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Minutes of the Meeting of
The Liberty Town Council
Held on December 4, 2023 5:30 pm

Present

Mayor : The Honorable Filmore York

Council: Terry Caviness, Don Herndon, Tyson Nixon, Larry Coble,
JR Beard and Greg Carpenter

Town Manager: Scott Kidd

Town Clerk: Jessica Brown

Town Attorney: Bill Flowe

Staff: Library Director; Brenda Heindl-Hornsby, Parks and
Recreation Director; Logan Maness, Public Works
Director; Joseph Walsh, Finance Director; Kathy Bond,
Assistant Town Manager; Janie Phelps, and Police Chief;
David Semrad

To Order

The Mayor welcomed everyone and called the meeting to order at 5:30PM.. He also welcomed everyone who was watching on Facebook.

Pledge of Allegiance/Invocation

Council Member JR Beard led the Pledge of Allegiance and then Mayor York asked everyone to join in a Moment of Silence.

Adoption of Agenda

Council Member JR Beard made a motion to adopt the agenda. Council Member Don Herndon seconded the motion which passed unanimously: Council Member Don Herndon voted yes, Council Member Larry Coble, Council Member Tyson Nixon voted yes, Council Member JR Beard voted yes and Council Member Terry Caviness voted yes. The agenda was approved.

Proclamation JR Beard

Mayor York presented Council Member JR Beard with a Proclamation for his service to the Town of Liberty. He decided not to run for reelection to the Town Council this year. He is a Veteran of the Vietnam War and a retired Town Fire Chief. The Town is thankful for his years of service to this community and he will continue to be a vital asset. Council Member Beard came forward and thanked the Mayor and said he has enjoyed working for the Town for many years and challenged the Council to not forget the people in this town and its employees who are more important than Toyota or any other company.

Town attorney Bill Flowe thanked Council Member Beard for his service and his level of concern for the Town.

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Swearing in of Mayor and Council Members

Town Clerk Jessica Brown swore in Mayor Filmore York for a two year term ending in 2025. Council Member Don Herndon will be serving another four year term ending in 2026 and new Council Member Greg Carpenter will be stepping in for Council Member JR Beard who is stepping down with a four year term ending in 2026.

New Business

Temporary Turn on application

This is a proposed temporary turn on application for landlords, homeowners and realtors. The application with the rates is attached.

Amended Fee Schedule (temporary turn on)

This is a fee for a temporary turn on of water service (7 days) 35.00.

Council Member Don Herndon made a motion to approve the new Temporary Turn on Application and Amending the fee schedule to include the fee for temporary turn ons. Council Member Terry Caviness seconded the motion which passed unanimously: Council Member Larry Coble voted yes, Council Member Terry Caviness voted yes, Council Member Don Herndon voted yes, Council Member Greg Carpenter voted yes, and Council Member Tyson Nixon voted yes. The Temporary Turn on application and addition to the fee schedule is approved.

Letter to LGC in response to Audit

This is a letter to the LGC (Local Government Commission) with corrective action plans for each deficiency from the 2022 audit to be approved and signed by Council. The Town Manager emailed it to Council earlier. Since we were behind on audits and on the Utility Assisted List we have to respond to each finding. They want to see that we continue to move in the right direction. It needs all Council Members' signatures.

Council Member Terry Caviness made a motion to approve the letter and sign. Council Member Larry Coble seconded the motion which passed unanimously with Council Members: Larry Coble, Terry Caviness, Don Herndon, Greg Carpenter, and Tyson Nixon voting yes to sign and approve.

Administrative Reports

Manager's Report

Town Manager Scott Kidd said he has given some proposed budget retreat dates for them to look over. The Town Employee Christmas Lunch will be Thursday December 14, 2023 Noon Liberty Event Center (all Council invited to attend as well.)

Council Comments

Tyson Nixon wished everyone a Merry Christmas. Don Herndon welcomed new Council Member Greg Carpenter and said they are always glad to help.

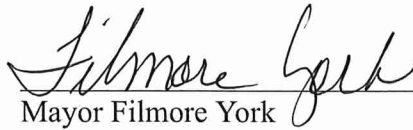
Mayor Comments

Mayor York thanked everyone who participated in the Christmas Parade and wished everyone a Merry Christmas and Happy New Year.

