



**TOWN OF MOUNT GILEAD
BOARD OF COMMISSIONERS
MEETING MINUTES**

**110 West Allenton Street, Mount Gilead, North Carolina, 27306
February 6, 2024**

The Mount Gilead Board of Commissioners met on Tuesday, February 6, 2024, at 7:00 p.m. at the Highland Community Center, 131 Hoffman Rd, Mt Gilead, NC, for the regular monthly business meeting. Present: Mayor Sheldon P. Morley, Mayor Pro Tem Tim McAuley, Commissioner Mary Lucas, Commissioner Paula Covington, Commissioner Vera Richardson, Town Manager Dylan Haman, Public Works Director Daniel Medley, Police Chief Talmadge LeGrand, Fire Chief Keith Byrd, and Town Clerk Lessie D. Jackson.

ITEM I. CALL TO ORDER

Mayor Sheldon P. Morley called the meeting to order at 7:00 p.m. with a moment of silence and the Pledge of Allegiance.

ITEM II. ADOPTION OF THE AGENDA

Commissioner Vera Richardson made a motion to adopt the agenda, Commissioner Paula Covington second the motion. The motion carried.

ITEM III. APPROVAL OF THE MINUTES

A. January 2, 2024 Meeting Minutes

Commissioner Paula Covington made a motion to approve the minutes, Commissioner Mary Lucas second the motion. The motion carried.

ITEM IV. PUBLIC COMMENT

Reading of the Rules for Public Comment

Linda Thompson-105 Loblolly Dr.-Mrs. Thompson came before the Board to discuss the speed bumps that been placed on School St. and Braxton St., she states the speed bumps is too high and is causing residents to come to a complete stop.

Angela M. Deaton-105 Loblolly Dr.-Mrs. Deaton also wanted to discuss the speed bumps and stated that she has knocked her car out of alignment twice going over the speed bumps.

ITEM VI. OLD BUSINESS

A. IRS Payment Updates

Town Manager Dylan Haman gave the Board an update on IRS payments, noting a payment of \$365,000 was been mailed, with the town still disputing penalties with the IRS.

ITEM VII. NEW BUSINESS

A. The Board amended the Agenda to allow Carolina Health and Hydration to discuss their new business. Carla and Dennis from Carolina Health and Hydration introduced their business, offering a range of health and hydration services.

B. Urban Archery Season Resolution

Samuel Everhart-214 E. Allenton St.-Mr. Everhart came before the Board and gave a speech on why he is for Urban Archery Season. The Board discussed adopting an Urban Archery Season Resolution, deciding to table the decision until after a public hearing scheduled for the next meeting. Commissioner Mary Lucas had several question, and shared her concerns about Urban Archery Season. Commissioner Vera Richardson asked the Town Manager to have a public forum in the March 6, 2024 meeting to get a community prospective on Urban Archery Season. Commissioner Mary Lucas made a motion to table this agenda item until March 6, 2024 meeting, Commissioner Vera Richardson second the motion. The motion carried.

C. Stormwater AIA Project Ordinance

Mayor Pro Tem made a motion to approve the Stormwater AIA Project Ordinance, Commissioner Vera Richardson second the motion. The motion carried.

D. Stanback Park Drainage Improvements Project Ordinance

Mayor Pro Tem made a motion to approve the Project Ordinance for the Stanback Park Drainage, Commissioner Paula Covington second the motion. The motion carried.

E. Southern Software Annual Agreement (RMS)

Commissioner Paula Covington made a motion to approve the Annual Software Support Agreement for RMS with Southern Software, Commissioner Mary Lucas second the motion. The motion carried.

F. Southern Software Annual Agreement (FMS)

Commissioner Vera Richardson made a motion to approve the Annual Software Support Agreement for FMS with Southern Software, Commissioner Paula Covington second the motion. The motion carried.

G. Code of Ethics for Parks and Recreation Committee

Mayor Pro Tem Tim McAuley made a motion to adopt the Code of Ethics for Mount Gilead Citizen Advisory Board Members, Commissioner Paula Covington second the motion. The motion carried.

H. Appointment Policy for Parks and Recreation Committee

Commissioner Vera Richardson made a motion to adopt the Appointment policy for citizen advisory boards, Commissioner Paula Covington second the motion. The motion carried.

I. Parks and Recreation Committee Bylaws

Mayor Pro Tem Tim McAuley made a motion to adopt the Mount Gilead Parks and Recreation Committee Bylaws, Commissioner Paula Covington second the motion. The motion carried.

J. Meeting with Twin Harbor Campground Manager

Town Manager Dylan Haman and Public Work Director Daniel Medley had with the Campground Manager at Twin Harbor. Town Manager Dylan Haman updated the Board on the meeting and stated that it was a very productive meeting and the discussing was how some of the circumstances could be resolved.

K. Annexation Work Session Reminder

Town Manager Dylan Haman reported to the Board that PTRC would join us on February 13 at 7pm to hold an annexation work session regarding the Retreat at Lake Tillery.

L. Financial Condition Analysis as of June 30,2023

Town Manager Dylan Haman gave an example of the Financial Condition Analysis as of June 30, 2023 that will be utilized at the Budget Retreat. The analysis goes deeper than Fund Balance, by actually measuring the Liquidity, Solvency, and ability to meet debt obligations over time. The Mayor Sheldon P. Morley and the Town Manager Dylan Haman had a brief discussion about the graph that was presented in the analysis.

M. Audit Contract and Engagement Letter

A brief discussion happen between the Board and Town Manager Dylan Haman. Commissioner Vera Richardson made a motion to approve the audit contract with JB Watson and Company, Commissioner Paula Covington second the motion. The motion carried.

N. Specialty Code Enforcement Agreement

Town Manager spoke to the Board about specialty code enforcement to address a minimum housing issue. This agreement will enable the town to work with John Gaines at N-Focus. Commissioner Paula Covington made a motion to approve the on call code enforcement agreement with N-Focus, Commissioner Mary Lucas second the motion. The motion carried.

ITEM VII.

COMMITTEE REPORTS

A. Community Garden

Mary Poplin came before the Board and gave an update on the Community Garden. Mary stated the garden is flourishing, and winterization is complete.

ITEM VIII.

STAFF REPORTS

- A. Public Works – Public Works Director Daniel Medley
Public Works Director Daniel Medley informed the Board on what his department has been working on for the month. Repaired pump at lift station #12, unclog sewer main, installed new pump at lift station #4, repaired sewer line stoppage on S. Cedar St., cleaned all the Towns entrances, cleaned Pavilions and park parking lots, regular maintenance on vehicles, weekly checks on Lift Stations 1-15, and disconnection for non-payment.
- B. Police Department – Chief Talmedge Legrand
Police Chief Talmedge LeGrand participated in several events throughout the month of January 2024. Continued escorts for businesses, department vehicles serviced with oil changes and tire rotations, Officers attended the scheduled grand jury session, Officers continue to check businesses doors each night, and Officers continued to take annual in-service training.
- C. Fire Department – Chief Keith Byrd
Chief Keith Byrd stated the fire department answered 26 fire called and 18 squad calls in several areas of the county with two being outside the county. It is grant time again, and the Fire Department is in the process of applying for the NC DOI State Grant for equipment.
- D. Town Manager- Dylan Haman
Town Manager Dylan Haman continues to update the Board on projects that he have been working on for the month.
- E. Code Enforcement Report-(Information in Packet)
- F. Wastewater Treatment Plant- ORC Manager, Donna Mills (Information in Packet)

ITEM IX.

MAYOR AND COMMISSIONERS REPORT

-Mayor Sheldon Morley gave an update on the Job Fair, also gave an update on Stanback Park repairs, and Mayor Sheldon Morley recognized our Town Manager Dylan Haman on the quality of work that he is doing for the Town.

-Commissioner Vera Richardson stated that Highland Community Center will host its annual Black History Program on February 10, 2024 at 5 p.m., and there will be a raffle each ticket is \$5.00 each. Commissioner Vera Richardson would like to say a big Thank You to everyone that came out and support the M.L.K breakfast fundraiser.

-Mayor Pro Tem Tim McAuley on behalf of Paperworks wanted to thank everyone who helped make the job fair a success.


-Commissioner Paula Covington gave an update on the events that will be going on in the Town.

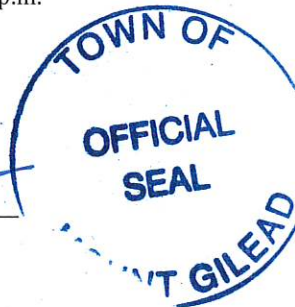
-Commissioner Mary Lucas asked Town Manager Dylan Haman to notify the Board of any new businesses coming to town.

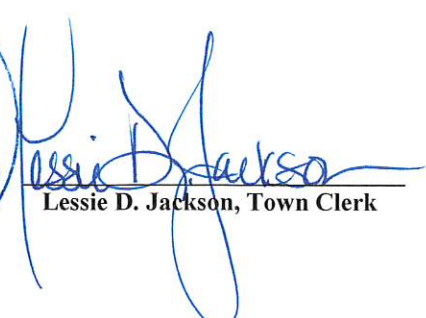
ITEM X.

ADJOURNMENT

Commissioner Vera Richardson made a motion to go into close session Attorney Client Privilege in Pursuant to NC GS CH 143 Article 33C, Commissioner Mary Lucas second. Motion carried. Went into close session at 8:15 p.m.


Sheldon P. Morley, Mayor


TOWN OF
OFFICIAL
SEAL
MOUNT GILEAD


Lessie D. Jackson, Town Clerk



**TOWN OF MOUNT GILEAD
BOARD OF COMMISSIONERS
AGENDA**

**110 West Allenton Street, Mount Gilead, North Carolina, 27306
February 6, 2024**

The Mount Gilead Board of Commissioners will meet on Tuesday, February 6, 2024, at 7:00 p.m. at the Highland Community Center, 131 Hoffman Rd, Mt Gilead, NC, for the regular monthly business meeting.

- ITEM I. CALL TO ORDER (Mayor Morley)**
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
- ITEM II. ADOPTION OF THE AGENDA (Action)**
- ITEM III. APPROVAL OF THE MINUTES (Action)**
A. January 2, 2024 Meeting Minutes (Pages 2-5)
- ITEM IV. PUBLIC COMMENT (Town Manager Dylan Haman)**
Reading of the Rules for Public Comment (Page 6)
- ITEM VI. OLD BUSINESS (Discussion)**
A. IRS Payment Updates (Page 7)
- ITEM VII. NEW BUSINESS**
A. Urban Archery Season Resolution (Pages 8-10) (Action)
B. Stormwater AIA Project Ordinance (Pages 11-12) (Action)
C. Stanback Park Drainage Improvements Project Ordinance (Pages 13-14) (Action)
D. Southern Software Annual Agreement (RMS) (Pages 15-18) (Action)
E. Sothern Software Annual Agreement (FMS) (Pages 19-22) (Action)
F. Code of Ethics for Parks and Recreation Committee (Pages 23-25) (Action)
G. Appointment Policy for Parks and Recreation Committee (Pages 26-30) (Action)
H. Parks and Recreation Committee Bylaws (Pages 31-35) (Action)
I. Meeting with Twin Harbor Campground Manager (Page 36) (Discussion)
J. Annexation Work Session Reminder (Page 37) (Discussion)
K. Financial Condition Analysis as of June 30,2023 (Pages 38-48) (Discussion)
L. Audit Contract and Engagement Letter (Pages 49-67) (Action)
M. Specialty Code Enforcement Agreement (Pages 68-75) (Action)
- ITEM VII. COMMITTEE REPORTS (Mary Poplin)**
A. Community Garden (Page 76)
- ITEM VIII. STAFF REPORTS (Information)**
A. Public Works – Public Works Director Daniel Medley (Pages 77-78)
B. Police Department – Chief Talmedge Legrand (Pages 79-88)
C. Fire Department – Chief Keith Byrd (Page 89)
D. Town Manager- Dylan Haman (Page 90)
E. Code Enforcement Report-(Information in Packet) (Pages 91-93)
F. Wastewater Treatment Plant- ORC Manager, Donna Mills (Information in Packet) (Page 94)
- ITEM IX. MAYOR AND COMMISSIONERS REPORT (Information)**
- ITEM X. CLOSED SESSION- Attorney Client Privilege
- Pursuant to NC GS CH. 143 Article 33C-**
- ITEM XI. ADJOURNMENT (Action)**



**TOWN OF MOUNT GILEAD
BOARD OF COMMISSIONERS
MINUTES**

**110 West Allenton Street, Mount Gilead, North Carolina, 27306
January 2, 2024**

The Mount Gilead Board of Commissioners met on Tuesday, January 2, 2024, at 7:00 p.m. at Highland Community Center, 131 Hoffman Road, Mount Gilead, NC 27306, for the regular monthly business meeting. Present: Mayor Sheldon P. Morley, Commissioner Mary Lucas, Commissioner Paula Covington, Commissioner Vera Richardson, Town Manager Dylan Haman, Public Works Director Daniel Medley, Police Chief Talmadge LeGrand, Fire Chief Keith Byrd, and Town Clerk Lessie D. Jackson. Absentee: Mayor Pro Tem Tim McAuley.

ITEM I. CALL TO ORDER

Mayor Sheldon P. Morley called the meeting to order at 7:00 p.m. with a moment of silence and the Pledge of Allegiance.

ITEM II. ADOPTION OF THE AGENDA

Commissioner Paula Covington made a motion to adopt the agenda, Commissioner Mary Lucas second the motion. The motion carried.

ITEM III. APPROVAL OF THE MINUTES

- A. December 5, 2023 Meeting Minutes
Commissioner Vera Richardson made a motion to approve the minutes, Commissioner Paula Covington second the motion. The motion carried.
- B. December 12, 2023 Statutorial Organizational Process Meeting Minutes
Commissioner Vera Richardson made a motion to approve the minutes, Commissioner Mary Lucas second the motion. The motion carried.

ITEM IV. PUBLIC COMMENT

Reading of the Rules for Public Comment

Patty Almond-210 E. Allenton St. came before the Board and stated according to the School of Government after five years, you should change your auditor and your attorney. She also, discuss some other issue that she see within the town.

Samuel E. Everhart-214 E. Allenton St.-214 E. Allenton St. his purpose is to propose to Council that they consider adapting Urban Archery Season. Mr. Everhart shared what information he have already receive, and volunteered to gather more information needed to help Council make an inform decision.

ITEM V. OLD BUSINESS

- A. Stanback Park Drainage Improvement Contract
Town Manager Dylan Haman went into detail to the Board about the Stanback Park Drainage Improvement Contact. Town Manager Dylan Haman stated that the staff would like Council to approve this agreement and move forward. Before the vote, Commissioner Paula Covington asked to go into discussion on the agreement and the Town Manager Dylan Haman answered the questions that the Board had. Commissioner Vera Richardson made a motion to approve the proposed engineering agreement, Commissioner Paula Covington second the motion. The motion carried.
- B. Stormwater AIA Engineering Services Agreement
Town Manager Dylan Haman informed the Board that the Stormwater System AIA project had been awarded to LKC earlier this year, it is now time to pass an engineering agreement. Commissioner Paula Covington made a motion to approve the proposed engineering agreement, Commissioner Vera Richardson second the motion. The motion carried.

ITEM VI. NEW BUSINESS

- A. Representative Wayne Sasser

Mayor Sheldon P. Morley gave a speech thanking Representative Wayne Sasser, and Cody Huneycutt for getting such a large donation for the Town of Mt. Gilead.

B. NCLM MOA Resolution

Town Manager Dylan Haman explained the NCLM MOA Resolution to the Board stating the purpose of the Resolution, and that staff recommends approving the Resolution and working with NCLM on these grant fund projects. Commissioner Mary Lucas made a motion to approve the proposed Resolution, Commissioner Vera Richardson second the motion. The motion carried.

C. Interlocal Agreement to Provide Force Main Funding

Representative Wayne Sasser and his Research Assistant Cody Huneycutt secured an \$8,000,000 Water/Sewer Appropriation to Montgomery County. Montgomery County would like to use the funding to enhance Mt. Gilead Water and Sewer Infrastructure by funding the design and construction of a larger force main on Lillys Bridge Rd. This funding will help to regionalize the Town's Sewer system and will place Mt. Gilead and Montgomery County in a stronger position for future development and WWTP plant expansion. Commissioner Vera Richardson made the motion to approve the proposed development funding agreement, Commissioner Mary Lucas second the motion. The motion carried.

D. Award of Lilly's Bridge Force Main Improvement Project

The selection committee, with Mt. Gilead Public Works Director Daniel Medley, County Public Work Director Mike Criscoe, and Mt. Gilead Town Manager Dylan Haman met to discuss the SOQ's received for Lillys Bridge Force Main Improvement Project. Staff recommends awarding the Lilly's Bridge Force Main Improvement Project to Withers Ravenel. Commissioner Mary Lucas made the motion to award the Lilly's Bridge Force Main Improvement Project to Withers Ravenel, Commissioner Paula Covington second the motion. The motion carried.

E. Bruton Access Bids – NOT IN PACK

Public Works Director Daniel Medley explained to the Board how we got to the point of having to get bids on an access for Bruton driveway. Public Works Director stated to the Board that money was not in the budget to move forward with the project. Town Manager Dylan Haman reiterated that staff do not recommend this project, but if the Board want to move forward, we would have to do a budget amendment. After discussion with the Board, Commissioner Mary Lucas made a motion made to move forward with the lowest bid for the project, Commissioner Vera Richardson second the motion. The motion carried.

