

**TOWN OF NORTH WILKESBORO
COMMISSIONERS REGULAR MONTHLY
MEETING JULY 22, 2021**

5:30 p.m.

HELD AT THE NORTH WILKESBORO BOARD OF COMMISSIONERS BOARD ROOM

Zoom online platform:

<https://us02web.zoom.us/j/84761161943?pwd=NU50OHZNQ0pYcDFFRkZZdXUyck9ydz09>

And YouTube:

<https://www.youtube.com/channel/UC7NdWfFjwMjbLuarfqHDemg>

THERE WERE PRESENT:

Robert L. Johnson, Mayor
Andrew Palmer, Commissioner/Mayor Pro-Tem
Angela Day, Commissioner
Debbie Ferguson, Commissioner
Bert Hall, Commissioner
Michael Parsons, Commissioner

ALSO PRESENT:

Wilson B. Hooper, Town Manager
Debra Pearson, Town Clerk
Daniel Johnson, Town Attorney
Meredith Detsch, Town Planner
Interim NWP Chief Rob Thornburg

CALL TO ORDER

I. II. III. Mayor Johnson called the meeting to order at 5:30 p.m. and delivered the Invocation. Mayor Johnson asked Interim Chief Rob Thornburg to lead the Pledge of Allegiance.

IV. Additions/Deletions to the Agenda- *There was one addition and one amendment to the agenda. Item B1. was added to update the meeting calendar. And the purpose of the closed session agenda was changed from GS 143-318-11 (a) (6) to consider the qualification, competence, performance, character, fitness, conditions of appointment...of an individual public office, to GS 143-318-11(a)(4) to discuss matters related to the expansion or relocation of industries. It was also discussed during this time that another item, Item G, may be added to the open portion of the meeting pending the outcome of the Closed Session.*

V. Approval of Agenda- Mayor Johnson called for a motion to approve the agenda as amended. **Motion to approve the agenda was made by commissioner Parsons and seconded by Commissioner Day. Motion unanimously carries.**

VI. Public Comments- *Mayor will acknowledge no more than 5 speakers. Speakers have five-minute limit. There was no one that wished to speak.*

VII. Consent Agenda -*All consent items may be approved in one motion. Items requiring further discussion will be pulled and voted upon separately.*

A.) Approval of Meeting Minutes – **Motion to approve June 24, 2021 Regular Meeting Minutes, July 6, 2021 Regular Meeting Minutes and July 6, 2021 Closed Session Minutes was made by Commissioner Ferguson, seconded by Commissioner Palmer, motion unanimously carries.**

B.) Appointment to Planning Board and Board of Adjustment – **Motion to appoint Monica Hawn as in-town member of the Board of Adjustment, appoint Martha Nichols as in-town alternate member of the Board of Adjustment, and recommend Jerrell Suddreth to the Wilkes County Board of Commissioners for appointment as ETJ member of the Planning Board was made by Commissioner Ferguson and seconded by Commissioner Hall. Motion unanimously carries.**

B.1.) Update Commissioners' Meeting Schedule- Staff recommends canceling the September 23, 2021 Commissioners Board meeting due to Town Manager Hooper will not be able to attend. Manger Hooper will be attending the Public Executives Leadership Academy (PELA) in Chapel Hill NC that week. As of now there are no time-sensitive items projected to be heard. **Motion to cancel September 23, 2021 Commissioners' meeting was made by Commissioner Day, seconded by Commissioner Palmer, motion unanimously carries.**

