



**City of Trinity**  
**CITY COUNCIL MEETING**

January 08, 2024 at 6:00 PM

Trinity City Hall Annex

**AGENDA**

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**NCGS § 143-318.17 Disruption of official meetings**

**A person who willfully interrupts, disturbs, or disrupts an official meeting and who, upon being directed to leave the meeting by the presiding officer, willfully refuses to leave the meeting is guilty of a Class 2 misdemeanor.**

**(1919, c. 655, s 1; 1993, c. 539, s. 1028; 1994, Ex. Sess., c. s. 14 (c).)**

*Action may be taken on agenda items and other issues discussed during the meeting*

- 1. Call to Order; Welcome Guests and Visitors**
- 2. Pledge of Allegiance and Invocation**
- 3. Review, amend if needed, and approve Proposed Regular Agenda**
- 4. Public Comment Period**
- 5. Consent Agenda Items**
  - a.** Approval of Regular Meeting Minutes of November 13, 2023
  - b.** Approval of Closed Session Meeting Minutes of November 13, 2023
  - c.** Approval of Special Called Meeting Minutes of November 29, 2023
  - d.** Approval of Closed Session Meeting Minutes of November 29, 2023
  - e.** City of Trinity- Monthly Financial Position Review (*Finance Director Crystal Postell*)
  - f.** FY 2024 – 2025 Detailed Budget Preparation Schedule (*Finance Director Crystal Postell*)
  - g.** Project Ordinance 24 – 04: Amendment to the Steeplegate Lift Station and Force Main Project (*Finance Director Crystal Postell*)

- [h.](#) Pre-audit and Disbursement Policy (*Finance Director Crystal Postell*)
- [i.](#) Second (2nd) Consecutive Year Awarded the GFOA Distinguished Budget Presentation Award (*Finance Director Crystal Postell*)

**6. Action Agenda**

- [a.](#) Investment Policy (*Finance Director Crystal Postell*)
- [b.](#) Approval of the Order of The Board Adjustment - Chad Long Appeal (*Planning Jay Dale*)
- [c.](#) Variance Request - Lake Darr Rd PIN# 7717088835 (*Planning Jay Dale*)

**7. Closed Session for Legal Pursuant to N.C.G.S. 143-318.311(a)(3)**

**8. Mayor, Council and City Manager Updates**

**9. Adjournment**



**City of Trinity  
CITY COUNCIL MEETING**

**November 13, 2023 at 6:30 PM**

**Trinity City Hall Annex**

**MINUTES**

**NCGS § 143-318.17 Disruption of official meetings**

**A person who willfully interrupts, disturbs, or disrupts an official meeting and who, upon being directed to leave the meeting by the presiding officer, willfully refuses to leave the meeting is guilty of a Class 2 misdemeanor.**

**(1919, c. 655, s 1; 1993, c. 539, s. 1028; 1994, Ex. Sess., c. s. 14 (c).)**

*Action may be taken on agenda items and other issues discussed during the meeting*

**1. Call to Order; Welcome Guests and Visitors**

PRESENT

- Mayor Richard McNabb
- Mayor Pro Tem Bob Hicks
- Councilman Tommy Johnson
- Councilman Robbie Walker
- Councilman Ed Lohr
- Councilman Jack Carico

ALSO PRESENT

- City Manager Stevie Cox
- City Clerk Darien Comer
- Public Services Director Rodney Johnson
- Planning Director Jill Wood
- Planner Jay Dale
- Attorney Bob Wilhoit
- Sgt. Ric D'Angelo

Mayor McNabb called the meeting to order at 6:30 PM.

## 2. Pledge of Allegiance and Invocation

Mayor McNabb led the Pledge of Allegiance and gave the Invocation.

## 3. Review, amend if needed, and approve Proposed Regular Agenda

*Mayor Pro Tem Hicks Amended the Agenda to add a Closed Session Pursuant to N.C.G.S. 143.318.11(a)(3) Legal. The motion was seconded by Councilman Johnson with a unanimous vote of 5 ayes and 0 nays.*

*Mayor Pro Tem Hicks Amended the Agenda to remove Item 8 a from the Agenda and to add 8 e Holiday and Meeting Schedules to the Agenda. Councilman Walker seconded the motion with a unanimous vote of 5 ayes and 0 nays.*

*Councilman Carico made a motion to approve the Agenda as amended. Mayor Pro Tem Hicks seconded the motion with a unanimous vote of 5 ayes and 0 nays.*

## 4. Public Comment Period

**Preston Khan at Welborn Road**, expressed his dissatisfaction with the street lighting on Welborn Road.

**Jeff Sloan at 5767 Joan Drive** asked the Council to be able to park his tractor trailer truck at his residence. He requested a temporary permit for parking.

**Tony Griffin from Trinity** expressed his concerns about his neighborhood and the Chad Long Development.

**Renee Coleman at 4970 Lake Darr Road** had a problem with a fire that was on the property beside her property that was being cleared by Chad Long.

## 5. Consent Agenda Items

*Mayor Pro Tem Hicks made a motion to approve the Consent Agenda. The motion was seconded by Councilman Johnson with a unanimous vote of 5 ayes and 0 nays.*

- a. Approval of Regular Meeting Minutes of October 10, 2023
- b. Approval of Closed Session Meeting Minutes of October 10, 2023
- c. City of Trinity- Monthly Financial Position Review
- d. GPS Tracker for City Vehicles
- e. Trinity Parks and Recreation Master Plan Strategic Planning Funding Request
- f. Authorizing the City of Trinity to Engage in Electronic Payments

## 6. Recognitions and Presentations

- a. Universal Children's Day Proclamation

- b. National Pearl Harbor Day Remembrance Proclamation

## 7. Public Hearing

- a. Appeal and Variance Requests (*Planner, Jay Dale*)

Mayor McNabb excused himself and Mayor Pro Tem Hicks resumed the Appeal Hearing.

Deliberation of an Appeal by Mr. Chad Long of denial of the request to obtain permits to build duplexes on Lot PIN # 7717099160 Lake Darr Road and PIN #7718005511 Libby Road. The Public Hearing was held on October 11, 2023, and the Board tabled the decision to the November regular meeting.

**Mayor McNabb** was absent the last Board meeting when the Public Hearing was held. In his absence Mayor Pro Tem Bob Hicks presided at the Appeal by Mr. Long to the Trinity Board of Adjustment (“BOA”). There was no more Public Hearing before the Board.

**City Attorney Robert Wilhoit** noted that the City Board was voting on the Appeal of Zoning Administrator Jay Dale denial of permits to build duplexes on the respective PIN Nos listed based upon City Ordinances.

**Robbie Walker** asked Mr. Wilhoit, “You being the City Attorney, did he interpret the Ordinance correctly?”

**Robert Wilhoit** responded we can’t inject anymore evidence in this matter. The zoning letter was his (Mr. Dale) interpretation of the City Ordinance. Mr. Long objected to the zoning administrator’s determination and filed his appeal.

**Mr. Wilhoit** further told the Board “You may want to take a moment to read the letter from Mr. Jay Dale, Zoning Administrator and the Mr. Long’s rebuttal and Appeal.

**Councilman Ed Lohr** commented that he campaigned to do away with R-10 zoning and was voted down. He further stated when you don’t have elections, this is what you get.

**Councilman Carico** asked if this letter was not in their packet? It was explained that it was in the October Packet P. 26&27 last month.

The Board requested the Clerk to locate Mr. Long’s written Appeal letter that was in the October 2023 Regular Meeting Board Packet. [Board at ease pending the Clerk locating on her computer the October Board Packet on the Long Appeal to the BOA. Clerk does locate the Appeal letter]

**Presiding Mayor Pro Tem Bob Hicks** states that he will entertain a motion.

**Mr. Chad Long** speaks from the audience that he requests the Right to do a Summary. Mr. Long also questioned why the case Visible Properties was in the November Packet as new evidence.

**Councilman Carico** questioned whether the November Packet p.46 to 50 something was in the old October Packet. After review, it was determined by Mr. Dale that Mr. Chad Long presented the Visible case along with other materials at the last month’s hearing.

The Board was reminded by the Chair Hicks that this was the Appeal by Mr. Long of Jay Dale Zoning Administrator's decision to deny permits [to build duplexes]. If we reverse, the permits will be granted; and if we agree with Jay Dale's decision, the permits denied.

Mr. Wilhoit researched the procedure for the request by Mr. Long to present a summary to the Board tonight. He determined that if the hearing had just been concluded, a request to reopen would be proper. When the Hearing occurred, if all affected Parties had opportunity to be heard, then the Council could reopen the Hearing at the same meeting. However, if the request to reopen the Hearing occurred at a subsequent meeting, the Board must readvertise to provide reasonable Notice to all.

**Presiding Office Mayor Pro Tem Bob Hicks** responded with the question that if it won't taint the decision, then the City can reopen the Hearing?

**Mr. Wilhoit** noted that the Board closed the Public Hearing last month. At the time Mayor Pro Tem asked if there were any other comments? None were offered, and he closed the Public Hearing.

**Councilman Carico** commented that the Board could have recessed this matter. Attorney Wilhoit reminded the Board that the Board closed the Public Hearing. It was time for deliberation and would be a problematic procedure trying to undo the previous closed Public Hearing and now reopening arguments.

Matter was now before the Board for deliberation.

**Councilman Lohr** questions the Board schedule as related to a Pre-Agenda and Regular Board meetings.

**Councilman Tommy Johnson** said the Zoning Administrator decision was based on our Ordinances and his knowledge.

**Attorney Wilhoit** noted that the Appeal by Mr. Long was to the City Board of Adjustment. The Planning Administrator made a ruling. There is an Appeal to the BOA by Mr. Long. We had a Public Hearing and Mr. Long presented a large amount of material. That Public Hearing was over. No new evidence presented. Mr. Long's counsel was not present at the Hearing. Mr. Wilhoit continued stating that we open ourselves to procedural errors if the Board reopens the Hearing tonight. The Council did call for a Motion at last month's meeting and proceeded to the voting stage. Mr. Wilhoit added that it was a slippery slope without readvertising another Public Hearing if the Board proceeds tonight to reopen the Hearing. Responding to Council Members Hicks and Carrico, Mr. Wilhoit stated the choices are:

**Mr. Wilhoit also later noted that the BOA could modify the decision.**

**Mr. Chad Long** spoke out in the audience and said the neighbor had no standing in his appeal. Simple legal question. Asked to reopen the Public Hearing tonight.

**Councilman Carico** stated that the citizens are here and Chad wants to speak, the best solution is to readvertise.

**Mayor Pro Tem Bob Hicks** said that he will take a Motion

***Councilman Robbie Walker made the Motion based upon the evidence of the City Planner that we deny the Appeal and accept the decision of the Zoning Administrator. The motion was seconded by Councilman Johnson. There was more discussion by the Board concerning the Motion and clarification by Mayor Pro Tem Hicks that the Motion is to deny the Appeal of the Zoning Administrator's decision by Vote 5-0 to deny Appeal. A written decision will be prepared. Mayor McNabb returned to seat on the Board to proceed with the remainder of the meeting.***

- b. Request for a Variance - Lots Pin #7717099160 Lake Darr Road and PIN # 7718005511 Libby Road (*Planner, Jay Dale*)

***Councilman Johnson made a motion to Table the Variance Requested by Chad Long for two properties. The motion was seconded by Councilman Walker with a unanimous vote of 5 ayes and 0 nays.***

## 8. Action Agenda

- a. Thomasville Sewer System Evaluation (*City Manager Stevie Cox*)

Removed from the Agenda.

- b. Accept and Record Current Operations Appropriations Act of 2023 (S.L. 2023-134) of the General Assembly of North Carolina (*City Manager, Stevie Cox*)

**City Manager Stevie Cox** presented to the Council a request to accept this Local Funding Allocation from the North Carolina General Assembly for water and sewer improvements. On September 22, 2023, the City of Trinity was awarded a grant in the sum of \$4,500,000 for wastewater system improvements. The funding award letter did not specify exactly how those funds were to be used. The State has stated that the City must decide on how those funds are to be used. The only stipulation is that those funds must be used to address either water or sewer infrastructure improvements.

**Mayor Pro Tem Hicks made a motion to reserve the entire amount to cover the GAP funding in the interlocal sewer connection until the time we realize we don't need the full amount. The motion was seconded by Councilman Johnson with a unanimous vote of 5 ayes and 0 nays.**

- c. Accept and Record Randolph County Strategic Planning Grant and Project Ordinance (*City Manager, Stevie Cox*)

**City Manager Stevie Cox** presented the Council with a Resolution to accept and record the Randolph County Strategic Planning Grant in the sum of \$80,000 and establish a Parks and Recreation Master Plan Project Ordinance.

***Councilman Johnson made a motion to adopt Resolution 24 - 04 for the Master Park Plan. The motion was seconded by Councilman Walker with 4 ayes and Councilman Lohr opposed.***

- d. Approval to Send 30 Day Notice Letters to Property Owners (*City Manager, Stevie Cox*)

*Mayor Pro Tem Hicks made a motion to have the Attorney Wilhoit send out 30 day Notice Letters. Notifying property owners of intent to condemn property. The motion was seconded by Councilman Johnson with a vote of 4 ayes and opposed by Councilman Lohr.*

**e. Holiday, Meeting and Jacob Carroll Schedule**

**Mayor Pro Tem Hicks made a motion to approve the Meeting Schedules. The motion was seconded by Councilman Johnson with a unanimous vote of 5 ayes and 0 nays.**

**9. Mayor, Council and City Manager Updates**

City Manager Stevie Cox gave updates on the City Hall Closures for the Thanksgiving Holiday. He informed everyone of the Christmas In Trinity on December 7, 2023. There will be a December meeting unless there is a lack of business. The office will be closed for Christmas, December 25, 26, and 27th and New Years day, January 1, 2024.

Closed Session was added to the Agenda Pursuant to Legal N.C.G.S. 143-318.11(a)(3)

*Mayor Pro Tem Hicks made a motion to go into Closed Session N.C.G.S. 143-318.11(a)(3) for consultation with the Attorney. The motion was seconded by Councilman Carico with a unanimous vote of 5 ayes and 0 nays.*

*Mayor Pro Tem Hicks made a motion to return to Open Session. The motion was seconded by Councilman Johnson with a unanimous vote of 5 ayes and 0 nays.*

**10. Adjournment**

*Councilman Walker made a motion to Adjourn. The motion was seconded by Councilman Johnson with a unanimous vote of 5 ayes and 0 nays.*

**Attest:**

\_\_\_\_\_  
**Richard McNabb, Mayor**

\_\_\_\_\_  
**Darien P. Comer, City Clerk**





**City of Trinity**  
**CITY COUNCIL SPECIAL CALLED MEETING**

**November 29, 2023 at 4:00 PM**

**Trinity City Hall Annex**

**MINUTES**

**NCGS § 143-318.17 Disruption of official meetings**

**A person who willfully interrupts, disturbs, or disrupts an official meeting and who, upon being directed to leave the meeting by the presiding officer, willfully refuses to leave the meeting is guilty of a Class 2 misdemeanor.**

**(1919, c. 655, s 1; 1993, c. 539, s. 1028; 1994, Ex. Sess., c. s. 14 (c).)**

*Action may be taken on agenda items and other issues discussed during the meeting*

**1. Call to Order; Welcome Guests and Visitors**

Mayor McNabb called the meeting to order at 4:17 PM and welcomed everyone.

