

## **Town of Lake Santeetlah**

### **Council Meeting Minutes**

**January 9, 2024**

Mayor Simon called the meeting to order at 12:00 PM. Councilmembers Kevin Haag, Keith Predmore, and Ralph Strunk were present for the meeting. Town Administrator Kim Matheson, Town Clerk Kala Farley, and Town Technician Scott Kamps were also present. Attorney Craig Justice was available via Zoom. Jim Hager was not present.

Kevin Haag offered an Invocation and led the Pledge of Allegiance.

**Approval of the Agenda:** Mayor Simon said there were some changes to be made to the Agenda. Old Business #4 Update on Internet will be postponed until the February Council meeting. New Business #5 Resolution to change Tourism Development Authority Occupancy Tax from 0% to 3% will be postponed and Attorney Craig Justice will report on that. New Business #6 Appointment of new TDA Board members will be addressed at the February Council Meeting. Haag made a motion to approve the agenda with those changes. Predmore seconded. All approved. The motion passed unanimously.

**Approval of the December 14, 2023 Council Meeting Minutes:** Predmore made a motion to accept the December 14, 2023 Council Meeting Minutes. Strunk Seconded. All approved. The motion passed unanimously.

**Financial/Tax Report as of December 2023:** Matheson reported that the Town received the \$72,697 from the Golden Leaf and the tax collection was a little over \$80,000.

**Report on FY2022-23 Audit, Shannon Dennison:** Dennison presented the audit and stated This is for year end, June 30th, 2023. I'm pleased to announce you guys have an unmodified opinion on your financial statements. That's the best opinion that you can receive on an audit. Your general fund has an unassigned fund balance of \$400,550. Your capital reserve road fund had a fund balance of \$20,029. That is a new fund for this year for 2023 that was established to be able to keep track of funds that are reserved for road paving. Your general fund last year had about \$418,000 in revenue, About \$358,000 in expenses. And then there were a couple of transfers and whatnot. So your change in fund balance was \$75,000 to the good. So, you went from \$333,000 to \$408,000 in fund balance, which is positive

direction. That basically means that you saved a little bit more than you spent, but nothing substantial. Pleased to announce, and looking compared to your budget, did not have any expenditures that exceeded budget either for the town or the TDA. So that was good for the year. Everything that the Town Council approved, everything came within those budgeted limits. On the water fund, I did not mention the fund balance for that, we look at that a little bit different. We look at it from a cash basis. With your size, your kind of able to look at everything as from the cash balance in your bank account because it doesn't change too much, but, from the Town's cash on the water fund, you saved \$3401.00, so again came very close to kind of spending exactly what was collected. You have \$86,405.00 in the bank account from the book cash balance as of June 30th. The TDA collected \$2816 in residual funds, kind of carry over at the beginning of last fiscal year. Spent \$13,477. So change in fund balance was \$10,661.00, and ending fund balance is \$14,918 in the TDA. And everything was clean. The only note that we had this year is that the finance officer bond for the town was good for the year, but it did lapse for the TDA, the TDA Finance Officer has to have a separate bond from the Town Finance Office despite the fact that it's the same person, those do have to be two separate bonds that were issued. So, we do have a note in relation to that as soon as it was discovered I would say within just a couple of days it was on top of very quickly to ensure that that was renewed, and that was in fact renewed before we issued the statements on November 9th. Does anybody have any questions in relation to the 2023 audit? Mayor Simon stated I do have a question on the 21/22 audit of the TDA. Statements have been made that there were indiscretions or problems with the TDA report. Will you please confirm from your report of last year that we did not have any problems with the finances of the TDA. Can you reconfirm that? Dennison stated On the financial statements, I'm going to pull them up now in relation to the TDA last year we did, we reissued the statements on the TDA in 2022 and the only note that we had on last year's financial statements was that there was an over expenditure on capital outlay out of the Town. So we did do a correction kind of once we dug a little bit further in with the TDA I worked with the state on a couple of things, clarifying there was some vagueness around exactly some categories of funds and that was really the difference in last year. So that did get reissued and corrected to not show in the statements. Mayor Simon asked what you had mentioned about the capital funds, that was not the TDA, that was the Town's finances? Dennison answered Correct, that had to do with the Town Hall renovation, I believe. It was not with the TDA.