VIII. Town Manager's/Attorney's Report-

Town Manager's and Town Attorney's Reports as needed- Town Manager Hooper asked Interim Police Chief Rob Thornburg to share some information he had about an incident the police department encountered last Sunday afternoon. Chief Thornburg reported that there were four (4) North Wilkesboro Officers involved with an armed individual for a total of four (4) hours on a road just off Highway 268 East. A person eluded officers from Hwy. 268 East to a lengthy wooded side road, exited his vehicle and was holding a gun to his head threatening to take his life. The Officers were able to talk this person into disarming himself, thereafter being arrested and taken into custody. Chief Thornburg gave these four Officers each a Letter of Commendation for their bravery and service. Those officers are; North Wilkesboro Police Sgt. Sampson, and Officers Dodd, Baity and Walsh. The board expressed their appreciation. Officer Thornburg added there were two other officers off duty that came out to assist and that due to radio and phone service not working there was no communication between the call centers or officers waiting just a small distance away from the scene. One Officer had to travel back and forth on foot to exchange information with Communications and the Officers.

Attorney Johnson's report will be held in closed session.

IX. Public Hearings-

C. Public Hearing on Proposed Rezoning of 102 Sycamore St. – Mayor Johnson declared the floor open for a Public Hearing to approve the rezoning of 102 Sycamore St., North Wilkesboro. Property owners are requesting to rezone the property from General Business to High Density Residential. Commissioner Parsons asked Planning Director Detsch if there had been any “pushback” by the neighboring property owners. She replied yes Mr. Charles Craven, who owns a small car dealership next to the property has sent a letter voicing his disapproval of the rezoning. It is the decision of the Planning Board to recommend that this rezoning be approved. **Motion to approve the 102 Sycamore Street Rezoning was made by Commissioner Palmer reading the statement: “I move to approve the proposed rezoning at 102 Sycamore Street, PIN 3868-12-8913/Parcel ID# 1402172 from GB, General Business to R-6, High Density Residential. The proposed rezoning is consistent with the North Wilkesboro 25 Year Comprehensive Plan and all other applicable plans, because it results in the potential development of a commercially zoned site to become conforming to the land use as a residential property. The Comprehensive Plan Goal B.1- Develop and Utilize Flexible Land Use Controls, has policies that support this rezoning request. The Comprehensive Plan map is amended to represent the actual land use, residential. The Board of Commissioners considers the vote to be reasonable in the public's interest.” Seconding this motion was Commissioner Ferguson. Motion unanimously carries.**

D. Public Hearing on Proposed Rezoning to 108 Sycamore St. – Mayor Johnson declared the floor open for a Public Hearing to approve the rezoning of 108 Sycamore St., North Wilkesboro. Property owners are requesting to rezone the property from General Business to High Density Residential. Mr. Charles Craven, who owns a small car dealership next to the property is against rezoning of this property as well and sent a letter voicing his disapproval. It is the decision of the Planning Board to recommend that this rezoning be approved. **Motion to approve the 108 Sycamore Street Rezoning was made by Commissioner Ferguson reading the statement: “I move to approve the proposed rezoning at 108 Sycamore Street, (Gypsy Haus LLC) from GB, General Business to R-6, High Density Residential. The proposed rezoning is consistent with the North Wilkesboro 25 Year Comprehensive Plan and all other applicable plans, because it results in the potential development of a commercially zoned site to become conforming to the land use as a residential property. The Comprehensive Plan Goal B.1- Develop and Utilize Flexible Land Use Controls, has policies that support this rezoning request. The Comprehensive Plan map is amended to represent the actual land use, residential. The Board of Commissioners considers the vote to be reasonable in the public's interest.” Seconding this motion was Commissioner Palmer. Motion unanimously carries.**

E. Public Hearing on Proposed Text Amendment to Zoning Ordinance to Allow Indoor Recreation Services Downtown – Dr. Ernest Cohn, Cohn Enterprises owns 831 Main Street and has applied for a test amendment to the Zoning Ordinance to permit his downtown property to be used for indoor recreational purposes. The change would be to the 6.7 Table of Uses in Article VI. The North Wilkesboro Planning Board approved Dr. Cohn's request at their June 10, 2021 meeting. The Board of Commissioners heard this request at its June 24, 202 meeting and called for a public hearing. This evening, Mayor Johnson declared the floor open for a Public Hearing to possibly approve a text amendment changing the Table of Uses for downtown businesses. Dr. Cohn joined the meeting via ZOOM and made this request to the board. He stated it would be beneficial to down town by creating both daytime and evening foot traffic by adults and their

