

MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
February 16, 2021

PUBLIC CONCERNS – NONE

The Wilkes County Board of Commissioners met on Tuesday, February 16, 2021 at 6:03 P.M. at the Wilkes County Agricultural Center located at 416 Executive Drive, Wilkesboro, NC 28697 with the following members present: Chairman Eddie Settle, Vice Chairman Brian S. Minton, Commissioner Keith Elmore, Commissioner David Gambill, and Commissioner Casey Joe Johnson.

Also present for the meeting were Tony Triplett, County Attorney; John Yates, County Manager; and Sarah Call, Clerk to the Board.

Chairman Eddie Settle welcomed everyone and called the meeting to order.

INVOCATION – Commissioner David Gambill led the Invocation.

PLEDGE OF ALLEGIANCE – Chairman Settle led the Pledge of Allegiance.

APPROVAL OF MINUTES - Motion was made by Vice Chairman Brian S. Minton, seconded by Commissioner Casey Joe Johnson and unanimously adopted to approve the Minutes of the Board Meeting held on February 2, 2021.

BUDGET AMENDMENTS/TRANSFERS – Mr. Yates stated the amount is \$371,000 one time and two amendments are required to take the money out of fund balance into the Landfill and then from Landfill to the accounts to spend it from. He added the breakdowns of the funds needed for the project are listed on the back of the amendment. Chairman Settle stated they are happy to see the price of the hut came down. The Board thanked Anderia Byrd for the hard work on getting the numbers for this project. Ms. Byrd replied they had good success in getting folks to price the 4 components of this project. She added they may possibly get this completed earlier than expected. Chairman Settle stated they are excited to get this project under way and completed to help get folks out of Hwy. 268 and through the landfill quicker.

Motion was made by Commissioner David Gambill to approve Budget Amendment No. 24 (General – Landfill – This request is to transfer \$371,000 from fund balance to the landfill. The purpose of the transfer is to fund improvements at the landfill to assist with traffic congestion issues. Project cost: \$30,000 Concrete Electronics Pad; \$160,000 Building Renovation; \$140,000 Outbound Scales; \$30,000 Hut; \$8,000 Asphalt; \$3,000 Cameras, Cash Register & Computer); and Budget Amendment No. 25 (General – Landfill – This request is to transfer \$371,000 from fund balance to the landfill. The purpose of the transfer is to fund improvements at the landfill to assist with traffic congestion issues. Project cost: \$30,000 Concrete Electronics Pad; \$160,000 Building Renovation; \$140,000 Outbound Scales; \$30,000 Hut; \$8,000 Asphalt;

\$3,000 Cameras, Cash Register & Computer). The motion was seconded by Commissioner Keith Elmore and unanimously approved.

Ms. Byrd thanked the Board and added this will be several good improvements. Commissioner Elmore asked about a cleanup on the Mountain View Road coming up. Ms. Byrd replied it will be in the Mountain View and Hays area from the Clean Up Wilkes volunteers. Commissioner Elmore stated he received an email from them requesting Law Enforcement because the road is very narrow and asked if they are coordinating this with the Landfill. Ms. Byrd replied she helped with the February cleanup at Goshen Fire Department. She added the traffic was a concern and the volunteers stated it would be helpful if folks would slow down while they cleaned up the roadsides. Ms. Byrd said she will be involved with this cleanup effort as much as she can. Commissioner Elmore stated DOT provides them signs to put out and asked if they need to get in touch with the Sheriff's Office. Ms. Byrd replied they would need to contact them and make a request. She added she can request this on behalf of the Clean Up Wilkes group from the Sheriff's Department and/or Highway Patrol to have a presence for the cleanup. The Board thanked Ms. Byrd.

RECESS – Mr. Yates stated they are having technical issues with the Live Streaming and asked for a short recess. Chairman Settle declared the meeting of the Wilkes County Board of Commissioners recessed at 6:13 P.M. and stated the meeting will reconvene in a few minutes.

RECONVENE – Chairman Settle reconvened the meeting of the Wilkes County Board of Commissioners at 6:25 P.M. on Tuesday, February 16, 2021. He stated they had technical difficulties and the Live Stream was not working, this has now been fixed and they are back live. The only business the Board has taken up to this point were approval of minutes from March 2, 2021 and Budget Amendments No. 24 and 25, along with the Invocation and Pledge of Allegiance. Chairman Settle stated they are sorry for the technical difficulties, it is fixed and working at this time and asked everyone to please bear with them.

