

BANNER ELK TOWN COUNCIL

March 8, 2021

MINUTES

The Banner Elk Town Council met Monday, March 8, 2021 at 6:00 p.m. by remote meeting via an electronic conference due to the COVID-19 pandemic.

Council Members present: Mayor Brenda Lyerly, David Lecka, Allen Bolick, Mike Dunn, Robert Tufts and Charlie VonCanon.

Staff present: Town Manager Rick Owen, Chief Kevin Hodges, Cheryl Buchanan, Justin Hodges and Attorney Four Eggers.

Call Meeting to Order

At 6:00 p.m. Mayor Lyerly called the regular monthly meeting of March 2021 to order.

Pledge of Allegiance

Mayor Lyerly led those in attendance with the Pledge of Allegiance.

Invocation

Council Member VonCanon opened the meeting with prayer.

Approval of the Regular Meeting Minutes

Mayor Lyerly asked for a motion to approve or amend the February 8, 2021 Regular Meeting Minutes. Council Member Tufts motioned to approve the minutes as written. Council Member Dunn seconded the motion. All were in favor. No one opposed.

Approval of Stated Agenda

Mayor Lyerly called for a motion to approve or amend the stated agenda. Council Member Lecka motioned to approve the amended agenda. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Special Presentation

Mayor Lyerly stated that we will begin our meeting with a special presentation. She reported that the Town has a *Resolution Recognizing Allen Bolick For His Many Contributions to the Town of Banner Elk*. Mayor Lyerly read the resolution. She and Council thanked Council Member Bolick for his many contributions to the Town and noted that he will be missed. Council Member Bolick thanked Council and the Town of Banner Elk.

Public Comments

Mr. Ted Silver personally thanked Council Member Bolick for everything he has done for the Town. He reported that four years ago Lees-McRae was named the Smallest Bicycle Friendly College in the country and four years later Lees-McRae is now the Smallest Gold Bicycle Friendly

College in the country and that four years later, Lees-McRae was now voted the Smallest Gold Bicycle Friendly College in the country certified by the League of American Bicyclists. Mr. Silver also noted that he virtually attended a meeting in Washington DC with a delegation from North Carolina, representatives from both the senate and congress. We discussed from a transportation standpoint, things that could benefit North Carolina as well as Banner Elk and all are looking forward to what might become of the future infrastructure bill.

Audit Report Presentation

Misty Watson thanked Town Council and Rick Owen for allowing her to complete the audit for another year. She presented a slideshow and went over several of the highlights for fiscal year June 30, 2020. Ms. Watson reported that the assets of the Town for the General Fund, the Water and Sewer fund and Special Revenue Fund exceeded the liabilities by over \$11,034,475 which was an increase from the prior year of \$542,088. She noted that the increase is due primarily to continued conservative spending and this past fiscal year there was an increase in intergovernmental revenues. Ms. Watson stated that the Town's property tax collection rate was 98.52% which was a very insignificant decrease from fiscal year 2019. She noted that the State average for a town the size of Banner Elk is 98%. Ms. Watson reported that the unassigned fund balance for the General Fund was \$1,888,409 which accounts for 87.6% of the General Fund expenditures. The total fund balance for the General Fund was \$2,482,307, which equates to 115% of the General Fund expenditures. She stated that again comparing this to the State average for towns similar in size, the State average is 82%. Banner Elk is slightly above that average. Ms. Watson reported that this past fiscal year, the Town entered into one new installment agreement for \$100,000 and paid down total principal between the Water and Sewer Fund and the General Fund of \$238,266. She noted that the legal debt margin for the Town as of June 30, 2020 is \$17.7 million. Ms. Watson reported that the Town did receive an unmodified opinion which is what the Town wants to receive, a clean audit. She went over some of the responsibilities of Town management (i.e., responsible for internal control in the budgetary process, information requested by the auditor made freely available, etc.). Ms. Watson stated that working with Mr. Owen and staff and their cooperation was excellent. She noted that there were no new accounting policies adopted this past fiscal year. In a future year we have the adoption of a policy for capital operating leases. She also noted that there were no new transactions entered into the Town for which there was a lack of authoritative guidance and that all significant transactions have been recorded. Ms. Watson stated that there were some estimates in the financial statement, but these were mainly due to depreciation methods that were for the Town's capital assets. Ms. Watson summarized the internal control over financial reporting. Mayor Lyerly thanked Misty for her services and for her concise presentation of the audit report. Mr. Owen stated that Misty will be available for Council if they have future questions.

Resolution Requesting Authority to Regulate UTV's Operation on Town Streets

Mr. Owen stated that Town Council discussed this item last month. He noted that the authority to regulate UTV's would require legislative action and asked Council to approve the proposed resolution. Mr. Owen stated that Representative Dudley Greene is awaiting the arrival of the resolution. Council Member Tufts motioned to accept the resolution. Council Member VonCanon seconded the motion. All were in favor. No one opposed.

