

**Town of Montreat
Board of Commissioners Meeting Agenda – Public Forum
April 12, 2018 – 6:30 p.m.
Walkup Building**

I. Call to Order

- Welcome
- Moment of Silence

II. Agenda Adoption

III. Public Comments

IV. Adjournment

**Town of Montreat
Board of Commissioners
Town Council Meeting
April 12, 2018 – 7:00 p.m.
Walkup Building**

I. Call to Order

- Pledge of Allegiance
- Moment of Silence

II. Agenda Adoption

III. Mayor's Communications

- Town of Montreat Address Update

IV. Consent Agenda

A. Meeting Minutes Adoption

- February 13, 2018, Town Council Annual Board Retreat Meeting Minutes
- March 1, 2018, Town Council Agenda Meeting Minutes
- March 8, 2018, Town Council Public Forum Meeting Minutes
- March 8, 2018, Town Council Meeting Minutes

B. Resolution #18-04-001 Designating April 28th Arbor Day in the Town of Montreat

All items on the Consent Agenda are considered routine, to be enacted by one motion with the adoption of the agenda and without discussion. If a member of the governing body requests discussion of an item, it will be removed from the Consent Agenda and considered separately.

V. Town Administrator's Communications

- Safety Information Campaign
- Consent Agenda Review
- Town Hall Update
- Public Works Building Update
- Texas Road Bridge Update
- FY 18/19 Budget Cycle Update
- Montreat College Active Shooter Exercise
- Other Items

VI. Administrative Reports

- Administration
- Finance
- Planning and Zoning
- Police
- Public Works and Water

- Sanitation
- Streets

VII. Public Comment – Agenda Items

Public comments will be heard during this period for only those items listed on the meeting agenda.

VIII. Presentations and Reports

A. Town Commission Annual Retreat

B. C.I.P. Priorities

C. C.I.P. Public Meeting Report

IX. Old Business

X. New Business

A. Appointments of Edna Banes, Jean David, Robert Eckard, Ellen Dean, and Tom Widmer (Chair) to the Communications Advisory Committee

- **Suggested Motion:** Move to appoint Edna Banes, Jean David, Robert Eckard, Ellen Dean, and Tom Widmer (Chair) to the Communications Advisory Committee.

B. Appoint Robert Wynne to the Bridge Aesthetics Committee

- **Suggested Motion:** Move to appoint Robert Wynne to the Bridge Aesthetics Committee.

C. Martin and Starnes Contract Approval

- **Suggested Motion:** Move to approve a Contract to Audit Accounts with Martin and Starnes in the amount of \$22,000.

D. Florida Terrace Bid

- **Suggested Motion:** Reject all bids for Florida Terrace tracts 1 and 2 as advertised and direct staff to pursue negotiated offers and upset bids.

E. Radio Purchase Agreement

- **Suggested Motion:** Move to approve the purchase agreement for 6 APX 8000 Portables Radios and related equipment with Motorola Solutions in the amount of \$39,451.65.

I. Public Comment – Other Topics

Public comments will be heard during this period for other public business items or topics not listed on the meeting agenda.

II. Commissioner Communications

III. Meeting Dates

Montreat Tree Board: April 24, 2018, 9:30a.m.
Town Services Building

Creekside Demolition Burn: April 28, 2018
1210 Montreat Road

Native Plant Sale: Saturday, April 28, 2018
9:00 a.m. – 2:00 p.m.
Moore Center Field

Montreat Landcare: Wednesday, May 2, 2018, 9:00 a.m.
Allen Building
Swannanoa Room

May Town Council Meeting: Thursday, May 10, 2018
7:00 p.m. Walkup Building
6:30 p.m. Public Forum

Safety Saturday: Saturday, May 19, 2018
10:00 a.m. – 2:00 p.m.
Ingles Parking Lot on Hwy 9

Public Hearing: Budget Thursday, May 24, 2018
7:00 p.m. Walkup Building

Budget Workshop:

Thursday, June 7, 2018
7:00 p.m. Walkup Building

- IV. Closed Session: To enter into Closed Session in accordance with North Carolina General Statute §143-318.11(6) to discuss a personnel matter and to approve Closed Session Minutes from October 12, 2017.**
- V. Adjournment**

**Town of Montreat
Board of Commissioners
Town Council Annual Board Retreat
February 13, 2018
Left Bank Building**

Board members present: Mayor Tim Helms
Mayor Pro Tem Kent Otto
Commissioner Kitty Fouche
Commissioner Bill Gilliland
Commissioner Alice Lentz
Commissioner Tom Widmer

Board members absent: None

Town staff present: Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk
Dave Arrant, Police Chief
Barry Creasman, Public Works Director
Jarod McIntosh, Senior Water Operator
Adrienne Isenhower, Zoning Administrator
Erin Marie Wheeler, Interim Finance Officer

One members of the public was also present. Mayor Helms called the retreat to order at 3:00 p.m., and held a moment of prayer.

Agenda Approval

Commissioner Gilliland moved to adopt the agenda as presented. Mayor Pro Tem Otto seconded and the motion passed 5/0. Mayor Helms stated that he would like to suspend the rule that says he cannot participate in the meeting.

Mr. Carmichael stated that this meeting was not being held to take any action and it was not a time for public input although the public may come and go throughout the day. This is an opportunity to make plans for the future and build consensus. Any direction that comes out of this meeting will take place in a regular public meeting. Mr. Carmichael reviewed the agenda briefly for the Commission.

Ground Rules

The Suggested Rules for Effective Group Process, which were established by Land of Sky, were included in the packet for the Council's review. Mr. Carmichael stated that they should review the rules, ask questions and make suggestions. It was decided by consensus to "be civil" and "be engaged" and try to probe staff and each other to get a common language as the retreat moves forward. Commissioner Widmer asked if items not on the agenda could be discussed. Mr. Carmichael stated that it was perfectly within reason to pose those questions at any time today.

Vision and Goals

Mr. Carmichael asked what the issues facing the Montreat Community are and what can the Commission do to address these issues. Commissioner Fouche felt that the Commission will move forward with extra caution having learned from past mistakes. Mr. Carmichael questioned what lessons were learned. Commissioner Fouche felt there was a problem with communication with the previous Council and hearing the voices in the community. Commissioner Lentz felt that people now feel that they have truly been heard. Commissioner Lentz also expressed her thoughts that non-resident taxpayers need to be engaged by cards, newsletters and perhaps Survey Monkey throughout the year. Commissioner Widmer asked how we currently communicate with non-resident taxpayers. Commissioner Fouche brought up the Sunshine List email system. Commissioner Widmer suggested reaching out to people not currently on the Sunshine List through tax records. Commissioner Widmer suggested sending out an email after every Council meeting with a summary of the meeting not just the actions. Commissioner Gilliland felt that ordinances need to be discussed as well as the changing demographics in Montreat and Buncombe County. Commissioner Gilliland feels that constituents will change once the prices of homes become more affordable in Montreat. Commissioner Otto stated that Montreat has a lot more houses on the market than anywhere in Buncombe County. He questioned what was keeping people from purchasing the homes that are for sale. Commissioner Widmer felt that learning more about attitudes and perceptions would be really important. Mayor Helms felt that a lot of assumptions were made that might not have been made if we had more information. Mayor Helms questioned whether the Town should market themselves in the way that resort towns do. Commissioner Fouche felt that a short survey might be a good idea. Commissioner Lentz stated that Montreat is a unique Town in which the government has to be supporting others and not taking over a life of its own. Commissioner Otto agreed with the communication issues but he also broached the subject of ordinances and regulations. Commissioner Otto referred to the 2008 Comprehensive Plan and stated that we are struggling with some of the goals of the Comprehensive Plan due to the stifling by ordinances and regulations. Commissioner Widmer asked if the Comprehensive Plan was adopted and if so, what was the plan meant to accomplish. Mr. Carmichael stated that the Capital Improvement Plan (C.I.P) is the vehicle by which a lot of the goals of the Comprehensive Plan are carried out. The Comprehensive Plan is a land use management plan which has been adopted and is the guidepost the Planning & Zoning Committee uses to make recommendations to the Council. The Commission is not bound by the Comprehensive Plan but Planning & Zoning must use it as a benchmark to make its decisions. Mrs. Isenhower stated that if the Commission could identify the stringencies in the ordinances then it would possible to make changes as the Board wishes. Commissioner Lentz questioned whether we know what all the problems in the ordinances are. Mr. Carmichael stated that set back requirements are too stringent for lot sizes in Montreat. Commissioner Widmer asked how the Commission could take ownership of the ideas discussed today.

Mr. Carmichael stated that the Commission has discussed the Mission Statement throughout the year. He reiterated the current Mission Statement is as follows: *to seek ways to maintain and*

improve the quality of life, preserve the natural beauty and promote responsible growth while maintaining our community image, heritage and traditions. After a brief discussion it was decided by consensus that the Mission Statement would not change.

Managing the Process

Mr. Carmichael stated that traditionally the Commissioners are assigned areas of responsibility during the Annual Retreat. The Town Charter is rather vague when it comes to actual duties of the member assignments. Mr. Carmichael stated that the Commission should feel free to modify roles or add roles as they see fit. Mayor Helms stated that in the past he assigned the areas of responsibility and the Commissioner served in an advocacy or liaison role. The following roles were assigned:

- Tom Widmer – Commissioner of Communications and Public Buildings
- Alice Lentz – Commissioner of Finance (this will remove Commissioner Otto from the list of authorized signors at the bank)
- Bill Gilliland – Commissioner of Sanitation and Public Works
- Kent Otto – Commissioner of Planning and Zoning and Public Safety
- Kitty Fouche – Commissioner of Environment and Public Buildings
- Alex Carmichael – TAC (Transportation Advisory Committee)
- Tim Helms – Metropolitan Planning Organization Board
- Alice Lentz – Land of Sky
- Bill Gilliland – Land of Sky Alternate
- Kitty Fouche – Montreat Cottagers
- Tom Widmer – Montreat Cottagers Wilderness & Open Spaces Committee
- Kitty Fouche – Montreat Landcare
- Tom Widmer – Open Spaces Conservation Committee
- Kent Otto – Presbyterian Heritage Center

Angie and Alex reviewed the terms and vacancies of the various Boards and Commissions. Tom Widmer, Bill Gilliland and Kent Otto were assigned to the Audit Committee. Kitty Fouche, in her role as Environmental Commissioner, is assigned to the Tree Board. Angie reported there are several vacancies among all the committees and there are several recent expirations that have not been verified. Katie Widmer has recently applied for Montreat Landcare and Mason Blake for Planning and Zoning but other volunteers are needed. The Commission discussed members of the community who would be good volunteers for the committees in question.

Looking Back

Mr. Carmichael reported that the letter affirming the Town's request to not build a vehicular bridge on Texas Road came from the State Historic Preservation Office this weekend. The process

**Montreat Board of Commissioners
Town Council Annual Board Retreat Minutes
February 13, 2018**

now is to get the engineer from KCI & Associates to sign off on the request and then forward it on to the Department of Transportation for final review. Assuming everything goes smoothly we will then be assessed the fees from the Municipal Bridge Program. Once they close out the program all debt will be forgiven. This means that the Town will not get any monies back but no more monies will be paid forward. Commissioner Lentz asked Mr. Carmichael if he could find it in his schedule tomorrow to contact KCI & Associates. Commissioner Otto asked what kind of realistic time frame we are looking at in getting the pedestrian bridge up and in use. Mr. Carmichael stated that hypothetically the KCI piece should move rather quickly. Once it gets to the Department of Transportation it has to go through the environmental division and then on to Ray Lotfi who will close out the administrative portion. Ray Lotfi is very eager to have this project closed out. Commissioner Otto asked when Mr. Carmichael thought that physical changes could be made to the bridge. Mr. Carmichael stated that he would hold off on anything other than the planning stages at this point. Commissioner Otto asked if there was anything the Commission could do to help this process along. Mr. Carmichael stated that he would speak with KCI & Associates tomorrow and report back to the Commission. Commissioner Lentz asked Mr. Carmichael if he had a sense of how long it would take our Public Works Department to do the necessary repairs to the bridge. The recommendation for conversion of pedestrian bridge is to either limit access or to physically get under the bridge and cut the wooden edgings out and repave the surface. Mr. Carmichael could not really give a time frame until the Commission decides what they want to do with the bridge. Commissioner Fouche stated that she was thinking about a committee, if appointed by the Mayor, to canvas the town and come up with some suggestions to refer to Council with regards to beautification efforts. Commissioner Lentz loves the notion of people being heard but deplores the idea of stretching this out even further. Commissioner Lentz feels that it is critical by May 15th the public see the orange cones are gone and some communication visible from the road that progress is being made. Commissioner Otto questioned the hesitancy of moving forward on the conversion of the bridge. Mr. Carmichael stated that he is hesitant about being presumptuous and risking losing the money. Commissioner Lentz stated that she does not want to see any delays beyond us getting the letter back from the Department of Transportation. She wants us to be ready to move forward immediately. Mayor Helms suggested that the planning of the beautification efforts start now and that way once we get the letter back from the DOT we will be ready to move forward. Commissioner Widmer agreed that the planning should start now. Mr. Carmichael recommended having people fill out applications like any other standing committee and have the entire commission vote to appoint the seats at a regular open meeting.

Mr Carmichael mentioned there were no tax rate increases in the budget last year. Staff worked to clear out a lot of surplus items behind the Well Site 4 and are working on clearing out some more. The Town faced a lot of staffing challenges throughout the year across all departments. The Town completed the site evaluation and purchase of the Creek Side lot. The Commission re-zoned the Florida Terrace property as well as Well Site 4. There was a reorganization of the functions of development services which have been split between Dan Cordell, Adrienne Isenhower through Land of Sky and Angie Murphy. The Public Works and Police Departments

**Montreat Board of Commissioners
Town Council Annual Board Retreat Minutes
February 13, 2018**

have had to respond to multiple weather events. At the end of the calendar year we were able to achieve a joint resolution with the Town of Black Mountain Alderman to de-annex the Creek Side Lot and annex into the Town of Montreat. Internally there were two promotions: Barry Creasman to Public Works Director and Dave Arrant to Chief of Police. Jarod McIntosh was hired as Senior Water Operator and Erin Marie Wheeler was hired as Interim Finance Officer. Commissioner Widmer asked Adrienne Isenhower, Erin Marie Wheeler and Jarod McIntosh how they are doing in their positions. Commissioner Widmer asked Mrs. Wheeler if enough time had been allotted to her to do her job. Mrs. Wheeler stated that the position was really a full time job rather than a part time position. Mr. Carmichael stated that a lot of our historical processes were inadequate in terms of documentation, in terms of accountability and in terms of retention. Mr. Carmichael suggested that in future years the Commission should consider a new auditing firm to identify problem areas that should have been flagged a long time ago. Mayor Helms asked what we are doing with the problems with the water billing. Mr. Creasman reported that he is working with Mueller Systems who recently updated our billing system and laptop reader. We also updated the antenna, which then was found to be faulty, but is currently under warranty. The system is old but we are bringing everything up to speed. Mr. Carmichael stated that we are losing data at the radio receivers, losing data at the meters, losing data in the water utility module, and getting incorrect data in the final accounting module. In the Capital Improvement Plan you will see money budgeted for the back end modules. Our staff at every level has been diligently working to serve the water customers every single month. Commissioner Widmer asked what we were sacrificing by only have a part time Finance Officer. Mrs. Wheeler reported that we were sacrificing a lot of cleanup that she could be doing, as well as her expertise, with regards to the audit findings last year. Mr. Carmichael stated that since Mr. Stackhouse left Miss Murphy has taken over utility billing, accounts payable, payroll, coordinating planning and zoning permits, front end office duties and her Town Clerk duties. Mrs. Wheeler stated that she is currently doing accounting work rather than day-to-day bookkeeping and the Town really needs both.

Mr. Carmichael stated that this year we transitioned employee benefits from Blue Cross/Blue Shield to the NC League of Municipalities Co-op and it seems to be going well. The Commission made changes to the personnel policy with regards to the hiring practices. Mr. Carmichael also stated that the ongoing projects of the Florida Terrace property are moving along nicely. Mr. Carmichael mentioned that we still need to audit our accrual time for all of our employees which will take a lot of staff time. The Greybeard Annexation letter has not gone out to the public as of yet. The passage of the annexation/de-annexation at the General Assembly level is an upcoming task. Mrs. Isenhower will soon start updating the Zoning Map. Mr. Carmichael high-lighted several partnerships: the MPO, MSD, the Home Consortium, the WNMA Budget Roundtable and Land of Sky. Miss Murphy completed her Clerk's Certification Course this year and also attended the Clerk's Winter Academy. Mr. Carmichael is working on his Manager's Certification. Mr. Carmichael participated in several workshops throughout the year.

Chief Arrant gave a brief synopsis of the year from the Police Department. The auxiliary/reserve officer numbers are a little higher this year because the department has had to lean on the

reserves a little heavier due to the vacancy in the department. The mileage is also a little higher because the Police Chief has been operating in a patrol capacity for the majority of the year. Chief Arrant reported that he is in the process of hiring a new reserve officer to work part time for the Town and interviews will soon start for the full time patrol officer position.

Mr. Creasman reported that 18 trees had been removed from the right-of-way this year. The Mecklanburg Circle/Louisiana paving project was completed. The bucket truck was selected and purchased and a Certified Arborist is currently on Staff now. The Mecklanburg Circle water line was replaced and completed. The water department replaced 140 meters which were either defective or past their useful life. The wells produced over 30 million gallons of treated water this year. The sanitation truck was selected and purchase and the pay as you throw program at Town Services seems to be working great. In the upcoming year Mr. Creasman plans to increase his team's knowledge with several different continuing education areas. The staff plans on focusing on the new Public Works Facility, assisting with the new Town Hall and the making necessary repairs to the Texas Road Bridge.

Mrs. Isenhower has been working on surveying other municipalities about their Comprehensive Plan and Unified Development Ordinances. She has been working with a colleague at the Land of Sky about the Official Zoning Map since we recently rezoned two parcels.

Where We Are Now

Mr. Carmichael reported that once the recombination survey is recorded at the Register of Deeds the Commission can then put the property up for sale with the sealed bid method. When we advertise the bid we must advertise for 30 full days. We will use our website, social media and the Black Mountain News to advertise. The bids must be opened in a public meeting after the 30 full days and we will award the bid to the highest bidder. We will then advertise the bid for 10 days for the opportunity of an upset bid. This process will continue for every qualifying upset bid. The bids must be submitted in a sealed envelope and will be kept sealed until the public bid opening.

The Public Works building process is broken down into four phases. During phase one we chose the property and completed the hazardous material survey. We applied to the Western North Carolina Air Quality Board for a permit to complete the demolition. We also issued our own Town of Montreat demolition permit. Phase two will be to remove the power lines from the existing well house and reroute the water lines. The contents of the building must be relocated. The next step will be to demolish the actual building and relocate the materials around the building. The final step in phase two will be to abandon the well which will have to be completed by an engineer and supervised by the County. It was decided due to lack of time to move along to the next subject.

Mr. Carmichael has been meeting with several vendors in regards to website updates and he feels there is enough money in the governing body account to make these necessary upgrades in this

**Montreat Board of Commissioners
Town Council Annual Board Retreat Minutes
February 13, 2018**

fiscal year. Mr. Carmichael hopes to have a contract to the Board at the March Town Council Meeting.

