

**TOWN OF MCADENVILLE COUNCIL AGENDA
TUESDAY, JUNE 14, 2021 @ 6:00 PM
163 MAIN STREET, MCADENVILLE NC**

- 1. CALL TO ORDER, PLEDGE OF ALLEGIANCE & INVOCATION**
- 2. ADJUSTMENT & APPROVAL OF JUNE AGENDA:** Items will only be added or removed upon approval of the Mayor and Town Council.
- 3. CONSENT AGENDA:** The items of the "Consent Agenda" are adopted on a single motion and vote, unless the Mayor or Council wishes to withdraw an item for separate vote and/or discussion:
 - a) **Approval of Minutes:** Regular Meeting of May 10, 2022, and Special Meeting/Budget Workshop of May 14, 2022.
 - b) **Contract to Audit Accounts:** Butler & Stowe has submitted their Contract to Audit Accounts for the Town of McAdenville for the year ending June 30, 2022, in the amount of \$25,000.00. Audit prep cost is \$20,650 and writing the Financial Statement is \$4,350. This is an increase of 8% from the previous year's contract.
 - c) **Clayton Engineering Contract Amendment for Hallie Bentley PRV project:** The scope of work for engineering services has been revised to include relocation and upsizing of the PRV as recommended by TRU staff. Original contract total \$19,500.00 / Revised contract total \$27,600.00.
- 4. BUDGET PRESENTATION – FY2022-2023:** Staff will present a slide presentation on the estimated revenue and expenditures for the General and Water/Sewer funds highlighting major changes and planned CIP projects.
- 5. PUBLIC HEARING FOR PROPOSED 2022-2023 BUDGET:** This is the required public hearing on the proposed budget for the fiscal year beginning July 1, 2022. Persons requesting to speak on items in the proposed budget must register with the Town Clerk.
- 6. ADOPTION OF BUDGET ORDINANCE FOR FISCAL YEAR 2022-2023:** The total for the Proposed Budget for the Town of McAdenville for Fiscal Year 2022-2023 is \$2,173,865 with an increase in the ad valorem tax rate to .39 cents per \$100 assessed valuation. Proposed revisions to the Water & Sewer Rates and Fee Schedule are included as part of the FY2022-23 Proposed Budget. The recommended rate increase for water & sewer services is 7% to offset the wholesale rate increase implemented by the City of Gastonia and fund capital improvements.
- 7. ORDINANCE ADOPTING COMPREHENSIVE LAND USE PLAN:** An ordinance adopting the Comprehensive Land Use & Master Plan for the Town of McAdenville is being presented for Council consideration. *Background: The McAdenville Planning Board partnered with N-Focus consulting to create a comprehensive land use plan and map for the Town to comply with the procedures of G.S. 160D-501. The new legislation requires all local governments to adopt a land use plan by June 30, 2022 in order to maintain the authority to*

enforce zoning regulations. On May 5, 2022 the McAdenville Planning Board voted unanimously to recommend adoption of the proposed comprehensive land use plan, and the required public hearing was held on May 10, 2022.

- 8. ORDINANCE AMENDING THE ARP/CSLFRF GRANT PROJECT ORDINANCE:**
The American Rescue Plan Act of 2021 (ARPA) was signed into law in March 2021. ARPA established the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF), which is a program that provides funding over a two-year period to states, counties, and municipalities across the country. Pursuant to GS159 Section 13.2, the Town adopted a grant project ordinance (no. 2021-004) for the anticipated funding. McAdenville's award amount of \$214,483 has been confirmed and the Town has elected to take the standard allowance and expend the funding for the provision of government services. An ordinance amending the Town's ARP/CSLFRF Grant Project Ordinance is being presented for Council consideration.
- 9. POLICY ADOPTION FOR USE OF ARP/CSLFRF FUNDS:** Recipients of CSLFRF funds are subject to provisions specified in the Final Rule including the adoption of ARPA specific policies. The UNC School of Government has provided guidance on the policies needed by municipalities choosing the standard allowance for revenue replacement. The following five (5) policies have been prepared by staff and reviewed by the Town Attorney for adoption consideration by Council.
 - 1) Civil Rights/Nondiscrimination Policy
 - 2) Record Retention Policy
 - 3) Conflict of Interest Policy
 - 4) Eligible Project Determination & Documentation Policy
 - 5) Cost Principles/Allowable Cost Policy
- 10. NORTH STREET ALLEY POCKET PARK:** As part of the redevelopment of the downtown historic district, Belmont Land is proposing closing the North St alley and creating a pocket park. Preliminary designs will be presented for Council discussion.
- 11. POLICE DEPARTMENT REPORT:** Captain Debbold, CPD, will report on police activity for the month of May and address any concerns of Council.
- 12. OPPORTUNITY FOR PUBLIC COMMENT:** This is an opportunity for members of the public to present items of interest to the Mayor and Council. This is not a time to respond or take action. Any necessary action will be taken under advisement. Speakers are asked to stand, state their name and address for the record and limit comments to no more than five minutes.
- 13. COUNCIL GENERAL DISCUSSION:** This is an opportunity for the Mayor and Council to ask questions for clarification, provide information to staff, or place an item on a future agenda.

