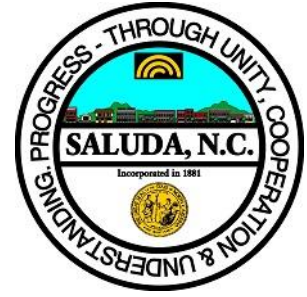


# City of Saluda

## Regular Meeting Minutes

Board of Commissioners



Date 1/11/2021  
Time 07:00 PM  
Location Saluda Library Chambers Room

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### 1 - Call to Order

Mayor Baisden called the meeting to order at 7:00pm.

Mayor Baisden read a notification that the meeting was a video broadcast with closed captioning to the public using a weblink.

### 2 - Invocation

A moment of silence was observed.

### 3 - Pledge of Allegiance

A pledge of allegiance was recited.

### 4 - Roll Call

Attendance was taken, and those present were **Mayor Fred Baisden, Commissioner Stan Walker, Commissioner Mark Oxtoby, Commissioner Paul Marion, Commissioner Bob Ross, Finance Officer Julie Osteen, Zoning Officer Steve Orr, Police Chief Charles Conner, City Attorney Jana Berg and City Clerk Tola Mueller.**

### 5 - Agenda Additions and Deletions

Commissioner Marion requested that Agenda #14 Carolina Foothills Chamber of Commerce be deleted since there is no executive director at the chamber of commerce due to reorganization. The membership can wait.

**Commissioner Ross made a motion to approve the agenda deletion. Commissioner Walker seconded, and all were in favor.**

### 6 - Approval or Correction of Minutes

- 12-02-20 Special Called Meeting - City Manager Opening
- 12-09-20 Special Called Meeting - City Manager Opening
- 12-14-20 BOC Minutes

**Commissioner Ross made a motion to approve the minutes as presented. Commissioner Oxtoby seconded, and all were in favor.**

## 7 - Consent Agenda

- McCreery Park Mintz Donation
- LGTP Scholarship In-Kind Donation

**Commissioner Oxtoby made a motion to approve the consent agenda items and corresponding resolutions. Commissioner Walker seconded, and all were in favor.**

## 8 - Public Comment

There were no public comments.

## 9 - Audit Presentation

Due to technical issues, auditor Levonia Reese was not logged in at the appropriate time to present. She presented the unmodified audit after the budget and financial report.

She pointed out that for 2020, her firm handled 80 attestations and 99% have been affected by COVID in their work and financial records. The City of Saluda was one of a handful (2-3) where the audit has not been delayed in spite of the circumstances. She wanted to commend city staff for their hard work.

Some financial highlights included:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$5,527,329 (net position).
- The government's total net position increased by \$238,554, primarily due to additional unrestricted general fund revenues, tighter budgetary controls, and increased water and sewer sales during the year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,116,321 with a net increase in fund balance of \$138,752. Approximately, 19.3% of ending fund balances, or \$215,503, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$758,283, or 61.4%, of total general fund expenditures for the fiscal year.
- The City's total debt increased by \$6,095 (0.21%) during the current fiscal year. The key factor in this stability was scheduled principal payments offset by an increase in pension related debt.

Then, Ms. Reese directed the Board to pg. 70 if the audit: Section I-Summary of Auditors' Results.

Mayor Baisden thanked Ms. Reese for her work and for joining the meeting.

Ms. Osteen reported that on December 18, the audit was accepted by the LGC.

## 10 - Budget and Financial Report

Finance Officer Julie Osteen read highlights for the financial report ending December 31, 2020:

### General Fund (Revenue)

- Ad Valorem Taxes-Current Year-\$573,230
- Unrestricted Intergovernmental-Local Option Sales Tax-\$63,998
- Restricted Governmental- CARES Act Funding-\$51,098
- Miscellaneous-Contributions-\$26,584 (\$13,028 towards the Ella Grace stage cover; \$1,000 general donation, \$450 towards the K. Taylor memorial and \$12,040 Saluda Community Library Fund)
- Total Revenue-\$835,231 (66% of budget)

### General Fund (Expenditures)

#### Administration

- Total Administration-\$250,973 (52% of budget-preliminary audit fees of \$14,227; audit approved and submitted to USDA by deadline of 11/30/2020. Awaiting acceptance from LGC. Included payout of Jonathan Cannon of accrued vacation of \$4,769.23, including benefits.)

