

# AGENDA SEDALIA TOWN COUNCIL MEETING SEDALIA TOWN HALL 6121 Burlington Road January 29th, 2024 7PM

#### **Minutes**

- **CALL TO ORDER:** The regular scheduled meeting for the Town of Sedalia was called to order at 7:00 pm at the Sedalia Town Hall by Mayor Morgan.
- **PRAYER & MEDITATION:** Time was allotted for silent prayer and meditation.
- PLEDGE OF ALLEGIANCE: Time was allotted for pledge to the U.S. Flag.
- ROLL CALL: Mayor Morgan, Mayor Pro Tem Faison, Councilwoman Jones, Councilwoman Wrenwick, and Councilman Sharpe.
- **A. MOTION** to approve the agenda with request to move the Presentation of the Town Audit to the top of the agenda was made by Mayor Pro Tem Faison and seconded by Councilwoman Jones. Motion carried.
- **B. MOTION** to approve the minutes from the January 8<sup>th</sup> Town Council meeting was made by Councilwoman Wrenwick and seconded by Councilman Sharpe. Motion carried.

# C. GUESTS/REPORTS/DISCUSSIONS

#### I. Presentation of Town Audit

Tony Brewer, CPA, stood in for Eddie Carrick, CPA, presenting the town's audit for the year 2023. According to the financial information from 2022, Mr. Brewer provided some highlights of the town's financial status for their General Fund as of 2023:

- Ad valorem tax collections were up by \$48k.
- LOST was up by <u>\$4k</u>.
- Restricted intergovernmental was down by \$50k due to a \$50,000 revitalization grant in 2022.
- Other revenues were down by \$117k due to a piece of property that was donated to the town in 2022.
- Total revenue was down by about \$111k in 2023, due to the donated property.
- Expenditures were also down by about <u>\$25k</u>, mainly because Capital outlays were down in the Public Works Department.
- Available Fund Balance increased to 172% of General Fund expenditures from 130% in 2022.
- The collection rate was at 96.54%, slightly below the state average of 97%.

The Town of Sedalia is still debt-free as of 6/30/2023.

The collection rate average was a cause of concern for Councilman Sharpe, who stated that "The collection rate is out of [the Town of Sedalia's] control," mentioning that it is 100% dependent on Guilford County. He continued, "We have a difficult time trying to figure out what the numbers would be last year... The 96.54% is being presented as a slight to the town." Mr. Brewer responded, stating that "[the Sedalia town average being lower than the state average] is not a slight... When you've got a small population, then a handful of unpaid taxes brings [the town's] percentage down," explaining that it is easier for larger cities to have a high percentage because their large numbers allow for better statistics, even when they have the same number of discrepancies as smaller municipalities. Administrator Cam also added that "96.54% is good, given that many [of Sedalia's] residents lost their jobs due to Covid-19, and it's still only 0.5% away from the [state] average."

Councilman Sharpe also pointed out the discrepancy between the Town of Sedalia having a large balance but not seeing any returns in their interest, asking CPA Tony Brewer if that is normal. Tony Brewer agreed that the town should be making more interest on their finances, suggesting that the town look into 'NC Cash Management.' He stated that the organization has had a scandalous history for the past 5-7 years, in which municipalities complained about low returns. However, after a change in management, NC Cash Management is doing much better with giving out high returns on investments.

As a municipality, the Town of Sedalia is limited in the investments it can make. Mr. Brewer stated that this will make it harder for Sedalia to move their finances to another financial company. However, since the banks and financial institutes are starting to recover from COVID, "now is the time to start shopping for better interest rates." He suggested that the Town of Sedalia put its money in an investment account to accrue interest and only move it to the checking account when necessary for payments. This will allow the town to receive a higher return on their finances.

Tony Brewer, CPA, continued, informing the Town that LGC will no longer be issuing unit letters. Auditors are now required to report to the governing body "Financial Performance Indicators" and to notify the governing body of their requirement to submit a response to the LGC if there are Financial Performance Indicators of Concern OR if the audited financial statements include one or more deficiencies or other findings. The Town of Sedalia will now be expected to develop a "Response to the Auditors' Findings." This response must be signed by the majority of the members of the governing body and be submitted to the LGC within 60 days of the auditor's presentation addressing each deficiency or other audit finding and providing a plan to address each indicator of concern.