ADJOURN

TOWN OF MCADENVILLE MINUTES MAY 10, 2022

The McAdenville Town Council met in regular session on Tuesday, May 10, 2022, at 6:00 PM in the Council Chambers of Town Hall located at 163 Main Street, McAdenville N.C.

PRESENT:

Mayor Jim Robinette and Mayor Pro-Tem Reid Washam; Council Members: Carrie Bailey, Jay McCosh, and Greg Richardson. Also in attendance: Attorney Chris Welchel, Police Chief Adams, and Town Administrator/Clerk Lesley Dellinger. Council Member Joe Rankin was absent.

CALL TO ORDER:

Mayor Robinette called the meeting to order at 6:00 PM and led in the Pledge of Allegiance. Pastor Walt Griggs, McAdenville Baptist Church, opened the meeting with prayer.

ADJUSTMENT & APPROVAL OF AGENDA:

The May Agenda was approved as submitted by motion of Jay McCosh, second by Carrie Bailey and unanimous vote.

CONSENT AGENDA:

The items of the Consent Agenda were unanimously approved by motion of Mayor Pro-Tem Washam, second by Carrie Bailey with unanimous vote:

- a) **Approval of Minutes:** Special Meeting/Joint Public Hearing of March 31, 2022, Regular Meeting of April 12, 2022, and Special Meeting/Budget Workshop of April 23, 2022.
- b) **Public Hearing on Proposed Budget:** Council set the Public Hearing on the proposed 2022-2023 municipal budget for Tuesday, June 14, 2022 at 6:00 PM in the Council Chamber of McAdenville Town Hall.
- c) **Planning Board Appointment:** Council appointed William Clark to serve on the McAdenville Planning Board/Board of Adjustments for a (3) year term of May 2022 to May 2025.
- d) **Amend Town Council Meeting Schedule:** Council amended the meeting schedule to include a budget workshop for Saturday, May 14, 2022, at 9:00AM to be held in the conference room at Town Hall.

PUBLIC HEARING ON PROPOSED LAND USE PLAN & LAND USE MAP:

Upon motion by Carrie Bailey, second by Mayor Pro-Tem Washam the public hearing on the proposed land use plan and map was opened. Mayor Robinette stated that the Planning Board had been working with a consultant to create a Comprehensive Land Use Plan for the Town. He added that the State now requires all local governments to adopt a Land Use Plan to be eligible for certain funding, powers, and authority by June 30, 2022; otherwise the Town loses authority to enforce local UDO regulations. Tom Weitnauer, consultant with N-Focus, was given the floor for a slide presentation on McAdenville's proposed Land Use Plan and map.

Mr. Weitnauer stated that a Comprehensive Land Use plan is a tool that assures local decisions are made with a perspective on future implications, affirming public accountability & fiscal

responsibility are part of the process. It is a 20-year plan designed to help elected officials and appointed boards create capital improvement plans to attract and support development that achieves their vision for future growth. The plan can be broken out into the following three sections: Where the Town is today (Chapters 1 – 4); where the Town wants to go (Chapter 5); and a plan for how to get there (Chapter 6 – 9). Public engagement was an important factor in the development of the plan, and Chapter 5 provides graphs of the public responses from the on-line survey and one-on-one interviews conducted in Town. This information was analyzed and used to prioritize the final goals desired by the community. These goals with objectives and strategies are detailed in Section 5.2 of the plan. The later part of the plan gives a road map for future development, and once the plan is adopted will prevent rezoning that does not align with the Town's future vision. The future Land Use Map was presented for review. Mr. Weitnauer concluded his presentation and offered to answer questions from Council and the public. He thanked Town Council, the Planning Board and Town Staff for their input and assistance with developing the draft Comprehensive Land Use Plan and added that he looks forward to partnering with the Town on future projects.

