

**TOWN OF TRYON
BOARD OF COMMISSIONERS
JUNE 15, 2021 7:00 P.M.
TRYON TOWN HALL – MCCOWN ROOM**

Present: Mayor J. Alan Peoples Mayor Pro Tem Chrelle Booker

Commissioners: Crys Armbrust, Bill Crowell, Bill Ingham

Staff Present: Town Manager Zach Ollis Town Clerk Susan Bell
 Police Chief Jeff Arrowood Planning Director Tim Daniels
 Fire Captain Josh Connell Public Works Director Jody Morse
 Town Attorney William Morgan TDDA Ex. Director Paige Henderson

CALL TO ORDER

Mayor Peoples called the meeting to order and asked for a moment of silence. Mayor Pro Tem Booker led the Pledge of Allegiance.

AGENDA ADOPTION

Mayor Peoples added 6a. the auditors are here to make a presentation. He asked if there were any others. Town Manager Ollis added at the end of the meeting he would like to recess the meeting instead of adjourning. The Board decided on June 29, 2021 at 6:00 pm. Mayor Peoples entertained a motion to approve the proposed agenda with additions. Commissioner Armbrust so moved. The motion carried unanimously.

CONSENT AGENDA

Mayor Peoples asked for additions, deletions or corrections. Being none, he entertained a motion to adopt the Consent Agenda, which included the Tax Collector's Order of Collection. Commissioner Ingham so moved. The motion carried unanimously.

PUBLIC HEARING: BUDGET FOR FY21/22 & APPROVAL OF BUDGET ORDINANCE

Mayor Peoples declared a public hearing for discussion of the FY21/22 Budget. Town Manager Ollis presented the budget message, ordinance, plus the budget that you have been working on, along with the schedule of fees. This was presented to you at last month's meeting and been on display since last month. He asked if there were any questions. Being none, Mayor Peoples asked if there were any questions from the public. Town Clerk Bell will add the schedule of meetings to the Budget Ordinance. Being no questions, Mayor Peoples closed the Public Hearing and asked for a motion to adopt the FY21/22 Budget Ordinance as presented by the Town Manager. Commissioner Armbrust so moved. The motion carried unanimously.

AUDITOR'S REPORT

Keith Campbell with Greene Finney, LLP, CPA, presented the audit to the board. The enclosed power point included the Town's responsibilities and auditor's responsibilities. You did receive an unmodified opinion, which is the best opinion you can get. The fund balance increased \$62,000. You have a

restricted fund balance of \$423,000 for stabilization by State Statute and a non-spendable fund balance of \$12,000 for prepaids. The unassigned fund balance is \$1.3 million, which is 75% of 2020 actual expenditures and 85% of 2021 budgeted expenditures which is a very healthy fund balance and is well above the Town's fund balance policy of 25%.

The General Fund Revenues you have about \$1.74 million in revenues for 2020. That is about a \$30,000 increase from 2019 and \$70,000 over your budget. You had about \$1.71 million in expenditures for 2020. This was a decrease of \$6,000 from 2019 and you were \$145,000 under budget. Overall, your expenditures were under your revenues.

The Fire Department had an increase in fund balance of about \$112,000 and Harmon Field increased approximately \$37,000.

The Enterprise funds did not do as well. The Water and Sewer Fund had a decrease in fund balance of approximately \$0.3 million, the revenues were \$1.6 million and the expenditures were \$1.9 million. The Sanitation Fund had a decrease of approximately \$29,000. He knows you are aware of this and are trying to turn this around.

Other items to note is the capital assets were \$8.8 million at June 30, 2020, which was a slight decrease of \$0.3 million from June 30, 2019. They have included additions of \$285,000, then they factored in \$481,000 in depreciation and net disposals and other decreases of \$90,000.

Total debt obligations at year end were \$2.9 million, a decrease of \$0.3 million from June 30, 2019. The total debt for next year is expected to be \$0.4 million.

