



# AGENDA

CITY OF LENOIR  
CITY COUNCIL MEETING  
905 WEST AVENUE  
TUESDAY, JUNE 2, 2020  
6:00 P.M.



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## I. CALL TO ORDER

- A. Moment of Silence & Pledge of Allegiance

## II. MATTERS SCHEDULED FOR PUBLIC HEARINGS

- A. FY2020-2021 Annual Budget: A public hearing will be held to receive public comments regarding the Annual Budget for the fiscal year beginning July 1, 2020 through June 30, 2021 for the City of Lenoir. **Note:** City Council may defer action until the June 23, 2020 Committee of the Whole meeting due to the new state statute.

## III. CONSENT AGENDA ITEMS

- A. Minutes: Approval of the minutes of the City Council meeting of Tuesday, May 19, 2020 as submitted.
- B. Closed Session Minutes: Approval of the closed session minutes of the City Council meeting of Tuesday, May 19, 2020 as reviewed by the City Attorney, City Council and City Manager.
- C. Budget Amendments: Staff recommends approval for amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2020 as follows:
  - 1. Budget Amendment 2020-12-1: Allocate funding for Economic Development Grants received for Caldwell UNC Healthcare in the amount of \$196,683.04. Funds were received in this fiscal year.
  - 2. Budget Amendment 2020-12-2: Amend the original budget requests for FY2019-2020 as submitted. The appropriations will have no impact on the fund balance.

## IV. REQUESTS AND PETITIONS OF CITIZENS

## V. REPORTS OF BOARDS AND COMMISSIONS

## VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER

### A. Items of Information

- 1. The City/County Services Committee will conduct a teleconference meeting on Monday, June 8 at 11:45 a.m.
- 2. The Caldwell County Economic Development Commission will conduct a teleconference meeting on Tuesday, June 9 at 8:00 a.m.
- 3. The band FracXured will host a virtual Summer Music Madness concert on Friday, June 5 from 7:00 p.m. – 8:00 p.m. The band J.J. Hipps & the Hideaway Blues will host a virtual concert on Friday, June 19.

B. Items for Council Action

**VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY**

**VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR**

**IX. REPORT AND RECOMMENDATIONS OF COUNCIL MEMBERS**

**X. ADJOURNMENT**

**CITY OF LENOIR**  
**COUNCIL ACTION FORM**

- I. **Agenda Item: II A. FY 2020-2021 Annual Budget:** A public hearing is scheduled to receive public comments regarding the annual budget for the fiscal year beginning July 1, 2020 through June 30, 2021 for the City of Lenoir.
- II. **Background Information:** The Recommended FY 2020-21 Budget is comprised of General Fund - \$17,830,516, Special District Fund - \$183,738, Tourism Development Fund - \$50,000 and Water/Sewer Fund - \$8,581,300, for a total budget of \$26,645,554. The current property tax rate of \$0.58 per \$100 valuation remains unchanged, as well as the current Rescue Readiness Tax of 0.85¢ per \$100 valuation and the current Downtown Municipal Service District Tax of \$0.25 per \$100 valuation. All other charges/fees in all funds remain unchanged.
- In accordance with NCGS 159-12, the Recommended Budget has been submitted to the Mayor and City Council and made available for public inspection and notice given that a public hearing will be held on Tuesday, June 2, 2020, beginning at 6:00 p.m., for the purpose of receiving input from citizens wishing to comment on the proposed budget.
- III. **Staff Recommendation:** Upon conclusion of the public hearing, Staff recommends Council defer action until the meeting of June 23, 2020 for adoption of the enclosed FY 2020-21 Budget Ordinance.
- IV. **Reviewed by:**

**City Attorney:**

**City Manager:**



CITY MANAGER  
SCOTT E. HILDEBRAN

CITY OF LENOIR  
NORTH CAROLINA

MAYOR  
JOSEPH L. GIBBONS  
CITY COUNCIL  
J.T. BEAL  
T.H. PERDUE  
J.I. PERKINS  
R.S. PRIGSTWOOD  
D.F. STEVENS  
C.D. THOMAS  
B.K. WILLIS

May 19, 2020

Honorable Mayor Gibbons and Members of the City Council:

Pursuant to Section 159-11 of the North Carolina General Statutes (Local Government Budget and Fiscal Control Act), I am pleased to submit the Recommended FY 2020-2021 Budget for your review and consideration. This document provides a financial plan for the ensuing fiscal year and was developed in accordance with the City Council's Priorities established in both the February Strategic Planning Retreat and the March Budget Retreat as well as during Council/Departmental meetings held over the past year. Due to the COVID-19 pandemic and the uncertainty of future revenue projections and service demands, the preparation of the recommended budget has been one of the most challenging tasks in my 31 years in local government.

General Fund

The proposed General Fund budget totals \$17,830,516 and is balanced with the current property tax rate of 58¢ per \$100 of assessed property value and the current Rescue Readiness Tax of 0.85¢ per \$100 of assessed property value. All other General Fund charges/fees are unchanged.

Water and Wastewater Fund

The proposed Water/Sewer Fund budget totals \$8,581,300 and maintains the current water and sewer rates. All other Water/Sewer Fund charges/fees are unchanged.

For reference, the Consumer Price Index - South Region for All Urban Consumers over the past 12-month period is 1.9% (February 2020).

Budget Highlights

The key components of this budget are:

- Core services are continued with revenue projections estimated in a realistic, conservative manner. The projections include the consideration for uncertainties due to the COVID-19 impact on the current economic environment and follows the UNC School of Government's and N.C. League of Municipalities' guidance for local governments.
- Employee Compensation: City Council and Management continue to recognize that our employees are vital to the delivery of quality municipal services and represent our most valuable asset. As our top strategic priority, the budget includes a 3.0% cost of living increase effective on January 1, 2021. The implementation of the COLA will be re-evaluated later in 2020 to determine if it is feasible based on the impact of COVID-19. Further, the budget funds the required 1.2% increase for the Local Government Retirement System. In concert with the budget adoption and as discussed during our budget planning

session, it is also recommended to provide employees with (1) personal leave day each year to be used for any use they deem appropriate, such as a birthday, holiday, school visit/trip, funeral, etc.

- The City's group health insurance premiums will increase by 6%, while maintaining the current plan benefit levels.
- The cost of the City's property/liability and workers' compensation insurance coverages will be relatively flat in the coming year.
- Street Resurfacing: The budget increases funding to \$390,000 to continue implementation of the recent Pavement Study, subject to State of N.C. Powell Bill allocation. Also, the budget includes an additional \$100,000 for roads/bridges improvements.
- Downtown: Allocates funds from the CDBG Capital Project Fund to continue improvements on the old Lenoir High School Auditorium, Gym and Mack Cook Stadium.
- Fiduciary Responsibility: The budget appropriates \$400,000 in fund balance proceeds but maintains a General Fund balance of approximately 48%, which is double the City Council's 24% goal. Utilizing the appropriation of fund balance will take place only if the impact of COVID-19 requires.
- Sidewalks/Greenways/Trails: Increases funding by \$50,000 to \$125,000 in FY 2020-2021 for greenways, trails, sidewalks.
- Code Enforcement: The budget includes a 49%, or \$18,710 increase, in support of code enforcement activities, which includes \$34,710 toward building demolition, \$20,000 toward nuisance removal, and \$2,000 in foreclosure expenses.
- Technology: Continues to fund Computer/IT upgrades throughout the organization to enhance and improve operations and security and the ongoing implementation of the Advance Metering Infrastructure Project.
- Environmental: Allocates funds for the second year of the outsource of management and oversight of our NPDES Phase II Stormwater Program to the Western Piedmont Council of Governments Stormwater Partnership, as well as fully implements automated sanitation collection. Also, the budget continues to use EPA Brownfield Grant funding to conduct environmental assessments and Appalachian Regional Commission Grant funding to begin clean-up of city-owned property on College and Virginia Street. And, the budget continues funding the construction/installation of the Wastewater Biosolids Project and the upcoming Smith Crossroads Sewer Project.
- The budget also funds all debt obligations.