Following Mr. Weitnauer's presentation, Mayor Robinette opened the floor for public comment.

William Clark, McAdenville resident of 136 Church Street and Planning Board member, stated that the Land Use map does not change the official zoning map but that he hopes it will be used to shape the future. He added that the future Land Use map lines up well with the current zoning because our UDO is so new, and it will be a great tool for the members of the Planning Board when new site developments plans are presented for review.

No additional comments were submitted. Upon motion by Carrie Bailey and second by Mayor Pro-Tem Washam the public hearing period was closed.

ORDINANCE AMENDING ZONING MAP:

Staff reported that Council approved the application for rezoning for tax parcel #213448 from C2 to RMF/CZ for development of an affordable senior (55+) rental community with specified conditions at the April 12, 2022, regular meeting. The CZ development conditions have been agreed upon in writing by the current Property Owner, A.G. Koutsoupas, and the Developer, WDT Development, LLC. Ordinance 2022-001 amending the official zoning map of the Town of McAdenville with the agreed conditional zoning requirements was presented for adoption consideration by the Board. Jay McCosh motioned to approve the ordinance amending the official zoning map for Parcel #213448 from C2 to RMF/CZ with conditional zoning provisions. The motion was seconded by Mayor Pro-Tem Washam and passed unanimously.

POLICE DEPARTMENT REPORT:

Chief Adams asked for Council's consideration to adjust the rate of pay for officers managing traffic during the Christmas Lights to the standard off-duty rate of \$35/hr. He added that he had to reach out to every police department in Gaston County last year to try and fill the scheduled slots. Mayor Robinette stated that the Board would discuss a rate adjustment when budgeting for the Christmas Town event in 2022.

Mayor Pro-Tem Washam stated that an additional officer was being requested for traffic control at Mockingbird Lane in 2022. He asked how Chief Adams planned to manage the influx of

traffic from 29/74. Chief Adams replied that the plan is to add additional signage at 29/74 and on Mockingbird Lane and to station one officer to direct traffic at the Main Street intersection. Mayor Pro-Tem Washam added that he feels it would require two officers to manage the traffic flow efficiently.

COUNCIL GENERAL DISCUSSION:

Mayor Robinette stated that Custom Builders & Grading had mobilized and work on the greenway parking lot was underway.

Mayor Pro-Tem Washam congratulated Attorney Chris Whelchel on a recent high-profile win in the NC Supreme Court.

OPPORTUNITY FOR PUBLIC COMMENT:

Mayor Robinette opened the floor for public comment. No comments were received.

ADJOURN:

There being no further business to come before the Board, the meeting adjourned at 6:54 PM upon motion of Greg Richardson, second by Mayor Pro-Tem Washam and unanimous vote.

Jim Robinette, Mayor

Lesley Dellinger, Town Clerk

**MCADENVILLE TOWN COUNCIL
SPECIAL MEETING / BUDGET WORK SESSION
MAY 14, 2021**

The McAdenville Town Council met in Special Session on May 14, 2022 at 9:00 AM in the conference room of McAdenville Town Hall, 163 Main Street. Proper notice was given.

Members Present: Mayor Jim Robinette, and Mayor Pro-Tem Reid Washam; Council Members, Joe Rankin, Greg Richardson, and Jay McCosh. Staff member Lesley Dellinger was also present. Councilmember Carrie Bailey was absent.

Mayor Robinette called the meeting to order at 9:03AM. He stated the purpose of the meeting was to review the proposed budget estimates for FY2022-2023.

General Fund:

Lesley stated that the current year property tax receipts were overestimated by approximately \$40K due to the \$9,665,237 discovery under appeal for Manning Mills making estimates for FY22/23 difficult. She recommended going with a conservative property tax revenue estimate for the upcoming budget until the Mannington matter was settled. Next a brief overview of the ARPA funding was provided. The UNC School of Government is recommending using ARPA funding as revenue replacement for ease of reporting. By using our current allocation of \$107,000 in the current budget for revenue replacement of salary & benefits it allows us to supplant the monies for this expense to capital improvement projects.

The current expenditures were reviewed and the Board's input on revisions and capital projects were requested. The Board agreed that employee retention was key and authorized merit increases up to 5% for full time employees, along with a change to the health insurance benefits and additional Christmas bonus monies. Capital improvement projects were approved for the greenway parking project and the Fire Station. Staff asked for consideration of additional funding for design of the Riverlink Trail. Greg Richardson stated that the Town has a grant from the CTT for \$46,600 but that the engineering was estimated to cost around \$100K. The Board weighted the option of doing a feasibility study prior to moving forward with engineering but decided that having the trail engineered would increase the possibility of obtaining grant funding for construction.

