



**Town of Haw River
Town Council Meeting Minutes
Monday, February 9, 2026**

The Haw River Town Council held its regular meeting on Monday, February 9, 2026, in the Haw River Municipal Building at 6:00 pm.

Council Members Present: Mayor H. Lee Lovette, Mayor Pro Tem Patty Wilson, Council Member Steve Lineberry, Council Member Shawn Riggan and Council Member Debbie Brown.

Members Absent: Town Manager Sean Tencer

Other Members Present: Town Clerk Lesley Gonzalez, Assistant Finance Director Karina Mendoza, Assistant Police Chief Brian Phillips, Public Works Director Robert Brewer, Parks & Recreation Director Jesus Garcia, and Town Attorney Charlie Davis.

Mayor Lee Lovette called the meeting to order at 6:00 pm and Councilmember Lineberry gave the invocation.

ANNOUNCEMENT:

1. Acknowledgment of the original date for the Haw River Town Council Meeting was scheduled for February 2, 2026. That meeting was canceled due to inclement weather and was rescheduled for Monday, February 9, 2026.

CONSENT AGENDA:

2. Approval of the minutes for the January 12, 2026, Haw River Town Council meeting.

Councilmember Steve Lineberry made a motion to approve the Consent Agenda.

Mayor Pro Tem Patty Wilson made a second motion.

Motion carried 5-0

OLD ITEMS

1. None
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PRESENTATIONS:

2. The Fiscal Year 2024-2025 audit was presented to the Town Council by Becky Loy with Cobb, Ezekiel, Loy & Company, P.A. Below you will find highlights from this presentation:
 - Town Audit this year is considered a Federal Single Audit due to receiving more than \$750,000 from federal grants.
 - The Cash Balance was \$2,000,000 in unrestricted cash (a decrease of about \$230,000 compared to last fiscal year). The restricted cash has a balance of \$4,000,000
 - The Powell Bill equals \$372,000 in restricted cash.
 - Fund 30 (Water/Sewer) has several grants over \$5,000,000 in which several of the projects are reimbursable.
 - The Granite Mill project has been reduced by \$731,250 due to the loan forgiveness that will proceed for the next 3-4 years totaling approximately 6.5 years.
 - The Capital Assets increased to a total of \$2,600,000 in land & construction. Water Sewer increased by \$1,500,000 due to the construction in progress projects and the remaining balance are in engineering which equals close to \$500,000.
 - The Unearned Revenue balance was \$3,900,000 due to the \$6,100,000 for the Fire Grant which has not been completely spent as June 30, 2025.
 - The ARPA Fund Balance of \$865,000 has been expended as of June 30, 2025.
 - The General Fund Unrestricted balance is \$765,000 which is an increase compared to last year (Governmental increase of \$155,000 & Utility fund increase of \$318,000)
 - The General Operating Fund balance (Exhibit 3 does not include water/sewer) had a decrease in total cash of \$111,000 consisting of an unassigned Fund balance \$643,000.
 - Ad Valorem revenue received was lower than budgeted, which was close to a 3% difference.

- New town development predictions came in slower, which is a reasonable explanation of why this ad valorem loss happened in budgeting.
- Expenditures overall was lower compared to last year.
- The Utility Fund had better results than last year, increasing by \$318,000.
- Costs increased but the operation revenue was able to cover all the water/sewer expenses
- The Water/Sewer net position increased to \$1,903,325 in water/sewer funds.
- The Stormwater fund increased by \$17,167.
- The combined General & Water/Sewer fund balance amounts totaled a net decrease of \$73,000 for FY 24-25
- The Hanover Rd and Water Meter Projects are completed and will no longer appear in the future audits due to being paid with ARPA funds.
- Auditor's Findings:
 - Segregation of duties-due to small accounting staff
 - Overbudget-SAFER grant was not budgeted. The expenditure must be estimated every year.
 - General Ledger Accuracy-correcting journal entries increased due to cleaning up the various grants. Prior accounting staff had several funds set up in the town's general ledger which made it more confusing.

Becky Loy stated a lot of work is required for all these grants. There has been a struggle to keep all this clean but once projects are completed and closed, the general ledger will be much better to control.

PUBLIC HEARINGS

3. None

NEW ITEMS

4. None.

PUBLIC COMMENTS

5. None.

- The public is allowed to address the Town Council on any non-agenda item at this time.
- Be sure to sign in, stand, and state your name and address for the minutes.
- Please limit comments to 3 minutes or less.

MANAGER REPORT/ANNOUNCEMENTS:

- The Mayor mentioned how he has observed that the administrative office at Town Hall has a small workforce and suggested we may have to hire another employee to assist with customer service in the future.
- Council also discussed and agreed to give Town Manager Sean Tencer a bonus. An amount will be decided in the upcoming days.

ADJOURN

Councilmember Shawn Riggan asked for a motion to adjourn. Mayor Pro Tem Patty Wilson made a second motion.

Motion carried 5-0

Council Adjourned at 6:33 p.m.



H. Lee Lovette, Mayor



Lesley Gonzalez, Town Clerk