The sanitation issues were a topic that the Council wanted discussed this evening. Commissioner Fouche felt that we needed to address an issue regarding year-round Saturday pickup. Mr. Carmichael reviewed the most recent sanitation report. Mayor Helms felt that May thru September were the only months that really needed to be addressed with regards to sanitation pickup. Mayor Helms is curious why people who own these houses do not invest in a job site toolbox or a bear proof container. It was decided not to try to solve this issue this evening but to consider options for the future.

Mr. Carmichael identified what items in last year's Capital Improvement Plan (C.I.P) were completed. Mr. Carmichael then identified items in this year's C.I.P. In the Governing Board Department the comprehensive plan and ordinance update was moved into this account from Planning & Zoning. In the Administration Department there is a line item to update the computer software. Currently the Town utilizes a suite of software that do not really interact well with each other. Mr. Carmichael would like to see a uniformed product from one company and he has been investigating the cost for this type of service. In the Police Department there is a vehicle replacement allocated and another line item for two additional handheld radios. This year Ford has a pursuit rated four wheel drive Ford-F150 which Chief Arrant would like to add to the fleet. Mr. Carmichael stated that the Ford-F150 would in essence take the place of the current Jeep and another patrol vehicle. There was a brief discussion about the need for a Stormwater Utility Study and Wayfinding Signage. Public Works has allocated money for new radios because their current radios were purchased in 1998. They want to be able to talk with the police in the event of a Town emergency. The Tree Program has money allocated for tree removal. Local street paving has money set aside for Texas Road. There was a brief discussion about using milled pavement on Texas Spur Road. The current C.I.P. does not allocate paving for Texas Spur Road. It was decided that each Commissioner would rank their choices for 2018-2019 on their individual sheets with 1 being highest priority, 2 being middle priority and 3 being lowest priority.

Mayor Helms posed the question about what to do about agenda meetings. Commissioner Fouche felt that the costs outweigh the benefits but she is concerned with how the information will be disseminated. Mr. Carmichael described how some municipalities operate without an agenda meeting. Mr. Carmichael stated that the Rules of Procedure would need to be changed and that would require a super majority.

**Montreat Board of Commissioners
Town Council Annual Board Retreat Minutes
February 13, 2018**

Adjournment

There being no further business, Commissioner Fouche moved to adjourn the Annual Town Council Board Retreat. Commissioner Widmer seconded and the motion carried 5/0. The meeting was adjourned at 8:36 p.m.

Tim Helms, Mayor

Angela Murphy, Town Clerk

**Town of Montreat
Board of Commissioners
Town Council Agenda Meeting
March 1, 2018
Walkup Building**

Board members present: Mayor Pro Tem Kent Otto
Commissioner Kitty Fouche
Commissioner Bill Gilliland
Commissioner Alice Lentz
Commissioner Tom Widmer

Board members absent: Mayor Tim Helms

Town staff present: Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk
Dave Arrant, Police Chief

Approximately 2 members of the public were also present. Mayor Pro Tem Otto called the meeting to order at 7:01 p.m., led the group in reciting the Pledge of Allegiance, and held a moment of silence with reflection on the Graham family, the neighbors in Montreat and those in Parkland, Florida.

Agenda Approval

Commissioner Fouche moved to adopt the agenda as presented. Commissioner Widmer seconded and the motion passed 5/0.

Mayor's Communications

There were no communications this evening.

Consent Agenda Review

The proposed Consent Agenda will include the following items:

- February 1, 2018, Town Council Agenda Meeting Minutes
- February 8, 2018, Town Council Public Forum Minutes
- February 8, 2018, Town Council Meeting Minutes
- Resolution #18-03-002 Honoring William "Billy" Graham

Town Administrator's Communications

- Mr. Carmichael stated that next week he will be providing updates on the Texas Road Bridge, the Creek Side property and Town Hall Project, the Florida Terrace property as well as other items. This evening Mr. Carmichael reported that, as of today, he has received word that the Town's request for the reevaluation of categorical exclusion has been reviewed and approved. The Town should receive an invoice for 20% of the administrative

fees that would be assessed for that grant program. That invoice is expected to be between \$8,000 and \$9,000.

- Mr. Carmichael reported that the asbestos abatement has been completed at the Creek Side lot. The next step is to secure two permits to be able to demolish the building.
- Well Site 4 has been demolished and capped off with paperwork certifying it as of today. We are now free to move forward with the Public Works Building Project.
- The Florida Terrace Property has gone up for bid as of Wednesday. The bid opening is scheduled for April 4th at 3:00 p.m. in the Town Services Building. This bid was advertised in the Black Mountain News, social media outlets, the website, the sunshine list and direct emails to individuals who had previously requested notification. Commissioner Widmer asked if there were minimum reserves on the property and if the Town has to accept the minimum bid. Mr. Carmichael stated there is not a minimum reserve and if the highest bidder is not satisfactory the Town can go back for additional bids. Commissioner Lentz asked if there were a number of people who asked to be notified of the open bidding and Mr. Carmichael stated that there was only one person thus far.

Administrative Reports

Administration: Reports were in written form as requested by Council.

Finance: Reports were in written form as requested by Council.

Planning & Zoning: Reports were in written form as requested by Council.

Police: Reports were in written form as requested by Council. Commissioner Fouche had a question about the monthly numbers for the police report. Chief Arrant explained the numbers were just for the month of February.

Public Works and Water: Reports were in written form as requested by Council.

Sanitation: Reports were in written form as requested by Council. There are two administration reports labeled Sanitation and one should be labeled as Administration only. This will be corrected by next week.

Streets: Reports were in written form as requested by Council.

Public Comments

Mayor Pro Tem Otto reiterated that this Public Comment period was intended for remarks pertaining to items listed on the meeting agenda, including staff reports and communications.

Mrs. Mary Standaert of 118 Shenandoah Terrace stated there were only 15-20 miles of roads in Montreat and the police report showed a lot of round trips. She extended her thanks to the Police Department.

Old Business

- A. Rules of Procedure: There will be a discussion to amend Rules 4 and 7 as presented to reorganize the Town meeting schedule.

New Business

- A. Appointment of Katie Widmer to Landcare Committee: The Board will consider Katie Widmer's application to Landcare Committee.
- B. Appointment of Mark Spence to Board of Adjustment: The Board will consider Mark Spence's application to the Board of Adjustment.
- C. Appointment of Mason Blake to Planning & Zoning: The Board will consider Mason Blake's application to the Planning & Zoning Commission.

Mr. Carmichael stated that Staff had received four additional volunteer applications that will be included in next week's packet. One for Open Spaces Conservation Committee (Bill Scheu) and three for the proposed Bridge Aesthetics Committee (Jane Alexander, Shannon Ingersoll and Walter Somerville) will be considered by the Board.

- D. Website Overhaul Contract: There will be a discussion to consider the website overhaul contract.
- E. Contract Authority Delegation: There will be a discussion to amend Rule 23 of the Rules of Procedure as presented to delegate contract authority for contracts valued under \$5,000 to the Town Administrator. Mr. Carmichael stated there are two contracts in the packet that fall under this category. Commissioner Widmer asked if Mr. Carmichael had any contract authority. Mr. Carmichael stated that the current Rules of Procedure give all contract authority to the Board.
- F. Discussion of Part-Time Bookkeeper with Possible Action: There will be a discussion of the potential need for a part-time bookkeeper along with possible action.
- G. Discussion of Communications Advisory Committee with Possible Action: There will be a discussion about the creation of a Communications Advisory Committee with possible action.

**Montreat Board of Commissioners
Town Council Agenda Meeting Minutes
March 1, 2018**

- H. GovDeals Property Disposal Resolution #18-03-001: The Board will discuss approving Resolution #18-03-001 which will declare certain items surplus and authorize disposal by private negotiation and sale.
- I. Bridge Beautification Committee: The Board will consider establishing a citizens advisory committee for the aesthetics and design of pedestrian bridge on Texas Road.
- J. First Class Mailing Solutions Postage Meter Lease and Support Contract: The Board will consider approval of the First Class Mailing Solutions Postage Meter Contract as presented.

Public Comments-Other Topics

Mayor Pro Tem Otto reiterated that the Public Comment period were for remarks pertaining to public business items not listed on the meeting agenda, including any reports or communications from other community entities.

Mrs. Mary Standaert of 118 Shenandoah Terrace stated that the Board speaks for the Town of Montreat's citizens. She stated that the Board has a voice that can be and is heard. Mrs. Standaert has some concerns about the Asheville Citizens Times article from this past Sunday. In that article Mayor Pro Tem Otto characterized Montreat as "richer, whiter and older". This characterization has been perpetuated by many outside the gate. Whether it was meant to or not this was what was voiced in Sunday's paper. Mrs. Standaert hopes that this will be addressed in a direct and official manner. She also hopes her voice and opinion will be considered about this issue.

Commissioner Communications

Mayor Pro Tem Otto thanked Mrs. Standaert for her remarks. Mayor Pro Tem Otto was discouraged by what came out in the Asheville paper. The quotes were correct in the fact that he stated there was a large population of retired people in Montreat. The majority of the 10 minute conversation was about Billy Graham. Mayor Pro Tem Otto stated that a "richer, whiter Montreat" was never discussed and that is not how he views Montreat.

Upcoming Meeting Dates

Mayor Pro Tem Otto reviewed the following list of upcoming meeting dates and deadlines:

Montreat Landcare:

March 7, 2018, 9:00 a.m.
Allen Building
Swannanoa Room

March Town Council Meeting:

March 8, 2018, 7:00 p.m.
Public Forum begins at 6:30 p.m.

**Montreat Board of Commissioners
Town Council Agenda Meeting Minutes
March 1, 2018**

Walkup Building

Tree Board:

Tuesday, March 27, 2018, 9:30 a.m.
Town Services Building

Florida Terrace Bid Opening:

Wednesday, April 4th, 3:00 p.m.
Town Services Building

Mr. Carmichael had a conversation earlier today with a couple of Commissioners and it was requested that he put together a report of the various bid options under state statute in North Carolina that we might be able to employ in the Town Hall Project. If it is the will of Commission he would be glad to include it in next week's meeting packet. Commissioner Widmer also mentioned a possible action regarding one particular step with regards to the Public Works Building. Mr. Carmichael stated the Town is ready to begin Phase Three of the project which is to write and publicize a bid for both purchase and construction of the prefabricated building. Mr. Carmichael is working with the School of Government on how to write the bid. Mr. Carmichael had hoped to have a report ready for this month but was unable to get the information in time. There are a few different options for what to do next. Staff could prepare the bids and send it out and leave the legally required approval to the Commission as they come in or the Commission could approve the bid before it goes out the door in next month's meeting or the Commission could by consensus or vote give Staff approval of that process before the bid is actually written. Commissioner Widmer asked if that would be discussed next week. Mr. Carmichael stated that if the Commission wanted to take action it needed to be added to the agenda which would be beneficial for transparency to the public. It was decided by consensus to add it to next week's agenda.

Closed Session

Commissioner Widmer moved to enter into Closed Session in accordance with North Carolina General Statute 143-318.11(6) to discuss a personnel matter. Commissioner Fouche seconded and the motion carried 5/0.

There was no action in Closed Session.

Adjournment

There being no further business, Commissioner Fouche moved to adjourn the Town Council Meeting. Commissioner Lentz seconded and the motion carried 5/0. The meeting was adjourned at 7:54 p.m.

**Montreat Board of Commissioners
Town Council Agenda Meeting Minutes
March 1, 2018**

Tim Helms, Mayor

Angela Murphy, Town Clerk

**Town of Montreat
Board of Commissioners
Town Council Public Forum
March 8, 2018 – 6:30 p.m.
Walkup Building**

Board members present: Mayor Tim Helms
Mayor Pro Tem Kent Otto
Commissioner Kitty Fouche
Commissioner Bill Gilliland
Commissioner Alice Lentz
Commissioner Tom Widmer

Town staff present: Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk

Approximately 12 members of the public were also present. Mayor Helms called the meeting to order at 6:30 p.m., and held a moment of silence.

Agenda Approval

Commissioner moved to adopt the agenda as presented. Mayor Pro Tem Otto seconded and the motion carried 5/0.

Public Forum

Ms. Sara Baughman from Montreat College was in attendance to inform the Commissioners about several spring activities planned at the College. There will be a lecture series on the Montreat Campus, a lecture at the Cove and a creative writing festival at the Montreat Campus. The annual Pops Concert will be held on April 28th and an outdoor concert on April 20th called Coda Music Festival. This festival is being created and ran entirely by the music business students. It is a family friendly concert that will have food trucks and will be over by 9:30 p.m. Ms. Baughman had several fliers with her outlining the above activities.

Mrs. Mary Standaert of 118 Shenandoah Terrace, announced that her husband's wild game camera showed up a coyote in their backyard for the first time. Mrs. Standaert referenced the article in the Asheville Citizens Times by Joel Burgess in which Montreat was characterized as "richer, whiter and older". Mrs. Standaert accepts Mayor Pro Tem Otto's comments from last week but feels that Montreat is now tagged with those words. Mrs. Standaert feels there is only one Montreat and that is the Town. The reaction she has received from outside the community has not been positive. Mrs. Standaert felt that the statement "richer, whiter" closely resembled that of a real estate ad and it seemed to sound affirming. Mrs. Standaert wanted to hear what the Commission's thoughts were on this matter. Mayor Pro Tem Otto stated that it was a total mischaracterization. Mayor Pro Tem Otto stated that he tries to get people from outside the community to visit Montreat. He routinely invites members of the Montreat community to the athletic events and concerts hosted around town. Commissioner Fouche felt that bringing more

attention to the article causes more problems. She wishes that Mrs. Standaert had spoke to Mayor Pro Tem Otto in private before chastising the whole Council. Commissioner Lentz reflected on the irony that Mayor Pro Tem Otto was filling in for Mayor Helms as he was attending Dr. Graham's memorial service on behalf of the Town of Montreat. She agrees wholeheartedly to move forward and not give it anymore life. Mayor Helms stated that he was in attendance when Mayor Pro Tem Otto received the phone call from the reporter. Mayor Helms stated that you don't fight with ink because those were the reporter's words not Mayor Pro Tem Otto's. Mrs. Standaert stated that she tried in her last two years on the Council to add the words "welcoming" and "inclusive" to the Montreat Mission Statement. This was turned down by the Council on numerous occasions. Mrs. Standaert listened to the taped discussion of the Annual Board Retreat when the council discussed changing the Mission Statement and it was decided that no changes were needed. Mrs. Standaert believes that if those words were added to the Mission Statement it could go a long way to refute those words in the paper. Mrs. Standaert reiterated that only the elected official speaking in an official capacity speak for her not the College or the Conference Center.

Adjournment

There being no further business, Commissioner Fouche moved to adjourn the Public Forum. Commissioner Gilliland seconded and the motion carried 5/0. The meeting was adjourned at 6:55 p.m.

Tim Helms, Mayor

Angela Murphy, Town Clerk

**Town of Montreat
Board of Commissioners
Town Council Meeting
March 8, 2018
Walkup Building**

Board members present: Mayor Tim Helms
Mayor Pro Tem Kent Otto
Commissioner Kitty Fouche
Commissioner Bill Gilliland
Commissioner Alice Lentz
Commissioner Tom Widmer

Board members absent: None

Town staff present: Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk
Dave Arrant, Police Chief
Barry Creasman, Public Works Director

Approximately 12 members of the public were also present. Mayor Helms called the meeting to order at 7:02 p.m., led the group in reciting the Pledge of Allegiance, and held a moment of silence.

Agenda Approval

Commissioner Gilliland moved to adopt the agenda. Commissioner Lentz would like to move the February 8th Town Council Meeting Minutes from the Consent Agenda to be amended as previously discussed. Commissioner Widmer seconded and the motion carried 5/0. Mayor Helms stated that the February 8th Town Council Meeting Minutes would be considered for adoption as Item "A" under New Business.

Presentations and Reports

Mr. Carmichael stated that he had copies of two documents from the UNC School of Government for the Commissioners review. These documents cover the topics of bidding of specific construction contracts. Mr. Carmichael stated they were for information only at this point in time.

Mayor's Communications

Mayor Helms expressed his gratitude for the honor of being able to attend the Billy Graham memorial service this past Friday in Charlotte. Mayor Helms then read and presented Resolution #18-03-002 Honoring William "Billy" Graham to Gigi Graham, Maury Scobee and Kerri Bruce of the Billy Graham Evangelistic Association.

Consent Agenda Review

The proposed Consent Agenda will include the following items:

- February 8, 2018, Town Council Public Forum Minutes
- February 8, 2018, Town Council Meeting Minutes
- Resolution #18-03-002 Honoring William “Billy” Graham

Town Administrator’s Communications

- Mr. Carmichael recognized Senior Water Operator Jarod McIntosh for achieving his C Well Certification. Commissioner Fouche stated that she spent some time with Mr. McIntosh this week and she hopes that everyone gets a chance to meet him because he is a delightful young man.
- Mr. Carmichael stated that the impact of Reverend Graham’s passing was minimal to staff due to the ongoing planning that was done prior to his passing but he was very thankful to work somewhere where inter-agency cooperation works so well.
- Mr. Carmichael stated that Montreat had several windstorms this past week and public works removed four downed trees from the roadways and power lines.
- Mr. Carmichael declared that the Florida Terrace Property is now up for sale and out for bids. The bids are due by April 3rd. The bid opening will be on April 4th at 3:00 p.m. in the Town Services Office. The bids were advertised in the Black Mountain News, on social media, through the website, on the Sunshine List and through direct contact to individuals. Commissioner Widmer asked how this process worked. Mr. Carmichael advised him that the bids are to be received by mail or by person in sealed envelopes which will not be opened until April 4th. No bids have been received as of yet.
- The Public Works Crews have been working very hard to prepare the site for the Public Works Building behind the MRA Maintenance Shed. They have completed the second phase of the project which involves removing power and water lines, demolishing the old well house, the well itself was capped off by an engineer and was approved by Buncombe County and they are removing trees to prepare the site for construction. There is still a large amount of leaf litter compost that needs to be moved. We have been advertising that this compost is available to anyone who would like to come get it.
- Mr. Carmichael has received verbal confirmation from the State of North Carolina Department of Transportation that they will be approving the forgiveness of the Municipal Bridge Program Funds for the Texas Road Bridge Project. We do know there will be some outstanding administrative fees that will be assessed in the amount of \$8,000-9,000.
- Mr. Carmichael recently met with Senator Chuck Edwards at his office in Hendersonville about the Town Hall annexation/de-annexation process. Mr. Carmichael has now met with all delegates about this matter. Mr. Carmichael has confirmation from Senator Van Duyn and Senator Edwards that they will co-sponsor this bill to pass it through the Senate which is good news. Mr. Carmichael also has confirmation from Senator Jon Ager that he will pass the companion bill through the House of Representatives.

- The asbestos abatement at the Creek Side Lot is complete and Mr. Carmichael has received all documents confirming this fact. The Black Mountain Fire Department was on site today to assess the building and to determine what needs to be accomplished before the building can be burned down. It is our hope that all the permitting will be completed within a month and we can proceed with the controlled burn/demolition.
- Mr. Carmichael stated that the Commission held their Annual Board Retreat in February where they set their priorities and goals for the upcoming year. Staff has compiled this information and will report more on this topic next month.

Administrative Reports

Administration: Reports were in written form as requested by Council.