**PRESENT**

- Mayor Richard McNabb
- Mayor Pro Tem Bob Hicks
- Councilman Tommy Johnson
- Councilman Robbie Walker

**ABSENT**

- Councilman Jack Carico
- Councilman Ed Lohr

**OTHERS PRESENT**

- City Manager Stevie Cox
- City Clerk Darien Comer
- City Attorney Bob Wilhoit
- Finance Director Crystal Postell
- Public Services Director Rodney Johnson

**2. Pledge of Allegiance and Invocation**

Mayor McNabb led the Pledge of Allegiance and gave the Invocation.

**3. Review, amend if needed, and approve Special Called Meeting Agenda**

*Councilman Johnson made a motion to approve the Agenda. The motion was seconded by Councilman Walker with a unanimous vote of 3 ayes and 0 nays.*

**4. Closed Session**

a. Closed Session Legal N.C.G.S. 143-318.11(a)(3)

*Mayor Pro Tem Hicks made a motion to go into Closed Session Pursuant to N.C.G.S. 143-318.11(a)(3) Legal. The motion was seconded by Councilman Walker with a unanimous vote of 3 ayes and 0 nays.*

*Mayor Pro Tem Hicks made a motion to close the Closed Session. The motion was seconded by Councilman Johnson with a unanimous vote of 3 ayes and 0 nays.*

*Mayor Pro Tem Hicks made a motion to return to Open Session. The motion was seconded by Councilman Walker with a unanimous vote of 3 ayes and 0 nays.*

*Mayor Pro Tem Hicks made a motion to resend the previous motion to pay the highest offer. The motion was seconded by Councilman Johnson with a unanimous vote of 3 ayes and 0 nays.*

**5. Mayor, Council and City Manager Updates**

**6. Adjournment**

*Councilman Walker made a motion to Adjourn. The motion was seconded by Mayor Pro Tem Hicks with a unanimous vote of 3 ayes and 0 nays.*

**Attest:**

\_\_\_\_\_  
**Richard McNabb, Mayor**

\_\_\_\_\_  
**Darien P. Comer, City Clerk**



## MEMORANDUM

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**TO:** Richard McNabb and City Council  
**FROM:** Crystal Postell, Finance Director  
**CC:** Stevie Cox, City Manager  
**DATE:** 01/02/2024  
**SUBJECT:** City of Trinity- Monthly Financial Position Review

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**Summary:**

The Finance Department would like to present the City's monthly financial position for November 2023.

**Background:**

The Finance Department will ensure the fiscal integrity of the City by exercising due diligence and control over the City's assets and resources while providing timely and accurate reporting under the guidelines of the Generally Accepted Accounting Principles (GAAP) and city regulations.

**Recommendation:**

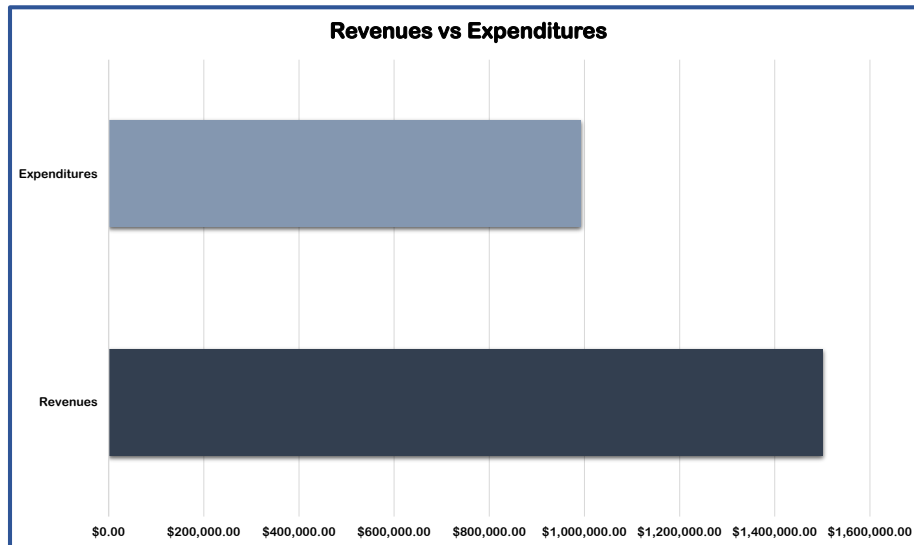
Staff recommends that the City Council approve the presentation of the City's current financial position for both the General and Sewer Fund.

**Attachment:**

Budget verses Actual Statements for both the General and Sewer Fund  
Portfolio Reporting Summary  
NCCMT Review  
Cash Flow Analysis

**General Fund  
Budget vs Actual Statement  
Ending on November 30, 2023**

	<u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>		
Powell Bill	\$ 175,600.00	\$ 85,966.73
Ad Valorem/ Vehicle Tax	\$ 1,019,300.00	\$ 687,093.41
Sales and Use Tax	\$ 1,888,802.00	\$ 473,201.38
Solid Waste	\$ 487,200.00	\$ 206,246.40
Other Taxes	\$ 320,700.00	\$ -
Investment Earnings	\$ 19,000.00	\$ 29,612.56
Other Revenues	\$ 351,253.00	\$ 19,388.81
	<b>\$ 4,261,855.00</b>	<b>\$ 1,501,509.29</b>
<b>EXPENDITURES</b>		
Governing Board	\$ 58,900.00	\$ 15,224.40
Administration	\$ 485,600.00	\$ 189,430.20
Finance	\$ 279,220.00	\$ 97,340.94
Planning/Zoning	\$ 431,900.00	\$ 146,918.08
Public Buildings	\$ 239,400.00	\$ 100,224.47
Animal Control	\$ 29,200.00	\$ 14,298.44
Public Safety	\$ 469,662.00	\$ 118,275.59
Powell Bill	\$ 120,300.00	\$ 1,200.00
Street	\$ 148,500.00	\$ 48,277.64
Stormwater	\$ 272,450.00	\$ 74,023.34
Sanitation	\$ 527,200.00	\$ 168,922.12
Economic Development	\$ 10,600.00	\$ 6,679.00
General Fund Transfers-Sale Tax W/S	\$ 1,115,544.00	\$ -
General Fund Transfers-City Hall Reserve		\$ -
Special Appropriation/Allocations	\$ 73,379.00	\$ 12,000.00
	<b>\$ 4,261,855.00</b>	<b>\$ 992,814.22</b>
		<b>\$ 508,695.07</b>

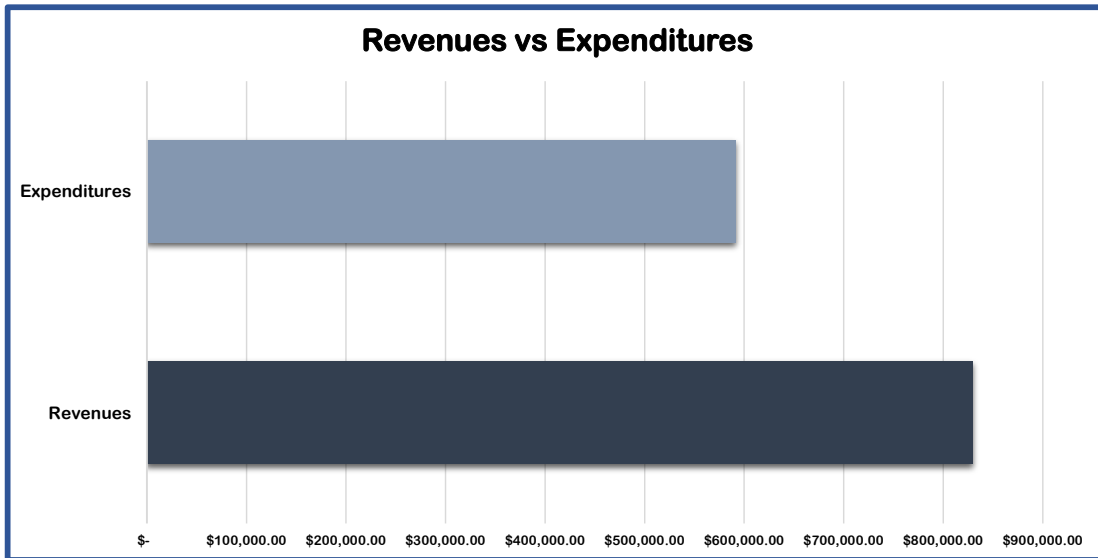


*Note: The City of Trinity has collected about 35% of it's projected budgeted revenues. The City of Trinity has collected 6% of "Other Revenues" due to the City NOT utilizing both its budgeted General Fund Appropriated Fund Balance and the City Hall Reserve Fund . However, the City operational departments have only expensed about 25% of their total projected annual budgets. Currently, the City of Trinity has a surplus ofm \$506,615.07 within the General Fund.*



**Sewer Fund  
Budget vs Actual Statement  
Ending on November 30, 2023**

<b>REVENUES</b>		<u>Budget</u>	<u>Actual</u>
	Sewer Billing	\$ 1,267,875.00	\$ 513,352.78
	Sewer Tap Fees	\$ 44,000.00	\$ 29,000.00
	Investment Earnings	\$ 3,750.00	\$ 10,789.52
	Sales Tax Transfer In	\$ 1,115,544.00	\$ 1,613.00
	Other Revenues	\$ 375,000.00	\$ 274,873.00
		<u>\$ 2,806,169.00</u>	<u>\$ 829,628.30</u>
<b>EXPENDITURES</b>		<u>Budget</u>	<u>Actual</u>
	Sewer	\$ 2,806,169.00	\$ 590,994.12
		<u>\$ 2,806,169.00</u>	<u>\$ 590,994.12</u>
	Surplus / (Deficit)		<u>\$ 238,634.18</u>



*Note: The City of Trinity has collected about 30% of it's projected budgeted revenues. However, the City operational departments have only expensed about 21% of their total projected annual budgets. Currently, the City of Trinity has a surplus of \$238,634.18 within the Sewer Fund.*

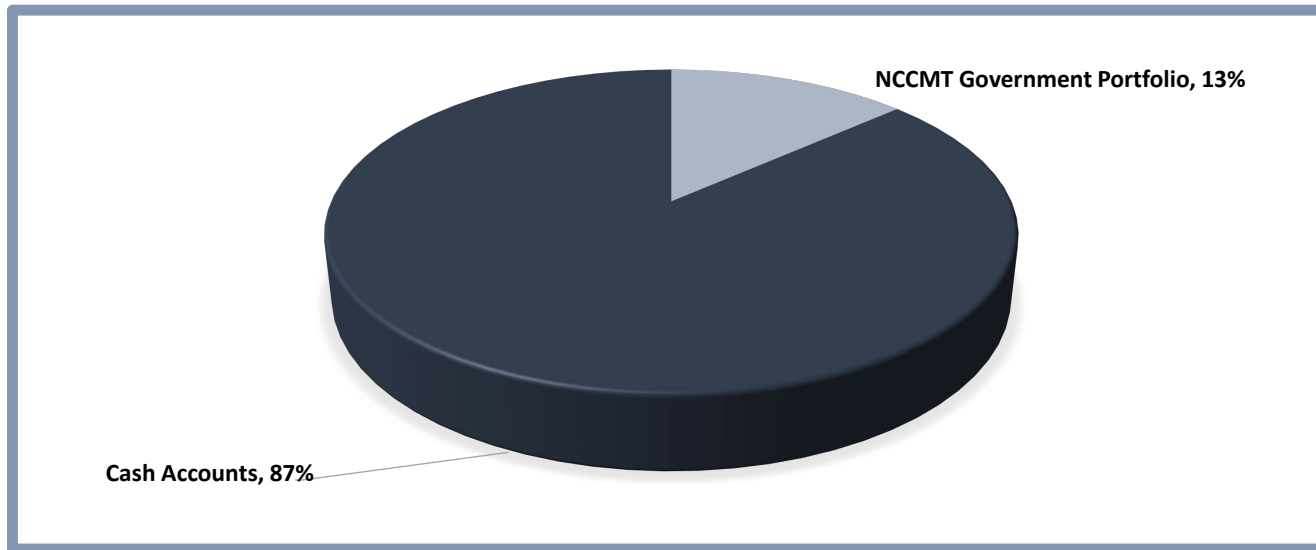


# TRINITY

## NORTH CAROLINA

### Portfolio Reporting Summary By Type Thursday, November 30, 2023

Security Type	Number of Accounts	Par Value	Market Value	Percentage of Portfolio	Average YTM	Average Days to Maturity
NCCMT Government Portfolio	2	\$ 1,741,044.99	\$ 1,741,044.99	13%	5.25%	1
Cash Accounts	11	\$ 11,221,103.27	\$ 11,221,103.27	87%	0.05%	1

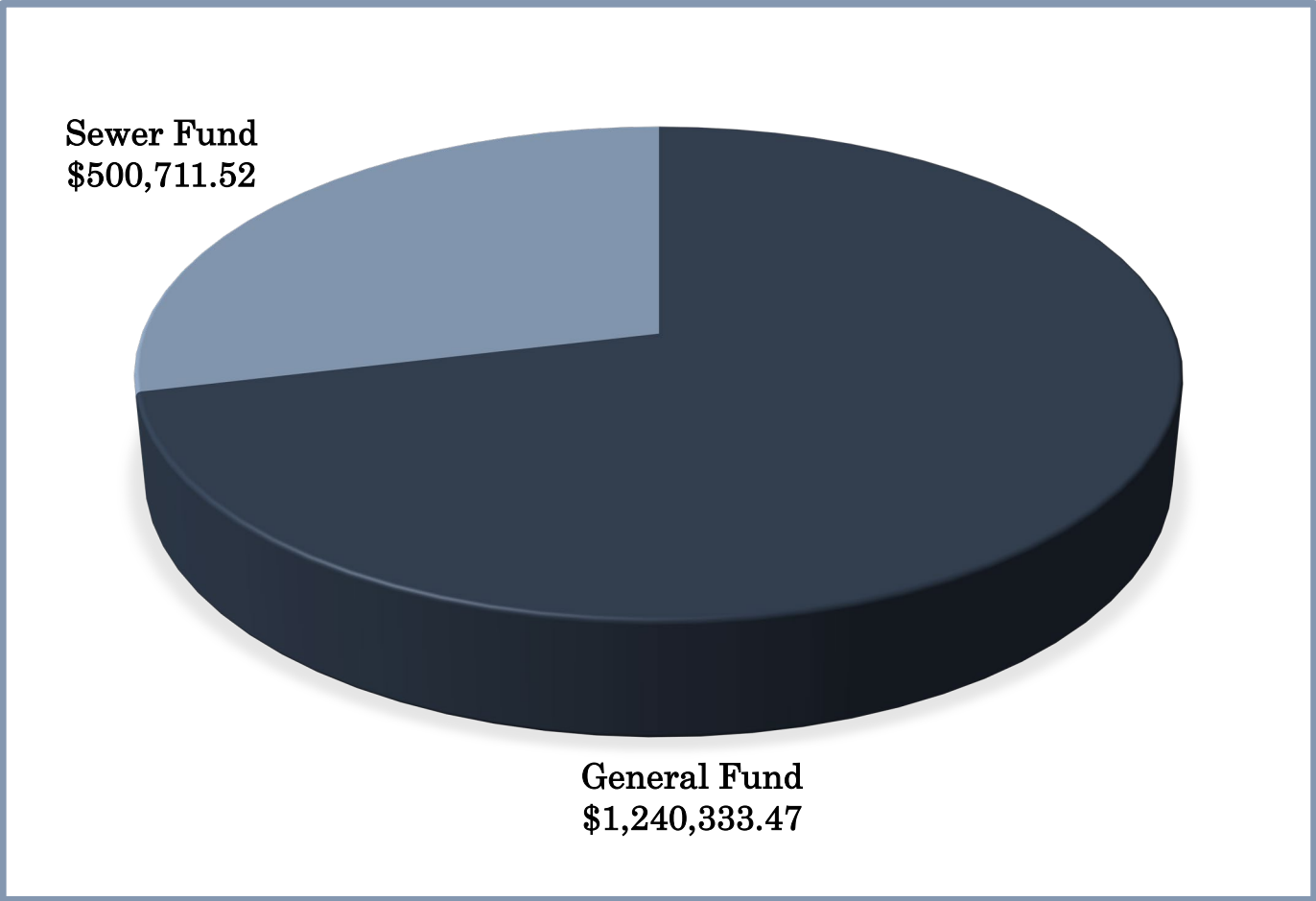


**Note:** Average YTM which is known as "Yield to Maturity" refers to the total return anticipated on a security type, if the security type is held until it matures. There is only (4) four cash accounts that are interest bearing. Those cash accounts total \$8,723,580.48, which is about 77.74% of total cash accounts. The interest bearing accounts are: American Rescue Plan Funds Checking Account, General Checking Account, Economic Development Checking Account, and Powell Bill Checking Account.