Arbor Day Proclamation

Mayor Lyerly stated that the Town celebrates Arbor Day every year. This is the 7th year as a Tree City USA. She noted that through this proclamation, the Town will recognize National Arbor Day on April 30th. Council Member Dunn motioned to accept the Arbor Day Proclamation. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Advertisement of Delinquent Taxes

Cheryl Buchanan reported that all delinquent taxpayers have been notified. Per the General Statutes they were given a 30-day notice to pay the taxes, or their name would appear in in the local newspapers. She is asking Council to approve the advertisement. Council Member VonCanon motioned to approve the advertisement of unpaid taxes for 2020. Council Member Lecka seconded the motion. All were in favor. No one opposed.

Consider Audit Contract

Mr. Owen asked Council to enter into an audit contract with Misty Watson for Fiscal Year 2020-2021. He noted that the contract has not changed from the prior year. There being no questions for Ms. Watson regarding the contract, Mayor Lyerly asked for a motion. Council Member Lecka motioned to accept the audit contract. Council Member Dunn seconded the motion. All were in favor. No one opposed.

Planning Board Member Appointment

Mayor Lyerly reported that the Planning Board is losing 2 in-Town members, Allen Bolick and Ray Knowles. She noted that the Town received an application from Melinda Eggers and asked for a motion. Council Member Tufts motioned to approve the appointment of Melinda Eggers to the Planning Board for a two-year term. Council Member VonCanon seconded the motion. All were in favor. No one opposed.

Manager's Update

Mr. Owen reported that included in Council's packets is the Public Services Monthly Report, the police report, planning, zoning and tax collection reports. He noted that he emailed Council a copy of the Financial Summary Report for eight months ending 2/28/21. He asked if there were any questions regarding these reports. Mr. Owen noted that also included in Council's packets is a copy of the High Country ABC Board Meeting Minutes dated January 21, 2021.

Mr. Owen reported on the community-wide litter pickup project. It is headed up by Jesse Pope and will be held on March 20th. Mr. Owen stated that Jesse Pope is looking for volunteers and to date they have between 125 and 150 volunteers signed up. Town Hall will be a base where volunteers will pick up supplies, drop off trash bags, etc.

Mr. Owen stated he and Council Member Bolick met with Elk River and they have confirmed a date for the for the Historic Banner Elk School Golf Classic. It will be held on September 20th.

Mr. Owen stated that he wants to set up a meeting date for a budget workshop/planning meeting and thereafter set up dates for budget workshops. Council Members agreed to meet on Monday, March 29th at 6:00 p.m.

Mr. Owen noted that there has been discussion about starting up in-person Council meetings again. There was discussion about vaccinated Council Members, meetings open to the public, limiting the meetings to Council Members only, a combination of remote and in-person, etc. Mr. Owen stated that we can only get nine people in the Council Chambers social distanced. The Board of Adjustment has been meeting in-person and the TDA met once that was partially remote and partially in-person. Attorney Eggers stated that NC is still under the emergency management declaration for when COVID began. You can have a hybrid meeting in which Council meets in person and the audience is on-line. He noted that it would have to be conducted in a manner where the public is able to hear everything that the Council is considering (hence see their face) as well as provide a mechanism for receiving public comments. Attorney Eggers stated that it would be within the scope of the existing declaration that Mayor Lyerly signed last March. After discussion, it was agreed to do an in-person with a remote audience at April's Council meeting.

Mr. Owen reported that he sent an email to Council with a draft resolution of intent that we all discussed regarding the potential restructuring of the size of Town Council. He noted that Attorney Eggers prepared the draft resolution for Council's review. Mr. Owen stated that with Council's approval he would place it on April's agenda. Attorney Eggers noted that Council would need to call for a public hearing regarding this resolution. Council Member Dunn motioned to call for a public hearing at next month's meeting. Council Member Lecka seconded the motion. All were in favor. No one opposed.

Council Member Bolick stated that it has been a pleasure working with Town Council and the Town of Banner Elk. He noted he and Rebecca arrived in Banner Elk as a team and we remain a team as we leave. Rebecca stated that it is bittersweet and thanked everyone.

Mayor Lyerly thanked everyone for joining us for this meeting.

At 6:40 p.m. Council Member VonCanon motioned for Council to go into closed session. Council Member Dunn seconded the motion. All were in favor. No one opposed.

At 7:05 p.m. Council returned to open session.

There being no further business, Mayor Lyerly asked for a motion to adjourn the March meeting.

At 7:05 p.m. Council Member Bolick motioned to adjourn the March 2021 Town Council meeting. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Adjourn

The Banner Elk Town Council meeting adjourned at 7:05 p.m.

Mayor Brenda Lyerly

Attested

Approved: April 12, 2021