F. Historic Board Updates and Action

The Town of Mt. Gilead operates a Historic District and preservation commission. Town Manager Dylan Haman stated some of the people on this board have either moved out of town or passed away. Staff is asking the Council guidance regarding a potential merger of the Planning Board and the Historic Commission. Commissioner Mary Lucas made a motion to direct staff to initiate discussions regarding the potential merge of the Town Planning Board and the Historic Preservation Commission. Furthermore, I propose that the merger shall be pursued if three more members of the planning Board demonstrate a special interest in historic preservation, or related fields, Commissioner Paula Covington second the motion. The motion carried.

G. Request to change day of Regularly Scheduled Meetings

The Council discussed changing the meeting date due to a conflict of scheduling with the Mayor Sheldon Morley. Commissioner Paula Covington made a motion to table the discussion until the entire Council is present, Commissioner Vera Richardson second the motion. The motion carried.

H. Stanback Park Playground

Mary Poplin spoke on behalf of several citizens about revitalizing Stanback Park playground. Some discussion between Mary Poplin, Town Manager, and the Board took place. Commissioner Paula Covington made a motion to approve citizens of the Town to move forward with the revitalization of Stanback Park playground and include the \$1500.00 for paint, Commissioner Vera Richardson second the motion. The motion carried.

I. Audit Updates

Town Manager Dylan Haman discussed with the Board about the audit updates, and signing a contract either with JB Watson or hiring a new auditor.

- J. Waste Water Treatment Plant Updates
Town Manager Dylan Haman discussed with the Board issues at the WWTP, and that a grant has been awarded to the Town to handle some of the issues.
- K. End of Quarter Financial Update
Town Manager Dylan Haman went over parts of the budget, and gave a financial update.

ITEM VII. COMMITTEE REPORTS

- A. Community Garden
Mary Poplin gave an update on the Community Garden amidst the cold, beets and turnips are thriving. In addition, NASA responded about the Moon Tree Application.

ITEM VIII. STAFF REPORTS (Information)

- A. Public Works – Public Works Director Daniel Medley
Public Works Director Daniel Medley informed Board on what his department has been working on for the month. Repaired pump at lift station #12 Twin Harbor, read town meters, repaired pump at lift station #14 Twin Harbor, cleaned all the towns’ entrances, removed leaves in town, regular oil checks, and oil change in some of the service vehicles.
- B. Police Department – Chief Talmedge Legrand
Police Chief Talmedge LeGrand and officers provided traffic control and safety for the Jingle Bell Jaunt, the Fun Run, the Christmas Parade, and Christmas on the Square event. In addition, for the month we did Shop with a Cop. This year we sponsored 14 children and had 12 volunteers from the community to help with the annual Shop with a Cop shopping day.
- C. Fire Department – Chief Keith Byrd
Chief Keith Byrd stated the fire department applied for a grant to receive a pallet of 96 cases of water from Anhauser Bush Company and were successful in getting the grant. The Mount Gilead Fire Department also answered 25 calls for the month.
- D. Town Manager- Dylan Haman
Town Manager Dylan Haman gave an update on the different project the employees of the town is working on.
- E. Code Enforcement Report-(Information in Packet)
- F. Wastewater Treatment Plant – ORC Manager, Donna Mills (Information in Packet)

ITEM IX. MAYOR AND COMMISSIONERS REPORT (Information)

Mayor Sheldon P. Morley expressed his gratitude for the support and believing in him, and gave a speech asking citizens to be more engaged in the town.

Commissioner Paula Covington spoke on the ribbon cutting for Carolina Health and Hydration. Commissioner Paula Covington went into discussion about when new businesses come to Mt. Gilead have the business owners come to the Town Board Meeting and introduce themselves. Commissioner Paula Covington also gave information on Chi Sigma One Enchanted Evening event that will take place at the Redevelopment Corporation Building on January 20, 2024 at 7:00 p.m. In addition, on January 13, 2024 at 5:00 p.m. NAACP will honor Mr. George Knight.

Commissioner Vera Richardson stated that Highland Community Center is hosting their annual MLK breakfast from 7 a.m.-12 noon. The annual Black History Program will be February 10, 2024 at Highland Community Center at 5:00 p.m.

ITEM X. ADJOURNMENT

Commissioner Paula Covington made a motion to adjourn the meeting, Commissioner Vera Richardson second. The motion carried. Meeting adjourn at 8:20 p.m.

Sheldon P. Morley, Mayor

Lessie D. Jackson, Town Clerk

TOWN OF MOUNT GILEAD

Post Office Box 325
110 West Allenton Street
Mount Gilead, North Carolina 27306
Incorporated 1899

Phone (910) 439-5111 – Fax (910) 439-1336

Mayor
Sheldon Morley

Mayor Pro Tem
Tim McAuley

Commissioners
Vera Richardson
Paula Covington
Mary Lucas

Town Manager
Dylan Haman

Town Clerk
Lessie Jackson

Rules for Public Comment

Meeting of the Town Board of Mount Gilead always include a Public Comment period. The purpose of this time is for members of the community and the general public to make their views known directly to the Town Board. To ensure a fair proceeding for all who wish to speak, please be aware of the following rules that were unanimously adopted in December 2016, that will be observed during all public meetings:

1. All persons wishing to speak shall do so from the podium to ensure an accurate record of testimony. Each person requesting to speak shall do so by signing their name, phone number on the Public Comment sign up sheet and must provide a phone number, address, and/or email address in order. No one is permitted to speak from the audience or interact and/or question the person speaking. This is a public comment session and not a public debate. Open Meetings laws for the State of North Carolina, section 197, pg. 87., and section 239, pg. 105, agree that a Mayor nor the Board of Commissioners are allowed to respond to public comment or debate with a citizen during this time. If a response is necessary, a separate meeting can be called to discuss the issue at hand or if the answer is readily available it will be answered during Department Reports by the Town Manager.
2. Each person who has signed up to speak shall have one opportunity to speak for a period not to exceed 3 minutes in duration. The speaker will not be permitted to speak again once they leave the podium, or their 3 minutes expire.
3. The Board requests that a group be represented by a spokesperson in order to keep repetitive testimony at a minimum. If this spokesperson is representing a group of more than 5 citizens, he/she is afforded the opportunity to speak for a period not to exceed 5 minutes.
4. Town staff will note all comments and provide answers directly to citizens or make information available town-wide during department reports or at the next meeting.
5. Inflammatory or immaterial testimony will not be allowed.
6. In addition to the comment period during the public meeting, individuals can provide written comments to the Town Board of Commissioners by submitting them in writing to the Town Clerk. This can be addressed by email to clerk@mtgileadnc.com or via USPS at PO Box 325, Mt. Gilead, NC 27306.



TOWN OF MOUNT GILEAD

110 West Allenton Street, Mount Gilead, North Carolina, 27306

MEMORANDUM

DATE: January 24, 2024
TO: Mayor and Board of Commissioners
FROM: Dylan Haman, Town Manager
RE: IRS Payments

Mayor and Board,

The Town has now paid over \$365,000 to the Internal Revenue Service based on the principle owed to them. We are still waiting on a decision from the IRS regarding a final payoff amount which would include their decision on penalty abatement. The good news is that we have paid almost all that we owe, and that the issue is well nearing completion.

I have reached out to Senator Tillis' office again to see if they can assist us with penalty abatement on January 3. His office told me that they would reach out to the IRS to see if they could expedite the case.

I will continue to keep you informed on this issue as I hear more information from the IRS. Please reach out with any questions.

Dylan Haman

Meeting Date: 02/6/24	Agenda Item Number: New Business A
Submitted By: Dylan Haman	Department: Administration
Attachments: Resolution of Intent to adopt Urban Archery Season in Mount Gilead	

Topic: Urban Archery Season

Staff Summary: Multiple Residents have requested that the Town Adopt an Urban Archery Season over the last several months. Urban Archery Season extends Deer Hunting Season and is reserved for municipalities in North Carolina. The Town can place regulations on Urban Archery Season if it chooses, including lot-size regulations, public land regulations, and deer stand regulations. This resolution of intent will allow staff to begin the process to adopt Urban Archery Season

Direct Cost: 0.00	Line Item Utilized
Amount Remaining after Action:	In Current Budget: Yes/No
Plans if Not in Current Budget:	

Staff Recommendation: Staff recommends approving the Resolution of Intent.

Examples of Motions:

Approve: I make a motion to approve the proposed Resolution of Intent to work towards

Deny: I make a motion to deny the proposed Resolution of Intent.

Need More Time: I make a motion to table this agenda item to another meeting on (date):

TOWN OF MOUNT GILEAD

Post Office Box 325
110 West Allenton Street
Mount Gilead, North Carolina 27306
Incorporated 1899

Phone (910) 439-5111 – Fax (910) 439-1336

Mayor
Beverly A. Harris

Mayor Pro Tem
Tim McAuley

Commissioners
Paula Covington
Vera Richardson
Mary Lucas

Town Manager
Dylan Haman

Town Clerk
Lessie Jackson,
Interim Town Clerk

RESOLUTION OF INTENT TO ADOPT URBAN ARCHERY SEASON IN MOUNT GILEAD, NC FOR THE 2025 SEASON

WHEREAS, the Town of Mount Gilead recognizes the importance of effective wildlife management within its municipal boundaries; and

WHEREAS, the Town acknowledges the need to address the increasing population of deer and other wildlife, which can lead to ecological imbalances and potential threats to public safety; and

WHEREAS, urban archery has been identified as a viable and responsible means of managing local wildlife populations, offering a safe and controlled method for reducing animal numbers within municipal limits; and

WHEREAS, the North Carolina Wildlife Resources Commission has established guidelines and regulations for urban archery seasons, providing a structured framework for the implementation of such programs; and

WHEREAS, the Town of Mount Gilead desires to promote responsible and ethical archery practices for the purpose of wildlife management;

NOW, THEREFORE, BE IT RESOLVED that the Town of Mount Gilead hereby expresses its intent to adopt an urban archery season in 2025, in accordance with the guidelines set forth by the North Carolina Wildlife Resources Commission; and

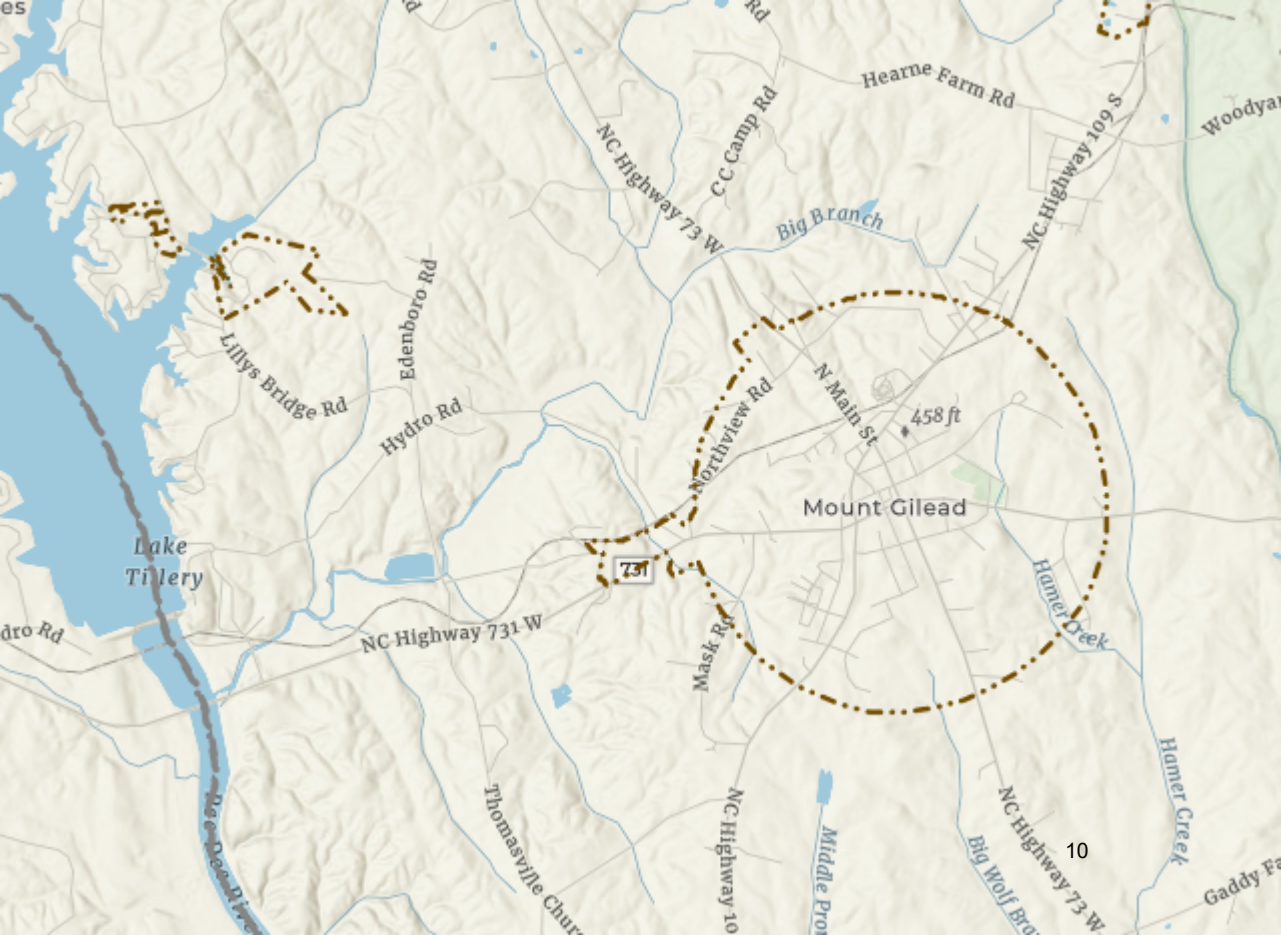
BE IT FURTHER RESOLVED that the Town Manager and relevant municipal authorities are authorized to take all necessary steps to facilitate the establishment of an urban archery season, including the development of appropriate regulations, communication strategies, and public outreach initiatives;

Adopted this the ____ Day of _____

Sheldon P. Morley, Mayor

Lessie D. Jackson, Town Clerk

(SEAL)



Lake Tillery

Mount Gilead

458 ft

731

10

Meeting Date: 02/06/24	Agenda Item Number: New Business B
Submitted By: Dylan Haman	Department: Administration
Attachments: Town of Mount Gilead, North Carolina Capital Project Ordinance Stormwater System AIA (SRP-SW-ARP-0058)	

Topic: Stormwater AIA Project Ordinance

Staff Summary: We recently awarded the contract to LKC for the Stormwater AIA. It is now time to pass a project ordinance. Once this is done, Staff can submit the contract to LKC.

Direct Cost: GRANT FUNDED	Line Item Utilized -
Amount Remaining after Action: -	In Current Budget: Yes/No
Plans if Not in Current Budget: -	

Staff Recommendation: Staff recommends approving the Stormwater AIA Project Ordinance

Examples of Motions:

Approve: I make a motion to approve the Stormwater AIA Project Ordinance.

Deny: I make a motion to deny the proposed Project Ordinance

Need More Time: I make a motion to table this agenda item to another meeting on (date):

Town of Mount Gilead, North Carolina
Capital Project Ordinance
Stormwater System AIA (SRP-SW-ARP-0058)

BE IT ORDAINED by the Governing Board of the Town of Mount Gilead, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted:

Section 1: The Project authorized is an Asset and Inventory Assessment of the Town of Mount Gilead’s Stormwater System to be financed by North Carolina Department of Environmental Quality, Division of Water Infrastructure - American Rescue Plan Act (NCDEQ-DWI – ARPA) grant funding source.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the board resolution, loan documents and the budget contained herein.

Section 3: The following amounts are designated as expenditures for the project:

Stormwater Inventory & Assessment Activities (Per Scope)	\$	350,000
Total Expenditures	\$	350,000

Section 4: The following revenues are anticipated to be available to complete this project:

NCDEQ Grant Number SRP-SW-ARP-0058	\$	350,000
Total Revenues	\$	350,000

Section 5: The Finance Officer is hereby directed to maintain within the capital project fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations.

Section 6: Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total grant/loan revenues received or claimed.

Section 8: The budget officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this board.

Section 9: Copies of this Capital Project Ordinance shall be furnished to the clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this ____ day of _____ 2024.

(SEAL)

Attest: _____
Lessie Jackson, Town Clerk

Sheldon Poplin Morey, Mayor

Meeting Date: 02/06/24	Agenda Item Number: New Business C
Submitted By: Dylan Haman	Department: Administration
Attachments: Mount Gilead, North Carolina Capital Project Ordinance Stanback Park Drainage Improvements (SRP-SW-ARP-0027)	

Topic: Stanback Park Drainage Improvements Project Ordinance

Staff Summary: We recently awarded the contract to LKC for the Stanback Park Drainage Improvements. It is now time to approve a draft budget. Staff recommends approving the budget.

Direct Cost: GRANT FUNDED	Line Item Utilized -
Amount Remaining after Action: -	In Current Budget: Yes/No
Plans if Not in Current Budget: -	

Staff Recommendation: Staff recommends approving the Stanback Park Drainage Improvement Budget.

Examples of Motions:

Approve: I make a motion to approve the Project Ordinance for the Stanback Park Drainage Improvements

Deny: I make a motion to deny the proposed Project Ordinance

Need More Time: I make a motion to table this agenda item to another meeting on (date):

Mount Gilead, North Carolina
Capital Project Ordinance
Stanback Park Drainage Improvements (SRP-SW-ARP-0027)

BE IT ORDAINED by the Governing Board of Mount Pleasant, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted:

Section 1: The Project authorized is the construction of a wet weather retention pond in Stanback Park or the surrounding area, as well as enhancements to the existing concrete swale within Stanback Park and modifications to the stream that runs under Haywood Avenue south of the park.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the board resolution, loan documents and the budget contained herein.