Finance: Reports were in written form as requested by Council.

Planning & Zoning: Reports were in written form as requested by Council.

Police: Reports were in written form as requested by Council.

Public Works and Water: Reports were in written form as requested by Council.

Sanitation: Reports were in written form as requested by Council.

Streets: Reports were in written form as requested by Council.

Public Comments

Mayor Helms reiterated that this Public Comment period was intended for remarks pertaining to items listed on the meeting agenda, including staff reports and communications.

Shannon Ingersoll of 124 Eastminster Terrace asked who removes the debris from the controlled burn of the Creek Side Property. Mayor Helms stated that Town Staff would take care of clearing the property of the debris. Mr. Carmichael stated that a dumpster has already been ordered to be delivered next week to pick up the debris that has already fallen down. This same dumpster will be used for the debris and it will be hauled away to the landfill just like our regular sanitation.

Old Business

- A. **Rules of Procedure:** Commissioner Gilliland moved to amend Rules 4 and 7 as presented to reorganize the Town meeting schedules. Mayor Pro Tem Otto seconded the motion. Mr. Carmichael stated this motion does away with the Agenda Meetings and moves all meetings to

the second Thursday of the month. Mr. Carmichael stated that the Commission will still submit items for the agenda and staff will compile the items into an agenda. There will be a delay in sending out the agenda which will give the Commission ample time to review the documents. The agenda would be adopted, as it is now, at the beginning of the meeting which still gives flexibility to add or remove items on the day of the meeting. The staff will still publicize the meeting a week in advance and will be on hand throughout the day to answer any and all questions that the Commission might have regarding the agenda. Commissioner Lentz reiterated that the Public will still have a week to review the packet prior to the meeting. Commissioner Fouche stated that the Town will be saving money on renting the room and compensatory time for the employees who have to attend the meetings. The motion carried 5/0.

New Business

- A. February 8th Town Council Minutes Correction: Commissioner Lentz moved to approve the minutes with the amendment of the correct Commissioners who were installed on December 14, 2017. Commissioner Gilliland seconded and the motion carried 5/0.
- B. Appointment of Katie Widmer to Landcare Committee: Commissioner Widmer moved to appoint Katie Widmer to the Landcare Committee for a term of three years to expire on January 31, 2021. Commissioner Fouche seconded and the motion carried 5/0.
- C. Appointment of Mark Spence to Board of Adjustment: Commissioner Gilliland moved to appoint Mark Spence to the Board of Adjustment for a term of three years to expire on January 31, 2021. Commissioner Lentz seconded and the motion carried 5/0.
- D. Appointment of Mason Blake to Planning & Zoning: Commissioner Gilliland moved to appoint Mason Blake to the Planning & Zoning Committee for a term of two years to expire on January 31, 2020. Commissioner Fouche seconded and the motion carried 5/0.
- E. Appoint Bill Scheu to Open Space Conservation Committee: Commissioner Gilliland moved to appoint Bill Scheu to the Open Space Conservation Committee for a term of two years to expire on January 31, 2020. Commissioner Lentz seconded and the motion carried 5/0.
- F. Bridge Beautification Committee: Commissioner Gilliland moved to establish a citizens advisory committee for aesthetics and design of pedestrian bridge on Texas Road. Commissioner Lentz seconded and the motion carried 5/0.
- G. Appoint the following persons to the Bridge Aesthetics Committee: Commissioner Gilliland moved to appoint Jane Alexander, Walter Somerville, Robin Melvin, Mason Blake, Shannon Ingersoll and Randi Collie to the Bridge Aesthetics Committee. Commissioner Widmer seconded and the motion carried 5/0. Mayor Helms stated that he was going to add an ex-

officio member to the committee until next month when it can be voted on properly. Mr. Robert Wynne did not get his application into the office prior to the packet going out so he will be considered separately next month. The Commission recognized and thanked all the individuals present who had signed up for tonight's committee appointments. Mayor Helms announced that Mason Blake had agreed to chair the Bridge Aesthetics Committee and would soon be announcing the meeting dates. Mr. Carmichael requested that the staff be on hand as well to help with minutes and advice. Mayor Helms agreed and said that Mr. Blake had been advised of this as well. Commissioner Fouche wants to make sure that the Committee has all pertinent information from Barry Creasman and Adrienne Isenhower so they do not waste a lot of time doing things that are impossible structurally and ordinance related.

- H. Website Overhaul Contract: Commissioner Gilliland moved to approve and execute the Max WebGear Contract as presented. Mr. Carmichael has spent a lot of time researching website contractors and benchmarking with other municipalities. This product is one of the better ones that Mr. Carmichael has seen and it is much cheaper than he anticipated. The features listed in the contract came about after several conversations between Mr. Carmichael, Miss Murphy and Mr. Carroll of Max WebGear. Mr. Carmichael is very excited to see the website become a more effective tool for communicating with the public and a more automated process for staff. Mayor Helms stated that this item arose from the Annual Board Retreat as well. Commissioner Widmer seconded the motion. Commissioner Widmer also stated that he hopes if the Communications Advisory Committee is passed this evening it will be allowed to give feedback to the website overhaul. The motion carried 5/0.
- I. Contract Authority Delegation: Mr. Carmichael stated that this motion arose from the Annual Board Retreat as well. The current Rules of Procedure states that the Commission approves all purchase contracts but this has not always been the case. Small dollar contracts which are part of regular maintenance activities of the Town could be approved administratively to ease the burden of Council Meetings. Commissioner Gilliland moved to amend Rule 23 of the Rules of Procedure as presented to delegate contract authority for contracts valued under \$5,000 to the Town Administrator. Mayor Pro Tem Otto seconded and the motion carried 5/0.
- J. Discussion of Part-Time Bookkeeper with Possible Action: Mr. Carmichael stated that when the finance officer retired last fall we replaced him with a part time CPA, Erin Marie Wheeler. Mrs. Wheeler is overwhelmed with trying to reorganize the finances of the Town and clarify some best practices. The Town has also had to shift some of the responsibilities from David Currie's vacated position into a new contracted out position with Adrienne Isenhower. This has left Miss Murphy with more work than she has the capacity to do in a day's time. This proposal is a temporary recommendation which takes into account the segregation of duties of all things financial. This has always been a finding on our annual audit. Commissioner Gilliland asked Mr. Carmichael if this position would be viewed as temporary or interim. Mr. Carmichael stated that with Mrs. Wheeler's help and the bookkeeper's assistance to help weed through the backlog we would be better able to evaluate the workflow situation. Mr. Carmichael would

consider this position to be temporary in nature. Commissioner Otto stated that he is open to a temporary position to help Mrs. Wheeler get caught up and then evaluate where we are as a Town. Commissioner Gilliland asked how long it would potentially take to get caught up. Mr. Carmichael stated that the CPA has been working hard since October on reconciling bank statements and she is not caught up yet nor does it include the day to day activities. That work has to be accomplished before we move into our next budgeting deadline so optimistically Mr. Carmichael stated that he hoped we would be caught up by June. Commissioner Gilliland asked if this was sloppiness or something worse on the part of the former Finance Officer. Mr. Carmichael does not believe there is anything unethical in the work of the former Finance Officer. Commissioner Fouche stated that she knows that Miss Murphy is taking work home with her and that is not fair to her. Commissioner Fouche also stated that it is costing the Town a lot of money to not have the books in order and hiring a part time bookkeeper is still a cost savings compared to hiring a full time employee. Mr. Carmichael pointed out that there is sufficient cost savings of hiring an interim part time finance officer to fund this part time bookkeeper position without going over budget. Mayor Pro Tem Otto moved to have administration bring in a temporary bookkeeper for a time to be determined. Commissioner Fouche seconded and the motion carried 5/0.

- K. Discussion of Communications Advisory Committee with Possible Action: Commissioner Widmer has proposed to establish a draft communications advisory committee to advise the Town Council on communication strategies that will enable us to be more effective in our communication during times of great importance. Commissioner Widmer sees this as an opportunity to raise the brand image of the Town. Commissioner Widmer moves that we establish a Communications Advisory Committee as described in the proposal. Commissioner Lentz seconded the motion. Mayor Helms stated that it is difficult to communicate with everybody and they are putting great efforts into increasing communication efforts this year. The motion carried 5/0.
- L. GovDeals Property Disposal Resolution #18-03-001: Commissioner Fouche moved to approve Resolution #18-03-001 declaring certain items surplus and authorizing disposal by private negotiation and sale. Commissioner Widmer seconded and the motion carried 5/0.
- M. First Class Mailing Solutions Postage Meter Lease and Support Contract: Commissioner Fouche moved to approve and execute the First Class Mailing Solutions Postage Meter Contract as presented. Commissioner Widmer seconded and the motion carried 5/0.
- N. Administrative Process for Bid and Contract Related to the Construction of the Public Works Building: Mr. Carmichael stated that staff has finished phase two of the process but the next step is the bid and it is a more complicated process. This bid process is for a purchase of a metal “butler” building and construction of a concrete pad, plumbing, electrical and stormwater mitigation efforts. This would potentially fall under the informal bid category but because it is both purchase and construction it touches on different state statutes. Mr.

Carmichael had hoped to have the bid ready tonight but he was unable to do so. Mr. Carmichael outlined the various options available. Mayor Helms asked if all Mr. Carmichael was asking for was to write and advertise the bid. Mr. Carmichael stated that was the recommendation of staff. Commissioner Widmer moved to direct staff to select a contract method, prepare and advertise a bid for the building of a Public Works facility as soon as possible. Commissioner Gilliland seconded and the motion carried 5/0.

Public Comments-Other Topics

Mayor Helms reiterated that the Public Comment period were for remarks pertaining to public business items not listed on the meeting agenda, including any reports or communications from other community entities.

Mr. Bill Scheu of 146 Eastminster Terrace stated that he and his wife, Peggy, wanted to thank staff and the Council for all of their hard work. He feels that the sense of the community is better.

Mayor Helms thanked Chief Arrant and his staff for all of their hard work during the passing of Reverend Graham and the many subsequent events that they participated in.

Commissioner Communications

Commissioner Fouche stated that the Tree Board got a grant to do a tree inventory program in the right-of-ways. They will be getting an intern through this grant to help with a lot of the work. Volunteers will be trained in early April to measure, inspect and report on the trees from the Gate to the Lake. This grant also paid for Barry Creasman to complete his training as a Certified Arborist and soon Mike Harrison will complete his training. Arbor Day Celebration/Native Plant Sale will occur on April 28th. They will have short demos and instructions along with the plant sale. The Landcare Committee had their annual Landcare Luncheon a few weeks ago and Ms. Jane Holt was inducted into the Landcare Hall of Fame. There is a project called Children and the Outdoors in Montreat to encourage children to get outside and enjoy nature. There will be a "hotspot" at the Montreat Nature Center where kids can take part in this Eco-Explorer program. The Landcare Committee is looking for alternatives to salt when it comes to de-icing the roads during snow events which is great because the salt is dangerous to the streams and animals. There's a new disease in the white and red oaks. The disease rots the centers but the outside of the tree looks healthy. There's a tree in the parking lot of Anderson Auditorium which had the disease and had to be cut down. The committee rolled out their new brochures which Commissioner Fouche passed out to the Commission.

Mayor Pro Tem Kent Otto observed the Montreat officers from afar at the Billy Graham Motorcade Processional and was proud of the professionalism that was represented by Montreat that day. Mr. Otto also witnessed a rather large water leak on Virginia Road which was fixed in a little over four hours by Barry Creasman and Jarod McIntosh. He was thankful for them for coming

out on a Sunday to work hard to keep Montreators in water service. In response to the Public Forum, Mayor Pro Tem Otto encouraged Montreat citizens to invite people up into Montreat to see what the College and the MRA has to offer along with the trails and recreation.

Upcoming Meeting Dates

Mayor Helms reviewed the following list of upcoming meeting dates and deadlines:

<u>Tree Board:</u>	Tuesday, March 27, 2018, 9:30 a.m. Town Services Building
<u>Good Friday:</u>	Friday, March 30, 2018 Town Services Offices Closed
<u>Florida Terrace Bid Opening:</u>	Wednesday, April 4 th , 3:00 p.m. Town Services Building
<u>Montreat Town Council Meeting:</u>	Thursday, April 12 th , 7:00 p.m. Public Forum begins at 6:30 p.m. Walkup Building
<u>Native Plant Sale and Arbor Day Celebration:</u>	Saturday, April 28 th Moore Center Field Time TBD

Closed Session

Commissioner Gilliland moved to enter into Closed Session in accordance with North Carolina General Statute 143-318.11(6) to discuss a personnel matter and to approve Closed Session Minutes from September, 2017. Mayor Pro Tem Otto seconded and the motion carried 5/0.

Upon returning to open session, Commissioner Gilliland moved to give the Town Administrator and Police Chief the authority to offer and hire Joshua Kiser for the position of Patrol Officer at the recommended salary of \$37, 104. Commissioner Widmer seconded and the motion carried 5/0.

Mayor Pro Tem Otto moved that the minutes of September 14th be approved and remain unsealed and he moved that the minutes of September 7th be approved and remain sealed. Commissioner Gilliland seconded and the motion carried 5/0.

Mayor Pro Tem Otto moved that we raise the Town Administrator's salary by 4%. Commissioner Gilliland seconded and the motion carried 5/0.

Adjournment

There being no further business, Commissioner Fouche moved to adjourn the Town Council Meeting. Commissioner Widmer seconded and the motion carried 5/0. The meeting was adjourned at 8:57 p.m.

Tim Helms, Mayor

Angela Murphy, Town Clerk



TOWN OF MONTREAT

P. O. Box 423
Montreat, NC 28757
Tel: (828)669-8002 Fax: (828)669-3810
www.townofmontreat.org

RESOLUTION #18-04-001 DESIGNATING APRIL 28, 2018 AS ARBOR DAY IN THE TOWN OF MONTREAT

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now celebrated throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes and fuel for our fires; and

WHEREAS, trees in our town increase property values and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal;

NOW, THEREFORE, BE IT RESOLVED that the Town of Montreat Board of Commissioners hereby designates April 28, 2018 as Arbor Day in the Town of Montreat, and urges all citizens to celebrate Arbor Day and support efforts to protect our trees and woodlands.

READ, APPROVED AND ADOPTED, this the 12th day of April, 2018.

[SEAL]

Tim Helms, Mayor

ATTEST:

I hereby certify that this is a true and correct copy of this Resolution, duly adopted by the Town of Montreat on the 12th day of April, 2018 as it appears of record in the official minutes.

Angie Murphy
Town Clerk



Town of Montreat

NORTH CAROLINA

Monday, April 2 - 2018



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Latest News

Reminder: No Agenda Meeting April 5

At the March Town Commission meeting, the Commission voted to suspend separate agenda meetings in advance of the regular Town Commission meetings. Agendas will be published one week in advance of Town Commission meetings so the public and Commissioners will have time to study and seek information about specific items on the agenda. Such a move will save time and money, yet still provide ample time for agenda review prior to Commission meetings. Therefore, there will be no Agenda Meeting on April 5 or subsequent months.

Informational Meeting of the Communications Advisory Committee

There will be an Informational Meeting of the Communications Advisory Committee on Wednesday, April 28th at 4:00 p.m. at the home of Commissioner Tom Widmer (218 Tennessee Road). The meeting is open to all.

Letter from the Mayor

Greetings friends,

I was reflecting on Thursday evening's Town Council meeting where the agenda was full and many good things were discussed and acted upon. I thought it might be good to begin a new practice with you since you're an integral part of the Montreat community. After each meeting, I'll summarize some of the key discussion and action points to keep everyone informed about what's happening. So, here's my first installment...

We had the honor of presenting Billy and Ruth Gaskin's daughter, Virginia "Gin" Gaskin with a resolution

[Proposed 2017-2018
Fiscal Year Budget](#)



[Point&Pay](#)

[New! Online Credit/Debit
Card Payments](#)

CODE RED

[CodeRED Emergency
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[CodeRED Mobile App](#)



Keeping citizens informed.

This site is optimized for current and supported common browsers (i.e. IE, Chrome, Firefox). For the best user experience, please ensure your browser is up-to-date.



COMMUNITY NOTIFICATION ENROLLMENT

Town of Montreat, NC

Please take a moment to fill in the appropriate information below to be notified by your local emergency response team in the event of emergency situations or critical community alerts. Examples include: evacuation notices, bio-terrorism alerts, boil water notices, and missing child reports.

Would you like to create a managed account?

Creating a managed account will allow you access to modify your existing notification settings and contact information. You may also add an additional address for the CodeRED system to monitor.

☒ YES, I would like to create a managed account

Login with Google

Login with Facebook

Login with Twitter

Or Create An Account

Username

Password

Confirm password

☐ NO, I would like to review and submit my information

Continue



Voice Messages

Primary Voice Message



Text Messages

Text Message

The Town of Montreat is testing its emergency notification system. This is only a test.

Email Message

The Town of Montreat is testing its emergency notification system. This is only a test.

TDD Message
None Provided

Mobile Scenario 09/08/2017 14:59:38



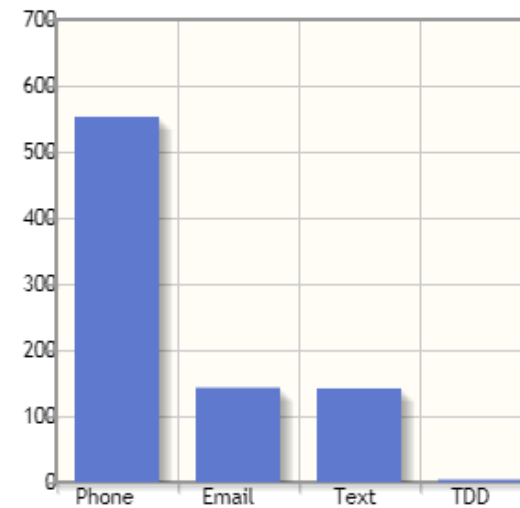
Launch ID #825206
Launched By Alex Carmichael
Notification Type General
Auto Recall No
Started 9/8/2017 5:13:51 PM
Ended 9/8/2017 5:21:15 PM
Expiration None
Voice Minutes Used 177

Emails 143
Phone Calls 553
Text Messages 142
TDD 4
Mobile Yes

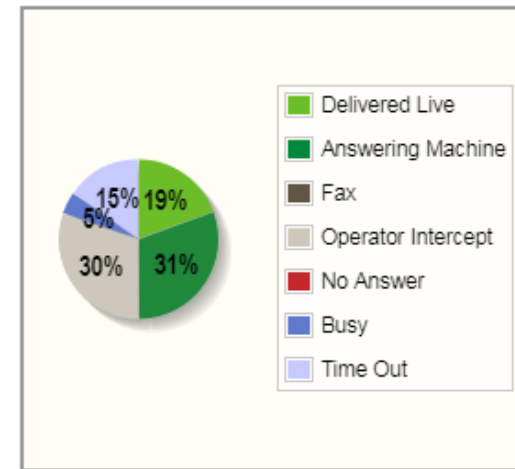
Attempted Calls 829
Numbers Reached 414
Numbers Not Reached 139

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Communication Method



Phone Statistics





Town of Montreat

NORTH CAROLINA

Monday, April 2 - 2018



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[Proposed 2017-2018
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[New! Online Credit/Debit
Card Payments](#)

CODE RED

[CodeRED Emergency
Notification System](#)



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Come to the Burn!