The following General Fund capital items are included: Patrol Cars (4), Detective Cars – Used (2), Quick Response Vehicles (3) for Fire, SCBAs, Public Works Replacement Trucks (2), Building Repairs for the Fire Station #2, Police Department, and Aquatic Center, a mower to help with the Greenway, and an ice machine.

The proposed General Fund budget contains \$365,000 for a new installment financing package for capital items. The purchase of capital items will be made after evaluating the impact of COVID-19 on the budget.

The following Water/Sewer Fund capital items are included: Hudson Water Valve Installations, Major Pressure Release Valve Vault, Sewer Camera Replacement, and Replacement Vehicles (2).

### Summary

In closing, this Recommended FY 2020-2021 Budget is balanced in accordance with State Statutes and attempts to address the goals and priorities that have been established by City Council for the City's future while being mindful of the current pandemic. Though the budget does not optimally fund all of the requested operating and capital needs, the Recommended FY 2020-2021 Budget represents a level of funding, which will allow the City to maintain and enhance current service levels while making organizational changes to be cost effective and more

efficient. Further, our staff continues to display a culture that encourages cost savings to maximize resources to accomplish budget initiatives.

I would like to recognize the efforts of Finance Director Donna Bean, as she has been instrumental in the preparation of this document. Her thoroughness and guidance are appreciated.

Finally, I would also like to express my thanks to the Department Directors, Team Lenoir and City Council for their patience, understanding, and dedicated work on this important policy document. Our primary goal, each and every day, via our employee-led customer service initiative, remains to provide "Service Beyond Measure".

A work session to review the Recommended FY 2020-2021 Budget is scheduled to be held on Thursday, May 21, 2020, at 6:00 p.m. and a public hearing on the budget is scheduled on Tuesday, June 2, 2020, at 6:00 p.m.

Respectfully submitted,



Scott E. Hildebran  
City Manager

**City of Lenoir  
Budget Ordinance  
Fiscal Year July 1, 2020 – June 30, 2021**

**BE IT ORDAINED** by the Lenoir City Council in regular session assembled on June 23rd, 2020.

**Section 1.** That the following amounts are hereby appropriated for the operation of the government of the City of Lenoir and its activities for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

<b><u>Fund</u></b>	<b><u>Estimated Revenues</u></b>	<b><u>Fund Balance Appropriated</u></b>	<b><u>Total Budget</u></b>	<b><u>Appropriated</u></b>
General	\$ 17,430,516	\$ 400,000	\$ 17,830,516	\$ 17,830,516
Water & Wastewater	\$ 8,581,300		\$ 8,581,300	\$ 8,581,300
<b>Total</b>	<b><u>\$ 26,011,816</u></b>	<b><u>\$ 400,000</u></b>	<b><u>\$ 26,411,816</u></b>	<b><u>\$ 26,411,816</u></b>

**Section 2.** That for said fiscal year there is hereby appropriated as expenditures of the General Fund the following:

Legislative	\$ 362,697
Administrative	\$ 576,008
Finance	\$ 666,377
Planning/Stormwater	\$ 427,180
Police	\$ 5,789,333
Fire	\$ 4,151,654
Recreation	\$ 1,809,879
Public Works:	
Administrative	\$ 217,851
Cemetery & Grounds	\$ 365,932
Building Maintenance	\$ 322,972
Sanitation	\$ 748,490
Streets	\$ 2,175,643
Vehicle Services	<u>\$ 216,500</u>
<b>Total</b>	<b><u>\$ 17,830,516</u></b>

**City of Lenoir**  
**Budget Ordinance**  
**Fiscal Year July 1, 2020 – June 30, 2021**

**Section 3.** That for said fiscal year there is hereby appropriated as expenditures of the Water & Wastewater Fund the following:

<u>DEPARTMENT/DIVISIONS</u>	<u>APPROPRIATION</u>
Admin. & Engineering	\$ 309,237
Utilities Maintenance	\$ 323,470
Rhodiss Water Treatment Plant	\$ 2,163,690
Water Distribution	\$ 2,260,330
Wastewater Collection	\$ 1,112,989
Wastewater Pretreatment	\$ 182,928
Wastewater Treatment Plants:	
Gunpowder Plant	\$ 773,676
Lower Creek Plant	<u>\$ 1,454,980</u>
<b>Total</b>	<b><u>\$ 8,581,300</u></b>

**Section 4.** There is hereby levied for the fiscal year ending June 30, 2021, the following rate of taxes on each one hundred dollars of assessed valuation of taxable property listed as of January 1, 2020, and of registered vehicles in accordance with G.S. 105-330.3(a)(1) for the purpose of raising the revenues from the current year's listed and registered property as set forth in the foregoing estimates of the General Fund revenues and in order to finance the foregoing General Fund appropriations.

General Fund.....\$.58 cents tax rate per one hundred dollars assessed valuation.

Rescue Readiness Tax.....\$.0085 cents tax rate per one hundred dollars assessed valuation.

**Said General Fund tax rates are based on an estimated total appraisal value of real and personal property for the purpose of taxation of \$2,212,733,726** with an assessment ratio of one hundred percent (100%) of appraised value and estimated collection rate of 95.77%. Said collection rates are based on the actual 2018-2019 collection rates.

**Section 5.** That for said fiscal year there is hereby appropriated as expenditures of the special Downtown Tax District Fund for the operation of the Economic Development/Main Street Lenoir program and Tourism Development.

<b>Fund</b>	<b><u>Estimated Revenues</u></b>	<b><u>Fund Balance Appropriated</u></b>	<b><u>Total Budget</u></b>	<b><u>Appropriated</u></b>
Special Downtown District	\$ 183,738		<u>\$ 183,738</u>	<u>\$ 183,738</u>
Tourism Development	<u>\$ 50,000</u>		<u>\$ 50,000</u>	<u>\$ 50,000</u>
<b>TOTAL</b>	<b><u>\$ 233,738</u></b>		<b><u>\$ 233,738</u></b>	<b><u>\$ 233,738</u></b>

**City of Lenoir**  
**Budget Ordinance**  
**Fiscal Year July 1, 2020 – June 30, 2021**

**Section 6.** There is hereby levied for the fiscal year ending June 30, 2021, the following rate of taxes on each one hundred dollars of assessed valuation of taxable property listed as of January 1, 2020, and of registered vehicles in accordance with G.S. 105-330.3(a)(1) for the purpose of raising the revenues from the current year's listed and registered property set forth in the foregoing estimates of Special Downtown District Fund revenues and in order to finance the foregoing Special Downtown District Fund appropriations.

Special Downtown District.....\$.25 cents tax rate per one hundred dollars assessed valuation.

**Said Special Downtown District tax is based on an estimated total appraised value of property for the purpose of taxation of \$ 13,217,768 with an assessment ratio of one hundred percent (100%) of appraised and registered real and personal property value. The estimated collection rate is 95.77%.**

**Section 7.** It is estimated that \$50,000 in revenue will be available in the Tourism Development Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

**Section 8.** Water & Sewer rates are established to be effective July 1, 2020 according to the following schedule:

<b>Water Inside Corporate Limits</b>		
	0 -1,000 gallons	\$10.54
	Over 1,000 gallons	\$3.33 per 1,000 gallons
<b>Sewer Inside Corporate Rates</b>		
	1 - 1,000 gallons	\$9.24
	Over 1,000 gallons	\$3.91 per 1,000 gallons
<b>Water Outside Corporate Limits</b>		
	0 - 1,000 gallons	\$21.08
	Over 1,000 gallons	\$6.67 per 1,000 gallons
<b>Sewer Outside Corporate Limits</b>		
	0 -1,000 gallons	\$18.49
	Over 1,000 gallons	\$7.83 per 1,000 gallons
<b>Resale Water</b>		
	\$2.22 per 1,000 gallons	
<b>Resale Sewer</b>		
	\$3.87 per 1,000 gallons	

**City of Lenoir**  
**Budget Ordinance**  
**Fiscal Year July 1, 2020 – June 30, 2021**

**Section 9.** Salaries & wages accounts provide for funding of all budgeted employee positions and City Council.

**Section 10.** The City Manager and Finance Director shall notify the City Council of any items of over-expenditure or shortfalls in revenue on a timely basis throughout the fiscal year. Request for appropriations not contained in the Budget Ordinance will be presented to Council after a review of the necessary revenue sources to offset the expenditure has been conducted by the Finance Director. Recommended budget amendments will be presented to the Council at the time the request for appropriation is submitted by the Finance Director.

