

**MEETING MINUTES
CARROLL COUNTY PUBLIC SERVICE AUTHORITY
MAY 11, 2020
CARROLL COUNTY GOVERNMENTAL CENTER
BOARD MEETING ROOM
HILLSVILLE, VA**

CALL TO ORDER

The Carroll County Public Service Authority held their meeting on Monday, May 11, 2020 at 3:00 p.m. in the Carroll County Governmental Center Board Meeting Room. Members present included: Doug Winesett, Chairman, Robbie McCraw, Vice-Chairman, Phillip McCraw, Garry Jessup, Tracy Moore, and Dr. Thomas Littrell. Also present were Interim Director, Dana Phillips, and Stephanie Dalton PSA. Secretary/Treasurer, Debra Frost was absent.

Citizens Time

Covid-19 restrictions, no one present

(ORDER)

APPROVAL OF CONSENT AGENDA

Upon a motion by Mr. Garry Jessup, seconded by Mr. Robbie McCraw, and duly carried the Authority does hereby approve the consent agenda, sections A, B, and C. The March 09, 2020 minutes were also approved, they are on file in the PSA office. Claims are as follows:

Claims

Checks #24032—24048 April 17, 2020 in amount of \$52,742.73

Checks #24049—24068 April 28, 2020 in amount of \$30,948.32

Checks #24069—24086 May 11, 2020 in amount of \$58,322.53

Transfer for claims

CCPSA to Operating April 17, 2020--\$52,742.73

CCPSA to Operating April 28, 2020--\$30,948.32

CCPSA to Operating May 11, 2020--\$58,322.53

Construction to O & M Reserve--\$503.32

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Transfer to Reserves

CCPSA to O & M Reserve--\$5,000.00

CCPSA to Short Lived Assets Reserve--\$5,000.00

New Business

No New Business currently

General PSA Updates

No names on employees' sheets, just numbers. We have finished Petra Drive and did two water meters and sewer connections.

(ORDER)

EQUIPMENT RENTAL CHARGES

Upon a motion by Mr. Robbie McCraw, seconded by Mr. Moore and carried the Authority does hereby adopt a rate schedule of ½ of the presented rates and including a rental agreement stating that how it leaves is how it is to return for all other departments of the county. The vote was as following:

Mr. Moore—yes

Mr. Jessup--no

Mr. Robbie McCraw—yes

Dr. Littrell--yes

Mr. Winsette—yes

Mr. Phillip McCraw--yes

***Rate schedule attached**

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(ORDER)

CLOSED MEETING-PURSUANT TO VA CODE SECTION 2.2-3711 A (7) CONSULTATION WITH LEGAL COUNSEL

Upon a motion by Mr. Robbie McCraw, seconded by Mr. Winsett and duly carried by the Authority does hereby enter closed meeting at 3:23 p.m. until 4:48 p.m. for the discussion of VA code 2.2-3711 A (7) consultation with legal counsel.

(ORDER)

Upon a motion by Mr. Robbie McCraw, seconded by Mr. Winsett and duly carried by the Authority does hereby convent out of closed meeting.

Whereas the Authority has convened a Closed Meeting on this date pursuant to an affirmative recorded vote on the motion to close in accordance with Virginia Freedom of Information Act.

(ORDER)

Upon a motion by Mr. Robbie McCraw, seconded by Mr. Moore, and duly carried the PSA Authority does certify the Closed Meeting as followings:

CERTIFICATION OF CLOSED MEETING

Therefore, be it resolved that the Authority certifies that to the best of each members knowledge (1) only public business lawfully exempt from open requirements by Virginia law were discussed in the Closed Meeting in which the certification as identified in this motion concerning the closed meeting were heard or considered by the Authority certification resolution applies and (11) only such public matters as were identified in the motion concerning the Closed Meeting were heard, or considered by the Authority.

AUTHORITY MEMBERS TIME

Mr. Moore: Being the closed meeting was so long, I am good today. Thanks to everyone for their hard work.