He mentioned COVID, we hopefully are about over that, but this is just in case it pops back up. The Town may experience significant decreases in its growth-oriented revenues, charges for services and tax revenues. He mentioned the new GASB statements for next year with the Fiduciary Activities and Leases. The Fiduciary Activities they have worked through with Zach and Susan. The Leases will have to be recorded on the Town's statements for FY22.

They issued a management letter that includes some recommendations and these have been discussed with management. Need proper review and approval of bank recs, Enterprise Fund cash flows need to be improved and monthly financial reports should be reported to council. Also, need to review the outstanding debt payments and reconcile with ledger balances.

The findings were on the year end closing process, monthly reconciliations, some receivables that had to be adjusted, and prior period adjustments on utility billing on the unbilled revenues. The Town and State preaudit requirements aren't always being followed and you have unallowable investments and expenditures in excess of appropriations. You did not have a federal grant that exceeded \$750,000 or a state grant to exceed \$500,000 so, no Single Audit was required.

In summary you had an unmodified opinion which is really good and the Town is in good financial condition as of June 30, 2020. They appreciated Zach and Susan's help. It is always tough the first time with a new auditing firm. Mayor Peoples thanked the auditors. Mr. Campbell thanked the Board and told them if they ever have any questions, please give them a call. They will be back up here in a few months to get started on the FY21 audit, so they can have done by the October 31 deadline.

55 MELROSE AVE UPDATE

Town Manager Ollis explained this was discussed a little in the work session and he turned over to Attorney Morgan to explain. Mr. Morgan explained, the board discussed last month whether to move forward with the resolution for the most recent offer or to go back and rescind the April vote to reject any and all bids. His opinion is that you can do either. It is both legal and appropriate to do either one.

Commissioner Ingham is inclined to go back and accept the last real offer by the Fincher's. Mayor Peoples clarified that Commissioner Ingham wanted to make a motion to rescind the action that was taken at the April meeting. Morgan explained that it was to rescind the previous vote and to award the sale of the property to the person at the end of the process. Commissioner Armbrust stated prior to your vote he wants to recuse himself, because of reasons stated earlier. Mayor Peoples called for a vote of those in favor of the motion. Commissioners Booker, Crowell and Ingham voted to approve the motion. The motion carried. Mayor Peoples stated the motion has been rescinded. Morgan asked if the motion included awarding the bid. Mayor Peoples stated yes, but just in case we need to make another motion awarding the bid. Morgan stated it would be a motion to award the sale of the property for \$160,000 to Mr. Fincher. Commissioner Ingham made a motion to award the sale of the property, 55 Melrose Avenue, for \$160,000 to Mr. Fincher. Commissioner Armbrust recused himself again. Mayor Peoples called for a vote. The motion carried 3-0, with Commissioners Booker, Crowell and Ingham voting to approve.

Mr. Fincher of 77 Chestnut Street, explained that when he left the April meeting, he was very much dismayed. He knows that everyone doesn't agree with the motion tonight, but he will do the best he can to build something the town will be proud of. He feels good leaving here tonight. He thanked the Board.

APPOINTMENT(S) TO THE TRYON TOURISM DEVELOPMENT AUTHORITY

Town Manager Ollis explained three members are up for re-appointment to the TTDA Board. All have agreed to stay for another term. Commissioner Crowell has agreed to continue to represent the Board of Commissioners. Both Robert Lange and Allan Casavant have also agreed to continue on the Board.

Mayor Peoples entertained a motion to re-appoint the three current members to new terms. Commissioner Ingham so moved. The motion carried unanimously.

FOOTHILLS HOME CONSORTIUM

Town Manager Ollis explained what you have in front of you is from Isothermal. What they have presented is the Foothills North Carolina Home Consortium. Basically, what this is, is a home investment partnership program that provides grants to states and local governments. You have to frequently ask questions, count vacation rentals, home rentals, and families in poverty. For them to give the money to us locally we all have to be involved and be a part of this. There's no financial cost unless there is a project done inside the Tryon limits, then there is a 25% match grant. Rehabs, tear downs, etc. Basically, if you would like to be part of this consortium, you will have to approve the Home Investment Partnership. That will tie us into the program. Mayor Pro Tem Booker asked if this was an ongoing process. Ollis stated for three years. Commissioner Ingham said he didn't see a down side.

