

Town of Haysi
Minutes of Regular Town Council Meeting
February 5, 2019 @ 7:00 p.m.

On February 5, 2019, the regular meeting of the Haysi Town Council was held in the Council Chambers of the Haysi Town Hall Municipal Building located at 322 Main Street, Haysi, Virginia.

The following members were present:

PRESENT: Mayor Larry D. Yates
Vice Mayor Rocky Wood

Council Members:
William "Billy" Counts
Carter Branham
Susan Tiller
Michael Harris
Tim Wallace

ABSENT: None

ITEMS # I, II, & III

The meeting was called to order by Mayor Larry D. Yates at 7:00 p.m., and the Invocation was held by Chief George Wallace and the Pledge of Allegiance was recited.

ITEM # IV - APPROVAL OF THE AGENDA

At this time Mayor Yates asked for changes to the agenda as presented. Motion was made by Council Member Billy Counts seconded by Council Member Susan Tiller to approve the agenda as presented. Let the record show the motion on the floor passed unanimously by verbal voting.

ITEM #V – PUBLIC COMMENT

None.

ITEM # VI – APPROVAL OF MINUTES

Prior to the meeting council had received for consideration of approval a copy of the following prepared minutes:

- January 8, 2019 Regular Town Council Meeting

Motion was made by Vice Mayor Rocky Wood and seconded by Council Member Billy Counts to approve the minutes of the meeting on January 8, 2019 as presented. Let the record show the motion on the floor passed unanimously by verbal voting.

ITEM # VII – FINANCIAL REPORT

At this time the council was presented for approval the following:

- January 1, 2019 through January 31, 2019 Financial Report listing: beginning balance, revenue, expenditures and ending balance.
- January 1, 2019 through January 31, 2019 itemized listing of expenditures including checks # 14743-14782 & deposits
- January 1, 2019 through January 31, 2019 Profit & Loss Report
- Current payables to date for review

Mayor Yates asked for any questions regarding the financial report. Motion was made by Council Member Billy Counts seconded by Council Member Susan Tiller to approve the financial report. Let the record show the motion on the floor was passed unanimously by verbal voting.

ITEM # VIII - NEW BUSINESS

Audit Report from Thrower, Blanton, & Associates, P.C.

Mayor Yates welcomed Tamara Greear with Thrower, Blanton, and Associates to present the town's audit report. Copies of the Audit Report were given to the Haysi Town Council before the meeting began. Mrs. Greear began by stating that they had been completing the town's audit for several years. The town has a letter that will be placed on file with Clerk Amanda Perrigan at the Haysi Town Hall stating that there were no conflicts in the audit agreement. Mrs. Greear explained the findings on the internal control report. First, separation of duties, which the town has listed every year, but due to the town's small size that finding can't go away. Second, accounts receivable reconciliation, which is not material and has to do with the county collecting taxes for the town. The next two Mrs. Greear discussed are new; the Haysi Volunteer Fire Department and Haysi's Revolving Loan Fund with People, Inc. The Haysi Volunteer Fire Department is required to submit audit reports regularly to Dickenson County and the fire department is a department of the town even though it is volunteer, so it is included in the town's audit. Mrs. Greear explained that the fire department has "their own set of books," but still need to submit a budget, bank statements, and QuickBooks reports monthly or quarterly to Clerk Perrigan. Mrs. Greear explained what a challenge it has been to get information on the Haysi Revolving Loan Fund from People, Inc., which should work like a bank account set with them. This year the information that People, Inc. sent to Mrs. Greear "didn't tie" with the numbers that she had and they couldn't say why. Mrs. Greear stressed that the money is federal funds that the town is responsible for, which makes her concerned about the situation. Mrs. Greear added that Clerk Perrigan does a wonderful job with the town's accounting, but some things are out of the town's control. Mayor Yates added that the town doesn't sign the checks on the revolving loan fund. Mrs. Greear agreed and again stated that she was concerned. Council Member Michael Harris asked about the different in the numbers. Mrs. Greear answered that the first report was off forty thousand dollars. There was some confusion created by a loan that she was told had been paid off, but People, Inc.'s number ended up