#### Public Safety

- Total Public Safety-\$211,135 (41% of budget-back to 3 officers)

#### Transportation

- Total Transportation-66,080 (wayfinding signs-\$4,560, street surveys-\$6,800, pothole patching-\$26,607, mowing-\$6,825 and broom sweeper \$1,765)

#### Environmental Protection

- Solid Waste-\$57,888 (six months of contracted services with GFL has been paid)

#### Cultural & Recreation

- Total Library-\$14,200 (insurance premiums, monthly utilities, annual elevator inspection \$4,100 and window repairs \$3,000)
- Total Parks-\$32,291 (\$17,710 Pace Park expenses, \$17,192 bathroom slab plumbing parts and balance in maintenance at Pace Park and the stage cover for McCreery Park)
- Total Cultural & Recreation-\$48,814 (53%)

#### Powell

- Powell Fund-\$350 (Powell Bill Certified Map is only expenditure)
- Debt Services-\$18,395 (Six payments made on City Hall debt)
- Anticipated Surplus-\$181,596

Water and Sewer Fund (Revenue)

- Total Water and Sewer Revenue-\$495,380

Water and Sewer Fund (Expenditures)

- Water Purchases-\$70,680 (50% of budget)
- Maintenance-\$78,650
- Anticipated Surplus-\$66,326

Water and Sewer Capital Project

- Repayment amount was remitted to USDA of \$48,112. The City also received back \$10,248.93
- Total Expenses is \$2,118,888 of the \$2,167,000

Tourism Development

- Total Revenues-\$16,266

Ms. Osteen presented six (6) budget amendments:

*Administration*

Historic Committee

\$250 from Historic Committee Revenues to Historic Committee Expense to adjust for anticipated revenues and expenses.

*Cultural & Recreation*

Pace Park

\$100 from Pace Park Income and \$400 from Contingency to Pace Park Expenses to increase expenditures for Pace Park.

McCreery Park

\$708 from McCreery Park Revenues to McCreery Park Expenses to increase budget for in-kind donation from Don Mintz Builders, LLC for park bathroom improvements.

*Water and Sewer Enterprises*

Water and Sewer Taps

\$8,000 from Water Tap Income and \$7,200 from Sewer Tap Income to Maintenance & Repairs-Water to cover installation of water and sewer taps and related expenses.

System Development

\$6,530 from Retained Earnings Appropriated to System Development for Two Goat Road system improvements received in prior year and used in 2020-2021.

Capital Outlay

\$304 from Operating Expenses and \$125,000 from Retained Earnings Appropriated to Capital Outlay for Chestnut Street expenses paid from the Enterprise Fund.

**Commissioner Oxtoby made a motion to approve the budget amendments as presented. Commissioner Marion seconded, and all were in favor.**

Commissioner Marion asked the public to report their short-term rental earnings and taxes in a timely manner.

## **11 - Public Safety Report**

Police Chief Charles Conner presented the December Police Department Report. There were no arrests. Citations included State-11, City-4 and Warnings-12. They assisted in a missing person case, a choking incident and Polk County Police Department, Columbus Police Department, Highway Patrol and the Fire Department. The full report can be read at City Hall.

Commissioner Marion commended the Police Department's assistance at the waterline break on Ozone Drive recently.

## **12 - Zoning and Planning Department Report**

Zoning Officer Steve Orr stated that the NCDOT Letter for US 176 Under Road Culvert Repairs and Ditch Line Restoration needs to be hand delivered to the district engineer. It was read into the record. Mr. Orr asked that the Board approve the letter for delivery.

**Commissioner Ross made a motion to approve the NCDOT Letter for US 176 Under Road Culvert Repairs and Ditch Line Restoration to be delivered. Commissioner Oxtoby seconded, and all were in favor.**

Next, Mr. Orr stated that former intern, John Nabers, will provide an update on the 2040 Comprehensive Land Use Plan.

Mr. Nabers thanked the City for his internship. He stated that regarding the Comprehensive Plan, one notable change found is that the work has been transitioned to Adobe Acrobat versus Microsoft Word. Then, there is an addition of a 4th target issue: storm water. He explained that since 2018, there has been an increase in precipitation within the City. He has goals and recommendations but, he will be presenting to Mr. Orr first and would like to see what is presented at Storm Water Workshop on Wednesday.