Current revenues and the Town's tax rate were discussed. It was noted that the last tax increase was in 2017. Lesley stated that the contracts with Cramerton for Police and Fire protection have increased approximately 19% since 2019 totaling over \$60K/year. She added that all capital improvement projects had been placed on hold for the past two years due to pandemic concerns and now the cost for construction has skyrocketed. The Board was asked to consider a property tax increase to offset the amount of fund balance reserves needed to balance the upcoming budget. Reid Washam explained that by raising the tax rate by .05 cents the Town would generate an additional \$60K in revenues and that a .06 cent increase would generate \$70K. The Board reviewed the estimated revenues and expenditures and recommended the tax rate be increased by .06 cents.

Water/Sewer Fund:

Lesley provided an update on the cross connections project at Complex 46 and the Hallie Bentley PRV replacement. The Board reviewed the current CIP schedule and discussed current DWI grant applications. An overview of the work done to obtain a distressed utility designation was provided.

Mayor-Pro-Tem Washam was formally excused from the meeting at 11:58AM.

Lesley stated that a 7% increase for water & sewer services was being recommended by staff. TRU has approved a 5% increase in wholesale rates for water and sewer treatment beginning July 1, and the 2021 rate study by NCRWA recommends an increase of 2% in years 2-5 over any increase realized by TRU. She added that even with this increase, a fund balance infusion of \$137,565.00 would be needed to balance the budget. The Board reviewed the estimated revenue and expenditures for the sewer fund and supported staff's recommended W&S service increase.

There being no further business to discuss, Mayor Robinette adjourned the meeting at 12:10 PM.

Jim Robinette, Mayor

Lesley Dellinger, Town Clerk

The	Governing Board Town Council
of	Primary Government Unit Town of McAdenville
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name Butler & Stowe
	Auditor Address Post Office Box 2379, Gastonia, North Carolina 28053-2379

Hereinafter referred to as Auditor

for	Fiscal Year Ending 6/30/2022	Audit Report Due Date 10/31/2022
-----	---------------------------------	-------------------------------------

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.)(G.S. 159-34 and 115C-447) All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by: ☒ Auditor ☐ Governmental Unit ☐ Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:

Title and Unit / Company:

Email Address:

Lesley Dellinger

Finance Officer

clerk@townofmcadenville.org

OR Not Applicable ☐ (Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

Primary Government Unit	Town of McAdenville
Audit Fee	\$ 20,650.00
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$ 4,350.00
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit Fee	\$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Butler & Stowe	
Authorized Firm Representative (typed or printed)* Sheila O. Thornton, CPA	Signature* <i>Sheila O. Thornton</i>
Date* 6-1-2022	Email Address* sthornton@butlerstowe.com

GOVERNMENTAL UNIT

Governmental Unit* Town of McAdenville	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)* Jim Robinette	Signature*
Date	Email Address mayor@townofmcadenville.org
Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* (typed or printed) Lesley Dellinger	Signature*
Date of Pre-Audit Certificate*	Email Address* clerk@townofmcadenville.org

CLAYTON

ENGINEERING & DESIGN

Exhibit "A" Scope of Service

McAdenville PRV Hallie Bentley Drive – McAdenville, NC

~~July 14, 2021~~ Revised 8/19/21 Revised 5/11/22

Section 1: Project Scope

The project consists of the evaluation of an existing pressure reducing valve, PRV, and the design of the removal and replacement of the existing PRV. The new PRV will be located on Main Street. Project will include design of a 12" water main extension to the new location and continuing a 4" water main extension to the north, so as to connect to the existing line that feeds downtown. Included in design will be any necessary permitting through NCDEQ and necessary construction administration to certify the project. If NCDOT maintains Main Street, this will require an encroachment agreement with them.