# NCCMT Investment Portfolio Market Value

as of

November 30, 2023



<b>Sewer Fund</b>	
Principal Balance	\$ 498,556.24
Investment Earnings	\$ 2,155.28
<b>Grand Total</b>	<b><u>\$ 500,711.52</u></b>

<b>General Fund</b>	
Principal Balance	\$ 1,234,994.54
Investment Earnings	\$ 5,338.93
<b>Grand Total</b>	<b><u>\$ 1,240,333.47</u></b>





## General Fund Cash Flow Analysis

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	Apr-24	Apr-24	Total
<b>Revenues:</b>													
Ad Valorem taxes	1,365	54,198	515,164	53,975	19,661								644,363
Other taxes and licenses	8,793	8,952	9,455	7,878	7,811								42,890
Unrestricted Intergovernmental	-	-	246,382	226,820	-								473,202
Restricted Intergovernmental	30	30	85,840	34	33								85,967
Permits and fees	1,450	4,500	2,400	1,575	2,425								12,350
Sales and Services	37,122	41,446	42,831	42,711	42,137								206,246
Investment Earnings	6,275	6,535	5,551	5,730	5,364								29,455
Appropriated Fund Balance	-	-	-	-	-								-
Misc.	7,006	-	-	-	30								7,036
<b>Total revenues</b>	<b>62,041</b>	<b>115,661</b>	<b>907,624</b>	<b>338,723</b>	<b>77,460</b>								<b>1,501,509</b>
<b>Expenditures:</b>													
General Government	103,963	90,290	80,855	188,937	85,092								549,138
Public Safety	17,269	-	-	115,305	-								132,574
Transportation	-	460	-	60	680								1,200
Public Services	28,377	61,364	60,548	69,854	71,079								291,223
Economic and Physical Devel.	6,600	-	79	-	-								6,679
Special Appropriations	12,000	-	-	-	-								12,000
Transfer to other Funds	-	-	-	-	-								-
Capital Outlay/Other	(125)	(125)	(125)	375	-								-
<b>Total expenditures</b>	<b>168,085</b>	<b>151,989</b>	<b>141,357</b>	<b>374,531</b>	<b>156,851</b>								<b>992,814</b>
<b>Revenues over (under) expenditures</b>	<b>(106,044)</b>	<b>(36,328)</b>	<b>766,267</b>	<b>(35,808)</b>	<b>(79,391)</b>								<b>508,695</b>

Note: There must be a level of understanding as how the City of Trinity's revenues are divided bas on type. Ad Valorem is known as property tax while vehicle tax is listed under "Other Taxes and Licenses". Unrestricted Intergovernmental revenues would be the Sales and Use Tax, Beer and Wine Tax, Telecommunication Tax, Utility Franchise Tax, and Vedio Transchise Tax. The Restricted Intergovernmental revenues would be the City's Powell Bill Allocation, Grants, and Solid Waste Tax.

The City's expenditures are grouped based on "function". The "General Government" consist of ther Governing Board, Administration, Finance, Public Buildings and Planning and Zoning. The "Public Safety" function would be the City's law enforcement, fire inspection, and animal control. The "Public Services" function would include Streets, Stormwater, and Sanitation. The "Special Appropriations" function would cover the City's grants to other agencies such as the Archdale Library, Archdale/Trinity Chamber and the Randolph County Seniors.



## Sewer Fund Cash Flow Analysis

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-23	Jun-23	Total
<b>Revenues:</b>													
Charges for Services	87,393	89,275	100,442	116,867	119,376								513,353
Tap Fees	-	16,400	12,600	-	-								29,000
Interest	2,103	2,187	2,131	2,214	2,155								10,790
Other Operating Revenues	276,486	-	-	-	-								276,486
<b>Total revenues</b>	<b>365,982</b>	<b>107,862</b>	<b>115,173</b>	<b>119,081</b>	<b>121,531</b>								<b>629,628</b>
<b>Expenditures:</b>													
Operating Expenses	60,494	99,782	76,566	98,566	76,054								411,463
Dept Service:													-
Principal	14,112	14,206	14,254	-	28,650								71,222
Interest and other charges	16,429	16,335	43,112	-	32,433								108,308
Capital Outlay	-	-	-	-	-								-
<b>Total expenditures</b>	<b>91,036</b>	<b>130,323</b>	<b>133,932</b>	<b>98,566</b>	<b>137,137</b>								<b>590,994</b>
<b>Revenues over (under) expenditures</b>	<b>274,946</b>	<b>(22,461)</b>	<b>(18,759)</b>	<b>20,515</b>	<b>(15,606)</b>								<b>238,634</b>

Note: "Other Opearting Revenues" includes sale of capital/property, transfer from Sewer Capacity Reserve, and Sales and Use Tax Transfer from the General Fund.





## MEMORANDUM

**TO:** Mayor Richard McNabb and City Council

**FROM:** Crystal Postell, Finance Director

**CC:** Stevie Cox, City Manager

**DATE:** 01/02/2024

**SUBJECT:** FY 2024 – 2025 Detailed Budget Preparation Schedule

### **Summary:**

It is important for the City of Trinity to have a detailed budget preparation schedule for the planning and events leading up to the completion of the Fiscal Year 2024 – 2025 Annual Budget. The detailed budget preparation schedule will assist the City Staff to complete department budget requests on or before April 30, 2024 (N.C.G.S. 159-10).

### **Background:**

According to the North Carolina General Statutes for Local Government Budget and Fiscal Control Act, the City of Trinity must adopt an annual balanced budget ordinance. The budget must cover the fiscal year starting on July 1, 2024, through June 30, 2025.

*§ 159-8. Annual balanced budget ordinance.*

*(a) Each local government and public authority shall operate under an annual balanced budget ordinance adopted and administered in accordance with this Article. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year. It is the intent of this Article that, except for moneys expended pursuant to a project ordinance or accounted for in an intragovernmental service fund or a trust and custodial fund excluded from the budget ordinance under G.S. 159-13(a), all moneys received and expended by a local government or public authority should be included in the budget ordinance. Therefore, notwithstanding any other provision of law, no local government or public authority may expend any moneys, regardless of their source (including moneys derived from bond proceeds, federal, state, or private grants or loans, or special assessments), except in accordance with a budget ordinance or project ordinance adopted under this Article or through an intragovernmental service fund or trust and custodial fund properly excluded from the budget ordinance.*

*(b) The budget ordinance of a unit of local government shall cover a fiscal year beginning July 1 and ending June 30. The budget ordinance of a public authority shall cover a fiscal year beginning July 1 and ending June 30, except that the Local Government Commission, if it determines that a different fiscal year would facilitate the authority's financial operations, may enter an order permitting an authority to operate under a fiscal year other than from July 1 to June 30. If the Commission does permit an authority to operate under an altered fiscal year, the Commission's order shall also modify the budget calendar set forth in G.S. 159-10 through 159-13 so as to provide a new budget calendar for the altered fiscal year that will clearly enable the authority to comply with the intent of this Part. (1971, c. 780, s. 1; 1973, c. 474, s. 5; 1975, c. 514, s. 3; 1979, c. 402, s. 1; 1981, c. 685, s. 2; 2021-60, s. 3.1.)*

**Recommendation:**

Staff recommends that the City Council approve and adopt the Fiscal Year 2024 – 2025 Detailed Budget Preparation Schedule.

**Attachments:**

Detailed Budget Preparation Schedule



## Detailed Budget Preparation Schedule

Budget Calendar Adoption	January 8, 2024
Budget Preparation Documentation	
Personnel Action Forms	January 15, 2024
Capital Outlay Requests	January 15, 2024
Department Requests	January 15, 2024
Grants to Agencies Request	January 15, 2024
CIP Review and Status Reports	January 26, 2024
Vehicle and Equipment Assessment Review	January 26, 2024
Executive Leadership Workshop	January 31, 2024
Proposed Budget Prepared	February 23, 2024
Proposed Budget Reviewed by the City Manager	February 29, 2024
First Budget Review	March 8, 2024
Trinity City Council Budget Retreat	March 20, 2024
Proposed Budget Draft Submitted to City Council	
Publish Notice of Budget Hearing	April 5, 2024
Budget Workshop on Proposed FY 2024 – 2025 Budget	
Workshop One	April 8, 2024
Workshop Two ( <i>if, needed</i> )	April 22, 2024
Public Hearing on Proposed FY 2024 – 2024 Budget	May 13, 2024
Adoption of FY 2024 – 2025 Budget	June 10, 2024

## Basic of Budgeting

The City of Trinity's annual balanced budget is adopted as required by the North Carolina General Statutes. All budgets are prepared using the modified accrual basis of accounting. The budget ordinance must be adopted by July 1st of the new fiscal year; otherwise, the governing board must adopt an interim budget that covers the period until the annual ordinance can be adopted.





## MEMORANDUM

---

**TO:** Richard McNabb and City Council

**FROM:** Crystal Postell, Finance Director

**CC:** Stevie Cox, City Manager

**DATE:** 01/02/2024

**SUBJECT:** Project Ordinance 24 – 04: Amendment to the Steeplegate Lift Station and Force Main Project

---

**Summary:**

Amendment to the Steeplegate Lift Station and Fore Main Project to apply the Operations Appropriations Act of 2023 (S.L. 2023-134) of the General Assembly of North Carolina in the sum of \$4,500,000.

**Background:**

At the November 13, 2023, City Council approved and adopted the General Assembly funding in the sum of \$4,500,000 to be applied to the City of Trinity’s sewer project: Steeplegate Lift Station and Force Main Project.

**Recommendation:**

Staff recommends that the City Council approve and adopt Project Ordinance 24 – 04: Amendment to the Steeplegate and Force Main Project.

**Attachments**

Project Ordinance 24 – 04



**AMENDMENT TO THE STEEPLEGATE LIFT STATION AND FORCE MAIN  
CAPITAL PROJECT ORDINANCE  
PROJECT ORDINANCE 24-04**

**BE IT ORDAINED** by the City Council of the City of Trinity, North Carolina that the following amendment be made to the capital project ordinance for the Steeplegate Lift Station and Force Main Project.

Section 1. The estimated amounts are to be changed as follows:

	<u>Increase (Decrease)</u>
Steeplegate Lift Station and Force Main Project	<u>\$ 4,500,000.00</u>
	<u>\$ 4,500,000.00</u>

Section 2. The estimated revenues are to be changed as follows:

	<u>Increase (Decrease)</u>
Direct Project Funding - S.L. 2023-134	<u>\$ 4,500,000.00</u>
	<u>\$ 4,500,000.00</u>

Section 3. Copies of this Budget Ordinance shall be furnished to the City Clerk and to the City Manager and Finance Director to be kept on file by them for their direction in the disbursement of funds.

Adopted this 8<sup>th</sup> , day of January, 2024.

\_\_\_\_\_  
Richard McNabb, Mayor

SEAL

\_\_\_\_\_  
Darren Comer, City Clerk



## MEMORANDUM

---

**TO:** Mayor Richard McNabb and City Council  
**FROM:** Crystal Postell, Finance Director  
**CC:** Stevie Cox, City Manager  
**DATE:** 01/02/2024  
**SUBJECT:** Pre-audit and Disbursement Policy

---

**Summary:**

This Pre-Audit and Disbursement Policy establishes a preaudit and disbursement process to assure that City of Trinity obligates and expends funds in compliance with the preaudit requirements set forth in N.C.G.S. § 159-28 and governs the disbursement of public funds.

**Background:**

As required by N.C.G.S. § 159-28(a), the City of Trinity shall not incur an obligation to support any program, function, or activity unless the annual budget ordinance or a project/grant ordinance includes an appropriation authorizing the obligation. An unencumbered fund balance remains in the appropriation that is sufficient to pay the sums obligated by the transaction.

**Recommendation:**

Staff recommends that the City Council approve and adopt the Pre-audit and Disbursement Policy.

**Attachments:**

Pre-audit and Disbursement Policy

# City of Trinity



## **Pre-Audit and Disbursement Policy**

Adopted on January 8, 2024





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## Introduction

This Pre-Audit and Disbursement Policy establishes a preaudit and disbursement process to assure that City of Trinity obligates and expends funds in compliance with the preaudit requirements set forth in N.C.G.S. § 159-28 and governs the disbursement of public monies.

As required by N.C.G.S. § 159-28(a), the City of Trinity shall not incur an obligation to support any program, function, or activity unless the annual budget ordinance or a project/grant ordinance includes an appropriation authorizing the obligation and an unencumbered fund balance remains in the appropriation that is sufficient to pay the sums obligated by the transaction. The terms of this policy shall apply to the Finance Director appointed by the City Council as the responsible person for the disbursement of public monies.

## Per – Audit

### Pre-audit Requirements

A preaudit is required by law when:

1. The City of Trinity will enter into a contract or agreement, or place an order for goods or services, that is accounted for in the budget ordinance or a project/grant ordinance; and
1. The City of Trinity will be obligated to pay money by the terms of the contract, agreement, or purchase order, and
2. If the obligation is accounted for in the annual budget ordinance, the City of Trinity anticipates paying at least some of the money in the fiscal year in which the contract, agreement, or purchase order is entered. If the obligation is accounted for in a project ordinance, a pre-audit is required when the first two criteria are satisfied.

### Initiation the Pre-Audit Process

Authorized staff who are responsible for entering into contracts, agreements, or purchase orders that obligate the City of Trinity to disburse funds to an external vendor or contractor, shall submit an email request to the Finance Director to initiate the pre-audit process. The request shall include the following information:

- Description of the contract/purchase;
- Any quotes received related to the purchase;
- Bid documents, when applicable;
- Name and contact information of the selected vendor/service provider/contractor.
- Estimated date of delivery of goods or performance of services (the anticipated date upon which payment will be due and owing);
- Identification of the budget appropriation that allows for the expenditure (i.e., which department, function, or project will be paying for the obligation);
- Any additional supporting documentation as required by local policy (e.g., documentation of internal approvals for expenditures),

***Review Purchase Order Request:** The Finance Department shall review submissions of purchase orders for completeness. Incomplete requests shall be returned to the requestor.*

### **Pre-audit Process**

To preaudit an obligation of public funds, the Finance Director or appointed designated finance staff shall take the following steps:

1. **Verify Budget Appropriation:** The Finance Director shall review the annual budget ordinance or a project/grant ordinance to determine whether the ordinance includes an appropriation authorizing the obligation. Obligations of appropriations within the annual budget ordinance shall be reviewed at the budgeted level—either by department, function, or activity.
2. **Verify Sufficient Funds Remain in the Appropriation:** The Finance Director shall verify that there is sufficient unencumbered fund balance in the respective budget appropriation to cover the cost of the obligation as follows:
  - a. For obligations that have been appropriated in the annual budget ordinance, the finance officer/deputy finance officer shall verify that an unencumbered fund balance remains in the appropriation that is sufficient to pay the amount of the obligation that is expected to become due and payable during the current fiscal year.
  - b. For multi-year or continuing contracts accounted for in the annual budget ordinance, the Finance Director shall verify that an unencumbered fund balance remains in the appropriation that is sufficient to pay the amount of

the obligation that is expected to become due and payable during the current fiscal year.

