

**TOWN OF VALDESE
TOWN COUNCIL REGULAR MEETING
MARCH 6, 2023**

The Town of Valdese Town Council met on Monday, March 6, 2023, at 6:00 p.m., in the Town Council Chambers at Town Hall, 102 Massel Avenue SW, Valdese, North Carolina. The following were present: Mayor Charles Watts, Mayor Pro Tem Frances Hildebran, Councilwoman Rexanna Lowman, Councilman Tim Skidmore, Councilman Tim Barus, and Councilman Paul Mears. Also present were: Town Attorney Tim Swanson, Town Manager Seth Eckard, Assistant Town Manager/CFO Bo Weichel, Town Clerk Jessica Lail, and various Department Heads.

Absent: None

A quorum was present.

Mayor Watts called the meeting to order at 6:00 p.m. He offered the invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT:

RECOGNITION OF DRAUGHN HIGH SCHOOL'S VOLLEYBALL TEAM: Mayor Watts tabled this to May 1, 2023, Council meeting.

Mayor Pro Tem Frances Hildebran read the Rules & Procedures for Public Comment:

Rule 5. Public Comment

Any individual or group who wishes to address the council shall inform the town clerk, any time prior to the start of the meeting, and provide their name, address and subject matter about which they wish to speak. Comments should be limited to five minutes per speaker.

COMMUNICATIONS & FINANCES – GLENN HARVEY, 801 MICOL AVE NE., VALDESE: Mr. Harvey expressed his concern with the lack of communication on the Town's biggest undertaking in history with a building that was approved about a year ago. Mr. Harvey shared that he has not heard anything about it since last March and July. Mr. Harvey is concerned about the \$7.4 M loan over 40 years. Mr. Harvey referenced the Finance presentation in the meeting and noted some highlights from slides and the five-pier towns compared to the Town of Valdese. Mr. Harvey hopes that the Town Council will start considering the long-term impact on our legacy to the children and grandchildren for the next 40 years who will be paying for the Public Safety Building.

PROPERTY TAX RATE – JEAN MARIE COLE, 705 BERTIS ST., VALDESE: Ms. Cole asked the Council to consider the effects of the property revaluation for some people in Valdese. Ms. Cole received a 79% increase in her 1937 home. Ms. Cole is concerned with home insurance increasing as well. Ms. Cole wants the Council to consider that when setting the tax rate. Ms. Cole would like to keep the Town's services.

CONSENT AGENDA: (enacted by one motion)

APPROVED REGULAR MEETING MINUTES OF FEBRUARY 6, 2023

APPROVED REAPPOINTMENT TO VALDESE ABC BOARD: Seth Eckard was reappointed to the Valdese ABC Board for a third, full three-year term that expires April 1, 2026.

APPROVED APPOINTMENT TO VALDESE PARKS & RECREATION COMMISSION: Chip Stallings was appointed to the Valdese Parks & Recreation Commission, filling the unexpired term of Robert Murray. The unexpired term will expire on December 31, 2025.

APPROVED RENEWAL OF LEASE AGREEMENT AT THE OLD ROCK SCHOOL WITH DR. KYLE BARNES: Lease agreement with Dr. Kyle Barnes for rental space at the Old Rock School, in the amount of \$50.00 per month.

APPROVED ORDINANCE DECLARING ROAD CLOSURES FOR THE TOWN OF VALDESE ANNUAL EVENTS:

AN ORDINANCE DECLARING ROAD CLOSURE FOR TOWN OF VALDESE SPECIAL EVENTS

WHEREAS, the Town of Valdese desires to schedule an Independence Day Celebration, Annual Waldensian Festival; Treats in the Streets; and the Annual Valdese Christmas Parade; and

WHEREAS, part of US 70/Main Street in Valdese will need to be closed for each of these special events; and

WHEREAS, G.S. 20-169 provides that local authorities shall have power to provide by ordinance for the regulation of the use of highways by processions or assemblages;

NOW, THEREFORE, be it ordained by the Town Council of the Town of Valdese pursuant to G.S. 20-169 that the following portion of the State Highway System be closed during the times set forth below:

2023 Independence Day Celebration (*Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St*) on June 30, 2023 from 5:00 PM until 11:00 PM.