**Section 11.** Copies of this Budget Ordinance shall be furnished to the Finance Director and the City Manager of the City of Lenoir, North Carolina, to be kept on file by them for their direction in the collection of revenues and the expenditures of amounts appropriated.

**Section 12.** The City Manager is authorized to amend the budget by transfer of appropriations within each fund. All amendments affecting revenues or total fund appropriations shall be approved by ordinance by the City Council, to be acted on at any regular or special meeting and approved by a simple majority of those present and voting, a quorum being present. Only one reading will be required and a public hearing or publication of notice is not necessary unless requested by Council.

**Adopted this 23rd day of June, 2020.**

**SEAL**

\_\_\_\_\_  
Joseph L. Gibbons, Mayor

**ATTEST:**

\_\_\_\_\_  
Shirley M. Cannon, City Clerk

**LENOIR CITY COUNCIL  
MONDAY, MAY 19, 2020  
6:00 P.M.**

**PRESENT:** Mayor Joe Gibbons presiding. Councilmembers present were Todd Perdue, Ike Perkins, David Stevens, Ben Willis and City Manager Scott Hildebran.

Staff present was Communications Director Joshua Harris.

Mayor Gibbons took a roll call of everyone participating via teleconference.

**VIA TELECONFERENCE:**

Participating via teleconference were Councilmembers Jonathan Beal, Ralph Prestwood, Mayor Pro-Tem Crissy Thomas, City Attorney T.J. Rohr and City Clerk Shirley Cannon.

Department Directors participating via teleconference were Finance Director Donna Bean, Fire Chief Ken Hair, Police Chief Brent Phelps, Recreation Director Kenny Story, Planning Director Jenny Wheelock, Economic Development Director Kaylynn Horn, Public Utilities Director Radford Thomas and Public Works Director Jared Wright.

**I. CALL TO ORDER**

- A. The meeting was opened by a moment of silence followed by the Pledge of Allegiance as led by Mayor Gibbons.

**EXPRESSION OF APPRECIATION/  
INFORMATION:**

- B. On behalf of City Council, Mayor Gibbons thanked City Staff and City Manager Scott Hildebran for all their hard work during these uncertain times and for everything that is being done to keep people safe. Mayor Gibbons also expressed appreciation to all essential personnel including healthcare workers, agencies, firefighters, and police officers that are working on the front lines during this crisis. Mayor Gibbons further asked everyone to continue following the protocols of hand washing and social distancing in order to be as safe as possible at this time.

In addition, Mayor Gibbons commended the Fire Department for their quick response to two industry fires which reduced property loss and also commended the Police Department for their response to a recent fatal accident.

Mayor Gibbons also shared Ms. Sylvia Greene turned eighty-five this past week and a drive by birthday celebration was held in her honor. He commended Ms. Greene for all she has done for the community through her art work and shared an Art Center was previously dedicated in her honor at the Martin Luther King, Jr. Center. In addition, Mayor Gibbons stated the members of the local Service League Group distributed cookies to City Hall, Caldwell UNC Health Care and

other businesses and mentioned they are also sending cards to the individuals at all of the health care facilities as a measure of goodwill during this time.

**COMMENDED FINANCE DEPARTMENT:**

- C. Mayor Gibbons commended Finance Director Donna Bean and Staff upon receiving a Certificate of Achievement for Excellence in Financial Reporting for 2019 from the Government Finance Officers Association (GFOA).

**II. MATTERS SCHEDULED FOR PUBLIC HEARINGS**

**TABLED; REZONING REQUEST;  
MELVIEW PLACE:**

- A. A public hearing was held to consider a Rezoning Request for a vacant lot located at the end of Melview Place, NCPIN#2738693845, to change the zoning from I-1 (Light Industrial) to R-R (Rural Residential) in order for the applicant to build a single family residence. Staff recommended approval based on the following Consistency Statement: The proposed zoning map amendment is consistent with the adopted Comprehensive Plan because it facilitates low-density residential construction in the Extra Territorial Jurisdiction (ETJ), and is consistent with the policy concepts found in the plan. The proposed map amendment is reasonable and in the public interest because it will preserve the rural character of the ETJ and prevent future intense uses in a low density area.

Mayor Gibbons opened the public hearing to receive public comments regarding the rezoning request.

Planning Director Jenny Wheelock referred to the submitted Staff Report and stated this property abuts the Lenoir Industrial Park and is currently zoned as industrial, but it should have been zoned as rural residential. Director Wheelock also clarified for Council the radius of the Extra Territorial Jurisdiction (ETJ) currently extends farther than the previous one mile radius due to property expansion. She informed Council the applicant is available via telephone for any questions Council may have.

The applicant stated she did not have any additional information to add, but she would answer any questions Council may have regarding the project.

There being no further public participation, Mayor Gibbons closed the public hearing and asked Council for action.

City Attorney Rohr informed Council that, due to the new legislation guidelines for remote meetings, City Council has to allow the general public twenty-four hours before the public hearing is held and twenty-four hours immediately following the public hearing in order to submit written comments. He further clarified the public has until the meeting date of May 26 (Committee of the Whole Meeting) to submit any written comments.

Planning Director Wheelock stated she included this provision in the notice that

was mailed out to the affected property owners that they may submit any written comments either electronically or drop them by City Hall, but pointed out she did not receive any.

As information, Planning Director Wheelock stated for the record citizens may contact her at [jwheelock@lenoir.nc.gov](mailto:jwheelock@lenoir.nc.gov) or via the City's website at [www.cityoflenoir.com/planning](http://www.cityoflenoir.com/planning) where her departmental contact information is also listed.

Following a brief discussion and upon a motion by Councilmember Willis, Council voted 7 to 0 to defer taking action on the Rezoning Request for property located on Melview Place until the Committee of the Whole meeting on Tuesday, May 26 in order to meet the new remote meeting guidelines regarding written comments. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

### III. CONSENT AGENDA ITEMS

- A. Upon a recommendation by City Manager Hildebran, the following Consent Agenda items were submitted for approval:
1. Minutes: Approval of the minutes of the City Council meeting of Monday, May 4, 2020 as submitted.
  2. PARTF Capital Project Budget Ordinance: Approval of a Capital Project Budget Ordinance to close out the Parks and Recreation Trust Fund Grant (PARTF) for the Optimist/Mulberry Park Project as submitted. (A copy of the capital project budget is hereby incorporated into these minutes by reference. Refer to page 98).

Upon a motion by Councilmember Stevens, Council voted 7 to 0 to approve the above listed items on the Consent Agenda as recommended by City Manager Hildebran. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

### IV. REQUESTS AND PETITIONS OF CITIZENS

### V. REPORTS OF BOARDS AND COMMISSIONS

#### **TABLED; FY2020-2024 UNIFOUR CONSORTIUM CONSOLIDATED PLAN & FY2020 ACTION PLAN FOR THE CITY OF LENOIR:**

- A. Rick Oxford, Plan Administrator, Western Piedmont Council of Governments, held the second of two public meetings to receive public comments regarding the proposed FY2020 Action Plan of the City of Lenoir and the Unifour HOME Consortium as part of the five-year Consolidated Plan. This plan, as required by the U.S. Department of Housing and Urban Development (DHUD), outlines goals and action plans of the City of Lenoir and the Unifour HOME Consortium and its

use of Community Development Block Grant (CDBG) and HOME funds for fiscal year 2020, beginning July 1, 2020 and ending June 30, 2021. The City of Lenoir serves as the Lead Entity for the Unifour Consortium. Copies of the plans are on file in the City Clerk's office.