The project is expected to consist of the following items:

1. Initial Review
 - a. Site Survey
 - i. Additional route surveying will be required for the 12" extension and the 4" line to the north.
 - ii. Private utility locate. Based on discussion at the meeting, a private utility locate will be necessary to locate the existing 4" water main.
 - b. Field Investigation
 - c. Development of Options
2. Design Development. Based on an approved plan, CE&D will provide preliminary design documents and specifications of the following:
 - a. Demolition Plan
 - b. Site Plan
 - c. Utility Plan
 - d. PRV and Vault Details
 - e. Water Plan & Profiles
 - f. Specifications
 - g. One (1) Site Visit
3. Construction Documents. Based on the approved Design Development, CE&D will complete the required engineering design and produce a set of drawings and specifications including:
 - a. Demolition Plan
 - b. Site Plan
 - c. Utility Plan
 - d. PRV and Vault Details
 - e. Water Plan & Profiles
 - f. Specifications
 - g. One (1) Site Visit
4. Construction Observation.
 - a. Solicit bids
 - b. Open bids, review and recommend bidder to Owner.
 - c. Issue construction documents in electronic format to the Owner and Contractor.
 - d. Respond to questions and request for information through the issuance of addendum.

CLAYTON

ENGINEERING & DESIGN

- e. Coordinate start of construction with Owner and Contractor.
 - f. Make periodic visits to the site as necessary to observe as an experienced and qualified design professional the progress and quality of the Contractor's work and to determine in general if the work is proceeding in accordance with the Contract Documents. The ENGINEER shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the contractor(s) or the safety precautions and programs incident to the work of the contractors. During such visits and on the basis of his on-site observation, the ENGINEER shall keep the OWNER informed of the progress of the work, and shall endeavor to determine if such work is proceeding in accordance with the Contract Documents.
 - g. Review Shop Drawings and samples, the results of tests and inspections and other data which any Contractor is required to submit, but only for conformance with the design concept of the Project and compliance with the information given in the Contract Documents; determine the acceptability of substitute materials and equipment proposed by Contractors; and receive and review (for general content as required by the Specifications) maintenance and operating instructions, schedules, guarantees, bonds and certificates of inspection which are to be assembled by Contractors in accordance with the Contract Documents.
 - h. Conduct an inspection to determine if the Project is substantially complete and a final inspection to determine if the Project has been completed in accordance with the Contract Documents and if each Contractor has fulfilled his obligations there under so that the ENGINEER may recommend in writing, final payment to each Contractor.
 - i. During such visits and on the basis of such observations, ENGINEER may disapprove of or reject Contractor(s) work while it is in progress if ENGINEER believes that such work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the Project as reflected in the Contract Documents.
 - j. The ENGINEER'S undertaking herein shall not relieve the contractor of contractor's obligation to perform the work in conformity with the drawings and specifications and in a workmanlike manner; and shall not make the ENGINEER an insurer of the contractor's performance.
 - k. Revise Drawings to show those changes made during the construction process, based on marked-up prints, drawings and other data furnished by the Contractors. Furnish the original "Record Drawings" to the OWNER within ninety (90) days of OWNER's project acceptance.
 - l. Observation of testing
 - m. Certification
4. Perform professional normal civil engineering services incidental to the project.
5. Consult with the CLIENT to determine the PROJECT'S requirements and review available project information.

CLAYTON

ENGINEERING & DESIGN

6. Advise the CLIENT as to the necessity of the ENGINEER providing or obtaining from others data or services and act as the CLIENT'S representative in connection with any such services.

Section 2: Additional Services by Clayton Engineering & Design

1. If authorized by the CLIENT, the ENGINEER will perform additional services of the following types which are not considered normal or customary Basic Services.
 - a. Preparation of special documents or reports as may be required by state and federal agencies that may have jurisdiction over the project. This would include but not be limited to environmental assessments, Geotechnical testing, wetland surveys, wildlife surveys, archeological surveys, pilot studies and stream delineation.
 - b. Assistance in right of way acquisition
 - c. Design of off-site utilities.
 - d. Permit/Application fees

Section 3: Period of Service

1. The ENGINEER's period of service shall begin upon the authorization of the CLIENT for each phase of work and shall continue until the final phase is completed.
2. If the CLIENT request modifications or changes in the scope of the PROJECT, the time of performance, outlined in Paragraph 3a below, shall be appropriately adjusted.
3. Time estimates:
 - a. Initial Site Review – 1 days (Once Survey is Complete)
 - b. Design Development – 10 days
 - c. Construction Documents – 15 days
 - d. Bidding & Award – 20 days
 - e. Permitting – 30 days

