

Tab 2



ORIENTAL TOWN BOARD SPECIAL MEETING Minutes

Thursday, November 20, 2023 @ 5:00PM
507 Church Street, Oriental, NC
Mayor SB Belangia Officiating

Single Agenda Item: Pre-Organizational Meeting for Elected Officials.

Mayor Belangia opens the meeting. Present are Mayor Belangia (SB), Mayor Pro Tempore White(DW), Commissioners Overcash(CO), Price(AP), and Roe(FR), Commissioners-Elect BC(BC) and Litzenberger(BL), DM Miller(DM), Admin Director/Cox(TC), members of the public/press.

Mayor Belangia notes this is to help us be more organized and ready for the meeting on the 5th.

AP notes that Cherry Point likely needs this updated list. We do get communication from them and invitations to different events. AP has a contact to forward that to once things are settled.

DM introduces the meeting as the Board and Town meeting to discuss assignments, schedules, procedures for the Dec 5 official Organizational meeting and assignments.

Background: DM notes procedures used in the past, where those went sideways in 2021, encouraged the Board to wait for instruction from the Mayor on procedure for electing Mayor Pro Tempore. Asked all to check the contact sheet and make corrections and return to her. Several needed corrections.

Tree Board- AP notes Tree Board and Parks and Rec are working Boards. John Deaton will take over in December- planning what needs trimming- and what needs to be planted. Rotating trimming by sector- respond to resident requests. They work sometimes several times a month.

BC discusses **Parks and Recreation** (former chair)- working group does the lighter work, PW does the heavy stuff. They do occasionally work on the weekends because some of the members work. Several workdays per year for bigger projects.

HWAC- also a working Board- do the maintenance and inspections for waterfront facilities. PW cleans the facilities, but HWAC does other physical work- several workdays every year.

Water Advisory Board: Instituted to get things under control with violations and issues in the plant. Largely abandoned as plant was upgraded. Old Board was focused on the plant. The Board itself recommended disbandment of the Board. The reconstitution will be to guide the distribution of \$5.5M to fix the distribution issues. One member remaining- Harry Corbett- has not been able to participate due to absence.

Board of Adjustment does not have a liaison- quasi-judicial. If applicant disagrees with DM's Land Use decision, they can take it to the Board of Adjustment, then to Superior Court. CO notes Joe Valinoti has been their Chair for years.

Tourism: FR is currently representative- meets Tuesday at 5PM- advertising, Our State, radio ads, event coordination, support festivals and draw in visitors. Do not give money to those, just assist. Marsha and Suzanne are most active. Looking for what we can do as dynamic of Town changes. Some comment about members having to be business owners. DM will look into it.

Check Signing: CO notes he and SB are already doing that and will continue. Commissioner – Elect BC says we are not making decisions today- Mayor agrees.

AP reviews bank statements and goes to ECCOG. AP says he has not done a great job with that and they have had significant turnover there recently. Current Director is very good, keeps in touch, attends our meetings, offers resources. Question about how many counties are involved. Also not every municipality belongs- nominal annual fee for us to have their resources- they do a lot of our GIS. BL asks if the ECCOG finds us auditors. DM notes that goes through the office of the State Treasurer. Is there one auditor for all of ECCOG? No- each individually contracted- some specialize in larger communities, some smaller.

Mayor Pro Tempore- David White currently- takes place of Mayor when absent- also does the MOTIONS to go into closed sessions and summarizes SUP motions. DM notes conversation concerning election and who should. Last election, the Mayor did not have the opportunity to explain the process. Urges members to allow the Mayor to explain. There are two legal methods- Motion-Second-vote, if that passes, you're done, if not, take another nomination and start over. The other method is to open the floor to nominations [and cast ballots]. DM did NOT describe the process properly in the meeting. Mayor prefers motion/second/vote. Either way, she will give direction on process.

Police Dept- we don't do that- that is not our form of government- In a Mayor/Council form, each Commissioner functions as department head. In Manager/Council form, the Manager works for the Board, and the staff works for the Manager. HR, departments, etc- are under the DM's duties as listed in Statutes. HR is particularly restrictive. The HR listed is the Commissioner that organizes the DM's evaluation- DW had HR in his background, so took that duty.