The Town of Montreat invites you to a special event:
The burning of the house on the new
Town Hall property near the gate.

Join us on Saturday, April 28* at 2:00pm, immediately following the Native Plant Sale and be a part of the first step in building the new Town Hall. The Black Mountain Fire Department and other fire companies will be using the house as a training exercise by burning it to the ground. And we'll be there to watch it happen!

Park near the gate then walk to the field opposite the Town Hall site on Montreat Road.

- 🔥 Bring a chair or a blanket
- 🔥 The Town will provide hotdogs and marshmallows to roast!
- 🔥 Give us your ideas of what you think the new Town Hall should look like— paper and markers provided!
- 🔥 Meet other neighbors from Montreat

See you at the Burn!

*There is a possibility the event could be rescheduled because of weather and other uncontrollable factors. Check the Town website for date confirmation.

Event	Purpose and Comment	Regulation	Proposed Date	Complete
Departments submit CIP requests	Departments submit CIP requests to Town Administrator/Budget Officer (Internal Staff Benchmark)	Not regulated	1/18/2018	✓
Meeting: Annual Board Retreat	Commission sets vision and priorities for the coming budget year, including budget and C.I.P.	Not required	February (Specific date TBD)	✓
February Actuals	Actual revenues and expenditures of preceding year posted to budget worksheets. (Internal Staff Benchmark)	Not regulated	2/28/2018	
Meeting: C.I.P Public Meeting	Staff meets with the public to gather input on needs and projects for the C.I.P.	Not required	2/27/2018	✓
Personnel and Insurance Estimates	Finance Officer estimates personnel and insurance costs for entry into departmental budget requests.(Internal Staff Benchmark)	Not regulated	3/5/2018	
Preliminary Revenue Estimates	Finance Officer completes preliminary revenue estimates. (Internal Staff Benchmark)	Not regulated	3/9/2018	✓
Departments Budget Request	Before April 30 of each fiscal year (or an earlier date fixed by the budget officer), each department head shall transmit to the budget officer the budget requests and revenue estimates for his department for the budget year. (Internal Staff Benchmark)	<u>§ 159-10</u>	4/2/2018	
Meeting: Presentation of Proposed C.I.P. and Annual Budget	Staff presents a proposed budget and C.I.P to Commission. Commission reviews proposed budget, asks questions, and provides feedback to staff.	<u>§ 159-11</u>	5/10/2018	
Meeting: Public Budget Hearing	The public comments on the proposed budget to the Commission	<u>§ 159-12</u>	5/24/2018	
Meeting: Budget Workshop	The Commission reviews the budget at the line item level and directs staff to make any changes	Not required in a specific meeting	6/7/2018	
For special insurance estimates	Additional time available for special meetings, as needed, by the Commissioners to continue deliberation.	Not regulated	6/8/2018-6/28/2018	
Meeting: Adoption of Final Budget	The Commission adopts the final budget. Statutes require that "not earlier than 10 days after the day the budget is presented to the board and not later than July 1, the governing board shall adopt a budget ordinance making appropriations and levying taxes for the budget year..."	<u>§ 159-13</u>	6/14/2018	
Beginning of the Fiscal Year	Packet Page 39 The fiscal year runs from July 1st to June 30th	<u>G.S. 159-8(b)</u>	7/1/2018	

2018 / FY2019 City, County, Fire and School Estimated Taxable Value

					Personal			Motor Vehicle	Total Taxable Value
					Real Estate	Property	Public Service		
									2018
BUNCOMBE COUNTY	County	BUN			32,404,620,704	1,858,243,946	613,635,093	2,308,145,301	37,184,645,044
CITY OF ASHEVILLE	City	CAS			13,119,544,801	865,819,998	213,978,244	742,227,657	14,941,570,700
TOWN OF BILTMORE FOREST	Municipality	CBF			734,948,294	6,177,727		32,010,158	773,136,179
TOWN OF BLACK MOUNTAIN	Municipality	CBM			1,018,339,116	99,703,539	14,451,139	62,297,089	1,194,790,883
TOWN OF MONTREAT	Municipality	CMT			237,876,590	700,059	1,271,705	4,235,495	244,083,849
TOWN OF WOODFIN	Municipality	CWO			717,675,192	35,995,207	11,102,743	52,189,493	816,962,635
TOWN OF WEAVERVILLE	Municipality	CWV			731,501,447	68,195,716		42,553,689	842,250,852
ASHEVILLE SPECIAL	Fire	DHA / FSA			93,805,014	107,551	30,697	4,959,185	98,902,447
BARNARDSVILLE	Fire	FBA, DBA			324,856,125	6,401,254	3,754,557	28,783,625	363,795,561
BROAD RIVER	Fire	FBR			169,664,121	744,315	2,233,796	5,891,007	178,533,239
EAST BUNCOMBE	Fire	FEB			710,588,355	11,576,568	18,739,344	35,972,747	776,877,014
ENKA	Fire	FEC			2,118,727,539	219,539,030	38,959,434	192,647,033	2,569,873,036
FAIRVIEW	Fire	FFA			1,611,204,494	22,197,030	12,348,898	88,027,250	1,733,777,672
FRENCH BROAD	Fire	FFB			234,824,141	3,949,500	7,678,451	25,735,152	272,187,244
GAREN CREEK	Fire	FGC			155,872,888	889,470	847,773	10,876,520	168,486,651
JUPTER	Fire	FJU			581,986,753	7,701,834	6,247,022	57,865,658	653,801,267
LEICESTER	Fire	FLE, DLE			769,050,674	17,594,193	11,641,422	74,869,057	873,155,346
NORTH BUNCOMBE	Fire	FNB, DNN, DNB			864,566,458	24,147,433	14,154,344	75,946,232	978,814,467
REEMS CREEK	Fire	FRC, DNR, DRC, DBE, FBE, DHC			759,581,411	2,774,605	8,989,893	36,057,653	807,403,562
REYNOLDS	Fire	FRE			654,884,750	7,022,948	7,107,212	50,013,434	719,028,344
RICEVILLE	Fire	FRI, DHI			648,072,662	4,738,232	5,039,992	50,483,891	708,334,777
SKYLAND	Fire	FSK, DSK, FFL			3,658,988,402	328,168,883	169,073,751	253,733,516	4,409,964,552
SKYLAND - BILTMORE FOREST	Fire	DAS / FSB			176,310,456	58,844,576	872,233	6,676,894	242,704,159
SWANNANOA	Fire	FSW			824,888,690	25,680,246	15,320,279	76,285,899	942,175,114
UPPER HOMINY	Fire	FUH, DUH			395,259,486	6,883,035	7,779,932	40,066,960	449,989,413
WEST BUNCOMBE	Fire	FWB, DWB			1,189,991,292	27,541,112	32,674,960	125,469,400	1,375,676,764
WOODFIN	Fire	FWO, DWO			622,197,243	33,961,122	10,440,113	43,453,110	710,051,588
ASHEVILLE CITY SCHOOLS	School	SAS			6,884,347,108	244,413,395	105,596,522	341,700,008	7,576,057,033

KM 3/15/2018

**Town of Montreat
Board of Commissioners
Rules of Procedure
(Adopted 11/14/2002)**

*(Revised 2/13/2003); (Revised 9/11/2003); (Revised 1/8/2004)
(Revised 8/14/2008); (Revised 2/12/2015);(Revised 3/8/2018)*

Rule 1. Regular Meetings

The Board shall hold a regular meeting on the second Thursday of each month and said meeting shall begin at 7:00 p.m. During months when a Public Hearing is scheduled, the regular meeting will begin with the Public Hearing.

Rule 2. Special, Emergency and Recessed (or Adjourned) Meetings

- A. Special Meetings.** The Mayor, Mayor Pro Tem, or any two members of the Board may at any time call a special meeting of the Board of Commissioners by signing a written notice stating the time and place of the meeting and the subject(s) to be considered. At least 48 hours before a special meeting is call in this manner, written notice of the meeting shall be (1) delivered to the Mayor and each Board member or left at his or her usual dwelling place; (2) posted on the Board's principal bulletin board in the Town Services Office and for information on the bulletin board in the Post Office; and (3) mailed or delivered to each newspaper, wire service, radio station, television station and person who has filed a written request for notice with the Town Clerk. Only those items of business specified in the notice may be transacted at a special meeting called in this manner, unless all members are present or those who are not present have signed a written waiver. Even in such a case, the Board shall only discuss or transact items not specified in the notice if it determines in good faith at the meeting that it essential to discuss or act on the item immediately.

A special meeting may also be called or scheduled by vote of the Board in open session during another duly-called meeting. The motion or resolution calling or scheduling the special meeting shall specify its time, place and purpose. At least 48 hours before a special meeting called in this manner, notice of the time, place and purpose of the meeting shall be (1) posted on the Board's principal bulletin board in the Town Services Office and for information on the bulletin board in the Post Office; and (2) mailed or delivered to each newspaper, wire service, radio station, television station and person who has filed a written request for notice with the Town Clerk. Such notice shall also be mailed or delivered at least 48 hours before the meeting to each Board member not present at the meeting at which the special meeting was called or scheduled, and to the Mayor if he or she was not present at that meeting. Only those items of business specified in the notice may be transacted at a special meeting called in this manner, unless all members are present or those who are not present have signed a written waiver. Even in such a case, the Board shall only discuss or transact items not specified in the notice if it determines in good faith at the meeting that it essential to discuss or act on the item immediately.

- B. Emergency Meetings.** Emergency meetings of the Board of Commissioners may be called only because of generally unexpected circumstances that require immediate consideration by the Board. Only business connected with the emergency may be considered at an emergency meeting. Once of the following two procedures must be followed to call an emergency meeting of the Board:
1. The Mayor, Mayor Pro Tem, or any two members of the Board may at any time call an emergency meeting by signing a written notice stating the time and place of the meeting and the subject(s) to be considered. The notice shall be delivered to the Mayor and each Board member or left at their usual dwelling place at least six hours before the meeting.
 2. An emergency meeting may be held at any time when the Mayor and all members of the Board are present and consent thereto, or when those not present have signed a written waiver of notice provisions. Notice of an emergency meeting under (1) or (2) shall be given to each local newspaper, local radio station and local television station that has filed a written emergency meeting notice request including their telephone number(s) with the Town Clerk. This notice shall be given either by telephone or by the same method used to notify the Mayor and Board members and shall be given at the expense of the party notified.
- C. Recessed or Adjourned Meetings.** A properly called regular, special or emergency meeting may be recessed or adjourned to a time and place certain by a procedural motion made and adopted in open session during the regular, special or emergency meeting. The motion shall state the time and place where the meeting will reconvene. No further notice need be given of a recessed or adjourned session of a properly called regular, special or emergency meeting.

Rule 3. Organizational Meeting

On the second Thursday in December following a general election in which municipal officials are elected, the Board shall meet for the newly elected members to subscribe to the oath of Office as the first item of New Business. As the second item of New Business, the Board shall elect a Mayor Pro Tem from among its members. The organizational meeting shall not be held before the municipal election results are officially determined, certified and published in accordance with Subchapter IX of Chapter 163 of the North Carolina General Statutes.

Rule 4. Agenda

I. Regular Meetings

- A. The Town Clerk shall prepare a proposed agenda for each meeting. A request to have an item of business placed on the agenda for a regular meeting must be received in writing by the Town Clerk no later than the Friday before the first Thursday of each month.
- B. The Deputy Town Clerk shall perform the duties of clerk when the Town Clerk is absent.
- C. Any Board member, by a timely request, may have an item placed on the proposed agenda.
- D. The Town Clerk shall prepare the agenda packet to the Board. The packet shall include, for each item of business placed on it, as much background information on the subject as is available and feasible to reproduce. A copy of all the proposed ordinances shall be attached to the agenda. Each Commissioner shall receive a copy of the agenda packet by the Tuesday morning preceding the Meeting of the Board. The agenda packet shall also be available for public inspection and distribution or copying when it is distributed to the Board members. The cost for copying shall be in accordance with the current Fee Schedule.
 - 1. The Board may add items to the proposed agenda of a special meeting only if it determines in good faith at the meeting that it is essential to discuss or act on the item immediately.
 - 2. The Board may designate certain agenda items “for discussion and possible action.” Such designation means that the Board intends to discuss the general subject area of that agenda item before making any motion concerning that item.
- E. **Consent Agenda** Prior to approval of the Consent Agenda, any Commissioner may have an item moved from the Consent Agenda to New Business for discussion. Prior to the approval of the Consent Agenda, the Mayor will ask if any member of the public has questions regarding items on the Consent Agenda; however, items can only be moved from the Consent Agenda at the request of the Mayor or a Commissioner.
- F. The Town Clerk will maintain a mailing list of interested parties who wish to receive a copy of the agenda regularly, and will mail or e-mail a copy of the

agenda to those individuals on the mailing list but will not mail copies of the accompanying materials.

- G. **Open Meetings Requirement.** The Board may not deliberate, vote or otherwise take action on any matter by reference to a letter, number or other designation, or other secret device or method, with the intention of making it impossible for person attending a meeting of the Board to understand what is being deliberated, voted, or acted on.
- H. Resolutions, ordinances, motions and prepared statements must be in written form. Copies shall be provided for each Commissioner, the Mayor, the Town Administrator, the Town Clerk, the media packet and the public packet.
- I. Any attachment to the minutes shall be approved by a vote of the Commissioners.
- J. In the event of a divided vote, each side may furnish a signed explanation of its position within seven days of no greater than 100 words in length. This document may be attached as an appendix if approved at the next regularly scheduled meeting of the Board.

II. Special, Emergency and Workshop Meetings

- A. The Town Clerk shall prepare a proposed agenda for each meeting.
- B. The Town Clerk shall prepare the agenda packet to the Board. The packet shall include, for each item of business placed on it, as much background information on the subject as is available and feasible to reproduce. Each Board member shall receive a copy of the agenda packet. The agenda packet shall also be available for public inspection and distribution of copying when it is distributed to the Board members. The cost of copying shall be determined in accordance with the current Fee Schedule.
 - 1. Items may be added to the agenda in the following ways. The Board may, by majority vote, add an item that requires immediate action that is not on the agenda. Written copies of particular documents connected with the items shall be made available at the meeting to all Board members.
 - 2. The Board may, by majority vote, add items to or subtract items from the proposed agenda, except that (a) the Board may not subtract items stated in the notice of a special meeting called by the Mayor, Mayor Pro Tem or two Board members, unless those calling the meeting consent to

the deletion; (b) the Board may not add items to the proposed agenda stated in the notice of special meeting called by the Mayor, Mayor Pro Tem or two Board members, unless all members are present, or those who are absent sign a written waiver of notice; and (c) only business connected with the emergency may be considered at an emergency meeting.

3. The Board may add items to the proposed agenda of a special meeting only if it determines in good faith at the meeting that it is essential to discuss or act on the item immediately.
- C. The Board may designate certain agenda items “for discussion and possible action.” Such designation means that the Board intends to discuss the general subject area of that agenda item before making any motion concerning that item.
- D. The Town Clerk will maintain a mailing list of interested parties who wish to receive a copy of the agenda regularly, and will mail or e-mail a copy of the agenda to those individuals on the mailing list but will not mail copies of the accompanying materials.
- E. **Open Meetings Requirement.** The Board may not deliberate, vote or otherwise take action on any matter by reference to a letter, number or other designation, or other secret device or method, with the intention of making it impossible for person attending a meeting of the Board to understand what is being deliberated, voted, or acted on.
- F. Resolutions, ordinances, motions and prepared statements must be in written form. Copies shall be provided for each Commissioner, the Mayor, the Town Administrator, the Town Clerk, the media packet and the public packet.
- G. Any attachment to the minutes shall be approved by a vote of the Commissioners.
- H. In the event of a divided vote, each side may furnish a signed explanation of its position within seven days of no greater than 100 words in length. This document may be attached as an appendix if approved at the next regularly scheduled meeting of the Board.

Rule 5. Public Address to the Board

- A. Any individual or group who wishes to have an item of business placed on the agenda for the agenda or regular meeting of the Board shall make a written request to the Town Clerk. The Board shall determine at the meeting whether it will hear the individual or group. The time limit for any individual or representative of a group addressing the Board shall be three minutes, unless a majority of the Board agrees to additional time. Public comments will be heard at the end of the meeting for items not on the agenda.
- B. Commissioners are not expected to comment on matters brought to the Board during this time, but to delay action or comment until the Town staff has had an opportunity to research the subject matter and report any necessary and relevant information to all Board members.

Rule 6. Public Comments

- A. Public comments will be heard at the beginning of the meeting for items on the agenda. Any individual speaking during the public comment period shall address the entire Board and any polling of the Commissioners is inappropriate for public comment.
- B. The time limit for any individual or representative of a group addressing the Board shall be three minutes, unless a majority of the Board agrees to additional time.
- C. Commissioners are not expected to comment on matters brought to the Board during this time, but to delay action or comment until the Town staff has had an opportunity to research the subject matter and report any necessary and relevant information to all Board members.

Rule 7. Order of Business

II. Regular Meeting

- A. Items shall be placed on the agenda according to the "Order of Business." The Order of Business for each regular meeting shall be as follows:

- Welcome
- Pledge of Allegiance and Invocation
- Discussion and Adoption of Agenda
- Public Hearings (as needed or required by law)
- Presentations to Council (as needed)
- Mayor's Communications
- Consent Agenda
- Town Administrator's Communications
- Administrative Reports
- Public Comment for items on Agenda
- Old Business
- New Business
- Public Comment for items not on Agenda
- Commissioner Communications
- Closed Session (as permitted by law) – optional
- Return to open session and adjourn or continue

- B. However, by general consent of the Board, items may be considered out of this order. No item during the Town Administrator's report shall be given that requires a vote at that time, unless the Board has added said item to the agenda.
- C. Board approval to follow the meeting agenda automatically approves the Consent Agenda and approval of the minutes.
- D. Any attachment to the minutes must be approved by a vote of the Commissioners.
- E. The meeting shall generally be limited to one and one-half hours.

Rule 8. Office of the Mayor

- A. The Mayor shall preside at the meetings of the Board. A member must be recognized by the Mayor in order to address the Board. The Mayor shall have the following powers:

1. To rule any motions in or out of order, including the right to rule out of order any motion patently offered for obstructive or dilatory purposes;
 2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his remarks and to entertain and rule on objections from other members on this ground;
 3. To call a brief recess at any time;
 4. To adjourn in an emergency;
 5. To vote to break a tie vote of the Commissioners.
- B. The Town Attorney, Town Clerk or Deputy Town Clerk or his or her designee shall act as parliamentarian.

Rule 9. Office of the Mayor Pro Tem

The Mayor Pro Tem shall be entitled to vote on all matters and shall be considered a Board member for all purposes, including the determination of a quorum. In the Mayor's absence, the Board may confer on the Mayor Pro Tem any of the Mayor's powers and duties. If the Mayor should become physically or mentally unable to perform the duties of his or her office, the Board may by unanimous vote declare that the Mayor is incapacitated and confer any of the Mayor's powers and duties on the Mayor Pro Tem. When the Mayor declares that he or she is no longer incapacitated and a majority of the Board concurs, the Mayor shall resume the exercise of his or her powers and duties. If both the Mayor and Mayor Pro Tem are absent from the meeting, the Board may elect from among its members a temporary Chair to preside at the meeting.

