

# TOWN OF NEWLAND

2/4/2025

## BOARD MEETING



### ATTENDING:

**MAYOR:** Derek Roberts

**ALDERMAN:** James Johnson, Gail Haller, Christie Hughes, Dave Calvert, Kenan Foxx (absent)

**GUEST:** Vicki Caraway, Kenny Caraway, Christy Ray, Butch Hughes, Donetta McKinney, Sabrina Stout, Crystal Wise, Jane Wise, Faith Lacey, Sanford Brill, Nathan Gittner, JD English, Larry Hoyle, Beverly Hoyle

**STAFF:** Town Manager/Finance Officer Sandy Lewis, Police Chief Michael Fields, Public Works Director Gary Lewis, Town Clerk Jessica Buchanan, Town Attorney Gerald McKinney

Mayor Roberts called the meeting to order at 6:00 p.m. and led the assembly in the Pledge of Allegiance. Alderman Johnson made a motion to approve the January minutes. Sandy stated she needed to add a short, closed session for personnel at the end. Alderman Johnson motioned to adopt the agenda with the change of a closed session regarding personnel. Alderman Calvert seconded the motion. All agreed by a show of hands and stating aye.

### MAYOR'S REPORT

Mayor Roberts stated there were a few things he wanted to talk to Sandy about. He wants to talk to Gary about when they wanted to take down the Christmas lights and ask if anyone on the board wants to help do some repairs on them soon. Gary said sometimes they have to be cleaned out. Water will get into the bulbs facing up and into the socket, which will start to corrode. Once you screw the bulb out, you have to spray the electric clean inside and get the corroding out and then put some grease on it. It is very time-consuming, and any volunteers are welcome to help. Vicki Caraway asked if there was a date set for this. Mayor Roberts said he would like to set up a day for possibly next month, so we are not running behind like we did this past year. We have a lot of great lights that still work; they need the bulbs switched out. Gary said there aren't many new bulbs left, so he would have to order more. Mayor Roberts said he would work with Sandy and set a date for next month.

Mayor Roberts asked Sandy if she was going with Phillip Barrier to find out what was going on with getting the side roads cleaned up. Sandy said the NCLM is having a meeting in Asheville next week for town and county managers about disasters. While making the trip with the County representatives, she will discuss why Newland's streets still have debris. When she emailed Phillip, he replied that they would let us know when that last sweep would happen or when it would stop. She said we have photos of almost every street with debris that needs to be picked up. Sandy said a release from the County today stated that residents will have to stop putting debris on the right-away after February 23rd. If they find debris after that date and can figure out who did it, there will be fines for littering. Most of the citizens did what they were told and put it at the right-away. However, the debris removal subcontractors came along and picked up the easy stuff. Large stumps on Elk Street are driven by every day and still have not been picked up.

Mayor Roberts said some trees fell across the road on Watauga Street, and the power company or somebody else cut up the trees. He asked if those needed to be pulled up to the right-away because he has spoken with several of the contractors, and they have no plans of doing anything that we are discussing right now. Sandy said her understanding when we reviewed and signed the memorandum of understanding, was that if all debris were at the DOT right-away and not in the street, then it would be picked up by the monitoring and removal company. Mayor Roberts asked if that included side roads, and Sandy said yes, every secondary street. Gary said he went around and took pictures last week, and a crew came to clean up on Old Toe. However, a large stump on the hill could fall off anytime, and plenty still needs to be cleaned up. Mayor Roberts asked everyone to call the local commissioner, Dennis Aldridge, and ask him because he does not think things are going to be cleaned up. Some of the stumps are so big the smaller track hoes cannot pick them up, and he said he wouldn't mind spending a little money to rent a larger one. Mayor Roberts said that Christmas lights will be coming down this Friday.

#### **RESOLUTION – OCCUPANCY TAX & TDA**

Mr. Gittner asked if he could comment on the occupancy tax resolution passed during the public hearing before the board meeting. He asked if someone rents an apartment with a one-year lease and then, for whatever reason, they have to break it after sixty days, does the occupancy tax apply to that? Sandy said she needed to check into that because an apartment is not considered a short-term accommodation. Mayor Roberts said an apartment should be no less than a six-month lease. Mr. Gittner said he understood that; however, a few minutes ago, we just discussed that it didn't matter what the intent was across the street at the motel, but what actually happened. Whether or not they were there for sixty days or 120 days, but what the intent was. Mayor Roberts told Mr. Gittner he understood his frustration because he wanted to make sure he was doing the right thing. However, he believes he is going down too many rabbit holes. Sandy told Mr. Gittner that if he would like to email her at [finance@townofnewland.org](mailto:finance@townofnewland.org), she would be glad to pass along any questions to the occupancy tax expert at the School of Government. Mr. Gittner said he just wanted to ensure that if the Town of Newland passes a law, it gets applied equally.

#### **NC LOCAL GOVERNMENT DEBT SET-OFF CLEARHOUSE PROGRAM SIGN UP**

Sandy stated that Jessica would be presenting this tonight. Jessica said the first form includes the memorandum of understanding and agreement. She explained how she is part of the clerk listserv, which provides for all the Town Clerks in the State of North Carolina. She can email this group of people asking any questions and any of the clerks can respond by giving her any guidance they can provide. Jessica emailed the listserv asking if anyone could provide sample letters and their process for collecting back taxes. One clerk from Caswell Beach said they use a program through the NCLM that is 100% free. Jessica would send a letter to the individual like she usually does. If they do not respond within thirty days, she will send another letter stating they will be charged an additional \$15.00, which is the only money that goes to the Clearing House program. Instead of bothering Gerald, the information can be submitted to this program, and they will try collecting the back taxes. We need to pass the resolution included in your packet. The resolution states that we will move forward with the program and allow the program to collect our back taxes. Jessica also attached a list of all the Counties and municipalities already using this program, and Avery County is one of them. Sandy said this also allows the program to go after the individual's tax returns if they do not pay. Alderman Johnson motioned to pass the resolution for the debt set-off program provided by the State of North Carolina. Mayor Pro Tem Haller seconded the motion. All agreed by a show of hands and stating aye. *(See the adopted resolution attached with the minutes).*