- c. For obligations that support a capital project or grant-project ordinance, the Finance Director shall verify that the project/grant project ordinance includes an appropriation authorizing the obligation and that an unencumbered balance remains in the appropriation sufficient to pay the full amount of the obligation.
3. **Record Encumbrance:** The Finance Director shall ensure that an encumbrance for the obligation is recorded in the annual budget ordinance or project ordinance.
    - a. For appropriations in the annual budget ordinance, the encumbrance shall be for the total amount anticipated to be expended during the current fiscal year.
    - b. For appropriation in a project/grant ordinance, the encumbrance shall be for the full amount of the obligation.
  4. **Affix and Sign Preaudit Certificate:** an obligation is reduced to a written contract, agreement, or purchase order requiring the disbursement of funds, the contract, agreement, or purchase order shall include on its face a preaudit certificate. The certificate shall be signed by the Finance Director and take substantially the following form: *"This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act."*

#### **Exemptions from Pre-audit Certificate Requirements**

In limited circumstances, certain transactions are exempted from the preaudit certificate requirement even when the contract, agreement, or purchase order is in writing. The Finance Director shall still perform the preaudit steps:

1. **Any obligation or document that has been approved by the Local Government Commission.** A preaudit certificate is not required for any loan agreements, debt issuances, and other leases and financial transactions, including audit contracts, that are subject to LGC approval and have, in fact, been approved by the LGC.
2. **Payroll expenditures, including employee benefits.** Salary and benefit changes for current employees, even if in writing, do not require a preaudit certificate.

3. **Electronic payments, which include payments made by credit cards, debit cards, gas cards, or procurement cards (P-Card).** A preaudit certificate is not required to be attached to the writing evidencing the transaction made by an electronic payment.

### Pre-Audit Process for Electronic Transactions

1. **Verify Budget Appropriation:** The Finance Department shall review the annual budget ordinance or the respective project ordinance to determine whether the ordinance includes an appropriation authorizing the obligation. The review of the annual budget ordinance shall take place at the budgeted level—either by department, function, or activity.
2. **Verify Sufficient Funds Remain in the Appropriation:** The finance Department shall verify that there is sufficient unencumbered fund balance in the respective budget appropriation to cover the cost of the obligation.
3. **Encumber Obligated Funds:** The Finance Director shall ensure that the amount of the transaction is encumbered in the encumbrance system within either the annual budget ordinance or within a project/grant ordinance.

### Penalties for Non-Compliance

If an obligation accounted for in the annual budget ordinance is not pre-audited in accordance with G.S. 159-28(a) or (al), the contract, agreement, or purchase order is void and unenforceable.

If an officer or employee of a local government incurs an obligation in violation of the pre-audit forth in G.S. § 159-28, or gives a false preaudit certificate to any contract, agreement, purchase order, check, draft, or another document, that officer or employee, and the sureties on any official bond for that officer or employee, are liable for any sums illegally committed or disbursed thereby. The City Council shall request payment from the official bond shall be sought.

## Disbursement

### Disbursement Process for Non-Electronic Payments

When a bill, invoice, or other claim is presented against the City, the Finance Director shall take the following steps prior to authorizing the disbursement of public funds:

1. **Determine Payable Amount:** The Finance Department shall determine the amount payable and verify that the amount is due and owing. To do so, the Finance Director shall:
  - a. Confirm that the preaudit process was performed in accordance with the process established in the preaudit policy; and
  - b. Review the purchase order, contract, or other agreement against the goods received or services to be performed to ensure the contract requirements were satisfied and that the amount claimed is payable.
    - a. If the amount claimed is not due and owed because the goods/services were not received/completed, or if the preaudit process was not performed in accordance with the preaudit policy requirements, the Finance Director shall not authorize the disbursement.
2. **Verify Budget Appropriation:** The Finance Director shall verify that there is still an appropriation authorizing the expenditure annual budget ordinance or project ordinance.
3. **Verify Budgeted Funds Remain:** The Finance Director shall verify that the budget appropriation contains sufficient funds to pay the amount due. The Finance Director shall consider if:
  - a. An encumbrance has been previously created for the transactions; or
  - b. If an unencumbered balance remains in the appropriate sufficient to pay the amount to be disbursed. If sufficient unencumbered funds do

not remain in the appropriation, the disbursement shall not be authorized.

4. **Affix and Sign Disbursement Certificate:** The Finance Director shall include a disbursement certificate on the face of each check or draft on an official depository. The certificate shall be signed and dated by the Finance Director and shall take substantially the following form: *"This disbursement has been approved as required by the Local Government Budget and Fiscal Control Act."*

#### **Disbursement Process for Electronic Payments** *(charge cards, gas cards, credit cards, p-cards, and ACH payments)*

Before any bill, invoice, or other claim is to be paid by electronic fund transfer, which includes payments made using charge cards, credit cards, debit cards, gas cards, procurement cards, or ACH payments, the finance officer/deputy finance officer shall take comply with the below disbursement process prior to authorizing the electronic payment:

1. **Ensure the Amount claimed is Payable:** The Finance Director shall determine whether amount claimed is payable.
2. **Verify Budget Appropriation:** The Finance Director shall verify that there is still an appropriation authorizing the expenditure in the annual budget ordinance or a project ordinance.
3. **Verify Budgeted Funds Still Available:** The Finance Director shall verify that sufficient funds remain in the appropriation to cover the amount that is due to be paid out during the current fiscal year if accounted for in the budget ordinance, to cover the entire amount if accounted for in a project/grant ordinance; and
4. **Ensure sufficient cash-on-hand to cover the payment:** The Finance Director shall ensure there is sufficient cash in the cash account to transfer out to cover the payment.

#### **Penalties for Non-Compliance**

If an officer or employee of a local government or public authority incurs an obligation or pays out or causes to be paid out any funds in violation of the preaudit and disbursement



requirements set forth in G.S. § 159-28, that officer or employee, and the sureties on any official bond for that officer or employee, are liable for any sums so committed or disbursed.

If the Finance Director or appointed designated finance staff gives a false disbursement certificate to any contract, agreement, purchase order, check, draft, or other document, the Finance Director or appointed finance staff, and the sureties on any official bond, are liable for any sums illegally committed or disbursed thereby. The City Council shall make a resolution, if payment from the official bond shall be sought.



**Glossary of Terms**

## Glossary of Terms

**Annual Budget Ordinance:** an ordinance issued by the governing board which recognizes revenues, authorizes expenditures, and levies taxes for a local unit for a single fiscal year.

**Capital Project Ordinance:** an ordinance issued by the governing board which authorizes the use of bonds, notes, or debt instruments for the construction or acquisition of a specific capital assets, identifies the estimated revenues that will finance the project, and makes the appropriations necessary to complete the project.

**Construction Contract:** a legally binding agreement for the design, build, renovation, expansion, and/or repair of real property.

**Continuing Contract:** a legally binding agreement for goods or services that extends for more than a single fiscal year.

**Disbursement Process:** the approval and certification process performed before issuing a check or other payment to a third-party vendor or contracting party.

**Encumbrance:** outstanding monetary obligations that arise from purchase orders and other contractual obligations for goods and services

**Grant Project Ordinance:** an ordinance issued by the governing board which authorizes the use of grant monies for a specific project, identifies the estimated revenues that will finance the project, and makes the appropriations necessary to complete the project.

**Obligation:** an executed contract, purchase order, or other agreement reflecting legal commitment to pay money to another person or entity.

**Preaudit:** the approval and certification process performed before an obligation is incurred to prevent overspending.

**Preaudit Certificate:** a written or stamped certificate affixed to a written contract or agreement once the preaudit is performed.

**Purchase Order:** a legally binding document issued by the local government recognizing the agreement for the purchase of goods, supplies, or materials.

**Real property Purchase Contract:** a legally binding agreement for the acquisition of land, buildings, and other fixtures that are permanently affixed to the land.

**Service Contract:** a legally binding agreement with private company service providers for the performance of a service (e.g., landscaping services, janitorial services, solid waste collection, engineering services, and audit service contracts).



## MEMORANDUM

---

**TO:** Mayor Richard McNabb and City Council

**FROM:** Crystal Postell, Finance Director

**CC:** Stevie Cox, City Manager

**DATE:** 01/02/2024

**SUBJECT:** Second (2<sup>nd</sup>) Consecutive Year Awarded the GFOA Distinguished Budget Presentation Award

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**Summary:**

The City of Trinity received its first Government Finance Officer Association (GFOA) Distinguished Budget Presentation Award back in September 2022 under the new executive leadership. The City of Trinity's Finance Department has been recognized for the 2<sup>nd</sup> consecutive year for their high-quality budget document.

**Background:**

The Government Finance Officer Association (GFOA) has a Distinguished Budget Presentation Award program that recognizes high-quality budget documents that meet program criteria and strive to improve budget transparency in their community.

**Recommendation:**

No recommendation is needed.

**Attachments:**

GFOA's Congratulations Letter

GFOA Distinguished Budget Presentation Award Certificate

Proof of Medallion



Government Finance Officers Association  
203 North LaSalle Street, Suite 2700  
Chicago, Illinois 60601-1210  
312.977.9700 fax: 312.977.4806

November 8, 2023

Crystal Postell  
City of Trinity  
5978 Nc Hwy 62  
Trinity, NC 27370

Dear Crystal Postell:

Your government should have recently received electronic correspondence that your 2023 budget qualifies for GFOA's Distinguished Budget Presentation Award. To commemorate that achievement, enclosed is a medallion which can be added to your existing plaque as a testament to the government's commitment to producing annual reports that evidence the spirit of full disclosure and transparency.

Congratulations again.

Sincerely,

Michele Mark Levine  
Director, Technical Services Center



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Trinity  
North Carolina**

For the Fiscal Year Beginning

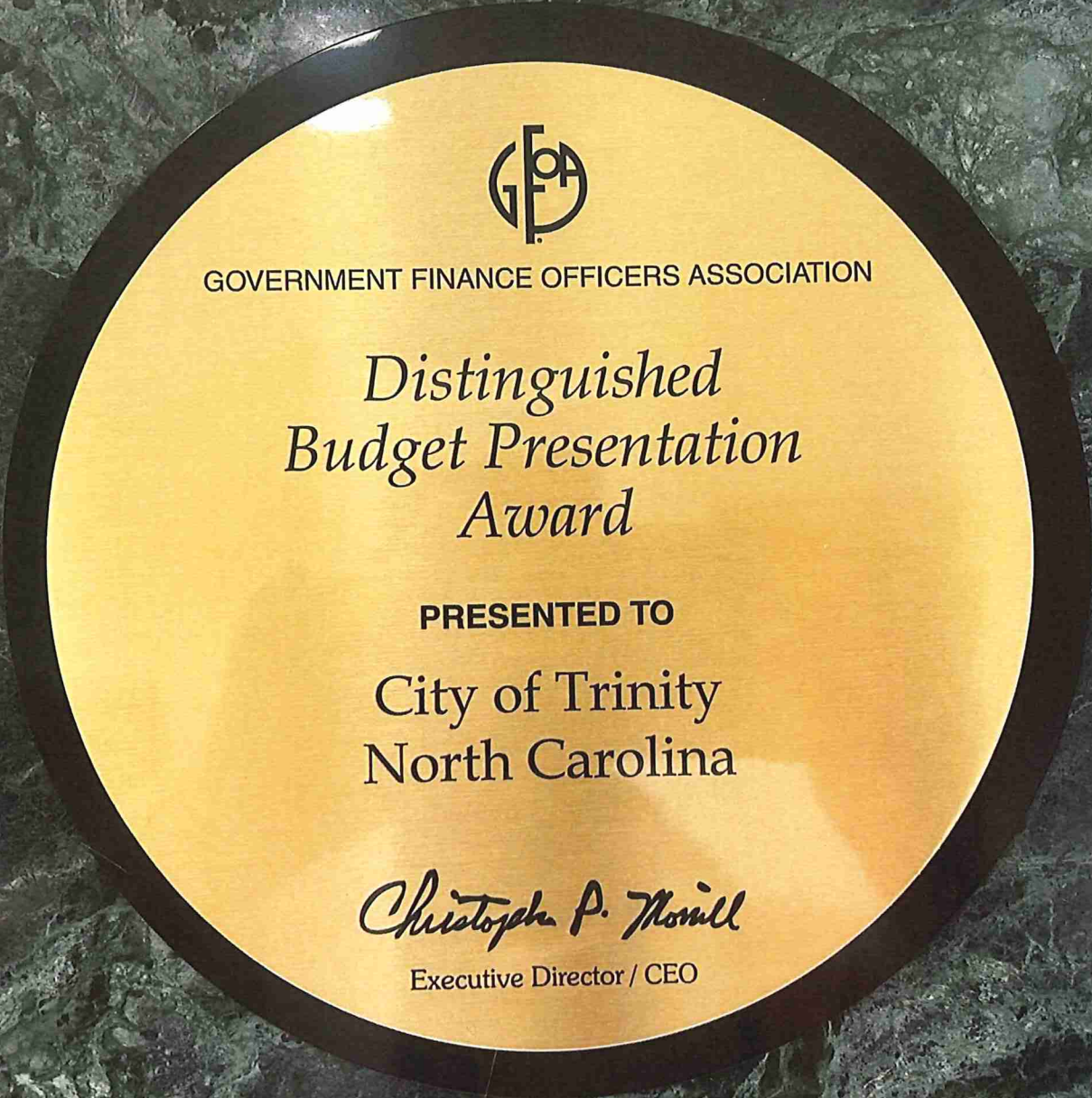
**July 01, 2023**

*Christopher P. Morrill*

Executive Director

2022

2023



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

**PRESENTED TO**

City of Trinity  
North Carolina

*Christopher P. Merrill*

Executive Director / CEO





## MEMORANDUM

---

**TO:** Mayor Richard McNabb and City Council  
**FROM:** Crystal Postell, Finance Director  
**CC:** Stevie Cox, City Manager  
**DATE:** 01/02/2024  
**SUBJECT:** Investment Policy

---

### **Summary:**

The investment program shall be operated in conformance with federal, state, and other legal requirements including North Carolina General Statute 159 – 30. The purpose of this investment policy is to set forth the investment and operational guidelines for the management of the public funds of the City of Trinity. This policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and a competitive return on investments.

### **Background:**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools, which offer same-day liquidity for short-term funds.

### **Recommendation:**

Staff recommends that the City Council approve and adopt the Investment Policy.

### **Attachments:**

Investment Policy

# City of Trinity




## **Investment Policy**

Adopted on January 8, 2023



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## Introduction

The investment program shall be operated in conformance with federal, state and other legal requirements including North Carolina General Statute 159 – 30. The purpose of this investment policy is to set forth the investment and operational guidelines for the management of the public funds of the City of Trinity. This policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and a competitive return on investments.

