

The following are responses from Town Manager Diane Miller:

Please keep in mind that the Board did not ask me to respond to any of the comments made - several in error.

Water billing

We DO NOT outsource billing- we do the bills. We enter the readings, process the rereads, do adjustments, file adjustments from Bay River [Sewer], process the deposits and refunds- all in house. We outsource printing, which was also outsourced when the Town had a Manager and 1.5 office staff. We also processing, print, and mail late notices here in house.

Public Works Employees & Responsibilities

When the Town had 3 public works employees, they were taking turns monitoring and adjusting the water plant. Today, that is illegal- I don't know if it was or not at that time. Every plant operator is required to be certified by the State. When the Town had 3 public works employees, there was no fishing pier, small boat ramp, town dock 2, pumpout, restroom, dog park, expanded decoration schedules, expanded event schedules, green waste pickup (people took theirs to the road where the water tower is on White Farm and dumped it illegally or burned it) We've spent 4 years clearing that flammable pile out of that road. Additional reporting requirements are being met now as well.

We barely keep up in Public Works. If we decrease that number of employees, the drainage/ recreation/ waterfront facilities will inevitably be the casualties because those are labor and equipment and time intense work, and recreation is always a want, not a need, and the first service to be cut. We also have 3 certified pesticide operators- you can't spray for mosquitoes without a license- and continuing education to maintain that license. When I got here, we had one staff member licensed to spray- so that person had to work twice a week at 4AM. We budget (normally) more than the City of New Bern for mosquito abatement. This year, because we filed for extra chemicals cost used following Florence, we had reimbursement money to purchase more than originally budgeted, to relieve the cost for 20-21.

When the Town had the Manager +1.5 office staff, the state requirements on our financial reporting/auditing/water billing were much fewer. The number of unfunded mandates handed out in the last 5 years adds significantly to our workload.

Unfunded Mandates

Unfunded mandates are reporting percentages of each employee's time on departmental tasks in a survey prior to our worker's comp insurance fee being calculated and billed (preaudit for next year, and then update after the year ends), revising and certifying (by a certified surveyor) Powell maps after every annexation or road addition or every 5 years, whichever comes first, LGC-203-depositories must be reconciled and sent to the State twice annually, Annexations and boundary survey in July every year, Bank certifies in July to Local Government Commission to verify the amount held in unrestricted unreserved, Separation and Allowance calculation (we pay an outside firm to calculate what we should be holding in reserve for Police- specifically, by member, in case they separate- police pay falls under very different rules (costs about \$350/year) GASB-73. We have to file what we call a yellow form with our audit in all years in which we receive grant funds over \$200,000- including FEMA- so that has to be filed this year and next year- at a cost, Solid Waste report annually on tipping tonnage/recycling costs, etc, during COVID- we are required to report monthly on the number of delinquent accounts and money lost to those restricted fees- (so the State is abundantly aware of how much money utilities are losing due to the removal of late and cutoff fees).

We have to test for lead in water every month instead of quarterly, lowered low level chlorine test results being acceptable (EPA/State), increased TTHM testing (disinfection byproducts)- these tests take time and increased chemical use to get to the new required levels.

Some advantage in that a lot of it has moved to electronic submission of results, but the results still have to be verified.

New Billing System

The new (2016) full accrual billing/financial/work order system decreases the potential for fraud. Our old system was two separate and distinct systems,

where the water numbers, at the end of the day, were hand-carried to the financial system. While I had no trust issues with the staff at that time, manually movement is ripe for fraud and open to human error. When the financial system owner stopped technically supporting the product, we had to change- that was the best time to get an integrated system.

Financial Audits

I've heard stories about past audits and the limited checks made on annual paperwork. I can tell you, first hand, our new auditor goes through boxes and boxes of invoices, check stubs, and financial accompanying journal entries every year and we have had a clean audit since the fiasco of the financial system transfer. We expect another this year.

County Manager Salary

The County Manager does NOT, nor should he, get paid the same as I do- the amount cited is likely his general fund portion, not including a substantial amount from the water fund, and perhaps other funds- they have more than just water and general. I can't confirm that, but the County could.

Future Trash/Recycling Predictions

The next task is to try and extrapolate what a "normal" year is to be able to predict accurately going forward- with two hurricane years and then COVID, things are "different"- not normal, not predictable- and that makes it all hard. Trying to calculate what the cost difference is between paying the raised recycling rate vs. what the additional costs- both in service (per bin) fees plus added tipping if we did not recycle is not an easy difference to untangle. I think we are committed to continue recycling- for now- but any changes to it affect both the bin charge, capacity, and added tipping. In a house with only two people, I can tell you both my trash and recycling bins are full on that 1st 3rd and 5th Monday- what would that do if there was no recycling? Do we get another bin, do we get a bigger bin?

Administrative Staff Responsibilities

Mary does water payments when Heather is otherwise tied up- in addition, she process journal entries, opens, processes accounts payable invoices- codes the bills to the proper lines in the budget, checks to make sure we have funds in the

proper lines to pay the bills. Writes the bills, prepares all of that for me to review prior to printing and signing the bills (statutorily mandated pre-audit process). Then prints and gets me all the accompanying paperwork- invoices, purchase orders, receipts, I sign them, she calls David or Charlie to countersign, mails bills.

Heather does most of the phone answering directory, general info, helps people fill out water account paperwork, starting new, closing old accounts, processes the readings on the meters, creates reread sheets determined by large discrepancy from previous billing, enters rereads that come back- calls owners to make them aware if there is a problem, processes water payments, zoning payments, files, does the late notices, tracks those for the new reporting requirements to the state, does the dog park licenses, the watercraft rack assignments, the dock registration databases (we use these to tally numbers of visitors and visitor issues at the docks, the alert and sunshine notices, work orders for Public works- outgoing and closes out incoming when the work is done. Fields complaints from citizens, and generally is the first face you see when you come in.

Tammy processes all of payroll, the forms required to LGC, NC Treasurer, Powell Bill, Our annual CCR, coordinates insurance, deals with employee insurance issues, retirement issues, does the journal entries for recurring payments and balances the checkbook – our statements against records of invoices. Admin head- directs Mary and Heather. Assists me in finance- budget building and adjustments, keeps our recurring contracts straight- water tower maintenance, office equipment contract, printing company contract- main liaison to our financial software people, etc...I could go on.

I am Finance Officer, Budget Officer, Town Clerk (required to file with State annually our Minutes and keep them according to the statutes in a very specific way and place)- hold the HR records, process and hold all closed session, liaison to attorney, land deals, grant manager, Land Use Administrator, liaison and Clerk to Planning Board and BOA- keeping them within statute- issue proper notices for hearings- process notifications, create budget, file papers with Register of Deeds, liaison to other Governmental entities- County, State, FEMA, NCDPS, function as admin head of Police, negotiate contracts, review

all items before the Board, prepare the meeting info, keep Board apprised of relevant issues, inspect large projects and keep in budget, file all reimbursement requests, seek and maintain grants, Town Emergency coordinator