#### **NCLM ENGAGEMENT LETTER AND SCOPE OF WORK FOR BANK RECS AND PRE-AUDIT WORK**

Sandy asked if the board remembered when they approved her to join the NCLM aim program, which is their accounting mentor program. They told her that if she joined, they could provide some accounting help for the Town of Newland since we were late on some of our audits and that they would pay for one

audit. Sandy explained this was a scope of work and a memorandum of understanding from the NCLM to send a certified public accountant to Newland. She will be here next Thursday if the board approves this, and she will start on our bank reconciliations and pre-audit work for last fiscal year 2023-2024. She will also do some pre-audit work for the 2024-2025 fiscal year to help get us ready and have everything completed in time for this audit. Sandy said if you read through the letter, you can see we are saving about \$66,500 if we accept this. Alderman Johnson motioned to accept this immediately. Alderman Calvert seconded the motion. All agreed by a show of hands and stating aye. Sandy asked for permission to sign the letter and Alderman Johnson said the sooner we can get that back, the better. *(See the engagement letter and scope of work attached with the minutes).*

#### **PRIOR YEAR'S TAX RELEASES**

Jessica presented a spreadsheet to the board, asking permission to release some of the back taxes she had been researching. She said she has looked through maps and deeds to track down these individuals, and the total below she is asking to be released is \$450.44. The spreadsheet shows the individual's name, parcel number, why it needs to be released, and the amount. Several accounts were taxes transferred from Alpha, and the property had been sold to someone else years before. She said this is a list she is 100% sure needs to be released. Alderman Johnson motioned to release the back taxes in the amount of \$450.44. He knew two of the individuals were deceased. Alderman Hughes seconded the motion. All agreed by a show of hands and stating aye.

#### **CALL FOR PUBLIC HEARING FOR MARCH 4, 2025; DISCUSSION OF TOWN OF NEWLAND POLICY CHAPTER 80, PARAGRAPH 81.09 (ANIMALS)**

Sandy stated that was at Mayor Roberts' request. He said yes, we need to put this chicken fiasco behind us. Sandy said she is asking the board to call for a public hearing. Alderman Johnson motioned for a public hearing on March 4th, 2025, at 5:00 p.m. to discuss animals in the Town of Newland. Alderman Haller seconded the motion. All agreed by a show of hands and stating aye.

#### **PUBLIC WORKS REPORT**

Gary stated he didn't hand out any paperwork to save the money. He said last month he had \$15,405 in work orders, and \$1,200 of that is from plowing snow and spreading salt. On the bright side, that's only \$1,200 and not \$2,400 like it used to be. Year to date, he has entered about \$188,000 into the work order system, of which \$50,000 of that was for the pump that was put in at Tweetsie after the hurricane. The work order system shows where the money is spent, so unlike in the past, we can look it up now. Gary said he put a 'no dumping' sign at the corner of High School Road today because people don't pay attention to where they are dumping stuff. We have two vaults and several valves there. He asked for guidance about the trailer park on Old Vale Road because he noticed they had a leak after doing meter readings. It is the trailer park across from Kenny's driveway, and there are almost 15 units. Last year, they used 4,882,000 gallons of water, which is 12.5% of the Town's water. That comes out to be 22,000 gallons per trailer per month, which is excessively high. They average 350,000 gallons per month for 15 trailers. Mayor Roberts said it sounds like we need to shut them off and find the leak. Gary said he turned it off the other day because they had a burst. They had somebody come out there to look at it, and they turned it on again after the plumber came out. He said they have had a leak since he started working here. In the first month after installing the electronic meter, they used 170,000 gallons; now, it has been averaging 350,000 gallons since then. Gary said Bill had gone out there to talk to them, he spoke with them the other day and expressed they needed to get somebody out there to fix it because this is an excessive amount of water being used. The average use for a four-person household is 10,000 gallons a month. He was under the impression that they had replaced two-thirds of the lines, however, he spoke to someone else in the trailer park, and they said they had not seen anyone do anything. Gary feels we need to send them an ultimatum that they need to get this repaired, replace all the water lines, and put a meter at each trailer so they can tell where they have a leak. He said he would prefer to leave it on one meter for the sake of billing; however, they need better accountability. Vicki Caraway said she spoke with a lady

who lives in the trailer park by herself, and her lot rent is \$350 a month. They split the water bill amongst all the residents, which is highly unfair, and she agrees with Gary that they each need to have their own water meter. The lady said the trailer in front of her has nobody living in it full-time except for three dogs. They are there all the time, and the woman who used to live there comes once a day to feed them, and they are consistently barking. This is also the trailer that had the water burst, and it has been so cold. There are several issues with that trailer park; she said nobody ever fixes anything. Mayor Roberts asked who the owner was, and Gary said Equivest was the service company but not the owner. Mayor Roberts said to send them a letter stating they have until March 1 to have each unit individually metered, or we will shut the water off. Gary said we should probably give them thirty days to have a plan in place and then complete it in sixty days. Alderman Calvert said he agreed with Gary's idea. Gary will send a letter stating they have until March 15 to develop a plan, and everything must be completed by April 15. Alderman Johnson asked Gary if he would construct the letter, and he said he could. Kenny Caraway said this mobile home park is across from the new Feeding Avery Families facility, and he encourages each board member to drive down Old Vale Road and see what kind of condition it's in. He said he is sure most of the folks who live there are probably doing the best they can do; however, they do not have any support from the owners. Mayor Roberts said he was also concerned about the three dogs in the trailer. Gary said he and Jessica figured out that in the last two years, their water bills have totaled \$96,000, and they could have put in a whole new water system for that. There was no motion needed for Gary to construct the letter, sign it, and mail it out. Gary said he would like to put heat into Sokassa, roughly costing \$9,500. He received two quotes; one was a little over eight, and one was less than eight, and he will need \$500 to use a scissor lift to close the upper air vent. He said we wouldn't get a lot of use out of it this year, but it would have been nice to have it up there last month. It will also make it easier to work on Christmas lights, make oil changes, and keep the salt from freezing. Alderman Johnson asked if it was within his budget, and Gary said it should be. Alderman Johnson said to do what you need to do if it is in your budget. Gary said he contacted Brian Hamby to ask about the sidewalks and whether they were the DOT's responsibility or the Town's. FEMA will visit on Friday for a sight visit to cover roads and culverts. He also asked Mr. Hamby about the storm drains across from the elementary school because at least two looked like they were getting ready to fall in. If Gary does not hear back from him by Thursday morning, he will call him back Thursday afternoon. Alderman Hughes asked if the sidewalk grant could pay for the sidewalks and streetlights, like when Brenda was here. Donetta McKinney said they received a sidewalk grant in 2006 when they got Shomaker. Alderman Hughes asked if she remembered if the Town was responsible for the sidewalks or the State. Donetta said the Town was responsible. Alderman Hughes said that in our current situation, she thought we could receive grants to replace or at least repair the damaged ones. Donetta said there has always been an issue with a paved area in front of Premier Pharmacy. Gary said if it is the Town's responsibility, we can hopefully get FEMA funding, especially for those over at PackRats. Sandy said our FEMA representative is asking whose responsibility it is so it can go onto our list of requests. Alderman Johnson asked about the sewage running out in the mobile home park beside the Old Lowes building. Sandy said she would address that during her Town Manager's report. Alderman Calvert said a fence was knocked down on the Riverwalk below him. Gary said there would be a separate category, and five different dates are set for FEMA to come and do sight visits. Shomaker and the Riverwalk will be in their own category. Sandy said they would be here on March 11 to inspect the Riverwalk. Alderman Calvert said one of the things they will probably see is the concrete wall falling over, and they're likely going to say that it's from the flood. However, the ground shifted, and that wall has been falling for 15-20 years. Mayor Roberts asked if we could bring back up Puerto Nuevo's dumpsters on Mike Nelson's property. Since we are making all these changes to the Town, can we try to find a different location to put those? It is constantly overflowing. Sandy said she would like to do what they discussed before and move them closer to Puerto, behind Dr. Jewell's office. Once we receive the FEMA money, we will hopefully reestablish the dog park away from the swampy Shomaker area and put it across from where the trailer was moved. There should be room for the two dumpsters next to it. Gary said there needs to be some dirt and drainage put around each side and mount it up so the water will run

