

**TOWN OF MCADENVILLE MINUTES
JANUARY 14, 2025**

The McAdenville Town Council met in regular session on Tuesday, January 14, 2025, at 6:00 PM in the Council Chambers of Town Hall located at 163 Main Street, McAdenville N.C.

PRESENT:

Mayor Jim Robinette and Mayor Pro-Tem Reid Washam; Council Members: Carrie Bailey, Jay McCosh, Greg Richardson, and Joe Rankin. Also in attendance: Attorney Chris Whelchel, Police Chief Adams, and Town Administrator/Clerk Lesley Dellinger.

CALL TO ORDER:

Mayor Robinette called the meeting to order at 6:00 PM and led in the Pledge of Allegiance. Pastor Walter Griggs, McAdenville Baptist Church, opened the meeting with prayer.

ADJUSTMENT & APPROVAL OF AGENDA:

The January Agenda was approved as submitted by motion of Carrie Baily, second by Mayor Pro-Tem Washam and unanimous vote.

APPROVAL OF MINUTES:

The regular meeting of December 10, 2024, and Special Meeting of December 19, 2024 were approved as submitted by motion of Joe Rankin, second by Greg Richardson and unanimous vote.

PRESENTATION OF AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2024:

Ms. Sheila Thornton, Managing Partner, Butler & Stowe CPAs presented the Audit Report for the year ended June 30, 2024. She stated that the audit had been completed and there were no instances of non-compliance, either with the accounting controls or regulatory matters. Ms. Thornton stated that the Town ended the year with combined assets exceeding the liabilities by \$9,1306,790 (net position). The Town's total net position increased by \$496,545, primarily due to budgeting and cost controls. As of the close of the current fiscal year, the Town of McAdenville's governmental funds reported combined ending fund balances of \$2,308,115 with a net change from FY2023 of \$428,077. It was noted that approximately 24.48 percent of this total amount, or \$565,035, is non-spendable or restricted. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$1,743,080 or 167.07 percent of total general fund expenditures for the fiscal year. Ms. Thornton added that all ARPA monies have been spent and that open grant awards were detailed on pages 54 & 55 of the audit. When these DWI grant awards totally over \$7 million dollars move into the construction phase in FY2025 it will require a single audit for the Town. Ms. Thornton stated that Ms. Dellinger and other Town Staff were great to work with during the audit process and thanked Council for the opportunity to provide audit services to McAdenville. In closing, she stated that the town has a positive financial standing and that a clean opinion was issued by the auditor.

Following Ms. Thornton's presentation, Jay McCosh asked for clarification on the Statement of Position. Ms. Thornton replied that it could be compared to a balance sheet outside of

government accounting. He then asked what type of assets were being depreciated on page 14 of the audit. Ms. Thornton replied that page 9 provides more details but that the main depreciated assets are buildings and the Town's water/sewer infrastructure. Mayor Pro-Tem Washam asked for clarification on unrestricted funds versus unassigned funds. Ms. Thornton replied that unrestricted funds were figured on a full accrual basis, and unassigned funds were figured on a modified accrual basis and do not include retirement. She added that the unassigned balance is what is available for allocation. Mayor Pro-Tem Washam then questioned the encumbrance system and why current year funds are used to cover multi-year project expenses that were encumbered in previous years. Ms. Thornton replied that encumbrances that need to roll into a new budget year must be closed out and opened as expenses in the current fiscal period. If the Town wishes to change this then new accounting policies would need to be adopted. Lesley Dellinger requested a detailed listing of all the Town's fixed assets with a depreciation schedule. No additional questions were presented and Mayor Robinette thanked Ms. Thornton for her presentation.

Motion to approve the Audit Report and financial statements prepared by Butler & Stowe, CPAs for the fiscal year ending June 30, 2024, was made by Greg Richardson, seconded by Carrie Bailey, and passed with unanimous vote.

POLICE DEPARTMENT REPORT:

Chief Adams stated that the monthly report was included in the agenda packet. He added that there was an error on the monthly report in the traffic crash category for November and December. The report shows zero incidents due to an issue with the state system. A corrected total will be provided at the February meeting. He then offered to answer questions from the Council. Carrie Bailey asked how many "calls for service" were related to the Christmas Lights event. Chief Adams replied that he didn't have an exact number but that there were no major problems during this year's event. Mayor Pro-Tem Washam questioned the duties of the school crossing guard at McAdenville Elementary regarding directing traffic. Chief Adams replied that crossing guard may direct traffic in and out of the drop off lot, but that it is outside of her scope of duties. Mayor Pro-Tem stated that Gaston County may have issues with a civilian directing traffic if they assume the police contract for the Town. Chief Adams added that the current crossing guard is an employee of Cramerton and funding for this position will end once the current police contract terminates.