FINANCE – FINAL AUDIT REPORT – Chairman Settle welcomed Cassie Wilson, CPA with Martin Starnes & Associates, CPAs, P.A. Ms. Wilson stated they will go through the highlights of the June 30, 2020 audit and added this has been delayed just a little with holidays and working with the LCG to get things approved. She added this was issued within the requirements of the LGC. Ms. Wilson presented the highlights for the final Audit Report and below slide show to the Board at this time:

MARTIN STARNES
& ASSOCIATES, CPAs, P.A.

Wilkes County
2020 Audited Financial Statements

Audit Highlights

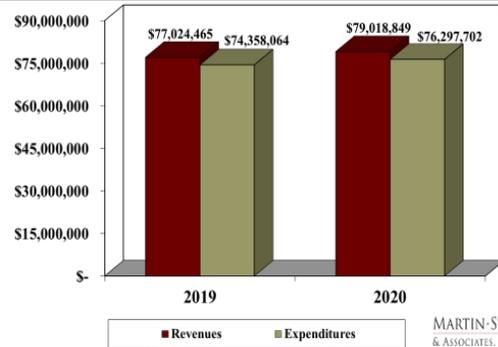
- Unmodified opinion on financial statements
- State Single Audit changes in reporting
 - 2019 tested 5 programs
 - 2020 tested 6 programs

Property Taxes

2020 Property tax revenues	\$ 39,244,806
2019 Property tax revenues	\$ 38,527,361
2020 Collection Rate	96.81%
2019 Collection Rate	96.83%

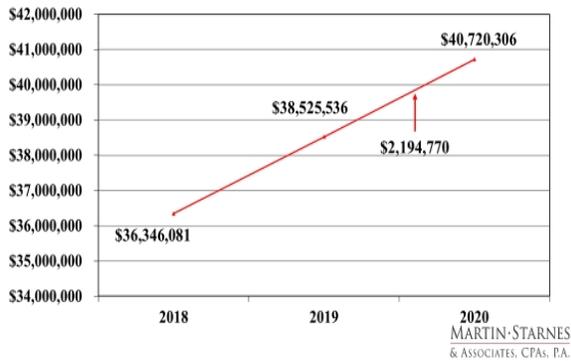
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 & ASSOCIATES, CPAs, P.A.

General Fund Summary



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Total Fund Balance – General Fund



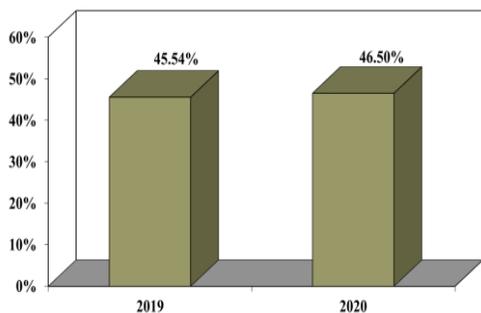
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Fund Balance Position - General Fund

Total Fund Balance	\$ 40,720,306
Stabilization by State Statute	<u>(4,969,248)</u>
Available Fund Balance 2020	<u>\$ 35,751,058</u>
Available Fund Balance 2019	\$ 34,109,932
Increase in available FB	\$ 1,641,126

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Available Fund Balance as a Percent of Expenditures – General Fund