down the side. He believes the area will be much drier and cleaner for a dog park, and the dumpsters can go near the tree towards Dr. Jewell's office.

### **POLICE REPORT**

Chief Fields stated the department had 489 calls for January, including seventeen calls to assist other agencies, six motor vehicle accidents, two domestics, five calls for a suspicious person, two for trespassing, and four for an unwanted person on the property. Officer Buchanan located a stolen vehicle that came out of Michigan, charged the individual with possession of a stolen vehicle, and located some marijuana inside. Chief stated everything went fine, but it was good that they got the individual off the road. He said he has been researching some grants and thought one would open this month; however, it does not open until April. There is another one that opens in October for federal funding. Chief said he has been talking to some people and Gerald about the best way to do some fundraising but hasn't gotten anything nailed down for sure.

### **FINANCE OFFICER REPORT**

Sandy stated the sales and use tax for December 2024 will be coming in the middle of February and is estimated to be \$38,800, a nice \$5,500 increase from last month. The 2024 tax collection rate is 87.8%, and Jessica sent letters to citizens regarding prior year tax balances. She has successfully collected \$7,439 since July 1st for back taxes. Sandy said she has a budget amendment she needs the board to approve for insurance proceeds from our commercial insurance carrier, Tokyo Marine, for damages during Helene. We receive this insurance money; they will deduct appreciation and the \$50,000 deductible. We received \$87,906.62, and FEMA will do their sight inspections and say you received this much, but we think you should have gotten more, so they will give us the difference. Or they say we received too much, and they will deduct some, so we are not sure how it will pan out. Sandy said she thinks it is probably a conservative estimate because Tokyo Marine is pretty tough on this stuff. They sent their adjustors out a few months ago, and these funds were sent to us for water and wastewater damages. We have already made payments for repairs, except for things that are not fixed, such as fences. She needed approval for the budget amendment to add \$87,906.62 to fund 30 for water and wastewater operations. Alderman Johnson motioned to accept the budget amendment of \$87,906.62. Alderman Calvert seconded the motion. All agreed by a show of hands and stating aye. (*See the attached budget amendment with the minutes*). Sandy said she had a quote for two new desktop computers for the Town Clerk/Tax Collector and the Finance Officer/Town Manager. Their computers are seven years old and do not keep up with everything she and Jessica must do. They are constantly timing out, and she thought that since we rented one of the offices to Chief Cares for \$1,000 a month, we could use \$2,700 of that money. Mayor Roberts asked why we weren't getting Macs. Sandy said she could use a Mac; however, it isn't easy to learn how to use one, and it doesn't play well with everything else. Alderman Johnson asked if she needed a motion to do that. Sandy said she didn't think it was above her spending limit of \$5,000. However, she needed to bring it before the board, so it was official that she asked the board if it was okay to purchase two PCs. The board approved the purchase of the two PCs.

### **TOWN MANAGER REPORT**

Sandy stated that she had a letter from Samaritan's Purse that they are providing a new trailer for a lady and her daughter at the mobile home park on Asa and Bird Street. They are taking the old trailer out because it was damaged during the hurricane and bringing in a brand-new manufactured home. It will be put in the exact same footprint where it is being taken out of, and she wanted to let the board know and make sure this was okay. Alderman Johnson said as long as it was a newer model. Sandy said the Chief Cares folks have moved in and love it. They are excited about being here with us, and we hope that we will have a great relationship with them for as long as they are here. She thanked Maria Roberts for painting their office space and Cody and John from Appalachian Seal Coating for coming in and moving desks between offices. FEMA site visits will start on Friday, and several more will be in March. She also gave out the debris press release that came from the County, and copies were in the back for citizens as

