TOWN OF FOUR OAKS TOWN COUNCIL MEETING FEBRUARY 13TH, 2023 AGENDA

- 1) Call to Order
- 2) Invocation and Pledge of Allegiance
- 3) Approval of Minutes
 - (a) Town Council Meeting January 9th, 2023
 - (b) Special Called Meeting January 17th, 2023
- 4) Oath of Office Michael Bradley as Commissioner
- 5) Proclamation
 - (a) Honoring John G. Hatch
 - (b) All In Red Month
- 6) 2021-2022 Financial Statement Austin Eubanks, TPSA Auditor via Zoom
- 7) Presentation Patricia Chisholm-Jones Honoring Our Colorful Ancestors of Four Oaks
- 8) Public Comments
 - (a) Megan Blackmon Event in Barbour's Grove Park
- 9) Public Hearings
 - (a) Amend Town Ordinance Chapter 32: § 32.15 Board of Adjustment Establishment; Duties Amend the Establishment & Duties of the Board of Adjustments to be the Board of Commissioners
 - (b) Golden Leaf, LLC, Petitioner & Owners Application for Variances on 2 Triplexes on Parcels # 08H99033, 08H99033A, 08H99032V, & 08H99033B
 - (c) Jones Creek, LLC, Petitioner and Terry Lee Clary & H. Edwin Lee, Jr, Owners Application for Rezoning & Subdivision at 203 Hollingsworth Rd. Tabled at December 12, 2022 meeting
 - (d) Voluntary Annexation for Parcels # 08H10043, 08H10047A, & 08H10048 located at 203 Hollingsworth Rd and off Old School Rd., Four Oaks, NC, petitioner Jones Creek, LLC and owners Terry Lee Clarey & H. Edwin Lee, Jr.
 - (e) Voluntary Annexation for Parcels # 08H10076B & 08H10076A located of Parker Rd. & Parkertown Rd., Four Oaks, NC, owner Golden Leaf, LLC.
- 10) New Business
 - (a) Boyette Road Waterline Contract Barry Stanley
 - (b) Parks & Rec Master Plan Contract
- 11) Mayor's Comments
- 12) Department Reports
 - (a) Police Chief Anderson
 - (b) Parks & Rec & Outreach Robertson
 - (c) Water and Sewer Hines
 - (d) Sanitation & Streets Surles
 - (e) Finance Hardy

TOWN OF FOUR OAKS TOWN COUNCIL MEETING FEBRUARY 13TH, 2023 MINUTES

Call to Order

Mayor Vic Medlin called the February 13th, 2023 regular scheduled Town Council meeting to order at 7:00 p.m. Those present included Commissioners Andy Hardy, Mike Hines, Kim Robertson, and Carles Surles. Also, present were Police Chief Stephen Anderson; Public Works Director Barry Stanley; Town Clerk Martha Garris recording minutes; and Mike Dart from FO Benson New in Review.

Invocation and Pledge of Allegiance

Commissioner Surles gave the opening Invocation with John Hatch leading the Pledge of Allegiance.

Approval of Minutes

Town Council Meeting – January 9th, 2023

Commissioner Surles made a motion to approve the Town Council regular meeting minutes as presented, seconded by Commissioner Hines, voting unanimous.

Town Council Special Called Meeting – January 17th, 2023

Commissioner Hardy made a motion to approve the Town Council special called meeting minutes as presented, seconded by Commissioner Surles, voting unanimous.

Oath of Office

Michael Bradley - Commissioner

Honorable Mayor Victor Medlin read Oath of Commissioner swearing in Michael Bradley. The Oath was signed accordingly.

Proclamations

Honoring John G. Hatch

Mayor Medlin read a proclamation honoring former Commissioner John Hatch.

All In Red Month

Commissioner Hardy read the proclamation proclaiming February 2023 as "All In Red Month".

Police Chief Stephen Anderson introduce 3 new officers for the department: Tyler Hick, Jordan Woodard, & Code Enforcement Officer Billy Flowers.

2021 -22 Financial Statement – Austin Eubanks, TPSA, P.A.