Section 4: Payments to the Engineer

1. For the Basic Services rendered under Section I the CLIENT shall make payments to the ENGINEER according to the following:
 - a. Lump Sum fee of nineteen thousand five hundred dollars (\$19,500.00). ~~\$27,600~~
 - a. Initial Site Review and Survey (includes survey fee) ~~\$ 3,500~~ **\$5,500**
 - b. Design Development ~~\$ 4,200~~ **\$5,500**
 - c. Construction Documents & Permitting ~~\$ 3,200~~ **\$5,500**
 - d. Bidding & Award ~~\$ 3,100~~
 - e. Construction Observation & Certification ~~\$ 5,500~~ **\$8,000**

CLAYTON

ENGINEERING & DESIGN

- b. Other direct costs (i.e. direct non-payroll expenses) associated with these Additional Services, will be billed at 1.10 times cost. Reimbursable fees shall be approved by CLIENT prior to ENGINEER incurring such cost. The cost of reproductions, long distance telephone and travel are included in lump sum amount, and shall not be reimbursable fees.

ORDINANCE 2022-xxx

**ORDINANCE ADOPTING A BUDGET FOR THE
TOWN OF MCADENVILLE, NORTH CAROLINA FOR
THE FISCAL YEAR BEGINNING JULY 1, 2022 AND ENDING JUNE 30, 2023**

BE IT ORDAINED by the Town Council of the Town of McAdenville, North Carolina meeting in open session this 14th day of June 2022, that the following anticipated revenues and departmental expenditures are hereby appropriated and approved for the operation of the Town of McAdenville and its activities for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023.

SECTION I – GENERAL FUND EXPENDITURES: A total of \$1,297,300 is hereby authorized to be expended from the department accounts of the General Fund as follows:

Governing body	\$ 21,600
Administrative Department	\$ 485,450
Admin Dept – Fire Service	\$ 65,000
Admin Dept – Garbage Service	\$ 100,000
Elections Department	\$ - 0 -
Street Const & Maintenance (Powell Bill)	\$ 22,000
Police Department	\$ 297,750
Public Works Department	\$ 130,000
Capital Expenditures	<u>\$ 175,500</u>
TOTAL	\$ 1,297,300

SECTION II – WATER AND SEWER FUND EXPENDITURES: A total of \$876,565 is hereby authorized to be expended from the Water and Sewer Fund as follows:

Water and Sewer Department	<u>\$ 876,565</u>
TOTAL	\$ 876,565

SECTION III – GENERAL FUND REVENUES: The Town Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Ad Valorem Taxes	\$ 499,000
Tag & Tax	\$ 30,000
Utility Franchise Tax	\$ 270,000
Sales Taxes	\$ 200,000
Powell Bill	\$ 22,000
Alcohol / Beverage Tax	\$ 2,500
Solid Waste Disposal	\$ 500
Interest Income General Fund (GF)	\$ 1,000
Interest Income Powell Bill (PB)	\$ 25
Bldg. and Zoning Fees	\$ 2,000
Capital Project Reserves	\$ 46,666
ARPA-Special Project Fund (transfer in)	\$ 107,000
Fund Balance Appropriations GF	\$ 116,609
Fund Balance Appropriations PB	<u>\$ - 0 -</u>
TOTAL	\$ 1,297,300

SECTION IV – WATER AND SEWER FUND REVENUES: The Town Council does estimate that the following Revenues will be available during the fiscal year beginning July 1, 2022 and ending June 30, 2023:

Charges for Service	\$ 738,000
Interest Income	\$ 1,000
Fund Balance Appropriations W&S	\$ 137,565
Transfer from General Fund (GF)	\$ - 0 -
TOTAL	\$ 876,565

SECTION V – LEVY OF TAXES: There is hereby levied, for Fiscal Year 2022-2023, an Ad Valorem Tax Rate of \$0.39 on each one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 1, 2022. This rate is based on an estimated 99.04% collection rate which was at least the collection rate experienced during the 2021-2022 fiscal year.

There is also hereby levied, for Fiscal Year 2022-2023, a Vehicle tax of \$5.00 per year upon any vehicle resident in the Town of McAdenville.

SECTION VI – FEES SCHEDULE: The Town Council shall adopt a schedule of fees and rates for water and sewer services, as may be amended from time to time as determined appropriate, to provide funding to cover costs for the provision of designated services.

SECTION VII – SPECIAL AUTHORIZATION – FINANCE OFFICER: The finance officer is hereby authorized to reallocate appropriations within departments and among the various line items not organized by departments as deemed necessary.

The Finance Officer shall be authorized to execute interdepartmental transfers, within the same fund, not to exceed ten percent (10%) of the appropriated monies for the department whose allocation is reduced. Notification of such transfers shall be made to the Town Council at its next regular meeting following the date of transfer.