well. Sandy said she wanted to discuss the issues about Bird Street. She has been over there three times looking at an open sewage issue that we talked about in the last meeting, and every time she has been over there, she has told them to get it fixed. An NC-certified plumber was not repairing it; that was her last recommendation. She took the mobile home park manager a violation letter for the area on January 30th, stating that according to our ordinance, it would be \$100 a day until it was repaired because she had already been verbally warned. Sandy took the written warning, had her sign it, and had Officer Isaacs with her. The park manager's daily fine of \$100 began on January 31st until she could get the sewage issue repaired. The only other thing Sandy can do now is call NCDEQ because it is still not fixed, and she does not know how to get her attention. We did turn the water off; however, we turned it back on because it was so cold, and people needed water. Gary said the park manager said she called Plumb Fast; they did show up on Tuesday and were supposed to come back the following day. He called Plumb Fast, and they basically washed their hands with it after the first visit because it looked like something shady was going on, and they didn't want anything to do with it. We have not heard anything from them since then, and Gary rides there daily to take pictures of the open sewage. Sandy said they went to the health department and spoke to the environmental guys, and they told her they couldn't do anything because it was a sewage system, not a septic tank system. Therefore, now it becomes an NCDEQ issue. Mayor Roberts said if he lived there or around that mobile home park and this was an ongoing issue, he would be pretty hot with the Town, and he thinks we can turn the water off. He understands what Sandy is saying about the cold weather, but there comes a time when we just shut the water off because it isn't healthy. Sandy said there are a lot of elderly and disabled residents who live there. Alderman Calvert asked if we shut the water off and if it shut off everyone's water. Sandy said yes, they are not separate lines. Mayor Roberts asked Sandy if her neighbor had this going on and her dog was going over there and coming back with feces on it. Would she be okay with that? She replied no that she would not be. He said he also knew that 90% of the people living there are problems for the police department and the neighborhood. Sandy said she knew that, and we were working on that aspect, too. Mayor Roberts told her not to get offended, but he has been hearing "we are working on this" for three years, and at some point, we need to just bow up and say no water. Sandy said she would turn the water off tomorrow with the Town Council's permission. She said she did not feel like she could make that decision because there are elderly and disabled people who live there. Alderman Johnson asked if there was any way to put a block on just that one house. Gary said each house has its own meter; however, the entire park runs off two Town meters. They turned the meter off to the mobile home, causing the issue, and then somebody ripped it out of the ground, which caused 10,000 gallons of water to flow out. Alderman Hughes asked if we knew who ripped it from the ground and if we could charge that individual. Chief Fields said that wasn't the Town's meter, but it was one of the mobile home park's internal meters. Mayor Roberts said one person owns this property, and she lives in Asheville. She has another younger relative who is siphoning what little money is coming in from the mobile home park, and nobody knows who owns some of those homes. He said you have a pile of meth heads that pile up in some of these homes, and they end up getting into fights, and they can't provide proper leases to the Chief. He has lost two employees over there, and to this day, nobody knows if they are alive because it is an abyss. Sandy said they turned the water off until they had it fixed. She went out there, and it looked like it had been fixed, so they turned it back on. A day or two later, she went there with Dylan to take the park home manager a violation letter because they had put a boot on the line. However, it was not done by a plumber. There was a puddle, and she could only assume it was sewage seeping out of the line because it smelled terrible and was obviously not fixed. Attorney McKinney asked when the \$100 a day fine started, and Sandy said January 31st. He said he has never done it before, but if enough piles up and hits them in their pocketbook, we could go after them to enforce those fines. Sandy said she told her that when they shut the water off, she needed to find accommodations at the Shady Lawn for the disabled lady, and she said she would. Mayor Roberts said to pull down that street and look at the junkyard going on in the horseshoe. If you sit for a second, it will look like you pulled into a zombie apocalypse. Sandy said her next action was to have Jessica write a letter on all the garbage bags sitting there stating they have ten days to clean them up. If it isn't cleaned up within that time, there will be another \$100 daily fine. Alderman Johnson asked to send a letter to the house across from the vet's office

as well, and Sandy said they were. Donetta McKinney asked if the Town could pay to have the sewage line fixed and then bill the mobile home park owner. Alderman Johnson said we would have to bill the entire park because they only have one Town meter, and they split the bill. She said she remembered they did this once before when she was on the board and then billed the owner. Sandy said she understood the water needs to be shut off, but we are punishing 85% - 95% of those doing things properly. She hates that for them, but like they are saying, she guesses that is the only way to get their attention. Donetta said if the owner is not doing what they are supposed to be doing, then the renters need to put pressure on that person. She said it was a terrible eye sore, and when she went to United Community Bank today, there was a huge teepee sitting there. Alderman Hughes said it was a hot tent donated by an organization, and they have a generator and a wood stove. Mayor Roberts said we should tell all the residents the water is being shut off, and they need to pressure this young lady to have it fixed. Vicki Caraway asked if a letter could be given to each resident in the mobile home park. Sandy said she would have Jessica send them out in the morning.

### **CITIZEN COMMENTS**

Kenny Caraway said he was all for Samaritan's Purse, helping folks who had their homes destroyed. They say it is going on the same footprint, but that's something they need to look at down the road because they are opening another door. An ordinance was passed when he served on the board in chapter 80. It talks about mobile home sizes and the amount of space it takes. He believes they are limited to four mobile homes per acre. Under the ordinance we have right now, you cannot pull a mobile home out and put one back in unless they change it. He said they worked for two or three months on this ordinance. Alderman Hughes said she could see his point but couldn't do that to someone homeless. Sandy said she also understood where he was coming from; however, we are in a new era called Helene disaster recovery right now. Mayor Roberts said he agreed with Kenny, and he is 100% correct. He also agreed with Sandy, and she is 100% correct to a point. The problem he has is if the ordinance was put in there to start trying to weed some of this stuff out, and we are going to usurp that, maybe we should talk to Samaritan's Purse and ask them if we can find somewhere else to put this mobile home. Mr. Caraway encouraged the board members to drive to the mobile home park across from his driveway and look at all the trash. Mayor Roberts asked Sandy if we could send them a letter as well, and she said yes. Mr. Caraway said they can barely get up their driveway now because it's so muddy from all the water running down caused by the constant water leak. Alderman Calvert asked Sandy what her thoughts were on the situation. Sandy said we would send letters to all of them because this was not a new issue. The previous Town Administrator, Police Department, and Public Works Supervisor went to this mobile home park and listed all the violations. They all received letters, as did the Equivest property owner, and nothing was done. We will start the process all over and issue fines to either the individual or the Equivest property owner, whichever the board tells her to do. Mayor Roberts asked who we sent the water bill to, and Sandy said Equivest, so that is who we would fine. Sandy asked what she needed to tell Samaritan's Purse about whether they could bring in the new mobile home. Mayor Roberts asked when they wanted to bring in the replacement, and Sandy said it would be next week. Alderman Calvert said according to the ordinance, they can't. He asked if this would also be in effect for the hot tent. Sandy said it depends on whether they are camping in Town or on private property. They are homeless folks using it as temporary housing. Gary said, going back to where the ordinance talks about having four mobile homes per acre, you are looking at between twenty places within a two-acre tract. Sandy said there are probably several violations around Town, and she isn't sure what is grandfathered and what isn't. Alderman Johnson said they would have been considered grandfathered if they had been there before the ordinance was approved. Attorney McKinney said he does not believe Samaritan's Purse can replace the mobile home in the same footprint based on the written ordinance. Several citizens commented on how they understood mobile homes are placed anywhere they could find space; however, there should be regulations, and they should be kept clean up.