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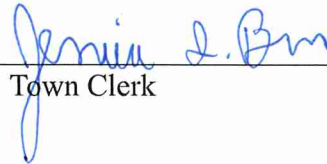
Adjourn

There being no further business to discuss, Council Member Tyson Nixon made a motion to adjourn. Council Member Don Herndon seconded the motion which passed unanimously with a vote: Council Member Don Herndon voted yes, Council Member Tyson Nixon voted yes, Council Member Larry Coble and Council Member Greg Carpenter voted yes. and Council Member Terry Caviness voted yes. The meeting was adjourned.

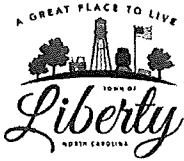


Mayor Filmore York

ATTEST: _____



Town Clerk



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(336) 622-4276 phone (336) 622-2665 fax
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November 30, 2023

LGC (File Transfer Portal (nctreasurer.com)
<https://lgcportal.nctreasurer.com/>

Unit Name: Town of Liberty

Unit Number: 50222

Subject: FY22 Audit - Management Response to the Auditors Findings, Recommendations and Fiscal Matters Letter

The Town of Liberty FY 22 Audit was presented to the Council on November 27, 2023. We are responding to the Performance Indicators presented in the audit.

Performance Indicators:

General Fund: There was an appropriate fund balance for the General Fund in the 2022 budget and your change in fund balance was negative. Please state if the fund balance was used for operations or capital purposes.

Response: A portion was used from the General Fund for staff wage increase and inflation across all departments. The other portion was used for capital purposes.

Water Sewer Fund:

Cash Flow Indicators:

Operating Net Income (Loss) excluding depreciation including debt service principal and interest.

Response: We have changed our water and sewer rates in FY 23-24.

General Performance Indicators: The 2022 Audit Report is expected to be submitted within five months plus one day from the fiscal year end per auditor. (December 1st for most units)

Response: We are continuing to take the necessary steps to have our audits on time. The

Auditing firm that we have now has been a great asset in this manner.

General Performance Indicators: If a unit has no performance indicators of concern that would require them to submit a Response to Audit Finding, Recommendations and Fiscal Matters, but they are currently on the Unit Assistance List, they must still submit an FPIC Response Letter. Their response should discuss the financial plan they developed to address the issues that placed them on the Unit Assistance List and the progress they have made to date.

Response: The Town was placed on the UAL due to late audits. We have changed audit firms and have completed two of our past due audits in the last year. We plan to have FY22-23 submitted by the end of February 2023.

General Performance Indicators: The unit had material weakness, significant deficiencies, and/or statutory violations that should be addressed in the FPIC Response Letter.

Response: The Town is obtaining additional training with our software vendor and evaluating the usefulness of the system. Also ensuring that the FY 23-24 that reconciliations are performed timely. Also, we are reviewing and/or modifying the policies to ensure that accurate information is provided for decision making and staff are adequately trained.

General Performance Indicators: Are there additional issues the unit should address that affect the fiscal health or internal controls of the unit that were communicated to the unit during the audit presentation? Please include details of the issue in Cell J44 to the right and in your FPIC Response.

Federal Award Findings and Questioned Costs

US Department of Housing and Urban Development
Passed-through NC Department of Environmental Quality
Wastewater Collection System Improvements
FAL 14.228

2022-004: Significant Deficiency/Noncompliance - Cash Management Section III - Federal Award Findings and Questioned Costs

It was stated in the audit that the Town did not adhere to the grant agreement cash management policy. The Town did not expend requisitioned funds within three business days following the receipt of the funds. Monies received by the Town were not paid out in a timely manner and were not expended within three business days and could have been accruing interest from the bank. The Town did not have proper internal controls in place to safeguard against this type of policy.

Response: The Town has implemented internal controls to safeguard against these types of policies to ensure that they are not repeat or future findings.

If you have any questions, please feel free to contact Kathy Bond, Finance Director or Scott Kidd, Town Manager at 1-336-622-4276 or by email at finance@townoflibertync.org.

Thank you.



Filmore York, Mayor


Larry Coble, Mayor Pro -Tem


J.R. Beard, Council Member


Terry Caviness, Council Member


Don Herndon, Council Member


Tyson Nixon, Council Member


Scott Kidd, Town Manager


Kathy Bond, Finance Director

