

TOWN BOARD MEETING – SPECIAL CALLED MEETING

October 26, 2023

Present: Mayor George Holleman
Mayor Pro Tem Kenny Poole
Councilman Ronnie Robinette
Councilman Jack Simms
Councilwoman Kim Brown

The special called meeting was opened for business by Mayor Holleman at 1:20 p.m. The invocation was given by Councilman Simms.

A motion was made by Councilman Poole and seconded by Councilwoman Brown to adopt the agenda for the special called meeting. The motion was passed unanimously.

A motion was made by Councilman Robinette and seconded by Councilman Simms to enter into closed session to discuss confidential/personnel information in accordance to N.C.G.S. 143-318.11(a)(1) and N.C.G.S. 143-318-11(a)(6). The motion was passed unanimously.

Topic of Closed Session:

The Office of the State Auditor met with the Town Council, Town Manager, Town Clerk & Town Attorney via virtual meeting for the purpose of presenting their finding following their investigative audit of the Town of Taylorsville. There were 2 findings. After the virtual meeting a draft copy of their report will be emailed to the Town Manager. The Town Council has 10 days to respond to the findings with a response letter. Once the response letter is received by the State Auditor's office, the final report will be published to their website and the Town will be notified. Until that time, the draft and response letter are CONFIDENTIAL and must not be released. No press release or statements may be made regarding the meeting as well.

Finding #1- Town paid Company owned by Town Employees in Violation of Policy – Appendix A = \$746,839.00

Finding #2 – No Procedures to Ensure Employees Were Not Double Paid \$309,663.00

The Town Council unanimously agreed to respond as follows:

Finding #1 – Town Paid Company Owned by Town Employees in Violation of Policy

The Town will ensure that all policies in place for the fiscal management of the Town are followed, including but not limited to the Procurement Policy, Conflict of Interest Policy, Personnel Policy and Ethics Policy. These policies when followed prevent personal interest of staff members, officers, and council members of the Town of Taylorsville from interfering with the performance of their duties to the Town of Taylorsville, or resulting in personal financial, professional, and /or political gain on the part of such persons at the expense of the Town of Taylorsville. The Town's Conflict of Interest Policy and Procurement Policy were breached when the former Town Manager authorized the Town to do business with Miller Septic Service, a company owned by two Town of Taylorsville employees. Under new management, all policies will be strictly followed and monitored for compliance. All policies will be reviewed and signed as acknowledgement of understanding on an annual basis per conditions of employment and/or election of office and/or appointment of committee. The Town will conduct personnel

proceedings as applicable by law and in addition to the breach of the Town’s Personnel, Conflict of Interest and Ethics Policies in regards to the findings disclosed by the report regarding all employees named.

Finding #2 – No Procedures to Ensure Employees Were Not Double Paid

Effective October 3, 2023 Aaron Wike was named Town Manager for the Town of Taylorsville. Under new management, The Town will ensure that all policies in place for the fiscal management of the Town are followed, including but not limited to, the Procurement Policy, Conflict of Interest Policy, Town Personnel Policy and the Town Ethics Policy. These policies when followed prevent personal interest of staff members, officers, and council members of the Town of Taylorsville from interfering with the performance of their duties to the Town of Taylorsville, or resulting in personal financial, professional, and /or political gain on the part of such persons at the expense of the Town of Taylorsville. The Town has now purchased a new vacuum truck and hired an employee to operate as needed; therefore, there should not be a need to contract any services from Miller Septic Service or any other provider of this type in the future unless emergency situations should dictate where more than one(1) truck is needed. The Town will conduct personnel proceedings as applicable by law and in addition to the breach of the Town’s Personnel, Conflict of Interest and Ethics Policies in regards to the findings disclosed by the report regarding all employees named. In years past, the Town Manager was also the Finance Director. As an additional fiscal management safeguard, The Town plans to separate those duties by hiring a Finance Director.

This response will be placed on Town letterhead and sent back to the State Auditor’s Office as quickly as possible.

A motion was made by Councilman Robinette and seconded by Councilman Simms to return to regular session for adjournment only. The motion was passed unanimously.

A motion was made by Councilwoman Brown and seconded by Councilman Simms to adjourn the meeting at 3:00 pm. The motion was passed unanimously.

Mayor

Councilman

Councilman

Councilman

Councilman

Attest: _____
Yolanda T. Prince, Town Clerk