2023 Waldensian Festival Kickoff Celebration (*Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St*) on August 11, 2023 from 5:00 PM until 11:00 PM.

2023 Waldensian Festival Celebration (*Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St*) on August 12, 2023 from 5:30 AM until 11:00 PM.

2023 Valdese Treats in the Streets (*Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St*) on October 31, 2023 from 3:30 PM until 6:30 PM.

2023 Valdese Christmas Parade (*Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St*) on December 2, 2023 from 9:30 AM until 12 Noon.

Signs shall be erected giving notice of the limits and times of these street closures as required by G.S. 20-169.

THIS, the 6th day of March, 2023.

/s/ Charles Watts, Mayor

ATTEST:

/s/ Town Clerk

APPROVED REQUEST FROM WALDENSIAN STYLE WINES TO SELL WINE AT ANNUAL EVENTS:

Waldensian Style Wines has been authorized to sell wine at the Craft Market event on April 29, 2023, from 9:00 a.m. to 4:00 p.m., Independence Day Celebration on June 30, 2023, from 5:00 p.m. until 11:00 p.m., and the 48th Annual Waldensian Festival events on August 11 & 12, 2023, from 3:00 p.m. to 10:00 p.m.

Councilwoman Hildebran made a motion to approve the aforementioned items on the Consent Agenda, seconded by Councilman Skidmore. The vote was unanimous.

End Consent Agenda

ITEMS REMOVED FROM CONSENT AGENDA: None

ARBOR DAY PROCLAMATION: Mayor Watts presented the following proclamation:

ARBOR DAY 2023 PROCLAMATION

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, the holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

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WHEREAS, 2023 is the 151st Anniversary of the holiday and Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut our heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal; and

WHEREAS, the Town of Valdese has received the prestigious Tree City USA award for the past 35 years.

NOW, THEREFORE, I, Charles Watts, Mayor of the Town of Valdese, North Carolina, do hereby proclaim Friday, March 17, 2023, as the 151st Anniversary celebration of; and

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

This 6th day of March, 2023.

/s/ Charles Watts, Mayor

Public Works Director Allen Hudson invited everyone to a ceremony in conjunction with Valdese Elementary School at the Old Rock School on Friday, March 17, 2023, at 2:00 p.m. Mr. Hudson shared that staff plans to plant an autumn blaze maple tree on the Old Rock School Temple Field near the permanent stage. Each student will be presented with a small pine tree.

TOWN FINANCIAL UPDATE: Assistant Town Manager/CFO Bo Weichel shared a financial update on the general fund only. Mr. Weichel focused on the operations ratio, quick ratio, debt service, and fund balance. Mr. Weichel reviewed the six debt items in the general fund showing the annual payment, balance remaining, and the years remaining to pay off the debt. Mr. Weichel explained that it is important to look at how much of the debt is the percentage of our overall expenditure. Mr. Weichel noted that ours is 3.84%, which is a good percentage. Mr. Weichel ended with a history of our fund balance percentages and feels overall our general fund health is in good shape. Councilwoman Hildebran noted that some debt items would come off in the next few years. Town Manager Seth Eckard reminded Council that the Local Government Commission approves new debt, which must be approved before we can borrow money.

TOWN OF VALDESE

2023 March Council Meeting

FINANCIAL STANDING

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- **BENCHMARK MEASURES**
 - OPERATIONS RATIO
 - QUICK RATIO

- **FINANCIAL MEASURES**
 - DEBT SERVICE
 - FUND BALANCE

2

BENCHMARK MEASURES

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The following financial analysis pulls data from each municipality's audited Annual Financial Reports from the prior five years.

The graph's contain data comparing Valdese's financial health to our peer group.