The Town of Sedalia's General Fund expenditures are above average for its size, with the average unit size being 191.09%, which is 59.09% higher than the average unit of Sedalia's size. Additionally, the biggest issue that Mr. Brewer found was that there was a water-sewer fund, while the Town doesn't utilize water-sewers. He advises the town to put that money into the General Fund. Councilwoman Wrenwick informed him that "[The Town of Sedalia created the water-sewer fund] because we plan on having some in

the future." To which Mr. Brewer responded that the town could commit the money to water and sewer without having a full separate fund for it. Administrator Cam added that that money could possibly be invested, to which Tony Brewer agreed, stating that they could move it to a money-market account, since the allotted \$15,000 only made \$2 in 2023.

In Tony Brewer's opinion, there were no performance indicators of concern nor significant deficiencies or material weaknesses in 2023. He added that, although the town is in good standing now, "the smaller you are, [the town] is, the quicker [it can] become unhealthy," stating that "one little emergency can wipe out \$100,000 real quick."

## II. End-of-Year Finance Report

Councilwoman Wrenwick reported on the December 2023 financial transactions and balances.

The balance for each account as of December 31, 2023

American Rescue Plan: \$133,692.96

Powell Bill Fund: \$133,557.53Guilford County ARP: \$65,348.65

• Savings: \$487,657.24

• Town Center/Bike and Pedestrian Fund: \$40,933.03

• Checking: \$13,401.10

Liberty Storage Shed initially took payment twice but has since reimbursed the duplicate payment.

Planning Board Vice-Chair Mariam Jeffries asked if there was a printout about the money that Guilford County gets from citizens' property taxes because \$4,000 seemed kind of small. Councilwoman Wrenwick responded that "most people don't pay their property taxes in December and choose to pay them around June/July."

Administrator Dungee stated that the town has been consistently going over its \$15,000 monthly budget for bills/general use and has decided to increase its monthly transfer from savings to checking to \$22,500 monthly.

#### The Town Council agreed to this change.

Returning to the investment discussion during the presentation of the town audit, Councilman Sharpe believes that the town should look into investing with NC Cash Management, and/or at least have them come to present to the town. The Town Council seemed to agree with looking into this option, bringing up an investment firm that the town was interested in working with, called 'NC Capital Management Trust.' However, Councilwoman Wrenwick reminded them that the reason the Town of Sedalia chose not to work with that organization in the first place was that it was based on securities, and the town wasn't comfortable with having their money go into volatile stocks.

Councilwoman Wrenwick stated that all municipality statements can be found online.

# III. Planning Board Meeting Update

Planning Board Vice-Chair Mariam Jeffries reported the update from the Planning Board Meeting of January 18<sup>th</sup>. It was decided by the Planning Board Members that they would adjust Section 6-1.5 of the Town's Development Ordinance (2021) to include:

- Informational, Commercial, and Directional signs of all sizes need to be approved by the Town Council, on a permit basis.
- Sign limits on public and private properties.
- An established permit system for business promotion within Town limits.
- More specific speech regarding the type of zoning in which these changes should be held, "In all zoning districts, the requester would need to have a drawing specifying dimension of the sign and apply for a permit."

The Planning Board continued their review of the Flood Damage Prevention Ordinance, starting at the "Substantial Damage" provision, to Section 3. Part 3 "Certification Requirements.

The Planning Board will continue going over the Flood Damage Prevention Ordinance during the next Planning Board Meeting on February 15<sup>th</sup>, 2024.

# IV. Report on Relocation of the Welcome Signs

Mayor Pro Tem Faison presented the report on the relocation of the Town of Sedalia welcome signs.

The town was recently informed by James Marley, an engineering technician with the North Carolina Department of Transportation (NCDOT), that the two welcome signs have not been installed according to the plans that were approved by their office. The town was informed that the district office did not receive the required notifications of work beginning or being completed, as stated within the Special Provisions. Therefore, their office did not know the project was completed until it was recently discovered.