Financial: Mayor notes same as Police and other departments. DM notes we have several checks and balances to make sure the same hands are not doing tasks that allow for fraud. TC explains the path for incoming mail and payments and outgoing checks and journal entries. We are in a good position WRT the audit with no findings and adequate separation of duties-those incidents in both Bayboro and Bay River point out the need to have those separations in place. AP has caught one check in opening statements cashed off our accounts was from another account. Tammy notes she is not allowed to open statements- AP does and returns to us initialed. Different Commissioners sign checks. Everyone in the office touches everything in a different step. Checks and Balances are effective. BC asks about why we would not have a financial liaison, when even the class we went to recommends checking balances especially in an enterprise fund. DM notes the Board receives a detailed expense report monthly and any other information- detailed GL can be pulled upon request. The bills paid to both Bay River (contract) and

GFL(contract) are all in those statements. Credit Card statement- is it reviewed? Two others review and check every invoice- writes the line it should be charged to- and then Tammy gathers those lines, DM checks costs and lines, and then Board member reviews- making sure we have all receipts and POs where required. BC notes we have had in the past. DM and Tammy- not since we have been here in this form of government. BC recommends we put in place a financial – especially given the water funds coming in. BL asks what would that do? Control, second set of eyes...review of General Ledger related to statement and credit cards. BL asks why you want that. But that's not really the form of government we're in. BC states it is not precluded. DM notes the General Statutes note the responsibilities of Manager and Finance Officer. BC believes an independent review is called for. BL: asks if we are allowed to ask for the General Ledger and other items. TC-Yes- we've been asked in the past, have always given that information on request. Can we also see the statement? If you ask for it, we'll copy anything for you. BL: So we

could get those documents at any time. YES. TC explains gas tax vs regular tax- we get all back. DM suggests that those who have questions concerning the legality of a financial liaison should contact our attorney. CO can ask at any time for those documents. BC states she would like it to be on the record to have a liaison for Finance. BC states we have an HR liaison. DM notes your HR liaison is the person who coordinates her evaluation. They do not have anything to do with staff HR other than the Manager. BL thanks all for going through the explanations.

Communication protocol: Proposed 100 hours prior to meetings. DM notes that you can set that time at any interval you choose- only concern is setting a deadline and then continually adding items up until the day of. Generally, DM throws any new items into Mgr report- it is updated on Monday. This month Auditor report came in Friday. If you want to set a date for cutoff- AP says if we set a date, there needs to be a cutoff for the time we have to have things in to you (DM). Issue is that we have things show up that are time-sensitive. DM has worked in a previous municipality that had a hard line and neither the Mayor, nor the Manager, nor the act of God was getting past that clerk's deadline. CO: if something comes up in Commissioner Comments- can it still be voted on? Absolutely. Or the Board can move it forward to the next meeting. HOWEVER, if you do it on either of those items, you may have a public out there that did not read through those two item attachments that is not aware of a vote coming. That might be an issue. FR notes that he would prefer that if something comes in late, we just table it to the next meeting. For example- the Chapter E revisions we had last week- should have tabled rather than fixing then and there. We tend to try to solve too much on the spot. We generally do not have a lot of emergencies we have to deal with immediately. Asks for DW opinion. DW notes it can usually be pushed off. FR: Why don't we try to snap a line in the sand and try to meet deadlines. AP: Town of Denton has a procedure that deadline- if something came up, the Town Manager had to notify all commissioners and decide. FR: If it's an emergency, give the Mayor the ability to direct the Manager to add it. Discussed sending such a notice to all for such a request- DM notes not everybody sees it- every time. We used to have an agenda meeting where the agenda was set and moved that to a quarterly workshop instead- a lot of work gets done in those workshops. SB: it is important for us all to have it and read it before the meeting. BC notes items could be added by vote of a super majority. DM: What day if meetings are left to Tuesday- what day would be a cutoff for information to the Manager? **Thursday noon (info input) for Thursday COB publication.** DM notes might not have all of the attachments by then, but at least have an agenda.