STAFF REPORT:

Town Administrator, Lesley Dellinger, reported on the following:

Water & Sewer

- Hallie Bentley PRV – The request for bids was released on Friday, January 10th. This project includes a twelve-inch water main extension from the intersection of Mockingbird/Main Street to parcel 213075 across from Park Drive, with new vault and PRV installation. The Clayton Engineering contract included engineering and bidding services. Sealed bids are due on Thursday, February 6, 2025. Currently there are no grants funds available for this project. Funding is expected to be met through water/sewer reserves and a private partnership.

- DWI Grant Projects – The Water Rehabilitation Project and Water Improvement Projects are still awaiting permits to construct from the Division of Water Infrastructure. The bid release for both projects has been pushed to February.
- Merger Update – Progress continues with TRU on the Utility Consolidation Agreement. Bi-monthly meetings will continue in 2025. Chris Whelchel’s office is working on easement documentation, and town staff is working on asset ownership issues and the data dump for the billing conversion.

Parks & Recreation

- Engineering has resumed on the River Link Trail with the confirmation of the CMAQ award. Lesley is working with the Local Programs Management Office to obtain access to the NCDOT EBS system so that McAdenville can submit a request for a formal agreement. The agreement process can take up to six months. Cramerton plans to go out for bid for their portion of the River Link trail in late 2025. McAdenville’s bid for construction will most likely happen in 2026.

Finance

- Request for Proposals Update – RFP for residential solid waste and yard waste collection will be released January 17, 2025 with proposals due February 14th. The RFP for audit services will be released Friday, January 31, 2025 with proposals due March 7th.
- Lesley Dellinger requested Council’s consideration to add Josh Hummel, Deputy Finance Officer, to the Town’s Bank OZK account as an authorized co-signor. Chris Whelchel stated that a resolution may be required as authorization with Bank OZK. If Council supports the addition of the new staff member as a co-signor, he can draft the resolution, and Council can authorize the Town Administrator to execute the document.

Following discussion, Jay McCosh motioned to add Josh Hummel, Deputy Finance Officer, as a co-signor on the Town’s Bank OZK account and allow the Town Administrator to execute the resolution being drafted by the attorney. The motion was seconded by Joe Rankin and passed unanimously.

Old Business – Law Enforcement Contract

- Contract discussions continue with Gaston County on a municipal agreement for police services. Chris Whelchel worked with town staff to create a draft contract that was presented to Chief Zill and Vincent Wong at a meeting held January 10, 2025. Gaston County representatives will review the draft and submit comments prior to the next scheduled meeting on February 12th.

OPPORTUNITY FOR PUBLIC COMMENT:

Mayor Robinette opened the floor for public comment. No comments were presented.

COUNCIL GENERAL DISCUSSION:

Jay McCosh encouraged town staff to contact CCOG about grant writing services. He added that a hot topic at a recent CCOG executive board meeting was the new regulations governing down

zoning authority at the municipal level. He wanted to make sure town staff was aware of the changes and how they may impact future development in McAdenville. He then inquired about the progress on the sign application for the Wesleyan Church.

Mayor Pro-Tem Washam distributed a spreadsheet he had prepared detailing the Unassigned Fund Balance totals from 2016 through the current audit for use during the upcoming budget workshops. He added that he had sent a follow up letter to Senator Overcash and Representative John Torbet regarding the Town's funding request of \$4 million to facilitate the Main Street Waterline Extension Project. The completion of this project is one of the conditions for a utility system consolidation with the City of Gastonia.

Greg Richardson asked if Pharr has presented any development plans for the old space dye facility and the area along Main Street where the old mill houses had been demolished. Lesley Dellinger replied that conceptual plans have been shared with Town staff and conversations about rezoning options were in the preliminary stage.

Carrie Bailey asked if everyone was aware that the River Room was closing their retail space and transitioning into an event venue. She felt this change in business model may prove problematic for Lakeview traffic during the 2025 lighting event.

CLOSED SESSION:

A Closed Session was held for discussion of a personnel matter as allowed under **GS 143-318-11(a)(6)** by motion of Joe Rankin, second by Greg Richardson at 6:52 PM.

Upon return from Closed Session at 7:03 PM, Mayor Robinette reported that the Board conducted the annual performance review of the Town Administrator/Clerk. Mayor Pro-Tem Washam motioned to increase the Town Administrator/Clerk annual salary to \$87,000 and award a \$3,000 bonus. The motion was seconded by Jay McCosh and passed unanimously.

ADJOURN:

There being no further business to come before the board, the meeting adjourned at 7:05 PM upon motion of Jay McCosh, second by Joe Rankin and unanimous vote.

Jim Robinette, Mayor

Lesley Dellinger, Town Clerk