**Brookfield, Rules on disposing yard debris in lake:** Chris Glover, Land Use Specialist, attended and said Brookfield follows a shoreline management plan that is directed by FERC (Federal Energy Regulation Commission) and in the plan any dumping of debris on purpose is strictly prohibited, so no trees or lawn clippings or anything that isn't a natural occurrence. If there is a violation, a fine can be issued. The fines are basically used to compensate the cost of enforcing the rules and regulations outlined in the shoreline management plan. Brookfield will also enforce North Carolina Environmental Protection Agency regulations but if they think that there is a problem they will make the Agency aware of it as well as initially bring it to the DEQ (Department of Environmental Quality). Mayor Simon asked with the lake level lower, a lot of leaves have collected along the shoreline and some people are taking the opportunity to burn the leaves there at the water level and wanted to clarify if that was ok. Glover answered he would have to double check to be sure, but we are pretty highly regulated on controlling and managing the shoreline and making sure that we're not having erosion and fire would most likely contribute to erosion. Brookfield's Shoreline Management Plan can be found on safewaters.com along with information about the lake water levels.

#### **Request for Public Comment:**

Predmore said he volunteered to manage Public Comment. The Council has established a limit of three minutes per speaker and he would be monitoring the time.

Jack Gross: Gross said he would like to bring an issue to the Town's attention and shared a video he had taken of the storm water run-off and the drainage issues around the area where he lives. Gross stated that he wanted to bring it to the attention of the Council, that there are issues that need to be addressed.

Alan Davidson: Davidson stated he would like to remind the Council and Town government of NC Statue 143-318.10, official meetings with public bodies open to the public. Every public body shall keep full and accurate minute of all official meetings, including any closed sessions. That's just an important factor in properly managing and running a town government. There needs to be an accurate record of what is said and discussed and done within a public meeting of a representative body to an incorporated town such as we are. North Carolina 160A-81.1 public comment period during regular meetings says Council shall provide at least one

period of public comment per month at a regular meeting of the Council and although there is no law that says a person has to, they can say whatever they want, but the suggestion is to keep it to Town business.

Roger Carlton: Carlton said one of the reasons for the General Fund end of year balance being higher than the previous year was the tax reassessment, which raised up the valuation of this community by more than 50% and the millage was not reduced proportionately to take advantage of that, so you end up with a lot more money coming in than the previous year in the General Fund from taxes. The second part of it was that expenses that were approved by the previous Commission, not the one just ended, but the one before, weren't being spent anymore. There was no water quality checking. There was no kudzu program and when you're not doing those things, you're obviously spending less.

### **Old Business:**

1. **Allen, Stahl, and Kilbourne contract terminated as of Dec 31, 2023:**  
Mayor Simon said this contract was terminated as of December 31, 2023
2. **Legal Counsel, Craig Justice, Van Winkle Law Firm hired beginning January 1, 2024:** Mayor Simon said Craig Justice started working with our new Council just a very short time ago on January 1, 2024.
3. **Town Truck delivered December 15, 2023:** Mayor Simon reported the town truck was delivered on December 15, 2023. The Town had the funds to pay for the truck. We actually got a trade in on the old truck of \$17,500. It is a 2024 Ford F-350 and it will soon have its snowplow and salter. We did not have to take out any loans, we did have an escrow account, etcetera that had been saving money for expenses and those accounts have been closed.
4. **Update on Internet:** The update on this will be postponed until the February 13 Council Meeting.

### **New Business:**

1. **Request by Council for TOLS Planning Board to meet and review Land Plan and Zoning Ordinance for recommendations of changes to report to Town Council. (action):** Mayor Simon said the Council would like to request the TOLS Planning Board to meet and review the land plan and zoning ordinance for recommendations of changes and report back to the

Council. Haag made a motion to request the Planning Board meet and review the Land Plan and Zoning Ordinance in order to report recommendations of changes needed back to the Council. Mayor Simon stated I personally would like any people that have been active in the ordinance repeal, etcetera to please identify within the ordinance, which is on the website that can be downloaded, directly what points they'd like to make changes or amendments to, perhaps a page number, so that the planning board will have that information to look at directly. Predmore seconded. All approved. The motion passed unanimously.