Austin Eubanks, auditor from TPSA, presented the 2021-22 Financial Statement as follows:

• The audit was performed in accordance with the Generally Accepted Auditing Standards, Government Auding Standards, OMB Unifor Guidance, and the State Single Audit

Implementation Act to provide reasonable assurance that the financial statements were free of material error and in compliance with government regulations. There were no material errors noted and he had complete access to management and required information. Mr. Eubanks noted there were some significant deficiencies in the internal control to be discuss in more details later in the presentation.

- There was one adoption or change in new accounting policies to GASB87 Leases but there was no effect to the town; the financial statement disclosures are neutral, consistent, and clear; and no significant audit adjustments or unrecorded differences.
- There were no disagreements with management; no outside accountant consultations; and no prior retention issues.
- There were no difficulties encountered in dealing with management while performing the audit, and no material irregularities or illegal acts determined during the audit.
- In the General Fund, the net profit was \$629,484 and the fund balance available as a percentage of general fund expenditures was 1,330,267 or 66.48% which gives approximately 8 months of expenditure coverage with no revenue collection. The net profit margins or fund balance as a % of expenditures have increased over the past 4 years from 26.73% to 66.48%. LGC minimum requirement for towns of equal size is 34% of total expenditures. The town had a good year.
- Tax collection rate was 99.93%, which is really good.
- General Fund operating revenues consisted of: 46% in ad valorem taxes; 26% in unrestricted intergovernmental funds; 14% in sales and services; and 14% in other revenue.
- General Fund operating expenditures consisted of: 39% in public safety; 21% in general government expenditures; 18% in transportation; and 22% in other expenditures.
- General Fund unrestricted fund balance was \$1,330,267 and committed / restricted / assigned fund balance was \$401,311, consisting of Powell Bill funds & state funds receivable, for a total fund balance of \$1,731,578.
- In the Proprietary Fund, the net profit was \$1,297,094, and net position was \$4,364,417.
- The SCIF-Downtown Streetscape Fund and American Rescue Plan Fund both had a net profit of zero each, which should always be the results.
- Overall: unrestricted cash & cash equivalents were \$3,963,321 or \$1,273,712 in proprietary fund, \$1,454,489 in general fund, & \$1,235,120 in SCIF-Downtown Streetscape Fund; while restricted cash & cash equivalents were \$85,447 or \$56,795 in proprietary fund, \$27,980 in non-major fund, & \$672 in American Rescue Plan Fund.
- Findings:
 - (1) Segregation of Duties: duties are not segregated among Town personnel, therefore failing to provide reasonable assurance that transactions are handled appropriately. Mr. Eubanks explained that he and Town Clerk Garris had discussed some mitigating factors & controls for cash management, accounts payables, and payroll which should help eliminate the segregation of duties issues if the controls are properly implemented. Mr. Eubanks explained this was a repeat finding but the town made changes late in the fiscal year 2020-21 therefore going forward he doesn't foresee the finding will not be an issue; and
 - (2) Investment of Donated Funds: town invested donated PT George funds into an investment that is not allowed by NC General Statute 159-33. This investment was at the request of the donor. Mr. Eubanks explained that since this is an endowment fund, it will

continue to be a finding in perpetuity or until the LGC changes the rule for these types of investments.; and

- (3) Noncompliance with Budget: town expended more for the General Fund than was appropriated for in the annual budget ordinance which is noncompliant with NC General Statute 159-28(a). Salaries monies were budgeted too tightly meaning monies were spent that had not been obligated and appropriated in the budget, due to the last week of June 2022 salaries being paid in July but expended back to June while not being appropriated in the budget. This was not a repeat finding and the town will continue to monitor the budgets to ensure compliance.
- Auditing firm is now required to communicate any LGC Financial Performance Indicators of Concerns ("FPIC") to the Local Boards. The Board must submit a response within 60 days of the Board Meeting in which the financial statements are presented and the detailed response should be presented to and signed by the entire Board, Finance Officer, and Manager. The letter should address each of the following findings individually and the efforts being taken to mitigate the findings going forward. The following FPIC's were identified by the LGC that require notification to the Board:
 - (1) In the 2022 Audit Report, the town had expenditures that exceed the legal budget ordinance which indicates the town is not in compliance with NC G.S 159; and
 - (2) The unit must address the material weaknesses, significant deficiencies, and/or statutory violations that should be addressed in the FPIC Response Letter, which are the segregation of duties and the donated funds.
- In addition, Mr. Eubanks performed 2 single audits, one state and one federal for the CDBG block grants and the state capital infrastructure funds that the town had been awarded. No issues were found during those audits.