Mayor Peoples entertained a motion to approve the Joint Cooperation Agreement for Home Investment Partnership. Commissioner Crowell so moved. The motion carried unanimously.

MSD REPORT REQUEST

Town Manager Ollis explained the Board and TDDA has had these discussions for years. TDDA Executive Director Henderson explained you should have the presentation in front of you and introduced Karim Nehdi, the treasurer for TDDA. Mr. Nehdi explained this has been discussed for several years. He explained that MSD is a Municipal Service District, which is a North Carolina authorized district within a municipality that allows the provision for specific services to a defined area. For us we are referring to the downtown area. The specified uses for a municipal district are for downtown revitalization. TDDA has been looking at a source of sustainable funding for ongoing investment in economic development in downtown Tryon. Hendersonville has two MSD's. Chimney Rock has one MSD. There are a number of towns that have done a great job with revitalizing their downtown. It could be done with a fairly modest property tax burden on the property owners. Research from the National Main Street Association has proven that every dollar of MSD reinvestment means thirty XRY. Say we are looking at potentially \$50,000 additional revenue, it would generate \$1.5 million in additional economic impact. He would like the Board to consider authorizing Paige to prepare a report to look more specifically at the economic impact and benefits an MSD could have for Tryon. The report shows work that they have done with thoughts around what to make the use for in terms of economic revitalization. You can see some of the data around the RY and some of the next steps after approval of a report. On behalf of the TDDA Board and his role as treasurer, they as a Board strongly support this and feel it will be beneficial to our downtown and to continue the progress that they have made over the past few years making our downtown a place to live, visit and be.

Mayor Peoples has been talking about this for years. Some are for it and some are against it. Some see the benefits of this. Crys has been talking about the boardwalk for years. John Vining asked to define downtown. Mayor Peoples says this hasn't been decided yet, but he feels that it will include the businesses from end to end. TDDA Director Henderson stated that will be part of the report that she will be preparing.

Commissioner Crowell stated this would mean an additional \$40 on his property a year. Town Manager Ollis explained that you as a Board must request a map of the proposed district, showing its proposed boundaries; you must request a statement showing the proposed district meets the standards set out in subsection [a]; and a plan for providing in the district one or more of the services listed in G.S. 160A-536. That will be the report that you must ask staff to create. Ms. Henderson is going to prepare that if you request her to prepare that.

Mayor Peoples entertained a motion to approve the TDDA request for Henderson to prepare the report. Commissioner Armbrust so moved. The motion carried unanimously.

PRESENTATION OF 160D

Mayor Peoples opened the Public Hearing on Chapter 160D. Town Manager Ollis explained that Planning Director Daniels has been working on this for a while along with Karyl Fuller from Isothermal Planning Development. Ms. Fuller explained that 160D happened a few years ago. Legislature decided to consolidate land use ordinances into one ordinance 160D. It used to be separate ordinances for the

county and cities. They also added a few other things that have been issues. They have consolidated and updated all of the ordinances. Everybody is trying to make the deadline of July 1st. If you don't update, then you have to ignore all the portions that are no longer accurate. The biggest changes are there used to be Conditional Use Districts along with Special Use Permits. You can't do this anymore. You can still do conditional zoning, but you just can't do them together. Now there are some things that haven't been really changed, just made clearly legal. For example, we have in the ordinance minor modifications. A lot of towns allow for minor modifications after the zoning permit is issued. Another thing is the update on ethics. Also, you can put in maps by reference and flood plain by reference. You don't have to change it every time, you just have to reference it. This does make it much clearer.