Section 3: The following amounts are appropriated for the project:

Construction	\$	1,341,000
Engineering Services	\$	316,000
Legal Fees	\$	15,000
Project Contingency	\$	135,000
Total Appropriations	\$	1,807,000

Section 4: The following revenues are anticipated to be available to complete this project:

NCDEQ-DWI-ARPA Grant - (SRP-SW-ARP-0027)	\$	1,807,000
Total Revenues	\$	1,807,000

Section 5: The Finance Officer is hereby directed to maintain within the capital project fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations.

Section 6: Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total grant/loan revenues received or claimed.

Section 8: The budget officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this board.

Section 9: Copies of this Capital Project Ordinance shall be furnished to the clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 5th day of February 2024.

(SEAL)

Attest: _____
Lessie Jackson, Town Clerk

Mr. Sheldon Poplin Morey, Mayor,

Meeting Date: 02/06/24	Agenda Item Number: New Business D
Submitted By: Dylan Haman	Department: Police
Attachments: Southern Software's Annual Software Support Agreement (RMS)	

Topic: Southern Software Annual Agreement (RMS)

Staff Summary: It is time to renew our support services with Southern Software for the RMS Software utilized by Town Police.

Direct Cost: \$3,075.00	Line Item Utilized: 10-550-40
Amount Remaining after Action:	In Current Budget: Yes/No
Plans if Not in Current Budget: This will be paid next budget year.	

Staff Recommendation: Staff recommends approving the RMS Support Services Agreement

Examples of Motions:

Approve: I make a motion to approve the Annual Software Support Agreement for RMS with Southern Software

Deny: I make a motion to deny the proposed Agreement

Need More Time: I make a motion to table this agenda item to another meeting on (date):

**SOUTHERN SOFTWARE'S
ANNUAL SOFTWARE SUPPORT AGREEMENT
Records Management System (RMS)
8:30 a.m., EST to 5:00 p.m., EST**

This support agreement covers support from 8:30 a.m. to 5:00 p.m., EST, Monday through Friday.

Problem Resolution

Southern Software will provide customer support for mission critical operation of **RMS**, from 8:30 a.m. to 5:00 p.m., EST, Monday through Friday. This Agreement does not constitute a warranty but provides for mission critical problem resolutions and non-mission critical problem resolutions of repeatable errors during normal business hours, EST. Southern Software cannot warrant the product will operate free of problems in perpetuity. Southern Software does not warrant third party software applications used in programs provided to customers, i.e., Microsoft® Word. The purpose of this Agreement is to provide the necessary technical assistance to ensure a timely problem resolution and to minimize downtime. Mission critical is defined as "any problem that renders the entire system unstable or inoperable".

For problems covered under this Agreement, Southern Software will provide the following:

- Telephone response within five hours of notification of the problem. During this initial response, support personnel will determine the nature of the problem and severity. An attempt to resolve the problem will be made by giving instructions to the customer.
- If this is unsuccessful or the severity too great, then Southern Software will escalate to a Level 2 response. A Level 2 response involves a support technician connecting remotely to the customer's network using industry standard secure remote diagnostic methods to attempt to resolve the problem.
- If the problem is unable to be detected or resolved with a Level 2 response, then a technician will be scheduled for an onsite visit. There is no cost to the customer for the onsite visit as long as the problem is with a Southern Software product or equipment covered by a Southern Software support contract and as long as the problem is not due to a virus or negligent actions/treatment.

The user understands support staff may provide a temporary fix. A permanent fix will be provided at a later date.

Program Updates

Southern Software will provide program updates to support customers as new updates, fixes and features are added. Updates will be made universally to all supported customers at one time. No custom programming will be performed.

Third Party

If, at any time, an update to a third party's software is required, Southern Software will not incur the cost of such upgrade.

System Administrator

The customer agrees to have a designated administrator (primary contact for support and update issues). It is highly desirable that the administrator be knowledgeable in networking and Windows® operating systems.

Data Backup Statement

The customer understands that it is the customer's responsibility to ensure data backups are being made daily and verified for accuracy.

Virus Statement

The customer agrees to have virus protection software loaded on each machine and agrees to update it weekly. (Southern Software recommends updating your virus protection software on each machine daily.) This support DOES NOT cover assistance in the recovery of damage caused by viruses or ransomware.

Southern Software will charge a fee for virus recovery assistance

Items not covered under this annual support agreement

- **Installation and setup of new equipment.**
- **Transferring of data.**
- **Moving equipment from one site to another.**
- **On-site installation/reinstallation of Southern Software products or installation/reinstallation of third party software/products.**
- **Virus damage/recovery repair work.**
- **Recovery/repair work related to natural disasters such as lightning, floods, etc..**
- **Replacement of equipment that is out of warranty.**
- **Cost of upgrades to third party software including but not limited to Microsoft products (i.e. Office, SQL, etc.), Anti-virus software, remote connectivity products, etc. or cost of updates to operating systems.**
- **On-site Training.**
- **Interfaces with third party products.**
- **Data conversions**
- **Data loss due to drive crashes, machine failures, etc..**
- **Installation, Training and Data Conversions for Software Re-architecture.**

Benefits

- The Software Support Agreement only covers software developed by Southern Software.
- Toll-free telephone support, Monday through Friday, 8:30 a.m. to 5:00 p.m., EST.
- Software Updates for Southern Software products.
- Remote System Support.
- Annual User's Conference.
- Free hardware/network assessments for upgrades.
- Free follow-up/new employee training at Southern Software's office.
- Free web training.

System Access/Customer Responsibility

The customer agrees to provide a dedicated computer capable of remote access for support purposes. The computer designated for remote connectivity shall allow access to all computers on the network requiring support.

This Annual Software Support Agreement provides coverage that begins August 15, 2024 and ends August 14, 2025.

RMS Annual Support \$3,075.00

By signing this document, you are confirming that you have read and understand the terms and conditions of the annual support agreement.

Important - Support Renewal Clause

A lapse in support renewal will require that all outstanding support balances be paid in full prior to reinstatement of support. Support fees are non-refundable.

Customer Representative Signature

Date

MOUNT GILEAD PD, NC - (RMS)

Name of Department

NOTE: IF A PURCHASE ORDER NUMBER IS REQUIRED ON THE SUPPORT INVOICE PLEASE ENTER HERE_____. IF THE NUMBER IS NOT AVAILABLE AT THIS TIME, PLEASE FAX THE PURCHASE ORDER TO (910)695-0251 WHEN IT IS AVAILABLE.

NO PURCHASE ORDER NUMBER WILL BE REQUIRED.

Meeting Date: 02/06/24	Agenda Item Number: New Business E
Submitted By: Dylan Haman	Department: Police
Attachments: Southern Software's Annual Software Support Agreement (FMS)	

Topic: Southern Software Annual Agreement (FMS)

Staff Summary: It is time to renew our support services with Southern Software for the RMS Software utilized by Town Police.

Direct Cost: \$2,464.00	Line Item Utilized: 10/20-400-40
Amount Remaining after Action:	In Current Budget: Yes/No
Plans if Not in Current Budget: This will be paid next budget year.	

Staff Recommendation: Staff recommends approving the FMS Support Services Agreement

Examples of Motions:

Approve: I make a motion to approve the Annual Software Support Agreement for FMS with Southern Software

Deny: I make a motion to deny the proposed Agreement

Need More Time: I make a motion to table this agenda item to another meeting on (date):

**SOUTHERN SOFTWARE'S
ANNUAL SOFTWARE SUPPORT AGREEMENT
Financial Management System (FMS)
8:30 a.m., EST to 5:00 p.m., EST**

This support agreement covers support from 8:30 a.m. to 5:00 p.m., EST, Monday through Friday.

Problem Resolution

Southern Software will provide customer support for mission critical operation of **FMS**, from 8:30 a.m. to 5:00 p.m., EST, Monday through Friday. This Agreement does not constitute a warranty but provides for mission critical problem resolutions and non-mission critical problem resolutions of repeatable errors during normal business hours, EST. Southern Software cannot warrant the product will operate free of problems in perpetuity. Southern Software does not warrant third party software applications used in programs provided to customers, i.e., Microsoft® Word. The purpose of this Agreement is to provide the necessary technical assistance to ensure a timely problem resolution and to minimize downtime. Mission critical is defined as "any problem that renders the entire system unstable or inoperable".

For problems covered under this Agreement, Southern Software will provide the following:

- Telephone response within five hours of notification of the problem. During this initial response, support personnel will determine the nature of the problem and severity. An attempt to resolve the problem will be made by giving instructions to the customer.
- If this is unsuccessful or the severity too great, then Southern Software will escalate to a Level 2 response. A Level 2 response involves a support technician connecting remotely to the customer's network using industry standard secure remote diagnostic methods to attempt to resolve the problem.
- If the problem is unable to be detected or resolved with a Level 2 response, then a technician will be scheduled for an onsite visit. There is no cost to the customer for the onsite visit as long as the problem is with a Southern Software product or equipment covered by a Southern Software support contract and as long as the problem is not due to a virus or negligent actions/treatment.

The user understands support staff may provide a temporary fix. A permanent fix will be provided at a later date.

Program Updates

Southern Software will provide program updates to support customers as new updates, fixes and features are added. Updates will be made universally to all supported customers at one time. No custom programming will be performed.

Third Party

If, at any time, an update to a third party's software is required, Southern Software will not incur the cost of such upgrade.

System Administrator

The customer agrees to have a designated administrator (primary contact for support and update issues). It is highly desirable that the administrator be knowledgeable in networking and Windows® operating systems.

Data Backup Statement

The customer understands that it is the customer's responsibility to ensure data backups are being made daily and verified for accuracy.

Virus Statement

The customer agrees to have virus protection software loaded on each machine and agrees to update it weekly. (Southern Software recommends updating your virus protection software on each machine daily.) This support DOES NOT cover assistance in the recovery of damage caused by viruses or ransomware.

Southern Software will charge a fee for virus recovery assistance

Items not covered under this annual support agreement

- **Installation and setup of new equipment.**
- **Transferring of data.**
- **Moving equipment from one site to another.**
- **On-site installation/reinstallation of Southern Software products or installation/reinstallation of third party software/products.**
- **Virus damage/recovery repair work.**
- **Recovery/repair work related to natural disasters such as lightning, floods, etc..**
- **Replacement of equipment that is out of warranty.**
- **Cost of upgrades to third party software including but not limited to Microsoft products (i.e. Office, SQL, etc.), Anti-virus software, remote connectivity products, etc. or cost of updates to operating systems.**
- **On-site Training.**
- **Interfaces with third party products.**
- **Balancing of any Southern Software financial application data or reports. For example, Bank Reconciliation or Balancing the Master Balance Report to the Accounts Receivables**
- **Tax data conversions**
- **General data conversions**
- **Correction/Reversal of duplicate and/or incorrect transaction postings due to user error such as duplicate year-end closeouts, duplicate/incorrect penalty postings, duplicate/incorrect bill processing, etc.**
- **Data loss due to drive crashes, machine failures, etc..**
- **Installation, Training and Data Conversions for Software Re-architecture.**

Benefits

- The Software Support Agreement only covers software developed by Southern Software.
- Toll-free telephone support, Monday through Friday, 8:30 a.m. to 5:00 p.m., EST.
- Software Updates for Southern Software products.
- Remote System Support.
- Annual User's Conference.
- Free hardware/network assessments for upgrades.
- Free follow-up/new employee training at Southern Software's office.
- Free web training.

System Access/Customer Responsibility

The customer agrees to provide a dedicated computer capable of remote access for support purposes. The computer designated for remote connectivity shall allow access to all computers on the network requiring support.

This Annual Software Support Agreement provides coverage that begins May 1, 2025 and ends April 30, 2026.

FMS Annual Support \$2,464.00

By signing this document, you are confirming that you have read and understand the terms and conditions of the annual support agreement.

Important - Support Renewal Clause

A lapse in support renewal will require that all outstanding support balances be paid in full prior to reinstatement of support. Support fees are non-refundable.

Customer Representative Signature

Date

MOUNT GILEAD (TOWN OF), NC - (FMS)

Name of Department

NOTE: IF A PURCHASE ORDER NUMBER IS REQUIRED ON THE SUPPORT INVOICE PLEASE ENTER HERE_____. IF THE NUMBER IS NOT AVAILABLE AT THIS TIME, PLEASE FAX THE PURCHASE ORDER TO (910)695-0251 WHEN IT IS AVAILABLE.

NO PURCHASE ORDER NUMBER WILL BE REQUIRED.

Meeting Date: 02/06/2024	Agenda Item Number: New Business F
Submitted By: Dylan Haman	Department: Administration
Attachments: CODE OF ETHICS FOR TOWN OF MOUNT GILEAD ADVISORY BOARD MEMBERS	

Topic: Code of Ethics for Parks and Recreation Committee

Staff Summary: As we prepare for summer, we have received requests to re-establish a parks and recreation commission which was placed on hold so that staff could develop formal rules and a code of ethics for citizen committee members.

Direct Cost: 0	Line Item Utilized -
Amount Remaining after Action: -	In Current Budget: Yes/No
Plans if Not in Current Budget:	

Staff Recommendation: Staff recommends adopting the following code of ethics for the Parks and Recreation Committee

Examples of Motions:

Approve: I make a motion to adopt the Code of Ethics for Mount Gilead Citizen Advisory Board Members.

Deny: I make a motion that we do not adopt the Code of Ethics for Mount Gilead Citizen Advisory Board Members.

Need More Time: I make a motion to table this agenda item to another meeting on (date):

CODE OF ETHICS FOR TOWN OF MOUNT GILEAD ADVISORY BOARD MEMBERS

A. Conflict of Interest

1. During advisory board meetings, a member shall immediately disclose any potential conflict of interest and request to be excused from voting when he or she has a conflict of interest as may be required by State law, Town Ordinance, Town Policy or Advisory Board by-laws.

2. In determining from existing facts and circumstances whether a conflict of interest exists the determining party shall consider the facts and circumstances as would an ordinary and reasonable person exercising prudence, discretion, intelligence, and due care.

B. Gifts

1. An advisory board member shall not directly or indirectly ask, accept, demand, exact, solicit, seek, assign, receive, or agree to receive any gift or honorarium for the advisory board member, or for another person, in return for being influenced in the discharge of the advisory board member's official responsibilities.

2. This section shall not apply to gifts or awards authorized by Town of Mount Gilead Policies, Resolutions, or Ordinances.

C. Code of Ethics

Advisory board members should act with integrity and with independence from improper influence as they exercise the functions of their offices. Characteristics and behaviors that are consistent with this standard are:

- a. Adhering firmly to a code of sound values.
- b. Behaving consistently and with respect towards everyone with whom they interact.
- c. Exhibiting trustworthiness.
- d. Using their best independent judgment to pursue the common good as they see it, presenting their opinions to all in a reasonable, forthright, consistent manner.
- f. Remaining incorruptible, self-governing, and not subject to improper influence, while at the same time being able to consider the opinions and ideas of others.
- g. Disclosing contacts and information about issues that they receive outside of public meetings and refraining from seeking or receiving information about quasi-judicial matters outside of the quasi-judicial proceedings themselves.
- h. Treating other advisory boards and advisory board members and the public with respect and honoring the opinions of others even when they disagree.

- i. Being careful not to reach conclusions on issues until all sides have been heard.
- j. Showing respect for their appointed office and not behaving in ways that reflect badly on the office, the advisory board, the Town of Mount Gilead, or the Town of Mount Gilead Board of Commissioners.
- k. Recognizing that they are part of a larger group and acting accordingly.
- l. Recognizing that individual board members are not generally allowed to act on behalf of the board but may only do so if the board specifically so authorizes, and that the board must take official action as a body. Understanding that as advisors to the Board of Commissioners, they must address the Board as a body, not as an individual.
- m. Being faithful in the performance of the duties of their offices.
- n. Acting as especially responsible residents whom others can trust and respect.
- o. Faithfully attending and preparing for meetings.
- p. Carefully analyzing all credible information that is properly submitted to them, and when applicable, being mindful of the need not to engage in communications outside the meeting in quasi-judicial matters.
- q. Being willing to bear their fair share of the board's workload.
- r. To the extent appropriate, they should be willing to put the board's interests ahead of their own and shall avoid the appearance of a conflict of interest and shall, under no circumstances, use their position on any board for personal gain or profit.

Meeting Date: 02/06/2024	Agenda Item Number: New Business G
Submitted By: Dylan Haman	Department: Administration
Attachments: TOWN OF MOUNT GILEAD APPOINTMENT POLICY FOR ADVISORY BOARDS	

Topic: Appointment Policy for Parks and Recreation Committee

Staff Summary: As we prepare for summer, we have received requests to re-establish a parks and recreation commission which was placed on hold so that staff could develop formal rules and a code of ethics for citizen committee members.

Direct Cost: 0	Line Item Utilized -
Amount Remaining after Action: -	In Current Budget: Yes/No
Plans if Not in Current Budget:	

Staff Recommendation: Staff recommends adopting the following Appointment Policy.

Examples of Motions:

Approve: I make a motion to adopt the Appointment policy for citizen advisory boards

Deny: I make a motion that we do not adopt the Appointment policy for citizen advisory boards.

Need More Time: I make a motion to table this agenda item to another meeting on (date):

TOWN OF MOUNT GILEAD APPOINTMENT POLICY FOR ADVISORY BOARDS

SECTION I: SCOPE

This Policy serves to provide procedures for the acceptance of names, interview process, selection, and appointment of citizens interested in serving on the Town of Mount Gilead Advisory Boards. Members to these Boards are appointed by and serve at the will of the Board of Commissioners. Town Advisory Boards to which this policy applies currently include:

Parks and Recreation Advisory Board

SECTION II: GENERAL:

A. RESIDENCY: No person shall be eligible to apply unless he/she is a resident of the Town of Mount Gilead or the Mount Gilead ETJ.