### **COUNCIL COMMENTS**

Mayor Roberts asked Chief Fields to work on getting their stuff out of the shop and move to Sokassa. He asked Gary to let him know what day would be best, and he would send some people to help him move some boxes and re-arrange for anything he needed to put up there. Gary said there wouldn't be much room to re-arrange anything after he took the Dodge back up to Sokassa. Mayor Roberts asked for equipment to be added to next month's agenda. Alderman Hughes said she has been speaking with a gentleman who works with Bridge Angels throughout Avery and Watauga County. They are very knowledgeable about the bridges around the area, and he wants to have a meeting one evening in the next couple of weeks. Many volunteers are at a standstill because of FEMA waivers being worked on. She met with Congressman Edwards last Friday and believes things will move forward quickly between him and Dudley Greene. Once we have a date and time set, we will post it on the Town's Facebook and website page because the meeting will be very informative. This will include private bridges, private roads, and culverts. They had gotten several completed before they were stopped because of the no-rise issue. However, she believes that it will be straightened out so they can move forward. The volunteer group has a list of seventy bridges so far between Avery and Watauga County. Larry Hoyle asked who the people who recently rented one of our office spaces were. Sandy said they were Chief Cares Inc., Eric Church's nonprofit organization, and they will build homes around the County. Mr. Hoyle asked how many homes could go on an acre in the County, and Sandy said she wasn't sure about the County's ordinances. Mayor Roberts said he had been to Mayor Pro Tem Haller's area and had seen the trailer with the refrigerator sitting on the front porch. She said she wanted to know who owned that as well. She said it was initially Steve Nelson's and assumed Mike may have taken it now. Mayor Roberts said it belonged to Mike's widowed sister-in-law. Gary said that Land South of Charleston owns the land. MPT Haller said three men live there, and Beverly Hoyle said there used to be nothing there. Alderman Johnson motioned to go into a closed session for a personnel matter. MPT Haller seconded the motion. All agreed by a show of hands and stating aye.

#### **CLOSED SESSION – PERSONNEL**

Let the records show no action was taken during the closed session.

#### **ADJOURNMENT**

Coming back into the open session, Attorney McKinney stated to let the records show no action was taken during the closed session.

Alderman Johnson motioned to adjourn. Alderman Hughes seconded the motion.

Meeting adjourned at 7:45 PM.

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**Town Clerk, Jessica Buchanan**



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**Mayor, Derek Roberts**





## **Resolution for Board Adoption NC Local Government Debt Setoff Program**

**Whereas**, NCGS Chapter 105A, Setoff Debt Collection Act, authorizes the North Carolina Department of Revenue to cooperate in identifying debtors who owe money to qualifying local agencies and who are due refunds from the Department of Revenue; and

**Whereas**, the law authorizes the setting off of certain debts owed to qualifying local agencies against tax refunds; and

**Whereas**, the North Carolina Association of County Commissioners and the North Carolina League of Municipalities have jointly established a clearinghouse to submit debts on behalf of

### **Town Council of the Town of Newland**


as defined in G.S 105A -2(6), effective January 1, 2006 and thereafter as provided by law;

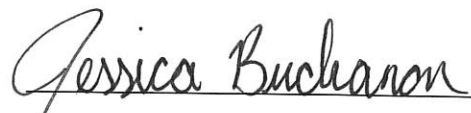
**Now Therefore, be it Resolved** that the local agency will participate in the debt setoff program and hereby designates the Town Attorney as the person to hold hearings and conduct necessary proceedings.

The Governing Body Chair and Manager are hereby authorized to execute such documents and agreements as necessary to participate in the debt setoff program.

Adopted by the Town of Newland

Town Council on the 4<sup>th</sup> day of February 2025

  
\_\_\_\_\_  
Derek Roberts, Mayor

  
\_\_\_\_\_  
Jessica Buchanan, Clerk



January 31, 2025

Rebecca E. Garland, CPA, PA  
256 Smith Knob Road  
Andrews, North Carolina 28901

Attn: Sandy Lewis  
Town Manager/Finance Officer  
Town of Newland  
PO Box 429  
Newland, North Carolina 28657

Dear Ms. Lewis:

This letter sets forth the terms and understanding of the objectives and scope of services I will provide to the Town of Newland as part of this engagement. The purpose of this engagement is to assist with the bank reconciliations and the general ledger reconciliations and trial balance preparations for the FY 2024 audited financial statement engagement. In addition, I will bring the bank reconciliations and general ledger reconciliations analyzed and trial balance preparation through June 30, 2025 to meet the goal of having a timely FY 2025 audit. These tasks are also described in Exhibit B.

By signing below, you acknowledge and accept these terms. A copy of this letter is enclosed for your records.

This engagement is not an audit or review, and no opinion will be expressed on your financial statements. My services are limited to the outlined tasks, and I will not be responsible for managing or performing functions on behalf of the Town. I will perform the services as described in the attached document, following the relevant professional standards as set forth by the American Institute of Certified Public Accountants (AICPA).

I anticipate to complete work by approximately December 31, 2025, subject to unforeseen delays. This estimate assumes full cooperation from your team without significant, unexpected complications. If the scope of the engagement changes, we will discuss any adjustments.

The responsibilities of the Town of Newland management include ensuring the adequacy of the services provided, overseeing the work, and maintaining internal controls over financial information.

Additionally, all data and records necessary to complete the engagement should be provided in a timely manner.

Please review the terms of this engagement, and if you agree, sign the enclosed copy. If you have any questions or need further clarification, please do not hesitate to contact me.