Daniels explained on the two recent permit applications for the Bed & Breakfast, that will be eliminated. Attorney Morgan explained it was like the hospital. Conditional zoning will be all legislative, with quasi-judicial meetings with everyone sworn in. This doesn't change any one's current zoning. It doesn't drastically change anything. We just have to go through and make changes to make the zoning ordinance consistent with 160D. Like changing reference 160A to 160D. Mayor Peoples asked what is driving this. Morgan explained the state along with a lot of attorneys were involved. The Planning and Zoning and state bar requested reorganization of what you can do with zoning and land controls. The differences between jurisdictions were just confusing. Both the county and towns go by 160D now. Ms. Fuller said this came largely from bi-partisan. It does exempt farm use that already exists. A lot of this is just clarification. Also, you can't exclude homes by age. Morgan explained that is also requires the land use plan, comprehensive plans or whatever you call it to be in place July 1, 2021. Ms. Fuller also explained that you are no longer allowed to do protest petitions anymore.

Morgan asked if there was anyone here tonight that has questions.

John Vining asked what type of protest petitions are you talking about. Ms. Fuller said it is for rezoning. If your neighbors were not happy with your rezoning request, they could do a protest. To pass it, the vote would be by super majority. Morgan said that was taken away before 160D in 2015. It's just still in the code book of Tryon and now needs to be removed.

Being no more comments, Mayor Peoples closed the public hearing.

Mayor Peoples entertained a motion to adopt 160D. Commissioner Ingham so moved. The motion carried unanimously. The Board thanked Karyl for her work on this.

MINIMUM HOUSING UPDATE

Planning Director Daniels updated the board on minimum housing.

- 1) 427 E. Howard St. lot has been cleared
- 2) 45 E. Livingston St. people are still working on the cleanup and looks to be done in a day or two
- 3) 140 Grady Ave. property owner had the lot cleared
- 4) 143 Broadway Ave. sent the owner a letter and has not heard back from them as of yet

As far as new locations he will drive around next week to look for other properties. On Canady Lane the tree through the roof will probably be the next one.

Commissioner Crowell asked if he had had any communication with 143 Broadway at all. Daniels said no. He will keep working on that one.

Daniels also brought up the new pollinator garden at 326 E. Howard St. The Town received a grant from the Polk County Appearance Commission to help cover the cost. They cleaned up some of the kudzu, put out mulch, picnic benches and a small grill. Hopefully in a few weeks there will be wildflowers sprouting up.

He also had a citizen approach him about putting a plaque on the Main Street Financial Building for Hawthorne Wingo. It's kind of a historical plaque. Ollis explained the reason Daniels is bringing this to you is because a couple of people had wanted to do this for Mr. Wingo. The people had approached the building owner Stephen Brady who is okay with this. The Town doesn't have anything for memorial plaques in our ordinances. He just wanted to get your thoughts on this. Mayor Peoples doesn't have a problem with this, but we need to get something on the books. You know if you start one then you have others to come before you. Do we need to have some historical significance? He had talked with this gentleman and presented him with a proclamation before he passed away. There are others that would like to be recognized also. He wants to make sure that it is appropriately done well.

Daniels said he could do a text amendment. Peoples just wants to make sure this is done right and the plaque is of high quality.

Mayor Peoples entertained a motion to approve the plaque of Hawthorne Wingo placed on Stephen Brady's building. Commissioner Armbrust so moved. The motion carried unanimously.

Morgan asked if the board wanted him and Daniels to look into the historical plaques. Mayor Peoples just wants to make sure that we get high quality plaques, however you want to word it. Ollis will get Daniels to contact the people to make sure the plaque is bronze. We can do a text amendment that basically says, this kind of things (historical plaques), are allowed in certain districts upon approval of the Board of Commissioners. That way it is always brought before you. It needs to be funneled through the Planning Board and then to the Board of Commissioners for that final call.