According to NCDOT, the approved plan indicates that the proposed signpost on the west side of town (along US-70 - near Commons Drive) was supposed to be 16' from the edge of the pavement; however, it is currently 9.5' from the edge of the pavement.

Additionally, the sign on the east side of town (along US-70 - near Doria Marshall Lane) was supposed to be 22' from the edge of the pavement; however, it is currently 16' from the edge of the pavement.

The Town of Sedalia is responsible for the costs to move the signs and is currently seeking less expensive estimates.

Administrator Dungee proposes that the town contacts NCDOT to have someone come down and view the markings before construction begins so that the town doesn't have to worry about such a misstep happening again. She added that the sign company originally

put the markings in the right spot; however, when they subcontracted the work, the subcontractor made a mistake, which the town of Sedalia now has to rectify with NCDOT.

Alton Rucker (904 Rockhurst Dr, Gibsonville, NC 27249) states that the company that made the mistake should be financially responsible for this mishap, as the town took all necessary precautions. Mayor Pro Tem Faison replied that the business does not exist anymore, and they did not tell the town that they were going out of business before agreeing to work with them.

Planning Board Vice-Chair Mariam Jeffries asked if the town was still within its warranty, to which Administrator Dungee answered, "Based on the contract, it's too late, since NCDOT took 2 years to say something [about the sign]..." Roofer, Matthew O'Dell chimed in, asking if it could possibly be a service project for the town, to which Administrator Dungee declined, as a result of underground wires and cables.

Planning Board Member Robert Jones asks "What's the lesson learned going forward with the new contractor?" to which Mayor Morgan joked "The new contractor can't even turn on their equipment without [the Town Council] being there." The Town Council agreed.

Since there is nothing more that the town can do to fight NCDOT's claims, they have decided to look at "at least one more" bid from a contractor and go with the best price.

# V. Update on GMS Services

Administrator Dungee presented an update on the proposed use of GMS services. The town was looking at GMS Services to help the town with things that will aid its growth, such as:

- Payroll assistance
- Human Resources
- Hiring Packages
- Insurance Packages

The concern is that, although the company can offer useful packages for Town of Sedalia employees, the town would still have to pay GMS Services whether employees accept these packages or not. This is especially a concern because the two full-time town employees, Clerk Dodd and Administrator Dungee, do not need insurance, and the only positions open are part-time, and employees do not qualify for insurance. Administrator Dungee was torn between needing some parts of the package but still having to pay for the full packages. Councilwoman Wrenwick added that the town had already lost a candidate due to a lack of insurance and believes that they should probably "bite the bullet" as an employer.

### Packages offered:

- Simpler Package Cost: \$104 per employee per month (\$1,248 annually)
- Stronger Package Cost: \$133 per employee per month (\$1,596 annually)

Planning Board Member Jay Riehle states that working with GMS Services will only be financially necessary if the Town of Sedalia is looking to hire hundreds of workers. He

mentioned that hiring can be done on an Excel sheet; it costs about \$10 to look up a candidate's felonies, and for any other issues, saying that "Google is your friend for new hires." If the requisitions are good, the job posting will handle most of its vetting for you. Jay Riehle has volunteered his services, as necessary, for the Town of Sedalia's hiring process going forward, as the town is only looking to hire about 1-2 positions within the next few years.

The Town Council has decided not to pursue further discussions with GMS Services but to keep the option open for potential future needs.

## VI. Update of Town Park Project

Councilman Sharpe gave an update on the Town Park Project, in collaboration with North Carolina A&T State University's Landscape Architecture program, alongside Professor Paul Kron.

The junior class of North Carolina A&T State University's Landscape Architecture program is collaborating with the Town on a park project. The initiative is led by Paul Kron from Foothills Planning & Design, who serves as their adjunct professor and is contracted by the Town to oversee the project. This collaboration aims not only to efficiently accomplish project goals but also to provide valuable learning experiences for the students. Additionally, it contributes to fulfilling requirements for applying for the Parks and Recreation Trust Funds (PARTF) grant.