Rule 10. When the Presiding Officer is in Active Debate

If the Mayor or other presiding officer becomes actively engaged in debate on a particular proposal, he or she shall designate another Board member to preside over the debate. The Mayor or other presiding officer shall resume presiding as soon as action on the matter is concluded.

Rule 11. Action by the Board

- A. The Board shall proceed by motion. Any member may make a motion.
- B. All motions require a second.
- C. A member may make only one motion at a time.

- D. A substantive motion is out of order while another substantive motion is pending.
- E. A motion shall be adopted by a majority of the votes cast, a quorum being present, unless otherwise required by these rules or the laws of North Carolina.
- F. The Mayor shall state the motion and then open the floor to debate on it. The Mayor shall preside over the debate according to these general principles:
 - 1. The member who makes the motion is entitled to speak first;
 - 2. A member who has not spoken on the issues shall be recognized before someone who has already spoken;
 - 3. To the extent possible, the debate shall alternate between opponents and proponents of the measure.

Rule 12. One Motion at a Time

A member may make only one motion at a time.

Rule 13. Substantive Motions

A substantive motion is out of order while another substantive motion is pending.

Rule 14. Adoption by Majority Vote

A motion shall be adopted by a majority of the votes cast, a quorum being present, unless otherwise required by these rules or the laws of North Carolina. A majority is more than half.

Rule 15. Voting by Written Ballot

The Board may choose by majority vote to use written ballots in voting on a motion. Such ballots shall be signed, and the minutes of the Board shall show the vote of each member voting. The ballots shall be available for public inspection in the Town Clerk's office immediately following the meeting at which the vote took place and until the minutes of that meeting are approved, at which time the ballots may be destroyed.

Rule 16. Debate

The Mayor shall state the motion and then open the floor to debate on it. The Mayor shall preside over the debate according to the following general principles:

- A. The maker of the motion is entitled to speak first;
- B. A member who has not spoken on the issues shall be recognized before someone who has already spoken;
- C. To the extent possible, the debate shall alternate between opponents and proponents of the measure.

Rule 17. Ratification of Actions

To the extent permitted by law, the Board may ratify actions taken on its behalf but without its prior approval. A motion to ratify is a substantive motion.

Rule 18. Procedural Motions

In addition to substantive proposals, the following procedural motions, and no others, shall be in order. All motions require a second before the motion can be discussed. Unless otherwise noted, each motion is debatable, may be amended and requires a majority vote for adoption.

In order of priority (if applicable), the procedural motions are:

Motion 1. To Appeal a Procedural Ruling of the Presiding Officer. A decision of the presiding officer ruling a motion in or out of order, determining whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks, or entertaining and answering a question or parliamentary law or procedure may be appealed to the Board, as specified in Rule 8. This appeal is in order immediately after such a decision is announced and at no other time. The member making the motion need not be recognized by the presiding officer and the motion, if timely made, may not be ruled out of order.

Motion 2. To Adjourn. The motion may be made at any time by a member of the Board and requires a majority vote.

Motion 3. To Take a Brief Recess.

Motion 4. Call to Follow the Agenda. The motion must be made at the first reasonable opportunity or it is waived.

Motion 5. To Suspend the Rules. The Board may not suspend provisions of the rules that state requirements imposed by law on the Board. For adoption, the motion requires a vote equal to two-thirds of the actual membership of the Board, excluding the Mayor, unless he or she may vote in all cases, and any vacant seats.

Motion 6. To Go Into Closed Session. The Board may go into closed session for one or more of the permissible purposes listed in N.C.G.S. §143-318.11(a). The motion to go into closed session shall cite one or more of these purposes and shall be adopted at an open meeting. A motion based on N.C.G.S. §143-318.11(a) shall also state the name or citation of the law that renders the information to be discussed privileged or confidential. A motion based on N.C.G.S. §143-318.11(a) shall identify the parties in each existing lawsuit concerning which the Board expects to receive advice during the closed session, if in fact such advice is to be received.

Motion 7. To Leave Closed Session.

Motion 8. To Divide a Complex Motion and Consider It By Paragraph. This motion is in order whenever a member wishes to consider and vote on subparts of a complex motion separately.

Motion 9. To Defer Consideration. The Board may defer a substantive motion for later consideration at an unspecified time. A substantive motion whose consideration has been deferred expires 100 days thereafter unless a motion to revive consideration is adopted. If consideration of a motion has been deferred, a new motion with the same effect cannot be introduced while the deferred motion remained pending (has not expired). A member who wishes to revisit the matter during that time must take action to revive consideration of the original motion, or else move to suspend the rules.

Motion 10. Call of the Previous Question. The motion is not in order until there have been at least 20 minutes of debate, and every member of the Board has had at least once opportunity to speak.

Motion 11. To Postpone to a Certain Time or Day. In consideration of a motion that has been postponed, a new motion with the same effect cannot be introduced while the postponed matter remains pending. A person who wishes to revisit the matter must either wait until the specified time or move to suspend the rules.

Motion 12. To Refer to a Committee or Board. The Board of Commissioners may vote to refer a substantive motion to a committee for its study and recommendations. Sixty days after a motion has been referred to a committee or board, the introducer of the substantive motion may compel consideration of the measure by the Board of Commissioners, whether or not the committee has reported the matter back to the Board.

Motion 13. To Amend. An amendment to a motion must be pertinent to the subject matter of the motion. An amendment is improper if adoption of the motion with that amendment would have the same effect as rejection of the original motion. A proposal to substitute

completely different wording for a motion or amendment shall be treated as a motion to amend. A motion may be amended, and that amendment may be amended but no further amendments may be made until the last-offered amendment is disposed of by vote. Any amendment to a proposed ordinance, policy, resolution or order shall be reduced to writing.

Motion 14. To Revive Consideration. The motion is in order at any time within 100 days after a vote to defer consideration of it. A substantive motion on which consideration had been deferred expires 100 days after the deferral, unless a motion to revive consideration is adopted.

Motion 15. To Reconsider. The motion to reconsider must be made by a member who voted with the prevailing side (the majority side except in the case of a tie, in which case the “noes” prevail) and at the meeting during which the original vote was taken, including an continuation of that meeting through recess or adjournment to a time and place certain. The motion cannot interrupt deliberation of a pending matter, but is in order at any time before final adjournment of the meeting.

Motion 16. To Rescind or Repeal. The Board may vote to rescind actions it has previously taken or repeal item it has previously adopted. The motion is not in order if rescission or repeal of an item is forbidden by law.

Motion 17. To Prevent Reconsideration for Six Months. The motion shall be in order immediately following the defeat of a substantive motion and at no other time. For approval, the motion requires a vote equal to two-thirds of the actual membership of the Board excluding the Mayor, unless he or she may vote in all cases, and vacant seats. If adopted, the restriction imposed by the motion remains in effect for six months or until the next organizational meeting of the Board, whichever occurs first.

Rule 19. Renewal of a Motion

A motion that is defeated may be renewed at any subsequent meeting unless a motion to prevent reconsideration has been adopted.

Rule 20. Withdrawal of a Motion

A motion may be withdrawn by the introducer at any time before a vote.

Rule 21. Duty to Vote

Every member must vote unless excused by the remaining members according to law. A member who wishes to be excused from voting shall so inform the presiding officer, who shall take a vote of the remaining members. No member shall be excused from voting except upon

matters involving the consideration of his or her own financial interest or official conduct. In all other cases, a failure to vote by a member who is physically present in the meeting room or who has withdrawn without being excused by a majority vote of the remaining members present shall be recorded as an affirmative vote.

Rule 22. Introduction of Ordinances

A proposed ordinance shall be deemed introduced on the date the subject matter is first voted on by the Board. N.C.G.S. §160A-75 provides that an ordinance may not be finally adopted at the meeting at which is introduced except by at least a two-thirds vote of the actual membership of Board, excluding vacant seats and not including the Mayor unless he or she has the right to vote on all questions before the Board.

Rule 23. Adoption of Ordinances and Approval of Contracts

- A. An affirmative vote equal to a majority of all the members of the Board not excused from voting on the question at issue (including the Mayor's vote in case of an equal division) shall be required to adopt an ordinance, to take any action that has the effect of an ordinance, or to make, ratify or authorize any contract on behalf to the Town. Authority to execute contracts and change orders valued at \$5000 or less shall be delegated to the Town Administrator. In addition, no ordinance or action that has the effect of an ordinance may be finally adopted on the date of its introduction except by an affirmative vote of at least two-thirds of the actual membership of the Board, excluding vacant seats and not including the Mayor. No ordinance shall be adopted unless it has been reduced to writing before a vote on its adoption is taken.
- B. An affirmative vote equal to three-fourths of all the members of the Board of Commissioners shall be required for an ordinance making a change in a zoning regulation, restriction or boundary to become effective, if a valid protest petition is received in accordance with the requirements set out in N.C.G.S. §160A-385(a) and N.C.G.S. §160A-386. This rule shall not apply in those cases excepted by N.C.G.S. §160A-385(a).

Rule 24. Adoption of the Budget Ordinance

- A. Notwithstanding the provisions of any general law or local act:
 - 1. Any action taken with respect to the adoption of the Budget Ordinance may be taken at any regular, recessed or special meeting of the Board by a simple majority of those present and voting, a quorum being present.

2. No action taken with respect to the adoption or amendment of the Budget Ordinance need be published or is subject to any other procedural requirement governing the adoption of ordinance or resolutions by the Board other than those requires by North Carolina General Statues.
3. The adoption and amendment of the Budget ordinance and the levy of taxes in the Budget ordinance are not subject to the provisions of any Town Charter or local act concerning initiative or referendum.

Rule 25. Closed Sessions

The Board may hold Closed Sessions as provided by law. The Board shall only commence a Closed Session after a motion to go into Closed Session has been made and adopted during an open meeting. The motion shall state the purpose of the Closed Session and must be approved by a majority vote of those Board members present and voting. The Board shall terminate the Closed Session by a majority vote. Only those actions authorized by statute may be taken in Closed Session. A motion to adjourn or recess shall not be in order during a Closed Session.

Rule 26. Quorum

A majority of the membership of the Board shall constitute a quorum. The number required for a quorum shall not be affected by vacancies. A majority is more than half. A member who has withdrawn from a meeting without being excused by majority vote of the remaining members present shall be counted as present for purposes of determining whether or not a quorum is present.

Rule 27. Public Hearings

Public hearings required by law, or deemed advisable by the Board, shall be organized by a special order and adopted by a majority vote setting forth the subject, date, place and time of the hearing as well as any rules regarding the length of time allotted for each speaker and any other pertinent matters. The special order is adopted by majority vote. Its specifications may include, but are not limited to, rules fixing the maximum time allotted to each speaker; providing for the determination of spokespersons for groups or persons supporting or opposing the same positions; providing for the selection of delegates from groups of persons supporting or opposing the same positions when the number of persons wishing to attend the hearing exceeds the capacity of the hall (so long as arrangements are made, in the case of hearings subject to the Open Meetings Law, for those excluded from the hall to listen to the hearing); and providing for the maintenance of order and decorum in the conduct of the hearing.

All notice and other requirements of the Open Meetings law applicable to board meetings shall also apply to public hearings at which a majority of the Board is present; such a hearing is considered to be part of a regular or special meeting of the Board. These requirements also apply to hearings conducted by appointed committees of board members, if a majority of the committee is present. A public hearing for which any required notices have been given may be continued to a time and place certain without further advertisement. The requirements of Rule 2(C) shall be followed in continuing a hearing at which a majority of the Board, or of a board committee (as applicable) is present.

At the appointed time, the Mayor or presiding officer shall call the hearing to order and then preside over it. When the allotted time expires or when no one who has not yet spoken wishes to do so, the Mayor or presiding officer shall declare the hearing closed.

The regular meeting begins with a public hearing during those months when a public hearing is scheduled as announced during the prior month's meeting.

During those months when a public hearing is scheduled as announced during the prior month's meeting, the Board's regular meeting will begin with that public hearing. The moderator may restrict or elect not to hear comments of a repetitious nature or place a time limit on individual remarks. The Second Reading and Third Reading will not usually take place during the same meeting as the public hearing.

Rule 28. Quorum of Public Hearings

A quorum of the Board shall be required at all public hearings required by State law. If a quorum is not present at such a hearing, the hearing shall be continued until the next regular meeting without further advertisement.

Rule 29. Minutes

- A. Full and accurate minutes of Board proceedings, including Closed Sessions, shall be kept. The Board shall also keep a general account of any Closed Session so that a person not in attendance would have a reasonable understanding of what transpired. These minutes and general accounts shall be open to inspection by the public, except as otherwise provided in this rule. The exact wording of each motion and the results of each vote shall be recorded in these minutes, and on the request of any Board member, the "ayes" and "noes" upon any question shall be taken. Members' and other persons' comments may be included in the minutes if the Board approves.

- B. Closed Session minutes will be kept as required by law. Minutes of Closed Sessions shall be sealed and withheld from public inspection so long as public inspection would frustrate the purpose of the Closed Session. The minutes may be unsealed either by Board action or by action of an agent of the Board such as the Town Attorney, if and when the Closed Session's purpose would no longer be frustrated by making these records public.

Rule 30. Appointments

- A. The Board may consider and make appointments to other bodies, including its own committees, if any, only in open session. The Board may not consider or fill a vacancy among its own membership except in open session.
- B. Rather than proceeding by motion, the Board shall use the following procedure to make appointments to various other boards and offices:
- The Mayor shall open the floor for nominations, whereupon the names of possible appointees may be put forward by Board members.
 - The names submitted shall be debated.
 - When the debate ends, the Mayor shall call the roll of the Board members, and each member shall cast his or her vote.

If more than one appointee is to be selected, then each Board member shall have as many votes as there are slots to be filled. The votes from a majority of the Board members voting shall be required for appointment. A Board member may cast all of his or her votes or fewer than all of them, but he or she shall not cast more than one vote for a single candidate.

Rule 31. Committees and Boards

- A. **Establishment and Appointment.** The Board may establish and appoint members for such temporary and standing Town committees and boards as are needed to help carry out the work of Town government. Any specific provisions of law relating to the particular committees and boards shall be followed.
- B. **Open Meetings Law.** The requirements of the Open Meetings Law shall apply to all elected or appointed authorities, boards, commissions, councils or other bodies of the Town that are composed of two or more members and that exercise or are authorized to exercise legislative, policy-making, quasi-judicial,

administrative or advisory functions. However, the Law's requirements shall not apply solely to a meeting of the Town's professional staff.

Rule 32. Amendment of the Rules

These rules may be amended at any regular meeting or at any properly called special meeting that includes amendment(s) of the Rules as one of the stated purposes of the meeting, so long as the amendment is consistent with the Town Charter, general law, and generally accepted principles of parliamentary procedure. Adoption of an amendment shall require an affirmative vote equal or greater than two-thirds of all the actual membership of the Board, excluding any vacant seats and not including the Mayor.

Rule 33. References

- A. Suggested Rules of Procedure for a City Council, third edition by A. Fleming Bell, II is the source for these rules of procedure.
- B. To the extent not provided for in these rules and to the extent that the reference does not conflict with the spirit of these rules, the Board shall refer to Robert's Rules of Order for unresolved procedural questions.

Effective Date

This document shall become effective upon its adoption.



TOWN OF MONTREAT

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ADMINISTRATIVE REPORTS: Town Administration

Town Administration report for the period beginning March 1 and ending March 31, 2018.

Monthly Statistics

Public Meetings	5
Inter-Organizational /Intergovernmental Meetings	3
Agendas Prepared	3
Minutes Transcribed	2
Resolutions Drafted	2
Public Records Requests Processed	10
Water Bills Processed	674
Leak Adjustments	34
New Water Accounts Established	1
Purchase Orders	0
Account Reconciliations	31
Journal Entries Approved	81
Staff Hours	438.25
Professional Development Hours	34
Website Posts	5
Social Media Posts	3
Code Red Alerts	0
Workers Compensation Claims	0

Upcoming Events and Schedule Changes

- Town Commission Agenda Meetings Canceled
- Native Plant Sale - April 28, 2018, 9am-2pm
- Creekside Demolition Burn - April 28, 2018, 2pm

Comments

- N/A

Staff Communications

- Changes to the Town website are coming soon

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Period Ended February 28, 2018

3	FYE 2018 Budgeted	Previously Reported	Current Month	FYE 2018 YTD Actual	FYE 17 Comparison YTD Actual	FYE 2018 Remaining Budget	Actual to Budget %	Statement Period	Variance
								8	
Revenues:									
Ad valorem taxes	\$ 967,843.00	\$ 953,729.18	\$ 14,677.19	\$ 968,406.37	\$ 812,954.75	\$ (563.37)			
Other taxes and licenses	\$ 425,600.00	\$ 175,641.61	\$ 37,942.49	\$ 213,584.10	\$ 230,511.14	\$ 212,015.90			
Unrestricted intergovernmental	\$ 105,983.00	\$ 24,058.94	\$ 142.84	\$ 24,201.78	\$ 6,304.91	\$ 81,781.22			
Permits and Fees	\$ 48,530.00	\$ 12,254.25	\$ 1,323.00	\$ 13,577.25	\$ 31,991.25	\$ 34,952.75			
Community Service Fee	\$ 45,000.00	\$ 38,614.00	\$ -	\$ 38,614.00	\$ 44,663.40	\$ 6,386.00			
Sales and Services	\$ 12,050.00	\$ 1,648.31	\$ 651.00	\$ 2,299.31	\$ 7,186.44	\$ 9,750.69			
Investment earnings	\$ 6,800.00	\$ 2,664.19	\$ 118.28	\$ 2,782.47	\$ 1,511.56	\$ 4,017.53			
Other revenues	\$ 229,000.00	\$ 18,632.43	\$ 72.10	\$ 18,704.53	\$ 4,443.69	\$ 210,295.47			
Subtotal - Normal Operating	\$ 1,840,806.00	\$ 1,227,242.91	\$ 54,926.90	\$ 1,282,169.81	\$ 1,139,567.14	\$ 558,636.19	69.65%	66.67%	2.99%
Restricted intergovernmental	\$ 39,446.00	\$ 40,874.53		\$ 40,874.53	\$ 40,917.40	\$ (1,428.53)			
Contributions - Landcare		\$ -	\$ 150.00	\$ 150.00	\$ 2,200.00	\$ (150.00)			
Contributions - Open Space	\$ -			\$ -		\$ -			
Total Revenues	1,880,252.00	1,268,117.44	55,076.90	1,323,194.34	\$ 1,182,684.54	557,057.66	70.37%	66.67%	3.71%
Expenditures:									
Governing Body	\$ 72,229.00	\$ 15,771.27	\$ (630.06)	\$ 15,141.21	\$ 19,402.38	\$ 57,087.79	20.96%	66.67%	45.70%
Administration	\$ 298,139.00	\$ 182,065.00	\$ 31,235.73	\$ 213,300.73	\$ 205,227.25	\$ 84,838.27	71.54%	66.67%	-4.88%
Public Buildings	\$ 34,514.00	\$ 169,203.33	\$ (148,434.84)	\$ 20,768.49	\$ 48,333.70	\$ 13,745.51	60.17%	66.67%	6.49%
Police	\$ 416,300.00	\$ 183,720.59	\$ 23,329.41	\$ 207,050.00	\$ 253,081.21	\$ 209,250.00	49.74%	66.67%	16.93%
Building & Zoning	\$ 50,348.73	\$ 7,381.81	\$ 4,023.00	\$ 11,404.81	\$ 53,296.11	\$ 38,943.92	22.65%	66.67%	44.02%
Public Works	\$ 164,389.27	\$ 90,555.50	\$ 4,227.02	\$ 94,782.52	\$ 50,005.80	\$ 69,606.75	57.66%	66.67%	9.01%
Streets	\$ 465,013.00	\$ 333,249.99	\$ (159,032.82)	\$ 174,217.17	\$ 142,186.68	\$ 290,795.83	37.47%	66.67%	29.20%
Powell Bill	\$ -	\$ -		\$ -	\$ -	\$ -	0.00%	66.67%	0.00%
Sanitation	\$ 100,037.00	\$ 57,950.44	\$ 8,076.78	\$ 66,027.22	\$ 63,942.43	\$ 34,009.78	66.00%	66.67%	0.66%
Env/Cons/Rec	\$ 7,000.00	\$ 4,785.92	\$ 4,603.85	\$ 9,389.77	\$ 6,967.87	\$ (2,389.77)	134.14%	66.67%	-67.47%
Total expenditures	1,607,970.00	\$ 1,044,683.85	\$ (232,601.93)	\$ 812,081.92	\$ 842,443.43	\$ 795,888.08	50.50%	66.67%	16.16%
Revenues over expenditures	272,282.00	\$ 223,433.59	\$ 287,678.83	\$ 511,112.42	\$ 340,241.11	\$ (238,830.42)			
Other financing sources (uses):									
Transfer to/from Water Fund		\$ -	\$ -	\$ -	\$ -	\$ -			
Transfer to/from Capital Fund	\$ (525,000.00)	\$ -	\$ (525,000.00)	\$ (525,000.00)	\$ -	\$ -			
Fund Balance Appropriated:	\$ 252,718.00	\$ -	\$ 252,718.00	\$ 252,718.00	\$ -	\$ -			
Total other financing sources (uses)	\$ (272,282.00)	\$ -	\$ (272,282.00)	\$ (272,282.00)	\$ -	\$ -			
Revenues and other sources over expenditures and other uses	\$ -	\$ 223,433.59	\$ 15,396.83	\$ 238,830.42	\$ 340,241.11	\$ (238,830.42)			
Expenditure Recap:									
Salaries & Benefits	\$ 755,736.21	\$ 397,254.71	\$ 44,526.95	\$ 441,781.66	\$ 636,574.95	\$ 313,954.55			
Other Operating	\$ 578,333.79	\$ 314,360.09	\$ 26,166.57	\$ 340,526.66	\$ 177,372.13	\$ 237,807.13			
CIP/Grant Projects	\$ 273,900.00	\$ 333,069.05	\$ (303,295.45)	\$ 29,773.60	\$ 28,497.35	\$ 244,126.40			