Mr. Oxford briefly reviewed each plan and pointed out the requirements have changed for down payment assistance. Mr. Oxford explained applicants could previously apply for a \$5,000 down payment assistance loan, but now the plan is being modified where applicants may receive a loan up to 20% of the purchase price. The maximum purchase price is \$157,000 and applicants have to be at or below 80% of the area's medium income to qualify.

Mr. Oxford also informed Council Staff has budgeted 15% for program administration for the HOME Program, but they currently have the option to increase funds up to 25%. He stated Staff raised program administration by 5% for FY2019-2020. In addition, Mr. Oxford reported the City will receive \$146,288 for Community Development Block Grant (CDBG) and pointed out \$117,000 will be used for improvements at the former Lenoir High School facility and \$29,750 or 20% will be used for program administration.

Mr. Oxford also explained developers may apply for a low interest loan for multi-family housing projects. The developers design the project, finalize their funding and submit a letter of commitment for the project. If the project is funded, they may receive tax credits. The City of Lenoir currently has two multi-family housing projects that were funded.

Mr. Oxford recommended approval in order to submit the plans to the Department of Housing and Urban Development (DHUD) in order to meet their deadline for submission.

Upon a motion by Councilmember Willis, Council voted 7 to 0 to defer action until Tuesday, May 26 on the FY2020 Action Plan and the FY2020-2024 Unifour Consortium HOME Plan in order to comply with the remote meetings guidelines for public comments. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

### **ADDITIONAL ITEMS FOR COUNCIL ACTION**

#### **CITIZEN PARTICIPATION**

**PLAN:** 1. Rick Oxford, Plan Administrator, recommended approval of the Citizen Participation Plan as part of the Community Development Block Grant (CDBG) program.

Mr. Oxford informed Council approval of this plan allows the City to accept funds to be used for COVID-19 purposes. He stated the budget has been increased by \$86,056 and a new line item (Public Services) has been created to disperse these funds. City Manager Hildebran stated this money will be used to assist citizens with utility debt.

A copy of the plan is hereby incorporated into these minutes by reference. (Refer to pages 98-101).

Upon a motion by Councilmember Willis, Council voted 7 to 0 to approve the Citizen Participation Plan as described above and as recommended by Rick Oxford, WPGOG. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

**AMENDED 2019 CAPITAL PROJECT BUDGET  
ORDINANCE FOR THE 2019 UNIFOUR CONSORTIUM  
HOME PROGRAM**

3. Rick Oxford, Plan Administrator, recommended approval of a Capital Project Budget Ordinance in the amount of \$1,872,000.00 for the amended FY2019 Unifour Consortium HOME program as submitted.

A copy of the Capital Project Budget Ordinance is hereby incorporated into these minutes by reference. (Refer to pages 102-103).

Upon a motion by Councilmember Willis, Council voted 7 to 0 to approve the Amended FY2019 Capital Project Budget Ordinance in the amount of \$1,872,000.00 as described above and as recommended by Rick Oxford, Plan Administrator. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

**CAPITAL PROJECT BUDGET ORDINANCE;  
AMENDED FY2019 COMMUNITY DEVELOPMENT  
BLOCK GRANT: AND CDBG CORONAVIRUS FUNDS (CDBG-CV):**

4. Rick Oxford, Plan Administrator, recommended approval of a Capital Project Budget Ordinance Amendment to the FY2019 Community Development Block Grant (CDBG) in the amount of \$221,933.00 and the Community Development Block Grant Coronavirus Funds (CDBG-CV) as submitted by Rick Oxford, Plan Administrator.

A copy of the amended FY2019 CDBG Capital Project Budget Ordinance is hereby incorporated into these minutes by reference. (Refer to pages 104-105).

Upon a motion by Councilmember Willis, Council voted 7 to 0 to approve the amendment to the FY2019 Community Development Block Grant (CDBG) in the amount of \$221,933.00 and the Community Development Block Grant Coronavirus Funds (CDBG-CV) as submitted by Rick Oxford, Plan Administrator. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

**DEFERRED; CAPITAL PROJECT BUDGET ORDINANCE;  
FY2020 UNIFOUR CONSORTIUM HOME PROGRAM:**

5. Rick Oxford, Plan Administrator, recommended approval of a Capital Project Budget Ordinance in the amount of \$1,495,874.00 for the FY2020 Unifour Consortium HOME Program.

Upon a motion by Councilmember Perkins, Council voted 7 to 0 to defer action until Tuesday, May 26 of a Capital Project Budget Ordinance in the amount of \$1,495,874.00 for the FY2020 Unifour Consortium HOME Program as submitted by Rick Oxford, Plan Administrator. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference in order to comply with the new state statute.

**DEFERED; CAPITAL PROJECT BUDGET ORDINANCE;  
COMMUNITY DEVELOPMENT BLOCK GRANT:**

6. Rick Oxford, Plan Administrator, recommended that Council defer approval of a Capital Project Budget Ordinance in the amount of \$146,288.00 for the FY2020 Community Development Block Grant program.

Upon a motion by Councilmember Perkins, Council voted 7 to 0 to defer action until Tuesday, May 26 on a Capital Project Budget Ordinance in the amount of \$146,288.00 for the FY2020 Community Development Block Grant program as requested by Rick Oxford, Plan Administrator. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference in order to comply with the new state statute.

**VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER**

A. Items of Information

**BUDGET WORK**

**SESSION:** 1. City Council will conduct a Budget Work Session on Thursday, May 21 at 6:00 p.m. at City Hall, Third Floor, former Council Chambers. If necessary, additional budget work sessions are scheduled on Tuesday, May 26 at 8:30 a.m. at the Committee of the Whole meeting and on Thursday, May 28 at 6:00 p.m.

**HOLIDAY**

**CLOSING:** 2. City offices will be closed on Monday, May 25 in observance of Memorial Day.

**COMMITTEE OF THE**

**WHOLE:** 3. The Committee of the Whole will meet on Tuesday May 26 at 8:30 a.m. at City Hall, Third Floor, former Council Chambers.

**CANCELLED; Foothills Regional  
Airport Authority:**

4. The Foothills Regional Airport Authority cancelled its meeting of Wednesday, May 27.

## **LENOIR BUSINESS ADVISORY**

**BOARD:** 5. The Lenoir Business Advisory Board will conduct a Zoom meeting on Thursday, May 28 at 6:00 p.m.

### **B. ITEMS FOR COUNCIL ACTION**

#### **FY2020-2021 ANNUAL RECOMMENDED**

##### **BUDGET:**

1. City Manager Scott Hildebran presented the FY2020-2021 Recommended Annual Budget to City Council and suggested that Council call for a public hearing to be held on Tuesday, June 2 for consideration of adoption of the proposed budget.

A copy of the power point presentation is hereby incorporated into these minutes by reference. (Refer to pages 106-122).

The budget is comprised of General Fund of \$17,830,516 and is balanced with the current property tax rate of \$0.58 per \$100 of assessed property value and the current Rescue Readiness Tax of \$0.0085 per \$100 of assessed property value. All of the General Fund charges/fees remain unchanged. Mr. Hildebran reported the recommended budget appropriates \$400,000 from Fund Balance to balance the proposed budget, but maintains a General Fund Balance of approximately 48%, which is double the City Council's goal of 24%.

Mr. Hildebran stated the budget is based on realistic revenue projections and addresses all of Council's priorities from the Strategic Planning Retreat in February which are as follows:

1. Employee Compensation (Council's #1 priority)
2. Housing
3. Community Beautification
4. Healthy Infrastructure
5. Economic Development
6. Public Engagement

Mr. Hildebran emphasized the budget funds all debt obligations and pointed out this is the City's eight straight year without a tax increase. He further reported there is a 6% increase in premiums for the City's health insurance, while maintaining current plan benefit levels. In addition, the cost of property/liability and workers' compensation insurance will be relatively flat.

The budget increases funding for street resurfacing to \$390,000 subject to N.C. Powell Bill allocations and includes an additional \$100,000 for roads/bridges. Also, funding for sidewalks/greenways/trails has been increased by \$50,000 and code enforcement by \$18,710. In addition, the budget includes funding for IT upgrades, metering infrastructure and environmental items such as year two (2) of the WPCOG management of the City's stormwater program, implementation of automated garbage collection, EPA Brownfields and ARC grants plus continues the Biosolid project at the Wastewater Treatment Plant and the upcoming Smith Crossroads Sewer Project.