B. PUBLIC NOTICE OF OPENINGS: Application for candidacy to Town Advisory Boards is continuously available at the Town Clerk's office or at www.Mtgileadnc.com. Applications may be considered for two years from the date of submission. Notice of vacancies on Town Advisory Boards shall be posted on the Town's Website and Social Media Pages. The Public Notice May be advertised in additional forums including, but not limited to, Water bills, local news media, town newsletters etc.

C. SUBMISSION OF CANDIDACY IN WRITING: Interested citizens must submit his/her candidacy by filing an Application with the Town Clerk no later than 30 days prior to the expiration of a term in order to be considered. Current members seeking reappointment must notify the Advisory Board Chair of their interest in reappointment no later than 30 days prior to the expiration of his/her term.

D. DATE OF APPOINTMENT: Appointments will be made at a Board of Commissioner's meeting and effective as of [Effective date of Terms] in the year of appointment.

E. RE-ADVERTISING: If all positions are not filled at that time, the Town may re-advertise for citizens to fill the empty positions.

F. UNEXPIRED TERMS: The Town Board intends to make appointments to fill unexpired terms created by vacancies as expeditiously as possible. The Board recognizes that the urgency of filling such vacancies may vary depending upon the circumstances of the vacancy. In an effort to expedite the filling of an early vacated seat, the Town Board may consider any applications currently on-file at the Clerk's Office for appointment without following procedures of B – C above only after announcing the vacancies at a Board meeting and advertising said vacancies on the Town Website for not less than a 30 day period.

G. PROMOTION OF ALTERNATE MEMBERS: Alternate members are appointed to Boards to serve if a regular member is unable to take his/her seat. Alternate positions are an excellent method of allowing a citizen to become familiar with the requirements of the Board, and to gauge his/her ability to assume regular membership. It also gives the Town Board an opportunity to assess the citizen's qualifications to serve as a regular member. The Board shall give consideration to an Applicant's service as an alternate when making appointments to the Advisory Boards.

SECTION III: APPOINTMENT PROCEDURE:

A. BOARD MEMBER APPOINTMENT

1. All applications received by the Town shall be screened by the Staff liaison to the advisory board and the Advisory Board Chairman to identify Qualified Applicants.
2. Qualified Applicants will be reviewed and evaluated by the Nominating Committee of the Advisory Board. The Nominating Committee will then provide the full Board with a recommendation and final appointment will be determined by a vote of the Board of Commissioners at a regular Board Meeting.
 - a. The Nominating Committee will consist of the Mayor, the Staff liaison to the Advisory Board, the Town Board Member liaison/s to the Advisory Board and the Chairman of the Advisory Board.
 - b. The Staff liaison or his designee will work with the Nominating Committee to facilitate the appointment process.
3. In addition to that information included in the application, the Nominating Committee may request from applicants and consider the following:
 - a. Background check.
 - b. Professional and character references.
 - c. Experience and education.
 - d. Prior volunteer service with the Town, another public agency or nonprofit.
 - e. Geographical makeup of Advisory Board.
 - f. Other information deemed relevant and necessary at the discretion of the Nominating Committee and/or the Board of Commissioners.
4. New Board applicants shall be interviewed by the Nominating Committee. Reappointed members may be interviewed if deemed appropriate by the Nominating Committee.
5. The Board of Commissioners reserves the right to seek additional information, conduct additional interviews, to amend, extend or expedite the nomination process at its sole discretion.
6. The applicant recommended by the Nominating Committee will be asked to be in attendance at the Town Board meeting on the date the Board votes on the nomination.

B. FACTORS FOR CONSIDERATION:

1. REAPPOINTING MEMBERS: In addition to those items listed in Section A above, the Nominating Committee will consider the following items when evaluating applicants who are seeking reappointment to an existing board seat:
 - a. Attendance: It is expected that the members understand the commitment required and attend meetings. Members that have more than three (3) unexcused absences should not be considered for reappointment.
 - b. Effort: Members who have not become knowledgeable about their duties, or who have failed to comply with State law, Town ordinances or the Advisory Board Members Code of Ethics should not be considered for reappointment.
 - c. Attitude: While differences of opinion are anticipated and encouraged, and members must be allowed full voice, members are expected to be civil, and observe recognized rules of order. Members who are quarrelsome, disruptive, use their authority inappropriately, either on the Committee, or with other Town officials should not be considered for reappointment.
2. NEW MEMBERS – In addition to those items listed in Section A above, the Nominating Committee will consider the following items when evaluating new applicants who are applying to fill a vacant or expiring board seat:
 - a. Service on other Board/Committee: Applicants who have served on other Boards/Committees and performed well.
 - b. Background: Education, experience, business, professional, or occupation which qualifies him/her for serving on the Board.
 - c. Commitment: Effort should be taken to verify that the applicant is aware of the time commitment and any other factors in the appointment.
 - d. Potential Conflict of Interest: Applicants should be queried concerning possible conflicts between the appointment sought and business or other possible conflicts.

C. NOTIFICATION

Applicants will be notified of his/her appointment within two business days of the vote of the Board of Commissioners.

SECTION IV: AMENDMENT PROCEDURE

This Policy may, from time to time, be amended by a majority vote of the Board of Commissioners.

SECTION V: EFFECTIVE DATE

This Policy shall take effect immediately following a majority vote of the Board of Commissioners at a regularly scheduled Board meeting.

Meeting Date: 02/06/2024	Agenda Item Number: New Business H
Submitted By: Dylan Haman	Department: Parks and Recreation
Attachments: Mount Gilead Parks and Recreation Committee Bylaws	

Topic: Parks and Recreation Committee Bylaws

Staff Summary: The following Bylaws would govern the Mount Gilead Parks and Recreation Committee.

Please review Article 2 (Membership): We have some community members who are active in Parks and Recreation, but do not live in the Town Limits. The language of these bylaws would allow anyone with a Mount Gilead Address to participate in the committee, as long as they are approved by the Board. Is the Board okay with this, or would you prefer that the Committee be residents of Mount Gilead and the Mount Gilead ETJ?

Direct Cost: N/A	Line Item Utilized -
Amount Remaining after Action: -	In Current Budget: Yes/No
Plans if Not in Current Budget:	

Staff Recommendation: Staff recommends adopting the Parks and Recreation Committee Bylaws.

Examples of Motions:

Approve: I make a motion to adopt the Mount Gilead Parks and Recreation Committee Bylaws.

Deny: I make a motion that we do not adopt the Mount Gilead Parks and Recreation Committee Bylaws.

Need More Time: I make a motion to table this agenda item to another meeting on (date):

MOUNT GILEAD PARKS AND RECREATION COMMITTEE
BYLAWS

Article I: Name and Purpose

Section 1. Name

The Town of Mount Gilead hereby establishes an advisory committee titled Town of Mount Gilead Parks & Recreation Committee, herein after referred to as the “Recreation Committee”. The Recreation Committee is formed by the Town of Mount Gilead Board of Commissioners pursuant to the authority of North Carolina General Statutes 153A-76 and 160A Article 18.

Section 2. Purpose

The Recreation Committee is appointed by the Town Board with the primary responsibility of providing recommendations to the Mayor and Board of Commissioners to assist the council in developing and preserving aesthetic, maintenance, recreational and cultural values that serve the public interest. The Recreation Committee may also perform other duties as assigned by the council, which may include, but not be limited to:

- A. To investigate and determine the needs, interests and goals of the Park and Recreation Advisory for recreation facilities and programs and make recommendations to the Town Board to meet those needs and goals;
- B. To inform and educate the general public of the importance and need for park and recreation programs, greenways, facilities and services;
- C. To make recommendations to the Town Board on acceptance of public dedication of land or fee in lieu of the dedication of land for park, recreation and open space as required by the town’s Land Development Code;
- D. To seek and make recommendations on the acceptance of grants, gifts, bequests, donations and personal or real property for park, greenway and recreation purposes;
- E. To assist the town in developing cooperative arrangements with other organizations and private groups, when it will further the objective of providing more and varied kinds of park and recreation programs for the citizens of the Park and Recreation Advisory;
- F. To assist the town in recruiting voluntary leadership staff to work with park/recreation facilities, programs and activities;
- G. To assist in matters relating in maintaining the highest standards in park development and operation, park/recreation leadership and in well-balanced programs;
- H. To assist in developing a comprehensive master plan to meet the present and future needs for programs, services, park facilities, open spaces and trails and to advise in developing priorities for each of these;
- I. To receive information and reports from staff concerning the evaluation of programs, facilities, policies and procedures; and

J. Upon request, recommend approval of rules and procedures pertaining to the use of public parks and facilities including suggested fees and charges.

Article 2: Membership

Section 1. Membership

The Recreation Committee shall consist of five members, all of whom will be appointed by the Town Board. Each member must be a resident of the Mount Gilead Township as defined by the United states census. The Town Board of Commissioners shall appoint one of its members annually to serve as the Board Liaison to the Recreation committee. The council liaison shall not count towards a quorum and shall not vote. The council liaison shall ensure public meeting laws are followed by the committee and shall report back to the Town Board on the business conducted by the parks and recreation committee.

All non-staff applicants shall be selected pursuant to the Town of Mount Gilead Appointment Process for Advisory Boards and shall serve three-year terms. The terms shall be staggered such that three members' terms expire each year. Terms shall run from January 1 in the year appointed to December 31 of the expiration year. All non-town staff members serve at the pleasure of the Board and may be removed for any reason or no reason upon majority vote of the Board of Commissioners. Members of the Committee (excluding the town-staff members) shall serve without compensation.

Section 2. Attendance

In order for the Recreation Committee to carry out its duties and responsibilities, it is necessary for all members to attend the meetings, consistently attend volunteer events/projects, and conscientiously carry out their duties as a committee member. If any voting member is absent without excuse for three consecutive regular meetings and events within the preceding twelve-month period, the Chair may request that the position be vacated and a replacement be made by the Town Board of Commissioners.

Section 3. Voting

All voting members of the Committee shall vote on every issue except in a situation where a member of the Committee shall be excused from voting by the Chair. The Chair may excuse a member from voting if that member has personal or financial interest in the matter upon which a vote is taken. In the event a member is not excused from voting but chooses to abstain, the vote will be recorded as an affirmative vote.

Section 4. Code of Ethics

All members of the Committee shall comply with the Town of Mount Gilead Advisory Board Code of Ethics.

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Commented [DH1]: Is the Board okay with Township, or do you prefer Town Limits/ETJ?

Deleted: Each member must be a citizen of the Town of Mount Gilead that lives within the city limits.

Article 3. Officer Duties

Section 1. Duties of Chair

The Chair will be appointed by the Board of Commissioners annually. The Chair shall preside at each meeting and shall decide all points of order and procedure. The Chair shall vote on all matters before the Committee and is granted extraordinary voting powers (an extra vote) in the case of a tie vote. The Chair shall establish an agenda for each meeting. Upon resignation or incapacity of the Chair, the Vice-Chair shall assume this position until the term has expired. The Board of Commissioners shall appoint a new Vice-Chair within ninety (90) days to complete the existing term of office.

Section 2. Duties of Vice-Chair

The Vice-Chair shall be appointed by the Board of Commissioners. This position is responsible for acting in place of the Chair during any absence and for supporting the Chair as needed.

Section 3. Duties of Secretary

A Secretary shall be appointed by the Board of Commissioners. The Secretary shall take the minutes of all meetings and shall provide the minutes to the Town Clerk after each meeting.

Section 3. Appointment Process

On or before November 1 of each calendar year, those committee members interested in holding an officer position on the Committee shall submit their name to the Town Clerk of consideration by the Board of Commissioners. The Board of Commissioners shall appoint or reappoint officers on or before December 31 of each calendar year.

Article 4. Meetings

Section 1. Types of meetings

- A. Regular Meetings. Regular meetings of the Recreation Committee shall be held on the Third Tuesday of Each Month at 6pm at a place of the Committees choice, unless otherwise set during the Parks and Recreation Organizational Meeting.

Deleted: (insert day of each month and time)

Deleted: at (name place of meeting)

- B. Special Meetings. Special meetings of the Recreation Committee shall be held at the time and place designated by the Chair, any two committee members, or the Town Manager, providing at least 48 hours notice is provided to the members and the public.
- C. Cancellation of meetings. When there is no business for the committee, monthly meetings may be canceled. Notice will be given to all members and the public of such cancellation.

Section 2. Rules of meetings

- A. Quorum: A quorum consists of a majority of the voting members of the committee, not vacant.
- B. Conduct of Meetings: All meetings shall be open to the public.
- C. Action: All actions of the Recreation Committee shall have been put before the Recreation Committee Board Members in the form of a motion, duly seconded and voted upon. A majority of all voting members including the Chair shall be present before a vote may be taken on any motion.
- D. Public Record: The Recreation Committee shall keep a record of its recommendations, transactions, findings, and determinations. Said records shall be public, except as exempted by State Law, and maintained in the files of the Town Clerk of the Town of Mount Gilead.
- E. Adoption and Amendment: The Recreation Committee Bylaws shall be adopted by a majority vote of the Town Board of Commissioners. The Recreation Committee Bylaws may be amended from time to time by majority vote of the Town Board of Commissioners at a duly constituted regular meeting, provided that such proposed amendment shall have been first submitted to the Town Board of Commissioners in writing prior to the meeting at which the vote is taken.

DATE: January 24, 2024
TO: Mayor and Board of Commissioners
FROM: Dylan Haman, Town Manager
RE: Meeting with Twin Harbor Campground Manager

Mayor and Board,

I recently met with the new Twin Harbor Campground Manager, Harry Workman, at his request to discuss issues with the Wastewater System in Twin Harbor. At this meeting we discussed the issue with Delinquent customers, the Inflow and Infiltration issues, the Pump and Haul situation in section E, Damages to Town pumps, defunct collection lines owned by Twin Harbor, and the potential of a Master Meter.

Mr. Workman offered his support and told me that his Board is interested in repairing relationships between the Town and the Campground. He mentioned that they have an almost entirely new administration which is focused on professionalism and mutual interests with the Town.

Mr. Workman also referenced the development around Lake Tillery, noting that Twin Harbor's future is dependent on modernizing.

I have told Mr. Workman that the Town will work with him in any way possible to address and resolve current issues at Twin Harbor.

Respectfully, Dylan Haman

DATE: January 24, 2024
TO: Mayor and Board of Commissioners
FROM: Dylan Haman, Town Manager
RE: Annexation Work Session Reminder

Mayor and Board,

PTRC will join us on February 13 at 7pm to hold an annexation work session regarding the Retreat at Lake Tillery. Please have questions prepared for them that they can help us work through. We will also have resolutions prepared (Which would ask Representative Sasser to bring a bill forward during the Short Session) if the board finds them satisfactory.

Where would you all like to hold the session?

Dylan Haman, Town Manager

DATE: March 9, 2024
TO: Mayor and Board of Commissioners
FROM: Dylan Haman, Town Manager
RE: Financial Condition Analysis as of June 30, 2023

Mayor and Board,

Please find the attached financial analysis report which we will discuss at the first Budget Work Session on March 9. This analysis goes deeper than Fund Balance, by actually measuring the Liquidity, Solvency, and ability to meet debt obligations over time. I believe that it is critical to understand the financial condition in order for the board to make decisions during the budget season.

This analysis measures a number of financial dimensions which analyze the financial health of the Town. These Financial Dimensions are measured with Financial Indicators in the General Fund including the Quick Ratio and Fund Balance as a percentage of Expenditures. Financial Indicators measuring the Water/Sewer Fund include the Quick Ratio, the Net Asset Ratio, and the Debt Coverage Ratio. Each dimension is calculated based on the Comprehensive Annual Financial Report (CAFR Report) dating back to 2016.

The Report will also analyze Cash Flows to help the board understand why the financial condition has changed over time. Financial Indicators which will measure cash flows include operations ratios, intergovernmental ratios, debt service ratios, charge to expense ratios, and total margin ratios.

This report will help you understand the financial condition of the Town over time. Included within each Financial Dimension, you will see a graph which captures a financial indicators as of June 30 of each year. You will also see an explanation which explains what each financial indicator measures.

I want to draw special attention to the decline in General Fund Quick Ratio and all Water/Sewer dimensions included in this report.

Please feel free to contact me with any questions prior to my presentation at the first Budget Work Session.

Respectfully,
Dylan Haman, Town Manager

FINANCIAL INDICATOR 1: General Fund Quick Ratio

A General Funds Quick Ratio measures the Liquidity of the General Fund. The Quick Ratio is calculated using the following Formula:

$$\text{cash and investments} \div \text{current liabilities} = \text{General Fund Quick Ratio}$$

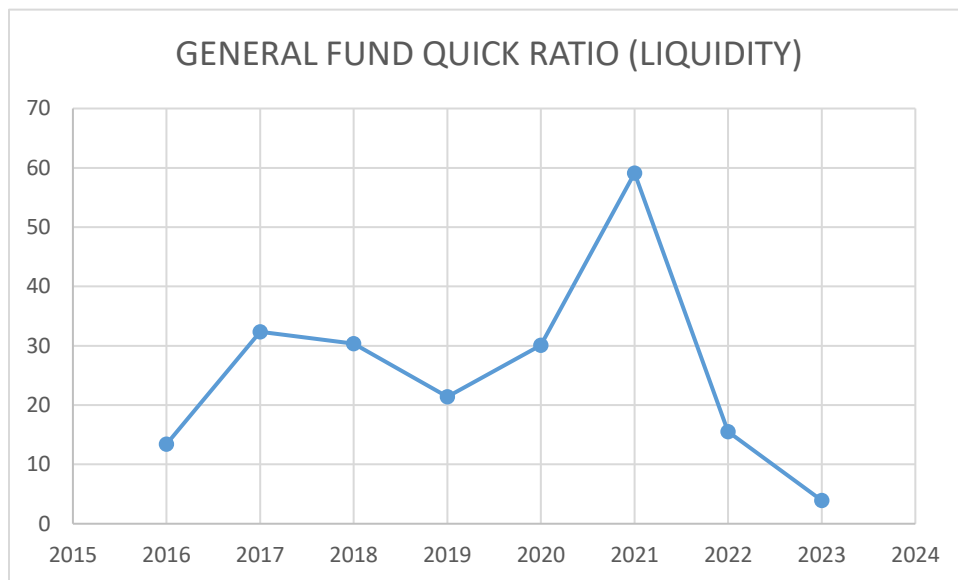
Liquidity is a measurement of the Town's ability to address short term obligations. Mount Gilead's General Fund Quick Ratio reached a high of 59.11 in, meaning that the town had \$59.11 of Cash for Every \$1 of current liabilities.