children participating in classes such as karate, yoga, exercise, art, and possibly massage therapy. **Motion to approve text amendment to Zoning Ordinance to allow indoor recreation services was made by Commissioner Palmer reading the action: “I move to approve amending the Zoning Ordinance Article VI Zoning Districts 6.7 Table of Uses to allow Recreation Services, Indoor- in our downtown Zoning District Central Business District.**

The town of North Wilkesboro’s Board of Commissioners deems the proposed amendments to the Zoning Ordinance, in regards to Recreation Services, Indoor, is consistent with the Town’s Plan goals and policies. Further, the proposed amendments regarding Recreation Services, Indoor is reasonable in the public’s interest”. **Seconding the motion was Commissioner Day. Motion unanimously carries.**

X. Policy-

F. Comprehensive Financial Policy Introduction- Town Manager Hooper presented a draft policy calendar to the Board of Commissioners in November, 2020. It included consideration of a new fund balance/reserves policy in 2021.

The Town Manager now recommends developing a full Comprehensive Financial Policy, and discussing the details of each individual section at separate meeting. Those sections and tentative dates are:

- Purpose/objectives – August 3
- Budget development policies – August 26
- Capital budgeting/debt – October 5
- Fund balance/reserves – October 28
- Investment policies – November 4
- This policy does not update internal financial controls, though they will be reviewed with the Board of Commissioners at a later date.

Town Manager Hooper recommended the Board begin the process of developing a Comprehensive Financial Policy which will establish guidelines for managing fund balance/reserves, debt, capital budgeting, investment practices and operating budget development practices. Manager Hooper states he will have outside advisors help with the investment policy portion. This is an informational briefing only. No action is required. A briefing sheet can be viewed at the end of this document. **See Comprehensive Financial Policy Briefing Sheet Attachment.*

XI. Emerging Issues (formerly Mayor and Commissioner Topics)- Commissioner Parsons stated “ultimately any policy is made by the Commissioners”. Commissioner Palmer asked about a sponsorship policy and hopefully getting “Mural Money” for the Marketplace. State Representative Jeff Elmore is trying to get funding to help with this project. Commissioner Ferguson states the speed bumps recently placed on Finley Avenue do not seem to be sending a friendly message to the citizens and that she has had four (4) constituents call her since Friday about them. She said “they do not like them, nor do I”. She also commented that the SOG in the past came in to advise the Planning Board. Planning Director Detsch stated training is available and the Planning Board and Board of Adjustment held a training through In-Focus in June of this year. Another training could be held with Commissioners invited to attend. Commissioner Palmer states he has had one citizen say they wanted a speed bump on their street but there are some citizens disgruntled with them. Interim Police Chief Thornburg says folks have slowed down and traffic has lessened on the streets being patrolled at this time.

XI. Closed Sessions-

At the request of the Board, a closed session to discuss an item according to GS 143-318.11 (a)(6) to consider the qualifications, competence, performance, character, fitness, conditions of appointment... of an individual public officer was postponed to give Commissioners more time to perform their evaluations.

At 6:20 p.m. Mayor Johnson called for a motion to go into Closed Session. **Motion to go into closed session was made by Commissioner Ferguson** according to G.S. 143-318.11 (a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. And, conduct a closed session according to G.S. 143-318-11 (a) (3) to consult with an attorney employed or retained in order to preserve the attorney-client privilege between the attorney and the public body. **Motion was seconded by Commissioner Palmer. Motion unanimously carries. At 6:50 motion to return to open session was made by Commissioner Palmer with Commissioner Day seconding the motion. Motion unanimously carries. A motion to call for a Public Hearing for August 26, 2021 to approve a Possible Small Business Development Incentive Grant was made by Commissioner Palmer, seconded by Commissioner Parsons. Motions unanimously carries.**