Total Expenditures	\$ 1,607,970.00	\$ 1,044,683.85	\$ (232,601.93)	\$ 812,081.92	\$ 842,444.43	\$ 795,888.08
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Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Period Ended February 28, 2018

	FYE 2018 Budgeted	Previously Reported	Current Month	FYE 2018 YTD Actual	FYE 17 Comparison YTD Actual	FYE 2018 Remaining Budget	Actual to Budget Percent	Statement Period 8	Variance
Revenues:									
Other revenues	\$ -		\$ -	\$ -	\$ -	\$ -			
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Expenditures:									
New Town Hall	\$ 225,000.00	\$ -	\$ 140,982.58	\$ 140,982.58	\$ -	\$ 84,017.42	62.66%		
Public Works Building	\$ 300,000.00	\$ -	\$ 1,360.00	\$ 1,360.00	\$ -	\$ 298,640.00	0.45%		
Total expenditures	\$ 525,000.00	\$ -	\$ 142,342.58	\$ 142,342.58	\$ -	\$ 382,657.42	27.11%		
Revenues over expenditures	\$ (525,000.00)	\$ -	\$ (142,342.58)	\$ (142,342.58)	\$ -	\$ (382,657.42)			
Other financing sources (uses):									
Transfers to/from General Fund	\$ 525,000.00		\$ 525,000.00	\$ 525,000.00	\$ -	\$ -			
Fund Balance Appropriated:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Total other financing sources (uses)	\$ 525,000.00	\$ -	\$ 525,000.00	\$ 525,000.00	\$ -	\$ -			
Revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ 382,657.42	\$ 382,657.42	\$ -	\$ (382,657.42)			
Expenditure Recap:									
Salaries & Benefits	\$ -	\$ -		\$ -	\$ -	\$ -			
Other Operating				\$ -	\$ -	\$ -			
CIP/Grant Projects	\$ 525,000.00	\$ -	\$ 142,342.58	\$ 142,342.58	\$ -	\$ 382,657.42			
Total Expenditures	\$ 525,000.00	\$ -	\$ 142,342.58	\$ 142,342.58	\$ -	\$ 382,657.42			

Water Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Period Ended February 28, 2018

	FYE 2018 Budgeted	Previously Reported	Current Month	FYE 2018 YTD Actual	FYE 17 Comparison YTD Actual	FYE 2018 Remaining Budget	Actual to Budget Percent	Statement Period	Variance
								8	
Revenues:									
Ad valorem taxes			\$ -			\$ -			
Other taxes and licenses		\$ -	\$ -	\$ -	\$ 18,343.62	\$ -			
MRA Comm Svc Fee	\$ -		\$ -			\$ -			
Permits and Fees			\$ -			\$ -			
Sales and Services	\$ 315,700.00	\$ 192,898.91	\$ (48.50)	\$ 192,850.41	\$ 200,940.03	\$ 122,849.59			
Investment earnings	\$ 193.00	\$ 165.39	\$ 10.86	\$ 176.25	\$ 158.13	\$ 16.75			
Other revenues	\$ 52,710.00	\$ 36,155.22	\$ 366.44	\$ 36,521.66	\$ 13,282.89	\$ 16,188.34			
Subtotal - Normal Operating	\$ 368,603.00	\$ 229,219.52	\$ 328.80	\$ 229,548.32	\$ 232,724.67	\$ 139,054.68			
Restricted intergovernmental			\$ -		\$ -	\$ -			
Total revenues	\$ 368,603.00	\$ 229,219.52	\$ 328.80	\$ 229,548.32	\$ 232,724.67	\$ 139,054.68	62.28%	66.67%	-4.39%
Expenditures:									
Water Department	\$ 368,603.00	\$ 111,300.13	\$ 4,580.42	\$ 115,880.55	\$ 122,192.45	\$ 252,722.45	31.44%	66.67%	35.23%
Total expenditures	\$ 368,603.00	\$ 111,300.13	\$ 4,580.42	\$ 115,880.55	\$ 122,192.45	\$ 252,722.45	31.44%	66.67%	35.23%
Revenues over expenditures	\$ -	\$ 117,919.39	\$ (4,251.62)	\$ 113,667.77	\$ 110,532.22	\$ (113,667.77)			
Other financing sources (uses):									
Transfers to/from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Fund Balance Appropriated:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Revenues and other sources over expenditures and other uses	\$ -	\$ 117,919.39	\$ (4,251.62)	\$ 113,667.77	\$ 110,532.22	\$ (113,667.77)			
Expenditure Recap:									
Salaries & Benefits	\$ -	\$ -		\$ -	\$ -	\$ -			
Other Operating	\$ 288,603.00	\$ 109,481.43	\$ 4,580.42	\$ 114,061.85	\$ 120,036.63	\$ 174,541.15			
CIP/Grant Projects	\$ 80,000.00	\$ 1,818.70	\$ -	\$ 1,818.70	\$ 2,155.82	\$ 78,181.30			
Total Expenditures	\$ 368,603.00	\$ 111,300.13	\$ 4,580.42	\$ 115,880.55	\$ 122,192.45	\$ 252,722.45			

Town of Montreat
February 2018 Zoning & Building Inspections Report

Zoning/Building Permit Applications:

<u>Last Name</u>	<u>First Name</u>	<u>Montreat Address</u>	<u>Zoning Compliance Date</u>	<u>Permit #</u>	<u>Permit Date</u>	<u>Description</u>
Welker	Brian and April	152 Virginia Avenue	2/1/2018	5339	2/1/2018	Partial Home Rebuild
Presbyterian Heritage Center		318 Georgia Terrace	2/18/2018	18200	2/18/2018	Wall Mounted Sign
Welker	Brian and April	152 Virginia Avenue	2/1/2018	5348	2/5/2018	Demolition/Renovation
Eckard	Robert and Carol	556 Covenant Lane	1/30/2018	5347	2/6/2018	Single Family Dwelling
Cunningham	Ann	104 John Knox Road	1/30/2018	5350	2/13/2018	Repair Existing Deck
Dortch	Joyce	214 Tennessee Road	1/30/2018	5352	2/21/2018	Install Wooden Ramp
Montreat College		405 Assembly Circle	N/A	5353	2/23/2018	Replace Boiler

ZONING ACTIVITY

Zoning Permit Applications: 1
Variance/Interpretation Requests: 1
Conditional Use Requests: None
Permit Extensions Requested: None
Sign Permit Applications: 1
Violations Reported: None

BUILDING INSPECTIONS

Building Permit Applications: 5
Building Inspections Requested: 8
Re-inspections Requested/Required: 0
Fire Inspections Requested/Required: None
Fire Permit Applications: None

Totals

Approved Zoning Permits: 1
Denied Zoning Permits: None
Pending Zoning Permits: None
Variance/Interpretation Granted: None
Conditional Use Permits Granted: None
Permit Extensions Granted: None
Sign Permits Issued: 1
Notice of Violation (NOV): None

Totals

Building Permits Issued: 5
Pending Building Permits: None
Building Inspections Performed: 8
***Stop Work Order Issued:** None
****Defective Building Posted:** None
Denied Building Permits None
Fire Inspections Performed: None
Fire Re-Inspections Performed: None
Fire Permits Issued: None



TOWN OF MONTREAT

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ADMINISTRATIVE REPORTS: Water and Public Works

Water and Public Works report for the period beginning on March 1, 2018 and ending March 31, 2018.

Monthly Statistics

Calls for Service	28
Water Leaks Repaired	2
New Water Lines Installed	0
Meters Read	674
Meter Replacements	0
Monthly Fuel Costs	\$553.85*
Staff Hours	326
Professional Development Hours	0

Comments

- Monthly Fuel costs are for the month of February.

Staff Communications

- We are still flushing hydrants to relieve air pockets. This will take some time to accomplish. Thank you for your patience.
- The yearly hydrant maintenance is almost complete.
- We have had the well pump at the Public works building location pulled and the well itself abandoned. The water line coming from that well has also been removed. We have begun site grading and tree removal.



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ADMINISTRATIVE REPORTS: POLICE

Police report for the period beginning on February 26, 2018 and ending March 31, 2018.

Monthly Statistics

<u>MONTHLY POLICE STATISTICS REPORT</u>					
March	2018	2017	2016	2015	2014
Mileage	2678	2985	3372	2805	2888
Dispatched Calls	92	77	88	70	100
Officer-Initiated Calls	494	267	200	224	263
Fire/EMS Assistance Calls	4F,3E	7F,2E	3F,2E	6F,1E	7F,3E
Motorist/Other Assistance Calls	78	69	44	49	69
Traffic Stops	7	8	52//75G	40	44
Parking Issues	2	4	5	3	5
Burglar/Fire Alarm Responses	3B,1F	5B,1F	1B	3B,1F	1F
Residential/Building Checks	242	187	280	301	160
Ordinance violations	4	10	18	12	21
LE Agency Assistance Calls	32	5	18	15	20
Animal Calls	7D,1B	1	3	2	0
Larcenies	0	0	2	0	1
B&E Calls	0	0	1R,1V	0	1
Suspicious Person/Vehicle Investigations	2P,16V	12P,23V	6P,27V	11P,36V	12P,22V
Disturbance Calls	29	6	4	4	3
Accident Responses	3	2	0	0	0
Auxiliary Hours Worked	32R,12T	24R,60T	40R,12T	40R,15T	32R,12T
Truck turns at gate	10	2		0	2

Comments

- Town service: 458
- MRA service: 181
- College service: 16

- Fuel Cost: \$528.05
- Professional Development Hours:

The month of March leaves us with little more to talk about than the weather. We have seen a few minor snow events. No real accumulations, but enough to cause minor problems during the morning hours. One such morning left us with a pedestrian injury due to slippery conditions. That same morning saw a car skid from the roadway, as well. No injuries resulting from that. While there have been numerous gusty days; very early in the month found us with several trees downed due to wind. Thank you to the Public Works department for their speedy response.

To follow up on a situation from last month; we have seen no further acts of vandalism that seemed to target a particular residence here.

Other incidents of the month included three lost hikers. Black Mountain FD was able to locate and retrieve those individuals without incident.

The Department also spent some time trying to locate and rescue a lost dog in our area. The dog was returned home. Thank you to all that were involved in that endeavor.

On a final note, the Department will be participating again this year in Safety Saturday. This is an annual event hosted by BMFD. Numerous fire and law enforcement agencies gather and have equipment displays and goodies for the kids. This event will be on Saturday, May 19th.



TOWN OF MONTREAT

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ADMINISTRATIVE REPORTS: SANITATION

Sanitation report for the period beginning March 1, 2018 and ending March 31, 2018.

Monthly Statistics

Curbside Trash Collected	14.89 tons
Pay-As-You-Throw Trash Collected	12 bags
Curbside Recycling Collected	2.87 tons
Pay-As-You-Throw Recycling Collected	8 bags
Cardboard Recycling Collected	.56 tons
Unique Curbside Stops	1080
Diversion Rate	.16
Bagged Leaf Pickup	138 bags
Brush Pickup	116.15 cubic yd.s
Hauling Fees	\$897.58
Tipping Fees	\$1,224.21
Dumpster Rental Fees	\$200.72
FTE Staff Hours: Regular/Comp. Time Earned	53
Contracted Employee Staff Hours	57
Fuel*	\$136.08

Events and Schedule Changes

- The next bulky Item Pickup is July 10, 2018.

Comments

- Monthly Fuel Cost for February, 2018.

Staff Communications

- Please remember to tie your trash and recycling bags for curbside pickup. Untied bags result in trash spills at the curb and off the truck, which increases time and cost.



TOWN OF MONTREAT

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ADMINISTRATIVE REPORTS: STREETS

Streets report for the period beginning on March 1, 2018 and end March 31, 2018.

Monthly Statistics

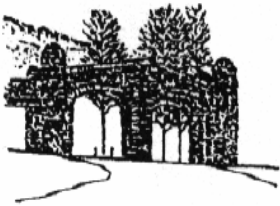
Roads Maintained	15.12
New Roads Added	0
Sand Applied	0
Ice Melt Applied	0
Monthly Fuel Costs*	\$365.79
FTE Staff Hours	328.5
Contracted Employee Staff Hours	20
Professional Development Hours	0

Comments

- Fuel cost is for the month of February.*

Staff Communications

- We have started site clean-up for the public works facility.
- If you know anyone that needs leaf mulch for their garden please let them know we have plenty and it's free.
- Road shoulder repair for Mecklenburg and Louisiana is complete.
- We had 4 trees fall during a strong wind event on March 2 .There was no personal property damage - just power and phone lines in one location.
- Road shoulder repair has begun on Lookout Rd. Please be aware of workers and equipment in the roadway.
- We have also completed making the modifications and repairs to the Creekside lot house so the Fire Dept can schedule their training.



Town of Montreat

P.O. Box 423, Montreat, North Carolina 28757

Phone: (828) 669-8002 • Fax: (828) 669-3810

MEMORANDUM: SUMMARY OF THE 2018 BOARD OF COMMISSIONERS RETREAT

TO: MONTREAT BOARD OF COMMISSIONERS
FROM: ALEX CARMICHAEL, TOWN ADMINISTRATOR
SUBJECT: SUMMARY OF THE 2018 BOARD OF COMMISSIONERS RETREAT
DATE: APRIL 12, 2018

On February 13th the Montreat Board of Commissioners held its annual retreat to plan for the coming year. The agenda was adopted and the rules were suspended in order for the Mayor to participate in the meeting. No other action was taken. The retreat was facilitated by the Town Administrator.

The Commission discussed issues facing the community today. Among the issues identified were:

- The Commission should move forward cautiously having learned from past mistakes;
- Communication; finding new ways to listen to the Community;
- That non-resident taxpayers need to be engaged;
- Updating the Community after every Commission meeting;
- A need for Town ordinance review;
- Changing demographics;
- Home sales in Montreat;
- Community attitudes and perceptions;
- Marketing;
- The Comprehensive Plan;
- And sanitation service options.

The Commission discussed its Mission Statement and its Rules of Procedure. The Commission decided not to pursue changes to the statement and directed staff to review changes in the Rules related to the monthly agenda meetings.

The Mayor assigned areas of responsibility to each commissioner, named the commissioners to the Audit Committee, and assigned the Environmental Commissioner to the Tree Board. The Commission reviewed the memberships and vacancies of all the Town's remaining boards and committees. Staff reported that additional volunteers were still needed. The Commission discussed members of the community who would be good for the committees in question.

Staff presented status updates on current capital projects including the Texas Road Bridge, the

Public Works Building, and the Town Hall. The Commission discussed and planned for the establishment of a citizen committee charged with developing recommendations on the aesthetic design of the future pedestrian bridge on Texas Road.

The Commission heard reports from each department on the operations thus far this year and on challenges facing the Town. The Interim Finance Officer reported on the slow process of reconciling and correcting the Town's accounts and that work's effect on the daily functions of the Finance Department. The Public Works Director reported on the multiple deficiencies in the equipment and software used for the water billing process. Staff also reviewed accomplishments of the year thus far.

Finally, the Commission reviewed the Capital Improvement Plan and discussed the needs that have been identified. Staff then led the Commission in an exercise whereby the Commission set priorities and rearranged projects as necessary (report attached.)



Town of Montreat

Capital Improvement Plan

Capital Improvement Plan

The C.I.P. (Capital Improvement Program) is a financial planning tool that looks into the future to forecast the Town's equipment, building, and infrastructure needs.

An item is included in our C.I.P. if it has a life expectancy of greater than one year and a value of greater than \$5,000.

Scheduling of projects is done in accordance with relative need, coordination with other projects, and the availability of appropriate funding.

Inclusion in the C.I.P does not commit the Town to funding a project. The Board of Commissioners review, and must take action to fund, projects either through the annual operating budget or through the capital projects fund.

Capital Improvement Plan

Opportunities to provide input on the C.I.P:

- ~~February 13th - Annual Board Retreat~~
- ~~February 27th - C.I.P. Public Meeting~~
- Tonight - Public comment period (any items *on* the agenda)
- May 10th - Public comment period during the C.I.P. and annual budget presentation
- May 24th - Budget public hearing
- June 14th - Final budget adoption

C.I.P.

Governing Board

PROJECT DESCRIPTION			FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Comprehensive Plan Update			\$ 35,000	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
Ordinance Update			\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
TOTALS			\$ 35,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 85,000
Expenditure Classifications									
Planning/Design/Engineering			\$ 35,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 85,000
Land			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hardware/Software			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 35,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 85,000
Revenue Classifications									
Operating Revenues - General			\$ 35,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 85,000
Operating Funds - Powell Bill			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 35,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 85,000

C.I.P.