Budget Ordinance for Fiscal Year 2022-2023 adopted this 14th day of June 2022.

Jim Robinette
Mayor

Attest:

Lesley Dellinger
Town Administrator/ Clerk

ORDINANCE No. 2022-xxx

**AN ORDINANCE FOR ADOPTION OF THE
TOWN PLAN 2040 – COMPREHENSIVE LAND USE & MASTER PLAN**

WHEREAS, the Town of McAdenville Town Council has called for the development of a comprehensive land use plan in accordance with G.S. 160D-501; and

WHEREAS, the Town of McAdenville Town Council procured a consultant and directed the Planning Board to undertake such a planning process; and

WHEREAS, on Thursday May 5, 2022 the Town of McAdenville Planning Board, by unanimous vote, recommended the adoption of Town Plan 2040 Comprehensive Land Use & Master Plan in accordance with the procedures of G.S. 160D-501(c) and Article 6 of G.S. 160D; and

WHEREAS, a public legislative hearing was held on the 10th day of May, 2022; and

WHEREAS, the Town of McAdenville Town Council continues in its commitment to the future of McAdenville.

NOW, THEREFORE, BE IT ORDAINED, BY THE TOWN COUNCIL OF THE TOWN OF MCADENVILLE: That the Town Plan 2040 Comprehensive Land Use & Master Plan is hereby adopted as the requisite plan for the Town and this and future Town Councils will implement the foundational principles of the plan through strategic initiatives as deemed responsible and fiscally sound.

This Ordinance is approved and adopted this 14th day of June, 2022.

Jim Robinette, Mayor

Attest:

Lesley Dellinger, Town Clerk

ORDINANCE No: 2022-XXX

An Ordinance to Amend the Grant Project Ordinance for the Town of McAdenville American Rescue Plan Act of 2021: Coronavirus State and Local Fiscal Recovery Funds

BE IT ORDAINED by the town council of the Town of McAdenville, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted amending the original ordinance adopted in regular session on June 8, 2021.

Section 1: This ordinance is to establish a budget for a project to be funded by the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF). The Town of McAdenville(Town) has received the first tranche in the amount of \$107,241 of CSLFRF funds. The total allocation is \$214,483 with the remainder to be distributed to the Town within 12 months. These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Section 2: The Town has elected to take the standard allowance, as authorized by 31 CFR Part 35.6(d)(1) and expend all its ARP/CSLFRF funds for the provision of government services.

Section 3: The following amounts are appropriate for the project and authorized for expenditure:

Internal Project Code	Project Description	Expenditure Category (EC)	Cost Object	Appropriation of ARP/CSLFRF Funds
001	General administration services for period of July 1, 2021 through December 31, 2024	6.1	Salaries	\$175,000
			Benefits	\$ 39,483
	Total			\$214,483

Section 4: The following revenues are anticipated to be available to complete the project:

ARP/CSLFRF Funds:	\$107,483
General Fund Transfer:	\$107,000
Total:	\$214,483

Section 5: The Finance Officer is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements, including payroll documentation and effort certifications, in accordance with 2 CFR 200.430 & 2 CFR 200.431 and the Town's Uniform Guidance Allowable Costs and Cost Principles Policy.

ORDINANCE No: 2022-XXX

Section 6: The Finance Officer is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

Section 7: Copies of this grant project ordinance shall be furnished to the Budget Officer, the Finance Officer and to the Clerk to Town Council.

