MINUTES
TOWN OF RONDA REGULAR BOARD MEETING
May 12th, 2026, 6:00 PM

The Ronda Town Board met on Tuesday, February 10th, 2026, at 6:00 PM with the following members present: Mayor Gerald Masterson, Commissioner Kevin Reece, Commissioner Helen Porter, Commissioner Chris Nelson, Commissioner Matthew Foster, Commissioner Bobby Munsey, and Clerk Rachel DeGroat.

Members of the public were present and signed in: Tammy Mosteller, Albert Soots, and Doug and MaryJane Combs. Mr. Victor Varela was also in attendance, but did not sign in.

Mayor Pro Tem Reece Called the Meeting to order at 6:05 PM.

Commissioner Nelson led the Pledge of Allegiance and gave the invocation.

AGENDA: Commissioner Nelson made the motion to approve the agenda, and seconded by Commissioner Porter

The motion carried.

MINUTES: Minutes were not available for approval.

DISCUSSION OF EXPENDITURES: The board entered into a discussion regarding the expenditure report. Commissioner Kevin Reece raised a concern that the bank statement for the month of April had not yet been reconciled, questioning whether the figures presented could be considered accurate and ready for approval. Town Clerk Rachel clarified that in her time with the town, the discussion of expenditures at the Board Meetings had never been formally voted on for approval.

A question was raised regarding a landfill charge line item showing a significant budget variance of 511%. Town Clerk Rachel confirmed that year-to-date, the town had paid Wilkes County Landfill a total of $1,302.20, against an original budget of only $250. It was noted that landfill rates had increased substantially. Town Clerk Rachel confirmed that the draft budget she had presented the prior Friday proposed raising the landfill budget line to $1,000, and the board acknowledged that figure may need to be increased further.

Commissioner Kevin Reece raised the matter of public concern stemming from the recent resignation of the previous town administrator, Michael Boaz. He stated that he had received numerous calls and messages from citizens requesting transparency around town credit card expenditures. He proposed that the board make credit card receipts available for public review, noting that his intent was not to allege any wrongdoing, but to address citizen concerns openly. He offered to personally sit with any member of the public who wished to review the records upon his return from a brief trip.

Commissioner Nelson cautioned that before any action related to the former administrator was taken publicly, the board should consult the town's attorney to avoid potential legal exposure.

Town Clerk Rachel acknowledged the transparency request but emphasized that her ability to confirm proper record-keeping only extended to transactions managed under her tenure, and that prior records may not include itemized receipts attached to credit card statements.

Mayor Masterson shared that he had been working with Town Clerk Rachel to reconcile bank records and investigate unexplained transaction codes. He recounted that several code entries that initially caused confusion were traced back to state sales tax allocations operating on a two-month offset, which, once identified, resolved several discrepancies.

The board acknowledged that the financial records presented significant complexity, in part due to the Southern Software accounting system, which Mayor Masterson suggested was overly complex for a municipality of Ronda's size. Town Clerk Rachel strongly emphasized that the immediate priority must be meeting the upcoming budget deadline, noting that she would not allow a deadline to be missed with her name attached to the submission.

Reports:

YVSA: Mr. Victor Varela reported on the Yadkin Valley Sewer Authority. A budget workshop had been held the prior Tuesday, and a regular meeting was held the day of the board meeting. He reported that the authority is still awaiting a response on a grant to elevate the pump station out of the flood plain, with a backup 0.2% interest financing arrangement in place if the grant is not awarded.

Regarding the upcoming budget, Mr. Varela reported that a proposal to raise the volumetric rate by $0.50 was scaled back to a $0.25 increase following board discussion, bringing the volumetric rate from $13.75 to $14.00 per thousand gallons beyond the base 2,000-gallon allotment. The base rate of $25.00 for the first 2,000 gallons will remain unchanged. The budget is to be advertised in the upcoming newspaper for public comment prior to adoption.

