

**Town of Montreat  
Board of Commissioners  
Town Council Meeting  
November 3, 2016  
Walkup Building**

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Board members present: Mayor Tim Helms  
Mayor Pro Tem Kitty Fouche  
Commissioner Bill Gilliland  
Commissioner Kent Otto  
Commissioner Mary Standaert  
Commissioner Ann Vinson

Board members absent: None

Town staff present: Al Richardson, Interim Town Administrator  
Steve Freeman, Public Works Director  
Angie Murphy, Town Clerk  
Barry Creasman, Senior Water Operator  
David Currie, Code Administrator/Building Inspector  
Stefan Stackhouse, Finance Officer & Deputy Town Clerk  
Jack Staggs, Police Chief

Approximately 15 members of the public were also present. Mayor Helms called the meeting to order at 7:00 p.m., led the group in reciting the Pledge of Allegiance, and held a moment of silence.

**Agenda Approval**

Commissioner Vinson moved to amend the agenda to add Resolution #16-11-02 Commending Emergency Services Personnel for East Ridge Trail Fire Response under New Business as Item E. Commissioner Otto seconded and the motion carried 5/0. Commissioner Vinson moved to adopt the agenda as amended. Mayor Pro Tem Fouche seconded and the motion carried 5/0.

**Presentation to Council: 2015-2016 Fiscal Year Audit Report**

Mr. Brian Lee, CPA and Field Auditor of Martin, Starnes & Associates presented and reviewed the 2015-2016 Fiscal Year Audit Report. The Report reflected an unmodified opinion, meaning that the Town's financial statements were fairly presented in all material respects. Mr. Lee summarized the procedures and stages of review performed at each phase of the audit process, as well as, the definition, purpose and calculation of the Town's Fund Balance. Mr. Lee then gave comparison data including Fund Balance levels over the past three fiscal years. The Fund Balance for the General Fund is \$1,831,434, an increase of \$374,418 from last year. This represents more than one year of General Fund expenditures. Mr. Lee reviewed significant revenue sources and expenditures for the General and Water Funds, comparing each figure to the balances reported at the end of the prior fiscal year. The Water Fund is an enterprise fund, which operates like a business, and must be self-sustaining. Special Assessment projects in the Upper Kentucky area

distorted the year-end results showing about a \$100,000 more for Charges for Service otherwise the Town would have been right on track with 2015. Mr. Lee thanked the Audit Committee and Town Staff for their participation and cooperation in this year's audit. The Local Government Commission has approved both the Town's Audit Report and Comprehensive Annual Financial Report (CAFR).

Commissioner Standaert asked Mr. Lee what a pre-audit certificate was and who is responsible for the pre-audit certificate process. Mr. Lee advised that a pre-audit certificate stamp is an item that says that any funds being spent by the Town have been budgeted and approved by the Board. In most cases, this stamp is pre-printed on the Town's business checks. The person or persons writing and approving the check should know the check has been approved, that it is going to the correct line item and that proper funding is available for the transaction. Prior to the Town of Montreat's lawsuit there had never been a situation like this in the State. The transaction in question was a wire transfer and there was nowhere to physically affix the pre-audit certification. The auditors went to the minutes and saw that the transaction was approved by the Board. Commissioner Standaert asked Mr. Lee if his firm checked the wire transfer to see if it met all legal requirements. Mr. Lee stated that it was approved by the Board, it was spent correctly and it was reviewed and signed off on by the Board. They did not look for a pre-audit stamp because it would not be feasible to have one for a wire transfer. The State has now said you can print off the wire transfer and stamp the pre-audit stamp on the document.

Commissioner Vinson, who serves as Chair of the Committee, recognized and thanked the members of the Audit Committee, including Commissioner Standaert, Commissioner Gilliland, Philip Arnold and Hugh Alexander. Mayor Helms thanked Mr. Lee for his report.

### **Mayor's Communications**

Mayor Helms wished everyone a Happy Thanksgiving and safe travels.

### **Consent Agenda Review**

With the adoption of the Consent Agenda, the Board approved the following items:

- October 6, 2016, Public Forum Minutes
- October 6, 2016, Town Council Agenda Meeting Minutes
- October 13, 2016, Town Council Minutes

### **Town Administrator's Communications**

- Interim Town Administrator Al Richardson thanked the Caring Neighbors for the birthday celebrations and meals brought to the Town Services Offices and Mayor Helms and everyone who participated in the Staff Appreciation Meal at Commissioner Fouche's home. Everything was greatly appreciated by Staff.

