

Becky Johnson, Mountaineer
Cory Valliancort, Smoky Mountain News

1. Welcome/Calendar/Announcements

Mayor Gary Caldwell welcomed everyone to the meeting and stated there were no upcoming events.

Additions or corrections to the agenda:

A motion was made by Alderman Anthony Sutton, seconded by Alderwoman Julia Freeman, to remove items 4 – Budget Amendment for DWA, 7 – Capital Project – Obama King pavilion, 8 – Capital Project – Miller Street pavilion, 9 – Capital Project – Vance Street Skate Park, and place them on the next scheduled meeting on February 8, 2022. The motion carried unanimously.

Alderman Jon Feichter stated there needed to be a correction on the calendar which reads a regular meeting on November 23. The correct date is Tuesday November 22, 2022.

B. PUBLIC COMMENT

Public Comments were made by:

Lisa Overhultz concerning the pre-trial release program and Judge Letz.

Erich Overhultz concerning incident that happened on Russ Avenue involving Lt Chris Chandler and Detective Sam Holland.

A motion was made by Alderman Jon Feichter, seconded by Alderman Chuck Dickson, to allow Ms. Sherry Morgan to speak for 6 minutes instead of the 3 minutes normally allowed. The motion passed unanimously.

Sherry Morgan concerning the Whistleblower Policy and funding for Helping Hands.

C. CONSENT AGENDA

All items below are routine by the Board of Aldermen and will be enacted by one motion. There will be no separate discussion on these items unless a Board member so requests. In which event, the item will be removed from the Consent Agenda and considered with other items listed in the Regular Agenda.

- i. Adoption of minutes of the January 11, 2022, regular meeting

A motion was made by Alderman Anthony Sutton, seconded by Alderwoman Julia Freeman, to approve the Consent Agenda as presented. The motion passed unanimously.

D. PRESENTATION

2. Presentation of the June 30, 2021 Audit Report and Financial Statements

- Nancy Lux from Ray, Bumgarner, Kingshill & Associates, PA

Ms. Nancy Lux thanked the Town for allowing Ray, Bumgarner, Kingshill Associates to perform the audit again this year. Ms. Lux explained that the audit presentation is later this year because of employee turnover and other factors such as COVID. She said that the Local Government Commission has changed the way they communicate with Towns and Cities. Instead of sending letters indicating deficiencies found in the audit, Ms. Lux will inform the Board, and Finance Director Misty Hagood will respond to the Local Government Commission with each Alderman's signature.

During the audit a deficiency in internal controls was found in the areas of bank reconciliations, daily cash deposits, and escheating checks. The last bank reconciliation was done as of June 30, 2021, and several checks totaling over \$500.00 on the day received, were not deposited, which

is a violation of G.S. 159-32. Additionally, outstanding checks over a year old had not been properly escheated. Another deficiency that was noted was sales tax opportunity on a lease that the Town is paying over \$1,000.00 monthly and the sales tax paid has not been recorded in the sales tax receivable account. This account accumulates taxes paid during the year and a sales tax refund claim is filed. Ms. Lux said the firm will review the status of these comments during the next audit engagement. She explained that next year the audit would include how the American Rescue funding has been spent.

Ms. Lux recommended additional staffing in the Finance Office because of the growth and development in the Town.

Overall, the Town of Waynesville's total net debt increased by \$2,416,817.00 or 12.15%. The Town did not enter into new debt but did record increases in the other long term debt items. Other items such as the Total Pension Liability (LEO), OPEB liability, Net Pension Liability, and Legal Claims increased.

Ms. Lux referred the Board to the chart in the Budget book, Statement of Net Position, and explained that the Town's Electric Fund reported an increase of \$42,411.00 (0.8%.) Ms. Lux said there was growth on the asset side and growth on the liability side and pointed out that the cash flow from operating activities are adequately covering the expenses, salaries, and everyday operations of the Town.

Subsequent events for the Town include a Wastewater Treatment Plan Improvement fund with a project authorization of \$19,400.00. During the year the NC Local Government Commission formally approved the loan in the amount of \$19,545.00 over a term of twenty years. The Town also purchased land with the intent of building an additional Fire Station in Hazelwood in the amount of \$399,824.00 and closed on December 10, 2021. On December 21, 2021, the USDA Loan for Fire Station #1 was refinanced to purchase a fire tanker and to reimburse the Town for the cash used to purchase the land for the future Fire Station. In August the Town received \$1,615,955 in funding from the American Rescue Plan Act. The Town plans to use these funds in various ways to offset lost revenue due to the pandemic and ongoing recession and will receive approximately \$1,300,000.00 more during the 2022 fiscal year.

Ms. Lux said that overall, the Town is doing a good job with spending and has a strong Fund balance.

Alderman Anthony Sutton thanked Ms. Lux for the report and pointing out staffing issues.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter, to accept the financial statements and reports as presented. The motion passed unanimously.