Mr. Robbie McCraw: Been a long meeting so time to move on.

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Mr. Winsett: Nothing

Mr. Jessup: Availability fee what does that mean? Mrs. Phillips which rates are you talking about, on rates or IDA/EDA, availability fee is part of the connection fee, part which is because the water is available and the other is part of the construction fee to set meter. Right now, our connection fee is \$3000 which of that \$500 is availability fee, same thing with the sewer. Ever you are paying for the water to be in front of your house. Yes, if you are paying the mandatory fee when you come in to connect you would still pay the same fee.


Dr. Littrell: Under Old Business, the Twin County Airport Commission ask if we could get the manhole and pipe materials removed from the property at the Airport it has been there 6 or 8 years or so. Pipe might not even be usage. Ms. Phillips said that we will get that moved. Mr. Winsett commented that it was purchased to connect the Airport to sewer, but the construction cost, the estimate was lower than actual cost.

Mr. Phillip McCraw: Nothing

(ORDER)

ADJOURNMENT

Upon a motion by Mr. Jessup, seconded by Mr. Robbie McCraw and duly carried the Authority does hereby adjourn at 4:54 pm until their next regularly scheduled meeting on Monday, June 8, 2020 at 3:pm in the Carroll County Government Center.


Mr. Doug Winesett, Chairman.


Dana Phillips, Interim Director


Debra Frost, Secretary/Treasurer

EQUIPMENT RENTAL COST

PRICES QUOTED FROM SUNBELT, UNITED AND COOKE

Big Air Compressor 185 CFM

Cooke Rental	4 hours \$75.00	daily \$100.00	weekly \$300.00
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Mini Ex 10,000 lb

United Rentals	daily \$344.00	weekly \$960.00	monthly \$2040.00
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Big Ex 30,000 lb

Sunbelt	daily \$940.00	weekly \$2480.00	monthly \$5060.00
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Backhoe Case 580 Super M 4 x 4

Sunbelt	daily \$440.00	weekly \$1050.00	monthly \$2485.00
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Tandem Dump Truck

United Rentals	daily \$585.00	weekly \$1785.00	monthly \$5265.00
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***Note: Not all comparable equipment available from one specific supplier**

Approval Item

Hicok, Brown & Company CPA is the firm that provides services such as annual preparation of accrual entries, capital asset assistance, preparation of accrual-based trail balances and other assistance to prepare for the annual audit.

This is also the firm that the county uses for these services.

Thomas M. Hicok, CPA, CVA, MAFF^{1,III}
David B. Brown, CPA
Juan J. Garcia, CPA
Karen L. Jackson, CPA
Rodney P. Jackson, CPA^{II}



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May 20, 2020

Dana Phillips, Interim Director
Carroll County Public Service Authority
605-2 Pine Street
Hillsville, VA 24343

Dear Ms. Montgomery:

Hicok, Brown & Company, CPA's (the Firm) is pleased that the Carroll County Public Service Authority (PSA) continues to express its confidence in our firm and our municipal government expertise. We look forward to a continued long and successful relationship as an integral financial management resource to the PSA's management and governing body.

We are prepared to provide a full range of accounting and consulting services to the PSA contingent upon your approval. The purpose of this engagement letter is to identify the scope of available accounting and consulting services from the Firm, the specific services anticipated to be provided at this time, and confirm the terms of our engagement.

Scope of Services

The scope of accounting and consulting services that can be provided to the PSA are outlined below. While this listing includes the full range of services available from the Firm, the specific services anticipated to be provided are upon specific request.

Anticipated Services to be Provided at This Time

General Accounting and Advisory Assistance:

- Annual preparation of accrual entries
- Capital asset assistance
- Preparation of accrual-based trial balances
- Other assistance to prepare for the annual audit
- Other assistance (example Utility Interface)

In compliance with our professional standards regarding independence, we will not provide any audit or other attestation services, as defined by professional standards, to the PSA in conjunction with these accounting and consulting services.