### **Administrative Reports**

**Public Works Director:** Mr. Freeman reported that the October Bulk Item/White Goods Pickup resulted in a collection of 47 yards of goods. Mr. Freeman advised Council that he was working on the specification sheets for the new Sanitation Truck which will be brought before the Board in December. Public Work Crews have collected 40 dump truck loads of leaves out of the road rights-of-way and ditches. Mr. Freeman reminded everyone that leaves must be placed in biodegradable paper bags for pickup. Mr. Freeman also requested voluntary water conservation due to the current drought situation.

**Police:** Chief Staggs reviewed and presented the October 2016 monthly departmental activity report. Chief Staggs reminded everyone in attendance that the Montreat Police Department is open 24 hours a day and 7 days a week and to call immediately if you witness suspicious activity. Master Police Officer David Arrant completed mandatory In-Service State Training. There were two serious fire situations in Montreat during the month: one was a house fire on Suwannee Drive and the other was a trail fire on East Ridge Trail. These fires could have caused extensive damage if it were not for the emergency personnel who responded quickly and efficiently to fight the fires. The Town and the Police Department want to warn residents and visitors of the tremendously dry season we are experiencing. Please refrain from campfires, fire-pit burning, or any kind of outside burning due to these extreme conditions.

**Finance Officer:**

**Building Inspector/Code Administrator:**

### **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.

There were no comments from the public at this time.

### **Old Business**

There was no Old Business to discuss.

**New Business**

- A. **Network Wiring Replacement & Improvement:** The Town's internal data network has been thrown together piecemeal over the past decade or more. It is difficult to maintain, and we continue to be subject to problems requiring repair. Our network security is also not as strong as it needs to be. We are past due for a complete replacement of the cabling and of our firewall. We have obtained recommendations from our tech support vendor, Electronic Office. While they can do some of the work, they also recommended that we engage Carolina Technologies to undertake the rewiring. The required work by Electronic Office will cost \$2,914, and the required work by Carolina Technologies will cost \$2,380.50, for a total of \$5,294.50.
  
- B. **Purchase Order Module for Computerized Accounting System:** Due to changes in state legal requirements, the Town will now need to considerably increase the number of purchase orders issued each year, from a couple dozen to potentially many hundreds. This can only be feasible with an automated solution that integrates with our existing computerized accounting system. Our existing vendor, Harris Local Government, offers a Purchase Order module as an addition to our existing suite of applications for an initial investment of \$1,500, plus up to \$900 for implementation and training support. The ongoing annual maintenance and support cost will be \$330. Town Staff are requesting Board approval to proceed with the procurement of this Purchase Order module.
  
- C. **Budget Amendment #1:** The purpose is to amend the Administration and Public Buildings budgets to cover expenditures for the switch from AT&T to Charter, the Root Cause Analysis performed by Electronic Office, replacement and improvement of the Town's network cable infrastructure, and for the procurement of a Purchase Order module. These expenditures are to be funded by a reallocation of budget from Public Buildings capital outlay.
  
- D. **Resolution #16-11-01 Commending Emergency Services Personnel for Suwannee Drive House Fire Response:** Mayor Helms also requested a resolution commending personnel for the East Ridge Trail wildfire.

**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.

There were no public comments at this time.

**Commissioner Communications**

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Commissioner Gilliland thanked everyone in attendance for their comments during the Public Forum period.

Commissioner Vinson had some documents on Firewise Landscaping and "Help! A Tree Has Fallen" which was compiled by the Montreat Tree Board.

**Upcoming Meeting Dates**

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

November Town Council Meeting: November 10, 2016, 7:00 p.m.  
Walkup Building

Montreat Tree Board: November 22, 2016, 9:30 a.m.  
Town Services Building

Town Services Office Closed: November 24, 2016 and November 25, 2016  
In observance of Thanksgiving

December Town Council Agenda Meeting: December 1, 2016, 7:00 p.m.  
Public Forum begins at 6:30 p.m.  
Walkup Building

Montreat Landcare: December 7, 2016  
Allen Building  
Swannanoa Room

December Town Council Agenda Meeting: December 8, 2016, 7:00 p.m.  
Walkup Building

**Closed Session**

There will be a Closed Session next week for discussion of a personnel matter.

**Adjournment**

There being no further business, Commissioner Vinson moved to adjourn the Town Council Meeting. Mayor Pro Tem Fouche seconded and the motion carried 4/0. The meeting was adjourned at 7:14 p.m.

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Tim Helms, Mayor

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Angela Murphy, Town Clerk