

**Stoneville Town Council  
Special Meeting Minutes  
May 21, 2024  
5:30 PM - Council Chambers**

**Special Meeting**

Present were Mayor Kathy Stanley-Galvan, Council members Johnny Farmer, Curt Bennett, Henry Thornton, Lee Shelton, and Daisy Smith. Also present were Town Administrator Barbara Hollerand, Finance Officer Shannon Tucker, Town Clerk Deleia Hutcherson, and Town Attorney Eugene Russell.

**Welcome:** Mayor Galvan called the meeting to order after the Pledge of Allegiance and Invocation at 5:30 p.m.

**Agenda:** Mayor Galvan asked for a motion to approve the May 21, 2024, Special Meeting Agenda. Councilwoman Smith made a motion to approve the agenda. Councilman Thornton seconded. Motion carried.

No members of the public present at the meeting.

**Special Meeting Item 1**

**Closed Session** - Mayor Galvan asked for a motion to go into Closed Session. Motion to go into Closed Session pursuant to NCGS 143-318.11(a) (3) to consult with the Town Attorney, and (4) Economic Development was made by Councilman Thornton. Councilwoman Smith seconded. Motion carried.

Motion to go out of Closed Session was made by Councilman Thornton. Councilman Farmer seconded. Motion carried.

Mayor Galvan announced the return to open session.

**Special Meeting Item 2**

**Discussion and resolution of utility billing issue** – Councilman Bennett stated that when Town Administrator, Barbara Hollerand made the Council aware of the discrepancy, he sent an email requesting a discussion in open session so the Council and citizens understand what happened and how it happened. Town Clerk, Deleia Hutcherson provided supporting documentation for the billing discrepancy and explained the situation in detail. Mrs. Judy Rouse of Rouse, Rouse, Rouse, and Gardner discovered the billing discrepancy while completing the fiscal year 2022-2023 audit. This matter was researched with the utility billing software company and we discovered an error was made by the former Town Clerk when the rates were updated in the system for the 7/1/2022 rate increase. The former Clerk applied the new minimum rate in the utility billing software but missed making a second entry in the back end of the program to increase the percentage rate for usage over the minimum of 1,500 gallons. Based on an analysis provided by our audit firm, the full fiscal impact of this error is approximately \$95,281.41 (Average Variance per month of \$4,142.67 X 23). It was noted that the fiscal impact would probably have been less if the audit had been completed by 10/31/2023. The rates for gallons over the minimum were immediately updated in the utility billing module from .00889 to .00916 for inside and from .01529 to .01575 for outside and reviewed by the software company. It was noted that during the time of this error, there is no record of the former Finance Officer or former Town Administrator reviewing this change for accuracy or signing off on the change. An internal control has been implemented for rate changes to prevent this from happening in the future. Going forward, any price changes in the system will be reviewed by the

software company and then signed off on by the Town Clerk, Finance Officer, and Town Administrator. The Council discussed and decided not to back-bill customers for the error. They did ask staff to get a letter out to all customers advising them of the discrepancy and the minimal increase they may notice on future water bills if over the 1,500-gallon minimum.

Motion to adjourn meeting made by Councilman Thornton. Councilman Bennett seconded. Motion carried.

Meeting adjourned at 6:56 p.m.

  
Mayor, Kathy Stanley-Galvan

  
Town Clerk, Deleia Hutcherson