Mount Gilead's Quick Ratio as of June 30, 2023 was only 3.93, meaning that the Town only had \$3.93 for every dollar of current liabilities. This is largely due to the amount owed to the Internal Revenue Service at year end. Without IRS liability, the Town would have a General Fund Quick Ratio of 22.58. However, the Quick Ratio benefited from the utilization of ARPA monies as Revenue Replacement during the last Fiscal Year.

For Reference, Biscoe's General Fund Quick Ratio in 2022 = 44.35

So what is a current liability? A current liability refers to the liabilities of the business which are to be paid in cash during the fiscal year.

In our personal lives, you could think of a current liability like your monthly bills. A quick ratio of 1 would mean that all of the money in your bank account would be owed to someone else. Much like this personal finance scenario, a low quick ratio makes it difficult to respond to emergencies or opportunities.



FINANCIAL INDICATOR 2: General Fund Balance as a Percentage of Expenditures

A General Fund Balance as a Percentage of Expenditures measures the solvency of the General Fund. The ratio is calculated utilizing the following formula:

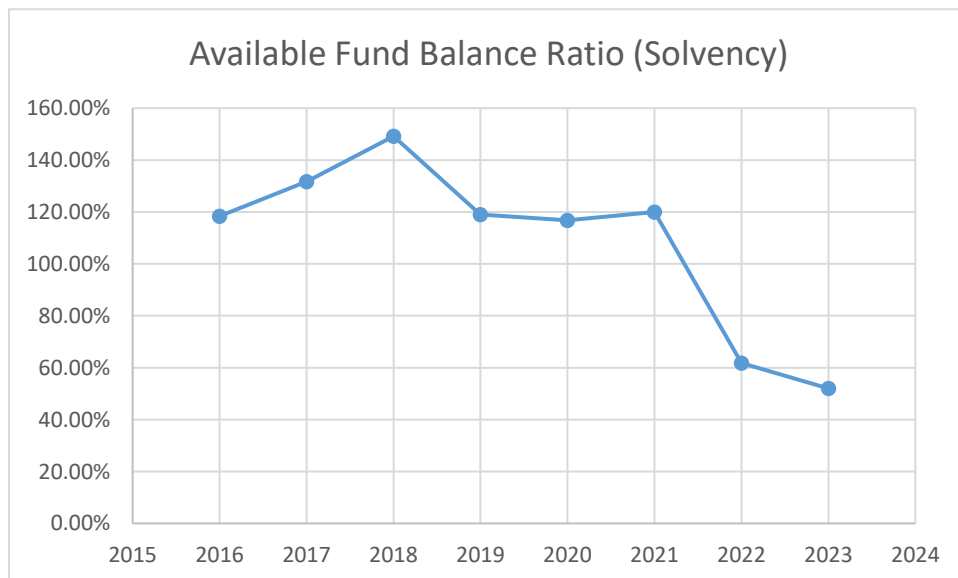
$$\begin{aligned} & \text{available fund balance} \div (\text{total expenditures} + \text{transfers out} \\ & \quad - \text{capital lease or installment purchases}) \\ & = \text{General Fund Balance As a Percentage of Expenditures} \end{aligned}$$

Solvency measures Mount Gilead's ability to address long-term obligations. Mount Gilead's available fund balance ratio reached a high of 149% in 2018, meaning that the Town had over a year and half worth of expenditures available in the Fund Balance.

Mount Gilead's available fund balance ratio was 52% in 2023, meaning the town only had about six months of expenditures available in the Fund Balance. This is largely due to increased costs on salaries, a major storm water infrastructure project which occurred in 2021, and overall appropriation of fund balance to balance the budget.

A strong fund balance keeps a Board's options open for negative economic events such as recession, where sales tax revenue would drop. It also keeps the boards options available for opportunities, such as annexation of new property, which could place the Town in a stronger financial position. Furthermore, it helps to keep tax rates low by ensuring a strong return on invested idle funds.

The SRO Grant helps with this by covering the payroll costs of an officer. However, this Grant is up for renewal in just a few short years and may not be re-approved.



FINANCIAL INDICATOR 3: General Fund Operating Ratio

A General Fund's Operating Ratio is used to analyze its Resource Flow and service obligations. The Ratio is calculated using the following formula:

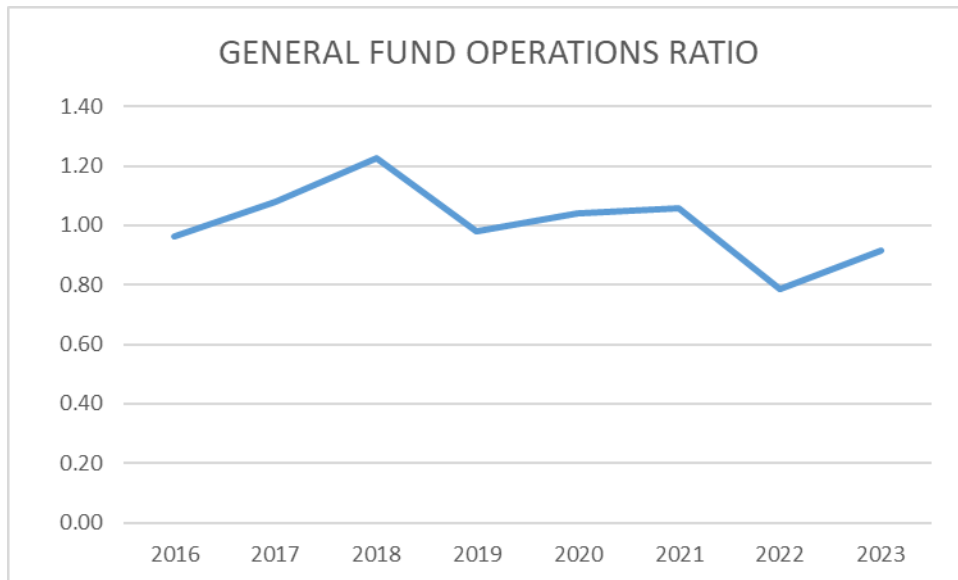
$$\text{revenues} \div \text{expenditures} = \text{General Fund Operating Ratio}$$

An operating ratio below 1 means that the town is living above its means. This ratio helps to determine whether the town can actually afford to pay for ongoing services and existing debt. Mount Gilead's operating ratio hit a high of 1.2 in 2018, and a low of .78 in 2022. Last year our operating ratio was a .91, which means that the general fund only brought in 91 cents for every dollar that was spent.

The Town's operating ratio has declined in recent years largely because the Town's expenses are growing faster than its revenues.

A ratio below 1 means that the Town cannot actually afford the services it is currently providing over time. Steps must be taken to ensure that actual revenues exceed expenditures over time. When analyzing a project, it is important to ask "How are we going to pay for this."

This issue is compounded by the reality that property values will not be reassessed for the next few years. We know that inflation has occurred, but our property tax revenues have not increased to match.



Financial Indicator 4: Intergovernmental Revenue Ratio

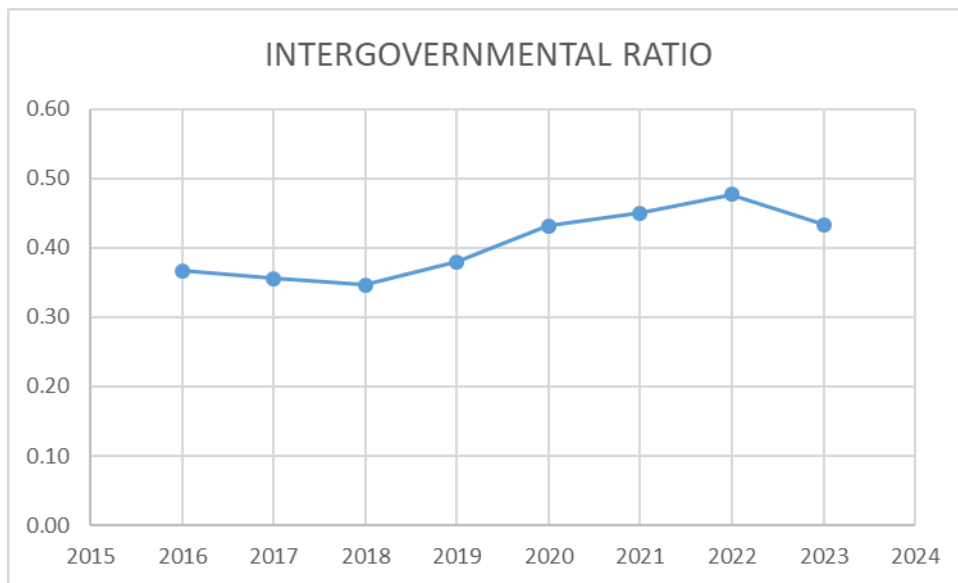
The Intergovernmental Ratio is a measure of self-sufficiency and risk. The Intergovernmental Ratio is calculated utilizing the following formula:

$$\text{Intergovernmental Revenues} \div \text{Total Revenues} = \text{Intergovernmental Ratio}$$

This ratio reflects how dependent the Town is on revenue streams from other government. As this ratio increases, it means that dependency and risk are increasing. Risk increases because Intergovernmental Revenue Streams are not guaranteed.

Intergovernmental Revenue streams include School Resource Officer Revenue, Sales Tax Revenue, and Parks and Recreation Funding from the County. The Town has no control over these revenues.

What happens if there is a recession, or if the state decides to discontinue the SRO program?



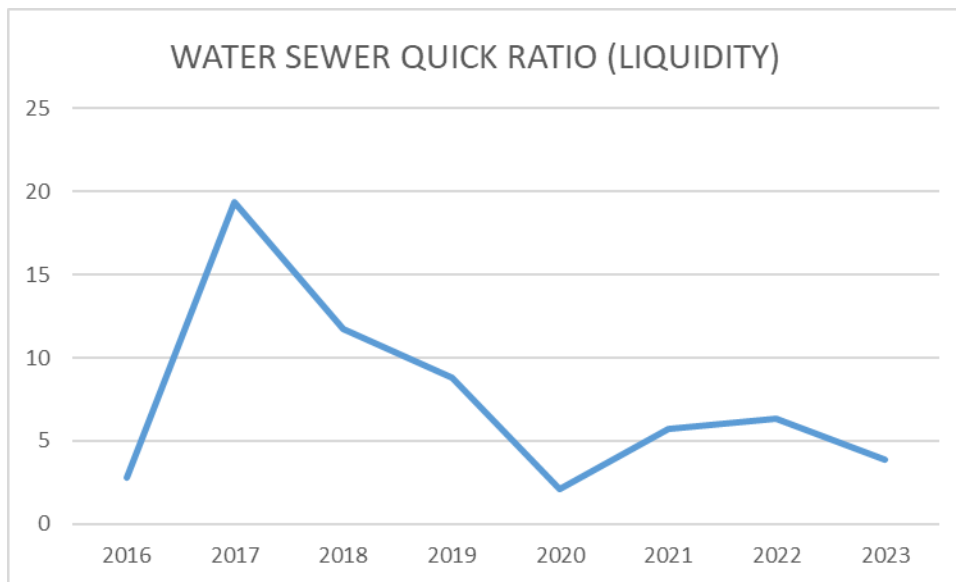
FINANCIAL INDICATOR 5: Water/Sewer Quick Ratio

A Water/Sewer Funds Quick Ratio measures the Liquidity of the Water/Sewer Fund. The Quick Ratio is calculated using the following Formula:

$$\text{cash and investments} \div \text{current liabilities} = \text{Water/Sewer Fund Quick Ratio}$$

Liquidity is a measurement of the Town's ability to address short term obligations. The Water/Sewer Quick ratio reached a high of 19.39 in 2017, largely due to a decrease in current liabilities at the time. Since that time, the Quick Ratio dropped to a low of 2.13 in 2020 and has since fluctuated between a 3.5 and a 6.5. In 2023, the Water/Sewer Quick Ratio was a 3.85, which means that the Town had just \$3.85 for every dollar of current liabilities.

Unlike the General Fund, The Town's Quick Ratio has been weak for many years. You can see the ratio drops in 2020 due to the debt the Town utilized for WWTP improvements. These improvements were necessary, but the Town needs to raise rates in order to build a liquid financial position.



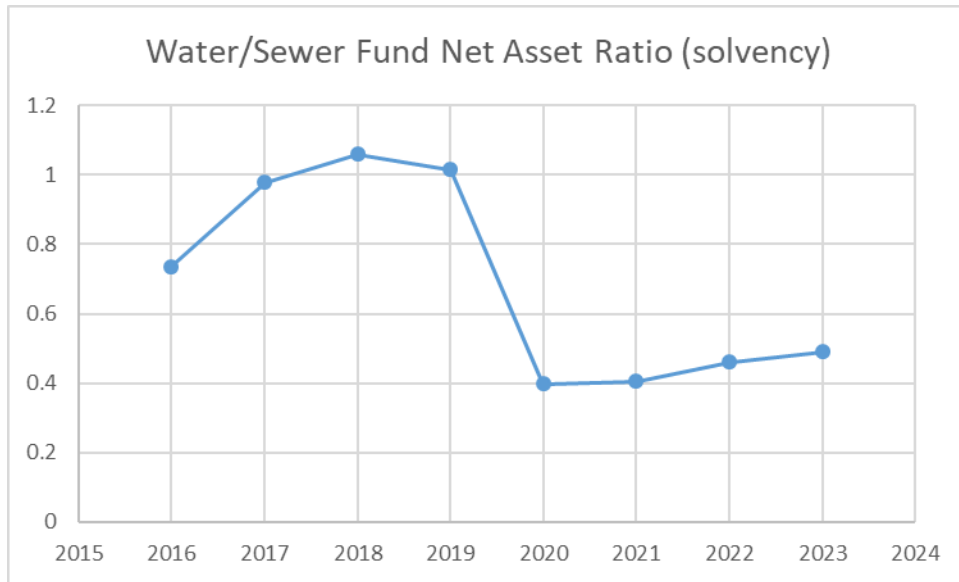
FINANCIAL INDICATOR 6: Water/Sewer Net Asset Ratio

A Water/Sewer Fund's Net Asset Ratio measures the Solvency of the Water/Sewer Fund. The Quick Ratio is calculated using the following Formula:

$$\text{unrestricted net assets} \div \text{total liabilities} = \text{Water Sewer Net Asset Ratio}$$

Solvency is a measure of the Town's ability to address long term obligations. The Water/Sewer net asset ratio was a .49 in 2023, which means that the town only had \$.49 of unrestricted net assets for every dollar of Liability.

The Net Asset Ratio dropped substantially in 2020 due to an increase in debt to fund Waste Water Treatment Plant Improvements. The ratio has grown slightly as the Town has begun paying down the debt while also seeing minor growth in its unrestricted net assets.



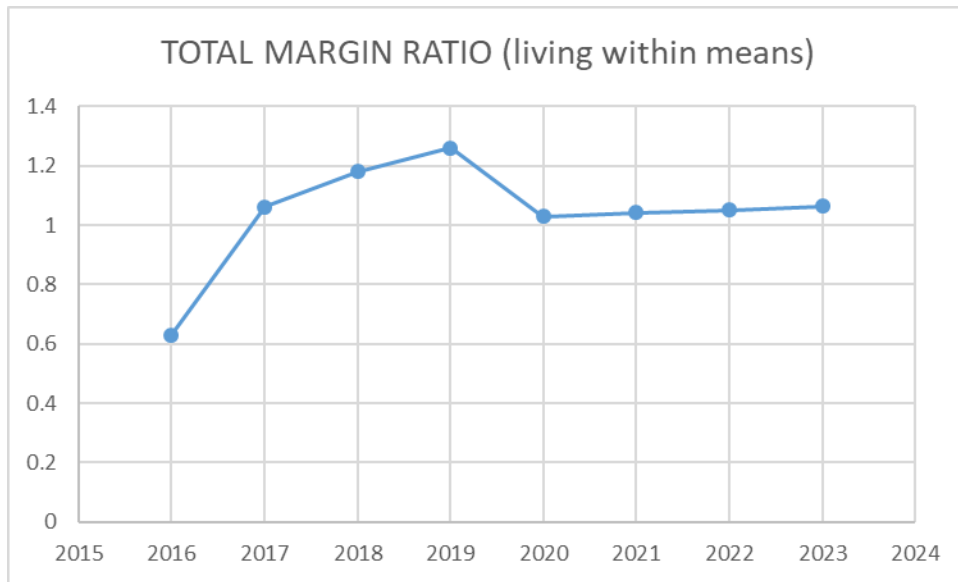
FINANCIAL INDICATOR 7: Water/Sewer Total Margin Ratio

The Water/Sewer Total Margin Ratio examines whether the Town lived within its financial means during the fiscal year. The Total Margin Ratio is calculated utilizing the following formula:

$$\text{resource inflows} \div \text{resource outflows} = \text{total margin ratio}$$

A ratio of 1 or higher indicates that resource inflows exceeded actual outflows. The Town of Mount Gilead has maintained a Total Margin Ratio of Approximately 1 since 2020, although this is a substantial drop compared to 2019 due to increased debt service.

A ratio of 1 does not necessarily mean that the Town is financially healthy, as this indicator does not include depreciation as a resource flow. Much like a vehicle, the Wastewater System depreciates over time and requires additional maintenance as parts fail. It is important to increase the Water/Sewer Margin so that the Town can afford to maintain the utility system it currently has.



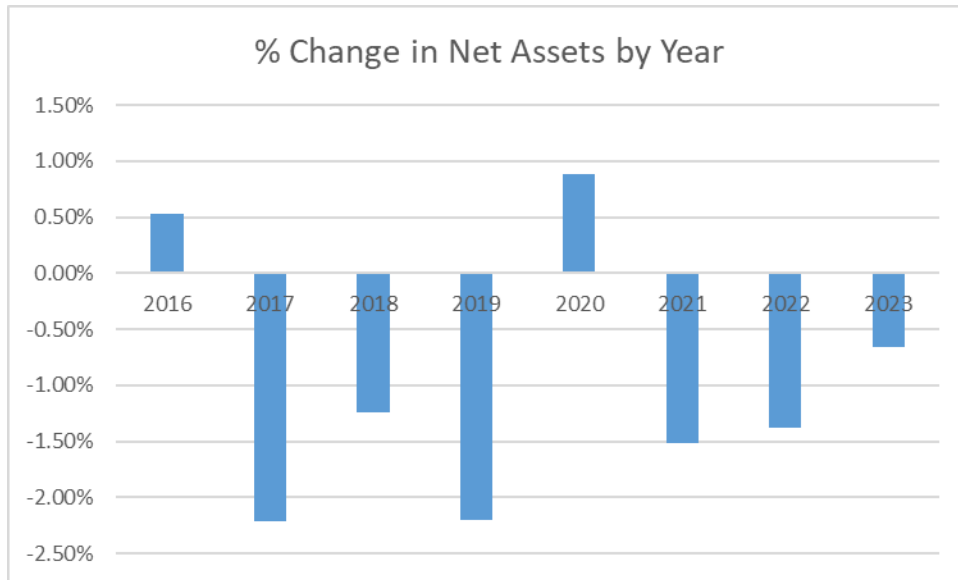
FINANCIAL INDICATOR 8: Water/Sewer Percent Change in Net Assets

The Water/Sewer Percent Change in Net Assets indicates whether the utility systems financial position actually improved during the fiscal year. The Percent Change ratio is calculated utilizing the following formula:

$$\text{Change in Net Assets} \div \text{Total Net Assets, beginning} = \text{Percent Change in Net Assets}$$

A positive Change in Net Assets indicates that the Town's Financial Position has improved, whereas a negative change indicates that the Town's Financial Position has become worse. The Town has seen a negative Change in net assets in 6 of the 8 years measured, largely due to depreciation. The Town has seen a positive change in net assets as a result of borrowing funds in both 2016 and 2018.

While borrowing has increased total net assets in two of the 8 years, it is important to recognize that the Town has maintained an operating loss in the Water and Sewer fund for the last 14 consecutive years.



FINANCIAL INDICATOR 9: Water/Sewer Charge to Expense Ratio

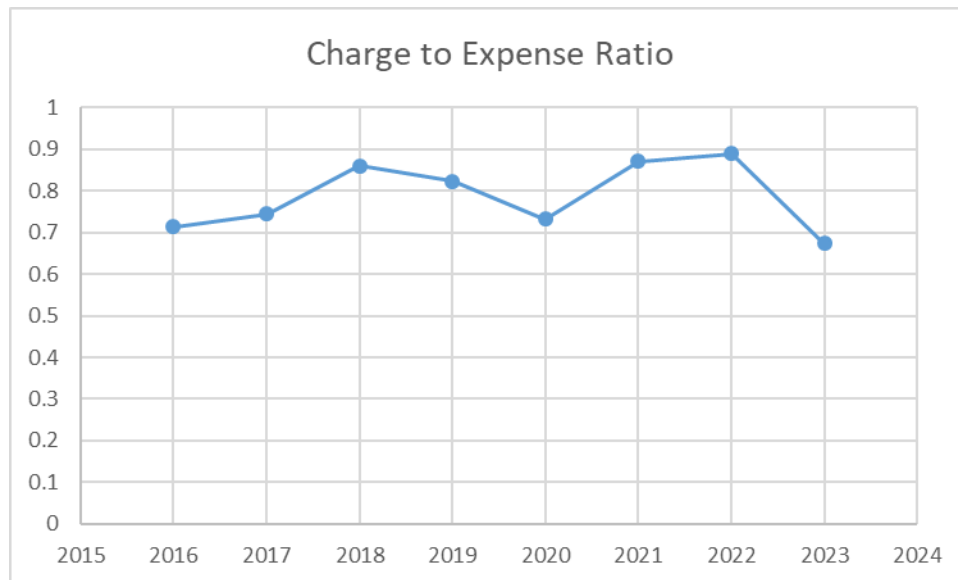
The Water/Sewer Charge to expense ratio indicates the self-sufficiency of the water and sewer fund. The Ratio is calculated utilizing the following formula:

$$\text{charges for service} \div \text{total expenditures} = \text{Charge to expense ratio}$$

In local government enterprise funds, the charge to expense ratio should be a 1, indicating that user charges cover 100 percent of annual operations. A ratio below 1 indicates that the utility is not self-supporting, and is not bringing in enough revenue to cover its operations.

Mount Gilead has maintained a charge to expense ratio of less than 1 for at least 14 years, potentially longer. This indicates that the Town Water/Sewer system is not self-sustaining. The Town had a Charge to Expense ratio of .67 in 2023, which means that it only brought in 67 cents from user charges for every dollar that it spent.

The Town Board should raise Water and Sewer rates to build a self-sustaining utility system in accordance with the North Carolina General Statute requirements.



FINANCIAL INDICATOR 10: Debt Service Coverage Ratio

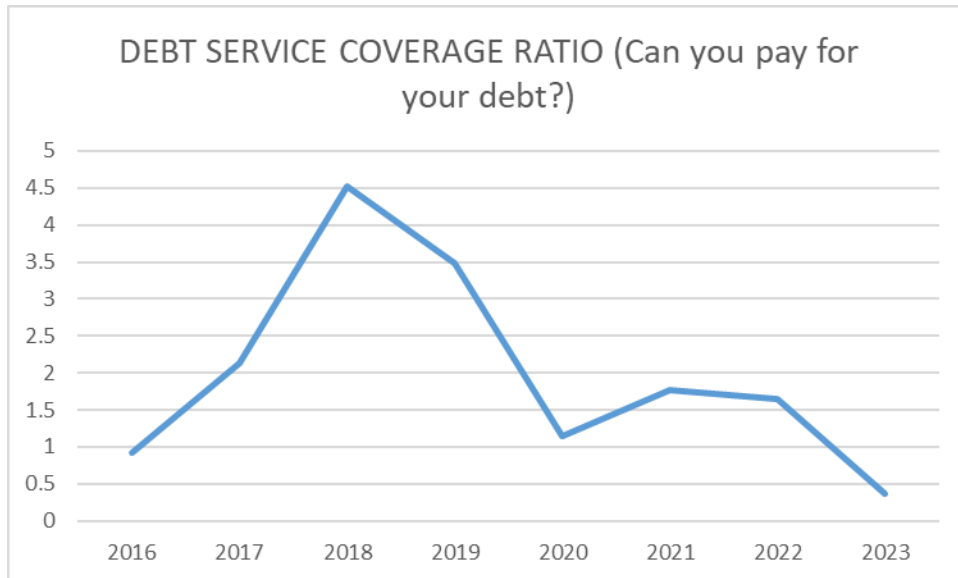
The Debt Service Coverage Ratio measures a Town's available cash flow to pay for current debt service. The Ratio is calculated utilizing the following Formula:

$$\text{Net Operating Income} \div \text{Debt Service} = \text{Debt Service Coverage Ratio}$$

A debt service coverage ratio of 1 means that the Town had 1 dollar of net operating revenue for every dollar of yearly debt service. A ratio below 1 indicates that the Town cannot afford the debt it has. The Town of Mount Gilead has long maintained a Debt Service Coverage Ratio above 1, until last year when the ratio dropped to a .37. A DSCR of .37 indicates that the town had only 37 cents of net revenue for every dollar it spent on debt service.

The Town's DSCR dropped last year largely because total expenditures grew faster than Gross Revenues. It is important that the Town raise rates to become self-sustaining and in accordance with inflation.

A personal finance example of this is what you have left over after paying your mortgage.



Meeting Date: 02/06/2024	Agenda Item Number: New Business L
Submitted By: Dylan Haman	Department: Administration
Attachments: Draft audit contract and engagement letter	

Topic: Audit contract approval for next year.

Staff Summary: The town must approve an audit contract for next year. The town board has directed staff to utilize JB Watson and Company for next year.

Direct Cost: 30,500	Line Item Utilized 10-800-42, 20-400-73
Amount Remaining after Action: -	In Current Budget: Yes/No
Plans if Not in Current Budget: -	

Staff Recommendation: Staff recommends approving this contract.

Examples of Motions:

Approve: I motion to approve the audit contract with JB Watson and Company.

Deny: I motion to deny the audit contract with JB Watson and Company.

Need More Time: I make a motion to table this agenda item to another meeting on (date):

The of and	Governing Board Town Council
	Primary Government Unit Town of Mount Gilead, NC
	Discretely Presented Component Unit (DPCU) (if applicable)

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name J.B. Watson & Co., PLLC
	Auditor Address PO Box 341; Wadesboro, NC 28170

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/24	Date Audit Will Be Submitted to LGC 10/31/24
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Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then

the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.
10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).
11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.
12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.
13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

See attached engagement letter.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

#26

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	Title and Unit / Company:	Email Address:
Dylan Haman	Town Manager	manager@mtgileadnc.com

OR Not Applicable (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

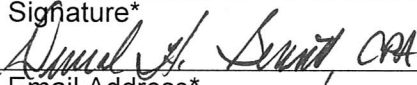
4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	Town of Mount Gilead, NC
Audit Fee (financial and compliance if applicable)	\$ 13,000
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$ 5,250
All Other Non-Attest Services	\$ 145/hour
TOTAL AMOUNT NOT TO EXCEED	\$ 30,500

Discretely Presented Component Unit	
Audit Fee (financial and compliance if applicable)	\$
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* J.B. Watson & Co., PLLC	
Authorized Firm Representative (typed or printed)* Deneal H. Bennett, CPA	Signature* 
Date* 02/06/24	Email Address* dbennett@jbandco.com

GOVERNMENTAL UNIT

Governmental Unit* Town of Mount Gilead, NC	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	02/06/24
Mayor/Chairperson (typed or printed)* Sheldon P. Morley, Mayor	Signature*
Date 02/06/24	Email Address* mayor@mtgileadnc.com

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	\$ 30,500
Primary Governmental Unit Finance Officer* (typed or printed) Lee Ann Haithcock	Signature*
Date of Pre-Audit Certificate* 02/06/24	Email Address* haithcock@mtgileadnc.com

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
Date DPCU Governing Board Approved Audit Contract* (Enter date in box to right)	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by this Transaction:	\$
DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT

J. B. WATSON & CO., P.L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

120 SOUTH RUTHERFORD STREET

P. O. BOX 341

WADESBORO, N.C. 28170

JAMES F. HANNA, CPA
DENEAL H. BENNETT, CPA
J. DAVID BURNS, CPA

TELEPHONE (704) 694-5174
FACSIMILE (704) 694-6970

February 6, 2024

To the Honorable Mayor and
Members of the Town Board
Town of Mount Gilead
PO Box 325
Mount Gilead, North Carolina 27371

We are pleased to confirm our understanding of the services we are to provide Town of Mount Gilead for the year ended June 30, 2024.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Town of Mount Gilead as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town of Mount Gilead's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Mount Gilead's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Local Governmental Employees' Retirement System Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of Contributions
- 3) Law Enforcement Officers' Special Separation Allowance's Schedule of Changes in Total Pension Liability and Schedule of Total Pension Liability as a Percentage of Covered Payroll

We have also been engaged to report on supplementary information other than RSI that accompanies Town of Mount Gilead's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

- 1) Combining and Individual Fund Statements and Schedules
- 2) Budgetary Schedules
- 3) Other Schedules
- 4) Schedule of Expenditures of Federal and State Awards

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Town of Mount Gilead and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting

on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories and direct confirmation of receivables, revenues, and certain assets and liabilities by correspondence with selected individuals, funding sources, customers, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement as part of our audit planning: management override of controls, improper revenue recognition, and lack of segregation of duties. These assessed risks are based on risks identified in the prior-period audit and the assumption they are still relevant.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures - Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Town of Mount Gilead's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also prepare the financial statements, related notes, and the schedule of expenditures of federal and State awards and related notes of Town of Mount Gilead in conformity with GAAP based on information provided by you. This will include proposed audit adjustments to convert the financial statements from modified accrual to accrual basis (including the accrual of the total pension liability (LEO) and the net pension liability/asset for LGERS). We will also assist in calculating depreciation for the year based on information provided by you. We will also prepare the Annual Financial Information Report (AFIR) using the financial statements and other information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards*, and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services, depreciation services, and AFIR preparation previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and State awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and State awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal and State awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to

the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards, and all accompanying information in conformity with GAAP, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that we report.

With regard to including the auditors' report in an exempt offering document, you agree that the aforementioned auditors' report, or reference to J.B. Watson & Co., P.L.L.C., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

For an audit subject to *Government Auditing Standards*, you further agree to acquire the services of an independent certified public accountant to read and review the financial statements prepared by our firm based on information provided by you.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Engagement Administration, Fees, and Other

We understand that your employees will assist in preparing all cash, accounts receivable, revenue, or other confirmations we request and will locate any documents selected by us for testing.

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and assisting in preparing confirmation requests. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

We will provide copies of our reports to Town of Mount Gilead and to the Local Government Commission of the North Carolina Department of State Treasurer; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of J.B. Watson & Co., P.L.L.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant agency or its designee, a federal or State agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of J.B. Watson & Co., P.L.L.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the cognizant agency, oversight agency for audit, or pass-through entity. If we are aware that a federal or State awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in late-summer 2024 and to issue our report no later than October 31, 2024 (or December 1, 2024, if additional time is warranted). Deneal H. Bennett, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

To ensure J. B. Watson & Co., P.L.L.C.'s independence is not impaired under the *AICPA Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fee for these services will be \$18,250 plus \$145 per hour for any nonattest services (including year-end bookkeeping), as applicable. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter, and our fees will be adjusted accordingly. Any increase in fee will require an amendment to the audit contract (LGC-205).

Reporting

We will issue a written report upon completion of our audit of Town of Mount Gilead's financial statements. Our reports will be addressed to the governing board of Town of Mount Gilead. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Town of Mount Gilead is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements. If during our audit we become aware that Town of Mount Gilead is not subject to an audit in accordance with the standards for financial audits contained in *Government Auditing Standards*, we will conduct the audit only in accordance with GAAS.

We appreciate the opportunity to be of service to Town of Mount Gilead and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,


J.B. Watson & Co., P.L.L.C.

RESPONSE:

This letter correctly sets forth the understanding of Town of Mount Gilead.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

Meeting Date: 02/06/2024	Agenda Item Number: New Business M
Submitted By: Dylan Haman	Department: Planning and Zoning
Attachments: Agreement with N-Focus	

Topic: Specialty Code Enforcement Agreement

Staff Summary: Staff has identified a need for on call specialty code enforcement to address a minimum housing issue. This agreement will enable the town to work with John Gaines at N-Focus.

Direct Cost: 130/hr	Line Item Utilized 10-460-46
Amount Remaining after Action:	In Current Budget: Yes/No
Plans if Not in Current Budget:	

Staff Recommendation: Staff recommends approving this agreement so that the Town can address a minimum housing issue.

Examples of Motions:

Approve: I make motion to approve the on call code enforcement agreement with N-Focus.

Deny: I make a motion that we do not approve the on call code enforcement with N-Focus.

Need More Time: I make a motion to table this agenda item to another meeting on (date):

**STATE OF NORTH CAROLINA
COUNTY OF MONTGOMERY**

**AGREEMENT WITH
LOCAL GOVERNMENT**

THIS AGREEMENT made the _____ day of _____, 2024 by and between **Town of Mount Gilead**, a North Carolina unit of Local Government (hereinafter known as “Local Government”); and, **N-Focus, Inc.**, a North Carolina corporation (hereinafter known as “Contractor”), by signatures below, enter into the following Agreement:

WITNESSETH:

WHEREAS Contractor has expertise in local government functions and Local Government has a need for such functions; and

WHEREAS Local Government and Contractor desire to enter into this Agreement;

NOW THEREFORE, Local Government and Contractor agree as follows:

Section A. SCOPE OF FUNCTIONS

1. Contractor will provide Local Government with Contractor personnel for Code Enforcement Services.

Section B. TERMS AND CONDITIONS

1. **Contractor Personnel:** To ensure Functions to be performed as defined in “Section A.” herein above meet the expectations of Local Government, Contractor shall assign a primary professional, an employee of Contractor, to Local Government. The primary professional shall be responsible for Contractor personnel performing the agreed upon Functions. Contractor personnel performing the Functions shall be either certified or licensed in their respective fields or apprentice under direct supervision of the primary professional. Contractor personnel performing these Functions shall have considerable knowledge in the principles and practices of local government. The primary professional, supporting personnel and subordinate person(s), if applicable, provided to perform these Functions shall be skilled in the use of work-related computer software packages and other technology used to perform position Functions.
2. **E-Verify:** Contractor represents and warrants that it is in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, Contractor warrants that any subcontractors used by Contractor will be in compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.
3. **Certification:** Contractor certifies that, as of the Effective Date of this Agreement, Contractor is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.58. In compliance with the Iran Divestment Act and N.C.G.S. § 147-86.58, Contractor shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.

4. **Equal Employment Opportunity:** Contractor, without limitation of any provision set forth herein, expressly agrees to abide by all applicable federal and/or State equal employment opportunity statutes, rules and regulations, as may be from time to time modified or amended.
5. **Status Of Contractor:** Contractor and Local Government agree that in the performance of the Functions defined in "Section A." herein above, Contractor personnel shall not be deemed to be an employee(s) of Local Government for any purpose whatsoever, nor act under Color of State Law.
6. **Work Products:** All materials produced by Contractor personnel assigned to Local Government shall be the property of Local Government and shall be filed on-site in the offices of Local Government, unless otherwise authorized for purposes and intent of the performance of Functions. Contractor shall be entitled to retain copies, both electronic and paper, of any work products prepared for the benefit of Local Government. Contractor shall not copyright any work products on behalf of Local Government; however, Contractor shall retain the right to utilize work products, such as improved administrative forms, plans, etc., or any portion thereof, for the purpose of performing similar functions for other jurisdictions.
7. **Progress Reporting:** Contractor shall communicate progress of work performed to Local Government's administrative officer and/or department head periodically or as determined by Local Government.
8. **Period Of Service (POS):** Functions defined in "Section A." herein above shall be provided routinely based upon a mutually agreeable schedule during the period February 12, 2024 and ending June 30, 2024. POS as defined herein may be amended through either Termination, as set forth in "Section B.14." herein, or, Extension, as set forth in "Section B.16." herein.
9. **Level Of Service (LOS):** The Functions defined in "Section A." herein above shall be delivered on an Hourly "On Call" basis as requested by Local Government.
10. **Compensation:** The fee for Functions to be performed as defined in "Section A." herein above shall be invoiced by the hour at One Hundred Thirty and no/100's (\$130.00) dollars per hour and, billed monthly in quarter-hour increments. Compensation is inclusive of all personnel costs including but not limited to:
 - a. Base Salary plus:
 - i. Social Security & Medicare (FICA)
 - ii. State Unemployment Insurance (SUTA)
 - iii. Federal Unemployment Insurance (FUTA)
 - iv. Worker's Compensation Insurance
 - b. Benefits:
 - i. Health, Life & Disability Insurance
 - ii. Paid Vacation & Personal Time
 - iii. Paid Holidays
 - iv. Paid Travel Time

- c. Professional Development & Certifications;
- d. Cellular Communications;
- e. Company Vehicle with
 - i. Vehicle Insurance
 - ii. Vehicle Operations & Maintenance
- f. Meals & Lodging; and
- g. Management cost

Printing and reproduction shall be provided by Local Government. Any direct expenses (i.e., printing, postage, etc.) provided by Contractor personnel on behalf of Local Government, shall be reimbursed at actual cost plus seven (7%) percent. Travel time to and from Local Government jurisdiction by Contractor personnel is subject to the hourly fee stated herein. Travel time shall be pro-rated when more than one jurisdiction is served on the same trip. Travel by Contractor personnel on behalf of Local Government to perform inspections within Local Government jurisdiction, or attend meetings outside Local Government jurisdiction, shall be reimbursed at the current IRS Standard Mileage Rate.

11. **Payments:** Local Government shall provide payment upon receipt of invoice. A late payment penalty equal to 1.5% per month of the unpaid balance may be assessed.
12. **Access:** Local Government shall provide Contractor personnel with legal access to the primary work area during normal operating hours.
13. **Liability:** Contractor personnel provided to Local Government are acting as contracted agents of Local Government in accordance with NCGS 160D-402(c) and no liability is implied or assumed for actions on behalf of Local Government, its administration, appointed officials and/or elected officials. General liability insurance shall be maintained by Contractor throughout the POS as defined in "Section B.8." herein for the Functions to be performed under this Agreement. Contractor shall provide Local Government with a Certificate of Insurance prior to beginning Functions defined in "Section A." herein above. This certificate will become a part of this Agreement upon execution of this Agreement. Contractor shall further indemnify and hold Local Government harmless from any/all worker compensation claims by Contractor personnel and any other claims arising out of Contractor personnel's conduct.
14. **Termination:** Contractor or Local Government may terminate this Agreement for any reason with sixty (60) days written notification. In the event of early termination, compensation for all Functions provided by Contractor through the termination date will be due and payable at the market rate fees in effect at the time of termination. In the event Contractor personnel currently employed, recently separated/terminated or retired from Contractor become employed directly by Local Government either during the POS identified in "Section B.8." herein or within one-hundred-eighty (180) days of the effective date of Agreement termination and/or expiration, Contractor shall be entitled to supplemental compensation by Local Government equal to three (3) months of said employee's full time gross salary equivalent in effect at the time of Agreement termination and/or expiration; furthermore, the supplemental compensation shall be due and payable within ten (10) calendar days of the date Contractor personnel begins employment with Local Government.

15. **Expiration:** This Agreement shall expire at 11:59 pm on June 30, 2024, unless extended as defined in "Section B.16." herein.
16. **Extension:** This Agreement may be extended by either separate agreement, subsequent addendum hereto, or written/e-mail authorization. Upon extension of this Agreement, POS as defined in "Section B.8." herein, LOS as defined in "Section B.9." herein, Compensation as defined in "Section B.10." herein is subject to change. All other Terms & Conditions defined herein shall remain the same.
17. **Certifications:** Contractor personnel shall not be required to sign any documents, no matter by whom requested, that would result in Contractor personnel having to certify, guarantee or warrant the existence of conditions whose existence Contractor personnel cannot ascertain. Local Government agrees not to make resolution of any dispute with Contractor or payment of any amount due to Contractor in any way contingent upon Contractor's personnel signing any such certification or document.
18. **Force Majeure:** Contractor shall not be responsible for any delays, damages, costs, expenses, liabilities, or other problems that may arise as a result of a force majeure. A "Force Majeure" is defined as any event arising from causes beyond the reasonable control of Contractor, including but not limited to fire, flood, unusual inclement weather, acts of God, civil strikes or labor disputes, riots, pandemics, acts or failures of Local Government or others.
19. **Conflicting Terms and Provisions:** In the event of conflict among this Agreement and any hereto attached exhibits, this Agreement shall govern.
20. **Dispute Resolution:** It is acknowledged this Agreement shall be governed by the laws of the State of North Carolina in the event of dispute. Any dispute, controversy or claim arising out of or relating to this Agreement, in particular its conclusion, interpretation, performance, breach, termination, or invalidity, shall be finally settled by the courts having exclusive jurisdiction within the county of Local Government.
21. **Counterparts:** This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. If any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.
22. **Entire Agreement:** Local Government and Contractor acknowledge this Agreement and any Attachments hereto constitute the entire agreement between Local Government and Contractor concerning the subject matter hereof. Any amendments or modifications of this Agreement shall be in writing and executed by Local Government and Contractor. Unless stated otherwise in this Agreement, this Agreement may not be modified.

23. **Representatives:** On behalf of Contractor, only the following individuals have authority to modify or alter the terms and conditions of this Agreement:

F. Richard Flowe, President & CEO
Patricia A. Rader, Secretary/Treasurer & COO

24. **Notification:** All correspondence shall be directed to:

Patti Rader, Manager
N-Focus, Inc.
315 South Main Street, Suite 200
Kannapolis, NC 28081
704.933.0772
PRader@NFocusPlanning.org

(This space left blank intentionally)

Section C. ACCEPTANCE:

Patricia A. Rader

February 1, 2024

Patricia A. Rader, Manager
N-Focus, Inc.

Date

ACCEPTED on behalf of Local Government by:

Signature

Date

Printed name of authorized person signed above

Seal of Local Government

ATTEST:

Clerk to the governing board/council of
Local Government

Date

PRE-AUDIT:

This document has been pre-audited in accordance with applicable North Carolina General Statute.

Finance Officer

Date

**Request for Taxpayer
 Identification Number and Certification**

Give Form to the
 requester. Do not
 send to the IRS.

Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
N-Focus, Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

Individual/sole proprietor or single-member LLC

C Corporation

S Corporation

Partnership

Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Other (see instructions) ▶ _____

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3).
 Exempt payee code (if any) _____
 Exemption from FATCA reporting code (if any) _____
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
315 South Main Street, Suite 200

6 City, state, and ZIP code
Kannapolis, NC 28081

7 List account number(s) here (optional)

Requester's name and address (optional)

Print or type. See Specific Instructions on page 3.

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-				-			
--	--	--	---	--	--	--	---	--	--	--

OR

Employer identification number


2	6	-	0	6	1	4	6	5	8
---	---	---	---	---	---	---	---	---	---

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ▶  Date ▶ **2/29/22**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

Community Garden Update- Preparing for Spring

Greetings, dear fellow garden enthusiasts! As we navigate the changing seasons, here's the latest news from our thriving garden.

In our ongoing efforts to create the best possible environment for our beloved fruit trees, we've been hard at work. We successfully removed weeds from around the fruit trees, a labor of love that allows these precious trees to flourish. We've also taken steps to suppress future weed growth by laying down cardboard around half of the trees, followed by a generous layer of mulch. Mother Nature, however, has had other plans, as the cold and wet weather has temporarily delayed our progress on the remaining trees. But fear not; we're committed to completing this task when conditions permit.

We've also been testing some seeds to ensure their viability for planting. This careful evaluation ensures that we start the season with the best possible prospects for growth and abundance.

In an exciting development, our garden has piqued the interest of the community, with inquiries about renting garden beds. While all beds are currently spoken for, we're considering options for next year. Our priority remains with those who have consistently volunteered in the garden and currently hold gardening beds, recognizing their dedication to nurturing our soil and cultivating a thriving community space.

As we patiently await the last frost to pass, our anticipation for spring grows. We're eagerly planning our next moves and envisioning the vibrant garden that awaits. Thank you for your continued support and enthusiasm. Together, we're sowing the seeds of a bountiful future.

**Warm regards,
The Gathering Garden**



TOWN OF MOUNT GILEAD DEPARTMENT REPORTS

110 West Allenton Street, Mount Gilead, North Carolina, 27306
JAN, 2024

PUBLIC WORKS

The following is a list of the activities and duties performed by the Public Works Department in October

Water/Sewer Services

1. Repaired pump at lift Station # 12 twin Harbor
2. Unclog sewer main J Chambers
3. Read towns water meters
4. Repair skimmers at WWTP
5. Installed new pump at lift Station #4
6. Repaired LS# 5
7. Repaired sewer line stoppage S. Cedar St
8. Water leak repaired S Wadesboro Blvd

Repairs and Cleanup Activities

1. Cleaned All the Towns Entrances
2. Cleaned Pavilions and park parking lots
3. Removed leaves in town
4. Pruned trees in town

Equipment/Vehicle Maintenance

1. Regular oil checks
2. Equipment oil checks
3. Oil change on 2 service vehicles

Routine Monthly Activities

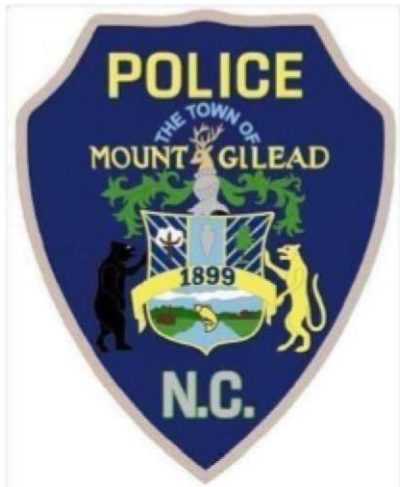
- Lift stations 1-15 - weekly checks
- Non-payment cutoffs - Completed -12
- Cleaned curbs and gutters on Julius Chambers, W. Allenton St N. Main, E Allenton
- Other street cleaning removing trash from right-of-way.

In Progress Projects

- AIA STUDY
- Grant study for the park drainage

Completed projects

- Sidewalk replacement



Town of
**MOUNT GILEAD POLICE
DEPARTMENT**

**123 North MainStreet - Post Office Box 325
Mount Gilead, North Carolina, 27306**
Phone: (910) 439-6711 Fax: (910) 439-1855

MEMORANDUM

**To: Dylan Haman
Town Manager**

**From: Talmedge LeGrand
Chief of Police**

Date: January 30, 2024

Subject: Mount Gilead Police Department Monthly Report for January 2024

During the month of January, our department participated in various events and programs.

January 8th, the Mount Gilead Concerned Citizens and The Mount Gilead Police Department donated coats, toboggans, gloves, and scarves to the Mount Gilead Elementary School from the Coats for Kids initiative.

January 10th, The Mount Gilead Police Department and the Gilmont Service Club also delivered coats, toboggans, and gloves to the Mount Gilead Elementary School that were purchased from a 500.00-dollar donation given by the Gilmont Service Club.

January 15th through January 18th, Chief LeGrand and Assistant Chief Morton attended the 2024 North Carolina Association of Chiefs of Police convention in Cherokee, North Carolina. During this conference, there was a variety of functions and training opportunities including How to Survive Your Law Enforcement Career, Parkland Massacre Through a Police Chief Eyes, Risk Management and Policy Formulation, and Rapid DNA Justice Project. There were state agency updates reviewed for NCCJ Training & Standards, NC Justice Academy, Governor's Highway Safety Program, NC ALE, NC SBI, NC DPS, NC State Crime Lab, NC DMV, and NC DOT.

North Carolina Association of Chiefs of Police promotes unity of action and high professional standards, develops and disseminates approved administration and technical practices, and fosters cooperation and unity of action and exchange of information and experience among Police officers.

Administration and Patrol

- The School Resource Officer continues to greet students at MGES and provide a positive environment.
- Officers attended the scheduled grand jury session.
- Officers are continuing to check business doors each night.
- Officers conducted various traffic stops.
- Officers continue to take annual in-service training.
- Ranking officers continue to fill in shifts for officers as needed shift schedule (sickness, training, vacancy etc.).
- Entered IBR (monthly crime report) into the state database for crime statistics.
- Continued entry of SBI Traffic Stop Reports.
- Routinely reviewed body camera videos.
- Continued escorts for businesses as they close at night.
- Department vehicles serviced with oil changes and tire rotations.

Montgomery County Communications
199 South Liberty St Troy , NC 27371

CFS By Department - Select Department By Date
 For MT GILEAD POLICE DEPT 12/21/2023 00:00 - 01/30/2024 23:59

MT GILEAD POLICE DEPT	Count	Percent
911 HANG UP	7	3.29%
ALARM (NOT FIRE) COMMERCIAL	8	3.76%
ALARM (NOT FIRE) RESIDENTIAL	3	1.41%
ANIMAL CALL (NOT ATTACKS)	1	0.47%
ARMED PERSON	1	0.47%
ASSAULT - SEXUAL ASSAULT	1	0.47%
ASSAULT (NO INJURIES)	3	1.41%
ASSIST MOTORIST	7	3.29%
B-E	2	0.94%
CARDIAC OR RESPIRATORY ARREST - DEATH	1	0.47%
CARELESS & RECKLESS	1	0.47%
CHILD ABUSE	1	0.47%
CITIZEN ASSIST	1	0.47%
CIVIL	1	0.47%
CIVIL DISTURBANCE	8	3.76%
CONVULSIONS - SEIZURES	1	0.47%
DAMAGE TO PROPERTY	1	0.47%
DOMESTIC	8	3.76%
DUPLICATE CALL	1	0.47%
ESCORT	23	10.80%
FIGHT	1	0.47%
FIRE ALARM	1	0.47%
FOLLOWUP INVESTIGATION	6	2.82%
ILLEGAL BURN	1	0.47%
INFORMATION	10	4.69%
JUVENILE(s)	2	0.94%
LARCENY	6	2.82%
LIFELINE	2	0.94%
MAN WITH A GUN	1	0.47%
MISSING/LOST PERSON	1	0.47%
OVERDOSE - POISONING (INGESTION)	1	0.47%
PROPERTY (Found-Lost-Seized-Recoverd)	1	0.47%
PROWLER	1	0.47%
PSYCHIATRIC - ABNORMAL BEHAVIOR - SUICIDE ATTEMPT	1	0.47%
ROAD HAZARD	1	0.47%
SECURITY CHECK	8	3.76%
SERVE PAPER	5	2.35%
SHOTS FIRED	3	1.41%
SICK PERSON (SPECIFIC DIAGNOSIS)	1	0.47%
STAB - GUNSHOT - PENETRATING TRAUMA	2	0.94%
SUSPICIOUS PERSON/VEH/ACTIVITY	24	11.27%
TRAFFIC ACCIDENTS (PD)	4	1.88%

MT GILEAD POLICE DEPT	Count	Percent
TRAFFIC STOP	42	19.72%
TRESPASSING	5	2.35%
WELFARE CHECK	3	1.41%
Total Records For MT GILEAD POLICE DEPT	213	Group/Total 100.00%
Total Records		213

Activity Detail Summary (by Category)

Mount Gilead Police Department

(12/21/2023 - 01/30/2024)

Incident\Investigations

09A - Murder and Non-negligent Manslaughter	1
23F - Theft From Motor Vehicle	1
23H - All Other Larceny	1
290 - Destruction/Damage/Vandalism of Property	1
1388 - Assault with a Deadly Weapon	1
2216 - Breaking or Entering Motor Vehicle	1
2322 - Misdemeanor Larceny	3
2337 - Possession of Stolen Firearm	2
2391 - Larceny of Motor Vehicle	1
3550 - Possess Marijuana Up To 1/2 oz	1
4722 - Fict/Alt Title/ Reg Card/Tag	1
4725 - DWLR Not Impaired Rev	3
5221 - Go Armed To Terror of People	1
5310 - Resisting Public Officer	1
5328 - Communicating Threats	1
5450 - Speeding	1
5640 - Flee/Elude Arrest w/MV(M)	1
5641 - Flee/Elude Arrest w/MV(F)	1
5709 - Second Degree Trespass	2
8543 - Discharge Firearm in City	1
90Z - All Other Offenses	6
OFA - Order for Arrest	3
Total Offenses	35
Total Incidents	19

Arrests

09A - Murder and Non-negligent Manslaughter	1
290 - Destruction/Damage/Vandalism of Property	1
1388 - Assault with a Deadly Weapon	1
2322 - Misdemeanor Larceny	2
2337 - Possession of Stolen Firearm	2

Activity Detail Summary (by Category)

Mount Gilead Police Department

(12/21/2023 - 01/30/2024)

Arrests

3550 - Possess Marijuana Up To 1/2 oz	1
4470 - Fail to Wear Seat Belt-Driver	1
4722 - Fict/Alt Title/ Reg Card/Tag	1
4725 - DWLR Not Impaired Rev	3
5221 - Go Armed To Terror of People	1
5310 - Resisting Public Officer	1
5328 - Communicating Threats	1
5426 - Fail to Heed Light or Siren	1
5446 - Reckless Driving to Endanger	1
5450 - Speeding	2
5640 - Flee/Elude Arrest w/MV(M)	1
5641 - Flee/Elude Arrest w/MV(F)	1
5709 - Second Degree Trespass	2
6210 - Cruelty to Animals(M)	1
8543 - Discharge Firearm in City	1
90Z - All Other Offenses	2
OFA - Order for Arrest	13
Total Charges	41
Total Arrests	17

Accidents

Total Accidents 1

Citations

Driving While License Revoked	9
Expired Registration	7
No Operator License	2
Other (Infraction)	10
Speeding (Infraction)	5
Secondary Charge	19

Activity Detail Summary (by Category)

Mount Gilead Police Department

(12/21/2023 - 01/30/2024)

Citations

Total Charges 52

Total Citations 33

Warning Tickets

Total Charges 10

Total Warning Tickets 6

Incident Offenses/Victims/Status By Reporting Officer

Mount Gilead Police Department

All Case Statuses - (12/21/2023 - 01/30/2024)

2647 - Lieutenant Jacob Shuping

Incident Number:	Offense:	Victim:	Case Status:	Exceptional Clearance:	Inc. Date:
2312-0285	09A - Attempted First Degree Murder 5221 - Dis weapon occ dwell/moving veh 90Z - Discahrge firearmin city limits 1388 - Assault with a Deadly Weapon 290 - Damage to Property 5328 - Communicating Threats	Legrand, Jahdestini Nicole Collins, Aliza	Closed by Arrest	Not Applicable	12/23/2023
2401-0013	5640 - Flee/Elude Arrest w/MV(M) 3550 - Possess Marijuana Up To 1/2 oz 2337 - Possession of Stolen Firearm	State of NC Mount Gilead	Closed by Arrest		01/20/2024
2401-0014	90Z - Warrant service	State of NC, Mount Gilead	Closed by Arrest		01/20/2024
2401-0015	2391 - Larceny of Motor Vehicle 5641 - Flee/Elude Arrest w/MV(F)	Little, Johnny Richard State of NC, Mount Gilead	Closed by Other Means		01/21/2024

Officer Total Incidents: 4

2774 - Patrol Officer Eric S. Williamson

Incident Number:	Offense:	Victim:	Case Status:	Exceptional Clearance:	Inc. Date:
2401-0005	23H - All Other Larceny	Thompson, Jerry	Unfounded	Not Applicable	01/11/2024

Officer Total Incidents: 1

4031 - Captain Jimmy S. Wells

Incident Number:	Offense:	Victim:	Case Status:	Exceptional Clearance:	Inc. Date:
2401-0006	5709 - Second Degree Trespass	Food King	Closed by Arrest	Not Applicable	01/14/2024

Officer Total Incidents: 1

Incident Offenses/Victims/Status By Reporting Officer

Mount Gilead Police Department

All Case Statuses - (12/21/2023 - 01/30/2024)

4531 - Sergeant Hunter T. Stone

Incident Number:	Offense:	Victim:	Case Status:	Exceptional Clearance:	Inc. Date:
2401-0001	90Z - Dead on Arrival	Haywood, Mary Greene	Closed by Other Means		01/03/2024

Officer Total Incidents: 1

6280 - Patrol Officer Bobby A. Hall

Incident Number:	Offense:	Victim:	Case Status:	Exceptional Clearance:	Inc. Date:
2312-0284	OFA - Order for Arrest 4725 - DWLR Not Impaired Rev 4722 - Fict/Alt Title/ Reg Card/Tag	State of NC	Closed by Arrest	Not Applicable	12/21/2023
2312-0287	2322 - Misdemeanor Larceny 4725 - DWLR Not Impaired Rev	Dollar General Market State of NC	Closed by Arrest	Not Applicable	12/31/2023
2401-0002	2322 - Misdemeanor Larceny	Food King	Closed by Arrest	Not Applicable	01/04/2024
2401-0009	2337 - Possession of Stolen Firearm 8543 - Discharge Firearm in City	State of NC	Closed by Arrest	Not Applicable	01/17/2024
2401-0016	2216 - Breaking or Entering Motor Vehicle 23F - Larceny of Law Enforcement Equipment	Leak, Veronica Lane NC Department of Adult Corrections	Closed by Other Means	Not Applicable	01/22/2024
2401-0017	90Z - Fugitive (Maryland) 4725 - DWLR Not Impaired Rev 5450 - Speeding	State of Maryland State of NC	Closed by Arrest	Not Applicable	01/23/2024
2401-0020	90Z - Overdose	Watkins, Adajiah Louise	Closed by Other Means	Not Applicable	01/26/2024
2401-0021	5310 - Resisting Public Officer 2322 - Misdemeanor Larceny	State of NC Simmons, Kiana Tychelle	Closed by Arrest	Not Applicable	01/27/2024

Officer Total Incidents: 8

Incident Offenses/Victims/Status By Reporting Officer

Mount Gilead Police Department

All Case Statuses - (12/21/2023 - 01/30/2024)

7513 - Reserve Officer Corey Hurley

Incident Number:	Offense:	Victim:	Case Status:	Exceptional Clearance:	Inc. Date:
2312-0286	OFA - Order for Arrest	State of North Carolina	Closed by Arrest	Not Applicable	12/28/2023
2401-0010	5709 - Second Degree Trespass	Town of Mount Gilead	Closed by Arrest	Not Applicable	01/18/2024
2401-0018	OFA - Order for Arrest	State of North Carolina	Closed by Arrest	Not Applicable	01/25/2024

Officer Total Incidents: 3

8523 - Sergeant Adam W. Lucas

Incident Number:	Offense:	Victim:	Case Status:	Exceptional Clearance:	Inc. Date:
2401-0012	90Z - Possession of vape.	State of NC	Closed by Other Means	Juvenile/No Custody	01/19/2024

Officer Total Incidents: 1

Total Incidents: 19



Mount Gilead Fire Department

January: Summary of Calls

Fire - 26	Town - 21
<u>Squad - 18</u>	District - 17
Total - 44	County - 4
	<u>Out of County - 2</u>
	Total - 44

Its Grant time again and we are in process of applying for the NC DOI State Grant for equipment and the FEMA AFG Grant for SCBA Airpack replacement (18 airpacks, \$222,000) If successful with the FEMA Grant it will pay out 95% of the cost.

Thank You for Your Continued Support!

Chief - *Keith Byrd*

DATE: January 29, 2024
TO: Mayor and Board of Commissioners
FROM: Dylan Haman, Town Manager
RE: Managers' Report

1. The Mount Gilead Career Fair will be tomorrow, January 30th, at the Highland Community Center from 1:30 to 4:30 pm. This fair is targeted towards the Paperworks' employees, but it is also available to the public.
2. We are still waiting to hear back from the IRS regarding how much we owe to finalize the 941 situation. We have paid back the entire principle based on our records of how much we owe.
3. Staff has worked hard to complete all semiannual reporting over the last month. We have submitted our quarterly 941 returns, filed our Unemployment Insurance Report, State Tax return, Form TR-2, Form NC-3, filed and submitted all W-2's and 1099's, reported to the LGC all cash on hand, and submitted the Sales and Use Tax refund application. Lee Ann Haithcock has been instrumental in this work.
4. The Town Board will meet on Tuesday, February 13, in a special work session at 7pm (Highland Community Center) to discuss the annexation of the development at Lake Tillery. We are also considering adding in a provision to the local bill which exempt Mount Gilead from Satellite annexation size regulations.
5. We have submitted our Audit to the LGC. We are currently waiting on their review.
6. Chief Byrd and I will meet with the County Manager and the Lake Tillery Fire Department next Thursday to discuss what annexation might look like in terms of Fire Service (Who would be responsible for providing what?).
7. We received our Sales and Use Tax Refund on January 29, 2024.
8. Staff has prepared a resolution to adopt Urban Archery Season for next year due to the number of residents requesting it. The Town Board will have the opportunity to vote on this at the February 6 board meeting.
9. Staff has prepared bylaws and policy for the Parks and Recreation Committee, which the board will have the opportunity to vote on at the February 6 board meeting.
10. The Town had a Wastewater Spill in 3 locations totaling approximately 9,000 gallons this month due to heavy Inflow and Infiltration.
11. I met with Lennar's Engineer, Merrick, last week to discuss the development. They now have planned a two phase development approach and will close on the first piece of property in March.



PROTECTING QUALITY OF LIFE

Alliance Code
Enforcement LLC

Monthly Report
Town of Mt. Gilead

Updated
January 31, 2023

507 S Wadesboro Blvd	MH/OL	OPEN
200 S Main St	MH	OPEN
500 W Allenton St	MH	OPEN
300 Washington Park Rd	MH	OPEN
405 Julius Chambers Ave	MH	OPEN
295 Northview Rd	MH	OPEN
PID 750309076133 Julius Chambers Ave	MH	OPEN
214 E Allenton St	JP	ABATED
PID 750313234381 E Haywood St	MH	OPEN
202 E Allenton St	JV	OPEN
110 E Ingram St	MH/JV	OPEN
101 Sunrise Ave	JP/OS	OPEN
PID 750309055937 Sunrise Ave	MH	OPEN
201 Sunrise Ave	JP	OPEN
522 Parkertown Rd	MH	OPEN



PROTECTING QUALITY OF LIFE

Alliance Code
Enforcement LLC

Monthly Report
Town of Mt. Gilead

Updated
January 31, 2023

MONTHLY HIGHLIGHTS

- 1 Cases have been ABATED.
- 5 New cases opened
- Most case in the report are Minimal Housing right now and we are doing our best to get them taken care of. Waiting for new budget to be able to demo a few asap.
- 500 W Allenton St - This property looks a lot better since all junk has been removed from the grounds. Getting quotes for asbestos removal and demolition.
- PID 7503 09 05 5937 - Is in horrible shape and very dilapidated. We are working very diligently to get it abated.



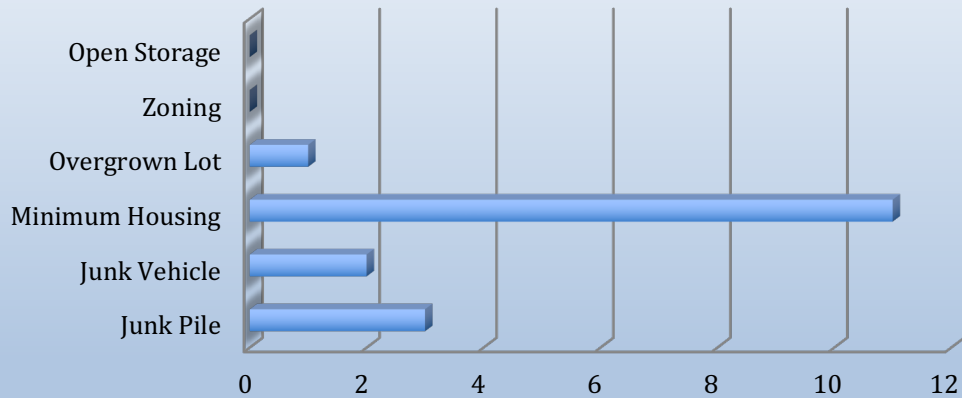
PROTECTING QUALITY OF LIFE

Alliance Code
Enforcement LLC

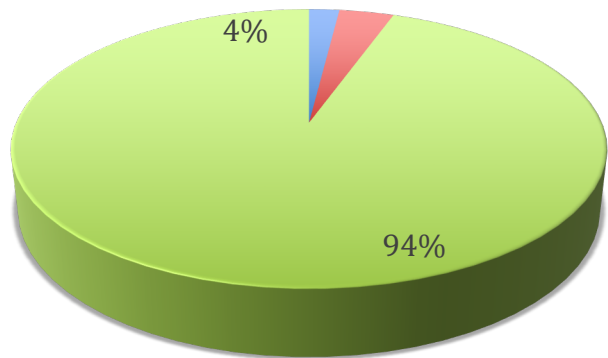
Monthly Report
Town of Mt. Gilead

Updated
January 31, 2023

Violations by the Numbers



	Junk Pile	Junk Vehicle	Minimum Housing	Overgrown Lot	Zoning	Open Storage
Violations by the Numbers	3	2	11	1	0	0



Total Cases - 253
 Abated - 240
 Unfounded - 0
 Open In Progress - 9
 New/No Progress - 5

■ OPEN - NEW/NO PROGRESS
 ■ OPEN - IN PROGRESS
 ■ ABATED
 ■ Unfounded



Department Monthly Report Wastewater Treatment Plant Donna Mills, ORC

January 2024 Report

- Required testing complete and December eDMR submitted
- #1 blower motor down/new ordered
- #3 Influent pump down, pulled and in shop. Have had problems with these small pumps since most recent upgrades. Going with a different brand pump for replacements of small both small pumps. Have been ordered.
- UV system continually requiring work
- LKC Engineering onsite for consultation on future UV system and sludge handling needs or upgrades.

Budget vs Actual (Summary)

Town of Mount Gilead
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Period Ending 6/30/2024

10 GENERAL FUND								
Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent	
Revenues								
	1,935,127	0.00	0.00	0.00	1,068,018.03	(867,108.97)	55%	
Revenues Totals:	1,935,127	0.00	0.00	0.00	1,068,018.03	(867,108.97)	55%	
Expenses								
ADMINISTRATION	494,304	0.00	0.00	0.00	338,523.28	155,780.72	68%	
STREETS AND GROUNDS	157,800	4,636.23	0.00	0.00	62,491.24	90,672.53	43%	
PLANNING & ZONING	27,250	0.00	0.00	0.00	19,121.42	8,128.58	70%	
SOLID WASTE	97,400	0.00	0.00	0.00	69,781.58	27,618.42	72%	
PARKS AND RECREATION	110,193	0.00	0.00	0.00	55,849.20	54,343.80	51%	
POLICE DEPARTMENT	749,803	0.00	0.00	0.00	410,145.99	339,657.01	55%	
FIRE DEPARTMENT	171,200	0.00	0.00	0.00	82,543.65	88,656.35	48%	
REDEVELOPMENT CORP.	10,250	0.00	0.00	0.00	3,667.54	6,582.46	36%	
FITNESS CENTER	0	0.00	0.00	0.00	0.00	0.00		
POWELL BILL	50,000	0.00	0.00	0.00	42,755.00	7,245.00	86%	
HIGHLAND COMM. CT.GRANT	0	0.00	0.00	0.00	0.00	0.00		
CEMETERY	5,000	0.00	0.00	0.00	4,840.14	159.86	97%	
GOVERNING BODY	51,527	0.00	0.00	0.00	33,765.85	17,761.15	66%	
LIBRARY	10,400	0.00	0.00	0.00	7,075.03	3,324.97	68%	
DEBT SERVICE	0	0.00	0.00	0.00	0.00	0.00		
	0	0.00	0.00	0.00	0.00	0.00		
Expenses Totals:	1,935,127	4,636.23	0.00	0.00	1,130,559.92	799,930.85	59%	
10 GENERAL FUND	Revenues Over/(Under) Expenses:		0.00	0.00	(62,541.89)			
20 ENTERPRISE FUND								
Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent	
Revenues								
	1,819,262	0.00	0.00	0.00	1,050,406.63	(768,855.37)	58%	
Revenues Totals:	1,819,262	0.00	0.00	0.00	1,050,406.63	(768,855.37)	58%	

Budget vs Actual (Summary)

Town of Mount Gilead
2/2/2024 2:50:36 PM

Page 2 Of 2

Period Ending 6/30/2024

20 ENTERPRISE FUND								
Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent	
Expenses								
ADMINISTRATION	497,765	3,156.40	0.00	0.00	305,834.36	188,774.24	62%	
WATER OPERATIONS	330,981	(1,565.68)	0.00	0.00	204,370.68	128,176.00	61%	
WASTE WATER COLLECTION	377,321	9,754.31	0.00	0.00	149,146.88	218,419.81	42%	
WASTE WATER PLANT	358,220	(3,258.04)	0.00	0.00	136,959.72	224,518.32	37%	
SOLID WASTE	0	0.00	0.00	0.00	0.00	0.00		
GOVERNING BODY	0	0.00	0.00	0.00	0.00	0.00		
LIBRARY	0	0.00	0.00	0.00	0.00	0.00		
	14,000	0.00	0.00	0.00	14,000.00	0.00	100%	
DEBT SERVICE	240,975	0.00	0.00	0.00	14,597.76	226,377.24	6%	
	0	0.00	0.00	0.00	0.00	0.00		
Expenses Totals:	1,819,262	8,086.99	0.00	0.00	824,909.40	986,265.61	46%	
20 ENTERPRISE FUND	Revenues Over/(Under) Expenses:		0.00	0.00	225,497.23			