Commissioner Nelson questioned whether rate increases would ever be rolled back as inflationary pressures ease, expressing concern for citizens on fixed incomes who are simultaneously facing rising costs across all areas of life. Mr. Varela acknowledged the concern but stated that the cost of chemicals and operational expenses are unlikely to decrease even if general inflation subsides.

Commissioner Reece raised the question of whether the Sewer Authority provides any compensation to the town for the administrative work of collecting sewer payments on its behalf, noting that when a customer's account is in arrears, the Sewer Authority's portion of the combined bill is remitted first, leaving the town's water fund short. Mr. Varela agreed to raise the issue with the authority's board.

HCCOG: Commissioner Munsey reported on activities related to the Land of Sky conference in Asheville, where he attended sessions on culvert and drainage system maintenance and met with COG representatives regarding potential grants for refurbishing the town hall and maintenance building. He noted that the mayor and Town Clerk Rachel had been tasked with gathering estimates for those projects, which are required before grant applications can proceed. Commissioner Munsey also reported that he, Town Clerk Rachel, and others attended a water infrastructure master plan training class, with one additional board member still needing to complete the training before the associated grant can be fully pursued. Commissioner Reece confirmed his willingness to attend the remaining training session.

Wilkes EDC: Commissioner Reece noted that he was unable to attend the Wilkes EDC meeting, as Mayor Masterson had requested his presence that morning to address financial matters, which Commissioner Reece judged to be the higher priority.

WCC: No report was provided. The next meeting is scheduled for an upcoming date.

YVCC: Mr. Varela reported that no chamber meeting had taken place since the last board meeting. He noted with sadness that the executive director of the Yadkin Valley Chamber of Commerce had recently passed away suddenly, and the board expressed its condolences.

OPEN FORUM: One speaker, Tammy Mosell, addressed the board. Ms. Moseteller introduced herself as a resident who moved to Ronda in August 2023 with her husband, a volunteer engineer with the Ronda Fire Department. She is a licensed insurance agent working from home, a 25-year dementia care nurse, a 14-year community educator with the Alzheimer's Association, and a board member with the CART Fund (Coins for Alzheimer's Research Trust). She offered her services to the town and its residents as a resource on dementia education, caregiver support, and Alzheimer's awareness programming.

Ms. Moseteller noted her family history of dementia and her personal commitment to the issue, and described the range of educational programs she provides, including seminars on the ten warning signs of dementia, conversations about diagnosis, and caregiver support resources. She expressed a desire to host a community education event in Ronda and noted her willingness to coordinate through the town.

Commissioner Foster suggested that an event could be advertised through the town's water bill mailings to gauge community interest. Town Clerk Rachel and Ms. Moseteller discussed coordinating available dates for a Saturday event tentatively in August, to be held at the town hall, pending completion of ongoing repairs to the facility.

BOARD ACTION:

1. **Quote for Patch Work on FEMA Projects:** Town Clerk Rachel presented one quote received for patchwork on FEMA-designated road and park projects, including locations on Factory Street, Old Traphill Road, Cemetery Street, and the Ronda Memorial Park parking lot. She reported that three contractors were contacted, two conducted site visits, and one provided only a partial response. The total quote came to $18,500. Town Clerk Rachel confirmed that the remaining FEMA funds available across the road and park projects totaled $20,001.16, sufficient to cover the full cost without additional town expenditure. The board noted that these projects were originally scheduled for completion in March.

   Motion to accept the quote of $18,500 for patchwork on the FEMA projects was made by Commissioner Nelson and seconded by Commissioner Foster. The motion carried.

2. **Water Rates:** The board entered into an extended and substantive discussion regarding the town's water rate structure and the financial condition of the water fund. Commissioner Nelson raised the question of the rate increases previously voted on at the June budget meeting, recalling that a graduated, multi-step increase had been approved. Town Clerk Rachel clarified that she began her tenure shortly before that meeting and was not present for it but confirmed she has the budget ordinance on file.