E. OLD BUSINESS

3. Helping Hands of Haywood Second ARP Installment

- Jesse Fowler, Assistant Town Manager

Assistant Manager Jesse Fowler spoke to the Board concerning the approval of the second installment of the American Recovery Plan funding to Helping Hands of Haywood. This installment is \$8750.00 and is required by the Town to be earmarked for the sole purpose of providing temporary housing for individuals experiencing homelessness. A report of the expenses for the individuals, including amounts and locations, has been previously presented to the Board for review.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Chuck Dickson, to approve the second installment of American Recovery Plan funding to Helping Hands of Haywood for the purpose of providing temporary housing to individuals experiencing homelessness in the amount of \$8,750. The motion passed unanimously.

F. NEW BUSINESS

4. Approval of possible Medford Grant Application

- Elizabeth Teague, Development Services Director

Ms. Elizabeth Teague, Development Services Director, asked the Board for permission to apply for a grant in the amount of \$17,450.00 from the Mib and Phil Medford Endowment Fund. This grant has been set up for beautification, streetscape improvements and other public amenities within the city limits of the Town of Waynesville. The Town of Waynesville Historic Preservation Commission has been looking at the Sulphur Springs Spring House as a priority goal for preservation and an enhancement to the existing Sulphur Springs Park.

Ms. Teague referred the Board to an older and newer photograph of the Spring House which shows a tree near the Springhouse. She said that because of the growth of the tree, it will have to be taken out as part of the renovation of the building.

If approved the grant would be used for the renovation and landscaping of the Spring House.

Ms. Teague told the Board that the Parks and Recreation Trust Fund grant had been approved for the bridge construction at the Recreation property.

A motion was made by Alderman Chuck Dickson, seconded by Alderwoman Julia Freeman to direct staff to proceed with a grant application to the Medford Fund for restoration of the Sulphur Springs Springhouse. The motion carried unanimously.

6. Adding the position of Lead Meter Reader within the Finance Department

- Jesse Fowler, Assistant Town Manager

Assistant Town Manager told the Board that due to Meter Reader turnover in the Finance Department, staff has found it necessary to create a new position of Lead Meter Reader within the department. This new position will oversee training new meter readers and assisting them with day-to-day activities and issues that might arise. The new position would replace one of the three current meter reader positions and will be considered as a grade 54 on the Town's Pay classification table.

A motion was made by Alderman Chuck Dickson, seconded by Alderman Anthony Sutton, to approve adding a position title of Lead Meter Reader in the Finance Department. The motion carried unanimously.

7. Adoption of an Information and Data Breach Policy

- Jesse Fowler, Assistant Town Manager

The Police Department has been attempting to apply for grants and in doing so they realized there was no Data Breach Policy in place. The policy would direct Town Staff in the procedures following a data breach, and the proper and prohibited uses of our network systems. The policy includes uses of Town data, information, and computer systems. Assistant Manager Fowler said this policy will be added to the Personnel Policy and will be distributed to all staff for review.

A motion was made by Alderwoman Julia Freeman, seconded by Alderman Jon Feichter to adopt the Data Breach Policy as presented. The motion carried unanimously.

8. Adoption of a Whistle Blower Policy

- Jesse Fowler, Assistant town Manager

Assistant Manager Fowler stated that just like the Data Breach policy, the Police Department staff realized that the Town had not adopted a Whistle Blower Policy when applying for grants. This policy will protect Town Employees when they believe they have witnessed fraud, waste, or abuse. The procedures are outlined for reporting and investigating such incidences. Following adoption, the policy will be added to the Personnel Policy and distributed to all staff for review.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Chuck Dickson, to adopt the Town of Waynesville Whistle Blower Policy. The motion carried unanimously.

12. Electronic Office A.V. Deployment Proposal

- Jesse Fowler, Assistant Town Manager

The Board of Alderman's committee on the Board Room Audio Visual Equipment met with Electronic Office and discussed a new proposal concerning support of the new equipment. Assistant Manager Fowler stated that a three-month agreement has been set up that will allow Electronic Office and the Town to benchmark how much support is required at a cost of \$2407.00 and will also allow both parties to determine a price moving forward.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter, to approve the Electronic Office A.V. Deployment Proposal as presented. The motion carried unanimously.

G. COMMUNICATION FROM STAFF

Manager's Report

- Rob Hites, Town Manager

Manager Hites stated that he would be meeting with McGill and Associates to go over the Wastewater Treatment Plant plans to see if additional money could be obtained through a loan or grant.

Town Attorney Report

- Martha Bradley, Town Attorney

Ms. Bradley stated that the proposed contract with Carolina Technologies had been approved and the Town could move forward with the audio/visual equipment in the Board room.

H. COMMUNICATIONS FROM THE MAYOR AND BOARD

Mayor Caldwell asked about the flashing roll out speed limit signs on Legion Drive. Assistant Manager Fowler said they were in place.

I. ADJOURN

With no further business, a motion was made by Alderman Chuck Dickson, seconded by Alderman Anthony Sutton, to adjourn the meeting at 7:17 pm. The motion carried unanimously.

ATTEST:

Gary Caldwell, Mayor

Robert W. Hites, Jr. Town Manager

Eddie Ward, Town Clerk