Sincerely,

*Rebecca E. Garland, CPA*  
President

Rebecca E. Garland, CPA PA

Signature of Town Official: Sandra W Lewis

Title of Town Official: Sandra W. Lewis  
2/4/25

**Consultant: Rebecca E. Garland, CPA PA**

**Municipality: Town of Newland**

**Exhibit A**

**to Agreement between Consultant and Participating Member (also referred to as Municipality)  
Required Terms & Conditions**

1. **NOT TO EXCEED:** The total amount charged to the Municipality for services rendered under this Agreement shall not exceed: \$75,000.
2. **RELATIONSHIP WITH OTHER AGREEMENTS:** To the extent that there is any conflict between this Agreement and the Required Terms and Conditions in this Exhibit A, the Required Terms and Conditions in this Exhibit A shall control. Furthermore, this Agreement is in accordance with the terms and conditions set forth in the separate Consulting Agreement between the Consultant and the North Carolina League of Municipalities dated February 4, 2025.
3. **LOCAL TERMS:**
  - a. **Complete Agreement; Choice of Law; Venue; Severability:** This AGREEMENT is the complete statement of the AGREEMENT between the parties on the subject matter, and merges and supersedes all other or prior understandings, agreements, and arrangements. This AGREEMENT shall be governed by the laws of the State of North Carolina. Exclusive jurisdiction and venue for all matters relating to this AGREEMENT shall be in courts located in the State of North Carolina, and Consultant and Municipality consent to such jurisdiction and venue. If any of the provisions of this AGREEMENT are invalid under any applicable statute or rule of law, they are, to that extent, modified to conform with such applicable statute or rule of law.
  - b. **NORTH CAROLINA PUBLIC RECORDS LAW:** Notwithstanding any other provisions of this Agreement, this Agreement and all materials submitted to the MUNICIPALITY by the CONSULTANT are subject to the public records laws of the State of North Carolina and it is the responsibility of the CONSULTANT to properly designate materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to the submission of such materials to the MUNICIPALITY. CONSULTANT understands and agrees that the MUNICIPALITY may take any and all actions necessary to comply with federal, state, and local laws and/or judicial orders and such actions will not constitute a breach of the terms of this Agreement. To the extent that any other provisions of this Agreement conflict with this paragraph, the provisions of this section shall control.
  - c. **E – VERIFY:** CONSULTANT shall comply with E-Verify, the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law and as in accordance with N.C.G.S. §64-25 et seq. In addition, to the best of CONSULTANT's knowledge, any subcontractor employed by CONSULTANT as a part of this contract shall be in compliance with the requirements of E-Verify and N.C.G.S. §64-25 et seq.

- d. **IRAN DIVESTMENT ACT:** CONSULTANT certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.55, et seq. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 147-86.59, CONSULTANT shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.
- e. **COMPANIES BOYCOTTING ISRAEL DIVESTMENT ACT:** CONSULTANT certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.81.
- f. **TERM AND TERMINATION:** This Agreement shall begin on the effective date of this agreement and shall end when terminated at the discretion of either party. All expenditures under this Master Agreement must be obligated on or before December 31, 2024, and expended on or before December 31, 2026. Unless otherwise terminated, this Agreement shall expire on December 31, 2026. The Municipality may terminate this Agreement, in whole or in part, at any time upon written notice to the CONSULTANT and the League. The Consultant shall complete ongoing implementation and shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. If the Consultant has any property in its possession belonging to the Municipality, the Consultant will account for the same, and dispose of it in the manner the Municipality directs.
- g. **INDEPENDENT CONTRACTOR:** CONSULTANT shall be considered to be an Independent Contractor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. Nothing herein is intended or will be construed to establish any agency, partnership, or joint venture. CONSULTANT represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such employees shall not be employees of or have any individual contractual relationship with the MUNICIPALITY.
- h. **NO ASSIGNMENT:** Neither party may assign this AGREEMENT without the express written consent of the other.

#### 4. **FEDERAL TERMS:**

##### 1. **Expenditure Authority.**

This Agreement is subject to the laws, regulations, and guidance documents authorizing and implementing the ARP/CSLFRF grant, including, but not limited to, the following:

- Authorizing Statute. Section 603 of the Social Security Act (42 U.S.C. 803), as added by section 9901(a) of the American Rescue Plan Act of 2021 (Pub. L. No. 117-2).
- Implementing Regulations. Subpart A of 31 CFR Part 35 (Coronavirus State and Local Fiscal Recovery Funds), as adopted in the Coronavirus State and Local Fiscal Recovery Funds interim final rule (86 FR 26786, applicable May 17, 2021 through March 31, 2022) and final rule (87 FR 4338, applicable January 27, 2022 through the end of the ARP/CSLFRF award term), and other subsequent regulations implementing Section 603 of the Social Security Act (42 U.S.C. 803).

- **Guidance Documents.** Applicable guidance documents issued from time-to-time by the US Department of Treasury, including the currently applicable version of the Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds.

This Agreement is also subject to all applicable laws of the State of North Carolina.

**2. Allowable Costs for Member Services Rendered.**

All Services provided pursuant to this Agreement must fall with the definitions of allowable cost and not be otherwise prohibited under State or Federal law.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance, Subpart E, defines those items of cost that are allowable, and which are unallowable. These allowable cost requirements are:

1. The costs must be reasonable;
2. The costs must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP);
3. The costs must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances;
4. The costs must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items.

**3. Prohibited Uses of Funding.**

The US Treasury's Final Rule prohibits certain uses of ARP/CSLFRF funds. Specifically, ARP/ CSLFRF funds may not be used for projects within the following categories of expenditures:

1. To make a deposit into a pension fund that constitutes an extraordinary payment of an accrued, unfunded liability (routine contributions which are part of a payroll obligation for an eligible project are allowed.);
2. To borrow money or make debt service payments;
3. To replenish rainy day funds or to fund other financial reserves;
4. To satisfy an obligation arising from a settlement agreement, judgment, consent decree, or judicially confirmed debt restricting in a judicial, administrative, or regulatory proceeding;
5. For a project that includes a term or condition that undermines efforts to stop the spread of COVID-19 or discourages compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19;
6. In violation of the conflict-of-interest requirements imposed by the award terms and 2 CFR 200.318(c).
7. For any expenditure that would violate other applicable federal, state, and local laws and regulations.