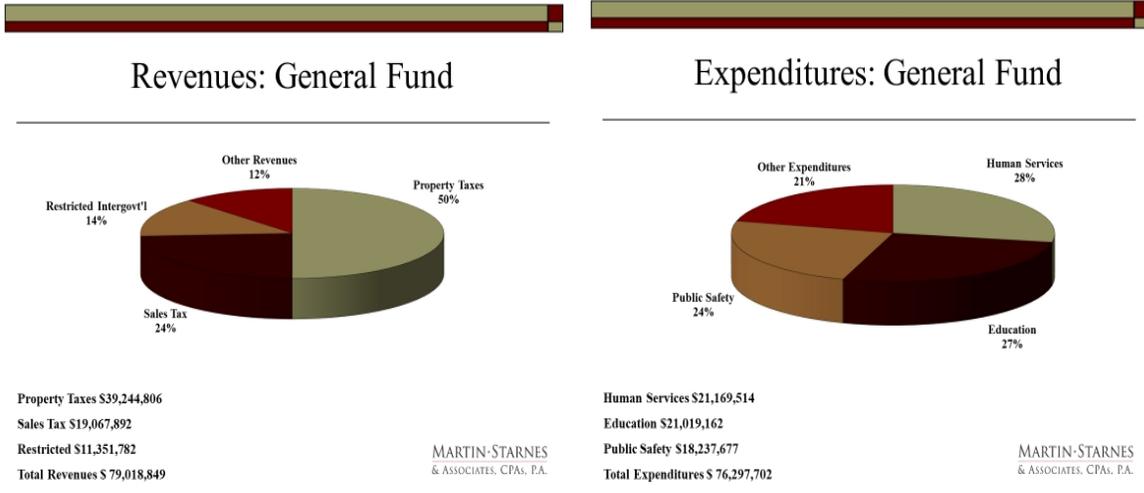


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Fund Balance Detail General Fund

Restricted	\$ 5,322,472
Committed	2,066,891
Assigned	3,781,897
Unassigned	<u>29,549,046</u>
Total Fund Balance	\$ 40,720,306

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 & ASSOCIATES, CPAs, P.A.



Commissioner Elmore asked if Education included the Library, K-12 Schools, and Wilkes Community College. Ms. Wilson replied it does not include the Library, it is K-12 and the College. Ms. Wilson said this was a clean opinion and things went well most of it was virtual with just one day onsite. The staff at Finance and DSS are remarkable they work very well with them to get everything they need. She added parts of it worked better for the staff virtually and they plan to keep that in place moving forward. They appreciate all the hard work to get everything done and issued. Chairman Settle stated they are thankful for a clean report and that is always their top goal. He asked where are they ranked with the LCG in fund balance, they require 8%, they believe many counties are close to Wilkes. Ms. Wilson replied there is an annual financial report submitted called AFR and in that they are compared to their population group. She can provide them the information from the website that shows in their population group and where the available fund balance and percentages stands. Ms. Wilson said it does depend on what services each one provides and not just population. Chairman Settle said it is hard to compare when some have water and some do not offer the same services, Surry would be fairly close. He added they did have a very good credit rating with the fund balance being good and debt ration being small.

Commissioner Elmore asked how much debt Wilkes County could incur. Ms. Wilson replied in the final bound copies on page 63 at the bottom is the calculation. The LCG looks at the accessed property tax value multiplied by 8% and add current debt. Wilkes County could go up to \$499,600,000, but this calculation has been around for a long time. She added they would look at that and if the county is in good standing, and other factors like the circumstances of the economy but, Wilkes County could incur much more debt.

Mr. Huffman said the audit this year was unlike any other they had experienced due to challenges with Covid and he would like to commend his staff for their excellent job. Regardless of what changes were made they performed well just as they always have and he appreciates their good job. Chairman Settle stated to that point he would add the County Office Building has been opened every day since Covid started, they have not shut down one day. He added everyone has carried on and he commends them for keeping business as usual when some

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entities and towns shut down and some still are not open. Chairman Settle stated the County is open and all the staff has worked through it. He thanked Mr. Huffman and the staff for the good work on the audit as well.

Commissioner Gambill stated it will be interesting to see what the sales tax is next year after two stimulus packages. He added online sales are now included and that is great, but will be interesting to see what happens with no stimulus funds. Mr. Huffman replied the sales tax have performed higher than projected, the December sales tax numbers will come out today. He will provide an updated financial report in March as requested, up to this point they have done well with sales tax. Commissioner Elmore said a few years ago 1 cent generated about \$855,000 in property tax and now it generates \$585,000. Chairman Settle added sales tax is the saving grace. Ms. Wilson added they can't bank on them because they do not know what they will get. Mr. Huffman asked if they decided to take on debt how long is that process. Ms. Wilson replied at least a couple of months to go through the LCG process just to get on the agenda to be approved by them, but they would be happy to entertain a request.

Chairman Settle and the Board thanked Ms. Wilson for the Audit Report presentation.

PLANNING DEPARTMENT – REQUEST TO SET PUBLIC HEARING – Chairman Settle welcomed and recognized Eddie Barnes, Planning Director. Mr. Barnes asked the Board of Commissioners to set a Public Hearing for the second meeting in March for the CDBG Neighborhood Revitalization Program Line Item Budget Transfer.