Mayor Medlin thanked Mr. Eubanks & his firm.

Public Comments

Patricia Chisholm-Jones, gave a presentation honoring the colorful ancestors of Four Oaks. She shared 4 posters representing the colorful ancestors of Four Oaks Acorns. Mrs. Chisholm-Jones introduced the most seasoned living Four Oaks Acorn of color, Mary Elizabeth McCoy, born April 6, 1926 and presented her with roses. She presented the commissioners with a booklet consisting of 300 living colorful Four Oaks Acorn names.

Megan Blackmon, worship leader at Beulah Hill Church, asked for the Board's permission and support of having a 2nd annual community revival called The Christ Message in Barbour's Grove with 3 speakers, 2 music groups, food truck, and an ice cream vendor on June 17, 2023 from 6:00 pm to 9:00 pm. She stated would like to make this an annual event. She inquired if the town could help provide a portable toilet on site and 30 chairs. Mayor Medlin and the Board told her the town would support and help in any way possible, not to worry about the portable toilet and told her to coordinate with the Fire Department for chairs.

Public Hearings

Mayor Medlin called the meeting into a public hearing.

Pauline Ketchum, Planning and Zoning Administrator, relayed the Planning Board presented the following cases.

Amend Town Ordinance Chapter 32: § 32.15 Board of Adjustment Establishment; Duties – Amend the Establishment & Duties of the Board of Adjustments to be the Board of Commissioners

Pauline Ketchum presented an amendment to the Town's Code of Ordinances Chapter 32: § 32:15 to have the duties of the Board of Adjustments be the powers of the Board of Commissioners and explained this was a recommendation from the town attorney. The planning board is a recommending board so the duties cannot fall on that board. Amendments are as follows:

Section 32.15. Board of Adjustment – Powers of Board of Commissioners § 32.15 ESTABLISHMENT; DUTIES.

- (A) All appeals which may be taken from decisions or orders of the Inspector-Planning & Zoning Administrator shall be heard and determined by the Board of Adjustment Board of Commissioners. As the appeals body, the Board of Adjustment Board of Commissioners shall have the power to fix the times and places of its meetings, to adopt necessary rules of procedure and any other rules and regulations which may be necessary for the proper discharge of its duties. The Board of Adjustment Board of Commissioners shall keep an accurate journal minutes of all its proceedings.
- (B) If the Board of Adjustment consists of more than five members, the Chairperson shall designate five members to hear appeals under this chapter.
 (1992 Code, § 32.15)

There were no public comments. Mayor Medlin closed the public hearing.

Motion to approve the amendment to the Town's Code of Ordinances Chapter 32: § 32:15 as presented was made by Commissioner Hardy, seconded by Commissioner Hines, voting unanimous.

Mayor Medlin called the meeting back into a public hearing

Golden Leaf, LLC, Petitioner & Owners – Application for Variance on 2 Triplexes on Parcels # 08H99033, 08H99033A, 08H99032V, & 08H99033B

Mr. Ketchum relayed Board had received a request for a variance by Golden Leaf, LLC, petitioner and owner of parcels 08H99033, 08H99033A, 08H99032V, & 08H99033B. At the January Board meeting the Board approved Golden Leaf, LLC to build 2 triplexes on Austin Street and George Street. The variance request is for a 30% to 40% impervious to allow each unit to have its own attached garage. Mrs. Ketchum added there are no hardships created, he wanted to do this to be consistent with the spirit and purpose of the ordinance and the variance meets all four requirements.

Sam Austin, resident, inquired if these were going to be affordable housing units. Mayor Medlin responded, no.

Commissioner Hardy asked for clarity about the layout. Don Byrd, owner of Golden Leaf, LLC responded the triplexes will be back-to-back and he planned to combine the 4 lots into 2 lots with

one facing Austin St. and the other facing George St. Mr. Byrd commented he would like the variance to be able to add a single car garage for each unit.

There were no public comments. Mayor Medlin closed the public hearing.