A copy of this policy will be provided to all investment broker/dealers and investment managers doing business with the City of Trinity, and also will be provided to other interested parties upon request. Receipt of this policy, including confirmation that persons dealing directly with the City’s account have reviewed it, will be received prior to any organization providing investment services to the City of Trinity.

## Scope

This policy applies to the investment of all City funds, excluding the investment of funds that may be held for the benefit of retirees.

### Pooling of Funds

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies regarding investment pricing, safekeeping and administration. Cash being pooled/invested does not include municipal debt proceeds.

Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

The primary objective of investment activities shall be safety, liquidity, and return:

#### I. Safety

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

##### a. Credit Risk

The City of Trinity minimize credit risk, when is the risk of loss of all or part of the investment due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities authorized by the North Carolina General Statutes 159 – 30.
- Pre-qualifying and conducting ongoing due diligence of the financial institutions and broker/dealers with the City will do business in accordance with this policy
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

b. Interest Rate Risk

The City of Trinity will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market rates, by:

- Structuring the investment portfolio so that security maturities match cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in shorter-term securities, North Carolina Capital Management Trust (NCCMT) Government and Term Portfolios, investment pools established by the State Treasurer, or similar investments and limiting individual security maturity as well as the average maturity of the portfolio in accordance with this policy

II. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools, which offer same-day liquidity for short-term funds.

### III. Return

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal;
- Unanticipated liquidity needs of the portfolio require that the security be sold;
- In the event of a credit risk or default by a specific issuer, the investment officer shall review and, if appropriate, proceed to liquidate securities with comparable credit risks

## Standards of Care

### I. Prudence

The standard of prudence to be used by City of Trinity's investment official(s) shall be the "uniform prudent investor act" standard and shall be applied in the context of managing an overall portfolio. Investment officer(s) acting in accordance with established procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

### II. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Investment official(s) shall disclose any material interests in financial institutions with which they conduct business, in accordance with applicable laws. They shall further disclose any personal financial/investment positions that could be related to the

performance of the investment portfolio. This disclosure need not include normal banking or brokerage relationships that are at normal market rates and conditions available to the public. Investment official(s) shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City of Trinity.

### III. Delegation of Authority

Authority to manage the investment program is granted to the Finance Director, hereinafter referred to as the Investment Officer and derived from North Carolina General Statute 159-25(a)(6). Responsibility for the operation of the investment program is hereby delegated to the Investment Officer, who shall act in accordance with established procedures and internal controls for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer may designate one or more members of the staff to assist in the performance of the functions of cash management and investing. Such delegation will not relieve the Investment Officer of responsibility for all transactions and executions performed by the designated individuals. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

### **Authorized Financial Institutions, Depositories and Brokers/Dealers**

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by creditworthiness and/or other factors, such as FINRA broker check. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City of Trinity must supply the following as appropriate

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.



- Proof of Financial Industry Regulatory Authority (FINRA) certifications (not applicable to Certificate of Deposit counterparties).
- Proof of state registration.
- Completed Broker/Dealer Questionnaire and Investment Trading Relationship Agreement (not applicable to Certificate of Deposit counterparties).
- Certification of having read and understood and agreeing to comply with the City's investment policy.
- Evidence of adequate insurance coverage.

## **Safekeeping and Custody**

### I. Delivery vs. Payment

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible custody account prior to the release of funds.

### II. Safekeeping

Securities will be held by a third-party custodian selected by the City with all securities held in the City of Trinity's name.

### III. Internal Controls

The Investment Officer shall establish a system of internal controls. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officer of the City.

## **Suitable and Authorized Investments**

Investments may be made in any type of security authorized by North Carolina General Statute 159-30. The Finance Director may elect to further limit the City of Trinity's investment security authority. The collateralization will be in accordance with North Carolina General Statute 159-31, the Investment Officer will require that sufficient collateral be pledged for public funds.

## Investment Diversification and Maturities

The City of Trinity's will diversify its investment portfolio. To eliminate the risk of loss resulting from the overconcentration of assets in a specific maturity, issuer, or class of securities, all cash and cash equivalent assets in all City funds shall be diversified by maturity, issuer, and security type. Diversification strategies shall be determined and revised periodically by the Investment Officer for all funds.

In establishing specific diversification strategies, the following general policies and constraints shall apply to portfolio maturities remaining staggered to avoid undue concentration of assets in a specific maturity sector.

*Maturities selected shall provide for stability of income and reasonable liquidity:*

**Maturity:** No more than 50% of the portfolio may be invested beyond 2 years

**Default Risk:** In order to avoid over concentration in securities from a specific issuer or business sector (except for securities of the U.S. Treasury, investments in the NCCMT Government and Term Portfolios, and investment pools established by the State Treasurer):

- No more than 80% of the portfolio may be invested in government agency paper (AP)
- No more than 40% of the portfolio may be placed with a single issuer of government agency paper (AP)
- No more than 40% of the portfolio may be invested in commercial paper (CP)
- No more than 20% of the portfolio may be placed with a single issuer of commercial paper (CP)
- No more than 40% of the portfolio may be invested in qualified banker's acceptances
- No more than 20% of the City's portfolio may be placed with a single financial institution (must be identified as public funds and collateralized under the Pooling Method of collateralization as described in 20 N.C. Admin. Code 7 .0104) `

**Liquidity Risk:** Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio must be continuously invested in readily available

funds such as NCCMT Government and Term Portfolios, local government investment pools (LGIPs) established by the State Treasurer, money market funds or overnight repurchase agreements in order to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

To the extent possible, the City of Trinity shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three (3) years from the date of purchase or in accordance with statutes.

All reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding (3) three years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds.

The Investment Officer shall obtain competitive bids for investment instruments based on diversification, maturity and cash flow considerations and requirements.

## Reporting

The Finance Director/Investment Officer shall prepare quarterly investment reports for management purposes. These reports will be made available to the City Manager, Trinity City Council and/or other parties as desired. The reports will include information on investment types, market values, maturity dates, and yields.

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates.

The market value of the portfolio shall be calculated, and investments marked to market on a monthly basis. Reporting on the market value of the portfolio shall be disclosed quarterly (or as requested) to Trinity City Council. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent as applicable with the GFOA Recommended Practice on “Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools.”

## Policy Considerations and Approval of Investment Policy

This policy shall be reviewed on a regular basis by the Finance Director. Proposed changes must be submitted by the Finance Director for approval by City Council. The investment policy shall be formally approved and adopted by the City Council of the City of Trinity.



# TRINITY

NORTH CAROLINA

## Broker/Dealer Questionnaire

1. Name of Firm: \_\_\_\_\_

2. Address: \_\_\_\_\_

\_\_\_\_\_

3. Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_

4. Primary Representative:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone No. \_\_\_\_\_

5. Manager Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone No. \_\_\_\_\_

Phone No. \_\_\_\_\_

6. Identify all other personnel who will be offering/bidding and/or quoting securities to City employees.

Name	Title	Phone No.
_____	_____	_____
_____	_____	_____
_____	_____	_____

**PLEASE ATTACH RESUMES AND SEC EXIT FORM U-5 (if previously employed by other investment firm) OF ALL PERSONNEL LISTED ABOVE.**

7. Is your firm a primary dealer in U.S. Government Securities? ( ) Yes ( ) No

a. If yes, for how long has the firm been a primary dealer? \_\_\_\_years

b. If no, does your firm qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule)?

8. What instruments are offered regularly by your firm?

Treasury Bills  N.C. Governments  Treasury Notes/Bonds  Commercial Paper

*Government Agencies*

BA's (domestic)  BA's (foreign)  FFCB  FNMA

Mortgage Back Securities(Specify) \_\_\_\_\_

FHLB  FFCB  Other \_\_\_\_\_

9. Please list your firms public sector clients most comparable to the City.

Entity	Contact Person	Phone No.
_____	_____	_____
_____	_____	_____
_____	_____	_____



10. Has a public sector client ever claimed in writing or orally that your firm or any of your employees assigned to do business with our organization has been responsible for investment losses? If so, please explain on an attached sheet.

11. Has your firm, or any of your employees doing business with the City, ever been subject to a regulatory, state or federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities related to the sale or purchase of government securities or money market instruments? If so, please explain on an attached sheet.

12. How many and what percentage of your transactions failed last month? Last year?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

13. Has your firm consistently complied with the Federal Reserve Bank's/Securities Exchange Commission's capital adequacy guideline? As of this date does your firm comply with the policy.

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14. Please provide certified financial statements and other indicators regarding your firm's capitalization as an attachment.

15. Please provide samples of research reports which your firm regularly provides to public sector clients as an attachment.

As a condition of being an authorized Broker/Dealer for the City, you and your firm have received and read the City's Investment Policy. All sales personnel will be routinely informed of the City's investment objectives, horizon, outlook, strategies and risk constraint. By signing this questionnaire, you acknowledge the above conditions have been met.

Primary Representative: \_\_\_\_\_

Firm's Authorized Signer: \_\_\_\_\_

Date: \_\_\_\_\_

## Investment Trading Relationship Agreement

In consideration of and as a prerequisite to conducting investment business with the City of Trinity, North Carolina, the undersigned investment/financial firm ( \_\_\_\_\_ ) agrees to the following terms and conditions:

### ELIGIBLE INVESTMENT SECURITIES

The firm acknowledges that it has reviewed and is aware of the North Carolina State Statutes governing the investments which are eligible for purchase by local governments in North Carolina. The firm agrees to offer no investment to the City of Trinity that does not meet these statutory and regulatory guidelines. North Carolina State Statute 159-30 is listed below.

§ 159-30. Investment of idle funds.

- a. A local government or public authority may deposit interest or invest all or part of the cash balance of any fund. The finance officer shall manage investments subject to whatever restrictions and directions the governing board may impose. The finance officer shall have the power to purchase, sell, and exchange securities on behalf of the governing board. The investment program shall be so managed that investments and deposits can be converted into cash when needed.
- b. Moneys may be deposited at interest in any bank, savings and loan association, or trust company in this State in the form of certificates of deposit or such other forms of time deposit as the Commission may approve. Investment deposits, including investment deposits of a mutual fund for local government investment established under subdivision (c)(8) of this section, shall be secured as provided in G.S. 159-31(b).

(b1) In addition to deposits authorized by subsection (b) of this section, the finance officer may deposit any portion of idle funds in accordance with all of the following conditions:

- (1) The funds are initially deposited through a bank or savings and loan association that is an official depository and that is selected by the finance officer.



(2) The selected bank or savings and loan association arranges for the deposit of funds in certificates of deposit for the account of the local government or public authority in one or more federally insured banks or savings and loan associations wherever located, provided that no funds shall be deposited in a bank or savings and loan association that at the time holds other deposits from the local government or public authority.

(3) The full amount of principal and any accrued interest of each certificate of deposit are covered by federal deposit insurance.

(4) The selected bank or savings and loan association acts as custodian for the local government or public authority with respect to the certificates of deposit issued for the local government's or public authority's account.

(5) At the same time that the local government or public authority funds are deposited and the certificates of deposit are issued, the selected bank or savings and loan association receives an amount of deposits from customers of other federally insured financial institutions wherever located equal to or greater than the amount of the funds invested by the local government or public authority through the selected bank or savings and loan association.

(c) Moneys may be invested in the following classes of securities, and no others:

(1) Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States. (2) Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, Fannie Mae, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service.

(3) Obligations of the State of North Carolina.

(4) Bonds and notes of any North Carolina local government or public authority, subject to such restrictions as the secretary may impose.

(5) Savings certificates issued by any savings and loan association organized under the laws of the State of North Carolina or by any federal savings and loan association having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Commissioner of Banks of the Department of Commerce of the State of North Carolina, be fully collateralized.

(6) Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligation.

(7) Bills of exchange or time drafts drawn on and accepted by a commercial bank and eligible for use as collateral by member banks in borrowing from a federal reserve bank, provided that the accepting bank or its holding company is either

(i) incorporated in the State of North Carolina or

(ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.

(8) Participating shares in a mutual fund for local government investment; provided that the investments of the fund are limited to those qualifying for investment under this subsection (c) and that said fund is certified by the Local Government Commission. The Local Government Commission shall have the authority to issue rules and regulations concerning the establishment and qualifications of any mutual fund for local government investment.

(9) A commingled investment pool established and administered by the State Treasurer pursuant to G.S. 147-69.3.

(10) A commingled investment pool established by inter-local agreement by two or more units of local government pursuant to G.S. 160A-460 through G.S. 160A-464, if the investments of the pool are limited to those qualifying for investment under this subsection (c).

(11) Evidence of ownership of, or fractional undivided interests in, future interest and principal payments on either direct obligation of the United States government or obligations the principal of and the interest on which are guaranteed by the United States, which obligations are held by a bank or trust company organized and existing under the laws of the United States or any state in the capacity of custodian.

(12) Repurchase agreements with respect to either direct obligations of the United States or obligations the principal of and the interest on which are guaranteed by the United States if entered into with a broker or dealer, as defined by the Securities Exchange Act of 1934, which is a dealer recognized as a primary dealer by a Federal Reserve Bank, or any commercial bank, trust company or national banking association, the deposits of which are insured by the Federal Deposit Insurance Corporation or any successor thereof if:

**a.** Such obligations that are subject to such repurchase agreement are delivered (in physical or in book entry form) to the local government or public authority, or any financial institution serving either as trustee for the local government or public authority or as fiscal agent for the local government or public authority or are supported by a safekeeping receipt issued by a depository satisfactory to the local government or public authority, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at a current market value, calculated at least daily, of not less than one hundred percent (100%) of the repurchase price, and, provided further, that the financial institution serving either as trustee or as fiscal agent for the local government or public authority holding the obligations subject to the repurchase agreement hereunder or the depository issuing the safekeeping receipt shall not be the provider of the repurchase agreement;

**b.** A valid and perfected first security interest in the obligations which are the subject of such repurchase agreement has been granted to the local government or public authority or its assignee or book entry procedures, conforming, to the extent practicable, with federal regulations and satisfactory to the local government or public authority have been established for the benefit of the local government or public authority or its assignee;

- c. Such securities are free and clear of any adverse third-party claims; and
- d. Such repurchase agreement is in a form satisfactory to the local government or public authority.

(13) In connection with funds held by or on behalf of a local government or public authority, which funds are subject to the arbitrage and rebate provisions of the Internal Revenue Code of 1986, as amended, participating shares in tax-exempt mutual funds, to the extent such participation, in whole or in part, is not subject to such rebate provisions, and taxable mutual funds, to the extent such fund provides services in connection with the calculation of arbitrage rebate requirements under federal income tax law; provided, the investments of any such fund are limited to those bearing one of the two highest ratings of at least one nationally recognized rating service and not bearing a rating below one of the two highest ratings by any nationally recognized rating service which rates the particular fund.

(d) Investment securities may be bought, sold, and traded by private negotiation, and local governments and public authorities may pay all incidental costs thereof and all reasonable costs of administering the investment and deposit program. Securities and deposit certificates shall be in the custody of the finance officer who shall be responsible for their safekeeping and for keeping accurate investment accounts and records.

(e) Interest earned on deposits and investments shall be credited to the fund whose cash is deposited or invested. Cash of several funds may be combined for deposit or investment if not otherwise prohibited by law; and when such joint deposits or investments are made, interest earned shall be prorated and credited to the various funds on the basis of the amounts thereof invested, figured according to an average periodic balance or some other sound accounting principle. Interest earned on the deposit or investment of bond funds shall be deemed a part of the bond proceeds.