Over the next 12-15 weeks, a series of five classroom assignments has been planned. These assignments collectively aim to gather the essential details required for the town to submit a comprehensive application for a PARTF grant. If successful, this grant has the potential to significantly augment the project funding, potentially doubling it from the current \$500,000 to a total of \$1.000.000.

The assignments are strategically designed to provide the town with the information and documentation needed to enhance their chances of securing additional financial support for the project:

- Assignment #1 Park Design Concept
- Assignment #2 Establish List of Design Elements to be Detailed and/or Specified
- Assignment #3 Research and Present Product Alternatives & Preliminary Cost Estimates
- Assignment #4 Research and Present Drawings, Details, Specifications & Preliminary Cost Estimates for Potential Design Elements to Be Built On-Site
- Assignment #5 Produce and Present Recommended Bid Package

Councilman Sharpe is excited to see that the Town of Sedalia is working with the Landscape Architecture program, stating that "the park committee was interested in ways to bring more young people in, so this is perfect."

Administrator Dungee stated that Professor Paul Kron, of Foothills Planning & Design, is working with Melinda Ford next week for a GIS examination of the park's landscape. "[Ms.

Ford] does a lot of the mapping and GIS with the Piedmont Triad Regional Council (PTRC), and she's created this GIS [system] so that he can actually go in on sight with the device, and use a measuring wheel to map out where everything's going to be." Stating that it's one thing to put it on paper, but when you can actually see the topography of a landscape, it gives more information about what aspects of the park can be put where.

## VII. Adopt Resolution Authorizing Physical Destruction of Device

Mayor Morgan read the Town of Sedalia Resolution Authorizing the Discharging and Destruction of Electronic Devices.

The follow devices were listed:

- Dell ARRC
- 2019 HP Notebook
- Lenovo Chromebook S330
- ASUS Sonicmaster
- ASUS Ultrabook
- ASUS Tablet
- ASUS Tablet
- ASUS Tablet
- · Sprint Answering Machine
- Dell Keyboard
- Sprint Landline Office Phone
- AT&T Answering Machine
- Pitney Bowes Postal Scale
- Sanyo Foot Control
- 2Wire DSL Filter
- Embarq 660 Series Router
- 15 Device Chargers

It was decided by Administrator Dungee that the devices will be sent to The Recycling Center in Greensboro, NC, to be shredded.

With a unanimous vote, the motion to authorize the discarding of old/broken Town of Sedalia technology was carried by Councilwoman Wrenwick and seconded by Councilwoman Jones.

## VIII. Submitted Quote on Town Hall Roof Repair

Mayor Morgan discussed two submitted quotes for roof replacement of the Sedalia Town Hall.

In attendance was Matthew O'Dell, part-owner of Arthur's Roofing, a 20-year old company that is top 10 in Greensboro, NC. He spoke on behalf of his company.

Mr. O'Dell states that

"I was riding threw here and I [noticed] that [the Town Hall's] shingles were blown up, and I came through to blow out your gutters, [and noticed that] the roof is pretty soft in a couple of places." He recommended the installation of 50-year architectural shingles and the replacement of any rotten wood. "We'll go over the whole roof with synthetic underlayment. It's not the felt that [contractors] used to use." He also recommended winter-guard on the gutters, so that when the gutters freeze, they won't back underneath the shingles. He mentioned that he could also put lifetime metal over the shingles the Sedalia Town Hall already has, which would save the town about \$1,000.

Arthur's Roofing also uses Landmark CertainTEED Certified Master Shingle's, which comes with a guarantee that once you put these shingles on the building, the manufacturers will back the shingles for 50 years. "That way, even if something happens to [Arthur's Roofing], you are backed by the company that makes the singles.

Councilwoman Jones asked if the shingles were algae-free, to which Mr. O'Dell stated that he utilizes Zinc shingles, which are algae resistant for 10-15 years.

The addition of leaf guards for the gutter would cost about \$1,200-\$1,300.