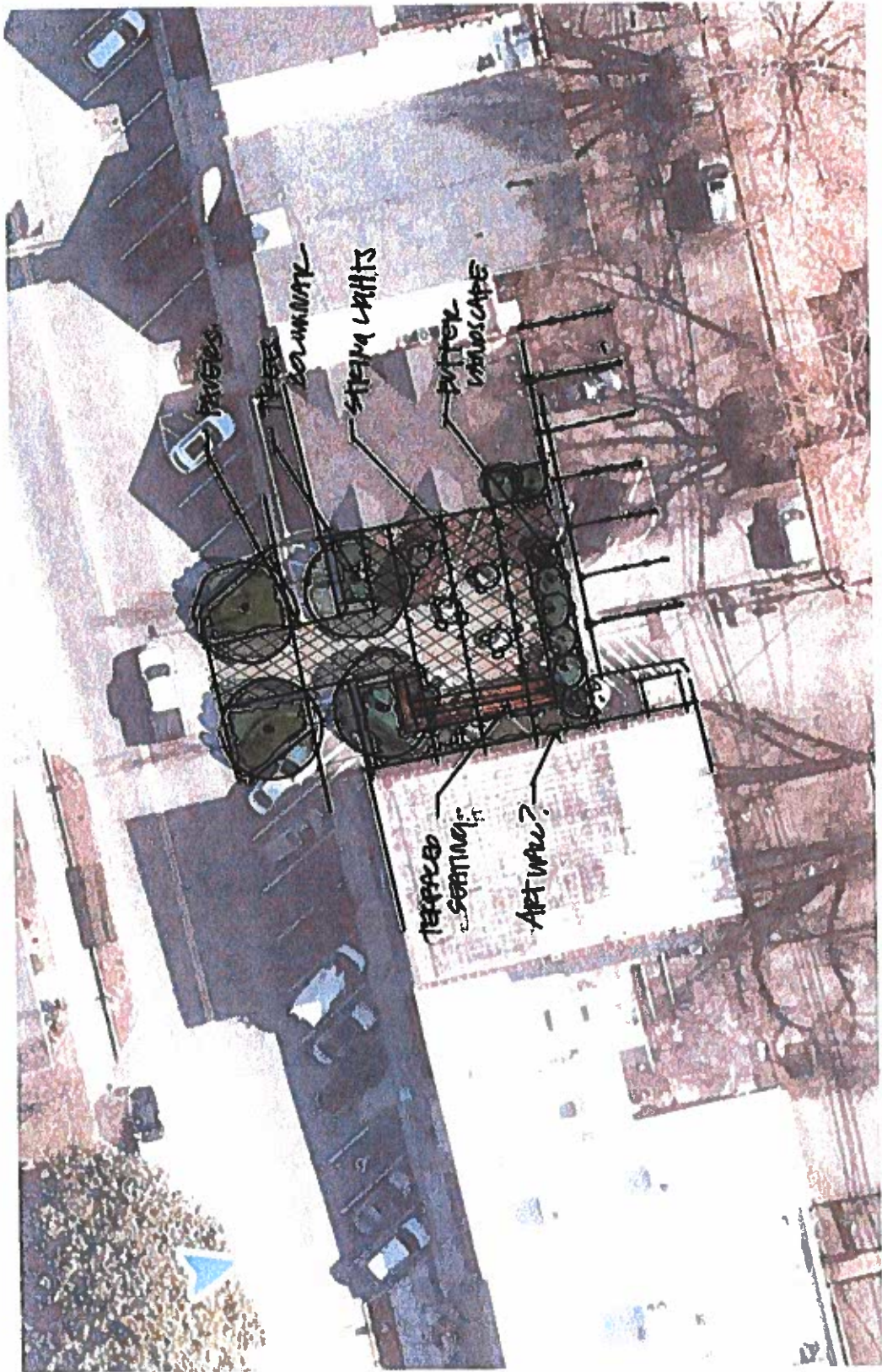
Section 8: This grant project ordinance expires on December 31, 2026, or when all the ARP/CSLFRF funds have been obligated and expended by the Town, whichever occurs sooner.

This Ordinance is approved and adopted this 14th day of June, 2022.

Jim Robinette, Mayor

Attest:

Lesley Dellinger, Town Clerk





CRAMERTON POLICE DEPARTMENT
MONTHLY REPORT: May, 2022

McADENVILLE CONTRACT

ARREST TOTALS

Adult

Juvenile

Felony

Misdemeanor

DWI ARRESTS

CALLS FOR SERVICE

CASE TOTALS

Felony

Misdemeanor

DRUG INVESTIGATIONS

TRAFFIC CITATIONS

License Vios.

Registration Vios.

Restraint Vios.

Speeding Vios.

Sign/Signal Vios.

Other Traffic

TRAFFIC CRASHES

Damage

Injury

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTALS
4	0	1	1	1	0								6
4	0	1	1	1	0								6
0	0	0	0	0	0								0
1	0	0	1	1	0								2
1	0	0	0	0	0								1
0	0	0	0	0	0								0
196	196	187	134	159									872
2	1	4	1	0									8
2	1	2	1	0									6
0	0	1	0	0									1
1	0	0	0	0									1
46	20	13	25	15									119
10	4	2	4	5									25
33	11	9	8	0									61
0	0	0	0	0									0
2	3	2	11	8									26
0	2	0	1	0									3
1	0	0	1	2									4
2	1	1	1	0									5
1	0	0	1	0									2
1	1	1	0	0									3