(f) Registered securities acquired for investment may be released from registration and transferred by signature of the finance officer. (1957, c. 864, s. 1; 1967, c. 798, ss. 1, 2; 1969, c. 862; 1971, c. 780, s. 1; 1973, c. 474, ss. 24, 25; 1975, c. 481; 1977, c. 575; 1979, c. 717, s. 2; 1981, c. 445, ss. 1-3; 1983, c. 158, ss. 1, 2; 1987, c. 672, s. 1; 1989, c.

76, s. 31; c. 751, s. 7(46); 1991 (Reg. Sess., 1992), c. 959, s. 77; c. 1007, s. 40; 1993, c. 553, s. 55; 2001-193, s. 16; 2001-487, s. 14(o); 2005-394, s. 2.)

**CONFIRMATION AND MONTHLY STATEMENTS**

The firm agrees that it will send confirmation of every transaction promptly to the following email address: [cpostell@trinity-nc.gov](mailto:cpostell@trinity-nc.gov)

**DELIVERY INSTRUCTIONS**

The firm agrees to deliver securities to the City of Trinity by form of check or wire whichever is cost effective at the time of delivery.

**FINANCIAL STATEMENTS**

The firm agrees to send its annual audited financial statements to the Finance Director within a reasonable time after the end of each fiscal year. This information should be sent to: [cpostell@trinity-nc.gov](mailto:cpostell@trinity-nc.gov)

**CANCELLATION**

This agreement may be immediately canceled upon written notification by the firm or by the City of Trinity.

**DESIGNATED INDIVIDUALS WHO MAY EXECUTE INVESTMENT TRANSACTION**

The firm agrees to execute investment transactions for the City of Trinity only with the Finance Director.

The undersigned authorized representative of the firm agrees, on behalf of the firm, that the provisions of this agreement will be followed and that if the City sustains losses as a result of the firm’s failure to abide by this agreement, then the firm will be liable for these losses and will reimburse the City the amount of these losses. The firm also agrees that any changes to this agreement will not be effective unless authorized in writing by the Finance Director for the City of Trinity.

Firm Name \_\_\_\_\_ Address \_\_\_\_\_

\_\_\_\_\_  
Person Authorized to Bind Firm                      Position/Title                      Date

Authorized Firm Representatives

*The following individuals are authorized to execute investment trades*

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City of Trinity

PO Box 50

5978 NC HWY 62

Trinity, NC 27370

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Crystal Postell, Finance Director  
City of Trinity

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Date



**RNC FINANCIAL SERVICES, LLC** (RNC FINANCIAL SERVICES, LLC)

CRD#: 122220

IA Investment Adviser Firm 1026 HUTTON LANE,  
HIGH POINT, NC 27262 +2

**EFFICIENT ADVISORS** (ADVISOR SUPPORT SERVICES...)

CRD#: 150144/SEC#: 801-70110

IA Investment Adviser Firm 2023 La Dora Drive,  
High Point, NC 27265 +16

**MATSON MONEY, INC.** (ABUNDANCE TECHNOLOGIES, INC...)

CRD#: 110425/SEC#: 801-40176

IA Investment Adviser Firm 2023 La Dora Drive,  
High Point, NC 27265 +13

**THE WEALTH GROUP, LTD** (THE WEALTH GROUP, LTD)

CRD#: 154106/SEC#: 801-128145

IA Investment Adviser Firm 115 WEST STATE AVENUE,  
HIGH POINT, NC 27262 +5



**GENERATIONS INVESTMENT ADVISORS, LLC** (GENERATIONS INVESTMENT ADVISORS, LLC)

CRD#: 141248

IA Investment Adviser Firm HIGH POINT, NC +1

**ADAPTFIRST INVESTMENTS LLC** (ADAPTFIRST INVESTMENTS LLC)

CRD#: 289096

IA Investment Adviser Firm 1001 N LINDSAY ST STE 102,  
HIGH POINT, NC 27262 +10

**FACET** (FABRIC WEALTH...)

CRD#: 285961/SEC#: 801-108767

IA Investment Adviser Firm Archdale, NC +109

**CAPITAL INVESTMENT GROUP, INC.** (CAPITAL INVESTMENT COMPANIES...)

CRD#: 14752/SEC#: 8-31225

B Brokerage Firm *Regulated by FINRA* 115 WEST STATE STREET,  
HIGH POINT, NC 27262 +97

**CREDIT UNION INVESTMENT SERVICES** (CREDIT UNION INVESTMENT SERVICES...)

CRD#: 144871

IA Investment Adviser Firm 10305 N. MAIN ST.,  
ARCHDALE, NC 27263 +251

**TRUIST ADVISORY SERVICES, INC.** (SUNTRUST ADVISORY SERVICES LLC...)

CRD#: 283390/SEC#: 801-107729

IA Investment Adviser Firm 620 N MAIN ST FL 2,  
HIGH POINT, NC 27262 +3083

**NAMCOA** (FIRST OF GEORGIA...)

CRD#: 133978/SEC#: 801-66945

IA Investment Adviser Firm 1836 Eastchester Drive Suite 102,  
High Point, NC 27265 +22

**AVANTAX ADVISORY SERVICES** (1ST GLOBAL ADVISORY SERVICES...)

CRD#: 104556/SEC#: 801-29892

IA Investment Adviser Firm 4035 Premier Dr Suite 300,  
High Point, NC 27265 +2573

**CORECAP ADVISORS** (ADVANTAGE BENEFITS & RETIREMENT...)

CRD#: 158819/SEC#: 801-72687

**IA** Investment Adviser Firm High Point, NC **+112**

**CORECAP INVESTMENTS, LLC** (ADVANTAGE BENEFITS AND RETIREMENT...)

CRD#: 37068/SEC#: 8-47783

**B** Brokerage Firm *Regulated by FINRA* 1836 Eastchester Drive Suite 100,  
High Point, NC 27265 **+45**

**SECU BROKERAGE SERVICES** (SECU BROKERAGE SERVICES...)

CRD#: 19899/SEC#: 8-37927

**B** Brokerage Firm *Regulated by FINRA* 10309 N MAIN ST,  
ARCHDALE, NC 27263 **+278**

**RAYMOND JAMES FINANCIAL SERVICES ADVISORS, INC** (MARY ELIZABETH HAAS...)

CRD#: 149018/SEC#: 801-69815

**IA** Investment Adviser Firm 2630 EASTCHESTER DRIVE,  
HIGH POINT, NC 27265 **+6160**

**FORVIS WEALTH ADVISORS, LLC** (BKD INVESTMENT ADVISORS LLC...)

CRD#: 110905/SEC#: 801-56928

IA Investment Adviser Firm 1829 Eastchester Drive,  
High Point, NC 27265 +172

**INDEPENDENT ADVISOR ALLIANCE, LLC** (AFTON WEALTH MANAGEMENT...)

CRD#: 168267/SEC#: 801-78808

IA Investment Adviser Firm 1501 North Main Street Suite 101,  
High Point, NC 27262 +259

**COPPELL ADVISORY SOLUTIONS LLC** (C&N WEALTH MANAGEMENT...)

CRD#: 156549/SEC#: 801-72171

IA Investment Adviser Firm High Point, NC +81

**STATE FARM INVESTMENT MANAGEMENT CORP.** (STATE FARM INVESTMENT MANAGEMENT...)

CRD#: 3487/SEC#: 801-8184,8-13379

PR Previously Registered Brokerage Firm 202 Stratford Rd,  
Archdale, NC 27263 +4932  
IA Investment Adviser Firm

**TERRA WEALTH** (MULTI FAMILY OFFICE WEALTH SOLUTIONS, LLC...)

CRD#: 320643/SEC#: 801-125822

IA Investment Adviser Firm 400 WEST ENGLISH ROAD STE 215,  
HIGH POINT, NC 27262 (+47)

**CETERA INVESTMENT ADVISERS LLC** (CETERA ADVISOR NETWORKS...)

CRD#: 105644/SEC#: 801-20406

IA Investment Adviser Firm 1610 WESTCHESTER DR,  
HIGH POINT, NC 27262 (+7733)

**SECURITIES AMERICA ADVISORS, INC.** (1865 WEALTH ADVISORS AT BANK ON BUFFALO...)

CRD#: 110518/SEC#: 801-45628

IA Investment Adviser Firm 110 SCOTT AVE, STE 8,  
High Point, NC 27262 (+2174)

**KESTRA ADVISORY SERVICES, LLC** (KESTRA ADVISORY SERVICES, LLC...)

CRD#: 283330/SEC#: 801-56126

IA Investment Adviser Firm 1912 Eastchester Dr., ste 110,  
High Point, NC 27265 (+1369)

<p><b>INFINEX INVESTMENTS, INC.</b> (CONNECTICUT ASSOCIATION SECURITIES, INC....) CRD#: 35371/SEC#: 801-67242,8-46661</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 4010 Brian Jordan Place, HIGH POINT, NC 27262 <b>+1106</b></p> <p><b>IA</b> Investment Adviser Firm</p>
<p><b>CUSO FINANCIAL SERVICES, L.P.</b> (CUSO FINANCIAL SERVICES, L.P....) CRD#: 42132/SEC#: 801-60300,8-49711</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 3015 East River Way, High Point, NC 27265 <b>+1052</b></p> <p><b>IA</b> Investment Adviser Firm</p>
<p><b>HORACE MANN INVESTORS, INC.</b> (AARON RARICK AGENCY EAST...) CRD#: 11643/SEC#: 801-80964,8-6082</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 533 N. HAMILTON STREET, HIGH POINT, NC 27262 <b>+300</b></p> <p><b>IA</b> Investment Adviser Firm</p>
<p><b>FIRST CITIZENS INVESTOR SERVICES, INC.</b> (FIRST CITIZENS INVESTOR SERVICES, INC.) CRD#: 44430/SEC#: 801-57302,8-50696</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 700 North Main St., High Point, NC 27262 <b>+122</b></p> <p><b>IA</b> Investment Adviser Firm</p>

**MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED** (MERRILL LYNCH PIERCE FENNER & SMITH...)

CRD#: 7691/SEC#: 801-14235,8-7221

- B** Brokerage Firm *Regulated by FINRA* 2601 EASTCHESTER DR,  
HIGH POINT, NC 27265 **+6351**
- IA** Investment Adviser Firm

**ALLSTATE FINANCIAL SERVICES, LLC** (ALLSTATE FINANCIAL SERVICES, LLC...)

CRD#: 18272/SEC#: 8-36365

- B** Brokerage Firm *Regulated by FINRA* 3815 TINSLEY DR STE 161,  
HIGH POINT, NC 27265 **+4301**

**AVANTAX INVESTMENT SERVICES, INC.** (1ST GLOBAL...)

CRD#: 13686/SEC#: 8-29533

- B** Brokerage Firm *Regulated by FINRA* 4035 Premier Dr Ste 300,  
High Point, NC 27265 **+2032**

**STATE FARM VP MANAGEMENT CORP.** (STATE FARM VP MANAGEMENT CORP.)

CRD#: 43036/SEC#: 8-50128

- B** Brokerage Firm *Regulated by FINRA* 9826 Us Highway 311 Ste 2,  
Archdale, NC 27263 **+4463**

**SECURITIES AMERICA, INC.** (SECURITIES AMERICA FINANCIAL SERVICES...)

CRD#: 10205/SEC#: 8-26602

**B** Brokerage Firm *Regulated by FINRA* 110 SCOTT AVE, STE 8,  
HIGH POINT, NC 27262 **+1985**

**EQUITABLE ADVISORS, LLC** (AXA ADVISORS, LLC...)

CRD#: 6627/SEC#: 801-14065,8-17883

**B** Brokerage Firm *Regulated by FINRA* 4000 PIEDMONT PARKWAY SUITE 205,  
HIGH POINT, NC 27265 **+1121**

**IA** Investment Adviser Firm

**RAYMOND JAMES FINANCIAL SERVICES, INC.** (INVESTMENT MANAGEMENT & RESEARCH, INC...)

CRD#: 6694/SEC#: 8-17983

**B** Brokerage Firm *Regulated by FINRA* 113 TRINDALE ROAD,  
ARCHDALE, NC 27263 **+3511**

**CENTAURUS FINANCIAL, INC.** (CENTAURUS FINANCIAL, INC.)

CRD#: 30833/SEC#: 801-56882,8-45185

**B** Brokerage Firm *Regulated by FINRA* 3980 Premier Drive Suite #110,  
High Point, NC 27265 **+403**

**IA** Investment Adviser Firm



**CONCOURSE FINANCIAL GROUP SECURITIES, INC.** (CONCOURSE FINANCIAL GROUP ADVISORS...)

CRD#: 15708/SEC#: 801-56010,8-32590

- B** Brokerage Firm *Regulated by FINRA* 2207 Eastchester Drive Suite 103,  
High Point, NC 27265 +355
- IA** Investment Adviser Firm

**MML INVESTORS SERVICES, LLC** (CONCORDE FINANCIAL ADVISORS...)

CRD#: 10409/SEC#: 801-44264,8-27250

- B** Brokerage Firm *Regulated by FINRA* 5258 Edward Walker St,  
Archdale, NC 27263 +1535
- IA** Investment Adviser Firm

**TIAA-CREF INDIVIDUAL & INSTITUTIONAL SERVICES, LLC** (ADVICE & PLANNING SERVICES...)

CRD#: 20472/SEC#: 801-63550,8-44454

- B** Brokerage Firm *Regulated by FINRA* High Point, NC +431
- IA** Investment Adviser Firm

**NEWEDGE ADVISORS** (ADAIR FINANCIAL GROUP...)

CRD#: 171351/SEC#: 801-79876

- IA** Investment Adviser Firm 4035 Premier Drive Suite 201,  
High Point, NC 27265 +356

<p><b>WELLS FARGO CLEARING SERVICES, LLC</b> (EVEREN SECURITIES, INC...) CRD#: 19616/SEC#: 801-37967,8-37180</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 11245 N MAIN ST, ARCHDALE, NC 27263 <b>+5836</b></p> <p><b>IA</b> Investment Adviser Firm</p>
<p><b>COMMONWEALTH FINANCIAL NETWORK</b> (COMMONWEALTH EQUITY SERVICES, INC...) CRD#: 8032/SEC#: 801-41541,8-24040</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 1022 HUTTON LANE SUITE 109, HIGH POINT, NC 27262 <b>+1891</b></p> <p><b>IA</b> Investment Adviser Firm</p>
<p><b>NYLIFE SECURITIES LLC</b> (NEW YORK LIFE SECURITIES CORP...) CRD#: 5167/SEC#: 8-15517</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 1218 HEATHERBROOK DR, HIGH POINT, NC 27265 <b>+2504</b></p>
<p><b>TRUIST INVESTMENT SERVICES, INC.</b> (ALEXANDER KEY...) CRD#: 17499/SEC#: 801-56443,8-35355</p> <p><b>B</b> Brokerage Firm <i>Regulated by FINRA</i> 620 N MAIN ST, HIGH POINT, NC 27260 <b>+2704</b></p> <p><b>PR</b> Previously Registered Investment Adviser Firm</p>

**KESTRA INVESTMENT SERVICES, LLC** (KESTRA INVESTMENT SERVICES, LLC...)

CRD#: 42046/SEC#: 8-49672

- B** Brokerage Firm *Regulated by FINRA* 1912 Eastchester Dr. ste 110,  
High Point, NC 27265 **+661**
- PR** Previously Registered Investment Adviser Firm

**CETERA FINANCIAL SPECIALISTS LLC** (CETERA FINANCIAL BROKERAGE SERVICES...)

CRD#: 10358/SEC#: 8-27082

- B** Brokerage Firm *Regulated by FINRA* 1610 WESTCHESTER DR,  
HIGH POINT, NC 27262 **+808**

**LPL FINANCIAL LLC** (LINSKO/PRIVATE LEDGER CORP...)

CRD#: 6413/SEC#: 801-10970,8-17668

- B** Brokerage Firm *Regulated by FINRA* 1005 N MAIN ST,  
HIGH POINT, NC 27262 **+26621**
- IA** Investment Adviser Firm

**EDWARD JONES** (EDWARD D. JONES & CO., L.P...)

CRD#: 250/SEC#: 801-3297,8-759

- B** Brokerage Firm *Regulated by FINRA* 10564 NORTH MAIN ST SUITE A,  
ARCHDALE, NC 27263 **+16792**
- IA** Investment Adviser Firm



**Glossary of Terms**

## Glossary of Terms

**AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.

**ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR):** An ACFR is a set of financial statements for a state, municipality or other governmental entity that comply with the accounting requirements established by the Governmental Accounting Standards Board (GASB). It must be audited by an independent auditor using generally accepted government auditing standards. The ACFR consists of three sections: introductory, Financial and Statistical. The Introductory section orients and guides the reader through the report; the financial section presents the entity's basic financial statements as well as notes to the statements and the independent auditors' report; and, the statistical section provides additional financial and statistical data, including data about financial trends that may better inform the reader about the government's activities.