2. **Public Comment Policy changes (action):** Predmore said Public comment policy is adopted pursuant to NC General Statutes 168-81.1 and is intended to be fully compliant with that statute. The policy governs public comment at a regular meeting of the Town Council. One period allowed for public comment per month at a regular meeting of the Town Council. Each speaker shall have 3 minutes in which to provide public comment. All public comments shall be directed to the Council and be in conformance with the order and decorum of the meeting, and it would be approved 9 January 2024. Predmore made a motion to accept the changes to the Public Comment Policy. Haag seconded. Strunk stated I think having one session at the beginning of the meeting is not necessarily the right thing to do because if people want to make a comment about something that happened at the meeting they would have to wait a month to do so, and some of them may not be available a month later to do that, so they would have to make it two months later, and then you have a different mix of people coming in and going out. Predmore suggested the public comment period be moved to end of the meeting. Mayor Simon said the previous policy had it for one period and somewhere along the line it became two periods, and there were people making comments at the beginning of the meeting and at the end of the meeting and we ended up with two hour meetings, do that is why I said for three minutes, but if we want to adjust that to five minutes we can. Predmore said the agenda is published for the public to see and usually those issues come from the agenda. As we've said from meeting number one, we, Councilmembers, have personal emails and we've got personal phones. Anybody who is willing and able to reach out to one of us, or all of us, independently, and say, look, I don't like what you're going to do at the next meeting. Will you be my champion for that and it hasn't happened. So what happens is when we have public comment at the beginning of the meeting it's

a surprise. How about we move it to the end of the meeting, and even those who don't reach out can say what they want about what we talked about during the meeting. Would that be OK? Haag stated I just think it's kind of nice to have it twice, but for brevity and conciseness it's going to be very difficult. I really like public input, but you're correct, everyone has the opportunity to write in, and it's better to do it in writing because then we have it, but I know a lot of people aren't writers, so to be able to stand up and say something is important. I don't know if we have a consensus on the Council. Predmore said when we have public comment, beginning of meeting or end of meeting, is not part of the policy we are voting to adopt. Haag said the only other concern he had was not everybody wanted to sit through a one hour or two hour meeting to make a comment. Predmore said that is an administrative call we need to make but this issue I think we need to resolve. Mayor Simon, Predmore, and Haag voted yes. Strunk voted no. The vote was 3-1. The motion passed.

3. **Report by Tourism Development Authority:** Mayor Simon reported that the balance for the Tourism and Development Authority right now is \$4,533.38. We had an October ad in Our State magazine that was 1/3 page, that has been paid for. We have a February Our State ad that is 1/6 page ad for \$1,865. So that will knock our balance down to \$2,668.38. There is a savings of \$3,000 right now as well. I have a June ad contracted with Our State magazine, but we may have to put that on hold in that we have expenses, end of year, fiscal year budget \$1,800 for insurance and \$600 for the next fiscal year, or this fiscal year audit.
4. **Resolution to form TDA:** Town Attorney Craig Justice stated in preparation of this meeting I had reviewed some minutes of town council meetings and actions that the previous Council had taken back in 2022 and there was a question that came up regarding whether or not the TDA had been properly formed. There was a resolution adopted, as I said, in 2022, by a vote of three to two that would suggest that the majority had determined that. A step may had not been followed according to the local bill that was adopted in 2015, giving this town authority to create a TDA. And when I went back and looked at everything, although things, could that tea could have been sharper in terms of being crossed, in my opinion was that I believe that the prior Council had taken steps to form the TDA, and so I thought the resolution may have overstated the point, but out of abundance of caution moving forward since the previous Council had reduced the occupancy tax to zero