sixteen thousand dollars “off.” Council Member Michael Harris asked if they were still sixteen thousand dollars “off.” Mrs. Greear answered that People, Inc. is still sixteen thousand dollars “off” on their record, but she was in possession of a letter from them stating that her number seemed correct to them, so they would allow her to proceed with that number. Mayor Yates stated that the town wasn’t the ones having problems with People, Inc. Mayor Yates asked about separating from People, Inc. Mrs. Greear answered that there was a variety of ways to manage the fund, such as in-house, but any fiduciary agent can do it. Mrs. Greear reminded everyone that the town is paying People, Inc. for this service, but the key is getting the needed information. Mrs. Greear also pointed out that she couldn’t calculate the interest that the town should have earned during the fiscal year either. Mayor Yates will escalate the situation with People, Inc. and then revisit how to proceed after sixty days. At that point, Mayor Yates asked how to handle the situation. Attorney Stephen Mullins suggested sending a letter. Mayor Yates pointed out that the situation could cost the town denial of future grants. Mrs. Greear stated that she didn’t list the finding as material, but it needs to be addressed. Mrs. Greear moved on to explain the audit report beginning with page four, the “Independent Auditor’s Report”, the town received an unmodified, clean opinion. Mrs. Greear moved to page six and seven, “Internal Control Over Financial Reporting and On Compliance.” Mrs. Greear said there was one finding, the Clerk does all of the accounting. She informed the Town Council that the only way to change that portion of the report is to hire more people where separation of duties can be implemented. Mayor Yates asked about having someone else come and review the financials. Mrs. Greear explained that would lessen the risk, but won’t make the finding go away, but she had lessened the severity of the finding to significant, which was the best she could do under the circumstances. Mrs. Greear gave a summary of page nine “Statement of Net Position, Exhibit 1” and pointed out that the town had \$1,294,589.00 in assets. Liabilities reflect \$277,489.00 for Virginia Retirement System and there was a debt for a \$15,000.00 loan on a new truck. She also gave a summary of page ten that details the amount of expenses, grant money, and taxes. Mrs. Greear gave a summary of page eleven, which contained the same numbers in a cash basis format and mirrors the budget. Mrs. Greear pointed out that the town’s unassigned amount was getting close to fifty percent of the budget. Mrs. Greear reviewed page twelve and noted that the town had a positive fund balance. Mrs. Greear recommended looking at the foot notes during the budget process. Mayor Yates commented on the large liabilities that the town had at the time of their first audit. Mrs. Greear agreed that the town had come a long way, but if anyone had questions they were welcome to call or email her. Mayor Yates asked if anyone had any questions regarding the audit. Mayor Yates thanked Mrs. Greear for her time and work and mentioned that the town was working with the Corp of Engineers to replace the current Haysi Town Hall and wanted to make her aware. Clerk Perrigan added that the town would not be administering those funds, the Corp of Engineers would be handling it. Motion was made by Vice Mayor Rocky Wood seconded by Council Member Tim Wallace to approve the audit report as presented. Let the record show the motion on the floor was passed unanimously by verbal voting.

Donation Request from Haysi-Clinchco Lions Club

Mayor Yates welcomed Brenda Ramey to present the donation request from the Haysi-Clinchco Lions Club. Mrs. Ramey introduced Ann Branham, who was in attendance with her. Mrs. Ramey explained that the club has started their donation requests for the Community Easter Egg Hunt earlier this year because they wanted to catch clearance sales after Valentine's Day. Mrs. Ramey noted that last year over five hundred children were fed in addition to the egg hunt prizes. Mayor Yates asked how many children attended during the first year. Mrs. Ramey answered three hundred and added that the event has grown each year. This year will be the Ninth Annual Community Easter Egg Hunt. Mrs. Ramey mentioned that needed all the help they could get with the event. Mayor Yates asked about their partners this year. Mrs. Ramey replied that the Lions Club was still reaching out, but the newly organized Clinchco Kiwanis Club gave two hundred and fifty dollars. Mrs. Ramey added that she is working on request letters. Mayor Yates suggested that she reach out to the two ATV clubs in the county. Mrs. Ramey will get the contact information for them from Clerk Amanda Perrigan. Mayor Yates asked about the available funds for donations in the town's budget. Clerk Perrigan replied the remaining balance was \$2,200.07. Mayor Yates commented that a lot of the donation requests to the town are received in the Spring. Motion was made by Vice Mayor Rocky Wood seconded by Council Member Carter Branham to donate five hundred dollars to the Haysi-Clinchco Lions Club for the Community Easter Egg Hunt. Let the record show the motion on the floor was passed by verbal voting with Vice Mayor Rocky Wood and Council Members Carter Branham, Susan Tiller, Michael Harris, Billy Counts, and Michael Harris voting aye and Council Member Tim Wallace voting nay.