Additional conversation from FR asking for direction on what can be sent to all vs what needs to be one on one. DM notes anything concerning logistics or any submission can be sent out- no discussion about those items can happen in "reply to all". Anything to be added to agenda can be sent to all. Opinions about the item can NOT be discussed as a group in email.

Back page was drainage and roads- we had the roads discussion- AP: how do we move forward from the meeting. CO goes to give an update and the Manager stops that discussion as not on the agenda. That should be on the agenda for the next meeting.

Mayor Belangia appreciates the meeting, and good for the new Commissioners to ask good questions about procedure and process. Mentioned that she had received ten (10) emails concerning appointing BL to HWAC as their liaison. FR: Mr. Blackerby also spoke to others about that appointment. SB notes if you do not want to be on a committee, you should not. DM notes that previously, existing re-elected Commissioners get to elect to remain on their assignments or choose another. New Members pick from what is left. Mayor appoints to those committees. Seniority determines in the past. FR: struggles with seniority- one maybe, shouldn't have more than 2 senior members on any committee. Should pick on seniority. CO: asks for

HWAC and Planning. BC asks if us as a Board can decide their own destiny, independent of seniority. CO asks about precedent in choosing MPT. BC: We can look at that as a Board and decide. AP says he's good with what he has- Tree Board, Parks and Rec and Water Advisory, Bank statement, ECCOG. BC would like the Water Advisory, pursue Financial Liaison and get with attorney, check signing, Parks and Rec. FR: on Financial items, should pull names from a hat- the thing we went to- we have a CPA here, we should use that. Might need to change those involved in financials for security and protection aspects. He is happy with Tourism and Planning. BL asks for HWAC and Water Advisory- she had done government contracting/construction for several years and is familiar with those processes. FR: does not see a problem in Finance- just reacting to school we went to. I have no reason to suspect anything is wrong. FR: the two day school- the breakout groups don't fit us- we're smaller than most. HR: FR thinks CO has the most history and should take that over. DW notes the Town Manager had never been appraised prior to DM, and none of the employees had either. Another thing is the tendency to want to direct employees- you can't- if Diane has tasked them to do something and you take them off, they get in trouble for not completing what was assigned. Take concerns to Diane. DM notes- a simple text about something that needs attention- DM issues work order, order gets tracked.

SB: asks about MPT: talked about how to elect and who to elect. FR: check signing and opening statements should be rotated. Discussed election of MPT- highest vote getter. AP is the highest voted. Agrees to serve if elected. DM: Pleads that the Board await the Mayor's direction for election of MPT.

Schedule: some discussion about changing time of meeting. FR: likes it in the AM. BL: would like it in the evening- and has heard from those who work and can't make it. SB: also wants it at night- hard for working people to attend. DM: If you change to evenings, what time is good? Was 7PM. No argument for staff- we're on salary. BC: 50/50- non-exempt staff has no overtime. FR: would like to hear from press. CO: will go with whatever- could also go with 6 month trial for a different time and see if it works. FR: asks Allison what people have said to her- both sides- get it done and over- and working people at night- maybe 6PM, because 7PM start gets you into later times too. DW: If we're late, people would leave. Those making presentations prefer mornings. CO: we have more people in the mornings, but is that the goal? BL: younger, remote workers moving in. BL and SB like the 6PM trial for 6 months. FR and BC: asks press to publicize this and have that conversation. DM: They can email us or you (Towndock.net). TC notes either way, it takes us over- DM and TC are exempt- if we're in the AM, the others come in early to make sure we're open and ready.

Motion to adjourn: CO Makes the MOTION. FR Seconds. 3-0.

Board Liaisons 2023-2025

HWAC:

Parks and Recreation:

Planning:

Tourism:

Tree Board:

WAB:

Check Signing:

ECC:

Human Resources:

Regional Planning:

§ 159-25. Duties of finance officer; dual signatures on checks; internal control procedures subject to Commission regulation.