Carroll County PSA's Responsibilities

The PSA's management and governing body is, and will continue to be, solely responsible for establishing and maintaining an effective accounting and internal control system, including, without limitation, systems designed to assure fair presentation of the PSA's financial statements and compliance with policies, procedures, and applicable laws and regulations.

The PSA's management and the governing body will also be responsible for establishing the scope of our accounting and consulting services and providing the resources allocated to the work; such responsibility includes determining the nature, scope, and extent of the accounting and consulting services to be performed by the Firm, providing overall direction and oversight for each service, and reviewing and accepting the results of the work.

Our engagement involves providing assistance in the preparation of the adjusted trial balances for the use of the external auditor. We will not issue a compilation report in conjunction with these adjusted trial balances. We will use this engagement letter as documentation and confirmation of your understanding of the services to be performed and the limitations on the use of such adjusted trial balances. In this regard, by signing this engagement letter, the PSA's management acknowledges its understanding and acceptance of the following:

- That the nature and limitations of the adjusted trial balances is restricted for use only by the external auditor in conjunction with the financial statement audit;
- That the adjusted trial balances are limited to presenting information that is the representation of the PSA's management; and the work performed by the Firm in compiling the adjusted trial balances cannot be relied upon to disclose errors, fraud, or illegal acts;
- That the adjusted trial balance will not be audited by the Firm and no opinion or any other form of assurance on the adjusted trial balance will be provided by the Firm;
- That PSA's management has knowledge about the nature of the procedures to be applied and the basis of accounting and assumptions to be used in the preparation of the adjusted trial balance;
- That the compiled adjusted trial balances are not to be used by any third parties for any purpose (the financial statement auditor is not considered to be a third party).

Management is ultimately responsible for the fair presentation of the adjusted trial balances and management will make such representations to the external auditors.

The Firm's Responsibilities

The Firm is responsible for providing the accounting and consulting services requested, as defined in the Scope of Services section of this letter in accordance with the applicable professional standards of the AICPA. The Firm may also report or otherwise communicate to the PSA's management any recommendations it determines necessary resulting from the accounting and consulting services provided.

Access to Working Papers and Reports

Any working papers prepared by the Firm in connection with performing the accounting and consulting services are the property of the Firm. Upon request, copies of any or all working papers and reports that the Firm considers to be nonproprietary will be provided to management of the PSA. The PSA may make such copies available to its external auditors and to regulators in the exercise of their statutory oversight of the PSA. Such copies may not be made available to any third party without the prior written consent from the Firm.

Fees and Costs

Fees and out-of-pocket expenses for this engagement will be billed as the work progresses and payable upon receipt of our invoices. Our fees for the services will be based on our hourly rates for the staff assigned to the engagement. Our hourly rates are as follows:

Partner	\$200
Manager	\$130 - \$175
Staff	\$85 - \$125

Because the Firm has no direct control over the type and number of services requested by the PSA during the term of this engagement, nor does the Firm have control over the quality of the PSA's accounting system or records, potential turnover of the PSA's staff or the PSA's staffing levels, resources, or capabilities, it is impractical for us to provide an accurate amount of hours that will be required for the services requested or a not-to-exceed limit on fees and expenses charged. However, our fees for the services anticipated at this time will be approximately \$8,000.

The term of this engagement is for the year ended June 30, 2020. The Firm may perform additional services upon receipt of a formal request from the PSA with terms and conditions that are acceptable to the PSA and the Firm.

The agreements and undertakings of the PSA and the Firm contained in this engagement letter shall survive the completion or termination of this engagement.

Acceptance

Please indicate your acceptance of this agreement by signing in the space provided below and returning this engagement letter to us. We look forward to continuing our professional relationship with the Carroll County Public Service Authority, Virginia.

Yours truly,

Hicok, Brown & Company

Hicok, Brown & Company
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of Carroll County Public Service Authority, Virginia.

By: *Dana Phillips*
Title: *Interim Director*
Date: *6/8/2020*