Mr. Orr said that what is left with the Comprehensive Plan is the Land Use & Zoning Map and Appendix that needs updating. Chapter 160D requests that the maps are "reasonably maintained". He added that the IPDC is willing to aid in the process.

## **13 - Administration Department Report**

Mr. Orr provided an updated on the Laurel Drive lift station. He said that the analysis that Ms. Osteen has completed over the past two (2) budget cycles showed \$28,000 having been spent in or around the lift station. He explained that the City was woefully unprepared for the recent serious rain. Pumps failed and one has to be completely rebuilt.

He would like to propose bids to mitigate outlays on Laurel Drive until the Capital Improvement Plan is devised to address Laurel Drive. He wanted to have Board aware of it and how the City cannot continue to expend large amounts.

Commissioner Marion asked about the progress on Crescent Street. Mr. Orr replied that he emailed the property owner who is building the house at Crescent. Apparently, it is Duke Energy that has been delaying the progress.

## **14 - Carolina Foothills Chamber of Commerce Membership**

## **15 - City of Saluda - Ervin St Parcel S12-H3 Update**

Mr. Orr informed the Board that the survey for Ervin Street (parcel S12-H3) has not been received yet but, he wanted to present the resolution for discussion.

Commissioner Walker asked if there is a minimum purchase amount. Ms. Osteen said that the City is not there in the process yet.

Discussion ensued of the current state of the building on the parcel and its potential.

## **16 - Lake Summit Water System Workshop Request**

Mr. Orr and Ms. Osteen suggested that sometime this spring, a discussion needs to take place regarding the City owning the Lake Summit Water System. Mr. Orr felt that it is not an asset that the City needs to continue maintaining.

Commissioner Ross mentioned that a comment had been made to him that the Lake Summit water system is a "cash cow". Mr. Orr refuted the claim based on actual financial figures.

Mr. Orr said that the Board needs to have this as a discussion for the February meeting.

## **17 - Personnel Policy Amendment**

Mr. Orr stated that after reviewing the personnel policy with Mr. Cannon and considering prior conversations with the Board, he felt that it was time to institute some amendments:

Conditions of employment:

Pg. 13, Article 5

Public Works hours were changed from 6:00am-2:00pm to 7:00am-3:00pm.

Administrative hours were changed from 8:30am-4:30pm to 8:00am-4:30pm.

Discussion ensued of 5:00 as the closing time for City Hall during a trial and no one from the public came.

Pg. 21, Section 706

Accrual of vacation correction: "any earned accrual after termination will be reviewed...."

It was suggested to change "termination" to "separation". Commissioner Ross added: "and, if approved will be..."

Mr. Orr explained why this topic came about in terms of timing and resignations.

Discussion ensued as to what is legally obligated to be paid out and the pros and cons of the options to consider.

The consensus of the Board was to work with Ms. Berg to put into place the proper verbiage.

## **18 - R-O-W Encroachment Resolution**

Mr. Orr prefaced the topic with how this issue has come up many times:

1. Structures in Right-of-Way
2. Water Service Lines
3. Driveway Ingress and Egress

He proposed that when someone comes to City Hall, fills out zoning or water and sewer applications, and if the property is in the City ROW, a ROW encroachment agreement will need to be signed to acknowledge responsibility for perpetuity.

**Commissioner Oxtoby made a motion to approve the Right-of-Way Encroachment Agreement. Commissioner Marion seconded, and all were in favor.**

#### 19 - Closed Session

**Commissioner Oxtoby made a motion to enter Closed Session to discuss Personnel. Commissioner Marion seconded, and all were in favor.**

*The Board entered Closed Session at 8:28pm.*

#### 20 - Staff Announcements

**Commissioner Oxtoby made a motion to appoint Steven Orr as the new City Manager and to pay out his comp time accrued during his role as Zoning Officer. Commissioner Marion seconded, and all were in favor.**

**Commissioner Walker made a motion to appoint Julie Osteen as the Tax Collector to include compensation of an additional \$400 a month until June 1, 2021. Commissioner Marion seconded, and all were in favor.**

#### 21 - Adjourn

With no further business to discuss, **Commissioner Marion made a motion to adjourn the meeting. Commissioner Oxtoby seconded, and all were in favor.**

*The meeting adjourned at 8:57pm.*

Respectfully submitted by Tola Mueller, City Clerk. Adopted this 8th day of February, 2021.

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Fred Baisden, Mayor

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Tola Mueller, City Clerk