**4. Conflicts of Interest; Gifts & Favors.**

The Consultant understands that (1) it will use Fiscal Recovery Funds to pay for the cost of this Agreement, and (2) the expenditure of Fiscal Recovery Funds is governed by the League's Conflict of Interest Policy and the Federal and State regulatory requirements (including, without limitation, N.C. Gen. Stat. § 14- 234(a)(1) and N.C. Gen. Stat. § 14-234.3(a)).

The Consultant certifies that, as of the date hereof, to the best of its knowledge after reasonable inquiry, no employee, officer, or agent of the Consultant involved in the selection, award, or administration of this Agreement (each, a "Covered Individual"), nor any member of a Covered Individual's immediate family, nor a Covered Individual's partner, nor an organization which employs or is about to employ a Covered Individual, has a financial or other interest in or has received a tangible personal benefit from Fiscal Recovery Funds, except as to the funds legally expended in this Agreement. Should the Consultant obtain knowledge of any such interest, or any tangible personal benefit described in the preceding sentence after the date hereof, the Consultant shall promptly disclose the same to the League in writing.

The Consultant certifies to the League that it has not provided, nor offered to provide, any gratuities, favors, or anything of value to an officer, employee, or agent of the League. Should the Consultant obtain knowledge of the provision, or offer of a provision, of any gratuity, favor, or anything of value to an officer, employee, or agent described in the preceding sentence after the date hereof, the Consultant shall promptly disclose the same to the League in writing.

**5. Records Retention and Access.**

The Consultant shall maintain all records, books, papers and other documents related to its performance of Approved Activities under this Agreement (including without limitation personnel, property, financial and medical records) through at least December 31, 2031, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit, or other inquiry involving this Agreement. The Consultant shall make all records, books, papers and other documents that relate to this Agreement, unless otherwise privileged, available at all reasonable times for inspection, review or audit by the authorized representatives of the League, the North Carolina State Auditor, the US Department of Treasury, the US Government Accountability Office, and any other authorized state or federal oversight office.

**6. Suspension and Debarment.**

The Consultant shall comply with the Office of Management and Budget (OMB) Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR Part 180, as adopted by the U.S. Department of Treasury at 31 CFR Part 19. The Consultant represents that neither it, nor any of its principals has been debarred, suspended, or otherwise determined ineligible to participate in federal assistance awards or contracts. The Consultant further agrees that it will notify the League immediately if it, or any of its principals, is placed on the list of parties excluded from federal procurement or nonprocurement programs available at [www.sam.gov](http://www.sam.gov).

**7. Byrd Anti-Lobbying Amendment.**

The Consultant certifies to the League that it has not used and will not use Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. The Consultant shall disclose any lobbying with non-Federally appropriated funds that takes place in connection with obtaining any Federal award. This certification is a material representation of fact upon which the League has relied when entering this Agreement and all liability arising from an erroneous representation shall be borne solely by the Consultant.



8. **Publications.**

Any publications produced with funds from this Agreement shall display the following language: "This project is supported, in whole or in part, by federal award number SLFRP0129 awarded to NC League of Municipalities through the State of North Carolina by the U.S. Department of the Treasury."

9. **Equal Opportunity and Other Relevant Federal Laws**

The Consultant agrees during the performance of this Agreement the following:

**Civil Rights Laws.**

The Consultant shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance.

**Fair Housing Laws.**

The Consultant shall comply with the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.

**Disability Protections.**

The Consultant shall comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.

**Age Discrimination.**

The Consultant shall comply with the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 CFR Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

**Americans with Disabilities Act.**

The Consultant shall comply with Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**Clean Air Act.**

The Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq. The Consultant agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to the U.S. Department of the Treasury, and the appropriate Environmental Protection Agency Regional Office.

**Federal Water Pollution Control Act.**

The Consultant agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq. The Consultant agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to assure notification to the U.S. Department of the Treasury, and the appropriate Environmental Protection Agency Regional Office.

**Hatch Act.**

The Consultant agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

**Protections for Whistleblowers.**

Pursuant to 41 U.S.C. § 4712, the Consultant may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

**Uniform Relocation Assistance and Real Property Acquisitions Act of 1970.**

Pursuant to 42 U.S.C. §§ 4601-4655, the Consultant will implement standards for predictable real property acquisition and relocation expenses for homeowners and tenants of land acquired through eminent domain.

**Governmentwide Requirements for Drug-Free Workplace.**

Pursuant to 31 C.F.R. Part 20, the Consultant will implement required statements, policies and procedures.

**Increasing Seat Belt Use in the United States.**

Pursuant to Executive Order 13043, 62 Fed. Reg. 19216 (Apr. 18, 1997), the Consultant encourages its employees to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented or personally owned vehicles.

**Reducing Text Messaging While Driving.**

Pursuant to Executive Order 13513, 74 Fed. Reg. 51225 (Oct. 6, 2009), the Consultant encourages its employees to adopt and enforce policies that ban text messaging while driving.

## **Exhibit B**

### **Description of Services**

#### **Exhibit B1: Accounting, Instruction, and Mentorship (AIM) Program examples of accounting and accounting assistance needed to bring a municipality's records up- to-date:**

##### **General Accounting Duties:**

- Resolution of reconciling items with needed corrections to the General Ledger's pooled cash by appropriate fund
- Updates of budget transfers and amendments
- Filing of any outstanding required financial reports and certifications to the State and IRS
- Completion of monthly bank statement reconciliations for all monthly periods identified
- Resolution of reconciling items with needed corrections to the General Ledger's pooled cash by appropriate fund
- Updating of the General Ledger and accounting system for any unposted items
- Verification that payroll processes and documentation are current.
- Verification that financial records are backed up by the municipality
- Verification that applicable subsidiary files agree with the Balance Sheet account(s)
- Verification that the trial balance is balanced

##### **Monthly Utility Fund Duties (As applicable):**

- Verification that the utility accounts receivable account is balanced to customer subsidiary files
- Verification that other applicable subsidiary files, such as for deposits and payment plans, are balanced to the Balance Sheet
- Review and verification that billing adjustments and cut-offs are current

##### **Audit Preparation and Year-End Duties (As applicable):**

- Participation with auditor and unit in an audit planning meeting prior to the end of the fiscal year
- General Ledger year-end review and adjustments
- Organizing and filing of documents and files used in audit
- Assistance with other audit related duties as approved by the League and municipality

All work completed for participants under the AIM program must be invoiced clearly indicating work completed falls under the description of services in the AIM program as described above.