Donation Request from Ridgeview Bible Club

Mayor Yates welcomed Lily Thacker to present the donation request from the Ridgeview Bible Club. Mrs. Thacker explained that a BETA Club induction ceremony and ball game kept the Bible Club members from attending. Mrs. Thacker stated that her daughter, Hannah Thacker, is the President of the Ridgeview Bible Club and wanted to make a county wide event. Mrs. Thacker said the club has raised money by selling chances on a quilt and asking for donations. Mrs. Thacker added that Hannah is scheduled to appear on WCYB tomorrow to discuss the project and so far they've raised close to two thousand dollars. Mrs. Thacker said that Hannah hopes the program will continue every year and any residual funds would be used next year for Bibles only. Vice Mayor Rocky Wood asked for details on the program/event. Mrs. Thacker answered that the Ridgeview Bible Club is raising money to give out a Bible to every senior at the school's Awards Ceremony. The program is student lead and the Bibles will be stamped Ridgeview Bible Club and they are trying to personalize them as well. Mrs. Thacker added that Ridgeview has around one hundred and fifty seniors this year. Mrs. Thacker said the cost of each Bible is twenty-five dollars, which included shipping and engraving. Motion was made by Council Member Carter Branham seconded by Council Member Billy Counts to donate two hundred and fifty dollars to the Ridgeview Bible Club. Let the record show the motion on the floor was passed by verbal voting with Vice Mayor Rocky Wood and Council Members Carter Branham, Susan Tiller, Michael Harris, Billy Counts, and Michael Harris voting aye and Council Member Tim Wallace voting nay.

ITEM # IX – OLD BUSINESS

None.

ITEM # X – UNFINISHED BUSINESS

Police Department Monthly Report-Chief George Wallace (See Attachment)

Chief George Wallace reported twenty-one calls for the month of January, which he stated were of a wide variety. Mayor Yates asked about the vandalism at Superior Fabrication. Chief Wallace answered that a vehicle got damaged and they considered the possibility of a disgruntled former employee. Mayor Yates asked if an arrest was made. Assistant Chief Bobby Edwards answered that interviews had been conducted. Mayor Yates asked about the call on January 16. Assistant Chief Edwards said that the state police made a DUI arrest. Mayor Yates asked if Officer Viers was involved during the call. Assistant Chief Edwards replied that she was. Mayor Yates asked if the location was in town limits. Assistant Chief Edwards answered that it was and the suspect was caught on foot. Mayor Yates asked about the power pole fire. Chief Wallace answered that the wind blew a tree over onto a power line and caught it on fire. Mayor Yates asked about the call on January 30. Assistant Chief Edwards said that someone was reported being dragged onto a vehicle against their will. Mayor Yates asked about Officer Viers' performance. Chief Wallace replied that Officer Viers was doing a good job. Assistant Chief Edwards advised that Officer Viers wasn't able to complete the physical test required for admission to the police academy. She is currently field training and will try the physical test for the academy again around the middle of July. Mayor Yates added that she did not have enough time to prepare for last month.

Haysi Volunteer Fire Department Monthly Report

Chief Rocky Wood reported that the Haysi Volunteer Fire Department had eight calls including a cat in a tree and arson on Big Ridge, which included two buildings and a house at the same time. Chief Wood said that it is being investigated now. Chief Wood advised that he is working with Assistant Police Chief Bobby Edwards on EMS First Responder License. Assistant Chief Edwards said he hopes it will help protect the community from future issues. Chief Wood said that he working on the By-Laws now. Mayor Yates asked for more clarity. Chief Wood answered that they would not operate an ambulance, but start out as First Responder and evolve to patient transport and eventually acquire an ambulance. Mayor Yates offered town support for funding opportunities. Chief Wood stated that the fire department is looking to apply to the United States Department of Agriculture's Rural Development Grant Program for the purchase of air pack bottles. Mayor Yates asked how many the fire department needed. Chief Wood replied that the fire department has eighteen "dead" bottles now, but in seven month all the bottles will be "dead." Chief Wood explained that they wanted to ask for fifteen. A general discussion was held about air pack bottles and the grant program. Chief Wood mentioned that the washing machine was no

longer working and the fire department is required to have a commercial washing machine according to the warranty on the turn out gear. Chief Wood said the estimated cost is seven thousand three hundred dollars with installation included.

ITEM # XI - MAYOR COMMENTS

Mayor Yates reported the following:

- Mayor Yates reported that the town submitted a grant application to the Appalachian Regional Commission for the Russell Fork Trail Center Project last month.
- Mayor Yates advised that the town continues to work with Spearhead Trails. A new ATV event will take place in April called the UTV Takeover. Clerk Amanda Perrigan added that it was an event coordinated by Southern Gap Outdoor Adventure and two thousand machines were expected. Vice Mayor Rocky Wood said that the fire department had been notified about it. Clerk Perrigan mentioned that it would be the same weekend as the 361 Adventures Breakdown Event.
- Mayor Yates reported that the town held a meeting with property owners about the proposed Riverwalk Project design. He offered to send the PowerPoint file to anyone that wanted to see it. Mayor Yates stated that everyone is “on board” now with the design.
- Mayor Yates reported that the Corp of Engineers had called twice with questions, but he didn’t have any updates on the project.

ITEM # XII - COUNCIL COMMENTS

None.

ITEM # XIII – ADJOURNMENT

There being no other business to be brought before the Council, a motion was made by Vice Mayor Rocky Wood seconded by Council Member Carter Branham to adjourn the meeting. Let the record show the motion was passed unanimously by verbal voting and the meeting was adjourned.

Larry D. Yates, Mayor

Attest:

Clerk