**ASKED:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a Certificate. Large denomination CD's are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DERIVATIVES:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury Bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like Government National Mortgage Association (GNMA) was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded. **OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid. **OPEN**

**MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and



Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**REPURCHASE AGREEMENT (RP OR REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation. SEC RULE 15C3-1: See Uniform Net Capital Rule.

**STRUCTURED NOTES:** Notes issued by Government Sponsored Enterprises (FHLB, FFEB, FNMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BONDS:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a)

**INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond



# Memorandum

**TO:** Richard McNabb, Mayor  
City Council Members

**FROM:** Jay Dale, Planner

**CC:** Stevie Cox, City Manager

**DATE:** 01/04/2024

**ATTACHMENT:** Order of the Board of Adjustment – Chad Long Appeal

**Summary:**

Chad Long (Long Properties LLC) of Archdale, North Carolina, requested permits to place a duplex on multiple lots he owns in the Lake Darr community. After the permits were denied, Mr. Long appealed the determination of the Zoning Administrator in the interpretation of the City of Trinity Zoning Ordinance **Article IX Section 9-2** (Nonconforming Lots of Record) which states:

*When a lot has an area which does not conform to the dimensional requirements of the district where they are located, but such lot was of record at the time of adoption of this Ordinance or any subsequent amendment which renders such lot nonconforming, then such lot may be built upon if compliance is achieved with regard to setback dimensions, width, and pother requirements, regardless of lot area. Lots that cannot meet the setback, width, and/or buffering requirements of the Ordinance may seek a variance from the Board of Adjustment.*

**Article IX Section 9-1** clarifies the intent of the ordinance and states:

*If , within the districts established by this ordinance, or by amendments that may later be adopted, there exists lots, structures and uses of land and structures which were lawful before this ordinance was passed or amended, but which would prohibit under the terms of this ordinance, it is the intent of this ordinance to permit these nonconformities to continue until they are removed **but not to encourage their continuance.** Such nonconformities are declared by this ordinance to be incompatible with permitted uses in the districts in which they are located. It is further the intent of this ordinance that nonconformities shall not be enlarged upon, expanded or used as grounds for adding other structures or uses prohibited elsewhere in the same district.*

The Zoning Administrator determined that the lots in question, PIN 7717088465, 7717194038, 77178005511, 7717088835, 7717197008, 7717197058, 7718006409, and 7717085855, did not meet the requirements, nor the spirit and intent of the Zoning Ordinance.

The Appeal was heard by the Board of Adjustment on November 13, 2023, at which time the Board of Adjustment voted unanimously to uphold the determination of the Zoning Administrator.

**APPEAL:  
Long Properties, LLC.  
Board of Adjustment  
City of Trinity, North Carolina**

**IN THE MATTER OF THE APPEAL FROM A FINAL ADMINISTRATIVE  
DECISION IN REFERNCE TO THE CITY OF TRINITY ZONING  
ADMINISTRATOR DENIAL OF PERMITS TO ALLOW CONSTRUCTION  
OF DUPLEXES ON NON-CONFORMING LOTS WITHIN THE CITY OF  
TRINITY**

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THIS THE FINAL DECISION contains the findings, conclusions, and Order adopted by the City of Trinity Board of Adjustment (the “BOA”) in response to the Appeal of the City Zoning Administrator/Planner decision by Chad Long, Long Properties, LLC. The Appeal was heard during a Public Hearing conducted on October 10, 2023. The decision of the BOA was entered at the next duly called regular meeting on November 13, 2023. Having considered all competent evidence and argument, the BOA on the basis of competent, material, and substantial evidence, hereby enters the following:

**Findings of Fact**

1. On July 18, 2023, Chad Long on behalf of Long Properties, LLC., filed an Appeal from a final administrative decision of the City of Trinity Planning Director and Zoning Administrator Jay Dale (“Zoning Administrator”) that was placed into writing on August 17, 2023.
2. The administrative decision reflected the Zoning Administrator’s decision to deny permits to allow construction of duplexes on non-conforming lots within the City on lots PIN# 7717099160 Lake Darr Road and PIN #7718005511.
3. Mr. Chad Long President of Long Properties, LLC., on appeal contends that the administrative decision of Mr. Dale was in error in interpreting the ordinances, including Art. IX Sections 9-1 & 9-2 of the Trinity Zoning Ordinance which state:

Section 9-1 Purpose and Intent If, within the districts established by this ordinance, or by amendments that may later be adopted, there exist lots, structures and use of land and structures which were lawful before this ordinance was passed or amended, but which would be prohibited under the terms of this ordinance, it is

the intent of this ordinance to permit these nonconformities to continue until they are removed but not to encourage their continuance. Such nonconformities are declared by this ordinance to be incompatible with permitted uses in the districts in which they are located. It is further the intent of this ordinance that nonconformities shall not be enlarged upon, expanded or used as grounds for adding other structures or uses prohibited elsewhere in the same district.

Section 9-2 Nonconforming Lots of Record Single Lots of Record When a lot has an area which does not conform to the dimensional requirements of the district where they are located, but such lot was of record at the time of adoption of this Ordinance or any subsequent amendment which renders such lot nonconforming, then such lot may be built upon if compliance is achieved with regard to setback dimensions, width, and other requirements, regardless of lot area. Lots that cannot meet the setback, width, and/or buffering requirements of this Ordinance may seek a variance from the Board of Adjustments.

4. The City Zoning Administrator testified that the lots in question are smaller and well below what the City requires now for even a site-built home; thus, they are non-conforming lots of record. Under the City's current zoning placing a duplex on R-40 zoned lot would require an area of Fifty Thousand (50,000) square feet. This Ten Thousand (10,000) additional square footage is more than is needed for a single-family residential structure. The extra lot would serve as a buffer to set duplexes apart from single family residential. The Trinity zoning ordinance states that if you are unable to meet these requirements, the property owner needs to go before the BOA and ask for a variance to place a duplex on the land. To do otherwise, any owner of a substandard lot in the City that is zoned R-40 could request permits to build a duplex on it, and the City would have to issue the permits. That scenario did not seem to make sense to the Zoning Administrator.

It was noted that the City had previously allowed Mr. Long a duplex on a twenty-five thousand (25,000) square foot lot. The Zoning Administrator acknowledged that early in the process, there may have been one or two approved permits that were done erroneously and he would honor them.

5. It was noted by the City Zoning Administrator that none of the lots in question met the size requirements. The City Zoning Administrator informed the BOA that this was an older neighborhood. They used twenty-five (25) foot lots to determine the size of lot to be sold. As a result, there are numerous twenty-five (25) foot "leftover" lots in the City. Duplexes are allowed in R-40, RA, and RM zoning

districts in the City. The Zoning Administrator opined that the City zoning ordinance does seem to note duplexes are geared towards larger lots.

6. Mr. Long stated in his opinion several lots were deemed incorrect applications of the City zoning ordinance by City Staff related to non-conforming duplex lots. Further, he is appealing incorrect application of three lots regarding the requirement and would be asking for a variance [which is not before the BOA in this Order] of combining adjoining non-conforming lots.

Mr. Long further stated that he was making three different arguments because he had been denied for three different reasons and a fourth if buffering is counted.

The City Zoning Administrator clarified that the lots in question were non-conforming lots and did not meet the definition of a legal building lot in the City.

7. Further, Trinity Zoning Ordinance Article IX Section 5-3 Lot of Record Single Lots of Record states: When a lot has an area or width which does not conform to the dimensional requirements of the district where they are located, but such lot was of record at the time of adoption of this Ordinance or any subsequent amendment which renders such lot nonconforming, then such lot may be built upon if compliance is achieved with regard to setback dimensions and other requirements, except lot area or width. Lots that cannot meet the setback and buffering requirements of this Ordinance may seek a variance from the Board of Adjustments.
8. The resolution of this case depends on the interpretation of the ordinance language in conjunction with the status of the non-conforming lots not meeting the definition of a legal building lot in the City and the issue whether Sec. 9-1 & 9-2 conflict with Sec. 5-3 of the City Zoning ordinance.
9. The City zoning ordinance does make a provision for non-conforming lots of record, but for duplexes the ordinance requires additional requirements.
10. THEREFORE, it is the BOA conclusion that the Zoning Administrator denial of the duplex permits is based upon the following:
  - a) WHEREAS, the subject properties are located in a low density (R-40) District; and;

- b) WHEREAS, duplex apartments are allowed in the R-40 District subject to other requirements, including lot size; and
- c) The City Zoning Administrator denied the permits for the duplexes since the non-conforming lots did not meet the definition of a legal building lot in the City.

THEREFORE, IT IS ORDERED that the Appeal herein is DENIED and decision of the Zoning Administrator/Interim Planner in this matter is hereby AFFIRMED.

Ordered this the 13th day of November, 2023.

\_\_\_\_\_  
Trinity Board of Adjustment Vice Chairman

\_\_\_\_\_  
Clerk





# Memorandum

**TO:** Richard McNabb, Mayor  
City Council Members

**FROM:** Jay Dale, Planner

**CC:** Stevie Cox, City Manager

**DATE:** 12/13/2023

**REF:** Variance Request

## Summary

Lot PIN# 7717088835

Mr. Long is requesting a variance for his pre-existing, non-conforming lot of record on Lake Darr Rd (PIN# 7717088835). The variance would grant relief from the requirements of **Article IX Section 9-2 and Article XII Section 12-4** of the Zoning Ordinance of the City of Trinity which requires Mr. Long seek a variance if he is unable to meet the dimensional requirements for his lot. His lot is zoned R-40 and requires 100 ft. at the building line. Mr. Long's lot is 75 feet wide.

## Attachments:

- Copy of Variance Application.
- Map of lot PIN 7717088835
- Copy of Article IX Section 9-2
- Copy of Article XII Section 12-4



## City of Trinity Variance Application

**Date:** 12/05/2023

**Property Owner Information:**

Property Owner: Long Properties LLC

Address: 401 Belgian Dr.

City: Trinity State: North Carolina Zip: 27263

Phone: (home/work) \_\_\_\_\_ (cell) 336-861-2005

E-mail: chad@onetouchwireless.net

**Applicant Information** *(note: must show proof as to legally representing property owner):*

Applicant: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: (home/work) \_\_\_\_\_ (cell) \_\_\_\_\_

E-mail: \_\_\_\_\_

**Site Information:**

PIN# 7717088835

Property Address: Not yet assessed.

Zoning District: R-40 (Residential)

Are there any structures currently on the property? \_\_\_\_\_ yes X no

List structures: \_\_\_\_\_

What is the current land use on the property (i.e. commercial, residential, farming, vacant etc.)?

Vacant

**Reason for Variance:**

Describe situation which prompted the need for a variance, and, if applicable, how much of a variance is needed for from minimum dimensional requirements: Article IX Sec 9-2 of The Zoning Ordinance of the City of Trinity requires nonconforming lots to meet the dimensional requirements of their zoning district. R-40 Zoning requires 100 Ft at the building line. Lot PIN# 7717088835 is 75' wide and would require a variance of 25' to build a single family residential home on the site.

**ORDINANCE PROVISIONS FOR GRANTING A VARIANCE:**

The Board of Adjustment (Planning & Zoning Board) does not have unlimited discretion in deciding when to grant a variance. Article XIV, Section 16-8 of the City's Zoning Ordinance states:

"When practical difficulties or unnecessary hardships would result from carrying out the strict letter of the zoning ordinance, the board of adjustments shall have the power to vary or modify any of the regulations or provisions of the ordinance so that the spirit of the ordinance shall be observed, public safety and welfare secured, and substantial justice done. No change in permitted uses may be authorized by variance. Appropriate conditions, which must be reasonably related to the condition or circumstance that gives rise to the need for a variance, may be imposed on any approval issued by the Board.

These regulations may provide that the Board of Adjustments may determine and vary their application in harmony with the general purpose and intent and in accordance with general or specific rules therein contained; provided no change is permitted uses may be authorized by variance.

- (1) Determination that Variance Will Not Violate Other Ordinance Provisions. In considering all proposed variances to this ordinance, the Board shall, before making any finding in a specific case, first determine that the proposed variance will not allow the establishment of a use not otherwise permitted in a district by this ordinance; extend in area or expand a non-conforming use of land; change the district boundaries shown on the zoning map; impair any adequate supply of light and air to adjacent property; materially increase the public danger of fire; materially diminish or impair established property values within the surrounding area; or in any other respect impair the public health, safety, morals, and general welfare.
- (2) Findings. A variance may be granted in an individual case of unnecessary hardship upon a finding by the Board of Adjustment that the following conditions exist:
  - (a). There are extraordinary and exceptional conditions pertaining to the particular piece of property in question because of its size, shape or topography that are not applicable to other lands or structures in the same district.

- (b). Granting the variance requested will not confer upon the applicant any special privileges that are denied to other residents in the district in which the property is located.
  - (c). A literal interpretation of the provisions of this ordinance would deprive the applicant of rights commonly enjoyed by other residents of the district in which the property is located.
  - (d). The requested variance will be in harmony with purpose and intent of this ordinance and will not be injurious to the neighborhood or to the general welfare.
  - (e). The special circumstances are not the result of the applicant.
  - (f). The variance requested is the minimum variance that will make possible the legal use of the land, building or structure.
  - (g). The variance is not a request to permit a use of land, building or structure which is not permitted by right or by conditional use in the district involved.
- (3) Conditions. In granting a variance, the Board of Adjustment may prescribe appropriate conditions and safeguards in conformity with this ordinance. Violations of the conditions and safeguards, when made a part of the terms under which the variance is granted, shall be deemed a violation of this ordinance punishable under Section 18-3 of this ordinance.”

**In the space provided below (or on attached sheet), provide a statement(s) addressing each of the required findings of fact. This information and along with your site plan, along your site plan will be presented to the Board to help support your request for a variance:**

- (a). There are extraordinary and exceptional conditions pertaining to the particular piece of property in question because of its size, shape or topography that are not applicable to other lands or structures in the same district.

Because the property is a pre-existing non-conforming lot of record and does not have enough width at the building line, 100 feet, the ordinance requires a variance in R-40 zoning.