### Timeline of Work to be Completed

Catch-Up Work Needed	Anticipated Completion Date	Description
Bank Reconciliations for following bank accounts for FY 2024 and FY 2025 Water and Sewer General Fund Powell Bill NCCMT – General Fund NCCMT – Water and Sewer Fund First Citizens Bank Money Market Police Department Drug Fund Certificate(s) of Deposit	August 15, 2025	Analyze deposits in water and sewer and general fund accounts from payment central to general ledger and back to bank statements, analyze activity in GP and PR accounts for missing data, create journal entries for posting, and tie reconciled balance to general ledger. Reconcile all accounts to 6/30/2025 to allow staff to work on FEMA and DBQ projects due to Helene. Ensures ACH credits and debits are properly recorded and accounted for in the general ledger. NCCMT accounts, MM and CD bank reconciliations may require additional time in FY 2024 due to transfers between accounts due to high project expenditures which resulted in town's dire cash flow needs. WS deposit account may require additional time due to former FO unfamiliarity with double entry/fund accounting.
Property Tax Reconciliation FY 2024 and FY 2025	August 15, 2025	Analyze payments received and levy per county and TR-2 report and reconcile payments from payment central records to general ledger receivables, deferred revenue and revenue accounts. Ensure penalties, interest, fees collected and paid are reconciled to county and general ledger. FY 2025 - reconcile monthly to GL as bank recs are completed. Create journal entries for activity for posting by town staff. - Added additional time FY 2024 due to inexperience of previous finance officer.
Payroll Reconciliation, including compensated absences for FY 2024 and 2025.	August 31, 2025	Payroll reconciliation of salaries and benefits expenditures activity to GL and reconciliation of fringe benefits and liabilities to payable accounts and 941's and other payroll reports as completed. Earlier periods will take additional time due to internal records may be incomplete. Reconcile any debit balances. Also provide information to auditor for compensated absences disclosure requirements.
Accounts Payable Reconciliation for FY 2024 and FY 2025	August 31, 2025	Analyze GL and review subsequent period cash disbursements and tie or adjust unrecorded liabilities to the general ledger. For FY 2023 and FY 2024 ensure any necessary journal entries are drafted for posting by town personnel. FY 2025 - analyze general ledger as bank reconciliations are occurring.
Interfund Activity Reconciliation for FY 2024 and FY 2025	August 31, 2025	Analyze interfund loans and transfers to reconcile corresponding fund accounts balance across funds. Currently the FY 2023 balances do not tie. Locate corresponding unrecorded transactions and provide journal entries to town staff for recording to reconcile general ledger accounts. Additional time is needed due to out of balance condition of trial balance between GF and WS which indicates incorrect or missing entries between funds in records and Town's use of funds for projects.
Utility Reconciliation to General Ledger FY 2024 and FY 2025	September 30, 2025	Review billing reports for FY 2023 and FY 2024 and ties to revenue recorded in GL. Tie customer subsidiary balances to account balance in GL. Perform FY 2025 as a monthly reconciliation to provide town monthly reports for auditors.
Accounts Receivable from other sources and restricted shared revenues reconciliation FY 2024 and 2025.	September 30, 2025	Analyze for appropriate posting of restricted revenues from capital projects and intergovernmental sources. Create journal entries for town staff and tie to general ledger.
Capital Assets FY 2024 and FY 2025	September 30, 2025	Scan general ledger for asset acquisitions above town capitalization threshold and assist town in compiling information for auditors to vouch additions. Similar process for disposals. Assist with update of capital asset lists if needed and required by auditor.

Catch-Up Work Needed	Anticipated Completion Date	Description
Debt Service Analysis FY 2024 and FY 2025	September 30, 2025	Review debt service payments and reconcile to amortization schedules and LGC information.
Reconcile Fund Balance FY 2024 and FY 2025	September 30, 2025	Reconcile fund balance to prior year audit - located any out of balance conditions and provide journal entries for corrections.
Review final unaudited trial balance for submission to auditors	December 31, 2025	Trial balance prepared and tied to results from above activities.

**Estimated total cost for this scope of services: \$66,543.**





## TOWN OF NEWLAND

301 CRANBERRY STREET  
P.O. BOX 429  
Newland, N.C. 28657  
www.townofnewland.org  
828.733.2023

### Council Members

Derek Roberts, Mayor  
Gail Haller, Mayor Pro Tem  
Dave Calvert  
Kenan Foxx  
Christie Hughes  
James Johnson

### BUDGET AMENDMENT #2

**BE IT ORDINANED** by the Governing Board of the Town of Newland, North Carolina, that the following amendment be made to the annual budget ordinance for the Fiscal Year ending June 30, 2025.

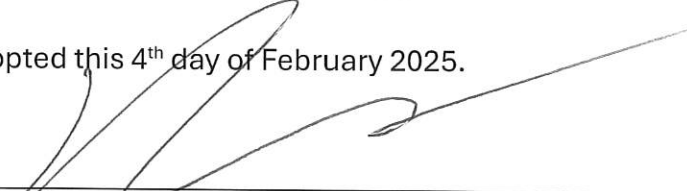
Section 1. To increase appropriations in Fund 30, Water/Wastewater in the amount of \$87,906.62 to reflect **Insurance Proceeds – Helene**.

Section 2. Water and Wastewater Operations shall be increased from \$563,332.00 to \$651,239; Account 54010 (Repairs and Maintenance) shall be increased by \$87,906.62.


Water/Sewer Operations	\$630,239
Debt Service	<u>21,000</u>
Total Appropriations	\$651,239

Section 3. Copies of this Budget Amendment shall be furnished to the Clerk, to the Governing Board, and to the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this 4<sup>th</sup> day of February 2025.

  
\_\_\_\_\_  
Derek A. Roberts, Mayor

Attest:

  
\_\_\_\_\_  
Jessica Buchanan, Town Clerk