Motion to approve the variance request for the triplexes by Golden Leaf, LLC, petitioner and owner for parcels 08H99033, 08H99033A, 08H99032V, & 08H99033B on Austin St. & George St. was made by Commissioner Hines, seconded by Commissioner Hardy, voting unanimous.

Mayor Medlin called the meeting back into a public hearing.

Jones Creek, LLC, Petitioner and Terry Lee Clary & H. Edwin Lee, Jr, Owners – Application for Rezoning & Subdivision at 203 Hollingsworth Rd. Tabled at December 12, 2022 meeting

Mrs. Ketchum relayed at the December 12, 2002 meeting Jones Creek, LLC, Petitioner and Terry Lee Clary & H. Edwin Lee, Jr, Owners of parcels 08H10043, 08H10047A, & 08H10048 located at 203 Hollingsworth Rd. and off Old School Rd submitted applications to: (1) rezone the property from R-A to R-12 and (2) build a single-family residential subdivision on approximately 150 acres. The board tabled the hearing until they could get a little more information on some of their questions and concerns. Jones Creek, LLC was now back asking for approval.

Brian Leonard, BRL Engineering, representing the owners and petitioner addressed the board. He presented the board with copies of the plans explaining they were the same as they submitted in December. As discussed in December, Mr. Leonard pointed out they listened to the resident's concerns following the planning board meeting in December and made some voluntary revisions: (1) added a 25 feet perimeter buffer around the entire development that will be owned and maintained by the HOA which reduced the lot count to 302 lots; (2) add privacy fence adjacent to Old School Rd and the existing landscape business; and (3) added 3 additional dry stormwater ponds to meet the same standards as Johnston County. In addition, based on the NC DOT traffic impact study, the DOT is requiring a left turn lane onto Hollingsworth Rd and a left turn lane off Old School Rd into the development. Plans are to build approximately 30 lots per year over 10 years. Pump Station, water & sewer, and roads will be eventually taken over and maintained by the town.

Commissioner Hardy asked if there were any NC DOT impacts when they expanded the study area per discussion in December. Mr. Leonard responded there were no addition impacts or recommendations by the NCDOT.

Commissioner Robertson asked will they build all the streets as a whole or in phases. Mr. Leonard responded streets will be built in phases like the houses however some additional streets outside of each phase may have to be built due to getting to the pump station and drainage requirements.

Commissioner Robertson inquired about what happens if build 30 houses in less than 1 year, they are sold, then what is the process for when the next phases begin. Do you wait until the next year before starting on the next 30 lots? Mr. Leonard responded it's not as much about getting the houses built so much as it is when the plats are recorded. The plat is not recorded until the

infrastructure is built for a particular phase, the map is recorded, and then the lots can be sold to a builder who will begin building the homes. They can then prepare to start the next phase in the next year.

Commissioner Hardy inquired that there were no intentions to ask for any variances or exceptions for such things as curb & gutter, sidewalks, and open space fees. Mr. Leonard responded no that the subdivision will meet the current ordinance requirements.

Commissioner Bradley inquired if the lots were going to be pad graded or left for builder to control and take care of the drainage issues. Mr. Leonard responded he was not sure yet but whether they will be pad graded or not, the engineer will still be responsible for the drainage. They plan to put in new storm drainage system to pull in the water and hopefully improve the existing drainage system issues.

Commissioner Robertson asked will the turn lanes will they cause any additional issues or take away anyone's property. Mr. Leonard responded they hope when they put in the turn lanes, they will be within the existing 60 feet right-of-way but if needed they may have to shift lane toward the development on that side of the road. They shouldn't need any additional right-of-way on the opposite side of the road. Tracy Raynor, property owner, asked if that would take up their yard. Mr. Leonard responded they don't know for sure yet but that may be an issue that may have to be addressed with the Raynor's if needed and they would have to be willing to do that. Mrs. Raynor asked to be sure the berm & buffer was still going be built and to clarify the total number of homes. Mr. Leonard responded yes and the number of homes is 302.

Jonathan Raynor inquired if the only property being annexed was the 3 parcels and how that affects other properties around the area. Mayor Medlin responded yes at this time and it will not affect any other parcels. Annexations are voluntary by the property owner so if anyone else wants to be annexed they would have to request it.