State and Local Government Finance Division: Financial Reports and Analysis Tools

Select Report Type
Select Report
Select Report Criteria
Select Report Option

Please select criteria for reports: General Fund

Type of Unit: Municipality

Unit: Valdese | P: 4677 | WS: Y | E: N

Do you want to select Benchmark Peers?: No

Peer1 Unit: Conover | P: 8437 | WS: Y | E: N

Peer2 Unit: Long View | P: 5085 | WS: Y | E: N

Peer3 Unit: Malden | P: 3740 | WS: Y | E: Y

Peer4 Unit: Greene Falls | P: 4957 | WS: Y | E: Y

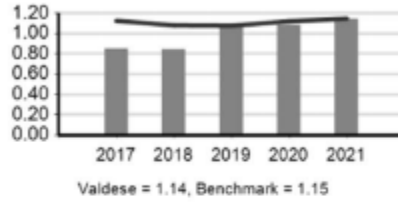
Peer5 Unit:

P = Population WS = Water & Sewer E = Electric

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General Fund Health Checkup: Operations Ratio

Measures whether a government's annual revenues are sufficient to pay for annual operations.

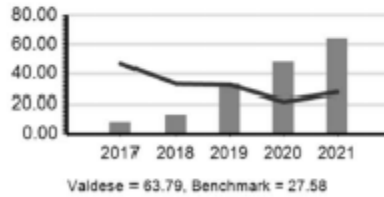


The ratio of 1.14 means Valdese can maintain current services under the revenues being collected.

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General Fund Health Checkup: Quick Ratio

Also known as liquidity, this ratio assesses the ability to meet short-term obligations.



Valdese is higher than our peer group to meet short-term liabilities. This is a strong indicator that shows the Town is in great financial condition to handle an economic slowdown or even a brief recession without a reduction to services or staffing.

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General Fund Health Checkup: Debt Service

Addresses how financially obligated the Town is by measuring the amount of expenditures committed to annual debt service payments.

TOWN OF VALDESE			
General Fund Debt			
	Annual Payment	Balance Remaining	Years Remaining
Fire Engine (USDA)	26,908	53,816	2
Fire Ladder Truck (USDA)	52,761	846,176	16
Trucks & Equip-Street (Truist)	53,743	214,972	4
Town Hall (USDA)	88,878	2,577,662	29
Splash Park (USDA)	19,683	701,388	36
Patrol Vehicles (Truist)	18,471	55,610	3
Total	260,244	4,447,224	

$260,244 / 6,769,259 = 3.84\%$

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General Fund Health Checkup: Fund Balance Percentage

This percentage measures the amount of funds available, beyond expected revenue and expenditures, to meet future unexpected needs and emergencies.

Commonly referred to as "reserves" or "savings".

\$4,907,145

113.50%

Fund Balance History				
FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
18.56 %	60.53 %	72.06 %	93.69 %	113.50 %

This means we have over 14 months of reserves available to cover or expenditures. This allows Valdese to take advantage of time sensitive opportunities, invest in large projects without the need to borrow, and increase interest earned on investment.

It also shows us we can weather an economic slowdown without reducing services or staffing.

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General Fund Health Checkup:



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MANAGER'S REPORT: Town Manager Seth Eckard made the following announcements:

Year of the Trail Outdoor Adaptive Recreation Day – Friday, March 10, 2023, McGalliard Falls Park, 1:00 pm – 5:00 p.m.

The Lucky Leprechaun Hunt begins Friday, March 17, 2023. Participants will search for Leprechauns hidden around Valdese. Prizes can only be redeemed during the Old Rock School hours, 8:00 a.m. – 5:00 p.m.

Annual Budget Retreat is scheduled for March 23 & 24, 2023, 9:00 a.m. – 5:00 p.m. at the Old Rock School, Waldensian Room

Bluegrass at the Rock presents: Alan Bibey & Grasstowne, Saturday, April 1, 2023, at 7:30 p.m.

MAYOR AND COUNCIL COMMENTS: Councilwoman Lowman reminded citizens that if they feel like their property rate percentage went up too much, they have the right to appeal through Burke County. The information to appeal is on the Town's website.

Councilwoman Hildebran thanked Officer Hicks, Code Enforcement/Animal Control, for the great job he is doing for the Town. Councilwoman Hildebran also thanked the Police Department for maintaining a presence within the Town and making our citizens feel safe.

ADJOURNMENT: At 6:32 p.m., there being no further business to come before Council, Councilwoman Lowman made a motion to adjourn, seconded by Councilman Barus. The vote was unanimous.

The next meeting is a regularly scheduled meeting on Monday, April 3, 2023, 6:00 p.m., Valdese Town Hall.

Town Clerk

Mayor

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