The following items are included in General Fund Capital:

- Police Department -4 Patrol Cars, 2 Used Detective Cars, and an Ice Machine
- Fire Department – 3 Quick Response Vehicles & 4 SCBAs
- Public Works – 2 Replacement Trucks
- Building Repairs – Fire Station #2, Police Department, Aquatic Center
- Financing - \$365,000 installment package for capital items.

Water/Sewer Capital

- Major Pressure Release Valve Vault
- Hudson System Water Valve Installations
- Sewer Camera Replacement
- Replacement Vehicles (2)

The proposed Water/Sewer Fund budget totals \$8,581,300 and maintains the current water and sewer rates. All other Water/Sewer Fund charges/fees are unchanged. The Consumer Price Index – South Region for All Urban Consumers over the past 12 month period is 1.9% (February 2020) which is a benchmark the City uses in determining its utility rates. The budget also includes a 3.0% Cost of Living Raise (COLA) for City employees effective January 1, 2021. The implementation of the COLA will be re-evaluated later in 2020 to determine if it is feasible based on the impact of COVID-19. Also, the budget funds the required 1.2% increase for the Local Government Retirement System. The General Fund includes traditional City services such as police and fire, planning and zoning, parks, recreation, and public works which provide services such as trash pickup, street maintenance and brush collection.

The City is required to have its budget adopted by July 1, 2020 in order to establish its legal spending limits. The budget is available online at [www.cityoflenoir.com](http://www.cityoflenoir.com) for public inspection.

Mr. Hildebran reiterated the proposed budget addresses Council’s 2020 goals and priorities that were established at the February Budget Retreat without raising taxes. City Manager Hildebran also stated that the City’s primary goal, each and every day, via our employee-led customer service initiative, remains to provide “Service Beyond Measure.”

Mr. Hildebran thanked Finance Director Donna Bean, Department Directors, and Team Lenoir for all of their hard work in compiling the budget and also thanked City Council for their leadership. A Budget Work Session is scheduled for Thursday, May 21 at 6:00 p.m. at City Hall, Third Floor, former Council Chambers.

Upon a motion by Perdue, Council voted 7 to 0 to schedule a public hearing on Tuesday, June 2 for consideration of approval for the recommended FY2020-2021 Annual Budget as presented by City Manager Hildebran. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

## **VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY**

## **VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR**

**BOARD RE-APPOINTMENTS:**

- A. Mayor Gibbons presented the following individuals for consideration of re-appointment to the City's Authorities/Boards/Commissions. These re-appointments were announced at the May 4 City Council meeting.

<u>Lenoir Business Advisory Board</u>	<u>Term</u>
Mark Transou	4-year
<u>Parks &amp; Recreation Advisory Board</u>	
Darrell Lipford	2-year
<u>Foothills Regional Airport Authority</u>	
Charles Thomas	2-year

Upon a motion by Councilmember Stevens, Council voted 7 to 0 to approve the above list of re-appointments to the City's Authorities/Boards/Commissions as recommended by Mayor Gibbons. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

**IX. REPORT AND RECOMMENDATIONS OF COUNCIL MEMBERS**

**DELEGATE/ALTERNATE DELEGATE;  
NCLM CITY VISION VIRTUAL SUMMIT:**

- A. City Council will appoint a Delegate and Alternate Delegate to represent the City of Lenoir via teleconference at the annual Business Meeting of the North Carolina League of Municipalities' City Vision Virtual Summit on Thursday, May 28 from 10:00 a.m. – 12:00 p.m.

Upon a motion by Mayor Pro-Tem Thomas, Council voted 7 to 0 to appoint Councilmember Ben Willis to serve as the Delegate and Mayor Joe Gibbons to serve as the Alternate Delegate at the NCLM's City Vision Virtual Summit on Thursday, May 28 as requested by the NCLM. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Beal and Prestwood participating via teleconference.

**CLOSED SESSION:**

- B. Pursuant to N.C.G.S. §143-318.11(a), (3), and upon a motion by Councilmember Stevens, Council voted 7 to 0 to enter into closed session to consult with the City Attorney.

**OPEN SESSION:**

- C. Upon a motion by Councilmember Prestwood, Council voted unanimously to re-enter into open session.

**X. ADJOURNMENT**

- A. There being no further business, the meeting was adjourned at 8:15 p.m.

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Shirley M. Cannon, City Clerk

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Joseph L. Gibbons, Mayor

**ORDINANCE #2020-11**

**CAPITAL PROJECT BUDGET ORDINANCE TO CLOSE CAPITAL PROJECT  
FOR THE CITY OF LENOIR**

**WHEREAS**, the City Council of the City of Lenoir has adopted a Budget Ordinance for fiscal year beginning July 1, 2019, and ending June 30, 2020, in accordance with the General Statutes of the State of North Carolina, and

**WHEREAS**, the City Council desires to recognize the completion of the following Capital Project and

**WHEREAS**, The City adopted the Capital Project Budget Ordinance for the PARTF Grant on the 6<sup>TH</sup> day of June, 2017 with a total project budget of \$427,200.00. This project was complete as of April, 2020 with total expenditures of \$426,817.93. There were \$382.07 in excess funds and,

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LENOIR, NORTH CAROLINA, THAT:**

The Capital Project Budget Ordinance for the PARTF Grant be closed.

Adopted this 19th day of May, 2020.

SEAL

\_\_\_\_\_  
Joseph L. Gibbons, Mayor

ATTEST:

\_\_\_\_\_  
Shirley M. Cannon, City Clerk

CITY OF LENOIR  
CITIZEN PARTICIPATION PLAN

The City of Lenoir provides for and encourages citizen participation in the development and implementation of the Consolidated Plans, Action Plans, any Substantial Amendments and Consolidated Annual Performance Reports. Particular emphasis is placed on participation by persons of low and moderate income who are residents of low and moderate income neighborhoods and/or slum and blighted areas.

The City of Lenoir provides citizens with reasonable and timely access to local information and records relating to the grantee's proposed use of Community Development Block Grant, HOME and other HUD funds. This is done through public meetings of the City which are advertised in a local newspaper of general circulation. Meetings will be held within the City limits in or near areas identified as slum and blighted areas and areas of predominately low and moderate income residents. *In emergency situations such as the global COVID-19 pandemic, an expedited procedure may be enacted. In-person public hearings are not required. The City of Lenoir may meet public hearing requirements with virtual public meetings if: 1) national/local health authorities recommend social distancing and limiting public gatherings for public health reasons; and 2) virtual hearing provide reasonable notification and access for citizens in accordance with the City's certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses.*

The City of Lenoir provides for public hearings to obtain citizens' views and to respond to proposals and questions at all stages of the Consolidated Plan thru the citizen participation plan, including the development of the Consolidated Plan, Annual Action Plan and any Substantial Amendments and review of program performance. Adequate notice is given for these meetings at times and locations convenient to potential or actual beneficiaries, with accommodation for persons with disabilities. Every published advertisement issued by the City of Lenoir has the HUD, EEO and Fair Housing logos included. Two public hearings will be held per year to obtain resident's view and to respond to proposals and questions for the Consolidated Plan and/or Action Plan. Each of public hearing for will be advertised in News Topic 10 days prior. There will be a 30 day comment period prior to the submission of the Consolidated Plan, and/or Action Plan. *In emergency situations such as the global COVID-19 pandemic, an expedited procedure may be enacted. The expedited procedure must include notice and reasonable opportunity to comment of no less than 5 days. The 5-day period can run concurrently for comments on the annual action plan amendment and amended citizen participation plan. Also public hearings in emergency situations will not be required to amend plans substantially.*

Copies of the consolidated plan will be made available at libraries, government offices and public housing authority offices within the City. Copies of the plan and the summary will be available upon request to citizens and groups upon request. A period of 30 days will be provided to receive comments from citizens on the consolidated plan. The City of Lenoir will consider any comments or views in writing, or orally, received at the public hearing in preparing the consolidated plan, and such comments will be attached to the final consolidated plan. Timely access will be provided to citizens, public agencies and other interested parties to information relating to the consolidated plan. Prior to adoption of the Consolidated Plan or amendments, the

City will make available to citizens, public agencies and other interested parties 1) the amount of assistance available, 2) the range of activities that may be undertaken, 3) the estimated amount that will benefit low and moderate income persons, 4) plans to minimize displacement of persons, 5) the plan to assist any person displaced with types and levels of assistance, and 6) how and when this information will be made available.

In order to comply with the requirements of Section 104(d) of the Housing and Community Development Act of 1974, the City of Lenoir intends to minimize any displacement resulting from any HUD activities. However, should any displacement occur as a result of a HUD activity, the City intends to follow the regulations for displacement and relocation as described in 24 CFR 570.606. Should any real property acquisition result because of a HUD assisted activity, the guidelines of 49 CFR part 24 subpart b will be followed.

The City of Lenoir will provide a translator for non-English speaking residents in the case of public hearings when the City is notified that any non-English speaking resident will attend the public hearing. An interpreter will be provided for hearing-impaired residents.

An annual audit will be performed to examine the use of CDBG and HOME funds by the City. This audit report will be available for public inspection.

Amendments to the Consolidated Plan. A public hearing will be conducted whenever amendments are proposed which add, delete or substantially change the adopted consolidated plan. Proposed amendments to the plan will be advertised in the News Topic, setting the time, date and place of the public hearing. A period of 30 days will be provided to receive public comments. A change to the consolidated plan of 25% or more of the total budget is considered substantial. *In emergency situations such as the global COVID-19 pandemic, an expedited procedure may be enacted. The expedited procedure must include notice and reasonable opportunity to comment of no less than 5 days. The 5-day period can run concurrently for comments on the annual action plan amendment and amended citizen participation plan. Also public hearings in emergency situations will not be required to amend plans substantially.*

Annual Performance Reports. A public hearing will be conducted prior to submission of the annual performance report. This public hearing will be advertised in the News Topic, setting the time, date and place of the public hearing. A period of 15 days will be provided to receive public comments..

Record of Public Comments. The City will maintain on file an accurate record of comments made in reference to any stage of consolidated plan development, amendment and annual performance review.

Access to Records. Records regarding the Consolidated Plan and subsequent Action Plans and use of funds shall be maintained on file at the City of Lenoir Community Development Office for a period of not less than five years. This records are available for public inspection upon request during regular City business hours.

Technical Assistance. The City of Lenoir Community Development Office provides technical assistance to groups representative of persons of low and moderate income that request such

assistance. This assistance includes speaking at community meetings to inform persons of available grants and assistance. The Community Development Office works closely with and encourages the participation of residents of public and assisted housing developments. Notices encouraging participation from residents of public and assisted housing are placed in public housing offices and in public buildings located in identified low-income areas. The City of Lenoir provides information and applications to local citizens interested in these programs

Complaints. The City will be responsible for receiving and responding in writing to written complaints and grievances related to the consolidated plan activities. City staff shall respond to written complaints and grievances in writing within 15 days where practicable.

### **Fair Housing Plan Activities**

The City of Lenoir is committed to affirmatively further fair housing, increasing awareness of Fair Housing laws. The City has developed an Analysis of Impediments, which the City updates every five years. The City is committed to addressing the issues identified in that analysis and will continue to implement its plan to affirmatively further Fair Housing opportunities. Since education and awareness of Fair Housing laws were identified as the primary impediment to fair housing, education and awareness efforts are at the core of the Fair Housing activities as identified in the Fair Housing Plan activities listed below.

The City of Lenoir Community Development Department has determined a list of actions that will assist in affirmatively furthering fair housing in its jurisdiction. The City will take an active role through the following activities as it strives to meet its Consolidated Plan and Annual Action Plan goals:

- Distribution of posters and flyers concerning fair housing rights and laws
- Make renters aware of their rights as renters.
- Public service announcements on local radio and local cable access.
- Advertising in the local newspaper, News Topic
- Providing local banking institutions and realtors with fair housing information and laws to share with their customers.
- Participating in the Unifour Consortium HOME Program, which assists low and moderate-income persons with down payment assistance.
- Participating in the Unifour Consortium HOME Program, which assists CHDO's provide new housing opportunities for low and moderate-income home buyers.
- Work with Multi-Family developers which create new rental housing opportunities for low and moderate-income persons.
- Education of housing rights and housing responsibilities through flyers translated into Spanish for our Hispanic population.
- Assisting with the development of a homeless shelter to provide housing opportunities for the homeless.
- Actively encouraging handicap accessible along sidewalks to provide equal access to the city for the handicap and disabled persons of Lenoir.
- Promoting and installing new pedestrian access to schools and shopping from low and moderate-income neighborhood.

- Conducting Fair Housing information meetings.

Distribution of posters and flyers serve several purposes. It allows the City staff the opportunity to speak with individual concerning housing rights and also the opportunity to meet the people involved with the housing market. This media was created to educate and to inform residents about their rights and what they can do if they feel they have been discriminated against.

Public service announcements and advertisements give more residents the opportunity to find out about fair housing law and recourses in the event of discrimination. Similarly, the contacts made with lenders and realtors afford the staff the opportunity to meet these individuals and create communication. This communication allows for a better understanding on everyone's part of the importance of furthering fair housing through the actions that are taken on a personal level. For every one on one meeting there is a better chance that fair housing will be a greater possibility for one more person. The City's commitment to furthering fair housing has led to the funding and construction of several Low Income Housing Tax Credit Apartment projects that provide quality rental housing for low and moderate tenants. This commitment has also aided in the creation of the Unifour Consortium HOME Program that provides down payment assistance to low and moderate-income persons and families.

The City of Lenoir's efforts to affirmatively further fair housing and to provide affordable housing work together. Every effort is made to adopt and follow policies, which will achieve both goals. The staff is always ready to investigate complaints as well as suggestions in regard to housing opportunities. It is a goal of the City to make housing a free and meaningful choice for all residents of Lenoir.

The City of Lenoir will affirmatively further fair housing through a quarterly activity that involves fair housing in one way or another. Education concerning fair housing is the best tool in breaking the barriers of fair housing.

The Fair Housing Information Meetings provides information to realtors, banks and the public concerning Fair Housing Laws and the Rights of people.

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Joseph L. Gibbons, Mayor, City of Lenoir

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Date

CITY OF LENOIR  
AMENDED  
2019 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
&  
COMMUNITY DEVELOPMENT BLOCK GRANT CORONAVIRUS FUNDS (CDBG-CV)  
CAPITAL PROJECT BUDGET ORDINANCE

Be it ordained by the City Council of the City of Lenoir that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

Section 1. The project authorized is the Community Development Project described in the work statement contained in the Grant Agreement (#B-19-MC-37-0022) between this unit and the United States Department of Housing and Urban Development. This project is more familiarly known as the FY-2019 CDBG Entitlement Program.

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the DHUD and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete the project:

Revenues

Community Development Block Grant (CDBG)	\$135,877
Community Development Block Grant Coronavirus (CDBG-CV)	<u>86,056</u>
Total Revenues	\$221,933

Section 4. The following amounts are appropriated for the project:

Expenditures

Pubic Facilities (Lenoir High School)	\$108,702
Program Administration	27,175
Pubic Services (CDBG-CV)	<u>86,056</u>
Total Expenditures	\$221,933

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State

regulations.

Section 6. Funds may be advanced from the General Funds for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future cost and revenues on this grant project in every budget submission made to this Board.

Section 9. Copies of this grant project ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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Joseph L. Gibbons, Mayor

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Shirley M. Cannon, City Clerk

CITY OF LENOIR  
AMENDED 2019 UNIFOUR CONSORTIUM HOME PROGRAM  
CAPITAL PROJECT BUDGET ORDINANCE

Be it ordained by the City Council of the City of Lenoir that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

Section 1. The project authorized is the HOME project described in the work statement contained in the Grant Agreement (#M19-DC370208) between this unit and the United States Department of Housing and Urban Development. This project is more familiarly known as the FY-2019 Unifour Consortium HOME Program (City of Lenoir, is the lead entity).

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the DHUD and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Original	Change	New
Revenue from HOME Grant	\$1,102,000		\$1,102,000
Anticipated Program Income	350,000	+ 420,000	770,000
Total Revenues	\$1,452,000		\$1,872,000

Section 4. The following amounts are appropriated for the project:

Down Payment Assistance HOME Funds	\$ 312,500		\$ 312,500
Down Payment Assistance (PI)	50,000		50,000
HOME CHDO	165,300	+ 241,700	407,000
CHDO Operating Expense	0	+ 80,000	80,000
Multi-Family Housing	514,000	- 27,300	486,700
New Construction City Hickory	300,000		300,000
Program Income Admin	0	+ 70,500	70,500
General Program Administration	110,200	+ 55,100	165,300
Total Expenditures	\$1,452,000	+\$420,000	\$1,872,000

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State regulations.

Section 6. Funds may be advanced from the General Funds for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future cost and revenues on this grant project in every budget submission made to this Board.

Section 9. Copies of this grant project ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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Joseph L. Gibbons, Mayor

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Shirley M. Cannon, City Clerk

# 2020-2021 BUDGET PRESENTATION

SCOTT HILDEBRAN, CITY MANAGER



**LENOIR**  
NORTH CAROLINA



# 2020 PRIORITIES

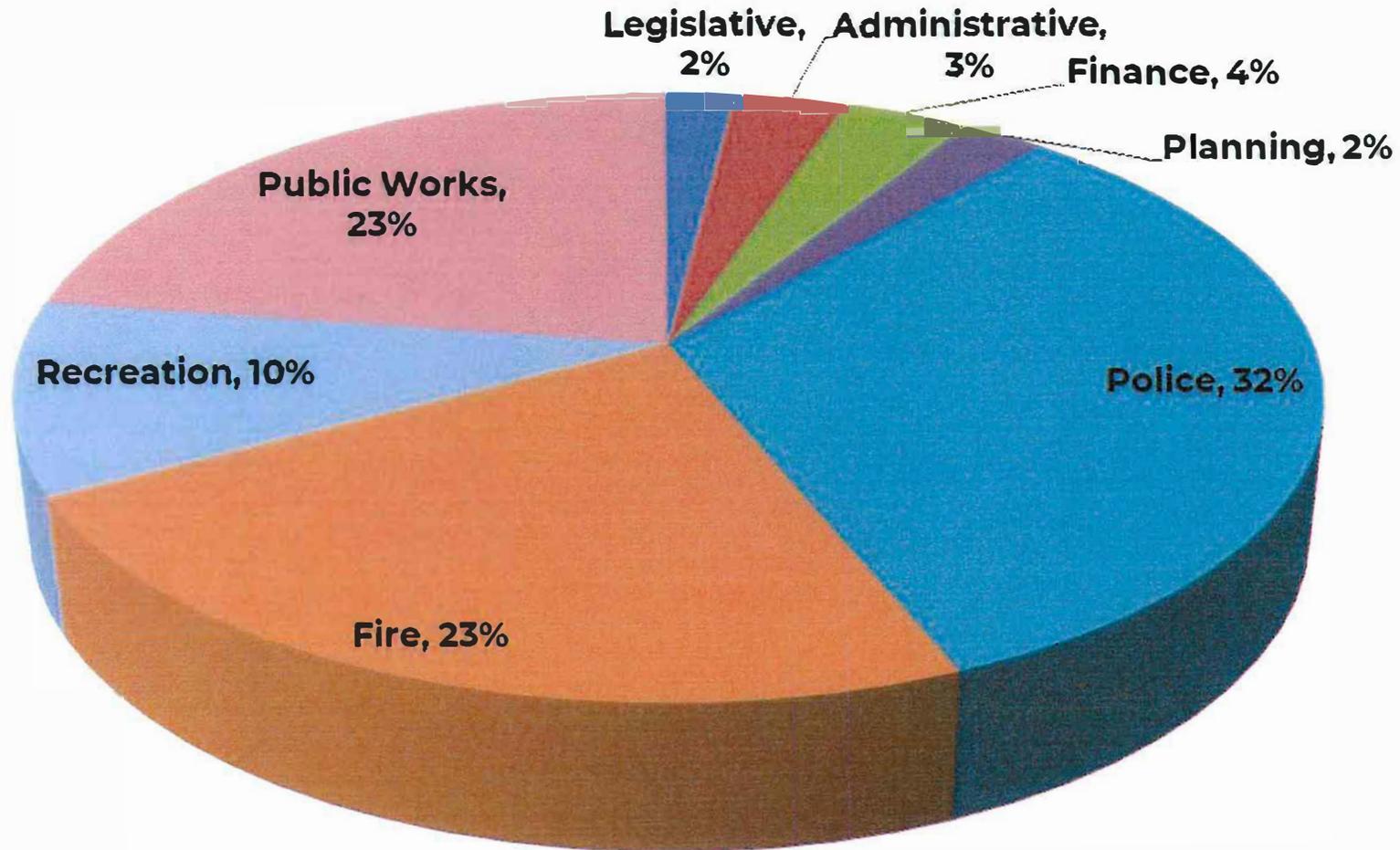
1. Employee Compensation
2. Housing
3. Community Beautification
4. Healthy Infrastructure
5. Economic Development
6. Public Engagement

# GENERAL FUND

**\$17,830,516**

- Budget is balanced, addresses Council goals
- ***No Tax Increase***
- Tax rate - \$0.58 per \$100
- Rescue Readiness Tax - \$.0085 per \$100
- All other General Fund fees unchanged

# GENERAL FUND BY %

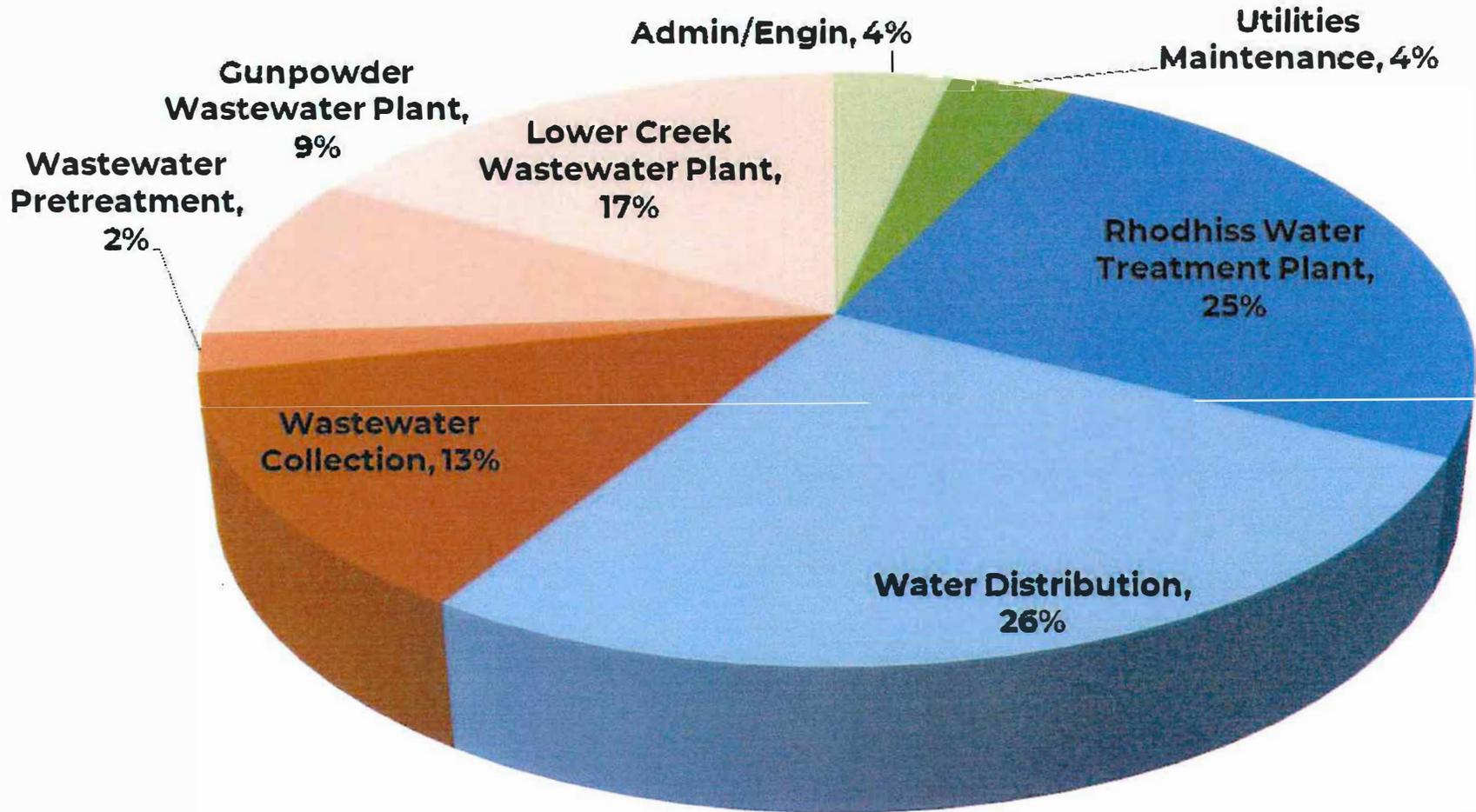


# WATER/WASTEWATER FUND

**\$8,581,300**

- Maintains current rates
- No increases in fees or charges

# WATER / WASTEWATER BY %



# HIGHLIGHTS

- Budget based on realistic revenue projections
- **Employee Compensation**  
Council's #1 priority
  - Includes 3% COLA in January 2021 to be evaluated later this year
  - Funds 1.2% increase required for the Local Government Retirement System
- **Health Insurance:** 6 % increases in premiums, while maintaining current plan benefit levels

# HIGHLIGHTS

- Cost of property/liability and workers' compensation insurance will be relatively flat
- **Street Resurfacing**
  - Increases funding to \$390,000, subject to N.C. Powell Bill
  - Includes an additional \$100,000 for roads/bridges

# HIGHLIGHTS

- **Downtown Lenoir:** Allocates CDBG funds to continue improvements on the Lenoir High School Auditorium, Gym and Mack Cook Stadium
- **Fiduciary Responsibility:** Appropriates \$400,000 from fund balance, but maintains a General Fund balance of approximately 48%, double the City Council's 24% goal.

# HIGHLIGHTS

- **Sidewalks/Greenways/Trails:** Increases funding by \$50,000 to \$125,000
- **Code Enforcement:**
  - Budget includes a 49%, or \$18,710 increase, in support of code enforcement activities.
  - \$34,710 toward building demolition
  - \$20,000 toward nuisance removal
  - \$2,000 in foreclosure expenses

# HIGHLIGHTS

- **Technology:**
  - Continues IT upgrades
  - Funds advanced metering infrastructure
- **Environmental:**
  - Funds year 2 of WPCOG management of stormwater program
  - Fully implements automated garbage collection
  - Funds EPA Brownfields and ARC grants
  - Continues Biosolids project at wastewater treatment plant & upcoming Smith Crossroads Sewer Project

# HIGHLIGHTS

- **The budget also funds all debt obligations**



# GENERAL FUND CAPITAL

**Police:** Patrol Cars (4), Detective Cars – Used (2), Ice machine

**Fire:** Quick Response Vehicles (3) & SCBAs (4)

**Public Works:** Replacement Trucks (2)

**Building Repairs:** Fire Station #2, Police Department, Aquatic Center

**Parks & Recreation:** Mower for greenway

**Financing:** \$365,000 installment package for capital items

# WATER/SEWER CAPITAL

- Major Pressure Release Valve Vault
- Hudson System Water Valve Installations
- Sewer Camera Replacement
- Replacement Vehicles (2)

# SUMMARY

Our primary goal, each and every day, via our employee-led customer service initiative, remains to provide “Service Beyond Measure.”



# THANK YOU

- Donna Bean, Finance Director
- Department Directors
- Team Lenoir
- City Council



# NEXT STEPS

- Budget Work Session, May 21, 6:00 pm
- Committee of the Whole, May 26, 8:30 am
- Public Hearing, June 2, 6:00 pm
- Budget proposal online at  
[www.cityoflenoir.com/budgetproposal](http://www.cityoflenoir.com/budgetproposal)

**CITY OF LENOIR**  
**COUNCIL ACTION FORM**

**I. Agenda Item:**

**Budget Amendments - Request for amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2020**

**II. Background Information:**

**Request for amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2020 as follows:**

- **Budget Amendment 2020-12 -1 Allocate funding for Economic Development Grants received for CMH in the amount of \$196,683.04. Funds were received in this fiscal year.**
  
- **Budget Amendment 2020-12 -2 - Amend the original budget requests for FY 2019-2020. The appropriations will have no impact on the fund balance.**

**Staff Recommendation:**

**Approve as requested**

**III. Reviewed by:**

**City Attorney:**

**Finance Director:** *O'Bean*

**Public Works/Public Utilities Director:**

**Planning Director:**

**Recreation Director:**

**2019-2020 Fiscal Year  
Budget Amendment Ordinance 2020-12  
2-Jun-20**

Request for amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2020 as follows:

**Section 1. To amend the General Fund - the appropriations are to be changed as follows:**

**Item 1: Allocate funding for Economic Development Grants received for Caldwell Memorial Hospital. Funds were received in this fiscal year.**

Acct. No.		Decrease	Increase
10-00-3326-200	Rural Center Grant Revenue		196,683.04
10-00-4110-690	Economic Development		196,683.04
	<b>Net increase in appropriation to the General Fund for this item</b>		<b>196,683.04</b>
<b>Total Change to the General Fund</b>		<b>Decrease</b>	<b>Increase</b>
			<b>196,683.04</b>

**Section 2. To amend the original budget requests for FY 2019-2020. The appropriations are to be changed as follows:**

**Item 1: Adjustments to the General Fund with a zero net effect.**

Account Number	Department	Decrease	Increase
4110	LEG		20,000.00
4120	ADMINISTRATIVE		40,000.00
4130	FINANCE		15,000.00
4310	POLICE SUPPORT	25,000.00	
4311	POLICE DET.	25,000.00	
4312	POLICE PATROL	35,000.00	
4341	FIRE SUPPRESSION	25,000.00	
4511	STREET MAINT	25,000.00	
4740	CEMETERIES		30,000.00
6123	MLK		15,000.00
6130	PARKS		5,000.00
4920	DOWNTOWN		10,000.00
	<b>Total Increases/Decreases</b>	<b>135,000.00</b>	<b>135,000.00</b>
<b>Net Effect to General Fund</b>		<b>-</b>	<b>-</b>



# June 2020



Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2 6:00 p.m. City Council	3 9:00 a.m. Staff Mtg.	4	5 7:00 p.m. - 8:00 p.m. Virtual Concert FracXured	6
7	8 11:45 a.m. City/County Services Committee	9 8:00 a.m. EDC	10	11	12	13
14	15	16 6:00 p.m. City Council	17 9:00 a.m. Staff Mtg.	18	19 7:00 p.m. - 8:00 p.m. Virtual Concert J.J. Hipps & the Hideway Blues	20
21	22 5:30 p.m. Planning Board	23 8:30 a.m. Committee of the Whole	24	25	26	27
28	29	30				
30	<b>Notes for July</b> <b>City offices will be closed on Friday, July 3 in observance of Independence Day.</b>					

City of Lenoir  
P.O. Box 958  
Lenoir, N.C. 28645  
www.cityoflenoir.com  
757-2200 / 757-2162 fax

Joseph L. Gibbons, Mayor  
Scott E. Hildebran, City Manager  
Shirley M. Cannon, City Clerk