Sam Austin asked what the price range for the homes would be and if there would be any low-income housing there. Mayor Medlin responded the cost would be approximately \$300,000 plus and not low-income housing. Mr. Austin asked if there was low-income housing coming because school teachers on their own can't afford the homes being built. Mayor Medlin responded there may be something coming down the pipe. He was in a meeting with other mayors and they discussed housing specification for teachers, police, & fire departments.

There were no public comments. Mayor Medlin closed the public hearing.

Motion to approve the rezoning request by Jones Creek, LLC, Petitioner and Terry Lee Clary & H. Edwin Lee, Jr, Owners of parcels 08H10043, 08H10047A, & 08H10048 located at 203 Hollingsworth Rd. and off Old School Rd was made by Commissioner Surles, seconded by Commissioner Hines. Motion passed 4 to 1.

Favor - Commissioners Bradley, Hines, Hardy, & Surles Opposed - Commissioner Robertson

Motion to approve the subdivision request by Jones Creek, LLC, Petitioner and Terry Lee Clary & H. Edwin Lee, Jr, Owners of parcels 08H10043, 08H10047A, & 08H10048 located at 203

Hollingsworth Rd. and off Old School Rd was made by Commissioner Hines, seconded by Commissioner Hardy. Motion passed 4 to 1.

Favor - Commissioners Bradley, Hines, Hardy, & Surles Opposed - Commissioner Robertson

Mayor Medlin called the meeting back into a public hearing

Voluntary Annexation for Parcels # 08H10043, 08H10047A, & 08H10048 located at 203 Hollingsworth Rd and off Old School Rd., Four Oaks, NC, petitioner Jones Creek, LLC and owners Terry Lee Clarey & H. Edwin Lee, Jr.

Pauline Ketchum relayed the clerk had investigated the request and it meets requirements.

There were no public comments. Mayor Medlin closed the public hearing.

Motion to approve the voluntary annexation request by Jones Creek, LLC, Petitioner and Terry Lee Clary & H. Edwin Lee, Jr, Owners of parcels 08H10043, 08H10047A, & 08H10048 located at 203 Hollingsworth Rd. and off Old School Rd. was made by Commissioner Hardy, seconded by Commissioner Surles. Motion passed 4 to 1.

Favor - Commissioners Bradley, Hines, Hardy, & Surles Opposed - Commissioner Robertson

Mayor Medlin called the meeting back into a public hearing

Voluntary Annexation for Parcels # 08H10076B & 08H10076A located of Parker Rd. & Parkertown Rd., Four Oaks, NC, owner Golden Leaf, LLC

Pauline Ketchum relayed the clerk had investigated the request and it meets requirements.

There were no public comments. Mayor Medlin closed the public hearing.

Motion to approve the voluntary annexation request by Golden Leaf, LLC, Petitioner and Owner of parcels 08H10076B & 08H10076A located of Parker Rd. & Parkertown Rd. was made by Commissioner Hardy, seconded by Commissioner Hines, voting unanimous.

New Business

Boyette Road Waterline Contract - Barry Stanley, Public Works Director

Barry Stanley explained the Boyette Road Waterline Extension was for CommWell Health's new facility. The town agreed to put in the water lines to the facility. The Town of Four Oaks received four bids for the Boyette Road Waterline Extension. The bidders were: Benny Rowland Backhoe Service at \$102,675; PEAK Civil at \$119,525; Godwin Contracting at \$104,950; & EBG, Inc. at \$103,350 (adjusted). Mr. Stanley recommended to award the Boyette Road Waterline Extension to Benny Rowland Backhoe Service. Mayor Medlin added we anticipate CommWell Health will get a grant and the town may get some reimbursement. This has been a 2-year project and CommWell Health will be offering the following services: Pediatric, Psychological, Physician, & Dental. These local services will be a great thing for the citizens.

Motion to accept the recommended low bid by Benny Rowland Backhoe Service at \$102,675 was made by Commissioner Hines, seconded by Commissioner Bradley, voting unanimous.

Commissioner Hines suggested to go ahead and extend the waterlines beyond the CommWell Health property for future growth tie in, which would only be 60 to 80 feet. That would avoid tearing up their property later. Mayor Medlin instructed Commissioner Hines to look into this.