Arthur's Roofing usually does a 10-year warranty but is willing to extend it to 15-years for the Town of Sedalia, and agreed to bypass the \$4,000 deposit for his \$8,000 quote.

The Town Council agreed to keep in touch with Matthew O'Dell

The second roofing quote came from Garcia Roofing, who is offering the following services:

- Tear off 1 layer of existing roof shingles
- Replace any rotten wood
- Install a new layer of felt
- Replace all lead boots, kitchen and dryer vents and re-flash as needed
- Install a new 30 year fiberglass self sealing shingle
- Plywood roof replacement

These attachments come with a 5-year labor warranty, for \$6,975

The Town Council has agreed to wait for one more quote.

#### IX. Update on Sedalia Fresh

Councilwoman Jones provided the update for Sedalia Fresh, which has decided to rebrand itself for 2024. Sedalia Fresh will now take place from April to November at the Charlotte Hawkins Brown Museum (on the athletic field) on the first Saturday of every month, from 9 am to 12 pm.

Shaterra Williams, marketing director for Sedalia Fresh, will work 10 hours a month, with 5 hours being allotted to marketing tasks, and the other 5 for the actual event. This totals to about \$1,050 for the duration of the event, allowing for the Town of Sedalia to be about \$300 under budget. The remaining \$300 will be used for event signage.

Councilwoman Jones asked the committee if they had decided on the types of items that would be able to be sold this time around, to which Administrator Dungee responded that the Committee went back and forth with this issue, stating, "Last time, we had more items that were not produce... This time, since we were wiping the slate clean, we decided to try to reach out to more farmers and folks that have more produce, [without alienating] everybody that may have homemade products," continuing that they didn't want Sedalia Fresh to look like a flea market. However, the committee has decided to allow homemade soaps and lotions to be sold.

Administrator Dungee brought up a possible issue that Ms. Williams faced earlier in the week with an existing fresh market, who had given her pointers on how to establish Sedalia Fresh. This fresh market owner has reached out to Shaterra Williams to inquire about how she may have gotten her vendor list because the owner had received emails from her vendors asking if she was giving their information out.

Additionally, there seems to be conflict based on the new date and time of the 2024 Sedalia Fresh events. Sedalia Fresh was originally supposed to be on Wednesday evenings, but after much research, they found that the day that most people go shopping is on Saturdays, so they made necessary changes to the Sedalia Fresh calendar. However, this has caused a conflict within the timing of the other market, making it seem as if the Town of Sedalia sent someone to get guidance from other markets, just to steal their vendors and customer base.

According to Ms. Williams, she received the list of vendors through research, as farmland is public knowledge. However, Administrator Dungee is nervous about how these actions may be perceived by the general public. However, Mayor Pro Tem Faison stated, "If these are the available vendors, then there is going to be some overlap," to which the Council agreed.

Administrator Dungee asks the Town Council if they should bite the bullet and change the date or keep the date and welcome the competition. Planning Board member, Jay Riehle, stated that the general public won't be an issue because the "consumers won't be affected" and will most likely go to whatever is closest to them. The only people affected will be the vendors, as they will have to pick a side to determine which event to work with. The other market is about 20 minutes away from Sedalia, in the direction of Burlington, meaning that vendors in the Sedalia/Greensboro area will most likely be interested in Sedalia Fresh, while vendors closer to Burlington will most likely stay with the other market anyway. Planning Board Member Jones believes that the Council should "Let the chips fall where they may."

The Town Council decided to keep the vendor list, along with the newly proposed date.

#### **D. CITIZENS COMMENTS**

Clerk Dodd announced that Sedalia Town Hall is seeking additional members for the 2024 Founder's Day Celebration Committee.

## **E. ANNOUNCEMENTS**

Meeting adjourned.

All regular scheduled meetings are held at the Sedalia Town Hall at 7:00 pm.

- The next Town Council meeting will be held on February 5th.
- The next Planning Board meeting will be held on February 15th.
- The next Town Council Agenda meeting will be held on February 26th.

Submitted By:	Approved By:
Kayla Dodd, Town Clerk	Howard Morgan, Mayor
 Date	(SEAL)