and had stopped collection, this Council may be inclined to reinstate the occupancy tax and moving forward we certainly wanted to clarify and ratify the proper existence, the validity of the TDA, and so this resolution speaks for itself in terms of sort of tracking the history, dealing with the TDA and its organization information and laying out reasons for its adoption. Essentially what it does in a nutshell is it ratifies the valid existence of the TDA. It makes it that the resolution, effective as of September of 2017 when the TDA was originally established. It also repeals the previous resolution that, as I said, I think over states in is not a correct recitation of things that of course resolution also reduced the occupancy tax down to 0. And I believe the Council will be moving forward on considering reinstating that, so it essentially does two things. It ratifies the existence of the TDA as well as repeal the resolution from 2022. And I think my advice is for purposes of reinstating the occupancy tax, although the Council in 2017, I believe it had adopted an ordinance that was sort of a continuing saying that every year there would be an occupancy tax. The resolution that was adopted in 2022 reduced the amount of money down to 0, and so it's created some confusion of whether or not we need to do a public hearing. It's typically when you establish an occupancy tax, you do a public hearing and so my recommendation would be if you entertain an occupancy tax reinstatement that you call for a public hearing. We adopt A resolution setting out the occupancy tax as well as reestablish if you will, that ordinance that allowed the occupancy tax to renew every year without having to do a public hearing. So my recommendation is if you want to do an occupancy tax, you go ahead and call a public hearing for the purpose of that. But today is just the resolution that's before you to confirm the valid existence of the TDA. Predmore made a motion to accept the resolution establishing, reestablishing, or ratifying the creation of the Lake Santeetlah Tourism Development Authority. Strunk seconded. All approved. The motion passed unanimously. Strunk made a motion to call a Public Hearing to discuss TDA occupancy tax. Predmore seconded. All approved. The motion passed unanimously.

5. **Resolution to change Tourism Development Authority occupancy tax from 0% to 3% (action):** this was tabled until the February meeting.
6. **Appointment of new TDA board members (action):** this was tabled until the February meeting.
7. **Meet Your Neighbor: Glenn Barnett to report on his missionary work:** Barnett said Amy and I live here and at some point we moved to Robbinsville

in 2017 from South Africa. Probably lived there for 13 years, working with AIDS orphans and in community development work. The move from there wasn't exactly a planned move, we were unable to get our visas renewed. Barnett and his family first lived at the Masters Mission which is about 40 minutes outside of town and now live on Wachacha Trail in Lake Santeetlah, which is tucked in from the lakeside. Barnette said we have twin boys that are now 23. They both just graduated from UNC Chapel Hill. One of them is the marketing manager at Tapocco Lodge now. Our youngest daughter is attending Southwestern Community College so she's still with us. Our middle daughter is 21 and she's at Coastal Carolina studying to become a dental hygienist. And our other twin son has remained behind in Chapel Hill. My wife is a Grade 3 teacher at Robbinsville Elementary School now, and I work for a nonprofit organization called the Centurion Project which works with military personnel and veterans and is focused around the Fort Liberty area, formally known as Fort Bragg. We work networking churches to try and minister to military families. My role, more specifically, we work with veterans and military struggling with PTSD and also do trainings to help others better understand how to help those that are struggling with PTSD, as well as in suicide prevention. We have recently brought in another organization called The Warrior 180 Foundation, which is focused on the suicide prevention aspect. Barnett said the science behind the process is fascinating, so what they do is take a person who is struggling with PTSD and put them in similar environments to where they experience the PTSD and replace those negative memories with positive ones. Barnett also serves on the Planning Board.

8. **Spay and neuter of stray mountain cats:** supported by Logan's run, Tri-State clinic, and TOLS homeowners: Mayor Simon said she, along with other TOLS homeowners, are working to catch stray cats that show up in the Town and have them spayed or neutered and adopted. Simon said anyone that would like to sponsor or foster any future strays to contact her.

### **Announcements:**

- The next regular scheduled Council Meeting will be held February 13, 2024 at 12:00 PM. This meeting will be held at Town Hall and via Zoom. The link to join by Zoom will be sent out by mass email.



**Motion to Adjourn**

Simon made a motion to adjourn the meeting. Haag seconded. The meeting was adjourned at 1:41PM.

Handwritten signature of Diana Simon in cursive script, written over a horizontal line.

Diana Simon, Mayor

Handwritten signature of Kala Farley in cursive script, written over a horizontal line.

Kala Farley, Town Clerk