Commissioner David Gambill made a motion to set a Public Hearing on Tuesday, March 16, 2021 at 6:00 P.M. or immediately following Public Comments with the meeting to follow regarding the CDBG Neighborhood Revitalization Program Line Item Budget Transfer for Grant #17-C-3026. The motion was seconded by Vice Chairman Brian S. Minton and unanimously approved.

HIGH COUNTRY COUNCIL OF GOVERNMENTS – CHARTER AMENDMENT – RESOLUTION – Chairman Settle added he met with these folks by Zoom yesterday and most have passed this amendment. and asked the pleasure of the Board. Commissioner Elmore stated it is very important that their member on that Board is engaged. Chairman Settle agreed and added they met last night, there are 27 members and 21 were in attendance online. He added they have also placed him on the Advisory Council that has 11 members as well. Chairman Settle said he has learned that the counties can call for a weighted vote if they need to. Mr. Triplett stated Julie Wiggins sent information that they could, there is a base vote of 1 vote per member. He does not think the municipalities would have much more than this, but the counties would have more in a weighted vote with Wilkes having almost 8. Commissioner Elmore said he is in favor of this, but their member needs to be engaged because that Board has control of the Budget and the dues that are paid by the County. Chairman Settle stated they need to understand all their grants and the process they go through and the funding they need to go along with that. He added Wilkes has used them a lot the past few years and they have provided good services. Commissioner Elmore stated they are a benefit to the County. Chairman Settle stated the first meeting went well. Robert Johnson, Andy Soots, and Kevin Reece were all there, almost ¼ of

those in attendance are from Wilkes, which was great. Mr. Yates added he and Commissioner Elmore met with Julie Wiggins earlier today to learn more about how the grants work, it was very enlightening.

Commissioner David Gambill made a motion to approve and adopt the Charter Amendment Resolution for the High Country Council of Governments as presented at tonight's meeting. The motion was seconded by Vice Chairman Brian S. Minton and unanimously approved.

RESOLUTION

WHEREAS, the High Country Council of Governments was originally chartered in 1974, when created by the Counties of Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes, and Yancey, then as "Region D Council of Governments"; and

WHEREAS, since formed, the High Country Council of Governments has adopted bylaws, and from time-to-time amended both its Charter and bylaws; and

WHEREAS, the High Country Council of Governments has grown by adding municipalities, and its governance has evolved to include regular monthly meetings of the full board where all member counties and municipalities have voting representatives; and

WHEREAS, the Executive Board and management of the High Country Council of Governments have undertaken to update and modernize its Charter, with the proposed amended Charter attached hereto; and

WHEREAS, by Charter, two-thirds of the participating governmental units must approve of any Charter amendment; and

WHEREAS this County's Board of Commissioners has had opportunity to review the changes contained within the proposed amendments to the Charter attached hereto, and finds that those changes accurately reflect, modernize, and improve the High Country Council of Governments' ongoing organization and operations and should be approved and adopted;

NOW, THEREFORE, BE IT RESOLVED by the Wilkes County Board of Commissioners that the attached amended Charter for the High Country Council of Governments should be adopted and approved.

Adopted this the 16th day of February, 2021.

*Eddie Settle Chairman
Wilkes County Board of Commissioners*

Attest:

Sarah D. Call Clerk to the Board

SCHEDULE BUDGET WORK SESSION – County Manager John Yates asked if the Board would like to set a Budget Work Session for Thursday, February 25, 2021. Dinner beginning at 5:30 PM with the meeting to immediately follow at 6:00 PM in the meeting room at the Ag Center.

Motion was made by Commissioner Keith Elmore to set a Budget Work Session to discuss preparations for the upcoming budget for Wilkes County on Thursday, February 25, 2021 with Dinner at 5:30 PM and the Work Session at 6:00 PM in the Meeting Room at the Wilkes County Agricultural Center located at 416 Executive Drive, Wilkesboro, N.C. The Motion was seconded by Commissioner Casey Joe Johnson and unanimous approved.