- (a) The finance officer shall have the following powers and duties:
- (1) Keep the accounts of the local government or public authority in accordance with generally accepted principles of governmental accounting and the rules and regulations of the Commission.
 - (2) Disburse all funds of the local government or public authority in strict compliance with this Chapter, the budget ordinance, and each project ordinance and shall preaudit obligations and disbursements as required by this Chapter.
 - (3) Prepare and file with the board a statement of the financial condition of the local government or public authority, as often as may be requested by the governing board or the manager.
 - (4) Receive and deposit all moneys accruing to the local government or public authority, or supervise the receipt and deposit of money by other duly authorized officers or employees.
 - (5) Maintain all records concerning the bonded debt and other obligations of the local government or public authority, determine the amount of money that will be required for debt service or the payment of other obligations during each fiscal year, and maintain all sinking funds.
 - (6) Supervise the investment of idle funds of the local government or public authority.
 - (7) Perform such other duties as may be assigned by law, by the manager, budget officer, or governing board, or by rules and regulations of the Commission.
 - (8) Attend any training required by the Local Government Commission under this section.
 - (9) Contract with **outside entities**, including certified public accountants in good standing with the North Carolina State Board of Certified Public Accountant Examiners, bookkeeping firms, councils of government, and other units of government, to ensure fulfillment of the duties enumerated in this subsection, excluding subdivision (6), except where specifically allowed by law, and subdivision (8). **Regardless of the entity performing such duties, the authority, powers, and duties of the finance officer shall not be superseded, and the responsibility for accurate and timely fulfillment of duties lies solely with the finance officer.**

All references in other portions of the General Statutes, local acts, or city charters to county, city, special district, or public authority accountants, treasurers, or other officials performing any of the duties conferred by this section on the finance officer shall be deemed to refer to the finance officer.

(b) Except as otherwise provided by law, all checks or drafts on an official depository shall be signed by the finance officer or a properly designated deputy finance officer and countersigned by another official of the local government or public authority designated for this purpose by the governing board. If the board makes no other designation, the chairman of the board or chief executive officer of the local government or public authority shall countersign these checks and drafts. The governing board of a unit or authority may waive the requirements of this subsection if the board determines that the internal control procedures of the unit or authority will be satisfactory in the absence of dual signatures.

(c) The Local Government Commission has authority to issue rules and regulations having the force of law governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by units of local government and public authorities, may

inquire into and investigate the internal control procedures of a local government or public authority, may require any modifications in internal control procedures which, in the opinion of the Commission, are necessary or desirable to prevent embezzlements or mishandling of public moneys, and may adopt rules establishing minimum qualifications for finance officers.

(d) The Local Government Commission has the authority to require any finance officer or any other employee who performs the duties of a finance officer to participate in training related to the powers, duties, and responsibilities of the finance officer under any of the following circumstances: (i) the Commission is exercising its authority under Article 10 of this Chapter with respect to the employing local government or public authority, (ii) the employing local government or public authority has received a unit letter from the Commission due to a deficiency in complying with this Chapter, (iii) the employing local government or public authority has an internal control material weakness or significant deficiency in the most recently completed financial audit, or (iv) the finance officer fails to annually meet or attest to the minimum qualifications of the position, as established by the Commission. The training may be provided by the Commission, the School of Government at the University of North Carolina, the North Carolina Community College System, the North Carolina League of Municipalities, the North Carolina Association of County Commissioners, or other qualified sources at the choice of the governing board and upon the prior approval of the Commission. When the Commission requires a finance officer or other employee to participate in training as authorized in this subsection, the Commission shall notify the finance officer or other employee and the employing local government or public authority of the required training. Upon completion of the required training by the finance officer or other employee, the employing local government or public authority shall submit, in writing, to the Commission proof that the training requirements have been satisfied.

(e) The Local Government Commission may require any local government or public authority to contract with outside entities in accordance with the terms of subdivision (9) of subsection (a) of this section if the local government or public authority has received a unit letter from the Commission due to a deficiency in complying with this Chapter or the local government or public authority has an internal control finding in the most recently completed financial audit. (1971, c. 780, s. 1; 1973, c. 474, ss. 18-20; 1975, c. 514, s. 10; 1987, c. 796, s. 3(5); 2016-84, s. 1; 2017-105, s. 1; 2019-19, s. 6.2; 2021-124, s. 4.)