Mayor Pro Tem Booker asked who took the picture. Daniels replied the applicant did. She just wants to make sure the family is okay with the picture. Ollis doesn't think it was the family. Daniels said it was Tom Kell. Ollis asked who should they contact. Booker said his sister. Armbrust replied that Mike McCune is really good at writing. Daniels will contact him.

TDDA UPDATE

TDDA Director Henderson explained that her report was included in the packet. She also wanted to bring before you the proposed letter to the business owners and property owners. She had discussed with some of Main Street members about parking and just best business practices. They suggested the letter be sent with the support of our council or Mayor, the elected officials. It just sends a different message than if staff sends it alone. The letter addresses having off street parking. If you are a proprietor, property owner or an employee of the business, it lists the places that Town parking is available. We are also having a bit of a problem where sidewalks are being blocked. It asks for them to be aware so that we can be ADA compliant. Also, it asks for all signage to be approved through Tim as they are required to do. She would love for people to update their business hours and general information since so much has changed throughout the year with COVID and it provides resources of how you can do that. Also, they are talking about putting out a NIXLE channel for downtown business owners so that she can communicate with them more effectively in the future. If you would like to

approve and sign the letter, she will get it out or if you have suggestions on how to go about this, she would be appreciative.

Mayor Pro Tem Booker said the parking thing will be a headache. Henderson said it's just an encouragement, a gentle reminder. She was asked by several people to do this. She had talked with Bill concerning this at the last tourism meeting. They are seeing it as an issue. There's really nothing they can completely do. Commissioner Crowell suggested a visit from TDDA or from the Police.

Henderson notified the board that TDDA was getting ready for their business meeting on Monday, June 28th and invited the board. They will be hearing from the firm that TDDA chose to do the branding for downtown. Commissioner Armbrust asked who TDDA chose. Henderson stated Arnett & Muldrow out of Greenville.

All were good with signing the letter.

TOWN MANAGER'S REPORT

Town Manager Ollis reported they met with Verizon, regarding the tower. That will be coming before you in the next few months. It will be located by the alum pond at the water plant. It will be lower, not as visible for the people that are higher up. It will be behind the tall trees as you go up Glengarnock. He has been meeting with the contractors about the SEGRA projects. He advised them their plans need to be changed, because of the previous install with Duke. He has met with SC DEHEC and SCDOT regarding the bridge and the dam. The bridge was opened back up with a weight limit attached. He is in constant touch with Yettees about the signage, with the branding-colors that work for the Town Hall sign and the wayfinding signs. The branding interviews went well. They have been meeting concerning Beerfest and working on scheduling the volunteer training. They are looking into a TESLA super charger station, located at the Depot. They are applying for the TESLA portal and will bring back to you. Another location manager for a movie had contacted him about the drone footage that was taken in Tryon for a film filmed in Charlotte. The bridge lights will be installed by June 30th. Chestnut rockwork should be completed by June 5th. He had a meeting about the Braewick overflow with the state and Withersravel. He sent the budget to the LGC. He has bands secured for 4th Fridays, beginning in July and goes through October. The buoy system was installed at Lake Lanier where the old dock was. We've had breaks on Melrose, S. Trade, Fairview Lane and Jervey Road. The guys have picked up thirteen tons of brush. We were forced to work on the Beaver Dam due to water being backed up. Repaired a washout at Harmon Field. Repaired the fire hydrant at Harmon Field. Been spraying for kudzu around Town and side mowing. In the new budget year, Columbus is looking to sell their side mower and he will be coming to you for that. Randy has used it and has helped it. Installed new bases and scraped Ziglar Field for Mr. Wingo. The fellows have mowed the cemetery. Working on street signs. Working on the clarifiers. Helped unload the ABC truck. Met with Laddy Edwards and Adrian about electricity at the Depot. Been mowing the Henson Fields to use for land application for the sewer plant. Looking at putting in new rails at New Market. As far as the grant that Tim mentioned earlier, they put in a picnic table, new grill, mulch and a small parking area with gravel. Did move kudzu, trees, trash and repaired the river bank and installed rock. Took some of the trees that were taken down earlier and used them as backstops to keep people from backing into the creek. The fire department has been nice enough to water the flower for us. At Bryan Park he has flower pots there. The Eastside meeting was held via Zoom, which worked out really well. Rogers Park-they have been prepping for Shakespeare. Talked to Mr. Vining about replacing the pergola. He will be doing new mulch and new rock when the