   Town Clerk Rachel presented the current financial picture: the water fund has borrowed $240,000 from the general fund, which by law is required to be returned, yet the water fund has continued drawing from the general fund each year with no ability to replenish the debt. At the close of fiscal year 2025, the water fund carried an available balance of only $8,000.

   Commissioner Reece expressed strong reservations about imposing further rate increases on in-town residents, arguing that the financial strain on the water system is primarily driven by the expansion to serve out-of-town customers. He noted that the majority of water system maintenance calls and general fund expenditures are tied to infrastructure serving out-of-town customers, and that roughly half of the town's 409 billed water accounts are outside city limits. He advocated that any rate increase be concentrated on out-of-town customers.

Commissioner Nelson and Commissioner Munsey both acknowledged that while the concern for in-town residents on fixed incomes was valid, the scale of the water fund deficit—estimated at $30,000 to $40,000 annually—could not be resolved by spending cuts alone and would require a revenue adjustment. Commissioner Munsey warned that if the town fails to act, the Local Government Commission (LGC) may intervene and impose corrections at a higher level than the board would choose independently.

Town Clerk Rachel noted that approximately 190 to 200 of the 409 billed accounts are within city limits, making the customer base roughly split between in-town and out-of-town. She also noted that the town's single functioning well, prior to the water system expansion, was only producing 30 to 35 gallons per minute—insufficient to service even in-town customers alone—meaning a purchase agreement with the Town of Elkin would likely have been necessary regardless of the expansion.

Discussion turned to the cost of purchased water from Elkin. Mr. Victor Varela provided current Elkin rates: a $16.75 base rate for the first 2,000 gallons and a volumetric rate of $7.25 per thousand gallons, soon to increase to $7.50. By comparison, Ronda's in-town rate is $27.24 for the first 2,000 gallons and $6.76 per thousand gallons volumetric, while the out-of-town rate is $40.89 for the first 2,000 gallons and $10.89 per thousand gallons volumetric. The board noted that Ronda is paying Elkin's residential volumetric rate despite purchasing nearly one million gallons per month, and that a commercial bulk rate negotiation with Elkin had never been secured.

Commissioner Reece suggested that the Sewer Authority's arrangement—in which the town collects sewer bills on the authority's behalf but receives no administrative compensation—compounds the financial burden. He argued that the town is effectively operating as a billing and collections agent for the Sewer Authority at no charge.

Town Clerk Rachel presented a proposed solution to close the $30,000 budget gap: a monthly surcharge of $2.00 for in-town customers and $4.00 for out-of-town customers, rather than a formal rate increase. She noted that at 409 accounts over twelve months, a uniform $6.00 surcharge would yield just under $30,000; the split surcharge approach would place a greater share of the burden on out-of-town accounts. The board acknowledged that, regardless of the label, any additional monthly charge would be experienced by ratepayers as an increase.

No formal vote on water rates was taken during this meeting. The discussion was folded into the broader budget finalization process.

3. **Finalize DRAFT Budget:** Town Clerk Rachel presented the current draft budget figures. Total projected revenue stands at approximately $230,000, while total proposed expenditures are approximately $259,700, leaving a deficit of approximately $30,000 that must be closed before the budget can be submitted. The board discussed various approaches to closing the gap, primarily through the water rate surcharge mechanism described above. No final vote was taken, as the board continued to work through the numbers. Town Clerk Rachel reiterated that the budget must be submitted by the upcoming deadline and that she is committed to meeting it.

4. **Publicize 10 Day Public Viewing Period:** The board discussed the requirement to publicize the draft budget for a ten-day public viewing period**.** Date set for Public Hearing will be June 25, 2026, at 6PM at Ronda Town Hall. The purpose of the hearing is to allow for public comment on the proposed 2026-2027 budget.

Mayor Masterson asked for a motion to adjourn, Commissioner Foster made that motion, and all stood in agreement.

Rachel DeGroat

Rachel DeGroat, Town Clerk