NEW BUSINESS – Chairman Settle stated he received a call from the Town of Ronda and they are looking at proposals on their water system with Elkin and others. They have about 400 Wilkes County citizens inside and out of town and they would like to make sure these citizens' interest is looked after in any contract. Chairman Settle stated they would like the County's input from the County Manager and County Attorney. He added this is big for these citizens in this very small town and they want them to review the proposal. Chairman Settle added he does not think it would cost a lot for Mr. Triplett to look over anything they get from the Town of Elkin or whomever they decide to go with. He wanted to bring this up to the Board and get input. Commissioner Elmore asked if he is suggestion they use County Attorney Tony Triplett's services and added Ronda has a contract with the Yadkin Valley Sewer system already, he thought. Chairman Settle replied yes, but they service the water accounts for all 400 and are looking at possibly getting out of the water business. Commissioner Elmore asked why. Chairman Settle replied they need to spend about \$400K on lines and tanks and want to look at someone taking it over. He was told they want to make sure the citizens of the County get the best deal possible. They do not have a lot of staff and are very small and requested help on this.

Commissioner Gambill asked if Mr. Triplett would be able to help with something like this. Mr. Triplett replied it is hard to say, he is totally unfamiliar with how this is set up and has never seen their contract documents. He added he does not think the Chairman is saying he would be representing the Town in a Legal sense, and would be meeting with the folks in Ronda just to see what paperwork or the arrangement they have. Mr. Triplett added it may be that he does help recommend the direction they take. He added Ronda did have their own Town Attorney, he talked with her about a year ago and would need to include her. Chairman Settle stated they may have, he was just called this afternoon and asked to make sure those citizens interest is looked after and the reason he brought this up. Commissioner Elmore added he agrees, they can help and does not mind Mr. Yates and Mr. Triplett helping out. He added Ronda has a Board and Mayor and a governance that is responsible. Chairman Settle replied yes they do, but they are just limited on money. He added he told them Wilkes is not in the water business, but they would support them and look at their needs and help with advice. Mr. Triplett added to the extent they can assist them in their roles as Chairman, Attorneys, and Manager they will, without stepping in to represent them just to assist. Chairman Settle agreed and added this could be a good opportunity for Ronda and all the folks including schools in that area that need and use this water. Commissioner Elmore stated they have a consensus to help. Chairman Settle thanked the Board.

NEW BUSINESS – Commissioner Elmore stated he would like to suggest they have a Public Hearing for an Occupancy Tax at their next meeting on March 2nd . This has been discussed for a while and he would like to move forward on setting this. Chairman Settle asked could they set this for March 16th to make sure everyone in the county is informed and know what is going on and what they are proposing. He added maybe they need to change the attendance policy to allow all to come that want to. Mr. Triplett added if they keep the current attendance policy it does affect the wording of the Notice that goes in the paper for a Public Hearing. Chairman Settle added they may could have more attend if they wait to the 16th, all can wear a mask and social distance. They could add a few seats as well as online through WebEx and accept written comments. Commissioner Gambill stated he understands the Occupancy Tax, he thinks it is bad timing to talk about a tax with the pandemic and the year they have had. He is fine to set a public hearing. Chairman Settle said they can put this on the agenda for the next meeting to call for a public hearing. Mr. Triplett agreed procedurally it would be better to have this as an agenda item to set a public hearing.

Mr. Triplett stated there are two types of Public Hearings for the Occupancy Tax, one is the formal Public Hearing the statute calls for before they can pass a Resolution imposing an Occupancy Tax. He added he does not think that is what they Board is saying, the second is to set a general Public Hearing just to receive public input. Chairman Settle and the Board stated yes, that is what they are talking about. Ms. LeeAnn Nixon stated if there were any decision to be made it might have to be done before the end of February. Chairman Settle stated they already have a current Local Bill that allows them to have an Occupancy Tax. Mr. Triplett stated there have been no decisions made yet on what the Board may do and if a new Local Bill would be needed. He added if it did, the deadline in the House to introduce a new Local Bill for drafting is March 3rd and to file is March 25th. Chairman Settle asked if the County already has a Local Bill 14 to proceed. Mr. Triplett replied yes, if they decide to do that there is a Local Bill already on the Books for the County to proceed just by itself. Chairman Settle added they can have the Public Hearing then they will know and can go from there.

ADJOURN – Motion was made by Commissioner Keith Elmore, seconded by Commissioner Casey Joe Johnson and by unanimous vote adopted to adjourn the meeting of the Wilkes County Board of Commissioners at 7:07 P.M.

Sarah D. Call, Clerk

Eddie Settle, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: March 2, 2021