Administration

PROJECT DESCRIPTION				FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Computer Sys. Software Update				\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
TOTALS				\$ 25,000	\$ -			\$ -	\$ -	\$ 25,000
Expenditure Classifications										
Planning/Design/Engineering				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hardware/Software				\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
TOTALS				\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Revenue Classifications										
Operating Revenues - General				\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Operating Funds - Powell Bill				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS				\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000

C.I.P.

Public Buildings

PROJECT DESCRIPTION			FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Town Hall Replacement			\$ 100,000	\$ 79,886	\$ 79,886	\$ 79,886	\$ 79,886	\$ 718,978	\$1,138,522
Public Works Facility			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 100,000	\$ 79,886	\$ 79,886	\$ 79,886	\$ 79,886	\$ 718,978	\$1,138,522
Expenditure Classifications									
Planning/Design/Engineering			\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Land			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction			\$ -	\$ 79,886	\$ 79,886	\$ 79,886	\$ 79,886	\$ 718,978	\$ 1,038,522
Equipment			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hardware/Software			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 100,000	\$ 79,886	\$ 79,886	\$ 79,886	\$ 79,886	\$ 718,978	\$ 1,138,522
Revenue Classifications									
Operating Revenues - General			\$ 100,000		\$ -	\$ -	\$ -	\$ -	\$ 100,000
Operating Funds - Powell Bill			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing			\$ -	\$ 79,886	\$ 79,886	\$ 79,886	\$ 79,886	\$ 718,978	\$ 1,038,522
Grant			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 100,000	\$ 79,886	\$ 79,886	\$ 79,886	\$ 79,886	\$ 718,978	\$ 1,138,522

C.I.P.

Police

PROJECT DESCRIPTION			FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Police Vehicle Replacement			\$ 41,000	\$ -	\$ 36,000	\$ -	\$ 36,000	\$ 36,000	\$ 149,000
Radio Replacement			\$ 12,000	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 24,000
TOTALS			\$ 53,000	\$ 12,000	\$ 36,000	\$ -	\$ 36,000	\$ 36,000	\$ 173,000
Expenditure Classifications									
Planning/Design/Engineering			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment			\$ 53,000	\$ 12,000	\$ 36,000		\$ 36,000	\$ -	\$ 137,000
Hardware/Software			\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
TOTALS			\$ 53,000	\$ 12,000	\$ 36,000	\$ -	\$ 36,000	\$ -	\$ 137,000
Revenue Classifications									
Operating Revenues - General			\$ 53,000	\$ 12,000	\$ 36,000	\$ -	\$ 36,000	\$ -	\$ 137,000
Operating Funds - Powell Bill			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 53,000	\$ 12,000	\$ 36,000	\$ -	\$ 36,000	\$ -	\$ 137,000

C.I.P.

Planning and Zoning

PROJECT DESCRIPTION				FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Stormwater Utility Study				\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Wayfinding Signage Plan				\$ 30,000	\$ 39,000	\$ 35,000	\$ 20,000	\$ 12,000	\$ -	\$ 136,000
Vehicle Replacement				\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
TOTALS				\$ 65,000	\$ 39,000	\$ 60,000	\$ 20,000	\$ 12,000	\$ -	\$ 196,000
Expenditure Classifications										
Planning/Design/Engineering				\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Land				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction				\$ 30,000	\$ 39,000	\$ 35,000	\$ 20,000	\$ 12,000	\$ -	\$ 136,000
Equipment				\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Hardware/Software				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS				\$ 65,000	\$ 39,000	\$ 60,000	\$ 20,000	\$ 12,000	\$ -	\$ 196,000
Revenue Classifications										
Operating Revenues - General				\$ 65,000	\$ 39,000	\$ 60,000	\$ 20,000	\$ 12,000	\$ -	\$ 196,000
Operating Funds - Powell Bill				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS				\$ 65,000	\$ 39,000	\$ 60,000	\$ 20,000	\$ 12,000	\$ -	\$ 196,000

C.I.P.

Public Works

PROJECT DESCRIPTION			FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Radio Replacement			\$ 4,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,200
Tree Program			\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 30,000
TOTALS			\$ 9,200	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 34,200
Expenditure Classifications									
Planning/Design/Engineering			\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 30,000
Land			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment			\$ 4,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,200
Hardware/Software			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 9,200	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 34,200
Revenue Classifications									
Operating Revenues - General			\$ 9,200		\$ -	\$ -	\$ -	\$ -	\$ 9,200
Operating Funds - Powell Bill			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ 9,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,200

C.I.P.

Streets

PROJECT DESCRIPTION	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Local Street Paving	\$ 100,000	\$ 135,000	\$ 190,000	\$ 150,000	\$ 150,000	\$ 540,000	\$ 1,265,000
Bridge Conversion	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
New Road Paving	\$ 25,000	\$ 28,000	\$ 38,000	\$ 48,000	\$ -	\$ -	\$ 139,000
Chipper Replacement	\$ -	\$ 44,000	\$ -	\$ -	\$ -	\$ -	\$ 44,000
Truck Replacement (04)	\$ 56,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,000
Tractor Replacement (72)	\$ 46,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,000
Dump Truck Replacement (95)	\$ -	\$ -	\$ -	\$ -	\$ 76,000	\$ -	\$ 76,000
TOTALS	\$ 247,000	\$ 207,000	\$ 228,000	\$ 198,000	\$ 226,000	\$ 540,000	\$ 1,646,000
Expenditure Classifications							
Planning/Design/Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 145,000	\$ 163,000	\$ 228,000	\$ 198,000	\$ 150,000	\$ 540,000	\$ 1,424,000
Equipment	\$ 102,000	\$ 44,000	\$ -	\$ -	\$ 76,000	\$ -	\$ 222,000
Hardware/Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 247,000	\$ 207,000	\$ 228,000	\$ 198,000	\$ 226,000	\$ 540,000	\$ 1,646,000
Revenue Classifications							
Operating Revenues - General	\$ 122,000	\$ 44,000	\$ -	\$ -	\$ 76,000	\$ -	\$ 242,000
Operating Funds - Powell Bill	\$ 125,000	\$ 163,000	\$ 228,000	\$ 198,000	\$ 150,000	\$ 540,000	\$ 1,404,000
Debt/Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 247,000	\$ 207,000	\$ 228,000	\$ 198,000	\$ 226,000	\$ 540,000	\$ 1,646,000

C.I.P.

Sanitation

PROJECT DESCRIPTION				FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Sanitation Pick-Up Truck Repl.				\$ -	\$ -	\$ 48,000		\$ -	\$ -	\$ 48,000
TOTALS				\$ -	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000
Expenditure Classifications										
Planning/Design/Engineering				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment					\$ -	\$ 48,000		\$ -	\$ -	\$ 48,000
Hardware/Software				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS				\$ -	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000
Revenue Classifications										
Operating Revenues - General				\$ -	\$ -	\$ 48,000		\$ -	\$ -	\$ 48,000
Debt/Financing				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS				\$ -	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000

C.I.P.

Environment, Conservation, and Recreation

PROJECT DESCRIPTION			FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Native Plant Garden			\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Sidewalks/Greenways Devp.			\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000
Gateway Plan			\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,000	\$ 110,000
TOTALS			\$ -	\$ 10,000	\$ -	\$ 75,000	\$ -	\$ 110,000	\$ 195,000
Expenditure Classifications									
Planning/Design/Engineering			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction			\$ -	\$ 10,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 85,000
Equipment			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hardware/Software			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ -	\$ 10,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 85,000
Revenue Classifications									
Operating Revenues - General			\$ -	\$ 10,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 85,000
Operating Funds - Powell Bill			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS			\$ -	\$ 10,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 85,000

C.I.P.

Water Department

PROJECT DESCRIPTION	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FUTURE	TOTAL
Water Line Replacement	\$ 55,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 355,000
Water Storage Facility	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 220,000	\$ 495,000
Portable Generators	\$ 10,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ 70,000
Water Tank Inspection/Maint.	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000
Well Exploration and Const.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000
Water Truck Replacment	\$ -	\$ -	\$ -	\$ 58,000	\$ -	\$ -	\$ 58,000
Water Meter Replacement	\$ -	\$ -	\$ -	\$ 90,750	\$ 90,750	\$ -	\$ 181,500
Water Billing Software Modulal	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000
Waterline Locator/ GIS	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,500
WATER FUND TOTALS	\$ 133,500	\$ 105,000	\$ 165,000	\$ 253,750	\$ 245,750	\$ 420,000	\$ 1,323,000
Revenue Classifications							
Operating Revenues	\$ 78,500	\$ 50,000	\$ 110,000	\$ 198,750	\$ 190,750	\$ 200,000	\$ 828,000
Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 220,000	\$ 495,000
Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 133,500	\$ 105,000	\$ 165,000	\$ 253,750	\$ 220,000	\$ 420,000	\$ 1,323,000

POTENTIAL PROJECTS IDENTIFIED FOR FY18/19

PROJECTS
Bridge Conversion
Comprehensive Plan Update
Computer Software Update
Local Street Paving
New Road Paving
Ordinance Update
Police Vehicle Replacement
Portable Generators
Radio Replacement
Radio Replacement
Stormwater Utility Study
Town Hall Replacement
Tractor Replacement (85)
Tree Program
Truck Replacement (04)
Water Billing Software Modual
Water Line Replacement
Water Storage Facility
Waterline Locator/ GIS
Wayfinding Signage Plan

COMMISSION PRIORITY RANKINGS

PROJECTS ▼	Average Score* ▼
Town Hall Replacement	3.00
Local Street Paving	3.00
Bridge Conversion	3.00
New Road Paving	3.00
Truck Replacement (04)	3.00
Water Line Replacement	3.00
Radio Replacement	2.83
Tree Program	2.83
Water Billing Software Modual	2.83
Computer Software Update	2.80
Police Vehicle Replacement	2.67
Radio Replacement	2.67
Portable Generators	2.50
Waterline Locator/ GIS	2.50
Ordinance Update	2.33
Tractor Replacement (85)	2.33
Comprehensive Plan Update	1.17
Water Storage Facility	1.17
Wayfinding Signage Plan	1.00
Stormwater Utility Study	0.83

*Highest possible score = 3

**Town of Montreat
Public Input Meeting
February 27, 2018
Walkup Building**

Board members present: Commissioner Kitty Fouché

Town staff present: Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk
Dave Arrant, Chief of Police
Barry Creasman, Public Works Director
Adrienne Isenhower, Zoning Administrator

Zero members of the public were also present. This was not a meeting of the Board of Commissioners and no action was taken.

Angela Murphy, Town Clerk



TOWN OF MONTREAT

P. O. Box 423
Montreat, NC 28757
Tel: (828)669-8002 Fax: (828)669-3810
www.townofmontreat.org

BOARD OF COMMISSIONERS & ADVISORY BOARD/COMMITTEE MEMBERSHIP APPLICATION

Full Legal Name: Banes Edna Jacobs
(Last) (First) (Middle)
Physical Address: 113 Kanawha Rd. Montreat
Mailing Address: PO Box 452 Montreat, NC 28757
Home Phone: 804-310-7249 Alternate Phone: NA
Email Contact Information: _____

On which Board or Committee do you wish to serve?

___ Board of Adjustment ☒ Communications
___ Planning & Zoning
___ Tree Board

Please explain why you want to be a member of this board/committee:

I believe we are at the beginning of an exciting time of growth and changes in Montreat. Communicating with all those who live in or love Montreat is vital - and communicating in many

Briefly explain what you believe are the three most important issues facing our community at this time and how you believe serving on the selected board/committee can play a role in addressing each issue:

Town Hall - Communications (frequent and detailed) about the proposed building etc will be vital.

Ties between the town, the college, and conference center are central - keeping the lines of communication open feels to this comm. making sure all areas have solid information about changes, proposals, what is happening or events etc feels to

List any abilities, skills, specialized training or interest you have which are applicable to this board/committee: communications

I currently serve on MRA so can be a liaison between the two. As past dept dean of students, I have developed a strength in making connections. My volunteer work focus on areas of race relations and social justice.

Have you ever attended a regularly scheduled meeting of the selected board/committee? yes

How much time are you able to devote to fulfill this obligation? I can be flexible with time required

Please return to the Town Services Building!! Thanks



TOWN OF MONTREAT

P. O. Box 423
Montreat, NC 28757
Tel: (828)669-8002 Fax: (828)669-3810
www.townofmontreat.org

ADVISORY BOARD/COMMITTEE MEMBERSHIP APPLICATION

Full Legal Name: Dean Ellen Gaw
(Last) (First) (Middle)

Physical Address: 337 Chapman Road

Mailing Address: PO Box 222

Home Phone: 669-7584 **Alternate Phone:** 910-277-8634

Email Contact Information: ellengdean@gmail.com

On which Board or Committee do you wish to serve?

- ☐ Board of Adjustment ☐ Open Space Conservation Committee
- ☐ Comprehensive Plan Steering Committee ☒ Communications Advisory Committee
- ☐ Montreat Landcare Committee

Please explain why you want to be a member of this board/committee:

Having become a permanent resident after a lifetime as a summer resident, I realize how important it is to keep all
Montreaters informed about the community. We cannot assume information has been adequately shared
just because some residents have been informed. Montreat has a unique base of property owners and residents.

Briefly explain what you believe are the three most important issues facing our community at this time and how you believe serving on the selected board/committee can play a role in addressing each issue:

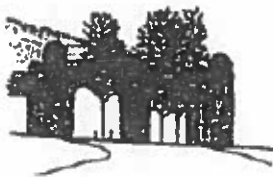
- 1) Construction of the town hall, Texas Road pedestrian bridge, and town maintenance building.
- 2) MRA's continued success in face of declining church and conference attendance.
- 3) Maintaining Montreat's character as a "place apart", of retreat, renewal and spiritual growth.
- This committee can provide updates, promote the many positive things going on in the community, and offer ways for
Montreaters to be involved and supportive.

List any abilities, skills, specialized training or interest you have which are applicable to this board/committee:

Teaching history, serving as Executive Directive of Scotland County Habitat for Humanity, serving as
Director of MRA Women's Connection, as well as other boards and activities have given me experiences
in communication.

Have you ever attended a regularly scheduled meeting of the selected board/committee? no

How much time are you able to devote to fulfill this obligation? a reasonable amount



TOWN OF MONTREAT

P. O. Box 423
Montreat, NC 28757
Tel: (828)669-8002 Fax: (828)669-3810
www.townofmontreat.org

ADVISORY BOARD/COMMITTEE MEMBERSHIP APPLICATION

Full Legal Name: David Jean E.
(Last) (First) (Middle)
Physical Address: 149 Mississippi Rd. Montreat
Mailing Address: P.O. Box 414 B' Mountain 28711
Home Phone: 828. 333. 2297 Alternate Phone: _____
Email Contact Information: jean@greybeardrealty.com

On which Board or Committee do you wish to serve?

- ☐ Board of Adjustment
☐ Comprehensive Plan Steering Committee
☐ Montreat Landcare Committee
☐ Open Space Conservation Committee
☒ Communications Advisory Committee

Please explain why you want to be a member of this board/committee:

To help be a part of the growth and transparency
of Montreat communication.

Briefly explain what you believe are the three most important issues facing our community at this time and how you believe serving on the selected board/committee can play a role in addressing each issue:

I believe that Montreat needs to heal some
past wounds; and start again with an eye on
bringing together our ever changing community.

List any abilities, skills, specialized training or interest you have which are applicable to this board/committee:

I have an extensive back ground in communication as
a coach, fundraiser, volunteer and real estate. I
know how areas are changing, and how involved its residents are.

Have you ever attended a regularly scheduled meeting of the selected board/committee? yes (Town Hall)

How much time are you able to devote to fulfill this obligation? Ever changing schedule, but

I will make sure to give the committee full
attention.

Thank You,

Jean D.



TOWN OF MONTREAT

P. O. Box 423
Montreat, NC 28757
Tel: (828)669-8002 Fax: (828)669-3810
www.townofmontreat.org

ADVISORY BOARD/COMMITTEE MEMBERSHIP APPLICATION

Full Legal Name: Eckard, Robert L
(Last) (First) (Middle)

Physical Address: 4439 Flagg St. Orlando, FL 32812

Mailing Address: same

Home Phone: 321-438-6603 **Alternate Phone:** _____

Email Contact Information: reckard@cfl.rr.com

On which Board or Committee do you wish to serve?

- ☐ Board of Adjustment ☐ Open Space Conservation Committee
- ☐ Comprehensive Plan Steering Committee ☒ Communications Advisory Committee
- ☐ Montreat Landcare Committee

Please explain why you want to be a member of this board/committee:

I believe we all have a civic responsibility to be involved in the communities in which we live. I believe I can make a positive contribution and am happy to serve.

Briefly explain what you believe are the three most important issues facing our community at this time and how you believe serving on the selected board/committee can play a role in addressing each issue:

I believe the most important issue we face as a community is the need to remember and to consciously live into our unique historic identity as a place where people come for spiritual and personal renewal. This perspective affects everything else, such as: how we approach the relationships between town, conference center, and college; what values we bring to bear on decisions that we have to make; how we relate to one another as neighbors and as stakeholders in this unique community, etc. I believe this committee may be able to facilitate communication and enable an enriching conversation that would be of great benefit.

List any abilities, skills, specialized training or interest you have which are applicable to this board/committee:

I am a retired pastor.

Have you ever attended a regularly scheduled meeting of the selected board/committee? NA

How much time are you able to devote to fulfill this obligation? As necessary.



TOWN OF MONTREAT

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Montreat, NC 28757
Tel: (828)669-8002 Fax: (828)669-3810
www.townofmontreat.org

ADVISORY BOARD/COMMITTEE MEMBERSHIP APPLICATION

Full Legal Name:

WYNNE (Last) ROBERT (First) WEBB (Middle)

Physical Address:

221 NCTER.

Mailing Address:

PO BOX 96

Home Phone:

Alternate Phone: 919-414-5187

Email Contact Information:

On which Board or Committee do you wish to serve?

- ☐ Board of Adjustment ☐ Open Space Conservation Committee
☐ Comprehensive Plan Steering Committee ☐ Planning and Zoning Commission
☐ Montreat Landcare Committee ☒ BRIDGE COMM.