Parks & Rec Master Plan Contract

Commissioner Hardy presented the WithersRavenel Parks & Recreation Master Planning Services contract and explained the town is in need of a P&R Plan in order to move forward in applying for grants. The contract cost for WithersRavenel to create the plan is \$72,300. Commission Hardy added the county had reviewed the contract and agrees the proposal is a good price.

Motion to approve the WithersRavenel Parks & Recreation Master Planning Services contract was made by Commissioner Hardy, seconded by Commissioner Robertson, voting unanimous.

Mayor's Comments

Mayor Medlin commended Commissioner Hardy for improving the town's fund balances over the recent years. He added we are thankful the police department is getting back fully staffed and for CommWell Health's recent ground breaking and being willing to build and offer their services in Four Oaks. Mayor commented the town had hired Billy Flowers as the new code enforcement officer whom will be working with the town attorney to strengthen and enforce the town ordinances.

Department Reports

Police - Chief Stephen Anderson

Chief Anderson read the monthly police report (attached).

Parks & Rec and Outreach - Robertson

Commissioner Robertson reported: (1) she attended the Dr. Martin Luther King, Jr. event at Holt Park and thanked Mrs. Patricia Chisholm-Jones for doing that outreach; & (2) she had learned about an available open space grant and after discussing some options, she was proposing to replace the ramp at the Pavilion in Barbour's Grove Park to meet handicap accessibility. JR got a quote of approximately \$24,000 which is close to the grant amount and the town would have to match 5%. Motion to allow Commissioner Robertson to proceed with the grant was made by Commissioner Bradley, seconded by Commissioner Surles, voting unanimous.

Water and Sewer - Hines

Commissioner Hines highlighted the water and sewer report (attached). Water had revenue of \$47,474 and the sewer had revenue of \$35,672. The 12-month daily average per gallon was a 1% loss for water and 14% loss for sewer.

Joanna Sasko, resident at 908 Maple Ave., inquired about the TTHM water reports and if they would remain high in the future. Mayor Medlin responded he will address this a little later.

Sanitation & Streets

Commissioner Surles reported streets & sanitation were good.

Finance - Hardy

Commissioner Hardy thanked the staff for a good audit report and discussed the findings. With additional controls in place the segregation of duties finding should go away; we will continue to have the PT George investment finding unless the LCG changes its requirements; and the budget was short by one week's salaries due to crossing year-end months. Overall good report. Commissioner Hardy highlighted the financial report (attached) with total funds of \$3,842,804. Commissioner Hardy made a motion to approve the January payables listed in the attached report, seconded by Commissioner Surles, voting unanimous. Commissioner Robertson inquired what the Empire Motors Inc of \$18,000 and John Jones Automotive Group \$21,256 were. Mayor Medlin responded those were used police vehicles that were in the budget.

Mayor Medlin commented on the high TTHM water levels. The town purchases water from the county, we do not treat to the water received, and we sample quarterly. The town has put a circulation blower in the tank to help move the water. When the levels exceed .80, it is a reportable violation. The town is working with the county to address. Mr. Stanley added the town has increased flushing to help and the county will soon move the town from the east to west treatment system which is a chlorine free system and should eliminate the issues. He feels the high levels will be corrected with the next sample.

Sam Austin inquired if there had been any discussion on the school traffic. Mayor Medlin responded: (1) there is no definite plan yet but there has been a meeting with the school to discuss options such as: (a) restructuring the area to bring traffic in off Church St., create a road to go in by the Civitan Building that will go all the way through by the 3rd grade and moving the bus parking lot to the 3rd grade parking lot; & (b) the quick fix is to move the buses around and double stack the car line in the bus parking lot to get some cars off Main St.

Roger Price asked what the process is for making request to install all way stop signs because he would like to see one at Hatcher St & Parker St and Old School Rd & Parker St. Mayor Medlin responded it had already been requested but the DOT won't typically do anything until there are accidents. Sam Austin asked if the town could put 4-way stops on town streets to slow teachers down. Mayor Medlin responded we may but would have to look into it.

Adjournment

With no further business brought before the Town Council, motion to adjourn at 8:45 p.m. was made by Commissioner Hardy, seconded by Commissioner Surles, voting unanimous.

11/20/1//

Vic Medlin, Mayor

Martha Garris, NCCMC

Town Clerk

ATTEST: