

**LENOIR CITY COUNCIL  
 TUESDAY, JUNE 2, 2020  
 6:00 P.M.**

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

Staff present was Communications Director Joshua Harris.

**VIA TELECONFERENCE:**

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

Department Directors participating via teleconference were Fire Chief Ken Hair, Police Chief Brent Phelps, Recreation Director Kenny Story, Planning Technician Hannah Williams, 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:** B. On behalf of City Council, Mayor Gibbons thanked all Emergency Services Personnel, Fire and Police Department Staff along with the Sheriff's Department for all their hard work in keeping our community safe during these uncertain times. Mayor Gibbons further expressed appreciation to all healthcare workers, agencies, firefighters, police officers and City Staff who are working on the front lines during this crisis. Mayor Gibbons also asked everyone to continue following the protocols of wearing masks, hand washing, and social distancing in order to be as safe as possible at this time.

**EXPRESSION OF SYMPATHY;  
 FAMILY OF GEORGE FLOYD:**

C. On behalf of City Council, Mayor Gibbons asked everyone to keep the family of George Floyd in their thoughts and prayers due to his tragic and unnecessary death that occurred in Minneapolis, Minnesota. Mayor Gibbons further advised everyone to be as safe as possible and keep Mr. Floyd's memory in the right perspective.

**EXPRESSION OF SYMPATHY;  
 FAMILY OF SHANE CASSAVAUGH:**

D. On behalf of City Council, Mayor Gibbons asked everyone to keep the family of Shane Cassavaugh in their thoughts and prayers. Mr. Cassavaugh passed away due to a motor bike accident and was a student at Hibriten High School.

**GENERAL INFORMATION:**

- E. Mayor Gibbons wished Mrs. Ernestine Shade a Happy Birthday and stated she will be turning 93 years old this weekend. He stated Mrs. Shade was a great citizen and supporter of the community. A drive-by celebration is planned this weekend for Mrs. Shade.
- F. Mayor Gibbons reported the new scoreboard has been installed at Walker Stadium in Lenoir. The field will be home to the Cobras of Caldwell Community College & Technical Institute (CCC&TI). Also, Foothills Performing Arts will be using the auditorium at the former Lenoir High School (LHS) for plays and other events in the near future.

**II. MATTERS SCHEDULED FOR PUBLIC HEARINGS****FY2020-2021 RECOMMENDED****BUDGET:**

- A. A public hearing was 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.

Mayor Gibbons opened the public hearing to receive public comments regarding the proposed budget.

A copy of the Budget Ordinance is hereby incorporated into these minutes by reference. (Refer to pages 91-94).

City Manager Hildebran stated the budget is comprised of General Fund, \$17,830,516, Special District Fund, \$183,738, Tourism Development Fund, \$50,000, and Water/Sewer Fund, \$8,851,300 for a total budget of \$26,645,554. The current property tax rate of \$0.58 per \$100 valuation and the Rescue Readiness Tax of \$0.0085 per \$100 valuation remain unchanged. All other General Fund fees also remain unchanged. There will also not be an increase in the City's current water and sewer rates.

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

City Manager Hildebran recommended that Council defer taking action until the Committee of the Whole meeting scheduled for Tuesday, June 23 in order to comply with the new state statute allowing citizens the opportunity to submit any written comments for 24 hours after the close of the public hearing.

Upon a motion by Councilmember Perdue, Council voted 7 to 0 to defer action for the FY2020-2021 Recommended Budget until the June 23 Committee of the Whole in order to comply with the new state guidelines for remote meetings as described above and as recommended by City Manager Hildebran. **Note:** Mayor Gibbons took a roll call of the votes due to Mayor Pro-Tem Thomas, Councilmembers Jonathan Beal and Ben Willis 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 19, 2020 as submitted.
  2. 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.
  3. Budget Amendments: Staff recommends approval of amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2020 as follows:
    - A. Budget Amendment 2020-12-1: Allocate funding for Economic Development Grants for Caldwell UNC Healthcare in the amount of \$196,683.04. Funds were received in this fiscal year.
    - B. 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. (A copy of the list of the budget amendments is hereby incorporated into these minutes by reference. Refer to page 95).

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 vote due to Mayor Pro-Tem Crissy Thomas, Councilmembers Jonathan Beal and Ben Willis participating via teleconference.

### IV. REQUESTS AND PETITIONS OF CITIZENS

### V. REPORTS OF BOARDS AND COMMISSIONS

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

#### A. Items of Information

#### **CITY/COUNTY SERVICES**

**COMMITTEE:** 1. The City/County Services Committee will conduct a teleconference meeting on Monday, June 8 at 11:45 a.m.

**EDC:** 2. The Caldwell County Economic Development Commission will conduct a teleconference meeting on Tuesday, June 9 at 8:00 a.m.

#### **SUMMER MUSICAL MADNESS VIRTUAL**

**EVENTS:** 3. The band FraXured will host a virtual Summer Music Madness concert on Friday, June 5 from 7:00 p.m. until 8:00 p.m. The band J.J. Hipps & the Hiway 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**

A. There being no further business, the meeting was adjourned at 6:21 p.m.

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Shirley M. Cannon, City Clerk

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Joseph L. Gibbons, Mayor

**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.

<u>Fund</u>	<u>Estimated Revenues</u>	<u>Fund Balance Appropriated</u>	<u>Total Budget</u>	<u>Appropriated</u>
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
Rhodhiss 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  
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**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

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**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**

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Joseph L. Gibbons, Mayor

**ATTEST:**

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Shirley M. Cannon, City Clerk

**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
	Net increase in appropriation to the General Fund for this item		196,683.04
<b>Total Change to the General Fund</b>		<b>Decrease</b>	<b>Increase</b>
			196,683.04

**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	ADMINSTRATIVE		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
	Total Increases/Decreases	135,000.00	135,000.00
<b>Net Effect to General Fund</b>		-	-