Please explain why you want to be a member of this board/committee:

TO TAKE PART in the community

Briefly explain what you believe are the three most important issues facing our community at this time and how you believe serving on the selected board/committee can play a role in addressing each issue:

List any abilities, skills, specialized training or interest you have which are applicable to this board/committee:

NONE

Have you ever attended a regularly scheduled meeting of the selected board/committee? ☒ YES

How much time are you able to devote to fulfill this obligation? ☒ WHATEVER IT TAKES

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

March 5, 2018

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

Erin-Marie Wheeler, Finance Officer
Town of Montreat
96 Rainbow Terrace
Black Mountain, NC 28711

You have requested that we audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information (if applicable) of the Town of Montreat, NC, as of June 30, 2018, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Town of Montreat's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit applicable to those basic financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that certain supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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 the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Local Government Employees' Retirement System's schedules

730 13th Avenue Drive SE ♦ Hickory, NC 28602 ♦ 828-327-2727 ♦ Fax 828-328-2324
13 South Center Street ♦ Taylorsville, NC 28681 ♦ 828-632-9025 ♦ Fax 828-632-9085
PO Box 5729 ♦ Statesville, NC 28687 ♦ 1710 Wilkesboro Hwy ♦ Statesville, NC 28625 ♦ 704-872-8923 ♦ Fax 704-872-4982
800-948-0585 ♦ www.martinstarnes.com

Supplementary information other than RSI will accompany the Town of Montreat's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- Combining and individual fund financial statements (if applicable)
- Budgetary schedules
- Supplemental ad valorem tax schedules

The following additional information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the basic financial statements, and our auditor's report will not provide an opinion or any assurance on that other information:

- Introductory section
- Statistical tables

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS and *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and the direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph(s). If our opinions on the basic financial statements 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 to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Town of Montreat's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing basic financial statements that indicates that such financial statements have been audited by the entity's auditor;
5. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
6. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
7. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Reporting

We will issue a written report upon completion of our audit of the Town of Montreat's basic financial statements. Our report will be addressed to the governing body of the Town of Montreat. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Provisions of Engagement Administration and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Paula Hodges is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our 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 fees for these services are as follows:

Fixed:

Audit	\$ 18,200
Financial Statement Drafting	3,800
Other Non-Attest Services	-
	<u>\$ 22,000</u>

Our invoices for these fees will be rendered in four installments as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Town of Montreat's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- GASB 34 conversion entries
- Cash to accrual entries

With respect to any nonattest services we perform as listed above, the Town of Montreat's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

If we determine that we are required to perform a single audit in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, and these procedures and related fees were not included in our quoted fees, we may amend our audit contract and supplemental bill for these additional procedures.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our fees for such services range from \$75-\$300 per hour.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or State agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;

- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina

RESPONSE:

This letter correctly sets forth the understanding of the Town of Montreat.

Acknowledged and agreed on behalf of the Town of Montreat by:

Name: _____

Title: _____

Date: _____

CONTRACT TO AUDIT ACCOUNTS

Of Town of Montreat, NC
Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

On this 5th day of March, 2018,

Auditor: Martin Starnes & Associates, CPAs, P.A. Auditor Mailing Address: _____

730 13th Avenue Dr. SE, Hickory, NC 28602

Hereinafter referred to as The Auditor

and Board of Commissioners (Governing Board(s)) of Town of Montreat, NC
 (Primary Government)

and N/A: hereinafter referred to as the Governmental Unit(s), agree as follows:
 (Discretely Presented Component Unit)

1. The Auditor shall audit all statements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2017, and ending June 30, 2018. 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).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with auditing standards generally accepted in the United States of America. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. 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 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). **County and Multi-County Health Departments:** The Office of State Auditor (OSA) will require Auditors of these Governmental Units to perform agreed upon procedures (AUPs) on eligibility determination on certain programs. Both Auditor and Governmental Unit agree that Auditor shall complete and report on these AUPs on Eligibility Determination as required by OSA and in accordance with the instructions and timeline provided by OSA.
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 unqualified opinion being rendered. If during the process of conducting the audit the Auditor determines that it will not be possible to render an unqualified opinion on the financial statements of the unit, the Auditor shall contact the SLGFD 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.

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he 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 their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract. **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit 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 Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment.

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 the SLGFD within four months of fiscal year end.
Audit report is due on October 31, 2018. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's 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 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.
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. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit 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 invoices shall be sent via upload through the current portal address: <http://nctreasurer.slgfd.leapfile.net>. Subject line should read "Invoice – [Unit Name]". The PDF invoice marked 'approved' with approval date shall be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Government shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost 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. (Note: Fees listed on Fees page.) 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 #12).
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall submit to the SLGFD either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue

Contract to Audit Accounts (cont.)	Town of Montreat, NC
Primary Government Unit	N/A
Discretely Presented Component Unit (DPCU) if applicable	

bond rate covenant. Additionally, the Auditor shall submit to the SLGFD simultaneously with the Governmental Unit's audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

11. 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 and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit 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 as soon as practical after the close of the fiscal year end.
12. 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 shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to the SLGFD. The pre-issuance review report shall accompany the audit report upon submission to the SLGFD.
13. The Auditor shall electronically submit the report of audit to the SLGFD as a text-based PDF file when (or prior to) submitting the 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 SLGFD by any interested parties. **Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit report Reissuance form.** 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 without subsequent consent of the Auditor. If the SLGFD determines that corrections need to be made to the Governmental Unit's financial statements, those corrections shall be provided within three days of notification unless another deadline is agreed to by the SLGFD.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the SLGFD.

The SLGFD's process for submitting contracts, audit reports and invoices is subject to change. Auditors shall use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

14. 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 varied or changed to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
15. If an approved contract needs to be amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. 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 through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload the amended contract is <http://nctreasurer.slgfd.leapfile.net> No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

Contract to Audit Accounts (cont.)	Town of Montreat, NC
Primary Government Unit	N/A
Discretely Presented Component Unit (DPCU) if applicable	

16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit shall be attached to the contract, and by reference here becomes part of the 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 #23 of this contract. Engagement letters containing indemnification clauses shall not be accepted by the SLGFD.
17. Special provisions should be **limited**. Please list any special provisions in an attachment.
18. 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 parent 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.
19. The contract shall be executed, pre-audited, physically signed by all parties including Governmental Unit and the Auditor and then submitted in PDF format to the Secretary of the LGC. The current portal address to upload the contractual documents is <http://nctreasurer.slgfd.leapfile.net>. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2017. These instructions are subject to change. Please check the NC Treasurer's web site at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx> for the most recent instructions.
20. 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.**
21. 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.
22. **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.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item #16 for clarification).

SIGNATURE PAGES FOLLOW FEES PAGE

Contract to Audit Accounts (cont.)

Town of Montreat, NC

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

FEES – PRIMARY GOVERNMENT

AUDIT: \$ See fee section of engagement letter

WRITING FINANCIAL STATEMENTS: \$ See fee section of engagement letter

ALL OTHER NON-ATTEST SERVICES: \$ N/A

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. 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. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ 16,500

**** NA if there is to be no interim billing**

FEES – DPCU (IF APPLICABLE)

AUDIT: \$ N/A

WRITING FINANCIAL STATEMENTS: \$ N/A

ALL OTHER NON-ATTEST SERVICES: \$ N/A

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. 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. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ N/A

**** NA if there is to be no interim billing**

Contract to Audit Accounts (cont.) Town of Montreat, NC
Primary Government Unit
N/A
Discretely Presented Component Unit (DPCU) if applicable

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:

Martin Starnes & Associates, CPAs, P.A.

Name of Audit Firm

By Amber Y. McGhinnis, Senior Audit Manager

Authorized audit firm representative name: Type or print



Signature of authorized audit firm representative

Date March 5, 2018

amcghinnis@martinstarnes.com

Email Address of Audit Firm

Governmental Unit Signatures:

Town of Montreat, NC

Name of Primary Government

By Timothy Helms, Mayor

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By William Gilliland

Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson

Date

**** If Governmental Unit has no audit committee, mark this section "N/A"**

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

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.

By Erin-Marie Wheeler, Finance Officer

Primary Government Unit Finance Officer:

Type or print name

Primary Government Finance Officer Signature

Date

(Pre-audit Certificate must be dated.)

ewheeler@townofmontreat.org

Email Address of Finance Officer

Date Primary Government Governing Body Approved Audit Contract - G.S. 159-34(a)

*****Please provide us the most current email addresses available as we use this information to update our contact database*****

Contract to Audit Accounts (cont.)

Town of Montreat, NC

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

**** This page to only be completed by Discretely Presented Component Units If Applicable ****

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

DPCU Governmental Unit Signatures:

N/A

Name of Discretely Presented Component Unit

By N/A

DPCU Board Chairperson: Type or print name and title

Signature of Chairperson of DPCU governing board

Date N/A

By N/A

Chair of Audit Committee - Type or print name

N/A

**

Signature of Audit Committee Chairperson

Date N/A

**** If Governmental Unit has no audit committee, mark this section "N/A"**

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

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.

By N/A

DPCU Finance Officer:

Type or print name

N/A

DPCU Finance Officer Signature

Date N/A

(Pre-audit Certificate must be dated.)

N/A

Email Address of Finance Officer

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

N/A

*****Please provide us the most current email addresses available as we use this information to update our contact database*****

Steps to Completing the Audit Contract

1. Complete the header information – If a DPCU is subject to the audit requirements found in the Local Government Budget and Fiscal Control Act and a separate report is being issued for that DPCU, a separate audit contract for the DPCU is required. If a separate report is not being issued for the DPCU – it is being included in the Primary Government's audit – the DPCU shall be named with the Primary Government on the audit contract for the Primary Government. The Board Chairperson of the DPCU shall sign the audit contract in addition to the elected leader of the Primary Government.
2. Item No. 1 – Complete the period covered by the audit
3. Item No. 6 – Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.
4. Item No. 8 – If the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>
5. Item No. 9 – Please note that the new fee section has been moved to page 5.
6. Item No. 16 – Has the engagement letter been attached to the contract that is being submitted to SLGFD?
 - a. Do the terms and fees specified in the engagement letter agree with the Audit 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."*
 - b. Does the engagement letter contain an indemnification clause? **The audit contract shall not be approved if there is an indemnification clause – refer to LGC Memo # 986.**
7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the fees page; please note:
 - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we shall compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: https://www.nctreasurer.com/slg/lfm/audit_acct/Pages/default.aspx select "audit fees"

Please call or email Lorna Hodge at 919-814-4299 lorna.hodge@nctreasurer.com if you have any questions about the fees on this list.

 - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

- For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? (Note: See previous bullet point regarding variable fees.)
 - If there is to be no interim billing, please indicate N/A instead of leaving the line blank.
8. Signature Area – There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Please only send the page(s) that are applicable to your Unit of Government and do not include the instructions pages. Make sure all signatures have been obtained, and properly dated. **The contract shall be approved by Governing Boards pursuant to G.S. 159-34(a).** If this contract includes the audit for a DPCU that is a Public Authority that falls under the Local Government Budget and Fiscal Control Act, it shall be named in this contract and the Board Chairperson of the DPCU also shall sign the contract in the area indicated. If the DPCU is filing a separate audit, a separate audit contract is required for that DPCU.
9. Please place the date the Primary Government's Governing Board and the DPCU's Governing Board (if applicable) approved the audit contract in the space provided.
- a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.
 - b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?
 - c. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?
10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the fees page.
11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.
12. After all the signatures have been obtained and the contract is complete, please convert the contract and all other supporting documentation to PDF. **When submitting for approval combine and send the documents as one PDF file to include the Audit contract, any applicable addendums, the engagement letter and Peer Review Report.** Submit these documents using the most current submission process which can be obtained at the NC Treasurer's web site
<https://www.nctreasurer.com/slg/Audit%20Forms%20and%20Resources/Instructions%20for%20Contract%20Submission.pdf>
13. If an audit cannot be completed by the due date, the Auditor or Governmental Unit shall file an Amended Contract form (Amended LGC-205). This form shall be signed by the Governmental Unit representative and the Auditor. The explanation for the delay in completing the audit is part of this contract amendment form and shall be provided. The parties that signed the original audit contract shall sign the amended contract form as well. If the signing representatives are unable to sign the amended contract, please include an explanation for this in the submitted amended contract form.



Koonce, Wooten & Haywood, LLP
CERTIFIED PUBLIC ACCOUNTANTS

SYSTEM REVIEW REPORT

To the Partners of Martin Starnes & Associates, CPAs, P.A.
and the Peer Review Committee of the North Carolina Association
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. (the firm) in effect for the year ended December 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. in effect for the year ended December 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates, CPAs, P.A. has received a peer review rating of *pass*.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 21, 2015

Raleigh
4060 Barrett Drive
Post Office Box 17406
Raleigh, North Carolina 27619

919 782 9265
919 783 8937 FAX

Durham
3511 Shannon Road
Suite 100
Durham, North Carolina 27707

919 354 2544
919 489 8183 FAX
Packet Page 109

Pittsboro
10 Sanford Road
Post Office Box 1399
Pittsboro, North Carolina 27312

919 542 6000
919 542 5764 FAX

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

March 5, 2018

Erin-Marie Wheeler, Finance Officer
Town of Montreat
96 Rainbow Terrace
Black Mountain, NC 28711

You have requested that we audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information (if applicable) of the Town of Montreat, NC, as of June 30, 2018, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Town of Montreat's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit applicable to those basic financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that certain supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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 the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Local Government Employees' Retirement System's schedules

Supplementary information other than RSI will accompany the Town of Montreat's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- Combining and individual fund financial statements (if applicable)
- Budgetary schedules
- Supplemental ad valorem tax schedules

The following additional information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the basic financial statements, and our auditor's report will not provide an opinion or any assurance on that other information:

- Introductory section
- Statistical tables

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS and *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and the direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph(s). If our opinions on the basic financial statements 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 to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Town of Montreat's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing basic financial statements that indicates that such financial statements have been audited by the entity's auditor;
5. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
6. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
7. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Reporting

We will issue a written report upon completion of our audit of the Town of Montreat's basic financial statements. Our report will be addressed to the governing body of the Town of Montreat. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Provisions of Engagement Administration and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Paula Hodges is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our 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 fees for these services are as follows:

Fixed:

Audit	\$ 18,200
Financial Statement Drafting	3,800
Other Non-Attest Services	-
	<u>\$ 22,000</u>

Our invoices for these fees will be rendered in four installments as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Town of Montreat's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- GASB 34 conversion entries
- Cash to accrual entries

With respect to any nonattest services we perform as listed above, the Town of Montreat's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

If we determine that we are required to perform a single audit in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, and these procedures and related fees were not included in our quoted fees, we may amend our audit contract and supplemental bill for these additional procedures.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our fees for such services range from \$75-\$300 per hour.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or State agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;

- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina

RESPONSE:

This letter correctly sets forth the understanding of the Town of Montreat.

Acknowledged and agreed on behalf of the Town of Montreat by:

Name: _____

Title: _____

Date: _____

TOWN OF MONTREAT BOARD OF COMMISSIONERS
REQUEST FOR BOARD ACTION
Meeting Date: 4/12/18

SUBJECT: Property Disposal Bid

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: D
Department: Administration
Contact: Alex Carmichael
Presenter: Alex Carmichael

BRIEF SUMMARY: The Town solicited sealed bids for the disposal of two parcels between Florida Terrace and Arkansas Trail. The first tract being all of that 0.378 acre parcel shown as Tract 1 on the plat entitled "Survey for Town of Montreat" prepared by High Country Surveyors, Inc., and recorded in Plat Book 186 at Page 161 in the Office of the Register of Deeds for Buncombe County, North Carolina. The second tract being all of that 0.398 acre parcel shown as Tract 2 on the plat entitled "Survey for Town of Montreat" prepared by High Country Surveyors, Inc., and recorded in Plat Book 186 at Page 161 in the Buncombe County, North Carolina Public Registry.

Staff recommends rejecting all bids and pursuing the negotiated offer and upset bid process.

RECOMMENDED MOTION AND REQUESTED ACTIONS:

Move to reject all bids for Florida Terrace tracts 1 and 2 as advertised and direct staff to pursue negotiated offers and upset bids.

FUNDING SOURCE: N/A

ATTACHMENTS: N/A

STAFF COMMENTS AND RECOMMENDATIONS: The bids were advertised according to the sealed bid method and opened on April 4th. The Town intended to accept the highest bid as a negotiated offer for the purpose of initiating the upset bid process. However, the Town only received bids significantly lower than the funds that the Town invested on the Florida Terrace site (see Table 1). The highest bid received on tract 1 was for \$96,510. The highest bid received on tract 2 was for \$105,000.

At the October 19th, 2017 Town Commission meeting, Scott Browne of Keller Williams Realty presented a market analysis and a recommended price for the Florida Terrace site. Mr. Browne's assessment was that if the land were divided equally he valued each tract at

\$110,000. The Commission discussed the gap between that assessment and the investment by the Town and directed staff to investigate a price that would recoup the Town's expense.

	Prior	FYE 13	FYE 14	FYE 15	FYE 16	Total
<u>Town Hall Project:</u>						
Land Purchase			\$ 225,104.14	\$ -	\$ -	\$ 225,104.14
Architectural Design Studio			\$ 4,200.00	\$ 127,535.00		\$ 131,735.00
Mid-South Geothermal				\$ 13,665.00		\$ 13,665.00
McGill			\$ 13,300.00			\$ 13,300.00
Total Town Hall Project			\$ 242,604.14	\$ 141,200.00	\$ -	\$ 383,804.14

Table 1: Florida Terrace Town Hall Project Expenses

The Town invested \$383,804.14 in the proposed Town Hall project at the Florida Terrace/ Arkansas Trail site. Of those funds, \$145,035 were strictly related to the building project and do not add value to the land itself. The remaining \$238,404 were investments directly in the land.

The gap between the investment of roughly \$119,202 per tract and the high bids of \$96,510 (tract 1) and \$105,000 (tract 2) is significant. Therefore, staff recommends rejecting all bids and pursuing the negotiated offer and upset bid process as authorized by G.S. 160A-269.

Motorola Solutions Customer Quotation Form

AGENCY: Town Of Montreat Police Department
 AGENCY ACCO:
 AGENCY TECHNICAL CONTACT: Chief David Arrant
 DESCRIPTION: APX 8000 Portables
 CONTRACT: Buncombe County
 QUOTE DATE: 3/22/2018
 TERMS: NET 30 days

Quotation # QU0000032218

ITEM	MODEL	DESCRIPTION	TOT QTY	LIST PRICE	CONTRACT DISCOUNT	CONTRACT PRICE	EXTENDED PRICE
1	H91TGD9PW6AN	APX All Band Portable Model 2.5	6	\$5,983	35%	\$ 3,888.95	\$ 23,333.70
2	Q806CB	ADD: Astro Digital CAI Operation	6	\$515	35%	\$ 334.75	\$ 2,008.50
3	HA00022AE	ENH: 3 Year Service From The Start	6	\$310	0%	\$ 310.00	\$ 1,860.00
4	Q629AH	ENH: AES Encryption	6	\$475	35%	\$ 308.75	\$ 1,852.50
5	QA05509AA	DEL: Delete UHF Band	6	(\$800)	0%	\$ (600.00)	\$ (3,600.00)
6	H38BS	ADD: Smartzone Operation	6	1500	35%	\$ 975.00	\$ 5,850.00
7	Q361AN	ADD: P25 9600 Baud Trunking	6	\$ 300.00	35%	\$ 195.00	\$ 1,170.00
8	QA00580AA	ADD: TDMA Operation	6	\$ 450.00	35%	\$ 292.50	\$ 1,755.00
9	H869BW	ENH: Multikey	6	\$ 330.00	35%	\$ 214.50	\$ 1,287.00
10	NNTN8860A	APX 8000 Single Unit Charger	6	\$ 150.00	25%	\$ 112.50	\$ 675.00
11	SVC03SVC0115D	Subscriber Template Build	6	\$ 385.00	0%	\$ 385.00	\$ 385.00
12	SVC03SVC0115D	Subscriber Programming		\$ 294.00	0%	\$ 294.00	\$ 294.00
13							
14							
15							
GRAND TOTAL							\$ 36,870.70

Equipment Subtotal:	\$36,870.70
Estimated Sales Tax	\$2,580.95
Total	\$39,451.65

*Quote good through June 30, 2018
 *This quote contains items with approved price exceptions applied against it
 Warranty Period: Three Year Service From The Start on The Radio, 1 Year on Charger
 Shipment: 21 Days ARO for shipment per Attachment ARO
 Quote prepared by: Mark Durner - Mobile Communications America