new budget kicks in July 1 for the July 2 Summer Tracks event. The Flock cameras will be installed July 1, as well as the body cameras, in car cameras. He met with the Lake Lanier Civic Association, regarding services from Greenville County.

Commissioner Crowell asked what is Lake Lanier asking for. Ollis responded they have a couple of issues with Greenville County not responding. They wanted us to provide services and he informed them that the Town can not provide those services, but he did contact the Sheriff's office to reiterate what they have been saying to Greenville County. Sometimes it just takes people awhile to get there.

Commissioner Crowell asked about the buoys at the old silo. Is this a hazard? Ollis responded yes, it's less than two feet deep under the water at times.

COUNCIL/MAYOR REPORT

Commissioner Armbrust had no comments.

Commissioner Crowell thanked staff for all the hard work and Paige for moving forward with TDDA. Thank you to the people showing up tonight.

Commissioner Ingham thanked everyone and the visitors. He also thanked John Vining for work around town. He sees him out there every day. Staff has been wonderful.

Mayor Pro Tem Booker stated she is sure that everyone has heard of the Biden, Harris administration, Americans Job Plan. She would like to record that Tryon made the report that has been presented to the administration in Congress. We are one of the three towns in North Carolina. She wants to thank everybody for coming out. She thanked the staff. She wasn't sure where our visitors were from. They said Ohio. She thanked them and Ms. Whitmire for coming. She thanked the employees and Paige for what she is doing with District.

Mayor Peoples thanked everybody. He thanked one of the young men, who is working to be a scout who decided to come to the meeting to see what goes on in the real world. His sister just graduated from High School and will be attending Appalachian State. He thanked the employees. Again, this is the best place that he has ever lived.

CITIZEN COMMENTS & RESPONSES

John Vining asked about the Toymaker sign leaning against the back of the building. Mayor Peoples informed him that we had discussed this earlier. Mr. Vining suggested giving the broken one to the museum. Commissioner Armbrust stated that was the second one that had been hit by a tractor trailer. Mr. Vining suggested on the TESLA charger to set a small solar panel if possible. Mayor Peoples started in 2002 asking about the solar panels.

Katherine Simpson Littlejohn asked about the property located at 143 Broadway. Planning Director Daniels explained that in order for the minimum housing to take it down, it has a long list of things, that it needs to fail at. Right now, as it stands, the structure is 85-90% in-tact. He is sure mold is getting in there. At this point and time, he doesn't believe that it will meet enough check boxes for the town to intervene and take it down. That's why we are reaching out to the owners to see if he can get some type of movement on repairs.

RECESS THE MEETING

Mayor Peoples entertained a motion to recess the meeting to 29 June, 2021 at 6:00pm here in the meeting room. Commissioner Ingham so moved. The motion carried unanimously.

RECONVENE THE JUNE 15, 2021 MEETING ON JUNE 29, 2021 AT 6:00PM

Mayor Peoples called the meeting to order.

Town Clerk Bell asked to add the resolution to receive the ARPA funds. The Board agreed to add it.

SPECIAL PRESENTATION

Town Manager Ollis stated that on May 21, 2021 Lieutenant Phillip Conner was awarded the Advanced Law Enforcement certification from the North Carolina Criminal Justice and standards. The award is awarded to officers that with extensive education and job experience in law enforcement. The Town of Tryon congratulates Lieutenant Conner on his dedication and commitment to the Tryon Police Department and citizens of Tryon. He would like to say that Phillip came to us from Buncombe County, where he spent 20 years. When we were going through the changes a couple of years back, one of the things that Jeff wanted to pinpoint was to find seasoned veteran officers with really good experience. Sometimes that is very hard to find. It's hard to find people that want to work in a small town and it is hard to attract people on a number of different reasons. Phillip came to us and he has been nothing but impressed with him and very happy. Phillip is a great addition to not only the office, the staff in general, but the citizens as well. We've received a ton of compliments about his demeanor and the way he holds himself. Very professional and well-rounded individual. We got very lucky in that hire.