- (b). Granting the variance requested will not confer upon the applicant any special privileges that are denied to other residents in the district in which the property is located.

The Lake Darr Rd. area is an older residential area with many non-conforming lots. I would ask the board to consider there are three residential structures currently on Lake Darr Rd. that are on lots of 50' in width. There are very few that would meet the current R-40 zoning and so with this in mind I do not see any "special privilege" allowed in the granting of this request.

- (c). A literal interpretation of the provisions of this ordinance would deprive the applicant of rights commonly enjoyed by other residents of the district in which the property is located.

I am unable to meet the with requirement with my lot but as I have stated many residents in the area currently reside on lots even smaller than what I have proposed.

- (d). The requested variance will be in harmony with purpose and intent of this ordinance and will not be injurious to the neighborhood or to the general welfare.

The requested variance would allow me to construct a new single-family home that would be in harmony with current land use patterns in the area and would in no way be "injurious to the neighborhood or to the general welfare".

- (e). The special circumstances are not the result of the applicant.

I would submit that the lot was a pre-existing non-conforming lot of record and not the result of any action of myself.

- (f). The variance requested is the minimum variance that will make possible the legal use of the land, building or structure.

I am asking for no more than I absolutely need to meet the City's requirements.

- (g). The variance is not a request to permit a use of land, building or structure which is not permitted by right or by conditional use in the district involved.

- (h). R-40 is a residential zoning and I wish to build a single-family residential home that in my opinion would benefit the neighborhood and the people of Trinity.

**Submittal Requirements:**

- Complete Variance Application
- If seeking a variance from a minimum dimensional requirement, a site plan, prepared by a NC Licensed Engineer, Architect or Surveyor. See Exhibit A
- \$400 Application Fee

The below authorize: (1) Submission of the variance application to the City of Trinity's Planning and Zoning Board for consideration; and (2) the Zoning Administrator or designee to entry upon the property to verify application/site plan submittal information.

		<u>12/5/23</u>
Applicant Name (PRINTED)	Signature of Applicant	Date

		<u>12/5/23</u>
Property Owner Name (PRINTED)	Signature of Property Owner	Date

	<u>12/5/23</u>
Zoning Administrator Signature	Date Complete Application Received

**Office Use**

Date Received: \_\_\_\_\_

Fees Paid: \_\_\_\_\_

BOA Hearing Date: \_\_\_\_\_

Result of BOA Hearing: \_\_\_\_\_

- Notes:**
- This project is not located within a special flood hazard area per MCFRS. Map #: 3710717003 Effective Date: 1/1/2008
  - Area calculated by coordinate geometry.
  - All lines surveyed by Survey Carolina, PLLC are indicated by bold lines. All lines not surveyed by Survey Carolina, PLLC are indicated by dashed lines.
  - No attempt was made by this survey to locate all underground utilities nor any other easements that would be revealed by a title search.
  - TAX PK: 2717064515

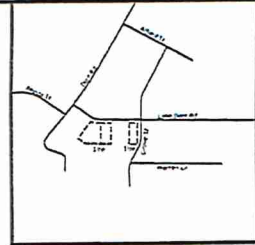
STATE OF NORTH CAROLINA

I, \_\_\_\_\_ Review Officer of Randolph County, certify that the map or plat to which this certification is affixed meets all statutory requirements for recording.

Date \_\_\_\_\_ Review Officer \_\_\_\_\_

County of Randolph  
Certificate of Exemption

Approved: \_\_\_\_\_  
Date \_\_\_\_\_ Planning Director \_\_\_\_\_



Location Map  
(Not to Scale)

- |                                |                            |
|--------------------------------|----------------------------|
| Handwritten Tree               | Catch Basin                |
| Evergreen Tree                 | Trunk Post                 |
| Stone                          | Storm Sewer Manhole        |
| ALM - Right of Way Monument    | AJUNCTION Box              |
| ABS - Railroad Spike           | Drain Inlet                |
| MIL - New Iron Road            | Impervious Control Valve   |
| MIP - New Iron Pipe            | Back Flow Preventer        |
| HGS Monument                   | Water Valve                |
| EW - Existing Well             | Water Manhole              |
| EW - Existing Iron Well        | Water Meter                |
| EP - Existing Iron Pipe        | Fire Dept. Connection      |
| Ext. Concrete Monument         | Fire Hydrant               |
| Survey Bench Mark              | Utility Pole               |
| Computed Point / Prict Net Set | Telephone Pedestal         |
| Well                           | Telephone Pole             |
| Property Line                  | Transformer                |
| Corrupted Priority Line        | Communications Manhole     |
| Right of Way Line              | SS - Sanitary Sewer        |
| Easement Line                  | SS Manhole                 |
| The Lines                      | SS Easement                |
| Setback Lines                  | UG Power Box               |
| Gas Line                       | Power Pole                 |
| Sanitary Sewer Line            | Light Pole                 |
| Storm Sewer Line               | Golf Pole                  |
| Water Line                     | Gas Valve                  |
| Fence                          | Gas Meter                  |
| Overhead Utility Line          | Gas Meter                  |
| Overhead Power Line            | Underground Electric Line  |
| Underground Electric Line      | Underground Comm. Line     |
| 100 Year Flood Hazard Line     | 100 Year Flood Hazard Line |
| CRT Railroad                   | 2.2.2.2. Soil Elevation    |

Owners:  
Long Properties, LLC  
401 Belgian Drive  
Archdale, NC 27263

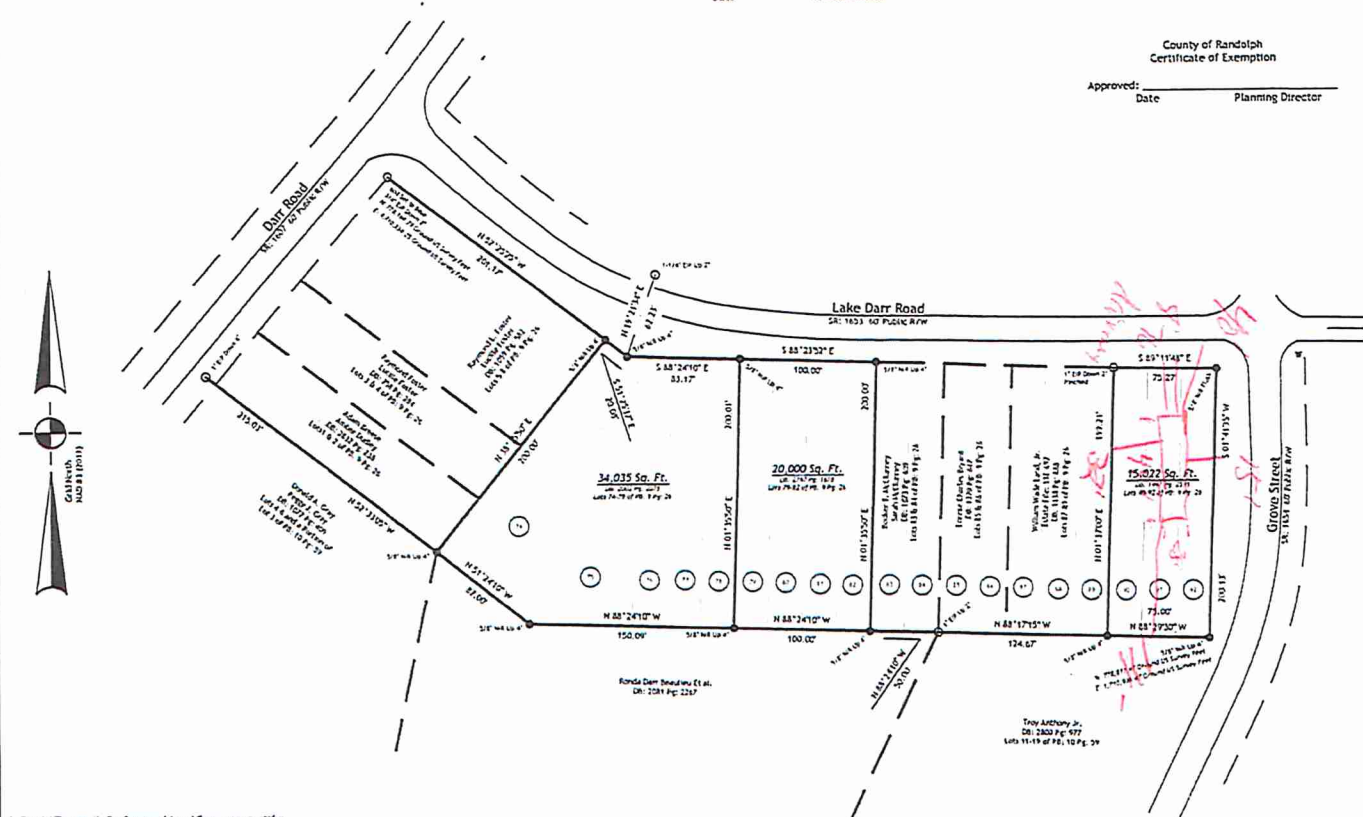
Survey For:  
**Chad Long**

City of Trinity  
Trinity Township  
North Carolina  
Deed Book:2002 Pg:2075  
Deed Book:2797 Pg:1678  
Deed Book:1997 Pg:2555  
Plat Book:9 Pg:26  
Scale: 1" = 60 US Survey Feet



**SURVEY CAROLINA, PLLC**  
154 S. Fayetteville St., Suite B, Asheboro, NC 27203  
Phone Number: 336 625-8000  
Email: mail@surveycarolina.com

Firm #: P-1110  
Dan W Tanner II L-4787  
© 2023 Survey Carolina, PLLC  
Job #: 15022



I, Dan W Tanner II, Professional Land Surveyor, certify:

In accordance with NC General Statute 47-30(f)11c.1, that the survey is of an existing parcel or parcels of land or one or more existing easements and does not create a new street or change an existing street. For the purpose of this subsection, an "existing parcel" or "existing easement" is an area of land described in a single, legal description or legally recorded subdivision that has been or may be legally conveyed to a new owner by deed in its existing configuration.

I, Dan W Tanner II, certify that this plat was drawn under my supervision from an actual survey made under my supervision (deed description recorded in:

Book 2002, page 2075; Book 2797, page 1678;  
Book 1997, page 2555.)

that the boundaries not surveyed are clearly indicated as drawn from information found in Book See, page Notes; that the ratio of precision or positional accuracy as calculated is 1:10000+; that this plat was prepared in accordance with G.S. 47-30 as amended. Witness my original signature, license number and seal this the 3rd day of July, A.D., 2023.

PRELIMINARY PLAT - NOT FOR RECORDATION, CONVEYANCES, OR SALES

Professional Land Surveyor L-4787



I, Dan W Tanner II, certify that this map was drawn under my supervision from an actual GPS/GNSS survey made under my supervision and the following information was used to perform the survey:  
(1) Class of survey: Class A  
(2) Positional accuracy: ±0.10'  
(3) Type of GNSS field processor: Real-Time Kinematic Networks  
(4) Dates of survey: June 14, 2023  
(5) Datum/EPOCH: NAD83(2011) / 2010.00  
(6) Published/Field-control use: North Carolina Real Time Network  
(7) GNSS model: Trimble R2  
(8) Combined grid factor(s): 0.9999942  
(9) GPS/GNSS Scale Point: N: 278,643.91 E: 1,711,200.95 Z: 829.12  
(10) Units: US Survey Feet

**ARTICLE IX**  
**NONCONFORMITIES**

**Section 9-1 Purpose and Intent**

If, within the districts established by this ordinance, or by amendments that may later be adopted, there exist lots, structures and use of land and structures which were lawful before this ordinance was passed or amended, but which would be prohibited under the terms of this ordinance, it is the intent of this ordinance to permit these nonconformities to continue until they are removed but not to encourage their continuance. Such nonconformities are declared by this ordinance to be incompatible with permitted uses in the districts in which they are located.

It is further the intent of this ordinance that nonconformities shall not be enlarged upon, expanded or used as grounds for adding other structures or uses prohibited elsewhere in the same district.

**Section 9-2 Nonconforming Lots of Record**

Single Lots of Record

When a lot has an area which does not conform to the dimensional requirements of the district where they are located, but such lot was of record at the time of adoption of this Ordinance or any subsequent amendment which renders such lot nonconforming, then such lot may be built upon if compliance is achieved with regard to setback dimensions, width, and other requirements, regardless of lot area. Lots that cannot meet the setback, width, and/or buffering requirements of this Ordinance may seek a variance from the Board of Adjustments.

**Section 9-3 Nonconforming Uses of Land**

- 1) Extensions of Use. Nonconforming uses of land shall not be enlarged or extended in any way unless otherwise stated in this section.
- 2) Change of Use. When a non-conforming use of land has been changed to a conforming use, it shall not thereafter be used for any nonconforming use.
- 3) Nonconforming Residential Uses of Land - In the case of a residence that is a nonconforming use of land in a commercial or industrial zone, such residence may be repaired, rebuilt or added to as long as the dimensional requirements of the district are met. Minor variances in setbacks due to lot size may be presented to the Board of Adjustment for consideration. This policy is adopted in the interest of maintaining an adequate stock of housing in Trinity.
- 4) Manufactured Homes as Nonconforming Residential Uses - Manufactured homes on individual zoning lots, are a nonconforming use in Trinity. However, in the interest of maintaining an adequate housing stock in the community, existing manufactured homes are allowed to continue and in certain instances may be replaced.
  - (a) Continuation of a Manufactured Home on An Individual Lot – A manufactured home on an individual lot may be continued, provided that within six months from the date of adoption of this Ordinance it shall be tied down to resist overturning in the event of high winds. All tie downs shall be in accordance with the State of North Carolina Regulations for Manufactured Homes.



## Section 12-4

## Yard, Area and Height Requirements

Table 12-4 AREA, YARD & HEIGHT REQUIREMENTS						
District	Minimum Lot Size, (Sq. ft.)	Min. Lot Width at Bldg. Line (ft.)	Min. Front Yard Setback (ft.)	Min. Side Yard Setback (ft.)	Min. Rear Yard Setback (ft.)	Max Height (ft.)
<b><u>RA Residential Agricultural</u></b>						
Single Family	2.5 acres	100	40	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
Two Family		100	40	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
<b><u>R-40 Residential</u></b>						
Single-Family	40,000	100	40	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
Two-Family	50,000	100	40	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
<b><u>R-20 Residential</u></b>						
Single-Family	20,000	80	30	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
<b><u>R-12 Residential (3 units/acre)</u></b>						
Single-Family	12,000	75	30	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
<b><u>R-10 Residential (4 units/acre)</u></b>						
Single-Family	10,000	60	30	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
<b><u>RM Mixed Residential</u></b>						
Single Family	10,000 (4 units/acre)	60	30	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
Two Family(1)	20,000	80	30 <sup>(d)</sup>	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
Multi Family (Special use)(1)	12,000+	N/A	N/A	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
	3,000 for each unit over 2					
Townhomes	Same as multi-family	N/A	15	10' between buildings	25 <sup>(e)(g)</sup>	35
<b><u>RM-U Mixed Residential Urban</u></b>						
Single Family	10,000 (4 units/acre)	N/A	10	10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
Two Family(1)	20,000			10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
Multi Family (Special use)(1)	12,000+			10 <sup>(a)</sup>	25 <sup>(e)(g)</sup>	35
	3,000 for each unit over 2					
Townhomes	Same as multi-family		15	10' between buildings	25 <sup>(e)(g)</sup>	35
Non-Residential	N/A					