XII. Adjourn- With no other comments or concerns, Mayor Johnson called for a motion to adjourn. **Motion to adjourn was made by Commissioner Palmer, seconded by Commissioner Palmer. Motion unanimously carries, meeting adjourned at 7:00 p.m.**

Debra W. Pearson Town Clerk

Robert L. Johnson MAYOR

Approved: _____

COMPREHENSIVE FINANCIAL POLICY BRIEFING SHEET

Concept – To have an approved policy that clarifies Board of Commissioners direction on budget development policies, capital budgeting, the issuance of debt, investment policies, and on setting/using fund balance.

Rationale – Comprehensive Financial Policies are seen as the cornerstone of sound financial management. They are an indicator of the Board’s willingness to invest in projects. They provide direction to staff on matters of financial stewardship. They give confidence to lenders and rating agencies on the creditworthiness of the town. They provide continuity to the organization when elected and appointed officials turn over.

Budgeting policies, capital budgeting, debt, investment policies, and fund balance policies are intrinsically related because, in an environment of limited revenue growth, action in one area typically requires tradeoffs be made in other areas. Each also represents a commitment that extends beyond one fiscal year.

Choosing between such tradeoffs is one of the primary duties of municipal elected officials.

At the moment the Town only has a written policy for one area: investments. Though the Town has taken action in other areas (say, for, example, to build back fund balance) it has done so ad hoc.

Recommendation – The Town Manager recommends the Board undertake a multi-month process to weigh the tradeoffs, discuss policy choices, and develop a Comprehensive Financial Policy for the Town. He further recommends that the Board discuss this matter according to the schedule below, with the final policy being published before the beginning of budget season at the beginning of the new calendar year.

Please note that this policy does not cover financial controls, spending thresholds, delegation of contract authority or other internal matters. Those will be reviewed by the staff and possibly brought to the Board at a later date.

Schedule –

August 3 –	Purpose and objectives
August 26 –	Budget development policies
October 5 –	Capital budgeting/debt
October 28 –	Fund balance/reserves
November 4 –	Investment policies
December 7 –	Final approval

Contextual information/glossary –

Preamble and objectives – These two introductory sections will establish the Board’s rationale for adopting the financial policy, and outline the policy’s broad goals. For example, an objective from another town’s policy reads: “[This policy shall] contribute significantly to the town’s ability to insulate itself from fiscal crisis.” These objectives shall be discussed and expressed in a non-specific manner, but they set the tone for more significant policy decisions to come.

Budget development policies – These policies establish the practices staff shall follow while formulating the town’s annual operating budget. For example: “The town will develop the annual budget in conjunction with a list of state priorities established by the Board of Commissioners.” And “fees for service shall reflect the true cost of providing the service. North Wilkesboro taxpayers should

not unduly subsidize services that, by and large, benefit only an individual.”

Capital budgeting/debt – These sections address practices for capital budgeting and the issuance of debt. Typical policies outline what types of purchases can be made using debt, how much debt the unit will carry, the maximum term for debt purchases, etc.

Fund balance/reserves – Fund balance is essentially reserve money held as a sort of rainy-day fund. It can be used to cover revenue shortfalls, unanticipated expenses, or one-time projects. However, a healthy fund balance is perhaps the most critical bellwether of a municipality’s credit worthiness. The legal minimum is 8% of the total General Fund operating budget. However, the NC Local Government Commission evaluates a town’s fund balance by comparing it to comparably sized towns. This method of comparison would require NW’s fund balance to be in the 80% range.

Investment policies – The town created a short investment policy in 2017 to manage invested proceeds from the lease of Wilkes Medical Center to WFBMC. The policy sets the goals for the town’s investments and outlines which types of investment funds may be used. Since some of the town’s investments are approaching their maturity dates, staff recommend reviewing the policy and amending it if necessary.