Police Chief Arrowood would like to congratulate him. It does take a lot of time and work and education to get this. They don't just give this to anyone. It takes years of experience and training. He would like to congratulate him on working hard and receiving it.

The Board congratulated Lieutenant Conner on his accomplishment.

RESOLUTION TO ACCEPT THE ARPA FUNDS

Town Manager Ollis explained this is to be able to accept the ARPA funds. Mayor Peoples entertained a motion to adopt the Resolution as presented. Commissioner Ingham so moved. The motion carried unanimously. Commissioner Crowell asked how much are we going to get? Ollis stated \$470,000.

BUDGET AMENDMENT NO. 4

Town Manager Ollis explained that the Budget Amendment No. 4

The General Fund increased \$545,118.20, the Fire Fund increased \$33,686, Harmon Field increased \$21,679, the Tourism Fund increased \$17,666, Water & Sewer Fund increased \$377,669 and the Sanitation Fund increased \$26,407. The hand out was a sheet that shows the budget and budget amendment no. 4. In the General Fund-We are recognizing the CARES Act funding, the sales tax increases, appropriations from fund balance, COVID hazard pay, the money for the Lake Lanier Dam inspection, salary changes, capital outlay was for the dump truck. We were over in zoning contracted services, because we did more demolition. The Powell bill doesn't necessarily change, but we are putting \$36,000 into fund balance. The Fire made a little more in taxes, but went over in salaries,

purchased new gear, and had some vehicle issues. Harmon Field noticed they made extra on tax revenues, included COVID hazard pay and salaries. As far as expenditures, the tractor or lawnmower will be in the next budget. They are putting \$20,000 into fund balance. Tourism collected more in taxes than we projected. It covers the COVID hazard pay. We went over in some of the expenses. They had to pay \$8974 to General Fund for expenses owed.

In the water and sewer fund, we noticed we had \$59,000 extra in water and lost \$71,000 in sewer. We are trying to figure that one out. Recognized the COVID hazard pay. The audit we received said we had \$300,000 in water & sewer. With the combination of Braewick, Lake Lanier and other overages, we don't have that covered. We are going to cover Lake Lanier and get our money back later. We are having to cover the engineering scope and the surveying. We will get reimbursed by the grant later. In doing this we are appropriating money from fund balance. Contracted Services is the big one. There are some other things that we have gone over on, such as the chemicals used to treat the water. We are contributing \$220,177.59 to their fund balance.

Sanitation made an additional \$19,000 in sanitation charges. Salaries went up and some vehicle repairs were made.

He has decided that every year when we do our budget, we will be adding the extra revenue received in to cover those bills that will come in in the next month. This is where we are at now. Mayor Peoples asked if this would keep up off the state's list. Ollis stated that is what we are hoping. Interfund transfers were set up years ago and the state came along and said they didn't want interfund transfers. That's why the salaries are split up. Salaries such as Jody and Meg's are split through all departments. When we changed, water and sewer started losing money. The last time we did a capital improvement plan, it was filed away on a shelf and water rates were not increased. Mayor Peoples stated we raised the rates one time to help cover the repairs to the water plant and haven't raised them since.

Mayor Peoples entertained a motion to adopt Budget Amendment No. 4. Commissioner Ingham so moved. The motion carried unanimously.

ADJOURN

Mayor Peoples entertained a motion to adjourn. Commissioner Ingham so moved. The motion carried unanimously.

J. Alan Peoples, Mayor

Attest:

Susan B. Bell, Town Clerk